

### **Skill development is a critical policy intervention to support MSMEs**

In July 2020, the Ministry of Skill Development and Entrepreneurship (MSDE) observed the 5<sup>th</sup> anniversary of the Skill India Mission, which was launched on July 15, 2015. The Mission offers skill development courses across 40 sectors and these courses conform to the standards set under the National Skill Qualification Framework. In the last five years, the government reformed the Apprentices Act 1961, by giving more rights to the industry to set targets for apprentices they require. In 2019, the government launched the Apprenticeship Pakhwada Scheme under which various state governments and the industry committed to train 7 lakh apprentices in 2019-20.

Skill development is a critical policy intervention to support industrial development and it has special relevance for micro, small and medium enterprises (MSMEs) as scarcity of skilled labour is a major challenge for these enterprises. Skill mapping has gained more prominence after the COVID crisis, which triggered exodus of migrant labourers to their hometown, thereby causing skill scarcity in urban areas.

Government of India is focusing on cluster-based development model, where MSME clusters are supported by providing common facility centres (CFCs) and support infrastructure. The Government's One District - One Product scheme also envisages commercial development of indigenous goods popular in a particular district through mass production by forming large clusters.

As India develops more MSME clusters across various districts, demand for skilled labour will also grow, especially in labour intensive sectors such as leather, textile, handicrafts, metal fabrication, food processing and others.

Addressing a government programme in 2019, Hon'ble Minister of Micro, Small and Medium Enterprises Mr. Nitin Gadkari emphasized the need to understand and map the demand for skilling programs in SME cluster associations in growth areas and industries, especially in the rural, agricultural and tribal areas of the country. The minister also pointed out to the need to increase supply of skilled labour in traditional sectors such as sericulture, horticulture, tribal arts and paintings, honey, bamboo. He said these sectors have great potential of becoming export strengths for the country.

## Notifications

### Press Information Bureau, Government of India

Exports of agricultural commodities grow 23% during March to June 2020

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646632>

Minister launches Swadeshi Microprocessor Challenge

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646676>

India aims to become a Manufacturing Hub of Construction Equipments

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646688>

Daily Bulletin on COVID 19

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646746>

### DGFT

Amendment in export policy of textile raw material for masks and coveralls

<https://content.dgft.gov.in/Website/dgftprod/28ef8118-d9c6-4c8e-86a3-bc93292afa1c/Noti%2028%20Eng.pdf>