

National Policy on Skill Development

Government of India
Ministry of Labour & Employment

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PREAMBLE

P1) Skills and knowledge are the driving forces of economic growth and social development for any country. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of world of work.

P2) Potentially, the target group for skill development comprises all those in the labour force, including those entering the labour market for the first time (12.8 million annually), those employed in the organized sector (26.0 million) and those working in the unorganized sector (433 million) in 2004-05. The current capacity of the skill development programs is 3.1 million. India has set a target of skilling 500 million people by 2022.

P3) As the proportion of working age group of 15-59 years will be increasing steadily, India has the advantage of ‘demographic dividend’. Harnessing the demographic dividend through appropriate skill development efforts would provide an opportunity to achieve inclusion and productivity within the country and also a reduction in the global skill shortages. Large scale skill development is thus an imminent imperative.

P4) Major challenge of skill development initiatives is also to address the needs of huge population by providing skills in order to make them employable and help them secure ‘decent work.’ Skill development for persons working in the unorganized sector is a key strategy in that direction. This will also inculcate dignity of labour and create greater awareness towards environmental, safety and health concerns.

P5) Planned development of skills must be underpinned by a ‘policy’, which is both comprehensive as well as national in character. A national policy response is, therefore, needed to guide the skill development strategies and coordinated action by all stake holders to avoid a piecemeal approach. It is also important that the policies of skill development be linked to policies in the economic, employment and social development arenas.

P6) The country is poised at a moment in history when a much brighter future for its entire people is within its reach. Skill development will help actualize this potential. Development and articulation of a national policy on skill development is a matter of priority.

A task of skill development has many challenges which include:-

- a) Increasing capacity & capability of existing system to ensure equitable access to all.

- b) Promoting life long learning, maintaining quality and relevance, according to changing requirement particularly of emerging knowledge economy.
- c) Creating effective convergence between school education, various skill development efforts of government and between government and Private Sector initiative.
- d) Capacity building of institutions for planning, quality assurance and involvement of stake holders.
- e) Creating institutional mechanism for research development quality assurance, examinations & certification, affiliations and accreditation.
- f) Increasing participation of stakeholders, mobilizing adequate investment for financing skill development, attaining sustainability by strengthening physical and intellectual resources.

Vision for the National Skill Development Initiative in India

V1) Scale of ambition: At present the capacity of skill development in India is around 3.1 million persons per year. The 11th Five Year Plan envisions an increase in that capacity to 15 million annually. India has target of creating 500 million skilled workers by 2022. Thus, there is a need for increasing capacity and capability of skill development programs.

V2) High inclusivity: The skill development initiatives will harness inclusivity and reduce divisions such as male/female, rural/urban, organized/unorganized employment and traditional/contemporary workplace.

V3) Dynamic and demand-based system planning: The skill development initiatives support the supply of trained workers who are adjustable dynamically to the changing demands of employment and technologies. This policy will promote excellence and will meet the requirements of knowledge economy.

V4) Choice, competition and accountability: The skill development initiative does not discriminate between private or public delivery and places importance on outcomes, users' choice and competition among training providers and their accountability.

V5) Policy coordination and coherence: The skill development initiatives support employment generation, economic growth and social development processes. Skill development policy will be an integral part of comprehensive economic, labour and social policies and programmes. A framework for better coordination among various Ministries, States, industry and other stakeholders will be established.

(S) The following operational strategies will be adopted:

(S1) Folding the future in: If we start from our current position, we are likely to extrapolate. Folding the future in allows us to innovate. Innovation is, therefore, an important element of the strategy.

(S2) Skills framework must move to a system of equivalence to diplomas and degrees: National Vocational Qualification Framework (NVQF) will be created with an open/flexible system which will permit individuals to accumulate their knowledge and skills, and convert them through testing and certification into higher diplomas and degrees. NVQF will provide quality assured various learning pathways having standards, comparable with any international qualification framework. NVQF will support lifelong learning, continuous upgradation of skills and knowledge.

(S3) Skills must be bankable: The process of skill acquisition especially for the poor and needy persons will be made bankable. The effort would be to complement public investment with institutional/ bank finance.

(S4) Co-created solutions and forging partnerships: We have to accept a very asymmetric India as a starting point. Partnerships will be consciously promoted between Government, industry, local governments, civil society institutions and all potential skill providers. Institutional mechanism and standing platforms will be created to ensure sustainability.

(S5) Game-changing delivery/innovation: Availability of public institutions above the high school level, after class hours for skill development by the Private Sector, without disturbing the normal working, will be explored. Necessary regulations would be brought in by the local management authority of the particular educational institution.

CORE OPERATING PRINCIPLES

C1) Government financial support must complement private investment: The Central Ministries must focus on areas where private investment in skilled development is unlikely to be available or forthcoming. The Government would aim at useful public-private partnerships.

C2) States as key actors: The States being the key actors in Skill Development would set up overarching integrated framework for action for Skill Development through State level Skill Development Missions.

C3) Deployment of funds: The funds would be deployed more for activities than for buildings and other hard assets. However, upgradation of machinery and equipment, teaching and learning aids will be a continuous process. Creation of infrastructure in latest technology, need-based new initiatives, creation of infrastructure in rural, remote and difficult areas will continue.

C4) Focus of modular courses, open architecture and short term courses: With fast changing skills in the labour market, focus would be on short, relevant and effective courses that would get candidates into the workplace. They will be welded through NVQF to maintain dynamism and open to feedback.

C5) Separate financing from delivery: Today Government funds are only available for government delivery. National Skill Development Corporation will support private skill development initiatives. Following financing options will be explored:

a) **Link financing to outcomes:** Today public and private training is financed largely on inputs viz. number of courses, number of students, faculty, etc. Efforts would be made to move towards Government financing linked to placement ratios and outcomes.

b) **Focus funding on candidates:** The focus would be on funding the candidates rather than institutions to create choice. This could be structured as a scholarship, skill voucher, outcome based reimbursement, etc.

C6) Create infrastructure for on-the-job-training and encourage apprenticeships: The enabling infrastructure for large number of formal apprentices needs to be built that includes modification to the Apprentices Act, 1961.

C7) Publicise rating and outcome information on training institutions: A framework of accreditation and infrastructure for information dissemination around measurable criteria on institutions will be created. Ratings of public and private institutions would be put on public domain.

C8) Effective assessment and credible certification: Quality assured learning, credible

assessment and certification will be developed. This will allow employers to use the certificate as a proxy to fast track job applicants.

C9) Restructure employment exchanges as career guidance centres: Employment Exchanges will be restructured as career guidance centres to channelize candidates into jobs, apprenticeships and training.

C10) Expand formal employment: Formal employment is not only fiscally attractive but more amenable to financing innovations. This will require a review of existing State and Central legislations which encourage informal and unorganized employment.

APPROACH TO DELIVERABLES:

D1) Diversity of skills: There is a need to identify, catalog and project the range and depth of skills e.g. traditional, industrial-era and post-industrial era skills to understand and present the vast array of skills that individuals can choose from.

D2) Talent pool: The ultimate measure is the “500 Million” skilled people. Skill inventory along with its various levels and grades will be created.

D3) Employment outcomes Skill training must ensure a job for those who seek it. The placement ratio will be monitored and placed in the public domain by agencies involved in skill training.

CHAPTER 1

THE MISSION STATEMENT, AIMS AND OBJECTIVES

1.1 Mission: The policy envisions the establishment of a National Skill Development Initiative with the following mission:

National Skill Development Initiative will empower all individuals through improved skills, knowledge, nationally and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the global market.

1.2 Aims: The aim of skill development in the country is to support achieving rapid and inclusive growth through:

- a) Enhancing individuals' employability (wage/ self employment) and ability to adapt to changing technologies and labour market demands.
- b) Improving productivity and living standards of the people.
- c) Strengthening competitiveness of the country.
- d) Attracting investment in skill development.

1.3 Objectives of National Policy on Skill Development:

The objectives of the national policy on skill development are to:

- a) Create opportunities for all to acquire skills throughout life, and especially for youth, women and disadvantaged groups.
- b) Promote commitment by all stakeholders to own skill development initiatives.
- c) Develop a high-quality skilled workforce/entrepreneur relevant to current and emerging employment market needs.
- d) Enable the establishment of flexible delivery mechanisms that respond to the characteristics of a wide range of needs of stakeholders.
- e) Enable effective coordination between different ministries, the Centre and the States and public and private providers.

1.4 Scope of the National Skill Development Policy:

The coverage of the National Policy on Skill Development includes the following:

- a) Institution-based skill development including ITIs/ITCs/vocational schools/technical schools/ polytechnics/ professional colleges, etc.
- b) Learning initiatives of sectoral skill development organised by different ministries/departments.
- c) Formal and informal apprenticeships and other types of training by enterprises
- d) Training for self-employment/entrepreneurial development
- e) Adult learning, retraining of retired or retiring employees and lifelong learning
- f) Non-formal training including training by civil society organizations
- g) E-learning, web-based learning and distance learning.

CHAPTER 2

GOVERNANCE OF SKILL DEVELOPMENT INITIATIVE

2.1 Institutional Arrangements

2.1.1 Prime Minister's National Council on Skill Development, under the Chairmanship of Prime Minister has been set up as an apex institution for policy direction and review. The Ministers for Human Resource Development, Finance, Industries, Rural Development, Housing and Urban Poverty Alleviation, Labour and Employment and Micro Small & Medium Enterprises are members. Deputy Chairman, Planning Commission, Chairperson of the National Manufacturing Competitiveness Council, Chairperson of the National Skill Development Corporation and 6 experts in the area of skill development are other members. Principal Secretary to the Prime Minister is the Member Secretary to the Council.

2.1.2 National Skill Development Co-ordination Board:

A National Skill Development Co-ordination Board has been set up under the Chairmanship of Deputy Chairman, Planning Commission. Secretaries of Ministries of Human Resource Development, Labour and Employment, Rural Development, Housing and Urban Poverty Alleviation and Finance are members. Chairperson/Chief Executive Officer of the National Skill Development Corporation, Secretaries of four States by rotation, for a period of two years, and three distinguished Academicians/Subject Area Specialists are other members. Secretary, Planning Commission is Member Secretary of the Board.

2.1.3 National Skill Development Corporation:

The National Skill Development Corporation is a non-profit company under the Companies Act 1956 with an appropriate governance structure. The head of the Corporation is a person of eminence/reputed professional in the field of Skill Development. The Corporation would constitute Sector Skills Councils with following functions:

- a) Identification of skill development needs including preparing a catalogue of types of skills, range and depth of skills to facilitate individuals to choose from them.
- b) Development of a sector skill development plan and maintain skill inventory.
- c) Determining skills/competency standards and qualifications.
- d) Standardization of affiliation and accreditation process.
- e) Participation in Affiliation, accreditation, examination and certification.
- f) Plan and execute Training of Trainers.
- g) Promotion of academies of excellence.

- h) Establishment of a well structured sector specific Labour Market Information System (LMIS) to assist planning and delivery of training.

2.1.4 National Council for Vocational Training: (NCVT)

NCVT will be strengthened and re-engineered with a broader mandate and representation. The main functions include:

- a) Design, development and maintenance of NVQF which inter alia includes:
 - i) Setting up a framework for competency standards, structure of courses, credit structure, accumulation and certification.
 - ii) Setting up a framework for affiliation and accreditation of institutions.
 - iii) Quality control mechanism.
- b) Labour market information system and dissemination of information at the national level.
- c) Monitoring and evaluation on the effectiveness and efficiency of national skill development efforts through appropriate reporting and communication mechanism.

2.2 Social Partners in Skill Development:

Partnerships will be consciously promoted between Government, industry, trade unions, local governments, civil society institutions and all skill providers. It will also include, training providers, professional societies, Self Help Groups, Cooperatives and NGOs/civil society institutions. Creation of an institutional mechanism and regular consultation with stake holders will form the corner stone of Skill Development Initiative.

2.3 Roles and responsibilities of stake holders:

2.3.1 Roles and responsibilities of Government (Central /State or local level)

- a) Setting up priority and policy planning-statistics gathering
- b) Providing regulatory framework and enabling environment for stake holders.
- c) Devising financing mechanism, reward and promotional framework.
- d) Capacity building of social partners.
- e) Setting up of monitoring, evaluation and dissemination of information.
- f) Facilitating international co-operation.
- g) Setting up of a qualification framework and quality assurance mechanism.
- h) Preparation of work plans to meet sector specific skill sets.

2.3.2 Roles and responsibilities of employers/industries:

- a) Owning Skill Development activities.
- b) Identification of competencies and setting up of competency standards,
- c) Skill demand analysis and curriculum development.

- d) Facilitating training of trainers.
- e) Delivery of training, monitoring and evaluation.
- f) Participation in examination and certification.
- g) Participation in affiliation and accreditation process
- h) Sharing of work place experience, machinery and equipment.
- i) Support by way of physical, financial and human resources.
- j) Facilitating employment of trained graduates.
- k) Supporting skill development initiatives of other public and private agencies.
- l) Implementing apprenticeship schemes.
- m) Investing in skill development activities.

2.3.3 Roles and responsibilities of trade unions:

- a) Assist in developing competency standards.
- b) Assist in course designing, examination and certification.
- c) Raising awareness about the benefit of training, skill development plans and activities among the workers
- d) Promote skill upgradation and lifelong learning among the workers.
- e) Running special skill development institutes for skill development of workers.
- f) Promoting investment on skill development among the employers.
- g) Facilitate improving status of VET trained graduates.

2.3.4 Roles and responsibilities of civil society organizations:

- a) Raising awareness about skill development plans and activities among the public.
- b) Facilitate improving status of VET trained graduates.
- c) Implementing skill development programmes of the Government.
- d) Assist in developing competency standards.
- e) Assist in course designing, examination and certification.
- f) Promote lifelong learning among the public.
- g) Promoting dignity of labour among the public.
- h) Sharing experience of learning with others.

EXPANSION OF OUTREACH, EQUITY AND ACCESS

3.0 The current capacity for skill development in the country is 3.1 million. India has set a target of skilling 500 million people by 2022 to meet the challenges of India @ 75.

3.1 EXPANSION OF OUTREACH

Skill Development Initiative needs considerable amount of expansion of capacity and innovative delivery approaches and Public Private Partnerships. A few of them are given below:

- a) Innovative approaches will be adopted to raise the capacity of the system extensively over a limited period.
- b) Incentive mechanisms will be developed to encourage the private sector to participate in skill development.
- c) The expansion of public training institutions will be promoted, particularly, in rural, border, hilly and difficult areas, where the private sector may find it difficult to invest.
- d) Innovative delivery models such decentralized delivery, mobile training, distance learning, e-learning and web-based learning will be used.
- e) Skill development centres at village and block level will be promoted to provide skill development opportunity as well as to act as one-stop kiosks with information on the local labour market/employment, vocational learning opportunities and support schemes.
- f) Panchayats, municipalities and other local bodies will be involved in skill development and employment generation at the local level in collaboration with SHGs, cooperatives and NGOs.
- g) The coverage of vocations will be expanded.

- h) At present about 23,800 establishments are covered under the Apprenticeship Training Scheme imparting training to 2.58 lakh apprentices. Over the next five years, this will be increased to about 1 lakh establishments covering about 1 million apprentices. The existing Apprentices Act, 1961 will be revisited to meet desired target.

3.2 Equity and Access

- a) Equal access to skill development is essential for all social groups particularly women and disadvantaged section of society, to help them in securing decent employment and moving out of poverty. Removing barriers to access and addressing their specific needs are key elements in achieving inclusive growth.
- b) Entry barriers such as educational qualification, transportation, loss of wages, language etc. will be addressed. While enhancing the opportunity of skill development for all, entry assessments will be deployed to channelize people with different profiles and needs into appropriate skill development programmes.
- c) The effort will be combined with a major initiative in raising awareness among the target groups about the benefit of skill development, employment and learning opportunities and also about support schemes that enable them to participate in training.
- d) In addition to vocational skills, the provision of soft (or life) skills – including basic literacy, numeracy, occupational safety and health, hygiene, basic labour rights, team work and confidence building – will be made as an integral component of the curricula. This will also help in empowerment of vulnerable groups.

3.3 Vocational Training for Women

Skill development for employability will be used as an agent of change in promoting women's employment. Women face a multitude of barriers in accessing skills and productive employment, remaining on the job due to effect of globalization or otherwise and advancing to higher level jobs, as well as returning to the labour market after a period of absence spent, for example, in raising children.

- a) A policy of non-discrimination will be pursued vigorously to provide equal access for women to skill development and employment.

- b) This Policy will aim to raise women's participation to at least 30% by the end of the 11th Plan.
- c) Proactive measures that overcome barriers and facilitate participation, such as hostels for women, scholarships, transport, training materials and loans, will be made available on a large scale.
- d) The Women's Vocational Training Programme will be expanded and the institutional network providing training facilities exclusively for women, so that they can obtain skills with high wage and self-employment potential, will be greatly expanded.
- e) In order to promote skills and employability of women, the sectors which employ a large number of women will be identified. These may include construction, home-based traditional crafts or piece rate work, financial and health service as well as agricultural sectors.
- f) Gender stereotyping in vocational courses will be eliminated to encourage women's participation in non-traditional occupations, including existing and emerging technological fields.

3.4 Rural, Border, Hilly and Difficult Areas and Regional Imbalance in Opportunities

- a) Infrastructure and programmes for skill development are particularly scarce in rural and difficult areas and thus the problem of access to training is most acute in these areas. Specially the women are increasingly the main workers in rural households, as their husbands migrate but often equipped with only traditional and outdated skills and knowledge.
- b) Skill development in rural areas contributes to improve productivity and working conditions in the agricultural sector while at the same time enabling rural workers, particularly young people, to access emerging employment opportunities beyond the agricultural sector.
- c) The outreach and quality of skill development in rural areas will be improved so as to enable rural workers to acquire and upgrade technologies; improve linkages to value chains; increase agricultural production; expand access to market and engage in off-farm activities which can generate supplemental income.
- d) In view of the limited training infrastructure, a range of infrastructure facilities, including schools, community centres and local government buildings, will be utilized as training venues. Institutes for entrepreneurship training such as Rural Development & Self-employment Training Institutes (RUDSETI) will be further promoted. The Government itself will set up public institutions and will also promote the establishment of private sector training institutions through a package of suitably designed incentives such as

provision of land and financial assistance. The convergence with national employment programmes, such as National Rural Employment Guaranteed Scheme (NREGS), will be promoted as an opportunity for imparting skills training in rural areas. Training facilities need to be updated regularly so as to meet changing demands.

- e) Village- or block-based skill development centres will be set up to serve the needs of local communities. Facilitated by the district offices and panchayats, these skill development centres will play a pivotal role in identifying local employment opportunities and providing, or organizing, adequate training and post-training support according to the specific needs of local areas. The centres will also function as information centres for training and employment opportunities as well as various support schemes. These efforts will be combined with the creation of incentive mechanisms in motivating, particularly youth to participate in training and removal of other barriers in accessing training.
- f) Various mobile training arrangements will be deployed to reach out to remote and difficult areas.
- g) Skill development for self-employment will be an important component in these skill development efforts in rural areas. Post-training support, including mentoring for access to markets, credit and appropriate technologies, is an important part of skill development strategy for self-employment.
- h) Training modules will incorporate specific needs of target groups, e.g. literacy, the level of education and the local language. The delivery of training will be flexible in terms of hours and duration to encourage participation, particularly among women.
- i) In general, there is a regional imbalance in training opportunities and some parts of the country are quite deficient in skill development institutions. In order to provide more equitable access across the country, special efforts will be mounted to establish training facilities in deficient regions.

3.5 Disadvantaged Groups: Scheduled Castes, Scheduled Tribes, Other Backward Classes

- a) The reservations applicable to these groups will be strictly enforced, with appropriate gender composition.
- b) Existing schemes for benefiting these groups will be reviewed, strengthened and made more effective.
- c) Efforts will be made to mobilize capabilities and expertise of civil society organizations.
- d) New innovative schemes and measures will also be devised to ensure full and effective participation by these groups, as well as the accrual of real benefits from skill development initiatives.

3.6 Minorities

- a) Skill development opportunities for minority groups will be expanded, particularly in Minority Concentrated Areas (MCAs).
- b) Existing schemes benefiting these groups will be reviewed, strengthened and made more effective.
- c) Efforts will be made to mobilize capabilities and expertise of civil society organizations.
- d) Formalization of non-formal skill acquisition and transfer will also be promoted in traditional art and craft sectors.

3.7 Persons with Disabilities

- a) The current level of participation of persons with disabilities in skill programmes is very low, despite guidelines of reserving 3% of the seats for them. The guidelines apply only to the government sector.
- b) People with varying degrees of physical and mental disabilities will be provided with appropriate adjustment training and skills training to bring them in the economic mainstream and make them productive citizens.
- c) This Policy aims to expand the facilities for people with disabilities and to provide reasonable accommodation that enables them to access the facilities through suitable transport and building designs.
- d) The number of Vocational Rehabilitation Centres will be doubled in the 11th Plan and expanded further in subsequent Plans. Similar efforts will also be made at the State level to improve access and outreach.
- e) Training will be integrated with efforts to secure appropriate employment opportunities. Programmes of public awareness and community participation will be strengthened to promote demand for vocational training by people with disabilities as well as to facilitate their inclusion in the labour market.

3.8 The School Drop-Outs and Child labour

- a) School education would be strengthened to reduce the school drop outs. The quality of school education will influence the effectiveness of skill development programme as a

whole. This will lay solid foundation for young people to acquire employable skills and engage in continuous skill upgradation throughout their working life.

- b) School education will be used as a tool to increase vocational awareness among the young people.
- c) School drop-outs(leaving the schools before completing XII standard), child labour and out-of-school youth need to be given alternative education coupled with skill development opportunities to bring them into the economic and social mainstream.
- d) Short term, market oriented, demand-driven programmes will provide a flexible delivery framework suited to the characteristics and circumstances of the target group.
- e) Multi-skilling, multi-entry and exit, and linkages to skill upgradation opportunities in the future, will characterize such programmes. The scheme of Modular Employable Skills (i.e. short-term employable skills) will be expanded greatly to cater to the large size of the group.
- f) Formal educational requirements in accessing training will be reviewed in order to facilitate easy access.

3.9 Economically Challenged: Persons below Poverty Line

- a) Skill development for employability is an important strategy in the fight against poverty. Accordingly, the poor will have a priority claim and easy access to opportunities for skill development.
- b) This Policy aims at mitigating the impact of these economic barriers at different stages, as well as actively promote access of the poor to educational and skill development opportunities through specially designed schemes and measures. Such measures as special coaching for competing in admission tests, provision of non-formal skill development opportunities and the expanded provision of scholarships, books and soft-loans will be developed and implemented.
- c) Efforts will be made to better integrate skill development into broader poverty reduction programmes and to strengthen the existing skill development components of such programmes.

CHAPTER 4

QUALITY AND RELEVANCE

4.0 Quality and relevance of skill development are key to India's global competitiveness as well as improving an individual's access to decent employment. For enterprises to compete in the global economy, the quality of training must reach world standards and be relevant to the needs of national and international markets.

4.0.1 To increase the relevance with future employment market including promotion of self employment, soft skills and entrepreneurship skills will be made integral part of skill development.

4.0.2 The demographic advantage that the country enjoys, coupled with prospects of global shortages in skills as the world population ages, means that the country could be supplying skills to the world.

4.1 Quality Assurance is based on five key functions:

- a) *Validation of Qualifications* for ensuring that qualifications reflect market needs and workplace requirements and are expressed in the form of competencies with clear assessment criteria;
- b) *Validation of Training Process* for ensuring that proper tools, techniques, methodologies and material, as suggested in the curriculum/standards are used by the resource persons;
- c) *Quality Assured Assessment of Learners* for ensuring that assessment is based on national standards (competencies) and uses valid and reliable assessment methods;
- d) *Accreditation of Training Providers and Training Institutions* for ensuring that training is delivered by competent and qualified trainers in well-resourced and managed institutions;
- e) *Research and Information* for linking the supply of skilled workers to trends in well-researched Labour Market Information (LMI) covering both the organised and unorganised sectors of the economy.

The objective of enforcing quality and relevance in skill development will be realized through improving infrastructure, improving quality of trainer and developing National Vocational Qualification Framework.

4.2 Quality of infrastructure:

- a) Extensive use of Information & Communication Technology will be promoted for learning or increasing the impact of learning.
- b) Optimum use of existing physical infrastructure will be ensured in multiple shifts or otherwise.
- c) Industries will be encouraged to provide their spare capacity to supplement skill development activities.
- d) Physical infrastructure will be created, expanded and upgraded according to skill requirement of specific sectors of economy.

4.3 Quality of trainer:

- a) Innovative ways of recruiting trainers will be adopted including the employment of former trainees who have gained workplace experience and of practitioners of a craft, trained as master craft persons.
- b) Innovative skill development schemes, in which trainees acquire theoretical learning at the institution while obtaining practical skills in the workplace, will be devised.
- c) Retired employees mainly from defence forces will be retrained to meet the requirement of trainers.
- d) Award and incentive mechanisms, including reward and career progression systems, will be reviewed and institutionalized to improve the status of trainers.
- e) A system of granting Accredited Trainer Status for a limited period, to all vocational trainers of programmes, leading to National Vocational Qualifications will be developed.
- f) Special efforts will be made to improve the gender balance among trainers.

4.4 National Vocational Qualifications Framework

To stimulate and support reforms in skills development and to facilitate nationally standardised and acceptable, international comparability of qualifications, a “National Vocational Qualifications Framework” will be established. All the existing Institutions/Councils/Boards under different Ministries, involved in skill development will be encouraged to follow National Vocational Qualification Framework.

This framework will have the following features:

- a) Competency based qualifications and certification on the basis of nationally agreed standards and criteria;
- b) Certification for learning achievement and qualification;

- c) A range of national qualification levels – based on criteria with respect to responsibility, complexity of activities, and transferability of competencies;
- d) The avoidance of duplication and overlapping of qualifications while assuring the inclusion of all training needs;
- e) Modular character where achievement can be made in small steps and accumulated for gaining recognizable qualification;
- f) Quality Assurance regime that would promote the portability of skills and labour market mobility;
- g) Lifelong learning through an improved skill recognition system; recognition of prior learning whether in formal, non-formal or informal arrangements;
- h) Open and flexible system which will permit competent individuals to accumulate their knowledge and skill through testing & certification into higher diploma and degree;
- i) Different learning pathways – academic and vocational – that integrate formal and non-formal learning, notably learning in the workplace, and that offer vertical mobility from vocational to academic learning;
- j) Guidance for individuals in their choice of training and career planning;
- k) Comparability of general educational and vocational qualifications at appropriate levels;
- l) Nationally agreed framework of affiliation and accreditation of institutions.
- m) Multiple certification agencies/institutions will be encouraged within NVQF.

4.5 Labour Market Information Systems and HR Planning Mechanisms

- a) Improving the relevance and reducing skill mismatch of skill development requires establishment of Labour Market Information System (LMIS) and Human Resource Planning (HRP) for the reliable and realistic assessment of economic trends and labour market needs.
- b) Sector specific LMIS will be established at national and state levels, and area specific ones at local levels with the help of Sector Skill Councils (under National Skill Development Corporation) to undertake labour market analysis.
- c) Human Resource Planning exercises will be undertaken to gauge the anticipated supply and demand of skilled workers by different skill levels, economic sectors and geographical areas, over different periods.
- d) The information so generated by the LMIS and HRP exercises will be collated and disseminated widely to government, employers, training providers, trainees and prospective trainees at national, state and local levels, to enable them to take appropriate decisions.

- e) NCVT will be responsible for dissemination of information at the national level with inputs from SSCs and State Governments.
- f) Employment Exchanges will be strengthened and upgraded under the National Employment Service to provide counselling, guidance and placement services to the employment seekers. They will also channel the candidates into jobs, apprenticeship and training. Efforts will be made to expand formal employment.

CHAPTER 5

SKILL DEVELOPMENT FOR THE UNORGANISED SECTOR

5.0 Approximately 93 per cent of the country's workforce is in the unorganized sector. The sector cuts across all economic activities and includes rural and urban areas. It contributes to about 60 per cent of the country's GDP. Strengthening the skill base of the unorganized sector will improve productivity, working conditions, labour rights, social security and living standards.

5.0.1 Separate institutional mechanism will be explored which will interalia plan, implement and monitor the skill development efforts for the unorganised sector.

5.0.2 The mode of informal apprenticeship and learning will be recognized and accommodated in the NVQF to help in horizontal and vertical mobility.

5.1 Target Groups

The target groups in the unorganized sector include own-account workers, workers and apprentices in micro enterprises; unpaid family workers; casual labourers; home-based workers; peripatetic workers and migrant labourers; out of school youth and adults in need of skills; farmers and artisans in rural areas, among others. In order to encourage participation in skill development, entry barriers such as educational qualification, transportation, loss of wages, problem of language, etc. will be suitably addressed.

5.2 Training Providers

- a) Various avenues / institutions including schools and public/ private training institutions/civil society organizations/NGOs etc. will be encouraged to conduct skill development programmes for the unorganised sector.
- b) Mobile training vans will also be deployed in rural and remote areas where training infrastructure is awfully deficient.
- c) Skill development centres will conduct skill development programmes primarily to support services and unorganised sector.
- d) Public training institutions will be given greater managerial and academic autonomy to design and offer programmes that meet the requirements of local economy and specific target groups.
- e) Flexible delivery strategy and patterns that suit the needs of the target groups, such as part/full time and on/off site training, will be adopted.

- f) Training will be predominantly short-term to encourage participation.
- g) Arrangements will be made for the testing and certification of skills acquired in non-formal and informal arrangements. These certificates will be integrated with NVQF.

5.3 Informal Apprenticeship

- a) Skill development programmes will be devised in existing / traditional skills and knowledge. Mechanisms will be evolved to upgrade them into modern skill areas.
- b) Skills of local trainers will be upgraded in modern techniques, technologies and pedagogy. They will be trained and developed into master craftsmen. Opportunities for linking these arrangements to formal training institutions will be explored to extend expertise, pedagogical support and tools & equipment.
- c) Dual-type apprenticeships will be encouraged.
- d) Social protection mechanism for apprentices will be devised. Special efforts will be made to eliminate child labour, to improve access for girls, people with disabilities and other vulnerable groups.

5.4 Literacy and Soft Skills

Skill development initiatives for the unorganized sector will include a definite component on literacy , basic education and soft skills .

5.5 Skill Development for Self-Employment

- a) The focus will be given to entrepreneurship skill development for the unorganized sector.
- b) Institutes for entrepreneurship development, technology incubation centres and other such institutional arrangements will be utilized to support successful adoption of entrepreneurship of unorganized sector workers.

5.6 Lifelong Learning and Recognition of Prior Learning

- a) Competency standards and certification systems will be developed for unorganized sector work and incorporated in the national testing and certification system.
- b) Mechanisms will be developed for vocational counselling and career guidance;

- c) Information regarding employment trends and training opportunities will also be provided to motivate young people and workers to acquire and continuously upgrade their skills and knowledge.

5.7 Replication of Successful Models

Various successful models have been tried in India and around the world. In designing skill development strategies and programmes for the unorganised sector, successful models will be studied and adopted to suit local conditions.

CHAPTER 6

BENCHMARKING OF SKILL DEFICIT AND PLAN TO ACHIEVE TARGET BY 2022

6.0 According to the 2007-08 Economic Survey, 64.8% of India's population would be in the working age of 15-64 years in 2026 up from 62.9% in 2006. Other projections also indicate emergence of young India with 800 million in the productive age group by 2015 compared to 600 million in China.

6.0.1 According to a study conducted by Confederation of Indian Industry and Boston Consulting Group (CII & BCG) India has a large population base of 1.14 billion with demographic shift in favor of working age group (15-59 years) while the overall population is projected to grow at 1.4% over the next five years the working age is expected to grow at 2.15%. If the present trend continues, 109 million persons will attain working age during the period of 2007-2012. The net addition to workforce is, therefore, expected to grow to 89 million of which around 13 million are likely to be graduates/post graduates and about 57 million are likely to be school drop outs or illiterates. A significant share of incremental demand is likely to be for skilled labour – graduates and vocationally trained people are expected to account for 23% of incremental demand by 2012. The study further estimates that India is likely to increase deficit of 5.25 million employable graduates and vocationally trained workforce by 2012.

6.0.2 Another study by Boston Consulting Group for PHD Chamber of Commerce & Industry has estimated that by 2020 the world will have shortage of 47 million working people but India will have a surplus of 56 million people. In order to reap the benefits of demographic dividend India will have to, therefore, equip this manpower to meet the requirement of skill talent across geographies.

6.1 CII has conducted study in select sectors of economy in following States:-

Punjab – Textiles, Auto/Auto Components, Light Engineering, Food Processing, Real Estate and Construction, Retail and Location based entertainment.

Tamil Nadu – Textiles, construction, auto/auto components, Light Engineering, IT/ITES, Leather.

Andhra Pradesh – Construction, Textiles, Tourism, Healthcare, Engineering, IT/ITES, Pharma, Biotech, Paper, Minerals.

J&K – Handicrafts, Hospitality, Agro-processing, Construction, ITES, Repair Servicing.

On the basis of above study CII has projected the following requirement of skilled workers at different levels by 2015:-

S.No	Sector	Demand (in Mn)	Skill Level Break-up
1	Auto	2-2.5	Specialised skills – 5% Skill category level II – 25% Skill category level I – 30% Minimal education skillable – 40%
2	Construction	15	Specialised skills – 2% Skill category level II – 11% Skill category level I – 12% Minimal education skillable – 75%
3	Retail	4-5	Specialised skills – 6-8% Skill category level II – 32-43% Skill category level I – 45-50% Minimal education skillable – 10-15%
4	Healthcare	4-4.5	Specialised skills – 10% Skill category level II – 40% Skill category level I – 16% Minimal education skillable – 34%
5	Banking & Financial services	4.5-5	Specialised skills – 5% Skill category level II – 15% Skill category level I – 65% Minimal education skillable – 15%
6	Creative Industry	0.5 - 0.8	Specialised skills – 5% Skill category level II – 20% Skill category level I – 65% Minimal education skillable – 10%
7	Logistics	Drivers:51 Mn	Warehouse Managers: 8000
	Total	81-83.8Mn	

6.2 CII has further projected **Incremental Human Resource Requirement till: 2022**

Sectors	Incremental Human Resources Requirement
Mines and Minerals	1,754,881
Construction	55,199,568
Engineering	1,813,790
Banking and Insurance	3,947,139
Drugs and Pharma	1,383,721
Biotech	1,209,489
Healthcare	20,684,530
Textiles	86,545,390

IT and ITeS	14,806,299
Tourism	12,478,386
Agro and Food Processing	169,782
Paper	57,976
Chemicals and Fertilizers	1,391,948
Total	201,442,899

Hence total requirement of skilled work force by 2022 will be about 300Mn.

6.3 SKILL DEVELOPMENT AND TRAINING PROGRAMMES UNDER VARIOUS MINISTRIES/ DEPARTMENTS

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
1	<i>Agriculture</i>	<p>Training in Agricultural Extension (21 training centres), Training in use of Agricultural Implements & machinery, Soil Conservation Training Centre, LFQC&TI, NPPTI, Cooperative Education and Training.</p> <p>Under the <u>University stream</u>, various under-graduate, post-graduate and Ph.D. courses are offered (DARE).</p> <p>There is one Central Agricultural University, thirty-one State Agricultural Universities (SAUs) and four National Institutes of Indian Council of Agricultural Research having the status of Deemed University.</p> <p>ICAR also arranges need based training programmes in any of State Agricultural University or ICAR Institutes in new and emerging areas.</p> <p>CIFNET – Regular courses and special training courses</p> <p>CIFNET – Refresher courses</p>	<p>Person engaged in Agricultural institutions and support services, members of cooperatives and Farmers. Under KVK, 550/589 districts are covered.</p> <p>Students with Qualifications as usual under University stream of education.</p> <p>Students with Qualifications as usual.</p> <p>Individual scientists or groups of scientists.</p> <p>10th Standard students</p> <p>Lecturers/in-service</p>	<p>Short term courses</p> <p>U.G. courses – 4 years, P.G. courses – 2 years and Ph.D. as usual.</p> <p>As usual.</p> <p>One week to three months (or longer duration, as fixed).</p> <p>6-18 months</p> <p>4 weeks</p>

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
2	Food Processing Industries	<p>Grants were provided to NGOs for setting up of 326 Food Processing & Training Centres (FPTCs) during 1992-93 to 2000-01.</p> <p>Institutions like Central Food Technology Research Institute, Paddy Processing Research Centre, PHTC, Council of Entrepreneurial Development Programme (EDP) are also running training courses.</p> <p>Person power development in rural areas (FBTC Scheme)</p> <p>Entrepreneurship Development Programme</p> <p>Programmes for development of human resources in food processing, testing, training, quality management etc.</p>	<p>Persons living in rural areas with preference being given to women, SC, ST and other weaker sections of society</p> <p>Mainly persons in Food Processing Industry</p> <p>Open</p> <p>Open</p> <p>Candidates aspiring to be Managers, technician/technologists, and entrepreneurs</p>	<p>Short term</p> <p>Short term</p> <p>Short term</p> <p>AICTE approved diploma/degree courses' durations as usual (Long-term)</p>
3	Health & Family Welfare	<p>Basic Training of multipurpose health worker (Female & Male)</p> <ul style="list-style-type: none"> ♦ 478 ANM/ MPW(F) Training Centres ♦ 28 HFWTC & 30 Basic MPWA(M) Schools <p>Promotional training of Female Health Assistant in 42 training centres. Training is also provided by Safdarjung Hospital, St. John Ambulance, NTCP, NPCB, NMHP, NACP, INC, CBHI, CLTRI, PWTRC, ECH etc.</p>	<p>-Educated youth with minimum 10th pass</p> <p>-Persons working in Health & family Welfare programme</p>	<p>12 to 18 months</p> <p>Short term</p>
4	Heavy Industries & Public Enterprises	<p>Counselling, Retraining and Redeployment of Rationalized Workers of CPSEs (Formerly NRF)</p>	<p>Workers who opt for voluntary retirement, rendered surplus or retrenched from CPSEs</p>	<p>Short term courses</p>
5	Human Resource Development	<p>Vocationalisation of Secondary Education (6800 schools covered)</p>	<p>Student having passed 10th class</p>	<p>2 years</p>

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
		<p>Polytechnics (1244) + Institutions for diploma in pharmacy (415), hotel management (63), architecture (25)</p> <p>Community Polytechnic Scheme (675 CPs)</p> <p>Jan Shikshan Sansthan (157 Vocational Training Centres run by NGOs offering more than 250 courses)</p> <p><i>Support For Distance Education & Web Based Learning (NPTEL)</i></p> <p>National Institute of Open Schooling -Distance Vocational Education Programmes [Practical training through Accredited Vocational Institutes (AVIs)]</p> <p>Apprenticeship Training for student of +2 Vocational stream</p> <p>National Programme on Earthquake Engineering Education (NPEEE)</p>	<p>10th pass</p> <p>Poorer sections of society in both rural and urban areas</p> <p>Disadvantaged groups of adults. Priority is given to adult neo-literates/ semi-literates, SC and ST, women/girls, oppressed, migrants, slum/ pavement dwellers and working children</p> <p>Engineering and physical sciences undergraduates/post graduates in the country; all teachers/faculties in science and engineering Universities in India</p> <p>School leavers with 5th, 7th, 8th and 10th pass</p> <p>Students passing out of +2 Vocational stream</p> <p>Recognized engineering colleges/ polytechnics and schools of architecture having related academic degree or diploma programme</p>	<p>3 years diploma</p> <p>(3 to 6 months)</p> <p>Need Based (1- 4 weeks)</p> <p>(Designing course material – time bound project)</p> <p>6 months to 2 years</p> <p>One year</p> <p>Faculty development through short-term crash programmes and long-term programmes</p>
6	Information	DOEACC - 'O' level	Students or working	Flexible duration

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
	Technology	CEDTI	persons with 10+2 pass It conducts courses in the field of Electronics, Telecommunications, IT, Process Control & Instrumentation	for passing examination Short term courses
7	Labour & Employment (DGET)	Craftsmen Training Scheme (CTS) (6834 ITI/ITCs) Apprenticeship Training Scheme (ATS) (23,800 establishments) Modular Employable Skills(MES) Crafts Instructor Training Scheme (CITS) (6 Institutes) Advanced Vocational Training Scheme and Hi-tech Training Scheme (65 centres) Supervisory Training (2 institutes) Women Training Institutes(11 institutes) Central Staff Training and Research Institute Model Training Institutes and Model Industrial Training Institutes.	School leavers with 8 th , 10 th and 12th pass School leavers with 8 th , 10 th and 12th pass or National Trade Certificate Holder School drop outs and unorganized sector workers Instructors of ITIs/ITCs Industrial Workers/ Technicians Supervisors from Industry Women (School leavers, Instructors and others) Training Executives and Principals School leavers with 8 th , 10 th and 12th pass	Six months to Three years Six months to 4 years Short term(60 hrs to 1000 hrs) 1 year Short Term courses Long and short term Long and short term Short Term One to Three years
8	Rural Development	National Institute of Rural Development (NIRD) Conducts about 150 programmes Swarnjayanti Gram Swarozgar Yojana (SGSY)	Practicising Manager in rural development Focus is on the vulnerable groups among the rural poor. SC/ STs would	Short term Courses Need based short term

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
		RUDSETIS train about 1.25 Lakh per annum Skill development of BPL @50000 per annum	account for a minimum of 50%, women for 20% and disabled for 3% of the total swarozgaris during a year.	Short term Short term
9	MSME [Small Industries Development Organisation (SIDO)]	Entrepreneurship Development Programme, Skill Development Programme (SDP), Management Development Programme □ It has 72 institutes/ bodies. ▪ SSSI – 30 ▪ Br. SSSI- 28 ▪ RTC – 4 ▪ Tool Rooms – 8 ▪ PPDC – 2	<ul style="list-style-type: none"> ♦ Workers ♦ Educated unemployed youth ♦ Entrepreneurs 	Both short term and long term
10	Khadi & Village Industries Commission under Ministry of MSME	51 Training Centres run 35 types of programmes	Unemployed rural youth, In-job Artisans/Supervisors working in KVI instts, Prospective Entrepreneurs, Beneficiaries of different Government. Schemes desirous of undertaking KVI activities.	2 months to 12 months
11	Social Justice & Empowerment	National Institute of Mentally Handicapped, National Institute for the Orthopaedically Handicapped, Institute for Physically Handicapped, National Institute for the Hearing Handicapped, National Handicapped Finance and Development Corporation, National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents, National Scheduled Castes and Scheduled Tribes Finance and Development Corporation, Rehabilitation Council of India	Disadvantaged and marginalized sections of the society viz., SC, Minorities, B.C., Persons with disabilities, Aged Persons, Street children and victims of Drug Abuse etc.	<ul style="list-style-type: none"> ➤ Short term training upto six months duration ➤ Orientation Programmes upto one week duration
12	Textiles	Decentralized Training	Skill upgradation of	➤ Mainly short

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
		Programme, 24 Weavers' Service Centres, Cooperative Training, 13 Power loom Centres, Indian Jute Industries Research Association, Central Wool Development Board, Central Silk Board, Training Centres for Handicrafts, North-eastern Handicrafts and Handlooms development Corporation	Workers in textile industry	term (15 days to 3 months). ➤ Some courses under Handicrafts are of 1 year duration.
		Apparel Export Promotion Council (AEPC)	Workers in Garment Industry	3 months to 1 year
13	Tourism	15 Food Craft Institutes under State Governments	10 th Pass	6 months – 1 year
14	Tribal Affairs	Vocational Training Centres (VTC) in Tribal Areas. (100% central assistance is given to State/ UT / NGO for setting up VTs.	Unemployed Tribal youth (Each person is given training in two trades)	6 months in VTC and 6 months with master craftsmen
15	Urban Development & Poverty alleviation	Urban Self Employment Programme under Swarna Jayanti Shahari Rozgar Yojana (SJSRY)	Urban Unemployed or underemployed poor below poverty line	Short term (2-6 months) subject to minimum 300 hours
16	HUDCO & others in Construction sector under Ministry of Urban Development & Planning Commission	640 Building Centres (HUDCO) Company run schools (NBCC HCC, L&T, ECC etc.) & association etc. Construction Industry Development Council (CIDC) & others	Persons engaged in Construction Industry Worker & Supervisor having qualification of Vth to XIIth Standard	Short term courses Short term courses 1 month to 6 months
17	Women & Child Development	Support to Training and Employment Programme for Women (STEP) Swalamban (previously NORAD) Training in home scale preservation of fruits and vegetables, (by Community Food and Nutrition Extension Units (CFNEUs)	To provide updated skills and new knowledge to poor and assetless women traditional sectors To train poor women mostly in non-traditional trades Housewives and adolescent girls with a view to promote preservation and consumption of fruits and vegetables which provide	Short term courses Two weeks

Sl. No.	Ministry/ Department	Schemes/ Programmes/ Institutions having provision for Vocational Education and Training programme	Target Group	Duration of Training (long-term / Short-term)
		<p>Central Social Welfare Board (programmes are organised by voluntary organisations)</p> <p>Women Empowerment Programme in collaboration with IGNOU (Training programme on “Empowering women through SHG”)</p> <p>Kishori Shakti Yojana</p> <p>Other programmes like UDISHA, Training of Anganwadi Workers, NIPCCB, Rashtriya Mahila Kosh etc.</p>	<p>much needed micronutrients, as well as to provide necessary skills which could be useful for income generation purposes.</p> <p>To train women in marketable trades and also to upgrade their skills for getting remunerative employment opportunities</p> <p>To organise women into effective Self Help Groups</p> <p>To train and equip adolescent girls to improve home based and vocational skills</p>	<p>Minimum 60 days</p>

6.4 There are certain sectors of economy where skill requirement is very high but none of the Ministries is involved in skill development for example construction sector, IT enabled services, consumer and retail sector, financial sector etc. The training activities in the private sector are being carried out according to market demand but there is no monitoring and planning at the level of the Ministry. This policy would encourage Ministries/Departments concerned to increase their involvement in skill development. They may carry it out directly or through partner organizations.

6.5 PM's National Council on skill development has set a target of 500 million persons by 2022. Accordingly all the ministries will devise skill development plans and set the targets for 11th, 12th & 13th Five year plans and Planning commission would allocate necessary resources to meet the above targets under plan schemes. Planning Commission would also ensure that all the Ministries are making necessary provisions for skill development in their annual plans and setting the targets/milestones for skill development and employment. All the targets will be in the direction of achieving above objectives.

6.6 All the Ministries/Departments will add one annex in their annual report on "Skill Development and Employment generation". Ministry of Labour and Employment will develop necessary format for this purpose.

6.7 National Skill Development Corporation will also prepare a skill development plan to meet the expectation of labour market including requirement of unorganized sector. The Corporation will also submit annual report in specified format on skill development carried out during the year.

6.8 Present number of training institutions, their annual capacity of training and projected number of trained persons by 2022 for different Ministries/ Departments / Organizations is given below. The targets are based on projected employment potential in the concerned sectors. This may, however, be reviewed from time to time according to growth of sectors and their actual workforce requirement.

Sl/No	Ministry / Department/ Organisation	Present number of institutions	Present training capacity per annum (IN LAKH)	Projected number of trained persons by 2022 (IN LAKH)
1	National Skill Development Corporation	--	--	1500
2	Labour & Employment	33,000	12 .00	1000
3	Tourism	38	0.17	50
4	Textiles	277	0.15	100
5	Transport	1	0.02	300
6	Tribal Affairs	63	0. 06	
7	Rural Development (RUDSETI) and IL & FS	156	5.48	200
8	Women & Child Welfare	68	17.50	100
9	Agriculture	72	19.81	200
10	HRD Higher Education HRD Vocational Education	10,000(Voc. schls) (Engg. Coll. 2297 Polytechnics 1675)	19.60 14.00	500
11	Dept of Heavy Industry	*	*	100
12	Urban Development	34	0.013	150
13	Department of Information Technology	1000 (Affiliated centres) + 7 CDAC	1.37	100
14	Food Processing Industries	34	0.10	50
15	Construction Industry Development Council (under Planning Commission)	147	4.64	200
16	Health & Family Welfare	3802	1.35	100
17	Micro Small Medium Enterprise	356	2.92	150
18	Social Justice & Empowerment	Through NGOs & others		50
19	Overseas Indian Affairs	In partnership with MSME/state Government/ CII/ NGO etc.	0.13	50
20	Finance- Insurance/Banking	*		100
22	Consumer Affairs	*		100
23	Chemicals & Fertilizers	6	0.19	50
24	Others (Power, Petroleum etc.)	NA		150
Total			99.46	5300

i.e. 53 crore

** At present these Ministries are not directly involved in pre-employment training activities.*

CHAPTER 7

FINANCING SKILL DEVELOPMENT

7.1 Skill development brings return to the individual, the employing enterprise and the economy as a whole. Therefore, all stakeholders, the Government both at Centre and States, the enterprise – public and private, and the direct beneficiary – the individual, would share the burden of mobilizing financial or in-kind resources for skill development.

7.2 To fulfil the mandate envisaged in this policy apart from adequate central outlay, the Planning Commission will also provide a specific budgetary provision for skill development in the State plans. In addition, private sector investment in skill development will be encouraged through innovative methods.

7.3 A National Skill Development Corporation (NSDC) has been established with Central Government commitment of Rs. 1,000 crore. Rs. 15,000 crore is envisaged to be generated from other Governments, public sector entities, private sector, bilateral and multilateral sources.

CHAPTER 8

RESPONDING TO THE FUTURE

8.1 Globalisation Driven by Technology and the Emerging Knowledge Economy

Occupational patterns are changing; new jobs and job titles, job enlargement, job enrichment, and new flexible work arrangements are emerging. Employment demands are shifting towards higher skill categories.

8.1.1 It is imperative, therefore, for India to move up the skill-ladder and produce a larger number of people with higher education and generic training for new types of knowledge work, both in high skill services and high technology industrial production.

Knowledge professionals will need support from middle-skilled workers in new knowledge and technology areas. The skill development system will need to meet this challenge. The response time is limited as the rate of change is high and accelerating.

8.2 Promoting Excellence

To promote excellence, a significant number of well performing institutions will be assisted to develop into institutions of excellence. These institutions will be generously resourced, equipped with internationally comparable facilities and high quality faculty and able to offer high quality programmes in current and emerging technology areas. These institutions will be networked with a number of training institutions in their vicinity and serve as lead institutions in supporting their development.

8.3 Experimentation, Innovation and Research

- a) Policy encourages the creation of a National Skill Development Initiative that is highly dynamic and nimble-footed. This will always be extrapolating the future requirements. It will have to be constantly responsive to changes in the immediate as well as global environments, learn from them, and experiment with new approaches and structures. A culture of innovation will drive the future system.
- b) Research will be a key strategy for managing change and benefiting from it. Since experimentation and innovation flourishes in a vibrant and self-confident environment, flexibility and operational autonomy will be extended to deserving institutions.

- c) Research in international developments and in organizational practices and pedagogical approaches will be an on-going activity. Standing institutional arrangements will be established for the purpose and research will be funded both in these arrangements and in outside research institutions.

8.4 Policy Review

8.4.1 Skill development is placed in a highly dynamic environment and thus it is imperative that this Policy undergoes a periodic review and target revision to maintain its relevance.

8.4.2 The National Policy on Skill Development will be reviewed every five years and revised appropriately to take account of progress in implementation and emerging trends in the national and international environment. Research and the promotion of good practices are vital activities that will enable this Policy and the Skill Development Initiative to meet emerging needs. The implementation of the Policy will be continuously monitored to provide the basis for review.

The Corporation would constitute Sector Skills Councils with following functions:

- i) Identification of skill development needs including preparing a catalogue of types of skills, range and depth of skills to facilitate individuals to choose from them.
- j) Development of a sector skill development plan and maintain skill inventory.
- k) Determining skills/competency standards and qualifications.
- l) Standardization of affiliation and accreditation process.
- m) Participation in Affiliation, accreditation, examination and certification.
- n) Plan and execute Training of Trainers.
- o) Promotion of academies of excellence.
- p) Establishment of a well structured sector specific Labour Market Information System (LMIS) to assist planning and delivery of training.

Roles and responsibilities of stake holders:

2.3.1 Roles and responsibilities of Government (Central /State or local level)

- i) Setting up priority and policy planning-statistics gathering
- j) Providing regulatory framework and enabling environment for stake holders.
- k) Devising financing mechanism, reward and promotional framework.
- l) Capacity building of social partners.
- m) Setting up of monitoring, evaluation and dissemination of information.
- n) Facilitating international co-operation.
- o) Setting up of a qualification framework and quality assurance mechanism.
- p) Preparation of work plans to meet sector specific skill sets.

2.3.2 Roles and responsibilities of employers/industries:

- n) Owning Skill Development activities.
- o) Identification of competencies and setting up of competency standards,
- p) Skill demand analysis and curriculum development.
- q) Facilitating training of trainers.
- r) Delivery of training, monitoring and evaluation.
- s) Participation in examination and certification.
- t) Participation in affiliation and accreditation process
- u) Sharing of work place experience, machinery and equipment.
- v) Support by way of physical, financial and human resources.
- w) Facilitating employment of trained graduates.
- x) Supporting skill development initiatives of other public and private agencies.
- y) Implementing apprenticeship schemes.
- z) Investing in skill development activities.

2.3.3 Roles and responsibilities of trade unions:

- h) Assist in developing competency standards.
- i) Assist in course designing, examination and certification.
- j) Raising awareness about the benefit of training, skill development plans and activities among the workers
- k) Promote skill upgradation and lifelong learning among the workers.
- l) Running special skill development institutes for skill development of workers.

- m) Promoting investment on skill development among the employers.
- n) Facilitate improving status of VET trained graduates.

2.3.4 Roles and responsibilities of civil society organizations:

- i) Raising awareness about skill development plans and activities among the public.
- j) Facilitate improving status of VET trained graduates.
- k) Implementing skill development programmes of the Government.
- l) Assist in developing competency standards.
- m) Assist in course designing, examination and certification.
- n) Promote lifelong learning among the public.
- o) Promoting dignity of labour among the public.
- p) Sharing experience of learning with others.

