

***Need to align minimum wages nation skills qualification
framework: Skill Development Minister
Suggests minimum certified skilled workforce in tendering
of manpower intensive projects***

FICCI's 7th Global Skills Summit gets under way

NEW DELHI, September 4, 2014. Shri Sarbananda Sonowal, Minister of State for Skill Development, Entrepreneurship, Youth Affairs and Sports (Independent Charge), today emphasized the need to re-visit the Minimum Wages Act to align wages to the levels defined in the National Skills Qualification Framework. "Work must also commence on developing models for recognition of prior learning and developing a well-integrated credit framework for the country," he said while inaugurating FICCI's 7th Global Skills Summit 2014 on the theme 'India's Skill Ecosystem: From Design to Action'.

The Minister said that it was important, through both macro and micro policies to create a pull factor which attracts and also enforces the people to get skilled to get into employment or self-employment. "One such example could be to include a minimum percentage of certified skilled work force in the tendering process of every manpower intensive project and increase the minimum percentage every year by a reasonable margin based on the life of the project", he said, adding that at the local level, the industry could enforce it by ensuring that their ancillary services like drivers, housekeeping and security and people at the shop floor are certified skilled.

Shri Sonowal said that for skilling India it was imperative to excite and engage the youth of the country to participate without inhibitions along with meeting the local aspirations, demand and conditions. "It is time that we make the youth and the parents aware that developing skills is as important and dignified as securing a degree," he said and urged FICCI to take the lead in bringing the industry onboard to recognize skills not only through jobs but through preferential employment, increased salaries/wages and creating an atmosphere within their companies for employees to get skilled and upskilled. Industry has to lead by example. "A larger effort is needed to percolate the same feeling in the community, since in our case the unorganized sector offers more employment than the organized sector. Unless the community starts demanding quality work, the importance of skilling will not easily set in," he added.

The Minister later released the **FICCI-KPMG knowledge paper on 'India's Skill Ecosystem: From Design to Action'** and the **FICCI-NSDC-IFFCO Foundation report on Skills Development Centre.**

Dr. (Ms) Jyotsna Suri, Senior Vice President, FICCI, pointed out that to achieve the PM's vision developing skills for employability rather than certificates, "The fundamental requirement is creating an ecosystem which assigns dignity to vocational education. This would go a long way in addressing the 'aspirational mismatch' that majority of our students go through. Unlike the old times where a degree alone guaranteed job security, in this new generation 'employability' is the key for securing jobs. A massive campaign is thus required to ensure that our youth, especially women take up vocational education and technical training as a career choice and not a chance."

Mr. RCM Reddy, MD & CEO, IL&FS Education and Skills and Chairman, FICCI Skill Development Forum, underlined the need for convergence of skill development efforts in the country and stated that the challenge was to make the Sector Skills Councils standards acceptable to industry.

He said that some of the key advocacy efforts undertaken by FICCI included stakeholder consultation on implementation challenges of implementing National Skills Qualification Framework and Skills Pledge which seeks partnership with pledge holders on skilling people and giving preference to skilled and certified workforce. FICCI partnered with the initiative being broadcasted at DD National as part of its advocacy campaign and contributed in making skills aspirational.

Mr. Sanjeev Duggal, CEO & Director, Centum Learning Ltd. and Co-Chair, FICCI Skill Development Forum, proposed a vote of thanks.

The FICCI-KPMG paper points out that for the creation of a skill ecosystem, it would be extremely important to have the government's commitment for labour laws reforms and revisiting minimum wages act keeping NSQF as base for fixing wages and periodic revision taking inflation into account and having effective enforcement.

The report recommends that a guideline like compulsory requirement of skilled manpower for participating in government projects would be a good start to get employers' commitment to the sector.

It points out that NSDC with its ambitious target and aggressive yet methodological scaling-up of training infrastructure in private sector has certainly played a vital role in energizing the space. At the same time, strengthening their training partners in terms of quality and sustainability would be critical in the next phase of growth.

The FICCI-NSDC-IFFCO report sets out process guideline for setting up skill development centre. The guidelines, prepared in the light of real time experiences witnessed by researchers, incorporate best practices in skill development across the globe.

The report notes that scaling up successful training initiatives to create infrastructure entails a multi- pronged approach and calls for active participation from industry, non-government organizations, educational institutions, and grass root organizations. In this context the role of cooperatives cannot be ignored. There are 600,00 cooperatives, having 250 million members. There are around 20 million jobs in the economy which are either directly or indirectly created or supported by cooperatives. Though cooperatives have undertaken skill development activities but as compared to private sector their role has been only marginal.

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