

PM'S SKILL MISSION ON TRACK INDUSTRY FLOCKS ITIs

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Skills and knowledge are the driving forces of economic growth and social development of a country. In rapidly growing economies like India with a vast and ever-increasing population, the problem is two-fold. On one hand, there is a severe paucity of highly trained quality workforce, while on the other hand large sections of the population possess little or no job skills.

India aims to skill, under Prime Minister Narendra Modi's Kaushal Vikas Yojana (PMKVY) 42 crore people till 2022; of these, at least 110 million workers are required in over 25 select sectors such as textiles, automobiles, construction, banking and retail. During the last two years 13 lakh people have been given placement.

This is significant considering it is just the beginning. In India, less than 4 percent of the workforce is skilled. In China the proportion is 47 percent, in Germany it is 74 percent, in Japan it is 80 percent and in South Korea it is 96 percent.

Since India is adding nearly 12 million people to the job market every year and more than 65 percent of its population is below the age of 35, skill training would give impetus to the *Make in India* programme.

Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of world of work. As India moves progressively towards becoming a 'knowledge econo-

ronment ably supported by skilled workforce.

The agriculture sector accounts for about 20 percent of the economy. The secondary and tertiary sectors account for about 25 and 55 percent respectively. For the economy to grow at 8 to 9 percent, it is required that the secondary and tertiary sectors grow at 10 to 11 percent, assuming agriculture grows at 4 percent.

In such a scenario, it is obvious that a large portion of the workforce would migrate from the primary sector (agriculture) to the secondary and tertiary sectors. However, the skill sets that are required in the manufacturing and service sectors are quite different from those in the agriculture sector.

This implies that there would be a large skill gap when such a migration occurs, as evidenced by a shrinking employment in the agriculture sector.

To bridge this gap, PMKVY intends to give massive training with the collaboration of public and private sectors. The significant aspect of the mission is that it not only imparts skill training but also gives placement under the PMKVY, which was launched on July 15, 2014.



my', it is focusing on advancement of skills relevant to the emerging economic environment. Modi's mission has twin objectives of economic growth and inclusive development so that India's Gross Domestic Product (GDP) can grow consistently at 8 to 9 percent a year.

This requires significant progress in several areas, including infrastructure development, agricultural growth coupled with productivity improvement, financial sector growth, a healthy business envi-

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The PMKVY has provided placements to 13 lakh trainees during the last two years (2014-16), said Minister of State (Independent Charge) for Skill Development and Entrepreneurship Rajiv Pratap Rudy in Lok Sabha recently. He has said that the Government has set up National Skill Development Corporation (NSDC) as a public private partnership entity to promote private training providers to set up Skill Development Centres across the country. The training providers are assisted financially.

The PMKVY is a reward based, demand driven scheme aiming to benefit 24 lakh persons with training of 14 lakh fresh entrants and certification of 10 lakh persons under Recognition of Prior Learning (RPL) within the next few years. The trainees are given monetary reward under the scheme after successful completion of the skill training. The training partners are incentivised under the scheme for facilitating employment of youth trained in their centres under the scheme.

The coverage of skill development includes institutional based skill development including Industrial Training Institutes (ITI), Industrial Training Centres, vocational schools, technical schools, polytechnics, professional colleges and similar other institutions. It also includes learning initiatives of sectoral skill development organized by different ministries and departments; formal and informal apprenticeships and other types of training by enterprises; training for self-employment/entrepreneurial development; non-formal training; E-learning, web based learning and distance learning.

This has benefitted the ITIs. According to a Skill Development and Entrepreneurship ministry report, most of ITIs have seen almost 100 percent placement on

campus despite the uncertain economic scenario.

According to the report, ITI Andheri, Mumbai, or the one in Bhimavaram, Andhra Pradesh, say their placement has been 100 percent. At ITI Bhimavaram, nine companies, including Ashok Leyland, Coromandal International, Hindustan National Glass and Industries visited the campus for placement.

Experts say increase in the interface between the companies and ITIs is also responsible for improvement in placements, besides improved skills. The report quotes the case of a student in the interiors of Karjat, Maharashtra, who after completion of two years of hospitality management from local ITI, has been selected for the Food Production Department of a reputed hotel in Mumbai at a monthly salary of Rs.8,000.

A three tier institutional structure is in place for the purpose. This lays down a solid foundation for skills development system in the country.

Chairman of NSDC, S Ramadorai, who was earlier with Tata Consultancy Services as vice chairman, says the Skill India mission had taken centre stage with the prime minister throwing his weight behind it. "The social and economic impact of building skills has taken centre stage. Skill is a national agenda... and building skill is also a business opportunity," he said.

Ramadorai underlined the need for an ecosystem, giving the example of the US's Silicon Valley. While skill training is important, he said, promotion of entrepreneurship is equally vital.

The prime minister says the government would work to promote both apprenticeship and entrepreneurship. He said it is important for India to be able to predict future possibilities, and to "prepare for them today itself". Job seekers, job providers, students and policy-makers need to think alike, he added.

Linking aspirations to skill training, he has said that if the 20th century saw India's foremost technical institutes—the Indian Institutes of Technology—make a name for themselves globally, the 21st century requires that ITIs (Industrial Training Institutes) acquire global recognition for producing quality skilled manpower.

While Make in India looks to boost manufacturing in India and thus create more jobs, Skill India aims to provide a job-ready human workforce to the industry to ramp up productivity and ultimately aid economic growth.

Over the next year, PMKVY aims to skill 24 lakh youth, across India. For the first time, the skills of young people who lack formal certification, such as workers in India's vast unorganised sector, will be recognised. The Modi government also launched a Skill Loan scheme under which bank loans ranging from Rs.5,000 to Rs.1,50,000 will be made available to 34 lakh youth seeking to attend skill development programmes over the next five years. A skill card, which can be used by employers to verify the training credentials of job seekers, has also been launched.

This necessitates speedy and large-scale skill development among the workforce. Out of the current workforce of about 46 crore, only about 9 percent are engaged in the organized or formal sector.

The magnitude of the challenge is further evident from the fact that about 12 million persons are expected to join the workforce every year. This emerging socio-economic scenario is poised to drive the demand for skilling India. As the Indian economy continues to transform and mature, large scale sectoral shifts in the working population are inevitable, particularly from agriculture to other sectors of the economy. These sectors, however, require significantly different and often specialist skill sets, which require training

and skill development. This skill gap needs to be addressed through comprehensive efforts, at various levels and catering to different needs of the society and industry.

Another issue to be considered while ensuring skills and livelihoods, especially for the Ministry of Housing & Urban Poverty Alleviation (MoHUPA), is the rapid urbanisation of the country and its preparedness in addressing the challenges associated with it.

The census figures indicate that between 1951 and 2011 the urban population in India grew six times from 6.2 crore to 37.7 crore in comparison to the rural population that grew less than 3 times from 29.87 crore to 83.3 crore below. The urban local bodies (ULBs) have to prepare themselves to address the multiple challenges emerging out of the rapid urbanisation, including the containment of urban poverty and its related consequences. MoHUPA had implemented skill development under the flagship Swarna Jayanti shahari Rojgar Yojna (SJSRY) Scheme to bring about socio-economic development among poor in urban areas initially. Current Scenario of Skill Development has seen rapid growth in recent years, driven by the advances in new-age industries. The increase in purchasing power has resulted in the demand for a new level of quality of service.

This is being hampered as there is a large shortage of skilled manpower in the country. In the wake of the changing economic environment, it is necessary that PMKVY is further intensified. One good aspect is that it has received wide support of industry organizations like CII, FICCI, PHDCC and other business groups. The skilled workers, the industry believes would boost production and ultimately pace up the growth.

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