

**GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP**

LOK SABHA

**UNSTARRED QUESTION NO. 4001
TO BE ANSWERED ON 10.08.2016**

FDI IN SKILL SECTOR

QUESTION

†4001. SHRI BRIJBHUSHAN SHARAN SINGH:

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) whether the Foreign Direct Investment (FDI) is likely to render unskilled labour jobless since the multinational companies are likely to engage only skilled labour and if so, the details thereof;
- (b) whether the Government has sufficient resources to make the unskilled labour skilled;
- (c) if not, the manner in which the Government is likely to raise the resources for the purpose;
- (d) whether the Government has any scheme to liberalise FDI policy in view of employment scenario; and
- (e) if so, the details thereof?

ANSWER

**MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF
SKILL DEVELOPMENT AND ENTREPRENEURSHIP
(SHRI RAJIV PRATAP RUDY)**

(a), (d) & (e) There is no evidence to support the assumption that the Foreign Direct Investment (FDI) would render unskilled labour since the multinational companies are likely to engage skilled labour. FDI inflows serve to augment domestic capital and promote employment generation across sectors. Further, such investments in various sectors bring international best practices and latest technologies leading to economic growth in the country. The government has undertaken various measures including “Start-up India” and “make in India”. “Start-up India” aims at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive for growth of Start-ups. The objective is that India must become a nation of job creators instead of being a nation of job seekers. Further, the Make in India initiative of the country has caught the attention of global investors and investment inflows have increased substantially. All these measures are designed to make India into a global manufacturing hub, resulting in more employment generation and overall growth of the economy.

(b) to (c) In order to align the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to complement all other Missions of the Government like Make in India, Digital India, Swachh Bharat and Smart Cities and also to scale up the skilling across the Country, the Union Cabinet in its meeting held on 13th July, 2016 has approved the modification and continuation of the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) as Skill Development Component of umbrella PMKVY to skill one crore people over the four years (2016-2020) with an outlay of Rs. 12,000 crore. The Ministry of Skill Development and Entrepreneurship (MSDE) also envisaged World Bank assistance for its projects namely “Skills Training for Industrial Value Enhancement (STRIVE)” and “Skill India Mission Operation (SIMO)” to implement the objectives of National Skill Development Mission (NSDM), including providing access to skill training opportunities to the disadvantaged sections and cater to the skill requirements in relevant manufacturing sectors.
