

**Government of India
Planning Commission
(LEM Division)**

Subject: Minutes of First One Day Regional Conference on Skill Development held at Bengaluru on 22nd July, 2010

List of Participants is at Annex.

Member, Planning Commission (Dr Narendra Jadhav) inaugurated the first Regional Conference on Skill Development for the Southern States namely Andhra Pradesh, Kerala, Karnataka and Tamil Nadu. After welcoming Hon'ble Minister for Labour, Government of Karnataka and all the participants, he highlighted the salient features of the "Coordinated Action on Skill Development" and briefed the participants about the 3-tier institutional structure, that is, Prime Minister's National Council on Skill Development, National Skill Development Coordination Board (NSDCB) and National Skill Development Corporation (NSDC). He also stressed the need to put in place the policies and structures for harnessing huge potential of 'demographic dividend'. He stressed that "demographic dividend" is a once in life time phenomenon and in the next 20-30 years period, the demand for technical skills would shoot up and there is a need to be prepared to address the short term (connecting supply to demand), medium term (correcting supply to demand) and long term (preparing supply to demand) challenges.

Shri. B.N Bachegowda, Hon'ble Minister for Labour, Government of Karnataka expressed thanks to Planning Commission for organizing the first Conference in his State and stressed the fact that all the Southern States represented in the Conference were sensitized about the need to put in place necessary mechanisms for making the **Coordinated Action on Skill Development** successful. He also mentioned that the Karnataka Government had organized 16 Mega Job-fairs, 140 Mini Job-fairs which attracted more than 2,000 employees and 2.5 lakh job seekers. Out of 2.5 lakh job seekers 2, 08,289 persons have been provided skill training and 1, 30,156 persons have been provided jobs. The State Government has been implementing skill training schemes through various innovative steps, one such is the Public Private Partnerships. He hoped that an SDC will be set up in every block in the State.

Shri S.V Ranganath, Chief Secretary, Government of Karnataka briefed about the skill development activities being planned in the State. He highlighted the various initiatives of Karnataka Government and other States including decentralization of processes for better **training delivery**. He opined that (i) Private-sector should play important role in training young population (ii) The Apprenticeship Act 1961 needs to be amended to include services sector trades also.

Member (NJ) emphasized the need to study the various innovative and good practices being followed in some States for their possible replication elsewhere. He referred to the paper circulated by him which among other things would provide base material to the SSDM's for guidance in clarifying their role in a futuristic scenario. The paper has provided a 18-point Programme of Action covering the short, medium and long term projects that could possibly be undertaken by State Skill Development Missions. He encouraged the States to set up Missions that do not undertake **delivery** but act as an **aggregator** and **aligner** of skill efforts. In the specific context of Karnataka Member (NJ) expressed appreciation of the several innovative initiatives on making the youth employable.

Minister for Labour, Government of Karnataka also informed that the State has a target to train and employ **10 lakh youth in the next 5 years**. The major initiatives of the Government that will help achieve the target include (i) Conversion of Employment Exchanges as HRD Centres, (ii) Establishing E-learning labs in SC/ST hostels, and (iii) Increasing seating capacity by additional trades, and an increase in shifts in the existing ITI's and ITC's , especially for SC's and women.

Thereafter, the Minister for Labour, expressed concerns regarding (i) issues of funding of the activities of the SSDM (ii) issues / problems relating to the Reimbursement, Assessment and Certification under MES programme of Ministry of Labour & Employment (iii) matching of the actual training costs and budgetary provisions under various schemes of MOLE.

In order to give a comprehensive picture of skill development activities in all the Southern states vis-à-vis All-India scenario Adviser (LEM) made a brief presentation which highlighted the existing infrastructure in ITI's/ITC's, seating capacity and number of ITI's/ITC's available per person in the age group of 18-24 population She stated that the Southern states have fairly good infrastructure for skill training in terms of ITI's and ITC's but more intensive use of these facilities need to be made.

Therefore, the representatives of four Southern states made presentation on status of SSDM in their respective States.

(1) Karnataka

- The State has **trained** 64, 413 person through partners, 34,529 person through additional MES, 54,749 persons through other line departments, 51,014 persons through apprenticeship training (State & Central), and 3,584 persons through apprenticeship training (DTE). The total persons

trained since 2008 is 2, 08,289. The State does not provide stipend to students but facilitates **quality training**.

- The total number of persons who received **employment** through Job-fairs and post-training is 84,849, through apprenticeship is 40,949, through other line departments is 4,358 and the total number of persons who got employed is 1,30,156. The job fairs have three components such as assessment, training and employment. In all these three stages ,the private sectors play an important role. At least 10,000-12,000 people participate in a job fair.
- SSDM has been setup in the state with 25 members of which 12 are from industry. The '**State Level Executive Committee**' gives policy direction and policy framework and **District Level Coordination Committees** ensure feedback from the grassroots level.
- **Skill gaps analysis** through ICRA Management Consulting Services has been completed and existing skill needs, gaps and projected skill requirement of job oriented key sectors of the state for the year 2015 have been mapped.
- The state government has entered into many MoU's with industry partners on various aspects of skill training. One such project is the NIIT partnership for providing soft skills for SC/ST students (E-learning labs in SC/ST hostels in association with Social Welfare Department).
- The State is planning to establish 1,000 private ITI's in next three years through incentives like 25 percent Capital Subsidy, 10 percent additional subsidy for Backward Talukas, allotment of Government land ,increasing seating capacity by introducing additional Trades, and 3rd shifts in all Government ITI's. In overall terms the state has set a target of training 4 lakh youth every year once the above additional institutions are set up.

(2) Tamil Nadu

- SSDM has been set up with 20 members including 8 members from industry. State Skill Coordination Committee (SSCC) and District Skill Coordination Committee (DSCC) have adequate industry presence.
- **Skill gap analysis** which has been conducted through the Confederation of Indian Industry (CII), Chennai covering the sector wise analysis is underway. The identified job oriented sectors are Textiles, Construction, Auto, Food Processing, Leather, IT / ITES, Light Engineering, Banking & Finance have accounts which together account for about 50 percent of

State GDP. The projected skilled persons requirement for 2015 is about **13-15 million**.

- The State has 62 Government ITI's, 627 ITC's, 987 Industry School (all self-financed under private sector), and 45 Government-aided private industrial schools. Free bus passes are given to all ITI students.
- More than 50,000 persons are trained under State MES. More than 1,000 Self-financing Industrial Schools are to meet the block and district level skill requirement, this system exists only in Tamil Nadu at present.
- The State has created each Employment Exchange into **Career Guidance Center (CGC)**.
- More than 24,006 persons have got jobs in MNC's and other industries through government organized job fairs.
- The State is studying the Andhra Pradesh model of Construction Academy and 25 acres of land has been provided for construction works.

(3) Andhra Pradesh

- SSDM has been set up with 21 members of which 5 are from industry. A skill gaps analysis through IMAcS has projected incremental human resources requirement for the state's key sectors with construction industry topping in terms of employment availability. The other four key sectors are IT & ITeS, Drugs and Pharma, Mines and Minerals and Agro & Food processing. The total projected human resources requirement for 2015 is about **7.8-8 million**.
- The expenditure on skill training provided by the private sector was reimbursed after ensuring the candidates got employed and relevant data has been placed in the public domain. About 70 percent of enrolled persons got employment in the state under MES.
- A.P. Government has registered Rajiv Udyogasri (A.P. State Employment Mission) as a Society for carrying out Skill Development Programme in Mission Mode with reasonable autonomy under the Chairmanship of the Chief Minister. Rajiv Udyogasri is also an umbrella organization which is aimed at synergizing the efforts of all the departments which are involved in Skill Development linked with providing employment and post placement support.
- The AP's best practice models include Employment Generation & Marketing Mission (EGMM), Jawahar Knowledge Center (JKC), National

Academy of Construction (NAC), Rajiv Udyogasri Model and Mission for Elimination of Poverty in Urban Areas (MEPMA). The State has formulated short, medium and long term plans for skilled manpower.

- More than 8,39,184 persons have been trained through various programmes. The projected number of trained persons is 56 lakhs by 2022.
- National Employment Portal (NEP) is in operation since July 2009. NEP helps in online registration of the unemployed youth, facilitates bringing all the information of Employment Exchanges online for speedy data access by the employers of the private/public sector for recruitment. The state is experimenting through voice mail for unemployed registered persons.
- SMS and Voice Message Service to the unorganized sector workers providing information of the work availability based on the PIN code of the worker is at pilot stage in Andhra Pradesh with an MoU among Pani-SMS, Vodafone and Rajiv Udyogasri Society.
- The State also felt need for Skill Development Cess or MES Cess for financing skill training of youths.

(4) Kerala

- SSDM has been set up along with State Skill Development Coordination Board (SSDCB). There are 15 members including 3 from NGOs. The SSDCB, on the other hand has 11 members including 5 from the industries.
- The State Government has commissioned a skill gap analysis study through Confederation of Indian Industry (CII), Kerala.
- Out of national target of 500 million skilled persons to be trained by 2022 Kerala has 15 million.
- Of the total 557 ITI/ITC's of the State, 43 ITI's and 372 ITC's are in rural area. About 30 percent seats in all ITI's are reserved for women candidates in the state.
- The existing skill training in Kerala is diversified. The percentage of persons trained through ITI's/ITC's is 44, through Vocational Higher Secondary Education is 34 and through others is 19 (polytechnics, engineering and medical colleges etc).
- 14 Units of different trades in 12 ITI's are provided exclusively for the children of labourers of industrial establishments in the State.

- The State Government is also in the process of setting up Overseas Development Centre (ODC) for addressing the issues related to nursing personal demands from other countries. It was felt that the 2-3 years course is not appropriate for nursing training. It could be a short term course may be for the period 6-12 months.
- At present the State has separate ITIs/ITCs for SC/ST population. Planning Commission, Member (NJ) has expressed that this kind of practice should not be encouraged in a democratic country like ours.

While concluding Member (NJ) thanked the Karnataka Government for hosting first regional conference on skill development. He appreciated the states presentations and the many ideas which have come up during the discussion. He reiterated that the percentage of person trained in India (2 percent) in vocational training is very low as compared to countries like South Korea (87 percent) and China. The same needs to be increased to meet the needs of ageing population in many countries like Japan, EU etc.. He suggested that such massive increase in numbers could take place through generation of momentum for facilitating skill training on a large scale. He also urged all the Southern States to prepare a **Road Map for Skill Training** in their States for 2022 and share it with the Planning Commission.

The conference ended with vote of thanks to chair.

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Planning Commission

1. Dr. Narendra Jadhav, Member (Education, Employment & Skill Development, Social Justice)
2. Smt. Naini Jayaseelan, Adviser (LEM)
3. Shri. B Chandrasekaran, Young Professional (LEM)

Ministry of Labour and Employment

1. Shri S J Amalan, Director (The Apex Hitech Institute), DGE&T,

Government of Andhra Pradesh

1. Shri Bhanwar Lal, Pr. Secretary (Labour, Employment and Training)
2. Shri.K Dhanunjayremy, (Director, Rajiv Udyogasri)

Government of Karnataka

1. Shri. B.N Bachegowda, Hon'ble Minister for Labour
2. Shri S.V Ranganath, Chief Secretary
3. Dr Vishnukanth S Chatapalli, Executive Director (KVTSD)
4. Shri Ramesh Zalki, Secretary (Labour)
5. Shri S. R Umashankar, Commissioner, (Employment & Training)

Government of Kerala

1. Smt. K B Valsala Kumari, Secretary (Labour & Rehabilitation)
2. Shir T. T Antony, Director (Employment & Training)
3. Shri Madhavan, Joint Director, (Directorate of Training)

Government of Tamil Nadu

1. Dr. T Prabhakara Rao, Pr Secretary (Labour & Employment)
2. Shri. Hans Raj, Commissioner (Labour)
3. Shri R. Rajkumar, Joint Director (Training)