



## Economic and Social Council

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### Commission for Social Development

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**Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: promoting empowerment of people in achieving poverty eradication, social integration and full employment and decent work for all**

### **Statement submitted by Ramola Bhar Charitable Trust, a non-governmental organization in consultative status with the Economic and Social Council**

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.



## Statement

India is home to one third of the world's poor. Some 32.7 per cent of the total population fall below the international poverty line of \$1.25 per day, while 68.7 per cent live on less than \$2 per day. Of the Indian workforce of 487.6 million people, the second largest in the world, 52 per cent is employed in agriculture, 14 per cent in the service sector and 34 per cent in industry.

There are several root causes of poverty in India. First, less-skilled people, having faced exclusion in education owing to social factors of caste and gender, are entering the workforce where they are unable to compete in a global market for those same reasons, again facing exclusion. Other factors are the State's scant commitment, in financial terms, to the quality of education in general, the quality and commitment of primary schoolteachers, the curricula and access to higher education and job opportunities in the service and industry sectors. Furthermore, there is an inability to tap the potential of the informal sector, which accounts for 93 per cent of the Indian workforce. The failure to combine academic education with vocational education is a major barrier to development. The population explosion reduces the effectiveness of major poverty alleviation schemes.

The ease of doing business index is the most essential indicator for an economy such as that of India, where 93 per cent of workers are in the informal sector. India is currently ranked 132nd. Most small business aspirants in the informal sector face hardships in, among others, starting a business (owing to the procedures, time, cost and minimum capital required to do so); dealing with construction permits (owing to the procedures, time and cost involved); getting electricity; registering property (owing to the procedures, time and cost involved in registering commercial real estate); getting credit; protecting investors; and paying taxes.

Ensuring poverty eradication, social integration and full employment in India would entail State-driven collective implementation. Such measures need to focus on:

- (a) Scaling up the primary and higher education systems in terms of teacher quality and the relevance of the curricula to meet the vocational needs of today;
- (b) Establishing an education system that is based on merit and does not have quotas;
- (c) Matching the college/higher education system with the competition and needs of the global economy;
- (d) Laying special emphasis on including communities with a history of poverty so as to mainstream education as a measure to combat poverty and check the population explosion. There should be a universal education system across all Indian states, which would promote easy movement of labour and access to economic opportunities;
- (e) Reenergizing Indian business sectors with know-how and State backing, focusing on, among others, tanneries, the beef and brassware industries, handicrafts and other indigenous areas;
- (f) Tapping India's vast historical legacy as a tourism-friendly destination and providing employment to millions in this sector by improving basic transportation, accommodation and access;

- (g) Interlinking Indian waterways to promote domestic and international trade;
- (h) Making it easier to do business by removing red tape in the provision of State support for the establishment of small businesses;
- (i) Ensuring quick bureaucratic and credit approval for small business applications in the informal sector;
- (j) Effectively monitoring the implementation of the International Labour Organization minimum wage and core conventions;
- (k) Ensuring comprehension by the State of the composition of the workforce and revising policies to support the small-scale and informal sectors in India (93 per cent of the workforce).

**Key development considerations for India**

- The achievement of the Millennium Development Goals begins with primary and higher education, where there should be improved funding, better curricula and access for all.
  - The State should support the opening of more industries and promote indigenous skills and products.
  - Infrastructural support should be provided to promote domestic trade and industry.
  - It should be made easier to set up small and medium-sized businesses, with less State red tape, given that 93 per cent of the Indian workforce is found in the informal sector.
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