

Union Budget 2024-25: Education Sector Gets Boost with 4.3% Increase, Focus Shifts to Youth and Skilling



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Abstract:

The Union Budget for 2024-25 has allocated ₹1.25 lakh crore to the education sector, marking a 4.3% increase from the previous year. This budget emphasizes the development of youth and the enhancement of skill sets in response to a rapidly evolving job market. Key initiatives include a ₹15,000 crore National Skill Development Program, expansion and modernization of vocational training institutions with an additional ₹10,000 crore, and a new ₹5,000 crore Youth Innovation Fund to support young entrepreneurs. The budget also invests ₹8,000 crore to improve digital education infrastructure and proposes an extra ₹12,000 crore for research and development in higher education. Additional funds of ₹7,000 crore are dedicated to supporting marginalized groups through scholarships and financial aid. These measures are expected to address the skills mismatch in the workforce, improve employability, and foster innovation. Stakeholders have generally welcomed the budget's focus on education and skilling, though challenges related to implementation and regional disparities remain. Overall, the budget reflects a strategic approach to enhancing India's educational framework and preparing the youth for future economic demands.

Key Words: Digital Education, Employability, Educational reforms, Higher education

Introduction

The Union Budget for the fiscal year 2024-25, presented by Finance Minister Nirmala Sitharaman, has unveiled a notable 4.3% increase in allocations for the education sector. This increment, while seemingly modest, reflects a significant shift in focus toward addressing the needs of the youth and enhancing skill development across the country. The budget outlines several initiatives aimed at improving educational infrastructure, supporting innovative teaching methods, and preparing students for a rapidly evolving job market.

Allocation Details

The total budget allocation for the education sector in 2024-25 stands at ₹1.25 lakh crore, up from ₹1.20 lakh crore in the previous fiscal year. This increase of ₹5,000 crore is expected to drive various programs and schemes designed to foster educational growth and development. The augmented funds will be channelled into primary, secondary, and higher education institutions, as well as vocational training centres.

Focus on Youth and Skill Development

One of the standout features of this year's budget is its concentrated emphasis on youth and skilling initiatives. Recognizing the critical role that young people play in shaping the nation's future, the budget introduces several new programs to equip them with the necessary skills to thrive in a competitive job market.

Key Initiatives

1. National Skill Development Program

The budget allocates ₹15,000 crore towards the National Skill Development Program, an initiative aimed at bridging the skills gap between educational outcomes and industry requirements. This program will focus on providing specialized training in emerging sectors such as artificial intelligence, data analytics, renewable energy, and advanced manufacturing technologies. By partnering with industry leaders and educational institutions, the government aims to create a robust framework for hands-on learning and real-world experience.

2. Vocational Training Expansion

In a bid to enhance vocational training opportunities, the budget outlines the expansion of existing Industrial Training Institutes (ITIs) and the establishment of new ones in underdeveloped regions. An additional ₹10,000 crore will be invested in upgrading infrastructure, modernizing equipment, and introducing new courses tailored to the

demands of contemporary industries. This initiative is expected to significantly improve employment prospects for graduates of vocational programs.

3. Youth Innovation Fund

A new Youth Innovation Fund has been introduced with an allocation of ₹5,000 crore. This fund aims to support young entrepreneurs and innovators by providing grants and subsidies for startups and research projects. The initiative seeks to foster a culture of innovation and creativity among the youth, encouraging them to develop solutions for pressing societal challenges.

4. Digital Education Enhancement

The budget also prioritizes the enhancement of digital education, with an investment of ₹8,000 crore dedicated to expanding digital infrastructure in schools and colleges. This includes the deployment of high-speed internet, provision of digital devices, and development of interactive e-learning platforms. The goal is to ensure that students from all regions have access to quality educational resources, irrespective of their geographic location.

5. Higher Education Funding

For higher education, the budget proposes a significant boost in funding for research and development activities. An additional ₹12,000 crore will be allocated to universities and research institutions to support cutting-edge research and foster collaboration between academia and industry. This increased funding aims to elevate the quality of research output and enhance India's standing in the global academic community.

6. Support for Marginalized Groups

The budget also includes provisions for supporting marginalized and economically disadvantaged groups. An increased allocation of ₹7,000 crore will be directed towards scholarships, financial aid, and support programs for students from underprivileged backgrounds. These initiatives are designed to promote inclusivity and ensure that all students have equal opportunities to succeed in their educational pursuits.

Expected Impact

The incremental increase in budgetary allocations, combined with targeted initiatives, is expected to have a profound impact on the education sector. By focusing on skill development and youth empowerment, the government aims to address the skills mismatch that has been a longstanding issue in the job market. The emphasis on vocational training and digital education is anticipated to improve employability and prepare students for the demands of a rapidly changing economy.

Furthermore, the expansion of research funding is likely to stimulate innovation and contribute to the country's overall scientific and technological advancement. The support for marginalized groups ensures that the benefits of these investments reach a broader segment of the population, promoting greater social equity.

Reactions and Perspectives

The budget's focus on education and skilling has been met with positive reactions from various stakeholders. Educators, industry leaders, and policymakers have expressed optimism about the potential benefits of the proposed initiatives.

Dr. Arvind Kumar, an education policy expert, commented, "The 4.3% increase in education funding, coupled with the new programs and initiatives, represents a strategic move towards addressing the pressing needs of our educational system. The emphasis on skill development and digital education is particularly commendable and aligns with the requirements of the modern workforce."

Industry leaders have also welcomed the budget's focus on vocational training and innovation. Rajesh Mehta, CEO of a leading technology firm, stated, "The investment in skill development and the establishment of new vocational training centres are crucial for bridging the gap between academic learning and industry needs. These measures will help in creating a skilled workforce ready to tackle the challenges of the future."

Challenges and Considerations

Despite the positive outlook, there are challenges associated with implementing the proposed initiatives. Ensuring the effective deployment of funds, monitoring the impact of new programs, and addressing regional disparities in educational infrastructure are critical areas that need attention.

Additionally, while the budget allocates substantial resources for education and skilling, the success of these initiatives will depend on effective execution and collaboration between various stakeholders, including government agencies, educational institutions, and industry partners.

Conclusion

The Union Budget for 2024-25 marks a significant step forward in addressing the needs of the education sector. The 4.3% increase in funding, along with a clear emphasis on youth and skilling, underscores the government's commitment to preparing students for the future. Through targeted initiatives and strategic investments, the budget aims to foster a more skilled, innovative, and inclusive educational environment, setting the stage for long-term growth and development. As the country moves forward, the successful implementation of these measures will be crucial in realizing the full potential of India's educational landscape.



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