

**ADDRESS BY THIRU BANWARILAL PUROHIT, HON'BLE GOVERNOR OF
TAMIL NADU AT THE INAUGURATION OF CII-SR REGIONAL SUMMIT ON
SKILLS, EDUCATION & ENTREPRENEURSHIP 2018 "SYNERGIZING
AVENUES OF DEVELOPMENT" AT HOTEL TAJ COROMANDEL,
CHENNAI ON 02.08.2018 AT 10.30 AM**

Anaivarukkum Kaalai Vanakkam

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Chairman, Job Creation Sub-committee

Thiru. Namasivayam Reguraj

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Chief Executive Officer

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Thiru.Sathish Raman

Regional Director, CII-SR

Distinguished Invitees

Ladies & Gentlemen

It gives me great happiness to be here today at the Regional Summit on Skills, Education and Entrepreneurship being organised by the Confederation of Indian Industry. The focus of today's summit is on measures to forge a synergy among skill development education and entrepreneurship so as to promote development.

India is on the threshold of realizing the full benefits of the Demographic Dividend. The average age of the population of about 125 crores is 29 years and more than half the population is below the age of 25 years. This augurs well for both short term and long term growth.

Demographic dividend, as defined by the United Nations Fund For Population Activities (UNFPA) means, the boost in economic productivity that occurs when there are growing numbers of people in the workforce relative to the number of dependents.” UNFPA further adds that, “A country with both increasing numbers of young people and declining fertility rates has the potential to reap the demographic dividend. This is the comfortable position in which India is placed, at present.

At least ten million Indian youth enter the country’s workforce each year. The benefits of the demographic dividend will be realised fully when this large workforce finds gainful employment.

Economic analysis and discourse outlines the four mechanisms through which the benefits of the demographic dividend are delivered.

1. The first mechanism is the increased labour supply. The magnitude of this benefit will depend on the ability of the economy to absorb and productively employ the work force.
2. The second mechanism is the increase in savings. As the number of dependents decreases individuals can save more. This increase in national savings rates increases the stock of capital and leading greater investment and thereby, higher examine growth.

3. The third mechanism is human capital. Decrease in fertility rates allows parents to invest more resources per child, leading to better health and educational outcomes.
4. The fourth mechanism for growth is the increasing domestic demand brought about by the increasing GDP per capita and the decreasing dependency ratio.

If the first mechanism is addressed the other mechanisms will flow automatically in a democracy like India in which the Constitution reigns supreme and law and order is respected. The success of the first mechanism is directly related to the attention paid towards making the available labour force productive. For this Skill development, education and entrepreneurship are the areas that need attention. It is towards Synergizing these Avenues of Development that this regional summit has been convened today.

Skill India is a campaign launched by the Hon'ble Prime Minister on 15 July 2015 with the aim of training about 40 crore people in India in different skills by 2022. It includes various initiatives such as the National Skill Development Mission, National Policy for Skill Development and Entrepreneurship, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Skill Loan scheme, etc.

The National Skill Development Mission has been developed to create convergence across sectors and States in terms of skill training

activities. The National Skill Development Mission would not only consolidate and coordinate skilling efforts, but also expedite decision making across sectors to achieve skilling at scale with speed and standards.

Seven sub-missions act as building blocks for achieving overall objectives of the Mission. They are:

- (i) Institutional Training, (ii) Infrastructure, (iii) Convergence,
- (iv) Trainers, (v) Overseas Employment, (vi) Sustainable Livelihoods, and (vii) Leveraging Public Infrastructure for skill training.

The National Policy on Skill Development and Entrepreneurship aims to provide an umbrella framework to all skilling activities being carried out within the country, to align them to common standards and link the skilling with demand centres.

The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a flagship scheme with the objective of enabling a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Under this Scheme, Training and Assessment fees are completely paid by the Government.

Under the Skill loan scheme any Indian National who has secured admission in a course run by Industrial Training Institutes (ITIs), Polytechnics or in a school recognised by Central or State education

Boards or in a college affiliated to recognised university, training partners affiliated to National Skill Development Corporation (NSDC) Sector Skill Councils, State Skill Mission, State Skill Corporation can avail a loan. The amount of loan varies from Rs. 5,000 to Rs. 1,50,000/- depending on the course.

Education is a powerful instrument for reducing poverty and inequality. It is therefore necessary to stress on a) access to education, b) Availability of quality education and c) dissemination of education through technology.

India holds an important place in the global education industry. India has one of the largest networks of higher education institutions in the world with 850 universities (as of April 2018) and 42,026 colleges. The position of Tamil Nadu in higher education is particularly praise worthy. The State has a gross enrollment ratio of 46% compared to a national average of 25%.

Apart from the tremendous diversity of courses that the State Universities provide, they also provide educational facilities for almost twice the number of students who pass out of schools when compared to the average for the rest of the country. This has been possible thanks to the enormous investment that has gone into University education particularly after Independence.

However much more needs to be done particularly, Regional disparities between rural urban areas need to be overcome. The education that is imparted must be aligned with the needs of industry for achieving higher productivity. E-learning should be given a fillip. These and many other issues require our earnest immediate attention.

I am glad that at this regional summit there will be a separate session devoted to education.

Entrepreneurship has been described as the "capacity and willingness to develop, organize and manage a business venture.

The Entrepreneur is therefore a person who has the ability to find and act upon opportunities and translates inventions or technology into new products for the benefit of society.

Entrepreneurship employs what the famous economist Joseph Schumpeter called "the gale of creative destruction" to replace in whole or in part inferior innovations across markets and industries, simultaneously creating new products including new business models.

Entrepreneurship is sought to be encouraged the government through a number of measures. START UP India launched by the Hon'ble Prime Minister on 1st January 2016 revolves around the three concepts of handholding, founding support with incentives and industry academic partnership with incubation.

Skill development education and entrepreneurship, as can be seen need to be carefully synergised for the maximum output in employment opportunities. It is indeed thoughtful of CII that they have chosen to organise this regional summit now. I commend them for their timely action.

Nation building is long and to arduous task, and it is necessary to have the right mix of strategy, timely execution and goal oriented action for the exercise to bear fruit. India which is blessed with a young and healthy population has all the potential to emerge as a world leader if the labour force can be gainfully employed. For this to happen the labour force should be adequately trained and equipped with the requisite skills. It is necessary to involve all concerned stakeholders namely industry educational institutions and entrepreneurs involved in this effort, so that the process can be completed within the shortest time possible.

The special efforts taken by CII to organize this regional summit on deserve any appreciation and applause. I thank them for having invited me to participate in the conference and wish all the members of the audience and CII success in all their endeavours.

Nandri Vanakkam

Jai Hind