

---

## Skilling India: Initiatives, Efforts, Progress & Prospects

**Dr. Shushma. H**

Assistant Professor (Sr.)

Dept. of Business Studies , Central University of Karnataka

### Abstract

*Economists and Planners have generally agreed that employment creation is possibly the biggest confront before the government. However, it is agreed by most economists that in an epoch of digitization and automation, breeding adequate employment is an extremely tricky proposition. The high augmentation of population and the entry of around 11 to 12 million people to the work force is unique to a very few countries and specially India and China. According to 'World Employment and Social Outlook for 2017' by the International Labour Organization, the number of unemployed people is expected to rise by one lakh in 2017 and another two lakhs in 2018. The number of jobless will increase from 17.7 million in 2016 to 18 million in 2018 even though the country's unemployment rate is expected to go down from 3.5 per cent to 3.4 per cent in 2017. Skilling manpower is very important in the development of the country. To further fasten the venture of skilling India, proper convergence, adequate infrastructure with able faculty and spatial justice in terms of location of facilities may be focused in the strategy of empowering India through skilling. This article reveals the outcomes of the various programmes being implemented by the Government of India for skilling India and suggests some ways to accelerate the process of exploiting the demographic advantages which India is having internationally.*

**Key words:** *Employment, Skill India, Spatial Justice,*

### Introduction

India has an upper hand in the world in getting demographic advantage with regard to its working age population vis-a-vis the entire population as compared to developed countries in the world. This phenomenon puts India's economy in comparative advantage. The erstwhile Planning Commission has pointed out that the ageing economy phenomenon will internationally create a skilled manpower shortage of about 56.7 million by 2040. In such a situation, India has an advantage to become the world supplier of skilled manpower having about 28 per cent of the graduate talent pool among 28 of world's lowest-cost economies. This is an emerging area of giving employment to youth not only nationally, but also internationally. It would also fetch foreign exchange which in turn, boosts our economy. That is the way Government has been taking proactive efforts towards skilling Indian manpower to exploit its advantageous position.

Recently a task force, headed by NITI Aayog recommended widening the definition of formal sector workers by including all those covered under EPFO, ESIC, government and public sector employees, workers having coverage under private insurance or pension schemes or provident funds etc. The only thing that needs to be pointed out here that though such exercise may be necessary but simultaneously, a plan has to be formulated whereby employment and entrepreneurship development could tackle the 80 million or so who would join the workforce in the next decade.

### Relationship between Skill and Employment

Labour Bureau (LB) Report for the year 2014 while reflecting on employment and unemployment situation commented that current size of India's formally skilled workforce is merely 2 per cent where in smaller countries like South Korea and Japan, the skilled workforce size is 96 per cent and 80 per cent, respectively. Recently, Report on Fifth Annual Employment-Unemployment Survey 2015-16 carried out by LB found that at national level, more than 58 per cent unemployed graduates and more than 62 per cent of unemployed post-

---

graduates opined non-availability of job matching education/skill and experiences as the main reason for their unemployment. The shortage of skilled manpower has been attributed to the lack of a formal vocational education framework, with wide variation in quality, high school dropout rates, inadequate skills training capacity, negative perception towards skilling and lack of 'industry-ready' skills even in professional courses. It shows that although various steps have been taken to meet out the skilled manpower in the country, the skilled manpower is grossly inadequate to meet out domestic and international demand of skilled manpower.

### **Current Challenges**

There were 111 million cultivators and 75 million agricultural labourers in 1991, as per the Census. That's a total of 185 million people working on the land. But in Census 2011, there were 119 million cultivators and 144 million agricultural labourers that is, 263 million people working on land. Population increased by 43 per cent in 20 years but the number of landless agricultural labourers shot up by an astonishing 93 per cent.

The primary reason for this can be attributed to the fact that with the increasing army of underemployed finding no work, they are forced to crowd into agriculture or related rural work where opportunities are few. On the agricultural front, there are plenty of opportunities in setting up grain storage facilities through cold chains and advanced logistics for vegetables and fruits. As a consequence, the wastage of grains, fruits and vegetables is one of the highest in the world. Massive investment in these areas has the potential to create a huge number of new skilled and unskilled jobs. This would benefit women to a great extent and help the process of their empowerment.

### **Recent Efforts**

The Prime Minister has been trying hard to 'Make in India' his dream schemes a reality and this is expected to fructify in the coming years. The labour-intensive sectors like textiles, garments, jewellery, BPOs and handlooms have great potential. Most new units, as also the old ones, are implementing technologies that need less labour and work can be carried out through automation. This has steadily become a serious cause for concern as surplus labour has been increasing day by day.

Though, through the 'Digital India' project, the government plans to set up franchise BPOs in small towns to give the desired services to ordinary citizens, the process has just begun. It is expected that some employment may be created if and when these franchise BPOs are set up all over the country in the districts and sub-divisions. The possibility of job creation is in the realm of infrastructural development. The improvement can be brought about especially in areas such as slum upgradation, sewerage and drainage and treatment of drinking water. A large section of those who have virtually no work in agriculture, but have some education could move to non-farm areas. This would also increase their income and ensure better livelihood opportunities.

Medium, Small scale and Micro Sector Enterprises (MSME), which constitute 45 per cent of manufacturing, 42 per cent of exports and over 37 per cent of GDP, would have to be given all types of encouragement including technological support and financial assistance to boost up their production and ensure economies of scale. According to reports, only MSME can provide maximum jobs, maximum entrepreneurs and maximum products.

MSME entrepreneurs had the biggest problem in getting loans but things have been changing. Up to Rs. One crore collateral free loans per unit were allowed earlier but this loan has now been increased to Rs. 2 crores for a person without any third person guarantee and this is being paid through the Credit Guarantee Trust Fund. The corpus for the Fund has also been increase by Rs. 5000 crores, increasing it from Rs 2500 crore to Rs 7500 crore. To give a further boost to this sector, the government has made it mandatory for all public sector units to make 20 per cent purchases from small businesses. The present Government's vision of 'Housing for All' by 2022 would be possible only through creating of jobs.

---

## **Towards Skilling India: Initiatives and Efforts**

Efforts have been made towards skilling manpower in the country from time to time. Some of the recent initiatives taken in this regard are the **Rashtriya Uchchar Shiksha Abhiyan (RUSA)**, **Technical Education Quality Improvement Programme (TEQIP)**, and **National Skill Qualification Framework (NSQF)**. An exclusive Department of Skill Development and Entrepreneurship has been created under the Ministry of Skill Development Entrepreneurship, Youth Affairs and Sports to focus on quality skill development and innovations in the country. Skilling has been reprioritized to build the capacity of poor rural youth to address domestic and global skill requirements with the introduction of the Deen Dayal Upadhyaya Grameen Kaushal Yojana (DDU-GKY), which is placement-linked skill development scheme for poor rural youth. Under Rurban Mission, out of 14 components, two components namely skill development training linked with economic activities and digital literacy is for skilling youth in rural area. In case of skill development training linked with economic activities, 70 per cent of households are to be covered under Rurban Mission. The Government has been making concerted efforts for skilling India. Here, DDU-GKY, RSETI and PMKVY would be focused.

## **Skill Development**

The biggest benefits would come from the government's urge towards skills development. The fact that skill development through intensive training is necessary has been realized and imparting of such training both at basic and also advanced levels to a large section of the population has already started. The Skill India Mission is in the process of imparting all types of training geared towards skill development, and the IT and various other sectors are expected to greatly benefit from this. Around 500 million people are proposed to be trained by the year 2022 in collaboration with business groups and civil society organizations.

It is noteworthy that a lot of women today are being absorbed in the IT and other related companies in various kinds of jobs and women have been found to be sincerer and hard working. When women earn money their position and status in the family and society improves and also they add to family income.

- Skill India is destined to become a great success in the coming years and widen the opportunities for women in a big way. The main features of this programme are enumerated below:
- Provide training, support and guidance for traditional occupations like carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc.
- Emphasis on real estate, construction, transportation, textile, gem industry, jewellery designing, banking, etc. where skill development is inadequate or nil.
- Training programmes on the lines of international level so that the youths of our country can not only meet the domestic demands, but also of other countries like the US, Japan, China, Germany, Russia and those in the West Asia.
- Create a hallmark called 'Rural India Skill', to standardize and certify the training process.
- Tailor-made, need-based programmes for specific age groups like language and communication skills, life and positive thinking skill, personality development skills, management skills, behavioural skills, including job and employability skills.
- Innovative course methodology which would include games, group discussion, braining storming session, practical experiences, case studies etc.

## **Current Status**

To adjudge the present status of the skilling India, outcomes of three schemes namely DDU-GKY, RSETI and PMKVY have been discussed:

**DDU-GKY:** The Aajeevika Skills which was a placement linked skill development scheme, has been restructured as DDU-GKY on 25<sup>th</sup> September 2014 with the sole purpose of refocusing and re-prioritizing the scheme to build the capacity and capability of rural poor youth to meet out global skill requirements of trained manpower.

---

### Key Features

- i) Mandatory assured placement to 70 per cent of the trained candidates;
- ii) Market-led, placement-linked training programme for rural youth undertaken in a PPP mode;
- iii) Priority on rural youth from poor families in the age group of 15 to 35 years belonging to RSBY household, MGNREGA worker household if any person from the household has completed 15 days of work, Antyodaya Anna Yojana card household, BPL PDS card households, NRLM-SHG household, Households covered under auto inclusion parameters of SECC 2011;
- iv) Compulsory coverage of marginalized groups namely SC/ST – 50 per cent, Minorities – 15 per cent, women 33 per cent;
- v) Coverage for special areas to enable youth to get benefits of the Scheme through a special scheme named as Himayat for the youth of Jammu & Kashmir, Roshni for the rural youth of poor families in 27 most-affected Left-wing Extremist (LWE) districts across nine states;
- vi) Minimum Salary of Rs. 6000/- per month after a three-month training course;
- vii) Post-placement support to candidates undergone training;
- viii) Career progression support to training partners;
- ix) Skills projects are allocated to those Training Partners who can train and support overseas placement and captive placements;
- x) Central role to the states in the implementation of the programme;
- xi) Provision for two types of training in every course, i.e. a Generic Training on Soft Skills, English and Information Technology and Trade Specific Skills. Such training can be structured for different duration, e.g. for 3 months (576 hours), 6 months (1152 hours), 9 months (1578), 12 months (2304 hours) and courses beyond 12 months.
- xii) PM's "Make in India" campaign through Industry Internships supported in the form of joint partnerships with industry;

### Progress till 2016-17

i) The progress is assessed in terms of how much targets of imparting skill have been achieved and how many trained youths have been placed on job. Out of stipulated targets of imparting skill, only 89 per cent has been achieved in the last five year indicating deficit of 11 per cent. If we see how many of trained youth have been placed, we found only 62 per cent have been placed whereas mandatory provision is at least 70 per cent. It also indicates deficit of 8 per cent. But if we see from overall perspective, it shows that about 40 per cent of youth which is a big number, have not been able to get some work to make his/her earning.

ii) If we see year wise progress of number of youths skilled/trained and placed, it is found that during 2012-13, out of 2,17,997 candidates trained 1,68,502 (77.30 per cent) candidates have been placed. During 2013-14, out of 2,01,019 candidates trained, 1,37,417 (68 per cent) candidates got the placement. During 2014-15, out of 86,120 candidates trained, 54,196 (62 per cent) candidates have got the job. During 2015-16, 1,34,744 (50 per cent) candidates have got placement, out of 2,70,392 candidates trained. During 2016-17, out of 1,62,586 candidates trained, 84,900 (52 per cent) candidates have been placed.

Above progress shows that share of candidates who have been placed after getting training is going down and very less to the mandatory provision of 70 per cent placement from 2012-13 to 2014-15 and it stagnated around 50 per cent during 2015-16 and 2016-17, respectively.

There are provisions of reservation for SCs, STs, Women and Minorities in the guidelines of the Scheme. Data for these categories is available from 2004-05 to till 31<sup>st</sup> December 2016. Based on this period data, it is found that out of total SCs trained only 67 per cent have been placed, in case of STs, this percentage is 70. Out of total women candidates trained, 72 per cent have been placed whereas in case of minorities, out of total youths trained merely 60 per cent have been placed. It suggests that placement issue has to be rectified particularly in case of SCs and Minorities where this percentage is less as compared to other categories.

iii) As many as 675 DDU-GKY Training Centers are active and operational across the States. Among the states, highest are in Andhra Pradesh (96) followed by Punjab (84) Karnataka (70) and Odisha (70). The lowest is (5) in Gujarat.

---

### **Rural Self-Employment Training Institutes**

There are 587 RSETIs across the country. Any unemployed youth in the age group of 18-45 years, having aptitude to take up self-employment or wage employment and having some basic knowledge in the related field can undergo training under RSETI. There are more than 334 different types of training programmes being run by RSETIs covering a wide variety of topics/activities which include General Entrepreneurship Development Programme (EDP), Process EDP, Product EDP and Agriculture EDP. Training will be decided on basis of local requirement/demand. Development of Soft skill is an integral part of all the training programmes. Interestingly, Ministry of Rural Development has aligned 55 RSETI courses with Common Norms for Skill Development Schemes as notified by Ministry of Skill Development and Entrepreneurship. The details of progress in terms of candidates trained and settled under different modes from 2011 to 2017 is as follow.

As many as 22,87,020 have been trained during 2011 to 2017. Out of total trained, about 67 per cent have been settled, 26 per cent settled with bank finance, 33 per cent settled with self-finance and 7 per cent settled with wage employment. Here, grey area is that of the total trained about one-third have not been settled.

### **Pradhan Mantri Kaushal Vikas Yojana**

It was launched on 15 July 2015 with the target to provide skilling to one crore people, with an outlay of Rs. 12,000 crores. This scheme has two components known as Centrally Sponsored Centrally Managed (CSCM) being implemented by National Skill Development Corporation (NSDC) and Centrally Sponsored State Managed (CSSM) being implemented by State Skill Development Missions of the States/UTs popularly known as State-Engagement Component.

Under the CSCM Component, 75 per cent of the total funds are provided to NSDC for imparting Fresh Short Term Training (STT) as well as Recognition of Prior Learning (RPL) with the purpose to get better opportunities in terms of placement and self-employment. Industry relevant courses with high employment potential for prospective candidates are being run under the scheme by the Government. Under the Scheme, more than 31 lakhs candidates undergoing training and trained so far.

Various initiatives in terms of Skill India, Stand Up India, Start Up India have been taken since the present Government assumed the office at the centre. There are no two opinions about the importance of skill in the development of the country. However, future prospects of skilling India depend on effective convergence, employability and spatial justice of the courses run by various organizations.

### **Effective Convergence of Different Programmes**

Convergence denotes that various aspects of each programme should be brought together in such a way that they have proper place so that they become an integral part of the whole. The each part of the programme would be dovetailed in such a way that resources are optimized for better outcomes. Further, there is also a need for an area based convergence which means converging different schemes in one particular location. The skills of those who are engaged in convergence mechanism should also be built up. Social capital has to be built up in the offices, organizations and institutions from top to bottom so that proper coordination and cooperation could be done to facilitate convergence.

### **Assured Employability through Skill Development**

Domain knowledge of particular trade is necessary to the trainees so that they would be able to do work more effectively in future life after attending trainees. Competent faculty should be inducted in the institutions to impart training to trainees. Proper tracking of trainees who have been imparted training should be kept to update data base. The District wise skill gap study for the State of Haryana by NSDC also revealed that the quality of skilled manpower in the districts is not at par with industry expectations.

---

## **Spatiality in Skilling India**

Spatiality in skilling India means training infrastructure in terms of good institutions and trainers/faculty which may be located in backward areas and among backward people where these things are most desired. This would ensure spatial justice in skilling India because it is revealed by the report referred above that students from marginalized groups of society both economically and socially have opted for vocational courses instead of higher education programmes on account of financial constraints.

## **Future Plans**

While India has the potential to emerge as the human resource capital of the world, skilling its large workforce and making it employable is a major challenge given the low degree of higher education attainment and vocational training. This is further compounded by the fact that the country has a work force which largely works in the informal sector. It is significant to mention here that though the share of workers in the unorganized sector declined from 86.3 per cent in 2004-2005 to 82 per cent in 2011-12, the share of informal workers in the organized sector increased, leading to an overall proposition of informal workers in total employment as high as 92 per cent.

Meanwhile in evolving an effective strategy to boost up employment generation, the MSME sector has to be the focus of attention and skills development would give a thrust to small entrepreneurs and motivate technically equipped youth to start their own venture. Added to this is the need to diversify products of Khadi and Village Industries and market them overseas with government active help and support. The present government has decided to take this up but unless aggressive marketing is organized, their revival and growth may not be possible. But the most important thing is to ensure that private investment has to be encouraged in all possible manners, especially in agriculture and allied sectors, small and micro sectors etc. to ensure job creation while public investment has to be substantially increased.

Finally, a long-term employment strategy whereby both the organized and unorganized sector, particularly manufacturing grows more rapidly than in the past has to be formulated and this is rightly being echoed by our political leaders as also economists and planners. All measures that have been taken need to be implemented effectively with political will. The traditional meaning of working somewhere, whether in an office or factory, has to be changed and the huge number of technically equipped youth should be motivated to set up their own units. Already, the start-ups show that there are huge prospects ahead and a little more encouragement and support from the government would bring out the desired results.

India will need to generate 250 million jobs between now and 2050, the year when the working age (15-60 years) population would peak, according to a new United Nations Development Programme (UNDP) report 'Changing the Future: How Changing Demographics can Power Human Development.' The report warned that the country's demographic dividend could be at the cusp of a disaster unless enough jobs are created for new entrants.

## **Conclusion**

Skilling manpower is very important in the development of the country. Considering the importance of skill various programmes have been initiated in the country. Adopting skill as a way of life of the people because without skill, one finds it difficult to sustain and survive in present context. To further fasten the venture of skilling India, proper convergence, adequate infrastructure with able faculty and spatial justice in terms of location of facilities may be focused in the strategy of empowering India through skilling. However, the situation is destined to change as skill development and manufacturing revival of the micro, cottage and small sectors are expected to be a reality. The present initiatives may go a long way in tackling unemployment in a big way. Nevertheless, serious efforts would be needed to make Skill India a success in the coming years.

## References

1. “More People to be jobless in India”, International Labour Organization, Special Correspondent. The Hindu’s post – New Delhi, January 13, 2017.
2. Ministry of Labour & Employment, Government of India’s ‘Draft Labour code on Social Security & Welfare’, dated March 16, 2017.
3. Press Information Bureau, Government of India, Ministry of Rural Development, RSETI Diwas 2017; June 7, 2017.