Government of India
Planning Commission
(LEM Division)

Subject: Minutes of One Day Regional Conference on Skill Development held at Delhi on 11<sup>th</sup> August, 2010

List of Participants is at Annex.

The one day Regional Conference on Skill Development for the Northern States of Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Uttar Pradesh and Uttarakhand was held at Delhi on 11<sup>th</sup> August, 2010. The Conference was inaugurated by Shri. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission and attended by Chief Minister, Delhi, Member (NJ), Pr Adviser (PC, Admn. & LEM), Adviser (LEM) and senior officers of the State Governments, Planning Commission and Ministry of Labour & Employment.

At the outset, Deputy Chairman, Planning Commission thanked the Government NCT of Delhi for hosting the One Day Regional Conference on Skill Development. He mentioned that since majority of labour force entering the workforce is not formally skilled, the present skill training capacity needs to be enhanced enormously to ensure that the shortage of skilled manpower does not come in the way of higher economic growth which is projected to be in the range of 9-10 per cent during the 12<sup>th</sup> Five Year Plan. In addition, he gave a synoptic view of the three tier institutional structure which has been created at national level namely the PM's National Council on Skill Development, National Skill Development Coordination Board (NSDCB), and National Skill Development Corporation (NSDC). He also urged the States to set up State level Skill Development Missions on the line of national level structure to take forward the objectives of skill development as most of the skill training activities are under the State level. Thereafter, he informed the participants about the activities undertaken by the NSDCB including the tracking of various Central Ministries programmes/schemes on skill training in major areas.

He further, elaborated that the primary aim of skill training under the "Coordinated Action on Skill Development" is not only generating high end skills imparted through engineering colleges, polytechnics, etc but of imparting short term skills sets which have huge demand in the national and international markets. Therefore, the States as well as MOLE alongwith various Ministries need to strongly build up market oriented short term courses on skill building. In this context he mentioned the success story behind the Modular Employable Skills (MES) scheme of the Ministry of Labour and Employment. However, he highlighted the issue of third party assessment of the MES. Private sector participation in skill training and upgradation is absolutely essential for up scaling the existing skill development efforts in the country. The demographic dividend

which is available for next 20 years in our country needs to be utilized through timely and appropriate skill training otherwise this dividend may turn out to be demographic disaster.

Smt. Sheila Dikshit, Hon'ble Chief Minister, Delhi welcomed all the participants and mentioned that with right kind of skill development there is a great potential for achieving higher economic growth and for that each State has to be prepared and formulate action plans. The agriculture sector because of its contribution to national income and employment should be the focus of skill development efforts in the various States.

She informed that the SSDM has been setup in NCT of Delhi and the detailed action plan with future focus is under preparation. The Indraprastha Institute of Information Technology (IIIT), Delhi is also functional, and the State Government is also planning to set up a Construction Academy. She informed that the Government of NCT of Delhi is providing support to vocational courses from class 10 onwards. At present 194 schools provide such training in 14 different skills. She also referred to the innovative skill development programme for prisoners at Tihar Jail with financial assistance ranging from Rs 25,000 to 30,000 per prisoner at the end of his/her conviction period. She emphasized the need for a flexible training mechanisms in collaboration with industry and vocational institutions. Further, given the vast demand for skill development in the future, NCT of Delhi could be made an ideal hub for skill training. She also gave details of the various job fairs organized in the State and the encouraging response of the employers and the employees to the same as well as 'earn while you learn.scheme" in ITI's. Since the present setup of employment exchanges are outdated and they are less relevant for the present supply - demand scenario, there is a need to convert employment exchanges into Career Guide Centres. She also highlighted the implications of continuous migration from other States to Delhi. As substantial number of migrants are employed in construction sector, the need to have "Builders Council" for setting minimum standard was flagged. She also advised that there is a need for administrative reforms which will help in speedy implementation of initiatives. In this context, she encouraged Planning Commission to suggest appropriate reforms in this regard.

Dr.Narendra Jadhav, Member, Planning Commission, Gol gave opening remarks with possible projects which could be considered under the State Skill Development Missions (SSDMs) for reforming and speeding up of delivery mechanisms. He presented 18 innovative ideas which could be considered as major projects for revamping the employment exchanges into Career Guide Centres, upgradation of skill training infrastructure facilities through Public Private Partnerships (PPP), creation of asset bank, skill mapping, etc..

He elaborated three sets of specific projects covering short term, medium term and long term. The short term activities should focus on connecting supply to demand, the medium term focus on correcting supply to demand and long term focus on preparing supply to demand. Moreover, he informed that if a person is skilled in English speaking the chances of becoming employable increase 400 percent. He referred to the recent initiatives of Planning Commission to suggest amendments to the Apprenticeship Act, 1961.

Shri Rakesh Mehta, Chief Secretary, Government of Delhi informed the participants that the "Earn While Learn programme" is functioning well and it has been implemented in 17 Government ITIs in Delhi. The Government of Delhi is also planning to expand this scheme.

Adviser (LEM), Planning Commission, GoI made brief presentation on training infrastructure, seating capacity, and specific age group (population competing for the seats) in Northern Region States vs other regions.

Thereafter, the State representatives made presentation on status of activities of the SSDM and formulation of action plans for skill training and skill development.

# (1) Uttar Pradesh

- The State has set up the SSDM headed by Chief Secretary which is holding quarterly meetings. The State has also setup a separate department for Vocational Education. This department has been made as a nodal agency for skill development and coordination of 18 different departments. The State also setup Vocational Education Board for coordinating the various aspects of skill development.
- The State is in the process of conducting the skill gap analysis with the help of industry associations. The funding of the exercise on skill gap analysis is an issue with the State Government. Systemic funding for Skill Mapping on continuous basis needed. The State has specific Action Plan for the Skill Development.
- The State has a total of 267 ITIs and 602 ITCs with total annual intake capacity of more than 1.2 lakh. It also has 1,615 registered VTPs and 168 Polytechnics. The total intake capacity in polytechnics is about 38,800. In addition, I 101 Private Polytechnic applications were given approval during this year and 600 Private ITC applications are yet to be cleared. Clearly there is a huge interest in private sector in skill training in the State.
- Till now about 1.69 lakh persons have been trained through Skill Development Initiative (SDI) scheme. The aggregate Skill development efforts of various departments in 2009-10 aggregated to 5.70 lakhs trained persons. The State government has Skill Development Mega Plan for 2010-11 aimed at training of 8.50 lakhs persons (as on 14th May, 2010).

- The State has issued an order for using educational infrastructure after school hours in order to augment training capacity for short term courses. The second shift has been started in Polytechnics and private ITCs and three shifts are being planned wherever the adequate infrastructure (staffing) is available. Sector Skill Councils are being planned with industry participation. The State has set a target for training of 2.0 lakh additional trainees through 2,500 more VTPs.
- Major sectors which drive employment growth such as Construction, Textiles, Hospitality, Tourism, Health Care, IT, Banking, Manufacturing, Retail, have been identified.
- Major issues by the State includes: (i) it takes minimum of 8 months to get clearance for introducing a new trade from NCVT, (ii) there is no flexibility to run a course jointly with non government institution/industry, (iii) back log of certificates in various courses.
- At present, the VTP bills amounting Rs.79.89 crore is pending in Ministry of Labour and Employment. In addition, Computerized NCVT Certificates need to be issued to VTP pass outs by the DGET so that no back log remains. At present about 29,877 certificates are pending at the Regional director under the DGE&T level in Kanpur.
- Decentralization of the SDI Scheme is necessary at Regional level as MOLE is facing many problems: funds, curriculum, structure, etc..
   Suspenion of (registration and continuity of registered VTPs in) the SDI scheme needs to be revoked.

#### (2) Punjab

- The SSDM has been set up in the State with representatives from industries. The Chief Minister is Chairman. The State's Skill Development Policy is being drafted. Committees for every District have been formed.
- The skill gap analysis has been done through ICRA. Funds for conducting skill mapping and skill gap analysis on regular basis are required.
- There are 74 blocks where there is no ITI at present and it is now planning to establish one in each block. 2,500 Skill Development Centers are also planned with each SDC catering capacity to serve a cluster of 4-5 villages.
- The State has identified 97 different locations across the State for setting up of ITI,s and SDCs. Further, the target to identify 43 locations for new ITIs and 250 SDCs is in the process of completion.

- Most of the ITIs in Punjab were set up during 1956 to 1964 (about 85-90%). The ITIs developmental expenditure in 9 Years (from 1989 to 1998) on 111 ITIs is about Rs.43 crore to 45 crore. Similarly, from 1998 to 2006 i.e. for 8 years the expenditure on developmental activities in all 111 ITIs is Rs.10 lakh which means about Rs.1 Lakh per year for 22,000 sanctioned seats. Thus, there is huge funding problem in the State.
- The SCVT like NCVT is not a statutory body, it is only advisory body. SCVT is dysfunctional in the State. It has no permanent staff of its own like even SCERT. The existing staff of the Directorate has been assigned the work of SCVT.
- Thirty five ITIs are being upgraded under CoEs scheme (VTIP): out of which 8 are under domestic funding and 27 are under World Bank funding (2006-07 to 2012).
- The State is planning to upgrade and expand skill development:
  - a) The vocational training facilities in Border Areas are covered under BADP, expansion of VT facilities in Kandi Area under Kandi Area Development Program with the cost of Rs. 91 crore (one ITI in 13 blocks), upgradation of VT facilities in Government ITIs in Punjab under Additional Central Assistance with cost of Rs. 45 crore project for all the 111 ITIs. There is a plan for introduction of new trades relating to food processing sector in 38 ITIs with Rs.20 crore project cost (likely to start in 2010-11).
  - b) Starting of Pre-departure Orientation cum Training for potential Emigrant workers in collaboration with Ministry of Overseas Indian Affairs (MOIA), Govt. of India. (75 percent of the cost to be borne by Govt. of India).
  - c) Starting of scheme "Providing Skill/Vocational Training in NCVT/SCVT approved trades to SC/BC youth".
- The State government has received 158 applications for opening of new ITCs and expansion of existing ITCs.
- Out of the 108 ITIs, about 20 Institutes are running in rented buildings and rest of the Institutes requires expansion to create extra capacity. About 30 percent (about 455) vacancies of Instructors pending in the State and are need to be filled.
- The State has created Punjab Police Security Corporation for training in security services at Jahan Khelan in Hoshiarpur. To improve the communication skills, Language Lab in each ITI has been proposed.

 Employment Exchanges in Punjab need to be remodeled as Career Guidance Centres.

# (3) Haryana

- The SSDM has been set up in the State with due representation to Industry and is headed by Chief Secretary. A separate Skill Development Cell under the Directorate of Industrial Training and Vocational Education. The State also has Vocational Evaluation Committee (VEC) has also been set up.
- The exercise of conducting skill gap analysis with the help of CII has been initiated
- The State has a jobs hotline website in both Hindi and English language. Some ITI's are facing difficulty in finding industry partners.
- The State has a total 118 ITIs and 83 ITCs with seating capacity of 30,840 and 12,368 respectively. The target of intake capacity is 96,440 for next 3 years. The total ITIs covered under the Centre of Excellence (CoEs) is 21. All 21 ITIs provides multi skilling and modular training in the State.
- The States new skill training strategy includes: State Government provides free land, building, machinery and operational cost by Training provider and Gol provides Viability Gap Funding (VGF).
- 47 ITIs have been adopted by 23 industries for upgradation. Some of these industries. In addition, 60 ITIs have already been converted into Societies to provide functional, financial and managerial autonomy.
- There is a plan to establish ITIs in PPP mode in 29 unserviced blocks. The State has already sent the proposals to MOLE for setting up of 94 SDC's in PPP mode.
- Under the Skill Development Initiative (SDI) Scheme about 75 VTPs have already registered and 50 more are under process.

# (4) Jammu and Kashmir

 The SSDM has been set up and is chaired by the Chief Minister. The Steering Committee is also constituted under the Chief Secretary. The skill gap analysis has been done through ICRA.

- The State has capacity of skill training to about 0.4 lakh persons. Double shifts have been started in government ITIs.
- Recent steps taken towards adding of more skilled persons include: (i)
  Creation of Overseas Employment Corporation, (ii) institutional
  mechanism for providing loan and other financial support for self
  employment ventures, and (iii) creation of 22 District level 'Rural Self
  Employment Training Institutes' (RSETI).
- 44 ITI's and polytechnic institutes and 106 private institutions have registered as VTPs. Under the Prime Minster's Re-construction Plan, 9 Women ITI's and 12 Women Wings in existing ITI's have been established, 5 New ITIs opened in remote areas, and additional intake capacity of 2,579 has been created.
- The State has specific Action Plan and strategy with a target for skilling of 40 lakh persons by 2022. The annual target is about 3 lakh. Major sectors identified include hospitality and tourism, horticulture, floriculture, food processing, medicinal & aromatic plants, handicrafts/handloom & other village industries, etc.
- The State aims to have ITIs in all 91 unserviced blocks. There are difficulties in finding industries as partners as out of 22 districts, 18 do not have a single industry.

## (5) Himachal Pradesh

- The State has set up the SSDM headed by Chief Minister. The Chief Secretary chair's the department level coordination. The SSDM meetings are held quarterly.
- The skill gap analysis has been done by Himachal Pradesh Infrastructure Development Board (HPIDB) through the ICRA. The demand for skilled workforce projected in the study is about 5.5 to 6 laks till 2015. Whereas, supply of skilled workforce available for employment is estimated to be around 2 lakh till 2015. Based on employability, the skill gap of skilled workforce is estimated to be 4 lakh till 2015. The State government aims to have training capacity is 0.8 lakh every year.
- The State is in the process of setting up of a Hydro Engineering College in Public Private Partnership (PPP) mode. New Polytechnic and ITIs/ITCs are also proposed to be established the State both in the Government and private sector. 4 new ITI,s has been started under the government.

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- 11 ITIs have been upgraded into Center of Excellence (CoEs) imparting multi skill training in Apparel Fabrication, Electrical, Electronics and Automobile sectors in the State. In addition, 30 ITIs have been covered under the scheme of upgradation of 1,396 of Gol under Public Private Partnership mode.
- The steps are being taken for optimum utilization of available resources by introducing multiple shifts to ensure effective and efficient delivery of skill development initiatives. One such initiative is the creation of Core group for mentoring of ITIs.
- There are 76 (VTP'S 56 Government and 17 Private) registered with DGE&T for implementing Skill Development Initiative Scheme of GoI.

## (6) Uttarakhand

- The State has set up the SSDM under the chairmanship of Chief Secretary with due representation to industries. A full time Mission Directorate has been created under Vocational Examination Board. Executive Committee has also been constituted for regular monitoring under the chairmanship of Principal Secretary, Training.
- Initiative for increasing ITIs under PPP mode from 29 (2009-10) to 41 in 2010-11 has been taken up. Under the World Bank Assisted VTIP Project 10 ITIs are upgraded. Many demand driven trades have been introduced in 106 ITIs. The State has given functional and governance autonomy to 29 ITIs running in the PPP mode.
- Multi modular scheme in 4 high growth sectors (Automobile, Plant Processing and Maintenance, Production and Manufacturing and Electrical) has been introduced in 4 ITIs under CoE to train multi-skilled workers.
- At present about 35 percent of ITIs graduates are under apprenticeship training.
- A Training Council and Placement Cell (TCPC) in 10 ITIs with dedicated infrastructure facilities has been created. Training and Placement Cell established in all 38 Government/Aided Polytechnics. More than 75 percent campus placement has been achieved.
- Eight (8) new government polytechnics have been established in unserviced districts and 5 government polytechnics in rural areas. In addition, 22 polytechnics established under the private sector. All 13 districts of the State now have polytechnics. Second shift has been started

in 6 polytechnics and branches in high demand sectors like chemical, automobile, etc. The State also later added in 5 government polytechnics.

- Special thrust is given to English speaking courses in 37 government polytechnics. On pilot basis, a similar kind of initiative has been implemented in 3 ITIs.
- The State has total of 24 employment exchanges which are now converted as a Career Counseling Centers with adequate infrastructure;
   22 employment exchanges have online facility for registration etc.
- The State has signed several MoUs with industries as partnerships in specific skill training.

## (7) Delhi

- The State has set up the SSDM. The General Council is headed by the Chief Minister and Executive Council is headed by Chief Secretary. The skill gap analysis is being done through the CII. In its interim draft report the various employment intensive sectors have been identified: construction, tours & travel, hospitality, IT and IT services, banking & insurance, garment, publishing, etc.
- 194 government and 7 aided senior secondary schools enrolled 13,108 students in 2009-10 in 16 vocational courses.
- The State has taken steps to utilize the existing training infrastructure facilities to enhance the training capacity.
- About 34,113 persons have benefited through various skill training schemes.
- Skill training has been provided for weaker sections under Special Component Plan Scheme (SCPS) funded by SC/ST/Minority Welfare Department at 3 ITIs in evening by using existing infrastructure. There is also a provision of stipend @ Rs.275/- per month to the trainee and award of a tool kit worth Rs.800/- on successful completion of the training.
- The State government has signed several MoUs with industries in various sectors for skill development.
- Some of the new initiatives of the State government include Delhi Skills Mission Society, Delhi Knowledge Development Foundation, and Earn while You Learn.

- The State's best practices include: (i) cash rewards of Rs. 5000/- each, to the best trainees in the State Level Skill Competition in 14 designated trades, (ii) best salary structure in the country for full time Contractual Instructors (Rs.16,470/- per month) to encourage and motivate the potential candidates.
- The future action plan of the State are: (i) 4 new ITIs to be set up at RANHOLA, MANGOL PURI, CHHTARPUR and BAWANA in near future, (ii) setting up Centralized Stores in ITIs for optimum utilization of the Tools and Equipments within Institutes, (iii) Construction Academy to be set up for building and other construction workers (from Cess money) for skill enhancement.

After all the State presentations, Member (NJ) in his concluding remarks thanked the States representatives including Delhi for sharing the knowledge on various activities undertaken and proposed under SSDM. He requested all States to prepare a Road Map on skill development and the same could be sent to the Planning Commission. He also suggested that the Planning Commission could arrange a Special Issue of Yojana Magazine which would cover the States best practices in skill development which would, in turn, create intensive awareness and debate in public.

Hon'ble Chief Minister, Delhi informed that Planning Commission could take a lead in organizing an Innovative Exhibition of Skill-Development initiatives of All States/UTs. She thanked Planning Commission for giving a chance to Government of Delhi to host the Conference

The conference ended with thanks to the chair.

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# Government of India Planning Commission (LEM Division)

Subject: Minutes of Third One Day Regional Conference on Skill Development held at Delhi on 11<sup>th</sup> August, 2010

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- 4. Shri. A.K Singh Commissioner (Labour)
- 5. Shri.R.S Neg, Special Secretary (Technical Education)
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