

Gender and Economic Policy Discussion Forum

Discussion Forum II

Project Objective

The Discussion Forum will provide an opportunity to understand, discuss and critique economic policy from a gender lens, and provide an opportunity for interaction between economists, policy makers, and gender advocates in a structured manner. The forum will make special effort to reach out to students and university faculty.

By bringing together people with different perspectives, background, and experience, the project expects to shift public discourse around selected key economic policy issues in the direction of gender sensitivity, to be reflected in the work of individuals who participate in the forum.

The practice of economics has emphasized the need for data based and technocratic analyses. Empirical work in a range of different areas means that today we are much better placed in so far as data availability is concerned. However, this is only the beginning of any effort to ‘engender’ economics. Differences in roles, responsibilities and needs of men and women from different social groups, geographical locations, income and occupational class, can be articulated through a process of analysis that brings out the differences in access to resources and opportunities, and the identification of systematic factors or processes that result in gender differentiated behavior and outcomes, and to see in what ways policy formulation can take note of, and try and address, these systematic factors and processes.

Forum Outline

In all, five discussions will be held under the ‘Gender and Economic Policy’ forum between the months of March and November at India Habitat Centre as half day conferences. The focus will be contemporary pertaining to economic policies in relation to women’s empowerment.

The theme for the second discussion is ‘**Empowering Women through Skill development - Challenges and Opportunities**’. This discussion will help us to understand the problems faced in this ‘theory of change’ – that skill training followed by employment is an adequate and effective strategy for empowerment of women.

The first discussion on Micro-finance was held on 28 March 2012. Three more are to be held during the months of May to November, furthering the discussion on engendering economic policies.

Discussion Forum II

Empowering Women through Skill Development - Challenges and Opportunities

Need for skill training and development as a means to empower women

Women remain largely concentrated in low- end, informal, traditionally-female occupations, even if the products of their work might be part of high- value end products. As per the recent estimates, 28.7 percent of women as against 54.7 percent of men participated in workforce in 2004-05. According to the 2003 data of Ministry of Statistics and Programme Implementation, the Workforce Participation Rate in India of women and men in rural area was 30.98 percent and 52.36 percent respectively, while in urban areas this rate of participation was only 11.55 percent for women and 50.85 percent for men. The mid-quinquennial survey of 2007-08 (64th round) had shown that the rural female work participation rate (FWPR) had dropped to below the all-time low of 1999-2000. But in 2009-10 it further declined to 20 percent in usual principal status (UPS) work or employment and 26 percent in usual principal and subsidiary status (UPSS) work.ⁱ

Such low participation of women in the economic sphere is a reflection of several socio-cultural and policy issues. To promote women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources would require rethinking ways to incorporate women into the public sphere, of which work participation is a major component.

Gender norms and biases against women can limit sectoral mobility. For example, a large share of construction workers consists of informal workers and over half are women. This sector has seen dramatic changes in technology and most casual informal workers lack corresponding skills required to use new technology. Experience has shown that providing training alone does not enable women to access different work opportunities, and an important reason behind this is negative perceptions regarding skills and capabilities of women construction workers among male builders, engineers, supervisors and clients. In general, organizing and employment generation going hand-in-hand with skill training would improve expected outcomes for informal workers.

Employment scenario in India

The level of skill and education of the work force most crucially determine the productivity as well as the adaptability of the working class in a changing economic environment. While skill and education are needed for expanding economic growth, in reality majority of workforce is not skilled: the 11th plan suggested that 'getting skill development right' would determine whether India has a 'demographic dividend' or a 'demographic nightmare'ⁱⁱ. Skills and knowledge are the driving forces of economic growth and social development of any country. The economy becomes more productive, innovative and competitive through the existence of

more skilled human potential. The fast growing global world and rapid changes in technology provide both challenges and opportunities. In such a world the quality of skills that the people of any nation possess will become important in determining that nation's economic performance.

Overall labour productivity in India is much lower than in other economies; it is \$ 5.45 per person per hour in India while the figure for Mexico is \$ 20.51. As per National Sample Survey Organisation (2004-05, NSSO) survey, around 125 million out of 397 million working population are living below the poverty line, and over 200 million students enroll for schools in Class I each year, but only 20 million of these are able to finish Class XII i.e. 90 % of the school students drop out at different stages. The National Commission on Enterprises in the Unorganised Sector (NCEUS) used NSS data to show that for all persons in the age group 15-29 years, in 2004-05 around 7.6 per cent had attended a structured training programme leading to a certification by an accredited agency, and 7.3 per cent had informally acquired skills. The report notes that there is a gender difference (higher percentage of men than women have both formal and informal skills); and a location difference (more formal skills in urban than rural areas). There are also state-wide differences, with six southern and western states accounting for 63 per cent of formally trained people.

Enhanced skill development is seen as a way of ensuring that growth is inclusive in which women can become equal beneficiaries.

Economic Growth and skill Development

Based on an assessment of the likely rates of growth of different sectors, the corresponding demand for skilled workers and the current capacity of the TVET system, the Prime Minister's National Council on Skill Development has set a target of 500 million persons to be skilled by 2022.ⁱⁱⁱ That is, roughly 37 per cent of the total population should be skilled in 2022. ^{iv} This target is to be met by addressing the organized and unorganized sector workforce, and new entrants, through expansion of facilities for training, co-ordination of efforts across ministries and departments, revision of courses and curricula to be in line with the rapidly changing market and technological conditions, developing strong partnerships with industry, encouraging the private sector and the non-governmental sector to co-operate with the national effort, and developing equally clear focus within states. Having set this target in the period of the Eleventh Plan (2007-2012) the existing approaches to skill development are expected to change considerably over the next 10-15 years. Despite the tremendous expansion that is planned, TVET opportunities are not expected to lead to regular salaried work for all; hence there is stress on 'bankable skills' for self-employment.

Significance of skill training and development

Skills and knowledge are the driving forces of economic growth and social development of any country. The economy becomes more productive, innovative and competitive through the existence of more skilled human potential. The level of employment, its composition and the

growth in employment opportunities are the critical indicator of the process of development in any economy. Increasing pace of globalization and technological changes provide both challenges and growing opportunities for economic expansion and job creation. In taking advantage of these opportunities as well as in minimizing the social costs and dislocation, which the transition to a more open economy entails, the level and quality of skills that a nation possess are becoming critical factors. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of globalization.

Recognising and predicting the demand for skills in an emerging and multi-layered economy like India is a major test for the existing state institutions for education and skill training. To support the growth of the country's economy, it would become necessary to understand the demand for skills based on both quantitative and qualitative information to be able to cater to skills short fall and reduce skill mismatch receptive to the market needs for the job seekers. To ensure that women are able equally with men to take advantage of emerging opportunities will require addressing demand side concerns as well, and then skill development, followed by its translation into sustainable wage work or self employment, could offer one route for the empowerment of women. However, it is important to acknowledge that skill has no necessary correlation with employment, and the mismatch that emerges from existing skill and no takers for that skill or acquired non-traditional skill by women such as heavy factory work, late night shift work etc and no acceptance for that skill, is a matter of thought and concern for theorists and practioners of the field.

Various Government initiatives towards skill training/development and employment

The employment generating programme MGNREGS has had a positive impact on livelihood security, and overall more than half of all those who get work through the programme are women. The SGSY has been restructured into National Rural Livelihood Mission (NRLM)/Aajeevika to provide self-employment opportunities. A sub-component, Mahila Sashaktikaran Pariyojana, under NRLM seeks to provide better targeting of women farmers. To encourage micro-enterprises, a credit linked subsidy programme namely Prime Minister's Employment Generation Programme (PMEGP) is being implemented through KVIC. Support to Training and Employment for Women (STEP) under the MWCD was launched in 1986 as one of the measures for skill training for women in selected sectors where women have been traditionally concentrated, such as dairying.

To give special focus on the skill training development of women, Directorate General of Employment & Training (DGE&T), under Ministry of Labour and Employment, launched facilities exclusively for women that aim at promoting participation of women in skill training, such as the Women's Vocational Training programme designed and launched by the Women's Cell in 1977 with the aim of training women in employable skills, thereby enhancing their participation in the Nation's economy. The program attempts to promote the women employment in industry (mainly organized sector) as semi-skilled/skilled & highly skilled workers by increasing their participation in skill training facilities under Craftsmen Training

Scheme and Advanced Skill Training Scheme and also the Apprenticeship training scheme. To achieve this objective, women exclusive Institutes have been set up both under Centrally sponsored scheme & Central sector Schemes.

Government's National Council for Vocational Training (NCVT), Industrial Training Institutes (ITIs) under the public private partnership (PPP), and Central Apprenticeship Council (CAC) for the purpose of laying skill training standards, certification, trade testing provide the institutional framework for strengthening the human resource potential.

In his budget speech (2012) the Finance Minister highlighted the need to establish sustainable skills training initiatives to meet the industry's requirement of trained manpower and for social entrepreneurs and NGOs to enter the skills space in order to ensure that India is in a position to leverage its demographic dividend. In order to improve the flow of institutional credit for skill development, the Finance minister proposed setting-up of separate Credit Guarantee Fund, which will benefit youth in acquiring market oriented skills.

When special attention is given to the gender aspects of skill training, it becomes abundantly clear that the policies of skill development need to be linked to policies of social development and confront challenges posed by prevailing gender norms that constraint the assumed 'gender neutral skills' run under various public and private programmes. Such a reflective approach to skill development and women's empowerment will help maintain diversity of skill and workforce and gender equality is achieved.

The concept of empowerment is difficult to define unequivocally, as the concept may contain different meanings for attempting individuals. Once we are able to place an individual in their respective cultural, class and gender context, the range of manifestation of empowerment can be appreciated. While skill development and any form of employment generated through that skill, leading to economic independence, is only *an* indicator and *an* attempt to capture women's empowerment, any debate on women's empowerment will have to draw a holistic perspective of women's life and living.

ⁱ Mazumdar I. and Neetha N.,2011, Gender Dimensions: Employment Trends in India, 1993-94 to 2009-10, Economic and Political Weekly, Vol XLVI No 43, October 22, 2011, Page 118 to 126

ⁱⁱ GOI, eleventh five year plan, p 91, chap 5

ⁱⁱⁱ This target is further discussed in the National Policy on Skill Development available at <http://labour.nic.in/policy/NationalSkillDevelopmentPolicyMar09.pdf> accessed Sept 28 2011

^{iv} Based on population projections of the National Commission on Population, May 2006, at http://nrhm-mis.nic.in/UI/Public%20Periodic/Population_Projection_Report_2006.pdf accessed November 1, 2011
