

SHOW ME THE JOBS

Let's quit beating the bushes and chase the real quarry

THE GOVERNMENT IS STRIVING mightily, but the needle is moving inexorably lower on the jobs meter. The Centre for Monitoring Indian Economy (CMIE) and the Bombay Stock Exchange (BSE) jointly produce a weekly unemployment rate based on a sample of about 12,000 adults in the country. In the week to October 8 the national unemployment rate rose to 5.8 per cent, and the urban unemployment rate to 8.2 per cent, the highest in 11 months.

The government, of course, dismisses all existing unemployment data. It even rubbishes its own Labour Bureau statistics. It wants to set up its own comprehensive annual survey. Even if statistics lie, there is no question that a series of problems have knocked against one another. At the end of this dismal domino chain is the young Indian – either unskilled, or under-skilled, or under-employed, or unemployed. Or even worse, unemployable.

It is good that the Prime Minister's new Economic Advisory Council has put employment and job creation near the top of the ten priorities it wants its Theme Groups to study urgently. The economists on the EAC are linked organically to the government's existing advisers. Together they will hopefully blaze a new trail, although we must remember George Bernard Shaw, who said you can lay all the economists end to end and not reach a conclusion.

The National Skill Development Corporation, along with Sector Skill Councils (SSCs), is trying to prepare our workforce for new roles like automation technicians, robotics operators, Internet of Things (IoT) testers, and telecom big data analysts. They have identified 55 job roles ranging from cloud computing and machine learning to 3D modelling.

Even at a more fundamental level the skills challenge is scary. The Skill India Mission aims to produce more than 100 million workers armed with new skills by 2022. Our Industrial Training Institutes (ITIs) can train about 2.6 million workers a year – about a quarter of the requirement.



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The government claims that the Skill India Mission has trained close to 36 million workers over the past four years. The number of ITIs has grown to 13,353. The NSDC has signed up 358 training partners, most of them from the private sector, and set up 40 SSCs and over 9,100 training centres which teach 405 courses.

Skill Development Minister Dharmendra Pradhan has announced that India hopes to send up to 100,000 trainees to Japan for periods of between three and five years under an ambitious Technical Intern

Training Programme. Let's hope they come back ready to tackle the new world of Industry 4.0, fraught with automation and robotics.

But here's the bad news: only slightly more than half of the young people trained since the NSDC was set up in 2013 have found jobs or are self-employed. Don't forget that most of those jobs were in the small-scale, or informal sector, which accounts for 95 per cent of employment.

That sector has been hurt the most by four factors: high real interest rates, demonetisation, the Goods and Services Tax, and cash-strapped banks that do not want to lend

money to small businesses. India's economy has been decelerating for five quarters in a row. You can get statistics to tell you anything you want to hear. What we want to hear is that businesses are investing again, and there are plentiful jobs. **BW**

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