

## RESEARCH ARTICLE

## Rural Employment through Skill Development

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### Abstract

India has more than 430 million young people in the age group of 15-34 years, which constitutes 35% of the country's population. Rural Development is a process of change, by which the efforts of the people themselves are united with those of government authorities to improve their economic, social and cultural conditions, and to enable them to contribute fully to national development. Since independence, rural employment has been prime agenda of debate as 74% of the unemployed population hails from rural India. To ensure inclusion of the rural poor in the national development, for the past 3 decades, the Ministry of Rural Development (MoRD), Government of India has been implementing many rural employment generation programmes, like, various pilot projects through public private partnership, establishment of Self Help Groups, Women Entrepreneurs, Aajeevika Skills, National Rural Livelihoods Mission (NRLM), MNREGA, PMEGP, Watershed Development Programmes, NABARD Consultancy Services, engagement in Security Solutions (TOPSGRUP), Swarnajayanti Grameen Swarojgar Yojana, National Skill Development Coordination Board, National Vocational Education Qualifications Framework, Rural Development and Self Employment Training Institutes, Self-Employed Women's Association, implementing remote village electrification, village energy security test projects and decentralized biogas-based power generation programmes etc. and many more. Different innovative scheme and programme have been initiated time again in different 5 year plans. These approaches help the poor to build their self confidence through community action and ultimately lead to the strengthening and socio economic empowerment of the rural poor as well as their collective bargaining power.

**Keywords:** *Rural, Employment, Empowerment, National, Development, Aajeevika skills.*

### Introduction

Poverty is a vicious circle, being both the major cause and the effect of a situation, in which no opportunities seem to exist for the poor to help themselves. The widening gap between rich and poor worldwide is a major threat to global security and economic integration. About half of the planet's population is poor, living on less than two dollars a day. Most of the rural population depends, directly and indirectly, on small-scale food crop agriculture, fishery, pastoral animal husbandry or rural wage labour associated with plantations and ranches, and ancillary activities linked to the economies of the rural life and rural townships. Many rural families need to diversify their sources of income and employment in view of

increasingly smaller parcels of land, low agricultural productivity, volatile weather conditions and soil erosion. The rural non-farm economy plays an important role for wealth creation and well-being across countries. For example, small rural households with fewer than 0.5 hectares earn over half of their total income from non-farm sources. The composition is generally one-third manufacturing, one-third commerce and services with mining and construction accounting for the rest.

India has more than 430 million young people in the age group of 15-34 years, which constitutes 35% of the country's population. This age group is projected to increase to 464

million by 2021. This is a demographic challenge, but also a potential demographic dividend, if the productivity of this large youth force is harnessed through demand based skill and capacity development. Rural Development is a process of change, by which the efforts of the people themselves are united, those of government authorities to improve their economic, social and cultural

conditions of communities in to the life of the nation and to enable them to contribute fully to national programme. With a view to ensure inclusion of the rural poor in the growth process, the Ministry of Rural Development, Government of India had formulated several schemes specifically targeted at rural below poverty line (BPL) people.

**Table 1: Profile of the Indian Workforce**

Criteria	Profile
Workforce	Although accurate measures of employment and unemployment are difficult in India's largely informal economy, the current labour force consists of approximately 400 million men and women.
Growth in Labour Force	It is estimated that the work force is currently growing by 7 million persons per year.
Sector-wise	Of these, about 56% are engaged in agriculture as their primary occupation which is down from 65% in the early 1990s. Another 13% are engaged in manufacturing and the balance is employed in the service sector, which has grown from 25% to 32% of total employment over the past two decades.
Organized vs. Unorganized	The organized sector provides less than 8% of the total jobs, about 3% in private firms and 5% in the public sector. The informal/unorganized sector is provides the other 92%.
Skills	Only 6-8% of India's workforce has received formal training in vocational skills, compared with 60% or more in developed and most rapidly developing countries.
Unemployment	Depending on the survey measure applied, unemployment is estimated to range between 25 and 35 million. Youth unemployment is 13%, but reaches a high of 35% in Kerala. Unemployment as a percentage of the workforce fell in the 1980s and rose slightly in the 1990s. Authoritative published data was not available to indicate trends after 2001-2002.
Migration	According to sample survey estimates, approximately 27% of India's population are migrants, including those who move from one rural or urban area to another or between rural and urban areas. Approximately 57% of urban male migration is for seeking better employment opportunities. The net migration from rural to urban areas is approximately 2 million per annum, of which about 1 million may be job seekers.

After the independence to till date the government has provided following rural employment schemes:

- 1980- National Rural Employment Programmes (NREP)
- 1983- Rural Landless Employment Guarantee (RLEG)
- 1989- Jawahar Rojgar Yojna(JRY)
- 1993-Employment Assurance Scheme (EAS)
- 1999- Jawahar Gram Samrudhi Yojna (JGSY)
- 2001- Sampoorna Gramini Rojgar Yojna(SGRY)

- 2004-Food For Work Programme (FFWP)
- 2006 -National Rural Employment Guarantee Scheme (NREGS)

### Objectives of these Schemes

- To generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises.
- To increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.

Lack of planning has been the main problem of programmes such as JRY, EAS, SGRY and the MEGA, both in the short term and long term. Although the main goal of these programmes has been to reduce rural poverty, the demand for public wage employment has rather increased. Other evident problems have been corruption, too small programmes, low wages, low participation rate and limited creation of quality assets .

Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the National level. At the State level, the Scheme will be implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks.

### **Public-Private Partnership**

Various placement linked skill development programmes were taken up on pilot basis through public private partnership (PPP). In view of success of the pilot projects, efforts have been made to up scale the skill development programme as it was felt that regular wage employment to at least one member of rural BPL family will enable it to come out of poverty. In this perspective, Ministry of Rural Development (MORD) has made concerted efforts in bringing about paradigm shifts in the delivery mechanism and in involving industry stakeholders, besides strengthening the process through output linked support. MORD has so far

assisted several PPP or private sector led initiatives emanating from industry, civil society organizations etc. The objective of each Special Projects for Skill Development would be to ensure a time-bound training and capacity building programme for bringing a specific number of Below Poverty Line (BPL) families above the poverty line through placement ensuring regular wage employment.

### **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)**

Notified on September 7, 2005, MGNREGA aims at enhancing livelihood security by providing at least one hundred days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work. The Act covered 200 districts in its first phase, implemented on February 2, 2006, and was extended to 130 additional districts in 2007- 2008. All the remaining rural areas have been notified with effect from April 1, 2008. The works undertaken through MGNREGA give priority to activities related to water harvesting, groundwater recharge, drought-proofing, and flood protection. Its focus on eco-restoration and sustainable livelihoods will lead over time, to an increase in land productivity and aid the workers in moving from wage employment to sustainable employment. Almost 80% works relate to soil and water conservation. MGNREGA works by their very nature place stress on increasing land productivity, recharging ground water and increasing water availability.

In view of the inter-sectorality of MGNREGA, the need to create durable assets and improve livelihood security and the common target groups of certain development programmes with MGNREGA, the Ministry has developed and disseminated convergence guidelines with different Schemes and specific programmes viz. Indian Council of Agricultural Research, National Afforestation Programme and other schemes of the Ministry of Forest & Environment, Schemes of the Ministry of

Water Resources, PMGSY (Department of Rural Development), SGSY (Department of Rural Development), Watershed Development Programmes (Department of Land Resources, Ministry of Rural Development), Ministry of Agriculture and Fisheries and schemes of Ministry of Agriculture. These convergence initiatives have been documented and shared among States.

### **Power Generation Programmes**

The Ministry of New and Renewable Energy has been supporting programmes for the deployment of renewable energy systems and devices such as biogas plants, photovoltaic systems, biomass gasifiers, solar cookers and other solar thermal systems, etc. in rural areas of the country. The Ministry has also been implementing remote village electrification, village energy security test projects and decentralized biogas-based power generation programmes which include:

- National Biogas and Manure Management Programme (NBMMP)
- Small Wind Energy and Hybrid Systems.
- Small Hydro Power Programme.

### **Self Help Groups**

This objective is to be achieved by inter alia organizing the rural poor into Self Help Groups (SHG's) through the process of social mobilization, training and capacity building and provision of income generating assets. The SHG approach helps the poor to build their self confidence through community action. This process would ultimately lead to the strengthening and socio economic empowerment of the rural poor as well as their collective bargaining power.

### **Women Entrepreneurs**

Women and girls constitute three-fifths of the world's poor. Their poverty level is worse than that of men as clear gender disparities in education, employment opportunities and decision making power exist. Women entrepreneurs are encouraged to organize themselves in a business association. Thus, they can get into touch with like-minded

women, exchange ideas and take part in policy preparation processes that determine the future of micro and small-scale enterprises. In general, interest in business has increased in the course of the training and women developed awareness of the essential role of personal initiatives and self-confidence to succeed in business.

### **Self-Employed Women's Association (SEWA)**

The Self-Employed Women's Association (SEWA) was formed in 1972 in Ahmedabad. Initially a small membership organization for poor women working in the informal sector, SEWA now has more than 1.2 million members across India. Members are involved in SEWA through unions or cooperatives. The unions, in both urban and rural areas, help members gain access to fair treatment, justice, markets and services.

The cooperatives help members to market and improve the quality of their products, while also teaching them new techniques and how to expand into new products. For example, SEWA has shown salt farmers how to produce higher-value industrial salt rather than lower value edible salt. The largest cooperative is the SEWA Bank. In 2004 the bank had more than 250,000 accounts, with deposits totalling \$14.4 million. It has encouraged thousands of poor women to regularly save their incomes through programmes such as "doorstep banking", and has offered small loans (averaging \$73). Members prefer the bank's 20 per cent interest rate to the exploitation of money lenders.

### **Establishment of Security Agencies**

In a first-ever alliance of its kind, TOPSGRUP, India's largest and most preferred security solutions brand, has joined hands with the Ministry of Rural Development, government of India for a national rural employment project. TOPSGRUP International Security Academy Private Limited (TISA) has been awarded the mandate of training more than 30,000 rural youth living below the poverty line across the country to enable them to earn

their livelihood. The Ministry has appointed NABARD Consultancy Services as the pass-through and monitoring agency of the project. TOPSGRUP is an ISO 9001:2008 certified conglomerate of 11 companies and 1 specialized division offering Total Security Solutions™ to over 8,000 clients in India and United Kingdom. TOPSGRUP's holistic range of Enterprise Risk Management Solutions include Manned Guarding, Investigations, Electronic Security Integration, Cash Management, Facility Management, Advanced Training & Consultancy and Emergency Response Services like TOPSLINE 1252 and Tops Air Rescue.

### Technical and Entrepreneurial Skills

The 55<sup>th</sup> Round of NSS Survey undertaken in 1999-2000 has revealed that about 57% of the unemployed in the rural sector are educated. Earlier a Centrally Sponsored Scheme – TRYSEM - was in operation from 1979 to provide technical and entrepreneurial skills to rural youth to enable them to take up self employment. The programme envisaged training of selected youths either with a training institution or a master craftsman. The Scheme had a provision for payment of stipend also. However, In April, 1999, IRDP and the allied schemes for self employment including TRYSEM were merged and the newly re-structured Swarnajayanti Grameen Swarojgar Yojana (SGSY) was launched as a holistic programme for self-employment by restructuring the Integrated Rural Development Programme (IRDP). Under SGSY, 10% of the financial allocation is earmarked for training and skill development of the Swarozgaris.

### National Rural Livelihoods Mission (NRLM)

National Rural Livelihoods Mission (NRLM) was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011. The mandate of the Ministry of Rural Development (MoRD), GoI is rural poverty alleviation through programmes directly targeted at the rural poor households. Within the 'directly targeted'

category, there are programmes focused on wage employment and programmes focused on self-employment. It was in this background that Government has approved the restructuring of SGSY as the National Rural Livelihoods Mission (NRLM), to be implemented in a mission mode across the country. NRLM endeavours, through its dedicated sensitive support structures and organizations at various levels, to reach out to all the BPL households in the country, and take them out of poverty through building their capacities, financial muscle and access, and self-managed self-reliant institutions; through placement in jobs, and nurturing them into remunerative self-employment and enterprises. The institutions of the poor gradually take charge of supporting their members being in control of their livelihoods, lives and destiny.

### Aajeevika Skills

Aajeevika skills are an important component of the National Skill Development Policy and an integral part of the National Rural Livelihoods Mission (NRLM). Its features are:

- Market-led, placement-linked training
- Mandatory assured placement of 75 % of trained candidates.
- Rural youth from poor families in the age group of 18 to 35 years (upper age limit is 45 years in case of particularly vulnerable tribal groups, widows, freed bonded labour etc.
- Social inclusion through mandatory coverage of socially disadvantaged groups (SC/ ST 50 %, Minority 15 %, Women 33%).
- Regional inclusion through:
  - Himayat: A special scheme for the youth (rural & urban) of Jammu & Kashmir.
  - Roshni: A special initiative for the rural youth of poor families in 27 Left-wing Extremist (LWE) districts across nine states.
  - Northeast Region: 10% of programme funds secured for states in North East region.
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- Minimum remuneration of Rs. 6000/-p.m. or minimum wages whichever is higher.
- Post-placement career progression and migration support.

### **National Skills Development Corporation Board (NSDCB)**

The National Skill Development Coordination Board has been set up under chairmanship of the Deputy Chairman of The Planning Commission in the Public Private Partnership mode (PPP). It formulates strategies to implement the decisions of the Prime Minister's Council on National Skill Development and also monitors and evaluates the outcomes of the various other schemes and programs for the council. It also develops appropriate and practical solutions and strategies to address regional and social imbalances, ensures quality control in Vocational Training and Education, monitors private participation strategies and helps put in place sectoral action plans. It has planned to set up 1500 new it is and 5000 skill development centers, across the country as well as a National Vocational Education Qualifications Framework (NVQF) for affiliations and accreditation in the vocational, educational and training systems.

### **National Vocational Education Qualifications Framework (NVQF)**

National Vocational Education Qualifications Framework enables horizontal and vertical mobility between general and technical education, recognition and certification of competencies irrespective of the mode of learning. NVQF, with an open/flexible system, will permit individuals

to accumulate their knowledge and skills, and convert them through testing and certification into higher diplomas and degrees. NVQF will provide quality assured various learning pathways having standards, comparable with any international qualification framework. NVQF will support lifelong learning, continuous up gradation of skills and knowledge. Rural Development and Self Employment Training Institutes (RUDSETI) were launched with an objective of setting up a dedicated Skills development infrastructure in each district in the country aimed towards entrepreneurial development.

The specific requirements for quality improvement for export promotion have been clearly recognized by policy makers and artisans. The Government has placed a high development priority on training of national designers and craft development coordinators. Training programmes have been conducted to improve the quality of products to meet foreign market needs.

In the past, number of scheme have been provided temporary employment on public works programmes at the government's discretion, but the present scenario brings with it legislation and right-based approach for implementing pro-people development policies in the country. The public administration in rural areas has relatively weak capacities to implement policies and to maintain conducive framework conditions for entrepreneurial initiatives. The action of local authorities is often based on a vague understanding of what to regulate and how to regulate. It can result in arbitrary exercise of regulations. Institutions and agents to arbitrate disputes are scarce in rural areas [1-12].

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