

Demographic Dividend and Skill Development Initiative of Government of Assam

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Abstract

It is expected that India's working-age population to the total population will reach its highest level at 68.9% by 2030. India will enjoy this demographic dividend till 2055 where median age of people will be 28.4 years. India is projected to contribute 24.3% of the additional worldwide workforce in the next ten years. Along with the country Assam is also going to enjoy the benefits of demographic dividend as 38% of its population will fall under the age group of 15-34 years by 2026. But besides this demographic dividend, the state has been facing severe unemployability challenges amongst the young graduates due to lack of employability skills required by the industry. Skill and knowledge are the engines for economic growth and social development of any region. To reap this demographic dividend and overcome the various issues and challenges associated with the skill development ecosystem, the state government of Assam along with Union government of India has taken various initiatives towards Skill development.

Key word- Demographic dividend, Skill Development, Employability

INTRODUCTION

Meaning of demographic dividend

Nation with largest demographic potential for development are those that are about to enter into a phase where working age population are 15-59 years with good health, excellent education, up-to-dated skills as needed by the economy, respectable employment, lower percentage of young and old dependents relative to the total population. Having fewer children and old dependents in a family typically results in greater investment per child to develop them into valuable human resources and care to the dependents, greater flexibility for women to join the formal job, increased economic contribution to the country, and increased household savings for retirement. The economic benefits to the country may be significant when this occurs. This is referred to as the "demographic dividend." In short, the demographic dividend is the potential economic growth that could result from changes in a population's age distribution, especially when the percentage of individuals in working age group (15-59) exceeds that of individuals in non-working age. Sustainable improvement cannot be accomplished without guaranteeing that all women and men, girls and boys, enjoy the satisfaction and human rights to enlarge their capabilities, secure their reproductive health and rights, find better than average work, and contribute to economic development.

1. Demographic dividend to the India

It is estimated that India's working-age people to the total population will reach its peak level at 68.9% by 2030. This demographic potential will help India until 2055 (Thakur, 2019). India has a comparatively young people with a median age at 28.4 years. about 26% of the people is below the age of 14 years and about 67% are between 15-64 years and only 7% are higher than the age of 65 years. In comparison to the population over 65 years in US is about 17% and Europe more than 21%. India would remain the largest reservoir of human resources in the world for a very long time to come. Over the next ten years, India will account for about 24.3% of the additional global labor force (EY, 2023).

2. Demographic dividend to the Assam

2011 census data of Assam suggest that the Assam is a young state as approximately 36% of its population falls under the age group of 15-34 years, which represents a favorable demographic dividend to the state. Further it is expected that the population of the state is to be increased to 40.2 million by 2026 with an estimation of addition of 4 million of people under the age group of 15-34 years during 2011-2026. Thus share of youth population will increase from 36% to 38% by 2026. It is also expected that the working age population (15-59) years will increase from 18.8 million in 2011 to 27.8 million by 2026 (ASDM).

3. Importance of Skill Development

According to UNEVOC (2009), skill development is "defined as the development of skills or competencies, which are the relevant for the workforce." Enhancing one's employability, raising an organization's productivity and competitiveness, decreasing unemployment, poverty, and marginalization, fostering innovation, and drawing in capital are all made possible by skill development. Additionally, it makes the shift from the informal to the formal economy easier (Aggarwal & Gasskov, 2013). Skill development programmes are being implemented in India in order to ensure India's competitiveness in the dynamic and global market to create a workforce with continuously upgraded skills, knowledge, and internationally recognized qualifications, (Srinivas & Narayana, 2022). In India, finding the right candidates for job vacancies is challenging of being having limited applicants, because of scarcity of hard skills, and a lack of suitable employability soft skills (Tabassum, 2019). The country is currently dealing with two major issues: a shift in demographics and the serious issue of young graduates lacking job-specific skills, as well as a shortage of skilled workers needed to meet current market demands (NCAER, 2018). Insufficient skilled manpower has been observed in both the industrial and service sectors (Nookathoti & Nayak, 2023). In India, only 10% of the working population has undergone skill training (2% formal and 8% informal), while 80% of new workforce members lack the chance for skill training (FICCI, 2012). Developing skills for the workforce is a crucial responsibility for the government to enhance employability and foster greater contributions to nation-building by workers in both the organized and unorganized sectors. It is expected that from 2020 to 2025, 12.5 lakh additional workers will be needed in sectors such as agriculture, construction, wholesale and retail trade, tea, education, transportation, and accounting (KPMG, 2021).

Demographic transition of a nation does not automatically become demographic dividend. Human capital formation is the central factor to reap the benefits of demographic transition. Formation of human capital requires market demand based education in both technical and non-technical to its working people as only education without skills just increases depressed unemployment. It is essential to acquire requisite skills to enhance employability of worker. In order to gain the benefits of demographic transition, it is very important to employ its working population productively. It largely depends on the forward-looking policies of government, education and skills for its young people and new entrants in the job markets, healthcare and providing rights and choices to the young generation (Haridass & Sarwal, 2022). In the current situation skill development programs for new entrants to the job markets and skill up gradation for the existing employees according to the market demands is highly necessary. Skills improve the employability of worker and thereby improve the quality of life of worker and enhance the industries productivity.

Skill and knowledge are like the engine to run any state's economy. They act as an accelerator to boost up the economic and social development of any region. With the passage of time and invention of new technologies, requirement of new sets of skill and knowledge are arises to meet economy's current and changing needs. Countries, with the latest technical knowledge and expertise skill can efficiently adjust with the challenges and opportunities of the nation as well as in glob. But if there are not enough jobs for the new entrants to the job markets, the demographic dividend may become a curse as the young people of today, get older after five to six decades, these aging people will be the burden to the nation because they may not have enough accumulated wealth to afford high cost of old age care and other expenditure. To get rid of this curse, the first and foremost challenges of the national policymaker are to create skill ecosystem in the nation and to ensure that the new entrants have the right skill and create job opportunities for them.

4. Review of literature

Studied the impact of Skill Development Training Programmes on personality traits of young trainees. They collect primary data from 320 trainees of major Skill Development training programmes of selected district of Andhra Pradesh. Their study was mainly focused on impact of Skill Development Training Programmes on Acquisition of personal skills, Acquisition of self confidence, Acquisition of knowledge and enhancement of social empowerment. Their study found that the Skill Development Training Programmes under Prime Minister Kaushal Vikas Yojayana (PMKVY), Deen Dayal Upadhaya Grameen Kaushalya Yojana (DDUGKY) have improved the trainee's Personal Skills, Self Confidence, Domain Knowledge and empowered socially.

(Nookathoti & Nayak, 2023) Studied the impact of Pradhan Mantri Kaushal Vikash Yojana (PMKVY) in Ganjam district of Odisha. They collected primary data from 171 respondents from both trainees and trainer. They found that

rather than prioritizing the unemployed and dropouts students they were enrolling those students who are pursuing their education at different levels like higher secondary or graduation along with unemployed and school dropouts. It was also observe that the policy objective of providing placement assistance to the trainees has remained as formality because actual placement target has never been achieved after completion of the trainings.

(Majumder, 2003) Conducted research on Demographic dividend: Opportunities and challenges to assess the present condition of Education and skills in youth and their potential for employment. More than 200 million working individuals are projected to join the country's labor force in the coming decades. However, the skills and education that people currently possess do not align with the evolving global economies. In the modern economy, employers continuously strive to uphold the competitiveness and productivity of their workforce. Therefore, having only a good educational background is not sufficient to secure the desired job without the necessary training and skills demanded by the market. Lack of necessary skills and training will result in significant unemployment, which could lead to a demographic disaster instead of a demographic dividend.

5. Objectives of the study

The objectives of the present study are

1. To explore the importance of Skill Development.
2. To examine the initiatives taken by the Government of Assam towards skill development.

6. Research Methodology

The research is both descriptive and exploratory in its approach. The current research relies entirely on secondary data. The necessary information was gathered from reports of government agencies, institutions, journals, and websites of various organizations and government ministries. The data was then analyzed using Microsoft Excel.

8. Discussion and analysis

8.1 Initiatives of government of India towards skill development:

There is huge opportunity of demographic dividend in the nation. To reap this demographic dividend the union government has taken various initiatives to equip its new entrants to the job markets with required skill and knowledge and up-skill and re-skill its existing worker.

National Skill development Mission (NSDM) and National Policy on Skill Development (NPSD) are the two major policies and initiatives has been taken up by the government of India in 2009. For implementation and monitoring the policies Office of Advisor to Prime Minister on Skill Development (OAPMSD) and Prime Minister's National Council on Skill Development (PMNCSD), National Skill Development Coordination Board (NSDCB) was set up and National Skill Development Corporation (NSDC) was established in 2008. National Skill Development Agency (NSDA) was created in 2013 by subsuming OAPMSD, PMNCSD and NSDCB.

National Vocational Educational Qualification Framework (NVEQF) of Ministry of Education and National Vocational Qualification Framework (NVQF) of Ministry of Labour were merged and create National Skill Qualification Framework (NSQF) in the year 2013.

For the first time after the independence of the nation, government has form "Ministry of Skill Development and Entrepreneurship" in 2014 to enhancing employability of its youth through skill development.

In 2018, National Council for Vocational Education and Training (NCVET) was established by merging National Skill Development Agency (NSDA) and National Council for Vocational Training (NCVT) to oversee the skill development sector of the country.

Under the Prime Minister flagship Programme Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Skills recognises and certifies, acquired through informal means through its Recognition of Prior Learning (RPL) programmes to bringing out from the unorganised to organised economy, Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of Ministry of Rural Development, Integrated Skill Development Scheme (ISDS) and Samarth Scheme of Ministry of Textile, Seekho aur Kamao of Ministry of Minority Affairs, Employment Skill Training and Placement (ESTP) under DAY-NULM of Ministry of Housing and Urban Affairs are some of the major initiatives of the Government.

8.2 Initiatives of Government of Assam towards Skill Development:

As it has been seen in the demographic profile of Assam that Assam is a young state as its population under the age group (15-34) years is going to be 38% by 2026. It is the time to train its youth and new entrants to the job market, according to economy's current and changing need. Along with the union government's policy and initiatives towards skill development, the state government of Assam has also taken several initiatives towards skilling its people.

8.2.1 Polytechnic Institutions

Polytechnic institutions are run by government of Assam under the Director of Technical Education, Assam (DTE). There were only 10 polytechnic institutions with an intake of only 1655 seats providing diploma course in engineering and technology on 18 different diplomas till 2008. After that, 16 more polytechnic institutions has been established with an intake of 3900 seats with 6 new diploma courses in engineering and technology along with the existing course. These 26 polytechnic institutions have been spread over the state in various districts has been providing diploma course in engineering and technology on 24 different diplomas. There are 7 engineering colleges in Assam with an intake of 1875 seats, has been providing degree in engineering and technology course on 14 various discipline.

Table- I State wise Number of Polytechnic Institution and projected Population

Sl No	Name of State	Number of Polytechnic on or before 2015	Number of Polytechnic established After 2015	Total Number of Polytechnic	Projected population 2015	Projected population 2022	Population against a Polytechnic (000) 2015	Population against a Polytechnic (000) 2022	Percentage of growth (8-9) x100
1	2	3	4	5	6	7	8	9	10
1	Karnataka	103	9	112	63968	67515	621.0485	602.8125	2.9363
2	Telengana	56	5	61	36316	37999	648.5	622.9344	3.9423
3	Andhra Pradesh	82	2	84	51222	53079	624.6585	631.8929	-1.158
4	Kerala	53	2	55	34481	35716	650.5849	649.3818	0.1849
5	West Bengal	60	21	81	94762	98884	1579.367	1220.79	22.704
6	Odisha	34	3	37	43800	46156	1288.235	1247.459	3.1652
7	Assam	12	16	28	33005	35573	2750.417	1270.464	53.808
8	Tamil Nadu	48	9	57	74428	76765	1550.583	1346.754	13.145
9	Uttar Pradesh	121	40	161	214730	234692	1774.628	1457.714	17.858
10	Rajasthan	45	2	47	73766	80662	1639.244	1716.213	-4.695
11	Madhya Pradesh	48	2	50	78291	86149	1631.063	1722.98	-5.635
12	Jharkhand	15	2	17	35566	39259	2371.067	2309.353	2.6028
13	Maharashtra	48	2	50	118197	125979	2462.438	2519.58	-2.321
14	Bihar	23	22	45	113336	125991	4927.652	2799.8	43.182
15	Gujarat	2	0	2	64765	71149	32382.5	35574.5	-9.857

Source: AISHE and Office of the Register General of India, Census Commissioner, India and compiled by researcher.

t-Test: Paired Two Sample for Means

t-Test: Paired Two Sample for Means	population against a Polytechnic before 2015 (in 000)	population against a Polytechnic in 2022 (in 000)	Number of polytechnic institution in 2015	Number of polytechnic institution in 2022
Mean	3793.465689	3712.84199	50	59.13333333
Variance	63784103.09	78169506.67	1072.428571	1521.838095
Observations	15	15	15	15
Pearson Correlation	0.996523653		0.966435634	
Hypothesized Mean	0		0	

Difference			
df	14		14
t Stat	0.282502618		-3.16412056
P(T<=t) one-tail	0.390845885		0.003447672
t Critical one-tail	1.761310115		1.761310115
P(T<=t) two-tail	0.781691769		0.006895343
t Critical two-tail	2.144786681		2.144786681

The output of the test indicates that there is significant variation in the growth of establishment of Polytechnic institution during the period of 2015-2022 as the value of P is **0.006** which is lower than the accepted significance level 0.05. Though there is significance variation in establishment of Polytechnic institution during the period of 2015-2022 there is no considerable variation in the establishment of Polytechnic institution against population growth in the country after the declaration of skill India mission in the year 2015 as the value of P is 0.781 which is higher than the normally accepted significance level 0.05.

However, some of the states have established a good number of institutions after the declaration of Skill India Mission in 2015. The table-I depicts 15 populous states of India based on projected population and the numbers of Government Polytechnic institutions in the respective states. Column 9 of the table shows the population against a polytechnic institution. Though the Karnataka ranked 9th in terms of population but it ranked 1st in terms of having polytechnic institution against its population (i.e. 602.8125 thousand population against each institution) and Assam ranked 15th in terms of population but it ranked 7th in terms of having polytechnic institution against its population (i.e. 1270.464 thousand population against each institution) which is more than double population as compare to the state of Karnataka. Column 10 of the table shows the percentage of increase in the number of institutions over existing institutions. It has been seen that Assam and Bihar has highest growth rate in the establishment of polytechnic institution i.e. 53.81% and 43.18% respectively after the declaration of Skill India Mission in the year 2015.

8.2.2 Industrial Training Institutes (ITI)

Industrial Training Institutes (ITI) in Assam falls under the purview of the Director of Employment and Craftsmen Training within the department of Skill, Employment, and Entrepreneurship. There are 28 Industrial Training Institute spread over the 27 district of the state. They have been providing training on 26 engineering trades and 10 Non-engineering trades. The intake capacities of this Industrial Training Institutes (ITI) are 3236 seats in various trades but it is unfortunate that 24.66% seats are remained vacant in the year 2021.

8.2.3 Assam Skill University ASU

Assam has been facing challenges of increasing unemployment amongst mushrooming working age people because of lack of skills required by the industry. Many students obtain higher education but most of them remain unemployed because of lacks of employability skills. Taking cognizance of the various issues and challenges on skill ecosystem government come up with the concept of Skill University. The Assam state legislative assembly approved the creation of Assam Skill University ASU by passing the Assam Skill University bill in the state. The Assam Skill University bill was approved by the Governor of Assam on October 12, 2020. The foundation stone of Assam Skill University ASU was laid by the Chief Minister of Assam Sri Sarbananda Sonowal in Mangaldoi of Darang District on 15 February 2021.

8.2.4 Assam Skill Development Mission (ASDM)

ASDM was established in 2015 under the society's registration act 1860 with the goal of empowering unemployed youth through capacity building and providing high-quality skill training for meaningful employment. ASDM started function from 2017 under the Skill, Employment and Entrepreneurship Department (SEED) of government of Assam is an apex body relating to all matters of skill development activities in the state. It facilitated short term training on development of skills in response to the states skill gap.

Assam Skill Development Mission (ASDM) has taken various initiatives towards skill ecosystem and in delivering skill training in the state. Following are major initiatives taken by the ASDM

- i. Placement Link Skill Development Training (PLSDT).
- ii. Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- iii. North-East Skill Center.
- iv. Digital Access to Knowledge and Skill Human Resource of Assam (DAKSHA).
- v. Skill City.
- vi. Recruit Train Deploy (RTD).

- vii. Advanced Training Institute.
- viii. Swabalamban.
- ix Karagar se Karigar.

Table- II Persons trained under Prime Minister Kaushal Vikas Yojana

Sl No	Name of State	Total Number of Person trained under PMKVY	projected population 2022	Percentage of person trained out of projected population [(4/5)×100]
1	2	3	4	5
1	Assam	757185	35573000	2.128538498
2	Rajasthan	1068551	80662000	1.324726637
3	Odisha	566184	46156000	1.226674755
4	Madhya Pradesh	893502	86149000	1.037158876
5	Maharashtra	1286729	125979000	1.021383723
6	Tamilnadu	755617	76765000	0.984324888
7	Telangana	359233	37999000	0.945374878
8	Karnataka	551843	67515000	0.817363549
9	Uttar Pradesh	1919532	234692000	0.817894091
10	Kerala	279613	35716000	0.782878822
11	Andhra Pradesh	408578	53079000	0.769754517
12	Jharkhand	292450	39259000	0.744924731
13	Gujarat	418046	71149000	0.587564126
14	West Bengal	530571	98884000	0.536558998
15	Bihar	609122	125991000	0.483464692
16	INDIA	13718454	1382894000	0.992010523

SOURCE: PMKVY official website (as on 13th October, 2022) and Office of the Register General and Census Commissioner, India and compiled by researcher.

The table depicts 15 populous states of India based on projected population and number of persons trained under PMKVY scheme. Uttar Pradesh has highest population in comparison to all the states of India but only 0.82% has been trained under PMKVY scheme and ranked 9th in terms of Percentage of person trained out of projected population. Assam rank 15th in terms of population but it has been seen that only Assam has more than 2% of its projected population trained under PMKVY scheme, more over it is more than double of national level (i.e. only 0.99%) and ranked 1st in terms of Percentage of person trained out of projected population. This initiative of government's is praiseworthy

8.2.5 State Institute of Rural Development (SIRD)

State Institute of Rural Development (SIRD), Assam is registered under societies registration act 1860 is an apex body in the field of training and research in rural development. SIRD Assam has been organizing training programme for unemployed youth, income generation and livelihood promotion programme for weavers, Farmers, Artisan etc.

9. Conclusion

India has a huge opportunity as it is one of the highest human resource reservoir countries in the world. India is projected to contribute 24.3% of the additional worldwide workforce in the next ten years, (EY, 2023). It constitutes 28% of the world's workforce. Government of India as well as the Government of Assam has taken many initiatives for skill development. In Assam 2.13% of its projected population has been trained under PMKVY scheme which is the highest of all other states of the country. Assam government has established 16 new polytechnic institutions after declaration of skill India Mission in 2015. It has established more institution as compared to Karnataka who has 6,02,8125 People (projected) against an institution whereas Assam has 12, 70,464 People (projected) against an institution. As the state suffers from lack of training institutions, trainers as well as skilled manpower, it is time to identify the need of depth and for government, Industry, Educational Institution and other stakeholder to come forward and participate in various Skill development Programmes.

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