

Union Budget 2014

Education, Employment and Skill Building

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Token amounts have been allocated to existing schemes in education, employment and skill building in the 2014 Union Budget. More attention needs to be given to attracting private investment in higher education, as well as maintaining quality standards in educational institutions. Skill building policies must be drastically re-designed in order to equip the youth to face dynamic situations in the job market.

According to Census estimates, more than half the population of the country, 51.8 per cent, to be precise, is less than 35 years of age, while the population in the critical demography category of 18-35 years of age is 31.3 per cent. It is to be expected, then, that the Finance Bill would allocate a sizeable proportion of the Budget towards improving the skills and livelihood of this critical demographic.

The majority of the budgetary allocations for the youth of the country were the skill building and education initiatives. The theme of this year's Budget seemed to be austerity, with the Budget making only token concessions to the several pre-election promises made by the ruling Bharatiya Janata Party. For the youth, it was certainly a scaled down budget from last year, when former Finance Minister Chidambaram pulled out all stops to cater to the youth, through allocations in skill building, scholarships and employment generation schemes.

Primary school Education – As per the Economic Survey of 2014, India's performance in mean years of schooling (4.4 years) is not only much below that of China, Brazil, Sri Lanka, and Egypt having higher per capita incomes but also below that of Bangladesh and Pakistan which have lower per capita incomes.

Sarva Shiksha Abhiyaan - The Ministry of Human Development, under its Education Initiatives runs an exhaustive primary education scheme called the Sarva Shiksha Abhiyaan. The Economic Survey indicates that The achievements of the SSA till 2013-14 include opening of 3,57,611 new primary and upper primary schools, construction of 2,77,093 school buildings, construction of 15,87,836 additional classrooms, provision of 2,23,939 drinking water facilities, construction of 7,83,349 toilets, appointment of 15.06 lakh teachers, in-service training for 53.33 lakh teachers at block and cluster resource centres, and a significant reduction in the number of school dropouts. Accordingly, the 2014 Budget makes a provision of Rs. 28,635 crores for the SSA. This is only a slight increase from Rs.27, 258 in the previous Budget in 2013.

Rashtriya Madhyamik Shiksha Abhiyan - The Budget provides Rs.4966 crores for Rashtriya Madhyamik Shiksha Abhiyan, up from Rs.3,983 crores 2013-14. This move will strengthen the elementary and secondary school infrastructure in the country, and will improve access and quality of education across the school sector. The RMSA will benefit nearly 23 crores

India, Union and State Budget

children in schools. The Finance Minister did not allocate any special funds for the Mid-day Meal Scheme, unlike last year, when the Finance Ministry had allocated Rs. 13,215 crores

School Assessment Programme - A School Assessment Programme is being initiated at a cost of Rs. 30 crores. The assessment of the quality of schools through various parameters, such as levels of student learning outcomes, quality of teaching by teachers etc., and public display of such school performance would enable parents to make a more informed choice about schools. One of the biggest drawbacks of universalisation of education in Indian primary schools is the quality of education imparted.

ASER studies regularly point out the gaps in education in primary and lower secondary schools, both private and public. It remains to be seen how effective the school assessment programme is in addressing the gaps in quality education.

Pandit Madan Mohan Malviya New Teachers Training Programme - In order to infuse new training tools and motivate teachers, arguably the most ignored cog in the education machinery. The Pandit Madan Mohan Malviya New Teachers Training Programme was launched, and an initial sum of Rs.500 crores for this teacher targeted scheme.

Communication Linked Interface for Cultivating Knowledge (CLICK) – A sum of Rs. 100 crores was set aside for setting up virtual classrooms and online courses. This is expected to feed into the proposal to set up a national e-library, which will be a repository for all educational resources. Of the total population, only about 19 per cent have access to internet, and the average broadband connectivity speed is only about 1.7 mbps, compared to the global average of 4.9 mbps. Under such circumstances, there must be a large investment in infrastructure capable of supporting online classrooms, courses and e-libraries.

Gender Mainstreaming in Classrooms – A separate chapter dealing with gender mainstreaming in schools was announced by the Honourable Minister. Along with the Beti Padhao, Beti Bachao initiative, this move formed the thrust of the gender sensitisation in the Budget. One of the government's avowed objectives is to provide toilets and drinking water in all the girl's schools, which, in the first phase will reach about 100 crores girls.

Modernisation of madarassas - As part of the efforts to improve the elementary education segment, the Budget provides for an additional Rs. 100 crores for madrasa modernisation. This is aimed at enabling 10 lakh Muslim children acquire education of national standards through the National Institute of Open Schooling. The ultimate target is to ensure that children educated in madarsas can move into the higher education segment seamlessly.

Higher education - five new IITs, 4 new AIIMS, and a Centre of Excellence for Humanities - In keeping with the elected government's election manifesto, the Budget announced a host of institutes of higher education. The Finance Minister proposed setting up five more IITs in Jammu and Kashmir, Chhattisgarh, Goa, Andhra Pradesh and Kerala; and five IIMs in Himachal Pradesh, Punjab, Bihar, Odisha and Maharashtra. The 10 institutes were allocated an initial sum of Rs.500 crores for the current fiscal year. In addition to these, a Jay Prakash

India, Union and State Budget

Narayan Centre for Excellence in Humanities was proposed to be set up in Madhya Pradesh. The minister has also proposed to build four new All-India Institutes of Medical Sciences.

This extravagant list of new institutes is in direct contradiction with the 12th Plan's goals of reducing government funding to higher education institutes. It is also interesting to note that while the Minister has announced 5 new IITs, several of the IITs launched post 2008 are still languishing in temporary structures, or are sharing infrastructure with nearby institutions. This plethora of new institutes is a new move, after last year, when Rs. 100 crores was allocated to 4 universities each.

The Government also proposed changes to the procedures in securing educational loans for higher studies. Specifically, he proposed that the interest rates for education loans would be rationalised. This is an addition to the existing scheme for students from the economically weaker sections of society, carried out by the Indian Banks Association. For the period 2009-12, Rs. 2231.23 crores was released as interest subsidy on educational loans, benefiting about 25 lakh students.

Inclusivity in Education and educational institutes

The differently abled had a few reasons to cheer, as the Budget included provisions for providing assistance to the State Governments to set up 15 new Braille presses, as well as upgrading 10 existing Braille presses. This move will go a long way towards improving availability of textbooks and other essential reading materials for the visually handicapped. The Honourable Minister also proposed to establish National level institutes for Universal Inclusive Design and Mental Health Rehabilitation, as well as a Centre for Disability Sports; a continuation of the previous years' theme of providing assistance to the Department of Disability Affairs through the ADIP scheme.

Skill Building

Only 2 per cent of the Indian workforce has formal vocational skills. It has been estimated that to benefit from the demographic dividend that India boasts about, an additional 500 million people need to be skilled by 2020. To bridge the demand-supply mismatch of skilled persons, the National Skill Development Corporation (NSDC) has approved 158 proposals till March 2014. The overall commitment to 129 training proposals and 29 sector skill councils stands at Rs. 2215.89 crores. A total of 19,54,300 persons have received job-oriented skills training through NSDC skilling partners since 2010, of which 60 per cent have been placed in different sectors. During 2013-14, NSDC partners trained 10,05,074 people across a wide array of sectors ranging from healthcare, manufacturing, electronics and hardware, tourism, hospitality and travel to banking, financial services, retail, information technology, and textiles in 366 districts.

Skill development is vital not only for taking advantage of the demographic dividend, but also for more inclusive growth. The Minister also announced a scheme called Skill India – a national multi-skill programme, which will aim to equip the youth with skills required for employability and entrepreneurship. It will also provide training and support for traditional

India, Union and State Budget

professions like welders, carpenters, cobblers, masons, blacksmiths, weavers etc. This is a huge scale down from the last UPA-II budget, when Rs. 1000 croress was allocated for Skill Development.

Overall, the Budget held no major surprises in terms of resource allocation. However, it left several unanswered questions about the future of the youth in the country. ASER studies have shown that students from public schools were performing much below the standards set for age appropriate groups. At the same time, the inclusion of so many new institutes of technology and medicine poses a question of quantity over quality. A lot more thought has to be given to the major question of quality control within the higher education system, as well as the primary education system.

The Budget did not mention private investments in higher education at all. There were no fiscal incentives to attract private investment in the education centre. There is also no clarity on the vision for foreign investment and partnerships with Indian institutes.