



USAID
FROM THE AMERICAN PEOPLE

JOBS FOR THE 21ST CENTURY: INDIA ASSESSMENT

Workforce Opportunities and Challenges for Unemployed Youth in
National Capital Region, Maharashtra and Jharkhand



Young man selling
in a market on an
Indian roadside

photography by Karl Grobl

TABLE OF CONTENTS

Map of India.....	v
EXECUTIVE SUMMARY.....	1
Key Concepts, Questions, and Methodology	1
Main Findings	2
Key Recommendations.....	3
SECTION I: UNEMPLOYED YOUTH AND THEIR EXPECTATIONS.....	4
Structure of Youth Employment and Education.....	4
<i>Traditional patterns of youth employment persist.....</i>	<i>4</i>
<i>Lower unemployment means more “disguised” underemployment and poverty for youth.....</i>	<i>4</i>
<i>Target vulnerable youth by geography and education.....</i>	<i>6</i>
<i>Over 100 million rural youth are illiterate, unskilled, and unemployed.....</i>	<i>6</i>
<i>Increasing numbers of poor rural youth migrate to urban centers.....</i>	<i>8</i>
<i>Unemployed secondary graduates include distinct groups of educated youth.....</i>	<i>11</i>
<i>Poverty and school access push poor urban youth (long-term slum dwellers) out of school.....</i>	<i>12</i>
<i>Serious skills mismatch exists between the new economy of India and the traditional education system.....</i>	<i>12</i>
<i>Gender roles are changing through the informal workplace.....</i>	<i>12</i>
<i>Female youth in India have different programming needs.....</i>	<i>14</i>
Voices of Youth: Key Findings from Youth Focus Groups	14
<i>Youth frustration on job recruitment and job search.....</i>	<i>15</i>
<i>Youth need job networking and recruitment assistance.....</i>	<i>15</i>
<i>Expectations of youth follow traditional career patterns.....</i>	<i>15</i>
<i>Voices of youth call for fair access and “respectable” work.....</i>	<i>16</i>
SECTION II: THE ECONOMIC ENVIRONMENT SHAPING WORKFORCE DEMAND ..	17
Economic and Employment Determinants of Workforce Demand	17
Increase in the Growth of the Unorganized Sector	17
Leading Employment Growth Sectors: Agribusiness, Services, and Construction.....	19
Emerging Service Industries Are Main Entry Point for Youth Employment.....	19
Critical Workforce Demands in Medical and Education Services	19
Construction Continues to Be Key Employer for Uneducated Youth.....	20
Agribusiness and Food Processing: A Special Case	20
Youth Opportunities in Small Scale Entrepreneurship	20
Targeting Youth Employment in the Three Regions of India	21
Economic Policies That Shape Workforce Issues	23
Stable Macroeconomic Policies, Robust Economic Growth, and Fiscal Red Flags.....	23
Key Policy Reforms Needed for Economic and Employment Growth.....	24

Obsolete Labor Policies Discourage Labor Protections and Efficiency.....	25
Government Employment Programs: Few Private Sector Linkages or Worker Protections.....	25
India “Open for Business”	26
Little Use of Basic Skills and Competencies for Recruitment and Job Search	27
Voices of Private Sector Business.....	27
Listening to Business: Business Executive Focus Groups	28
The Protected Few: Declining Membership of Unionized Labor	28
SECTION III: INSTITUTIONAL ASSESSMENT OF FORMAL EDUCATION AND ITS WORKFORCE PROGRAMS	30
Basic Education Priorities: Gains in Universal Access, Quality, and Relevancy.....	30
Secondary Education Crisis: Limited Access or Relevancy for Rural and At-Risk Youth.....	31
A Model of a Flexible Learning System: The National Institute of Open Schooling (NIOS)	31
Rapid Rise in Enrollments in Private Secondary Schools.....	31
Reforms and Expansion of Vocational Education and Tertiary Education	31
Industrial Training Institute Challenges: Limited Student Access and Few Linkages to Private Sector	35
Push for Apprenticeships and Work-Based Learning	35
New Models of Technical Tertiary Education, Indian Style: Community Polytechnic Institutes and Community Colleges.....	36
Community Colleges.....	37
Rapid Growth in University System in India	38
Popularity of Open University System Shows Need for Part-Time and Flexible Classes for Youth.....	39
SECTION IV: PROGRAM FOCUS FOR VULNERABLE YOUTH.....	41
Model Program Descriptions.....	42
Model Second Chance Program: Livelihood Advancement Business School (LABS)	42
Promoting Youth Entrepreneurship: Business and Youth Starting Together (BYST).....	43
The CAP Project	44
SECTION V: KEY FINDINGS AND RECOMMENDATIONS	45
Key Findings	45
Main trends of labor demand are the “New Economy,” non-farm rural jobs creation, and increased informality of enterprises	45
Youth find few labor market options except migration and entry into the informal sector.....	46
Main Recommendations	48
Conclusion	52
Abbreviations and Acronyms	53
References	56

APPENDIX A: PROGRAM STRATEGIES

APPENDIX B: CASE STUDIES

***APPENDIX C: LEADING EDUCATION AND TRAINING PROVIDERS WITH
PROGRAMS BY REGION***

APPENDIX D: FOCUS GROUP QUESTIONS AND FINDINGS

APPENDIX E: PEOPLE CONTACTED/INTERVIEWED

APPENDIX F: BIBLIOGRAPHY

***APPENDIX G: JOBS FOR THE 21ST CENTURY: INDIA ASSESSMENT (POWERPOINT
PRESENTATION)***

***APPENDIX H: COST-EFFECTIVENESS ESTIMATES FOR SELECT EXISTING
PROJECTS***

TABLE OF FIGURES

Figure 1. Labor Force Participation Rate by Rural-Urban and Gender, India	4
Figure 2. Youth Unemployment Rates – Male vs. Female	5
Figure 3. Indian Youth Profile by Education, Urban/Rural and Gender, 2000.....	7
Figure 4. Gross Enrollment Rates by Level of Education, India and Select Regions/States (2002)	8
Box 1. Jobs Matching—Indian Style	13
Figure 5. State of Origin of Migrant Workers in Greater Mumbai	10
Figure 6. Education Level of Migrant Heads of Household in India.....	10
Box 2. External Migration and Wage Remittances	14
Figure 7. Demand and Supply Skills Mismatch in India	12
Box 3. Counting Women’s Work	16
Table 1. Key Characteristics of Women in the Workforce for India and Select States	14
Box 4. Thirty Percent of India Workforce Will Be Unemployed by 2020	20
Box 5. Lack of “Employability” and Skills Shortages.....	21
Box 6. The Other India: The Informal Sector	22
Table 2. Key Characteristics of Target Regions: Delhi, Maharashtra, and Jharkhand	22
Figure 8. Economic Growth Potential under Specific Policy Reforms, 2001.....	24
Box 7. Stimulating Jobs Growth, Policy Recommendations	29
Box 8. MAYA ORGANIC Model of Worker Organization.....	31
Box 9. Education for All	33
Table 3: India Vocational/Technical Training Options	33
Box 10. ITI Capacity in the Three Targeted Areas—Maharashtra, National Capital Region and Jharkhand	38
Box 11. Employer-Led Training for Out-of-School Youth	39
Box 12. How Would You Define a Community College?.....	40
Table 4. Growth of Higher Education System in India.....	38
Table 5. State-Wise Enrollment in Universities and Colleges, 2002-2003.....	38
Box 13. Traditional Skills Learning and NGO Bridging Programs	42
Table 6. Program Options for Vulnerable Youth.....	41
Table 7. Illustrative Program Options to Achieve Workforce Development Objectives: Active Labor Market Programs (ALMP), Second Chance Programs, and Institutional Strengthening.....	50

Map of India



EXECUTIVE SUMMARY

The United States Agency for International Development (USAID) supports a wide range of development programs in India, with its concentration on economic growth, health, disaster management, environmental protection, education, and equity. This assessment, conducted under the guidance of the ANE Regional Bureau and the USAID Mission in India, examines the issues of workforce development and youth employment and builds upon the objectives of USAID/India. Technical assistance for the Assessment is provided by Education Development Center, Inc. (EDC). A six-member team of international and local consultants, assisted by USAID/India staff, conducted a wide range of primary and secondary research to evaluate the workforce development issues for India during November 2005.

Key Concepts, Questions, and Methodology

This Assessment report focuses on the challenges and opportunities for employment for out-of-school youth in three states in the Republic of India—*National Capital Region (Delhi), Maharashtra, and Jharkhand*. The choice of the states reflects initial investigations that showed clear potential for economic growth in these three geographical areas. Further, USAID/India already had a presence in these regions, thus creating possibilities of synergy between current USAID programming in education and economic growth.

The report is part of a larger study, Jobs for the 21st Century Initiative, sponsored by USAID's Asia and Near East Bureau. This initiative identifies trends and promising approaches to addressing youth and workforce issues in the Asia/Near East Region. The main goal of the report is to mesh current knowledge and information of India workforce development into a coherent strategy that examines the three main components of the assessment: the youth, the economic environment that shapes workforce demand, and the institutional supply of workforce training.

This report is framed around central questions.

- ❖ *How can job skills and placement opportunities for unemployed vulnerable youth be increased in India, with particular attention to the National Capital Region (Delhi), Maharashtra, and Jharkhand?*
- ❖ *What are the entry points of youth into the labor market, and how do these points relate to economic growth, employment generation, livelihood and labor policies in the three targeted states?*
- ❖ *What are the formal and non-formal education and training opportunities and institutions that can help prepare out-of-school unemployed youth in the three targeted states for work and engagement in civil society?*
- ❖ *What kinds of strategies and programs might USAID consider that will strengthen local efforts to meet the education, training, and employment needs of unemployed out-of-school youth (OSY)?*

The methodology includes a review of available secondary source information and interviews with government agencies, think tanks, donor organizations, businesses, associations, and educators. To get a clear picture of youth needs and aspirations, the team also conducted focus groups with youth migrants, dropout youth (one mixed gender, one women), unemployed graduates, Muslim school children, alternative education students, business executives, and NGOs. The team also visited educational institutions, workplaces, and NGO program offices to get an idea of on-the-ground realities. Many of the

findings and recommendations in the report were presented to the USAID/India mission on December 19, 2005. The complete PowerPoint presentation to the Mission is provided in Appendix G.

Four main sub-groups of vulnerable youth identified

India faces a dual challenge—to address large rural populations simultaneously with the ever-increasing urban workforce populations. This structure highlights the need for specific programmatic responses, distinguishing by rural/urban areas as well as by gender. Four main sub-groups of vulnerable youth are identified: 1) Youth in rural areas; 2) Youth who migrate; 3) Unemployed youth with secondary or tertiary education; and 4) Urban vulnerable youth, such as long-term slum dwellers. An important aspect of the analysis is to distinguish these sub-groups by demographic, educational, income, and migration data, in order to evaluate the needs of these distinct youth sub-groups.

Main Findings

Over 100 million rural youth are illiterate and unskilled

The largest majority of youth in India reside in rural marginalized areas. Over 100 million rural youth have no or little education. Female youth constitute 66 percent of this large cohort of uneducated rural youth. Based on these findings, 60 million youth are rural, illiterate, and unemployed.

Voices of youth call for fair access and “respectable work”

Youth in India are clear about what they want from the labor market: fair access to opportunity and “respectable work,” in terms of social protections and basic workplace rules. They are greatly frustrated by the recruitment system, where employers demand more qualifications (such as education) than the job actually requires.. Key programs and services that would help youth in their job search include job networking, recruitment services, and part-time continuing education and training.

Women’s work is increasingly in the informal sector

The majority of women in both rural and urban areas of India are employed in the informal sector, which is characterized by low productivity, minimal incomes, and a lack of economic and social security.. So while female youth in India are participating in the labor market by increasing numbers, they continue to face major hurdles in terms of access to formal sector employment. *Building career ladders and occupational mobility for women are essential steps toward enhancing women’s income and employability.*

High economic growth yet large gap between skills demand and supply. India is experiencing unprecedented economic growth of greater than 8 percent per year. However, despite its impressive growth rate, the country faces two extremely important workforce issues – job shortages and unprepared workers. *This “skills mismatch” acts as a central bottleneck in the India labor market system.*

Wanted: 15 million jobs per year plus policy reforms. *The bulging population and the expanding workforce will require about 15 million new jobs every year, against the 10 million new jobs being projected by the government.* Jobs creation is primarily in the rural non-farm sectors of agribusiness and service sector. Key policy reforms are necessary to address this economic and employment growth. The three main barriers to faster growth and employment in India are *the multiplicity of regulations for government product markets, distortions in the market for land, and widespread government ownership of business.*

Private sector perspective: Employability skills needed. Corporate business executives point to the need for greater employability skills in their workforce, including mastery of basic literacy and numeracy skills, inter-personal skills, communication skills, IT skills, and critical thinking skills, rather than specific technical skills.

Within the education sector, important strides and remaining challenges. The assessment pointed to an education and training system in the midst of reforms and important expansion. The key findings are:

- Gains in basic education...lead to secondary education crisis.
- Vocational technical education reforms and delays.
- Excellent models of “second chance” programs and flexible learning systems are now in place and can be scaled up to national models.

Key Recommendations

Build a bridge of better communication and understanding on workforce development between partnering institutions. Improved communication and understanding by the firms and education and training institutions is a first step in changing traditional practices of training, recruitment, hiring, and expectations. This communication leads to a “marriage” among the private sector, the training institutions, and youth, and allows for the distinct actors to contribute to the process.

Promote core employability skills and competencies. India is just now developing a system of workforce skills and competencies that can be used by industry and education institutions. This system creates a set of standards that is an alternative to the formal education credential. The main priority is to develop simple and straightforward frameworks of skills and competencies that enable private sector, training providers, and youth to be partners in the workforce development process.

Support institutional transformation of technical education. Accompanying this process is the reform and transformation of education and training institutions to be more oriented to the workplace. This institutional change process happens at different speeds in the public and private sectors. Throughout the NGO community, many new and small projects are currently developing this workplace orientation. We recommend that USAID/India assist in this institutional strengthening, particularly with new institutions committed to youth workforce development.

Encourage active labor market programs for all skill levels of youth, but with particular attention to rural and vulnerable youth. The main challenge of all employment training programs is to establish working linkages between demanders and suppliers of training. India is now at a crossroads for this change of attitude. We recommend that programs place priority on active linkages among the private sector, programs and youth.

Give priority to “second chance” programs. For the last ten years, USAID has financed “second chance” programs, which provide non-formal education and training to unemployed youth. By building on the expertise of USAID in these programs, and enhancing them by critical/core skills competencies and the elements of active labor market programs, USAID/India would establish itself as a leader in demand-driven youth unemployment programs in the country.

SECTION I: UNEMPLOYED YOUTH AND THEIR EXPECTATIONS

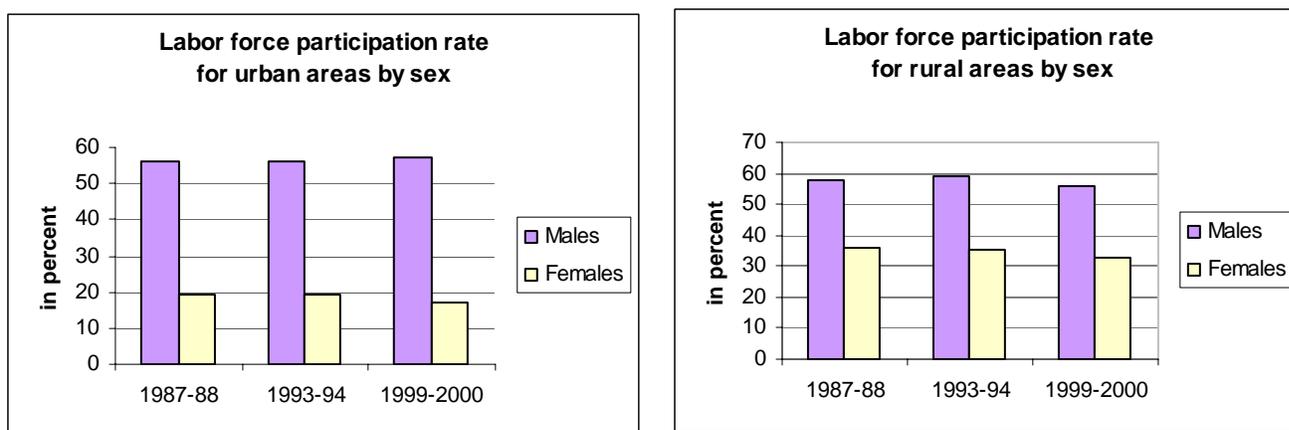
This section provides an analysis of the unemployed and vulnerable youth in India, examining the educational, demographic, social and cultural characteristics that shape their “readiness” for the new emerging labor market of the 21st century.

Structure of Youth Employment and Education

Traditional patterns of youth employment persist

One main characteristic of the labor market must be highlighted: the structure of employment (Figure 1) has been relatively stable throughout the last fifteen years. During 2001, about 39.2 percent of the population was in the workforce, with male workforce participation rates at around 52 percent, compared to females at 26 percent. On average, however, about 31 percent of women in rural areas and 12 percent of women in urban areas are in the workforce. More recent data suggest that female labor market participation has been increasing, to upward of 40 percent in select urban centers, such as Mumbai and the National Capital Region. It is predicted that agricultural production will decrease to less than 50 percent of total employment by 2015. However, the changes in the structures of the workforce, both in terms of urban/rural employment and in terms of gender, are long-term transitions.

Figure 1. Labor Force Participation Rate by Rural-Urban and Gender, India



Source: NSSO, 2006

India faces the dual challenge of addressing large rural populations simultaneously with the ever-increasing urban workforce populations. This structure highlights the need for specific programmatic responses, distinguishing by rural/urban areas as well as by gender.

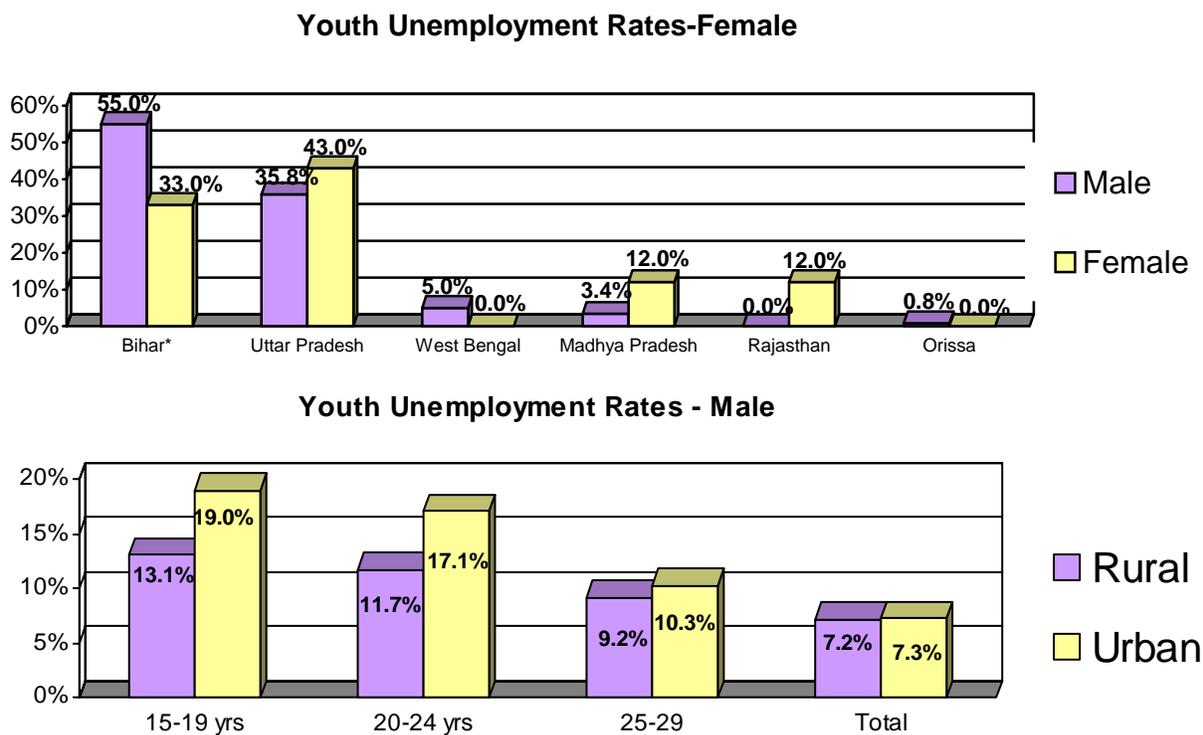
Lower unemployment means more “disguised” underemployment and poverty for youth

India’s Planning Commission estimates unemployment nationwide at 9.21 percent in 2002, and expects it to exceed 10 percent within the next five years (Planning Commission, 2002). This is based on the Current Daily Status (CDS) system that asks respondents to quantify activities during the week immediately preceding the survey, and from that number extrapolates the total number of days worked in a year. Even this system may under-represent the real unemployment situation in India, which has

significant seasonal variations (particularly in rural areas) and considerable underemployment, in terms of both the time engaged in paid activities and the level of payment for work. For example, many people listed in the CDS as “self-employed” are essentially performing casual work disguised as subsistence-level micro-enterprises (e.g., the slum hair cutter or shoe repairman).

The unemployment rate among youth 15-24 years old is higher than the rest of the population, as shown in Figure 2. These statistics illustrate the persistent unemployment that youth face in the labor market in India and capture two key findings: (1) youth unemployment is measured higher for urban areas, yet underemployment of youth in rural areas has proven to be a large factor explaining migration; and (2) the female youth experience much higher and more persistent rates of unemployment than males. Two main factors explain these rates: the rural/urban gap and the gender gap. Throughout this report, specific findings are presented based on the urban-rural and gender characteristics of the youth, the institutions, and the programs.

Figure 2. Youth Unemployment Rates – Male vs. Female



Source: India Planning Commission, 2002

While traditional employment statistics paint a somewhat rosier picture for rural youth than for their urban counterparts, the reality is that their situation is more unstable. Urban workers are more than *five times as likely to earn a regular wage or salary than rural workers*. The rural workforce is severely underemployed, with the vast majority classified as either self-employed or casual labor. *In Jharkhand, only 7 percent of rural workers earn a regular salary, compared to 46 percent in the cities and towns.* These findings point to the intersection of underemployment and poverty in rural areas of India, where unemployment is not a luxury that poor youth and their families can afford.

Target vulnerable youth by geography and education

For the purposes of this assessment, “vulnerable youth” are defined as out-of-school individuals from 15 to 24 years old who are either jobless or seriously underemployed. Those vulnerable youth who have not completed Grade 10 or lack the skills requisite for employment are considered particularly at risk of poverty and vulnerable to exploitation. For purposes of our analysis, out-of-school youth are distinguished by the key characteristics of urban/rural status, migrant status, and education. Four sub-groups are distinguished in the study:

- Youth in rural areas who have dropped out of primary or secondary school and lack employability skills;
- Youth who migrate from rural to urban areas or from one rural area to another, alone or with their families;
- Unemployed youth with secondary school diplomas or vocational education or university degrees who are not working;
- Urban vulnerable youth, such as long-term slum dwellers

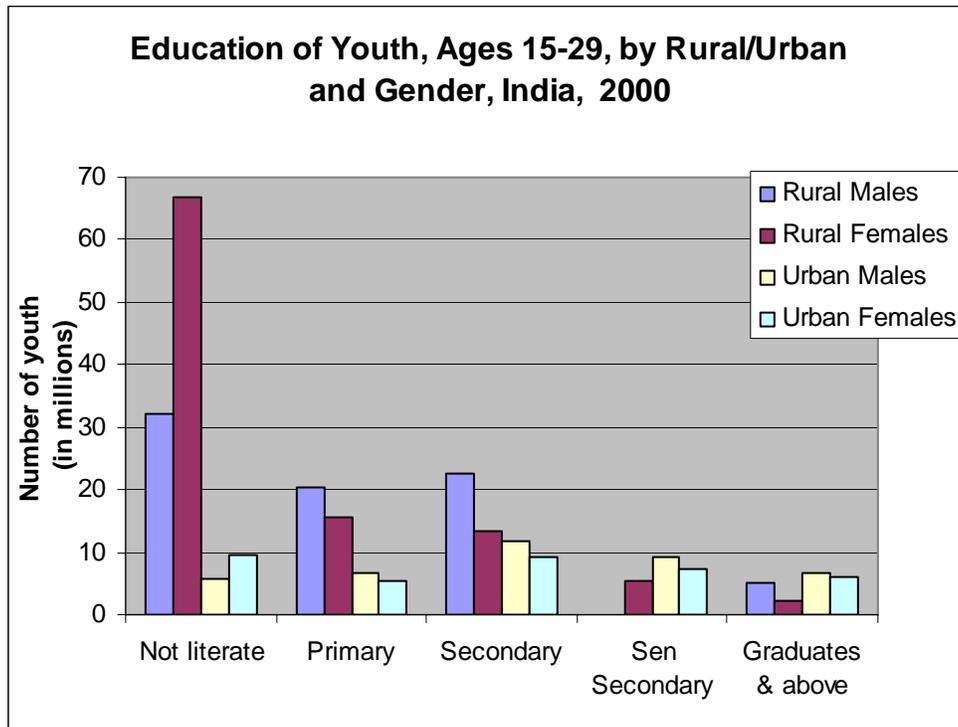
The following discussion highlights the key characteristics of these four sub-groups, particularly as they relate to key issues of youth workforce development and unemployment. *Unemployed youth is the key target population of the assessment.* This group is defined as:

- 15 to 24 years old
- out-of-school, with few job opportunities or little career guidance
- not working or underemployed
- disconnected from formal or informal education and livelihood training programs

Over 100 million rural youth are illiterate, unskilled, and unemployed

Figure 3 presents the basic characteristics of youth in terms of rural/urban location and gender distributions. This picture shows the actual number of youth (in millions) within each category. It identifies the largest sub-group of youth by geography and education: the over-100-million rural youth with little to no education. Within this large cohort of uneducated rural youth, female youth represent 66 percent of the illiterate rural group. This sub-group of youth includes those living in rural areas that have dropped out of school before completing primary or secondary school education. Further, unemployed youth probably represents around 60 percent (60 million) of the 100 million population. As has been noted before, a further 38 percent of youth populations are potentially underemployed. Based on these assumptions, it is estimated that 60 million rural youth are unemployed in the country.

Figure 3. Indian Youth Profile by Education, Urban/Rural and Gender, 2000

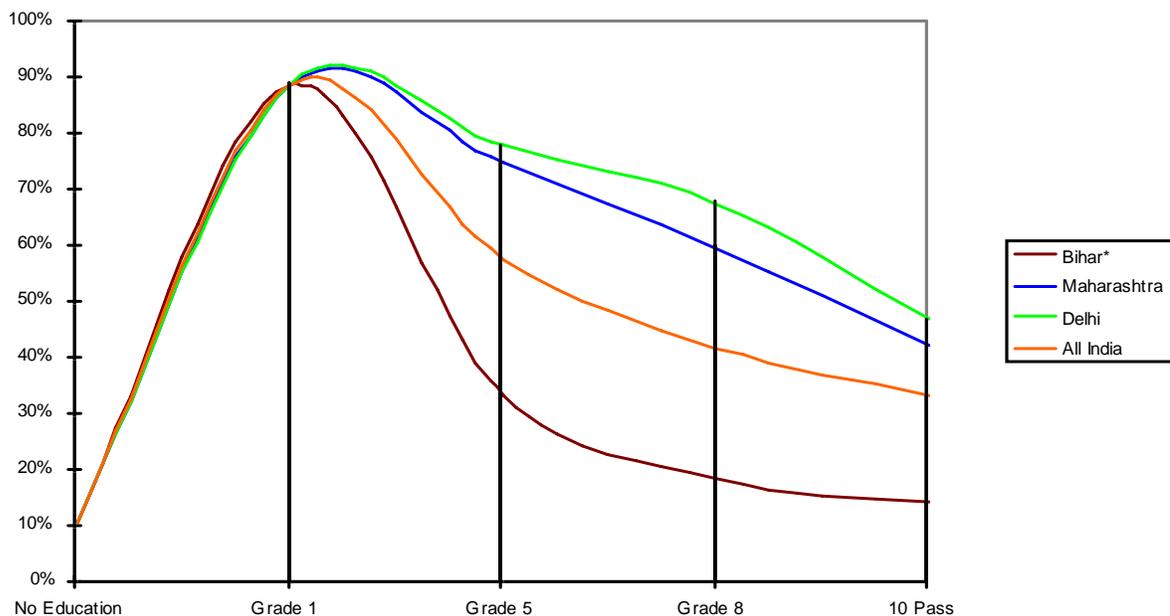


Source: Estimated using NSSO, 2005

Youth in targeted regions. The three areas examined in the Assessment show significant differences in rural and urban distribution of populations, as well as in the educational profiles of youth in these targeted areas. First, they show large differences in the urban/rural profile of populations. The National Capitol Region has 93 percent of its population in urban areas (Census, 2001); it is the most highly concentrated urban population in all of India. In contrast, Jharkhand has only 23 percent of its population in urban areas; it has the highest concentration of rural populations of all of the three areas of this study. Maharashtra fits squarely in the middle, with 42 percent of its population in urban areas. (See NSSO, 2005.).

The educational profiles are distinct in the three targeted areas. Figure 4 presents the gross enrollment rate as a percent of total eligible population for each educational level for the three areas. Note that estimates are provided for Bihar in lieu of the targeted region of Jharkhand.

Figure 4. Gross Enrollment Rates by Level of Education, India and Select Regions/States (2002)
(Gross enrollment rate as a percentage of eligible children)



Source: India Ministry of Human Development, 2003

This figure reflects the percentage of children/youth that are attending school compared to the eligible population. From this statistic, the “dropout” rate can be measured as 100 minus this enrollment percentage. Dropout rates are based on the students that are not attending school that are eligible for school. Jharkhand best illustrates the challenges for rural youth. The dropout rates for youth in rural sections of India, such as Jharkhand and Bihar, are extremely high. Only 30 percent of eligible children are attending Grade 5 of primary school. This compares to approximately 80 percent enrollment in Maharashtra and Delhi. Similar trends emerge for Grades 8 and 10 Pass.

To a considerable degree, these rates reflect broader issues of rural poverty. An OSY from Jharkhand is likely to be an underemployed rural farm worker from a scheduled caste or tribe with little schooling. For six months out of the year—during planting and harvest season—he does backbreaking work from dawn to dusk on his family’s land or other nearby plots. His sister may be able to fill some of the rest of the year with piecemeal work if her fingers are nimble (knitting, stitching, handicrafts), but he, with hardly any other enterprises to generate income between harvests, is either idle or must join the temporary migration to other states with different crops and harvest times.

Increasing numbers of poor rural youth migrate to urban centers

Migration in India takes place both when highly educated and skilled workers seek better opportunities and when semi-skilled or low-skilled workers fill low-cost labor market niches. The focus of this report is on the latter, as the population of young low-skilled migrant workers is far more numerous and vulnerable. When considering this group of migrants, exploitation—both criminal and wage—is a major concern. In many cases, “Migrants are preferred because their labor is easier to control and it is easier to extract labor from them under arduous conditions.” (Srivastava and Sasikumar, 2003) Migrants from very

poor states often cover great distances. Significant problems thus arise for establishing education “catchments”, therefore, with migrant children being difficult to enroll and retain in school.

Box 1. Jobs Matching—Indian Style

Much of the internal migration in India is unorganized. That is, migrants do not have employment secured before they move, and they receive no preparatory training or orientation other than learning from the experiences of their peers. There is a pattern of unorganized migration from rural to secondary cities and on to major cities. There also is “semi-organized” or “demand-driven” migration, such as in the construction and nursing fields, where labor bosses recruit in rural areas and bring workers to the cities to fill existing shortages. Certain states have migrant “brand recognition” for supplying specific skills, such as Kerala for nurses.

Interviews at a large mall construction site in Pune with construction migrant workers, their labor bosses, and management revealed that wages were considered to be good; workers were farmers, recruited in rural districts by labor bosses from their region; skills tended to be informally learned from relatives on family or community jobs; workers with demonstrated skills, such as senior brick layers, received significantly higher pay; minimal housing was provided, but spouses stayed home; women laborers were young, single, illiterate, and cousins of the labor boss; male workers tended to be dropouts or illiterate; workers returned home at harvest time. Both management and labor bosses would welcome some organized training (basic construction skills) and orientation (safety and health) for workers before they move to the construction site. It was noted the workers did not elect for the available government-regulated benefits package, presumably because of ignorance of its value.

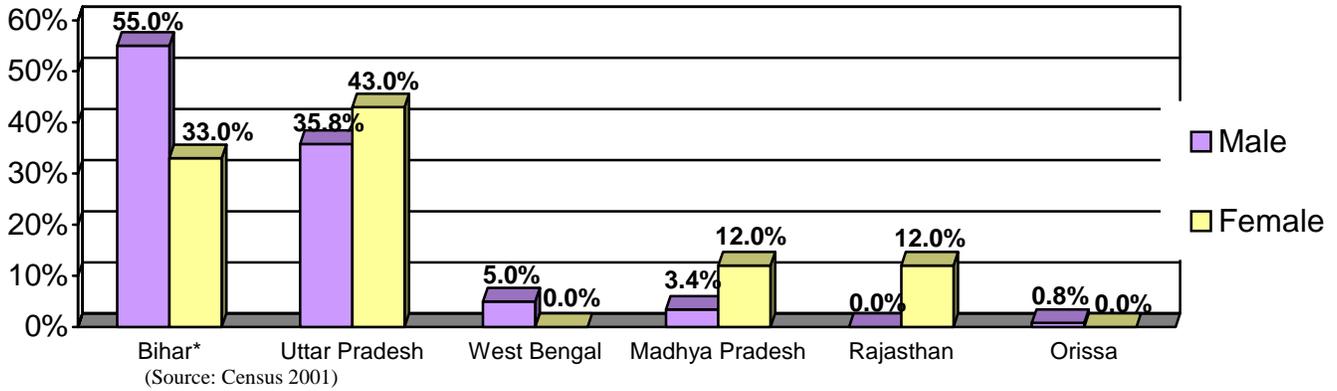
Migrants, particularly seasonal or temporary ones, are also getting particular attention as a vector for the transmission of HIV/AIDS.

Sources: Srivastava & Sasikumar, 2003; Assessment Team interviews, 2005

Rural youth, particularly young males, have the option of staying in rural areas or migrating to cities, driven by the hope of earning an adequate livelihood. Rural young women tend to be less mobile and in need of economic empowerment. Access in rural areas to quality education and relevant training is often a problem, as is awareness of opportunities to pursue livelihoods, career interests, and jobs.

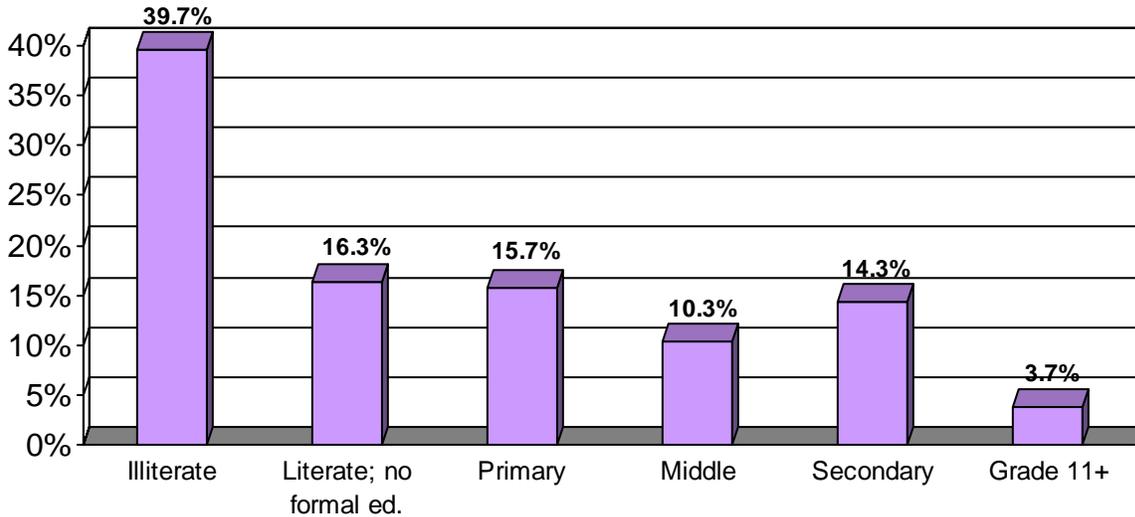
Migrants in greater Mumbai, numbering approximately 500,000 annually, come from the state’s rural areas, lesser secondary cities, and other states (Figure 5). This creates pockets of migrants speaking other languages and some unique problems. For example, poorly educated Biharis and Bangladeshi women have been attracted to work in Mumbai bars and sex trade.

Figure 5. State of Origin of Migrant Workers in Greater Mumbai



More than 80 percent of migrants have no formal education or dropped out before secondary school (Figure 6). Many are unskilled or low-skilled laborers seeking any type of work, usually finding it in the informal sector. There also are skilled and semi skilled migrants, such as construction workers and nurses, who tend to be sourced from specific states. Both are transient, as the construction workers move from site to site and the nurses tend to migrate abroad when they improve their English. Construction workers tend to be from rural farms as they are used to hard physical labor.

Figure 6. Education Level of Migrant Heads of Household in India



(Source: Census 2001)

Box 2. External Migration and Wage Remittances

International migration from India is proportionally small, but it can have an enormous impact. In 2005, India received the world's largest share of foreign remittances, totaling \$21.7 billion. India has essentially two types of external migration: (1) people with technical skills and professional expertise who generally migrate permanently, and (2) unskilled and semi-skilled workers, including many young people, who predominantly migrate to the Middle East on temporary contracts. While the economic impact of this migration is large, the impact on overall employment is small but not insignificant—about 440,000 workers per year migrated overseas during the 1990s. About 360,000 per year, however, were on temporary contracts, so net migration is likely to be substantially lower.

Unemployed secondary graduates include distinct groups of educated youth

Unemployed school graduates are a separate category of vulnerable youth. Within this category, it is important to make distinctions among secondary school graduates, graduates of technical/vocational training programs, such as the industrial training institutes (ITIs), and graduates of university-level bachelor degree programs.

Secondary school graduates: The emphasis of government to expand access to secondary school education (described in Section IV) implies that there will be an increasing number of youth with secondary school degrees entering the workforce. Unless these youth graduate with basic employability skills and at least some vocational training, they will find it difficult to gain productive jobs in the workforce after graduation. Therefore, the government plan to include a vocational track in the regular secondary school curriculum is important; it should be fully implemented in a timely manner. Implementation of the plan should draw upon the expertise of industry as well as the education sector. It would be very useful to include provision for school-based career counseling.

Graduates of technical/vocational training programs: Section IV describes the growing cohort of post-secondary educational institutions that provide youth with access to technical/vocational training. These include more traditional ITIs and polytechnics, as well as more market-oriented community polytechnics and community colleges. Recent studies by the World Bank, ILO, and others have found that many young ITI and polytechnic graduates have a difficult time finding productive employment. Lack of industry-relevant curricula and training is largely responsible for the poor job placement record of most ITIs and polytechnics.

University graduates: Across India, many private and public colleges are graduating students with basic liberal arts/science degree (BA/BSc Pass). Enrollment in a BA/BSc Pass program is relatively easy, and graduation requirements are quite modest. With this degree, graduates bring pride and joy to their families. In many cases, however, the benefits end there. Such basic degrees are not respected in industry, and these youth find it challenging to convert their university degree into employment.

Even specialized degrees in arts or science, (BA/BSc Honours), engineering, and management are often rendered irrelevant due to the poor quality of university education available in most rural and semi-urban areas. In most cases the curriculum emphasis is on subject knowledge, and colleges provide little assistance on how this knowledge can be built into specific job skills.

There are, however, a number of colleges/ universities in Delhi and Mumbai who offer quality higher education and also prepare students with the skills necessary for employment or research. While there is an all-round preference for such professional programs, the disadvantaged youth encounter major constraints in terms of getting admission and costs.

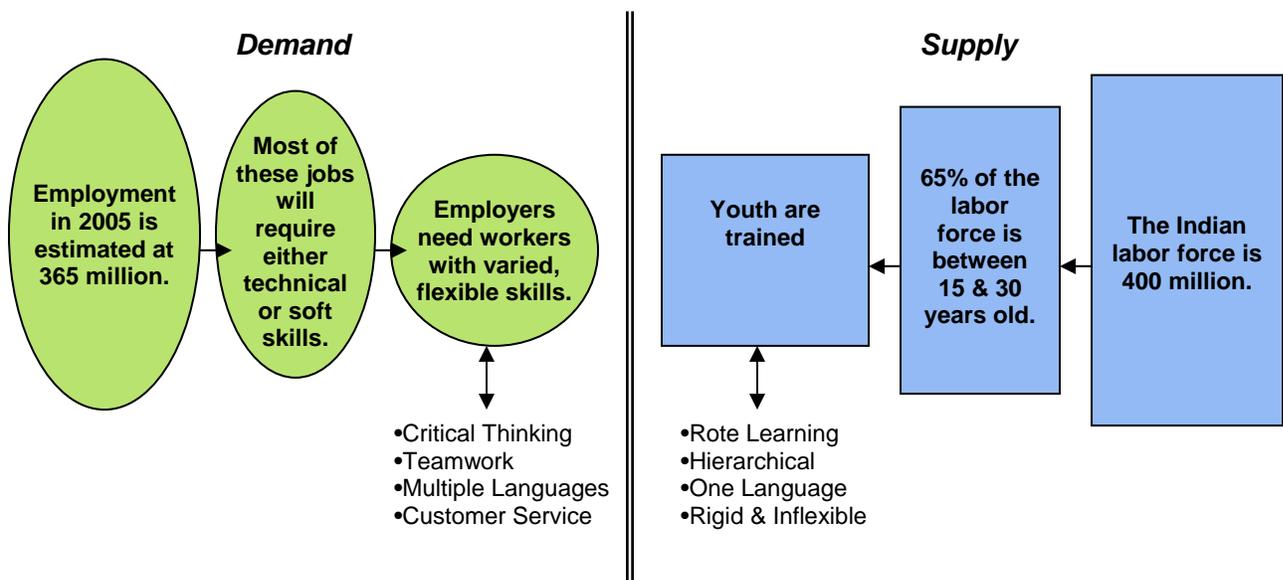
Poverty and school access push poor urban youth (long-term slum dwellers) out of school

Youth in urban slums often leave school because they must work to keep fed, because their parents don't value education, or because the quality of formal school teaching is low. The typical profile of the out-of-school unemployed youth in cities such as Delhi and Mumbai is a male school dropout with no more than an elementary school certificate from one of the outlying provinces. In Delhi, that's likely to be Uttar Pradesh or Bihar; in Mumbai, it will probably be rural Maharashtra, Madhya Pradesh, or Chhatisgarh. He has bounced around with his family to one or more other spots before finally settling here. Unless his father has a trade, he probably has no genuinely marketable skills and may not even speak Hindi fluently. His time is spent seeking day work or piecemeal work as a laborer, errand boy, etc. Maybe 60 to 70 percent of the time he gets lucky and finds an odd job; for this he would likely bring home less than a dollar to his family.

Serious skills mismatch exists between the new economy of India and the traditional education system

The economy in India is booming, but employment growth lags behind population growth, and 14 million additional jobs will be needed by 2012 to keep pace. There is also a mismatch between youth in the workforce and available jobs. Both the educated and the uneducated suffer from this. Few employers are willing to take a chance on dropouts, there is little in the way of "second chance" education and skills training, and there is a surplus of graduates with training that is irrelevant for the new economy. In other words, as Figure 7 below illustrates, matching today's youth with employment opportunities is like trying to fit a square peg into a round hole.

Figure 7. Demand and Supply Skills Mismatch in India



Source: EDC Assessment Team

Gender roles are changing through the informal workplace

Any discussion of workforce issues in India also needs to address gender issues of employment. According to the Indian National Sample Survey Organization (NSSO), from 1999-2000, India's workforce included 124 million female members. They constituted about 31 percent of the total Indian workforce population. More than 88 percent of them were rural female workers. The majority of women

in both rural and urban areas of India are employed in the informal sector, which is characterized by low productivity, minimal incomes, and a lack of economic and social security. In rural areas, 87 percent of women workers are employed in agriculture as laborers and cultivators. In urban areas, about 80 percent of the women workers are employed in household industries, small trade and services, and building and construction.

A worrisome trend is the increasing informality of women's employment in all sectors and most regions. Labor laws are difficult to impose in the informal sector, particularly when the workers lack the ability to effectively organize. In the corporate and government sectors women are markedly absent from higher-level management positions, though there is a growing trend toward hiring women for junior management-level positions. By and large, neither large-scale employers nor government have been very responsive to the workforce needs of women. Most organizations do not offer women the benefits of flextime labor or provide workplace crèche facilities. Sexual harassment grievances are usually referred to the next person up in the chain of command.

Box 3. Counting Women's Work

Women's work is an important contribution to India rural household production. However, the number of women who work is poorly captured or enumerated since most of the work they do is not remunerated and hence remains unrecognized. As a consequence, the rate of women's participation in the workforce is shown as low. The only source that reveals a high rate of women's participation is the time use surveys.

Education is a basic indicator for women's equality and empowerment. Levels of female literacy, gender gaps in literacy levels, and enrollment and dropout rates at the primary school level are relevant indicators. Health and survival statistics, such as survival of women and girls, anemia, and mortality rates, show how health and education are highly tied for women in India

Source: Rustagi, 2004

Focus groups with young unemployed women, conducted by the Assessment Team, revealed their opinions.

- Women want to learn vocational skills through access to part-time courses.
- They want jobs equal to men.
- They have been exposed to some successful Indian women, who earn a good salary, and who serve as their role models.
- They want to have their own income, but at the same time take care of their families.
- They would prefer part-time jobs in the household or service sector.
- They stated frustration at not having access to capital or a place where they can initiate a small business.

Female youth in India have different programming needs

Table 1 presents statistics show distinct characteristics of women across the states and regions of India. Only the states of Maharashtra and Jharkhand/Bihar are included in the study; similar estimates are not provided for female youth in the National Capital Region of Delhi. (See Rustagi, 2004). These statistics do not distinguish between rural and urban areas within the state, a critical element in understanding the dispersion of these indicators. Some important patterns emerge from the statistics. Overall, workforce patterns of Maharashtra and Jharkhand/Bihar are similar, with approximately 30-40 percent of women participating in the workforce. Similarly the gender gap, the difference in the participation rates of males to females, is similar, with approximately a 25 percent gender gap in workforce participation estimated for the two states.

Table 1. Key Characteristics of Women in the Workforce for India and Select States
(as a percent of the total state population)

Key Target Regions	India	Maharashtra	Jharkhand/Bihar
Labor Force Participation Rate	30.3	37.7	32.2
Gender Gap	31.0	24.2	26.3
Female Literacy	54.2	67.5	39.4
Enrollment Ratio (1-5 grades)	85.2	112.3	61.5
Enrollment Ratio (6-8 grades)	49.7	80.4	22.1
Dropout Rates (Primary)	42.3	21.7	58.6
Total Fertility	2.8	2.5	3.5
Anemia Sufferers	51.8	48.5	63.4

Source: Rustagi, 2004

These workforce similarities between Maharashtra and Jharkhand/Bihar do not extend to the education profile of women in the two states. The educational profile of women in Maharashtra is considerably higher than for Jharkhand/Bihar, in terms of literacy, primary and secondary enrollment rates, and primary dropout rates. Enrollment rates for Maharashtra are some of the highest in the country. The educational levels of women in Maharashtra have not translated into higher workforce participation or employment for women. These findings point to distinct programming needs for the two states: (1) the need to promote gender access to employment in the state of Maharashtra; (2) the need to support basic education for the workplace for women from Jharkhand/Bihar. (Rustagi, 2004)

Voices of Youth: Key Findings from Youth Focus Groups

To help determine the perceptions of young people regarding workforce issues, the team conducted focus groups with in- and out-of-school youth, NGOs active with out-of-school youth (OSY), parents, employers, and researchers. Five OSY focus groups consisted of one group of poor youth of mixed gender, a group of single poor women with little education, a group of unemployed and underemployed degree graduates, a group of migrants with low/no skills, and a group of graduates from Muslim Madarasahs. More complete findings are in Appendix D.

Youth frustration on job recruitment and job search

Focus group participants share a general sense of frustration on the recruitment and job search process. Most have actively tried to get jobs, but some others do not even know where to begin looking. Participants across the board state that their main handicap in looking for employment is a lack of education or vocational skills. Many industries target their hiring at job seekers with high school degrees or college diplomas. The exceptions include service industries, such as fast food franchises and hotels, and the construction industry.

Out-of-school youth realize that they must have specific, relevant qualifications in order to advance; they are highly motivated to obtain the skills and competencies necessary for employment; yet few know how to navigate the roadblocks that stand in their way. Skill-building education and training programs are rarely part-time, and OSY must earn a living once they leave school. They pursue basic survival occupations such as rag picker, pickpocket, samosa vendor, shoe shine boy, messenger, cart hauler, pedal rickshaw driver, street vendor, or paper boy. These jobs often yield very meager wages and take up a great deal of time, leaving youth with insufficient time or money to enroll and participate in a full-time skills training program. The participants in the women's focus group place even greater emphasis on the need for part-time education and job opportunities, so they can balance them with family and household duties.

NGOs that do provide part-time training are in very high demand. For instance, the Open University, which offers a part-time degree program, is very highly sought after by the OSY population. The youth who do succeed in pursuing training often manage to find more profitable and less hazardous jobs as bakers, printers, beauticians, salesmen, professional photographers, data entry clerks, computer aided graphic designers, computer programmers, mechanics, home care workers, or nannies.

Youth need job networking and recruitment assistance

Most of the youth feel that even with proper skills training, good jobs only come through having the right contacts and approach—something that few of them have much hope of developing, since most are not natives of Delhi and have few contacts.

Many OSY do not know the job opportunities and career paths available, how to seek employment, or how to behave on the job if they do get hired. This indicates a need for career placement and training services targeted at OSY.

Expectations of youth follow traditional career patterns

Career ambitions differ between young men, who wish to find jobs as electricians, shop workers, auto mechanics, and computer programmers, and young women, who are more interested in working as beauticians and tailors.

Status and cultural norms also play a role in determining career paths. The term “blue-collar” is pejorative, and service positions are not held in high regard. For example, while nurses are in high demand, most youth are not interested in pursuing this path.

On the other hand, government employment in India is held in high esteem. Government jobs are prized, so many OSY are pressured by parents to sit for government service. However, participants believed that the most secure jobs in government almost certainly came at the cost of a bribe.

For many, entrepreneurship and self-employment are attractive alternatives to government and private sector jobs. Several participants express a desire to start a small enterprise such as a local shop. This avenue, however, is challenging to most OSY, due to their lack of available capital.

Voices of youth call for fair access and “respectable” work

The youth interviewed believe that beyond establishing income and an improved quality of life, jobs bring respect and improve social image. Many express a feeling of defeat over their prospects for employment and state that without a job they do not have an identity. As a result, when asked which specific jobs they are seeking, many say that any “respectable” job would be very welcome.

Overall, the focus group participants have hope for the future. At present, their poverty is their main “curse.” These OSY hear the success stories of others, but do not yet have any of their own. Their hope and enthusiasm for seeking training and education, therefore, is tempered by frustration with the current situation and pessimism about the favoritism and nepotism of recruitment and job opportunity in India.

SECTION II: THE ECONOMIC ENVIRONMENT SHAPING WORKFORCE DEMAND

This section analyzes the key economic factors that shape workforce issues for youth in India. It is organized around three main topics: (1) economic and employment determinants of demand for labor, including demand in the three targeted states; (2) economic policies that shape workforce issues; and (3) the perceptions and perspectives of the private sector regarding workforce.

Economic and Employment Determinants of Workforce Demand

For the purposes of this assessment, it is important to look not just at economic growth, but also at employment growth. Those industries with the highest economic growth are not necessarily the ones that will contribute large employment numbers of the type needed to absorb the most vulnerable segments of the population. On the other hand, it can be argued that some high economic growth industries—such as ICT, financial services, or value-added manufacturing—enable growth across industries. Tata Motors, for instance, estimates that, for every factory-floor worker it employs; 14 more jobs are created for drivers, mechanics, dealers, parts makers, gas station attendants, etc. While not ignoring these aspects of job creation, this assessment is oriented more toward those industries with the highest potential for direct employment growth. Two primary criteria are used to determine the sectoral focus areas: (1) direct employment growth rate and (2) potential volume (scale) of employment.

Box 4. Thirty Percent of India Workforce Will Be Unemployed by 2020

The latest India Labor Report by recruitment agency TeamLease Services forecasts that 30 percent of the country's 716 million-strong workforce will be without work in the year 2020. This can trigger social security problems, as the bulk of the unemployed—85 to 90 percent—will be in the 15-29 age group. The quality of those employed in the future is not very encouraging as only 88 million will be graduates, while another 76 million will have passed their senior secondary level. *The bulging population and the expanding workforce will require about 15 million new jobs every year, against the 10 million new jobs being projected by the government.* The scarcity of job opportunities in the organized sector is likely to create a major shift toward the unorganized sector, which is already expanding and absorbing additional workforce. Of India's 402 million-strong workforce, only about 7 percent is in the organized sector. The unorganized sector is absorbing more labor and has improved upon its '80s pace of 29.62 percent growth to 30.29 percent in the '90s.

Source: TeamLease Services, 2006

Increase in the Growth of the Unorganized Sector

The Indian economy is growing at more than 8 percent per year and diversifying into many new industries. With this diversification, the types of career opportunities available are changing rapidly; they require a skill set substantially different from what was necessary in the past. In addition, as barriers to trade are relaxed, India faces ever-fiercer competition from hungrier and more agile economies like China. At the moment, India is keeping pace by absorbing a backlog of under-utilized talent, but soaring wages for the most highly skilled candidates, frequent job changes, and ever more vociferous employers complaining that they can't find the right people all seem to indicate that the pool of such individuals is rapidly drying up.

Before delving into the characteristics of specific industries, it is useful to discuss some of the peculiarities of how India defines its business sections. Rather than the more internationally recognized concept of formal vs. informal sectors (based on whether or not an enterprise pays taxes openly), India makes a regulatory distinction between organized and unorganized business sectors. The organized sector is defined somewhat formally in India as a combination of the public sector and those private sector companies with over 100 employees who are covered by the Factories Act. In essence, it means large companies in traditional industries.

Held back by restrictive policies and an emphasis on traditional industries, private sector organized employment has been stagnant since 1996, and has actually declined from 87.5 million in 1998 to 84.3 million in 2002 (CIER, 1998). Despite the anemia of the organized sector in general, not all traditional industries are in decline. Machinery, chemicals, and textiles posted double-digit growth in the past year, with beverages and tobacco-related products not far behind. It is important, however, to draw a distinction between economic growth and employment growth. In recent years, the organized sector appears to have picked up momentum alongside the economy in general, but employment growth has substantially lagged behind revenue growth as the organized sector fueled its expansion primarily through capital investments and higher productivity.

The major source of employment generation by far is the unorganized sector, with more than 92 percent of the workforce. In addition, the labor intensity of unorganized manufacturing is nearly 10 times that of organized manufacturing, and labor elasticity is more than three times higher; that is, for every 10 percent increase in revenue, the unorganized sector posts a 2.1 percent increase in employment while the organized sector posts only 0.66 percent (India Planning Commission, 2002a). It is clear that any workforce interventions in India must focus on the unorganized sector.

Box 5. Lack of “Employability” and Skills Shortages

Weighed down by antiquated labor laws, shabby infrastructure, and half-hearted economic reforms, India is now grappling with a tricky problem that will take a generation to solve: an acute shortage of skilled workers. How can this be when half the 1.2 billion population are below the age of 25? Given that India has 40 million unemployed, why are human-resources chiefs going crazy trying to hire people? India churns out 3.6 million graduates every year. But industry estimates indicate that only a quarter are employable. In the first such survey, the India Science Report said recently that 63 percent of unemployed graduates are science graduates. “It’s not lack of demand for them. They are just unemployable. India’s poor human capital is a real problem that will hinder economic growth,” said Pratap Bhanu Mehta, ex-member of the Knowledge Commission set up by the government to improve the Indian workforce.

Source: Planning Commission, 2005a

Leading Employment Growth Sectors: Agribusiness, Services, and Construction

Leading employment growth industries include construction, retail trades, hospitality, other services, medical and education, and agribusiness/food processing. Based on the projection analysis of the Vision 2020 report of the Planning Commission (2006), the main industries for employment growth are (1) construction (6.8%); (2) transport and communications (6.5%); (3) financial services (6.4%); and (4) trade and hospitality (5%). The emerging service sector industries are in sharp contrast to the traditional employment generation sectors of India.

Box 6. The Other India: The Informal Sector

They contribute nearly 45 percent of the national income. They work in all sorts of trades. They work in the fields; they work as artisans, head-loaders, construction workers, brick kiln and quarry workers, and glassware or brassware workers. They work the year round with no regular employment and are not entitled to any social security benefits. They toil for more than eight hours a day, without the luxury of weekend holidays. They number around 30 crores (300 million), yet they are not part of any organised system of work. Anonymous contributors to the national income, they form the other India at work, invisible to the glitzy, high-tech environs of the India on the move. One dimension of the informal nature of work is the gender division of labour. Women, who may not be seen on the factory floor, work in household units along with their children. Home-based work is considered more productive as it paves the way for the term “flexible work responsibilities”.

Source: ILO, 2005

Emerging Service Industries Are Main Entry Point for Youth Employment

The growth of the middle class is creating a more consumer-oriented society, which drives the growth of retail trades, and is contributing to increased demand in other labor-intensive services like domestic support (drivers, maids, cooks, security guards) and professional trades (plumbers, electricians, carpenters, etc.). Retail and distribution trades alone employed approximately 41 million people.

Tourism and hospitality fall into the same category. This sector in particular has been identified as a priority sector by the government for the obvious reason that India has high tourism potential but lags significantly behind other Asian countries in economic activity in this sector. (India has only 2.2 million tourists per year.) Tourism is an important sector for generating employment because of the major multiplier effects of tourism and hospitality on other industries—restaurants, retail trade, transport, and other services—and its tendency to support employment-intensive infrastructure development.

Tourism and hospitality provide jobs that require little formal education, emphasizing basic employability skills such as communications and customer relationship skills. Large groups of uneducated youth can be trained for these sectors. Nonetheless, many of these jobs have cultural and regional limitations. For example, women in India are often not encouraged by their families to work in hotels because of a rather negative image of those careers; also, working with one’s hands to serve others is still considered a lowly occupation to many, even if the market values it more highly than a simple desk job.

Critical Workforce Demands in Medical and Education Services

Demand is also growing rapidly for jobs in healthcare services and education. Existing facilities and personnel are inadequate to meet this growing demand, so much so that one health professional in Pune estimated a coming shortage of qualified nurses in the range of 80 percent (which will be particularly

pronounced in rural areas). The Indian population seems more and more prepared to pay for these services on their own. However, shortages will likely result in driving up costs and putting some essential services out of the reach of the general public.

On the surface, nursing or teaching jobs are not likely to have high potential for the most vulnerable segments of unemployed youth; however, in recognition of existing and impending labor shortages, programs are being proposed to train and place youth para-medicals and teachers throughout the country. With approximately 600,000 districts in India and a move toward expanded health services and universal secondary education, this could mean a need for over one million para-medicals and possibly even more teachers in the coming years. The biggest bottleneck is providing quality teaching and certification to so large a number of new recruits.

Construction Continues to Be Key Employer for Uneducated Youth

India's sustained high level of growth has also spawned a building boom. Like services, construction is a labor-intensive industry, but one that requires an increasingly skilled workforce. It is currently estimated to employ almost 21 million full-time workers. The actual number employed is probably significantly higher, given that many people work at construction trades for only a few months each year (usually in-between harvests) and that many others are likely to fall under the self-employed category. The Planning Commission estimates that the number of people employed in construction will rise to more than 40 million by 2015. The chief bottleneck to improving workforce productivity in the construction industry is a lack of skilled and certified tradespeople to operate machinery and provide manual labor.

Agribusiness and Food Processing: A Special Case

Agribusiness, food processing, and transport are all industries that one would normally expect to be well-organized and significant contributors to economic and employment growth. Restrictive policy and regulatory barriers at the national, state, and local levels, however, hold these industries back. The situation in food processing is particularly egregious. India is the second largest producer of fruits and vegetables in the world, but only 2 percent of that production is processed, and approximately 40 percent of it goes to waste, mostly through spoilage or damage en route to the market. Processing of those products would minimize waste, add substantial value (regardless of whether it is exported or not), and bring non-farm businesses to smaller cities and towns. Post-harvest losses are estimated at 50,000 crore (a crore is 10,000,000) Rupees annually (approximately US\$ 11 billion), and 2 percent processing capacity is absurdly low compared with 30 percent in Thailand, and 80 percent in Malaysia (Aluwalia, 2002). Some of this loss is explained by a lack of reliable energy and infrastructure for cold storage and smooth transport, but many other countries face similar constraints and still manage to process more of their food production. Perhaps the biggest constraints are local- and state-level transport restrictions and border controls. These add both cost and time, which make the transport of perishable commodities extremely difficult. Another constraint is that food processing and related industries were generally reserved for small-scale industries. This reservation was lifted several years ago, but little has been done to encourage the development of large-scale investment in this sector.

Youth Opportunities in Small Scale Entrepreneurship

India has been involved in entrepreneurship development and training for decades. By some measures, India has the highest number of entrepreneurs in the world, and the second highest per capita after Thailand. Rural and urban youth often seek to become entrepreneurs, but they frequently lack business training and/or access to capital. Effective small-scale business development needs many links in a chain of development: awareness of development opportunities; identification of viable business ideas; start-up training and assistance/mentoring; and financing. Great entrepreneurship programs will have all of these links. Weaker programs tend to concentrate on writing a business plan—which often becomes a terminal essay, like a thesis, and fails to provide the student with access to finance and mentoring support.

Targeting Youth Employment in the Three Regions of India

For in-depth analysis of target youth beneficiary and private sector possibilities, the assessment examined three main regions of the country: Delhi (National Capital Region), Maharashtra, and Jharkhand. Each of these three regions is unique. Table 2 summarizes the main issues, as they relate to employment-economic linkages and the target youth population. Delhi reflects the large urban economy, now being led by the rapid service sector, with substantial levels of foreign direct investment. Maharashtra combines a large urban economy, that of Mumbai, with the transformation of the agricultural sector to a rural service sector. The Jharkhand economy remains under traditional structures of production and distribution of goods. To a large extent the employment profiles of these three areas reflect these larger economic patterns.

The National Capital Region (NCR) and Maharashtra are surprisingly similar states, based on the assessment analysis and interview findings. Both are experiencing dramatic growth that substantially outpaces the economy as a whole, and if foreign direct investment (FDI) can be used as an indicator for a region's competitiveness and future job creation potential, these will be, by far, the two states with increasingly competitive economies. Over two-thirds (68 percent) of known FDI inflows from 2001 to February 2005 occurred in these two states, with Delhi edging out Maharashtra 36 percent to 32 percent (Rajya Sabha, 2005).

In both Delhi and Mumbai, the more traditional manufacturing industries are moving to outlying areas and nearby secondary cities, to make way for new-economy industries, including the booming technology, finance, retail trade, services, hospitality, and construction sectors. Both regions also are known for their relatively progressive policies and tend to be early adopters of new ideas. Both states are involved with vocational education reform; the government is supporting employment promotion programs, skills certification, and closer workforce partnerships between business, government, and academia.

Most important, it is the rural areas of India that generate the most employment, and the leader of the pack is the state of Maharashtra. The rapid economic growth of Mumbai is generating demand for services and products of smaller towns, and the rural non-farm sector is a critical jobs generator in the state. In so doing, Maharashtra has generated the top employment growth of all states for the last six years. *Maharashtra ranks second in terms of enterprise growth, with the majority of these enterprises (85 percent) being non-farm enterprises. The employment is largely being driven by the rural non-farm sector; rural jobs growth is estimated at 3.29 percent (2005) compared to urban jobs growth of 0.91 percent. Around 75 percent of this rural jobs growth is the non-farm economy. (Census, 2006)*

Table 2. Key Characteristics of Target Regions: Delhi, Maharashtra, and Jharkhand

Economic Indicators	Delhi	Maharashtra	Jharkhand
	<ul style="list-style-type: none"> ➤ Highest growth nation-wide – primary destination for foreign investment ➤ Booming retail, hospitality, tourism, household services, and construction industries 	<ul style="list-style-type: none"> ➤ Manufacturing industries moving out of Mumbai to suburbs and secondary cities ➤ Slum population shifting from central Mumbai ➤ Booming technology, finance, retail trades and services, and construction industries ➤ Relatively progressive policies – early adopters, such as vocational education, business partnership, and employment promotion program 	<ul style="list-style-type: none"> ➤ Low growth state, but with opportunities for faster growth ➤ One of only two states with a budget surplus (Mittal, Tata in tax base) ➤ Large planned investment by corporations ➤ Dominated by heavy industries – mining and automotive
Demographic Indicators	<ul style="list-style-type: none"> ➤ 500,000 net in-bound migration with many “at risk” migrant workers ➤ Substantial “at risk” migrants predominantly from Bihar, Jharkhand, and Uttar Pradesh ➤ High pressure on urban poor due to rising costs of living ➤ High unemployment among slum dwellers 	<ul style="list-style-type: none"> ➤ 500,000 net in-bound migration with many “at risk” migrant workers ➤ Agriculture in decline ➤ High pressure on urban poor due to rising costs of living ➤ High unemployment among slum dwellers 	<ul style="list-style-type: none"> ➤ Large rural and tribal population – mostly engaged in primary agriculture ➤ High migration to urban areas, both inter- and intra-state – (some seasonal) ➤ Disparity of incomes/opportunities and quality education ➤ Lower education levels and higher dropout rate than India average ➤ Strong Naxalite presence (especially in rural areas) ➤ Low capacity for and inexperience in public administration
Issues	<p>Rapid growth in selected industries, but large vulnerable slum, street, and migrant population from specific regions.</p> <p>How do we link these two?</p> <ul style="list-style-type: none"> ➤ Organized/safe migration to growth centers ➤ Better information and resources for likely migrants in Jharkhand, Bihar and UP ➤ Identifying and formalizing informal sector education and training opportunities 	<p>The growth of smaller cities and shifting slum/migrant populations. How do we link these two?</p> <ul style="list-style-type: none"> ➤ Create/support opportunities in smaller, high-growth cities and towns ➤ Organized/safe migration to growth centers ➤ Emphasis on non-farm economy for jobs generation 	<p>Pockets of disadvantage are the rural poor; opportunities are for urban and industry-led growth.</p> <p>How do we link these two?</p> <ul style="list-style-type: none"> ➤ Organized/safe migration to growth centers ➤ Small farmer and agricultural trade? ➤ High-value horticulture and agribusiness/food processing?

Source: Authors

Jharkhand is a state full of seeming contradictions. Agriculture still predominates, but the state is also the center for well-developed heavy industries that are projected to grow substantially in the next few years. Tata produces the bulk of its steel in Jharkhand and also makes commercial vehicles. Mittal, the world's largest steel company is planning a major investment, and the state government has signed 40 memorandums of understanding (MOUs) with companies in mining, metallurgy, automotive, gemstones, and other fields. It remains to be seen how many of these MOUs will come to fruition, but it would take only one or two of the larger ones to make a noticeable impact on economic growth and employment.

This mix of heavy industry and rural agriculture, however, creates highly differential development. Those living in Tata's steel town Jamshedpur, for instance, have a standard of living substantially higher than the national average, while Jharkhand as a whole is consistently at the bottom of lists on economic development. Likewise, Jharkhand is known for the quality of its universities (e.g., Birla Institute of Technology) and vocational schools, yet it has some of the lowest primary and secondary school enrollment and highest dropout rates in the country. A relatively small population, coupled with a tax base that draws on the large manufacturing industry, makes Jharkhand one of only two states with a budget surplus. While the state is in the enviable position of having some discretionary funds it could put toward good programs, local governance seems particularly weak; there is a dearth of good public policy ideas and the capacity to implement them.

In terms of jobs growth, Jharkhand has experienced jobs creation in the rural non-farm economy; however, this jobs growth is quite modest, at around .66 percent in 2005 (Census, 2006). The rural jobs growth is primarily in non-farm employment. The urban-based employment rate has contracted recently, estimated at -1.21 percent for 2005. Such poor performance bodes ill for Jharkhand employment prospects in the near- to mid-future. These trends all point to an important finding, that of the transformation of the rural sector, which is moving from agricultural jobs to employment in agribusiness and service sector employment.

Economic Policies That Shape Workforce Issues

This subsection examines how government policies contribute to the workforce dynamics in the private sector. These policies shape the expectations of the economic actors and cast a large, significant shadow on the working of the labor market. Four main policies are evaluated for India and, specifically for the three regions that we are addressing: (1) pursuing stable macroeconomic policies; (2) encouraging active labor market participation, job-search, and access to employment; (3) removing labor- and product-market obstacles to labor demand as well as promoting enforcement of basic worker rights and protections; and (4) facilitating the development of labor force skills and competencies. Each of these broad policy objectives will be evaluated in the context of India, and specifically the three targeted areas of Delhi, Maharashtra, and Jharkhand.

Stable Macroeconomic Policies, Robust Economic Growth, and Fiscal Red Flags

Beginning with the mid-1991 policy adjustments in foreign exchange and fiscal policies, there have been significant policy changes in key areas, such as market-determined exchange rates, liberalization of interest rates, reductions in tariffs, and dismantling of License Raj taxation. These early reforms have been challenged on several fronts, such as increased fiscal spending, by both the national government and state levels, and poorly targeted spending. And while exports and imports have grown significantly in recent years (19 percent in 2004 and 30 percent in 2005), high tariff protection persists in India, particularly in the agriculture sector.

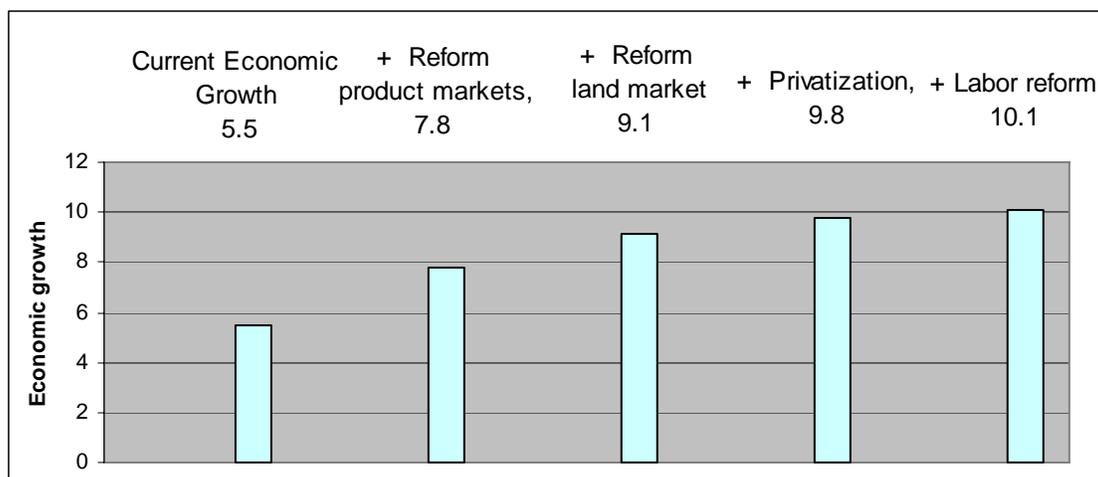
Alongside these national policy shifts are the disturbing trends in several key states, including Maharashtra, toward fiscal deficits and high debt ratios. In the case of Maharashtra, the economic decline began in 1995-1996, when the economic growth rate of the State fell sharply from 7.5 percent (1985-86) to 4.5 percent (2003-2004). This is explained by the decline in public investment and the neglect of agriculture. During this time period, the fiscal deficit rose sharply from 2.8 percent of GDP (early 1990s)

to 4.1 percent (2003). In addition, the public debt of the state of Maharashtra has reached an all-time high and the State government's debt servicing burden has increased sharply in recent years. The economic decline of the state of Maharashtra, once the showcase of responsible fiscal and economic policies, has raised a red flag to the national government concerning fiscal and debt controls on state governments (Planning Commission, 2005d).

Key Policy Reforms Needed for Economic and Employment Growth

Widely discussed and debated, the reform of existing regulations on labor and product markets has not been forthcoming. For the past decade, India's GDP growth has been estimated at 6 percent. Based on this performance, the McKinsey Global Institute estimated the effects of reducing labor and product-market barriers, through possible reforms of government policies. The study found three main barriers to faster growth in India: *the multiplicity of regulations government on the product markets, distortions in the market for land, and widespread government ownership of businesses.* (Figure 8 shows the potential for growth when barriers are removed.) This report calculates that these three factors reduce economic growth by around 4 percent a year. Approximately 75 million new jobs would be created outside agriculture, enough not only to absorb the rapidly growing workforce, but to reabsorb workers displaced due to productivity improvements (World Bank, 2005). Key areas of reform include eliminating the practice of reserving products for small-scale manufacturers, rationalizing taxes and excise duties, establishing effective and procompetitive regulation and oversight, reducing import duties, removing restrictions on foreign investment, reforming property and tenancy laws, and undertaking privatization. (World Bank, 2005; McKinsey Global Services, 2001).

Figure 8. Economic Growth Potential under Specific Policy Reforms, 2001
(in percent)



Source: McKinsey Global Services, 2001

In comparison, the reform of labor laws has limited impact on economic growth. The McKinsey report estimated that the reform of labor laws would contribute less than .3 percent in terms of economic growth. The current labor law and regulation protects a very small organized sector of employment, estimated at 10 percent of the workforce. As has been discussed in previous research, the intention of this labor regulation is to protect workers; for example, the Trade Unions Act (1926), the Industrial Employment (Standing Orders) Act (1946), and the Industrial Disputes Act (1976). Free market economists maintain that such a protectionist labor policy actually results in less employment and lower wages. (Basu, 2005)

Obsolete Labor Policies Discourage Labor Protections and Efficiency

Three main concerns relate to labor policy and its impact on employment and wages for Indian workers. First, there are well-known distortions in the labor market, given the dual wage, benefits, and social protections between the organized and unorganized sectors. In the Indian context, organized labor refers solely to regular, contractual hired employment. For the 90 percent of the workforce that participates in small firms or self-employment, these regulations do little to protect workers. More important, even with the economic growth and openness of the last decade, organized sector employment has been declining. The restructuring and decline of the manufacturing sector has led to a reduction in the organized sector. The duality of the organized and unorganized sector has increased during this time period, with informal flexibility being ushered in through small enterprise employment. Under such a system, the current regulatory framework has become increasingly irrelevant to workers in India (Basu, 2005).

Second, the current regulation may not even benefit workers of the organized sector. The very nature of uncertainty and ambiguity—due to multiple labor regulations, legal concepts, and inconsistent interpretations—makes for confusion and misunderstanding on the policy rules of the labor market in India. Under the current system, the labor laws create market confusion, wherein organized employers in large firms are unwilling to hire/fire, causing labor demand to fall in other organized sectors, and labor supply to move to the unorganized sector, thus putting downward pressures on wages in both sectors (Basu, 2005). Under these arguments, policies that support a wider range of employment contracts, policies that streamline the complaint process and resolution of legal conflicts, as well as policies that distinguish hiring/recruitment by skill levels, would provide greater information to the labor market and greater benefits to worker in terms of employment and wages in the organized sector. (Basu, 2005).

A final issue relates to the state-wide variation in labor regulation. State-level legislation that offers greater protection for workers and curtails the flexibility of employers to hire, fire, and organize their work practices has been measured by a series of studies (See Besley and Burgess, 2004.) States that have limited protections for workers include Andhra Pradesh, Kamatak, Kerala, Madhya Pradesh, Rajasthan, and Tamil Nadu; states with greater protections for workers in the organized sector include Gujarat, Maharashtra, Oriss, and Bengal. Similar to the above findings on economic barriers, there is little relationship between labor regulation and higher economic growth in the specific states.

Government Employment Programs: Few Private Sector Linkages or Worker Protections

One of the largest challenges facing the labor market is promoting public and private sector policies and practices that encourage labor market participation and job search. Two types of policies can be distinguished. Active labor market policies aim to put people to work through programs that promote direct employment generation, to establish labor market exchange services (placement, information, and counseling), and to enhance workers' skills. Passive programs are a second type of program; they relate to unemployment insurance, income support, and policies that balance economic efficiency and worker protections.

India has a long history of direct employment programs, particularly in the area of rural employment. The most recent program, the National Rural Employment Guarantee Program, inaugurated in February, 2006, the government has pledged to provide one member of every rural household 100 days of work per year at around \$1.33 per day. Initially the guarantee will cover one-third of the country. These traditional approaches to rural employment have long been plagued with political cronyism and payoffs, and with limited results in terms of long-term employment for unskilled labor. In contrast, other government policy and programs are oriented to technical skills development and employment. Short-term skills training, vocational education, and apprenticeship programs have been promoted recently through government industry and NGO action. These various programs will be analyzed in Section IV of this report.

Box 7. Stimulating Jobs Growth, Policy Recommendations

The architects of the mid-term appraisal of the 10th five-year plan suggested a number of policy and regulatory reforms to stimulate job growth. How many of these actually get implemented is uncertain, but they include:

- Policies for the better utilization of land and water, including programs to promote the utilization of unused land
- Promotion of research and extension services, particularly in agriculture
- Programs to increase the work opportunities and productivity of the female worker
- Support to SMEs through modernization and guaranteed credits, market development assistance, infrastructure development, testing labs, micro-finance, health care, and skills development
- Provision of universal access to primary and secondary education and promotion of research and extension services, particularly in agriculture
- Simplification of laws, rules, and procedures regarding the set-up of educational institutions
- Greater business participation in education, particularly vocational education
- Increased public-private partnerships in developing tourist centers

Source: India Planning Commission, 2005a

Finally, the characteristics of the Indian labor market sharply delineate the specific workers relevant for unemployment and other social insurance policies. The 1 percent of elite white-collar workers in India do not experience unemployment, as their job security and social security provisions are part of the work contracts. The unorganized sector (estimated at around 90-92 percent) only receives minimal social security, minimal wages, and promotions through direct employment generation. And third, there is the middle group, those that are affected by plant closings and public sector programs for workers retrenched in the system. The Indian experience does not bode confidence or credibility for public sector protection of labor, or even for private organized labor. In the case of the manufacturing sector, many of the plants have been closed and workers displaced, simply for not paying their electric bills. In the case of the shut-down of the Ahmedabad's textile industry that employed 50,000 workers, electricity is cut off to the firm, the firm closes, even without government permission. Under such a shut-down, workers do not get their statutory dues and any of the benefits of social insurance. More recently, the National Renewal Fund and Employment Generation Fund have created more confidence in terms of basic minimal payment being provided to these workers. (Agarwala and Khan, 2002).

India "Open for Business"

India likes to be seen as "open to business," inviting foreign investment into the country. However, in most industries it is not as easy to enter as China, due to the large number of regulations, the bureaucratic corruption, and the slow pace of processing applications. States vary in attractiveness. Some have investment incentives, and some are known to be hostile due to government attitudes toward business and the presence of strong labor unions.

India is still struggling with foreign investment policies such as permission for international shareholder loans and "protected" industries. However, the sheer numbers of the burgeoning middle class and the relatively low wages for English speaking "brain power" are sufficient to attract international investment despite the hurdles. India is beginning to prove itself as an exporter of goods and services, in particular goods headed to the Middle East and Africa. The drive to produce export quality goods is beginning to be a significant force behind improvement in local industry.

Little Use of Basic Skills and Competencies for Recruitment and Job Search

A key component of this workforce assessment is the analysis of institutions and programs that develop labor force skills and competencies in line with specific workforce skill demands and competencies. Section IV of this report highlights the key issues facing workforce development in India, with specific reference to institutions and programs in the three targeted areas of this report. Secondly, there is an urgent need to encourage job searching and hiring based on specific skills, competencies, and workplace attitudes for the private sector. Hiring on competency, not credentials and family contacts, promotes fairness in the entire labor market system. The education credential remains the main gatekeeper to the private sector system, wherein little or no information on attitude or basic skills of youth are incorporated into the job search and recruitment system. *Labor and educational policies to encourage labor market participation based on specific “employability” competencies and workplace attitudes are a first step in encouraging reform of the recruitment system, establishing fairness in job search and hiring practices of firms and industries in the country.*

Voices of Private Sector Business

Business executives interviewed in all industries and regions unanimously stated that India is not producing workers with the high-quality skills needed to meet workforce needs. *They say this is a problem of both relevance and quality.* Many executives, however, pointed even more strongly to a lack of key communication, interpersonal and critical thinking abilities, rather than to any specific technical skills. This was true even of executives from heavily manufacturing-oriented groups like Tata and Godrej. “Our style of work is changing. We are getting more automated and need to keep pace and adapt. It is imperative to bring in new people who can adapt with it. This is a major workforce adjustment. We need people who can operate in a team environment, people who can analyze a problem and solve it with little outside guidance,” said Mr. T. P. Vaishnav, Assistant General Manager for Training and Development of a large corporation.

While technical skills are still important to the bottom line of most companies, there seems to be a growing sense that they are something industry itself must provide. The areas that are growing in importance where businesses feel less comfortable in their abilities to train effectively are skills such as teamwork, enthusiasm, basic communication and presentation skills, English-speaking ability, basic numeracy and computer literacy, innovation, and critical thinking.

A related finding comes from a 2002 Federation of Indian Chambers of Commerce and Industry survey that listed the top three concerns of employers regarding the current state of vocational education as:

- *Not aligned with growth realities*
- *Poor curriculum development*
- *Inadequate vision*

In an attempt to compensate for these perceived weaknesses, *employers frequently hire people whose qualifications, at least on the surface, appear to exceed the requirements of the job.* Vijay Vasanth, Manager for Business Development at TeamLease, a temporary services company with more than 10,000 employees, says that 70 percent of their people have a graduate degree or higher. “Not because they need it for what they are asked to do. It’s because the companies insist on it.” He speculates that in most cases, since there are enough graduates still out there, it is simply a convenient cut-off to stem the flood of thousands of CVs. Other executives, like Mr. Vidyadhar Vaidya, Human Resources Manager for the Taj Mahal Palace in Mumbai, maintains that hiring those with at least a 10+2 qualification improves the chances that new hires will have better-developed communication and presentation skills. Even from this cohort, however, he says only 30 percent of those who apply are actually qualified for the job.

Given the increasing difficulty of finding good people, employers are intervening more frequently and more directly in vocational education to help ensure that students are learning the right things and that both students and teachers get more practical experience. Taj runs a hotel school in Aurangabad, and Tata subsidiaries run two top-class ITIs with virtually 100 percent placement and provide seed money for a technical college run by the union. Similarly, a survey by the Chambers of Commerce and Industry of its members found 45 companies with corporate social responsibility programs oriented specifically for education. One-third of them were working on general education issues, 10 on IT and/or science and technology initiatives, and 9 on vocational training programs.

Listening to Business: Business Executive Focus Groups

Participants included five senior executives from Reliance Industries, Bharti Enterprises, DCM group's chemical industry, and two large, state-owned enterprises.

The participants believed that the education system in India has suffered for being too urban-centric. They felt that education is one area where the unorganized market has been effective in supplying services against all odds. The system is not geared to meet local needs, and seldom offers training that would make a student employable. Workforce recruitment in rural areas, therefore, is often a problem. Local populations are seldom well-trained, despite the presence of engineering colleges and institutes offering technical diplomas. As a result, recruitment is centralized in Delhi or Mumbai, and workers are transferred far away. As employee attrition levels rise (30-35 percent), training becomes essential and expensive because fresh employees are never trained enough. Much concern is expressed about meeting future workforce needs, as each industry foresees 10-12 percent annual growth and needs to hire additional workers. Entry-level salaries vary from Rs 3,000 to Rs 6,000 (US\$ 70 to \$140).

Box 8. MAYA ORGANIC Model of Worker Organization

MAYA ORGANIC is a model for worker organization in the informal sector. This model is committed to addressing livelihood issues of the working poor. The workers must satisfy two requirements: ability to learn continuously, and willingness and an appropriate framework to partner continuously. Such an approach, though not propagated as a business model per se, is proposed as a means to organize the working poor, offering possibilities of growth that go beyond livelihood issues, in terms of self-awareness, capability development, understanding of political empowerment, and, above all, contributing to the makings of a sound democracy. MAYA ORGANIC attempts to make this possible, doing whatever is necessary to ensure the same; exploring newer communication models, designing processes to facilitate continuous skill enhancement, reflecting on the makings of true partnerships between stakeholders, and helping with key components of capital required for an enterprise, etc.

Source: Mayaorganic.com

The Protected Few: Declining Membership of Unionized Labor

Unions in India are mostly aligned to political parties. They are active in the formal economy, though much less so in the informal sector, and they are fairly powerful. They seem to have been conditioned to work with state-owned enterprises (SOEs), so they are slow to adapt to changing dynamics in the private sector. Some states are notorious for disruptive union activity, and employers newly locating are prone to avoid those states. One common problem is call-outs for general strikes and “sympathy” strikes, in which workers at contiguous factories are forced to strike their employer in sympathy for a dispute unrelated to them.

A history of poor union behavior has made many employers reluctant to hire blue-collar workers with low education as they tended, in the past, to be influenced by union agitation. Some employers interviewed flatly stated they preferred to hire degreed people and train them in vocational skills, because a degreed new hire would be less likely to engage in unionism than a traditional blue-collar worker. Over the years, Indian companies learned to adapt and union power declined. They outsourced manufacturing to outfits with fewer than 100 workers that weren't regulated by the law. They bought out older employees with generous voluntary retirement schemes, then shifted to contract labor—workers hired for less than two years, who aren't entitled to benefits and can't unionize. And since the labor law applies only to “factories, plantations, and mines,” India's most entrepreneurial companies looked elsewhere, giving rise to the country's vibrant technology service sector. As a result, the labor movement atrophied. Today, India has a workforce of some 450 million, but fewer than 10 million union members.” (Kripalani, 2005, para. 3).

SECTION III: INSTITUTIONAL ASSESSMENT OF FORMAL EDUCATION AND ITS WORKFORCE PROGRAMS

This section describes the capabilities of current Indian workforce education and training providers, including an assessment of the current educational system and an evaluation of promising youth workforce programs. The trends of these institutions and programs are highlighted in the following analysis. In-depth information and analysis is presented in Appendices B-C of this report.

Basic Education Priorities: Gains in Universal Access, Quality, and Relevancy

Primary school education in India has benefited from the “Education for All” thrust of the 1990s toward universalization of basic education. Three main government programs are utilized to boost primary school enrollment: the District Primary Education Program (DPEP), which led into the Sarva Shiksha Abhiyan (SSA) program launched in 2001; the Teacher Education Scheme (TES); and the National Program of Nutritional Support to Primary Education (the Mid-day Meal Scheme). These programs have been effective in reducing child illiteracy and improving primary school attendance and completion rates.

Box 9. Education for All

There has been an attitudinal change by the public favoring education for all. The PROBE report (People’s Response On Basic Education) shows people want quality and relevant education. All current studies show poor families now embracing the need for education, as it is no longer thought to be irrelevant. The state of Maharashtra, annoyed with the high numbers of functionally illiterate Grade 5 students, especially in rural schools, held the teachers responsible, forcing them to provide after-school instruction for three hours a day for 61 days to bring the students up to par. Although hotly protested by the teachers, the requirement had both parent and government support, forcing the teachers to comply. Results were excellent, and most students achieved prescribed levels of literacy.

The new United Progressive Alliance government has substantially increased education funding by 70 percent. Also commencing in 2004, a 2 percent Education Cess has been levied on income tax, excise duty, customs duties, and service taxes, which is to be used for financing quality basic education. Proceeds of the tax go into a non-lapsable fund (Prarambhik Shiksha Kosh) to support the SSA and Mid-Day Meal programs. The SSA program has reduced the number of out-of-school children from 42 million at the beginning of the Tenth Plan to 23 million by April 2003, and to 8.1 million in September 2004. The programs have developed strategies to provide education access to street children, working children, and differently abled children.

The period of 2001 to 2005 has seen arrangements to open 1.37 lakh new schools, construct 80,000 school buildings, 1.92 lakh additional classrooms, 7.48 lakh new elementary teachers and 1.8 lakh EGS/AIE instructors. Funding has been mainly government provided, 75 percent from the central government and 25 percent from states; however, in poorer states the central/state government primary school funding ratio is 90/10 (Ministry of Human Development, India, 2003). The government and the World Bank have recently completed a review of primary school teacher supply and pre-service and in-service teacher training. There are recommendations for external agencies to monitor teacher training and for local Village Education Committees (VECs) to involve the communities in monitoring school performance and to hold institutions accountable for student outcomes. A shortage of teachers has resulted in local unemployed youth being recruited as para-teachers, instructors, and part-time teachers under SSA/DPEP. Their performance has been good – often better than regular teachers—which has led to a proposal to upgrade them to teacher status.

Secondary Education Crisis: Limited Access or Relevancy for Rural and At-Risk Youth

The success of universal primary education has put extreme pressure on the secondary education system. Planners expected a 55 percent flow of primary school students to secondary school by 2005 and were shocked to see it now at 75 percent, with an anticipated 85 percent flow rate by 2010. This has spurred an urgent need to build new classrooms and train teachers. Secondary school enrollment is approximately 50 million. Planners predict 11.5 million secondary school students to graduate in 2005, a contrast to 22 million in total graduates in the past 50 years. Expansion requires construction of new schools and classrooms adding 326,000 new secondary school classrooms and laboratories and the hiring of 358,600 new teachers. (NEPA official, interview, November 10, 2005.)

Currently, the duration of secondary education varies by state. Most states have two years of secondary (Grades 9 and 10), but nine states have three years and Nagaland has four years. However, all states have two years of higher secondary education. The 10th Plan Mid Term Review Committee recommends a uniform education structure of 10+2+3. The first stage is general education with languages, science, and mathematics. The higher secondary stage (+2) provides courses that integrate academic and vocational content. In addition, vocational education offers a distinct stream at +2 preparing students for occupations targeted by industry.

Indian industry and the World Bank have been advocating for changes in the secondary school syllabi. This has resulted in a government decree to “vocationalize” curricula, with the goal of graduating students who can problem-solve, think creatively, and work in teams. New curricula, methodologies, and massive retraining of teachers are necessary to achieve this goal.

A Model of a Flexible Learning System: The National Institute of Open Schooling (NIOS)

NIOS provides continuing education, including basic education and vocational training to those who have missed the opportunity to complete school. It has an enrollment of 120 million, in 2,500 study centers. The number of study centers has doubled since 2000. NIOS offers basic education certificate programs for Grades 3, 5, 8, 10, 10+2 completion and 10+2 combined vocational certificates; it appeals to girls, women, working men and women, youth from scheduled castes and tribes, handicapped and other disadvantaged groups, and rural youth. NIOS has accredited 731 training providers to deliver vocational education programs. These include JSS-funded NGOs. Courses may be taken in conjunction with academic subjects. Of the 85 courses offered, 12 are open to students with less than Grade 8 completion, and 54 require at least Grade 10 completion.

Rapid Rise in Enrollments in Private Secondary Schools

Partly owing to the desire of parents for their children to learn English, partly to the perceived low quality of many government-run Hindi-language schools, private sector secondary schools are flourishing. Of the 1.38 lakh secondary schools, 58 percent are run by the private sector. The share of private unaided schools as a percentage of total secondary schools has increased from 15.17 percent in 1993-94 to 23.56 percent in 2001-02; while the share of government sector and government-aided schools has declined by 9 percent during this period. Parents have the perception that education in the private sector is superior. The current government is in favor of increasing private sector participation in secondary schools, if only as one way to help meet the demand for seats, and is considering favorable tax and land policies to encourage it. This leaves the government free to concentrate its resources on opening new secondary schools in unserved and difficult areas, organizing second shifts in thickly populated areas, and upgrading existing primary schools to secondary schools in specified locations. (See Planning Commission, 2005b).

Reforms and Expansion of Vocational Education and Tertiary Education

There are a wide range of courses and certifications under technical and vocational education, tertiary technical, and university education. Table 3 describes the most prevalent programs in the country, and provides key analysis on their coverage in the targeted areas. One of the most important initiatives is the

secondary vocational education program. The new government plan for vocational education calls for greater flexibility, quality, mobility, and close linkages with industry. Specific components of the plan include:

- A separate vocational education secondary school stream for 10+2;
- Modular competency-based course curricula with multi-point entry and exit
- Demand-driven courses based on the training needs analysis of employers
- Recognition of prior learning (both formal and informal) through a skills testing and assessment system
- Nationally recognized certification provided by the National Competency Testing Agency (NCTA)

The central government has also been active in restructuring its skills qualifications authority. There now are national exams for most trades, which serve to give prospective employers a level playing field for comparison of student performance. There has been criticism that the authority has been hard-pressed to keep current with developing skill standards and examination for new technology-based industries, such as biotechnology.

Table 3: India Vocational/Technical Training Options

<u>Institution</u>	<u>Entry Requirements</u>	<u>What Is Learned?</u>	<u>Job Placement? Yes or No</u>	<u>Certificate/ Duration</u>	<u>Available in Delhi, Maharashtra, & Jharkhand</u>
NGO Literacy and Skills Programs	None	Basic literacy and basic vocational skills	Some	Local certificates; short-term programs	Yes
NGO Bridge/ Vocational Skills Programs	Usually Grade 8-10 pass	Grades 8, 10, 12 academic content, plus one or more employable skills	Usually job placement or self-employment assistance	Often the alternate grade level certificate plus a vocational certificate; 3 months – 2 years	Yes
ITI (government) or ITC (private sector)	Grade 8,10, or 10+2 pass depends on entry criteria of skill set	From 30 to 150 different trades, from painter to machinist, & some service trades	Job placement, apprenticeship placement	Certificate and diplomas; 3 months – 2 years	Yes Delhi and Maharashtra now into part-time training
Community Colleges	Open to mature students age 14+	Blend of academics and vocational skills that respond to local demand	Job placement, self-employment assistance	Location certifications; short-term and part-time courses	Not evident; more in Punjab and AP and Tamil Nadu
Community Polytechnics	Open to mature students age 14+	Blend of academics and skills that respond to local demand	Job placement, self-employment assistance	Local certifications; short-term and part-time courses	Maharashtra
Polytechnics	Grade 8,10, or 10+2 pass; depends on entry criteria of skill set	From 30 to 150 different trades and technologies	Depends on the quality of the institution. Better ones do provide job placement and self-employment assistance.	Certificates and diplomas; 1 – 3 years. Polytechnics also have ladder where some credits applied if student wants to continue.	Yes
Institutes of Technology (private and public)	10+2 plus entrance exams	Varies, but engineering and IT dominate	Depends on the quality of the institution. Some very good at including on-the-job work experience plus placement assistance.	2-year diplomas and 3-year degrees. Only public sector can give degrees so far. Also have linkage to technician-level apprenticeship.	Yes
Universities and Subsidiary Colleges	10+2 plus entrance exams	Varies but engineering, MBA, and IT popular	On-campus job recruitment	3 year degrees plus master's. Some universities have PhD paths.	Yes

National Open School System	Primary through 10+2	Alternative academic education, plus 54 vocational skills which may be accessed at 10 pass level	No	Grade and skill completion certificates	Yes
National Open University System	10+2 open entry	Part-time open, along various degree paths	No	Bachelor and Master's degrees	Yes
Specialty State-Owned Schools & Institutes	Varies	Many ministries and industries have their own training institutions, e.g., mines, railway, medical, electricity, rural	Some do	Certificates, diplomas; 3 months – 2 years	Yes
Apprenticeships	Grade 8+	Over 150 skills listed	Yes	National or state exams for “journeyman;” certification 6 months – 4 years	Yes
Assessment of Informally Learned Skills	Open to adults	About 50 skills so far, but expanding	No	National skills certification	Yes
Employer Schools	N/A	Varies from MBA to IT to specialty workforce programs	N/A	Industry certification; some degree links such as Motorola MBA.	Yes

Source: Assessment Team evaluation.

Industrial Training Institute Challenges: Limited Student Access and Few Linkages to Private Sector

Operated under the Department of Labour, the ITIs exist to meet the labor market demand in skilled blue-collar trades. ITIs can be sponsored by either the government or the private sector. Students who complete ITI courses get certified, based on their ability to pass a government examination. The World Bank found low external efficiency in the it is, with less than 50 percent of the graduates receiving employment in the formal sector in 2003. The World Bank found that management of the system is fragmented, although the system is relatively small; institutions have few incentives to improve their performance; until recently, it has been hard to detect the influence of industry; also that ITIs have poorly trained teachers and outdated training curricula, limited access for part-time students, and single-skill curriculum focus. The government is aware of these criticisms and recently has begun to introduce reforms into the ITI system. Curricula are beginning to be developed in collaboration with industry; there is a growing emphasis on preparing multi-skill workers and introducing a framework of part-time courses with open entry and exit for students.

Push for Apprenticeships and Work-Based Learning

Box 10. ITI Capacity in the Three Targeted Areas—Maharashtra, National Capital Region and Jharkhand

One of the surprising results of the institutional assessment was the extensive coverage of ITIs in the targeted regions of study. There is an excellent ITI institutional presence, particularly in Maharashtra and Delhi National Capital Region, detailed below. Jharkhand has a significant ITI presence, but these institutions are in many cases incipient, just beginning to link with the private sector industry association.

Maharashtra. In Maharashtra, excellent ITIs have close liaison with industry. However, Maharashtra ITIs have also encountered difficulty getting full-time employment for their graduates in the formal economy, due to restrictive labor laws.

National Capital Region. The Delhi National Capital Region currently has 71 official ITIs, of which 16 are government and 55 are private. The total capacity in 2005 is 8,972 students, of which 2,924 were in private institutions. Four new ITIs are planned, of which one is for women only. There are 52 courses offered. Course length ranges from 1 to 3+ years. Many Delhi ITIs are well run, with industry experts advising on curricula. Enrollment is up from 5,979 in 2004 to 6,380 in 2005. Of the graduates, 30 percent opt for self-employment and 70 percent opt for apprenticeships.

Jharkhand. Jharkhand in 2005 has 20 government and 22 private ITIs catering to 13,742 students and offering a total of 31 programs. Two of the government ITIs are for women only. Nine districts do not have government ITIs. The government institutions are just beginning to organize management committees with employers, but there has been relatively little interaction with industry, reflected in a low (68 percent) employment rate for graduates. The government sector ITIs have great difficulties due to lack of vision, teacher shortages, outdated curricula and equipment, and teachers who are not trained in the vocational skills they are expected to teach.

Source: Interview and data from research of Assessment Team, 2005

The central and state governments in India sponsor apprenticeship programs for graduates of ITIs, college and university graduates, and graduates of post-primary technical/vocational schools run by the Ministry

of Education. The government's Apprenticeship Training Scheme (ATS) is offered by the Directorate General of Employment and Training (DGET) under the Ministry of Labor (MOL). Apprenticeship programs represent another level of certification for aspiring workers. Educational institutions such as ITIs are entrusted with the responsibility of placing students in industry apprenticeship situations. Apprenticeship training can last from six months to four years, depending on the occupation. At the conclusion of the apprenticeship, students are required to take a government-sponsored exam to receive certification. The government covers most of the costs of the apprenticeship program; however, students are required to pay a nominal fee.

There are three types of apprenticeships: engineers with degrees may enter as "Graduate" apprentices; engineers with diplomas may enter as "Technician" apprentices; and vocational education graduates may enter as "Technician (Vocational)" apprentices. The minimum age for an apprentice is 14, and grade prerequisites vary from Grades 8 to 12.

Box 11. Employer-Led Training for Out-of-School Youth

Few employers target youth with less than university graduate level education, due to the large surplus of graduate job seekers and the fear that non-degree holders will be more prone to unionization. However, there are some exceptions such as McDonald's, Pizza Hut, the construction industry, home health care workers, nannies, and housekeepers, where employment is open to those with lesser education. McDonald's and Pizza Hut have their own training and career path systems. Employers in steel manufacturing and construction industries also often train their own personnel. Some companies (such as Tata) have their own schools to supply workers for their factories.

A number of institutions claim to be actively building job skills and linking their participants to the job market, but only a few are doing it in a systematic way. *These programs include those of Tata Motors and Construction Industries Development Council (CIDC).* Tata has effectively become a source of training for an entire automotive supply chain linked to its brand name vehicles. CIDC, a group of industry and government representatives, has undertaken a program to assess, build, and certify skills of individuals in the construction trades, not for the benefit of one or two companies, but so that the overall industry can have access to skilled labor of certified quality. The unique feature of these programs is that they are private sector led, but not designed exclusively for the benefit of the designers and funders of the program. Tata's approach is particularly instructive. Its curriculum was originally developed as a closed program that simply trained students to build quality vehicles, but Tata soon realized the need also to train those who supplied parts or sold or repaired their cars.

Source: Interviews by Assessment Team, 2005

New Models of Technical Tertiary Education, Indian Style: Community Polytechnic Institutes and Community Colleges

Tertiary education level vocational/education degree programs include polytechnic colleges, community polytechnics, community colleges, and university degree programs. In addition, there is an extensive degree-granting distance university system. These institutions, referred to as non-university tertiary institutions, offer both full-time and part-time instruction, particularly in technical and vocational skills. The information presented here on the various tertiary levels of education has been gathered during the month-long field-work component, with additional help from Education Officers of USAID/India.

Polytechnics. A polytechnic is a 1-3 year diploma granting institution providing technician level education. Government as well as private run polytechnic colleges provide vocationally orientated diploma-based programs for students who have completed Grades 10 or 12. The qualification for

admission into a polytechnic is either the higher school certificate (Matric, Grade 10 graduate) or secondary school certificate (SSC, Grade 12 graduate). The polytechnics are supported by the government departments of education and higher education, and offer students who successfully complete the first year a chance to ladder-up into a university degree program. Curricula at polytechnics tend to be more theoretical than practical. Historically, polytechnics have not created strong linkages with local industry, but there are excellent private sector examples such as Mafatlal in Mumbai.

Community Polytechnics. These subsidiaries of polytechnics are intended to provide support for rural/community development activities. Currently, there are 672 in the country. Community polytechnics are managed by a community board. Their curriculum combines basic academics with vocational/technical education and is targeted to meet the development needs of their communities. The institutions exist mostly in rural areas. They offer short courses and provide a certificate. They have few formal entry requirements and target students ages 14 to 35 years old. Community polytechnics are proving highly effective in offering youth who have dropped out-of-school a second chance opportunity to develop marketable skills.

Box 12. How Would You Define a Community College?

It is a place that makes people fit for a job. It is an alternative system of education to empower the socially, economically, and educationally disadvantaged. Here, we concentrate more on skill development based on each individual. Anyone can join—school dropouts, degree holders who want to learn a particular skill—we even have students from the rural areas. Anyone from the age group of 16 to 47 years can enroll.

What is this ‘alternative’ system of education?

First, we concentrate on teaching life-coping skills. This covers self-esteem, motivation, time management, dealing with loneliness and failure—a complete attitudinal formation of the individual. Second, we have a dynamic relationship with employers. So far, formal education and industries have been like a railway track, they never meet. But with community colleges, they are very much a part of the process. An internship is a must for everyone, because we believe that hands-on experience is invaluable. Here, we follow a reverse process as compared to formal education. We conduct a complete analysis of the employment scene and see where people are required. We have assured job placement.

Source: EDC Assessment Team

Community Colleges

At present, India has 135 privately-run community colleges. The authors of the 10th Plan Mid-Term Review praised community colleges as “success stories.” This success is attributed to the ability of community colleges to be flexible and responsive to both community and employer needs. Typically, a community college has local governing boards comprised of key members of the community (civil society) and local employers. Community colleges are known for providing an educational “second chance” for the adult learner (age 18+). They usually are open to students with all levels of educational achievements, administer outreach programs for the community, and maintain close linkages with employers. They usually offer market relevant curricula mix, and opportunities for on-the-job vocational and technical training.

Rapid Growth in University System in India

Various forms of universities exist: state and central government funded; deemed universities; and colleges and technical institutions. The number of universities in India has grown significantly between 2002 and 2004-05 (see Tables 4 and 5).

Table 4. Growth of Higher Education System in India

	As at March 2002	At Mid term Appraisal of 10 th Five-Year Plan 2004-05
State/Central universities	133	229
Deemed universities	27	95
Colleges*	12,342	16,000
Women's colleges	1500	1650
Enrollment	75 lakh	92 lakh
Funds allocated	2500 crore	4176 crore

* Academic subsidiaries of universities

Table 5. State-Wise Enrollment in Universities and Colleges, 2002-2003

Location	Total	Women	Percent Women
Delhi	172,218	79,220	46
Jharkhand	197,349	59,994	30
Maharashtra	1,258,195	515,868	41
Total All India	9,227,833	3,695,954	40

Source: University Grants Commission, 2005

Most universities, through their affiliated colleges, offer degrees in science, commerce, and liberal arts, including general programs (Pass course) and programs with specialization (Honors). Some of the better-known and larger universities also offer degrees in engineering, medicine, and management, besides other non-conventional courses. The quality of university education is, however, a serious concern. A very few good universities offer modern and professional courses; the rest mostly run basic science and arts courses that do not prepare students for productive employment. Many universities have introduced work placement and industry liaison programming, although many others remain isolated from industries that could employ their graduates.

Technical education receives special status. This category covers courses in programming and engineering, technology, management, architecture, town planning, pharmacy, and applied arts and crafts. Centers of excellence exist in the Indian Institutes of Technology (IITs) and the Indian Institutes of Management (IIMs). At the same time, some institutes offer a very poor quality of engineering or management education; graduates of such institutes are equally disadvantaged in terms of employability skills.

In 1998, the Universities Grants Commission brought in an innovation, allowing students to earn a University degree that combines academics with vocational skills. It has been deemed to be successful, but 50 percent of the students still go on to a master's degree. Forty-five thousand students per year opt to pursue this program, which now offers courses in 31 vocational skills. There is concern that hardly any Indian universities rank among the world's top universities. Concerns also remain about the poor quality of rural institutions and the desire to open greater university access to women, scheduled castes and tribes, and minority groups. Part of the solution to greater university access is seen to be expansion of the open learning system and utilization of the educational satellite (EDUSAT).

Private universities tend to be a delicate issue. University status is usually an act of parliament or legislature, as is common practice in many Commonwealth countries. Senior government levels recognize specialty schools at bachelor and graduate levels as necessary elements that often can best be provided by the private sector. They are more flexible and quick to respond to emerging training needs than government academia. NIIT Limited and APTECH Computer Education are cited as role models. The Private Universities Establishment and Regulation Bill, which has been stalled since 1995, is soon to be presented to Parliament as enabling legislation. It will lay down broad guidelines for ensuring academic standards and prevention of commercialization and mismanagement; it will encourage greater investment in higher education by the private sector.

Popularity of Open University System Shows Need for Part-Time and Flexible Classes for Youth

Indira Gandhi National Open University (IGNOU) is the central Open University for the country. There also are 11 affiliated state open universities, which enjoy considerable freedom to offer courses in local languages and utilize diverse media delivery systems. IGNOU has over 120 million registered students. Its most popular courses are business administration and information technology. IGNOU and state open universities are very popular with middle class youth who have to find employment after Grade 12, but still want to pursue a university degree. IGNOU tends to use English (or Hindi), whereas the local OUs have the advantage of catering to populations in their local languages. Perhaps one reason for the popularity of the open universities is the scarcity of part-time courses elsewhere. Many out-of-school youth have family responsibilities or hold part-time menial jobs and cannot go to school full-time. The open learning system boasts an educational satellite, EDUSAT. However, to date it has been sparsely used. Experts interviewed felt lack of content is the main problem with the low utilization of EDUSAT.

Box 13. Traditional Skills Learning and NGO Bridging Programs

Many youth who drop out of school learn skills by serving informal apprenticeships with "masters" who may be parents or relatives. For example, in the construction industry, plumbers, carpenters, and brick layers tend to be family-trained. Skills are learned on the job as a youth progresses from raw laborer to assisting "masters." Many NGOs provide OSYs with skills-training and job placement assistance. Training and placement efforts tend to focus on "soft skill" areas such as nursing assistant, sales clerk, hospitality workers, data entry, computer graphics, or automotive repair rather than on blue-collar jobs in factories, which are subject to severe labor restrictions. Some NGOs cater to self-employment in the non-formal sector. NGOs are funded under government schemes such as JSS of the Ministry of Education and Human Resource Development, which subsidizes 158 NGO institutions and covers 600 districts. JSS boasts many high-quality NGO programs such as PRAYAS, LABS, and CAP Teen Challenge. The NGO sector has also been active in youth entrepreneurship and helping young people develop micro-, small, and medium enterprises (MSME) training. The first formal Indian youth entrepreneur training institution, the Entrepreneurship Development Institute (EDI), was established in 1983 by Dr. Patel in Gujarat. It is still a premier center, advising and assisting public and private institutions on SME and MSME training.

SECTION IV: PROGRAM FOCUS FOR VULNERABLE YOUTH

Program focus can be broken out by disaggregating the youth of India into different cohort characteristics: age, literacy and gender. Table 6 lists interventions meeting the needs of each of the segments of the youth population. These categories are not mutually exclusive. Three of the promising programs included in the table—LABS, BYST and the CAP Project—are described in detail later in this section. Appendix H—Cost-Effectiveness Estimates for Select Existing Projects—analyzes the enrollment, cost structure and costs per student for the three projects.

Table 6. Program Options for Vulnerable Youth

OSY Major Demographic Categories	Program Focus	Interventions Examples Addressing Program Focus		
		Delhi NCR	Maharashtra	Jharkhand
1. Younger (15-18)	<ul style="list-style-type: none"> • Master core basic education competencies • Complete secondary school education by re-entering formal system or receiving alternate non-formal certification • Career counseling & employability skills • Vocational skills 	PRAYAS CAP Teen Channel Don Bosco ITIs	Cap Teen Channel LABS Akanksha Community Polytechnics ITIs	Xavier Institutes Birla Polytechnic ITIs
2. Older (19-24)	<ul style="list-style-type: none"> • Gain alternative certification for primary/secondary school • Master employability skills and vocational/technical skills • Gain access to livelihood job or service learning opportunities 	NIOS Don Bosco CIDC	NIOS	NIOS Xavier
3. Lacking Literacy Competency	<ul style="list-style-type: none"> • Master core basic education competencies • Gain alternative certification for primary or secondary schools • Career counseling • Access to livelihood job or service learning opportunities 	PRAYAS Don Bosco	CAP LABS Akanksha	Xavier
4. Literate	<ul style="list-style-type: none"> • Gain employability skills • Master vocational/training skill and competencies • Career counseling 	PRAYAS ITIs CIDC	CAP LABS ITIs / Polytechnics/ Community Polytechnics	ITIs (e.g., Tata) Polytechnics

OSY Major Demographic Categories	Program Focus	Interventions Examples Addressing Program Focus		
		Delhi NCR	Maharashtra	Jharkhand
5. Boys	<ul style="list-style-type: none"> Entrepreneurship training and access to micro-finance Life skills, employability skills, peace education Career counseling Youth leadership 	PRAYAS BYST Don Bosco	CAP LABS	Xavier
6. Girls	<ul style="list-style-type: none"> Entrepreneurship training Skills training for domestic or crafts industries or work in SMEs Life skills, employability skills, peace education Career counseling Youth leadership 	PRAYAS BYST	CAP LABS	Xavier
7. Rural	<ul style="list-style-type: none"> Skills training for traditional occupations such as agriculture, fisheries, and forestry Entrepreneurship training and access to micro-finance 	ITIs NGOs	Mafatlal Community Polytechnics ITIs	Xavier ITIs
8. Urban	<ul style="list-style-type: none"> Skills training for urban service industries and IT Career counseling Entrepreneurship training and access to micro-finance 	ITIs Women's Institute BYST PRAYAS	Mafatlal Polytechnic ITIs	Xavier Tata ITIs Birla Inst. Tech.
9. Internal migrants	<ul style="list-style-type: none"> Skills training for contract labor occupations Awareness raising regarding anti-trafficking and child labor issues 	CII - Planned Construction Industry - Planned ILO	ILO	
10. Children of internal migrants	<ul style="list-style-type: none"> Alternative certification programs Life skills, employability skills, peace education Career counseling Youth leadership 	PRAYAS	CAP LABS	

Model Program Descriptions

This section highlights three model youth employment programs in India—Livelihood Advancement Business School (LABS), Business and Youth Starting Together (BYST), and the CAP Project.

Model Second Chance Program: Livelihood Advancement Business School (LABS)

LABS, a project being implemented by The Dr. Reddy Foundation of Hyderabad, is a new-economy livelihood promotion and training program throughout specific locations in Maharashtra. It is custom-

designed for school dropouts, unemployed secondary school graduates, street youth, retrenched workers, migrant youth, and resettlement community members from the poorest 15 percent of the Indian community. This demand-driven program has trained over 36,000 youth (between the ages of 17 and 25) from economically weak backgrounds and placed them in the salaried formal employment sector. Over 100 major national and international corporations and business organizations and over 4,000 local small businesses and medium enterprises have provided entry-level positions to these LABS graduates.

The LABS program curriculum was designed after extensive research of market needs. The curriculum and practical training modules are tailored to address the concerns of corporations, businesses, NGOs, and other institutional networks. LABS provides a flexible learning environment that facilitates the professional and personal growth of disadvantaged youth. In order to give these youth access to opportunities for sustainable livelihoods, the program offers: Formal education, career counseling, personality development, and skill development and apprenticeship opportunities. Specifically, the program starts with an induction module that emphasizes basic life skills. Program-specific training in technical skills linked to education and employability competencies follows. Upon completion of the coursework, youth are introduced to work in their field in an apprentice capacity before being placed full-time into industry.

The success of the program is, in large part, a result of the partnerships it develops among citizens, communities, and corporations. Community leaders and employers participate from the start. In addition, corporate sponsors contribute significantly to funding the program, providing 2,500 Rupees of the total 3,500 Rupee per-student cost.

Post-placement surveys assess the success of the training from the graduates' and employers' perspectives. These survey results show that 74 percent of the graduates have been placed into non-exploitative, career-oriented jobs. In addition 82 percent of the alumni further invest within a year by enrolling in higher technical or university education.

The LABS model has proven to transfer effectively between states and regions, primary and secondary cities. It also has been successfully transferred to Vietnam. Its greatest potential is in locations with job opportunities. Jharkhand and Delhi would both benefit, and focus group participants in Delhi identified a real demand for such a program in that city.

Promoting Youth Entrepreneurship: Business and Youth Starting Together (BYST)

The BYST program offers seed capital and mentoring to unemployed and underemployed youth between the ages of 18 and 35 from families with less than 500 Rupees per month in income. The program has built a strong partnership with the private sector in fostering youth entrepreneurship at the grassroots level.

Youth qualified for the program submit applications to BYST directly or through vocational schools, entrepreneurship training institutions, or NGOs. When necessary, BYST assists with the formulation of these proposals. The BYST program supports ventures in the manufacturing and service sectors.

When a proposal is approved by BYST, youth receive seed capital as a loan, without being asked for financial down payments or collateral. The interest rate is a special one offered to small businesses. These loans, averaging 50,000 Rupees per person, may be used alone or in conjunction with financing from banks or other financial institutions.

In addition to seed funding, BYST provides a range of business development services and BYST-trained mentors, who give guidance until the venture has taken off. The program uses two mentoring models—the “one-to-one” model in urban areas and “mobile mentor clinics” in rural areas. The one-to-one

mentoring follows the “Guru-Shishya” tradition where the teacher not only teaches, but also guides and helps develop the disciple. The mobile clinics consist of five or six mentors, from diverse backgrounds, who visit a cluster of entrepreneurs once a month. The program has trained 3,000 mentors across the country since its inception.

Currently, BYST funds 120 youth annually, and to date it has launched 1,200 ventures. The default rate on the loans is only 5 percent. While most ventures are small, there are some exceptions, and while only 30 percent of the youth funded are women, these women make up 50 percent of the “high flyers” that have grown their ventures rapidly.

Presently, BYST is operational in six regions of India—Delhi, Chennai, Rural Haryana, Pune, Hyderabad, and Rural Maharashtra. Program staff are now training trainers in additional organizations, as well as in other countries. As its success has demonstrated, the program is feasible in both rural and urban settings.

BYST is limited both by its ability to recruit good mentors and by limitations in funding. However, program staff state that finding and training mentors does not pose a challenge, but funding is a problem. The funding issue is being addressed through a trust born of employer donations.

The CAP Project

The CAP Project, Linking and Learning Livelihoods, is a holistic education program that reaches out to at-risk adolescents to develop confident individuals capable of self-directed growth. It focuses on the most vulnerable and difficult-to-reach youth and women in the hardest-to-reach segments of the community. Project target populations are groups such as street youth and rag pickers, adolescents working in hazardous conditions, school dropouts, domestic workers, migrant populations, and victims of conflict, violence, and disasters. The CAP Project offers these youth and women integrated learning modules that include life skills and academics, long-term career option pathway exploration, and access to market-oriented livelihood opportunities. The experience of the CAP Project to date shows excellent potential for success and sustainability. In its six-year history, the CAP Project has worked in 115 communities, helping 100,000 youth in urban, rural, and tribal settings across India. It has grown beyond India, with livelihood reconstruction projects for tsunami-affected youth in Tamil Nadu, Sri Lanka, and it will soon launch an effort in Indonesia. CAP also has had success working with trafficking victims in Mumbai and Nepal, street children in Vietnam and refugees and migrant workers in Bangladesh and Sri Lanka.

SECTION V: KEY FINDINGS AND RECOMMENDATIONS

This assessment has examined a wide range of issues related to workforce development in India: the youth and their labor market expectations; the characteristics of specific target audiences and geographical regions, with specific reference to Delhi, Maharashtra, and Jharkhand; the economic environment that shapes workforce programs; and the training and service institutions in the public and private sector, and their ability to be responsive to the private sector. This composite picture of the demand and supply of the labor market, the information that shapes the market, and the institutional response to the market includes the main components of this assessment. This summary conclusion presents the key findings of the report and develops an overall strategy of workforce development for USAID/India. In so doing, the report identifies key programmatic opportunities to link workforce development to other sectors of activities, to form a cross-cutting and multi-sector approach to workforce development within USAID/India.

Key Findings

Main trends of labor demand are the “New Economy,” non-farm rural jobs creation, and increased informality of enterprises

Since the 1990s, the highest economic growth has been concentrated in the ‘new economy’ services sectors, such as information technology, telecommunications, and finance. The Indian IT sector has flourished due to its comparative advantages in relatively low-cost skilled IT engineers and government policy. Throughout this report, Delhi, with the highest economic growth rate in the country, exemplifies a new-economy city. Its booming retail, hospitality, tourism, construction, and services sector are evidence of the new economy now in full swing in India. New trade and foreign direct investment policies enable this new economy, inviting global partners to participate in Indian economic growth.

While robust economic growth has occurred in this urban-based services sector, the most important sector for jobs creation is the rural, non-farm sector. Robust employment and enterprise growth have occurred in the rural, non-farm sector, largely in the light manufacturing and service sectors located in rural areas. The star performer in terms of rural, non-farm employment is the state of Maharashtra. The rapid economic growth of Mumbai is generating demand for services and products of smaller towns, and the rural non-farm enterprises are estimated as the main jobs generator in the state. In meeting this demand, Maharashtra has generated the top employment growth of all states for the last six years, and is second in terms of enterprise growth. The state of Maharashtra provides an excellent economic model of linking urban and rural economic development to achieve jobs creation and economic growth.

Jharkhand has a similar trend, with non-farm rural enterprise and jobs creation. However, this jobs growth is quite modest, at around .66 percent in 2005 (Census, 2006). The rural jobs growth is primarily in non-farm employment. Urban-based employment rate has contracted recently, estimated at -1.21 percent for 2005. Such poor performance bodes poorly for employment prospects in Jharkhand in the near to mid-future.

Other key findings in the report point to the following issues in terms of economic growth, jobs creation, and the main concerns of the private sector:

- Growth continues for the unorganized sector, where around 90 percent of the current labor force is employed in unorganized, unprotected activities. *The bulging population and the expanding*

workforce will require about 15 million new jobs every year, against the 10 million new jobs being projected by the government. The scarcity of job opportunities in the organized sector is likely to create a major shift toward the unorganized sector, which is already expanding and absorbing additional workforce.

- Key policy reforms are needed for economic and employment growth; three main barriers to faster growth in India are the multiplicity of regulations governing product markets, distortions in the market for land, and widespread government ownership of businesses. Alongside these policy reforms are the obsolete labor policies that discourage firms from hiring and distort the cost of labor in the market. Only workers in the organized sector are protected by these policies, and major debate in the country has considered the reform of these laws and the need for legal recognition of other types of worker contracts and protections.
- Most workforce programs and firm practices of recruitment follow extremely traditional patterns. For example, government employment programs have few private sector linkages and do not adequately incorporate the private sector into the design and implementation of projects. And while work-based learning is now being incorporated into vocational education projects, curriculum reform and flexibility and part-time learning have not yet been included in government workforce programs. Additionally, the private sector continues to follow traditional recruitment practices to job search, using educational credential and over-qualifications to select employees. Such practices do not help to sort the labor market efficiently, and they lead to confusion of youth and training institutions on employability skills required by the private sector.

Youth find few labor market options except migration and entry into the informal sector

This economic backdrop largely shapes the overall context of youth in the labor market of India. For today's rural youth is tomorrow's urban migrant. Migration and urbanization rates are on the rise. It is anticipated that by 2010, employment in agriculture will drop to less than 50 percent of total employment. The demographic swelling of youth population has been estimated at 60 percent of the population under the age of 30. Young women are entering the workforce at higher rates, particularly in urban-based areas where their participation is estimated at 60 percent. Key characteristics of these youth are provided, with special reference to three targeted areas of Delhi, Maharashtra, and Jharkhand.

- The needs of unemployed youth (ages 15-24) deserve special attention. They are a socially and politically vulnerable group, but not a monolithic cohort. There are at least four major sub-sets of unemployed youth—rural youth, urban slum dwellers, migrants, and the educated unemployed. A strategy to address issues of youth unemployment must take into account the different education, training, and employment needs of each of these sub-groups.
- The largest majority of youth in the system is the over-60-million rural youth with little to no education. Within this large cohort of uneducated rural youth, female youth represent 66 percent of the group, around 40 million youth. Around 20 million male youth fall in this category of uneducated, rural youth, unprepared for the workplace realities of India. This cohort of youth includes those living in rural areas who have dropped out of school before completing primary or secondary school education. These youth often drop out due to the need to earn money for their families, poor quality schooling, or parents who do not value formal education. Poverty, lack of livelihood, and low wages push youth out of school in large numbers in rural India.
- The three target areas under study offer wide differences in educational and employment profiles of youth. In Jharkhand, youth from rural areas, around 80 percent, have left the formal education system by the end of primary school. They face extremely limited jobs opportunities, with very

low jobs creation in the region. Maharashtra, in both rural and urban areas, provides a much higher education profile, with primary school dropout rates (20 percent) low compared to the rest of the country. Jobs creation is robust and concentrated in the non-farm sector. Delhi has the highest educational profile for youth, with dropout rates of only 6 percent. However, for urban slum dwellers in Delhi, these dropout rates are much higher. Urban-based employment for youth is primarily in the service sector.

- Youth unemployment and underemployment, particularly in rural areas, largely explain the high migration in the country. Within India, huge numbers of people migrate from the rural areas to the cities. Delhi and Mumbai each have a net annual migration of 250,000 persons. Usually migrants, many of whom are young people, do not have employment secured before they move and receive no preparatory training or orientation other than learning from the experience of their peers.
- A key characteristic of youth is gender, particularly as it relates to labor force participation and access to employment opportunities. Yet it is important to remember that female labor market participation in large cities has been climbing for the last decade. Note also that the statistics continue to under-represent the participation of women in the workplace, in that rural household production is not included in the definition of labor force participation. For most women, the informal sector is the point of entry into the labor market. Transforming women's work is highly tied to transforming the informal sector, in terms of access to credit, technical services, and greater markets. Youth are explicit about their needs: fair access to jobs and "respectable work." Alongside these requests is a need for part-time and flexible employment arrangements that allow them to access learning opportunities and work at the same time.
- Workforce participation by youth is often constrained by cultural beliefs that certain occupations (e.g., working with one's hands to serve others) are unfit for them to do.

Skills mismatch reflects the poor linkages in the workforce development system

- There is a disconnect between the formal education system that emphasizes traditional academic content and the demand from industry for productive labor skills. This disconnect is a major reason for high unemployment among educated youth; it is also a major constraint to economic growth. Workforce education does not encourage teamwork, critical thinking, problem-solving, or values useful to a workplace oriented to productivity. Also, it is not oriented to specific skills, such as English, or technical skills demanded by the workplace. A large percentage of science graduates are unemployed.
- The current government plan to "vocalize" the secondary education curriculum is excellent, but yet these efforts have just begun and require large-scale reforms. This curriculum reform effort, if successfully implemented, could have a strong positive impact on the ability of secondary school graduates to meet the workforce needs of the modern Indian economy.
- Technical/vocational training institutions need to be responsive to the labor market needs of the new economy, by creating new courses and providing trainers who can teach the new skills needed. The current system is outdated, not linked to market demand; its graduates have difficulty finding employment in the formal system.

- Industry has begun to work much more closely with the vocational education sector in the design of workforce-relevant education and training programs. This trend should continue and expand; in short, the economy needs a marriage between the private sector and the training institutions.
- Industry has the ability to provide for the technical training of its workforce. However, primary responsibility for the teaching of core employability skills belongs with formal primary and secondary schools, together with alternative education and training providers.
- Private sector training institutions, including NGOs and for-profit institutions, fill an important niche in the training market, providing services to marginal youth (NGOs) and for technical, non-university training (for-profit institutions). These “second chance” programs are conducting several effective projects.

Main Recommendations

The assessment developed recommendations for a USAID workforce development program in India. Two main components shape this strategy: (1) the broader objectives of all workforce development programming in India; (2) the specific objectives of programs under Education/Equity, which include cross-cutting activities to incorporate other sector objectives, institutions, and activities.

Build a bridge of better communication and understanding on workforce development between partnering institutions.

The greatest challenge of a workforce development program is that the diverse actors—the youth, the training institutions, and the private sector—are not familiar with the basic concepts, terms, or technical methods, and often times have very different expectations of the program. This is certainly the case in India, where the education sector does not prepare youth for the workforce and youth’s expectations of the market are skewed by their point of entry—the service sector. In addition, the occupation-driven standards and certifications of the training system use highly technical jargon, almost incomprehensible to private sector business leaders and owners. One of the most important lessons learned in the worldwide reform of education and training systems is that there must be better communication between demanders and suppliers of training, between youth and firms, between government and NGOs, and between large companies and small companies. Building a bridge to improve understanding and communication on workforce development is a first step in changing traditional practices of training, recruitment, hiring, and expectations. This communication thus leads to a “marriage” among the private sector, the training institutions, and youth, and allows for the distinct actors to contribute to the process.

Promote core employability skills and competencies.

India is just now developing a system of workforce skills and competencies that can be used by industry and education institutions. This system creates a set of standards that is an alternative system to the formal education credential. The design and development of these cores skills and competencies standards are an important way to link the demands of the private sector to the realities of the training and education institutions. The main priority is to develop simple and straightforward frameworks of skills and competencies that enable private sector, training providers, and youth to be partners in the workforce development process.

Support institutional transformation of technical education.

Accompanying this process is the reform and transformation of education and training institutions to be more oriented to the workplace. This institutional change process happens at different speeds in the public and private sectors. Throughout the NGO community many new and small projects are currently developing this workplace orientation. We recommend that USAID/India assist in this institutional strengthening, particularly with new institutions committed to youth workforce development.

Encourage active labor market programs for all skill levels of youth, but with particular attention to rural and vulnerable youth.

The main challenge for all employment training programs is to establish working linkages between demanders and suppliers of training. India is now at a crossroads regarding this change of attitude—where the private sector, institutions, and youth will take active roles in planning, implementing, and evaluating skills programs. A wide range of initiatives, in both the public and private sectors, promote workplace education for youth; yet many of these initiatives need to support greater decision-making by the various stakeholders, particularly youth and the private sector. We recommended that programs place priority on this active linkage among the private sector, providers, and youth.

Give priority to “second chance” programs.

For the last ten years, USAID has financed “second chance” programs, which provide non-formal education and training to unemployed youth. The formal education system and large multilateral donor financing of the multilateral institutions leave little room for the fine-tuning and customizing of these niche programs. USAID’s flexibility and long-term track record in funding these vulnerable populations define an important niche area for investment. Second-chance programs provide relief from the despair of an education system fraught with poor quality and large amounts of leakage in the system. Moreover, the best practice elements of these “second chance” programs adopt many of the same elements of active labor market programs, through the direct involvement of youth beneficiaries, private sector employers, and interactive, short-term, non-formal education methods. The local CAPS program is an excellent example of a cost-effective second-chance program. By building on the expertise of USAID in these programs, and enhancing them by critical/core skills competencies and the elements of active labor market programs, USAID/India would establish itself as a leader in demand-driven youth employment programs in the country.

Within these broad programmatic recommendations, there is a need to identify how these objectives relate to specific target audiences and specific regions of the country.

This sub-section provides illustrative programmatic options that USAID/India can consider when planning program activities. Alongside this, specific cross-cutting issues have been integrated into programming within the Education/Equity sector. For purposes of exposition, these program options are detailed by the three main geographical target areas, Delhi, Maharashtra, and Jharkhand, as well as by the four sub-target audiences of vulnerable youth. This discussion provides the specifics to give a better understanding of the above recommendations.

Table 7 presents these various options under the main objectives and target beneficiaries. To streamline the presentation, active labor market programs and second chance programs are integrated. As discussed above, merging these models into a new package of demand-driven youth employment education and training will enhance the overall effectiveness of these projects. In short, the main programming activities

Table 7. Illustrative Program Options to Achieve Workforce Development Objectives

Target Beneficiary	Key target characteristics	Main Recommendations *		Cross-cutting Issues
		ALMP- Second Chance Programs	Institutional Transformation	
Rural youth	Maharashtra Jharkhand Gender-specific	Rural village employment education with alternative income strategy (Op.1) Rural banking and finance training (Op 4)	Skills competency systems and certification, including workplace health and safety (Op.5) Diploma certification of trainers in rural areas (Op. 7)	Anti-Trafficking Equity Education Health Employment Finance Child Rights Gender Partnerships
Migrant youth	Delhi Mumbai Gender-specific	Information/training to migrant workers—specific sectors: construction (Op 2)/ health care (Op. 3)	Skills competency systems and certification, including workplace health and safety (Op.5) Certification of trainers (Op.5)	Anti-Trafficking Equity Education Health Employment Child Rights Gender Partnerships
Graduates —senior, secondary, and tertiary	Delhi Maharashtra Gender-specific	Youth service corps (Op. 8)	Key partnerships to upgrade education in ITI; gender promotion activities (Op.6)	Equity Education Employment Economic Health Gender Partnerships
Urban slum dweller (long-term)	Delhi Mumbai	Second chance programs—education for employment (Op. 6)	Certification of trainers (Op.5) Skills certification in critical competencies; workplace rights, occupational health and workplace safety (Op.5)	Anti-Trafficking Equity Education Health Employment Child Rights Gender Partnerships

* Program option is denoted as (Op.)

Source: Authors

revolve around employment education/training that is linked to specific private sector demand through partnership programs; or self-employment programs. Additionally, institutional strengthening to specific workforce institutions is proposed, specifically in the fields of critical skills competencies, health and safety, and workforce rights. Gender is incorporated into the programs, in order to encourage wider access to women into the labor market in India, both in traditional sectors of employment and in information technology and health field sectors. The specific options are more fully discussed in Section 4 and Appendix A of this report.

Each of the program options is discussed in terms of cross-cutting themes that can be incorporated into the activity. The main areas of intersection are in Anti-Trafficking, Equity, Education, Health, Employment, Child Rights, Gender and Partnerships. In addition, self-employment activities can easily integrate microfinance and savings/investment activities within these spheres. This list of possible program options in sector programs is illustrative of the type of sectoral linkages in programming workforce development issues. Future research would allow greater specification and synergies from the various sectors that overlap with workforce development, particularly competitiveness, labor policy, information technology, wage remittances and finance.

Specific program options include:

- *Program options 1 and 4: Rural village employment education/Rural banking and finance program.* This program would provide basic awareness training for out-of-school rural youth (particularly those who have dropped out of school) about the kinds of employment opportunities available to them at the village level, ranging from starting their own businesses to gaining skills that will enable them to help meet basic community needs, such as carpenters, mechanics, and teachers. It could also help youth and their families become aware of the kinds of skills that young people can learn to add value to family businesses such as farming. Awareness-raising activities would be followed by targeted training, the provision of micro-credit for enterprise financing, or the purchase of start-up tools and supplies.
- *Program option 2: Labor market information/skills training for out-of-school male migrant youth.* Taking advantage of the high demand for construction workers and the fact that labor bosses currently recruit from rural areas, there is an opportunity to work with contractors to better prepare and place out-of-school youth in construction industry jobs. The suggested training would entail short basic-skills training at point of origin, occupational and health and safety training at point of origin, assistance in job placement, and orientation to the migrant's new city and social services. Such a program could be implemented by NGOs or by the continuing education departments of community colleges and community polytechnics.
- *Program option 3: Labor market information/skills training for out-of-school female youth.* This program option would target young rural women who migrate to urban areas to work as domestics, nurses, home health care workers, and in other female-dominated service industry occupations. It would strengthen the ability of migrant placement agencies to provide pre-migration placement and training, orientation to the new urban area, and orientation to employee rights and recourse procedures. Such a program could be implemented by NGOs working with targeted placement agencies.
- *Program option 5: A new workforce skills competency approach to promote expansion and greater use of skills recognition/certification systems.* Employment possibilities and earnings potential for out-of-school youth can be increased through greater recognition and use of government- and industry-based skills recognition systems. This strategy should include

expansion of recent efforts by both the government and private sector to provide recognition and certification of informally learned skills. It should enable OSYs with informally learned skills to quickly advance to higher levels of certification and employment. Such an approach should be based on learning standards, developed jointly by educators and employers that encompass core academic employability and technical skills. Such standards should be capable of being flexibly implemented, using a variety of implementation modalities, including formal, secondary schools, technical/vocational education institutions, industry-based training initiatives, NGO programs, and self-study. Mastery of such standards should be associated with official educational certification, for example, at secondary school level.

- *Program option 6: Initiative to upgrade education quality at ITIs and polytechnics.* The focus of this initiative should be on making a paradigm shift in the way in which ITIs and polytechnics operate: making them responsible to employers for the quality and relevance of their graduates. The initiative also should help ITIs and polytechnics become more accessible to out-of-school youth, by offering short courses and part-time diploma courses. Implementation of the program will focus on building the capacity of new employer-led governing boards, institutional managers, and senior faculty.
- *Program option 7: Development of a vocational teacher professional diploma.* This recommendation calls for a special program to quickly admit trade practitioners to teach effectively in vocational schools. The program would first provide a short basic “how to teach” course, so that new full- and part-time trainers can be comfortable in the classroom/training shop situation. The practitioner could then add competencies through part-time course modules to earn certification as a professional vocational instructor.
- *Program option 8: Organization of a youth health and education service corps.* India’s emphasis on expanded health care and the universalization of secondary school will create an enormous demand for health care workers and teachers in the coming decade. The government could help meet this need through the organization of a youth service corps that would give unemployed youth the opportunity to serve as health and education para-professionals. Central government support for such an effort could be matched by support from state and local institutions and the private sector.

Conclusion

Based on these recommendations, the USAID India mission has designed and developed a program targeting disadvantaged youth for new economy jobs. USAID expects to provide seed funding of around \$5 million for a 4-5 year period for one or more public-private partnership projects to demonstrate or scale up innovative approaches, programs and models that will provide viable career and employment opportunities for vulnerable youth. The purpose of this new USAID program is to support the work of private sector, NGO and government partners in establishing, institutionalizing and replicating approaches and models that will successfully enhance workforce opportunities for youth. USAID is particularly interested in addressing the barriers that prevent young women from entering the workforce. This program encourages cross-cutting programming integrating strategic objectives, such as education, gender, workforce development, health, private sector promotion, enterprise development, and policy and institutional reform. The program encourages existing projects and programs that can be scaled up and made cost-effective.

Abbreviations and Acronyms

Acronyms

ABE	Adult Basic Education
ADB	Asian Development Bank
AICTE	All India Council of Technical Education
AIE	Alternative Innovative Education
ANE	Asia and the Near East
AWE	Access with Equity Scheme
B2Y	Business to Youth
BATS	Boards of Apprenticeship Training
BPL	Below Poverty Line
BYST	Bharatiya Yuva Shakti Trust
CAC	Central Apprenticeship Council
CAP	Child and Policy
CBRE	C.B. Richard Ellis
CDS	Current daily status
CEP	Continuing Education Program
CIDC	Construction Industry Development Council
CII	Confederation of Indian Industry
CSR	Corporate Social Responsibility
CTS	Craftsmen Training Scheme
CTSA	Central Tibetan School Administration
DGET	Department of General Education and Training
DHS	Department of Health Services
DPEP	District Primary Education Program
DRDA	Department of Rural Development and Agriculture
EAG	Empowered Action Group
EDC	Education Development Center, Inc.
EDI	Entrepreneurship Development Institute
EDP	Entrepreneurship Development Program
EGS	Education Guarantee Scheme
ELP	Education Loan Product
ESDP	Employability Skills Development Program
ESL	English as a Second Language
EU	European Union
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FT	Full Time
FWWB	Friends of Women's' World Banking
GCI	Grameen Capital India
GDA	Global Development Alliance
GDP	Gross Domestic Product
GOI	Government of India
GWIT	Global Workforce in Transition
HRD	Human Resource Development
ICT	Information and Communications Technology
ICT	Information & Communications Technology
IGNOU	Indira Gandhi National Open University
IIM	Indian Institute of Management

IIT	Indian Institute of Technology
ILO	International Labor Organization
ISTE	Indian Society for Technical Education
IT	Information Technology
ITC	Information Technology & Communications
ITC	Industrial Training Center
ITI	Industrial Training Institute
JRY	Jawahar Rozgar Yojana
JSS	Jan Shikshan Sansthan
KVIC	Khadi and Village Industries Commission
KVK	Krishi Vigyan Kendra
KVS	Kendriya Vidyalaya Sanghathan
LABS	Livelihood Advancement Business School
LFI	Local Finance Institution
LRC	Livelihood Resource Center
MCRDCE	Madras Center for the Research and Development of Community Education
MFI	Micro Finance Institution
MHRD	Ministry of Human Resource Development
MOU	Memorandum of Understanding
MSME	Micro-, Small, and Medium Enterprise
MTA	Mother-Teachers Associations
NAAC	National Accreditation Assessment Council
NBFC	Non-banking Finance Company
NCAER	National Council of Applied Economic Research
NCERT	National Council for Education Research and Training
NCMP	National Common Minimum Program
NCR	National Capital Region
NCTA	National Competency Testing Agency
NCVT	National Council for Vocational Training
NFE	Non-formal Education
NGO	Non Government Organization
NIEPA	National Institute for Education, Planning and Administration
NIIT	National Institute of Information Technology
NIOS	National Institute for Open Schooling
NLM	National Literacy Mission
NOS	National Open School
NPE	National Policy on Education
NPEGEL	National Programme for Education of Girls at Elementary level
NRF	National Revenue Fund
NTC	National Trade Certificate
NVECQF	National education, Qualification and Certification Authority
NVS	Navodaya Vidyalaya Samitis
OSY	Out of School Youth
OU	Open University
PLP	Post Literacy project
PROBE	Peoples Response On Basic Education
PSK	Prambihik Shiksha Kish
PT	Part Time
PTA	Parent-Teachers Associations
PURA	Providing Urban Facilities in Rural Areas
R&D	Research and Development

Rs	Rupees
SATS	Statutory Apprenticeship Training Scheme
SC	Scheduled Caste
SCVT	State Council for Vocational Training
SEWA	Self Employed Women's Association
SEWAC	Self-employed Workers Association Chamber
SME	Small and Medium Enterprise
SO	Strategic Objective
SOEs	State Owned Enterprises
SSA	Sarva Shiksha Abhiyan
ST	Scheduled Tribe
STEP	Support To Training and Employment Programs
TAFE	Technical and Further Education
TESP	Teacher Education Program Scheme
TLC	Toral Literacy Campaign
TNA	Training Needs Analysis
UEE	Universalization of Elementary Education
UGC	University Grants Commission
UPA	United Progressive Alliance
USAEP	United States Asia Environmental Partnerships
USAID	United States Agency for International Development
USD	United States Dollars
USP	Unique Selling Point
VE&T	Vocational Education and Training
VECs	Village Education Committees
VSAT	Very Small Aperture Terminal
WB	World Bank
XITE	Xavier Institute for Tribal Education

References

- Agarwala, R. & Khan, Z. D. (2002). *Labor market and social insurance policy in India: A case of losing on both competitiveness and caring*. Washington, DC: World Bank Institute.
- Aluwalia, M. (2002). Report of the task force on employment opportunities.
- Basu, K. (2005). Labor laws and labor welfare in the context of the Indian... (Center for Analytical Economics Working Paper #05-17). Ithaca, NY: Cornell University.
- Besley, T., & Burgess, R. (2004). Can Labor Regulation Hinder Economic Performance? Evidence from India. *The Quarterly Journal of Economics*, 119(1), 91-134.
- Census. See Office of the Registrar General, India.
- Center for Industrial and Economic Research (CIER). (1998). *CIER's Industrial Data Book 1998*. New Delhi, India: Sage Publications.
- CIER. See Center for Industrial and Economic Research.
- ILO. See International Labour Organization.
- India Ministry of Statistics and Programme Implementation, National Sample Survey Organisation. (2000). *55th Round National Sample Survey*. New Delhi: Author.
- India Planning Commission. (2001, September 1). *Approach paper: Tenth five-year plan (2002–2007)*. New Delhi: Author.
- India Planning Commission. (2002a). *Special group on targeting ten million employment opportunities per year over the 10th plan period*. New Delhi: Author.
- India Planning Commission. (2005a). *Mid term appraisal of the tenth five-year plan (2002–2007)*. New Delhi: Author.
- India Planning Commission. (2005b). *Mid term appraisal of the tenth five-year plan (2002–2007) (Part 2, Chapter 2)*. New Delhi: Author.
- India Planning Commission. (2005d). *Maharashtra State Development Report*, New Delhi: Author.
- India Planning Commission. (2006). *Vision 2020*. New Delhi: Author.

- International Labour Organization. (2005). *The other India at work*. New Delhi, India: Author.
- Kripalani, M. (2005, August 8). How a Factory Became a Flash Point. *Business Week*.
- McKinsey Global Services. (2001). *McKinsey Country Reports-India.*, New York: McKinsey and Company.
- Ministry of Human Development, India. (2003). *Annual Report, Statistical Annexes*. New Delhi: Author.
- National Sample Survey Organisation – India. (2006). *55th Round of Annual Census*. National Capital Region, India: Ministry of Statistics and Program Implementation.
- NSSO. *See* National Sample Survey Organisation.
- Office of the Registrar General, India. (2001). *Population statistics, national census*. New Delhi, India: Author.
- Office of the Registrar General, India. (2006). *Economic census of India, 2005*. New Delhi: Author.
- Office of the Registrar General, India. (2006). *Census of India, 2006*. New Delhi: Author.
- Planning Commission. *See* India Planning Commission.
- Rajyaz, Sabha. (2005, April 27). *Fifty Fourth Report on Foreign Direct investment*. New Delhi, India: Author.
- Rustagi, P. (2004). Significance of gender-related development indicators: An analysis of Indian states. *Indian Journal of Gender Studies*, Vol. 11, No. 3, 291-343.
- Srivastava, R., & Sasikumar, S. K. (2003, June 22). *An overview of migration in India, its impacts and key issues*. Paper presented at the Regional Conference on Migration, Development and Pro-Poor Policy Choices in Asia. Retrieved June 2006, from http://www.livelihoods.org/hot_topics/docs/Dhaka_CP_2.pdf
- TeamLease Services. (2006). *Employment Outlook April-June, 2006*. New Delhi, India: Author
- University Grants Commission. (2005). *State enrollment in universities and colleges, 2002-2003*. New Delhi, India: Author
- World Bank. (2005). *Global Economic Prospects for 2006*. Washington, DC: Author.

Appendix A: Program Strategies

Strategy 1: Organized Migration for Construction Workers

Target Group Served:

Male and female mainly rural youth laborer and farmer backgrounds with 0-12 education

Strategic objectives:

- Getting jobs for OSY youth
- Greater occupational health and safety
- Entrance to semi skilled and skilled trades with basic level skills rather than beginning as unskilled labor – should be in better demand and higher wages or lead faster to higher wages
- Training in fiscal responsibility to prepare for cyclic downturns of construction industry
- Basic health awareness – e.g.: HIV/AIDS
- Orientation for life in big city, availability of government pension, worker rights

Program strategy:

- Basic skills training at point of origin
- Occupational and personal Health and Safety training at point of origin
- Orientation to city and social services
- Assistance in job placement (training on demand)

Implementing agencies:

- Community colleges and community polytechnics
- NGOs similar to CAP Teen Channel and Dr. Reddy's LABS and diverse faith based NGOs
- All implementing agencies responsible for:
 - Training on Demand with placement linkage with employers / job bosses
 - Training to basic level construction trade competencies to standards approved by the industry and provision of competency module certificates

- Training in worksite health and safety
- Training in personal health and safety
- Orientation to city including social services
- Training in management of personal finances including awareness of government pension plans and other services
- Placement of graduates

Technical support:

- Encouraging implementing agencies and building their capacity, monitoring and evaluation
- Obtaining or designing curricula
- GDA/CSR partnerships encouragement

Duration:

- Suggest course lengths should be quite short - from 2 weeks to 3 months - depending on entry level skills to be learned (multi tasking not likely needed in the current high demand market)

Cost:

- Suggest student fees to be small and may be borne/loaned by employers
- Program cost estimated @ US \$1700 per set of 50

Cross-cutting SOs: Anti-Trafficking & Equity / Education / Population, Health, Nutrition / Child rights / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 2: Organized Migration for Domestic, Nurse Aides and Home Care Workers

Target Group Served:

Mainly female OSY with low education levels

Strategic objectives:

- Shorten time for placement to pre-migration placement and training-on-demand
- Improve placement for better working conditions and wages

Program strategy:

- Pre-departure training in basic skills, health and safety, orientation to city, employee rights and recourse procedures
- Develop better placement agencies with social responsibility for welfare of workers
- Jobs arranged before migration

Implementing agencies:

- Suggest faith based NGOs may be good vehicle due some cultures drawn to the fields seek NGOs with operations both in sending and receiving areas.
- Suggest training program for entrepreneurs how to run effective high quality placement agencies – possibly set up by CAP Teen Channel and similar CSR sponsored NGOs
- Suggest new “health cities” be encouraged/assisted to set up high quality placement agencies both at destinations and sources.

Technical support:

- Building the capacity of implementing agencies, monitoring and evaluation

Duration:

- Suggest intervention over 2-3 years
- Program lengths to vary. e.g., Domestic – 3 months-1 year, home health care worker 3 months – 1 year, nurse aides up to 1 year

Cost:

- Likely 3500R per student for 3-4 months – the cost borne 2500R by CSR or employers and the balance 1000R borne by candidate on partial loan and garnishee
- Start up costs likely in range of US\$170,000 total

Cross-cutting SOs: Anti-Trafficking & Equity / Education / Population, Health, Nutrition / Child rights / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 3. Rural Village Employment/Self Employment Opportunity Diversification**Target Group Served:**

Rural village and town OSY ages 15-30

Strategic objectives:

- Getting and making jobs for OSY

Implementing agencies:

- CAP to set up and transfer to local NGOs and or community colleges and community polytechnics

Technical support:

- Building the capacity of implementing agencies, monitoring and evaluation

Duration:

- 2 years to set up and transfer

Cost:

- US\$170,000-US\$185,000 for 2000 trainees in 5 centers per annum should cost averaging US\$ 92 per trainee
- Set up costs approximately \$15,000

Cross-cutting SOs: Anti-Trafficking & Equity / Education / Population, Health, Nutrition / Child rights / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 4: Rural Banking and Finance Training Programs

Target Group Served:

Rural village and town youth with grade 12 pass

Strategic objectives:

- Fill void / need for rural bankers, financial officers and financial products sales personnel
- Getting jobs for OSY with 12 pass as Bankers and financial officers in banks or as independent salesmen of crop, health and life insurance and mutual funds

Program strategy:

Encourage through GDA a partnership between banker(s) and educators at Community Colleges and Polytechnics, education material commercial developers and possibly a twinning arrangement with USA Community College to develop (or import/adapt from USA) retail banking, general and life insurance and financial consulting / mutual funds sales programs at the community college and community polytechnics level. The program(s) will have a rural focus catering to the emerging market of rural financial services pioneered by ICICI Bank.

Implementing agencies:

- Lead institution: ICICI Bank rural development division
- ICICI Bank rural development division, APTECH R&D Department, Insurance and mutual funds companies and USA community college with similar program to develop/adapt the training materials. ICICI Bank has the concept for rural financial services sales and also has large demand for rural bankers; APTECH has modern training methodologies it wishes to establish in India and this is solid opportunity to demonstrate their capabilities.
- Seek progressive rural community colleges and community polytechnics to establish the programs based on Bank identification of optimal locations.

Technical support:

- Development of training program and materials

- Selection of participating institutions
- Selection and training of teachers
- Establishment of work experience (sandwich method) program
- Pilot implementation, monitoring and evaluation

Duration:

- 2-3 years to set up and run pilots

Cost:

- Approximately US\$ 350,000 mainly absorbed by ICICI and APTECH and insurance companies suggest GDA supplement to pay for USA college participation, monitoring and evaluation

Cross-cutting SOs: Anti-Trafficking & Equity / Education / Population, Health, Nutrition / Child rights / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 5: Vocational Teacher Professional Practitioner’s Diploma

Target Group Served:

Youth ages 16-30

Strategic objectives:

- Improving the quality of vocational training

Program strategy:

Advocacy for, design of curricula and materials and training of trainers for a special program to quickly admit trade practitioners to teach effectively in vocational schools. Similar to that which is in use in North America, the program would provide first a short basic “how to teach” course for new full and part-time trainers to be comfortable in a classroom/training shop situation. The practitioner could then add competencies through part-time course modules to earn certification as a professional vocational instructor. This will require policy changes in some states, such as Jharkhand for the public system but it will be readily accepted in the private systems. There is both a chronic shortage of trades trainers in the

public system and poor quality due lack of trade skills. This will help source better qualified trades trainers with trades experience and open up new employment horizons for skilled workers.

Implementing agencies:

- State level departments to adopt, central government ministries to approve and recommend
- Technical teacher training Institutions (TTTIs) to certify
- Community Colleges and Polytechnics to deliver

Technical support:

- Advocacy and building capacity of state governments to demand it
- Capacity building of TTTIs to approve and certify
- Capacity building of Colleges and Polytechnics and Open university to deliver the training
- Monitoring and evaluation of the initiative

Duration:

- 2-3 years

Cost:

- Estimate US\$150,000 - 300,000 with CSR /GDA partnership potential possibly including a leading Community College in USA that runs similar program

Strategy 6: CAP Madarasha Initiative Scale-Up

Target Group Served:

OSY poor Muslim males and females ages 5-18 grades 1-10

Strategic objectives:

- Alternative education and bridge into regular schooling
- Home based vocational revenue generation skills for women
- Skill training, opportunity awareness and work experience for male youth ages 16-18

Program strategy:

Alternative education and CAP Teen Challenge vocational skills model for Muslim youth

Implementing agencies:

- Capacity building by CAP Teen Challenge
- Turn over to local Mardarasahs parents committees and principals

Technical support:

- Building the capacity of implementing agencies, monitoring and evaluation

Duration:

- 2-3 years

Cost:

- About 3500R per student plus capacity development by CAP estimated at \$175,000 per city 5 sites

Cross-cutting SOs: Education/ Economic Growth, Trade, CSR-GDA

Strategy 7: GDA Support for Industry Management and Upgrading of ITI s and Polytechnics**Target Group Served:**

16-30 year old male and female OSY and Grade 10 and 10+2 pass

Strategic objectives:

- Better quality and employability of graduates
- Additional programming to offer part and full time programs for drop out OSY and workers seeking upgrading
- New demand-driven courses and programs to be introduced

Program strategy:

- Capacity building both of new governing boards and institution administrators for new management paradigm and new institutional mandate
- GDA Partnerships with CII and FICCI to support new equipment and new programs, curricula revisions, teacher training, better materials and training methodologies, including practice labs and work experience

Implementing agencies:

- FICCI and CII

Technical support:

- Building the capacity of implementing agencies, monitoring and evaluation
- Training and mentoring of governing board management on mandate and planning
- Training and mentoring of administrators how to be proactive managers (entrepreneurial), develop school-industry partnerships, identify and implement opportunities for expansion under the new mandate.

Duration:

- 2 -4 years

Cost:

- Estimate \$150,000 - \$200,000

Cross-cutting SOs: / Education / Population, Health, Nutrition / Economic Growth / Embassy Trade / GDA-CSR / Partnership

Strategy 8: GDA Support for Industry-led Skills Certification Systems

Target Group Served:

Informally trained OSY

Strategic objectives:

- Skills certification of informal learning to provide open entrance to higher level skills training and certification, higher incomes and greater mobility

Program strategy:

- Capacity building of assessors and structuring the system
- Development of coordination and articulation between industry and educators and different recognition systems

Implementing agencies:

- CII
- Construction apex bodies

Technical support:

- Building the capacity of implementing agencies, monitoring and evaluation

Duration:

- 2-3 years

Cost:

- Estimate US \$150,000-\$300,000

Cross-cutting SOs: / Education / Population, Health, Nutrition / Economic Growth/ Embassy Trade / GDA-CSR / partnerships

Strategy 9: GDA Support for Industry-Led Community Colleges and Polytechnics

Target Group Served:

OSY ages 16-30

Strategic objectives:

- Training for jobs / self employment in demand

Program strategy:

- Concept transfer from leading institutions to create new entities
- Industry CSR and GDA partnerships to improve facilities and equipment, programs delivery and create innovative programs in response to identified local employment/self employment opportunities.
- Encourage international twinning with leading USA institutions.

Implementing agencies:

- USAID GDA person(s) to encourage industry partnerships
- Polytechnics (both government and NGO) endorsed by government to be regional lead institutions (centers of Excellence) to transfer concept to other polytechnics to establish community polytechnics
- Madras Centre for Research and Development of Community Education to continue work promoting and establishing Community Colleges.

Duration:

- 2-3 years

Cost:

- Suggest budget of US\$150,000 - \$500,000

Cross-cutting SOs: / Education / Population, Health, Nutrition /anti-trafficking / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 10: Advocacy for Modification of Labor Laws and Streamlining of Manufacturing Start-Up Regulations

Target Group Served:

10 pass and up OSY

Strategic objectives:

- More formal sector jobs for OSY

Program strategy:

Advocacy to restructure labor laws or to raise coverage from firms with 100 workers to firms with 1000 workers. Seek changing of termination to 3 step paper train termination for individual for cause or industry down turn for blanket temporary layoffs. Increasing to 1,000 workers will create huge potential spin-off of suppliers increasing demand for skilled and assembly workers and encourage industry expansion via exports and more local consumer goods.

Implementing agencies:

- Cross-cutting SOW among USAID departments and Trade Counselors, Ambassador, etc.
- Industry associations and industry think tanks.

Technical support:

- Assistance to industry associations by facilitating speakers, think-tank papers, conferences, meetings, visiting experts, etc.

Duration:

- Up to 2 years

Cost:

- Suggest \$100,000

Cross-cutting SOs: /Good Governance / Education / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 11: GDA/CSR Support Scale-Up of Model OSY Skills Development Programs

Target Group Served:

OSY ages 14-20

Strategic objectives:

- Ramp up successful demand-driven vocational skills and mentoring programs proven to secure or make employment for OSY

Program strategy:

- Seed funding through GDA / CSR partnerships to establish successful programs in new territories.

Implementing agencies:

- PRAYAS
- Dr. Reddy's LABS
- CAP Teen Channel

Technical support:

- Establishing new locations
- Building the capacity of local implementing agencies, monitoring and evaluation

Duration:

- 3 years

Cost:

- Unlimited determined by GDA and CSR support gleaned, but suggest Mission budget \$250,000-\$500,000 as seed funds to encourage GDA and assist NGOs to solicit partnerships. Suggest targeting 100 -300 new establishments

Cross-cutting SOs: / Education / Population, Health, Nutrition / Anti-trafficking / Economic Growth/ Embassy Trade / GDA-CSR / Partnerships

Strategy 12: Jharkhand Government Capacity Building for Workforce Development

Target Group Served:

Youth ages 16-25

Strategic objectives:

- Demand-driven skilled employment
- Better quality training, materials, equipment and new demand driven programs
- 24/7 utilization of facilities for full and part-time training for all levels of education and need.

Program strategy:

- Advocacy and senior executive awareness training of all departments involved in workforce training and industrial development
- Exposure of senior government echelon and key educators to modern training concepts including importance of school-industry partnerships, new employer-institutional paradigm, modern training technologies and applications for vocational / technical training and 24/7 multi purpose utilization of plant and equipment and entrepreneurial management of institutions.

Implementing agencies:

- Colombo Plan staff College, Manila (USA supports it and India is a long time member)
- Leading role model institutions such as Mafatlal, Mumbai

Technical support:

- Building the capacity of senior management cadre of Jharkhand departments dealing with workforce training and economic development.
- Monitoring and evaluation
- Three tier inculcation beginning with most senior cadre exposure to modern concepts with outputs of departmental concept white papers. Second tier designated by senior officers for similar exposure and to develop implementation strategies. Third tier designated by second tier officers for similar exposure to be product champions to implement strategies.

- Travel for top and second tier to USA to observe best practices and select USA technical advisors.
- USA Best practices personnel to India to assist in training third tier.
- Possibly manuals needed for concept implementation: e.g.: Leadership of a pro-active institution; Guidance for Industry Managing Boards; Guidance for senior administrators in working with industry management boards, etc.

Duration:

- 2 years

Cost:

Suggest budget US\$500,000

Cross-cutting SOs: / Good Governance / Education / Population, Health, Nutrition / Economic Growth/
Embassy Trade / GDA-CSR / Partnerships

Strategy 13: MSME and SME Support Through CSR/GDA

Target Group Served:

OSY ages 16-30

Strategic objectives:

- Self employment for OSY
- Employment of others by newly established MSME OSY

Program strategy:

- Although there are significant numbers of SME and MSME training programs, the need remains huge. Suggest utilize GDA and CSR mechanisms to ramp up outreach of better quality programs that contain all links in the development chain: skill training, enterprise training, start up mentoring, finance and growth mentoring and financing. Measurement of success only to be measured on numbers established in new ventures and numbers of employees hired rather than

numbers trained. Suggest a bonus system based solely on numbers established in business ventures.

- Encourage and assist development of venture capital funds for new MSMEs and MSME growth.

Implementing agencies:

So far, some good prospects have been identified.

- Mafatlal Polytechnic Institute of Entrepreneurship – re establishing MSME programs at community polytechnics and own operation;
- BYST for venture capital funds development, support and cloning;
- CAP for establishment of a venture capital fund, support and cloning
- PRAYAS for establishment of venture capital fund, support and cloning
- Mission

Technical support:

- Mafatlal Polytechnic Institute of Entrepreneurship – re establishing MSME programs at community polytechnics and own operation;
- BYST for venture capital funds development, support and cloning;
- CAP for establishment of a venture capital fund, support and cloning
- PRAYAS for establishment of venture capital fund, support and cloning
- Suggest Mission/partnership reward system US \$100 bounty for each new MSME started

Duration:

- 2-3 years

Cost:

- Mission budget suggest US\$50,000-\$150,000 for capacity building. Target GDAs for venture capital funds at minimum US\$5 million each fund. Also a task will be bringing in GDA and CSR partners also establish a bounty fund to reward NGO performance.

Cross-cutting SOs: / Education / Population, Health, Nutrition / Economic Growth / Embassy Trade / GDA-CSR / Partnerships

Strategy 14: GDA International Partnership and USA Twinning Programs for Community Colleges and Polytechnics

Target Group Served:

- OSY youth ages 16-30

Strategic objectives:

- Technology transfer resulting in better quality and better match of training to demand driven employment

Program strategy:

- Funding to USA community colleges and polytechnics to establish twinning relationships and technology transfer MOUs with states and leading institutions, both public and private sector in order to establish new market driven programs

Implementing agencies:

- USAID GDA person(s) to encourage industry partnerships
- Polytechnics (both government and NGO) endorsed by government to be regional lead institutions (centers of Excellence) to transfer concept to other polytechnics to establish community polytechnics
- Madras Centre for Research and Development of Community Education to continue work promoting and establishing Community Colleges.

Technical support:

- Technology transfer building the capacity of implementing agencies, monitoring and evaluation

Duration:

- 3-5 years

Cost:

- Budget 3 year twinning arrangements @ US\$150,000 suggest fund 100 = \$15,000,000 via DC budget 30%, Mission budget 20% and local GDA cash contribution partnerships 50%. Encourage USA institutions to also utilize GDA to lever their participation. Encourage local GDA partners to also donate equipment and materials via tax deductions.

Cross-cutting SOs: / Education / Population, Health, Nutrition / Anti-trafficking / Economic Growth / Embassy Trade / GDA-CSR / Partnerships

Strategy 15: Information, Skills Assessment and Job Search Assistance Center for In-Bound Migrants**Target Group Served:**

OSY ages 16-30

Strategic objectives:

- Technology transfer resulting in better quality and better match of training to demand driven employment

Program strategy:

- Assistance to gain formal recognition of informally-learned skills
- Career guidance / awareness of job and career

Implementing agencies:

- USAID GDA person(s) to encourage industry partnerships
- Polytechnics (both government and NGO) endorsed by government to be regional lead institutions (centers of Excellence) to transfer concept to other polytechnics to establish community polytechnics
- Madras Centre for Research and Development of Community Education to continue work promoting and establishing Community Colleges.

Technical support:

- Technology transfer building the capacity of implementing agencies, monitoring and evaluation

Duration:

- 3-5 years

Cost:

- Budget 3-year twinning arrangements @ US\$150,000 suggest fund 100 = \$15,000,000 via DC budget 30%, Mission budget 20% and local GDA cash contribution partnerships 50%. Encourage USA institutions to also utilize GDA to lever their participation. Encourage local GDA partners to also donate equipment and materials via tax deductions.

*Cross-cutting SOs: / Education / Population, Health, Nutrition / Anti-trafficking / Economic Growth/
Embassy Trade / GDA-CSR / Partnerships*

Appendix B: Case Studies

Livelihood Advancement Business School (LABS): A Project of the Dr. Reddy's Foundation, Hyderabad

Program Overview

Livelihood Advancement Business School (LABS) is a new-economy livelihood promotion training program custom designed for school dropouts, unemployed secondary school graduates, street youth, retrenched workers, migrant youth, and resettlement community members from the poorest 15% of the Indian population. It emphasizes both job placement and self-employment.

LABS is demand-driven, with a curriculum designed based on extensive market research. The curriculum and practical training modules are tailor-made based on inputs from corporations, businesses and market linkages NGOs and networks. It develops citizen-community-corporate partnerships for the underprivileged. LABS has developed a flexible learning environment that facilitates both the professional and personal growth of youth through:

- Formal education,
- Career counseling,
- Personality development, and
- Skill development and apprenticeship opportunities.

LABS training programs comprise three months' classroom training followed by three months' on-the-job apprenticeship training. While the classroom training covers academic content, theoretical concepts and subject knowledge, other relevant inputs in spoken English and work readiness skills equip students to seek appropriate entry-level positions with future potential.

Practical training, in turn, gives them a chance to hone their untapped potential and skills. LABS provides multi-skill development training to trainees based on their aptitude and potential. For example, an ITES trainee can choose from front office, billing, data entry, accounting packages, and customer response management. This ensures there is more than one best-fit market opportunity to the candidate. LABS facilitates self-exploration by the trainee of his or her potential. Saturdays are devoted to life-skill sessions that include self-exploratory exercises, group interactions, and industry interactions.

The work-readiness module teaches the students the structure and requirements of the industry they are getting into. LABS also makes the trainees aware of changing economic challenges and possible job redundancy, so that they constantly strive to upgrade their skills.

Every course is tailor-made to suit emerging industry requirements, and is administered in line with a constantly upgraded curriculum, developed with feedback and inputs from industry professionals. LABS makes available to its trainees the latest machinery and software for teaching.

Minimum competency standards are specified for every course (in job skills, life skills and work readiness). The candidates' progress is continuously assessed, and those not qualifying are given requisite reinforcement training.

Every candidate is put through on-the-job apprenticeship training. This helps them get valuable work experience, as well as gives employers the comfort of evaluating and molding the trainees to their

organizational and job requirements before absorption. Employers thus get employees who will not just use the job as a stepping stone, but individuals who will work diligently to move up the value chain.

Demonstrating the success of the Business to Youth Network (B2Y Network), as the USP of LABS, over 100 major national and international corporations and business organizations and over 4,000 local small businesses and medium enterprises have provided entry level, non-placement opportunities to the alumni who have passed out of LABS across the various centers.

Indicators of Program Success

The involvement of LABS does not end with placement. Post-placement surveys are completed to assess the success of the training program from both the graduate's and hiring company's perspective. Graduates are also able to benefit from fellowship and advanced learning opportunities offered through the LABS Alumni Association.

To date, the program has trained over 36,000 youth (17-25) from economically weak backgrounds and placed them in the salaried employment sector. They are working in reputed firms such as Pepsi, FoodWorld, Pantaloons, and Voltas as accountants and sales and customer service executives, earning between 2,500 and 5,000 rupees per month.

LABS has 65 centers in nine states, and achieves success with the help of its 27 financial partners, 500 non-financial partners and 1,000 volunteers.

Of the LABS graduates, 74% are successfully placed into non-exploitative, career oriented jobs. Eighty-two percent of the alumni invest within a year in their own advancement through enrollment into higher/technical or university education

A study done by LABS shows that students coming out of the program show a clear growth pattern in their education level. Considering that the students entering the LABS program have had a history of dropping out of high school and higher secondary school, it has a positive influence in motivating them to pursue higher education. This indicates that an intermediary program like LABS is required to generate and sustain interest among the youth for higher studies, and subscribe to concepts like open distance learning and correspondence education.

Feasibility Analysis

The LABS model has proven to be both effective in reaching and assisting its target audience and in developing corporate sponsorship. A site was visited in Pune, and the following observations were made:

- In Pune, LABS was started in 2004, and has run two sessions, with 82 participants in the first session.
- This year, Pune is ramping up to handle 500 students – this will bring costs down due economies of scale, as the teachers are already trained.
- LABS Pune started with a market survey of employer needs and found a niche with McDonald's, Pizza Hut and data entry centers. McDonald's and Pizza Hut do not want graduates - they have their own system of training and advancement from bottom up. They pay above the basic wage of 2,500 per month – usually about 3,500 per month.
- A survey (small) is being done to get feedback from clients and grads.
- Employers want communication, good English, and an out-going personality.
- First graduating group of 82 got 100% placement:
 - One year out, 60% have the same job.
 - 40% changed jobs or went into own small ventures.
 - The group started with 93, but 11 left.
 - Faculty are responsible for placing the students.

- The cost of LABS is 3,500 rupees, of which student paid 1,000. Forbes Marshall donated the balance. Students may be loaned the cost to be paid back in 3 to 12 monthly installments upon employment.
- Shopping malls pay 3,500 per month and have been identified as another good employment potential.

The assessment team interviewed 2 male graduates who were placed in the field of data entry. Their base salary is now 2,500 rupees per month for an eight-hour shift. This is up from their salary of 2,000 during the training period. If they are accurate in their work, they are eligible for a 3,000-rupee bonus.

Of these two, one has a degree in English, but was not very fluent. The second was working toward a degree while employed. One of these two young graduates aspires to become a teacher in the future, but stated that he must first raise the bribe for the position of state teacher. This bribe ranges from 50,000 to 200,000 rupees (US \$1,000 to \$4,350).

LABS programs see this level of success largely because they have the participation of the community, community leaders and employers and by the depth of training and dedication by the instructors. It is also successful because there are jobs available.

Adaptability

The concept has been proven to transfer effectively between states and regions, primary and secondary cities. It has also been successfully transferred to Viet Nam. LABS has the greatest potential in a positive economy. It could fit in Jharkhand primary and secondary cities. Focus groups indicate strong demand for more programs in Delhi.

Cost Per Student

The cost per student is 3,500 Rupees for the 3-month training and 1-month placement program. The student pays 1,000 of this total, and corporate sponsors pay the balance.

Potential for Building on Existing and New Partnerships

The project has proven to appeal effectively to corporate sponsors. Thus it is a proven avenue for funding through GDA and / or CSR mechanism.

Business and Youth Starting Together (BYST)

Program Overview

BYST works with young people between the ages of 18 and 35 who are either unemployed or underemployed. The program is geared toward individuals with sound imaginative business ideas, along with the will and determination to succeed.

BYST provides youth with all important seed capital as a loan, without asking for a down payment or collateral. This seed funding, which is provided at a special small business interest rate, can be used alone or in conjunction with financing from banks and other financial institutions.

Business proposals from potential entrepreneurs are welcome directly or through vocational schools, entrepreneurial training institutions and well established grass root and Non-Governmental Organisations (NGOs). BYST gives assistance to youth in developing these proposals.

The screening process, done by an Entrepreneur Selection Panel, (ESP), comprises experts from the industry in marketing, finance, management, etc. On approval of the proposal by them, the program provides the youth with a whole range of Business Development Services along with a Mentor, who gives guidance until the venture takes off. It is common practice to place the candidate entrepreneur in a mentor's business for up to 6 months before commencing the development of a business plan.

Mentoring models of BYST have been tailored to suit the needs of entrepreneurs who come from underprivileged sections of urban and rural societies. Two mentoring models have proved to be most successful: the "one-to-one" model is most popular in urban areas and "Mobile Mentor Clinics" are offered to entrepreneurs in rural areas. The one-to-one Mentor program follows the 'Guru-Shishya' tradition, where the teacher not only teaches, but guides and helps to develop the disciple. The Mentor gives personalized advice, maintains regular contact with the business, monitors progress, and helps in solving problems and in developing business. The interested professionals (Mentors), in turn, get a wide range of first-hand business experience and the satisfaction of helping disadvantaged youth.

The Mobile Mentor Clinics consist of a group of five or six mentors drawn from diverse backgrounds. These mentors visit the region once a month to give guidance to 4 to 6 rural entrepreneurs. Business volunteers of BYST also spend time with entrepreneurs to encourage them to develop and grow.

BYST supports ventures both in the manufacturing and servicing sector, turning job seekers into job creators. In the last decade, the trust has supported a wide variety of enterprises; from Doll Making to Desktop Publishing, and from Herbal Cosmetics to Hi-Tech Electronics, thereby enabling wealth generation. BYST enjoys the collective backing of the Indian business community, which supports the trust. They extend their support through donations, professional assistance, and sponsorship of events and by assigning Mentors, all on a purely voluntary basis.

The Confederation of Indian Industry (CII) provides BYST with both administrative support and strategic linkages. Over the years, BYST has built a strong partnership with the private sector for fostering youth entrepreneurship at the grass root level. As a founding member of Youth Business

International (YBI), UK, BYST is helping to set up similar programmes globally, while enhancing its international linkages.

Presently BYST is operational in six regions of India - Delhi, Chennai, Rural Haryana, Pune, Hyderabad, and Rural Maharashtra. Out of these six regions four regions run the urban programme, while two regions run the rural programme.

Indicators of Program Success

The target OSY are 18-35, and come from families with less than R500 in monthly income. Program success is driven by close mentoring from the beginning and for up to four years. Currently, 120 youth enter the program and start a venture each year; there have been 1,200 ventures started to date. A survey showed on average each venture employs 10 workers. Loans average 50,000R and pay back is excellent, averaging only 5% default.

Ventures tend to be small and remain small, but there are notable exceptions. Generally, the lack of venture capital in the growth stage has held back promising enterprises as banks do not “soft” finance working capital and are requiring 150% hard collateral. Although only 30% of the candidates selected are women, they make up 50% of the “high flyers” who have rapidly grown their ventures.

There are now 3,000 trained mentors across the country and 70% are in their own SMEs.

Interviews with Successful BYST Participants

Neera Jain after the birth of her second child was diagnosed with ratiantis pigmentation, leading to rapid deterioration in her vision. Through a friend, she approached BYST. BYST loaned Neeta money to buy a computer and her mentor, Askok Dayal of Bellman, Data guided her through starting a business in a related field. Today, Neeta Jain, one of BYST early entrepreneurs, heads a two million Rupee digital printing business. It has grown in a full-fledged business house providing employment to many others like her.

Leema S. came from a large a family of 9 with a meager income. She watched her father make paper mache dolls to supplement his income. Gradually, she learnt the craft. She came to BYST through an NGO at the age of 18. With the help of her Mentor, Gita Ram, and BYST support Leema diversified from traditional doll making to craft-masks and other creative items. Today she has 13 employees, including her entire family. She exhibits her work at Louvre, Paris.

Balaji came from a small village in Maharashtra and belongs to an economically disadvantaged family. He studied up to class IX. Balaji worked in various nurseries in Pune and learned the art of grafting. Balaji learned about BYST from his wife, who had attended a presentation. With her help he set up a modern nursery with a greenhouse and other facilities. Balaji converted 20% of his nursery into an organic nursery. Today his average annual turnover is over Rs. 450,000. He employs one full time and 3 part-time workers. He is covered under a Mobile Mentor Clinic.

Amin Ismael Almel comes from an economically disadvantaged family in Pune. Amin had seen a fake currency detector on a visit to bank in Pune, and thought that he could manufacture it. He became acquainted with BYST and got a loan to expand his business. Today, his team of 4 turns over about Rs. 800,000 a year. His Mentor Bharat has given him guidance for his expansion in his business.

B. Pushpa has only studied up to class V. She is a beneficiary of BYST's partnership with AIG. Starting with an initial investment of Rs. 15,000, and six workers, she now employs 40 people in her food-processing unit. Pushpa's vision is to set up a fully mechanized food-processing unit and expand her movement throughout India. Her Mentor is optimistic.

Akhtar Sultana comes from a traditional Muslim family. Her mother died at a young age and Akhtar had to discontinue her schooling to look after her six siblings. She worked in a garment unit near her house for 2 years, and with savings purchased two sewing machines and trained her younger sisters. She expanded her business with BYST support. Today she has a full time worker besides her two sisters. She contracts out work to women in the locality.

Source: EDC Assessment Team

Feasibility Analysis

BYST is in process of ramping up. It is limited only by its ability to recruit good mentors and by funding. It claims no problem getting suitable mentors, and has a training program for them. Funding has been a challenge, however. BYST has a trust that is growing – mainly through employer CSR donations – the interest being used for financing start-ups. BYST has the

cooperation of the financial community to “float” a debenture, which should bring in from 3 to 5 million dollars, which will be growth financing in a venture capital format providing capital investments between 50 thousand and 250 thousand rupees. The selection criterion for it is a minimum turnover of 250 thousand rupees. If the first debenture is a success, they will be able to issue more and rapidly expand. The debenture prospectus is targeting a 19% return on the fund (20% is common in the USA). BYST are missing the opportunity to do equipment leasing, which could lead to more ventures and venture growth.

Adaptability

BYST is now training trainers for other NGOs and in other countries. Mentoring is new in India, but is so far working effectively. The concept works in both rural and urban settings.

Cost Per Student

BYST start-up loans average 50,000 rupees. VC investments will run between 50,000 and 250,000 rupees. No operating costs were given, but the project is operating on the investment proceeds of the trust, donations and training of trainers programs.

Potential for Building on Existing and New Partnerships

The concept of the trust has proven to be excellent – not only in BYST experience but also in other operations around the world. BYST is sponsored by CII which helps it get corporate donations and will aid in growth. It may be possible to get tax deductions for corporate donations to a vocational program. It is worthy of additional encouragement through the GDA mechanism.

CAP Teen Challenge

Program Overview

The CAP Teen Challenge Project - Linking Learning and Livelihoods - is an initiative to reach out to the adolescent at risk by providing a holistic education module that combines formal education with life skill modules and career exploration opportunities through an experiential mode so as to develop confident individuals capable of self-directed growth. The program combines approaches that support young people's access to:

- Non-exploitative family supporting income opportunities,
- Integrated learning modules that include life skills and academics,
- Long term career option pathway exploration, and
- Experiential learning and accessing market oriented livelihood opportunities.

Over the last six years, the CAP Project has reached out to over 100,000 young people in urban, rural and tribal settings in India. Besides a very large and successful program in India (Andhra Pradesh, Maharashtra, and Tamil Nadu), the Project has now initiated work with specific Livelihood Reconstruction projects for Tsunami-affected young people and women in Tamil Nadu, Sri Lanka and is in the process of finalizing plans in Indonesia. The CAP Project has also initiated work with trafficked victims in Mumbai and Nepal, street children in Vietnam, and refugees and migrant workers in Bangladesh and Sri Lanka, besides working with youth from nomadic and criminally oriented communities across the country.

Livelihood Resource Center (LRC)

One of the CAP Program's major projects is the creation of a Livelihood Resource Center for Tsunami-affected communities. For this initiative, the CAP Teen Challenge group applied some of their best practices to livelihood diversification in a fishing village.

The project specializes in working with the most deprived, vulnerable and difficult to reach sections of youth and women communities at risk, and has a very strong gender perspective. The project focuses predominantly on young people -at-risk such as:

- Street youth and rag pickers
- Adolescents working in hazardous conditions
- School drop outs
- Girls, domestic workers
- Youth from minority and disadvantaged communities
- Migrant populations
- Displaced and retrenched workers
- Communities displaced through natural calamities or infrastructure development projects, youth in conflict with law
- Victims of conflict, violence and disasters
- Women from marginalized, deprived and dysfunctional backgrounds

The uniqueness of this methodology is the combination of the following priorities incorporated in the training module.

- a) Selection and identification of the trainees through a process that allows them to make an informed choice option.
- b) Facilitative practical and self-learning classroom methodology that combines academic, theoretical and technical inputs.

- c) Integration of the core competencies into the curriculum that includes Life Skill for the workplace, basic proficiency in Spoken English, Numeric skills, proficiency in operating computers etc.
- d) The work-world-oriented practical training that has high degree of integration with the professionals from the world of work through a mentoring model.

The CAP Program's LRC will undertake market-oriented Employability Skills Development Program (ESDP), Entrepreneurship (EDP), and placement support for the beneficiaries identified in Tsunami-affected communities of Nagapattinam District, Tamilnadu. LRC will garner venture support for implementing this program from government, municipal bodies, corporate, business organizations, professional networks, and financial institutions for making the program a viable and replicable model for a public private partnership paradigm.

The Center will provide for the exchange of resources, opportunities, and competencies between business and communities in order to contribute to the long-term sustainable economic development.

The goal of the LRC is to facilitate the identification and availability of market-driven potential livelihood options for below poverty line (BPL) /Tsunami-affected youth in the age group of 18 - 30 and train them in skills according to the market requirements, thereby working towards achieving the goals of poverty reduction and vulnerability. In addition, the LRC aims to provide young adults, especially women from economically weak and disadvantaged sections/Tsunami-affected women, an opportunity to assimilate into the competitive job market and to help them acquire the required livelihood and social skills in an environment of learning and mentoring that is responsive to the individual's emotional and developmental needs.

The objectives of the LRC are to help people affected by the Tsunami and also those living below the poverty line in the project towns through opportunities for acquiring employability skills. This will be done through the provision of employment through entrepreneurship training for group and individual enterprises and the provision of technical know-how and guidance for labor market access support and exposure.

The LRC targets include:

- Providing livelihood skill development programs to 900 youth of Nagapattinam District
- Providing Enterprise Development Training to 300 people of Nagapattinam
- Providing venture support to 64 micro enterprises

Prior to the launch of the LRC project, CAPS conducted a needs analysis. The objective of the exercise was to collect an inventory of potential livelihood opportunities in micro-enterprises in both agriculture and the new economy for the tsunami-affected and economically challenged youth of Nagapattinam district. The market scan included:

- Profiling the target population according to their education, skills acquired & economic background to identify needy segments and level of readiness to potential identified opportunities
- Profiling the local industry and the potential it presents given the growth and decline trends for future human resources requirement
- Identifying potential local livelihood opportunities through an analysis of human resources needs versus supply potential

- Inventorying of credit schemes available for potential linkage
- Converging the people profile with opportunity profile, within the framework of industry, lending institutions, training institutes, and other implementing agencies for the creation of livelihood development plan

The needs assessment found that tsunami-affected people are mainly engaged in fishing, daily/weekly wage earning activities, contract work in fishing and agriculture and small business ventures. Many of the youth were qualified for white-collar jobs, but were still in fishing, agriculture, and daily wage occupations.

The poor neighborhoods in the district lacked proper sanitation and basic infrastructure, and those living in villages had very low literacy rates.

Based on the preliminary analysis of investment details and market identification, the CAP Project team was able to map the potential livelihood options for Nagapattinam. These include:

- Retail
- Automobile Industry
- Telecom
- IT Enabled Services
- Hospitality
- Electronics
- Repair & Maintenance Services
- Agro Processing (Micro Enterprise Development)

CONSOLIDATED LIST OF LIVELIHOOD OPPORTUNITES ACROSS SECTORS

Opportunity	Livelihood Generation
RETAIL INDUSTRY	
Counter Sales executives& Front Office/Receptionists	90
Billing Clerks/Computer Operators	70
AUTOMOBILE SECTOR	
Sales men	60
Servicing Mechanics	45
Data entry Operators	25

Opportunity	Livelihood Generation
TELECOM INDUSTRY	
Sales Men/Collection Executives/Front Office Executives	110
IT ENABLED SERVICES	10
Data Entry	60
DTP Operators	75
HOSPITALITY INDUSTRY	
Servers, Stewards, Waiters, Front office assistants.	100
Housekeepers	75
REPAIR & MAINTENANCE SERVICES	
White Goods Servicing	35
Cell Phone Servicing	15
Computer Hardware Servicing	25
Drivers	35
Electronics	75
AGRO PROCESSING	311
Total	1216

Implementation of Micro Enterprises

The program implementation will start with the identification and selection of the prospective entrepreneurs followed by the EDP program, cluster formation, exposure visits, and implementation of the units.

The units will be given handholding services during the implementation under the supervision of the technical resource team followed by market linkages.

Clusters

Cluster	Project activity
1.	Fish Pickling, Prawn Pickling
2.	Crab and Lobster fattening, Integrated freshwater fish culture
3.	Tapioca Processing (Sago) Tapioca Chips Unit
4.	Vermi compost
5.	Seaweed utilization and culture, Ornamental fish culture
6	Salting / Drying of Fish

Convergence Plan

The CAP Project's approach focuses on public private partnership by bringing together different stakeholders involved by maximum utilization of resources available like infrastructure, subsidies, credit, knowledge, logistics, etc., to achieve the goals in sustenance.

Proposed Pattern of Stake-Holding for the Alternative Livelihood Program

- Government Departments like DRDA, Industries, Municipality, Fisheries, Agriculture
- Research Institutions like CFTRI, Tuticonrn Fisheries College
- CBOs and NGOs
- Credit Institutions like the lead bank, commercial banks, DIC, SFC
- Training Institutions
- Targeted people include unemployed youth, growers, fishermen, SHGs, entrepreneurs

Sustainability

The self-sustainable model of CAP is one in which the investment on the individual's training is recovered post placement through an installment of 3-12 months based on the level of repayment potential.

The Education Loan Product (ELP) is the self-sustainability route to any center. Students pay back their loans in 3-12 installments after they are placed and start receiving their salaries. Normally, it takes 2-3 batches before CAPS can reach a breakeven.

Indicators of Program Success

The project has identified significant employment and self-employment opportunities. However, animation of the villagers is still in process and result statistics have yet to materialize. Based on the experience of CAP Teen Challenge projects elsewhere, the potential for success and sustainability is excellent. The project works because opportunities were identified in a stable or growing economy. This may be a greater challenge in situations where the economy is in decline or stagnant or if youth were not well motivated to work for a living.

Feasibility Analysis and Adaptability

The CAP Teen Challenge process has been cloned within India and has been established in Sri Lanka and Viet Nam. It will soon be set up in Bangladesh. The variant applied to the tsunami area of Tamil Nadu has great potential for transfer to other countries, such as Nigeria, where livelihood diversification – especially targeting youth - is needed.

Cost Per Pupil

The intervention is a 12-month project costing 105 lakhs rupees.

Typically though, the program should be examined with the build-operate-transfer model over a 2-year period involving start-up costs, direct training provision costs, and the central technical support unit costs. This includes:

- a) Initial start up costs - which will then be divided across batches to work out average unit costs (averaging US \$12,000-15,000 dollars per center, depending on location)
- b) Initiating a critical/core/economically viable number of a minimum of 4-5 centers with minimum of 2000-3000 trainees per annum across the centers for a minimum of 2 years with average direct local training service provision costs of about US\$ 175,000 to US\$ 185,000;
- c) Costs to build-operate the local team with support from the central technical resource unit @ US\$ 110,000 per annum the cost of which will include market scans, local trainers costs, local capacity building by master trainers, business mentor network, visibility, liaisons and local resource, sustainability development and policy advocacy @ 2000 trainees in 4 centers, per annum should cost US\$ 170,000 per annum averaging US\$85 per trainee. @ 3000 trainees in 4 centers per annum should cost US \$ 170,000 per annum an average of US\$57 per trainee @ 2000 trainees in 5 centers per annum should cost US\$ 185,000 per annum averaging US\$ 92 per trainee.

Potential for Building on Existing and New Partnerships

The Livelihood Diversification project was sponsored by Pepsico, which indicates GDA and CSR potential with other sponsors for future projects.

Appendix C: Leading Education and Training Providers with Programs by Region

Region (Total No. of Polytechnics) Address	Sl. No.	States	No. of Polytechnics	No. of Polytechnics Co-ed/Women	Intake
A. Eastern Region NITTTR, Kolkata (112) Block-FC, Sector III Salt Lake City Calcutta- 700 106 Tel. No. : 3370937 Fax : 337-6331 E-Mail: director_nitttr_ kol@yahoo.com	1	ANDAMAN & NICOBAR ISLANDS	2	2/0	150
	2	ARUNACHAL PRADESH	1	1/0	180
	3	ASSAM	10	10/0	125 5
	4	BIHAR+JHARKHAN D	28	23/5	377 4
	5	MANIPUR	3	2/1	215
	6	MEGHALAYA	1	1/0	150
	7	MIZORAM	2	1/1	110
	8	NAGALAND	1	1/0	90
	9	ORISSA	25	22/3	288 5
	10	SIKKIM	-	-	-
	11	TRIPURA	1	1	105
	12	WEST BENGAL	38	35/3	525 5
B. Northern Region NITTTR, Chandigarh (248) Chandigarh- 160 019 Tel. No. : 54-9369 Fax : 0172-549366	1	CHANDIGARH	2	1/1	450
	2	DELHI	23	18/5	444 2
	3	HARYANA	27	23/4	395 0
	4	HIMACHAL PRADESH	7	6/1	730
	5	JAMMU & KASHMIR	13	9/4	265 6
	6	PUNJAB	35	29/6	490 0
	7	UTTAR PRADESH	114	98/16	130 65

Region (Total No. of Polytechnics) Address	Sl. No.	States	No. of Polytechnics	No. of Polytechnics Co-ed/Women	Intake
	8	RAJASTHAN	27	22/5	249 3
C. Western Region NITTTR, Bhupal (282) Shamla Hills Bhopal-462-002 Tel. No.: 54-0216 ; 54-0233 Fax: 54-0996	1	DAMAN & DIU	1	1/0	90
	2	GOA	7	6/1	775
	3	GUJARAT	38	36/2	671 0
	4	MADHYA PRADESH	53	43/10	706 0
	5	MAHARASHTRA	183	169/14	284 20
D. Southern Region NITTTR, Chennai (473) Taramani Chennai- 600 113 Tel. No.: 235-2126 : 41-4114 Fax : 235-2126	1	ANDHRA PRADESH	82	59/23	120 85
	2	KARNATAKA	188	176/12	291 42
	3	KERALA	46	39/7	602 3
	4	PONDICHERRY	5	4/1	602
	5	TAMIL NADU	152	139/13	287 10

Source: *ISTE Handbook 1998-1999*

Appendix D: Focus Group Questions and Findings

This Annex begins with a list of focus groups conducted as part of this assessment, provides the methodology and questions used for Un and Underemployed Youth focus groups, and outlines select focus group findings.

Focus Groups Held in India November 14-December 20, 2005

1. Senior Industry Executives; November 14, 2005.
2. National Labour Institute, Delhi – 14 Researchers; November 16, 2005.
3. CAP Teen Channel Program, Hyderabad - Mothers of Students; November 23, 2005.
4. CAP Teen Channel, Hyderabad - Students in 5 Class Sessions; November 23 & 24, 2005.
5. Sheraton Hotel, Hyderabad - Catering Employees; November 22, 2005.
6. Coal Mining Executives; November 24, 2005.
7. REACH Workshop - 25 NGO Officers; November 28, 2005.
8. Educated Unemployed Males, Delhi.
9. Women Poor, Un and Underemployed, Delhi.
10. Mixed Poor, Un and Underemployed, Delhi.
11. Migrants, Delhi.
12. Senior Industry Executives; December 1, 2005.
13. Madarasah Graduates, Delhi; December 10, 2005.
14. Employee discussions also held at a construction site in Pune.

Un and Underemployed Youth
Focus Group Questions
November 2005

Background

1. Why we are doing the study and what we seek:

In these focus group exercises, our core objective is to get a better understanding of the problems facing vulnerable youth in developing job skills, entering the workforce and maintaining a job. We also hope to get a clearer understanding of how information about potential jobs is circulated and the types of goals and aspirations vulnerable youth may have for employment and general improvement of their skills.

This will be combined with statistical data and similar information gleaned from employers themselves. We will then have a clearer picture of the constraints this segment of the population must overcome to attain a safe, dependable livelihood, as well as the likely opportunities for future employment and some indication of the most effective ways to address the issue. This information may be used to develop new programs that will assist vulnerable youth, so it is imperative that we capture the responses of these focus group participants as faithfully as possible.

Interview guidelines

2. Pre qualify the participants. Complete a personal structured interview where the **QUALIFICATION QUESTIONS** (see section attached) are answered. As you may find people who are illiterate, the interviewer should complete a form for each individual. The reason for this is to save time in the focus group for more probing questions.

3. Eligibility

- a. Participants must be 15-24 years of age
- b. They must have 10 years of education or less
- c. The focus groups must have a mix of both males and females (with the exception of the female-only focus group)
- d. It is also important that the youth be selected in as random a manner as possible. The participants should not know each other prior to the focus group and they should come from at least three different neighborhoods.

4. Focus group management.

- a. Gate keeping. You must act as the gatekeeper to ensure all have a good say in answering the general questions. Do not let any one individual dominate and intimidate where others fail to participate or turn off the exercise. Be well aware of time allotted for each section and push on when time flies or when discussion wanes.
- b. Get the group talking. You **MUST NOT** dominate the discussion or pass your own opinions or experiences. You are there to get the opinions of the participants. Ask questions, do not answer them. Facilitate discussion among the participants. Draw out those who don't talk by directly asking for their opinions or comments – we want everyone to participate.

- c. Encourage
- d. Let the group engage in discussions BUT keep an eye on the time and what has to be accomplished. YES, ALL sections must be covered for the essence of the focus group to be meaningful! But not all questions attached must be asked. If the discussion seems particularly productive on the primary questions, it is advisable to let it continue rather than trying to force in too many of the secondary questions. You will likely find that many of those questions are covered anyway.
- e. Payment of the participants. In this case, it is fair to use the fact that each participant will earn 100 Rupees for their full participation in the session. DO not pay until the session is completed. Ensure the participants feel their comments have been most welcome.
- f. Tape recording the sessions. Please let all know in advance that the session will be recorded for reference but that any comments made will be kept confidential. To help ensure this, do not use last names in the group.
- g. Name tags. First name a good idea.

Presenting the Results

- 5. Your report. A summary of the responses to questions identifying both how many responded to a question and listing their comments (abbreviated) is required. Also required is your general observations / impressions of some of the salient comments / sections and an overall opinion by you of the nature of the problems the group reflected.

Un and Underemployed Youth
Focus Group Questions
November 2005

1. Qualification Questions – To be asked individually of each candidate when selecting them to be part of the focus group:

- a. *Name* _____
 - b. *Age* _____
 - c. *Gender* Male ___ Female ___
 - d. *Caste* _____
 - e. *Origin - where from?*
 - i. *Greater Delhi area? Yes ___ No ___*
 - ii. *If NO, Other (please specify where) _____*
 - iii. *If not originating in Delhi, How long have you been in Delhi? _____*
 - f. *What type of work do you do now? _____*
 - i. *Is it full time? _____ or part time? _____*
 - ii. *Are you self-employed? _____ or do you work for someone? _____*
 - iii. *Did you do another type of work previously? Yes ___ No ___*
 1. *if yes, what type _____*
 2. *If yes, how long ago did you change? _____*
 - g. *What is your education?*
 - i. *0-6 years school ___*
 - ii. *7-10 years school _____*
 - iii. *11+ years school _____*
 - iv. *Any vocational training or skills acquired? Yes ___ No ___*
 1. *if yes, what _____*
 2. *if yes, where _____*
 3. *if yes, How? Formal schooling ___ or Informal ___*
 4. *Using that/those skills now? Yes ___ No ___*
-

2. Focus Group Questions

Step One: The group interviewer will explain:

1. What is the purpose of the group. (See separate sheet).
2. How the focus group is run:
 - a. You expect all to comment on each question;
 - b. Some main questions by what they say may lead to other questions;
 - c. You will be asked to comment on what others say;
 - d. There are no wrong answers! So please respect the comments of your fellow participants
 - e. Please respond as directly and honestly as possible. This will better enable the development of programs that could benefit you and your peers in the future

- f. You will be paid for your time as we value your comments highly.
- g. We will tape record the conversation for our analysis.
- h. We expect to take no more than two hours of your time.

Step Two: Questions for the group:

Section One – Problems in getting good employment?

(TARGET: 55 MINUTES)

- 1. GENERAL SUBJECT AREA:** *For those who have moved to this city to find work, do you feel it is easier to make money here than where you came from? Explain.*

- a) Easier _____
- b) Harder _____

- 2. GENERAL SUBJECT AREA:** *Have you had difficulty getting the type of work you would like?*

Primary questions

- a. *How many have had problems? _____*
 - i. *Each explain please ...*
- b. *How many finally were successful getting the type of work you wanted?*
 - i. *How did they do it?*

Secondary Questions

- c. *Have any applied for work in the formal sector? If so, how? Is there a favourite way you seek employment?*
 - 1. *direct to employer? _____ Was it effective?*
 - 2. *to an employment broker? _____ Was it effective?*
 - 3. *to a government placement office? _____ Was it effective?*
 - 4. *to a crew boss? _____ Was it effective?*
 - 5. *other _____*
 - 6. *Did you have to pay a fee to get a job? Yes__ No _____*
 - a. *How was the process structured?*
 - b. *How much did you have to pay?*
- ii. *When?*
 - 1. *Have you applied recently?*
 - a. *Type of work sought?*
 - b. *Was it the type of work you wanted?*
 - 2. *Have you given up?*
 - a. *Why?*
- d. *When applying for work, how are you generally treated?*
 - i. *By employers?*
 - ii. *By labour brokers?*
 - iii. *By crew bosses?*

- e. Do you find there are some jobs where you are excluded? If so, how/why excluded?
 - i. Do not have the skills or experience?
 - ii. Wrong caste?
 - iii. Not certified?
 - iv. Not in a union?
 - v. Wrong tribe? Or region of origin?
 - vi. Upset a labour boss or union?
 - vii. Other_____
- f. Have you sought help to find employment? Yes _- No __
 - i. If yes, who?
 - 1. Friends / relatives
 - 2. Agent / NGO/Government
- g. Where do you get your information about job possibilities?
 - i. Newspapers _____
 - ii. Radio/TV _____
 - iii. Friends/Family _____
 - iv. Government placement office? ____
 - v. Union? _____
 - vi. Other? _____
- h. What do you believe could be done to solve some of these problems? Who should take responsibility?

3. GENERAL SUBJECT AREA: When you have had employment, how well are/were you treated? (If no one employed skip this section)

Primary Questions

- a. How many feel they are fairly treated by their employer?

Secondary Questions

- b) If mistreatment mentioned, list problems

Section Two - Goals and Aspirations

(TARGET: 45 MINUTES)

4. GENERAL SUBJECT AREA: What are your goals and aspirations?

Primary Questions

- a) Do you know anyone who has been like you who has made them selves successful?
_____ List role models

Secondary Questions

- b) Why do you think they were successful? List rationale of the responders.
c) If so, do you want to make yourself successful like them? Yes__ No __ Indifferent

Primary Questions

- d) What do you want in type of work/career in next five years? _____

Secondary Questions

- d) Any future goals beyond 5 years – where do you want to be?

Primary Questions

- e) Would you like to get new skills for employment?

Secondary Questions

- f) If so, what do you think are most important? _____
g) How could/would you do this? _____
a. Full-time training? _____
b. Part time formal training while working? ____
c. Apprenticeship? _____
h) Ideally, if you wanted a new skill to get a good job, how would you LIKE to do it?

i) Where would you go to get the skill you want? _____
a. Public institution like an ITI? ____
b. Private school? _____
c. Society school (NGO) _____
d. Union? _____
e. Employer school? _____
f. Other _____

THANK YOU FOR YOUR COMMENTS!

Focus Group – Construction Workers

The construction sector accounts for upwards of 6 percent of GDP (gross domestic product) in India. It accounts for about 8 percent of the UK's GDP, 16 percent of Ireland's and 11 percent of Dubai's. The construction sector was one of the prime drivers of the impressive 16 percent growth in Dubai's GDP in 2004. The global real-estate consulting group Knight Frank has ranked India 5th in the list of 30 emerging retail markets and predicted an impressive 20 percent growth rate for the organized retail segment by 2010. The organized segment is expected to grow from a mere 2 percent to 20 percent by the end of the decade, it said.

Investment in the retail construction segment yields 13-16 percent. There are, of course, exceptions such as the National Capital Region, where the prices of residential property have appreciated by 20 to 30 percent over the last one year. HDFC, the investor in Shoppers' Stop in Pune, recorded a 15.43 per cent net return per annum on its initial investment. According to a survey by real estate consulting firm CB Richard Ellis (CBRE), office space in Mumbai is more expensive than Manhattan. The CBRE survey, called Global Market Rents, has ranked Mumbai as the world's 15th most expensive place, Manhattan, the 20th, while Delhi stands at the 32nd position. The cost of occupation in Mumbai is \$56.83 per square feet per annum, while in Manhattan, it is \$52.04 per sq ft and in Delhi, it is \$40.62. Technically, occupation cost represents rent plus local taxes and service charges.

The Construction Boom

Over 200 malls with a combined retail space of 25 million square feet are sprouting across the country at an investment of Rs 125 billion (US \$2.7 billion) – more than eight times Rs 15 billion invested up to 2004. According to an ICICI study, malls are estimated to become a Rs 384 billion (\$8.3 billion) sector by 2010. As the competition in the market is intense, builders are going out of their way to be different. Specialized malls have become the order of the day. Gurgaon, on the suburbs of New Delhi will soon have an auto mall and jewelry mart, while Bangalore is about to get an exclusive furniture mall.

Similarly in the home segment, which is driven by the availability of easy home finance, most builders are trying to woo investors with interesting features, each more tempting than the other. Closed-circuit television and earthquake proofing are expected as standard features in most up market blocks. Evershine Builders, for instance, is providing a range of facilities from modular kitchens to piped gas and Internet connections. Some of its flats are even fully furnished.

Demand for Labor

As a result of this frenetic activity the demand for labor, skilled and unskilled has sky rocketed. Builders across the country depend on labor contractors who use their kin and kith and their traditional village ties to bring in migrant labor. This labor works on site and lives there, and soon as one construction activity gets completed goes across to a slew of options available across the country. Typically wages in this segment have grown by 300 per cent for skilled labor and a 100 per cent for unskilled in the last five years.

Focus Group

Construction Site – Pune

This site is that of a huge commercial building, claimed by the builders, Chesterton Meghraj, to be the largest such space in India. The scale is indeed impressive 700,000 square feet of built up area over 10 acres of land. The contractors building the place are a twenty-year-old large firm with a turnover of Rs. 25 billion (US \$540 million), based in Mumbai, Shahpurji Pallonji.

This site hires nearly 500 manual workers and about 200 skilled and semi skilled labor.

Engineer

- a. Could easily hire twice the number today
- b. Big problem because of non availability of labor due to huge demand
- c. Pressure from the strict contract clauses which impose huge penalties for delay
- d. Therefore the demand for skills
- e. Competition the biggest factor causing shortage of labor
- f. Also policy – especially the Migrant Labor Act and the Contract Labor Act
- g. Demands on employer usually unfair and unreasonable
- h. Therefore the pressure form various regulatory bodies
- i. And corrupt labor inspectors
- j. Laments the absence of any institutional set up providing training and skills to construction workers
- k. Says statutory requirements such as open spaces, hospitals, Provident funds, pension contributions take away from the wage that a laborer expects at the end of day.
- l. Nearly 40 percent of the cost to company gets impounded by the state.
- m. The construction worker is not interested in savings or deferred income.

Bender/Rebar

- a. This person, Birju, 28 years old has been working on the site for 6 months.
- b. Gets paid Rs 150 a day.
- c. Is a tribal from Jharkhan
- d. Has learned on the job
- e. Worked on a railway construction site in Punjab and then in Delhi
- f. Was brought here by the same contractor who hired him earlier in Delhi
- g. Has a couple of helpers who train under him
- h. Would earn barely 30 rupees a day three years ago
- i. Family, wife, kids and parents back home in Jharkhand
- j. Has studied a little – attended school till the 5th standard

Mason

- a. Shafiq is from Uttar Pradesh.
- b. Has been a mason for nine years
- c. Learnt skills from his uncle
- d. Came here with a few others from his village
- e. Family owns land but not enough for nine people in the family
- f. Earns Rs 180 a day, up from about 60 rupees five years ago

- g. Because he has learnt how to use a plum line, a T square and is now a Mason
- h. Stays away from family – does not enjoy it all, but is compelled for survival reasons
- i. Says skill can be picked up by anyone – someone bright could learn in three days, others in a month's time

Manual labour

- a. Lakshmi is sixteen years old
- b. Has been working on this site for six months
- c. Is single and has never been to school
- d. Came from Jharkhand with her brother
- e. Says there are 12 such young girls working on this site
- f. No one has ever gone to school
- g. Their brothers do go to school, but the families can't afford it for the girls
- h. Also, the school is of at some distance from her village
- i. Gets paid Rs 60 a day
- j. Goes back home for a couple of months during the harvest season

Summary

A typical construction worker on this site:

- Migrated from Karnataka Jharkhand or Orissa, and is unskilled, especially if female or very young male.
- Has some land in the village, which he tends to during the sowing and harvesting season. This village is usually remote and disadvantaged. Agricultural inputs are not available, agricultural productivity is low and farm income insufficient for the family
- Is living here alone as his family stays in the village.
- The woman work force here is typically single, young, accompanied by a brother, unlettered and unskilled.

A construction site is a microcosm of communities that are the most vulnerable in India – women carrying concrete, tribal manual labor, lower caste benders and electricians, Muslim masons and brick layers. All this run by urban educated engineers grappling with harsh regulation, tremendous competition, poor infrastructure and corrupt bureaucracy.

The Coal Industry - Background

India is the third largest hard coal producer in the world. Coal India produces 86 per cent of coal in India. Operates as a public Sector undertaking under the Ministry of Coal, Government of India. CIL operates through eight subsidiaries. These eight subsidiaries were all represented at the focus group (comprising 22 senior managers from the coal sector) held on November 24, 2005 at Hotel Mayfair, Darjeeling.

1. Eastern Coalfields Ltd.(ECL),
2. Bharat Coking Coal Ltd. (BCCL),
3. Central Coalfields Ltd. (CCL),
4. Northern Coalfields Ltd. (NCL),
5. Mahanadi Coalfields Ltd. (MCL),
6. South Eastern Coalfields Ltd. (SECL),
7. Western Coalfields Ltd. (WCL) and
8. Central Mine Planning & Design Institute Ltd. (CMPDIL).
9. Singareni Collieries, Andhra Pradesh
10. Neyveli Lignite Corporation, Tamil Nadu

Coal India currently operates 484 coalmines and 18 washeries spread over eight states. Of these, 359 are underground and 137 are opencast mines.

While the bulk of Coal India's production comes from opencast mines, employment is concentrated in underground mines. Last year, Coal India produced more than 280 million tons of coal, of which 75% came from opencast mines and 25 per cent from underground mines. Of the half a million coal miners, 80% were employed in underground mines and 20 in opencast mines. On average, labor productivity in underground mines is only one-seventh of that in opencast mines.

The wages of coal miners are relatively high, about 10 times the minimum wage, underground mines account for most of Coal India's financial losses. For example, a loader gets paid between Rs 10,000 and Rs 18,000 a month, and drivers get paid (with overtime and other perks) about Rs 20,000 a month.

The coal sector is a large employer of unschooled, untrained and vulnerable youth. Coal India is possibly the largest employer of the population that has not gone through formal schooling, with half an million employees and miners. This figure is down from an all time high of 750,000 in 1995-96. It engages nearly 300,000 contract labor in addition to the half million on its rolls. This labor force is untrained when it is hired and most employees have not been to secondary school. A large chunk of this labor comprises migrant population working in forests and tribal lands, usually at considerable distances from urban habitation. All training is provided in-house, both for the contractual labor and the employees. Each subsidiary has training institutes and apprenticeship programs.

The focus is on safety and training on working on open cast and underground mines. Until a few years ago, Coal India provided automatically employment to 'land losers', usually one job for two acres of irrigated land or three acres of non-irrigated land. In spite of the fact that miners received wages that are

about 8-10 times the minimum wage, Coal India could afford this practice as long as the Government set coal prices on a cost-plus basis, subsidized Coal India's investments and covered Coal India's cash losses. Post 1991, the Government began to phase out its subsidies to public sector enterprises including Coal India. While Coal India no longer receives subsidies from the Government, it has a surplus of expensive mine labor, which it has to finance from its own resources.

Focus Group Discussion – 14 November, Surat

This group comprised five senior managers at some of India's top corporate houses. The Executive Director at Reliance Industries, Hazira plant, the President of Bharti enterprises food-processing unit FieldFresh, the Human Resource President at DCM groups chemical industry and human resource managers from two large state owned enterprises were asked a series of question.

Participant Concerns:

- The education system in India has suffered on account of being urban centric and not addressing indigenous needs. As a result the country has nearly 400 million illiterates today. This despite a large network of government run schools, more than 150,000 of them and an extensive web of universities and colleges run by the government. Education is one area where the informal and unorganized market has been effective at the primary level and has supplied services against all odds.
- Large and inefficient government run schools where the cost incurred per student is often very high characterize the educational situation in India. In the face of poverty and reliance on the primary sector, the poor often are unable to send children to schools even a few kilometers away. As is to be expected, government run schools abound in urban and semi urban areas. In this skewed distribution, obviously the hardest hit are the poor and those in remote areas.
- The focus so far has been on enrolment, compulsory attendance and in some states on mid day meals. This way the state expects to draw more students in to class and retain them. These have not worked, due to the obvious reasons of an inability to see any good coming out of an education system that is not geared to meet local needs and seldom offers training that would make a student employable. This climate has also discouraged private players from entering the education sector in rural areas.
- Recruitment therefore is often a problem. Local populations are seldom well trained despite the presence of Engineering colleges and institutes offering technical diplomas
- As a result, recruitment is centralized in Delhi or Mumbai. Fresh workers are then transferred across the country and placed in unfamiliar locations.
- Therefore attrition level is high – in the private sector a fresh diploma holder stays in her first job for an average of two years.
- Training costs are high, in the range of Rs 35,000 – Rs 60,000. (800 USD to 1,200 YSD) and training takes anything between 4 and 10 months. These are base costs and do not include capital costs and time costs of trainers.
- Fresh students are never trained enough to take on the job and need skill development that happens at the shop floor and in-house training schools.
- Entry-level salaries vary from Rs 3,000 to Rs 6,000 (70 USD to 120 USD).
- There is a great deal of concern on future needs as each player foresees between 10 to 12 per cent growth in production and therefore the need for commensurate growth in workforce.

Focus Group Discussion – NGO Education Providers in Jharkhand

This focus group consisted of 29 teachers, project coordinators and development professionals working in Jharkhand. They were assembled at Ranchi for a workshop on practicing active learning strategies for at risk children.

These 29 people together are responsible for teaching a total of 35,000 students who all come from the most vulnerable groups of the region. These students are typically those who come from a poor household that earns less than Rs 3000 rupees per month for a household size of five. A third of these students are tribal, the rest are made up of predominantly the scheduled castes and the Muslims.

Some of these schools charge a small fee – and about 50 per cent of the students pay the Rs 2 a month that is charged in most schools. Some schools even charge up to Rs 500 a month and provide computer education and transportation. Most schools provide co-educational environments. A third of the students in all these centers together are girls. Most parents are agricultural workers, and the ones with jobs are employed with the transportation and the coal sector that abounds in Jharkhand.

Participant Concerns:

- a. The need for more vocational skills
- b. Suggestions are – typewriting, computers, stitching, management skills, agro processing, embroidery, entrepreneurship and animal husbandry.
- c. Most teachers see a not so bright future for their students
- d. When asked what they see their student doing ten years hence, the answers were eclectic
- e. Most teachers said their students would be drivers of heavy and light commercial vehicles
- f. Some would have set up their shops
- g. Some would deal in non timber forest produce
- h. A large number of girls would work as housemaids or nurses
- i. Poultry is a likely option too
- j. Some would come back to school as teachers
- k. A few would get jobs as computer operators
- l. Some would get jobs in the NGO sector
- m. But what is distressing that at least five people in the group considered it a strong possibility that their students would end up as gunmen, in the naxalite army, workers in illicit distilleries, or kidnappers operating for economic gain.

What is important in this context is the fact that Jharkhand is a tribal state, predominated by forest land, low agricultural productivity, poor infrastructure, relatively high literacy, and a large mobile population that migrates seasonally to states like Maharashtra and Punjab for skilled and semi skilled work. A new state, it is precariously poised with a majority of its districts under naxal authority where the state influence is on the wane. On the other hand it has a fair number of good schools run traditionally by

Christian missionaries. Soon one hand is lawlessness; on the other is access to schools. But the lack of industrialization and the poor growth in agri business and food processing has necessitated a migration that leaves a number of these workers vulnerable to a thin market and a poorly implemented migrant worker law.

The teachers in this focus group are clear that students need to learn English, develop their personality, develop general awareness and get skilled in various multi skilled programs that would enable them tackle the volatility in a high growth economy.

Madarasahs

The Madarasahs, or seminaries, in India have, for more than eight hundred years provided free education to the very poor. These Madarasahs, except in rare cases, do not get any government funding. They are run completely on donations from the members of the community. These members are, in a sense, stakeholders in the institution and ought to monitor the use and abuse of these institutions. In this focus group, the aim would be to explore views on the efficacy of the Madarasah system, its unique curriculum and employability of its students. There are in India, to quote one estimate, 40,000 Madarasahs catering to a million students in the 10 – 24 year age group. These are largely poor, rural, Muslim and male populations.

According to Home Ministry sources, there are 721 Madarasahs catering to over 120,000 children in Assam, 1,825 Madarasahs catering to over 120,000 children in Gujarat, 961 Madarasahs catering to 84,864 children in Karnataka, 9,975 Madarasahs catering to 7,38,000 children in Kerala, 6,000 Madarasahs catering to over 400,000 children in Madhya Pradesh and some 1,780 Madarasahs catering to over 25,000 children in Rajasthan. In Uttar Pradesh, the number of maktabas is more than 15,000 and the number of Madarasahs is above 10,000. There are over 3,500 Madarasahs in Bihar, including 1,111 under government control where the Bihar government pays the salary of the teaching and non-teaching staff. There are 507 Madarasahs affiliated to the West Bengal Madarasah Board in which about 200,000 boys and girls study. In addition, there are many unregistered seminaries.

The aim of focus group discussions is to answer the following questions:

- a. How much does it cost to make a poor student literate at the Madarasah?
- b. Who benefits from the Madarasahs and how much? Where do the graduates find employment?
- c. What ails the Madarasahs? Our earlier study finds that there is an eagerness to modernize syllabi and learn new skills. What would it take to operationalize this keenness?
- d. Why does the larger society mistrust these institutions? Why is the government wary of them? How can this be mitigated?

All these outcomes clearly benefit the poor and the illiterate. They also provide the government with valuable insights and help in finding alternate routes to universal literacy. Routes that are more market based and involve voluntary action, and also could benefit from a healthier public private partnership.

The Madarasah Student in India

Most mosques have a primary religious school or maktab attached to them, where Muslim children learn the Qur'an and the basics of their faith. For children who desire to specialize in religious studies and train as imams and maulvis, numerous large seminaries or Madarasahs exist, with each Muslim sect having its own chain of such institutions. For many poor families, Madarasahs are the only source of education for

their children, since they charge no fees and provide free boarding and lodging to their students.¹ Given the dismal level of access to education, and the increased mistrust of the curricula of government schools, Madarasahs are often the only available educational option for children from poor Muslim families, who are, along with Dalits, the least educated community in India.²

Many teachers as well as students of Madarasahs increasingly realize the datedness and irrelevance of their curriculum and methods of teaching. The danger to Madarasahs comes not so much from the outside, but from within. This is manifest in the form of animosity and competition among Madarasahs of different maslaks (schools of thought).³ Most Madarasah graduates are taught how to put down the other school of thought (through an interesting expertise called the *Radd*, meaning to argue against, but in reality translates to “rubbishing”) whenever chance permits. The *Radd* is not targeted at other religions, but at the various Islamis sects and more specifically at other Madarasahs run by rival sects. The other danger is the quality of teaching and instruction in the Madarasahs today. Barring the top few, most Madarasahs have teachers who have little knowledge of subjects other than that of religious texts.

The Madarasah Teacher in India

Generally, the management adopts an insulting attitude towards teachers.⁴ Students study aimlessly and teachers teach arbitrarily, without any enthusiasm. Out of the 8,000 Madarasahs, only a few of their pass-outs get admission in universities for higher studies. Some of them go in for professional courses such as Bachelor in Unani Medicine & Surgery (BUMS), Arabic-Urdu translations, etc. Some go into teaching and most of them go back home with no definite aim.

One of the major reasons for this unimpressive performance is the educational infrastructure available. Both teachers and students live in cramped quarters, without proper lighting, fans, beds, desks and chairs, and toilets. Most of them neither have playgrounds nor any library. Salaries are low and stagnant. Since

¹ Since Madarasahs run on charity, they are often looked down upon by the Muslim elite. Affluent Muslims do not send their children to Madarasahs. As a result Madarasahs have become veritable orphanages. Syed Shahabuddin says, "Hunger for education is increasing and even poor families are investing in education. In Muslim areas, one sees private schools sprouting as also private Madarasahs. They compete with each other. Naturally the well-to-do go to schools; Madarasahs care for the poor" (Muslim India, October 2001).

² This mistrust goes back to the days of the British and more particularly the Wardha scheme of education. The latter probably ensured that Muslims would not trust government backed schools and their curricula. The Wardha scheme was taken as a rigid framework to propagate the ideas of a political party. The fact that the Wardha scheme also replaced Urdu with Hindustani made a number of people uneasy.

³ "There were rival Islamic reformist schools in the quest for true Islamic practice. One group, the Ahl-i Hadith, for example, in their extreme opposition to such practices as visiting the Prophet's grave, rivaled that of the Arabians typically labeled "Wahhabi." The "Wahhabis" were followers of an iconoclastic late 18th century reform movement associated with tribal unification who were to find renewed vigor in internal political competition within Arabia in the 1920s. From colonial times until today, it is worth noting, the label "Wahhabi" is often used to discredit any reformist or politically active Islamic group. Another group that emerged in these same years was popularly known as "Barelvi," and although engaged in the same process of measuring current practice against *hadith*, was more open to many customary practices. They called the others "Wahhabi." These orientations -- "Deobandi," "Barelvi" or "Ahl-i Hadith" -- would come to define sectarian divisions among Sunni Muslims of South Asian background to the present. Thus, *ulama*, mosques, and a wide range of political, educational, and missionary movements were known by these labels at the end of the twentieth century, both within the South Asian countries of India, Pakistan, and Bangladesh, as well as in places like Britain where South Asian populations settled." (*Barbara D. Metcalf, Op. Cit.*)

⁴ See the observations of M. Shoeb Ansari in the preface to his book, *Education in Dini Madaris*.

most of the teachers are untrained, capital punishment is generally practiced. Students of different ages study in the same class. There is hardly any motivation to excel. Learning by rote is the norm. Very few teachers use blackboards and other teaching aids. All these issues make the learning poor and tardy.

Structure of the Madarasa System

Institutions known as Madarasa may be divided into three categories:

- *Maktab*
- *Madarasa*
- *Jamia*

Maktabs provide instruction in religious as well as some secular subjects up to primary stage. They function from a masjid or a small modest building. *Madarasahs* are institutions imparting education generally up to senior secondary level. *Jamias* are institutions of higher learning providing instruction up to post-graduation and specialization level. Every Madarasa follows its own pattern in the matter of study structure. There is no uniformity with regard to subjects, books or emphasis. Secondly, there is no uniformity in the number of years for preparing students for various degrees.

Let us take the example of the Bihar Madaris Education Board which is government funded and has a semblance of organization.⁵ It entails 17 years of study for graduating as a *Fazil*, which is equivalent to M.A. The Madarasa Board Curriculum also provides for transfer of Madarasa boys to the general schools at various stages. For example, a student having completed *Wastania* could join a high school of the general educational system.

What the Madarasahs Teach - the Curricula⁶

At the moment, it is difficult to make any generalized statement about the Madarasa curriculum. Every Madarasa follows its own pattern in the matter of curriculum. There is no uniformity with regard to subjects, books or emphasis. Secondly, there is no uniformity in the number of years for preparing students for various degrees.

After examining the curricula of the 14 well-known Madarasahs, Manzoor Ahmed⁷ observes that the subjects taught in these Madarasahs can be divided in four categories:

1. Languages and Literature
2. Contemporary Learning

⁵ There are about 3,500 madarasahs in Bihar, including 1,100 state-run Islamic schools where the teaching and non-teaching staff get their salaries from the government. The remaining 2,500 madarasahs are affiliated to the board. The Bihar government was one of the first in India to give a clean chit to madarasahs and laud them for doing commendable work last year. It also said it had no information about any objectionable or anti-national activities in madarasahs. (*RSS plans 40,000 schools to counter 'madarasahs' along borders*, Imran Khan, Indo-Asian News Service, Patna, Feb 27)

⁶ A curriculum is a means to achieve the objectives of education. It can be defined as the planned experiences provided by the school to assist pupils in attaining the designated learning outcomes to the best of their abilities. A syllabus on the other hand would down its scope to the various details to be studied in the subjects included in the curriculum.

⁷ See the chapter "An Appraisal of Islamic Curricula in India," in *Islamic Education* (47-48 pp.)

3. Commentary and discourse
4. Law and Jurisprudence

In the language section, Urdu, Persian, Arabic language and literature, and at places Hindi and English are taught in various Madarasahs.⁸ In contemporary learning, mathematics, General Sciences, Hygiene, Geography, History, Economics, Political Science, and Philosophy are taught. In the third category, Sarf-o-Naho, Mantiq, Falsafa, Balaghat, Hayyat, Tafseer-e Quran, and the art of manazirah are taught. The fourth category consists of Fiqh, Usool-e Fiqh, Hadith, Usool-e Hadith, Aqeeda, etc.

Some of the major problems of curricula in Madarasahs are:

1. The curriculum puts undue emphasis on memorization drill and repetition. It fails to create the width of vision, a scholarly objectivity and freedom of thought that are essential for missionary work.
2. There is difference in emphasis laid on the study of subjects taught in various Madarasahs.
3. There is not much emphasis on the study of the Holy Quran. The syllabus of Arabic literature is old and archaic, and modern writers hardly find any place in it. Fiqh (Jurisprudence) is taught in a partisan manner, creating *Maslaki* differences.
4. The contemporary subjects are taught in a slipshod manner. As a result, students are not able to get an insight into the problems.

Some Islamic scholars and educational bodies are trying to update the syllabus. One of the most interesting efforts has come from the U. P. Arabi Farsi Board. Commissioned by this board, Dr. Ghulam Yahya Anjum of Jamia Hamdard, New Delhi has come up with a revised syllabus⁹. This syllabus has been implemented across all those Madarasahs in UP that are supported by the government. Dr. Anjum claims that the revised syllabus can make a student of the Madarasah system at par with the student of a modern secular institution.

Reforms in Curricula

Madarasahs in India have been undergoing vigorous reforms in the recent decades to enable their graduates to keep pace with the fast changing world and meet the requirements of the community at all stages.¹⁰ The Islamic seminary Darul-uloom at Deoband introduced computer applications in its curriculum in 1994. Apart from computers, a few other technical courses have also been given included in the curriculum of the seminary.¹¹

⁸ In South India, students are also taught regional languages.

⁹ For the detailed syllabus, see *Nisab-e Taleem*, by Dr. Ghulam Yahya Anjum, Jamia Hamdard, 2001.

¹⁰ After going through the curricula in vogue in important Madarasahs like Darul-uloom Deoband, Darul-uloom Nadwat-ul-ulema, Lucknow, Jamiatul-falah, Balaria Gunj, Jamiatul-Islah at Saraimere and Jamia salafiah at Varanasi, all in Uttar Pradesh, one has to confess that the charges of stagnation and statusquoism against Madarasahs in India are primarily a result of the sad state of education in the country as a whole. Madarasahs by and large follow the same pattern followed by government run primary schools and teach using the same old syllabi and outdated texts.

¹¹ In contrast to this kind of reform, a Pakistani scholar has a different line of reform as a suggestion; "In Pakistan even the modern educational system is like the Madarasahs as far as the curriculum is concerned. The only way out is to radically change and reform the curriculum and introduce the teaching of social sciences. Instead of doing this, our government is focusing on the

The Darul-uloom Deoband syllabus includes Modern Indian History, Islamic History, Civics, Geography, General Sciences, principles for health care, the Indian Constitution, principles of economics, philosophy, life history of modern philosophers and computer applications¹². While discussing Darul-uloom Nadwat-ul-ulema at Lucknow, one should not forget that a fair knowledge of the English language has been a special feature of this Islamic seminary. Right from the day one this seminary has adopted English Language and Literature as one of the elementary subjects. In a total of 16 years of study it lays emphasis on English Language and Literature at par with other Islamic disciplines. From the primary level, it teaches various modern disciplines, especially English, Hindi, Science, Indian History, Economics almost up to the graduation level.

Madarasahtul-Ishah, which is the living expression of the dream of Allama Shibli and Allama Hameeduddin Farahi, provides knowledge of modern disciplines. It includes in its curriculum English Language and Literature, history of classical and modern philosophy almost up to the graduation level. Other Madarasahs like Jamiatul-hidaya in Rajasthan which teaches not only the afore-mentioned disciplines but Business Management, Commerce and Agriculture as well, and the Jamia Mohammadia Mansura at Malegaon produces medical practitioners, as medical science is one of the distinguishing features of this Madarasah. Looking at the present curricula of above mentioned Madarasahs one could argue that Madarasahs in India have already been modernising their syllabi. However, this is a far cry from what the modern technology driven market demands.

Funding

All Madarasahs are charitable institutions.¹³ Almost all of them depend on the support of charity. Most Madarasahs have their designated “*Safeels*” (charity collectors) who go door to door to the Muslim masses to collect money. Sometimes, some individual chooses to give a Madarasah a big grant. People

introduction of the natural sciences in the Madarasahh syllabus and is also providing them computers. I think this is a useless exercise. It is the social sciences that make people to think and helps them open their minds, not the natural sciences.” (Mubarak Ali is a leading Pakistani scholar and activist; he said this in an interview to Yogendra Sikand)

¹² Asghar Ali Engineer’s views on curricular reforms are as follows: “I have been critical of the dars-i-nizami, the syllabus which is used in most of the Indian Madarasahhs. This syllabus is, in my view, outdated and needs to be revised. Madarasahhs still teach subjects like ancient Greek philosophy and Ptolemaic astronomy, which they wrongly consider to be somehow part of the Islamic tradition. At a certain stage in history perhaps these subjects were useful, but are no longer so and so should be done away with. I am not alone in saying this- many 'ulama hold the same position. In place of the old and outdated 'rational sciences' (ma'qulat), modern social and natural sciences and humanities should be taught, as well as comparative religions. In this way, the graduates of the Madarasahhs would be better informed about the conditions of the modern world and hence would be in a better position to give their legal opinions (fatawa) on matters related to Islamic jurisprudence. Christian seminaries are doing this today. Catholic priests are studying, besides their own religion, subjects like history, economics, sociology, political science and comparative religions, and so are better equipped to handle the challenges that modernity places before us all. In medieval times, leading Muslim 'ulama did likewise. Faced with the challenge of Greek philosophy, they mastered it, and medieval Madarasahhs produced leading Muslim philosophers, scientists, logicians and mathematicians, who were also pious Muslims themselves. So, there is no reason why the 'ulama of today shouldn't do the same, and learn modern subjects. Instead of blindly opposing the Madarasahhs, I feel one should think of ways to creatively work with them for reform. After all, for many Muslims, especially the poor, Madarasahhs serve a valuable function of providing free education and literacy.”

¹³ According to Pakistani President Gen. Pervez Musharraf in an interview with CNN, “actually those who know what is going on in Madarasahhs would support this point that I'm going to tell you, that this is the biggest welfare organization anywhere in the world operated today--about 600,000 to 700,000 children of the poor get free board and lodge, and they get free education (Amanpour, CNN)

donate their *zakat* and *fitra* to these seminaries. During Id-ul-Azha, Muslims often donate the *charm-e qurbani* (the skin of the slaughtered animal) to the Madarasahs. Some Madarasahs have permanent sources of income, such as land, buildings and other property that produce regular returns.

In some states, such as Bihar, Bengal, and U.P., there are Madarasah boards, just like the school boards. The government in these states allocates some funds to those Madarasahs that are registered with the Madarasah board.¹⁴ The number of such Madarasahs, however, is very few.¹⁵ Most Madarasahs choose to survive without government grants because of two basic reasons: one, they feel government funding would lead to governmental intervention in their work, jeopardizing their independence; and two, the teachers of such government supported Madarasahs start behaving like government employees (having the assurance that whether they work sincerely or not, they will get their salaries).¹⁶

There are really a very limited number of Madarasahs that fall in the third category of funding.¹⁷ Rich Arabs from the Middle East bankroll most of these Madarasahs. Most of these are the ones who are charged, mainly by other Madarasahs, for propagating the Wahabi¹⁸ brand of Islam in the country. The annual budgets of Madarasahs range from several hundred thousand US dollars to just a few thousand. For example, Darul Uloom Deoband spends about US \$650 million annually, Jamia Salfia half that and Jamiatul Falah only US \$ 21,000.¹⁹

The Nadvatul Ulema is an interesting case in point. The school has 4000 students on its rolls. Admissions are open to children who are at least 10 years old. These students predominantly from Bihar, but also from UP, Kerala and Assam, are short-listed based on their mailed application. These short listed ones then go through an entrance test. Those who qualify are offered admission. The better off pay Rs 300 a month towards their food expenses, and Rs 12 a month for electricity. Most students are not charged even this amount. The sixty faculty members are paid between Rs 3000 and Rs 6000 a month. The Nadva also maintains a huge library, and a big mosque. This institution has steadfastly been refusing any government

¹⁴ In West Bengal up to 1977 there were 238 official Madarasahs. During the LF rule from 1977 onwards so far additional 269 new Madarasahs have been opened. The budget allocation for Madarasah education was Rs 5.06 lakh in 1977. In the 2000-2001 budget, it was Rs 115 crore.

¹⁵ The Union Minister of State for Home, Ch. Vidyasagar Rao, has urged the State Governments to be vigilant while registering 'madasarahs'. He has said his appeal follows a study by a group of Ministers, which found that 'madasarahs' were proliferating in the country with 11,453 existing in 12 States bordering the country. The Centre has only one legislation – the Religions Institutions (Prevention of Misuse) Act of 1988 – to deal with the problem provided a religious institution runs the madasarah whereas their registration and regulation is the responsibility of State Governments. (*The Hindu*, May 19, 2002, <http://www.hindu.com/thehindu/2002/05/19/stories/2002051901361000.htm>)

¹⁶ Well-known Madarasahs including the three at Deoband, Lucknow and Saharanpur which are recognized by the community, have refused to accept government aid since 1947, though they had played a major role in mobilizing Muslims for anti-British freedom struggle.

¹⁷ The Union Minister of State for Home, Ch. Vidyasagar Rao said religious institutions in the country were receiving nearly Rs. 4,000 crores under FRCA with Tamil Nadu, Delhi, Andhra Pradesh, Kerala and Maharashtra being the top five recipients. (*The Hindu*, May 19, 2002)

¹⁸ The "Wahhabis" were followers of an iconoclastic late 18th century reform movement associated with tribal unification who were to find renewed vigor in internal political competition within Arabia in the 1920s. From colonial times until today, it is worth noting, the label "Wahhabi" is often used to discredit any reformist or politically active Islamic group. (*Barbara D. Metcalf, Op. Cit.*)

¹⁹ M. Shoeb Ansari, *Education in Dini Madaris*.

aid or control, and generates all its money through its own network of sponsors, and is therefore able to maintain its reputation as an important seat of learning all over the Islamic world.

Apprehensions

Many Muslim scholars apprehend that in the name of modernization of Madarasahs, the government may have been trying to deprive them of their independence and autonomy. The core of the Madarasah education must remain religious and, therefore, by definition 'modernization' or 'secularization' has its measurable limits²⁰. Only some elementary courses in languages like Hindi, English, (or the regional language), arithmetic, geography, history and social studies need to be added as the major Madarasahs have been doing by themselves over the last century. The major Madarasahs have also been restructuring their programme of studies in a manner so that if a student wishes to leave the Madarasah in mid-stream and take the middle or high school examination or enter the universities for undergraduate or postgraduate education, he may do so. Some Madarasahs have introduced vocational courses so that their products do not depend solely on serving as teachers or Imams.

The Madarasah Modernization Scheme

The Ministry of Human Resource Development, Govt. of India, had a series of meetings with representatives of the Madarasahs discussing the desirability of their modernization and clarifying that it would not entail either compulsion or interference by government. After being satisfied with the result of these discussions, the Ministry formulated the scheme of modernization of Madarasahs.²¹

The main features of the scheme, launched in 1993-94, are as follows:²²

1. The objective of the scheme is to encourage traditional institutions like maktabas and Madarasahs to introduce teaching of science, math, social studies, Hindi and English in order to provide opportunities to students to acquire education comparable to the national system of education.
2. The process of modernization is entirely voluntary.
3. In the first phase, primary classes of middle and secondary level Madarasahs were to be covered. In the second phase (during the 9th Pan), the coverage was extended to institutions providing education equivalent to secondary stage.

²⁰ "I don't know what the international community can do except encourage national governments to change the system of education. There is a lot of change which is taking place in many countries around the world in the old system of Madarasahh education. In our own country, in India I am aware of the fact that now Madarasahhs are taking to information technology, they are using computers to train their students in a totally different kind of environment, and I think that is a kind of sustained effort which we need to pursue not only with regard to Madarasahh education but with regard to all education which is based on religion." *India's Foreign Minister, Yashwant Sinha in an interview*, <http://www.brook.edu/dybdocroot/comm/events/20020910.pdf>

²¹ Syed Shabuddin sees it in a different light: "In India, there has been a systematic campaign to vilify the Madarasahhs as dens of the ISI and as shelters for the terrorists and the militants over the last few years. Out of this distrust and suspicion, came the Central Scheme for the Modernization of Madarasahhs Education."

²² For further details, see Evaluation Report on Modernization of the Madarasahh Education Scheme(UP), Hamdard Education Society, New Delhi, 2003.

4. The scheme covered the following items in the first phase:
 - a. 100 percent assistance for appointment of qualified teachers
 - b. assistance for book bank and strengthening of libraries
 - c. provision of Science, maths kits and essential equipment
5. Only registered voluntary organizations, which have been in existence for three years, were considered for assistance.
6. The performance of the scheme was to be reviewed after three year of its operation.

The scheme failed to interest most Madarasahs as they were ill equipped to deal with the bureaucracy. Thus, the total annual outlay under the scheme has been on the order of US \$1 million with a few hundred beneficiaries.²³ The National Council of Educational Research and Training undertook a study of existing curriculum in Madarasahs and published a report in the year 2000 based on data collected from some Madarasahs, most of them government-aided, from 3 states UP, MP and Kerala. The recent Report by the Group of Ministers of Reform of Internal Security has linked Madarasah education with national security and this clearly was a cause for concern among people already wary of a state that was seen as being partisan and inimical to minority interests. It didn't help the government's image much, when in addition to scrutinising Madarasahs closely, a large section of the BJP party workers were demanding the closing down or strict regulation of Christian schools too.

The report says: "Funded by Saudi and Gulf sources, many new Madarasahs have come up all over the country in recent years, especially in large numbers in the coastal areas of the West and in the border areas of West Bengal and the North East...Madarasah education is a part of a Muslim child's religious tradition. Steps should be taken to encourage these institutions to add inputs on modern education also. Efforts should be made for providing increased facilities for modern education, particularly for the border areas where such facilities are lacking... The Central Sector Scheme for giving financial assistance for modernization of Madarasah education... should be strengthened... A Central Advisory Board may be set up for Madarasah education instead of leaving this critical matter to different State Level Advisory Boards. The Ministry of HRD should take necessary action in this regard."

Focus groups

Group 1 - Jamia Arabia Shamshul Uloom

The Jamia Arabia Shamshul Uloom is located opposite the Shahdara Railway Station, in east Delhi. Between the Madarasah (seminary) and the asphalt road, runs a nullah, flanked by a series of low buildings, including two houses, a urinal, and a garbage bin. Qari Zubair Ahmed Jamai (Maulana Zubair), the founder of the Madarasah, takes us to the Madarasah through an arched gate, made of red bricks. The

²³ It is learnt that the relevant Working Group for the Ninth Five Year Plan had recommended a provision of Rs. 91.65 crores for the Modernization scheme. The amount actually provided was Rs. 48 crore. The total amount released does not exceed Rs. 16 crore. (Hamdard Education Society Report, 2000)

gate opens into a courtyard, half of which is a cemented platform, forming the verandah of the mosque. The prayer hall, which also acts as the reading room during non-namaz hours, is connected on the three sides to a series of reading rooms. The three hundred students of this Madarasah dine, read and sleep in this two-storied structure. The third floor is under construction.

On the right hand, adjacent to the main gate sits Maulana Zubair, the director. We leave our shoes at the door, and take our seats on a carpeted floor after shaking hands with him. “Where have you come from and what do you want to know?” asks the maulana. We are curious researchers wanting to know more about the Madarasah system of education. The maulana listens very carefully. Two of his assistants sit in a corner, poring over account books. The maulana is satisfied with our intentions. “The misconceptions about Madarasahs are a shame. People don’t know the reality. If they knew, they’d never treat us with any suspicion,” he says. “I am glad that you are here to explore the truth about Madarasahs. Our gates are always open to those who want to see how we live and what we do.”

He tells us the history of his Madarasah that he established in 1971 with his colleague, Maulana Shoaib Anjum. The seminary earlier operated from a mosque in Old Delhi. Soon the number of students swelled and they had to shift the campus to the present location. Back then, the maulana tells us, this place was a disused mosque. They took over this place, a property of the Delhi Wakf Board, and nurtured it to its present status.

We meet the students. The structure houses three hundred students, 21 teachers and 5 workers. For us it was difficult to imagine how so many people lived in a 2000 square yard structure till we were shown their cramped accommodation. The institute runs on charity. Typically, a nine or ten year old child enters the seminary after passing a written test. He is admitted to the Tehtaniya (primary school). At primary level, the students are taught Arabic, Persian, English, and Hindi. After a study of four years, he is promoted to the Ustania classes (middle school). If a child pursues further studies, he gets certificates such as Maulvi/Munshi (equivalent to Matriculation), Alim (B.A.) and Fazil (M.A.). Students, mostly teenagers inching towards manhood, sit cross-legged rocking on their haunches as a teacher takes them through an interpretation of a religious text. All students and teachers sit on straw mats on the floor. Surprisingly, none of them carry any writing material. It is entirely oral education. The rooms are darkly lit. They are the same rooms where students and faculty sleep. The working hours start from daybreak. Studies begin after the morning Prayer, and continue till the night prayers. The only let up is the lunch break and the evening break.

The library is a small room lined with a few books. Most of them are religious texts. There are no reading desks there. We are then taken to the kitchen where two cooks are busy preparing the dinner. We see a heap of kneaded flour on a big tray and a cauldron simmering on a brick-layed stove. There are a couple of LPG cylinders sitting in a corner. Dal and roti is the staple diet here.

Thursdays are half working days. Friday is the only off day of the week. The seminary provides a summer break. But the students are so poor, mostly belonging to Bihar, Bengal, and Assam, that they don’t have

the money to visit their homes. The railway ministry has withdrawn concessions to our students. The railways earlier would not differentiate between students, and Madarasah students too would get the standard 50% rate cut. But under the previous government, Madarasah kids were suddenly not eligible. The Madarasah is situated in a Hindu neighbourhood but there are no complaints.

Focus Group 2

At the Jamia Millia University in South Delhi, we meet with a group of eight Madarasah students now studying at the University. Four of these students are from Jharkhand and four from UP. They have all studied at various Madarasahs before joining regular college here. Between the ages of 18 and 21, these youth make the following comments:

- New careers are in Journalism, translation, television, NGOs and the social sector.
- There is no major problem with getting employed, however the conditions of work are poor.
- The big lacuna is the lack of general awareness
- Another problem is lack of exposure to the English language
- There is a feeling of inadequacy because of these two factors
- Also some stress and tension at the work place
- However, those of us from Madarasahs perform better at academics in college than people from regular state run schools
- We are better at writing essays, taking notes, in translation work and at research
- Madarasahs have few resources
- But the big problem is that they are very tightly regulated
- No room for maneuver. The teachers are tyrannical. Free time is basically for about two hours a day in a fourteen-hour schedule.
- There is some experimentation going on in South India, especially in some Madarasahs in Kerala and Maharashtra
- When we reach here, we take some time in adjusting.
- We know very little about our political rights and our constitutional rights.
- Most Madarasahs do not allow students to opt for a parallel admission in other institutions
- We prefer Madarasahs as they are cheap, government schools do not come for free.
- Also the need for religious education prompts this choice
- But a big reason is family background. Our fathers have studied in the Madarasah and our families want us to have a sound religious foundation.
- Madarasahs are not opposed to modern secular education, in fact a number of ulema who are now better off send their children to modern schools and not to Madarasahs.
- There is too much emphasis in the curriculum on out dated subjects.
- The laws of inheritance are taught repeatedly and are not so important any more.
- Examples used in class are out asynchronous with changed environment
- The courses on logic can be done away with – what we need is more of math.
- The course on business also is out of tune, and uses outdated examples based on agriculture, hunting and a medieval desert economy

- A large number of new books have come on Islam, Islamic economy and philosophy but we continue to use six hundred year old texts
- Most Madarasah students develop aversion for manual labour, but have no problems going back to their family business.
- So you have a number of such educated youth take up leather tanning, farming, embroidery, scrap dealerships, cotton weaving, etc. Some take up electronics and electrical repairs too.
- University education is expensive – costs us at least Rs 850 a month to study here.
- Some of us join the few Indian Universities that give Madarasah education the required number of credits for a college admission.
- A few students go to universities in Saudi Arabia, Libya, Egypt. When they return they get the better teaching jobs where they can earn between Rs 5000 and Rs 9000 a month.
- A couple of students also go to Oxford where one seat is reserved for Madarasah students.
- Establish primary, middle and secondary government schools in villages, Blocks, Mahallas of Muslim concentration in accordance with national norms.
- Modify its policy on medium of instruction (in Urdu-speaking states) and on languages, the contents of the textbooks and the school culture, so that an orthodox Muslim does not apprehend any distortion of or threat to his ward's religious identity in government schools.
- And allow continued freedom to the community to establish and run its Madarasahs.
- Madarasahs need to revise and update their syllabi; they need to integrate contemporary knowledge with religious education
- The emphasis should be on intellectual learning not on learning by cramming
- Madarasahs need to streamline and organize their poor funding structures; teachers should not be underpaid
- Madarasahs should be able to attract the best of talents; and not just the residue among the students
- Well-educated and trained teachers should be employed
- Industrial, technical, and professional training should also be provided
- Madarasahs should aim to have three streams: stream of pure religious education; stream of religious and contemporary education; and stream of religious education and technical training. Students should be free to choose any one of these streams.

Bibliography

- Ahmed, Manzoor, *Islamic Education*, Genuine Publications, New Delhi, 1990.
- Anjum, Ghulam Yahya, *Nisab-e Taleem*, Jamia Hamdard, New Delhi, 2001.
- Ansari, M. Shoyeb, *Education in Deeni Madaris*, Institute of Objective Studies, New Delhi, 1997.
- Fahimuddin, Dr., “Globalization and Growth of Madarasahs in India”, Seminar paper, <http://www.bsos.umd.edu/socy/conference/newpapers/uddin.txt>.
- Farooqui, Ammadul Hasan Azad, *Hindustan me Islami Uloom o Adabyat*, Maktaba Jamia, New Delhi, 1986.
- Hamid, Syed, “Deeni Madaris aur Asri Uloom,” in the book, *Deeni Madaris aur unke masayal*, Seminar papers, February 1988, Idara-e Ilmia, Jamiat ul Falah, Azamgarh
- Institute of Objective Studies, *Directory of Muslim Educational institutions in India*, New Delhi, 2002.
- Hamdard Education Society, Evaluation Report on Modernization of the Madarasah Education Scheme (UP), New Delhi, 2003.
- Kamath, M. V., “What should we do with mushrooming Madarasahs? Should they be allowed to spread hatred?” *Free Press Journal*, July 25, 2002, <http://www.samachar.com/features/250702-fpj.html>.
- Metcalf, [Barbara D.](#), “Traditionalist” Islamic Activism: Deoband, Tablighis, and Talibs, <http://www.ssrc.org/sept11/essays/metcalf.htm>.
- Salamatullah, Dr., *Hindustan me Musalmanon ki Taleem*, Maktaba Jamia, New Delhi, 1990.
- Shahabuddin, Syed, “Throttling the Madarasahs in the name of security,” *Milli Gazette*, New Delhi. (<http://www.milligazette.com/Archives/01072001/16.htm>)

Appendix: Madarasahs and Women's Education

Women's education has been a very neglected area. Compared to male students in Madarasahs, the number of female students is very low. This trend generally correlates with the female literacy levels in the country. At the national level, male literacy is 64.13 percent whereas female literacy is only 39.29 percent (Census, 1991). According to a sample survey, the percentage of urban Muslim female literacy is 40.1 whereas the rural Muslim female literacy is 23.9 percent.²⁴

For the purpose of illustration, let us take a look at the figures in the UP State. In 78 Madarasahs in Tahtania classes (primary), there are 12920 boys and 8333 girls (60.70 and 39.21 percent respectively). Their dropout rates are 54.41 and 45.59 percent respectively. In Fauqania classes (VI to VIII), total number of boys is 2360 and girls are 1039 (67.88 and 32.12 percent respectively). The drop out rate is 950 boys and 578 girls totaling 1528.

Distribution of Madarasahs by 'Boys', 'Girls' and Co-educational institutions in UP

Type of Madarasahs	Number of Madarasahs	Percentage
Exclusively for boys	45	57.69
Exclusively for girls	09	11.54
Co-educational		
i. Upto Fauqania	15	19.23
ii. Upto Munshi/Maulvi	09	11.54
Total	78	100.0

Source: *Evaluation Report on Modernization of the Madarasah Education Scheme (UP)*, Hamdard Education Society, New Delhi, 2003.

²⁴ Dr. Abida Samiuddin, *Radiance*, New Delhi, 9-15 February, 1997.

Appendix:

Evaluation Report on Modernization of the Madarasah Education Scheme (UP), Hamdard Education Society, New Delhi, 2003

(B) MAJOR FINDINGS AND RECOMMENDATIONS

The findings and recommendations emerging from the Evaluation have been mentioned in detail in the preceding paragraphs. We would conclude on emphasizing some of the more important points as follows:

1. Although the Modernisation Scheme was introduced without proper ground work and although detailed guidelines seeking to ensure uniformity in standards were not issued, the performance under the scheme has on the whole been fairly satisfactory. Since the take-off stage has been reached now the provision for the Tenth Five Year Plan should be radically augmented. It is learnt that the relevant Working Group for the Ninth Five Year Plan has recommended a provision of Rs. 91.65 crores for the Modernisation Scheme. The amount actually provided was Rs. 48 crores. The total amount released does not exceed Rs. 16 crores . The releases, further, were tardy and intermittent and bristled with difficulties and avoidable expenses for the applicant Madarasahs. In most cases it took a year for the Madarasahs to receive assistance whereas they had to make monthly payments to teachers of modern subjects. This causes considerable hardship and dissatisfaction. It is therefore necessary that Madarasahs should be paid grant every month and asked to submit the utilisation certificates every quarter. This would make both the management and the teachers happy and contented and give a fillip to the Scheme, which proceeded haltingly because of glitches and impediments in release of funds. To maintain the momentum and to make the Scheme viable an allocation of at least Rs. 500 crore should be made for the Scheme in the Tenth Five Year Plan.
2. One teacher is much too insufficient for teaching four or five modern subjects to students for whom the subjects and modern method of teaching have virtually been unknown. Two teachers should be sanctioned for each Madarasahs under Scheme. One teacher could take up Science and Mathematics, and the other English, Hindi and Social Studies. Even more important than Mathematics and Science for personality development and modernising of attitudes will be Social Studies. All the five modern subjects should be made compulsory. Introduction of computer education would require a third teacher. Provision of computers should also be funded.
3. The time-table of Madarasahs which choose to include modern subjects has got to be revoked centrally in consultation not only with the representatives of Madarasahs but also with the expert of the education methodology. They will of course take into account experience gained so far and evolve a time-table which takes care in a balanced way both of religious and modern subjects.
4. Most of the teachers appointed to teach modern subject in Madarasahs are raw and untrained. It seems essential that a training programme, specifically drawn up by NCERT in consultation with SCERTs and representatives of Madarasahs should be mounted as early as feasible. The training should be pre-service and in-service, the former covering a period of 3 to 6 months and the latter of

- 2 to 3 weeks. For facilitating the latter, special assistance may be provided to the Madarasahs. Those already serving the Madarasahs may be given an opportunity to acquire the qualification.
5. A Central Board of Madarasah Education may be established by Ministry of Human Resource Development. The Board should be empowered not only to monitor the implementation of Modernisation Scheme but also the functioning of Madarasahs that opt for the supervisory role of the Board. Considering that Madarasahs and Maktabas in large number are spread all over the country, the proposed Board can bring about standardisation of education and elevation of standards. It will also effect integration between traditional knowledge and modern knowledge. The programme is so important and introduction of modern subjects in traditional institutions so complex and their number and the catchment area of the Scheme so large that for a proper implementation of the programme a central Madarasah Board is essential.
 6. In affiliated Madarasahs, the teacher-pupil ratio for modern subjects, as revealed by the limited sample, was 1:40 whereas the religious subject 1:30. The respective ratios for unaided but affiliated Madarasahs were 1:36 and 1:28. This is just the reverse of what it should have been. This would suggest strict implementation of the provisions reported to have been made by Government that the number of modern subject teachers should be linked to the number of students. What the scheme requires is three properly trained and adequately paid teachers.
 7. The Study revealed that modern subject are being taught upto Class VIII only. It is important that the scope is extended to Classes IX, X, X and XII.
 8. The evaluation for Class VII should be done centrally by the state authorities as there is no safeguard against over-liberal marking. This is a new scheme and the control of the Head of the madarasah over the modern subject teachers is not likely to be very effective. Apart from evaluation, a tab has to be kept on the quality of teaching as well.
 9. The Scheme should provide a liberal book grant. The Study has revealed that out of 690 Madarasahs assisted under the Scheme, only 109 were given grant for setting up a book bank. Only 31 Madarasahs were given science and mathematics kits. A proper programme for providing kits to all the Madarasahs and teaching its use should be formulated.
 10. The Study has revealed that as far as subjects taught are concerned, out of the 78 Madarasahs surveyed, 22 have taken up Science, Mathematics, English and Hindi. This reinforces our point that all the five subjects including Social Studies may be made compulsory simultaneously ensuring that teachers are trained and necessary equipment is provided.
 11. As regards the Academic Session, Madarasahs observe it from Shaaban to Shawwal.
 12. Concurrent monitoring of the functioning of the scheme would need to be done. This would require evaluation of the scheme in a few more states in different zones.
 13. The Scheme should also aim at strengthening the infrastructure of Madarasahs. Libraries should be properly stocked facilities to extent feasible for games and sports have to be provided. The students have generally demanded vocationlisation of their education. This will make them more productive members of the society. An ambitious plan of vocational education should be drawn upon on the pattern of Jamiat-ul-Hidaya which has three academic streams, viz. (a) religious education and

modern education; (b) religious education and vocational training in job-oriented courses; (c) religious education alone.

14. Arrangement for computer literacy has got to be made. The present Study reveals that only 6 Madarasahs out of 78 have extended this facility to their students.
15. It is not fair to release funds at the end of year on an annual basis. Madarasahs find it extremely difficult to pay salaries monthly from their own resources.
16. An anomaly occurred in the implementation of the Scheme when the Madarasahs assisted by the Arabic and Persian Board were included in its scope. The teachers in these schools have been getting much higher salaries than the consolidated salary of Rs.3000/- provided under the Scheme. This obviously causes heart burn. It seems that this fact has escaped the Government's attention. If the intention was to strengthen the existing modern subject teaching in the Board Madarasahs it should be put to an end as early as possible. Another anomaly is that some mainstream schools that had been teaching modern subjects appear to have added religious subjects in order to attract the benefits of the Scheme. This point would have to be reviewed. The consolidated salary sanctioned for modern subject is ridiculously low viz. Rs. 3000/- p.m. It should be raised to Rs.6000/- and Rs. 5000/- respectively for Madarasahs and makhtabs and should be paid directly to them by cheque. Similarly the amount sanctioned for Science and Maths kit should be raised and a provision made for the madarasah library.
17. Instructions should be issued for facilitating admission of Madarasah products into mainstream institutions.

The following Madarasahs which were included in the list of Madarasahs scheduled to get the benefit of Modernization Scheme do not exist:

- (a) Jamia Sawabi Islam, Kachehri Road, Lucknow.
- (b) Darul Uloom Maarif, Chowdhry Tola, Aliganj, Lucknow
- (c) Madarasah Arabia Ansaria, Mohalla Rajdepur, Ghazipur
- (d) Madarasah Azimul Uloom, Machhli Mohal, Chandauli, Mughal Sarai
- (e) Jamia Arabia Ahle Sunnat Muzaffarul Uloom, Bargadwa Saif, Sidharath Nagar

It is evident that the Modernization Scheme having been introduced in a hurry is half-baked. It has however served one useful purpose. It has eroded the initial resistance to the introduction of modern subjects. Now is the time for launching a full-fledged scheme after removing the defects and deficiencies. The scheme will acquire full credibility only when a proper organization for coordination, evaluation and monitoring is created and teachers are reasonably remunerated and teachers' training receives focused attention.

Focus Groups - Unemployed OSY

The data pertaining to unemployed persons was collected in Delhi, between November, 27 and December 14, 2005 by Dr. K. Tuli, Professor of Psychology at the Zakir Husain College, University of Delhi, New Delhi. Total number of subjects for this study was 36. By and large, most of them were unemployed or underemployed. Their age range was between 15 to 33 years. There were four groups. The composition of the groups is shown in the Table below:

OSY Focus Group Composition²⁵

Group number	Focus Group	Males	Females	Total
1	Assorted group (mostly drop-outs)	10	6	16
2	Educated unemployed	9	0	9
3	All women group	0	8	8
4	Migrated (educated)	2	1	3
Total		21	15	36

Those who volunteered to participate in the study were assembled at suitable place, so that they could sit and interact with each other.

The investigator initiated the process. All willing participants were briefly told about the purpose of the study. Most of them in groups 1 & 3 were not much educated and were not fluent in English. Some could just write their name in English, but most of them knew Hindi. Discussions took place in Hindi. This initial 10 minutes of time spending paved a way for rapport formation. They were told that they might be video-recorded, while in conversation or writing. They all happily agreed for this.

Each group was told that there would be about 4 pages in the form of a questionnaire to complete orally and through discussion, but the focus would be on discussion related to the topic of unemployment. For discussion about one hour was allocated. They were told that at the end of this they will be paid Rs. 100 as a token of appreciation for their time devotion and cooperation. Meaning of all questions was explained to them and they were encouraged to give free and frank replies.

²⁵ The group encountered a riot in the slum due to forced housing demolition. Of the 15 invitees, only 3 showed up.

Observations

General observations for all four groups are as follows:

- All are concerned about their status as unemployed and feel frustrated about that.
- They have a sense of defeat about not being in any job and thus without an identity
- They want to get jobs but feel they have no such openings.
- They feel that their lack of education and vocational skill is their handicap.
- They think that jobs come by contacts and “sifarish” (*approach*) and right contacts.
- Some do believe that one has to pay bribe for secure government jobs.
- They want to get trainings and qualification essential for getting job.
- They feel that they have some hope in future
- Lack of capital is the hindering factor for many to start some small scale enterprise
- They are more pessimistic about future but some are optimist.
- Most of them are highly motivated to do any study or training for getting entry into any job
- They believe that job brings respect to their personal and social image

Assorted Group (mostly school drop-outs)

- Lack of qualification is the main problem.
- No right kind of contacts for procuring entry into any job
- Feel poverty as the main curse.
- They are motivated by other's stories, but have not own success.
- Feel frustrated.
- Want to get any respectable job
- Inability to get job without any proper diploma or training.
- Some want some amount of capital to start some small business or enterprise like a shop etc.
- Gender differences in choice of vocational ambitions like boys want to be computer work, electrician, shop work, auto-mechanic etc., whereas women want beauty saloons and tailoring work.
- They think were not lucky in getting job

Educated Unemployed

- Feel discrimination in jobs.
- Feel there are no jobs without contacts.
- Feel that there is rural discrimination for jobs.
- Feel vocational need for jobs
- Want more and free education in polytechnics.
- Want that jobs be given when just out of polytechnic or college
- Most of the members in this group were optimistic about getting jobs in future
- They had much debate about plain graduation vs. technical education
- Their discussion focused on government vs. private sector jobs
- They do not see any hope from traditional employment exchanges in their goal for getting jobs
- They rely more on new avenues, rather than regular ways of getting job
- Some want to do something different like taking some enterprising work, but lack resources
- They look for new avenues rather than traditional government jobs for which they have almost no hope

- They think that job reservation policies of government has reduced the chances of their getting into government jobs

Women

- Want to learn vocation skills in part time courses.
- Want equal jobs like men.
- They have seen some successful women who earn adequately and that becomes their role model
- Want to have their own earnings but at the same time take care of their household and homely life.
- Want part time jobs like schools, nursing, beauty parlors, etc.
- Women feel very helpless about not having any access to capital or a place where one could initiate her small-scale business like beauty saloon, tailoring shop.

Migrants

This group consisted of three persons who were adequately educated but have shifted to Delhi from Manipur a far eastern state of India. Their rationale is that this big city provides more job opportunity in variety of trades.

The main focus with this group was that what led them to come to Delhi from such a far off place in India. They were asked to reply to a question. “What prompted you to come to Delhi for work and studies?”

They think that being in Delhi gives them a chance to:

- Have access to professional courses
- More job opportunity in comparison to Manipur
- To get exposure to city life and grow professionally
- To get professional training in Delhi
- Delhi is a multi-cultural place
- Because it is the capital city of India and thus has more jobs

General Reflections

All focus group discussions went very well, with plenty of inputs from participants. They all were given a chance to speak out and if somebody was shy then he/she was encouraged to speak-out. Care was taken that they do not feel any hesitation in speaking their feelings and goals of their life.

Data collection with the each group terminated on a very positive note. In fact, some thought that it may give them an opportunity to seek some job or possibly have some future opening. They all had various suggestions and dreams for their vocational goals. They expressed a hope that if any job or training opportunity arises, then I should give them that information and guidance. On the whole in their minds,

confusion and some element of failure prevails. They are not sure what lies for them in future but they all are hankering in job search but do not know that what lies at the end of the long tunnel. On average, they were optimistic about their futures.

Appendix E: People Contacted/Interviewed

Abyhankar, J.M. State Project Director, Maharashtra Prathamik Shikshan Parishad, Mumbai & State Commissioner, Maharashtra State

Ahsan, Ahmed. Lead Economist, Poverty Reduction & Economic Management, South Asia, World Bank, Washington DC aahsan@worldbank.org

Anand, Sangeeta. Consultant - education. Confederation of Indian Industry sangeets.anand@ciionline.org

Ashok, A. CAP TEEN CHANNEL Hyderabad nkashok@rediffmail.com

Atwal, Tony. Managing Director, Malanini Importers. 1-3 Telford Way, London W37XS www.malini.com

Augustine, Friar. E.A. Xavier Labour relations Institute, Jamshedpur, India

Badshah, Vikram. Senior Consultant, Confederation of Indian Industry, Delhi

Bahuguna, S.C., Senior Deputy Director. Indian Society For Training and Development

Balasubramanian, V. Senior VP & Headf , Asia Pacific Zensar Technologies Pune balav@zensar.com

Banerjee, Tulsi, Das. Chief Organizational Engineering and Plannig TATA Steel Ltd. Jamshedpur, India

Bhandari, Vineet. Team Coach. Hutch Hutchison Essar Mobile Services Ltd. Gurgaon veneet.bhandari@hutchindia.com

Bhatia, Dr. Y.P., Chief Executive Officer, Rajiv Ghandi Cancer Institute and Research Center, Delhi ypb@rediffmail.com

Bhatia, Gurpeet. Project Director, Child and Police (CAP) project, Hyderabad gurpeetbbhatia@rediffmail.com

Bhatt, G.M. Dorector, Center for Enterpreneurship & Management Development Shri Bhagubhai Mafatlal Polytechnic, Juhu, Mubai, India sbmp@sbmp.org

Bhore, Prasad, Resident Construction Manager, Chesterton Maghraj International Property Consultants Ltd. Pune

Bhutange, Jaiprakash Director, Vocational training Advisor, Directorate of Vocational Education & Training, Govt. of Maharashtra, dvet.mah@yahoo.co.in

Black, Renecca. Director, Office of Economic Growth. USAID Nedw Delhi

Blalakrishan, K. Project Development Specialist-Alliances & Partnerships, Office of Program Support. USAID New Delhi

Chadha, J.S. Deputy Director. Confederation of Indian Industry (CII) j.s.chadha@ciionline.org

Chellani, Anjana. Programme Officer ILO anjana@ilodel.org.in

Chowdhury, Sutanu. Divisional Head, HR, Apollo Tyres Ltd. Gurgon, India

Dadlaney, Charu. USAID India Bombay Project management assistant dadlaneycj@state.gov

Darte, A. Director, Sawa Nursing Supply, Pune

Das, Kankana, Manager, Corporate relations, Apollo Tyres Ltd, Gurgon, India

Deikun, George. Mission Director, USAID New Delhi

Deshpande, M.H. Assistant Director, Employment and Self Employment Department, Government of Maharashtra

Dhiren, Saxena. Country Manager, Scholle Industries Pune, India

Dhix, N.K. Director, Indian Society For Training and Development

Dutt, N.K. Deputy General Manager, HRD, Tata Motors Ltd. Jamshedpur, India

Ekka, Frair B. Xavier Institute of Social Science, Ranchi, Jharkhand, India

Fehr, Dr. Helena. Board secretary and Gender Officer, Commonwealth of Learning, Vancouver, B.C. 604 775 6200 hfehr@col.org

Ferreira, Audrey. Project Coordinator, India Sponsorship Committee Pune project Pune iscp@vsnl.com

Fischer, D. First Secretary/Director Office of Social Development. USAID New Delhi

Forbes, Farhad, Director, Forbs Marshall Ltd Pune fdf@forbesmarshall.com

Gaikwad, Vijay Assistant Vice President, Marketing, Zensar Technologies Pune

Gandadbaran, Nalini. CEO / Trustee CAP- TEEN CHANNEL & Heritage Livelihood services. nalinig@satyam.net.in

Gangopadhyay, Shubbasis. Director India development Foundation sg@idfresearch.org

Garde, A. Nirlep Appliances Pvt. Ltd. Aurangabad

Garg, Ashutosh. Chairman and Managing Director, Guardian Lifecare. Ltd. Gurgon, India

Ghandi, Mohit, Deputy director. Confederation of Indian Industry (CII) mohit.ghandi@ciionline.org

Ghodke, Manju, Urban economist, Project Co-ordinator, Mumbai Task Force mghodke@icma.org

Ghosh, N. Research and development Economist, Policy Analysis, Energy and resources institute, Delhi

Ghosh, Sugata, Senior Manaher, Commissioning, SAGE Publications, Delhi

Godbole, R.S, Employment and Self Employment officer, Government of Maharashtra, Pune

Gupta, M. Senior Economist & Deputy Director, Office of Economic Growth & Mission ICT Co-ordinator. USAID New Delhi

Gupta, Puneet, Manager, Social Initiatives Group ICICI Bank, Mumbai puneet.gupta@icicibank.com

Gupta, S. Managing Director, Sima Labs Pvt. Ltd. Delhi

Gupta, Vinney. Senior Advisor, Trade, Canadian High Commission, Delhi
viney.gupta@international.gc.ca

Haldar, Rajib. Executive director, PRAYAS prayas@del6.vsnl.net.in

Hogan, Beth. Deputy Mission Director, USAID New Delhi

ITI's Ranchi Government institutions Met 3 directors and 1 assistant director

Iyenger, V.A., Executive Director, MS Lyeengar & Associates, Industrial Consultants, project engineers, Delhi

Jain, Jeetendra, Director, Roadmap Consultancy and Marketing Services, Mumbai, India

Jain, Varupi. Advisor, German Technical Cooperation, Delhi varupi.jain@gtz.de

Jaiswal, Prakash. Deputy Apprenticeship Advisor, Directorate of Vocational Education & Training, Govt. of Maharashtra 9819166751

Jena, Mrs. Vandana K. Joint secretary & DG (NLM) Ministry of HRD, Elementary education & Literacy, Delhi

John, Dr. Bobby, Executive Dirtector, Center for Sustainable Health and Development, Pune
bj@cshd.org

Johri, Loveleen, Dr. Senior Reproductive Health Advisor, USAID, Delhi

Joshi, Bina. Section Manager, Department of Social Initiatives, Forbes Marshall Ltd. Pune
socini@forbesmarshall.com

Joshi, Deepika, S. Project Development Specialist, USAID, Delhi

Joshi, Ramesh. Deputy Director, Confederation of Indian Industry, Mumbai

Kakar, Mr. Umesh. President, Kryton Buildmat India Ltd., New Delhi 433 Ansal Chamber II, Bhikaji, Cama Place, New delhi 91 11 261 81747

Kathuria, A.K. Deputy Office Director, Office of Social Development. USAID New Delhi

Khan, A.U. Fellow, India Development Foundation, Gurgaon, India

Khan, C, Senior Manager Training, HRD TATA Motors Jamshedpur, Jharkhand, India

Khan, C. HRD Consultant, Jamshedpur

Khanod, Geetam, Deputy Executive officer, Regional Administrative Support Office, USAID New Delhi

Khare, Ms. Nidhi. Labour Commissioner. Jharkhand government, Ranchi, India

Kjeldgaard, Rie V. Deputy Director, ILO vejs@ilodel.org.in

Krishnamurthy, K.V. Professor & Registrar, Birla Institute of Technology, Ranchi, India
registrar.bitmesra@rediffmail.com

Krishnan, N. Director of Finance PRAYAS prayas@del6.vsnl.net.in

Krishnan, R. Executive Vice President, Business Development International Aptech Worldwide, Aptech House Mumbai krishnanr@aptech.ac.in

Kumar, Anil. Chief Manager (HRD) ICICI Bank, Mumbai s.anilkumar@icicibank.com

Kumar, Arvind. T. CAP-TEEN CHANNEL, Hyderabad aravindteens@yahoo.com

Kumar, Krishna. Director, National Council of Educational Research and Training, Delhi
directorncert@vsnl.com

Kumar, Prakesh. Secretary, Department of Information Government of National Capital Territory of Delhi ssecyit@nic.in

Kumari, Dr. Meena. Head of R&D, Attest Testing Services, Aptech House, Mumbai
meenak@aptech.ac.in

Kurrien, John Center for Learning Resources Pune cir@vsnl.com

Kushwaha, Anjali. REACH India, Delhi akushwaha@reachindia.org

Lakshimi, V. Founding Trustee and Vice President Bharatiya Yuva Shakti Trust BYST
lakshimivv@ciionline.org

Lal, A, Executive Director, Indian Society For Training and Development

Lal, B.P. Lead Advisor, USAID India REFORM project, Ranchi, India blal@reform-india.org

Madmunjar, S. Counsellor - Environment, Confederation of Indian Industry, Delhi

Mago, Dr. L.D. Senior Administrative Officer (academic) Indian Institute of Foreign trade

Mandlik, D.C. Head, Powai Works Personnel, Larsen & Toubro Ltd. Mumbai

Mansukhani, Mrs. Harsheela, Consultant and Head, Department of Medical Social Work, K.E.M. Hospital, Pune kemmeddirasst@dishnetdsl.net

Mehani, M.P. Advocate and Legal Consultant, Delhi

Mehta, A.C. Principal, Shri Bhagubhai Mafatlal Polytechnic, Juhu, Mumbai, India
ashokcmehta@rediffmail.com

Metha, Arun, C. Education Economist, National Institute for Education, Planning and Administration, Delhi, arunmetha@niepa.org

Misra, A.M. Vice President, Human Resources, Tata Steel Ltd. Jamshedpur, India

Mittal, K.K. Director General, Employment & Training Joint Secretary, Ministry of Labour & Employment Government of India

Mukherjee, S.K. Vice Chancellor, Birla Institute of Technology, Ranchi, India SKMBIT@yahoo.co.in

Mukhopadhyay, Marmar. Director National Institute for Educational Planning and Administration, Delhi
marmar@vsnl.com

Nag, Kingshuk, Resident Editor and Business Editor (south) Times of India, Hyderabad

Naidu, Dr. C. Ramachandra. Inspector General of Police, Andhra Pradesh Special Police, Hyderabad
ramachandranaidu@hotmail.com

Nair, Anup, Managing Director. Incentive Destinations Pvt Ltd. Delhi

Nayak, C. Principal Secretary, Rural Development Department. Jharkhand Government, Ranchi, India

Nirjar, Ram Singh. President, Indian Society for Technical Education, Delhi istedhq@vsnl.net

Nishant. State Coordinator for Maharashtra and Goa, Dr. Reddy's Foundation, Pune
nishy22@rediffmail.com

O'Keefe, Philip. Lead Social Protection Specialist, World Bank, Delhi pokeefe@worldbank.org

Pant, B.B. Head, Training & Placement Division. Birla Institute of Technology, Ranchi, India
bbplant@bitmesra.ac.in

Pant, B.P. Secretary, All India Organization of Employers 3738760

Parasuraman, S. Director, Tata Institute of Social Sciences Mumbai spsrasuraman@tiss.edu

Pasalkar, N.B.. Director of Technical education, Directorat of Technical Education Govt. of Maharashtra
9820414444

Perimbam, Dr. Lewis. Chairman, Commonwealth of Learning, Vancouver, B.C. 604 775 8200

Phatak, Dr. J.M. Principal secretary, Rural Development and Panchayati Raj, Government of
Maharashtra jmphatak@yahoo.com

Potvin, Gilles, Senior program officer, Climate Change. Foreign Affairs Canada, Ottawa

Quraishi, Dr. S.Y. Secretary, Ministry fo Youth Affairs and sports, Delhi syquraishi@nic.in

Raghuraman, V. Senior Adviser, Confederation of Indian Industry, Gurgon

Raj, K. Senior Vice President, Attest testing Services Ltd. Aptech House, Mumbai kraj@aptech.ac.in

Ramkumar, K. Senior General Manager (HRD) ICICI Bank Mumbai ramkumar.k@icicibank.com

Ranjan, M. Education officer, office of Social development. USAID New Delhi

Rashid, Ms. Raka. Regional director, Commonwealth Youth Programs, Asia Centre, Chandragath India
91 172 74482 cypasia@sri.in

Ratho, S.K. Director, Ministry of Youth Affairs & Sportrs, Dellhi sisir_ratho@yahoo.com

Reddi, Dr. Usha. Director, Commonwealth Education Media Centre for Asia (CEMCA), New Delhi 91
11 2 995 5730 ureddi@col.org

Reddy, Usa. Director, Commonwealth of Learning Media Cedntre for Asia, (CEMCA) ureddi@col.org

Ruchidsmita, Rupalee, Manager Social Inittatives Group, ICICI Bank Mumbai
rupalee.ruchismita@icicibank.com

Sahay, Anjani, Unit Leader, Technical Education, Tata Steel, Jamshedpur, India

Sanghvi, A.N. Vice Principal, Shri Bhagubhai Mafatlal Polytechnic, Juhu, Mubai, India

Saxena, Col. N.B. Senior Advisor, Construction Industry Development Council

Schuster, Sloveig. First Officer, CIDA, Canadian High Commission, Delhi 51782000

Sengupta, Dilip. Deputy General Manager - Works. TATA Motors Ltd. Jamshedpur, India

Shah, B.J. Principal. B.J. Shanghvi College of Engineering, Juju, Mubai, India

Shah, Y.I. Dean of IT, Shri Bhagubhai Mafatlal Polytechnic, Juhu, Mubai, India

Sharma, Aditya. Project manager - Mentor Department BYST aditya.sharma@ciionline.org

Sharma, S.N. Director, Employment and Training, Ministry of Labour, Employment & Training
Jharkhand government, Ranchi, India

Sharma, Shakti. Head, Social Services and Family Initiatives, TATA Steel Ltd. Jamshedpur

Sharma, Vijay P. Advisor USAID India REFORM Project, Ranchi, India vsharma@reform-india.org

Sharma, Y.P. Director of training, Ministry of Labour & Employment Directorate General of
Employment & Training Delhi 011 23711642

Singh, Abhijeet. Assistant restaurant Manager, Taj President Hotel, Mumbai

Singh, B.K. Secretary of Labour, Jharkhand government, Ranchi, India

Singh, R. Programme Director and Executive secretary, Indian Society for Technical education, Delhi
istedhq@vsnl.net

Singh, Sanjay. Vice President, PR, Tata Services Ltd, New Delhi

Sinha, J.,K. Officer in Charge, Bank of India Jharkhand

Sinha, Ms. Mridula. Secretary, Science and Technology Department. Jharkhand Government, Ranchi,
India

Som, C.V. Director, Directorate of Employment & Training, Government of Gujarat gujdet@guj.nic.in

Srinivas, P. Commercial Specialist. Consulate General of the United States of America
P.Srinivas@mail.doc.gov

Sriramulu. CAP-TEEN CHANNEL Hyderabad emailsriramulu@yahoo.com

Sukesh, A. Advisor (Labour & Political) USEmbassy, New Delhi suksha2@state.gov

Swarup, P.R. Director General, Construction Industry Development Council, Delhi

Tandon, Rajiv. Senior Advisor, Child Survival, USAID, Delhi

Tewari, Jyoti S. Senior Health Systems Advisor, Office of Population, Health and Nutrition. USAID New
Delhi

Theite, A.R. Assistant Director, Directorate of Technical Education Regional Office, Aurangabad

Thomas, P.D, Xavier Institute of Industrial Education, Seraikela-Kharsawan Jharkhand, India

Trehan, Anil. Managing Director, Planners Group (Architects), Gurgaon trehan@nda.vsnl.net.in

Tucy, M.Y, Food Consultant. ITC Kakatiya Shreiton & Towers Hyderabad

Tuli, Dr. Kailash, Professor of Psychology, Zakir Husain College, U. of Delhi, New Delhi 91 11 796866
kctuli@yahoo.com

Tyagi, Dr. O.S. Senior Manager, Monitoring, International Development Enterprises, Delhi

Vaidya, Vidyadhar. Manager, Human resources Taj Mahal Hotel, Mubai India v.vaidya@tajhotels.com

Vajpeyi, Tina. Akanksha Foundation, Mumbai

Vajpeyi-Mohan, Ritu. Head, Editorial Department Sage Publications. Delhi

Vaopai, Tina, Financial officer, Ankansha Children's School Project

Varma. R.M. Vice-President Emeritus PRAYAS. prayas@del6vsnl.net.in

Vasanth, Vijay. Manager - Business Development. TeamLease Services Ltd. Mumbai
vasanth@teamlease.com

Venkatesan, Lakshmi, Founding Trustee, BYST, Delhi

Verma, K. Director, V.W. Giri National labour Institute, New delhi

Viashnav, T.P. Asst General Manager, Training and Development, Godrej & Boyce Mfg. Ltd Mumbai

Vidyeeswari. V. Deputy General of Employment & Training, Ministry of Labour & Employment,
Government of India, NVTI for Women, Noida.

Wadhwa, Aalok. Chairman and MD, The Corner Bookstore Company, Delhi

Wadikar, R.V. Principal, Sitaram Industrial Training Institute, Mumbai

Yuers, Mr. Ron. CEO Kryton Group and Kryton Buildmat India Ltd. ryuers@kryton.com

Appendix F: Bibliography

- Aengardio, P & Arndt, M. (2005, August 22). How Cummins does IT: The engine maker runs different game plans in India and China (China and India: What you need to know now). [Special Double Issue]. *Business Week*.
- Altbach, Philip G. (2005). A world-class country without world-class higher education: India's 21st century dilemma. *International Higher Education*, 40(Summer).
- Ananth B. (2004). *Financing micro-finance — the ICICI Bank partnership model* (Working Paper Series). Mumbai, India: ICICI Bank, Social Initiatives Group.
- Ananth, B., et al. (2004). *A Blueprint for the delivery of comprehensive financial services to the poor in India*. Mumbai, India: ICICI Bank, Social Initiatives Group.
- Aptech Limited. (n.d.). *Learning IT with a plus! Aptech plus teachers kit* (CD Rom). Mumbai, India: Author.
- Balaji, V., & Lentell, H. (2005). Investing in women to assist human development. *Connections and EdTech News*, 10(3), 7–8.
- Basu, K. (2005, June 27). Why India needs labour law reform. *BBC News*.
- Basu, P., & Srivastava, P. (2005, June). *Scaling-up microfinance for India's rural poor*. Washington, DC: World Bank.
- Berman, E., Somanathan, R., & Tan, H. (2005). *Is skill-based technological change here yet? Evidence from Indian manufacturing in the 1990s*. Washington, DC: World Bank.
- Besley, T., Burgess, R., & Esteve-Volart, B. (2005, January). *Operationalising pro-poor growth: India case study*. London: London School of Economics, Department of Economics.
- Census 2001 — Evaluating the trends. (2001, June). *South Asian Voice*.
- Chinese and Indian youth (Expert Round Table 6, online discussion) [China and India: The Challenge]. (2005, August 22). *Business Week*.
- Confederation of Indian Industry. (2005, November 18). *Jharkhand a land of great opportunity, says Shri Arjun Munda* (Press Release). New Delhi: Author.
- Confederation of Indian Industry. (2006). *Compendium of corporate case studies in education*. New Delhi: Author.
- Commonwealth of Learning. Exploring the underachievement of boys. (2005, October). *Connections*, 10(3). Vancouver, BC: Author.
- Commonwealth of Learning. Open school inaugurated in Sri Lanka. (2005, October). *Connections*, 10(3). Vancouver, BC: Author.

- Curry, S. R. (2005, March). To win India's talent war, get to know the candidates [online]. *Workforce Management*.
- Dahlman, C., & Utz, A. (2005, June). *India and the knowledge economy: Leveraging strengths and opportunities*. Washington, DC: World Bank.
- Das, B. (2005). *Micro-credit finance and rural credit markets: A study of clients using micro-credit in Gujarat and Maharashtra*. Ahmedabad, India: Friends of Women's World Banking.
- Debroy, D. (2004, November 5). Understanding data on jobs. *The Financial Express*.
- Desperately Seeking Talent. (2005, November 7). *Business Week*.
- Dhungana, P.B. (2005). *Rapid assessment of pre-departure programs in SAARC countries: Indonesia and the Philippines* (Draft Report). New Delhi, India: United States Agency for International Development.
- Education Development Center, Inc. (2005). Workforce development program guidelines for USAID program officers. Washington, DC: Author.
- Engarido, P. (2005, August 22). Crouching tigers, hidden dragons. (China and India: The Challenge). *Business Week*.
- Ensuring India's offshore future* (Special Edition). (2005, September). Washington, DC: McKinsey & Company.
- Family Health International, YouthNet. (2005, January). *Publications 2002–2004 New Resources on Youth Reproductive Health and HIV/AIDS* (YouthLens No. 14). Arlington, VA: Family Health International.
- Farmer, E. J., Walter, R. A., & Paryono, P. (2004). A model for establishing workforce education and development programs in developing countries. *International Journal of Vocational Education and Training*, 12, 2.
- GTZ. (2004). Strengthening people and organizations, German technical cooperation with India. New Delhi, India: Author.
- Hamm, S with Engardio, P. (2005, August 22). Scrambling up the development ladder (China and India: The Leap Ahead). *Business Week*.
- Hartenstein, A. A. (2004). Improving workforce development systems: Beyond legal and administrative changes. *International Journal of Vocational Education and Training*, 12 (1).
- India and China: What is to Stop India and China? (2005, October 27). *Economist*.
- India Ministry of Labour and Employment. (2005). *National vocational training system and employment services*. New Delhi, India: Author.
- India Ministry of Labour and Employment. (2005). *Testing and certification of skills for workers in the informal sector*. New Delhi, India: Author.
- India Ministry of Youth Affairs and Sports. (n.d.). *National youth policy 2003*. New Delhi, India: Author.

- India Ministry of Youth Affairs and Sports. (2005). *Annual report 2004-05*. New Delhi, India: Author.
- India — the tasks ahead (Special Supplement). (2005, September 24). *The Tribune*.
- India's schools: From poor marks to so-so (graphic) [China and India: the Education Gap]. (2005, August 22). *Business Week*.
- International Institute for Population Sciences, & ORC Macro. (2000, October). *National family health survey (NFHS-2), 1998-1999*. Mumbai, India: International Institute for Population Sciences.
- Jharkhand Government. (2005, October 8). Memorandum of understanding between Government of Jharkhand and Mittal Steel Company.
- Kripilani, M. (2005, August 22). India's untold story (China and India: The Social Agenda). *Business Week*.
- Kriplani, M. (2005, August 22). Trying to tame the blackboard jungle (China and India: The Education Gap). *Business Week*.
- Lall, S. V., & Mengistae, T. (2005, July). *The impact of business environment and economic geography on plant-level productivity: An analysis of Indian industry* (World Bank Policy Research Working Paper No. WPS 3664). Washington, DC: World Bank.
- Madras Centre for Research and Development of Community Education. (2003, August). *Research study on "The impact and prospects of the community college system in India"* (Report for the Socio-Economic Research Division of the Planning Commission). New Delhi, India: Author.
- Mangistae, T., & Lall, S.V. (2005, August). *Business environment, clustering and industry location: Evidence from Indian cities* (Policy Research Working Paper No. WPS 3675). Washington, DC: World Bank.
- Manufacturing roars back to form. (2005, October 13). *Economic Times*.
- Mishra, A. K. (1993). Technical/vocational education in India. In R.V.R. Chandrasekhara Rao (Ed.), *Technical and vocational programmes through distance education*, Hyderabad: Dr. B. R. Ambedkar Open University.
- Metropolitian Region Development Authority. (2004). *Population and employment profile of Mumbai metropolitan region*. Mumbai, India: Author.
- Mor, N., & Rupali, R. (2004). *Catalytic funding to scale micro finance in India*. Mumbai, India: ICICI Bank, Social Initiatives Group.
- Mukhopadhyay, M. (2002, March 11). *Educating the nation: Need for a dedicated satellite*. New Delhi, India: National Institute of Educational Planning & Administration.
- Mukhopadhyay, M. (2003, July). *Report: National consultation on EDUSAT*. New Delhi, India: National Institute of Educational Planning and Administration.

- Murgai, R., & Ravallion, M. (2005, June). *Is a guaranteed living wage a good anti-poverty policy?* (Policy Research Working Paper No. WPS 3640). Washington, DC: World Bank.
- Nair, A. (2005, February). *Sustainability of microfinance self help groups in India: Would federating help?* (Policy Research Working Paper No. WPS 3516). Washington, DC: World Bank.
- National Council of Education Research and Training. (2005). *National curriculum framework 2005*. New Delhi, India: Author.
- National Council of Education Research and Training. (2002, September). *All India school education survey, provisional statistics* Sept 30, 2002. National Council for Educational research and training.
- National Council of Education Research and Training. (2005, April). *National focus group on work and education: National curriculum framework review* (Position paper). New Delhi, India: Author.
- The new population policy. (2000, April). *South Asian Voice*.
- NRI's beat Chinese émigrés — Send home more money, says bank. (2005, November 17). *Hindustan Times*.
- Oconnell, P. (2005, October 24). What India Needs Now. *Business Week*.
- Prayas. (2004). *Prayas reflections 2003–2004*. New Delhi, India: Author.
- Prayas. (2004). *Sambhav report 2000–2003*. New Delhi, India: Prayas, Juvenile Aid Centre.
- Prayas. (2004, November). *Swathya Darshan: Prayas health services*, 2. New Delhi, India: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Automotive*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Biotechnology*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Entertainment and media*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Health care*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Information technology*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Information technology enabled services*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Oil and gas*. Washington, DC: Author.

- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Pharmaceuticals*. Washington, DC: Author.
- Price Waterhouse Coopers. (2004). *India Brand Equity Foundation: Telecommunications*. Washington, DC: Author.
- Puliyenthuruthel, J. (2005, August 22). The other MIT (China and India: The Education Gap). *Business Week*.
- Puliyenthuruthel, J. (2005, August 22). The seeds of the next Silicon Valley (China and India: The Education Gap). *Business Week*.
- Reform in India: Democracy's drawbacks. (2005, October 27). *Economist*.
- Saran, R. (2005, November 28). How long will the party last? *India Today*.
- Sarin, R. (2005, October). *Perspectives of fiscal sustainability in Jharkhand*. Ranchi, India: Center for Fiscal Studies, Finance Department.
- Shri Bhagubhai Mafatlal Polytechnic. (2004). Briefing students on eve of in-plant training. Mumbai, India: Author.
- Shri Bhagubhai Mafatlal Polytechnic. (2004). *Towards excellence in technician education 1963–2004*. Mumbai, India: Author.
- Sinha, V. (2005, November 19). More blue-collared a million hired: Fruits reach the labour at last. *Economic Times*.
- Skills shortage hampers India. (2005, October 16). *Sunday Times*.
- Verma, U. K., & Sasikumar, S. K. (2005, August). *Migration and vulnerability to HIV/AIDS: Toward evolving viable intervention strategies* (NLI Research Study Series No. 62/2005). *Gautam Budh Nagar*, India: V. V. Giri National Labour Institute.
- What Could Go Wrong? (Expert round Table 8, online discussion) [China and India: The Challenge]. (2005, August 22). *Business Week*.
- Woolcock, M., Rao, V., & Jha, S. (2005, September). *Governance in the gullies: Democratic responsiveness and leadership in Delhi's slums* (Policy Research Working Paper No. WPS 3694). Washington, DC: World Bank.
- World Bank, South Asia Region, Human Development Unit. (2006, January). *Skill development in India: The vocational education and training system*. Washington, DC: Author.
- Zachariahs, C. (2005, November 14). India's 3-yr bachelor degree may get US OK. *Economic Times*.
- Zachariahs, C. (2005, December 2). Rural India dreams burra, learns English. *Economic Times*.

**APPENDIX G: JOBS FOR THE 21ST CENTURY: INDIA
ASSESSMENT (POWERPOINT PRESENTATION)**



India Workforce Development
Rapid Assessment

Field Report

- *Seema Agarwal-Harding – USAID/ANE*
- *Glen Witter, Charles Conconi, Amir Khan, CK Basu – EDC and Development Informatics*



December 19, 2005

Topics to be covered

- Assessment focus and approach
- The current situation for vulnerable youth
 - Demographics
 - Migration
 - Women
- The situation in Jharkhand, Delhi and Maharashtra
- Likely job market opportunities and the disconnect between education, skills and demand
- Emerging trends
- Constraints
- Areas for intervention
- Best practices
- Options

Assessment focus

How can we increase job skills and placement opportunities for vulnerable youth in selected areas of Delhi, Maharashtra and Jharkhand?

Job placement and career opportunities:

- Are growing with the economy, but slower
- Need to focus on skills and performance on the job
- Need to emphasize opportunities for the poor and vulnerable
- Are predominantly in the private sector – need to harness industry involvement
- Are mainly in unorganized* sectors
- Are strongest in services sectors

Vulnerable youth include:

- Ages 15-24/30
- Those who have not completed Grade 10
- Those with “unemployable” qualifications
- Those who are unemployed or underemployed
- Those who are vulnerable to exploitation and “at risk” for poverty
- Those who are marginalized from livelihood skills and placement programs

Selected areas are those that:

- Currently pose the greatest potential for creation of new jobs or advancement in existing or new industries
- Are identified as areas of need based on rates of unemployment and under employment, drop out rates, number or percentage of out-of-school youth and vulnerability
- Provide USAID with strategic or comparative advantage

**The unorganized sector are those not covered by the Factories Act.*

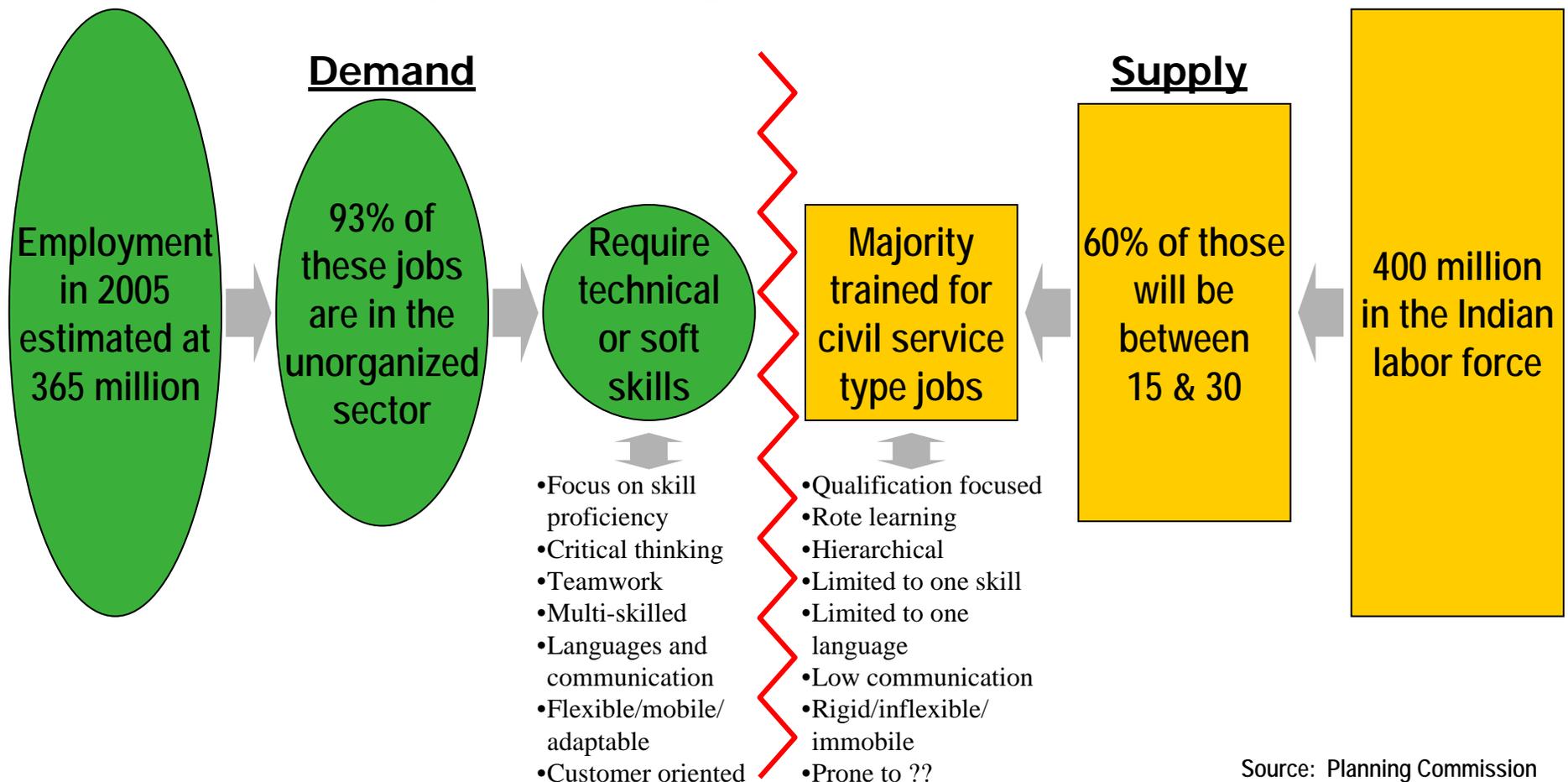
This act applies to the public sector and companies of over 100 employees mainly in traditional industries.

Survey approach

- Secondary info search for current information
- Interviews with
 - Government departments
 - Think tanks
 - Employers and Associations --
 - “man on the street”
 - Educators – public and private
 - NGOs and donors
- Focus groups
 - Muslim school children and graduates
 - Alternative ed students and parents
 - Drop out youth
 - Mixed
 - Women
 - Migrant youth
 - Unemployed graduates
 - Employer executives
- International comparisons
- Visits to educational institutions, NGO projects and businesses in Mumbai, Pune, Aurangabad, Delhi/Gurgaon, Hyderabad, Ranchi and Jamshedpur

Youth unemployment gap

Matching today's youth with employment needs is like trying to put a square peg in a round hole – there are too many looking for work and they lack the right skills and competencies



India's youth employment situation

- Miss match between youth looking for work and available jobs
- Lack of good job opportunities for drop outs
- Shortage of “2nd chance” education & skills training
- Surplus of graduates with irrelevant training for new economy

The economy is booming, but employment growth lags population growth – 14 million additional jobs will be needed by 2012 to keep pace.

The organized sector and high-tech companies are doing more training, even while hiring new recruits with higher educational credentials

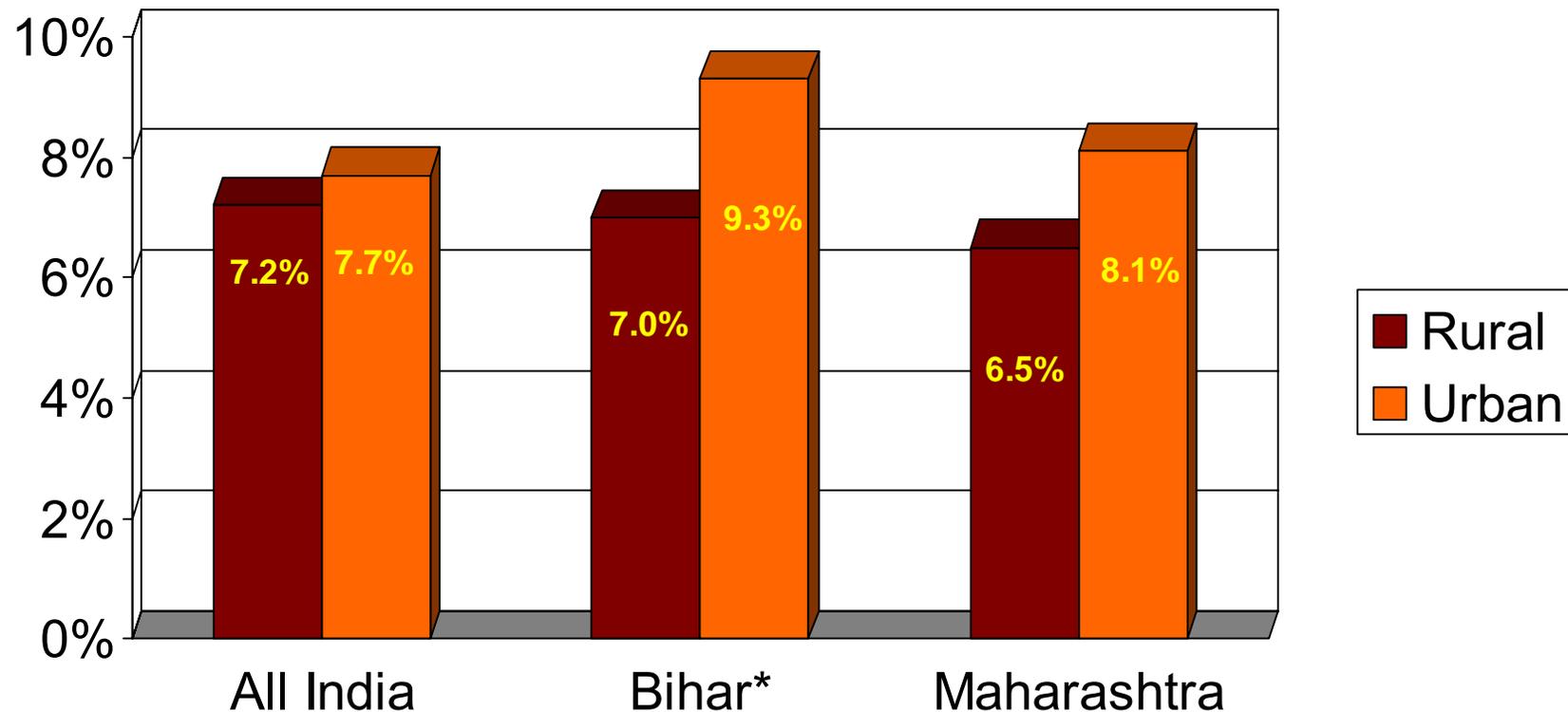
The vast majority of the vulnerable workforce is in the unorganized sector – yet opportunities for training are more limited and difficult to administer

Not only service industries are looking for communicative teamworkers

India's unemployment data

Urban unemployment is higher than rural – and growing

Current Daily Status* Unemployment Rates (2000)



Source: National Sample Survey Organization (NSSO) 55th round, 2000

*Notes: Current Daily Status (CDS) is based on survey data quantifying daily activities during one week. It extrapolates for the total number of days worked in a year; Jharkhand figures are aggregated with the Bihar data

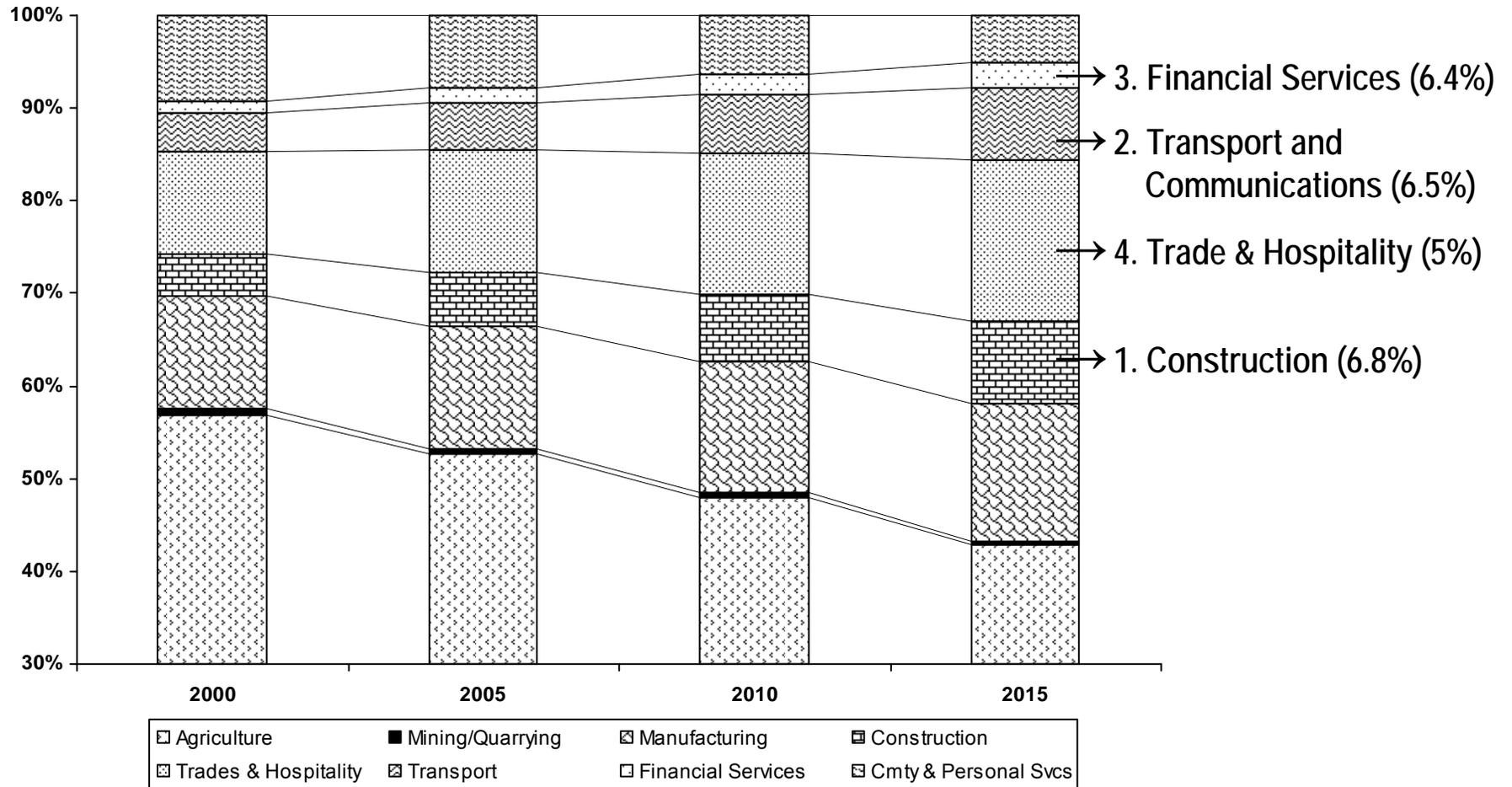
Youth vulnerabilities

Reinforcing this focus is the fact that youth, particularly the unemployed, are also vulnerable to recruitment by extremist organizations

- Ages 15-24/30
- School drop-outs
- Those with unemployable credentials
- Unemployed / underemployed
- More exposure to/knowledge of the way the more privileged live
- Jharkhand is problematic – 21 of 26 districts controlled
- Andhra Pradesh has 23 districts controlled
- Growing in other states too

Projected job growth in selected industries

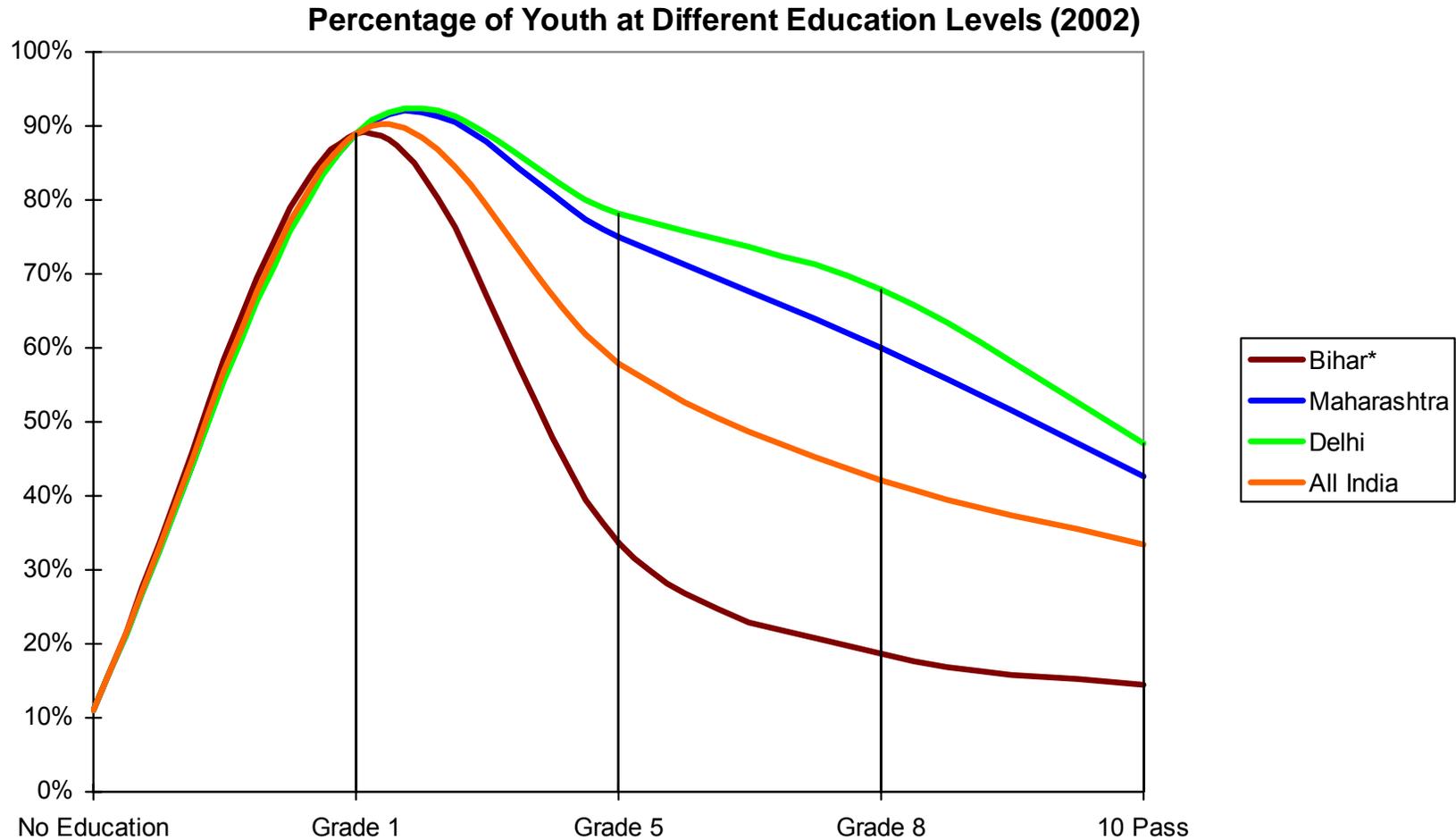
Employment Growth by Industry (Current Daily Status)*



Source: Planning Commission

*Notes: Current Daily Status (CDS) is based on survey data quantifying daily activities during one week. It extrapolates for the total number of days worked in a year
Scale does not start at zero

Educational levels of youth



Source: Ministry of Human Resource Development Annual Report; Vision 2020: Towards a Knowledge Society, Team Analysis

9 July 2007

21st Century Workforce

Note: Bihar figures include Jharkhand

Transition options of post secondary students

- Leave school
 - Enter the workforce
 - Largely in the self-employed, casual labor categories
 - Often underpaid and piecemeal work
 - Get married and engage in household work
 - Continue training/upgrading through NGO programs or Open University (128 million enroll)
- Enter an ITI – 710,000 current enrollment
- Enter a polytechnic – 28,710 (1998)
- Enroll in Community College – ??
- Enroll in University – 9,227,823 (2003)

Demand and supply of workers by education level (based on interviews)

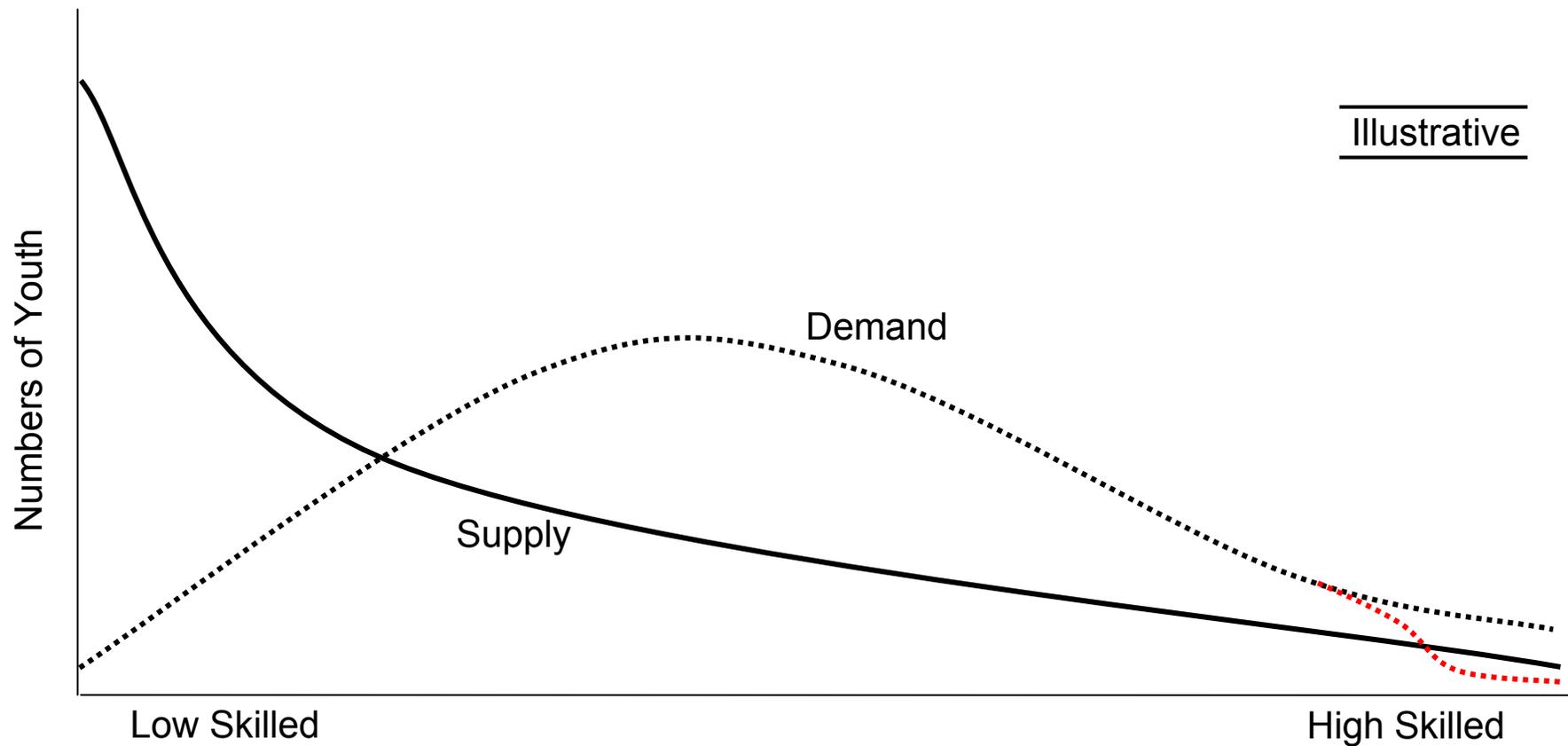
		Supply of Workers		
		< 10 Pass	10 Pass	12 Pass or Higher
Demand for Workers	Organized	<ul style="list-style-type: none"> ➤ Agribusiness & Food Processing ➤ Garments/Apparel ➤ Mining 	<ul style="list-style-type: none"> ➤ Automotive ➤ Steel 	<ul style="list-style-type: none"> ➤ Hotels & Hospitality ➤ Hospitals ➤ Education ➤ Pharmaceutical
	Unorganized	<ul style="list-style-type: none"> ➤ Construction ➤ Domestic Services ➤ Some Light Manufacturing 	<ul style="list-style-type: none"> ➤ Hospitality ➤ Light Manufacturing ➤ Small Retail ➤ Home/Community Health/Education Services 	<ul style="list-style-type: none"> ➤ Retail (larger, malls) ➤ IT/BPO ➤ Financial Services

Youth perceptions – aspirations and realities (includes focus group findings)

	< 10 Pass	10 Pass
Organized	<ul style="list-style-type: none"> ➤ Want skills for organized sector ➤ Recognize not many govt. jobs ➤ Need English and IT 	<ul style="list-style-type: none"> ➤ Want degree – any degree ➤ Want high pay / profile job after degree ➤ Seek job and PT degree ➤ Need for English & IT ➤ Recognize end of govt jobs but...
Unorganized	<ul style="list-style-type: none"> ➤ Ignorance of career possibilities ➤ Lack of job search skills/confidence ➤ Recognize need to get employable skills ➤ Ignorance on how to get employable skills ➤ Ignorance of skills earning potentials ➤ Optimistic about their futures ➤ Optimistic about self employment 	<ul style="list-style-type: none"> ➤ Ignorance of career possibilities ➤ Lack of job search skills/confidence ➤ Ignorance of skills earning potentials ➤ Optimistic about their futures ➤ Optimistic about self employment

The gap between supply and demand

Education is not a good predictor of skills



Limitations of unemployed youth

- Poor learning outcomes
 - Ability to read and write
 - Speaking and communications skills
 - Technical competence
- Low employability skills (soft skills)
 - English/multiple languages
 - Presentation skills
 - Etiquette and hygiene
 - Work ethic/performance
- Not adaptable or portable
 - Flexibility and mobility
 - Low computer/IT familiarity
 - Lack of multi-skills
 - Limited training/re-training opportunities
- Poor opportunities for entrepreneurship/enterprise development
 - Limited finance and technical support

Characteristics of unemployed/vulnerable youth

Most common activity areas

- Migrant workers
- Small farmers
- “Self-employed”
- Casual labor
- Household work (mostly women)

Constraints

- Limited trade markets
- Limited access to credit, savings and insurance instruments
- Poor information resources

Growing demand for skills

- IT literacy
- English
- Personable, reasoning, creative, adaptive problem-solving team player
- More relevant and quality skills
 - Based on industry demand
 - Taught by practitioners
 - Presentation and communications
- Flexibility (multi-skilled)

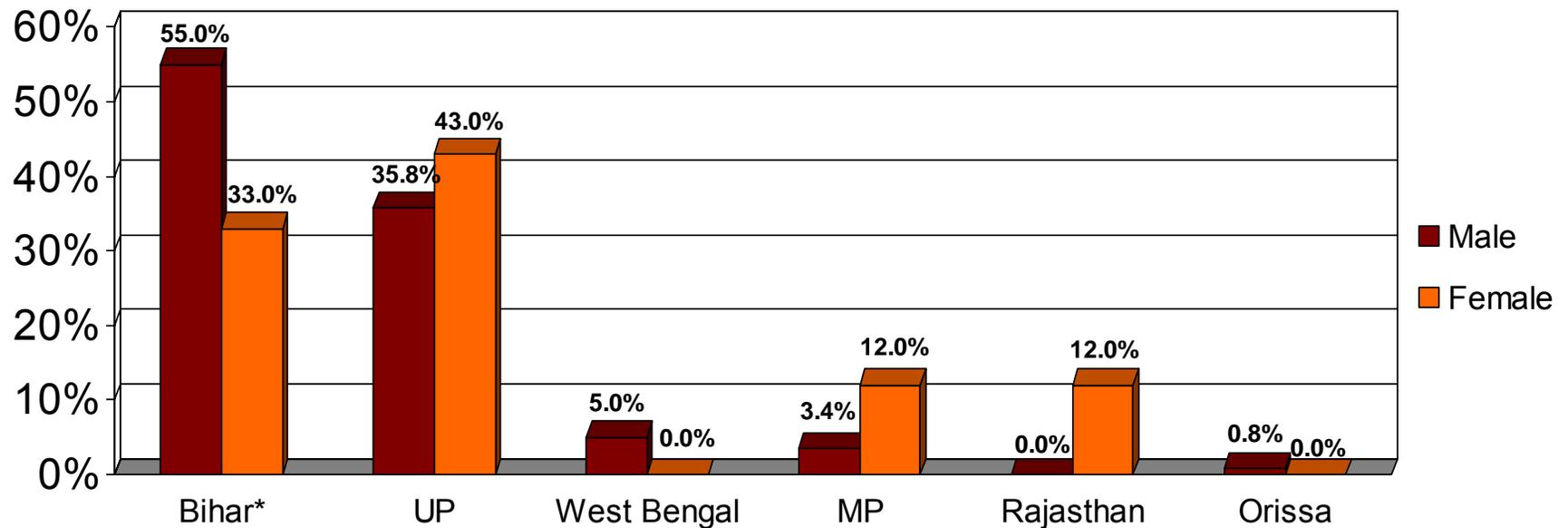
Causes of shortfall in supply

- Poor quality teachers – especially rural
- Lack of schools, teachers and materials – especially rural
- Lack of relevant curricula
- Poorly equipped voc/tech schools
- Lack of school-industry coordination – inadequate demand-driven training
- Inflexible training systems
- Cultural stigmas
- Low standards - poor emphasis on quality
- Lack of awareness of career/job opportunities/training

Rural-Urban migration

Delhi and Mumbai each report net migration of 500,000 in 2004. 89% are from rural areas and over 50% of migrants, both male and female, are between 15-25 years old

State of Origin of Migrant Workers



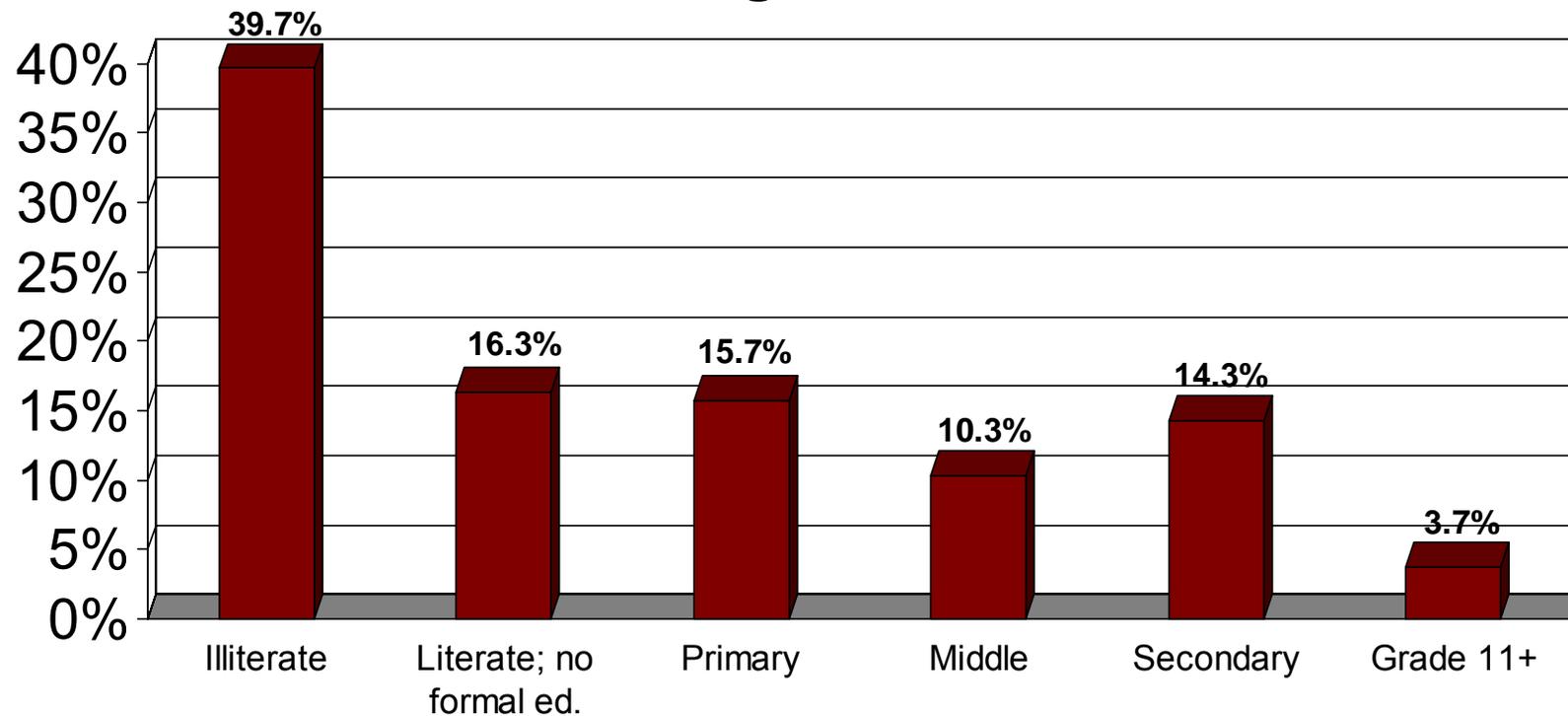
Source: National Labour Institute, "Migration and Vulnerability to HIV/AIDS", 2005; Ministry of Labour

Note: Bihar figures include Jharkhand

Rural-Urban migration

More than 80% of migrants have no formal education or dropped out before secondary school

Education Level of Migrant Head of Household



Source: National Labour Institute, "Migration and Vulnerability to HIV/AIDS", 2005

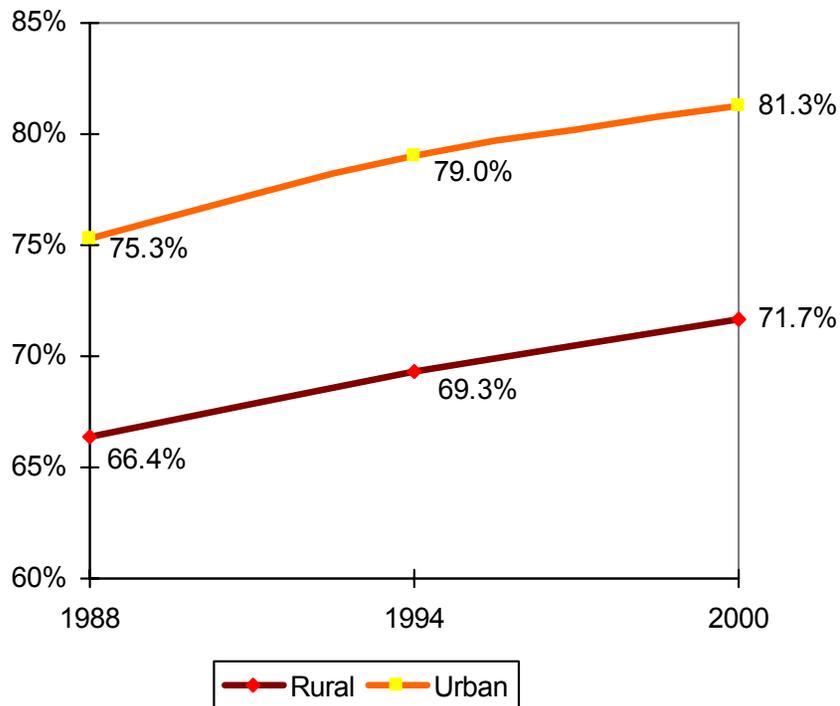
Migration – problems and options

- Unorganized (speculative)
 - draws the poor and uneducated
 - Slums, no social safety nets
 - Increased crime
- Ideal is “Organized” migration to awaiting jobs
 - Now in some fields – construction, nursing, security
 - Could be better organized
 - Basic employability skills first
 - Health and safety awareness
 - Orientation to city life/recourse/life skills
- Need safe migration resources for those coming without jobs
 - Basic employability skills first
 - Placement services
 - Health and safety awareness
 - Orientation to city life/recourse/life skills
 - Better information about resources

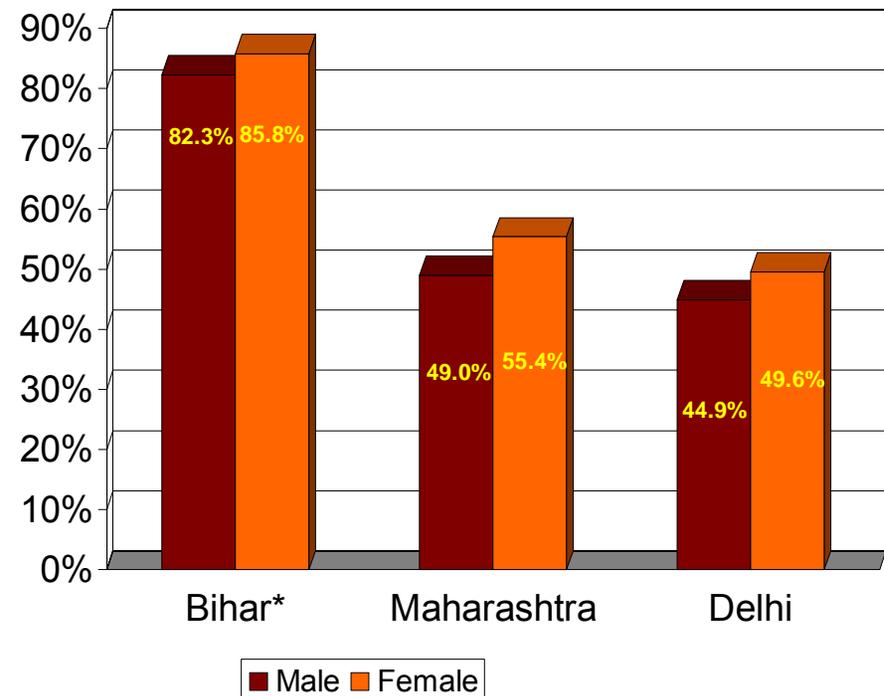
Women

More women are entering the workforce, but they have higher unemployment and are disproportionately represented in the lowest educational and job categories

Female Participation in the Workforce*



Dropout Rates Before 10-Pass, by Gender



Source: Ministry of Human Resource Development Annual Report 2004; NSSO 55th round, 2000

*Note: Scale does not start at zero; Bihar figures include Jharkhand

Women

- Workers in service sector by gender
- Data of self-employed by gender
- Farm/land holding sizes/owners by gender
- ...

Selection criteria for regions

Delhi Region	Maharashtra	Jharkhand
<ul style="list-style-type: none"> ➤ Growing Economy ➤ Inward Migration ➤ Existing USAID Projects ➤ Proximity to the Mission ➤ High Urban Poor Unemployment ➤ High Urban Youth Unemployment 	<ul style="list-style-type: none"> ➤ Growing Economy ➤ Inward Migration ➤ Existing USAID Projects ➤ Proximity to the Mission ➤ High Urban Poor Unemployment ➤ High Urban Youth Unemployment 	<ul style="list-style-type: none"> ➤ Substantial Outward Migration ➤ High population of rural and tribal poor ➤ Existing USAID Projects ➤ High Investment and Growth Potential ➤ Proactive NGO and Corporate players ➤ Rural Population Vulnerable to Naxalite influence

Characteristics of Jharkhand employment

Negative indicators

- Large rural and tribal population – mostly engaged in primary agriculture (___% small farmers)
- High migration to urban areas, both inter- and intra-state – (some seasonal)
- Disparity of incomes and opportunities
- Disparity of quality education
- Lower education levels and higher drop-out rate than India average
- Strong Naxalite presence (especially in rural areas)
- Low capacity and inexperience in public administration

Positive indicators

- Low growth state, but with opportunities for faster growth
- One of only two states with a budget surplus (e.g. Mittal, Tata)
- Large planned investment by corporations
- Dominated by heavy industries – Mining and Automotive

Issue: *Pockets of disadvantage are the rural poor; opportunities are for urban and industry-led growth. How do we link these two?*

- *Organized/safe migration to growth centers*
- *Small farmer and agricultural trade?*
- *High-value horticulture and agribusiness/food processing?*

Characteristics of Maharashtra employment

Negative indicators

- 500,000 net in-bound migration with many “at risk” migrant workers
- Agriculture in decline
- High pressure on urban poor due to rising costs of living
- High unemployment among slum dwellers

Positive indicators

- Manufacturing industries moving out of Mumbai to suburbs and secondary cities
- Slum population shifting from central Mumbai
- Booming technology, finance, retail trades and services and construction industries
- Relatively progressive policies – early adopters
 - Vocational education
 - Business Partnerships
 - Employment Promotion Program (EPP)

Issue: *The growth of smaller cities and shifting slum/migrant populations – how do we link these two?*

- *Create/support opportunities in smaller, high-growth cities and towns*
- *Organized/safe migration to growth centers*

Characteristics of Delhi region employment

Negative indicators

- 500,000 net in-bound migration with many “at risk” migrant workers
- Substantial “at risk” migrants predominantly from Bihar, Jharkhand and Uttar Pradesh
- High pressure on urban poor due to rising costs of living
- High unemployment among slum dwellers

Positive indicators

- Highest growth nation-wide – primary destination for foreign investment
- Booming retail, hospitality, tourism, household services and construction industries

Issue: *Rapid growth in selected industries, but large vulnerable slum, street and migrant population from specific regions. How do we link these two?*

- *Organized/safe migration to growth centers*
- *Better information and resources for likely migrants in Jharkhand, Bihar and UP*
- *Identifying and formalizing informal sector education and training opportunities*

Emerging trends in education and jobs

India is going through enormous changes right now, not just demographically

- Secondary education pressures increasing
- Rural-Urban migration increasing
- Services industries growing
- Policy environment liberalizing (early adopters)
- Increasing demand for technical professions (MD, Eng., MBA, MCA, Finance, IT)
- Increasing underemployment of workers with mid-level or non-technical credentials
- Manufacturing sector growing, but job opportunities not keeping pace
- Small businesses growing

Employers issues

- Higher education grad surplus / poor quality skewing job entrance criteria with employers skimming
- Employer aversion to lower education workers as “troublemakers”
- Labor laws restrain hiring and growth
- Little use of apprenticeship for own employees
- Finding staff for rural postings
- No evident bias against women

Rapid growth in the service sector

- Closer correlation between economic growth and employment growth – higher elasticity of employment
- Growing middle class has more disposable income and is more sophisticated requiring more services and conveniences
- Rural poor also market for services
 - Banking
 - Insurance
 - Medical
 - Transportation
 - Education

Economic growth is occurring in traditional industries like manufacturing, but employment growth is low because of automation, higher productivity and restrictive labor laws

Potential industry growth areas

- Some areas which could grow rapidly if constraints removed:
 - Agribusiness
 - New market crops (vegetables, flowers) and outreach
 - Food processing, packaging and preservation
 - Non-timber forest products
 - Inter-state transport of goods
 - Manufacturing – both major assembly and smaller component suppliers
 - Garments for export
 - Water conservation / distribution / clean up
- Overseas workers

Weaknesses of skills training providers

- Majority Public sector VET institutions ineffective – ossified teachers, management, curricula, equipment
- Secondary / primary education vocationalization will be slow/difficult
- Quality problems – much is poor
- Not enough
- Public sector expensive to run
- Private sector expensive – accessible only to the better off
- Poor linkages with industry
- Few part-time training opportunities

Emerging trends in education

Government plans

- “Universal” primary & secondary education
- Curricula and instruction for needs of new economy
 - Employability
- Vocational training
 - Multi-skilling
 - Close links with business
 - New skills
 - Recognize informal learning
- Encourage Entrepreneurship
- Utilize open learning
- Encourage private education

Current trends in education

- Mobility = IT and English literacy
 - High demand
 - Increase in private sector schooling
- Secondary education double crunch!
- Teacher shortages at all levels – public sector
- Growth in private sector schools
- Private high quality degree granting institutions - pending
- Demand-driven vocational training
- Acceptance of need to align education for the new economy
- Private sector leads innovation and new skills (e.g. NIIT, Aptech)

Emerging trends in vocational/tech training

- Central government mandating industry partnerships in Vocational training
- Maharashtra/Gujarat advanced policies - model institutions
- Delhi embracing new central policies re industry participation
- Jharkhand requesting Universities and institutes to start polytechnics
- Jharkhand requiring training MOUs for all new industry
- Jharkhand requiring value added (means real jobs)
- Good models of youth skills training - both government and NGO

Emerging trends in skills development

- Good laddering between ITI – Poly – Degree
- National skills examinations
- National skills qualifications authority exists
- New recognition/certification of informal learning – programs originated in Gujarat
- Switching to competency based training and assessment
- Private sector flexible & responsive to emerging needs - in urban areas
- Employer based training encouraged / necessary
- Employer-govt. school partnerships encouraged
- Good leadership examples in Maharashtra being cloned
- Apprenticeship system OK
- Urban-centered job opportunities
- Open learning programs gaining in popularity

Initiatives to bridge supply-demand gap

- NGO-Industry initiatives growing
- Community Polytechnics – success and spreading
- Community Colleges – success and spreading
- Mandated industry involvement in ITI s and Polytechnics and industry interested
- Tax break for donations to vocational schools
- Recognition of informal learning (Big potential)
- Private sector training acceptable
- High demand for quality improvement in education/training
- Evolving certification system
- Open university/schooling (popular)

Positive developments in industry

- CSR movement growing
- Demanding better quality workers (skills not qualifications)
- Optimistic about future
- Increasing involvement in skills training
- Industry skills standards developing -Recognition of informal learning - emerging
- More emerging new skills and industries (e.g. medical, financial, pharmaceutical, IT)
- Large potential in manufacturing growth with sub-contracting

Restrictive policy environment

Tremendous pressures are building for reform of outdated policies that are impeding the normal growth of healthy industries

- Contract Labor Act 1970
 - Doesn't permit contracted or temporary workers
- Industrial Disputes Act 1947
 - Doesn't allow retrenchment or bankruptcy
- Interstate barriers to commerce
 - Raises cost, time and spoilage of agriculture products
- Land distribution
 - Doesn't allow economies of scale in agriculture
- Reservations for small-scale industry
 - Prevents economies of scale in many sectors
- Restrictions on food preservation

Cultural Constraints to youth employment

- Premium still on government jobs
- Aversion to blue collar jobs
- Skill shortages often culturally driven – e.g. nursing, serving
- Cultural immobility
- Women discrimination
- Aversion to rural work
- Strong family ties decrease mobility and increase attrition
- Little worker loyalty in new high-skill industries

Areas for possible intervention

- General education
 - Bridge/2nd Chance programs
 - Relevance/diversification of secondary ed.
 - Training/mentoring programs
- Skills development with industry partners
- Migration assistance & services (inward & outward)
- Entrepreneurship programs (rural & urban)
- Rural support and development
- Career planning
- Skills recognition
- CSR

Strategic areas for intervention by location

Jharkhand	Maharashtra	Delhi region
<ul style="list-style-type: none"> ➤ Organized migration to urban growth centers ➤ Safe migration to urban centers ➤ Small farmers and agricultural trade ➤ High-value horticulture and agribusiness/food processing (if policy barriers loosen) ➤ Good governance 	<ul style="list-style-type: none"> ➤ Create and support opportunities in high-growth, smaller cities and towns ➤ Making migration safer for inbound migrants <ul style="list-style-type: none"> – Employability skills – Better resources – Better information ➤ Identifying and formalizing informal sector education and training opportunities ➤ Entrepreneurship and micro-enterprise development 	<ul style="list-style-type: none"> ➤ “Formalizing” opportunities in the informal sector ➤ Making migration safer for inbound migrants <ul style="list-style-type: none"> – Employability skills – Better resources – Better information ➤ Identifying and formalizing informal sector education and training opportunities ➤ Entrepreneurship and micro-enterprise development

Findings – Best Practices

General Education – Bridge or Second Chance Programs

- PRAYAS, CAP/LABS, Don Bosco holistic alternative education, skills and transition

General Education – Tutoring and Mentoring

- Akanksha

Technical Skills Development in partnership with industry

- TATA Motors and TATA Steel ITI s, Community Colleges and Community Polytechnics, Construction Industries Dvpt. Council Competency-based Certification, Mafatlal Polytechnic, GTZ-MSSI-SIDO

Findings – Best Practices (cont..)

Migration Assistance and Services

- CAP, PRAYAS, and SPARC (but mostly after they have fallen through the cracks)

Relevance/Diversification of Secondary Education

- Akanksha (just started program)
- Government initiatives (planned)

Rural Support and Development

- Tata Social and Rural Development Society, GTZ – SEWA/FWWB women's micro insurance, ICICI/ITC rural information and financial services (e-Chopal model), GTZ-NAB micro finance / community co-op banking,

Findings – Best Practices MSME-SME development

Entrepreneurship/Micro-Enterprise Development

- BYST, Mafatlal Polytechnic, Xavier Institute for Tribal Education, Don Bosco, Institute for Entrepreneurship Development, Gujarat leadership
 - Some excellent holistic models – covering all links in the chain
 - Weakest link is financing – needs both soft loans and venture capital - for start-up and growth
 - Need to demand/reward effectiveness in starting and growing ventures
 - not just training through-put

CSR Initiatives

- Tata, Godrej, L&T, CII, QUEST Zensar, FICCI, etc.

Initiatives poised for expansion

- Skills Certification
 - CII – with London Cities & Guilds
 - Construction Industry Development Council
 - Recognition of informal learning
- Organized migration – e.g.: construction
- Rural livelihood diversification and empowerment of rural women
- BYST venture capital closed fund(s)
- Private sector health and education training
- Rural Banking and Finance: ICICI, GTZ-SEWA-FWWB,
- Private sector open learning / self-paced learning: COL, ICICI, APTECH R&D
- The CSR movement led by CII
- ITI divestment 100 (can be 1900) to employers:
 - FICCI / industry CSR assumption of 15 ITI s
 - CII seeking 50
- Community College and Community Polytechnics movements

Options for migrant workers

Area of opportunity – there is a noticeable gap in organizations offering services or programs in this area.

- Organized migration support at the source in construction trades, domestics, etc. (Jharkhand, Bihar, UP, MP, Rajasthan are priorities)
- Migration services at destination: orientation/ job search & placement / schooling/ skills certification facilitation / rights and recourse/ housing / health

Prayas, CAP and SPARC offer programs in urban areas designed to pick up migrants who have fallen through the cracks, but there are few programs targeting migrants and ensuring they don't fall in the first place

Empowerment for rural women

- More & better quality and portable basic employable skills
- Organized migration and career planning
- More SME / MSME
- More MFI and Rural Banking / finance
- Awareness/facilitation for certification of informal skills
- Awareness of alternative skills education opportunities
- Encourage rural bankers and finance instruments projects
- Experiment rural livelihood diversification ala CAP and GTZ
- Distance education for livelihood improvement (see COL)
- Focus on the quality of jobs rather than new jobs

Options for urban youth/slum dwellers

- Awareness/facilitation for certification of informal skills
- Awareness of alternative skills education opportunities
- Effective career planning and job hunting skills / assistance
- Support CAP Madarasah initiative expansion
- Support bridge programs for ramp up
- Partner GTZ (and other) formal and informal initiatives to new locations

Options for skills development for youth entering the job market

Untapped opportunity – few organizations active

- Assist secondary system to train trainers and develop new curricula (not recommended for public sector)
- Assist spread of community polytechnics and community colleges
- Train the Trainers and capacity building of NGOs
 - Use / development of new teaching methodologies
 - Introduction new skill sets
- Encourage Competency-Based training and Certification systems
- CSR / GDA for NGO skills trainers to improve plant, equipment, materials, intro new technologies etc.
- Partnerships with GTZ and similar others for industry skills and greater employer use of apprenticeship system

General over-arching recommendations

- Avoid direct interventions with public sector education
- Coordinate interventions with other donors – clearing house?
- Avoid rural interventions at small scale local levels (except for experiments) – seek “head water” or “catalytic” partnerships where a little intervention pays big.
- Focus on “cross-cutting” or “cluster” interventions teaming diverse SOs – e.g.: health, education, trafficking, economic development, rural development – even the embassy trade section.
- Promote cross-sectoral programming through integrated approaches
- Align GDAs with the CSR movement – e.g.: strengthen QUEST’s ability to do with focus on youth employment
- Provide support but distance USAID from faith-based skills training via partnerships with other agencies such as GTZ
- Don’t ignore vast USA resources in Community Colleges (historical involvement in India), Polytechnics and private skills trainers (GDA?)
- Look for opportunities to promote good governance as a basis for supporting and sustaining impact at local levels

Other comments....

- The full report will be ready in January
- Please give any feedback you may have to:
 - Seema Agarwal-Harding, sharding@usaid.gov
 - Glen Witter, glenwitter@hotmail.com

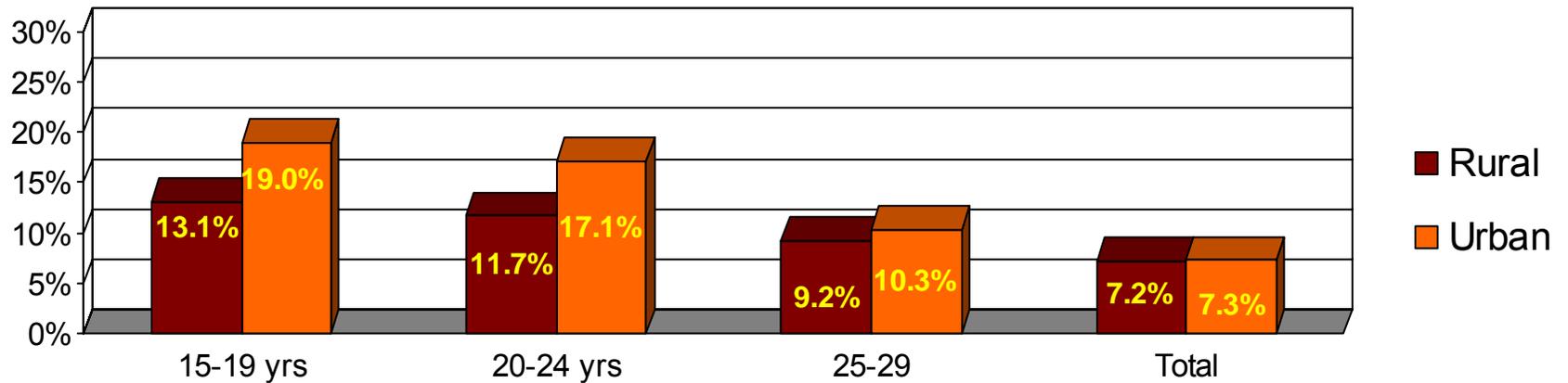
Underemployment

The unemployment figures for India do not accurately reflect the true situation in india

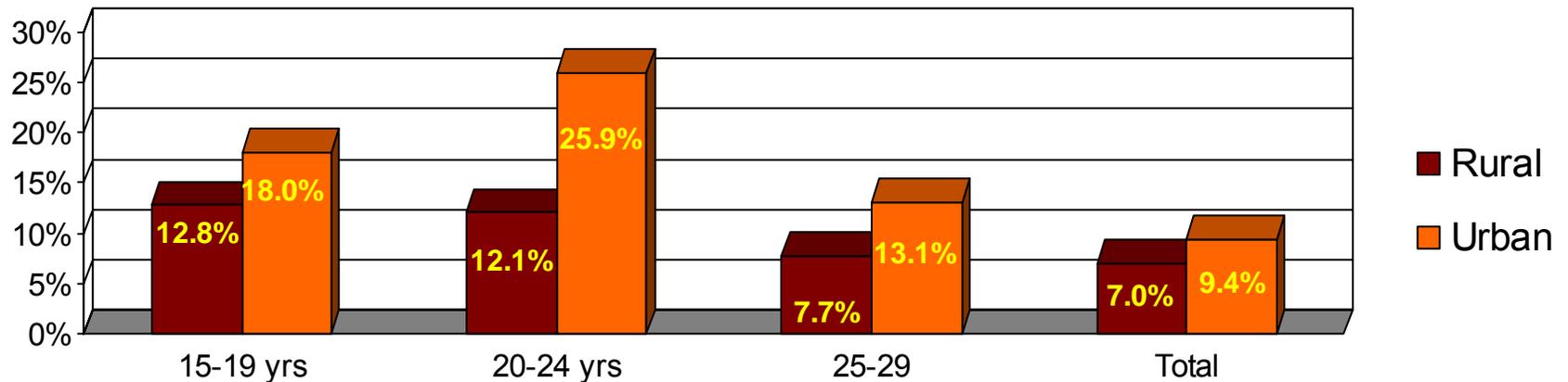
- Temporary work
- Seasonal work
- Self-employment
- Underpaid work
- Middlemen
- Non-formal sector 93% - survival jobs
- Many over-educated for job

India's youth and employment picture

Youth Unemployment Rates - Male



Youth Unemployment Rates - Female



Source: National Sample Survey Organization (NSSO) 55th round, 2000

Options

Corporate Community Social Responsibility:

- Encourage / Support OSY skill development and rural livelihood CSRs with GDAs
- *Cross cutting SOWs: Education / Health / Child Rights / Anti-trafficking AND Embassy Trade*

Good Governance:

- Advocacy on labor reform
- Capacity building for Jharkhand Ministries with training programs
- New management paradigm of ITI s and Polys
- Jharkhand / Delhi Quick entry teacher certificate program for trades practitioners
- *Cross cutting SOWs: Good Governance / Education / Economic growth*

Appendix H: Cost-Effectiveness Analysis for Select NGO Projects

NGO Institution	LABS	BYST	CAP Teen Challenge
Annual Enrollment	500	120	8,000
Number of Centers	6	Rural/urban coverage	14
States Covered	9	6	N/A
Types of Courses	Short-term training Apprenticeship	Start-up business plans Ventures and capital	Short-term training, life skills, youth empowerment, bridge courses, and second-chance courses
Duration of Courses	3 months + 1 month Outplacement/support	Mentoring: Monthly meetings, placement in mentor's business for 6 months, and support for up to 4 years	3 months to 2 years; mentoring sponsor; outplacement and social services; distance education follow-on
Private Sector Participation	Design/feedback on courses	Selection of participants Mentors for program (7,000 trained mentors)	Local industries and corporations; mentoring and apprenticeship program
Targeting Criteria	Geographical targeting	Youth from households of less than Rs 600 (US\$ 15) monthly household income	Geographical targeting
Total Cost per Participant/ Employed Youth	Rs 3,500 (US\$ 87)	Rs 50,000 (US\$1,237)loan average employs 10 people, for a cost/employed youth of Rs 5,000 (US\$ 1,237)	Rs 3,500 (US\$ 87)
Student Cost	Rs 1,000 (US\$ 25) SSA subsidy plus corporate sponsors	N/A	Rs 1,000 (US\$ 25) SSA subsidy plus corporate sponsors
Placement/Impact	100 % placement 60% retention	Payback—5% default rate	Livelihood generation
Monthly income	Rs 2,500–Rs 5,000 (US\$ 62 - 124)	Small ventures primarily—employment effects of SME growth	N/A

Source: EDC Assessment Team