

Driving Youth Employee force for Economic Development in India

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Abstract: *Every third person in an Indian city today is a youth. In about seven years, the median individual in India will be 29 years, very likely a city-dweller, making it the youngest country in the world. India is set to experience a dynamic transformation as the population burden of the past turns into a demographic dividend, but the benefits will be tempered with social and spatial inequalities.*

Key Words: Youth force, Inequalities, Employment opportunities, Transformation, Demographic Dividend, Quality of Life, urban youth, and IRIS Knowledge Foundation

I. Introduction

These are some of the findings of the ‘State of the Urban Youth, India 2012: Employment, Livelihoods, Skills,’ a report published by IRIS Knowledge Foundation in collaboration with UN-HABITAT. A closer analysis of the urban youth suggests that greater political participation, engagement at a policy level and urgent attention to improving their quality of life can ensure that India enjoys the benefits of this dividend. The report traces the incredible rise — and the eventual decline — of this cohort in India. The population in the age-group of 15-34 increased from 353 million in 2001 to 430 million in 2011. Current predictions suggest a steady increase in the youth population to 464 million by 2021 and finally a decline to 458 million by 2026.

By 2020, India is set to become the world’s youngest country with 64 per cent of its population in the working age group. With the West, Japan and even China aging, this demographic potential offers India and its growing economy an unprecedented edge that economists believe could add a significant 2 per cent to the GDP growth rate.

But the report suggests urban spaces have not necessarily aided the quality of life enjoyed by Indian youth. A telling sign: one-fifth of the Indian urban population lives on less than a dollar a day. Additionally, the report finds that while income levels in cities may appear to be higher, the cost of living is also constantly increasing, resulting in shrinking savings, inadequate access to health care and lack of quality education. Maternal mortality remains the ‘top cause of death among young women.’ Further, more than half of young urban women are anaemic, pointing to inadequate food and nutrition.

The report’s findings indicate that the problem is not urbanisation per se but the inequalities that it seems to accentuate. While India is undergoing a demographic transition, regional disparities in education mean the benefits will not be evenly spread across the country. The report says the southern and western States will be the first to experience a growth dividend as they accounted for 63 per cent of all formally trained people. The largest share of youth with formal skills was found in Kerala, followed by Maharashtra, Tamil Nadu, Himachal Pradesh and Gujarat. Among those undergoing training, Maharashtra had the highest share, Bihar the lowest.

The unequal access to opportunity and the lack of emphasis on education remains a persistent problem. The report finds that a person in an urban area has a 93 per cent greater chance of acquiring training than someone in a rural area.

2. Reviews of Literature

Census 2011¹ estimates that 27.4% of India's children live in slums. India's youth is certainly a demographic dividend by they belong to the industry and not idle at home. The youth in urban slums have massive potential and mountainous aspirations but owing to paucity of guidance, information and socio-economic compulsions they often go astray from education and get disenchanted with life. What they need is proper channelization of their energy and diversion of their enthusiasm in constructive activities that can shape their personalities and transform them into responsible and successful citizens of a progressive society.

The first National Youth Policy was formulated in 1988³ in India which recognised that the most important component of the youth programme has to be the removal of unemployment. National Youth Policy 2003 was designed to galvanize young people to rise up to new challenges. Through Mahatma Gandhi National Rural employment Guarantee Act (MGNREGA), we have embarked on the rights based approach to employment in the rural areas.

Government of India has made skill development a major national priority especially for the youth. A Coordinated Action Plan for skill development has been framed to have a target of 500 million skilled persons by 2022⁴. A three tier institutional structure consisting of : (i) the Prime Minister's National Council on Skill Development, (ii) the National Skill Development Coordination Board, and (iii) the National Skill Development Corporation, has also been set up to take forward the Skill Development Mission.

Thus, with the exception of East Asian countries, notably South Korea and Singapore (Ashton & Green 1996; Kuruvilla et al. 2002)⁵, many developing countries have experienced poor performance in TVET as they lack the mechanisms and funding to implement the programs needed to reflect industry's changing demands back into the types and contents of training. Moreover, TVET is delivered through various channels for diverse groups of people with diverse socioeconomic backgrounds, aspirations, ages, and academic abilities, across various vocational trades. It often suffers from a lack of coordination among the various ministries, public agencies, and educational institutions involved, resulting in duplicated efforts and gaps without effective outcomes

3. Objectives of the study

The objectives are:

1. To study on the opportunities available for youth segment before and after the globalisation.
2. To study on the performance of employment exchange and other recruiting facilities available to job seeking youngsters.
3. To study on the performance of government initiatives for the employment to wards to jobless youths.

4. Methodology

The data structure for the study is based on official publications government site of Labour and employment department , Government of Tamil Nadu. The data were analysed using Correlation Analysis and Data Envelopment Analysis (DEA) of Banker Charnes-cooper-(BCC) Model using window analysis.

5. Discussions on youths In India

Youth: a demographic dividend

Almost one in five persons in the world is aged between 15 and 24, the majority living in developing countries. 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. Nearly 40 per cent of the Indian population is aged 13 to 35 years (defined as youth in the National Youth Policy).

The median age in India in 2010 was just 25.2 years, compared to 34.5 years in China. 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.

Good or bad times: youth more vulnerable to unemployment:

Globally youth are three times more likely than adults to be unemployed. Young women typically experience higher rates of unemployment than men. Young people around the world were hit hardest during the global financial crisis due to their precariousness in the labour market 9.7 per cent of young men and 18.7 per cent of young women in India were unemployed in 2009/10. In comparison, the unemployment rate for Indians aged 30 – 34 reached only 1.2 and 3.4 per cent for men and women, respectively.

Job quality: an even greater challenge:

Most young people in developing countries such as India cannot afford to remain unemployed for long but, at the same time, struggle to find decent jobs in the formal economy. Consequently, most youth are underemployed and eking out a living in the informal sector. More than 20 per cent of Indians in the 15-24 age group were jobless and seeking work, according to startling data released on Tuesday by Census 2011. In absolute terms, this army of unemployed youth is staggeringly huge — around 4.7 crore of which 2.6 crore were men and 2.1 crore women. These definitive figures for 2011 reveal the deep and pervasive unemployment that has gripped India since the past decade even as economic growth was zooming along at over 8 per cent per annum for most of this period. The figures include the entirely unemployed and marginal workers who get work only for up to six months in a year. Overall, the unemployment rate among the working age population in the 15-59 age group was a worrisome 14.5 per cent, including marginal workers seeking work. In the 25-29 age group, the unemployment rate was nearly 18 per cent. Even among those in the 30-34 age group, nearly 6 per cent were unemployed, numbering over 1.2 crore. Among dalits, unemployment rate in the working age population of 15-59 years was a shocking 18 per cent, much higher than the general population. Among adivasis, the unemployment rate was even higher at over 19 per cent. These are the two most marginalized sections of Indian society and clearly they are struggling with widespread unemployment. Inexplicably, census authorities have not released data for 15-19 years and other such five-year age groups for scheduled castes and scheduled tribes, like it has been done for the general population. In the 15-34 age group, 21 per cent dalits and 22 per cent adivasis were reported to be unemployed. This includes the 'youth' age group of 15-24 years but in later years, more persons should be finding employment. One myth busted by this age-wise data on workers and non-workers is that young women do not want to work either because of family responsibilities or social disapproval. While the bulk of non-workers are indeed women, among younger women 20 to 29 years of age, the share of those seeking work is the same as for men in the same age group — slightly over 20 per cent. This is the new generation that is relatively better educated and wants to build a better life, but the opportunities are not there.

This finding is in consonance with the fact that women are getting married at a later age, and having children at an even later age than before. In urban areas, nearly 18 per cent of the 15-24 age group is seeking work while in rural areas the share rises to over 21 per cent. In both rural and urban areas, the share of young women seeking work is high at 17 per cent and 20 per cent respectively. So, young women wanting to work is no longer just an urban phenomenon. The new census data also shows how the lack of social security for senior citizens and low economic status is forcing them to continue working despite their advanced age. Nearly 3.3 crore persons of 60 years age or more are employed as main workers, that is, full-time regular employment. Besides these, another one crore senior citizens work as marginal workers. The bulk of elderly workers are male. Some 18.5 lakh persons of age over 80 years are still working as regular workers and another 6.5 lakh octogenarians eke out a living as ill-paid marginal workers.

5. Conclusion

The youth in India must be employed by the government by creating proper employment opportunities. In the recent times the unemployed youths are increased. Therefore the government must create employment opportunities for the youths with the greater concern and it will lead to the prosperity of our nation.

Selected References:

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2. *Census India Report 2011.*
3. *The National Youth Policy Development Report 1988*
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5. *Ashton, D. & Green, F. (1996). Education, Training and the Global Economy. Cheltenham: Edward Elgar.*