JETIR.ORG ISSN: 2349-5162 | ESTD Year : 2014 | Monthly Issue
JOURNAL OF EMERGING TECHNOLOGIES AND INNOVATIVE RESEARCH (JETIR)
An International Scholarly Open Access, Peer-reviewed, Refereed Journal

# SKILLED YOUTH OF INDIA : THE VIBRANT AND POWERFUL VISION OF NATION ECONOMIC DEVELOPEMENT

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**ABSTRACT**

In INDIA this is an era of creation of tremendous YOUTH energy its transformation and further its transmission to the world. India has the largest youth population in the world; around 66 per cent of the total population (more than 808 million) is below the age of 35.The Indian labour force is set to grow by over 8 million per annum over the coming decade, most of which will be driven by youth entering the labour market. This is a major challenge for policymakers in terms of creating decent work for the increasingly educated cohorts. Enabling skill development among rural youth is crucial for addressing developmental challenges in both the agricultural and non-farm employment sectors.

We need to recognise the significance of the Skill India Mission in enhancing the employability of the youth. The success of the Skill India Mission is measured through a comprehensive set of indicators that gauge the impact on the employability of trained youth. These indicators encompass various aspects to provide a holistic evaluation of the program's effectiveness including placement rates, industry engagement, retention in jobs, skill upgradation, entrepreneurship development, income growth, feedback and surveys. This is the reason why G20 nations stand together and see India as the great source of skilled labour exporter in coming decades.

The significance of this article is to analyse

(a) Present scenario of skill development in India along with reasons and the extent to which we have been successful in infusing skill in our youth to drive their energy in economic direction

(b) Demand supply gap of skilled youth prevailing in India and different initiatives by government to bridge the gap

(c) Future prospects and ideas.

**Keywords:** Employability, Labour force, Skill upgradation, Skilled youth.

## INTRODUCTION:

India –a nation pulsating with energy and vitality of an unparallel staggering around 66 per cent (1) of youth population embody the promise of tomorrow. They hold the key to unlocking the immense potential that lies within India, propelling us towards the realization of our vision for a Dream India by 2047. This buldging demographic dividend that we have attained in this era need to be harnessed with their full potential by providing them a skilled ,illuminating ,transformative ,creative , constructive and visionary path of Modern Education to bridge the gap between the demand of the world and the supply of skilled Human capital from India. It is imperative to channel their energy towards constructive avenues and provide them with the necessary tools and platforms for self-expression. It is essential to nurture critical thinking, problem-solving, and entrepreneurial skills among our young minds, equipping them with the ability to navigate the complexities of the modern world.

In this perspective Indian Government along with the various Educational Institutions have run many programmes to infuse skills in rural and urban youth to match the requirement of the world. Government has

tried to transform the education system of India to match the pace of world. A 2019 report states that 80% (2) of engineering graduates in India are not employable and reports for other graduates are the same. This data brings us in a tight spot regarding the exam centric education which we are providing in which the youth are not cooking out to be presentable and consumable to the growing expectation of the competency of world economic battle.

There has been a lot of literature and research reports by major Consulting firms, UN agencies and government and academia which talk of '21st Century' skills. This is well-accepted. India is leading the change in the global South to make changes to its older education policy. Released in 2020, The New Education Policy (or NEP 2020 as its called) talks of democratizing choices for students, equipping them for a digital world and giving the 21st Century skills that students will need to eke out a living and be responsible global citizens in a VUCA (volatility, uncertainty, complexity and ambiguity)world.

As Nobel laureate Malala Yousafzai once remarked, "One child, one teacher, one book, and one pen can change the world." The youth possess the capacity to initiate dialogue, challenge the status quo, and propel societal transformations.

This article can be studied through aggregation of under mentioned areas :

- What is skill development and how it works to add in economic development?
- Demand and supply gap and its reasons
- Different government schemes and initiatives to bridge the gap
- Achievements on ground
- Needs of hours in view future prospects
- Conclusion

**(A) What is skill development and how it works to add in economic development ?**

In today's rapidly evolving world, the demand for skills is changing at an unprecedented pace. To ensure a prosperous present and future for India's youth, it is crucial to empower them with both traditional trade skills and future-focused competencies.

Now a Days meaning of skill has changed its dimensions. Skill development refers to the identification of skill gaps and developing the existing skills to enable a person to achieve his/her goals..Technical skills alone are no longer sufficient. The pace of technological advancement and changing industry landscapes necessitate a broader set of competencies. We have to work on

- **Future technical skills, including digital literacy, problem solving, critical thinking, communication, adaptability, and entrepreneurship, that are essential for sustainable employability in today's workforce.**

To ensure our candidates receive a holistic and future-ready education we have to include our curriculum cutting-edge technology, industry-specific software, data analysis tools, and even basics of coding and automation. By integrating these future skills, we equip candidates with the necessary digital fluency and technological competence required to excel in today's job market.

The current generation lacks the necessary skills and there is a humongous gap between the skills existing in a person and the skills demanded by the industry. Skilled youth will add in Economy by generating income through generating different opportunities.

India is all set to be among the youngest countries in the world by 2024 with 66% of its population in the working age group. This demographic potential could provide India with a significant advantage and could add up to 2% to the GDP growth rate. India faces a great opportunity to utilise this demographic shift and position itself for growth. To leverage this opportunity, India will need to make substantial progress in providing enough opportunities to the youth to meaningfully contribute towards economic growth.

**(B) Demand and supply gap and its reasons:**

Globally there is a shortage of skilled workforce across industries. This is preventing industries across the world from growing at a pace that they can. The companies have therefore been looking at developing countries with large populations to help fulfil these needs for decades. Thus countries like India, Pakistan, Bangladesh, Nepal, Sri Lanka, Thailand, Jordan, Egypt, Vietnam and the Philippines have become manpower

providers to large parts of Europe, Middle East, Australia, US and Canada. Similarly, Mexico, Poland and Algeria have become manpower suppliers to USA, Western Europe and France respectively.

While India enjoys this demographic shift, the populations in the West, Japan and even China are getting older. Therefore, it provides India with a unique opportunity to not only lay emphasis on skilling for meeting its own demands but to also provide skilled workforce across the globe. The stage is set for India to become the Skill Capital of the World. As per Labour Department only about 5% of our labour force has undergone any formal skill training. Ministry of Skill Development and Entrepreneurship (MSDE) is responsible for coordinating skill development activities in the country. It has supported various organisations like:

1. National Skill Development Corporation (NSDC) NSDC aims to promote skill development in the country by establishing institutes across the country.
2. National Skill Development Agency (NSDA) NSDA aims to coordinate the efforts of the government and the private sector and aid in skill development.

As per 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% reported to have received formal vocational training and 8.6% reported to have received non-formal vocational training.

As per the 2023 edition of the OECD's Skills Outlook brings a **new perspective towards skills demand, driven by the twin digital and green transition, and towards the role skills policies play in promoting resilience. The OECD report also recognises the importance of other complementary skills, such as the metacognitive skills that the complex digital information landscapes of today increasingly require - and the ones of tomorrow certainly will.** Demand for professionals working in AI development and deployment increased drastically from 2019 to 2022 according to online job postings, with around 33%. This is normal and follows the trajectory of more and more AI products being developed and deployed across sectors and contexts. The figure below, taken from the OECD Skills Outlook's 2023 edition shows the share of online vacancies requiring AI in some countries for that period. (3)

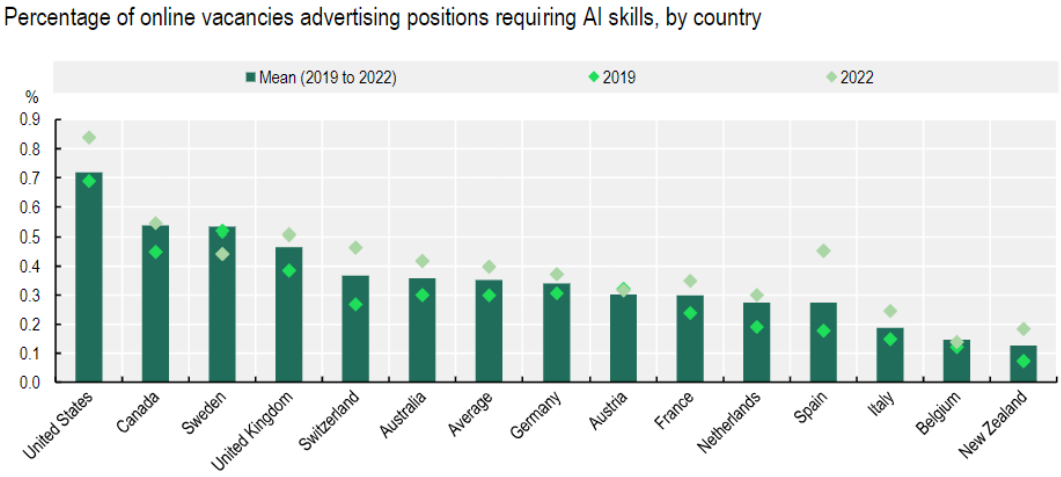


**Figure 1:** Percentage of online vacancies advertising positions requiring AI skills, by country (2019 and 2022), OECD Skills Outlook 2023, StatLink.

India holds a **prominent global position in AI skill penetration** and talent concentration, showcasing a strong base of AI professionals.

As of August 2023, there were 4.16 lakh AI professionals, poised to meet the increasing demand expected to **reach 1 million by 2026.** (4)

India has a **60%-73% demand-supply gap** in key roles such as ML engineer, data scientist, DevOps engineer, and data architect.

The overall young employability in India has shown improvement, reaching **51.25%. States like Haryana,** Maharashtra, Andhra Pradesh, Uttar Pradesh. (5)

Kerala, and Telangana demonstrate a **high concentration of highly employable youth.**

Haryana has the highest employable youth concentration with 76.47% of test takers in this region scoring 60% and above on the WNET. (6)

The report emphasizes the need for collaborative efforts among government bodies, businesses, and educational institutions to address challenges and focus on inclusive upskilling initiatives to navigate the transformative journey catalyzed by AI.

This is not the only sector in which we have the demand and supply gap. There prevails a number of reasons behind this-

- Lack of Awareness among the youth
- Lack of Industry Linkages
- Perception and Stigma that vocational education is inferior to traditional one
- Mobility and Accessibility to skill development programmes remain a challenge for people leaving in remote areas
- Funding and Sustainability has also been a dreadful task
- Quality of Training needs to match the demand of industry
- Relevance to Industry Needs has to be in prominent place
- Infrastructure and Resources should be innovative
- Trainer Quality must be in accordance with the on going world's expectation.

**(C) Different government programmes and initiatives to bridge the gap**

Indian government has initiated many programmes to infuse skills in the youth of INDIA whether it is from rural sector or urban sector. The Government of India has launched various skill development schemes, including -

- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Rs 13,000 crore 'PM Vishwakarma Yojana' launched by Prime Minister Shri Narendra Modi for supporting the artisans
- Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP)
- UDAAN
- Standard Training Assessment and Reward Scheme (STAR)
- Polytechnic Schemes
- Vocationalisation of Education and many other schemes to strengthen the bridge to meet the gaps through-

1) Strengthening Vocational Education in schools and educational institutions
2) Industry Partnerships for training people for job oriented programmes
3) Focus on Emerging Technologies such as artificial intelligence, data science, and renewable energy to meet the demands of the future job market.
4) Support for Marginalized Groups including women, differently-abled individuals, and economically disadvantaged communities.
5) Establishing Skill Development Centers across the country to provide accessible training opportunities for different sectors.
6) Trainer Training Programsfor instructors and trainers to improve their skills and ensure high-quality training delivery.
7) Certification and Recognitionfor skill development programs to increase their credibility and recognition among employers.
8) Offer Financial Incentivesto individuals and businesses that invest in skill development, such as tax benefits and subsidies.
9) Entrepreneurship Trainingprograms to encourage individuals to start their own businesses and create jobs for others.
10) Encourage Public-Private Partnershipsto combine resources and expertise for effective skill development initiatives.
11) Establish a robust monitoring and evaluation system to measure the outcomes of skill development programs and make necessary improvements.

**(D) Achievements on ground**

Achievements are the road map to the successful implementation of programmes and creating the income in hands of people who are not very keen in getting traditional education. Data released by Ministry of Skill Development and Entrepreneurship reaveals our on going tries and our achievements in mending the gap of skill we have and the skill required.

- Since 2015, close to 1.40 crore candidates trained under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) (7)
- 2nd Kaushal Deekshant Samaroh organised for more than 14000 ITIs at the National, State and ITI level on 12th October 2023 for more than 8.5 lakh trainees (8)
- In 2014, 10119 ITI institutes were established and since then 4621 have been added, taking the total number to 14953 in 2022. This is an increment of 47.77%. (9)
- Under Short-term Training, where placement was incentivised, 42% of the candidates were placed in various sectors across the country. (i.e., 24.39 lakh candidates were placed out of 57.42 lakh candidates certified in STT). (10)
- As of 13th December 2023, a total of 6,62,750 candidates have been enrolled of which 3,42,500 candidates have completed their training. (11)
- A total of 2.14 crore+ candidates trained till date. 1.96 crore+ trained between 2014-Nov'2023 under market-led demand-driven skilling aligning to Industry 4.0. Drone, Internet of Things (IoT), Robotics, Electric Vehicle (EV), Artificial Intelligence and Machine Learning (AI & ML), 5G technologies, Mechatronics, Cloud Computing, Block Chain, Extended reality (XR) including Augmented and Virtual reality, Cyber Security, 3D Printing, VLSI design among many others which shall drive the economy forward as a manufacturing and services driver. (12)
- Financial Support of ₹1873 crore+ provided at a concessional rate of interest to 350+ partners by way of loans, equity & grants for creating skilling & training infrastructure and working capital needs. ₹1209 crore+ disbursed between June 2014-Nov'23. (13)
- In India, the overall young employability has improved to 51.25% over the previous year. This is to state that more than 51.25% of test takers across all domains scored 60% or above on the WNET proctored survey. (14)

**(E) NEEDS OF HOURS:**

- Skill Development efforts in the country need to be relevant for the population of respective districts and identification of such necessary initiatives could be done most effectively and efficiently at the district level. The development of District Skill Development Plans, formalised at the State level, was put into practice, on the basis of which skill development initiatives are aligned. This, in turn, strengthens the skilling ecosystem.
- The integration of AI into learning science is seen as a key differentiator, enabling personalized, analytics-driven, and actionable insights. This integration is deemed essential for effective professional development
- Create a demand for skilling across the country; Correct and align skilling with required competencies; Connect the supply of skilled human resources with sectoral demands; Certify and assess in alignment with global and national standards and
- Catalyse an ecosystem wherein productive and innovative entrepreneurship germinates, sustains and grows leading to creation of a more dynamic entrepreneurial economy and more formal wage employment.
- Upgradation and modernization of ITIs in terms of their infrastructure, pedagogy, curriculum and technology interventions.
- Implementation of Skills Strengthening for Industrial Value Enhancement (STRIVE) scheme, a World Bank assisted project launched with the objective of improving the relevance and efficiency of skills training provided through Industrial Training Institutes (ITIs) and apprenticeships.

- The future skills form a substantial part of this set and require a focused and calibrated approach for adoption in of future skills across domains such as Drone, Internet of Things (IoT), Robotics, Electric Vehicle (EV), Artificial Intelligence and Machine Learning (AI & ML), 5G technologies, Mechatronics, Cloud Computing, Block Chain, Extended reality (XR) including Augmented and Virtual reality, Cyber Security, 3D Printing, VLSI design among many others which shall drive the economy forward as a manufacturing and services driver.
- Strengthening the Apprenticeship System in India
- District Skill Development Planning for Advancing Skill Development
- Tracking Progress of Skill Development
- Advancing Construction Skills' Training in Aspirational Districts (in collaboration with L&T)
- Initiative for Utilising the Talent Pool of Non-Recommended Meritorious Candidates that Appeared in Recruitment Examinations
- Engaging with the Ministry of Labour and Employment for Setting Up a Portal for Unorganised and Migrant Workers
- Dialogue on Migration
- Study on Overcoming Barriers and Enhancing Female Labour Force Participation
- Analysis of District Skill Plans
- Integration of Unnati Portal with State Employment Data
- Care Sector Livelihood Opportunities
- Study on Gig and Platform Economy
- Study on Convergence of Skilling Schemes
- Consultation on Digital Apprenticeship Opportunities

## (F) CONCLUSION

- The rapidly burgeoning gig workforce is ushering in a new economic revolution globally. India – with its demographic dividend of half-a-billion labour force and the world's youngest population, rapid urbanisation, widespread adoption of smartphones and associated technology – is the new frontier of this revolution. The gig economy has proven its resilience and potential even in the wake of the Covid-19 pandemic, by continuing to unlock jobs in the millions and keeping communities connected. Gig economy – transforming the way we move, work, and live – not just impacts how we do business but also affects our GDP.
- The employment elasticity to GDP growth for gig workers was above one throughout the period 2011-12 to 2019-20, and was always above the overall employment elasticity. The higher employment elasticity for gig workers indicates the nature of economic growth, which created greater demand for gig workers while not generating commensurate demand for non-gig workers. (15)
- Platforms can enable the upskilling and diversification of platform workforce in a newly structured and industry tested manner. Platforms can collaborate with the Ministry of Skill Development and Entrepreneurship, and the National Skill Development Corporation (NSDC) to nurture skilled workers and micro-entrepreneurship.
- Transformational upskilling creates avenues of horizontal and vertical mobility for workers empowering them to augment their earnings.
- Here we can conclude that, as we are marching towards the 100th anniversary of our independence, let us recognize the power and agency of our youth. They are the torchbearers of our dreams, the harbingers of a radiant future. To quote former President **Dr. A.P.J. Abdul Kalam, "Dream, dream, dream. Dreams transform into thoughts, and thoughts result in action."** It is through their dreams and actions that the vision of a Dream India @2047 will be

realized. Let us unite as a nation, inspire the youth, and together forge a path towards a resplendent future where India shines as a beacon of hope and progress.

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