



RAJIV PRATAP RUDY,  
Minister of State for Entrepreneurship and  
Skill Development

*“The government is running over 70 schemes for skill development.”*

# Tangible outcomes are crucial

Fifty-two year old Rajiv Pratap Rudy took charge of the newly-created Ministry of Skill Development when Prime Minister Narendra Modi expanded his cabinet in November. A commercial pilot, from the eastern state of Bihar, Rudy is preparing a plan to handle the very challenging task ahead, for him and the government.

## Ranvir Nayar

**Minister, you have just taken charge of a new ministry, how important is this ministry for the government and what are your objectives?**

Well, yes, this is a new ministry of Skill Development & Entrepreneurship, which came into being the day I was inducted into the Union Council of Ministers and it is a very important ministry as I think this was the Prime Minister's dream project that he has been talking about. This particular ministry is to primarily to skill the nation. As of now, whatever definition skill had in India, apart from those studying in regular colleges and universities, today, as far as the Union government is concerned, there are more than 34 departments and ministries of the federal government running over 70 schemes for skill development. The Prime Minister, Mr Modi, wants to bring all these under one umbrella. What was lacking was standardisation of training. Also other issues like syllabus or course curricula, Qualifications Framework, and beyond that what is process of assessment and the qualification of

the trainers. A very important aspect of skill development is also to look at the outcomes whether all the programmes lead to employment.

Well we expect to increase the rate of growth in Gross Domestic Product from the 5 percent level to 8 percent per annum, so as the economy grows, it would require inputs from the industry. Currently, industrial production contributes to about 12 percent of our GDP and we have set a target for this to more than double to 25 percent of the GDP. But this can happen only if we have adequate skilled people available. In this country, where more than 65 pc of population is less than 35 years old, there is a great need to create this resource of skilled manpower.

**In which sectors of the economy do you think the skills are most lacking?**

I think some of the sectors are organised, but the sectors that we are looking at in a serious manner are construction and infrastructure, which are closely linked, as well as textiles, automotive sector and tourism etc. We have already mapped the sectors

where we will focus. In India, we already have 7 million people each year who are joining the workforce and another 3 million in the informal sector, so mainly we have to look at 10 million each year, making a total of about 50 million over the next five years. In addition, of course, the state governments also have to do their bit, perhaps an equal number. This is the target that we have set for ourselves and the state governments as well. We have started to work on our policy and also reviewing the policy of 2009 which envisaged 500 million people to be skilled as it does not look very realistic, so we are trying to rework the numbers and arrive at a more manageable and achievable figure.

**Do you see a role for the private sector in this?**

Absolutely, a big yes. The structure which has been created in the ministry, we already have two organisations, the NSDA – National Skill Development Agency -- and NSDC, or National Skill Development Corporation, which are the arms of the ministry have been charged with the mission of developing the public private partnerships. Also, there are all the sector skill councils, which are headed by individuals who have excelled in their respective fields and along with all the stakeholders from the relevant domain. This gives it more of a corporate look where we are appointing CEOs and COOs and they will align their entire activity of the sector skill councils to the requirements of the industry.

**In terms of financing the entire skill development mission, how do you plan to fund it? What role do you see for the private sector in financing it?**

Well, we have some money. We are already investing it in the programmes and of course with the PPPs taking place, we expect the private sector also to contribute their part. Another facilitation made by the government to encourage greater private sector investments in this domain is to allow skill development expenses to be charged to the mandatory 2 per cent of net profits that the companies are obliged to spend on their Corporate

Social Responsibility activities. But we have set ourselves a very ambitious target of skilling 100 million persons over the next five years. But we think that with all the new policies of the government and when industries are starved of skilled manpower, resources should not be a problem.

**One of the major concerns coming from the CEOs of large Indian companies, including Indian IT companies, is that most of the people being churned out from universities in the country are really not employable. How do you tackle this issue?**

That is the biggest challenge for me. And employability is not just about the people being churned out with degrees but also about the school and college dropouts, they should be skilled enough to be employable even if they are not going for further education. This is exactly what we are trying to ensure.

**How will you ensure that the quality of education is also improved and monitored?**

There is a small overlap here. A good part of the vocational educational is being handled by the Ministry of Human Resource Development and by Ministry of Labour. I think the prime minister has something in his mind about the need to create synergies and since the NSQF (National Skill Qualification Framework) is the baby of the ministry of skill development,

we would be able to standardise it and would be able to create an institution which takes care of training the trainers, institutions and certifications, followed by employability.

**Do you also see a role for some foreign countries in your initiatives?**

Some of the countries have done exceptionally well. For instance, South Korea where 96 percent of the workforce is skilled, followed by

Germany, which has about 74 pc of skilled workforce and the United Kingdom is at a similar level, while Japan has a good 60 pc of its workforce which is skilled. There are many countries that have developed standards for skill development. Partnership is a great idea because when are talking about India, it is not only about the Indian market but the global market. And keeping that in mind, the skilled resources are for the international community at large.

**So how do you go about developing these partnerships?**

Well, it is still early days. It has just been about 50 days since I took over as a minister and the ministry was created. So we are still at the first stage. So, there is still a lot of work to be done and things thought out. ■

▼ To achieve the target of skilling 100 million persons over the next five years, the ministry is investing in programmes and boosting PPP

