

SKILL INDIA

1. Introduction

Skill development is an important driver to address poverty reduction by improving employability, productivity and helping sustainable enterprise development and inclusive growth. India is facing a paradoxical situation, where on the one hand, youth entering the labour market have no jobs; on the other hand, industries are complaining of unavailability of appropriately skilled manpower. The employment sector in India poses great challenge in terms of its structure which is dominated by informal workers, high levels of under employment, skill shortages and labour markets with rigid labour laws and institutions.

Vocational education and training are crucial for enhancing the employability of an individual, by facilitating the individual's transition into the labour market. The present skilled workforce in India is only 2 %, much lower than the developing nations (Korea (96%), Japan (80%), Germany (75%), UK (68%) and China (40%) as reported by Labour Bureau report.

As compared to other developed and developing countries, India has a unique window of opportunity for another 20-25 years called the “demographic advantage”. If India is able to skill its people with the requisite life skills, job skills or entrepreneurial skills in the years to come, the demographic advantage can be converted into the dividend wherein those entering labour market or are already in the labour market contribute productively to economic growth both within and outside the country. Keeping in view that 93% of the total labour force is in the unorganised sector, the major challenge of skill development initiatives is to address the needs of a vast population by providing them skills which would make them employable and enable them to secure decent work leading to improvement in the quality of their life.

In the context of developing economies like India, the challenge is to meet the skilled manpower requirement of the high growing sectors in the informal sector through better synergy between employers and the training providers and increased investment in the infrastructure needed for the skilled man power in the country.

2. Pertinent Issues towards Skill gap

The lack of access to good education and training keeps the vulnerable and the marginalized sections into the vicious circle of low skills; low productive employment and poverty. The marginalized group which includes rural poor, youth, persons with disabilities, migrant workers and women constitute the highest number of poor. There are two major problems with the existing workforce that is already supposed to be skilled:

- poor quality of labour force who have general education up to secondary level or those having vocational training and got employed
- Educated labour force who are not able to find jobs matching their qualification due to lack of technical or soft skills

The above factors lead to the mismatch between the skills that are currently available in the educated or trained labour force on the one hand, and the type of skills that are actually in demand from employers on the other hand.

While skills training is being actively promoted by the government and its partners in the private sector and industry, it is not an aspirational career choice among the youth. Vocational training is perceived as a fall back option rather than mainstream career choice. This bias is observed amongst employers who pay higher salaries to entry level engineers compared to experienced workers who have done vocational training. Thus, along with issues of capacity, quality and employability, attitudinal factors about how skills training is perceived by both potential trainees and employers need to be addressed.

3. Government of India Initiatives

Govt. of India Minister announced the Skill India campaign on 15 July 2015 with an aim to train over 40 crore (400 million) people in India in different skills by 2022 for which GoI has launched a bunch of skill development initiatives aimed at skilling unemployed youth to make India the skill Capital of the world. Some of the initiatives in this regard are:

- Ministry for Skill Development & Entrepreneurship (MSDE) has been formed for the first time to focus on enhancing employability of the youth through skill development.
- The National Skill Development Corporation India (NSDC) was setup as a Public Private Partnership Company with the primary mandate of catalysing the skills landscape in India.
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY) aims to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. The National Skill Development Mission has been developed to create convergence across sectors and States in terms of skill training activities.
- Pradhan Mantri Kaushal Vikas Kendras: Skill India Mission envisages setting up of 432 Pradhan Mantri Kaushal Kendra(s) (PMKKs) in 415 districts across the country targeting to train a minimum of one lakh candidates annually.
- Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of the Ministry of Rural Development, Government of India aims to train rural youth who are poor and provide them with jobs having regular monthly wages or above the minimum wages. It is one of the cluster of initiatives that seeks to promote rural livelihoods. It is a part of the National Rural Livelihood Mission (NRLM) - the Mission for poverty reduction called Aajeevika.
- The first Indian Institute of Skills is being established at Kanpur by the Union Ministry of Skill Development and Entrepreneurship in partnership with Institute of Technical Education, Singapore. Inspired by the Singapore model of training, the Indian Institute of Skills plans to adopt various best practices across the country.

- National Apprentice Promotion Schemes and Drivers' Training Institutes helps in apprenticeship training as it is an important tool for addressing skill mismatches.
- UDAAN is a Special Industry Initiative for Jammu & Kashmir in the nature of partnership between the corporates of India and Ministry of Home Affairs and implemented by National Skill Development Corporation (NSDC). The Scheme aims to cover 40,000 youth of J&K over a period of five years
- Sector Skill Councils have been set up as autonomous industry-led bodies by NSDC. They create Occupational Standards and Qualification bodies, develop competency framework, conduct Train the Trainer Programs, conduct skill gap studies and Assess and Certify trainees on the curriculum aligned to National Occupational Standards developed by them. NSDC has 38 Sector Skill Councils (SSC) approved in services, manufacturing, agriculture & allied services, and informal sectors.
- To meet the aspirations of ITI qualified candidates for attaining higher academic qualification Directorate General of Training (DGT), MSDE and National Institute of Open Schooling (NIOS) have signed an agreement and launched Dual System of Training and Space based Distance Learning Programme (SDLP) for MSDE. Through these programmes, a large number of students located at various ITIs including remote locations across the country can access the lectures of resource persons, thus creating a virtual classroom.
- SANKALP (Skills Acquisition and Knowledge Awareness for Livelihood Promotion launched by MSDE): The main objectives of the project include strengthening institutional mechanisms at both national and state levels, building a pool of quality trainers and assessors, creating convergence among all skill training activities at the state level, establishing robust monitoring and evaluation system for skill training programs.

4. Efforts taken by NABARD towards Skill Development

NABARD supports Skill Development Programmes (SDPs) for facilitating generation of wage employment opportunities as well as self-employment for the rural youth. During 2017-18, financial assistance of Rs.969.76 lakh was sanctioned for conducting 1498 programmes covering 35462 candidates on Entrepreneurship & Skill development. As on 31 March 2018, 32520 SDPs were supported with grant assistance of Rs.12141.76 lakh, imparting training to around 8.37 lakh unemployed rural youth. The recent initiatives taken by NABARD towards skill development are indicated below:

- NABSKILL: To give further impetus for rural entrepreneurship, on 29th November 2017, NABARD has launched a digital interface initiative - NABSKILL (www.nabskillnabard.org) to capture the details of all stakeholders (Training Seeker, Training Provider, Placement Agencies and NABARD) involved in skill development initiatives of NABARD
- NABARD supports skill development in an end-to-end model on selective basis through NGOs/VA Skill development/entrepreneurship development through

rural self-employment, training institutes to ensure participation of bankers in the entrepreneurship development ecosystem.

- Broad basing of Clientele base: Apart from supporting conventional Skill Development Programmes being conducted by RSETI/RUDSETI type of Institutions, NABARD partnered with corporates like Ambuja Cement Foundation (ACF), Ashok Leyland Institute for Driving, Training and Research (ALIDTR) and Dalmia Cement Foundation for developing various skill development activities for rural youth during the financial year 2017-18.
- Pilot projects towards setting up of ABICs (Agri Business Incubation Centre): NABARD took the initiative of providing financial assistance and other need based support in establishment of ‘new’ Agri Business Incubation Centers (ABICs) in Government Agriculture Universities/Government Agriculture Colleges across India. A grant assistance of Rs.1174.85 lakh and Rs.1224.37 lakh was sanctioned to Chaudhary Charan Singh Haryana Agricultural University (CCSHAU) and Tamil Nadu Agricultural University (TNAU) for setting up Agri Business Incubation Centre at their Hisar and Madurai campus respectively.

5. Need of the hour

The employment landscape is rapidly changing and new jobs are emerging with fast disruption in business models around the globe. Skills required today as well as job markets are markedly different from those 10 or even 5 years ago. The speed with which these changes are taking place is bound to accelerate. Therefore, the need of the hour is to build a skilling system which would enable the workforce to adapt and match the new requirements, a system that responds well to business needs and also provides new opportunities for all. The Skills Report 2018 highlights the current trends along with laying out what it will take for India to become the “Skill Capital” of the world.

In order to address the above mentioned gaps and to reap benefit of demographic dividend resulting in increased productivity, employment and development of economy, the following measures are required to be taken care:

- Connecting basic education to technical training, technical training to labour market entry and labour market entry to workplace and continuous learning in the domain
- Ensuring continuous communication between Industries and Training providers so that training meets the needs and aspirations of workers and enterprises.
- Information dissemination towards placement of skilled labour force
- Thrust for entrepreneurship development amongst rural youths
- Integrating skill development policies with other policy areas – not only labour market and social protection policies, but also industrial, investment, trade and technology policies, and regional or local development policies.
- Building and sustaining competencies for future rural labour market needs

6. Way forward

The Economic Survey 2014-15 has concluded that a major impediment to the pace of quality employment generation in India is the small share of manufacturing in total employment. Promoting growth of micro, small, and medium enterprises is critical from the perspective of job creation which has been recognized as a prime mover of the development agenda in India. Therefore, a robust system should be put in place in which skill based training should be linked with placement facility to link trainee with Industries/Employers.

Skill empowerment of traditional sectors: India has families who have inherited traditional skills in Handicrafts and Handloom sectors from their previous generation and they further extend these to new generations. These skills are dying because they are not cost effective and hence cannot survive in the competitive market, unless marketed properly. If these skills can be linked with the livelihood option then with proper training, packaging and marketing, it can survive and provide these people financial independence in addition to meeting the target of skilling 400 million people by 2022 envisaged by Govt. of India.
