

**Planning Commission
(LEM Division)**

Subject: Minutes of the Meeting of the National Skill Development Coordination Board (NSDCB) Chaired by Deputy Chairman, Planning Commission held on 08-10-2009 at 3.30 PM in Room No.122, Yojana Bhawan, Planning Commission.

The list of participants is annexed

Deputy Chairman, Planning Commission welcomed the participants and referred to the present meeting as a **Report back** session on the activities of the NSDCB. He pointed out that the Government is committed to generate greater and better quality employment in a **market friendly environment** which puts a premium on skill Upgradation. Subsequently, he invited Secretary (PC) to give a brief on the agenda of the meeting. Secretary (PC) listed (i) Review of the Training Capacity of key Central Ministries, (ii) Status of the work relating to 5 Sub – Committees, namely **(a) curriculum revision on continuous basis, (b) vocational education, (c) apprenticeship training, (d) accreditation and certification system and (e) skill gap mapping,** (iii) Review of the status of the Skill Development Missions (SDM) at the level of States/UT's – latest position along with Capacity building for State SDM's, as important tasks for the NSDCB. In addition she informed the Board regarding the 2 Sub-Committees reports and recommendations. She flagged the issue of Vision of the PM's Council on Skill Development to create 500 million skilled people by 2022 through skill systems which must have high inclusivity in terms of **gender, rural/urban, organised/ unorganised, traditional/ contemporary.** The strategy to achieve such skill systems will depend upon Innovative mechanisms for delivery through Central Government, States, civil society, community leaders and public private partnerships. She referred to the decisions taken in the first and second meetings of the Board held on 10th September 2008 and 31st October 2008.

2 In addition to the two NSDCB meetings, Secretary (PC) had also taken a Preparatory Meeting of the NSDCB on 23rd September 2009 and the agenda and issues for discussion in the current meeting were firmed up in this meeting. She mentioned that the preparatory meeting had identified the total existing and projected cumulative training capacity by 2022 of various Central Ministries and had requested the concerned Ministries to address the issues of a) gaps in training needs and b) scaling up the skill training programs. DCH referred to the figures given in the presentation and asked if the existing system could ensure a transition from 6/7 million trained persons per annum to 500 million by 2022. Secretary (PC) mentioned that it was possible to reach 500 million through **changes in the existing system** as well as synergies between **traditional** and **modern systems**. JS & DG, DGET also expressed optimism to achieve these figures through setting up of 5000 Skill Development Centres and 1500 ITIs. He informed that the RFP for this is under process. Ms. Uzramma, while appreciating the Craftsmen Training Scheme, wanted certain changes in terms of providing management and soft skills to the participants in order to achieve the objectives.

3 While discussing the numbers being generated under various schemes of MOLE, JS & DG, DGET emphasised the need to improve the quality of courses especially because the Industry has begun to take a greater interest which is leading to an overall improvement. He highlighted the need for more **soft skills** which are a key to the success of the candidates for better **wage employment** as well as **self employment**. DCH enquired about the nature and extent of structural changes in the existing schemes of MOLE such as

Apprenticeship Training Scheme. Thereafter, he referred to the suggestions given by Shri Manish Sabharwal, Chairman Team Lease on the measures required to bridge the gaps and address the issues thrown up by the evaluations of these schemes. He exhorted the members to give feedback about the relative performance of these schemes so that **resources could be withdrawn from the non performing schemes and put into the better performing schemes.**

4 The representative of the **Ministry of Rural Development** mentioned that the existing annual training capacity of all the schemes of the Ministry is around 1 million and the projected capacity will be around 3.8 million by 2022. Adviser (LEM) mentioned that the existing capacity reflects the activities of 110 RUDSETIs which have been approved by the Ministry but funds have been sanctioned only for 32 RUDSETIs. Deputy Chairman enquired about details of these RUDSETI schemes. Representative of Ministry of Rural Development mentioned that more than 75% of those who complete training courses under RUDSETI are able to either get wage employment or start self-employment ventures. Funds are released only upon actual placement.

5 Secretary, Textiles mentioned that textile sector is the second largest employment provider and provides employment in the various sub sectors namely: handicrafts, handlooms, jute, sericulture and technical institutes. She highlighted the salient features of the schemes under her Ministry including the facts that these schemes are implemented through **cluster approach** and formation of **SHGs**. She stated that based on the various proactive measures of her Ministry, the huge gap of about 45 million skilled manpower has already been quantified by the Ministry in the textiles and apparel sector which can be met. She confirmed that a detailed skill

development scheme in this regard has already received "in principle" approval of the Planning Commission and the EFC Memo was under preparation for early approval of the scheme. DCH encouraged the Ministry to address issues such as low productivity and therefore dying nature of the textile industry. Secretary, Textile pointed out that there is lot of **vitality** in the textile sector and certain segments including **technical textiles** are sunrise industry. Rising export demand for handicrafts as well as increasing value addition by the handloom sectors were cited as **manifestation of the revitalization** process mentioned above. Secretary (PC) referred to the fact that the sector has a huge domestic market, which can be used for expanding the sector. Ms Uzramma mentioned that despite low productivity and low wages in the handloom sector, new entrants from the lower economic strata were always available to take the place of those who leave the industry for higher incomes. DCH while appreciating the observations, remarked that investment and focus of training should shift to **existing workers**.

6 Thereafter the training capacity of Ministry of HRD was discussed. Secretary (PC) mentioned that the figures of training capacity reflect only partial reality as the complete and accurate data was not supplied by all the departments under HRD Ministry for all the schemes. DCH mentioned that there is a lot of **scope for improving coordination** within the Ministry. Joint Secretary (HRD) mentioned that the target of 500 lakh for the Ministry was **numerically achievable** but at the same time the issue of **quality** was also important. He also mentioned that proper **accreditation and certification system** is the key to ensuring quality of the output. DCH enquired if it was possible for Ministry of HRD as well as IT to indicate the areas and schemes in which to put extra resources.

7 In the context of strategy for increasing the capacity of **Health and Family Welfare sector**, Dr Naresh Trehan flagged the issue of structural problems in the existing system which come in the way of filling gaps in the supply vis-à-vis demand of medical doctors, nurses and other para medical staff. If these problems are taken care of, about 5 million job opportunities could be created in the health sector and enhanced revenue cycles can be created in perpetuity. He referred to the **procedural bottlenecks** and many **structural factors** which made the system slow in terms of clearances etc.. The procedures relating to changes in the fee structure, adding seats in the medical colleges/nursing institutions, jurisdiction and frequency of inspection teams were highlighted. Dr Trehan explained that given the right environment, the private sector could supplement Government efforts to fill the major gaps highlighted above. Joint Secretary (MH&FW) explained the various measures related to the simplification of procedures in all these areas. DCH pointed out that the government action is not **sufficiently communicative** and efforts should be made to address the various **substantive concerns** raised by Dr Trehan. It was decided that Dr Trehan would prepare a paper in consultation with MOH&FW regarding a) gaps in training capacity in the health sector, b) simplification of procedures for setting up/running private training institutes in the health sector. This would be discussed in the next NSDCB meeting.

8 The problem of **incomplete** and **inadequate** information came into sharp focus with regard to the Ministry of Agriculture. DCH pointed that the issue of **training inadequacy** in the system cannot be addressed by simply referring to the data on existing and projected training capacity. Therefore, he suggested to take up the recommendations of two sub-committees chaired by Shri Manish Sabharwal and Shri Som Mittal.

9 Shri Manish Sabharwal, Chairman, Teamlease Limited who headed the Sub Committee on Apprenticeship Training summarised the main findings of the Draft Report submitted by him. He referred to various deficiencies in the Apprenticeship Training Act as **Plumbing Problems** and as desired by DCH had submitted a note to Member (Dr NJ). DCH referred to the note submitted by Shri Manish Sabharwal to DCH which lists the specific action points in the Apprenticeship Training Act. The Act is a Central Act and the States which have to implement the Act have also opined that many provisions need changes. The case by case/approach/ process of individual requirements leads to delays and is costly. It was suggested that while on the one hand the various provisions related to Ministry of HRD and MOLE should be harmonized, on the other hand, the procedural requirements encouraged violation of Labour Law. DCH requested Member (NJ) to take a meeting and list the amendments in the Apprenticeship Act which can be implemented.

10 Thereafter, the Sub Committee Report prepared by Shri Som Mittal was discussed. The following issues were flagged. (i) Alternate Framework for Accreditation and Regulation, (ii) Independent Centralised and Decentralised Accreditation Structure (iii) Mapping of skill and competencies at all levels of education and identifying standards for certification, employment and educational mobility (iv) Independent Accreditation and Regulation /Audit System including all Stakeholders. DCH while appreciating the presentation requested for operationalising the recommendations of the Report.

11 Resident Commissioner, Bihar informed that there is a focus on training in various sectors including investment in training infrastructure. As the requirement of funds for training infrastructure are very high, there is no substitute to private sector participation in infrastructure. DCH pointed out that **training infrastructure** at all levels including school, vocational university education is a prelude to

expanding their activities. Secretary (PC) informed that given huge scale of operations needed in the context of PM's vision, there is no alternative to private sector participation. In the context of Maharashtra, Chief Secretary, Maharashtra mentioned that the requirement of skill training is not only for the poor but the demand for training is from all the sectors. While training is undertaken as intended, there are situations where actually no training takes place and there is a lot of scope for improvement. In many cases ITIs training does not meet the requirement of the industry and industry needs to be involved more seriously. Once the ITI graduates are employed by the private sector, it undertakes their training or re-training. The **process of certification** needs to be changed as various courses do not necessarily reflect the **market value** of the certificate or the skill level of the candidate. In this context, Secretary (PC) clarified that probably this experience is of State Council for Vocational Training (SCVT) and not of National Council for Vocational Training (NCVT).

12 Thereafter, DCH invited Secretary, Orissa Government to give an over view of skill development efforts in the State. It was pointed that Vocational Guidance activities in the State of Orissa were carried out under the aegis of 22 Model Career Corners (in Women's Colleges and in Girl's High Schools in tribally dominated and backward districts) and 12 Student's information Bureaus (in leading colleges of the State). In all 20,533 students utilized the Students information Bureaus and 15,941 students utilized the Model Career Corners in the year 2009 (up to March, 2009). Besides, out of 110 trades offered under the aegis of National Council for Vocational Training (NCVT), the State is implementing 53 trades.

The meeting ended with a vote of thanks to the Chair.

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List of participants in the Meeting of the National Skill Development Coordination Board held on 8-10-2009 at 3.30 PM in Room No. 122, Yojana Bhawan, Planning Commission.

Planning Commission

Shri Montek Singh Ahluwalia, DCH, Planning Commission
- Chairman
Dr. Narendra Jadhav, Member (LEM)
Smt. Sudha Pillai, Secretary, Planning Commission
Smt. Naini Jayaseelan, Adviser (LEM)

Central Ministries/ Departments

Shri Ashok Chawla, Secretary, M/o Finance
Ms Reeta Menon, Secretary, M/o Textiles
Ms Kiran Dhingra, Secretary, M/o HUPA
Shri N.K. Sinha, Joint Secretary, M/o HRD
Shri Amar Singh, Joint Secretary, M/o RD
Ms. Shalini Prasad, Joint Secretary, M/o HFW
Shri Sharda Prasad, Joint Secretary, M/o Labour & Employment

State Governments

Shri Jagar Singh, Chief Secretary, Govt. of Orissa
Shri Johny Joseph, Chief Secretary, Govt. of Maharashtra
Shri J.S. Saharia, Pr. Secretary, (Vocation Edu. & Trg.) Govt. of Maharashtra
Shri Devendra Kumar, Resident Commissioner, Govt. of Assam
Shri Alok Chaturvedi, Resident Commissioner, Govt. of Bihar

Autonomous Organisations

Dr. Naresh Trehen, Chairman, Global Health Private Ltd.
Ms Uzamma, DASTAKAR
Shri Manish Shabharwal, Director, Team Lease India
Shri Rajdeep Sharawat, NASSCOM
Dr. Sandhya, Director, NASSCOM