

RURAL JOB GENERATION TO GET PPP PUSH

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After the infrastructure sector, the public-private partnership (PPP) model will be extended to rural job generation as well.

The initial success of the flagship National Rural Livelihood Mission (NRLM) has prompted the rural development ministry to seek a four-fold increase in Budget allocation for the project.

The new mission has been expanded from the government's Swarnajayanti Gram Swarozgar Yojana (SGSY), which had a budget of Rs 2,350 crore in 2009-10.

"This time, we have asked for Rs 10,500 crore from the finance ministry," said Rita Sharma, secretary in the rural development ministry.

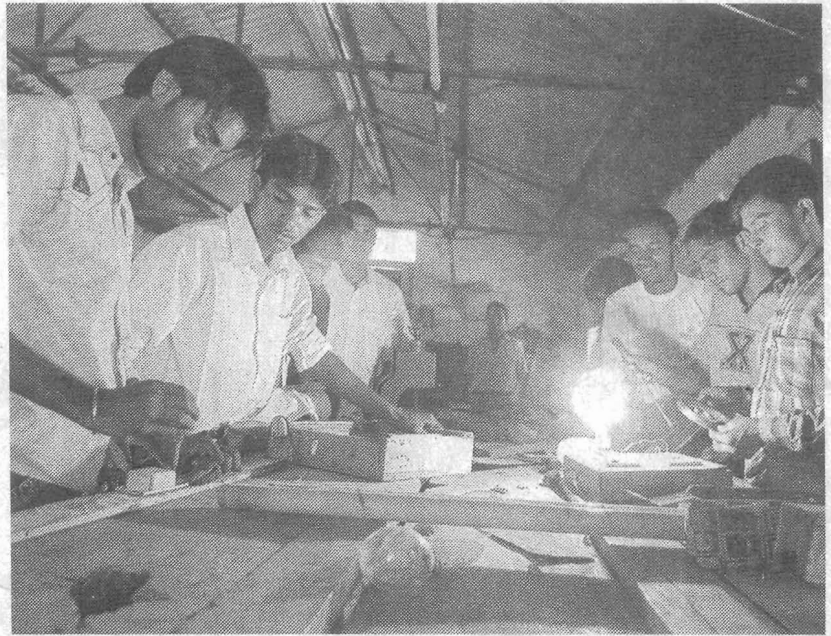
The scheme allows private enterprises and non-government organisations (NGOs) to develop skills in the rural population in various fields, with a guarantee of a job afterwards. Sharma told *Business Standard*: "We have projects sanctioned for 600,000 people. The scheme has so far trained about 100,000 rural youth. Out of them, 80,000 have already got jobs."

NRLM currently has 15 private partners. "But, we have noticed an increased interest among private enterprises and NGOs to participate in this programme. We have received a lot of proposals from them. We want to expand this programme in the next financial year," said Sharma.

The PPP scheme involves private enterprises to give short duration vocational training to the rural youth. The government bears the cost of the training as a subsidy on condition that private parties would provide jobs to the trained personnel.

The target is to provide employment to 50 million families below the poverty line (BPL) over the next seven years. During the tenure of the first United Progressive Alliance (UPA) government, the initial cost was estimated at Rs 50,000 crore, according to former rural development minister Raghuvansh Prasad Singh.

The ministry has estimated that the construction sector will need 10 million skilled workers. Similarly, another 10 million workers can be absorbed in the textile sector. The food processing industry,



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another emerging area, will require at least 5 million people. While these three industries can take care of 25 million BPL families, the rest will have to depend on self-employment.

"One person per BPL family will be attached to a self-help group. They can form a team and specialise in some craft or profession. If they work in a group rather than as individuals, they will be able to achieve better economies of scale," Sharma said.

The ministry would also provide marketing assistance to artisans involved in traditional craft making, added Sharma.

According to the original plan, around 9 million people can be absorbed in the

dairy sector. The government would buy each of them a cow and a buffalo and link them to established dairies as well. The PPP scheme would also train people in segments like fishery, piggery and poultry farms.

While the UPA government boasts of leading a nation of the young, the last Economic Survey had warned that the demographic dividend could become a demographic nightmare if not addressed properly. The government, which has already launched the National Skill Development Mission, is in favour of a time-bound and specific approach to its employment generation mission.

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