Executive Summary
for the State of
West Bengal (2012-17, 2017-22)

Executive Summary

National Skill Development Corporation (NSDC) had mandated KPMG Advisory Services Pvt Ltd to undertake a District-level Skill Gap Study of the state of West Bengal, involving various Departments of the Government of West Bengal and Industry Bodies as key stakeholders. The study focused on identifying district-wise incremental skilling requirements in West Bengal during the period 2012-22, for the potential growth sectors in the state. A roadmap for skill development initiatives in the state is proposed with recommendations for key stakeholders. Extensive district level primary interactions, including discussions with industries, vocational training providers and Government officers, were conducted. Focused group discussions were organized to understand youth aspirations towards employment. Global and Indian best practices in skill training have also been studied.

West Bengal is a key state for human resource development - being the fourth most populous and second most densely populated state of India. Availability of working age population measured from the 15-59 age group population, is estimated to grow from 604 lakhs in 2012 to 665 lakhs by 2022. While the period 2012-2017 is estimated to witness an addition of 95 lakhs to the working age group, another 89 lakhs would be added to this category during 2017-22. Labour force measured from the population employed, is expected to increase from 311 million in 2012 to 342 million by 2022. Availability of a large pool of human resource in the state, makes West Bengal a possible source of manpower for outside of the state, as well.

Human resource potential in the state has significant regional variations along socioeconomic dimensions. North 24 Parganas, South 24 Parganas, Bardhaman, Murshidabad, West Medinipur, Hugli and Nadia are highly populated districts with North & South 24 Parganas accounting for one fifth of the total West Bengal population. Further, concentration of population has regional variations in the state. While the population density of districts across West Bengal is above the national average, Kolkata and North 24 Parganas have highest human resource concentration; Purulia and Jalpaiguri have the lowest among the districts. Over the last decade, the state population has witnessed rapid relocation to urban regions across districts - exempting Bankura , Cooch Behar and East Medinipur, which are still predominantly rural .

Social composition of population in a state, generally has a significant impact on the occupational patterns. Dependency on craft work among Scheduled Castes, agriculture and allied activities for rural women, and forest-based activities for Scheduled Tribes, are salient social features of livelihood in the state of West Bengal. Cooch Behar, Jalpaiguri and South 24-Parganas have significantly high proportion of SC population. Districts of Kolkata, Cooch Behar, Malda, West Medinipur, Howrah districts have low proportion of female population among the districts of West Bengal. Skill training initiatives targeting

livelihood enhancement have to consider social aspects in the respective zones, to develop specific programs suiting the needs of the category.

While the state has achieved significant progress in literacy improvement and school enrollments, gender disparities in literacy along with high drop-out rates in Dakshin Dinajpur, Malda, Purulia and Murshidabad are key concerns to be addressed. Higher education and skill training facilities have witnessed limited growth in comparison to increment in school education capacities across the state, and there are high rates of dropping out of the education system after school education. Vocational education through short term programs, could play a major role in the medium-long term development plans of the state, to bridge the gap and develop employment-ready workforce. Districts of Paschim Mednipore, Jalpaiguri, Cooch Behar and Murshidabad, having low accessibility to both higher and vocational education, need immediate attention for capacity expansion in both.

The state economy has witnessed a growth rate above the national average, over the last five year term, driven by secondary and tertiary sectors. To sustain the economic growth driven by secondary and tertiary sectors, need for skilled human resource is on the rise, especially in key economic districts- 24 North Paraganas, 24 South Paraganas, Kolkata, Howrah, Burdhwan, West Medinipore, East Medinipore, Hooghly and Nadia. Priority sectors for employment generation include regionally prominent industries like Tea, Jute& Textiles, Leather and Tourism sectors - along with high growth sectors of India. Regional concentration of activities is another key feature of West Bengal with districts of Kolkata, North & South 24 Paraganas, Burdhwan, West Medinipore, Darjeeling dependant on tertiary sector, while the majority of other districts are predominantly agrarian.

Government thrust towards improving industrial infrastructure and conducive policies, has boosted the growth of industrial investment over the years. Increasing level of organized industrial and services activity has created demand for skilled professionals among the high growth and emerging sectors. Construction, IT-ITES, Organized Retail, Logistics, Manufacturing, Hospitality, are key sectors expected to witness qualitative skill gaps over the next decade. Issues in industry institute interaction to ensure industry relevant training, has to be addressed in order to address the gaps in quality.

West Bengal being a state with high human resource potential, and seeing a trend of employment displacement out of agriculture, would see a significant growth in unskilled and informal workforce over the next decade. Suitable measures from various stakeholders involved in skill development, would be able to develop West Bengal into a source for trained and quality manpower for the rest of India.While national key growth sectors witnessing migration of workforce like IT-ITES, Retail, Construction and Financial Services are top priorities for skill development in West Bengal, manpower intensive industries

like Construction, Agri-Allied activities, IT-ITES, Food Processing and MSME units should be the local priorities for training manpower for local requirements within the state.

Key Recommendations for the Government include enhancing training capacities in districts with senior secondary, higher, as well as vocational education infrastructure in districts like Murshidabad, Jalpaiguri, Cooch Behar and West Medinipore. Districts with significant scope for organized employment growth and low vocational training densities like South 24 Parganas and North 24 Parganas could be targeted by private vocational training providers operating in B2C as well as B2B vocational training space, depending on the industry segments.

Set up of anchor Institutes for catalyzing the growth of skill development in West Bengal can be a focus area for the Government. Some of the initiatives that could be taken up by the various stakeholders in skill development are: Upskilling industrial workers (mostly in MSME units) through short term training programs through Public Private Partnership, Incorporating Skill Training in mainstream K12 Education, Offering Demand-Driven Skill Training Programs and validating program effectiveness through tracer studies, and exploiting technology for trainer development activities as well as to reach out to remote areas. Further, District Employment Exchanges could be transformed into Skill Management Centers, offering seamless information sharing between employment providers, and employment seekers, after digitalizing the information.

NSDC can support training initiatives in the priority sectors of Construction, Food Processing, Education and Services. Besides these, NSDC could play an active role in bringing national/global level training providers to West Bengal by setting up a joint forum of NSDC Investee Training Companies, NSDC partner Training companies and representatives of Government of West Bengal

Private training providers can provide skill training in conjunction, using government endowment training schemes for sectors of Horticulture, Sericulture and Animal Husbandry. Cluster based skill training initiatives in PPP mode can be established near industry clusters, to ensure proximity to market for absorption of trained talent. There is also an opportunity to set up finishing schools for tertiary sectors with a high salary potential, where students will be willing to pay and learn – e.g.: IT&ITES and Banking and Financial Services – focusing on kills in both technical and non-technical categories.

District wise skill gap details and recommendations are provided in the full report. We suggest that the recommendations of the study should be treated as a whole by all the stakeholders, to realize the intended objective of a robust skill development ecosystem in West Bengal.

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