

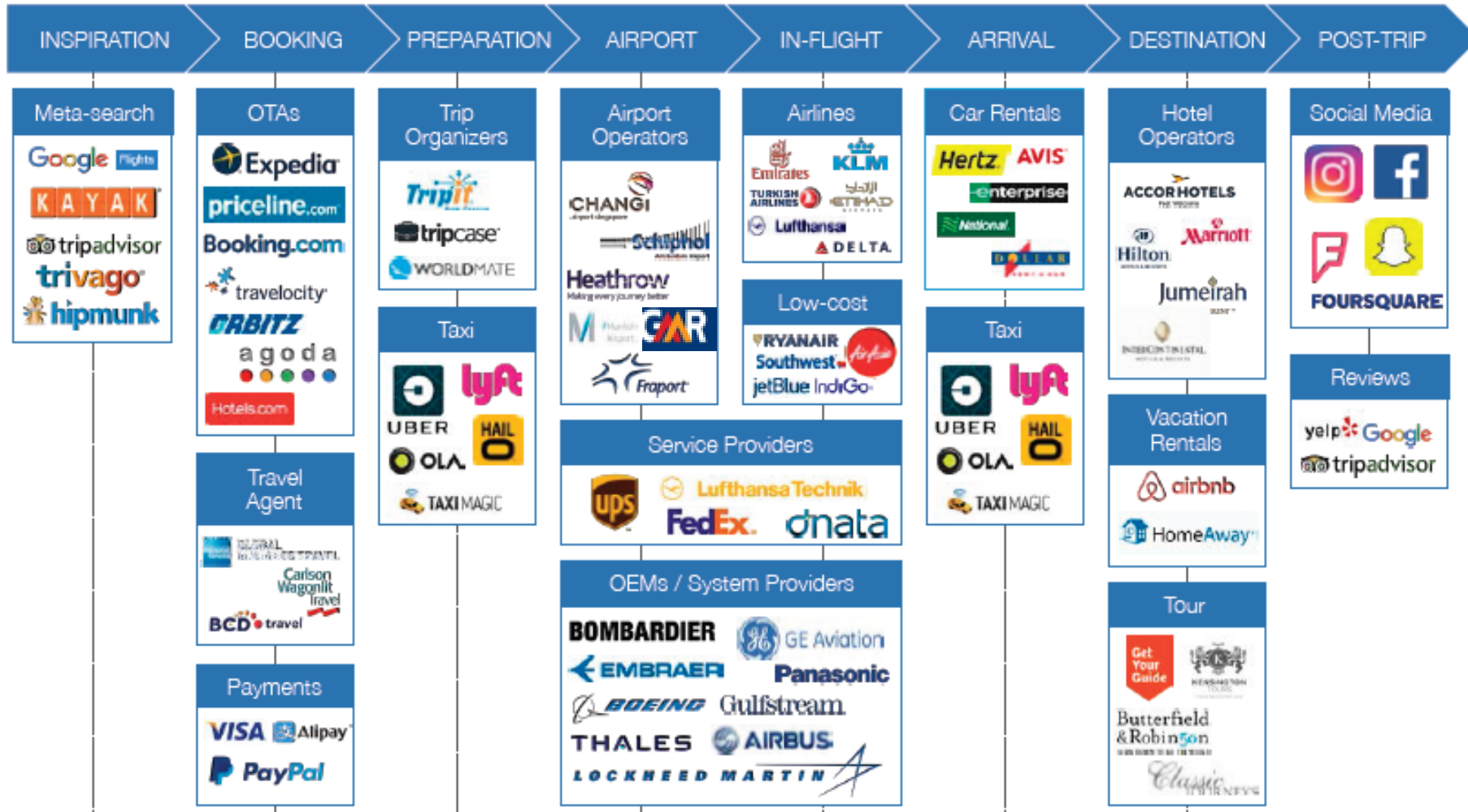
Economic benefits and challenges of a rapidly changing aviation future job market

**Delivered By:
Mr. Indana Prabhakara Rao**

12th – 14th December, 2018

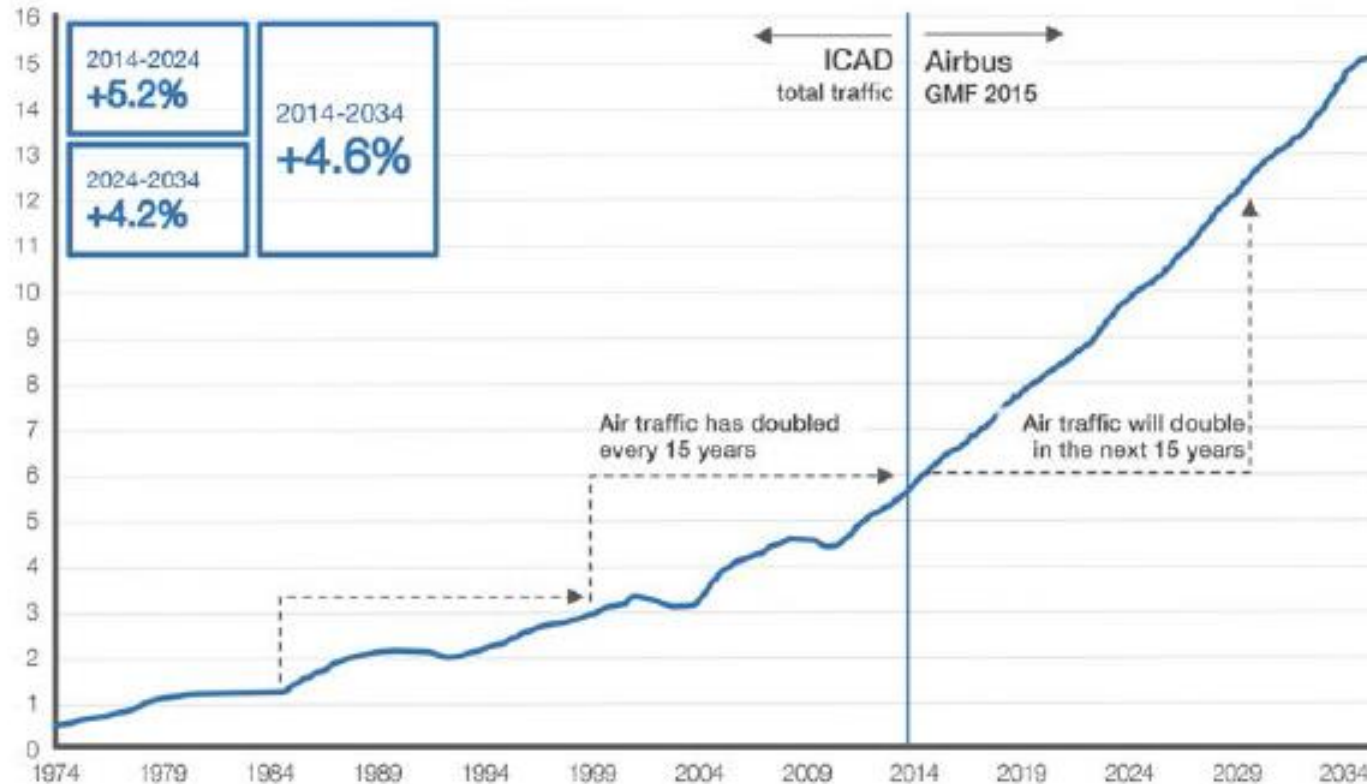


Aviation Ecosystem



World aviation has grown faster than most other industries; doubled in size in every fifteen years

World annual traffic
(trillion RPK)



- World Aviation had a stupendous growth in the past 40 years; RPK growing ~ 5x times
- The last decade (2007-17) has been instrumental in total growth because of improving economic scenario

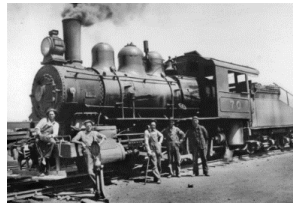
...it has resulted in a significant contribution to world economy

- Aviation industry is anchoring to shape business location and urban development

18th Century



19th Century



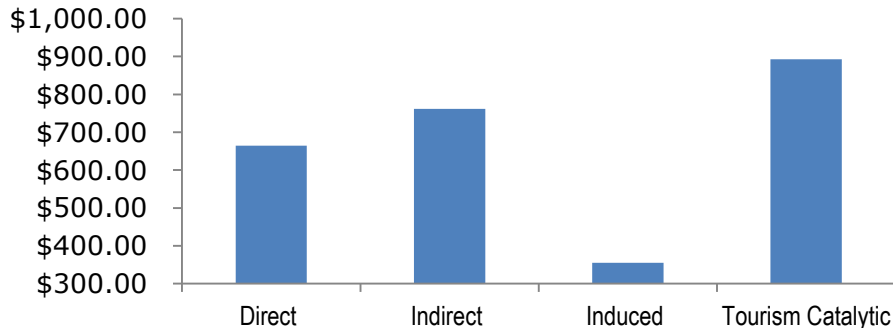
20th Century



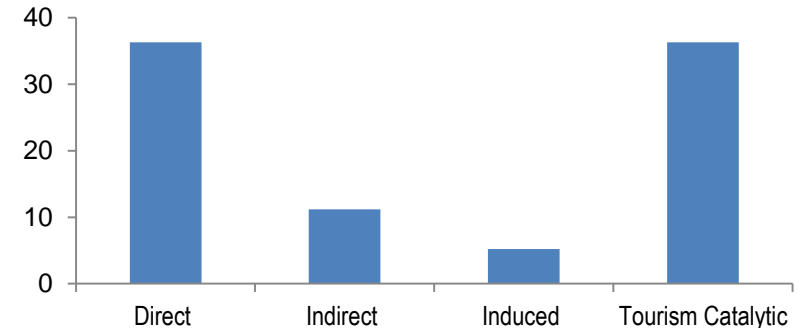
21st Century



GDP Contribution (billions)



Jobs (Millions)



Aviation industry supports \$2.7 trillion of the world's gross domestic product (GDP)

Current socio-economic impact by Aviation Sector

**65.5
million**

*Jobs supported by
aviation worldwide*

57%

*Of all tourists travel
by air*

**7.75
trillion**

*Kilometres flown by
passengers in 2017*

**2.7
trillion**

*Economic activity
supported by air
transport*

35%

*Of world trade by
value & <1% volume
transported by air*

**10.2
million**

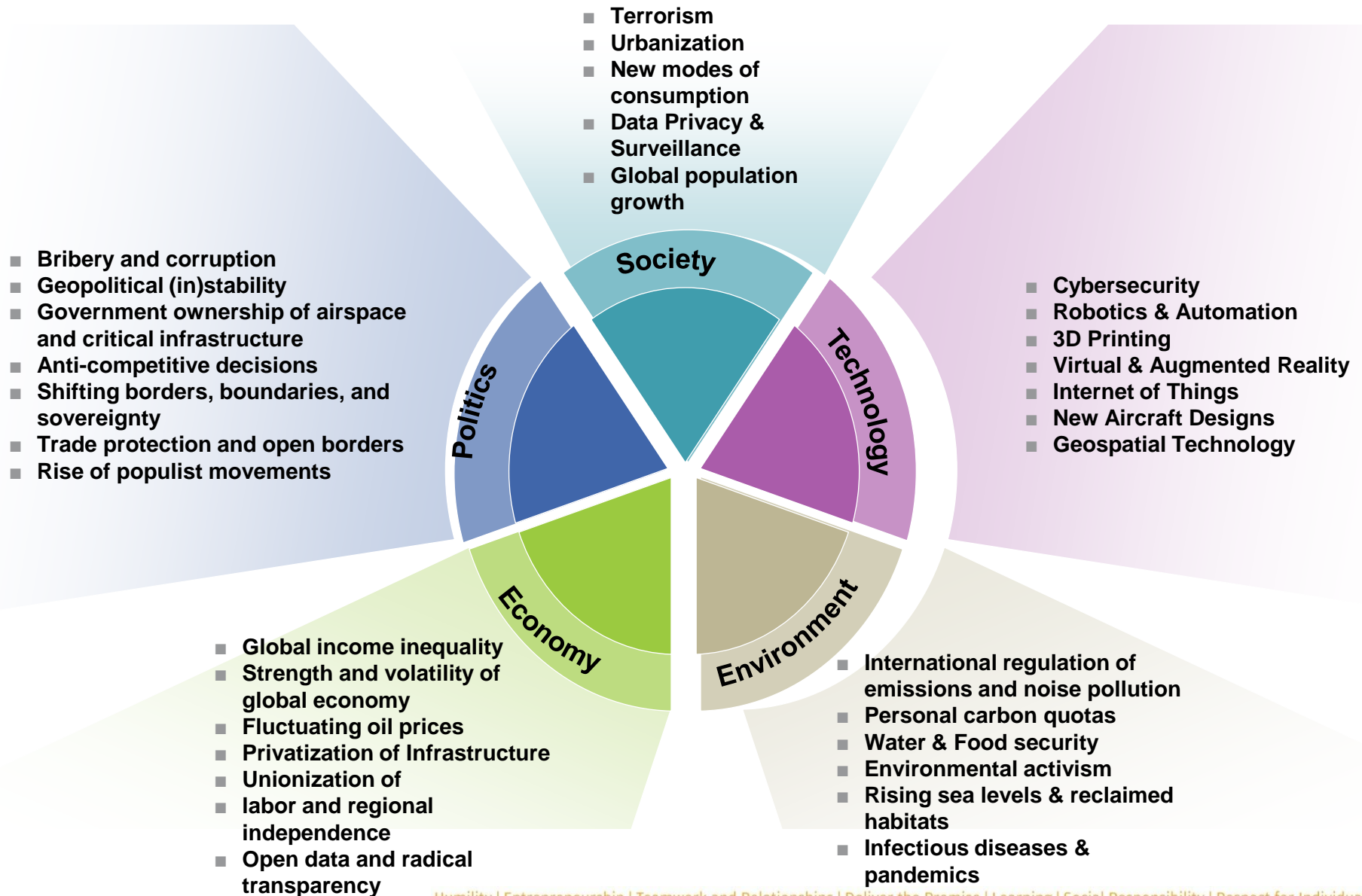
*Direct jobs at airlines, airports,
air traffic management & in civil
aerospace*

**\$6
trillion**

*Value of cargo
handled by air in
2017*

[Text]

Global Drivers of change for Aviation Industry



Stupendous growth in aviation will eventually lead to various challenges



Source: ACI, AAI

Further, Digital Transformation will make inroads in aviation industry & impact the value chain...



Living travel experience



Enabling the travel ecosystem



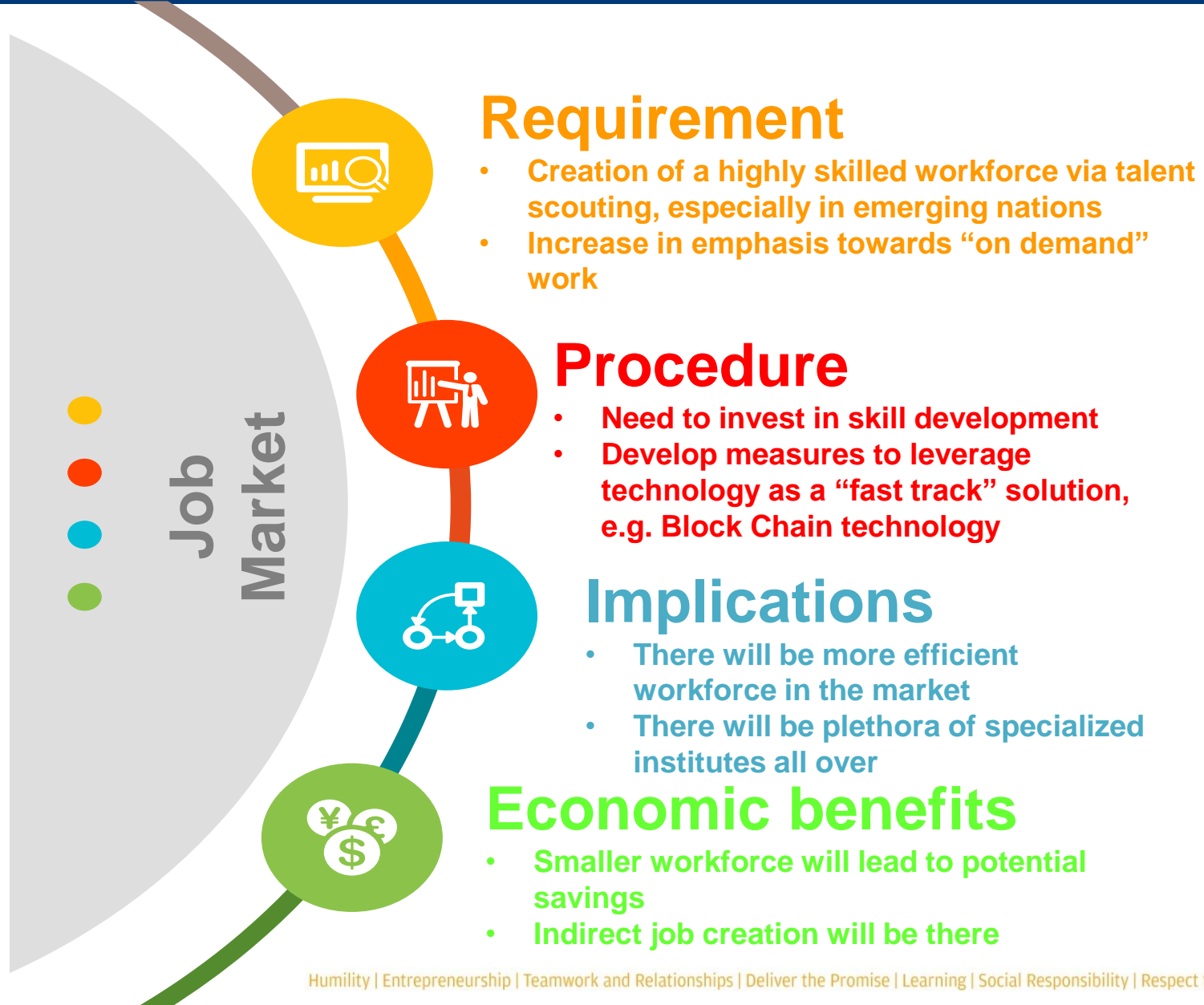
Digital enterprise



Safety and security



The digital transformation has the potential to unlock **approximately \$1 trillion** of value for the industry over the next decade (**up till 2025**) and will subsequently lead to possible reduction of up to **780,000** traditional jobs in today's industry



Youth must be driven by the following set of attributes in order to meet the ever growing expectations

Ambition

- Employers are constantly looking for hunger & drive, hence cultivating these qualities is quintessential

Value

- Employment is an earned privilege, not a right - even with a fancy diploma in hand, there are no promises or guarantees, hence emphasis should be laid upon to understand the importance of “value addition”

Articulation

- Teaching people to pitch themselves effectively early in their working lives will enable them to find employment on their own over a lifetime

Expertise

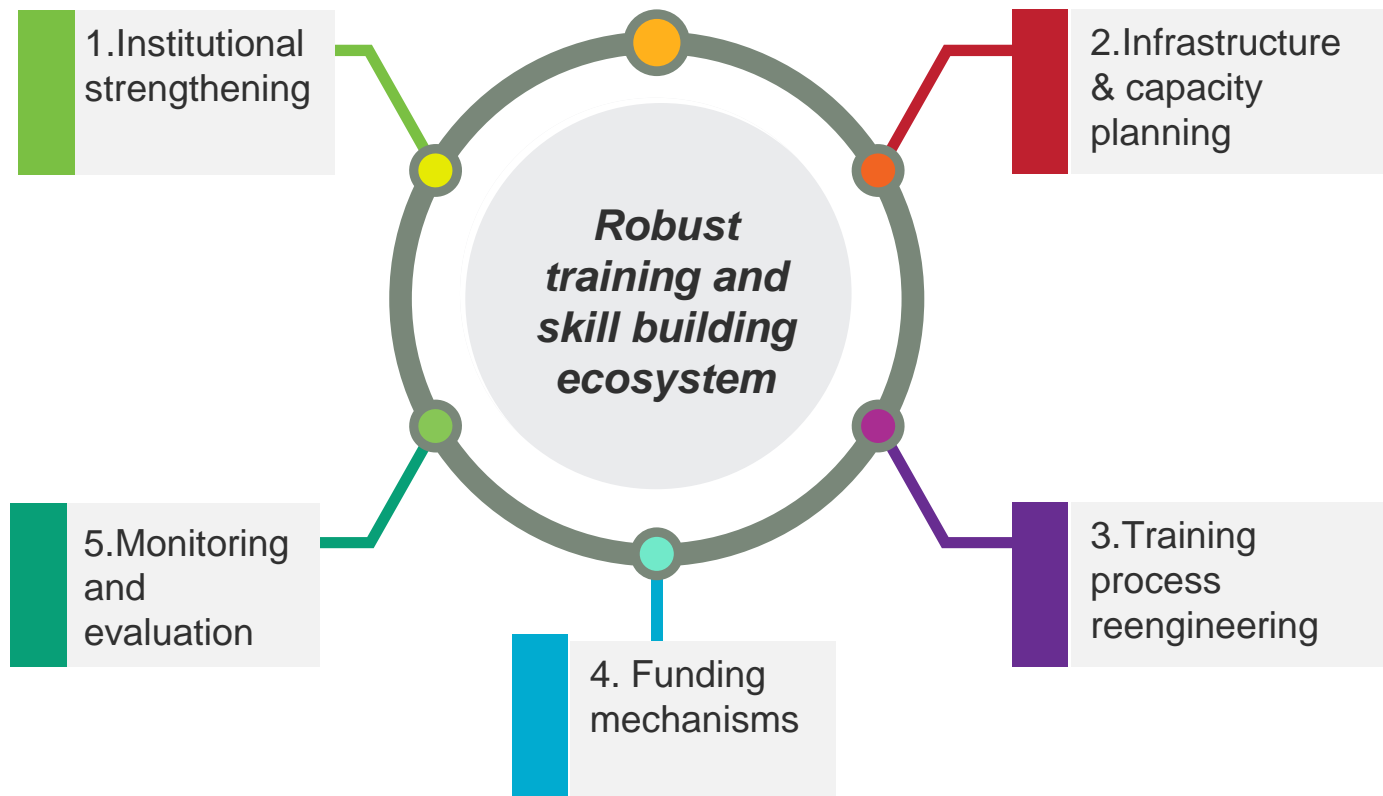
- Apart from being a good performer, & bringing some substantive expertise to the table is not sufficient
- Skills should be cultivated constantly, with young people, maximizing every opportunity to read, learn, volunteer, train & practice

Skills

- The basis of any solid employment (job search) is the actual skill base a worker presents to potential employers.
- Normally, insufficient soft skills, are most often cited when employers discuss the downside of hiring young people

Robotic Process Automation, along with AI, promises to disrupt the technology in near future by streamlining business functions / workflows in aviation industry. As per an Oxford Research, 47 % of jobs will be replaced by some type of automation within the next 20 years. Hence, technical skills' upgradation will play a major role in defining the job future for the coming generation

Current Framework for Skill Development in Indian Aviation



The recommendations outlined above focus on how the training interventions need to be revamped to meet the burgeoning skill gap requirements

The Indian Story: Initiatives taken by Indian Govt. to foster skill development



Objective

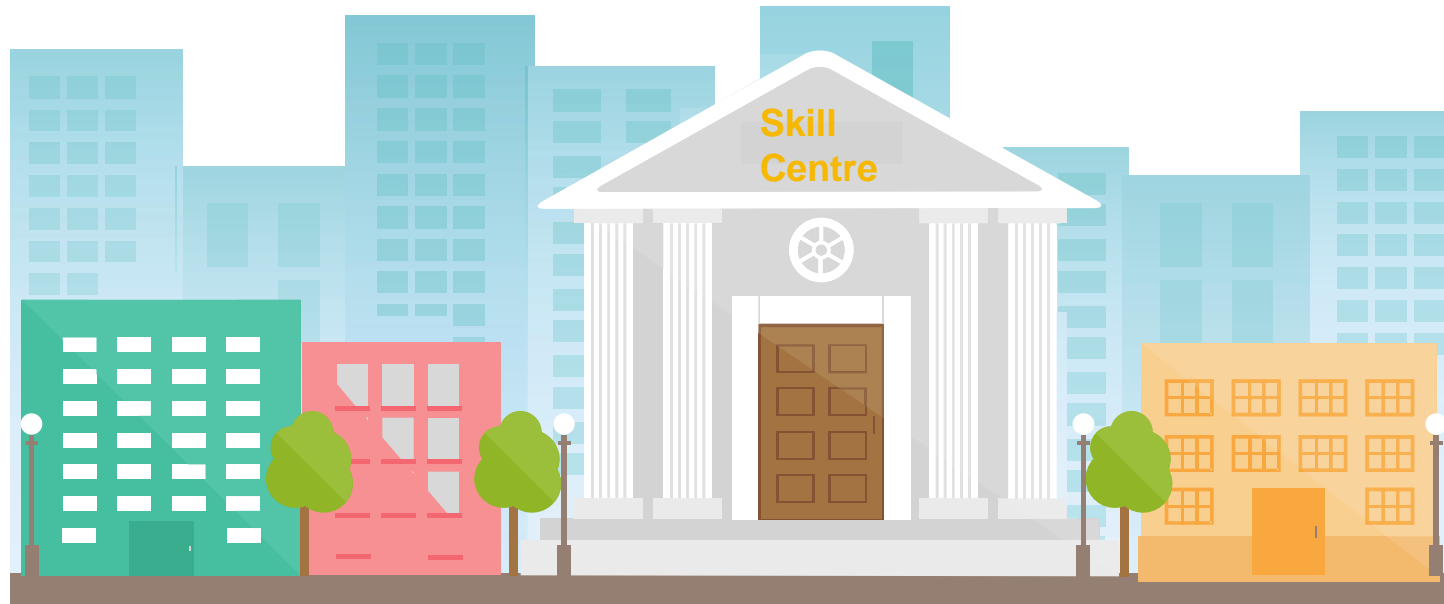
To Meet the requirement of about **one million personnel directly in the Civil Aviation Sector by 2035**

Steps Undertaken

The Ministry has taken the following steps with respect to skill development and training in civil aviation sector:

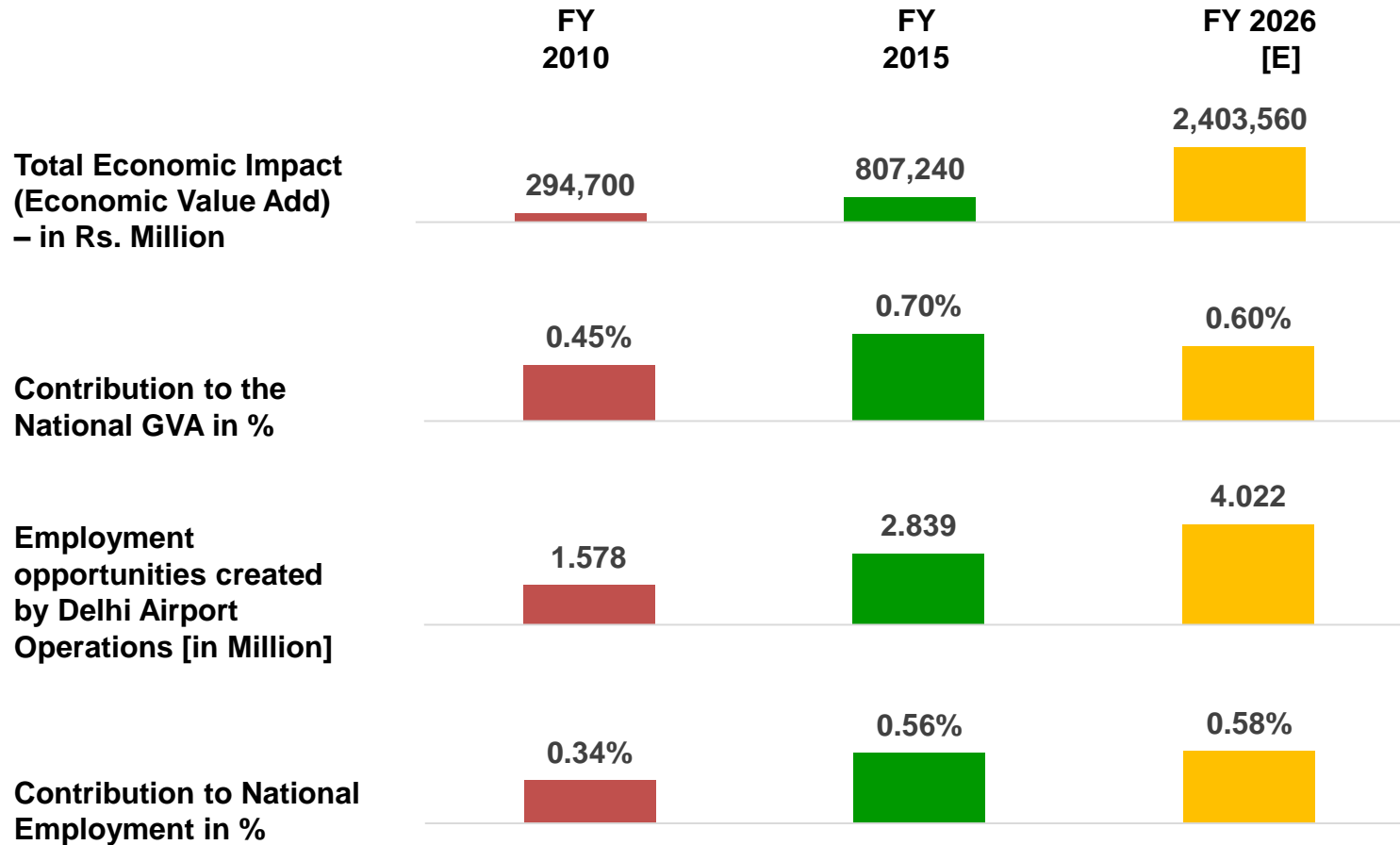
- 1) **A Memorandum of Understanding (MoU) was signed between Ministry of Civil Aviation and Ministry of Skill Development and Entrepreneurship (MSDE) in 2016** to establish a framework of collaboration on skill development, including the setting up of **Skill Development Centers, Trade Facilitation Centers and Centers of Excellence**
- 2) A **Steering Committee headed by Secretary, Civil Aviation** has been set up for better coordination and implementation of skill development in the sector.
- 3) **Indian Aviation Academy (IAA) has been appointed as the nodal institute** for assisting the Steering Committee.
- 4) **A tripartite Memorandum of Agreement (MoU) was signed by Airports Authority of India (AAI) with National Skill Development Fund (NSDF) and National Skill Development Corporation (NSDC) on 8th June 2016 for Setting up of Skill Development Centre and Skilling Youth".**

Furthermore, with the creation of a National Civil Aviation Policy, initiatives have been streamlined



- As per National Civil Aviation Policy, 2016, **the incremental human resource requirement of the Civil Aviation Sector by 2025 would be in the region of 3.3 lakhs.** The manpower crunch has twin implications – **it raises the cost of operations of airlines / airports / MROs etc. on the one hand and on the other, has safety implications as well.** Thus, the Govt. has come up with **development of National Aviation University(s)**
- **MoCA provides full support to the Aviation Sector Skill Council (AASSC)** and other similar organizations / agencies for imparting skills for the growing aviation industry in India after detailed skill gap analysis of the sector

Case Study: Delhi Airport's astounding development has had a huge socio-economic impact



Source: Economic Impact Assessment of Delhi International Airport, National Council of Applied Economic Research

GMR Aviation Training Academy - a CENTER OF EXCELLENCE for developing world class professionals for Aviation and related segments



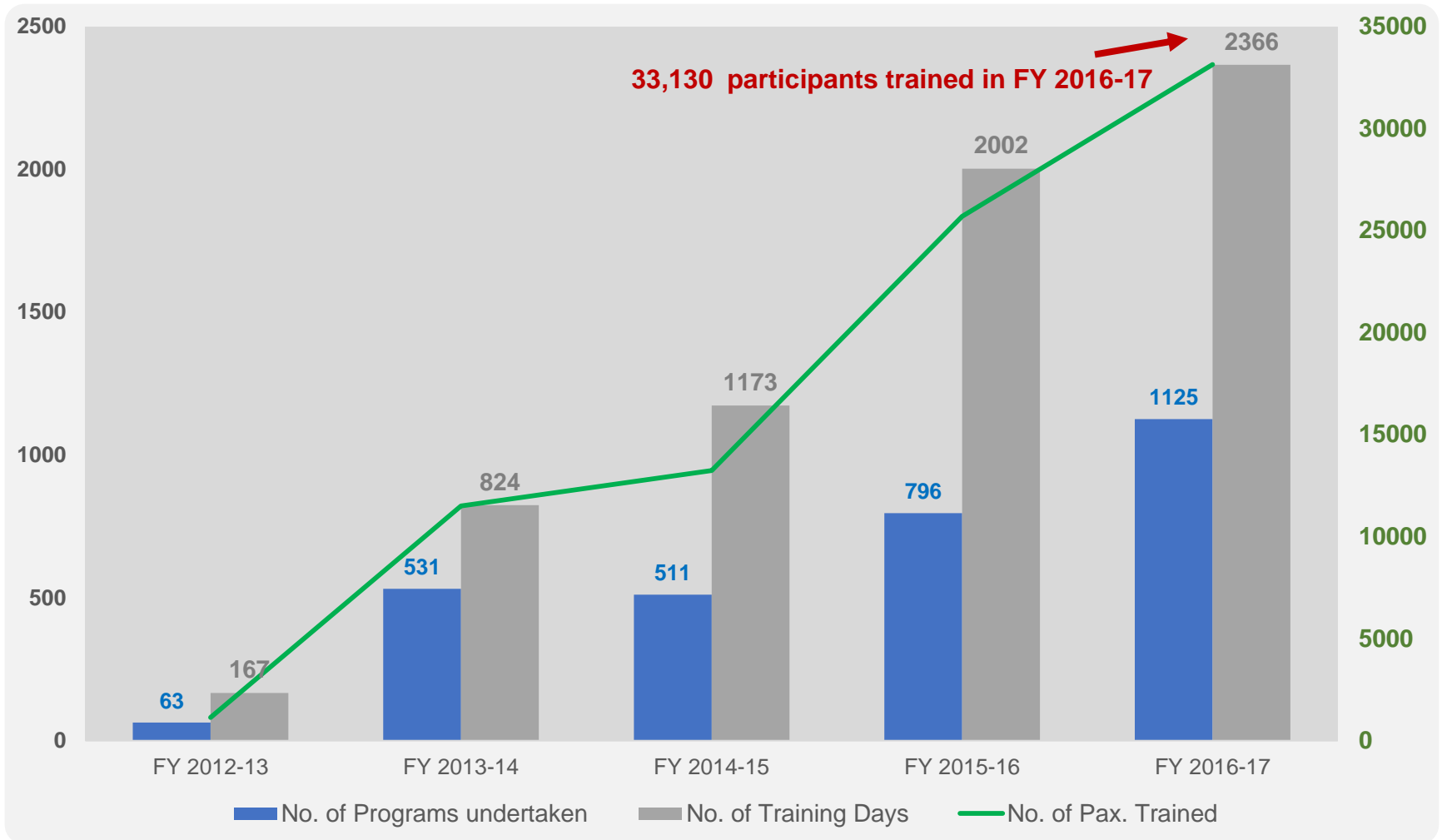
Sl. No.	Training Programmes - Category	No. of Modules
1	Airport Operations	31
2	Airport Information Technology	1
3	Airport Engineering	3
4	Landscaping	1
5	Cargo Operations	2
6	Dangerous Goods Regulations	17
7	Behavioral	7
8	Security	12
TOTAL		74

Training modules developed so far

Clientele



GMR Aviation Academy has experienced a significant growth in the past few years...



GMR Aviation Academy - YoY Growth



Thank you