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# Economic Empowerment Of Youth In India Through Employability

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## ABSTRACT

India as a nation has the largest population of youth in the world. Adding this youth population to the workforce can put India in an advantageous position in terms of economic development and GDP. Provision for better skill development and training will not only empower the youth population but also add to their employability. The problem of unemployment faced by today's youth is one of the primary problems besides many others. Other than providing gainful employment through formal education, imparting skills also plays a very important role. With this focus, the government of India launched the Skill India Mission on July 15<sup>th</sup>, 2015. The mission has provided opportunities to the youth in India to acquire skills by undergoing various skill development courses and training. These skill development programs have been successful in providing employment to many youth leading to their economic and social empowerment.

**Keywords:** Youth, Employment, Empowerment, India.

## 1. INTRODUCTION

India has the largest adolescent and youth population in the world. Projections of the United Nations Population Fund (UNFPA) shows that till 2030 India will continue to have one of the youngest populations in the world and that India is experiencing a 'youth bulge' which is a demographic window of opportunity that will last till 2025.

In order to harness the demographic dividend, India needs to strengthen its employability of the working age population along with provision of better health facilities, education, vocational training and skills. Besides provision of the above mentioned facilities appropriate land and labour policies as well as good governance is also important. India will gain from its demographic opportunity only if the policies and programmes are brought into line with the demographic shift (Ghosh, 2020). The National Youth Policy defines youth as people in the age group 13 to 35 years and nearly 40 percent of the population belongs to this age group. Youth aged 15-29 years contribute about 34% of India's Gross National Income (GNI).

Considering the above scenario, youth empowerment is a necessity not only for the development of the country but also for the self development of the youth population. Empowering the youth population can help control the rates of poverty to certain extent. Education plays a very important role in the empowerment of the youth population. Only the empowered youth

understands the value of education. Empowerment of youth helps in the creation of jobs thereby solving the problem of unemployment. With necessary skills to sustain livelihood through empowerment the youths get engaged in various work thereby preventing them to adopt the path of crime (Olusola , 2019).

Equipping youths with essential skills not only adds to the employability of the youth population but also helps in the creation of jobs. Skill development enables a person to acquire expertise in any particular area. With this focus in mind, the government of India launched the National Skill Development Mission on July 15, 2015 to provide an institutional framework to the development of skill training to one crore youth every year. The Ministry of Skill Development and Entrepreneurship have launched programmes to impart employable skills to the youth through long term and short term training under this Mission.

Furthering this noble effort, the National Education Policy, 2020 was envisioned by the government. This policy lays emphasis on vocational skill training of the students in order to ensure a self-reliant economy. It lays emphasis on the impartment of vocational training to students starting as early as the school level. The aim behind this initiative lies in making the Indian youth a potential job provider rather than a job seeker. The Government of India therefore is emphasizing not only on the development of skill based education but also on the employment opportunities. Hence the NEP is set with the target of providing vocational skills to at least 50 percent students by the year 2025. The policy provides the students exposure to hands on training in vocational skills like carpentry, plumbing, electrical repairing, horticulture, pottery, embroidery etc.

The youth population has the potential to contribute significantly to the GDP of the country. Skill training will not only enable the youth to take up wide opportunities in the field of vocational courses but at the same time develop the spirit of entrepreneurship among the students. India has a huge force of young population, that is, about 54% of the population is under the age of 35 and around 15 million enter the workforce every year. Therefore to absorb such huge amounts of new entrants in job markets, new jobs have to be created. Here comes the importance of entrepreneurship. The spirit of entrepreneurship will enable the creation of jobs. Entrepreneurship ignites innovation. Innovative ideas enable the youth to produce new products. Since India has become an emerging market for global investors and entrepreneurship is making the major contribution to the country's economy, the youth population can give a boost to the nation's economy by adding up to the production. In India the number of incubators is increasing by 40 % every year, therefore the startups would have a bright future.

## **2. METHODS**

This paper makes use of purely secondary data which is majorly sourced from the World Bank database. The data have been analysed and presented in the form of charts and relevant diagrams.

### **3. RESULTS AND DISCUSSION**

#### **3.1 Employment Opportunities For The Youth**

India is a developing country; therefore most of the youth population cannot afford to remain unemployed for long period of time. They are in search of jobs in the formal sector. However most of them remain underemployed and others join the informal sector to earn for their livelihood.

Youth population of India faces barriers in employment mainly because of poverty and low levels of human capital. Young females are usually self-employed and the young males usually get employed in casual jobs. Young rural females are mostly employed in agriculture and the male population is employed in the non-farm sector. The urban males however are mostly working at the service sector (Mitra and Verick, 2013).

One of the ways to alleviate the problem of unemployment is providing individuals with vocational education. Vocational education develops the skills and knowledge required for taking up a job. Mahatma Gandhi laid emphasis on crafts based education. He believed that vocational education can train a person to earn his living. It makes a person self reliant and self sufficient. Vocational education has been highlighted by several education commissions and committees (Arora and Sharma, 2020).

Unemployment data of youth population of India have been collected from the World Bank database and represented in Figure 1 below which shows that the rate of unemployment of labor forces in India in the age group 15-24, have been increasing . The rate of unemployment was comparatively higher for males till the year 2003 after which the rate of unemployment is more for females. Thomas (2020) found that the unemployment among the youth in India increased sharply during 2012-18 because of a gap between labour absorption and labour supply. Industry, construction and services were some of the non-agricultural sectors that could not absorb the rising supply of young adults. Rural construction jobs slowed due to which the manufacturing employment declined by one million jobs thereby declining the growth of real incomes.

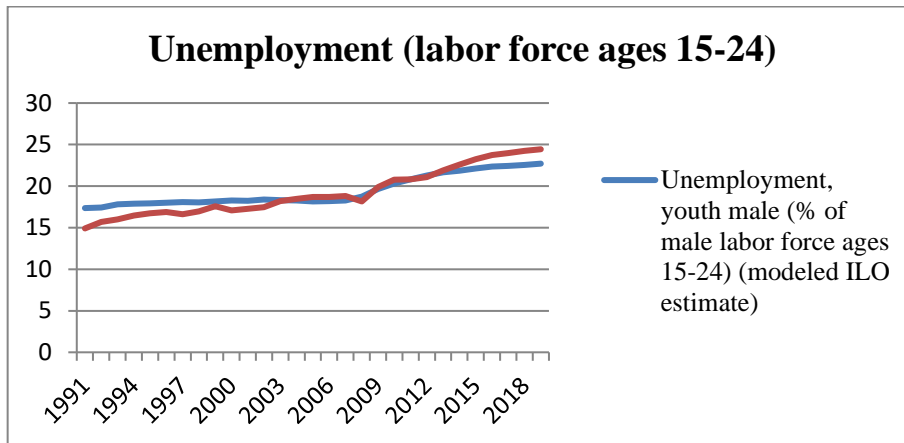


Figure 1 Unemployment (labor force ages 15-24)

The youth population is therefore facing the problem of unemployment because of lack of opportunities and proper work. Poverty compels some section of the youth population to opt for work instead of undergoing higher studies. However it has been found that the school enrollment rates have been increasing which implies that many youth are opting to go for higher studies rather than joining the work force. Undertaking higher education will ensure better job opportunities and career growth. The gap between labor absorption and labor supply is also compelling many youth to become self employed.

Some of the reasons behind unemployment amongst the youth are skills mismatches, limited work experiences, and higher tendency to shift jobs. Besides these reasons one important reason behind the unemployment of the youth is jobs not being available for the young (ILO, 2021).

### 3.2 Labour Force Participation of The Youth

Youth of today are the foundation of tomorrow's society. As such labor force participation of the youth is important for the society as a whole. The education, skills and professional experience that the youths gain determine how well equipped they will be. For a sustainably developed future lead by the youth of today needs those to be accessed with better education and training in the labor market (ILO, 2019). Male population is increasingly turning towards the non farm sector for employment. Data collected from World Bank database on labor force participation rate in India for ages 15-24 have been presented in figure 2 in the form of a line diagram. The figure shows that labour force participation rate in India for ages 15-24 have declined gradually from the year 2005.

Mehrotra and Parida (2021) observed the reason behind the dip in the rate of labor force participation of youths. He found that the main reason behind the fall in the labor force participation is the increase in the enrolment of youth population both male and female in higher levels of education and secondly because of mechanization of agriculture there is fall in the agricultural workforce and the rising cost of cultivation.

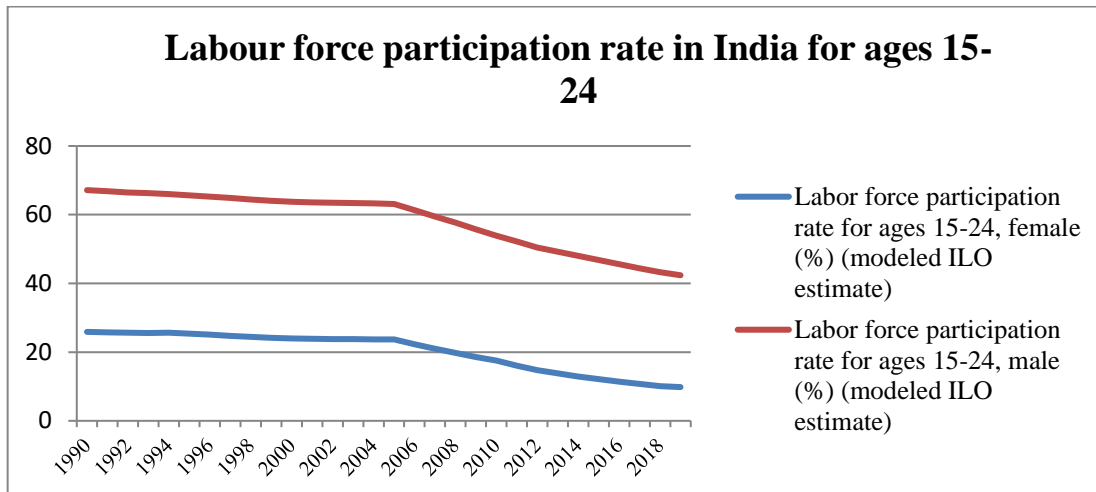


Figure 2 Labour force participation rate for ages 15-24

The fall in the labor force participation of the youth reveals that because of the inadequate job opportunities more and more youths are opting to undergo higher education. The rise in the higher education sector in India since 2001 has led to the increase in the number of higher educational institutes.

### 3.3 School enrollment of youth (tertiary and vocational)

Figure 3 shows the school enrollment of students in tertiary education. The figure clearly depicts the rise in the school enrollment in the tertiary education<sup>1</sup> from the year 2005.

<sup>1</sup> Tertiary education refers to all formal post-secondary education, including public and private universities, colleges, technical training institutes, and vocational schools.

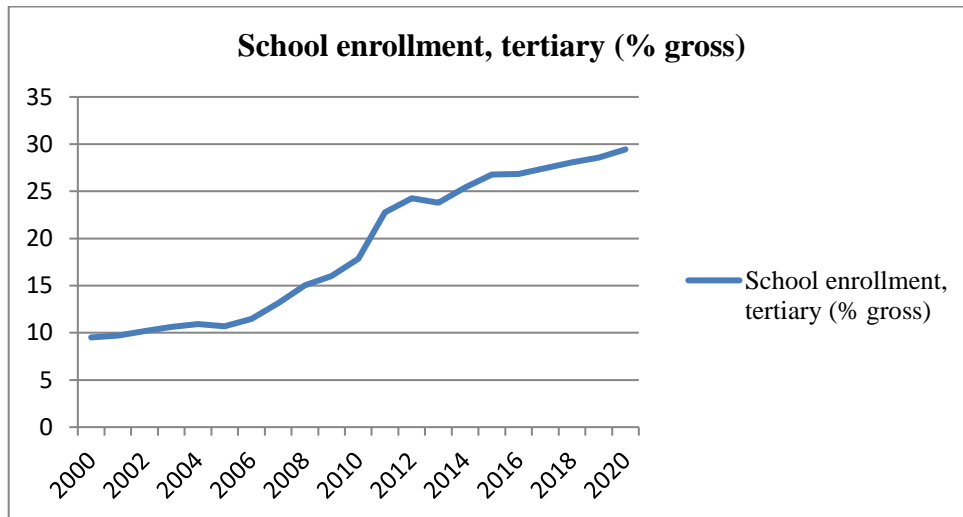


Figure 3 School enrollment, tertiary (% gross)

Tertiary education is growth oriented as it helps in reducing poverty. Highly skilled labor force with tertiary education can be more innovative and productive. They are more employable and have the ability to earn higher wages. The increase in the enrollment in the tertiary education is one of the reasons behind the fall in the labor force participation of the youth population in India.

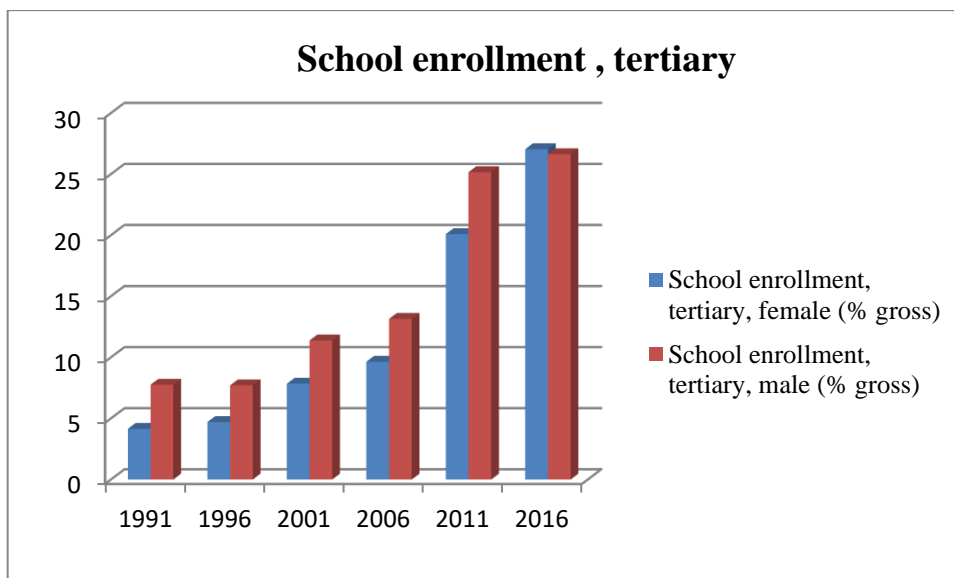


Figure 4 School enrollment, tertiary

Figure 4 shows the rise in tertiary education of both males and females. It is seen that the enrollment of both males and females have increased over the years. However in the year 2016, the school enrollment of females was higher than males. Therefore there is no gender gap in higher education. But the female participation in the workforce declined.

Figure 5 shows the number of secondary vocational pupils <sup>2</sup> in India in the years 1993, 2003, 2013 and 2017. The figure shows that the number of secondary students enrolled in technical and vocational education programs, including teacher training have increased in the year 2013 and 2017 as compared to the previous years.

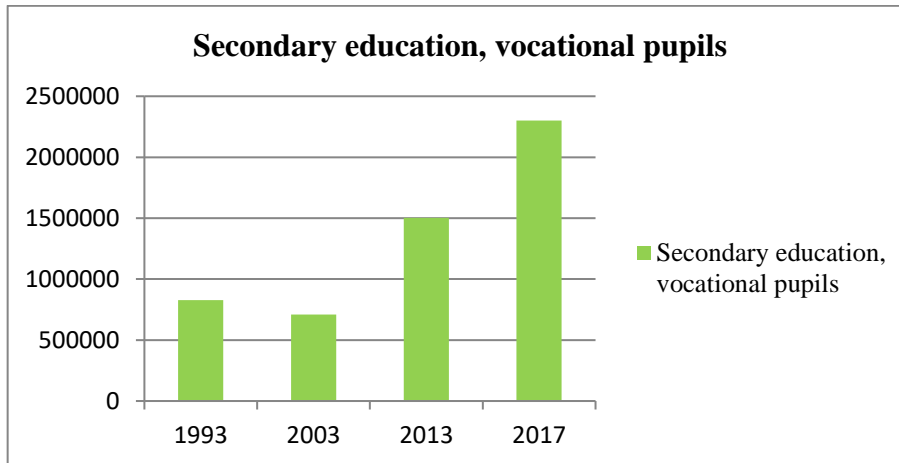


Figure 5 Secondary education, vocational pupils

India is in need to produce technicians of international standard to meet the industry’s growing demand of trained manpower. From figure 6 it can be interpreted that vocational education in India prior to 2013 was showing very less enrollment and was not meeting the needs of the labour market. One of the major drawbacks was the limited involvement of the industry in the training and management of vocational education. This resulted in constraint of industry’s labor force demand and the supply of skilled labor force matching the requirements of the industry.

The share of vocational education is increasing but very slowly. Ignorance about the benefits of vocational education and the diversity of vocational courses offered are the reasons behind the slow growth of vocational education (Arora and Sharma, 2020).

Figure 6 shows the percentage of youth in India who are not engaged in education, employment or training. The figure reveals that the percentage of female youth not in education, employment or training is very high as compared to the males. But in the recent past few years the rate is lowering for females and has increased in case of males as compared to the year before 2018.

<sup>2</sup> Secondary vocational pupils are the number of secondary students enrolled in technical and vocational education programs, including teacher training.

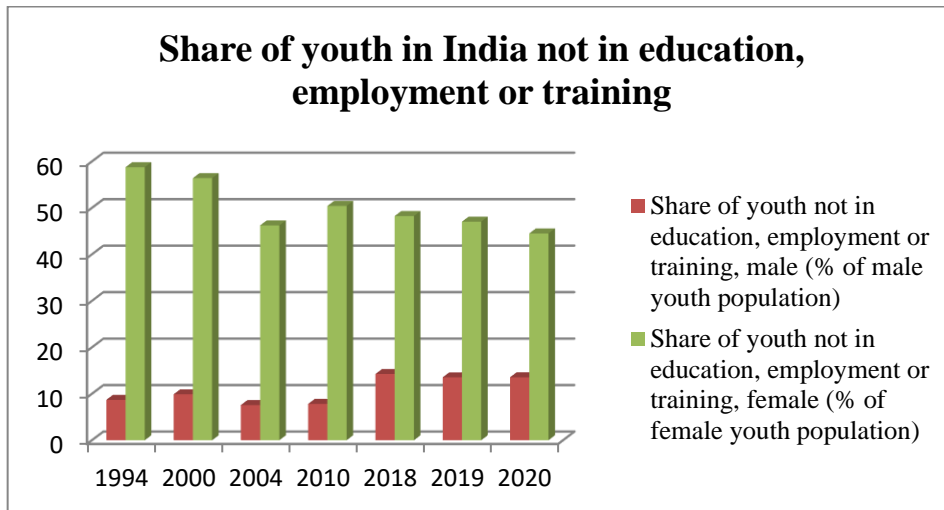


Figure 6 Share of youth not in education, employment or training

Many women not engaged in education, employment or training is engaged in domestic and their own household work (ILO, 2021). A low participation rate for women in the labor force does not imply that they are more involved in education than men. Instead it means that many women are absent from the labour force. The reasons behind may be social and can relate to restrictions, safety as well as social exclusion. Women are disproportionately absent from education.

#### 4. GOVERNMENT INITIATIVE FOR ENHANCING YOUTH EMPLOYABILITY IN INDIA

Increase in the levels of higher education increases the scope to get better job opportunities. However at the same time creation of jobs is also important. The gap that exists between the labor absorption in the market and labor supply is because of the lack of better job opportunities. One way of solving this problem is the development of the attitude of entrepreneurship. The Government of India has given due importance to the acquisition of skills in its new education policy. The NEP 2020 was launched by the Indian Government in the month of July, 2020. It replaced the old education policy, that is, the National Policy on Education (NPE), 1986. The NEP aims to transform India as a hub for world's largest skilled manpower. The policy gives emphasis on skill development of India's youth in order to achieve the vision of self-reliant India. The secondary school subjects and adult education curriculum include vocational skills so that the students can design their study and life plans. Importance is given to vocational skills development with the objective to obtain local employment. Therefore, the NEP has the capacity of making the students self reliant from the school level itself. One of the primary focuses of the NEP is employability. Besides these the key initiatives of the Government of India like Make in India, Digital India, Mudra Yojana, Atal Innovation Mission, 59 minute loan, Stand up India and Start up India are encouraging the youth population of the country to take up initiatives to become self employed and at the same time to create jobs.



The Ministry of Skill Development and Entrepreneurship is playing an important role in promoting skill development initiatives for entrepreneurship. Skill India Mission was launched in India by Hon'ble Prime Minister Shri Narendra Modi on 15<sup>th</sup> July, 2015. The mission aims to provide training to over 40 crore people in India in different skills by 2022. Some of the important schemes and initiatives under it are the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Pradhan Mantri Kaushal Kendra (PMKK), Technical Intern Training Program (TITP) and International Skill Training. As per a report of the World Bank, until the FY 2018-19, 2.5 million trainees had undergone the skills training and 33 percent were self employed. The target of trainers and assessors during the year 2018-2019 were set at 2000 and 500; however the number of trainers and assessors were higher than targeted with 4,400 and 3,850 respectively.

The short term training under the Skill India Mission is implemented through Pradhan Mantri Kaushal Vikas Yojana (PMKVY 2.0) and Jan Shikshan Sansthan (JSS) and the long term training is imparted through Industrial Training Institutes (ITI) under Craftsmen Training Scheme. The State Governments are responsible in setting up and the operation of the ITIs. The Central Government prepares the norms and designs the curriculum along with conducting examination and certification. The number of ITIs was 11964 in the year 2014. It increased to 14939 in the year 2018-2019. The number of candidates trained under the JSS scheme was 1.67 lakhs in the year 2018-2019 and it increased to 4.01 lakhs in the year 2019-20.

## **5. EMPLOYABILITY ENHANCEMENT OF INDIAN YOUTH**

Empowerment of the youth is very crucial for the growth and development of the country. Youth empowerment creates an environment of sustainability. Some measures that would enhance the employability of youth population are discussed below:

- i) **Narrowing the gender gap in youth's workforce:** Narrowing the gender gap in youth workforce will encourage equality in employability. The percentage of working women in India has decreased by almost half over the last decade. The women's workforce participation has been going down rapidly. In the rural areas also the women contribution to agricultural work is invisible and therefore they are disguised unemployed. The gender gap is visible because of unsafe work environments. Therefore making the work environment safe for women and providing enough opportunities to women in the workplace without any discrimination in their wages would encourage narrowing the gender gap that is prominent in the labor force participation in India.
- ii) **Skill development:** Skill development will allow the youth to adapt to the challenges faced by the present generation. Equipping themselves with adequate skills will not only encourage and empower themselves but they can also disseminate their skills to others by providing training of the skills that they have gained. New and innovative

ideas can give a boost to the productive ideas which can contribute to the GDP of the country.

- iii) Importance of higher education: Higher education gives a boost to the knowledge of the youth. From the year 2001 there has been rise in the higher educational institutions and the enrolment in these institutes has also increased manifold. There are wide variations in the Gross Enrolment Rate (GER) across states in India even though the overall demand for higher education is increasing. There is rise in the number of engineering institutes in the last two decades in India. But it is a matter of concern that the higher education system is not able to ensure employability to its students. One of the reasons behind is the unchanged curricula which are still followed by the institutes of higher education. The relevant industries are reluctant to engage students who pass out from institutes following outdated curricula.
- iv) Creation of agricultural jobs through organic farming: The youth population specially the rural youth can build their career in agriculture. Organic farming requires more labour input than conventional farming system. Beginning the practice of organic farming needs some knowledge on it. So the youth population can learn and equip themselves with the procedure of organic farming to get engaged in it. Organic farm products garner huge demand at the present times. Therefore the production will not only provide self employment scopes to the rural youth but also can earn foreign exchange through the export of the surplus amounts of the products.
- v) Encouraging entrepreneurship: Youth Entrepreneurship is an emerging trend in India. Entrepreneurship not only helps one to become self employed but also in the creation of jobs. Adding vocational training and such other skill focused courses to regular formal education can lead to a healthier psychological attitude in the students as it will break the monotony of regular subjects and studies. The students would also have a choice as to what interests them and then choose a field of career to their liking.
- vi) Innovation using information technology: India has already started to undergo a technological transformation and is the second most connected nation in the world with 560 million internet users. The technology spread has made it very much feasible to adapt to start-ups. India was ranked as having the third largest start up ecosystem in the world. Thus this success rate has encouraged the youth population to build up a career in digital entrepreneurship. This type of entrepreneurial growth is very much apt with the changing demographics and economic trends in India. (Lalwani, 2019).

## 6. CONCLUSION

India has the largest youth population in the world. Many of the youth population driven by poverty are compelled to join the workforce. But lack of proper work and employment scope lead them to exit the labor force. Lack of employment opportunities and the increased mechanization of agriculture leave the youth population with very less options. Some of them move out from education, employment and training and others opt to undergo higher studies. Youth who

undergo higher studies are in a better position compared to the ones who do not get the opportunity to take up further studies. Higher studies helps the youth population engage in better jobs with better pay options. However it is noticed that there is huge gap between job creation and job absorption of the ever growing work force. Therefore besides formal education the need for vocational skills and training emerge. Undergoing skill training helps the youths to not only get self trained in a particular skill but also to teach the skill acquired by becoming a trainer themselves. Besides the spirit of entrepreneurship gets prominence with the adaption of better innovative ideas thereby increasing the chances of job creation. The youth of the country can engage themselves in various production activities and can contribute to the growth of the economy. The Government of India has launched the initiative of providing skill training to the youths so that they can at least engage in some decent work to earn their livelihood. Well educated and trained youth of today is the asset of India's future. Adding the youth population in the work force will not only decrease the rate of unemployment but also decrease the rate of poverty at the same time. Equipping the youth population with enough knowledge and skill acquisition will empower the youth and increase their employability.

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