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SKILL DEVELOPMENT IN INDIA

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SKILL DEVELOPMENT IN INDIA

Introduction

Skills and knowledge are the driving forces of economic growth and social development for any country. Countries with higher levels and better standards of skills adjust more effectively to the challenges and opportunities in domestic and international job markets. As per the National Sample Survey Office (NSSO), 2011-12 (68th round) Report on Status of Education and Vocational Training in India, among persons of age 15-59 years, about 2.2% are reported to have received formal vocational training and 8.6% are reported to have received non-formal vocational training. While the debate on the exact quantum of the challenge continues, there is no disputing the fact that it is indeed a challenge of formidable proportions.

The objective of Skill Development is to create a workforce empowered with the necessary and continuously upgraded skills, knowledge and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the dynamic global market. It aims at increasing the productivity and employability of workforce (wage and self-employed) both in the organized and the unorganized sectors. It seeks increased participation of youth, women, disabled and other disadvantaged sections of the society and to synergize efforts of the various sectors and to reform the present system with the enhanced capability to adapt to the changing technologies and the labour market demands.

Challenges in the skilling and entrepreneurship landscape in the country

- i. Public perception that views skilling as the last option meant for those who have not been able to progress/opted out of the formal academic system.
- ii. Skill development programmes of the Central Government are spread across more than 20 Ministries/Departments without any robust coordination and monitoring mechanism to ensure convergence.

- iii. Multiplicity in assessment and certification systems that leads to inconsistent outcomes and causes confusion among employers.
- iv. Paucity of trainers, inability to attract practitioners from industry as faculty.
- v. Mismatch between demand and supply at the sectoral and spatial levels.
- vi. Limited mobility between skill and higher education programs and vocational education.
- vii. Very low coverage of apprenticeship programs.
- viii. Narrow and often obsolete skill curricula.
- ix. Declining labour force participation rate of women.
- x. Predominant non-farm, unorganised sector employment with low productivity but no premium for skilling.
- xi. Non-inclusion of entrepreneurship in formal education system.
- xii. Lack of mentorship and adequate access to finance for startups.
- xiii. Inadequate impetus to innovation driven entrepreneurship.

Incremental Human Resource Requirements Across 24 Sectors (2017-22)

The Human Resource Requirement Reports were commissioned by the National Skill Development Corporation (NSDC) under the Ministry of Skill Development and Entrepreneurship. The objective of these Reports was to understand the sectoral and geographical spread of incremental skill requirements across the 24 high priority sectors between 2013-17 and 2017-22.

The research provides a detailed overview of the Sectors from a skills perspective, assesses the demand for skills, highlights key job roles, maps the available supply side infrastructure and suggests actionable recommendations for the stakeholders in the system. The studies were conducted through extensive primary interaction with key stakeholders including industry, training providers, trainees, sector skill councils and government. These included more than 1,000 industry experts, 500 job roles and 1,500+ trainees.

Breakup of Incremental Human Resource Requirement across 24 Sectors

<i>(Estimates in millions)</i>				
Sl. No	Sector	Human Resource Requirement Estimates		Incremental Human Resource Requirement
		2017	2022	(2017-2022)
1	Agriculture	229	215.5	-13.5
2	Building Construction & Real Estate	60.4	91	30.6
3	Retail	45.3	56	10.7
4	Logistics, Transportation & Warehousing	23	31.2	8.2
5	Textile & Clothing	18.3	25	6.7
6	Education & Skill Development	14.8	18.1	3.3
7	Handloom & Handicraft	14.1	18.8	4.7
8	Auto & Auto Components	12.8	15	2.2
9	Construction Material & Building Hardware	9.7	12.4	2.7
10	Private Security Services	8.9	12	3.1
11	Food Processing	8.8	11.6	2.8
12	Tourism, Hospitality & Travel	9.7	14.6	4.9
13	Domestic Help	7.8	11.1	3.3
14	Gems & Jewellery	6.1	9.4	3.3
15	Electronics & IT Hardware	6.2	9.6	3.4
16	Beauty and Wellness	7.4	15.6	8.2
17	Furniture & Furnishing	6.5	12.2	5.7
18	Healthcare	4.6	7.4	2.8
19	Leather & Leather Goods	4.4	7.1	2.7
20	IT & ITeS	3.8	5.3	1.5
21	Banking, Financial Services & Insurance	3.2	4.4	1.2
22	Telecommunication	2.9	5.7	2.8
23	Pharmaceuticals	2.6	4	1.4
24	Media and Entertainment	0.7	1.3	0.6
	Total	510.8	614.2	103.4

Source: Environment Scan Report, 2016 (NSDC)

The Environment Scan Report of 2016 updated the findings of the earlier reports by factoring in the likely impact of major flagship initiatives of the Government on human resource requirement. The study estimated incremental human resource requirement of 103 million during 2017-2022 across these 24 sectors.

Skill Action Plan

Based on the finding of the above Studies, protracted discussions were held across 34 sectors with the Ministries/Departments concerned from October, 2015 to September, 2016 under the Secretary, MSDE to identify the sectoral training needs up to 2022 and develop a Skill Action Plan. The estimated training need in 34 sectors is as following.

Incremental Training Need across 34 Sectors (2017-22)

<i>(in lakhs)</i>		
Sl. No.	Sector	Incremental Human Resource Requirement and Training Need
1	Agriculture	24.5
2	Animal Husbandry	18
3	Fertiliser	1
4	Textile Handloom and Handicraft	60
5	Automotive, Auto Components & Capital Goods	41*
6	Gems & Jewellery	35
7	Food Processing	33.7
8	Leather	25
9	Pharmaceuticals	14
10	Chemicals & Petrochemicals	12
11	Steel	7.5 (by 2025)
12	Rubber Manufacturing	6.7
13	Road Transport & Highways	62.2**
14	Ports & Maritime	25
15	Aviation & Aerospace	14.2
16	Railways	0.12 (by 2018)
17	Power	15.2
18	Oil & Gas	7.3
19	Renewable Energy	6
20	Coal & Mining	2.6
21	Construction	320**
22	Furniture & Fittings	52.6
23	Paints & Coatings	9
24	Electronics and IT-ITeS	69 #
25	Telecom	38.6
26	Retail	107**
27	Beauty & Wellness	82
28	Media & Entertainment	13
29	Tourism & Hospitality	49
30	Banking, Financial Services and Insurance (BFSI)	12
31	Logistics	42.9**
32	Healthcare	32 (by 2025)
33	Security	31
34	Media & Entertainment	13
	Total	1,282.12

*Capital Goods – 19 lakhs, Automotive – 22 lakhs

** Overlaps with other sectors

Electronics – 53 lakhs, IT-ITeS – 16 lakhs

Human Resources Requirement at State Level

Various studies were conducted to assess the incremental human resource requirement across States. The outcome is as under:

Incremental Human Resource Requirement across States (2013-22)

<i>(in lakh)</i>		
Sl. No.	State	Incremental HR Requirements
1	Andhra Pradesh	108.71
2	Arunachal Pradesh	1.47
3	Assam	12.34
4	Chhattisgarh	30.43
5	Delhi	63.41
6	Goa	2.27
7	Gujarat	57.57
8	Haryana	34.84
9	Haryana	0.93
10	Himachal Pradesh	12.06
11	Jammu and Kashmir	11.22
12	Jharkhand	44.52
13	Karnataka	84.77
14	Kerala	29.57
15	Madhya Pradesh	78.16
16	Maharashtra	155.22
17	Manipur	2.33
18	Meghalaya	2.49
19	Mizoram	1.40
20	Nagaland	0.97
21	Odisha	33.45
22	Punjab	28.99
23	Rajasthan	42.42
24	Sikkim	147.82
25	Tamil Nadu	135.52
26	Tripura	2.59
27	Uttar Pradesh	110.11
28	Uttarakhand	20.61
29	West Bengal	93.42
	Grand Total	1,203.34

National Policy for Skill Development and Entrepreneurship 2015

The vision statement of the policy is *“To create an ecosystem of empowerment by skilling on a large scale at speed with high standards and to promote a culture of innovation based entrepreneurship which can generate wealth and employment so as to ensure Sustainable Livelihoods for all citizens in the Country.”*

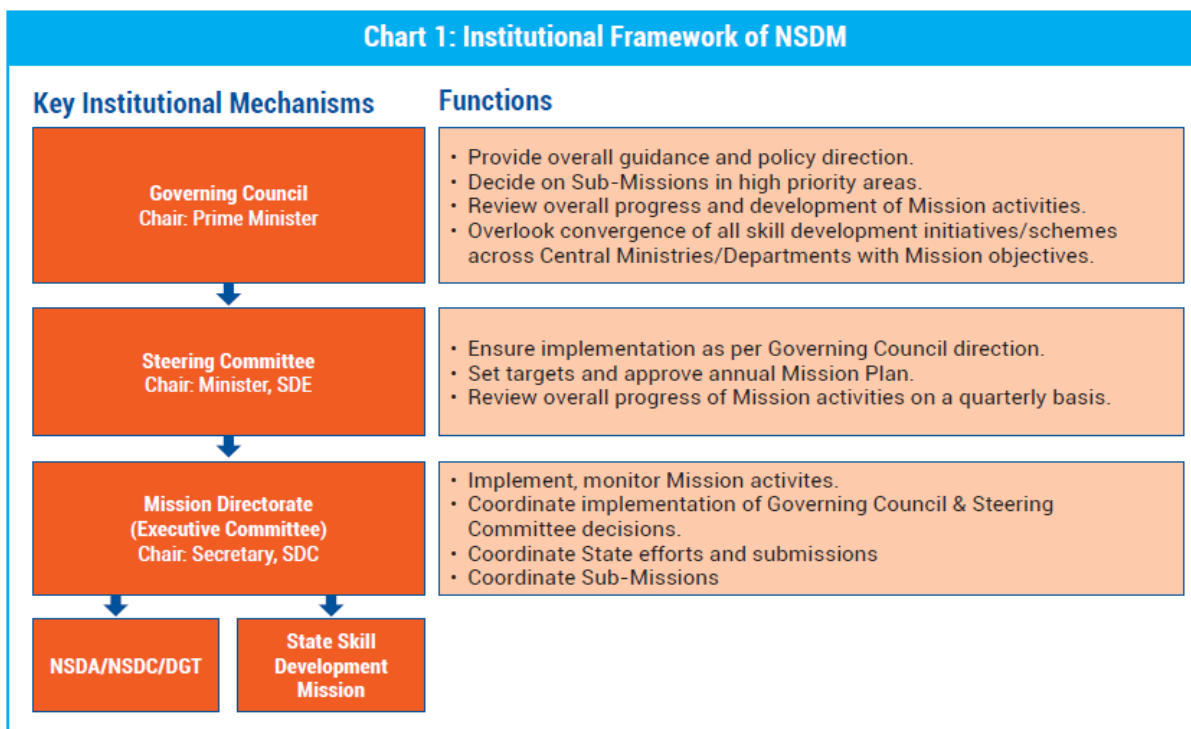
The first National Policy on Skill Development (NPSD) was notified in 2009. The NPSD 2009 laid out the broad framework as well as objectives and outcomes for the skilling landscape in the country. Given the paradigm shift in the skilling ecosystem in the country and the experience gained through implementation of various skill development programmes in the country, there was an imminent need to revisit the earlier policy. Moreover, the 2009 policy itself provided for review every five years to align the policy framework with the emerging trends in the national and international milieu. Accordingly the new National Policy on Skill Development and Entrepreneurship was notified on 15th July, 2015 and this replaces the policy of 2009.

Skill Component of the Policy

The skill component of the policy addresses key issues in the skill landscape: low aspirational value, non-integration with formal education, lack of focus on outcomes, quality of training infrastructure and trainers, among others. The policy aims to align supply with demand, bridge existing skill gaps, promote industry engagement, operationalise a quality assurance framework, leverage technology and promote apprenticeship to tackle the identified issues. It also aims to promote equitable skilling opportunities for socially/geographically marginalised and disadvantaged groups as well as women.

National Skill Development Mission

The National Skill Development Mission was launched by the Hon'ble Prime Minister on 15th July, 2015 on the occasion of World Youth Skills Day. It aims to create convergence and expedite cross-sectoral decisions through a high powered decision making framework. It is expected to converge, coordinate, implement and monitor skilling activities on a pan-India basis. The Mission consists of a three tier institutional structure, where the functions of the bodies consist of providing policy directives and guidance, reviewing and monitoring overall progress, and actual implementation in line with Mission objectives. The Institutional Framework of the NSDM is given in the chart below.



The first meeting of the Governing Council under the Chairmanship of Hon'ble Prime Minister of India was held on 2nd June, 2016. The first meeting of the Steering Committee under the Chairmanship of Hon'ble MoS(I/C), SDE was held on 24th March, 2017. So far, three meetings of Executive Committee of NSDM have been held on 16th February, 2017, 12th August, 2016 and 10th October, 2017 respectively, to take forward the decisions of the Governing Council.

Monitoring of Skilling Targets

The Ministry of Skill Development and Entrepreneurship coordinates with other Central Ministries/Departments for setting skilling targets for the year and monitors the achievement against their target. As reported by various Central Ministries/Departments, the number of people trained during the last three years is at Annexure - 2.

Common Norms for Skill Development Schemes

The Government of India had constituted a 'Committee on Dovetailing/Rationalisation of Central Government Schemes on Skill Development' under the chairmanship of the Chairman, National Skill Development Agency (NSDA) vide Notification dated 2nd December, 2013 for providing norms for skill development schemes implemented by the Government of India. After several rounds of deliberations, the Committee came up with its recommendations on norms across the various skill development programmes while allowing flexibility to meet the requirements of different parts of the country/different socio economic groups. The report of the Committee was put on the website for public awareness and comments. On the basis of the Report of the Committee and the inputs/feedback received from stakeholders, The Ministry of Skill Development & Entrepreneurship has framed the Common Norms for Skill Development Schemes implemented by the Government of India. The Common Norms have been notified by Government of India and all Skill Development Schemes implemented across the Ministries need to be aligned to Common Norms.

National Council for Vocational Education and Training (NCVET)

The Ministry of Skill Development and Entrepreneurship is envisaging the creation of an overarching regulatory framework in the skills space: the National Council for Vocational Education and Training (NCVET). This is proposed to be established through a Government Resolution, by merging the existing National Council for Vocational Training (NCVT) and the National Skill Development Agency (NSDA). The proposed NCVET will regulate the functioning of entities engaged in vocational education and training, both long term and short-term, and establish minimum standards for the functioning of such entities.

References:

- i. Ministry of Skill Development, Annual Report 2017-18, pg. 5-9, 11-13, 115 & 117.
URL: [https://www.msde.gov.in/assets/images/annual%20report/Annual%20Report%202017-2018%20\(English\).pdf](https://www.msde.gov.in/assets/images/annual%20report/Annual%20Report%202017-2018%20(English).pdf)
- ii. http://164.100.47.193/Refinput/New_Reference_Notes/English/skill.pdf
- iii. Rajya Sabha Unstarred Q.No. 3039 dated 13.12.2019
URL: <https://pqars.nic.in/annex/250/Au3039.pdf>

Details of Schemes for Skill Development of various Ministries/Departments

S. No.	Name of Ministries/ Department	Name of the Scheme
1.	M/o Skill Development and Entrepreneurship	Pradhan Mantri Kaushal VikasYojana (PMKVY)
		Apprenticeship Training Scheme (ATS)
		Craftsmen Training Scheme
		Craftsmen Instructor Training Scheme
		Skill Development Initiative Scheme (SDIS)
2.	M/o Rural Development	Deen Dayal Upadhyaya Grameen KaushalyaYojana (DDU-GKY)
		Rural Self-Employment Training Institutes (RSETIS)
3.	M/o Housing and Urban Poverty Alleviation	National Urban Livelihoods Mission (NULM)
4.	M/o Textiles	Integrated Skill Development Scheme (ISDS)
5.	M/o Agriculture and Farmers Welfare	National Food Security Mission – Farmers Field School
		Agri-Clinic and Agri-Business Centres Scheme
		Extension Reforms - Farm School
		Krishi Vigyan Kendras (KVKS)
		Skill training to Agri-graduates
		Promotion of farmer to farmer extension
6.	M/o Micro, Small and Medium Enterprises	Entrepreneurship Development Programmes (EDPS)
		Entrepreneurship Skill Development Programmes (ESDPS)
		Management Development Programmes (MDPS)
		Assistance to Training Institutions Scheme (ATI SCHEME)
		Skill Upgradation and Quality Improvement and Mahila Coir Yojana (MCY)
		Tool Rooms
		Central Manufacturing Technology Institute (CMTI)
7.	M/o Tourism and Culture	Scheme of Capacity Building for Service Provides
		Hunar se Rozgartak Initiative
8.	M/o Human Resource Development	Vocationalization of School Education
		Scheme of Community Development through Polytechnics
		National Institute of Open Schooling Distance Vocational Education Programmes (Practical Learning through Accredited Vocational Institutes (AVI)
		National Apprenticeship Training (NAT) Scheme
9.	M/o Electronics and Information Technology (MeitY)	Scheme for Financial Assistance to States for Skill Development in Electronic System Design and Manufacturing (ESDM) Sector
		Skill Development in ESDM for Digital India
10.	M/o Tribal Affairs	Vocational Training for Tribal Youth
11.	M/o of Women and Child Development	Support to Training and Employment Programme for Women (STEP)
12.	M/o Commerce and Industry	Indian Leather Development Programme
13.	M/o Development of North Eastern Region (DoNER)	Capacity Building and Technical Assistance

S. No.	Name of Ministries/ Department	Name of the Scheme
14.	M/o Home Affairs	UDAAN
15.	M/o Minority Affairs	Seekho aur Kamao
		Nai Roshini (The Scheme for Leadership Development of Minority Women)
16.	M/o Social Justice and Empowerment	Financial Assistance for Skill Training of persons with Disabilities
		Special Central Assistance (SCA) to Scheduled Castes Sub Plan (SCSP)
		National Scheduled Castes Finance and Development Corporation (NSFDC)
		National Safaikaramcharis Finance and Development Corporation (NSKFDC)
		National Backward Class Finance and Development Corporation (NBCFDC)
17.	M/o Food Processing Industries (MFPI)	Skill Development Programmes under NIFTEM and IICPT
18.	D/o Chemicals and Petrochemicals (DCPC)	Central Institute of Plastics Engineering and Technology (CIPET)
19.	D/o Industrial Promotion and Policy (DIPP)	Indian Leather Development Program (implemented by Footwear Design and Development Institute)
20.	D/o Youth Affairs (DYAS)	Skill up gradation Training Programme (SUTP) implemented by Nehru YuvaKendrasSangathan
		Skill Development Training Programme under NCVT Scheme
		Skill Development training for Nation Service Scheme volunteers

Skilling Achievement from 2014-15 to 2016-17

S. No.	Ministry/Department	Skilling Achievement (In Lakhs)		
		2014-2015	2015-2016	2016-2017
1	Ministry of Skill Development and Entrepreneurship	34.42	60.34	54.83
i.	PMKVY		20.69	10.52
ii.	Entrepreneurship		3.69	1.51
iii.	DGT		18.75	13.81
iv.	NSDC	34.42	17.20	28.99
2	Ministry of Agriculture	11.44	15.22	7.95 (DAC&FW)
3	Ministry of Rural Development	3.95	7.05	6.08
4	Ministry of Micro, Small & Medium Enterprises	5.52	4.29	2.01
5	Ministry of Human Resource and Development	0.30	3.95	-
6	Department of Electronics & Info Technology	-	2.96	6.05
7	Ministry of Housing & Urban Poverty Alleviation	0.48	2.53	4.02
8	Ministry of Women & Child Development	-	0.10	0.18
9	Ministry of Textiles	-	2.20	4.03
10	Ministry of Social Justice & Empowerment	0.24	0.74	1.34
11	Ministry of Tourism	0.98	0.93	0.33
12	Ministry of Minority Affairs	0.41	0.43	0.32
13	Ministry of Tribal Affairs	-	0.87	0.78
14	Ministry of Home Affairs	0.01	0.11	0.22
15	Ministry of Chemicals & Fertilizers	0.25	0.63	0.55
16	Ministry of Commerce and Industry	0.93	1.44	1.45
17	Department of Heavy Industry	0.24	0.33	0.55
18	Ministry of Development of North Eastern Region	-	0.03	0.28
19	Ministry of Food Processing Industries	0.95	0.02	0.06
20	Ministry of Labour & Employment	16.85	-	-
Total		76.12	104.16	90.78

Annexure 3

The Sector-wise candidates enrolled, trained, assessed, certified and reported placed under Skill Development Programmes 2016-20, as on 11.11.2019.

S. No.	Sector	Enrolled	Trained	Assessed	Certified	Reported Placed
1	Aerospace and Aviation	6,385	5,080	3,759	3,514	49
2	Agriculture	6,27,915	5,52,394	4,45,143	3,77,493	43,408
3	Apparel	8,35,126	7,77,543	7,04,102	6,51,913	3,00,278
4	Automotive	1,34,959	1,25,601	1,05,045	95,317	21,880
5	Beauty and Wellness	3,80,803	3,64,323	3,14,824	2,89,910	1,00,372
6	BFSI	1,48,995	1,47,959	1,37,445	1,08,489	42,721
7	Capital Goods	52,779	44,876	33,758	23,639	12,107
8	Construction	3,26,103	3,09,834	2,55,908	2,25,745	52,694
9	Domestic Worker	58,893	53,537	41,515	38,767	7,277
10	Electronics and Hardware	8,46,325	7,81,301	6,89,837	6,00,171	2,76,902
11	Food Processing	32,223	30,410	25,438	23,067	6,701
12	Furniture and Fittings	1,26,609	1,26,175	1,14,503	1,06,030	5,607
13	Gems and Jewellery	91,864	91,443	78,313	73,850	10,119
14	Green Jobs	2,03,774	1,94,947	1,38,764	1,36,471	13,796
15	Handicrafts and Carpet	1,27,751	1,25,423	1,14,040	1,12,694	4,729
16	Healthcare	1,20,047	1,05,483	94,032	85,666	38,844
17	Hydrocarbon	1,15,881	1,14,050	44,211	40,580	73
18	IASC	13,162	12,489	9,545	8,323	-
19	Infrastructure Equipment	23,318	22,876	17,746	16,026	921
20	Iron and Steel	32,278	29,854	26,675	24,994	7,610
21	IT-ITeS	2,66,660	2,30,702	2,02,981	1,55,348	74,754
22	Leather	1,34,623	1,31,554	1,15,650	1,10,818	7,094
23	Life Sciences	53,984	52,421	43,544	36,590	6,087
24	Logistics	3,63,676	3,40,479	3,07,277	2,72,476	1,19,289
25	Management	2,31,165	2,25,448	1,80,856	1,61,761	3,009
26	Media and Entertainment	2,33,606	2,20,304	1,69,373	1,60,279	24,259
27	Mining	37,654	36,969	33,430	29,946	5,162
28	Paints And Coatings	5,411	4,930	2,137	1,179	-
29	Plumbing	85,111	80,692	66,434	57,249	10,929
30	Power	1,01,866	96,403	85,115	75,867	23,718
31	Retail	5,05,020	4,78,464	4,35,284	3,82,370	1,43,304
32	Rubber	1,13,308	1,12,829	1,00,742	91,745	1,283
33	Security	47,021	46,460	42,154	35,556	9,491
34	Sports	13,728	11,767	9,476	9,284	624
35	Telecom	2,73,139	2,58,904	2,33,706	2,00,346	98,244
36	Textiles And Handlooms	1,09,733	1,07,225	99,746	97,679	8,920
37	Tourism & Hospitality	4,35,015	4,19,106	3,51,646	3,27,841	47,447
38	Persons with Disability	38,162	33,416	28,594	25,402	10,464
Total		73,54,072	69,03,671	59,02,748	52,74,395	15,40,166

[* placement is against the certified candidates in short term training courses i.e. 30,21,889 candidates]
