



Building A Skilled India

This editorial is based on [“Skilling Efforts Need To Be Scaled Up”](#) which was published in Hindu BusinessLine on 22/04/2022. It talks about the initiatives taken for skill development in India and the challenges to skill upgradation.

For Prelims: National Skill Development Corporation (NSDC), Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Employability Through Apprenticeship Program, SANKALP and STRIVE Programme, TEJAS Skilling Initiative

For Mains: India’s Demographic Dividend, Skill Upgradation in India - Challenges, Initiatives and Opportunities

The **technology overhaul** has resulted in the creation of new types of jobs that require special skill sets; the higher-end jobs which require more ‘human’ skills such as networking, creativity, problem-solving, etc.

[India being one of the youngest nations in the world](#) with the average Indian being 29 years (the average Chinese is 37 years and Japanese, 48 years) has the **potential to convert this pool of young population into human capital** provided steadfast attention is given to [skilling](#) and education.

However, for a country that adds 12 million people to its workforce every year, **less than 4% have ever received any formal training**. India’s **workforce readiness is one of the lowest** in the world and a large chunk of **existing training infrastructure is irrelevant to industry needs**.

India's Human Resource Scenario: Where are We Now?

- Of the nearly 135 crore Indians **in 2021, around 34% (46.42 crore) were below 19 years**, and nearly **56% (75.16 crore) between the age of 20 and 59**.
 - By 2041, this demographic will change, but with **59% (88.97 crore) of its population between 20 and 59**, India could be the **world’s largest pool of human resources**.
- Over the next two decades, the **labour force in the industrialised world** is expected to **decline by 4%**, while **in India it will increase by nearly 20%**.
 - India could become the supplier of talent and skills if its workforce across age groups is equipped with employable skills that keep pace with the exponentially changing technological ecosystem.

What about the Skilling of India’s Human Resource?

- The 2015 Report on **National Policy on Skill Development and Entrepreneurship** had estimated that **only 4.7% of the total workforce in India had undergone formal skill training** compared with **52% in the US, 80% in Japan, and 96% in South Korea**.

- A skill gap study conducted by the [National Skill Development Corporation \(NSDC\)](#) over 2010-2014 indicated an additional **net incremental requirement of 10.97 crore skilled manpower** in 24 key sectors by 2022.
 - In addition, 29.82 crore farm and nonfarm sector workforce **needed to be skilled, reskilled, and upskilled.**

What Initiatives have been Taken for Skill Development?

- **Establishment of Training Institutes:** Over time, a fairly vast institutional system for training and skills has evolved. This includes 15,154 Industrial Training Institutes (ITIs) (including 11,892 private institutes); 36 Sector Skills Councils, 33 National Skills Training Institutes, and 2,188 training partners registered with NSDC.
- **Pradhan Mantri Kaushal Vikas Yojana:** The flagship [Pradhan Mantri Kaushal Vikas Yojana \(PMKVY\)](#) scheme was launched in 2015 to provide short-term training, skilling through ITIs and under the apprenticeship scheme.
 - Since 2015, the government has trained over 10 million youth under this scheme.
- **SANKALP and STRIVE:** The [SANKALP programme](#) which focuses on district-level skilling ecosystem and the [STRIVE project](#) which aims to improve the performance of ITIs are other significant skilling interventions.
- **Initiatives from Several Ministries:** Nearly **40 skill development programmes are implemented by 20 central ministries/departments.** The [Ministry of Skill Development and Entrepreneurship](#) contributes about 55% of the skilling achieved.
 - Initiatives by all ministries have resulted in nearly **four crore people being trained** through various formal skills programmes since 2015.
- **Mandatory CSR Expenditure in Skilling:** Since the implementation of the [mandatory CSR spending under the Companies Act, 2013](#), corporations in India have invested over ₹100,000 crore in diverse social projects.
 - Of these, about **₹6,877 crore was spent in skilling and livelihood enhancement projects.** Maharashtra, Tamil Nadu, Odisha, Karnataka, and Gujarat were the top five recipient States.
- **TEJAS Initiative for Skilling:** Recently, **TEJAS (Training for Emirates Jobs And Skills)**, a Skill India International Project to train overseas Indians was launched at the Dubai Expo, 2020.
 - The project aims at **skilling, certification and overseas employment of Indians** and creating pathways to enable the Indian workforce to get equipped for **skill and market requirements in the UAE.**

What Challenges Exist Regarding Skilling Development?

- **Lack of Basic Education:** A 2020 NSO survey revealed that **one out of every eight students enrolled in a school or college drops out before** completing education; 63% of these are at the school level.
 - The **maximum dropouts occur at the upper primary (17.5%)** and secondary school (19.8%) years. Less than 40% of students pursued higher secondary and/or higher education.
 - In the absence of basic level education, it would be **difficult to upskill the younger population for higher-end jobs.**
- **Lack of Focus on Upskilling/Reskilling:** With the rise in diverse skilling initiatives, India has substantially addressed the skilling needs of the workforce.
 - However, it is the **upskilling and re-skilling** needs of the larger working population that **have been largely unmet.**
 - According to PLFS data 2019-20, **86.1% of those between 15 and 59 years had not received any vocational training.** The remaining 13.9% had received training through diverse formal and informal channels.
- **Insufficient Training Facilities:** According to a survey conducted by the NSSO, in India, there is a **lack of training facilities in as many as 20 high-growth industries** such as logistics, healthcare, construction, hospitality and automobiles.
 - India has roughly close to **5,500 public (ITIs) and private (ITC) institutes as against 500,000 similar institutes in China.**
- **Covid-19 Pandemic:** The Covid-19 pandemic is responsible for the **disruption of both short-**

and long-term training courses, thereby hurting millions of students.

- In the first wave, **more than 30,000 ITIs and National Skills Training Institutes shut** training centres temporarily, hurting the prospects of five million aspirants across India.

What can be Done for Upskilling of Indian Workforce?

- **Reversing the Dropout Trends:** The school/college dropout trends combined with estimates of skilling requirements by NSDC reveals that a significant effort has to be mounted to take **advantage of our positive demographics**.
 - Irrespective of rural or urban setting, the public school system must **ensure that every child completes high school education**, and is **pushed into appropriate skilling, training and vocational education** in line with market demand.
 - Deploying new technology to put in place virtual classrooms together with **Massive Open Online Courses (MOOCs)** would further help yield a higher educated workforce.
- **Incorporate Upskilling in the Goals:** There is more than enough evidence that **upskilling the already employed workforce could lead to greater productivity** in the economy, higher incomes for workers, and higher profitability for firms.
 - The PMKVY could **equally prioritise upskilling initiatives in the PPP mode**. Many countries such as the UK, Germany and Australia have proactive participation from industry players in their skilling efforts.
 - It is only by raising the quality of skills of its existing workforce, that India will be able to meet its aspirational development goals.
- **Involving Corporate Sector:** Investing in skill development is a **win-win solution** for corporate India as well as the nation - according to a NASSCOM Report in 2021, investing in skill training programmes resulted in **more than 600% return on outlays**.
 - Corporations could consider **industry-level collaborations** to provide industry-specific skills.
 - Big industries can expand their operations from big cities to small districts and villages. This would be a giant leap towards the success of the **Atma Nirbhar Bharat Abhiyan**.

Drishti Mains Question

“Skilling, up-skilling and reskilling of India’s youth, who are the workforce of the future, will play a crucial role in the success of the government’s vision of Atma Nirbhar Bharat”. Discuss.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. To obtain full benefits of demographic dividend, what should India do? (2013)

- (a) Promoting skill development
- (b) introducing more social security schemes
- (c) Reducing infant mortality rate
- (d) Privatisation of higher education

Ans: (a)

Q. Consider the following statements: (2018)

Human capital formation as a concept is better explained in terms of a process which enables

1. individuals of a country to accumulate more capital.
2. increasing the knowledge, skill levels and capacities of the people of the country.
3. accumulation of tangible wealth.
4. accumulation of intangible wealth

Which of the statements given above is/are correct?

- (a) 1 and 2
- (b) 2 only
- (c) 2 and 4
- (d) 1, 3 and 4

Ans: (c)

Q. With reference to Pradhan Mantri Kaushal Vikas Yojana, consider the following statements: (2018)

1. It is the flagship scheme of the Ministry of Labour and Employment.
2. It, among other things, will also impart training in soft skills, entrepreneurship, financial and digital literacy.
3. It aims to align the competencies of the unregulated workforce of the country to the National Skill Qualification Framework.

Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

Ans: (c)

Q. With reference to 'National Skills Qualification Framework (NSQF)', which of the statements given below is/are correct? (2017)

1. Under NSQF, a learner can acquire the certification for competency only through formal learning.
2. An outcome expected from the implementation of NSQF is the mobility between vocational and general education.

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (b)