



## “Skill India” Programme: A Compliment to “Make In India” Campaign

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### ABSTRACT

*“Make in India” campaign was launched by Prime Minister Mr. Narendra Modi to make India a manufacturing hub and to accelerate the process of job creation. To compliment it, another programme, “Skill India” was launched in July 2015 with an aim to train over 40 crore people in India in different skills by 2022 and to make them employable in millions of jobs to be created under “Make in India” initiative. So both the campaigns are complimentary to each other. India with its huge population in the age-group of 15-59 years is one of the countries with youngest population and has an opportunity to reap the demographic dividend but at the same time, there is a challenge to make such a big population skilled. This paper intends to study the future demand of skilled labour in the manufacturing sector of India and its corresponding supply. It also studies various obstacles in providing the requisite skills to the people of India and various initiatives taken by the government so far.*

**KEYWORDS : Skill India, Skill, Demographic Dividend, Business, Manufacturing, Population.**

### 1. INTRODUCTION:

India with its huge population of around 62% in the age-group of 15-59 years is one of the ‘youngest’ nations in the world. More than 54% of its population is under the age of 25 years. Its population in the age-group of 15-59 years is going to swell in the next decade (“National Policy,” 2015 p. 2). So India will have its biggest population chunk in the working age-group. From the year 2010 to 2030, India’s population is going to rise from 749 million to 962 million, showing 28% increase in the world’s total working age population. Compared to other countries like Japan, China and Europe, the working population is going to shrink over the period (“Skilling India”, 2010, p. 4). So in order to reap this rich demographic dividend there is an urgent need to equip the population of India with employable skills to make them an asset for the country so that they can contribute to the growth of the country.

### 2. METHODOLOGY:

This paper intends to study the demand for the skilled labour in the coming years with its corresponding supply. It also studies the various challenges to impart training and skill to such a huge population in the coming years and the steps taken by the government so far. Secondary datas from the reports of international organisations, reports of government and private agencies, surveys, journals, magazines, books, and websites have been taken to endorse the points.

### 3. DEMAND FOR THE SKILLED LABOUR:

It is expected that GDP of India will rise at a CAGR of about 8% up to the year 2022. At such a growth rate, the total number of jobs expected are 500 million by the year 2022 (“The Skill Development”, 2010, p.11). It is the need of the hour to equip our youth to some sort of employable skills to maintain such a growth rate. The demand for the labour will be from various sectors. The following table shows the projected and incremental demand for the labour from 24 sectors over a period from 2013-22 which will be around 109.73 million; posing a huge challenge to the government of India to make the persons skilled so that they can be absorbed in these jobs.

6.	Leather and Leather Goods	6.81	3.72
7.	Domestic Help	10.88	4.88
8.	Gems and Jewellery	8.23	3.59
9.	Telecommunications	4.16	2.08
10.	Tourism, Hospitality and Travel	13.44	6.48
11.	Furniture and Furnishing	11.29	7.18
12.	Building, Construction and Real Estate	76.55	31.13
13.	IT and ITES	5.12	2.16
14.	Construction Material and Hardware	11	2.7
15.	Textile and Clothing	21.54	6.31
16.	Healthcare	7.39	3.8
17.	Security	11.83	4.83
18.	Agriculture	215.6	(24.8)
19.	Education/Skill Development	17.31	4.29
20.	Transportation and Logistics	28.4	11.66
21.	Electronic and IT Hardware	8.94	4.61
22.	Pharma and Life Sciences	3.58	1.72
23.	BFSI	4.25	1.7
24.	Retail	55.95	17.35
	Total	581.89	120.79
	Retail segments total	21.43	11.06
	Grand Total (after removing duplication from retail segment)	560.46	109.73

Source: (“National Policy,” 2015 p. 52)

The table illustrates that the projected demand for labour is around 560 million; showing a growth of 109 million by 2022. The employment in agriculture is showing reverse trend, whereas the sectors which will attract most of the jobs are building, construction and real estates.

### 4. SUPPLY OF LABOUR:

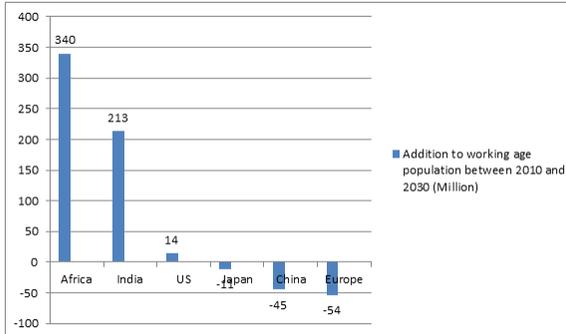
The population of India is bulging in the age-group of 15-59 years. Its population in this age-group is likely to bulge from 749 million to 962 million over 2010 to 2030 (“Skilling India”, 2010, p. 1). If the current scenario in the participation continued, then only 539 million out of 962 million people of working age would be working by 2030, making the remaining unemployed (p. 9).

**Table 1: Showing Incremental needs for Labour from some selected sectors by 2022**

(in Million)

S. No.	Sectors	Projected employment by 2022 (Million)	Incremental Human Resource Requirement (2013-22)
1.	Auto and Auto Components	14.88	3.9
2.	Beauty and Wellness	14.27	10.06
3.	Food Processing	11.38	4.4
4.	Media and Entertainment	1.3	0.9
5.	Handlooms and Handicrafts	17.79	6.14

**Table 2: Showing addition to working age population between 2010-2030 (Million)**



Source: (“Skilling India”, 2010)

The above table shows that in the 20 years from 2010 to 2030, India’s population will increase by 213 million. Whereas, in the countries like China and Europe, it is going to shrink substantially.

So there is an urgent need to educate and provide vocational training to the people of India and to make them skilled for future job opportunities. At present, the scenario is as follows:

**Table 3: Showing the number of enrolments in education and skill development systems.**

Category	Sub-Category	Enrolment
School Education	Pre-Primary Students	5264053
	Primary (I-V)	132048727
	Secondary (VI-VIII)	52195171
	High School (IX-X)	24971520
	Higher Secondary (XI-XII)	13414499
	Sub Total	227,893,970
Vocational Training	ITI/ITC	1062524
Higher Education	Ph. D / D. Sc/ D. Phil	36,019
	MA	481521
	MSc	230247
	MCom	156714
	BA/BA (Hons)	3727727
	BSc	1579355
	BCom	1455457
	BE/BArch	1668228
	Medicine, Dentistry, Nursing	305629
	B.Ed	244825
	Enrolment in Open Universities	773917
	Polytechnic Institutes	690410
	Others	2973517
	Sub- Total	14323566

Source: (“The Skill Development”, 2010 p. 10)

The above table shows that the enrolment in school education is around 277 million and the combined enrolment in the higher education and the vocational training is around 15.3 million. This shows a huge dropout of students which in turn are unskilled for any job.

**5. DEMAND-SUPPLY GAP:**

It is expected that in a year around 12 million people join labour force but at present India has only 4.3 million workers who are undergoing skill courses in a year as compared to China with 90 million people (Nam, & Vishnoi, 2014, para. 8). So the skill training is available to just 36% in India thereby depriving 64% new entrants. So there is a need to enhance the current capacity of skill development training if India wants to reap the demographic dividend.

**6. CHALLENGES:**

India has a huge population in the working-age group. To equip them with requisite skill is a challenging task. There are various obstacles which are faced in imparting skills to such a large population. Some of the challenges are as follows:

**Under Capacity:** Presently training capacity in India is around 4.3 million persons per annum. There is a need to upgrade this capacity to around 15 million persons per annum (“The Skill Development,” 2010, p.14).

**Need for Trainers:** In order to impart skill training to a huge number of persons there is a need for a big number of trainers also. According to the NSDC report on Education sector, there is an additional requirement of 8,664,000 teachers and trainers between the years 2008 – 2022 (“Skill Development,” n.d., p. 16).

**Informal Sector:** One of the major challenges is that around 93% of the workforce is in informal sector which makes it very hard to map the current and the required skills in the sector (“National Policy,” 2015, p. 9).

**Lack of Women Participation:** Women’s participation in labour force is just 33% i.e. only 125 million of about 380 million working-age females are working or seeking jobs which needs to be enhanced (Das, Chandra, Kochhar, & Kumar, 2015, p. 5).

**5. Lack of Innovation:** As innovative entrepreneurship has a good potential for growth but the Global Innovation Index has ranked India 76 out of 143 countries. Increasing the rate of innovative entrepreneurship is essential for generating employment on large scale (“National Policy,” 2015, p.9).

**6. Access:** India with its huge geographical base consisting of around 6,40,000 villages, 4400 towns, over 35 cities and 640 districts and having difficult terrain and different socio-economic conditions make the training inaccessible to the learners (“Skill Development,” n.d., p.16)

**7. Lack of Funds:** A significant portion of India’s population lives below poverty line who find it difficult to afford basic amenities. So it is impossible for them to even think of training (“Knowledge Paper,” 2012, p.11).

**7. INITIATIVES TAKEN BY THE GOVERNMENT:**

The National Skill Development Coordination (NSDC) Board has been established by the government of India under the chairmanship of the Deputy Chairman of the Planning Commission in the Public Private Partnership mode (PPP) to formulate the strategies for implementing the decisions of the Prime Minister’s Council on National Skill Development. Its objective is to monitor and evaluate the schemes and the programs of the council. It has its mission of setting up 1500 new ITIs and 5000 skill development centres across the country as well as a National Vocational Education Qualifications Framework (NVQF) for affiliations and accreditation in the vocational, educational and training systems (“Skill Development,” n.d., p.4). NSDC has so far trained 35 lakh persons across India with the help of 160 training partners and 1722 training centres. NSDC has 235 private sector partnerships for training and capacity building where each is to train at least 50,000 persons over a 10-year period. Vocational training has been introduced in 10 States, covering 2400+ schools, 2 Boards, benefiting over 2.5 lakh students. So need of the current period is to reorganise the system to provide the requisite skills to the youth of India to enhancing their contribution to the economic growth of the country (“National Skill,” n.d., para. 3).

**8. CONCLUSION:**

India is very fortunate to have its huge portion of the population in the working-age group. To train such a huge work-force can make India a prosperous nation. With “Make in India” the job creation process is going to accelerate. So “Skill India” is on its mission to impart the skills to the Indian youth to reap the rich demographic dividend. The government of India has taken various steps in this direction. But there are various challenges that demand more efforts from the government. Solving these problems can lead to the economic growth of the nation as the opportunity of demographic dividend is the best phase for a nation to boost its growth.

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