

**GOVERNMENT OF INDIA**  
**MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP**  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4124**  
**TO BE ANSWERED ON 23.12.2015**  
**Committee on Skill Development**  
**QUESTION**

**4124. SHRI Y.V. SUBBA REDDY:**  
**SHRI P.R. SUNDARAM:**

**Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:**

- (a) the details of recommendations made by High Level sub-Group of Chief Ministers headed by Punjab Chief Minister and the reaction of the Government thereon;
- (b) whether the Committee has recommended for using funds from Education Cess and part of CSR funds to use in skilling India;
- (c) if so, the details thereof and the reaction of the Government thereon and the time by which the recommendations of the Group are likely to be implemented;
- (d) whether the Group has listed Tamil Nadu's Information and Communication Technology Academy (ICTACT) as one model for skill training and has recommended for expansion across the country and if so, the details thereof; and
- (e) whether the Government proposes to open more such academies to impart skill training in the country or open more branches of the ICTACT in other States/ UTs and if so, the details thereof along with the steps taken by the Government to enhance skills in the country particularly in rural areas?

**ANSWER**  
**MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF**  
**SKILL DEVELOPMENT AND ENTREPRENEURSHIP**  
**(SHRI RAJIV PRATAP RUDY)**

(a) to (e) A Sub-Group of Chief Ministers on Skill Development was constituted to address issues pertaining to human resources, especially creating a pool of skilled manpower with speed, scale, standard and sustainability. The Sub group has submitted its report. The recommendations of the Sub Group include use of funds from Education Cess and part of CSR funds for skilling in India. The Sub group has also recommended that instead of replicating ICT Academy of Tamil Nadu in each State, the existing and established organization (ICTACT) can open chapters / branches in willing states, where local administration can be represented, for carrying on its activities. The major highlights of the recommendations made by the Sub-Group are at **Annexure**.

The recommendations of the Sub Group cover a wide spectrum of skill development in the country including improving quality, relevance, quantity, aspirations, mobility and financing of skill development. Action Points for implementation of these recommendations have been identified and referred to concerned Central Ministries/Departments, State Governments and other stakeholders.

## **Highlights of the recommendations of Sub Group of Chief Ministers on Skill Development**

The major highlights of the recommendations made by the Sub-Group are as follows:

### **Integrated Delivery Framework for Achieving Convergence**

- The State Skill Development Missions (SSDMs) should evolve into a coordinating body to harmonize the skilling efforts across line departments/private agencies/voluntary organizations etc. The common norms announced at the central level may be adopted by the SSDMs so as to have State-specific guidelines for skill development programmes.
- For decentralized implementation and to ensure effective coordination and monitoring of skill development initiatives a three-tier structure at State, district and block level for SSDMs proposed. Pattern of DRDA to coordinate skill efforts at district level can be adopted for effective coordination and interaction with local self-government, civil society, training provider, industry and other stakeholders.
- Determination of sectoral priorities at State level based on an independent assessment of the needs of each sector and the formulation of appropriate policies to enhance the qualitative and quantitative skill availability for the sector based on conduct of regular skill surveys.
- SSDMs should have the overarching power to pool across the resources and to utilize according to priority. The inter-linkage of the SSDMs with the industry, training providers, Sector Skill Councils, NSDA should be maintained at the policy formulation and implementation level.
- Sector Skill Councils to assist the State Skill Development Missions to align training program with NSQF.

### **Achieving Scale & Relevance through PPP**

- Industry to be incentivized to set up training institutions in PPP mode in industry clusters to facilitate availability of trained manpower for big and MSME units and to adopt existing government ITIs and Polytechnics.
- Local Industry to be involved for curriculum development, training modules, provision of equipments, training of trainers, opening skill development centres and taking apprentices.
- Industry can also enter into flexi MOU based on sector, trade or institutions and offer work benches for practical training
- Industry can help in Developing a database of instructors as also resilient system for selection of Training providers
- The States Government can incentivize the public sector or the private industries operating either within the State or in neighbouring regions to involve in the skill development efforts of these States through their SSDMs in less industrialized as well as difficult terrain.
- Skill Development programmes and skill training providers should get an extension of service tax exemption for the next 5 years.
- Income tax exemption to category-A training providers (as per the definition of Ministry of Rural Development) for a period of 5 years need to be considered.

- Skill training in manufacturing sector should be incentivised in all skill development programmes to achieve the broader objective of Make in India programme”.

### **Reaching the Unreached and the Disadvantaged**

- The possibility of introducing legislation on Right of Youth to Skill Development to make it mandatory on the part of the State to impart skill training to every eligible youth may be explored.
- Vocational education may be introduced from the middle level onwards with SSDM having the responsibility to explore the marketability potential of traditional skill sets of the State. This would motivate the children to take up training in traditional skills especially in States that excel in handicrafts, wood art and handlooms. Further the international models viz German, Chinese and Singapore may be studied for replication in India.
- Flexibility to states to introduce local and traditional skills meeting local needs to be provided under various central government administered skill programs and attract local youth for training.
- Opening of Incubation Centres, counselling Centres and Tracking Centres at the village level.
- The provision of safe transportation, female instructors, child care facilities, market and finance to encourage women participation. Also making available dormitory/ hostel facilities in district and block headquarters for students from remote corners.
- Using ICT, Mobile vans, to make available training facilities in villages and hilly areas.
- Monetary and non-monetary incentives should be part of the policy for training providers and potential employers to engage with differently-abled persons.

### **Improving the Quality**

- SSDMs could play a facilitating role to address the shortage of instructors/ trainers especially in imparting practical training by identifying Government/ private/ self-employed entrepreneurs operating establishments/units in the skills in demand in the State and bring them on the panel where students after attaining the basic skills can be sent for practical training.

### **Making Skills Aspirational by involving Local Bodies/NGOs**

- The Railways and other para-military forces can play a more proactive role in advocacy and skill development, instead of just focusing on recruitment rallies. The personnel of these agencies could be used for skill training or these agencies could lend institutional support in imparting training in hilly, inaccessible and difficult terrains.
- The awareness among the targeted population on the benefits of skill training can be generated through audio/visual media as well as through street plays and by involving the PRIs/ULBs and Civil Society.
- Local Bodies to be used for skill mapping and creating a data base of youth at local level.

## **Focus on Outcome**

- Union Government initiatives in strengthening the National Career Guidance Centre at the district and block level, integrating with the Labour Market Information System should be facilitated by the SSDMs. This would facilitate to track the youth receiving skill training and moving to placement either as self-employed or wage-employed. LMIS/National Career Service Centres could be the medium where the success stories that are documented can be shared so that it provides a medium for the youth to explore the possibilities of its up- scaling/replication.

## **Making Available Adequate Resources**

- To enhance the scale of skill development resources is of utmost priority. Half of the 2 percent CSR could be used exclusively for skill development initiatives. Further it was also agreed to by the Sub-Group that out of the cess collected under the Building and other Construction Workers Cess Act, 1996 the Cess Fund which is presently in surplus should be available for imparting skill training to all underprivileged youth irrespective of whether or not they are wards of construction workers.
- Public Training Institutions to be made revenue generating.
- Use of MPLAD/MLA funds for creating infrastructure for skill development could be explored.
- Funds generated under education cess could also be used for introducing vocational education from secondary school onwards.
- M/o SDE should make a budget provision for all States to set up Skill Universities or convert one of the existing Universities as a Skill University under PPP mode. This funding could be made available through NSDF/NSDC.

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