

18

STANDING COMMITTEE ON LABOUR

(2010-11)

(FIFTEENTH LOK SABHA)

MINISTRY OF LABOUR AND EMPLOYMENT

**DIRECTORATE GENERAL OF EMPLOYMENT &
TRAINING - A REVIEW**

EIGHTEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

August, 2011/Bhadrapada, 1933 (Saka)

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(FIFTEENTH LOK SABHA)

MINISTRY OF LABOUR AND EMPLOYMENT

**DIRECTORATE GENERAL OF DIRECTORATE
GENERAL OF EMPLOYMENT & TRAINING - A REVIEW**

Presented to Lok Sabha on 30.8.2011

Laid in Rajya Sabha on 30.8.2011



LOK SABHA SECRETARIAT

NEW DELHI

August, 2011/Bhadrapada, 1933 (Saka)

COMPOSITION OF THE STANDING COMMITTEE ON LABOUR (2010-11)

SHRI HEMANAND BISWAL - CHAIRMAN

2. Shri M. Anandan
3. Shri Raj Babbar
4. Dr. Shafiqur Rahman Barq
- **5. Shri Sudarshan Bhagat
6. Dr. Kakoli Ghosh Dastidar
- ****7. Shri Paban Singh Ghatowar
8. Shri Hassan Khan
9. Shri Kaushalendra Kumar
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RAJYA SABHA

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25. Smt. Renubala Pradhan
26. Shri Rajaram
27. Shri Praveen Rashtrapal
- *28. Shri Swapan Sadhan Bose
- *29. Shri G.N. Ratanpuri
- *30. Shri Ranbir Singh Parjapati
- ****31. Shri Mohd. Ali Khan

* Nominated *w.e.f* 21st September, 2010

** Change in nomination from Committee on Labour to Committee on Petroleum and Natural Gas *w.e.f* 8th December, 2010

*** Nominated *w.e.f* 8th December, 2010

**** Nominated *w.e.f* 30th May, 2011.

***** Appointed as Minister *w.e.f* 12th July, 2011

SECRETARIAT

- | | | | |
|----|----------------------|---|---------------------|
| 1. | Shri Devender Singh | - | Joint Secretary |
| 2. | Shri B.S. Dahiya | - | Director |
| 3. | Shri Ashok Sajwan | - | Additional Director |
| 4. | Smt.Bharti S. Tuteja | - | Under Secretary |

CONTENTS

COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER – I	
A. Functions of DGE&T	
B. Employment Directorate	
C. Training Directorate	
CHAPTER – II DIRECTORATE OF EMPLOYMENT	
A. Employment Exchanges	G. Career Counselling
B. Amendment to Employment Exchange (Compulsory Notification of Vacancies) Act, 1959	H. Self-Employment
C. Poor Performance	I. Employment Exchanges Mission Mode Project
D. Computerisation	J. Unemployment Allowance/Financial Assistance
E. Criteria for setting up of Employment Exchanges	K. Employment Market Information (EMI) Programme
F. Registration of job seekers	L. Delay in Publishing Reports
	M. Private Placement Agencies
CHAPTER – III DIRECTORATE OF TRAINING	
A. Schemes	L. Formation of TCPCs
B. Skill Development Initiatives (SDIs)	M. Trainers' Training
C. New Schemes of DGE&T for Skill Development	N. Payment of DA to Instructors
D. Training	O. Utilization of training seats
E. Upgradation of ITIs	P. Simplification of procedure
F. Time period for upgradation	Q. Vacancies of Instructors & Principals
G. Monitoring Mechanism	R. Skill base of Indian Economy
H. Dropout estimates and reasons	S. Unorganised Sector
I. Steps for checking drop outs	T. Skill upgradation
J. Payments of stipends	U. Financial assistance to trainees
K. Review of placement cells	V. Career Literature
CHAPTER – IV OBSERVATIONS / RECOMMENDATIONS	

ANNEXURE

Minutes of the sittings of the Standing Committee on Labour held on 1.7.2010, 1.10.2010, 30.6.2011 and 25.7.2011.

INTRODUCTION

I, the Chairman, Standing Committee on Labour (2010-11) having been authorized by the Committee do present on their behalf this 18th Report to Parliament on 'Directorate General of Employment & Training – A Review.'

2. The Committee selected this subject for detailed examination for the year 2009-10 and continued it in 2010-11. The Directorate General of Employment & Training (DGE&T) under the Ministry of Labour and Employment is the apex organization for development and coordination at national level for the programmes relating to vocational training including women's vocational training and employment services. Employment service is operated through a countrywide network of Employment Exchanges. The vocational training is imparted through the Industrial Training Institutes. The Industrial Training Institutes are under the administrative and financial control of State Governments or Union Territory Administrations. DGE&T also operates Vocational Training Schemes in some of the specialized areas through field institutes under its direct control. The Committee observed that the unorganized sector constitutes about 94% of the work force in the country and most of the employment opportunities in future will occur in the unorganized sector and a strategy for training the unorganized sector would need to be worked out. The Government

have not made any comprehensive study on the working of the Employment Exchanges, the number of jobseekers and the number of persons who have got jobs through the Employment Exchanges. The Committee also found that plenty of placement agencies have mushroomed and some of them release misleading advertisements and exploit the jobseekers. The Committee further noticed that there is mismatch between the requirements of the industry and the skilled work force.

3. The Committee took the evidence of the representatives of the Ministry of Labour and Employment on 01.07.2010 and further evidences on 01.10.2010 and 30.06.2011.

4. The Committee considered and adopted the draft Report at their sitting held on 25.07.2011.

5. The Committee wish to express their thanks to the representatives of the Ministry of Labour and Employment for placing before them their views and also for providing detailed written replies and information as desired by the Committee in connection with examination of the subject.

6. The Committee would also like to place on record their deep sense of appreciation for the valuable assistance rendered to them at every stage of examination of the subject by the officers of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in bold in the body of the Report.

**New Delhi,
25th July, 2011,
3 Sravana, 1933 (Saka)**

**HEMANAND BISWAL,
CHAIRMAN,
STANDING COMMITTEE ON LABOUR**

REPORT

CHAPTER- I

The Directorate General of Resettlement and Employment (DGR&E) was set up in July, 1945 for the purpose of resettling demobilized Defence Service personnel and discharged war workers in civil life. After Independence, the Directorate was also called upon to handle work relating to displaced persons from Pakistan. Subsequently, the scope of the Directorate was extended to cover, employment services to all categories of job seekers in early 1948, and the training services to all civilians in 1950. **The Directorate General of Resettlement and Employment is now known as Directorate General of Employment & Training (DGE&T).** In pursuance of the recommendations of the Training and Employment Service Committee, namely Shiva Rao Committee (set up in 1952) the day-to-day administrative control of the Employment Exchanges and Industrial Training Institutes (ITIs) was transferred to the State Governments/Union Territory Administrations with effect from 1.11.1956. Cost sharing by the Centre with the State Government to the extent of 60% of the cost of the organization was continued up to 31.03.1969 after which the scheme was discontinued based on the decision taken by the National Development Council in May, 1968. Thus full financial responsibility for manpower and employment schemes and the Craftsmen Training Scheme (Industrial Training Institutes) was

transferred to the State Governments/Union Territory Administrations with effect from 01.04.1969. With each successive Five Year Plan there had been considerable expansion of the activities of the Employment Service and Training Service in the Centre and in the States.

1.2. The Directorate General of Employment & Training (DGE&T) under the Ministry of Labour is the apex organization for development and coordination at national level for the programmes relating to vocational training including women's vocational training and employment services. Employment service is operated through a countrywide network of Employment Exchanges. Industrial Training Institutes are under the administrative and financial control of State Governments or Union Territory Administrations. DGE&T also operates Vocational Training Schemes in some of the specialized areas through field institutes under its direct control. Development of these programmes at national level, particularly in the area concerning common policies, common standards and procedures, training of instructors and trade testing is the responsibility of the DGE&T.

A. Functions of DGE&T

1.3. The Directorate General of Employment and Training is mainly responsible for (i) Developing and implementing National Vocational Training System (NVTs) which includes programmes of training for Craftsmen, Apprentices and Instructor Trainees; (ii) Organizing training at advanced levels of skills for Industrial Workers,

Supervisors, Foremen, as also training in hi-tech areas; and (iii) Laying down policies and standards of training, preparing training curricula, conducting trade tests and awarding of certificates.

To give special focus on the skill training development of women, the DGE&T has set up a Women's Training Directorate, which aims at promoting participation of women in skill training. Various courses have been designed and introduced under different schemes for target group of young women with basic education of class X or XII.

1.4. The major functions of the DGE&T are:-

- (i) To frame overall policies, norms, and standards for vocational training;
- (ii) To diversify, update and expand training facilities to terms of craftsmen and crafts instructors' training;
- (iii) To organize and conduct specialized training and research at the specially established training Institutes;
- (iv) To implement, regulate and increase the scope of training of apprentices under the Apprentices Act, 1961;
- (v) To organize vocational training programmes for women;
- (vi) To provide vocational guidance and employment counseling;

- (vii) To assist scheduled castes/scheduled tribes and persons with disabilities by enhancing their capabilities for wage employment and self employment;
- (viii) To conduct regular training programmes for Employment Officers and develop staff material for use by the Employment Service Personnel; and
- (ix) To collect and disseminate information concerning employment and unemployment and prescribe uniform reporting procedures.

1.5 The statutory provisions enforced by DGE&T are:-

1. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Rules made there under.
2. Apprentices Act, 1961 & Rules made there under.

1.6. The Committee note that the following statutory and non-statutory bodies came under the jurisdiction of DG&T.

(a) Statutory Body:

1. Central Apprenticeship Council (CAC) is a statutory tripartite advisory body under the Apprentices Act which meets annually under the Chairmanship of the Minister of Labour to advise the Government.

(b) Non statutory bodies:

1. National Council for Vocational Training (NCVT) is another tripartite advisory body which also meets annually under the Chairmanship of the Minister of Labour.
2. Working Group on National Employment Service.

Directorate General of Employment and Training has two wings, viz., Directorate of Employment and Directorate of Training.

B. Employment Directorate

1.7. The functions of the Employment Directorate are to (i) plan and formulate programmes for expansion and development of National Employment Service in consultation with State Government; (ii) Coordinate the work of Employment Service in States / UTs; (iii) Conduct regular training programmes and develop staff training material for the Employment Service personnel; (iv) Carry out continuous programme of evaluation of policies, procedures and working practices of Employment Exchanges in the States with a view to assessing and advising the State Governments on the progressive development of service and to ensure that National Policies, Standards and Procedures are effectively implemented; (v) Provide a central agency for adjusting surpluses and shortages in certain specified areas where recruitment requires wider circulation; (vi) Collect and disseminate Employment Market Information and prescribes uniform reporting procedures for the

organized sector and Employment Exchanges; (vii) Coordinate Vocational Guidance and Career Counseling Services rendered through Employment Exchanges and University Employment Information and Guidance Bureaux (UEIGBX) to the unemployed youth for choosing and planning their career suited to their abilities and skills; (viii) Evaluate residual capabilities of physically challenged persons and to provide them adjustment training in order to facilitate their economic rehabilitation; (ix) Establish coordination and consultation with the Ministries of the Government of India whose activities affect the employment situation in the country; and (x) Provide vocational guidance and training in confidence building to SC/ST job seekers.

C. Training Directorate

1.8. DGE&T is responsible for implementation of Vocational Training Programme in the country. The major schemes being implemented by DGE&T are Craftsmen Training Scheme (CTS), and Apprenticeship Training Scheme (ATS). The CTS products are deemed to be semi-skilled and the ATS is expected to produce skilled workers. In ATS, there is a provision for rebate in training period to the extent of successfully undergone institutional training under CTS in the corresponding trade. Under the above vocational training programmes, DGE&T:

- (i) Develops training programme at the national level, particularly in the area concerning common policies, common standards and procedures;
- (ii) Deals with training of instructors and trade testing and certification;
- (iii) Conducts vocational training in some of the specialized areas, including training of women through the field institutes under its direct control;
- (iv) Conducts research in vocational training and development of instructional material; and
- (v) Implements the Apprentices Act, 1961 in respect of trade apprentices.

A new scheme namely, Skill Development Initiatives (SDI) has been operationalized from the year 2007-08. SDI Scheme is a five year project during which one million persons would be trained or their skills tested and certified by organizing short term courses on modular pattern.

CHAPTER- II

DIRECTORATE OF EMPLOYMENT

A. Employment Exchanges

2.1 The Committee note that as per information furnished by the Government, the main functions carried through the Employment Exchanges are:-

- (i) Registration and placement of job seekers so as to ensure proper balance between demand and supply;
- (ii) Collect comprehensive Employment Market Information on a quarterly basis for creation of database for use in effective management of demand and supply of labour, preparing career literature for counseling and vocational guidance;
- (iii) Career counseling and vocational guidance;
- (iv) Conduct area specific study / surveys to have an assessment of skills available and the marketable skills required for encouraging the job seekers for self employment in rural informal sector;
- (v) Vocational rehabilitation of persons with disabilities- Twenty Vocational Rehabilitation Centres for handicapped are at present functioning in the country and out of these, Vocational Rehabilitation Centre at Vadodara has been set up exclusively for handicapped women. These centres

evaluate the residual capacity of the handicapped and provide them with adjustment training facilitating their early rehabilitation both in wage paid and self-employment; and

- (vi) Coaching-cum-Guidance to SC and ST jobseekers- In order to provide employment related coaching-cum-guidance to SCs/STs jobseekers, 23 Coaching-cum-Guidance Centres are at present functioning in the country. These centres also provide information on job requirements and types of tests/interviews they are likely to undergo when called by the employers.

B. Amendment to Employment Exchange (Compulsory Notification of Vacancies) Act, 1959

2.2 The Committee were also apprised that the Government propose to amend the Employment Exchange(Compulsory Notification of Vacancies) Act, 1959 and that the Cabinet note was under finalization in consultation with Law Ministry for amendments. The Committee were informed that Employment Exchanges will be renamed as 'Employment Guidance and Promotion Centres' as the focus will be now on vocational guidance and career counseling besides registration, placement etc.

2.3 Asked to furnish the reasons that necessitated amendment to the Act, the Ministry stated as follows:

“The reasons for amendment in the EE (CNV) Act, 1959 are (i) Diversification in the activities of National Employment Service; (ii) Provisions contained in the Act and the rules framed thereunder became obsolete in the present complex employment scenario and (iii) Enhancing the scope and coverage to cover other establishments which are not within the purview of the Act having substantial impact on employment situation...We found that the data which was collected through this Act only covered the establishments having 25 or more workers. All the establishments in the public sector are covered irrespective of the manpower size of these establishments. But in the private sector establishments having 10-24 workers are not covered mandatorily in the Act. It was voluntary. The response from these organizations is not very good. We know the ground situation. There are a large number of establishments which have come up with 24 or less employees only. This was a sector which was getting excluded out of the EMI data which calls the basis for calculating the employment in the organized sector. Today, the organized sector employment is only six per cent. The remaining workers are in the unorganized sector. So, this was necessary to enhance the scope and coverage of the Act so that the data

which we get is close to the reality and is more meaningful, especially when we want to have it in policy formulation.”

C. Poor Performance

2.4 When the Ministry's attention was drawn towards the poor or non- functioning of the Employment Exchanges and asked about the steps taken or proposed to improve them, the Committee were informed as under:-

“Sir, the Employment Exchanges are totally under the State sector today. Since it is totally under the State sector, we have not been directly monitoring the working of the Employment Exchanges. This has been one of the reasons for poor functioning of the Employment Exchanges because the States were not taking interest for various reasons. That is why the Ministry have decided to take up Employment Exchanges Mission Mode Project (EEMMP) for modernizing the Employment Exchanges, and under that, we are connecting all the Employment Exchanges through a network in the whole country and a centralized web portal. It is on public private partnership mode.

D. Computerisation

2.5 Regarding computerization of Employment Exchanges, how will it be done, when the computerization process will be completed, how these will be centralized and what are its likely advantages, the Ministry informed as under:-

“Sir, present state of computerization is a total stand-alone type of computerization without any linking. Approximately, 447 Employment Exchanges have been computerized so far. We are now trying to centralize it. We are identifying the deficiencies/shortcomings of hardware, human resources etc in the exchanges. These shortcomings will be taken care of by private entrepreneur. We all know there is a shortage of staff. Today the biggest problem is how to get a post sanctioned from the Government and how the recruitment is to be made. Whatever deficiencies these Employment Exchanges have, it will be looked after by a private player, we will pay him and this will be linked to a common network and one centralized web portal will be formed which will have all employment related information. Supposing if I want to become a carpenter and want to do some training in this trade and want to know where in my area, I can get such training, the web portal will contain all such information. Today if I need an electrician and want to know from where I can get a trained electrician, the names of those electricians will also be there. So, it is a comprehensive employment service that we will be providing. Since all Employment Exchanges will be connected through a network, everything will be automatically updated and will benefit all. This project is at final stage of approval and shall be operational in about 2 years after approval. After that the main objective of

Employment Exchanges will be achieved. The cost share of the project between Union Government and State Governments is 75% and 25% respectively. Since States will have to bear 25% of the cost, they will take it seriously. We also had meeting with them before initiating this project. They are very enthusiastic about this project.”

2.6 Whether any review of the performance of the computerized Employment Exchanges has been made, the Ministry informed “No sir, however, based on the status of computerization of Employment Exchanges observed during the evaluation and inspection of Employment Exchanges undertaken every year new initiative as EEMMP has been initiated.”

E. Criteria for setting up of Employment Exchanges

2.7 As regards the criteria for setting up of Employment Exchanges in any town or city, the Ministry informed as under:-

“As per the instructions laid down in the National Employment Service Manual (NESM), the District will normally constitute the basic unit for implementing and coordinating programmes of National Employment Service. Town Employment Exchanges will be set up in all towns having a labour force of 10,000 or a population of 25000 or above. Rural Employment Bureau the lowest formation of the employment service will be set up in areas where there is a concentration of Scheduled Caste

or Scheduled Tribe population and where rural works programmes and other employment oriented projects are under implementation. Setting up of Employment Exchanges in metropolitan areas depends upon the size of population, number of employment seekers and the sophisticated nature of jobs available in that area. Normally for the population of 4,00,000, one employment exchange in the Metro cities can be set up.”

F. Registration of job seekers

2.8 On the question of making it mandatory for graduates/professional degree holders/diploma holders, who wish to apply for jobs, to get registered with employment exchange so as to have realistic figures regarding the number of job seekers, the Ministry responded as follows:-

“This issue was raised and discussed in the 35th meeting of Working Group on National Employment Service (NES) in September, 2008. The House did not agree to the proposal. It may also be stated that as per Article 10 of ILO convention 88, ratified by India in June,1959, the NES is to be provided on voluntary basis. Making it compulsory is likely to create a lot of repercussions.”

G. Career Counselling

2.9 As regards the system in place with Employment Exchanges for career counseling, the Ministry in their written reply stated that the "Vocational Guidance and Employment Counseling Programme is implemented through the network of 969 Employment Exchanges in general and 420 Vocational Guidance Units at Employment Exchanges and 83 University Employment Information & Guidance Bureaux (UEI&GBx) functioning under the administrative control and supervision of the State Directorates of Employment, in particular. The jobseekers and students of the terminal classes in the schools, colleges and universities are rendered assistance in planning, choosing and shifting their occupations, fields of training and courses of study best suited to their abilities, aptitudes, interests, and potentialities. Assistance is also provided to the youth in solving their unemployment, educational and vocational problems arising out of the current anticipated market demand and supply conditions. The information relating to job opportunities, training facilities, scholarship facilities and self-employment programme and facilities are disseminated to the students, teachers, parents and jobseekers, individually as well as in group through career talks, individual counseling sessions, group discussions, career exhibitions and film shows, etc."

2.10 As regards the qualifications prescribed for appointment of a Career Counselor in an employment exchange, the Ministry stated as follows:-

“No set educational qualification is being followed for the Career Counselor as career counseling in Employment Exchanges is being provided by Employment Officers having different qualifications and recruited as per recruitment rules prevailing in different States/UTs.”

H. Self-Employment

2.11 As regards functioning of ‘Self Employment Promotion Cells’ (SEPCs) in Employment Exchanges and the main objectives of these cells, the Ministry informed that:-

“Presently, 22 SEPCs are functioning in 18 States/UTs under the direct administrative and financial control of respective State/UTs with the main objectives to (i) motivate the job seekers to take up self-employment ventures, (ii) assist them in obtaining necessary inputs required for setting of self-employment ventures from different sources, (iii) maintain co-ordination with various agencies for promotion and self-employment, and (iv) provide necessary follow-up assistance to the self employed youth for sustaining them in their market.”

I. Employment Exchanges Mission Mode Project

2.12 According to the Ministry of Labour and Employment, a Mission Mode Project, at the approximate cost of Rs. 2167 crore, under National e-governance, has been taken up for modernization of Employment Exchanges. Under the project, a national web portal has been proposed which will contain all data regarding availability of skilled persons and requirement of skilled persons by the industry. Implementation of this project will help job-seekers to register online from anywhere and approach any Employment Exchanges for assistance.

2.13 The Ministry further informed the Committee that the project aims to progressively support all the State Governments and Employment Exchanges in the country to make effective use of IT and enable Employment Exchanges for better delivery of their mandated services to the job seekers and employers. The EEMMP on Employment Exchanges ideates achieving the following objectives after its successful implementation:-

- (i) Enable Employment Exchanges for better delivery of its mandated services to the citizens through IT.
- (ii) Provide quality guidance on talent assessment, counseling and vocational guidance and training related information to the job seekers.

- (iii) Develop a national web portal to be a storehouse of information on skilled persons required by industry through networking with ITIs/Centres/other Vocational Training providers with common software for uniform adoption by all 1128 Employment Exchanges throughout the country.
- (iv) Provide timely and reliable labour market information, and,
- (v) Maintain close interaction and networking with industry.

2.14 On the question of how through EEMMP, Employment Exchanges will be able to provide speedy and easy access to the employment related information to job seekers, the Ministry replied as under:-

“Employment Exchanges Mission Mode Project’s (EEMMP) strategic objective and vision is to increase the employability of the youth through effective employment counseling and automated skill matching exercise to be offered through Employment Exchanges. Some of the States have already started a project on the computerization and portalization of Employment Exchanges. However, the same are not inter-connected with the Centre and other States, and the scope of the work in most of the States is still limited to digitizing the current Live Register of the State. Also, the geographical

reach of the services to the citizens of the country is confined to the State boundaries only. EEMMP on this front intends to promulgate the exercise of providing the core essential services of an employment exchange on the platform of ensuring e-governance standards (Open Standards) and interoperability of the developed portals. In addition, EEMMP envisages following direct benefits to the jobseekers, employers and policy makers:-

- (i) Online registration services across the country
- (ii) Online information on local vacancies and skill requirements required by the employers
- (iii) Online skill match exercise or placement services across the country
- (iv) Vocational guidance and employment counseling services all over the country to job seekers, and
- (v) Online collection of Employment Market Information(EMI) from the employers.”

2.15 Whether DGE&T proposes to ensure private sector to notify its vacancies in the Employment Exchanges once the National Portal becomes operational, the Ministry stated that, “Once the Employment Exchanges are upgraded and modernized having inter-connectivity through National Web portal, the private sector will be attracted as it will get the services from Employment Exchanges by

making easy access to online profile of job seekers as per their requirement”.

J. Unemployment Allowance/ Financial Assistance

2.16 The Ministry informed the Committee that they have not made any provision for payment of unemployment allowance to the persons registered with Employment Exchanges. The Ministry further informed that, ‘as per the information available the States of Chhattisgarh, Haryana, Kerala, Tamil Nadu, Punjab and J&K are paying unemployment allowance to certain specific categories of unemployed persons registered with Employment Exchanges.’

2.17 When asked to intimate the category of persons eligible for unemployment allowance in these States and the rate at which allowance is paid by each of these States, the Ministry stated as under:

“Chhattisgarh Government pays Rs. 500/-p.m., Haryana between Rs. 100 to Rs. 1500/- p.m. depending upon the qualification of men and women, Kerala Rs. 120/- p.m., Punjab Rs. 150 to Rs. 600/- p.m., Tamil Nadu Rs. 100/- to Rs. 450/- p.m. and J&K Rs.600/- to Rs.1250/- p.m.”

2.18 On any proposal of giving unemployment allowance to specified categories of unemployed youth throughout India and also by all the States / UTs, the Ministry stated:

“The payment of unemployment allowance to all the unemployed youth till they get gainful employment would constitute a huge liability on the scarce financial resources. The country is not in a position to incur huge expenditure involved on the payment of unemployment allowance. The Central Government is, therefore, of the view that the payment of unemployment allowance to all unemployed youth would divert substantial resources from development programmes to a non-developmental activity. The resources of such a magnitude should better be used for developmental activities which would generate substantial productive employment rather than be used on unproductive activities like unemployment allowance. Therefore, the Central Government is not in favour of payment of unemployment allowance to the unemployed as a matter of policy.”

2.19 The Committee were further informed by the Ministry that ‘there is no provision of providing financial assistance to the persons interested in self-employment at the level of DGE&T. However, schemes like Prime Minister Employment Generation Programme, Swarn Jayanti Grameen Swarozgar Yojna and Swarna

Jayanti Shahri Rozgar Yojna do provide financial assistance, as per provisions.’

2.20 As regards the reasons for not providing financial assistance by DGE&T directly or indirectly to the persons who desire to be in self-employment and whether any serious thought has been given or likely to be given in the matter as it will certainly help reducing the number of job seekers in the country, the Ministry stated as under:

“During Sixth Five Year Plan, a scheme of strengthening of Employment Exchanges/UEIGBx for promotion of self-employment was formulated by DGE&T, Ministry of Labour & Employment under Central Plan which was supported by DGE&T by providing manpower support for its implementation by the respective State Governments. The scheme was transferred to the State Governments in 1990. As such presently, DGE&T does not run any self-employment scheme and it does not have any proposal for formulation of self-employment scheme containing direct financial assistance. However, there are employment generation programmes run for the benefit of various target groups by other Ministries. Employment Exchanges function under the direct financial and administrative control of respective State Governments/ UT Administrations and as such provision for providing direct

or indirect financial assistance to job-seekers rests with the respective State Governments.”

K. Employment Market Information (EMI) Programme

2.21 The Committee were informed that the employment data in the organized sector is collected under the Employment Market Information (EMI) programme. Under the provisions of Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Rules framed there under, the EMI programme covers all establishments in the public sector and non-agricultural establishments employing 25 or more workers in the private sector. This Act makes it obligatory on the part of the employers to render Employment Return (ER-I) and Occupational Return (ER-II) at quarterly and biennial intervals respectively. EMI programme, however, does not cover employment in the agricultural establishments (other than plantation and agricultural machine operations), self-employed and independent workers, Defence Forces, Indian Missions abroad, establishments employing less than 25 workers in metropolitan cities of Mumbai and Kolkata and tiny sector establishments employing 10-24 workers. After collection, data is compiled, analyzed and reports at national level; are finalized highlighting employment trends in various sectors.

2.22 Whether the Government have ever made any survey or obtained information from State Governments regarding employers who have informed the Employment Exchanges the result of selection within 15 days from the date of selection in respect of the vacancies falling under the purview of EE(CNV) Act, 1959, the Ministry in their reply stated that:

“The placements shown by the Employment Exchanges after submissions are the end result of the intimation received by Employment Exchanges about the selection of the candidates within the prescribed period. Follow-up is also done by the employment officer to know the results of submissions made by the exchange after having reviewed the status of the pendency from time to time, but no such study / survey has been carried out. However, in order to get this information from employers on mandatory basis, the relevant provision in the Act is proposed to be made rather than keeping this provision under Rules.”

2.23 The Ministry informed the Committee that the Government have not made any study/survey as to how many establishments in public and private sector have notified their vacancies to the respective Employment Exchanges in the last 10 years.

2.24 When asked by the Committee that, in the absence of any such study / survey, how the proposed penal provisions would yield positive results and be effective and why cannot the Central Government be the enforcement agency as far as implementation of provisions of EE(CNV) Act are concerned, the Ministry replied as follows:

“The National Employment Service Manual (NESM) prepared by DGE&T is responsible for matters concerning policy procedure and coordination of the Employment Service. There is in-built mechanism in NESM to keep track of the vacancies notified by the employers to the local Employment Exchanges through reports and returns prescribed thereunder. Quarterly area market report is prepared by the local employment exchange incorporating the vacancies notified by the employers for public and private sector separately. As per sections 6,7, & 8 of EE (CNV) Rules 1960, local Employment Exchanges and Director of Employment of the respective State Governments / UT Administrations are the implementation and enforcement agencies respectively as per the federal spirit of the constitution. Hence, Central Government can not act as implementation agency because all the functions beginning from registration to submissions placements etc. are carried out under the overall supervision and guidance of the respective Director of Employment of the

State Government/UT Administrations. Penalty provisions would be applied and made effective by the respective State Governments/UTs. DGE&T has no role to play in this regard.”

L. Delay in Publishing Reports

2.25 The Committee found that as per Annual Report (2009-10) of the Ministry, the Occupational and Educational pattern in India for the year 2003 has been finalized. Bulletin on job opportunities in India for the year 2007 has been finalized and released. The Trade Apprenticeship Training in India under Apprenticeship Training Scheme for the year 31.12.2007 has been finalized and released.

Further, in the Annual Report itself, it has been mentioned by the Ministry that the Trade Apprenticeship Training in India under Apprenticeship Training Scheme, is an annual publication.

2.26 When asked the reasons for a long delay in publishing these reports, the Ministry stated as under:-

“Information relating to some of the Chapters of the Report collected from UPSC, State Public Service Commission, Indian Council of Scientific and Agricultural Research etc. supplied, only when this information is released and published by their respective Ministries. Information pertaining to discipline-wise out turn of doctorate degree awardees and discipline-wise turn of

Graduates/Post Graduates is delayed by University Grants Commission because UGC gets the information from the Universities only after finalization and declaration of results during the respective years. Delay in the publication of Trade Apprenticeship Training in India is due to collection of data from Regional Directorates of Apprenticeship Training (RDATs) and State Apprenticeship Advisors (SAAs).”

M. Private Placement Agencies

2.27 When the Ministry's attention was drawn towards the mushrooming of plenty of private placement agencies and asked about the steps taken by the Ministry to regulate these agencies, the Committee were informed as under:

'The issues relating to regulation of Private Placement Agencies has been discussed in several meetings with the State Governments and based on the deliberations of these meetings, a Committee on Private Placement Agencies was constituted under the Chairmanship of Principal Secretary, Labour and Employment, Gujarat with representatives from the State Governments of Maharashtra, Rajasthan, Punjab and Directorate General of Employment & Training (DGET&T) to evolve guidelines on operations of Private Placement Agencies. Accordingly, guidelines on regulation of Private Placement Agencies were finalized in the meeting of the said

Committee held on 26.9.2003 and the Committee recommended for its adoption and thereafter these guidelines were issued to all the States/UTs by DGE&T on 30.10.2003. Therefore, it is left to the respective State Government to frame regulation and/or guidelines for monitoring the working of private placement agencies keeping in view the current scenario and their local needs.'

2.28 Regarding misleading advertisements that cause job seekers great deal of hardships and difficulties, and how such advertisements could be checked, the Secretary, responded as follows:

`About outside employment and the advertisements that are released, the agencies that are sending people for employment outside, that subject is handled by the Ministry of Overseas Indian Affairs and all these agencies have to obtain licence from them. But we read in the newspapers reports that there are many cases things are not being done properly, proper information is not being given to those who are seeking employment. The agencies collect money and then these people are sent. At the moment, this is handled under the normal criminal laws of the country and under the Immigration Act, such agencies have to seek a licence and this comes under the Ministry of Overseas Indian Affairs. This is the present situation.....Generally, the police and the law enforcing agencies do not take suo motu notice of such things.

They wait for somebody to make a complaint. Then they go for investigations. In most of the cases the amount involved is huge. Such people collect crores of rupees. We have not seen any such case being taken to the logical conclusion. I am not aware of any such case where somebody is punished. The people get acquitted in the court easily. So, there is a necessity to formulate a law to regulate such advertisements.'

CHAPTER- III

DIRECTORATE OF TRAINING

3.1 The Committee note that providing vocational training is one of the main functions of the Directorate of Training under DGE&T. The following activities are carried under vocational training:-

- (i) The primary purpose of vocational training is to prepare individuals especially the youth in the age group of 15-25 years and make them employable for a broad group of occupation. The main vocational training schemes comprise craftsman training, apprenticeship training, training for skilled workers, crafts instructions, supervisors, etc.;
- (ii) Development of training programmes at the national level, particularly in the area concerning common policies, common standards and procedures;
- (iii) Training of instructors;
- (iv) Trade testing and certification;
- (v) Vocational training in some of the specialized areas, including training of women through the filed institutes under its direct control;
- (vi) Research in vocational training and development of instructional material and
- (vii) Implementation of Apprentices Act, 1961 in respect of trade apprentices in the Central Government Establishments.

The Government is advised by two tripartite bodies at the national level, namely, National Council for Vocational Training (NCVT) and Central Apprenticeship Council (CAC) for the purpose of laying down policies and training standards, trade testing and certification.

A. Schemes

3.2 The following schemes have been launched and measures taken by the Government to provide vocational training to the skilled and semi-skilled workers:-

- 1. Craftsman Training Scheme(CTS)** - CTS is implemented through Industrial Training Institutes / Centres (ITIs/ITCs) is one of the major schemes for school leavers. Those who successfully complete craftsman training are developed as semi-skilled workers. There are 9025 ITIs/ITCs(as on 30.06.2010) out of which 2228 are in Government sector and remaining 6797 are in private sector. These institutes have a total seating capacity of 12.69 lakh. Training is imparted in 116 engineering and non-engineering trades. Duration of courses varies from trade to trade and ranges from 6 months to 3 years. A person above the age 14 years and above can take admission in these ITIs /ITCs. Multi skill courses with multi entry and multi exit provision are also being offered in those ITIs upgraded as Centres of Excellence (COEs). So far

531 ITIs have opted for multi skill courses and are upgrading infrastructure with central assistance.

2. Apprenticeship Training Scheme (ATS) -Under the provisions of the Apprentices Act, 1961, the apprenticeship training is provided on the job in industry to school leavers and ITI pass outs with an objective to provide skilled workers for the industry in 235 designated trades. 3.06 lakhs seats have been located for the trade apprentices. There are four categories of apprentices, namely, trade apprentice, graduate, technician and technician (vocational) apprentice. Qualifications of trade apprentices vary from Class VIII to Class XII and the period of training varies from 6 months to 4 years.

3. Upgradation of 100 ITIs to Centres of Excellence with domestic funding and Upgradation of 400 ITIs through World Bank assistance - As per the advice of Ministry of Finance, upgradation of 100 ITIs was taken up from domestic resources and 400 ITIs through World Bank assistance. To produce workforce of world standard, the ITIs are being upgraded into 'Centres of Excellence(COE)' that includes providing infrastructural facilities for introduction of multi-skill courses catering to the need of a particular cluster of industry around an ITI.

4. Upgradation of 1396 Government ITIs through Public-Private Partnership - The scheme 'Upgradation of 1396 Government ITIs through Public-Private Partnership' was launched in 2007-08 with a total outlay of Rs. 3550 crore (Rs. 3490 crore for upgradation of 1396 Government ITIs @ Rs. 2.50 crore per ITI and Rs. 60 crore for management, monitoring and evaluation of the scheme). The objective is to improve the employment outcome of graduates from the vocational training system, by making design and delivery of training more demand responsive.

B. Skill Development Initiatives (SDIs)

3.3 The Ministry, in close consultation with industry, State Governments and experts, have initiated a five year project under which one million persons would be trained or their existing skills tested and certified under Modular Employable Skills (MES) framework. The objectives of the scheme are (i) To provide vocational training to school leavers, existing workers, ITI graduates, etc. to improve their employability by optimally utilizing the infrastructures available in Govt., private institutions and the industry. Existing skills of the persons can also be tested and certified under this scheme (ii) To build capacity in the area of development of competency standards, course curricula, learning material and assessment standards in the country.

3.4 The Ministry further informed the Committee that key features of the SDI scheme are as follows:-

- (i) Demand driven short term training courses based on Modular Employable Skills (MES) decided in consultation with Industry. MES is 'Minimum Skills for Set' which is sufficient for gainful employment;
- (ii) Central Government facilitates and promote training while industry, private sector and State Governments will train the persons;
- (iii) Optimum utilization of existing infrastructure to make training cost effective;
- (iv) Flexible delivery mechanism (part time, weekends, full time, onsite/offsite) to suit needs of various target groups;
- (v) Different levels of programmes (Foundation level as well as skill upgradation) to meet demands of various target groups;
- (vi) The services of existing or retired faculty or guest faculty to be utilized;
- (vii) Courses are available for persons having completed 5th standard;
- (viii) Testing and certification of skills acquired informally;

- (ix) Testing of skills of trainees by independent assessing bodies, which are not involved in training delivery, to ensure that it is done impartially;
- (x) The essence of the scheme is in the certification that is nationally and internationally recognized;
- (xi) In-built incentive for both trainees and vocational training providers (VTP) – Reimbursement of fee is given only to those candidates who pass the tests. VTP has to initially bear part of training cost which is reimbursed when trainee pass the tests;
- (xii) Rating is given to VTPs so that prospective trainees can take informed decision.

C. New Schemes of DGE&T for Skill Development

3.5 The following schemes have been initiated by the Government for skill development:-

- (i) Setting up of 1500 Industrial Training Institutes and 5000 Skill Development Centre in PPP mode under Kaushal Vikas Yojna at a total estimated cost of Rs. 12846.28 crore;
- (ii) Skill Development Plan for 34 districts affected by Left Wing Extremism (LWE) at a total estimated cost of Rs. 232.95 crore for one year;

- (iii) Enhancing Skill Development Infrastructure in North-Eastern States and Sikkim at a total estimated cost of Rs. 57.39 crore for 2 years;
- (iv) Expansion of Training of Trainers within DGE&T Institutes at a total estimated cost of Rs. 24.59 crore.

D. Training

3.6 As regards setting up of an ITI and number of ITIs at present, the Ministry of Labour & Employment intimated that 'according to Training Manual for ITIs /ITCs, an institute should be opened near the industrial clusters. Now setting up of ITIs is under the purview of State Governments. Normally, State Government selects a place for setting up of an ITI where land with basic amenities such as road, power, water supply and communication etc. are available or any area which is deficient in training infrastructure. The present vocational training capacity is estimated to be around 3.1 million while 12.8 million persons, as per 61st round of National Sample Survey Organisation, 2004-05 enter the labour force every year. There are 9025 Industrial Training Institutes/Centres with seating capacity of 12.09 lakh in the country.

E. Upgradation of ITIs

3.7 On the issue of upgradation of ITIs and criteria adopted while selecting the ITIs for their upgradation and by what time all the ITIs are likely to be upgraded, the Ministry informed the Committee as under:-

“DGE&T is implementing schemes for upgradation of 11896 Government ITIs, out of which 100 ITIs are to be upgraded through domestic funding, 400 through financial assistance from the World Bank and remaining 1396 ITIs through Public Private partnership. 100 ITIs upgraded from domestic funding were distributed in 22 States/UT (other than J&K, Sikkim and NE States) in proportion to the number of Government ITIs in these States. The scheme has come to a close on 31.03.2010. 400 ITIs being upgraded with World Bank assistance, have been selected from 33 States / UTs based on the proposals received from each State. This scheme would close by December, 2012. Since funds are released to State Governments and are valid for one year, it is, therefore, expected that all ITIs would be upgraded by 2013. Most of the first 100 ITIs have already been upgraded. The remaining 1396 Government ITIs have been taken up for upgradation through Public Private Partnership mode in a phased manner. Under this scheme, so far 1079 ITIs have been covered and funds have been released from 2007-08 to

till date. For the remaining 496 ITIs funds will be released upto March, 2012.”

F. Time period for upgradation

3.8 The Ministry further informed that a period of five years for upgradation is proposed after release of funds and, therefore, the upgradation process will be completed in a phased manner as shown below:-

Sl. No.	Batch	Year of coverage	Status of fund release	By what time ITIs are likely to be upgraded
1	1 st Batch of 300 ITIs	2007-08	Rs. 750 Crore released	March, 2013
2	2 nd Batch of 300 ITIs	2008-09	Rs. 750 crore released	March, 2014
3	3 rd Batch of 300 ITIs	2009-10	Rs. 750 crore released	March, 2015
4	4 th Batch of 300 it is*	2010-11	Rs.300 crore released	March, 2016
5	5 th Batch of 196 it is**	2011-12	Rs.147.50 crore released till date	March, 2017

* 120 ITIs were covered

** 59 ITIs are covered till date

G. Monitoring Mechanism

3.9 : Whether any monitoring mechanism is available to review the performance of the upgraded ITIs through all the modes, the Ministry stated as under:-

“Under VTIP Scheme, regular monitoring is done to review the monthly expenditure. Also from time to time, review meetings are being held including visits to various states and field institutes. During 2009-10, review meetings were held in August 09/Nov.09/Dec.09/Feb.10/March 10/April 10 for centrally funded institutes (CFIs) of DGE&T. Bi-annual Joint Review Meetings (JRM) are held for State Governments and CFIs with active participation from the World Bank, Department of Economic Affairs, Planning Commission and Industry Associations. So far three JRMs have been held in September 06-Oct.03, 2008 in Maharashtra (Pune), West Bengal (Kolkata) and Rajasthan (Jaipur); 2nd JRM was held in June 16-30, 2009 in Goa and Shimla and 3rd JRM was held in Jan. 2006-Feb.09, 2010 in Bhopal and Bangalore. In addition, high level meetings with State Labour Ministers, Principal Secretaries of State Government, meetings of National Steering Committee, Video Conferencing with State Governments are also held at regular intervals. Follow up action is being taken through letters from Joint Secretary and Secretary to respective Principal Secretaries and Chief Secretaries. For the upgradation of 1396 ITIs scheme, monitoring of performance is being done through quarterly progress reports (QPRS). The QPRS are being sent by IMCs of ITIs to the State Steering Committees (SSC). SSCs compile the report of all ITIs covered in a particular year and send it to National Steering Committee (NSC).”

H. Dropout estimates and reasons

3.10 As per the information furnished by the Ministry, broadly an average of 25-30% dropout is estimated in the ITIs/ITCs across the country. When asked to provide State-wise figures of dropout rates and pass rates in the ITIs of the last three years and whether the reasons for this dropout have been evaluated, the Ministry replied that:-

“ITIs are under the administrative control of respective State Directorates. Therefore, State-wise figures relating to dropout rates in the ITIs are being maintained by the respective State Governments. There is no formal evaluation on reasons of dropout but broadly reasons for dropout are (i) Duration of some of the courses in Craftsmen Training Scheme (CTS) and Apprenticeship Training Scheme (ATS) are large i.e. 1 year to 3 years. Due to poor financial background of the youth taking up skill training programme are not able to afford to be away from earning activity for such a long time (ii) Skill training programme are considered to be laborious and blue collared jobs, thus social acceptability of these courses is poor. Students join these courses as last resort and leave the courses as and when they get admission in polytechnics or in any academic institutions (iii) Shortages of instructors also put a pressure on students which discourages them to continue the course.”

3.11 When asked about the reasons behind high drop out ratio from ITIs, the Secretary replied:

"If you will see our reply and on the basis of the information that we have, about 70 per cent of the students pass in the first attempt. If you count second and third attempt, 100 per cent students pass. There is certainly a percentage which drops out, which cannot pass. It happens because of some other economic reasons. We know that they are poor people. Sometimes they feel that instead of doing two years training course, they will as well work somewhere. Now with the evolution of these MES, small courses, many people would like to go to three or four months crash courses."

I. Steps for checking dropouts

3.12 As regards the steps taken by DGE&T to check the dropout rate in ITIs, the Ministry informed as under:-

“Modular and multi skilled courses have been introduced in Centre of Excellence Scheme (CoE). Therefore, trainees can complete training in phases. Infrastructures in Govt. ITIs are being upgraded in various scheme to increase the relevance. Short term programmes based on Modular Employable Skills have been introduced under Skill Development initiative. The programmes are conducted by registered Vocational Training Providers (VTPs) and assessment after completion of training is done by third party thereafter certificate is awarded by the NCVT. Now-a-days, normally courses are revised after 3-5 years. Sometimes it may

take more than 5 years also, if the technology in the trade is not varying very much. In the last five years courses curricula of 25 trades have been revised and 18 new trades have been introduced.”

3.13 According to the first Joint Review Mission Report ‘Many of the State departments concerned with providing stipends to SC/ST students are paying the stipends at the end of the financial year (i.e. February / March), which is close to the end of the academic year. The stipends are also usually paid in one lump-sum rather than monthly. Hence the purpose of the stipends, which is to assist the students to meet their academic expenses, is defeated.’

J. Payments of stipends

3.14 On being asked about the steps taken by the DGE&T to ensure that stipends are paid monthly, the Ministry stated as follows:-

“The stipends to students of SC/ST are paid generally by Department of Social Welfare of respective States. The concern of the Parliamentary Committee has been conveyed to State Governments suggesting them to take remedial measures and pay stipend on monthly basis.”

K. Review of placement cells

3.15 As regards the number of ITI's training, career counseling and placement cells established or are functioning and if any review of the functioning of these TCPCs has been done, the Ministry informed as under:-

“On the recommendation of NCVT, all the State Governments have been requested to set up Placement Cell in every ITI/ITC to help the graduates in getting placed in different industries. Placement Cells are functioning in all Government ITIs. DGE&T has not reviewed the functioning of these placement cells as they are functioning under the administrative control of respective State Governments.”

L. Formation of TCPCs

3.16 When attention of the Ministry was drawn towards the findings of the Second Joint Review Mission (June 16-30, 2009) on VTIP wherein it was stated that ‘TCPCs are yet to be established/made operational in most ITIs despite their importance in reducing dropouts, increasing transition to the Advanced Modules and Specialised Modules and enhancing employment on this issue, the Ministry replied that:-

“During the 3rd Joint Review Mission held during January-February, 2010, State Governments informed that Training Counseling and Placement Cell (TCPC) have been established in each project ITI. During the said review, it was observed

that TCPCs are functioning well in many States. However, all the State Governments have been advised to make concerted efforts to strengthen TCPCs primarily with the support & guidance from Institute Management Committees (IMCs) of respective ITIs, State Project Implementation Units and also from the Central Level to make it fully functional and deliver the desired results.”

M. Trainers' Training

3.17 On the issue of any provision for trainers’ training, its time schedule /duration and the number of institutes available for them, the Ministry informed as under:-

“Trainers’ training is provided under Craft Instructors’ Training Scheme (CITS). Instructors/Trainers Training is provided through five Advanced Training Institutes (ATIs) one each at Kolkata, Kanpur, Ludhiana, Mumbai, and Hyderabad, one Central Training Institute (CTI) at Chennai, one National Vocational Training Institute (NVTI) at Noida and seven Regional Vocational Training Institutes (RVTIs) for women. Training in 23 engineering trades and 07 non-engineering trades is offered in these institutes. Total seating capacity in all the institutes is 1600 per annum at the time. Objective of the trainer training is to train instructors in the techniques of transferring hands-on-skills, in order to train semi-skilled / skilled manpower for industries / establishments. The academic session starts from August every year and ends in

July. On recommendation of NCVT from the academic session August, 2009 onwards, modular pattern of trainers' training for engineering trades has been introduced in the ATIs & CTI replacing the one year instructor training programme. There are four modules each of three months duration for engineering trades. At the end of each module, NCVT conducts trade tests. After successful completion of all the modules, the trainee is awarded a Craft Instructor Certificate under the aegis of NCVT."

3.18 The Committee noted that according to 'Second Joint Review Mission Aide-Memoirs', 'each State prepares an annual instructors training plan and submits it to AHI and DGE&T every year by the end of May. AHI will work with the States to help them prepare such a plan. The Mission was pleased to learn that based on the previous Mission's recommendation, the DGE&T has proposed to pay a uniform Daily Allowance (DA) to the trainees, which will be paid by the training institution. The Mission strongly urges that a final decision be taken on the proposal at the earliest.'

N. Payment of DA to Instructors

3.19 In the above context, when the Ministry were asked whether the rates of DA, to be paid to the trainees, have been finalized, the Ministry replied as follows:-

“It is submitted that DGE&T had proposed payment of uniform DA to the sponsored Instructors from various States by the central institutes. However, the Integrated Finance Division of this Ministry has, in consultation with the Ministry of Finance, agreed for payment of TA/DA as per State Government norms. Accordingly, Central Institutes are making payment of TA/DA to the sponsored instructor trainees as per their entitlement certified by the respective State Government.”

O. Utilization of training seats

3.20 The Committee observed that against 96,759 training seats allocated for graduate and technician apprentices, only 57,991 have been utilized as on 30.3.2009 and as against 2,78, 123 training seats available on 30.6.2009 for trade apprentices, only 1,95, 703 apprentices were undergoing training. When asked the reasons for such underutilization of seats, the Ministry stated as under:-

“Some seats remain vacant in the public sector due to lengthy procedure for engagement of apprentices, while in some trades in some establishments, very few trainees are available despite their best efforts through advertisement in newspaper, sending requisition to employments exchanges, etc.”

P. Simplification of procedure

3.21 Regarding the steps taken to simplify the procedure for engagement of apprentices, whether stipend rates have been revised in the recent past and on what basis these rates have been revised/fixed, the Ministry replied as follows:-

“According to the Apprentices Act, 1961, it is obligatory on the part of the employer to engage apprentices as per statutory notice. Hence, the selection and engagement of apprentices rests with the establishments. The rates of stipend were last revised in March, 2007 for the trade Apprentices and in January, 2008 for Graduate, Technician and Technician (Vocational) apprentices. The rates of stipend are decided on the basis of the Consumer Price Index (CPI). In the 33rd Meeting of the Central Apprenticeship Council (CAC) [the tripartite body advising the Govt. on implementation of the Apprentices Act, 1961], it was approved that the rates of stipend be revised as per the latest CPI.”

3.22 The Ministry further informed that the revised rates of stipend would be as follows:-

Trade Apprentices	Rs. p.m.
During 1 st year of training	1490
During 2 nd year of training	1700
During 3 rd year of training	1970
During 4 th year of training	2220

Other Apprentices	Rs. p.m.
Graduate apprentices	3560
Sandwich course students from degree institutions	2530
Technician apprentices	2530
Sandwich course students from degree institutions	2070
Technician (Vocational) apprentices	1970

Q. Vacancies of Instructors & Principals

3.23 The Committee found that there are large number of vacancies of Instructors and Principals lying vacant in ITIs. When the Ministry were asked the reasons as to why so many vacancies of Instructors/Principals in the ITIs in the States are lying vacant and the steps taken to fill up these vacancies , the Ministry stated that, 'the issue of vacant posts was discussed in the Labour Ministers' Conference held on 22 January, 2010 in Vigyan Bhawan, New Delhi and also with Chief Secretaries/Secretaries of States through a video conference by Secretary (L&E) and during review meetings of Vocational Training Improvement Project. State Governments have been asked to fill up the vacant posts by appointing guest/contract faculty till these are filled with regular appointment through various letters addressed by the Hon'ble Minister for Labour & Employment and Union Labour Secretary to Chief Ministers and Chief Secretaries.'

R. Skill base of Indian Economy

3.24 The Committee observed that at present, skills base of the Indian economy is quite low as compared to other developed economies of the world. It is estimated that, based on NSSO data for 2004-05, only 2% persons in the age group of 15-29 years have received formal vocational training and around 8% are reported to have received non-formal vocational training, indicating thereby that higher proportion of youth population actually enter the world of work without formal vocational training.

S. Unorganised Sector

3.25 The Committee are also aware that the unorganized sector constitutes about 94% of the work force in the country. The formal skill development system is not taking care of skills requirement of the unorganized sector while the demand of skills in the unorganized sector is huge. Skills in the unorganized sector are acquired through informal apprentice system. There are large number of traditional skills which are passed down from one generation to another through informal training and many of them are well recognized and of international standards. However, they need to be brought in the formal system of skill development. The overwhelming majority of the work force, not only in rural areas but also in urban areas, does not possess any identifiable marketable skill. In urban, only about 19.6% of male and 11.2% of female workers possessed marketable skills. Whereas, in rural areas only about 10% of male and 6.3% of female workers possessed marketable skills.

T. Skill upgradation

3.26 In the above context, when the Committee enquired from the Ministry, whether the Central Government / State Government have formulated any scheme for the skill upgradation of the workers in the unorganized sector, the latter replied that:-

“Central Government has formulated Skill Development Initiatives Scheme based on Modular Employable Skill training

courses under this scheme are conducted at various levels from beginners to moderately at high level. Under this scheme workers of the unorganized sector can undertake training in different modules for their skill upgradation. They can also seek testing and certification of competencies of their skills acquired informally, this scheme is under operation from 24th May, 2007.”

U. Financial assistance to trainees

3.27 On the nature of financial assistance available to the trainees for different courses under the aegis of DGE&T, the Ministry stated as under:-

“Provision has been made by NCVT for payment of stipend of Rs. 100/- per month per trainee to all the trainees. However, the State Government is at liberty to increase the rate of stipend. In addition to the normal stipend mentioned above, merit scholarships at the rate of Rs. 125/- per month per trainee may also be awarded to 4% of the total number of trainees on the rolls (both engineering and non-engineering trades) on the basis of internal examination conducted at each Industrial Training Institute.”

V. Career Literature

3.28 The Committee were informed that career literature which is brought out by the CIRTES under DGE&T is published only in English and in Hindi and is provided to Directorate of Employment

of various States / UTs for their use. The Committee when asked the Ministry why the career literature is not published in local languages so as to cater the local need, the Ministry replied as under:-

“The career literature is brought out in English and Hindi by CIRTES (DGE&T) and the same is provided to Directorate of Employment of different States/UTs for its subsequent use. Some of the concerned State Directorates also prepare the literature in local language based on the local needs.”

CHAPTER- IV

Observations/Recommendations

According to the report of the Committee on 'India Vision 2020' constituted by the Planning Commission, as population growth slows to replacement levels over the next two decades, India's greatest challenge will be to provide employment opportunities for all job-seekers. The working age population will expand by about 45 per cent, spurring rapid growth of the labour force and the number of job-seekers. Major changes in economic policy and strategy will be needed to eliminate the current backlog of more than 34 million unemployed job-seekers and assure employment opportunities for all additions to the labour force. India needs to generate around 200 million additional employment opportunities over the next 20 years. At the same time, the total proportion of the workforce involved in agriculture is likely to decline from 56 per cent to 40 per cent or even lower, thus increasing the pressure for rapid multiplication of non-farm employment opportunities.

The Committee endorse the view that access to gainful employment is an essential condition for citizens to exercise their economic rights in a market democracy. The capacity to pay is the economic equivalent of the right to vote.

4.1 One of the functions of DGE&T is to carry out continuous programme of evaluation of policies, procedures and working practices of Employment Exchanges within States and to establish coordination and consultations with the Ministries whose activities affect the employment situation in the country. The Committee observe that the administration of Employment Exchanges was passed on to the State Governments w.e.f. 01 April, 1969 thereby transferring its entire responsibility of running the Employment Exchanges to the States resulting in their poor functioning. The Committee observe that the Union Government have not made any comprehensive study on the working of the Employment Exchanges, response of the employers, the number of persons, trade wise, who got jobs through the Employment Exchanges

and the number of job seekers. The Committee were informed that the Government proposes to amend the Employment Exchanges (CNV) Act, 1959 with a view to diversify the activities of the National Employment Service and to enhance the scope and by covering other activities/establishments which are not within the purview of the Act as of now. The Committee are not able to comprehend that without making any survey/study, how the Government brought the draft EE(CNV) Amendment Bill, 2010. The Committee take a serious note of the deteriorating condition of the Employment Exchanges in the country and recommend that Union Government take proactive action to revamp the functioning of the Employment Exchanges and make them efficacious and useful.

4.2 The Committee note that out of 969 employment exchanges in the country, 467 have been computerized by the Government till date and the Government have also initiated a mega project, namely, Employment Exchange Mission Mode Project (EEMMP) involving crores of rupees under which all the

employment exchanges of the country are to be interlinked. The Committee find that the Government have not evaluated the performance of the employment exchanges which have been computerized. On the other hand, the Government propose to computerize all employment exchanges and inter-link them too. How, without first having assessed the technical limitations of the employment exchanges so computerized, the Government intend to inter-link them, is beyond the comprehension of the Committee? The Committee recommend that the Government should also undertake a comprehensive review of the computerized employment exchanges so as to detect the possible shortcomings and nitty-gritty in the system and rectify them at initial stages itself so that EEMMP does not face any technical glitches later on.

4.3 The Committee outright reject the reply of the Ministry that making it mandatory for graduates/professional degree holders/diploma holders, who wish to apply for jobs to register with Employment Exchanges, is likely to create lot of repercussions being against the spirit of Article 10 of ILO

Convention 88, relating to employment service, which India has ratified. The Committee are of the view that Article 10 should be seen in a positive light, i.e. that all interested parties should take all possible measures to encourage full use of employment service facilities and making registration mandatory would only help job seekers to make full use of employment service facilities. The Committee strongly feel that making registration compulsory will be beneficial for the job seekers as it would not only enable them to get the alerts about job opportunities once the Exchanges are computerized but also make them eligible for unemployment allowance in the States where it is paid. Not only this, mandatory registration will also benefit Employment Exchanges as their data about the unemployment situation in the country would be automatically updated and, in turn, boost the Government's Employment Market Information (EMI) Programme. The Committee, therefore, recommend that it should be made mandatory for graduates/degree holders/diploma holders/certificate holders to register themselves with their nearest Employment Exchanges, or alternatively possibility of on line registration

may be explored wherein the students appearing in their final examination may be given an option by their respective educational institution to register themselves. The Government may also consider the option of opening service branches/centres of the Employment Exchanges in every district post office where the pass outs can register themselves easily. The Committee feel that Career Counsellors may also be available in these service branches. The Committee also desire that job melas be organized at regular intervals and such melas may also be organized for the backward classes exclusively. The Committee further desire that Members of Parliament of the region may also be informed of these job melas.

4.4 The Committee note that the Vocational Guidance and Employment Counselling Programme is implemented through 969 Employment Exchanges, 420 vocational Guidance units at Employment Exchanges and 83 University Employment Information and Guidance Bureaus all over the country to help the youths in career counselling and vocational

guidance. The Committee are surprised to note that there is no prescribed qualifications for the recruitment of Career Counsellors. In Committee's view, a Career Counsellor is supposed to be an expert and should not only possess the specific qualification but also be well conversant with the educational patterns, local language, culture and societal values of the State in which he is posted. The Committee are of the firm view that in the absence of these essential prerequisites, a Career Counsellor would not be in a position to guide the candidates appropriately. The Committee, therefore, recommend that the Government prescribe a set of appropriate qualifications for appointment as Career Counsellors. The Committee also recommend that the career literature should also be made available in vernacular languages.

4.5 The Committee find that the Ministry has not made any provision for payment of unemployment allowance to the persons registered with Employment Exchanges. However, some States (Chhattisgarh, Haryana, Kerala, Tamil Nadu, Punjab, Puducherry and Jammu & Kashmir are paying

unemployment allowance to the registered unemployed youth. Such incentives, though small, encourage unemployed youth to come forward and register themselves with the Employment Exchanges, which in turn, enables States to analyse the correct employment situation and find ways and means for providing employment to these youths. The unemployment allowance also helps the youth to complete their education. The Committee strongly feel that payment of unemployment allowance not only helps unemployed youth to sustain in dire situations but also facilitates the Government in getting a realistic data of unemployment situation in the country. Though the Union Government is not in favour of providing any unemployment allowance, the Committee, however, desire that it may, at least persuade the rest of the States to emulate the States giving unemployment allowance.

4.6 The Committee note that the Government has not prepared any definite strategy to attract private employers to notify their vacancies in the Employment Exchanges once the National Portal is operational. In the present scenario, private

establishments are much more than the government establishments. In Committee's view, to make Employment Exchanges attractive to job seekers, it is necessary that private employers notify their vacancies in the Employment Exchanges. The Committee, therefore, recommend that a comprehensive strategy to attract private employers should be formed which may include, private employers to advertise their vacancies on the portal, giving them access to the profile of the candidates across the country, allowing them to screen, test and interview the candidates in the Employment Exchange campus, etc.

4.7 The Committee observe that there is no provision for providing financial assistance to the persons interested in self-employment at the level of DGE&T. The Committee note that 23 self-employment promotion cells have been set up to motivate, guide and assist the jobseekers in taking up self-employment. The Committee are of the view that when the job seekers are motivated to take up self-employment they may also be made aware of the benefits available under the Centrally

Sponsored Schemes like Prime Minister Employment Generation Programme (PMEGP), Swarn Jayanti Grameen Swarozgar Yojana (SJGSY) and Swarn Jayanti Grameen Shahri Rozgar Yojana (SJSRY) which promise financial assistance so that these job seekers can avail the financial benefit under these schemes. The Committee recommend that these self-employment promotion cells be set up in every district where the job seekers can be given guidance regarding career opportunities and be informed about the financial assistance available under PMEGP, SJGSY and SJSRY schemes.

4.8 The Committee note that a plethora of private placement agencies catering to the recruitment needs of the private employers including those providing domestic helps have mushroomed in the recent past. Some of these private placement agencies mislead the unemployed youth, collect money from them and vanish into the air. The Committee strongly recommend that such unscrupulous agencies must be regulated and checked so that the unsuspecting unemployed youth are not fleeced. The Committee also note that

guidelines on regulation of private placement agencies were issued to all the States/UTs by DGE&T on 30.10.2003 and thereafter, it has been left to the respective State Government to frame regulation and/or guidelines for monitoring the working of private placement agencies keeping in view the current scenario and their local needs. The Committee impress upon the Government to review the regulations/guidelines issued for monitoring the working of the placement agencies by the respective State Governments and also ensure their proper implementation so that the unwitting unemployed youth are not exploited.

4.9 The Committee note that misleading jobs advertisements cause jobseekers a great deal of hardship and difficulty. Some spurious advertisements dressed up as job opportunities have cost job seekers dearly in the past. More so, such advertisements are day-to-day feature of many newspapers. The Committee also note that the issues relating to agencies that are sending people for employment outside the country are handled by Ministry of Overseas Indian Affairs. The

Secretary during evidence stated that he would call a meeting of the Ministries of Overseas Indian Affairs and Information & Broadcasting and see what system could be put in place to ensure that at least advertisements which go in the electronic media, in the All India Radio were screened before being published/released. The Committee are of the view that there is an urgent need for a Central Enforcement Machinery and also for formulation of a comprehensive law for regulating these agencies. Besides, publishers and broadcasters of such advertisements may also be made accountable in case a fraudulent advertisement is published/broadcast by them. The Committee would like to be apprised of the response of the Ministries of Overseas Indian Affairs and Information & Broadcasting.

4.10 The Committee are of the considered view that in the present scenario there is an urgent need for redrafting of the National Employment Policy so that the public and the job seekers could have fair knowledge or idea of the availability of jobs in the market. The representatives of the Ministry of Labour and Employment stated that they had formulated the National Employment Policy in consultation with all the concerned Ministries. The Committee were informed that the National Employment Policy was almost in the final stages of formulation. The Committee hope that the Ministry will come forward with a comprehensive National Employment Policy once the 12th Plan is finalized.

4.11 The Committee observe that as per reports, a large proportion of the educated unemployed are first time work-seekers. It appears that the aspirations of the educated are not being met and there could be a number of reasons for this. On the one hand, there is higher unemployment amongst the educated and on the other, employers are complaining of lack of skilled manpower. The Committee note that unorganized sector constitutes about 94% of the workforce in the country. The Committee are of the view that most of the employment opportunities will occur in the unorganized sector and a strategy for training the unorganized sector would need to be worked out. The Committee feel that an extensive survey on the employment opportunities, the skills required, present status, training needs, etc. of the unorganized sector be made and on the basis of the findings, courses and training centres be opened otherwise merely providing training under the MES programme, which is meant for skill upgradation of workers, will not serve the purpose of catering the training needs of the ever-growing informal sector. The Committee, therefore, recommend that a comprehensive study of the unorganized

sector and its needs be made and evaluated first and thereafter, steps taken to enhance their employable skills.

4.12 The Committee find that on comparing with other developed economies of the world, the skill base of the Indian economy is far below. As per the data released by NSSO for the year 2004-05, only 2% aspirants in the age group of 15-29 years have undergone formal vocational training. About 8% aspirants have had non-formal vocational training. Hence, it clearly shows that out of the workforce actually entering the world of work, major chunk is captured by higher proportion of un-trained youth. The Committee are therefore, of the view that it has become essential to enhance the infrastructure providing skill development trainings so that all those entrants acquire relevant skills beforehand.

The Committee also are of the view that the training centres should be accessible to the would-be-workforce like STD Booths and Internet Cafes which are easily reachable for delivering low-cost, high quality training to majority of the

workers every year. The Committee feel that besides getting trained workforce, this initiative would generate more employment in these small businesses. The Committee also find the Australian Government have a well defined system for enhancing the employability through their 'Skills Vouchers Programme'. The Scheme offers the eligible aspirants apply for a voucher which helps them cover the cost of specific types of training. There are two different vouchers on offer : a Business Skills Voucher and a Work Skills Voucher. A prospective trainee has to find out if he or she fits the eligibility criteria for either a Business Skills Voucher or a Work Skills Voucher. To apply for the applicable voucher, the person can search for an eligible course as well as for the training organizations approved to deliver it. The system is integrated through the internet for universal access and ease of operations.

The Committee, therefore, recommend that an effective system on the above lines should be developed so that the existing as well as prospective youth of the country be trained before their actual entrance in the world of work.

4.13 The Committee note that the State-wise position of vacancies of principals/instructional staff in the ITIs is grim. According to the Ministry the matter of vacant posts was discussed in Labour Minister's Conference and during review meetings of Vocational Training Improvement Project. State Governments have also been asked to fill up the vacant posts by appointing guest/contract faculty till these are filled with regular appointments. The Committee are surprised to note that a large number of vacancies still exist. The Committee recommend that steps be taken to fill up these vacancies preferably by the end of the year 2011 and they be apprised about the progress achieved in this regard.

4.14 The Committee are distressed to note that there is around 30% dropout rate in the ITIs. The Ministry admitted that there was a certain percentage of students who could not pass and quit the courses. Though the Government has not formally evaluated the reasons for this dropout rate yet the

reasons were stated to be the long duration of courses in Craftsman Training Scheme and Apprenticeship Training Scheme, poor social acceptability of the courses covered in skill training programme and shortage of instructors. The Committee note that the Government has taken various steps such as introduction of modular and multiskilled courses in centre of Excellence Scheme introduction of short term programmes based on modular employable skills. They are of the considered view that a lot still needs to be done in the form of proactive and preemptive action with a view to checking the drop out rate. The Government should also consider making stipends given to the trainees lucrative enough so that they are able to complete the course. The Government may also consider providing soft loans, through public sector banks to the poor and potential trainees so as to enable them to not only pursue specialized courses but also complete them as well. The Committee also recommend that hostel facility be provided to the rural, tribal students studying in these institutions. Further, the DGE&T need to coordinate with the State Governments, Ministry of Tribal Affairs etc. to explore

the possibility of providing funds for construction of these hostels.

4.15 The Committee observe that refresher courses for trainers are not being held periodically in the absence of which they are unable to update themselves with advancements of changing technologies and availability of information. The Committee strongly recommend that refresher courses for trainers should be held at regular intervals and highly specialized trainings, in public and private institutions and other educational institutions may also be organized for them. The Committee also desire that the Government consider giving incentives to these trainers for attending and successfully completing the training programme. The Committee further impress upon the Government that while framing Instructors Training Programme, industry should also be consulted so that their requirements could be addressed and the programmes suitably retailed.

4.16 The Committee observe that the Central Training Institutes are making payment of TA/DA to the sponsored instructor trainees as per their entitlement certified by their respective State Governments. According to the Ministry, DGE&T had proposed payment of uniform DA to the sponsored instructor trainees from various States by the Central Training Institutes. The Integrated Finance Division of the Ministry of Labour and Employment in consultation with the Ministry of Finance agreed for payment of TA/DA as per State Government norms. The Committee strongly feel that uniform rate of TA/DA be paid to all the instructor trainees so as to avoid any dissatisfaction and frustration in the minds of those trainees who get less TA/DA. The Committee desire that Integrated Finance Division of the Ministry should again take up the matter with the Ministry of Finance to reconsider their earlier decision by conveying the concern of the Committee in the matter. The Committee may be apprised of the final decision in the matter.

4.17 As per the Apprentices Act, 1961 it is obligatory on the part of the employer to engage apprentices as per statutory notice. The Committee's examination reveals that as on 30th March, 2009, as against 96759 training seats allocated for graduate and technician apprentices, only 57,991 seats had been utilized. The position regarding trade apprentices is no better. As on 30th June, 2009 as against 2,78,123 training seats available 1,95,703 apprentices were undergoing training. The reasons for seats remaining vacant are stated to be lengthy procedure for engagement of apprentices in public sector. The Committee also note that the rate of stipend given to the apprentices is paltry considering the present cost of Inflation Index. The Committee recommend that wide publicity may be given to these vacancies and procedure for appointment of the apprentices be simplified and the Government may consider inviting applications from the prospective Apprentices when they are in their last session of the theoretical course. They also recommend that the rate of stipend be revised keeping in view the rising trend in Consumer Price Index.

4.18 The Committee find that State Governments are paying stipend to SC/ST students in lump-sum that too at the end of the academic year. The Committee are of the firm view that paying stipend in lump-sum and at the end of academic year, defeats the very purpose of the stipend which is to assist the students to meet their academic expenses. The Ministry has asked the State Governments to take remedial measures and pay stipend to the SC/ST students on monthly basis. The Committee would like to be informed whether the State Governments have started paying stipends to SC/ST students on monthly basis. The Committee desire that yearly report also be obtained from States in the matter. The names of States who have so far not started paying monthly stipend to SC & ST students be given in the Annual Report of the Ministry.

4.19 The Committee find that several reports of the DGE&T, some of them being annual publications pertaining to the year 2007 are being released now. According to the Ministry, the reason for the delay is the time involved in collection of data from other sources. Such a specious argument is not acceptable to the Committee. The Committee believe that these publication contain data and figures for a particular year, which if not brought out in time, lose their relevance and become redundant. The Committee, therefore, recommend that the Government should concentrate on the latest data and old reports now be compiled and brought out in one single consolidated edition to serve academic interest/future reference needs and made available on the Ministry's website.

4.20 The Committee note that the DGE&T is in the process of upgradation of 1396 Government ITIs, some through domestic funding, others through World Bank assistance and remaining through Public Private Partnership (PPP) mode. The

Committee expect that all the ITIs will be upgraded as per the schedule worked out. Besides upgradation of the existing ITIs, the Committee impress upon the Government that new ITIs/ITCs may also be opened in remote areas of the Country with more emphasis on courses catering to local needs. The Committee desire that needs of the market may also be considered while finalizing the courses to be taught in ITIs /ITCs and in doing so Public Sector Undertakings may also be involved/consulted. The Committee also desire that these courses may be reviewed/upgraded every two years.

The Committee are also of the view that more autonomy should be given to ITIs in their day-to-day functioning. The Committee desire that the Union Government also need to advise the State Governments that they should instead take a more active role in disseminating relevant information, viz., type of training provided, fees, and particularly the dropout, course completion and placement rates of different training institutes/Centres. The Committee feel that to reach maximum number of aspirants All India

Radio and Vernacular press may be used to publicize various training programmes.

The Committee also find that no attention is paid to using financing as an innovative means to encourage quality training. The same levels of finance are allocated to poorly performing institutions with high dropout rates vis-a-vis those that maintain a high quality of teaching and performance. The Committee are of the view that incentives, based on the number of students completing course, the pass rate, the average number of years taken to complete the courses and the placement rate, may be given to well-performing institutes to encourage them.

4.21 The Committee note that the Employment Exchanges and Industrial Training Institutes are under the administrative control of the State Governments but the development programmes at national level, particularly the areas concerning common policies, common standards and procedures, training and trade testing is the responsibility of DGE&T. The Committee feel that the DGE&T should come out with a status paper at the end of the year on the implementation of the schemes, projects and programmes that required participation of State Governments and Private Entrepreneurs. The Status paper may include the details of the schemes, the targets, achievements, whether implemented effectively by the State Governments/Private entrepreneurs, grading of their participation interest. The Status paper may also be laid in the Parliament.

**New Delhi,
25th July, 2011
3 Sravana, 1933 (Saka)**

**HEMANAND BISWAL,
CHAIRMAN,
STANDING COMMITTEE ON LABOUR**

**MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON
LABOUR HELD ON 1ST JULY, 2010.**

The Committee met from 1130 hrs. to 1300 hrs in Committee Room `C', Parliament House Annexe, New Delhi to have evidence of the representatives of the Ministry of Labour and Employment on the subject `Directorate General of Employment and Training (DGE&T)'.

PRESENT

Shri Hemanand Biswal – CHAIRMAN

MEMBERS

LOK SABHA

2. Shri K. Murugesan Anandan
3. Shri P. Balram
4. Shri Shafiqur Rahman Barq
5. Shri Sudarshan Bhagat
6. Shri Hassan Khan
7. Shri Kaushalendra Kumar
8. Shri P. Lingam
9. Shri Hari Manjhi
10. Shri P.R. Natarajan
11. Smt. Mausam Noor
12. Shri Paban Singh Ghatowar

RAJYA SABHA

13. Shri Rudra Narayan Pany
14. Smt. Renubala Pradhan
15. Shri Praveen Rashtrapal

SECRETARIAT

1. Shri Devender Singh - Joint Secretary
2. Shri Ashok Sajwan - Additional Director

**REPRESENTATIVES OF THE MINISTRY OF LABOUR AND
EMPLOYMENT**

Sl. No.	Name of the Officer	Designation
1.	Shri Prabhat C. Chaturvedi	Secretary
2.	Shri Sharda Prasad	DG/JS
3.	Shri R.K. Chugh	DDG (T)
4.	Shri A.S. Kesai	DDG (AT)
5.	Shri V.K. Singh	Dir. (Admn.)
6.	Shri R.L. Singh	Director (Training)
7.	Shri A.K. Ganguly	Director Training (Personnel)
8.	Dr. Rumal Singh	Director (Exchanges)

At the outset, the Chairman welcomed the Members and the representatives of the Ministry of Labour & Employment to the sitting of the Committee convened to hear the representatives of the Ministry of Labour and Employment on 'Directorate General of Employment and Training (DGE&T)'.

2. The Secretary then briefed the Committee on the subject through a power-point presentation highlighting the facts and the schemes for the employment and training of workforce and steps taken/proposed by the Government thereon.

3. The concerns and questions raised by the Members centered mainly on the following:-

- (i) Monitoring mechanism for different schemes being implemented for upgradation of ITIs.
- (ii) Payment of unemployment allowance by some States.
- (iii) Financial assistance to unemployed who wish to be in self employment.
- (iv) Functioning of training, career counselling and placement cells (TCPCs).
- (v) Employment of trained personnel of the North-Eastern region and J&K.

4. The Committee also discussed the plight of construction workers/contract labourers. Some Members suggested that the Committee should visit some commonwealth games sites to have first hand information of the condition of those workers

5. The Chairman, then, pointed out that the Ministry had not furnished the action taken replies on the 40th Report of the preceding Committee on the subject 'Problems being faced by the workers due to sickness of HMT Units' and expressed his annoyance over the delay on the part of the Ministry to furnish the action taken replies and asked the Ministry to expedite the same without further delay.

6. The Chairman thanked the representatives of Ministry for free and frank replies to the queries of the Members on the subject. The Chairman also asked the Secretary to furnish written replies to the queries raised by the members which could not be replied during the meeting and also to the Supplementary List of Points handed over to him during the meeting, at the earliest.

{The witnesses then withdrew}

The verbatim proceedings of the sitting was kept for record.

The Committee then adjourned.

**MINUTES OF THE SITTING OF THE STANDING COMMITTEE
ON LABOUR HELD ON 1ST OCTOBER, 2010.**

The Committee met from 1500 hours to 1630 hours in Committee Room No. 62, Parliament House, New Delhi to take further evidence of the representatives of the Ministry of Labour and Employment on 'Directorate General of Employment & Training'.

PRESENT

Shri Hemanand Biswal – CHAIRMAN

**MEMBERS
LOK SABHA**

2. Shri M. Anandan
3. Shri Raj Babbar
4. Dr. Shafiqur Rahman Barq
5. Shri Sudarshan Bhagat
6. Shri Paban Singh Ghatowar
7. Shri P. Lingam
8. Shri Hari Manjhi
9. Shri P. Balram Naik
10. Shri P.R. Natarajan
11. Smt. Mausam Noor
12. Shri Ramkishun
13. Shri Mahendra Kumar Roy

RAJYA SABHA

14. Shri Rudra Narayan Pany
15. Smt. Renubala Pradhan
16. Shri Rajaram
17. Shri G.N. Ratanpuri

SECRETARIAT

1. Shri Devender Singh - Joint Secretary
2. Shri B.S. Dahiya - Director
3. Shri Ashok Sajwan - Additional Director

**REPRESENTATIVES OF THE MINISTRY OF LABOUR AND
EMPLOYMENT**

Sl. No.	Name of the Officer	Designation
1.	Shri Prabhat C. Chaturvedi	Secretary
2.	Shri Anil Swarup	Director General/JS
3.	Smt. Amarjeet Kaur	Deputy Director General (Exchanges)
4.	Shri R.K. Chugh	Deputy Director General (Training)
5.	Shri A.S. Kesai	Deputy Director General (Advance Training)
6.	Shri V.K. Singh	Director (Admn.)
7.	Shri R.L. Singh	Director Training (Personnel)
8.	Shri A.K. Ganguly	Director (Training)
9.	Dr. Rumal Singh	Director (Exchange)

2. At the outset, the Chairman welcomed Shri G.N. Ratanpuri, on his nomination by the Chairman, Rajya Sabha to the Labour Committee for the year 2010-11.

3. Thereafter, the Chairman welcomed the representatives of the Ministry of Labour & Employment to the sitting of the Committee convened to take further evidence of the representatives of the Ministry of Labour and Employment on 'Directorate General of Employment and Training (DGE&T)'.

4. The Secretary then briefed the Committee on the subject.

5. The concerns and questions raised by the Members centered mainly on the following:-

- (i) Amendment to the Employment Exchanges (CNV) Act, 1959.
- (ii) Computerization of Employment Exchanges and development of National Portal.
- (iii) Notification of vacancies to Employment Exchanges.
- (iv) Setting up of Employment Exchanges in University Campus.
- (v) State Employment Schemes of Gujarat, Maharashtra.
- (vi) Rajiv Udyogasri Scheme.
- (vii) Training of Principals of ITIs.
- (viii) Vacancies in ITIs.
- (ix) Reasons for dropouts in the ITI s across the country.
- (x) Regular payment of stipend to SC/ST students.

6. The Chairman thanked the representatives of Ministry for free and frank replies to the queries of the Members on the subject. The Chairman also directed the Secretary to furnish written replies to the queries raised by the members which could not be replied orally and also to the Supplementary List of Points handed over to him during the meeting, at the earliest.

{The witnesses then withdrew}

The verbatim proceedings of the sitting was kept for record.

7. XX XX XX

The Committee then adjourned.

XX Do not pertain to this report

**MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON
LABOUR HELD ON 30TH JUNE, 2011.**

The Committee met from 1130 hrs. to 1300 hrs in Committee Room 'C', Parliament House Annexe, New Delhi to have further evidence of the representatives of the Ministry of Labour and Employment on the subject 'Directorate General of Employment & Training-A Review'.

PRESENT

Shri Hemanand Biswal – CHAIRMAN

**MEMBERS
LOK SABHA**

2. Shri K. M. Anandan,
3. Shri Shafiqur Rahman Barq
4. Dr. Kakoli Ghosh Dastidar
5. Shri Paban Singh Ghatowar
6. Shri Kaushalendra Kumar
7. Shri P. Lingam
8. Shri P. Balram Naik
9. Shri P.R. Natarajan
10. Shri Ramkishun
11. Shri Mahendra Kumar Roy
12. Dr. Virendra Kumar

RAJYA SABHA

13. Dr. E.M. Sudarsana Natchiappan
14. Smt. Renubala Pradhan
15. Shri G.N. Ratanpuri

SECRETARIAT

- | | | | |
|----|---------------------|---|---------------------|
| 1. | Shri Devender Singh | - | Joint Secretary |
| 2. | Shri B. S. Dahiya | - | Director |
| 3. | Shri Ashok Sajwan | - | Additional Director |

REPRESENTATIVES OF THE MINISTRY OF LABOUR AND EMPLOYMENT

Sl. No.	Name of the Officer	Designation
1.	Shri Prabhat C. Chaturvedi	Secretary
2.	Shri Sharda Prasad	DG/JS
3.	Smt. Amarjeet Kaur	DDG(E)
4.	Shri R. K. Chugh	DDG (Training)
5.	Shri A. S. Kesai	DDG (Apprenticeship Training)
6.	Shri R. L. Singh	Director (Training)
7.	Shri D. K. Nijhawan	Director (Training)
8.	Shri V. K. Singh	Director (Administration)

2. At the outset, the Chairman welcomed the representatives of the Ministry of Labour and Employment to the sitting of the Committee convened to take further evidence on the subject 'Directorate General of Employment & Training-A Review'.

3. The concerns and questions raised by the members centered mainly on the following:-

- (i) Need for mandatory registration of private placement agencies.
- (ii) Comprehensive data collection for job opportunities in public as well as private sector.
- (iii) Ways and means to curb fraudulent advertisements regarding job opportunities.
- (iv) National Employment Policy.
- (v) Provision of hostel facilities for tribal students.
- (vi) Involvement of MPs in job melas.
- (vii) Employment activities/opportunities/job melas in West Bengal, J&K and Orissa.
- (viii) Opening of ITIs and skill development center in each of 39 Naxal effected Districts.
- (ix) Job melas in Orissa.
- (x) Quality of education in ITIs.
- (xi) Hostel facility in North-Eastern States.
- (xii) Findings of the Reports of Quality Council of India.

- (xiii) Applicability of Entry 23 of Concurrent List by enlarging the scope of Union's powers to make an umbrella legislation on employment.
- (xiv) National web portal of information.
- (xv) High drop out rate in ITIs.

4. The Chairman then thanked the representatives of Ministry for free and frank replies to the queries of the Members on the subject. The Chairman also asked the Secretary to furnish written replies to the queries raised by the members which could not be replied orally during the meeting, within three days.

{The witnesses then withdrew}

A copy of the verbatim proceedings of the sitting was kept for record.

The Committee then adjourned.

MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON LABOUR HELD ON 25TH JULY, 2011.

The Committee met from 1130 hrs. to 1230 hrs in Room No. 116, Parliament House Annexe, New Delhi to consider and adopt the draft Report on 'Directorate General of Employment & Training – A Review'.

PRESENT

Dr. E.M. Sudarsana Natchiappan - In the chair

MEMBERS

LOK SABHA

2. Shri K. Murugesan Anandan
3. Shri Shafiqur Rahman Barq
4. Shri Hassan Khan
5. Shri Kaushalendra Kumar
6. Shri Hari Manjhi
7. Shri P.R. Natarajan
8. Shri S. Pakkirappa
9. Shri P.L. Punia
10. Shri Ramkishun
11. Shri Mahendra Kumar Roy
12. Shri Chandu Lal Sahu
13. Dr. Virendra Kumar

RAJYA SABHA

14. Shri Rudra Narayan Pany
15. Smt. Renubala Pradhan
16. Shri Rajaram
17. Shri Ranbir Singh Parjapati
18. Shri Mohd. Ali Khan

SECRETARIAT

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Shri B.S. Dahiya | - | Director |
| 2. | Shri Ashok Sajwan | - | Additional Director |
| 3. | Shri Arvind Sharma | - | Deputy Secretary |
| 4. | Smt. Bharti S. Tuteja | - | Under Secretary |

2. At the outset, the Members were informed that due to some unavoidable circumstances, the Chairman would not be able to attend the sitting of the Committee. The Committee, thereupon, chose Dr. E.M. Sudarsana Natchiappan, a Member of the Committee to act as Chairman for the sitting in terms of Rule 258 (3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. Thereafter, the acting Chairman welcomed the Members and invited their suggestions on the draft Report on 'Directorate General of Employment & Training – A Review'.

4. The Committee then took up the draft Report for consideration and adopted the same with some minor modifications.

5. The Committee authorized the Chairman to finalise the report after making consequential changes, if any, arising out of factual verification by the Ministry and present the same to both the Houses of Parliament in the ensuing Monsoon Session.

The Committee then adjourned.