

## **Workforce, Skill and Inclusivity: Emerging Trends & Facilitative Policy Frameworks**

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The Employment Scenario of India unfolded through the Periodic Labour Force Survey (PLFS) reports and the latest Economic Survey 2024-25 gives rise to a positive trend. The all-India Annual Unemployment Rate (UR) for persons 15 years and above (Usual status) has been declined to 3.2 percent in 2023-24 from 6 percent in 2017-18 which is accompanied by the increase in the Labour Force Participation Rate (LFPR) and the Worker-to-Population Ratio (WPR). The Labour Force Participation Rate (LFPR) stands at 60% in 2023-24 from 49.8 percent in 2017-18, Work Force Participation Rate (WFPR) increased to 58.2 percent in 2023-24 from 46.8 percent in 2017-18. During the same period the Female Workforce Participation is recorded at 41.7 percent in 2023-24 from 23.3 percent in 2017-18. Bringing down the Female Unemployment Rate to 3.2 percent from 5.6 percent. Relentless efforts through manifold development/welfare and policy initiatives could have been the reasons for the trends. Discussed below some of the key initiatives may be attributed for propelling the positive trends.

India as one of the youngest populations with a median age of about 28 has been striving hard to equip the workforce with employable skills so that the demographic dividend could be harnessed. The formally trained skilled man-powers mostly come from the Industrial Training Institutes (ITIs) through the Craftsmen Training Scheme (CTS). In spite of consistent addition of new ITIs the Network as per the Economic Survey 2023-24 stands at 14, 955, still insufficient taking into consideration the youth bulge including school drop outs. To enable Indian youth to take up industry relevant skill training who may not be able to get in to ITIs, short term skilling initiatives were undertaken to empower them in securing a better livelihood, enhancing their quality of life and overall societal progress. Pradhan Mantri Kaushal Vikas Yojana (PMKVY 0.1 to 0.4), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) many other programmes have been targeted towards promoting youth employability. The Economic Survey 2024-25 reveals that over 1.24 crore persons enrolled for long-term training under CTS at ITIs. Under PMKVY about 1.57 crore persons have been trained and over 1.21 crore have been certified so far under its Short-Term Training (STT), Special Projects and Recognition of Prior Learning (RPL) components since the Scheme's

inception in 2015. The PMKVY 3.0 (2020-21) shifted its focus from supply-based approach to demand based by emphasizing on upskilling, reskilling targeting future skills (Industry 4.0) courses aiming productivity enhancement and also provide online/ digital mode training for wider coverage. The PMKVY 4.0 (FY 2022-26) proclaims to be realigned with a core focus on making the existing skill ecosystem more flexible, swift and prepare to meet the current challenges and emerging needs through process simplification". And also promise to improve inclusivity on ensuring SC, ST, Women and other communities eventually access gainful wage or self-employment through skill training. The share of women among those trained under PMKVY has increased to 58.0 percent from 42.7 percent in 2015-16. And in the long term training ecosystem that include ITIs and National Skill Training Institutes (NSTIs) women's participation has gone up to 22.8 percent in 2024-25(up to 31<sup>st</sup> October2024) from 7.7 percent in 2016-17(Economic Survey 2024-25). From self-employment/entrepreneurship front there exist 1.76 lakh start-ups in 2025, a sharp increase from 350 in 2014 with about 118 Unicorns, one Unicorn created in every month making India the third-largest start up ecosystem in the world.(MyGov)

Two significant schemes under the Prime Minister's package announced in 2024 are directed towards augmenting skilling and internship opportunities thereby enhancing employability. Skilling 20 lakh youth over five years in collaboration with state governments and industry, along with upgrading 1,000 Industrial Training Institute (ITIs) to align with industry skill needs. The second one is offering internship opportunities to one crore youth in 500 top companies with an internship allowance of Rs.5000/- per month over the next five years. In addition to this there has been provision for a one-time assistance of RS. 6,000/- providing exposure to real-life business and professional environments. As reported in India Today by the end of December, 2024 approximately 6.21 lakh applications received for 1.27 lakh opportunities under the PM's internship scheme.

From gender perspectives increasing Female Labour Force Participation Rate (FLFPR) with the supports of working women hostels and crèche facilities at workplace would facilitate equal opportunity to participate in paid work. Due to the insufficient availability of these two import provisions, the sustenance of female participation in the paid employment becomes tougher. Even after getting in to a job the challenges of a safe and less costly staying arrangement nearby their workplace poses hindrances. They spent the lion's share of their

earning on a secured lodging like Paying Guests (PGs) or safe rented house. Similarly those having small children spend on crèches for child care additionally. The Maternity Benefit (Amendment) Act, 2017 has also made mandatory provisions for establishments having fifty or more employees to have the facility of crèche.

The taskforce on Enhancing FLFPR constituted by the Ministry of Labour and Employment, Government of India in its interim report<sup>1</sup> has recommended for construction of Working Women Hostels. To supplement this, a positive component of the Budget (2024-25) made provision for setting up of working women hostels in collaboration with industry and establishing crèches.

### ***eShram and National Career Service as Enabling Initiatives***

The Ministry of Labour and Employment (GoI)'s two major digital initiatives could be attributed for facilitating workers registration, creating national data base, connecting job seekers and job providers, informed choice of choosing skill, career to career development and availing social security benefits. About 30.74 crore unorganised workers have been registered in the eShram portal as of 31st March, 2025. With the launch of "One-Stop-Solution" workers can now be connected with 13 major welfare schemes. A platform workers module has been introduced to verify gig workers via aggregators. Another distinguished feature of eShram is that it has been expanded to 22 Indian languages for wider access. As the self-employed constitute the sizable proportion of workforce special link/corner in the eShram portal may be introduced to attract more registration.

The National Career Service Portal (NCS) which was launched in July, 2015 in a mission mode is also a one-stop solution for a wide array of employment and career related services with free of cost registration on the portal and its services. The prominent services it provides are bridging the gap between jobseekers and providers, candidates seeking training and career guidance, agencies providing training and career counselling. Model Career Centres under this project reach out to the youth helping them access the services, the Young Professionals recruited by Labour Ministry being lead facilitators and motivators. Job Fairs, Placement Drives through the MCCs are again making it easier for all the stakeholders. More than 57,000 job fairs have been organised across the country as reported by NCS. There is also specific provisions and categorisation for jobs for differently abled, Ex-Servicemen,

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<sup>1</sup> The highlights as published in the Ministry's Social Media

government, jobs for women, work from home, full time, internship and apprenticeship and International jobs too. The decade old initiative has so far facilitated 5.5 crore job seekers to get connected with more than 5 crore job vacancies through 46 lakh registered employers.

In addition to this the Employment Linked Incentives (ELI) announced in the budget 2024-25 and approved by Union Cabinet recently is all set to supplement further employment generation with a proposed outlay of 99,446 crore supporting creation of over 3.5 crore jobs benefitting 1.92 crore first time employees over a period of two years. The ELI scheme with focus on manufacturing sector is supposed to encourage formalization of workforce by incentivizing the employers and employees especially recognising first-time employees and providing comprehensive support to both through the Employees Provident Fund Organisation (EPFO).

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