

**6th Global Skills Summit**  
**Sep 04-06, 2013, Federation House, New Delhi**

**Address by Dr Pallam Raju, Hon'ble Union Minister for Human Resource Development, Government of India**

I am delighted to be amongst you today. I am told that the FICI Global Skills Summit is an annual event and every year the skilling community collects at FICCI to debate and exchange thoughts and ideas to recharge themselves and translate these ideas to actions on ground. The responsibility is slowly but steadily shifting from Government to the private providers to fill the supply gap. I am absolutely delighted today to see that the industry is now coming forward to take charge of skills development. I am sure the demand side of skills development will now be adequately recognised and met. I see the industry now willingly coming up to set up the sector skills councils; a much needed link to bridge the employer, the training providers and the educational system. What better time to focus on skills development through the sector skills councils when the economy seems to be slowing down. This is the opportunity to sharpen the skills to cut out the wastages and increase productivity. In this context the theme of the Global Skills Summit: "Industry leads" is timely and appropriate.

We are working towards achieving national goal of skilling 500 Mn Indians by 2022. While doing so, we have a larger challenge at hand and that is to excite and engage the youth of the country to participate without inhibitions. It is time that we make them and the parents aware that developing skills is as important and dignified as securing a degree. This is easier said than done. I urge FICCI to take the lead in bringing the industry onboard to recognize skills not only through jobs but through preferential employment, increased salaries / wages and creating an atmosphere within their companies for employees to get skilled and upskilled. Industry has to lead by example. A larger effort is needed to percolate the same feeling in the community, since in our case the unorganized sector offers more employment than the organized sector. Unless the community starts demanding quality work, the importance of skilling will not easily set in. While coming on to the dias, I signed the Skills Pledge. This is a symbolic expression of my accepting to honour skills. While some of you may have signed this last year also, I would want each one of you to sign the Pledge to either show or re-new the commitment you made last year. I am glad that such an initiative is being taken by an industry body like FICCI-hopefully it will propel the industry leaders to promote skills training in their companies.

Recently, the National Skills Development Agency (NSDA) has been formed. Mr JP Rai heading the Agency is here with us. These efforts of the Government are to align and coordinate the work that is being done by various agencies, both public and private in the country including the educational institutions. I am sure this will add

value to the system and integrate the work being done by the Government and Private Sector through NSDC and Sector Skills Councils to create a framework for delivery. I believe the NSDA would be a facilitating agency and would leave the implementation to the industry. I am aware that the NSDA is integrating the two skill frameworks and would shortly be coming out with a National Skill Qualification Framework.

The need for concerted effort to create an ecosystem that assigns dignity to vocational education is a must. This will go a long way in addressing the current aspiration mismatch where everyone aspires for a qualification, but qualifications alone don't lead to jobs. A massive campaign is therefore required to ensure that youth in India take up vocational education and technical training as a serious career choice and not as a chance. I am aware that the National Skill Development Corporation is in the process of launching this campaign under the leadership of Mr Ramadorai. Industry must support this initiative.

This skilling challenge is further magnified by the fact that 70% of this population falls in rural and tribal India. The numbers are huge and solving the same is almost impossible unless there is integration of skill development and the formal education system. It demands a collective effort by varied government initiatives, PPP Initiatives to set up schools and training institutes (Public Private Partnership), National Skills Qualification Framework and large and small scale private players. The scale and speed at which action must be taken in this regard makes this one of the great opportunities for private players. The need of the hour is to synergize the efforts and resources to provide a feasible platform for vocational education and skill development. The ideal way forward will be to seek partnership that will strengthen the process of quality and inclusive education.

If you were to take the example of my Ministry, we are keen to have as partners Industry in setting up schools, skill development centres, polytechnics, community colleges and even provide Skill Programmes in Colleges and the University system. The way we have structured the programmes is that the private sector and industry would play a leadership role and we would provide an enabling environment. Over the past few months we have been exploring the opportunity to promote skill development in existing educational institutions. Our Ministry would actively consider such proposals and provide necessary support where ever required.

I know that there is an amount of skepticism due to the current economic situation but let me assure you that you are in a sector that is growing which offers ample investment opportunity and the returns in respect to the wellbeing of society. This is one sector where there is no slow down and growth is projected to be over 25%.

A number of reports and studies in past few years have elucidated figures and facts that Indian economy needs a strong skill training system if it is to survive the economic competition and reap the 'demographic dividend'. Example:

- a. The National Manufacturing Policy envisions to create approx 100 million additional jobs by 2022;
- b. Total employment in the unorganised sector is expected to be about 420 million (92%);
- c. Besides welders, operators, plumbers, masons, crane operators, carpenters and electricians the incremental requirement at the level of other construction workers is expected to be over 38 million till 2022;
- d. Drivers, Helpers and Warehouse Workers, will together account for over 85% of the incremental human resource requirement the Transport & Warehousing sector.

These jobs that will be created in a matter of ten years shall not be filled by white collar workers alone. This will require a pool of highly skilled and certified workers.

Thus it is important, through both macro and micro policies create a Pull Factor which attracts and also enforces the people to get skilled to get into employment or self-employment. One such example could be to include a minimum percentage of certified skilled work force in the tendering process of every manpower intensive project and increase the minimum percentage every year by a reasonable margin based on the life of the project. At a local level, the industry could enforce it by ensuring that their ancillary services like drivers, housekeeping, security etc are certified skilled. Of course, besides ensuring that the people at the shop floor are certified skilled.

I would like to take a moment to talk about the State where I come from the State of Andhra Pradesh. I know many of you are working with the State Governments REEMAP programme. Yet in many areas of coastal Andhra Pradesh there is a lack of skill development facilities. We would be happy to provide any support to you in this regard.

Besides meeting the stringent target to skilling such huge population in the country, it is very critical that quality of such programs are also being catered to adequately meet the demand of the nation i.e. qualified workforce for the industry. A huge debate is expected and currently on-going on the process of how to meet skill demand in a most effective manner. Such debate is essential and I hope it will come to its fruition in near future and we are committed to be part of this. Each one of you present in this conference hall will become part of the history which will shape India to be a super power in human resource development. We have the potential. We have to realise it.

India is in a unique position, quite like the way the mobile phone revolution took place in the last 20 years, to create its own model for skills training. She has the opportunity of effecting a generational change by using the best practices, proven standards, curriculum and content from around the world and adapting it to its needs.

Human Resource development was and will remain a key priority for the Government of India. It is indeed the 2<sup>nd</sup> largest revolution in the making after the IT and Telecom.

Every year, this Summit is attended by large delegations from foreign countries and we attempt to learn from each other. The Ministry has joint working groups with Australia, New Zealand, UK and Finland among others. This year, I am happy to see New Zealand as the partner country. I am also happy to note that we have delegations from Australia and UK. Representatives from Germany, South East Asia, West Asia and SAARC countries. I am sure that this Summit will be mutually rewarding experience. During our next bilateral meetings, I hope we will see concrete outcomes from this summit.

I would also like to congratulate the Skills Champions who are doing extraordinary work in this sector. The sector is still in its nascence and to see this kind of involvement is heartening. I hope many will be inspired and encouraged by them to make this sector scalable and profitable so that we have a more capable and skilled India. FICCI's initiative to appreciate these organisations is commendable.

I wish you all a meaningful two days here and look forward to the receiving a summary of the actionable agenda.

With this I declare the Global Skills Summit Open.

Jai Hind.