

**Planning Commission  
(LEM Division)**

**Subject: Minutes of the 10<sup>th</sup> Meeting of the National Skill Development Coordination Board (NSDCB) held on 20<sup>th</sup> November, 2012 at 11.00 A.M. in Room No. 122, Yojana Bhavan, Planning Commission.**

The Tenth Meeting of the National Skill Development Coordination Board (NSDCB) was held on 20<sup>th</sup> November, 2012 at 11.00 A.M. in Room No. 122, Yojana Bhavan, New Delhi under the chairmanship of Deputy Chairman, Planning Commission and Co-Chaired by Adviser to PM on Skill Development.

The list of participants is at **Annex**.

Deputy Chairman, Planning Commission welcomed the participants and requested Secretary, Planning Commission to proceed with the agenda items of the meeting.

**Agenda: 1. Confirmation of the Minutes of the last meeting of the NSDCB held on 19<sup>th</sup> December, 2011.**

The minutes of the last NSDCB meeting held on 19<sup>th</sup> December, 2011 was confirmed.

**Agenda: 2. Good practices/initiatives on skill development undertaken by States/UTs as intimated during the Second Round of Regional Conferences on Skill Development organised by the LEM Division, Planning Commission during the months of March-May, 2012.**

Director (LEM) Planning Commission made a presentation highlighting the major initiatives taken by various States/UT Governments as emerged during the Regional Conferences on Skill Development organised by the Planning Commission during March-May, 2012.

**Agenda: 3. Target set for various Central Ministries and State Governments for skill training during the 12<sup>th</sup> Five Year Plan (2012-17).**

Chairman requested Adviser to Prime Minister on Skill Development - Shri Ramadorai to give his perspective of the progress in Skill development. Shri Ramadorai made the following major observations:

- Slow progress in achieving the target of skill development during 2012-13: Against the set target of skilling 85 lakh persons during 2012-13, so far only about 14 lakh persons could be trained by various Ministries/NSDC.
- Expanding Training Capacity: Need for increasing on-the-job training and expanding training capacity through international cooperation/industry partnership.
- Effective coordination between States and Central Ministries/Departments for implementation of skill training schemes/programmes. This would facilitate convergence.

- Need to firm up the definition of “skill development” including all aspects. Any skill training less than 4 weeks duration cannot be counted as employable skill training.
- Need for a uniform IT based placement tracking.
- Need for the National Skills Qualification Framework.
- National Skill Registry is also important
- Involvement of NGOs/ local industry partnership is critical.

The Executive Director, O/o Adviser to PM also made a presentation highlighting the issues relevant for skill development in the country:

- 75% placement benchmark of Ministry of Rural Development in the placement linked skill training programme needs to be taken as a benchmark.
- Linking the cost of training with expected post placement remuneration of trainees was also important.
- Earmarking some percentage of funds for skill development by each Ministry.
- Harmonisation of the National Vocational Qualification Framework.

The Chairman desired to know how well the frameworks proposed by the Ministry of Labour and Employment (MoLE) and the Ministry of Human Resource Development (MoHRD) are harmonized. Adviser to PM on National Council on Skill Development (NCSD) informed that in view of the two different frameworks having been put into circulation by the two Ministries, the PMO had convened a meeting in which it was decided that both frameworks would be harmonized into a single one to be called the National Skills Qualification Framework (NSQF). While formal orders for setting up of the Inter-Ministerial Committee that would have done the harmonization leading to the creation of NSQF is still awaited, the MoHRD has already launched the NVEQF. The Chairman observed the need to have a single policy document at the national level on the vocational qualification framework for the benefit of all stakeholders. Both MoHRD and MoLE indicated that the two frameworks can be easily harmonized as the level descriptors are the same. Both Ministries agreed that a Cabinet Note seeking approval of the harmonized qualification framework can be drafted by the Office of Adviser to PM on NCSD and both the Ministries would work with the Office of Adviser to PM on NCSD in this regard.

Proposed amendments to the Apprenticeship Act of 1961 were discussed extensively. Secretary, MoLE informed that the Ministry is in the process of preparing a note for the consideration of the COS since its proposed amendments had received divergent comments from concerned Ministries and agencies, and these require to be reconciled. Executive Director, Office of Adviser to PM on NCSD pointed out that the most substantive issue at stake was the need for the Apprenticeship Act to adopt a collaborative approach with Industry instead of the current and proposed enforcement attitude relying on penalties and imprisonment which is in the current Act as well as in the amendments proposed by MoLE. There was agreement that a collaborative approach needed to be adopted. Member (Industry), Planning Commission, laid stress that without such an approach, on-the-job training at all levels would not be possible. He further pointed out that Industry is an essential and necessary Partner in the Skill Development effort and the law needs to recognize the same. Secretary, Department of Economic Affairs (DEA) suggested that a new

Apprenticeship Act reflecting the current economic situation needs to be prepared as the Act of 1961 reflected the economic reality of 50 years ago. Chairman suggested that the Adviser to PM on NCSD lead the work for preparing a new Draft Apprenticeship Act in association with Secretaries of MoLE, MoHRD, DEA, Member (Industries) Planning Commission etc. along with other experts. Secretary, MoLE agreed that his Ministry would pilot the new draft Act so created.

#### **Agenda: 4. Status of initiatives undertaken by the National Skill Development Corporation (NSDC).**

CEO, NSDC highlighted a few issues/ information pertaining to the activities of the NSDC. These included (i) district wise skill gap analysis undertaken by them for 28 States which would be completed by 31.3.2013; (ii) funding problem; (iii) unregulated nature of the industry; (iv) information asymmetry; and (v) need for student mobilization. Further NSDC was working on occupational standards, accreditation, assessment and certification issues along with a major marketing campaign approved for Rs. 40 crore in July 2012. He said conditions imposed by the States were creating some problem.

#### **Issues Raised by Central Ministries/ Departments**

Secretary, Ministry of Rural Development informed that the proposed decentralised project approval under the placement linked skill training in the country would help in providing better service and addressing of issues related to engagement of private training partners, placement, training courses, retention, salary levels etc.

Secretary, Department of Youth Affairs desired that NSDC need to review the process of hiring its training providers in the light of declining trend in the employment for the students trained by NSDC recognised Training Providers.

CEO, NSDC clarified that the skill training were provided in various trades and jobs were also offered but the trainees were not willing to go out of the Northeast.

Secretary, Department of Economic Affairs (DEA) laid emphasis on the need for addressing the institutional capacity of skill training and the need for a business proposition for skill training- allowing profit making in skill training by industry. At present emphasis is more on number of trainees and not on outcomes. The role of SSCs is important in skill development both for setting occupational standards as well as standards for assessment and certification. He also emphasised on the need for standardization of cost of skill training across different states/training providers/ trades. He highlighted the need for comprehensive MIS system on the pattern developed by the Ministry of Rural Development for preparing a robust database. He felt that in skill development, identification of the beneficiaries and outcome are important.

Secretary, Planning Commission mentioned that data deficiency was a major problem with respect to skill development along with the associated problem of demand - supply mismatch.

Secretary, Ministry of Women and Child Development desired the necessity for having gender specific database on skill training. He mentioned about the problem of recognizing/certifying the skills imparted under the schemes run by that Ministry and problem of finding Vocational Training Providers under SABLA scheme for skill training in the country.

### **Issues Raised by the State Governments:**

The representative from the Government of Bihar pointed out that the lack of uniformity in course content, cost and other critical parameters among schemes run by different Ministries of the Government of India was creating major implementation issues at the State Level. He suggested that there is need for the various Ministries under the Government of India to bring about uniformity in their Skill Development schemes. Certification for MES courses was taking unduly long and proving to be a major issue.

The representative from Government of Karnataka mentioned that there was a need for harmonization of course modules developed by SSCs and MoLE and certification should be in line with DGET/ NCVT norms.

The representative from Government of West Bengal observed that there was a need for providing incentives to the industry under the New Apprenticeship Act. Strengthening the district level infrastructure which should have access to funds from the NSDC. He highlighted the need to keep vocational education courses outside the purview of service tax.

The representative from Government of Odisha mentioned that there was a need for State and district level coordinating agency in the area of skill development. He suggested regional chapters for NSDC.

The representative from NASSCOM mentioned that the implementation problems related to SSCs should be looked into at the State level.

Ms. Uzamma, Member NSDCB and Head Decentralised Cotton Yarn Trust, Hyderabad, mentioned that there were three important skill training in the area of textiles such as pre spinning, spinning and weaving. Mostly skill trainings take place by the manufacturing company itself.

### **Secretary, Planning Commission concluded the proceedings with the following actionable points:**

- Preparation of a new harmonised single document on National Qualification Framework.
- Drafting of a new Apprenticeship Act.
- Standardization of cost norms, need to expand institutional capacity and tracking of post placement etc.
- Creation of a proper skills eco-system.
- Need for closer coordination and synergy among all stakeholders.

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

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**List of Participants**

**Planning Commission**

1. Shri Montek Singh Ahluwalia, Deputy Chairman and Chairman, NSDCB
2. Shri Arun Maira, Member (Industry)
3. Ms Sindhushree Khullar, Secretary
4. Dr Vinita Kumar, Sr. Adviser (LEM)
5. Dr C.Chandramohan, Sr. Adviser (School Education, Sports & Youth Affairs)
6. Smt Sunita Sanghi, Adviser (LEM)
7. Shri K Sen Sarma, Director (LEM)
8. Shri B. Chandrasekaran, Young Professional (LEM)

**Office of Adviser to PM on Skill Development**

1. Shri S. Ramadorai, Adviser to PM on Skill Development & Co-Chair of NSDCB.
2. Shri J.P Rai, Executive Director.
3. Shri Shikhar Agarwal, PS to Adviser to PM.

**Central Ministries**

1. Dr Mrutyunjay Sarangi, Secretary, M/o Labour & Employment.
2. Shri Ashok Thakur, Secretary, D/o Higher Education, M/o Human Resource Development.
3. Shri. S.Vijay Kumar, Secretary, M/o Rural Development.
4. Shri Arvind Mayaram, Secretary, D/o Economic Affairs, M/o Finance.
5. Shri Prem Narain, Secretary, M/o Women and Child Development.
6. Smt Nita Choudhary, Secretary, D/o Youth Affairs.
7. Shri R K Singh, Joint Secretary, D/o Heavy Industry.
8. Shri B.K Agarwal, Joint Secretary, M/o Housing and Urban Poverty Alleviation.
9. Smt. Radha Chauhan, Joint Secretary, D/o School Education & Literacy Ministry of Human Resource Development
10. Shri T Vijay Kumar, Joint Secretary, M/o Rural Development.
11. Dr. Vishwas Mehta, Joint Secretary, M/o Health & Family Welfare.
12. Shri S. Sahu, Additional Development Commissioner, M/o Micro, Small and Medium Enterprises.
13. Shri A.K Arora, Scientist F, M/o Communication & Information Technology.
14. Shri R L Singh, Deputy Director General (Training), M/o Labour and Employment.
15. Smt. Usha Sharma, Additional Director General, M/o Tourism.
16. Shri T.C. Saravana, Deputy Director General (Training), M/o Labour and Employment.

## **State Governments**

1. Shri Anil Verma, Secretary, D/o Technical Education, Government of West Bengal.
2. Shri Ravi S Prasad, Secretary, D/o Labour & Employment Government of Assam.
3. Shri Vipin Saxena, Special Resident Commissioner, Government of Odisha, New Delhi.
4. Shri Amrit Lal Meena, Secretary, D/o Labour & Employment Government of Bihar.
5. Smt. G Jayalakshmi, Commissioner, D/o Employment & Training, Government of Andhra Pradesh.
6. Shri G.S. Narayanaswamy, Secretary, D/o Labour & Employment Government of Karnataka.
7. Shri Pankaj Kumar Pandey, Director, D/o Employment & Training, Government of Karnataka.

## **Subject Experts**

1. Shri Manish Sabharwal, Chairman, Teamlease Services Pvt. Ltd, Bangalore.
2. Ms Uzamma, Director, Decentralised Cotton Farm Trust, Hyderabad.
3. Dr. Sandhya Chintala, Executive Director - Sector Skill Council (IT & ITes), NASSCOM.

## **National Skill Development Corporation**

1. Shri Dilip Chenoy, MD & CEO.

## **Institute of Applied Manpower Research**

1. Dr. Santosh Mehrotra, Director General.