

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1185

ANSWERED ON:07.03.2007

INDEPENDENT REGULATORY AUTHORITY FOR HIGHER EDUCATION

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Will the Minister of PLANNING be pleased to state:

- (a) whether the National Knowledge Commission (NKC) has recommended for increase in the number of universities by 2015 as reported in the Times of India dated January 13, 2007;
- (b) if so, the details thereof;
- (c) whether NKC has also recommended for the setting up of Independent Regulatory Authority for higher education;
- (d) if so, the reaction of the Government in this regard;
- (e) whether NKC has recommended to bring entire vocational courses under Ministry of Human Resource Development;
- (f) if so, the reasons therefor and the reaction of the Government thereto;
- (g) whether NKC has recommended for allowing private investment for improving university education; and
- (h) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V.RAJASEKHARAN)

(a): Yes, Sir.

(b): The NKC has recommended an expansion in higher education. As per its recommendations on higher education, 'the higher education system needs a massive expansion of opportunities to around 1500 universities nation-wide that would enable India to attain gross enrolment ratio of at least 15 per cent by 2015'

(c): Yes, Sir.

(d): The comments of the Department of Higher Education, MHRD have been sought on the recommendations of the National Knowledge Commission pertaining to Higher Education.

(e) & (f): Yes Sir. The recommendations of the National Knowledge Commission pertaining to Vocational Education and Training are as per Appendix I enclosed. The comments of the Department of School Education and Literacy and the Ministry of Labour and Employment have been sought on these recommendations.

(g): Yes, Sir.

(h): The comments of the Department of Higher Education, MHRD have been sought on the recommendations of the National Knowledge Commission pertaining to Higher Education.

Appendix I refer to in the reply to Lok Sabha USQ No. 1185 on Independent Regulatory authority for Higher Education due for reply on 7.3.2007

Extracts from the Report of the National Knowledge Commission pertaining to Vocational Education and Training

NKC considers Vocational Education and Training (VET) to be an important element of the nation's education initiative. In order for VET to play its part effectively in the changing national context and for India to enjoy the fruits of the demographic dividend, there is an urgent need to redefine the critical elements of imparting vocational education to make them flexible, contemporary, relevant, inclusive and creative. The Government is well aware of the important role of VET and has already taken a number of important initiatives. Through consultations with industry groups, academics, civil ways and means to strengthen these initiatives and recommends the following long and short-term strategies.

1. Place Vocational Education entirely under the Ministry of Human Resource Development (MHRD): In view of the role of VET in

human resource development and importance of its linkages with other streams of education, the Government may consider placing all aspects of VET under MHRD. Currently, VET falls under the purview of MHRD as well as the Ministry of Labour, which leads to fragmented management of the VET framework. MHRD may consider setting up a National Institute of Vocational Education Planning and Development to formulate strategy, advise the Government, and undertake research and development in areas pertaining to technology and workforce development.

2. Increase the flexibility of VET within the mainstream education system through the following steps:

- i. Aspects of general education (such as numeracy skills) should be retained in VET as far as possible, to enable students to return to mainstream education at a Later stage.
- ii. Courses in training institutes and polytechnics should have distinct tracks for students of different educational attainments.
- iii. Entry requirements for certain trades should reflect the requirement of the trade (as appropriate, for instance the entry requirement of Class X could be relaxed to Class VIII in some cases). Students should be permitted multiple entry and exit options in the vocational education stream.
- iv. Links should be established between the vocational education stream and school education as well as higher education.
- v. Courses devoted to certain skills training at the primary and secondary level should be introduced in all schools.
- vi. Vocational training should be made available in various literacy and adult education schemes.
- vii. Schemes for lifelong skill up-gradation, through short training programmes, should be introduced.
- viii. There should be a provision for generating a cadre of multi-skilled persons.

3. Quantify and monitor the impact of vocational education: Data should be collected periodically and analyzed in order to assess the impact of training on employability. Empirical evidence on wage premium or other advantages enjoyed by VET graduates, seat utilization in training institutes, nature of employment post-training, and the efficacy of various schemes is essential for continuous improvement. A detailed exercise of manpower analysis is a necessary step to understanding the nature and quantum of demand for VET and the mismatch between the skills of VET certificate holders and the requirements of the labour market. This exercise may be undertaken by the proposed National Institute of Vocational Education Planning.

4. Increase resource allocation to vocational education: In per capita terms, vocational education costs more than general education, however public expenditure on vocational education has been extremely low, as compared to general secondary education. Given the demand for skilled manpower in manufacturing and services, the Government should aim to spend at least 10-15 per cent of its total public expenditure on education, on vocational education. Some options that may be considered for raising additional funds to finance a modernized VET scheme are:

- i. Enhancing fees, coupled with student loan schemes. This would also make VET institutions more responsive to market needs.
- ii. Raising funds through a cess on employers (for instance two per cent of salaries of all employees, as in Singapore).
- iii. Making it obligatory for companies to finance public vocational education and training programmes (as in Korea).

5. Expand capacity through innovative delivery models: In order to meet the burgeoning requirements of skilled and unskilled labour, a massive increase in quantity of training is needed. The Government could explore new delivery models to increase capacity such as public private partnerships, decentralized delivery, distance learning and computerized vocational training. At the same time, the Government must introduce certain minimum standards as a measure of quality, and ensure that all public and private VET institutions adhere to these.

6. Enhance the training options available for the unorganized and informal sector: The greatest challenge lies in providing training for potential entrants in the unorganized/ informal sector, which accounts for the largest proportion of employment. Systematic efforts need to be made to impart the skills required by the unorganized sector. These should be formally introduced in the curricula and practical training courses. In order to achieve this, the Government should act as a facilitator and provide financial support. This aspect of VET is critical for the success of the system as a whole.

7. Strengthen the current institutional structure: The existing Industrial Training Institutes (ITIs) and Industrial Training Centres (ITCs) are widely recognized to face problems such as poor quality trainers, lack of flexibility, and outdated infrastructure. Measures to improve the existing institutions are as follows:

- i. Extent of functional autonomy must be increased, ITIs should be given more power to strengthen and adapt their training programmes to better meet local market needs.
- ii. Indicators of internal and external efficiency should be developed (by the proposed National Institute) to incentivize good performance.
- iii. Modules on literacy, numeracy, communication skills, entrepreneurship and other general skills relevant to workplace requirements must be introduced in all courses.

- iv. Different tracks within courses for different levels of specialization should be introduced.
- v. Students should be offered incentives such as tools, membership of trade associations, etc., as part of their degree or diploma.
- vi. Industry and trade involvement should be enhanced not only at the internship stage, but also at the time of examinations and placements.
- vii. Curricula should be constantly monitored and updated.
- viii. The skills and courses offered should be reviewed periodically. The number of skills currently offered needs to be increased.
- ix. Teaching should be conducted in English as well as local languages.
- x. Infrastructure should be regularly upgraded.
- xi. Quality of teaching should be drastically improved.

8. Ensure a robust regulatory and accreditation framework: In order to achieve the desired modernization and expansion, a critical aspect will be to regulate entry of new institutions and accreditation of all institutions. NKC therefore recommends that an independent regulatory agency for VET be established. This body would license accreditation agencies and prescribe standards for certification. The procedures and methodologies adopted by the body would need to be simple and transparent to ensure unhindered growth in the sector.

9. Ensure proper certification: At present, the process of certification is handled by the National Council for Vocational Training (NCVT), in association with State Councils for Vocational Training (SCVTs). Clear demarcation between the roles of the NCVT, the SCVTs and the Directorate General of Employment and Training is essential for the proper functioning of the certification process. In order to ensure recognition of certification by employers, both in India and abroad, an electronic database of certified training providers as well as electronic identification for certified workers should be introduced. Electronic identification should contain information regarding skills and qualifications (and eventually other relevant information as well) about certified individuals and can be used to facilitate mobility of workers, encourage bank linkages and entrepreneurial initiatives.

10. Undertake a re-branding exercise: It is widely recognized that a crucial problem with vocational training in India is a negative association with manual labour. In order to match the modern requirement of the skills and competitiveness of the workforce, a massive re-branding exercise is of the highest priority. This could be the prime task of the recently announced National Skills Mission. Initiatives such as replacing the use of terms like 'vocational education' by 'skill development' are a step in the right direction. Training institutes should try to chart out a career path for their students and introduce entrepreneurship training modules.

It is crucial to significantly increase public and private investment in VET. However, a detailed analysis of manpower requirements in terms of numbers, skills and competitiveness is essential before formulating a master plan and deciding the quantum of expenditure in the 11th Plan. A robust framework put in place as a visible and dedicated resource in the MHRD is a pre-requisite to ensuring quality and facilitating significant private investment and participation. Most importantly, the quality as well as the image of VET needs to be actively promoted in order for it to be viewed as comparable to general secondary education, and as relevant.