UNION BUDGET 2017-18

FOCUSSING ON SKILL DEVELOPMENT & EDUCATION

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ducation is one of the most important catalysts of development. Education is a major source of productivity growth because Increases productive human capital which results in overall increase in economic growth. In India, to provide education is a gigantic task, keeping in view the vast population and variation in the terrain across the country. As subject of education is in the concurrent list, the policy and implementation initiatives of both the Central Government and State Governments are important to impart education. Central Governments initiatives are important to start policy changes and develop infrastructure in this vital sector which is responsible for development of human capital. Annual Budget of the Central Government is the indicator of the policy initiatives in this direction.

crore to the budget of the last year., while teachers training and adult education has been allocated Rs 925.67 from Rs 750.80 crore in the last budget. Mid Day meal Scheme has got Rs 10,000 crore, a hike of Rs 300 from last budget. For school education in Madarsas and minorities institutions, the allocation has remained the same at Rs 120 crore since last budget. Primary education need continuous focus of the State and Central Governments to accelerate the pace of literacy in the country and to bring every child to the school. Literacy is one of the important indicators of progress and helps in enhancing the Human Development Index. As per the data of the 71st round of the National Sample Survey (NSS), literacy rate in rural areas was 71 per cent in 2013 compared to 86 per cent in urban areas.

In the Union Budget of 2017-18, allocation of Rs 46,356.25 crore has been made to the Department of School Education and Literacy and Rs 33,329.70 crore to department of Higher Education. There is a 10 per cent increase in budget allocations to the sector over the allocations of Rs 72, 394 crore in last budget.

Primary and Secondary Education:

The flagship central scheme – Sarva Shiksha Abhiyan for universalization of school education has been given Rs 23, 500 crore with an increment of Rs 1000



Higher Education:

In the Union Budget of 2017-18, allocation for higher education has been hiked from Rs 29,702.20 crore to Rs 33,079.70 crore. In addition to many other proposals, it will also help in improving the salary scale of university and college teachers after revision of the pay scales. In the budget proposals, budgetary support to Indian Institutes of Information Technology at Allahabad, Gwalior, Jabalpur and Kanchipuram has been hiked from Rs 148.50 to Rs 240 crore. Similarly, allocation has been hiked from Rs 60 crore to Rs 109.45 crore for setting up Indian Institutes of Information Technology in PPP mode. The government had declared to come up with 20 world class institutions, for which, Rs 50 crore has been allocated. The budget allocates Rs 250 crore for capital expenditure for setting up of higher education financing agency. The world class institution plan announced last year has been allotted Rs 50 crore. Funding for the IIMs has been pegged at Rs 1,030 crore which includes Rs 190 crore for setting up of new IIMs. The Indian Institutes of Technologies have been allocated Rs 7,856 crore in this budget. Research is one of the important component of the higher education and for this, Prime Minister Research Fellowship has been created with an allocation of Rs 75 crore. Under this scheme, 1000 fellowships will be provided annually from 2017-18 to those engineering students studying in IITs who have secured at least 8.5 CGPA.

In addition, the Central Government has proposed to set up an Innovation Fund for Secondary Education which will help in encouraging local innovation for ensuring universal access, gender parity and quality improvement. This will include ICT-enabled learning transformation. The focus will be on 3,479 educationally backward blocks.

Central Government has also taken initiatives for improvement in the medical higher education and plan to increase post-graduate seats for medical sciences in different existing medical institutions keeping in view the available faculty. To increase the outreach of the Central Government for better medical education and facilities, two new AIIMS institute are proposed this year in Jharkhand and Gujarat.

In the Union Budget of 2016-17, a scheme digital repository was initiated for school leaving certificates and diplomas. Budget under Unnat Bharat Abhiyan

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(UBA) and National Academic Depository has also been doubled from Rs 10 crore to Rs 20 crore and Rs 5 crore to Rs 10 crore respectively from the last budget. UBA is to enable higher educational institutions to work with the people in rural India in identifying development challenges and developing appropriate solutions for accelerating sustainable

The Central Government has also proposed to establish a new National Testing Agency which will conduct all the examinations in higher examination, freeing Central Board of Secondary Examination (CBSE) and other agencies from multitasking. CBSE conducts most of the examinations right now which include CBSE UGC National Eligibility Test to select Junior Research fellows and Lecturers, Joint Entrance Examination (JEE), Central Teacher Eligibility Test (CTET) and National Eligibility Cum Entrance Test (NEET UG) in which lakhs of students appear each year. As these organizations are vested with important responsibilities, this initiative would free the CBSE and All India Council of Technical Education from their current administrative responsibilities and focus on improving academic milieu.

More penetration of higher education is needed in rural areas, as 71st round of the National Sample Survey (NSS) has indicated that nearly 4.5 per cent of males and 2.2 per cent of females only completed education level of graduation and above, while in urban areas 17 per cent of males and 13 per cent of females completed this level of education.

Initiatives for Digital Rural India:

As per the 71st NSSO Survey on Education 2014, only 6 per cent of rural households have a



computer. This highlights that more than 15 crore rural households (at 94 per cent of 16.85 crore households) do not have computers and a significant number of these households are likely to be digitally illiterate. In the Union Budget of 2016-17, a digital literacy scheme- 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA) was launched for covering six crore additional rural households to make them computer literate. This initiative is important as the Central Government is pushing for cashless economy and many such other measures for ease of business and better governance. The Union Cabinet has recently approved this project with an outlay of Rs. 2,351.38 crores to usher in digital literacy in rural India by March, 2019. Under the scheme, 25 lakh candidates will be trained in 2016-17, 2.75 crore in 2017-18 and 3.0 crore in 2018-19. This scheme is expected to be one of the largest digital literacy programmes in the world. Under this scheme, each of the 250,000 Gram Panchayats would be expected to register on an average 200 to 300 candidates. This scheme will make persons digitally literate so that they are able to operate computers and can digitally access devices like tablets, smart phones, etc. This will help them to send and receive emails, browse internet, access various government services, access other relevant information, undertake cashless transactions, etc. The implementation of the Scheme would be carried out under the overall supervision of Ministry of Electronics and IT in active collaboration with States/UTs through their designated State Implementing Agencies, District e-Governance Society etc.

Central Government has taken a major initiative to make use of the information technology in imparting education to a larger space in less time with the launch of online education platform-SWAYAM (Study Webs of Active Learning for Young Aspiring Minds), or Massive Open Online Course (MOOC) that is aimed at skill development and employment generation with at least 350 online courses. Under this programme, the SWAYAM platform server will be based in India and US Universities will be invited to offer post-graduate programmes with certification on the SWAYAM platform. This would enable students to virtually attend the courses taught by the best faculty, access high quality reading resources, participate in discussion forums, take tests and earn academic grades. These courses will be aired through DTH channels and this will enable students in accessing high-quality education resource.

Emphasis on Skill Development:

Skill development has received priority of the Central Government to create skilled workforce for our industry and self employment to channelize the youth in the country. Presently, our gross enrolment ratio on children aged 18 to 24 years who enter college is 15 per cent. It is presumed that by 2022, the gross enrolment ratio will increase to 30 per cent. Then, 150 million people out of these 500 million during the period of 10 years will actually go to colleges while the rest 350 million will not. This skilling challenge is further magnified by the fact that 70 per cent of this population falls in rural and tribal India. India's skill development mission is challenging as 80 per cent of new entrants to the workforce have no opportunity for skill training. Approximately, there are 12.8 million new entrants to the workforce every year and this results in an annual increase of unorganised labour and also to low income groups. This also leads to low productivity and quality of work and lack of capacity to innovate or acquire new work practices in the unorganized sector, leading to further depression of wages. In India, the proportion of trained youth is one of the lowest in the world. The corresponding figures for industrialized countries are much higher, varying between 60 to 96 per cent of the youth in the age group of 20-24 years. It is impossible to bring a solution to this problem unless there is integration of skill development and the formal education system. Present Central Government has accelerated such programmes with new objectives and timeline with the scheme of Pradhan Mantri Kaushal Kendras. In the Union Budget of 2016-17, the National Skill Development Mission was initiated to impart training to 76 lakh youth and Rs 1,700

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crore was provided for development of 1500 multiskill centres. In addition, the Central Government has also proposed for entrepreneurship training in schools and colleges along with a variety of online courses. To broaden the outreach of such initiatives, a separate scheme of Rs 500 crore was introduced for promoting entrepreneurship among SC and ST population. In the Budget of 2017-18, it is proposed to extend this scheme to more than 600 districts across the country. There is huge demand for skilled workforce in different countries, the Central Government has proposed to open 110 centres to help youth get access to employment opportunities abroad. The Central Government will also launch the Skill Acquisition and Knowledge Awareness Programme (SANKALP) at a cost of Rs. 4000 crore and this programme will provide market relevant training to 3.5 crore youth. Vocational training in schools, colleges and specialized institutes like Industrial Training Institutes is also an important component of skill development. The next phase of Skill Strengthening for Industrial Value Enhancement (STRIVE) will be launched at a cost of Rs 2,200 crore.

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In the budget proposals of Ministry of Minority Affairs, Rs 2600 crore have been provided for various scholarships and skill development schemes such as 'Seekho aur Kamao', 'Nai Manjil', 'Nai Roushni', 'Garib Nawaz Skill Development Centre' and 'Begum Hazrat Mahal Scholarship for Girls'. Under this Ministry, Rs 393.54 crore have been provided for Merit-cummeans scholarship; Rs 950 crore for pre-matric scholarship; Rs 950 crore for pre-matric scholarship; Rs 550 for post-matric scholarship; Rs 250 crore for 'Seekho Aur Kamao' scheme; and Rs 176 for 'Nai Manzil' programme which would help in improving the literacy and skill status in the minority communities.

In other budget proposals, there is a proposal to launch a system of measuring learning in schools with emphasis on science education and flexible curriculum. Various surveys on the learning capabilities in the past have indicated towards poor capabilities of the students at primary level of education in some parts of the country. In this direction, there will be focus on the 3,479 educationally backward blocks where the government proposes to introduce the practise of measuring annual learning outcome in schools. In an effort to improve the quality of higher education in colleges, certain colleges and institutions to be identified and granted an autonomous status based on accreditation.

Economic growth may be the major factor but not the sole factor for contribution in Gross Domestic Product (GDP) in any economy. Education has a long term role in determining the numbers of GDP. It is estimated that from 1948 to 1973, education and the innovation accounted for two-thirds of the increase in U.S. economic growth. Each additional year of schooling appears to raise earnings by about 10 per cent in the United States, although the rate of return to education varies over time as well as across countries. These are powerful results since an increase in economic growth of almost half a per cent will have a large impact on the total GDP of a country over time. The impact of human capital becomes strong when the focus turns to the role of school quality. Cognitive skills of the population rather than mere school attainment – are powerfully related to individual earnings, to the distribution of income, and most importantly to economic growth. This is one of the reasons that education has been treated as such a positive investment for governments. The trajectory of Education Budget is in the right direction and the focus is certainly needed on the implementation.

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