

No.M-13015/3/2010/LEM/LP  
**Planning Commission**  
**(Labour, Employment & Manpower Division)**

**Subject: Minutes of Second Meeting of Steering Committee for 12<sup>th</sup> Five Year Plan (2012-17) on "Labour, Employment and Skill Development" held on August 29, 2011 at 3.30 PM in Room No.122, Planning Commission.**

List of Participants is at Annex.

The Second meeting of the Steering Committee for the 12<sup>th</sup> Five Year Plan (2012-17) on "Labour, Employment and Skill Development" was held on August 29, 2011 under the Chairmanship of Dr. Narendra Jadhav, Member, Planning Commission. At the outset, Chairman briefed the participants about the status of work done in terms finalization of Approach to 12<sup>th</sup> Plan and then explained in detail the process and timelines of the Steering Committee Report for Labour, Employment and Skill Development. He also informed that all the six Working Groups (WG) should submit the final report by end of September 2011. Thereafter, the third Steering Committee meeting will be convened in the third week of October, 2011 to discuss the WG reports. Thereafter, a Drafting Committee will be set up which will submit its Report by end of November 2011 to the Planning Commission. He requested each of six WG chairmen/representatives to present brief status of the respective WG reports:

(1) The WG on **Employment, Planning & Policy** chaired by Dr Ashok Sahu, Pr. Adviser, Planning Commission briefed the status of the WG report: The WG held two meeting and formed two sub-groups on: (i) employment projections and (ii) creation of employment opportunities. Sub-groups had reviewed the status of employment and unemployment situations, frequency of employment and unemployment data collection, existence of working poor in the country, employment for youth, disadvantaged groups such as scheduled castes/scheduled tribes. The sub groups also discussed ways and means of creating employment in organised sector. The WG deliberated on three measures of employment/unemployment i.e. on usual status, weekly status and daily status

basis and felt that the weekly status appears to be a better option to measure the employment and unemployment in the country as the usual status tends to project an optimistic and daily status a pessimistic scenario. However, the Working Group decided to present the projections on the basis of all the three status so that the Steering Committee can deliberate on it. There is need to flag the issue related to measurement of productivity in employment. The WG may leave it to the Steering Committee to take a call on conducting the Annual Survey of Employment and Unemployment which the Ministry of Labour and Employment is undertaking or let the NSSO conduct the Annual Survey, which is being contemplated. The second sub-group discussed the sector wise employment situation. It also analyzed the situation by looking at the sectors which showed rising, declining and stagnating employment. Overall, the WG plans to make sector wise recommendations for employment creation strategies.

(2) The status of the WG on **“Labour Laws & Other Labour Regulations”** was briefed by Smt.Vinita Kumar, LEA Ministry of Labour & Employment: The WG had meeting with a cross section of stakeholders drawn from companies, trade unions and employees. She informed that the various amendments to labour laws are already in various stages. The key labour laws that are in pipeline for amendments include the Contract Labour Act, Minimum Wages Act, Social Security etc. Ministry of Labour & Employment is in the process of sorting out the differences among stakeholders. It was also stressed that attempts were being made to (i) harmonise the definitions of various labour laws related issues; (ii) reduce the compliance cost of labour laws, (iii) suggest e-governance in labour laws etc. The payment system for contract labourers is being streamlined by moving from cash system to a cheque based system. Overall, the representative informed that the consensus in labour law reforms is hard to measure.

Shri Manish Sabharwal, Chairman, Teamlease Services Ltd expressed the need of setting concrete goals to reform the labour laws. Chairman informed that the Prime Minister had constituted a Task Force on amending the Factories Act under his Chairmanship along with Dr Kaushik Basu, CEA and Secretary (Labour &

Employment) as Members. The Task Force Report has been submitted to the Prime Minister and the key decisions are expected to be announced shortly. He also mentioned that whereas Ministry of Human Resource Development is working on NVEQF, Ministry of Labour & Employment is working on NVQF. He also observed that there is a need for reforms in some of the labour laws so that labour market is more equipped to handle the challenges of a dynamic economy. There is a need of better coordination between States and Central government when it comes to the reform or rationalization of labour laws.

(3) The status of the WG on “**Skill Development and Training**” was presented by Shri Sharda Prasad, JS/DG, DGE&T, MOLE. The WG held two meetings and formed four sub-groups: (1) Quality and relevance, (2) Quantity, expansion of outreach and equity, (3) Institutional mechanism and (4) Systemic reforms.

The **systemic reforms group** had detailed discussion on the issues like (i) systemic reforms, (ii) National Vocational Qualification Framework, (iii) Labour Market Information System (LMIS), (iv) Re-engineering National Council for Vocational Training, and (v) International cooperation. Similarly, **institutional mechanism group** had discussed the ways and means to create a testing and certification agency, establishment of National Skills University, decentralization of functions of DGET, strengthening of Research and Development in vocational training and using information and communication system to improve vocational education. The sub-group on **quality and relevance** discussed the issues related to the mismatch of skills, industry participation, training of trainers and setting up of Sector Skill Councils (SSCs). The sub-group on **quantity, expansion of outreach and equity** emphasized skill development in unorganized sector both by expanding coverage of trades and overcoming shortage of training of trainers.

(4) The status of the WG on **Social Security** was briefed by Shri Anil Swarup, DGLW, MOLE. The group had two meetings and the group constituted four sub-groups: (i) labour welfare in organised sector, (ii) labour welfare in unorganised sector, (iii) Minimum Wages Act and (iv) Construction Labour Act. The sub-groups

discussed the issues related to EPFO in organised sector, RSBY in unorganized sector, amendments to the Minimum Wage Act, pensions to the disabled etc. The WG felt that there is a need for expansion of RSBY scheme in the unorganized sector to cover differently abled persons. Further, the WG informed that there have been five different evaluations of RSBY and all of them found 90 percent customer satisfaction.

(5) and (6) The status of WGs on **Occupational Health & Safety and Social Inclusion and vulnerable groups** in labour force such as Child labour, bonded labour, migrant labour etc. was presented by Smt. Kavita Gupta, Pr. Secretary, Department of Labour, Government of Maharashtra. These WGs focused on major issues like how to broaden social inclusion by addressing child labour problem, how to expand/relocate the NCLP schools, decentralization of power to State governments, the relevance of conducting the evaluation of NCLP schools, codification of diseases for strengthening of occupational safety, creating awareness among masses, continued neglect of contract workers in terms of their occupational health and safety, ways and means to impart vocational education to workers of occupational health and safety, migrant workers, child labour, bonded labourer etc.

Smt Rama Chari from Diversity and Equal Opportunity Centre (DEOC), Bangalore highlighted the need for raising the issues on inclusion of disabled workers in the 12<sup>th</sup> Five Year Plan. Out of 76 crore labour force, there are about 3.8 crore disabled workers in the country. From among disabled labourers, only 3000 persons get employment annually. There is no information available in terms of number of disabled workers employed in private sector. She stressed that government schemes need to give more opportunities to the disabled workers. This will also ensure compliance of UN convention on inclusion of disabled workers for ensuring equal opportunities both in private and public sector. There is a need for improving infrastructure facilities and ensuring equal opportunities in both public and private sector. The implementation and monitoring system needs to be brought to the centre stage during the 12<sup>th</sup> Plan.

Shri S. K. Mishra, Director, Department of Labour and Employment, Government of Tamil Nadu informed that the Government of Tamil Nadu is planning to start a five year programme through basic Training Centre which will impart skill training to educated youth. This programme will ensure that students earn while they are learning. He also informed that a similar programme is being implemented in Uttarakhand.

Dr Pukhraj Maroo, Pr.Secretary (Labour), Government of Madhya Pradesh informed that the State is mobilizing resources through a Cess for the skill development of unorganized sector workers. The State Government is also building a comprehensive management information system for the unorganized sector workers so as to address their specific issues.

Representative of the Government of Maharashtra gave details of an innovative scheme called "Skill Upgradation Plus Programme". Under this scheme, class room training is provided for skill upgradation. So far, 700 persons have been trained under this scheme. The State Government has amended the existing Apprenticeship Act. The State government is also in the process of setting up a Vocational University and Maharashtra Pride Schools. The State government has streamlined the cheque management system in the area of labour and employment.

Representative from the Ministry of Textiles, Government of India informed that there is trade deficit, investment is declining and employment generation is also a big challenge. The textiles sector is the second largest employer in the country after agriculture. In order to have more and more skilled persons, vocational training institutions need to be established with textiles related trades especially in backward areas such as Orissa, Bihar, UP, MP, North East etc.

Representative from the NSSO informed that based on the 66<sup>th</sup> Round of NSSO Report, the data relating to various indicators are being analyzed. If Steering Committee need any assistance in terms of survey data, the NSSO would provide assistance.

Representative from the Ministry of Rural Development informed that Swarna Jayanti Shahri Swarojgar Yojana (SJSY) trains the youth and school dropout students for skill development. Under SJSY training is imparted for one to three months. Specifically, the scheme focuses the LWE districts, J&K and the North East.

Dr Uma Ganesh highlighted the need to take advantage of information and communication technology in skill development for enhancing employability. She also stressed the need for promoting self-employment after fruitful skill training along with ICT skills.

Representative of NASSCOM emphasized the need for convergence in various skill development programmes/schemes such as Modular Employable Skills (MES), IT literacy programmes of Department of Information Technology, etc. Focusing on the creation and management of Sector Skill Councils (SSCs) is very crucial for promoting skill development.

DG, Institute of Applied Manpower Research observed that there is a need for bringing synergy between working groups so as to address the generic issues like labour laws, ways to increase employment in organised sector etc. He also pointed out that IAMR is doing an analysis on disability workers based on the NSSO survey (2009-10) and also sectoral analysis of potential employment generation in the 12<sup>th</sup> Plan.

Representative of FICCI observed that there is need for creation of conducive environment for addressing the issues of skill development.

Representative of SEWA observed that women in organised sector need to be given attention through the mechanism which will help them in terms of availing skill training as well as wage and self-employment particularly in remote areas. They also lack marketing support. Therefore there is generic need for facilitating skill training at grassroots level. The information flow is also weak for women based in

rural areas. She also stressed that there is an urgent need to think of bringing of convergence in terms of information dissemination across sectors/ programmes/ schemes.

Shri Vikram Sarada observed that there is a progress in addressing the unorganized sector, but the labour laws have not helped much. He also pointed out that when we address the issue of social security there is a need for addressing labour laws reforms at the same time. In a way, labour is cheap but the employers cannot use it beyond a point. Unless we reform labour laws, the situation will not change much. He informed that Maharashtra Chamber had presentation on the various labour laws reforms which he will share with the Steering Committee.

Representative of LIC has grass root experience in the area of social security and social inclusion and the same would be shared with the Steering Committee as well as WGs.

DGET/JS responded to some of the questions/comments made in the meeting. He also observed that the pilot scheme of MoHRD's NVEQF covers only 6 sectors which need to be amplified. He also observed that MOLE was not part of MoHRD's NVEQF but the MOLE has given due representation to MoHRD in evolving the NVQF.

DG from IAMR observed that the MoHRD's NVEQF consist of vocational education from Class 9 to doctorate level. The pilot scheme launched in Haryana covered only 6 sectors. The levels of vocational education are linked with the SSCs for certification.

The meeting ended with a vote of thanks from Dr Ashok Sahu, Pr. Adviser (LEM), Planning Commission.

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on August 29, 2011 at 3.30 PM in Room No.122, Planning  
Commission.**

**LIST OF PARTICIPANTS**

**Planning Commission**

1. Dr Narendra Jadhav, Member (LEM), Chairman
2. Dr Ashok Sahu, Pr. Adviser (LEM)
3. Smt Sunita Sanghi, Adviser (LEM) Member Secretary
4. Shri Munish Kumar Director (LEM)
5. Shri K.N. Pathak, Joint Adviser (LEM)
6. Smt Jweevan Sharma, DS (LEM)
7. Dr J S Tomar, SRO (LEM)
8. Shri B. Chandrasekaran, Young Professional (LEM)
9. Dr Sandeep Mishra, Young Professional (LEM)

**Central Ministries/Organizations**

1. Shri Sharda Prasad, DG, DGE&T / Joint Secretary, Ministry of Labour & Employment
2. Smt Vinita Kumar, LEA, Ministry of Labour & Employment
3. Shri Anil Swarup, DG (LW), Ministry of Labour & Employment
4. Shri P K Banerjee, DRG (Census), Office of Register General of India & CCI
5. Shri S.N Singh, Dy Director, NSSO, CPW New Delhi
6. Smt Preeti Nath, Director, Ministry of Rural Development
7. Shri. V. Srinivas, Joint Secretary, Ministry of Textiles,
8. Shri R.L. Singh, Director, DGE&T, Ministry of Labour & Employment
9. Shri S.P Singh, Director, KVIC, New Delhi
10. Shri B.Manivannan, Ex-director (Personnel), LIC, Mumbai

**State Governments**

1. Dr Pukhraj Maroo, Pr.Secretary Department of Labour, Government of Madhya Pradesh
2. Dr Kavita Gupta, Pr.Secretary Department of Labour, Government of Maharashtra

3. Shri M.D. Ekhlaque Ahmad, Joint Commissioner (Labour), Government of Bihar
4. Shri Santosh K. Mishra, Director, Department of Labour and Employment, Government of Tamil Nadu

### **Institute of Applied Manpower Research (IAMR)**

1. Dr. Santosh Mehrotra, Director General

### **Subject/Industry Experts**

1. Shri Manish Sabharwal, Chairman, Teamlease Services Pvt. Ltd, Bangalore
2. Dr Uma Ganesh, Global Talent Track Ltd, Pune
3. Smt Namrata Bali, Director, SEWA, Ahmedabad
4. Shri Rajan Kohli, Adviser, FICCI
5. Smt Pooja Gianchandani, FICCI
6. Smt Rama Chari, DEOC, Bangalore-40
7. Shri Vikram Sarda, NEC, Nashik