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**DEVELOPING A CARE  
ECOSYSTEM IN INDIA**

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## DEVELOPING A CARE ECOSYSTEM IN INDIA

### Context

- The development of a care economy is critical for the long-term growth of India's economy and for the balanced development of India's society, as India's economy undergoes rapid transformation, our society is also under tremendous flux.

### Care Economy: What Is It?

- It encompasses all the activities related to **caregiving, both paid and unpaid**. It includes childcare, eldercare, care for people with disabilities, and other forms of support.
- While traditionally much of this work has fallen on women within families, there's a growing recognition that it's a shared responsibility that affects everyone.

### Need for a Care Economy Strategy in India

- Changing Demographics:** India's demographic landscape is expected to change **between 2020 to 2050**, necessitating more elderly care alongside continuing levels of childcare.
  - A recent **study from the United Nations Population Fund** finds that as of 2022, about 25% of India's population is between the ages of 0-14 years, and 10.5% is above 60 years, i.e. about **360 million children and 147 million elderly persons** require care.
  - Over the next few decades, not only will the population grow, but there will also be a **demographic transition**.
  - By 2050**, the proportion of **elderly persons is expected to increase to 20.8%** of the population, i.e. about 347 million persons.
  - Moreover, even as the proportion of **children reduces marginally to 18%**, the number of children will still be close to 300 million.

Inverted care pyramid in India



Source: UNFPA, Our World in Data, Census, NITI Aayog, PIB

- Ageing Population:** As life expectancy increases and birth rates decline, the proportion of elderly individuals in our society is rising. This demographic shift necessitates more attention to elderly care.
- Continuing Childcare:** Alongside the ageing population, childcare remains crucial. Families still need support for raising children, ensuring their healthy development, and balancing work and family responsibilities.
- Gender Inequality:** Women's active participation in the economy is crucial for reducing gender inequality. However, India faces a significant challenge: a low **female labour force participation rate (FLFPR)**.

- ◆ According to the **Economic Survey 2023-24**, India's FLFPR was 37% (2022-23), significantly below the world average of 47.8%. One key reason behind this disparity is the disproportionate burden of care that women bear within families.
- **Care Burden:** Women in India shoulder multiple care responsibilities, ranging from childcare to looking after other household members—such as the elderly, sick, and disabled.
  - ◆ Additionally, they perform substantial unpaid domestic work. In fact, women aged 15-64 years spend about three times more time daily on unpaid domestic work than men.
  - ◆ It often prevents women from participating fully in the workforce.
- **Childcare as a Focus:** To increase women's participation in the labour force, attention is now turning toward childcare. Some State governments have been working on building support services through the existing Anganwadi network. In **the 2024-25 Budget**, there was a **3% increase in the Ministry of Women and Child Development's budget** for the integrated child care and nutrition program (**Saksham Anganwadi and Poshan 2.0 scheme**).
- **Beyond Childcare:** While childcare is crucial, we must recognize that women are primary caregivers across the entire life course of household members. Therefore, their care responsibilities need to shift elsewhere.

### Why Prioritise the Care Economy?

- **Gender Equality:** Women have disproportionately carried the burden of caregiving. By investing in the care economy, we can create opportunities for women to participate more fully in the workforce and achieve greater economic independence.
- **Economic Growth:** A healthy care economy contributes to overall economic growth. When caregivers have the necessary support, they can engage in productive work outside the home. This, in turn, boosts the economy.
- **Quality of Life:** Adequate care services enhance the quality of life for both caregivers and care recipients.
  - ◆ Whether it's ensuring quality education for children or dignified care for the elderly, a well-functioning care system benefits everyone.
- This shift in India's demographic landscape implies the **need to strategically invest in healthcare, social support, and other care infrastructure** to cater to the evolving needs of an ageing population, alongside continuing levels of childcare services.

### Recent Initiatives

- **Formulating a Strategy:** A project led by Karmannaya Counsel, **Confederation of Indian Industry (CII)**, and others, with **support from the Ministry of Women and Children Development** and the Bill & Melinda Gates Foundation, aims to unlock opportunities in India's care economy.
  - ◆ Their policy brief emphasises the need for a comprehensive strategy.
- **Public and Private Investments:** As India aims to emerge as **"Viksit Bharat" by 2047**, there's a pressing need to prioritise investments in rebuilding the care economy.
  - ◆ Both public and private sectors must contribute to realising new business opportunities in the care sector, particularly for women-led development.

### Key Considerations

- **Hired Caregivers:** The demand for external support in the form of hired caregivers is rising in urban and peri-urban areas. However, there are no standardised processes for employing such workers.
  - ◆ Domestic workers often double up as caregivers without proper training or protection. There is a need for minimum wages, employment standards, safety measures, and quality standards for care provided by hired workers.
- **Community-Based Creches:** Different models of community-based creches for children are operational in parts of some States, with partnerships between government and non-government bodies.

- ◆ There is a need to review these models for replicability, financial sustainability, and scalability. A more widespread network of creches suitable to the local context is necessary to facilitate women's workforce participation.
- **Elderly and Disabled Care:** As our population ages, caring for the elderly and disabled becomes increasingly important.
  - ◆ There is a need for policies and programs that support caregivers, whether they are family members or hired professionals. This includes respite care, training, and legal protections.

### Need for Policy Intervention

- The gap in the training, skilling, and certification of a mix of care workers required to meet the growing demand needs to be addressed. The Domestic Workers Sector Skill Council (rechristened as the Home Management and Care Givers Sector Skill Council), the Healthcare Sector Skill Council, and the National Skill Development Corporation are the apex bodies involved in the skilling and certification of different cadres of care workers.
- The **World Economic Forum's report** on the 'Future of Care Economy' highlights **three perspectives:**
  - ◆ As an engine for increasing economic productivity.
  - ◆ As investors and employers (business perspective).
  - ◆ Focusing on gender equality and disability inclusion (human rights perspective).
- There is a **need for a comprehensive policy** that defines the care ecosystem from a life course perspective.
  - ◆ A committee of the Ministries of Women and Child Development, Health and Family Welfare, Labour and Employment, Social Justice and Empowerment, and Skill Development and Entrepreneurship would be ideal to initiate the process.

### Conclusion

- The care economy isn't just about numbers; it's about recognizing the value of caregiving and creating an accessible, affordable, and high-quality system.
- Developing a comprehensive care ecosystem is essential for India's social and economic progress. By addressing the care burden and providing adequate support, we can empower women, reduce gender inequality, and create a more inclusive society.

Source: TH



### Mains Practice Question

**[Q]** To what extent do you believe India's current social and economic structures are conducive to the development of a comprehensive care ecosystem, and what specific challenges and opportunities need to be addressed to ensure its successful implementation?