

**SPEECH BY THE PRESIDENT OF INDIA SHRI PRANAB
MUKHERJEE AT THE INAUGURATION OF THE ASSOCHAM
SUMMIT ON LIVELIHOOD SECURITY**

Vigyan Bhavan, New Delhi: November 3, 2014

1. I am happy to be here today to inaugurate the Summit on “Livelihood Security: Realizing the vision for 1.3 billion Indians” and receive the first copy of the Report on this subject released a while ago. To begin with, let me compliment ASSOCHAM, one of the frontier industry associations of our country, for organizing this conference on an issue touching a wide spectrum of our society.
2. There is a compelling need to provide livelihood security to those in the lower rungs of the socio-economic ladder. Additionally, there is a binding obligation to realize the dreams of the aspirational generation of young Indians. All these, when India with 2.4 percent of the world’s geographical area has seventeen percent of its population, pose formidable challenge. At this Meet, I anticipate an honest appraisal of issues concerning livelihood security and expect solutions that will guide policy makers.

Ladies and Gentlemen:

3. Livelihood is a fundamental ingredient for decent human existence. Without this important pre-requisite, people suffer denial of access from the common amenities of life. Food, shelter, education and healthcare become restrictive to someone without a stable livelihood. Therefore, any policy in the socio-economic domain has livelihood provision at its core, whether or not it espouses such an objective explicitly.
4. Lack of livelihood opportunities manifests itself in several forms of deprivation; most glaringly, poverty. In India, the high incidence of poverty of over 60 percent that prevailed six decades ago have come down to below 30 per cent now. About 85 million people came out of poverty during the period 2009-10 to 2011-12. Even then, a sizeable number of about 270 million remained below the poverty line as of 2011-12. Our goal now is ‘poverty elimination’; not merely ‘poverty alleviation’. The poor has to be the first claimants, and hence, the focal point of development activity. To wipe out the curse of poverty, the most potent tool is job creation. Policies and programmes aimed at generating employment have to concentrate on the specific needs of this vulnerable segment. In 2005, we made right to employment a legal entitlement, which gave us teeth in our fight against poverty.

5. The bulk of the poor in India, about four-fifth, reside in rural areas. Livelihood security for the rural population, therefore, has to receive strong impetus. Agriculture, which is the backbone of India's economy, is a crucial sector for the rural economy as well. A sound agricultural system is indispensable for attaining a host of objectives like poverty eradication, food adequacy, nutritional security, expansion in rural employment and higher rural incomes.
6. The occupational security for an incredibly large number of rural households hinges on agriculture. There are millions of farmers tilling on small and marginal holdings. Our focus has to be on innovations for low cost technologies, machines and tools to transform subsistence farming into a viable and rewarding profession. Our challenge has to be in reaching out to the last farmland and equipping them with best practices in cultivation. Our efforts have to be directed at raising the low level of farm productivity in order to enhance farmer remuneration.

Ladies and Gentlemen:

7. A large rural population exerts load on the farming sector for employment. This has resulted in under-employment in agriculture and even disguised employment, a situation of more people being engaged than what is required. To lift the pressure off the farm sector, more jobs in the non-farm sector are required to be created through a paradigm shift from primary to secondary agriculture. The food processing sector provides a window, linking industry with agriculture and generating jobs in rural areas and small townships. Developing this sunrise sector calls for greater investment in infrastructure like cold chains, handling, packaging and transportation.
8. The Government has recently launched measures aimed at emancipation of the poor and the neglected. Under the '*Saansad Adarsh Gram Yojana*', villages will be adopted for provision of improved basic amenities and greater access to rights and entitlements. They will be converted into model villages for replication elsewhere. The '*Digital India*' programme envisages wide-spread availability of e-infrastructure to make our country a digitally-empowered society and knowledge economy. Similarly, the financial inclusion programme will cover all habitations with banking facilities and provide all households bank accounts, RuPay cards, financial literacy, micro-insurance and unorganized sector pension. I am confident that these determined efforts will lead to an outpouring of socio-economic benefits including greater livelihood opportunities.

Ladies and Gentlemen:

9. India's demographic dynamism will position us as the largest supplier of workforce in the world in another decade. By 2021, the proportion of working age population is expected to be 64 percent. We have the largest young population in the world. By 2020, the average age of an Indian will be 29 years, 8 years younger than an American or a Chinese. Not only do we have to find gainful employment to engage our growing manpower, we also have to equip them with capacity and expertise to make this impending demographic dividend count. A skilled working population at par with the best in the world can reap dividends like none other.

10. A multi-modal approach is necessary. The manufacturing sector has to be invigorated as the potential of this sector as a mass employment generator is immense. I have great hopes that the investor-friendly initiative of 'Make in India' will lead our economy to be a manufacturing hub of low cost but high quality products. Job creation and capacity building has to complement one another. Skill development on a massive scale, of say 500 million persons by 2022 as envisaged by the National Policy on Skill Development, is required. The onus is on National Skill Development Corporation and other agencies to impart skills maintaining requisite standards and make available the targeted number of skilled personnel. Generating interest amongst youth to acquire new skills or upgrade existing skills call for monetary incentives.

Ladies and Gentlemen:

11. A freeze in fresh farm jobs owing to over-employment and increasing inability of the non-farm sector in rural areas to absorb excess rural workforce have led to the teeming of manpower in urban areas. Employment generation in the urban sector posits a tough challenge in a scenario of skill gap and urban poverty. To enable the urban poor to manage the external environment and access resources, financial cooperative structures have to be promoted. The National Urban Livelihood Mission is playing a crucial role in unleashing the capabilities of the poor to generate sustainable livelihoods.

12. Livelihood security is incomplete without the provision of social security. In India, over 85 percent of the working population or an estimated 400 million people work in the unorganized sector. Schemes like '*Swavalamban*' which deals with unorganized sector pension have to fully cover the unorganized sector workforce for a significant impact on livelihood protection.

13. To make a decisive change in the livelihood security of Indians, the challenges are many and time limited. But I am certain that with the combined efforts of all stakeholders – government, industry, non-governmental agencies and the community at large – we will be able to extend to our countrymen enormous livelihood prospects. The industry can create mechanisms for income opportunities and capacity building under CSR initiatives mandated by the Companies Act of 2013. I hope that this Summit will discuss issues threadbare and make recommendations in the right perspective. I once again commend ASSOCHAM for convening this event. Let me conclude in the words of Mahatma Gandhi: “*Happiness depends on what you can give; not what you can get*”.

Thank You.

Jai Hind.
