

Skill India right, it's the key to our future



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India is one of the youngest nations. Its median age is 27.3. Skill development holds the key to India's future as a globally competitive economy and the demographic dividend it hopes to reap.

But here is a chilling statistic. Out of India's estimated 480 million employed, less than five per cent have formally recognised skills. The figure shocks and awes but it is not so surprising when you consider that nearly 90 per cent of the country's workforce is part of the unorganised or informal sector — India leads the world with the sheer size of its informal sector.

Let this sink in when you read about the imminent job crisis, techies being laid off in Bengaluru and elsewhere, about automation, artificial intelligence and suchlike and our national mission on "skill development". Automation threatens a huge number of jobs in India; it is changing the way companies work. The skills of the future are premised on a certain level of education and exposure, which the vast majority of India's youth don't have.

The Narendra Modi led-National Democratic Alliance government has committed itself to providing young people with skill development and vocational training so that they can find or create jobs. But whether it will succeed will depend on its ability to upgrade the skills of the millions who have so far had no choice but to survive in the informal sector. Clearly, the task ahead for those overseeing India's national skills development programme is a daunting one.

So where do we go from here?

The starting point is to face some home truths.

The reasons for the worsening job crisis in the country are well-known — not enough low-skilled job opportunities outside agriculture and construction sectors, the threat of automation substituting human skills in various sectors — food processing, information technology, IT-enabled services, textiles and so on.

The Modi government's response has been a ministry of skill development and entrepreneurship, a National Skill Development Corporation (NSDC), and a flagship programme — Pradhan Mantri Kaushal Vikas Yojana (PMKVY). This programme seeks to enable a large number of Indian youth to take up industry-relevant skill training that will help them secure a better livelihood and to equip individuals with prior learning experience or skills to be assessed and certified under a scheme called Recognition of Prior Learning (RPL). The government pays all the training and assessment fees. PMKVY has got a huge dollop of money in the Budget.

Ground realities, however, show a far gloomier picture. In March this year, there was a Parliament question which sought statewise details of the number of unorganised and unskilled workers, including those of SCs, STs, women and differently-abled workers who have been provided jobs through training under PMKVY. The MP also wanted to know the number of unorganised workers who have been certified, based on recognition of

their prior learning. The government said that in 2015-16, 19.8 lakh candidates have been trained throughout the country under PMKVY. Of them, 2.37 lakh had received placement offers. That is less than 12 per cent.

But there were no details nor disaggregated data, because earlier it was not mandatory for NSDC's training partners to report employment data. Now it is.

In a recent interview to *The Wire*, Jayant Krishna, chief operating officer of NSDC, spoke about a flurry of initiatives in recent months. But the latest placement offer percentage is worryingly low. Plus, irregularities in the scheme have been reported already. NSDC now concedes that checks and balances were not adequate in the initial days and the quality of the training left much to be desired.

Recent statements from the government suggest that course correction is happening. In stark contrast to the earlier hyperbole, there is a more realistic assessment of what is possible. The Modi government no longer says it wants to provide skills training to 500 million people by 2022. In what appears to be a change in strategy, the ministry of skill development now maintains that it would no longer "chase numbers" and skill development from now on "will be demand driven than supply driven".

Some have called this a flip-flop. One can also see it as course correction. At the current pace, the government cannot

possibly meet the target of creating 500 million skilled workers by 2022. There are not enough qualified trainers nor training infrastructure.

To succeed in its skills development mission, the government also has to ensure that basic education standards are improved. Millions of young Indians don't even reach secondary school. The skills of the future and the jobs of the future necessitate that they at least complete school. School dropouts, both boys and girls, need to be provided a second chance and encouraged to acquire basic numeracy and literacy skills to move them out of low paid unskilled work in the informal economy.

These are the harsh realities. NSDC's leadership concedes that initially, training providers were not even tracking what happened to those they have trained; training centres of uneven quality had mushroomed. Now there are more checks and balances and emphasis on quality of training, they say, and on "demand aggregation" and training for trainers.

It is also true that government-subsidised skill programmes are not enough; industry should do more. For starters, as NSDC's Mr Krishna notes, it would be good to have some figures on how many people the corporate sector has skilled or reskilled.

The new realism is welcome. But the proof of the pudding is in the eating and the proof of the success of the Modi government's Skill India Mission would depend largely on how it impacts or does not impact the vast majority eking out a living in the informal sector. That's where the jobs story is unfolding.

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