

District Wise Skill Gap Study – Himachal Pradesh (2012-22)

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1 Study Objectives

2 Methodology

3 Socio Economic Analysis of the State

4 Education and Training Infrastructure

5 Skill Development Opportunities

6 Challenges in Skill Development

7 Recommendations



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The Skill Gap study for Himachal Pradesh was commenced with the following Study Objectives

- J Socio-economic profile . demography, economic profile of district by industry, state of education.
- J Identify developmental opportunities keeping in mind factor endowments and stakeholder perspectives
- J Identify specific developmental initiatives/projects which have an impact on employment generation.
- J Articulate the aspirations of the youth.
- J Identify the current and future (2012 - 22) skills and manpower requirements by industry and estimate the gap that exists
- J Study the existing VT infrastructure booth in the private sector and the government domain
- J Suggest specific and actionable interventions/recommendations to address the skills gap.
- J Recommendations to include specific initiatives that NSDC can take based on the mandate of the organization.
- J Create an action plan with indicative timelines

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A structured methodology was used to assess the skill gaps and recommend interventions

KPMG has adopted a structured methodology to understand the skill ecosystem in Himachal Pradesh, assess incremental manpower needs, and collate insights, to arrive at recommendations to address the manpower

Salient Features of the Study

- § Socio-economic Profile: State/Districts
- § Sectoral Focus: NSDC priority sectors along with district level potential sectors
- § Voice of Stakeholders: Capturing insights from stakeholders involved in skill training
- § Estimation of Manpower Supply: State/Districts
- § Assessment of Existing Skill Training Capacity: State/Districts
- § Computation of Incremental Employment Potential: Using a sector specific approach
- § Manpower Supply-Demand Gap: State/Districts

The Research Methodology comprised both primary and secondary research, as well as qualitative and quantitative techniques

Primary Research: Primary research inputs were collected through research techniques such as in-depth discussions, formal interviews, and Focus Group Discussions (FGD). Interview schedules, FGD Guidelines and points for field observations were developed in accordance to the study objectives. Consultation meetings were conducted with

- “ State Government Departments
- “ District Administration Officials
- “ Skill Training Providers
- “ Skill Training Beneficiaries
- “ Industry Representatives
- “ Migrant Labour to understand their perspectives on skill development

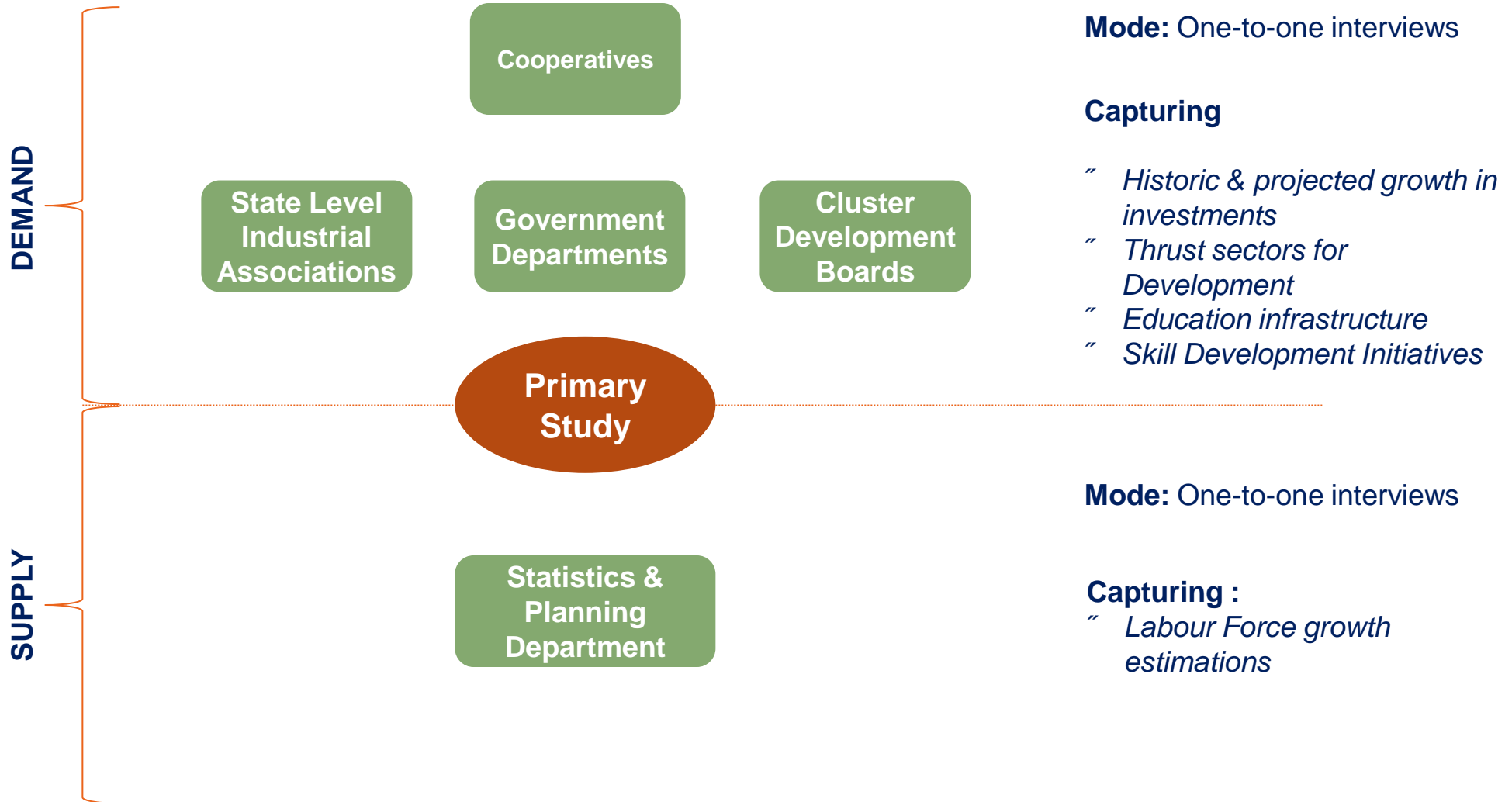


Activity	No.
Primary Interactions with officials, industry etc	332
FGDs across all districts of Himachal Pradesh	27
Youth participated in FGDs	448
Telephonic Interviews	600

Secondary Research: Secondary Data were collected from a number of sources including central, state and district government/administration agencies, especially the Department of Industries and Department of Planning and Statistics and program specific information from departments with a mandate in skill training, and from studies commissioned by funding agencies, NGOs etc

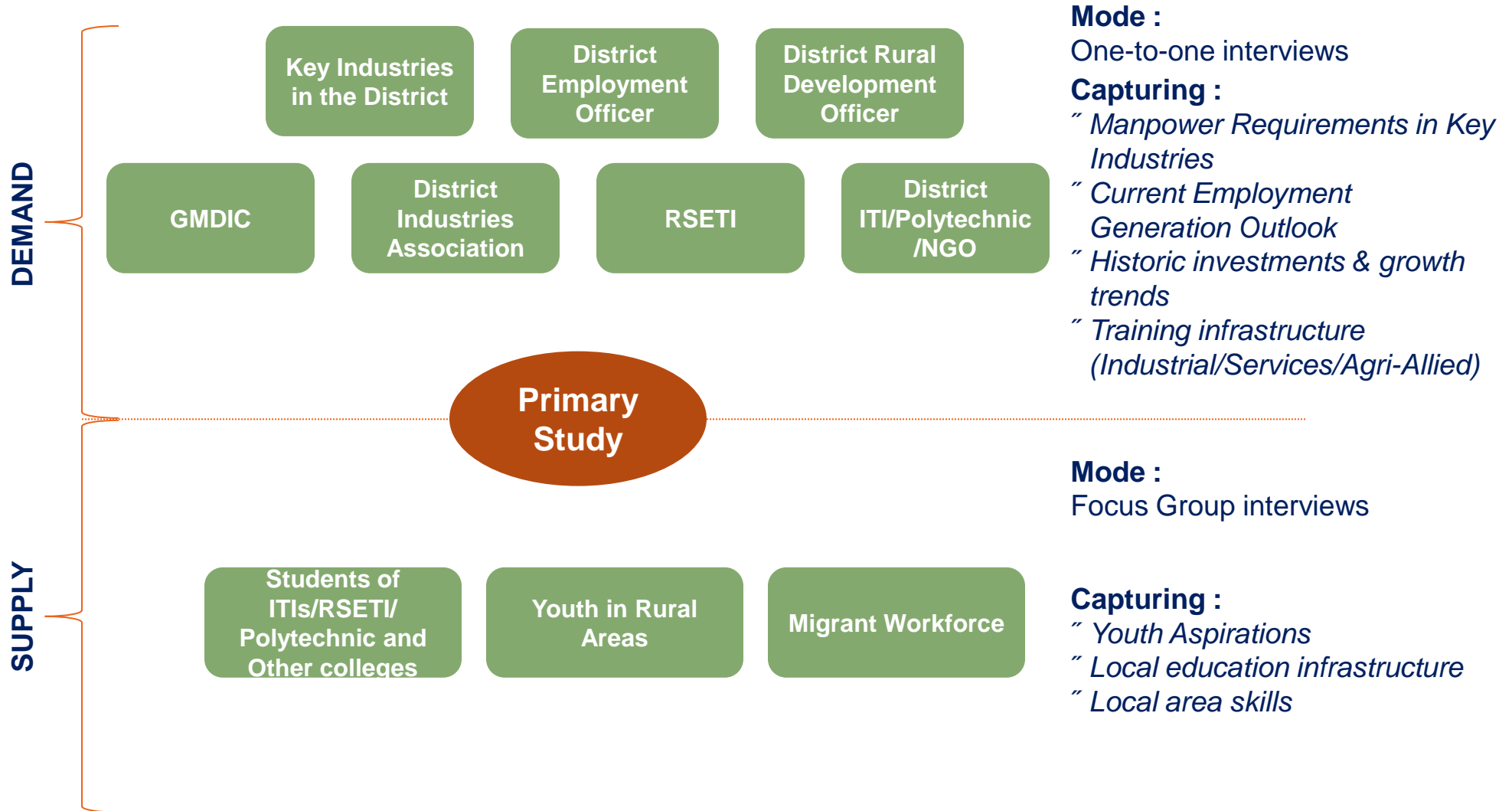
Methodology

KPMG's primary interviews have encompassed departments at a state level (1 of 2) ...



Methodology

...(2 of 2) followed by various officials, a district level



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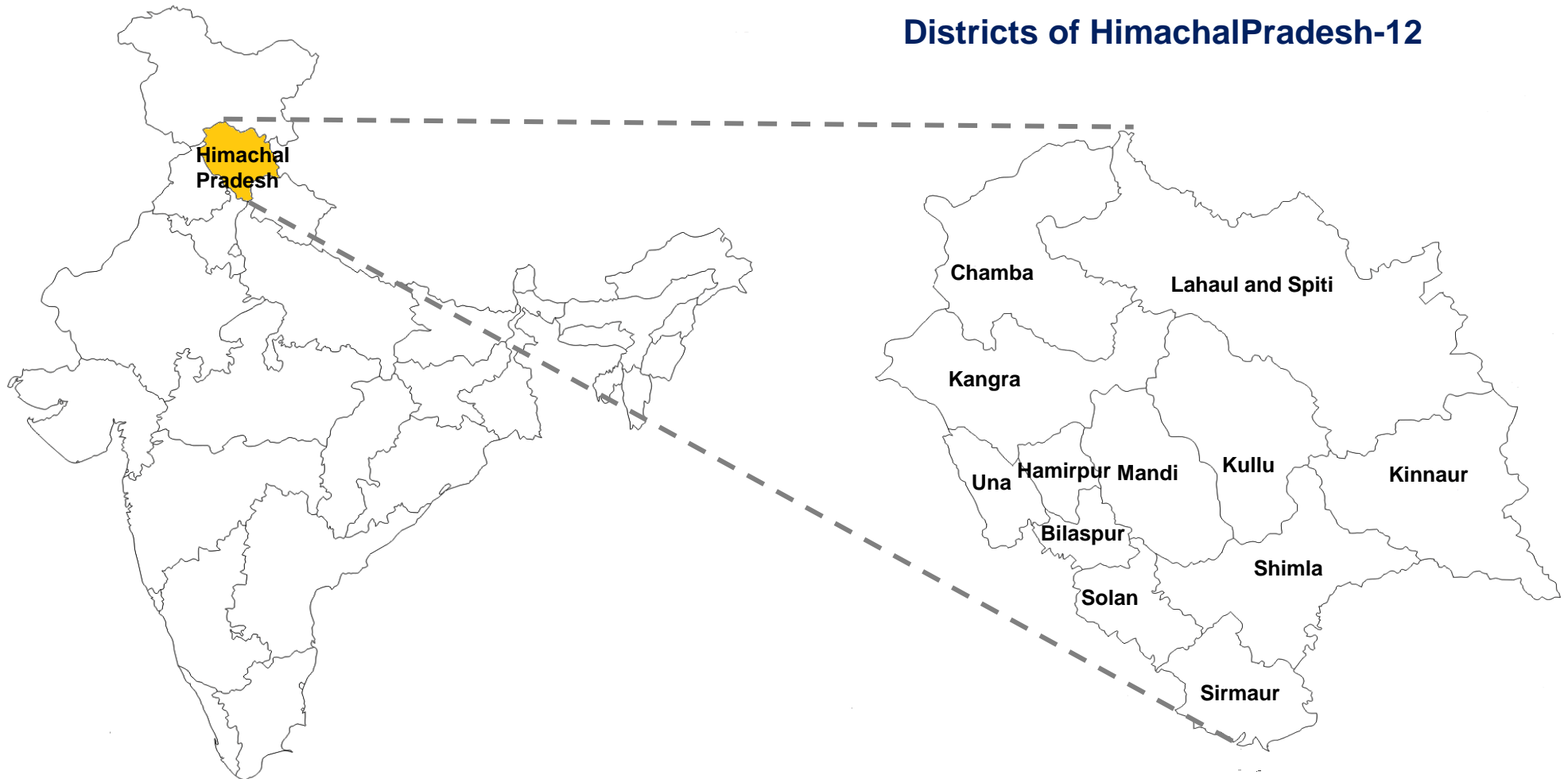
6 Challenges in Skill Development

7 Recommendations



State Analysis

Administratively, Himachal Pradesh is divided into 12 districts, with Shimla as the state capital ...



State Analysis

While Himachal Pradesh has performed better than the national average on several human resource development indicators, the

Demographic Comparison of Himachal Pradesh with India			
Indicator	H.P	India	% Share
Population in Crores (2011)	0.68	121.01	0.6%
Gender Ratio- Females Per 1000 Males(2011)	974	940	
Percentage of Youth population (15-39 Yrs)	42.2%	13.1%	
Population Density-Persons Per Sq.km(2011)	123	382	
Level of Urbanization(2011)	10.0%	31.1%	
Decadal Population Growth Rate(2001-11)	19.2%	17.6%	
Urban(2001-11)	15.6%	31.8%	
Rural(2001-11)	12.5%	12.2%	
SC Population % (2001)	24.7%	16.2%	
ST Population % (2001)	4.0%	8.2%	
Literacy Rate (2011)	83.8%	74.0%	
Male (2011)	90.8%	82.1%	
Female (2011)	76.6%	65.5%	
Urban (2011)	91.4%	85.0%	
Rural (2011)	82.9%	68.9%	
Number of Districts (2011)	12	640	1.9%
Average District Area in sq.km (2011)	7,530	4,950	
Number of Talukas (2011)	69	5,924	1.2%
Number of Towns (2011)	59	3,894	1.5%
Number of Villages (2011)	20,690	640867	3.2%
Number of Villages covered per PHC (2011)	44	27	
Number of Villages covered per CHC (2011)	272	133	

Source :Statistical Abstract HP,
Census 2001, 2011

Demographic Indicators where the State has performed better than India

- 1.Youth Population (Young demographics)
- 2.Gender Ratio
- 3.Literacy Rate (Overall and Across Categories)

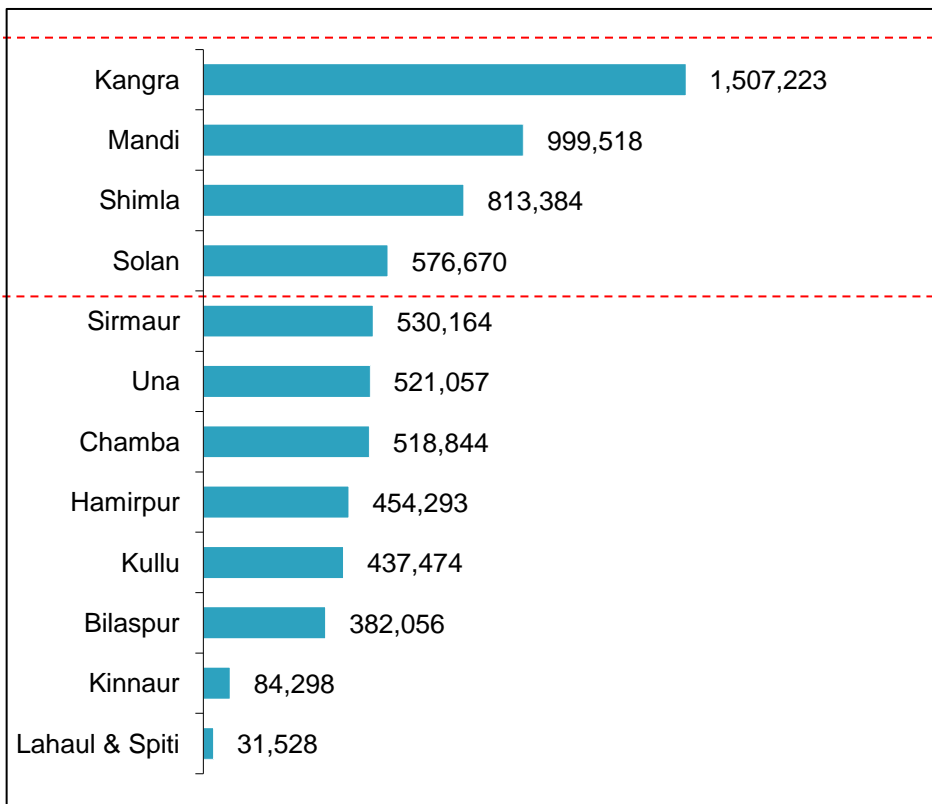
Other takeaways from Demography

- “ Uneven geographical terrains have resulted in low levels of urbanization
- “ Lahaul & Spiti and Kinnaur occupy 36.3 percent of geographical area of HP. These two districts faces extreme climates and have very low levels of inhabitation. This creates its own challenges in logistics, industry, manpower skilling etc
- “ Healthcare coverage in Himachal Pradesh is much lower, when compared to National numbers

State Analysis

Kangra, Mandi, Shimla and Solan are the districts with high human resource potential ...

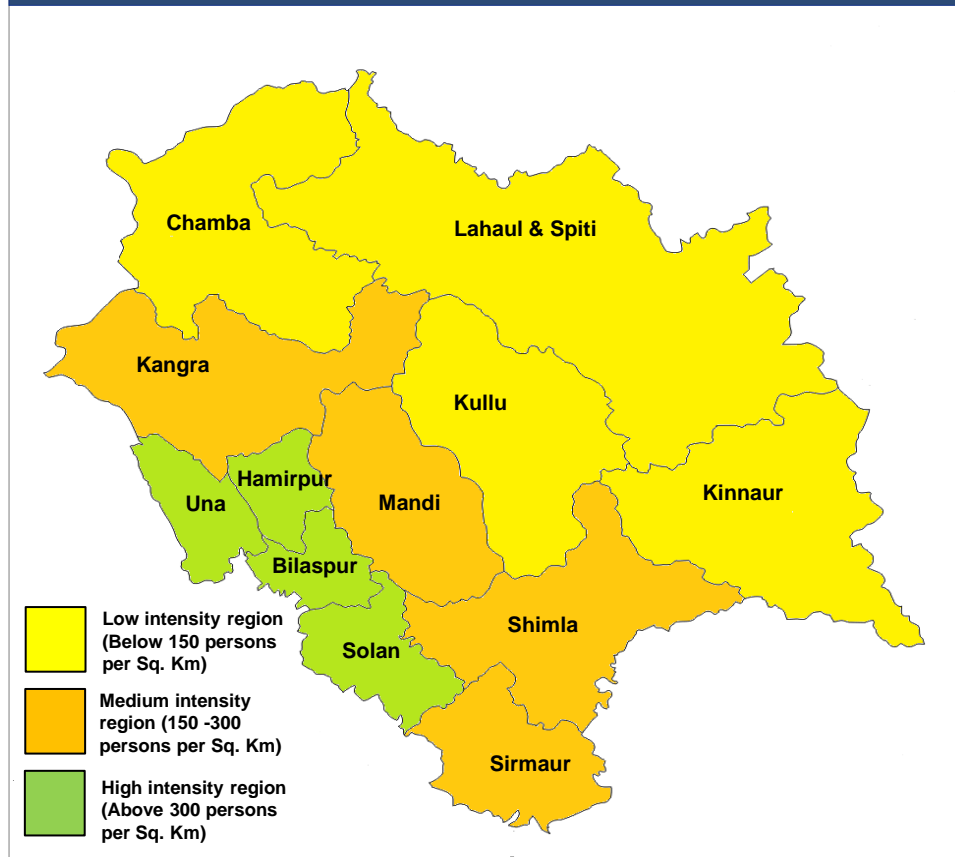
District Wise Population Distribution (2011 Census)



Source :Census, 2011

Top 4 districts account for more than 57 percent of the state population with Kangra and Mandi accounting for a significantly high share ...

Regional variations in Population Density (State Average- 123 Persons per sq.km)



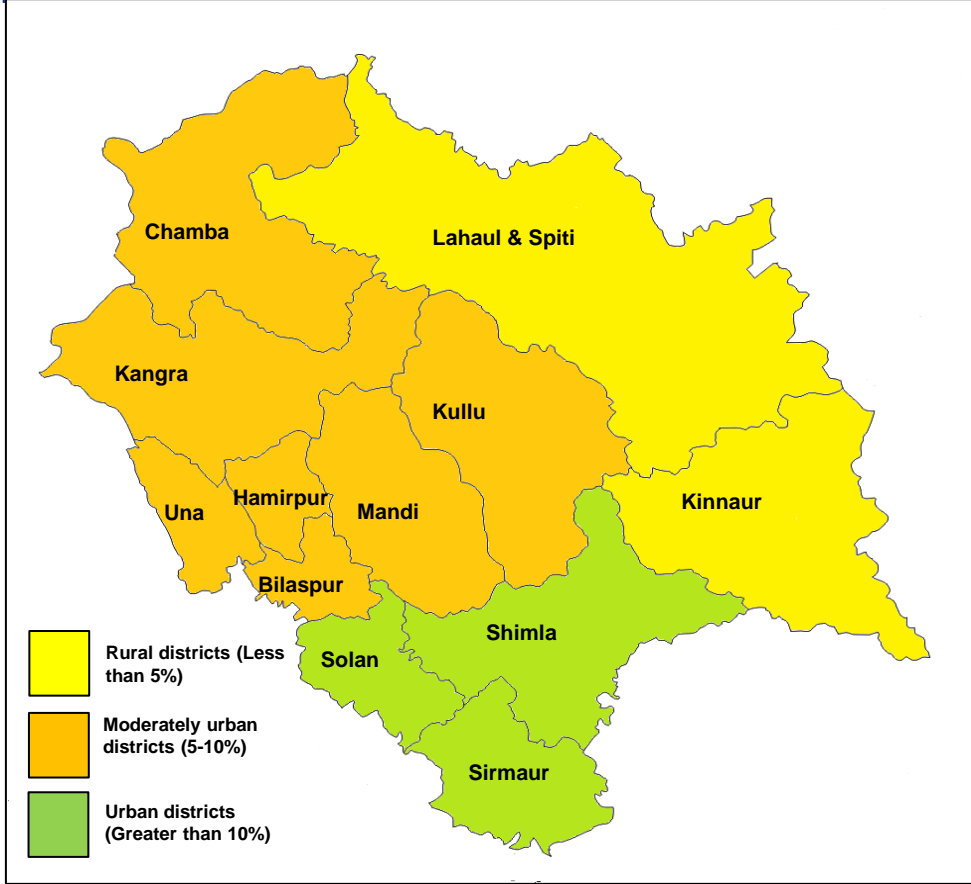
Source :Census, 2011

Population density has significant regional variations ranging from 2 persons per sq km in L&S to 406 persons per sq. km in Hamirpur ...

State Analysis

The state has low level of urbanization but high gender ratio across districts..

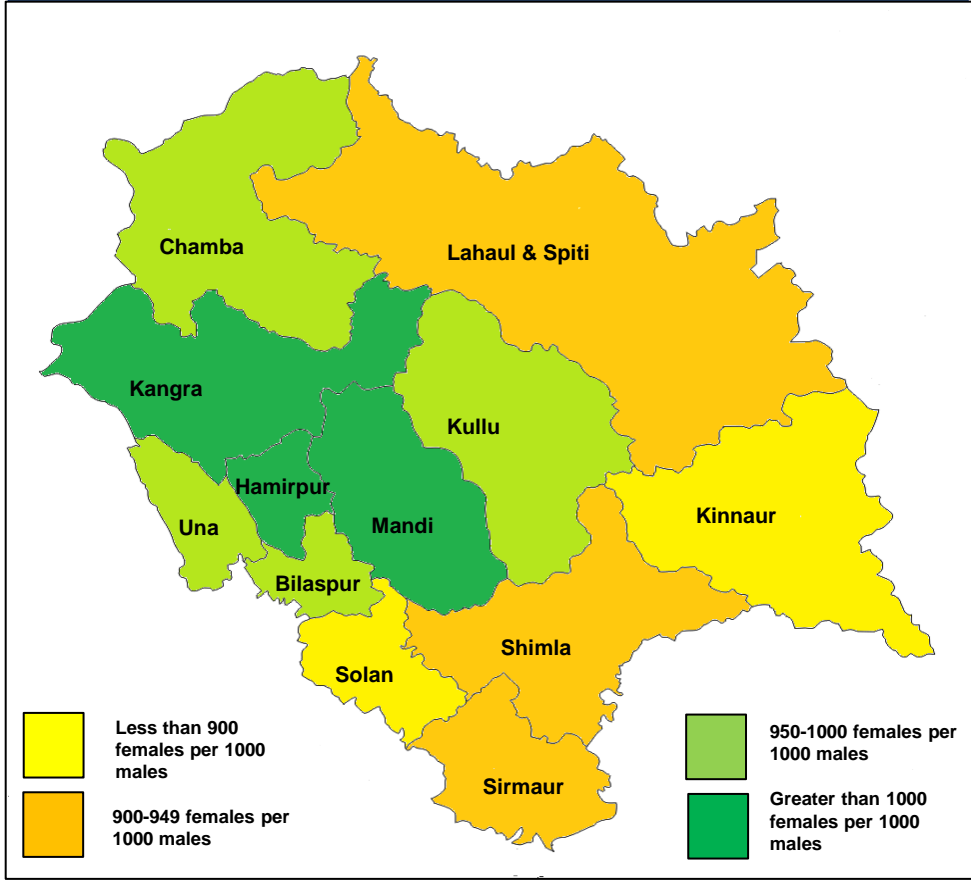
Level of urbanization by district (State Average Level of Urbanization-10.04%)



Source :Census, 2011

Even districts with relatively higher levels of urbanization, are seen to have a lower gender ratio

Gender composition of population by district (State average- 974 female per 1000 males)



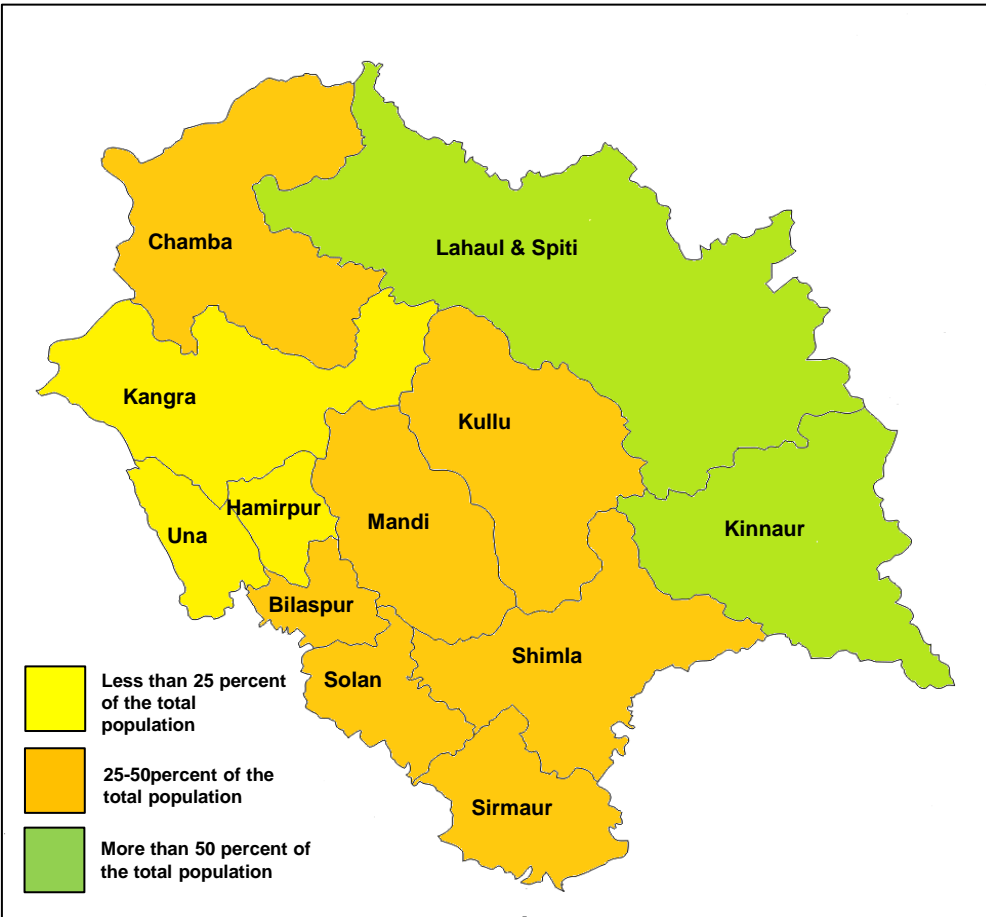
Source :Census, 2011

Skewed demographic composition is a challenge to the state, and it should not be allowed to drop further

State Analysis

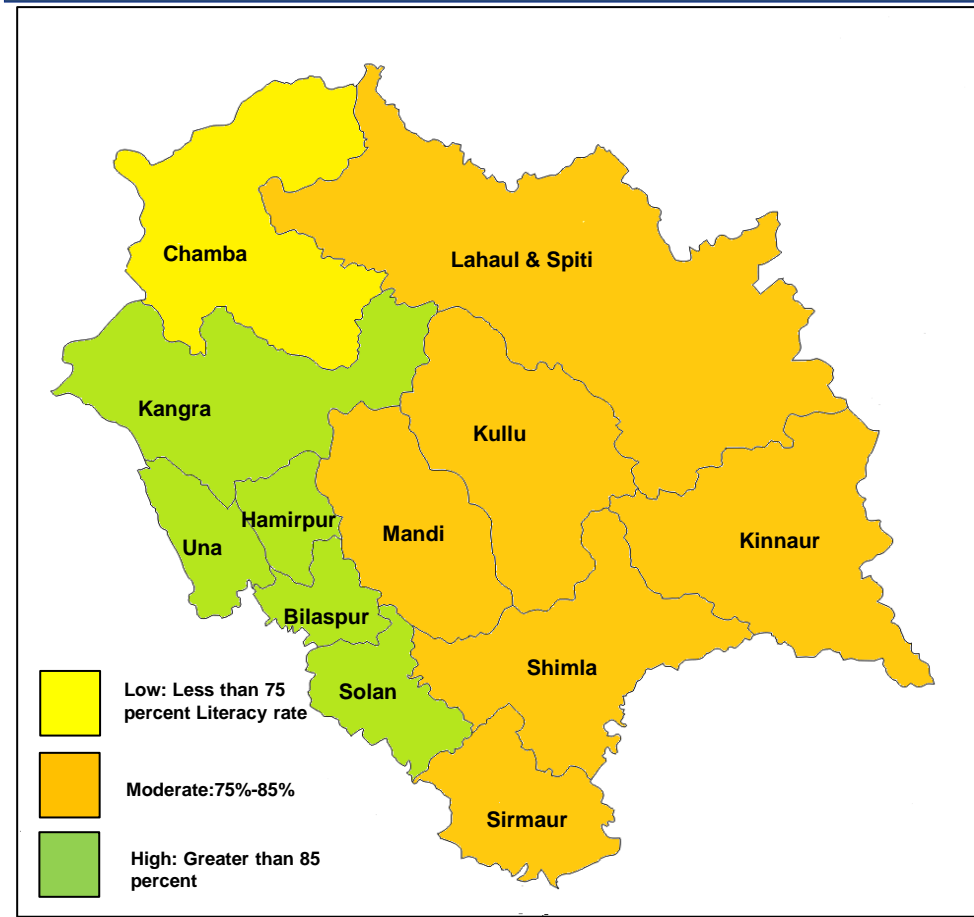
The literacy rate is moderate to high, even for districts with high population of backward classes - indicating positive implementation of Welfare schemes

Regional variations in backward classes composition among the districts (State Average – 28.7 percent)



Source :Census, 2001

Regional variations in literacy composition of population among the districts (State Average- 83.7%)



Source :Census, 2011

Low lying districts of Solan, Bilaspur, Hamirpur, Una and Kangra have significantly higher literacy rates. Chamba has lower literacy due to lower school penetration and higher dropouts due to inaccessibility and terrain

State Economic Profile

HP has a higher per capita income and significantly low share of population under BPL compared to India average ...

Economic Performance of Himachal Pradesh vis-à-vis India			
Indicator	Himachal	India	% Share
GDP in INR Cr (At Current Prices-2012)	63,331	8,353,495	0.76%
Net Domestic Product in INR Cr (At Current Prices-2012)	51,360	7,476,764	0.7%
Per Capita Income in INR (At Current Prices-2011)	74,694	61,564	
Population in BPL Category (2009-10)	9.50%	29.80%	
Primary Sector			
Total Cropped Area(thousand h.a) (2010-11)	949	1,98,969	0.5%
Forest Area (thousand h.a, 2010-11)	1,103	70,006	1.6%
Area Under Horticultural Land(h.a) (2008-09)	204.63	20,875	1.0%
Total Livestock in 000s (2007-08)	5226	5,29,698	1.0%
Fish Production in 000 tonnes(2010-11)	7.38	8,150	0.1%
Value of Mineral Production in INR Cr(2010-11)	13,701	187717	7.3%
Secondary and Manufacturing Sector			
Number of Factories(2010-11)	4,230	2,11,660	2.0%
Output Value in INR Cr(2010-11)	15,649	46,85,213	0.3%
Industrial Employment in Lakhs (2010-11)	2.61	287.1	0.9%
Services and Tertiary Sector			
Number of offices of Scheduled Banks(2012)	1,164	1,01,261	1.1%
Total Road Length in km (2011)	34,169	30,47,783	1.1%
Total Railway Length(2008)	296	63,273	0.5%
Ports(2012)	0	199	0.0%

Source : Directorate of Economics & Statistics, Govt of Himachal Pradesh and mospi.nic.in

§ The Per Capita Income witnessed an increase of 10.7 percent as it increased to Rs 74,694 in 2011-12 from Rs 67,475 in 2010-11

§ While share of Primary sector has reduced, it continues to occupy a significant place in the state economy

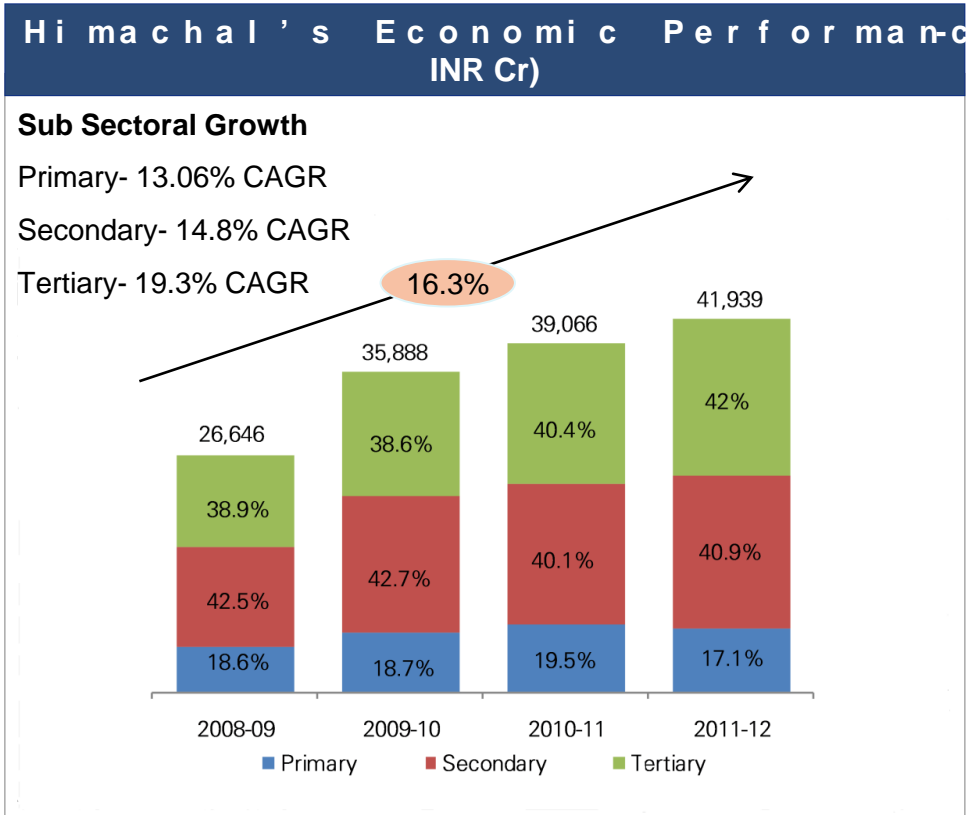
§ Mineral Processing is an important activity in HP. During the year 2010-11, HP contributed to 7.3 percent of the total mineral production in India

§ While there is a high penetration of banking and financial services in terms of population served (with one branch per population of 4,248 compared to the national average of 12,100), the penetration in terms of geographical reach is low, due to the terrain and sparse population of some districts

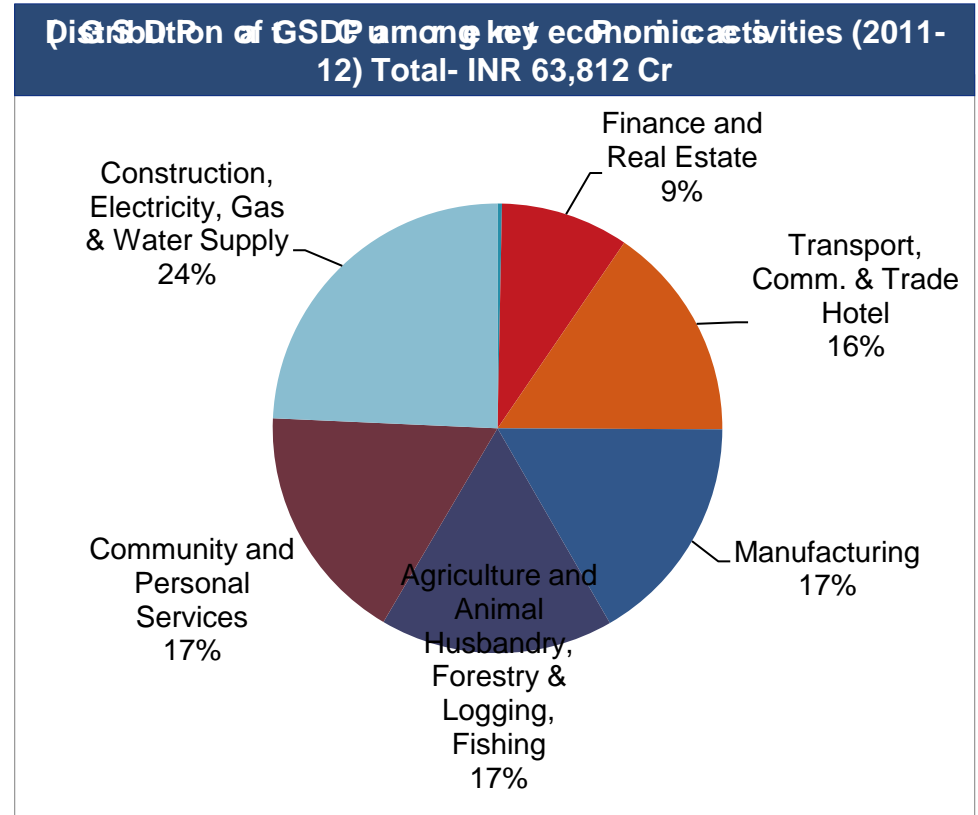
§ The density of roads at 652 Km per 1000 sq.km is lower than the national average of 957

State Analysis- Economic Profile

The state has achieved a balanced growth across the primary, secondary and tertiary sectors



Source :Economic survey of Himachal Pradesh 2012-13



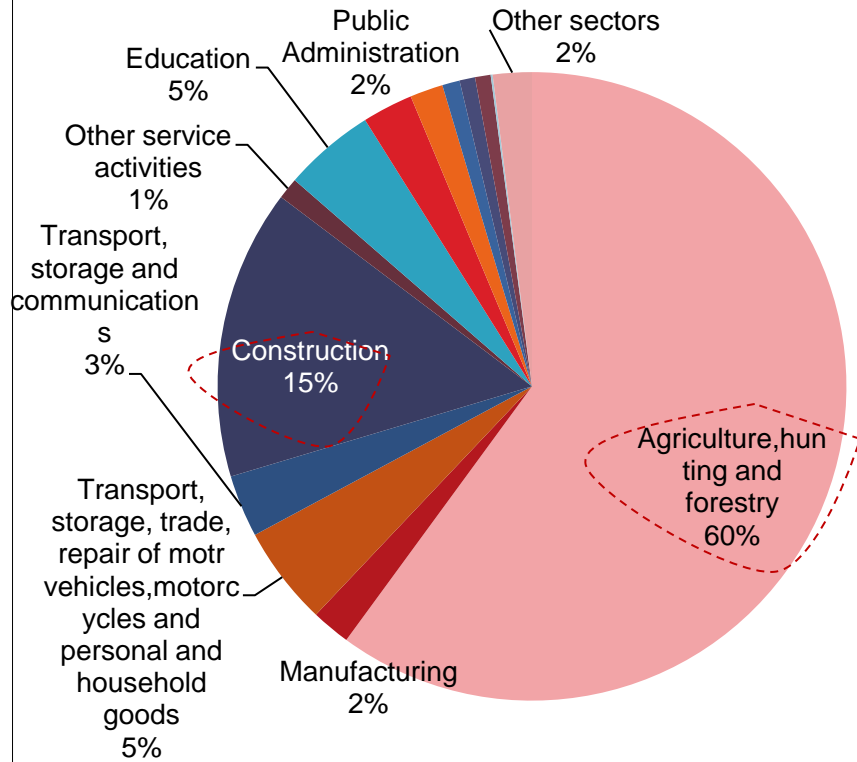
Source :Economic survey of Himachal Pradesh 2012-13

§ Secondary & services sector contribute equally to the state's GSDP
 § Manufacturing, Hospitality, Construction and Government services are key non agricultural economic activities.

State Analysis- Economic Profile

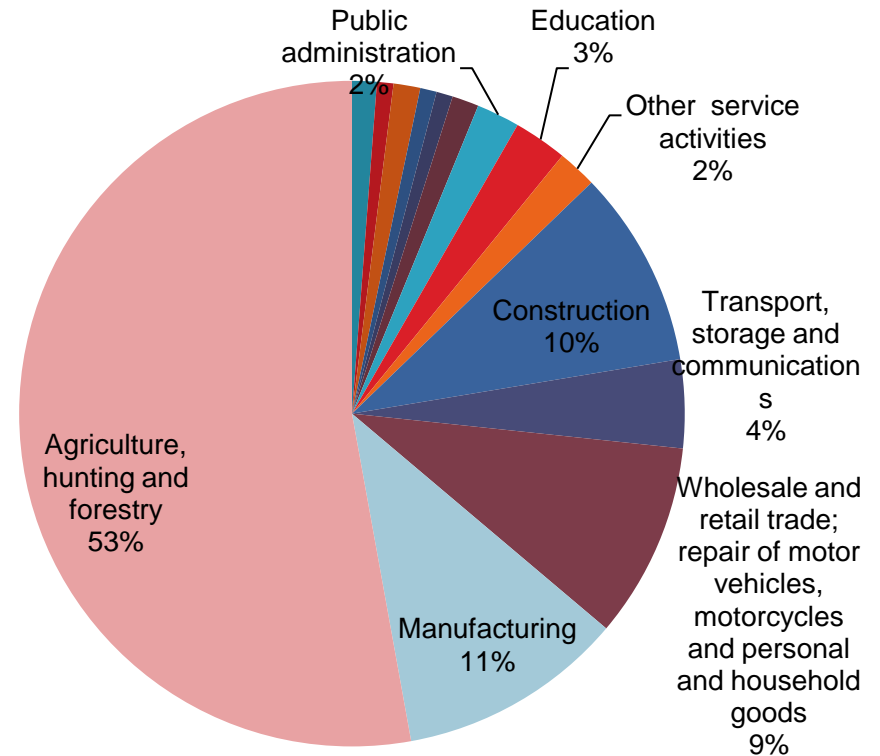
Agriculture and Construction sector contribute to a high proportion of overall employment...

Work Force Distribution by Industry Category- H.P



Source :NSSO 66th Employment Survey 2009-10,KPMG Analysis

Work Force Distribution by Industry Category- India



Source : NSSO 66th Employment Survey 2009-10, KPMG Analysis

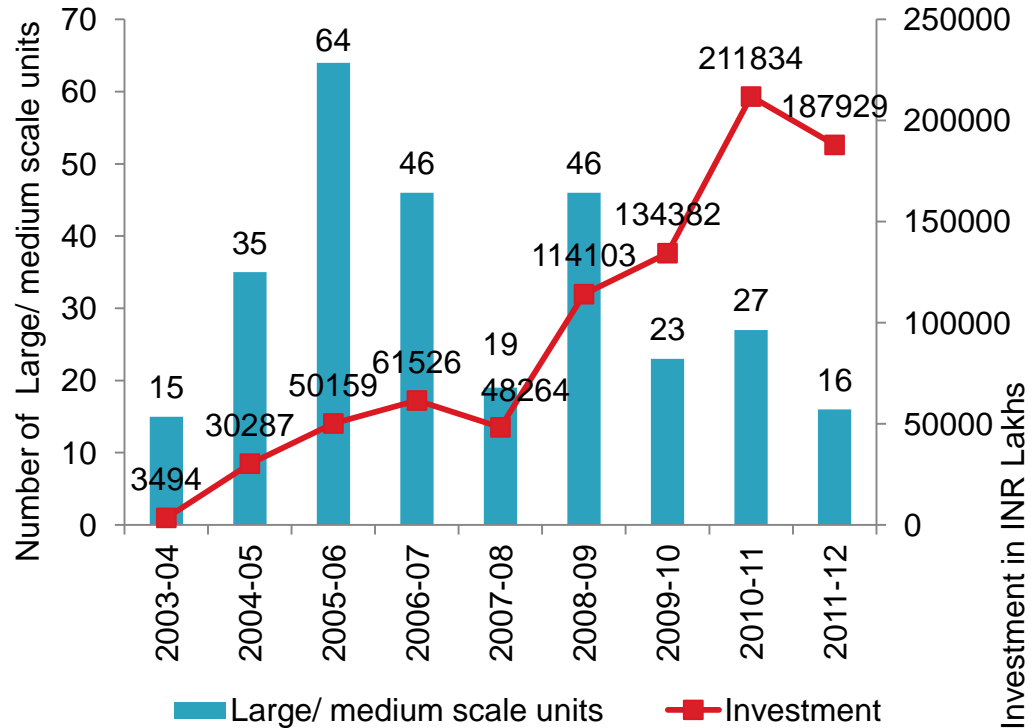
§ The state workforce has high dependency on Agriculture and other service activities. Manufacturing has contributed to 2% of overall state employment, in comparison to national average of 11%.

§ Education, Transport and Public administration are the other key employment generating segments within services sector.

State Analysis- Economic Profile

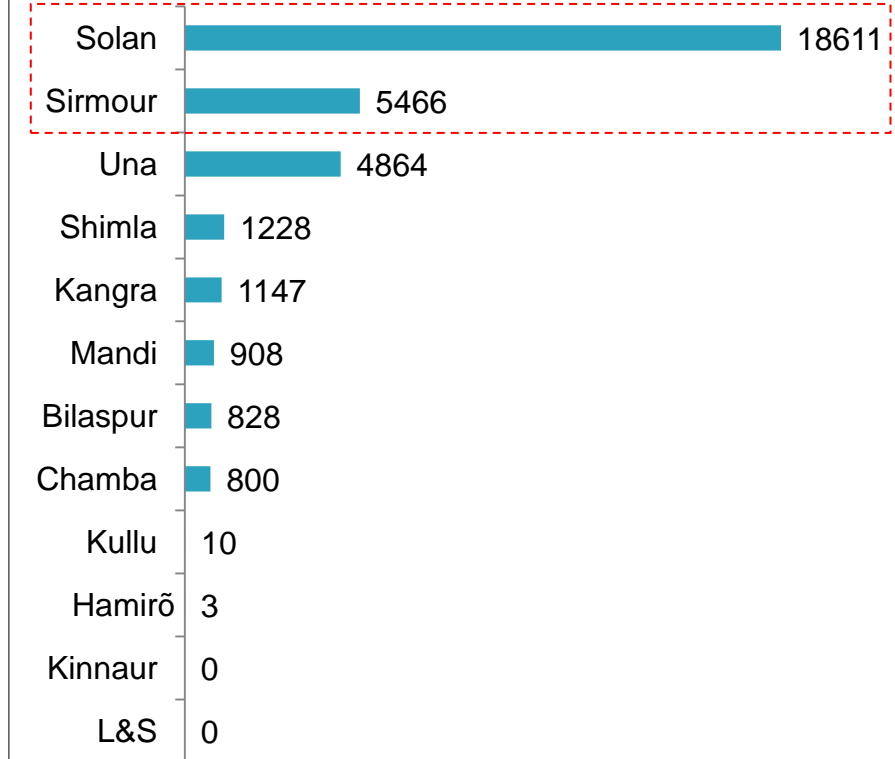
The state has witnessed higher investments in the lower areas, on account of proximity to markets and ease of transportation

Year wise details of units registered in Medium & Large sector



Source :Directorate of Economics & Statistics, Government of HP

Region wise approved Investments (INR lacs) 2003-2012–
Total 33,869 lacs



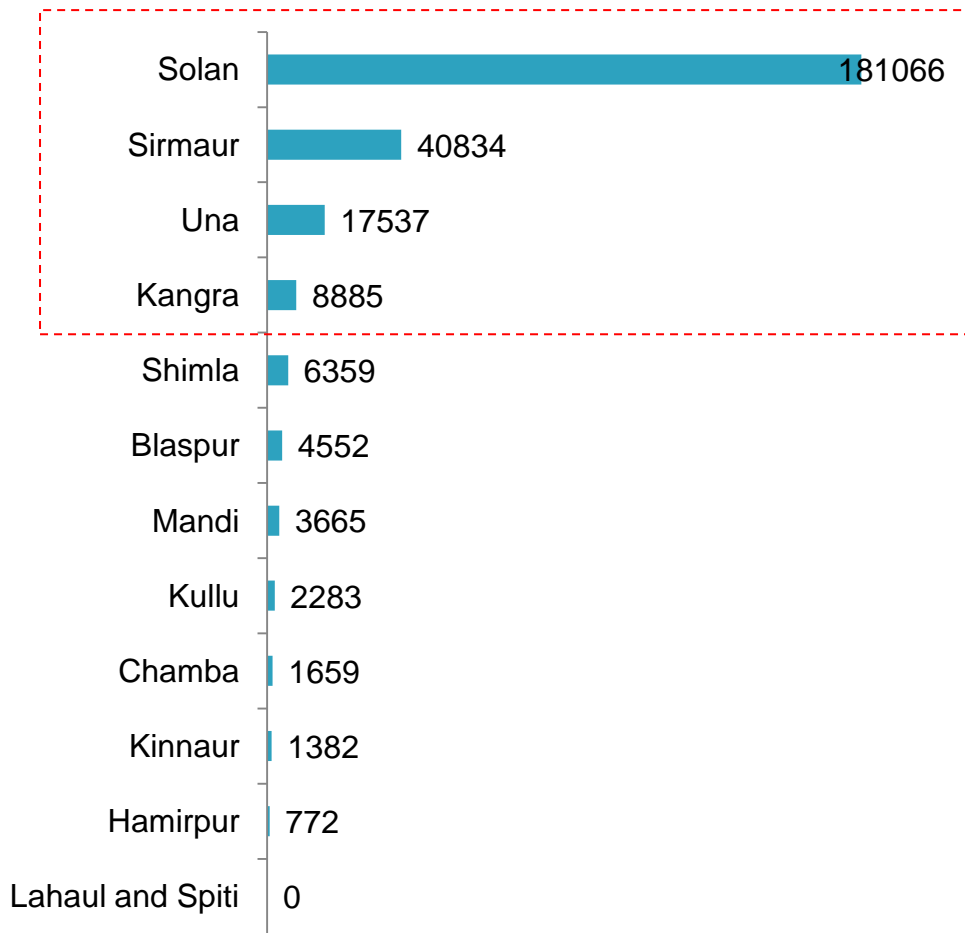
Source :Directorate of Economics & Statistics, Government of HP

§ Growth of manufacturing and services industries in Solan district is largely driven by Baddi. Baddi town picked up as a industrial hub post 2002, when tax and central excise concessions were announced to attract investments

State Analysis-Economic Profile

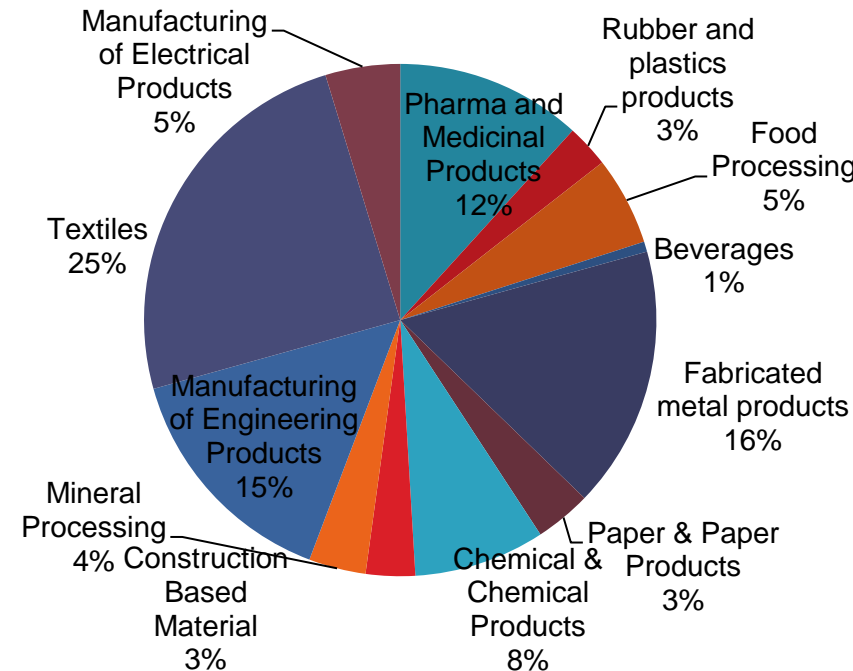
Employment opportunities in Himachal have significant regional and sectoral concentration, indicating the need for specific skilling approach for each district..

Average Daily Employment in Registered Factories
- Total 2.68 Lakhs (2011)



Source : Directorate of Economics & Statistics, Government of Himachal Pradesh

Category Wise Employment Outlook in MSME Manufacturing Units



Source : MSME Part-II statistics, Industries Department, Govt of HP

- § Top four districts account for nearly ninety percent of the overall employment in registered factories
- § Textile & Apparel, Manufacturing of Engineering Products, Pharma & Fabrication contribute to three fourths of the overall MSME employment in manufacturing

State Analysis-Economic Profile

Key Growth Sectors and Geographical Presence – Tourism

Overview	Growth Enablers & Developments	Geographical Concentration
<ul style="list-style-type: none"> § Tourism sector is recognized as one of the most important sectors of the Economy, and is being developed as a major engine of growth for future § Compared to the national average growth rate of 12.5 percent, the number of tourists in Himachal has grown at a CAGR of 14 percent during 2006-2010 § Currently, there are 2,609 Hotels registered with a bed capacity of 59,585 § Foreign tourists number increased from 3 lacs to 4.5 lacs from 2006-10 at a CAGR of 13 percent § Proposal for setting up of seven Ropeways under PPP mode on Build ,Operate and Transfer basis § The Department of Tourism has organized various adventure and general training courses for the unemployed youth of the State including Trekking guide, Water sports, Skiing, Bird watching and River rafting. 	<ul style="list-style-type: none"> § State endowed with all the basic resources necessary for thriving tourism like Geographical and cultural diversity, clean, peaceful and beautiful streams, sacred shrines and historic monuments § A budgetary allotment of 2,170 lacs for development of tourism in 2012-13 § A sustained marketing of the State is being done throughout the year in print and electronic media under the caption 	<ul style="list-style-type: none"> “ Shimla with destinations like Kufri, Narkanda and other places of religious interests “ Kullu with destinations like Manali, Manikaran, Shamsar village and Himalyan national park “ Kinnaur with pilgrimages like Kailash Parvat and Sangla village “ Kangra with a circuit of Religious tourism “ L & S for Adventure tourism in Spiti “ Chamba with destinations like Dalhousie and Khajjiar

State Analysis-Economic Profile

Key Growth Sectors and Geographical Presence – Power

Overview	Growth Enablers & Developments	Geographical Concentration
<p>§ Himachal Pradesh blessed with vast Hydroelectric potential in its five river basins namely Yamuna Satluj, Beas, Ravi and Chenab</p> <p>§ A total underlying potential of about 23,000 MW out of which 8,368 MW has been realized by various agencies</p> <p>§ Jaypee, NTPC, Himachal Pradesh Power corporation (HPPCL), Moser Baer and Reliance are the key players</p>	<p>§ Rs. 1600 crores loan sanctioned by the ADB to link inter-state transmission corridor for the Ravi, Beas, lower Satluj and Yamuna basins</p> <p>§ 17 projects to be commissioned by the end of 13th Five year plan (2017-22). On completion the state will get power of 16,270 million units every year worth Rs. 4,393 crores</p> <p>§ Estimated foreign investment of USD 2 billion through acquisition of 300 and 1000MW power plant by Abu Dhabi Water and Electric Authority into the sector</p> <p>§ Projects upto 2MW capacity are exclusively reserved for bonafide natives. For projects up to 5 MW, natives will get extra marks to enable them to compete with non-natives</p>	<p>“ Kinnaur with projects like BASPA-I and BASPA-II with combined potential of 1300 MW</p> <p>“ Lahaul and Spiti where Moser Baer and Reliance are carrying out feasibility studies for new projects.</p> <p>“ Bilaspur with mega projects like Koldam of 800 MW</p> <p>“ Kullu with projects like Prabati (800MW) and Malana (2x43MW)</p>

State Analysis-Economic Profile

Key Growth Sectors and their Geographical Presence – Agriculture and Horticulture

Overview	Growth Enablers & Development	Geographical Concentration
<p>§ The sector occupies a key position in the state economy as 89.96 percent population lives in the rural areas</p> <p>§ About 15 percent of the total GSDP comes from Agriculture and its allied sectors</p> <p>§ Out of the total geographical area of 55.67 lacs hectare, the area of operational holdings is about 9.68 lacs hectare operated by 9.33 lacs farmers.</p> <p>§ The food grains production was achieved at a record level of 15.54 lacs MT in 2011-12, against 14.94 lacs MT last year.</p> <p>§ The total area under Apple cultivation was close to 1 lacs hectares producing 2.75 lacs MT of fruit in 2010-11</p> <p>§ Solan is known as the Mushroom city of India with total production of 7201 MT in 2011-12</p>	<p>§ Concessions to new enterprises such as Concessional rate of Electricity, Interest subsidy at 5% per annum on term loan.</p> <p>§ Fixed capital investment subsidy at 15% subject to maximum of 5 lacs</p> <p>§ 100% Income tax exemption for initial period of 5 years and thereafter 30% for companies and 25% for other than companies</p> <p>§ [] replantation [] ; [] with an investment of INR 85 crores currently being implemented in the State to replace old and low yielding varieties.</p>	<p>“ Apple: Kinnaur, Shimla, Kullu, Chamba and Mandi</p> <p>“ Potatoes and Peas: Lahaul & Spiti, Kangra</p> <p>“ Mushroom: Solan and Sirmaur</p> <p>“ Food grains: Hamirpur, Bilaspur, Sirmaur and Solan</p> <p>“ Tea leaves: Kangra</p>

State Analysis-Economic Profile

Key Growth Sectors and their Geographical Presence – Pharmaceuticals

Overview	Growth Enablers	Geographical Concentration
<p>§ More than 300 companies have set up operations in the state mainly in the Solan and Sirmaur district</p> <p>§ The key players are Ranbaxy, Dr. Reddy, Morepan, Cipla, Dabur Mankind and Torrent Pharmaceuticals</p> <p>§ A skill development centre with a facility & capacity to impart training to 1800 candidates in a year is in progress. In the first year training shall be imparted to 720 candidates and by the fifth year training to be imparted to 1200 candidates.</p>	<p>§ Availability of important resources in form of herbal and medicinal plants.</p> <p>§ Investment of INR 80 crores (Centre+ State and Industry) under Infrastructure upgradation scheme covering Setting up of common effluent plant and recovery, road widening and a Skill development centre.</p> <p>§ State government to actively support R&D and modernization of existing units including initiatives aimed at strengthening the testing and calibration facilities</p> <p>§ Central transport subsidy to the industrial units at 75 percent of the cost of transportation of finished goods to nearest specified broad gauge rail head.</p>	<p>Solan and Sirmaur</p>

State Analysis-Economic Profile

Key Growth Sectors and their Geographical Presence

Sector	Growth Enablers for the industry	Geographical Concentration
Food Processing	<p>§ Himachal Pradesh has a robust food processing sector, which is primarily in the areas of traditional processing of agricultural and horticulture raw material.</p> <p>§ Processing industries of ginger, potato and vegetables in valley areas have great investment scope. High-quality potato produced in the lower region of Himachal Pradesh, specifically in the Paramour and Nagrota Bagwan belt of Kangra district</p> <p>§ Himachal Pradesh offers a large number of incentives to set up food processing units. Hassle free policies such as single window clearance, credit facilities made available for Cooperatives to promote marketing of agriculture produce , Proposal for setting up of a mega food park in the State. Separately, Capital subsidy is routed through NABARD under Ö U Q scheme for Milk processing, cold chain systems and veterinary facilities</p> <p>§ The key players in Food processing Himachal Pradesh are Adani agri fresh, Dharampal Satyapal group, HPMC, Nestle India, Dabur, Mahan group and Himalyan Organics</p>	<p>” Shimla, Kinnaur, Mandi, Kangra, Solan and Sirmaur</p>

State Analysis-Economic Profile

Key Growth Sectors and their Geographical Presence

Sector	Growth Enablers for the industry	Geographical Concentration
Handicrafts	<p>§ Himachal Pradesh State Handicrafts & Handloom Corporation Limited (An H.P. State Government Undertaking) was established in the year 1974 with the objective to assist and promote the interests of the poor weavers and artisans of the state</p> <p>§ Schemes such as %Q } c ^ *Handloom development+ Handloom Weavers comprehensive welfare scheme, Marketing and export promotion scheme and funds for participating in the exhibitions</p> <p>§ Wood is available in abundance in the state due to the existence of rich forests. As a result, wood carving is still a living tradition of the state. Things like fruit bowls, beer mugs, wooden jewellery, decorative boxes and carved. Images are also carved out of wood.</p>	<p>~ Kullu, Kinnaur, Mandi, Chamba, Lahaul & Spiti and Shimla</p>

State Analysis-Economic Profile

Key Growth Sectors and their Geographical Presence

Sector	Growth Enablers for the industry	Geographical Concentration
Floriculture	<p>§ The Department of Horticulture has established seven Floriculture Nurseries in different districts to provide technical know how to the growers on new and hybrid varieties.</p> <p>§ Area under commercial floriculture has increased steadily from 30 hectares in 1993-94 to 682 hectares in 2009-10</p>	~ Bilaspur, Solan, Sirmaur, Kangra, Mandi, Chamba, Shimla and Kullu

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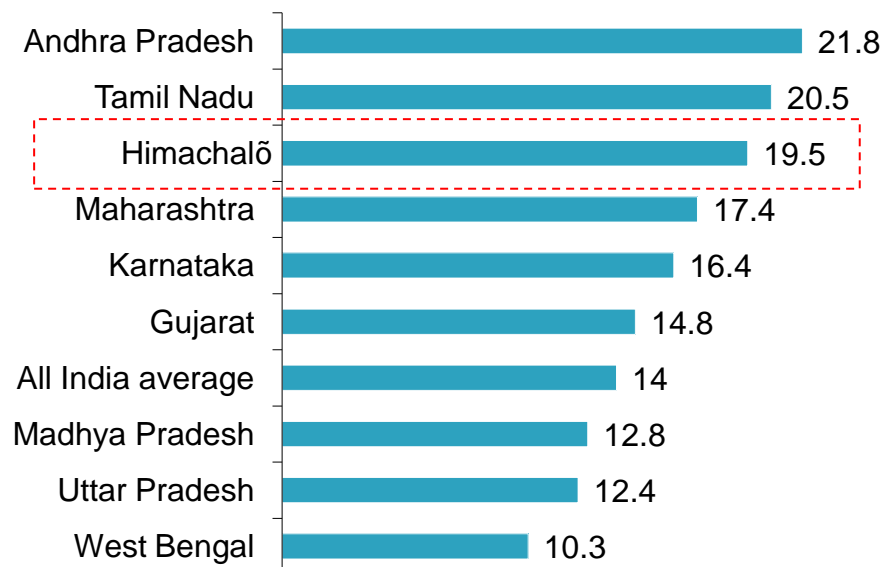


State Analysis

Dropout rates at higher education level is a concern that needs to be addressed.

Allowing a seamless transition into vocational

Penetration of Higher Education in Key Indian States
(Enrollments per 1000 Population)



Source : MHRD Statistics 2012

Enrollments in Himachal Across Education Levels (per batch)

Level	Enrolments
Primary	0.80 lacs
Middle	0.93 lacs
Higher / Senior Secondary schools	1.1 lacs
Higher Education	0.51 lacs

Source : Department of Education, Himachal Pradesh

§ The enrolments level at the primary level over the last decade have gone down in HP on account of outward migration from the state.

§ HP also hosts some prestigious boarding schools in Solan and Shimla district, which has also attracted students from other states especially at Middle and Secondary level

§ Capacity of higher education in Himachal Pradesh at 19.5 seats per 1000 population is better than national average of 14 seats per 1000 population. Gross Enrollment Ratio in Himachal Pradesh is 23.5% while the average in India is 15%, and the average in developed countries is often above 50%

Education and Training Infrastructure- Training Capacities

Vocational education can play the crucial role of bridging the gap in the current education system to create a skilled econo

Higher Education Institutions

Category of Institutions	Number of Institutions
Universities, Research Institutes, Institutes of National Importance	7
Govt Colleges	123
Grant in Aid Colleges	21
Self financed institutions	286
Total	437

Source : Department of Higher Education, Himachal Pradesh

Technical Education Capacity

Category of Institutions	No. of Institutions	Intake
Engineering Degree	18	6600
Engineering Diploma	29	8009
MBA	6	615
Degree Pharmacy	14	1000
Total	67	1,29,061

Source : Department of Higher Education, Himachal Pradesh

Vocational Education Capacity

Category of Institutions	No. of Institutions	Intake
Q V Q q •	77	14,878
Ú ; ã ç æ c ^ Á Q V Q q •	118	12,697
Private Training Institutes(NSDC Partners)	1	601
Total	196	28,176

Source : Department of technical education, Himachal Pradesh 2012

§ Engineering diploma/degree account for a major share of technical education capacity of 1.29 lakhs

§ Prevalence of vocation education measured as ratio of vocational education to technical education capacity (nearly 1:4) is lower than required levels, considering the segmentation of employment opportunities (Skilled : Semi skilled), and also considering the same ratio in countries like Germany, Japan etc with a strong vocational education system

§ State has to focus on initiatives to improve private participation in vocational education from current level through World Bank funded COE scheme and PPP scheme

§ NSDC partner institutes have significant opportunities to bridge vocational training gaps

Education and Training Infrastructure- Vocational Education

Regional variations in vocational training capacities indicates a need for geographical focus towards capacity expansion ...

Penetration	Region	No. of ITI/ ITCs/VTP	Seat Capacity	NSDC Partner		Vocational Training Density*
				Institutes	Capacity	
High	Lahaul & Spiti	2	236		-	7.6
	Hamirpur	21	3267		49	6
	Solan	47	3338			5.7
	Kullu	29	3206		19	5
Medium	Una	12	2321		70	4.2
	Kinnaur	17	367		9	4
	Bilaspur	29	2202		57	3.1
Low	Chamba	11	980		53	1.8
	Shimla	32	2790		10	2
	Sirmaur	36	2395			2.5
	Kangra	61	3895		191	2.5
	Mandi	6	2367		143	2.3
Himachal Pradesh		196	27,575	1	601	3.9

§ Densely populated districts such as Kangra, Sirmaur, Shimla and Mandi have low penetrations

§ Industrially backward districts such as Lahaul & Spiti and Kinnaur have high and medium penetration

§ State needs to formulate conducive policies and special incentive schemes to enable private investments in vocational education in low penetration districts

§ NSDC partnerships in the State are only in a nascent stage as of now

Source : Department of Technical Education, H.P, NSDC

* Measured as seats per 1000 population

Education and Training Infrastructure-Government Initiatives

Government Scheme	Scheme Details/Objectives	Performance
Skill development allowance scheme	<p>§ State funded scheme - aims at providing allowance to educated and eligible unemployed Himachali persons for their Skill up-gradation. The scheme empowers the youth to choose the sector in which they would like to develop their skill, at the training institute of their choice. As a result, it may be possible for the youth to take up employment or self-employment in the sector of their choice, paving way for economic growth of the state.</p>	<p>§ Under this scheme, an allowance of INR1,500 per month for physically challenged and INR1,000 per month for others is provided to the unemployed educated youth of Himachal Pradesh</p> <p>§ To be monitored from next year</p>
Technical Education quality improvement program	<p>§ Centrally sponsored program by MHRD with the assistance of World bank.</p> <p>§ Aims to upscale and support ongoing efforts in improving quality of technical education and enhancing existing capacities of the institutions to become dynamic, demand-driven, quality conscious, efficient and forward looking, responsive to rapid economic and technological developments occurring both at national and international levels.</p>	<p>§ 1st phase of program (March 2003-09) was implemented in 13 states covering 127 institutions. HP was ranked as the highest performing state in terms of overall impact and second highest on key performance indicators as per the Impact Evaluation Report of TEQIP I</p> <p>§ In the second phase Jawahar Lal Nehru, Government Engineering College, Sundernagar has been selected and a grant amount of INR12.25 crores was been sanctioned for strengthening of physical infrastructure facilities of the college.</p>

Education and Training Infrastructure-Government Initiatives

Government Scheme	Scheme Details/Objectives	Performance
Modular Employment Scheme	<ul style="list-style-type: none"> § MES allows skills upgradation/formation, multi entry and exits, vertical and horizontal mobility and lifelong learning opportunities in a flexible manner and allows recognition of prior learning. § It is targeted at workers seeking skill up-gradation or certification of skills acquired informally and unemployed youth along with school dropouts 	<ul style="list-style-type: none"> § In Himachal Pradesh, 104 vocational training providers (VTPs) have been registered at present under Skill Development Initiative Scheme. § 15,384 candidates have been trained under this scheme already, while 2,230 are still under training. INR3.9 crores has been spent by the state out of the total of INR7.62 received
Up-gradation of ITI's into of Excellence	<ul style="list-style-type: none"> § A central assistance of INR 2,722 lacs spent for providing modern machinery and equipments , honorarium/ remuneration and training to teachers and also for construction of buildings etc. § A total of 1732 candidates are being trained every year under this scheme. 	<ul style="list-style-type: none"> § A central assistance of INR 2,722 lacs spent for providing modern machinery and equipments , honorarium/ remuneration and training to teachers and also for construction of buildings etc. § A total of 1732 candidates are being trained every year under this scheme.

Education and Training Infrastructure-Government Initiatives

Government Scheme	Scheme Details/Objectives	Performance
<p>Integration of Vocational education at School level</p>	<p>§ Vocational Education program is presently going on in 25 Sr. Secondary schools of the state in which six subjects are being taught</p> <ol style="list-style-type: none"> 1. Electronics Technology 2. Computer technique 3. Audit and Accountancy 4. Electrical 5. Horticulture 6. Food Preservation <p>In addition to this the department proposes to start vocational education in 75 new, Retail and IT Government Senior secondary schools with four new courses in Automobile, Security</p>	<p>§ Close to 2500 students graduate every year, from these courses.</p>
<p>Upgradation of ITI's PPP scheme</p>	<p>“ After PPP mode after due consultation with the State steering committee and with CII and PHD chamber of commerce and various other Industrial associations located in different parts of Himachal Pradesh.</p> <p>“ Under this scheme an MOU is signed among the Central Government, the State Government, the state government and the Industry Partner defining the roles and responsibilities of all the parties, An interest free loan upto Rs. 2.5 cr. Is given by the Central Government directly to the IMC on the basis of Institute Development Plan (IDP) prepared by it.</p> <p>“ The loan is repayable by the IMC in 30 years , with a moratorium of 10 years and thereafter in equal annual installments over a period of 20 years.</p>	<p>§ At present 33 QV Q have been upgraded under PPP mode and an amount of 82.5 crores has been provided by the GOI to these Q V C in the last 4 years</p>

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7 Recommendations



Skill Development Opportunities(2012-22)

Along with primary sector, Construction, Tourism, Communication, transportation and financial services would account for nearly three fourths of the overall employment...

Sector	Incremental Manpower Requirement (2012-17)				Incremental Manpower Requirement (2017-22)			
	Skilled	Semi Skilled	Minimal skilled	Total	Skilled	Semi Skilled	Minimal skilled	Total
Agriculture & Allied Activities	NA	NA	(16,765)	(16,765)	NA	NA	(16547)	(16547)
Construction	21356	42714	363061	427131	24,499	48999	416487	489985
Banking & Financial Services	12747	38240	-	50,987	13728	41,183	-	54910
Communication	5680	17041	-	22721	5691	17072	-	22,762
Transportation	880	13966	16616	31462	943	14981	17823	33,747
Healthcare	3942	15767	-	19,709	4067	16268	-	20,336
Drugs and Pharmaceuticals	1046	4185	5231	10,462	522	2,087	2,609	5218
Trade, Retail	680	680	5438	6797	560	560	4482	5603
Education & Training	555	3738	-	4294	88	592	-	680
Hospitality & Tourism	412	618	3089	4119	368	552	2758	3678
Textile & Apparel	379	1517	1896	3793	556	2224	2781	5561
Fabricated Metal products	306	1226	1532	3065	288	1152	1440	2880
Chemical & Chemical Products	209	834	1043	2085	231	925	1156	2311
Mineral Processing & Fabrication	5	20	25	50	27	109	136	272
Manufacturing of Engineering Goods	110	442	552	1105	122	488	611	1221
Agro, Beverage & Food Processing	191	747	1071	2009	241	939	1347	2527
Electrical & Electronics	42	169	212	423	48	191	239	477
Construction Material Manufacturing	54	214	268	536	72	287	359	718
Rubber & Plastics	24	97	121	243	27	109	137	516
Paper & Paper Products	32	127	159	319	36	144	180	359
Hydel Power	755	189	943	1886	755	189	943	1886
Total	49406	142532	384493	576431	52868	149052	436940	638860

Source : KPMG Analysis

Skill Development Opportunities(2012-22)

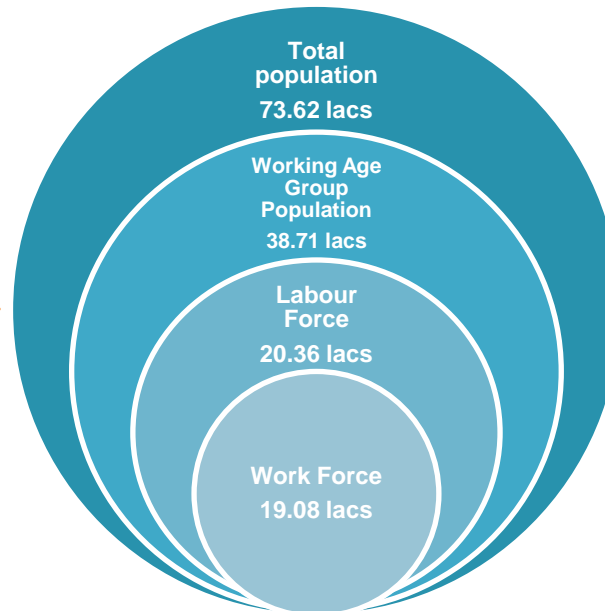
Himachal will have an excellent demographic dividend for years to come, with the state labour force expected to reach 21.5 lacs by 2022...

Expected Demographic Composition Transformation in Himachal from 2012-22

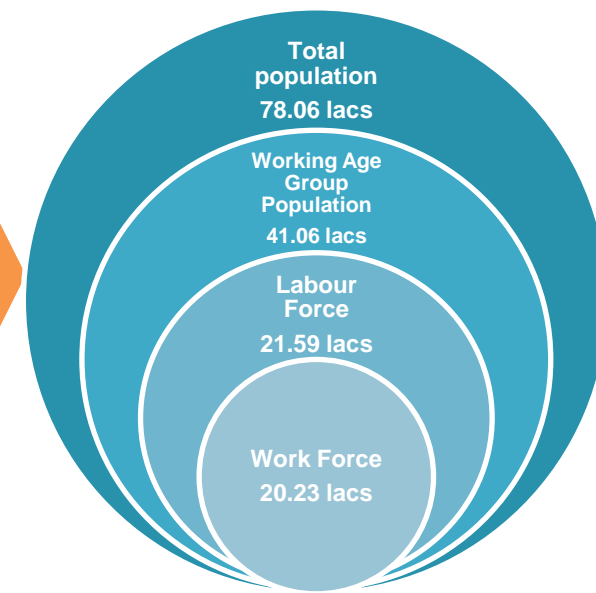
2012



2017



2022



Source : KPMG Analysis

- ~ **Labour Force:** Number of people employed or seeking employment in Himachal Pradesh
- ~ **Work Force:** Number of people employed in Himachal Pradesh
- ~ **Working Age Population:** Number of People in the 15-59 age Group

Skill Development Opportunities(2012-22)

State is expected to witness a net addition of 1.21 lakhs and 1.23lakhs during 2012-17 and 2017-22 periods to the labour force ...

State/ District	Labour Force Supply (2012-17)			Labour Force Supply (2017-22)		
	Gross Addition to Working Age Population	Gross Addition to Labour Force	Net Addition to Labour Force- Supply	Gross Addition to Working Age Population	Gross Addition to Labour Force	Net Addition to Labour Force- Supply
Himachal	641,878	337,628	121,994	590,115	310,400	123,304
Bilaspur	35,719	18,824	6802	32,839	17,306	6,875
Chamba	48,543	26,002	9,395	44,628	23,905	9496
Hamirpur	42,528	23,173	8,373	39,099	21,304	8,463
Kangra	141,217	66,449	24,010	129,829	61,090	24,268
Kinnaur	7,867	5,394	1,949	7,232	4,959	1,970
Kullu	40,875	24,426	8,826	37,579	22,456	8,920
L&S	2,952	2,379	860	2,714	2,187	869
Mandi	93,496	51,254	18,519	85,956	47,121	18,718
Shimla	76,123	41,770	15,093	69,985	38,402	15,255
Sirmaur	49,550	25,483	9,208	45,554	23,428	9,307

Skill Development Opportunities(2012-22)

State is expected to witness a net addition of 1.21 lakhs and 1.23 lakhs during 2012-17 and 2017-22 periods to the labour force ...

State/ District	Labour Force Supply (2012-17)			Labour Force Supply (2017-22)		
	Gross Addition to Working Age Population	Gross Addition to Labour Force	Net Addition to Labour Force- Supply	Gross Addition to Working Age Population	Gross Addition to Labour Force	Net Addition to Labour Force- Supply
Solan	54,269	29,722	10,739	49,893	27,325	10,855
Una	48,738	22,751	8,221	44,808	20,916	8,309

Source : KPMG Analysis

Skill Development Opportunities(2012-22)

State is expected to witness a net addition of 1.21 lakhs and 1.23 lakhs during 2012-17 and 2017-22 periods to the labour force ...

State/ District	Net Labour Force Supply 2012-17				Net Labour Force Supply 2017-22			
	Skilled	Semi skilled	Minimally skilled	Total	Skilled	Semi skilled	Minimally skilled	Total
Himachal	43,476	26,005	52,513	121,994	43,942	26,284	53,077	123,304
Bilaspur	1,548	2093	3161	6,802	1,564	2116	3195	6,875
Chamba	1169	931	7295	9,395	1182	941	7373	9,496
Hamirpur	4339	3095	939	8,373	4385	3128	950	8,463
Kangra	7656	3693	12661	24,010	7738	3732	12797	24,268
Kinnaur	104	348	1496	1,949	105	352	1512	1,970
Kullu	1,522	3043	4261	8,826	1,538	3075	4307	8,920
L&S	13	224	623	860	13	226	630	869
Mandi	5130	2249	11,140	18,519	5185	2274	11259	18718
Shimla	9969	2652	2471	15,093	10,076	2681	2498	15,255
Sirmaur	1922	2275	5011	9,208	1,942	2300	5064	9,307

Source : KPMG Analysis

Skill Development Opportunities(2012-22)

State is expected to witness a gross addition of 1.21 lakhs and 1.23 lakhs during 2012-17 and 2017-22 periods to the labour force ...

State/ District	Net Labour Force Supply 2012-17				Net Labour Force Supply 2017-22			
	Skilled	Semi skilled	Minimally skilled	Total	Skilled	Semi skilled	Minimally skilled	Total
Solan	7008	3173	558	10,739	7084	3207	564	10,855
Una	3074	2205	2942	8,221	3107	2229	2973	8,309

Source : KPMG Analysis

Skill Development Opportunities(2012-17)

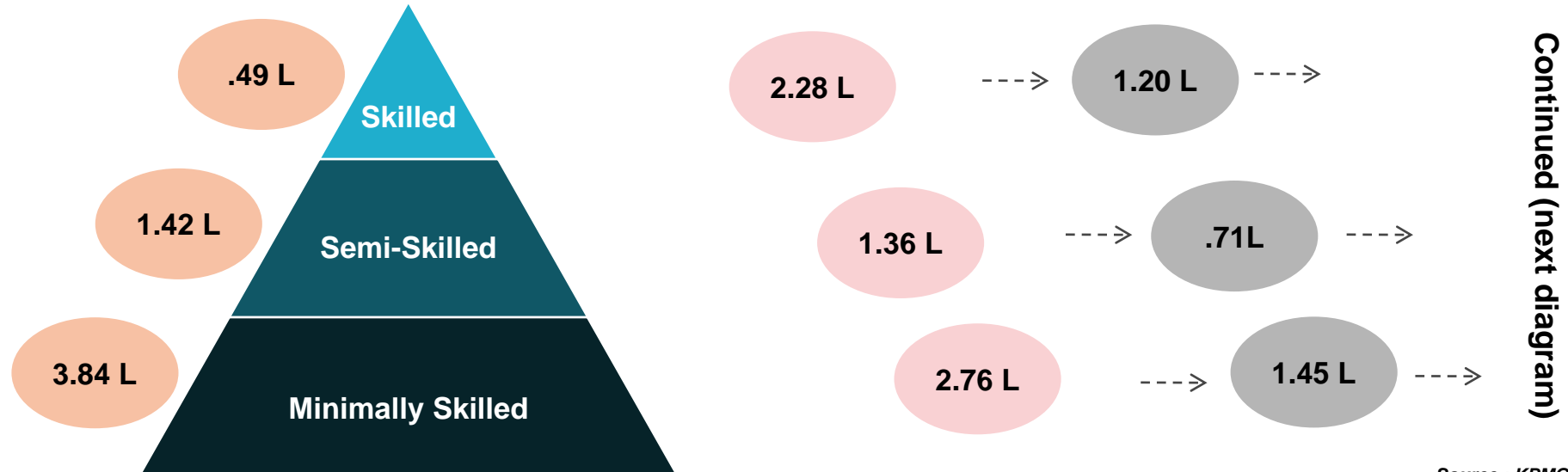
Supply Demand Gap Analysis for 2012-17, highlights the need for additional supply in semi-s k i l l e d c o m p a r e d t o s k i l l e d & m i n i m a l l y

Labour Force Estimations for 2012-17

Demand for Human Resource
=> New jobs created 2012-17 (1)

Gross Addition to Working Age Population
=> Total needing to be skilled 2012-17 (2)

Gross Addition to Labour Force
=> Total available for employment 2012-17 (3)



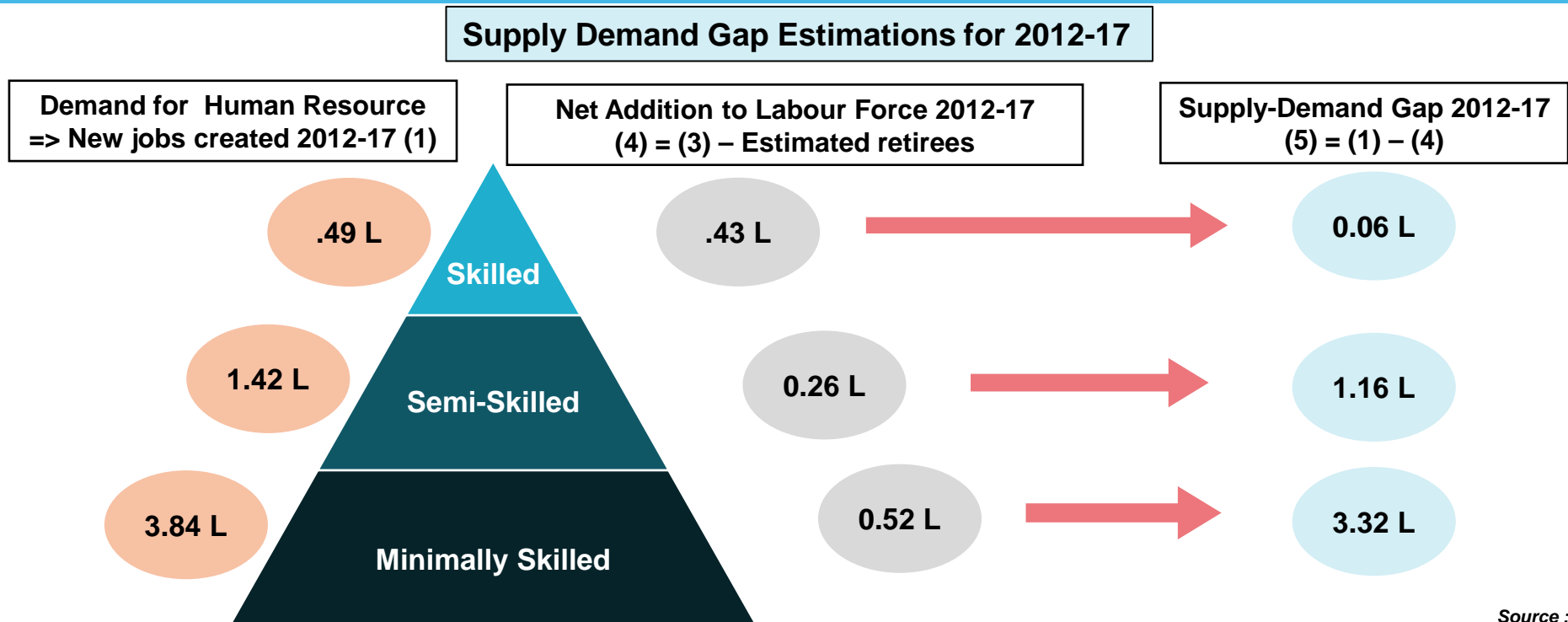
Source : KPMG Analysis

- Demand for Human Resource:** Estimated number of additional employment opportunities created in the state based on sectoral growth
- Gross Addition to Working Age Population:** Estimated new entrants into working age, needing some level of skilling (minimal/semi-skilled/skilled)
- Gross Addition to Labour Force:** Portion of the Gross Addition to Working Age Population, who actively seek employment

Supply demand gap indicates a need to improve participation rates, along with providing vocational skills, to ensure adequate employability ...

Skill Development Opportunities(2012-17)

Supply Demand Gap Analysis for 2012-17, highlights the need for additional supply in semi-s k i l l e d c o m p a r e d t o s k i l l e d & m i n i m a l l y



Source : KPMG Analysis

- 4. Net Addition to Labour Force:** Gross Addition to Labour Force minus retirees . i.e. net new labour force available to meet new human resource demand arising from sectoral growth
- 5. Supply of Human Resource:** Difference between Demand for Human Resource (1) and Net Addition to Labour Force (4)

Supply demand gap indicates a need to improve participation rates, along with providing vocational skills, to ensure adequate employability ...

Skill Development Opportunities(2017-22)

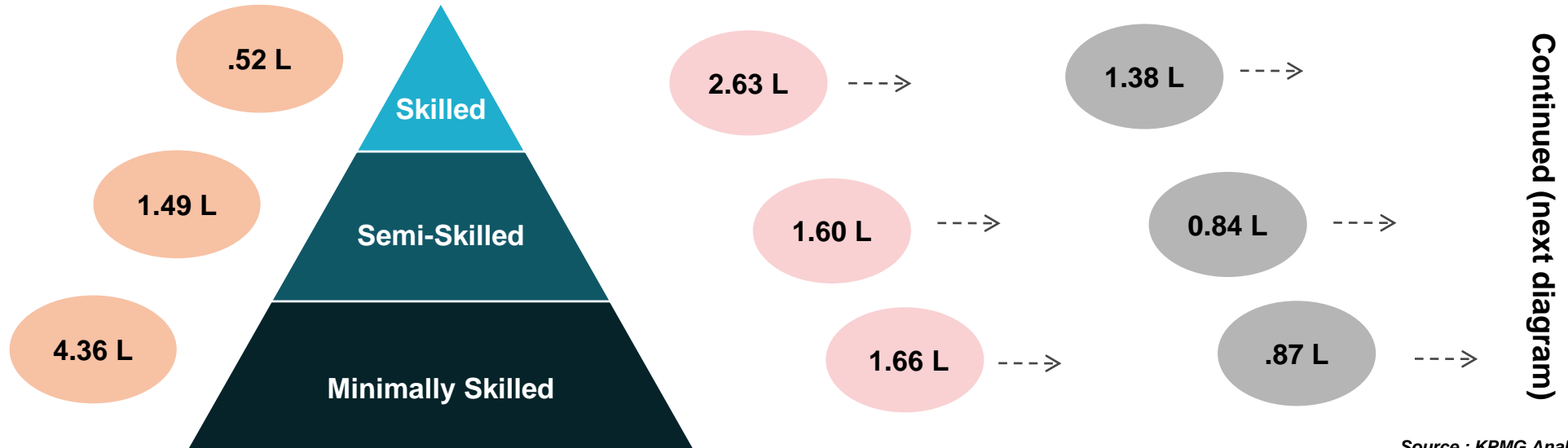
Supply Demand Gap Analysis for 2017-22, highlights the need for additional supply in semi-s k i l l e d a n d m i n i m a l l y c a t e g o r i e s w i t h i n

Labour Force Estimations for 2017-22

Demand for Human Resource
=> New jobs created 2017-22 (1)

Gross Addition to Working Age Population
=> Total needing to be skilled 2017-22 (2)

Gross Addition to Labour Force
=> Total available for employment 2017-22 (3)



Source : KPMG Analysis

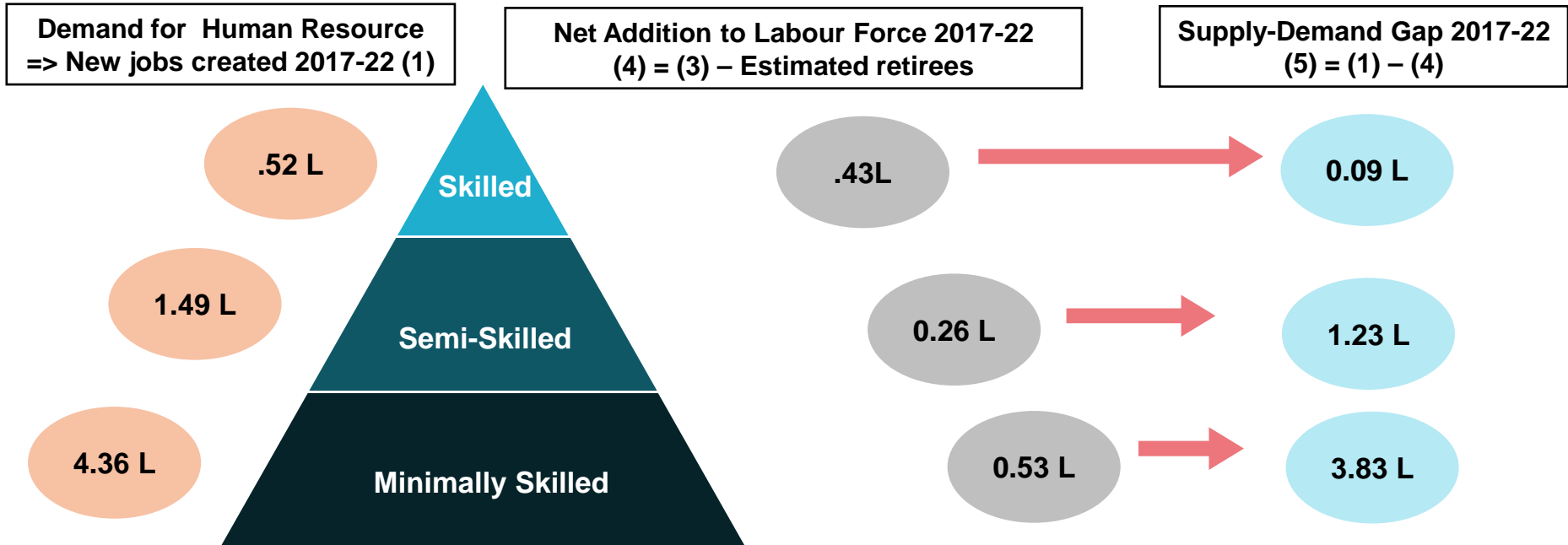
- Demand for Human Resource**: Estimated number of additional employment opportunities created in the state based on sectoral growth
- Gross Addition to Working Age Population**: Estimated new entrants into working age, needing some level of skilling (minimal/semi-skilled/skilled)
- Gross Addition to Labour Force**: Portion of the Gross Addition to Working Age Population, who actively seek employment

Supply demand gap indicates a need to improve participation rates, along with providing vocational skills, to ensure adequate employability ...

Skill Development Opportunities(2017-22)

Supply Demand Gap Analysis for 2017-22, highlights the need for additional supply in semi-skilled and minimally categories within

Supply Demand Gap Estimations for 2017-22



Source : KPMG Analysis

- 4. Net Addition to Labour Force:** Gross Addition to Labour Force minus retirees . i.e. net new labour force available to meet new human resource demand arising from sectoral growth
- 5. Supply of Human Resource:** Difference between Demand for Human Resource (1) and Net Addition to Labour Force (4)

Supply demand gap indicates a need to improve participation rates, along with providing vocational skills, to ensure adequate employability ...

Skill Development Opportunities(2012-22)-Youth Aspirations

Findings

Choice of education and Training Stream

Economic background of an individual is one of the key factors influencing the program chosen for study. Along with economic background awareness level about the programs typically acquired through family members/seniors is another major influencing parameter. Students from weaker sections of the society, both economically and socially, prefer vocational courses over higher education programs. Vocational streams are considered as strenuous especially in mechanical sector which is not preferred by girls considering the nature of employment involved in these sectors.

Preference of Government jobs over Private

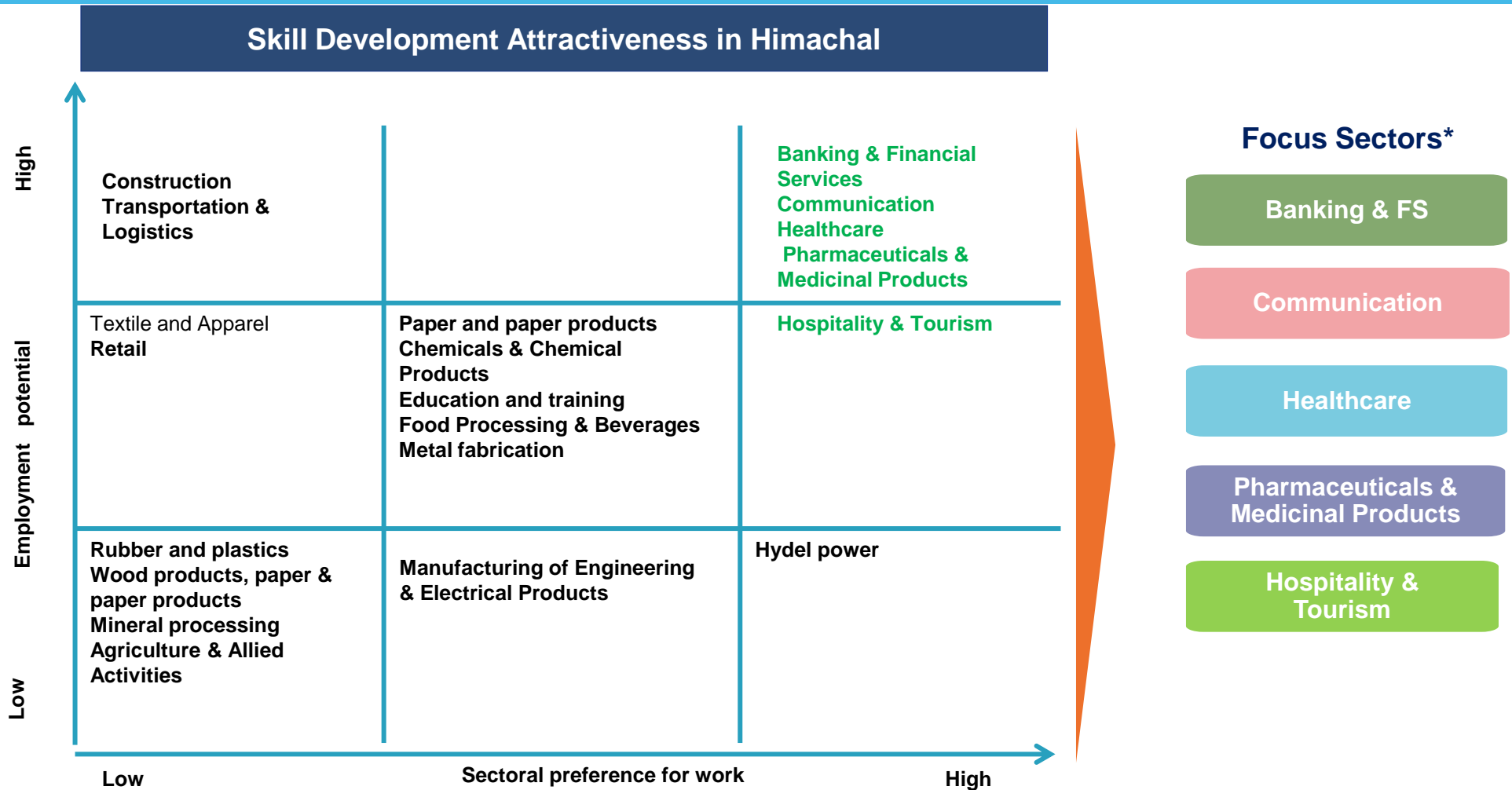
Youth seem to show higher inclination for jobs in Govt/Govt Undertaking Sectors like PWD, Electricity board or any other administrative job. According to the youth in the state, the government jobs provided security and entailed less rigor.

Awareness of Career opportunities

Students do not get much counseling on the job prospects and or possible options on starting their own business. The lack of finance opportunities, bank knowledge and support is often seen as a hindrance in accelerating their career.

Skill Development Opportunities(2012-22)

Tourism, Banking, Healthcare, Pharmaceuticals, Hydel power sectors are high on employment potential as well as aspiration



**Employment growth opportunities and youth aspirations towards working in the sector are the criteria for identifying focus sectors for the state*

Source: KPMG Analysis

Skill Development Opportunities(2012-22)

The Construction sector is expected to witness significant manpower requirement in the next decade ...

Sector Growth Outlook

§ For planned development of various towns and growth centers , the Himachal Pradesh Town and Country planning Act, 1977 has been extended to 21 Planning areas in the State including Shimla, Solan, Nahan, Waknaghat, Bilaspur and Mandi etc.

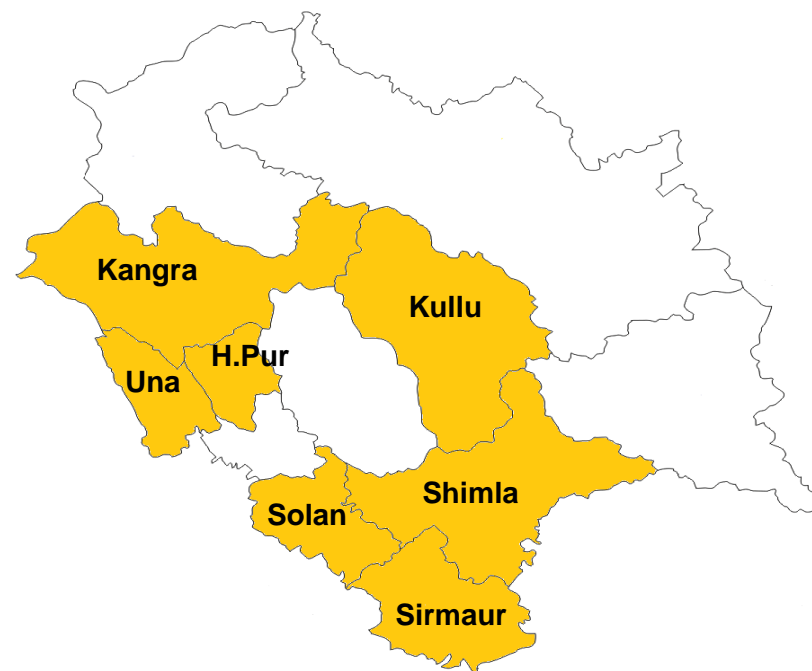
§ Besides 21 planning areas , Government has extended the provisions of the Act to 34 areas of the State, by declaring these as Special areas under Section 66 of the Act

§ The above policy level thrust shall boost the requirements in the construction sector in Himachal Pradesh

Skill Requirements for Port Based Logistics Industry

Core Skills	Electricians, Carpenters, Bar-benders, Welders, Masons, Heavy machine operators
Allied Skills	Un-skilled workers for labour jobs
Skills with Acute Shortage	Heavy Machine Operators
Current status	Supply of construction workers is not seen as much of a problem in Himachal Pradesh. The natives usually do not take up these jobs and hence people from Jharkhand, UP and Bihar are the ones who take them up

Construction Incremental Human Resource Requirement, 9.17 lakhs (2012-22)



Source: KPMG Analysis

Skill Development Opportunities(2012-22)

With the growth in infrastructure projects in the State, the banking & financial sector has a promising outlook

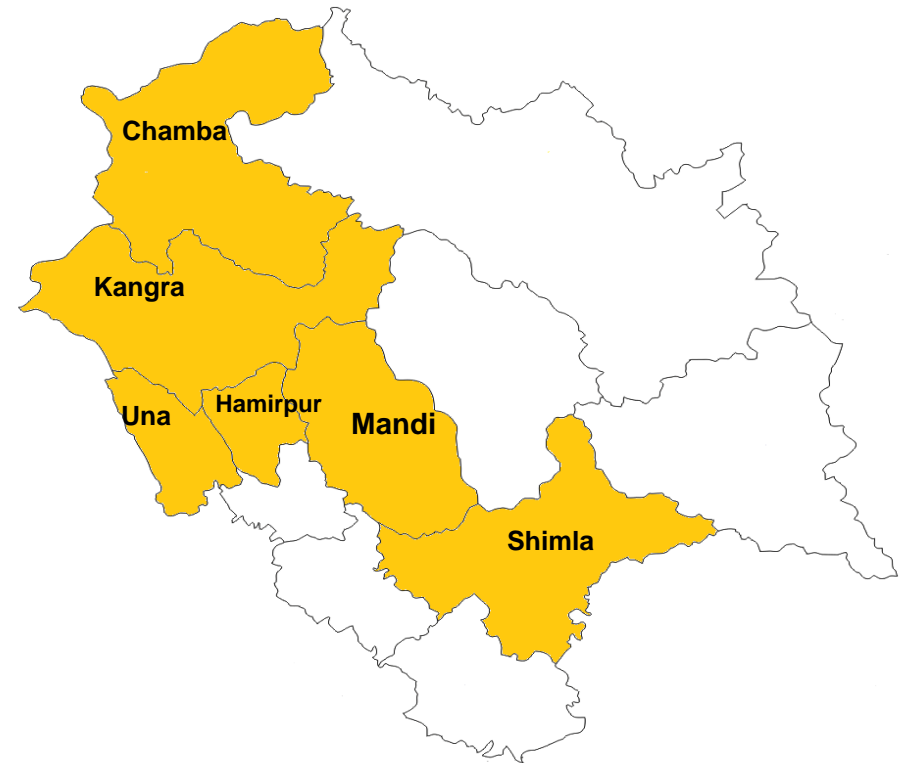
Sector Growth Outlook

- § RBI has set a target of opening 800 new branches in the state by 2014-15 to cover localities having a population of 2000 or less
- § The growth in Infrastructure and influx of private players especially in the Power sector (capital intensive) has made the banking outlook very promising.
- § Central bank of India would open 10 more branches in Himachal Pradesh and finance infrastructure development including hydropower, horticulture, and tourism project.
- § Opening of Financial literacy centers across Himachal Pradesh to make the general public aware on usage of Bank facilities such as ATM Cards, Credit cards, Finance rates has improved the overall outlook.

Skill Requirements

Core Skills	Knowledge on core banking/Internet/ Mobile platforms
Allied Skills	Sales and Marketing
Skills with Acute Shortage	Insurance underwriters, Claims management
Current status	Public sector in HP is dominated by the migrants from Chandigarh, Punjab & other states who get transferred to banks across HP. A limited skilled population is available in the state.

BFSI Incremental Human Resource Requirement, 1lacs(2012-22)



Source: KPMG Analysis

Skill Development Opportunities(2012-22)

An intense competition for growing customer base and market share, will lead to requirements of skilled and semi skilled manpower in the communication sector

Sector Growth Outlook

§ Active wireless subscriber base in Himachal Pradesh is 5.91 million which increased by 4.32% during FY2013

§ Prominent players like Bharti, Vodafone, Reliance, Idea, Tata, Aircel and BSNL have a presence in the market and are in stiff competition for market share.

§ By March 2012, Himachal Pradesh registered 1,75,408 mobile number portability requests signifying a growing number of aware customers.

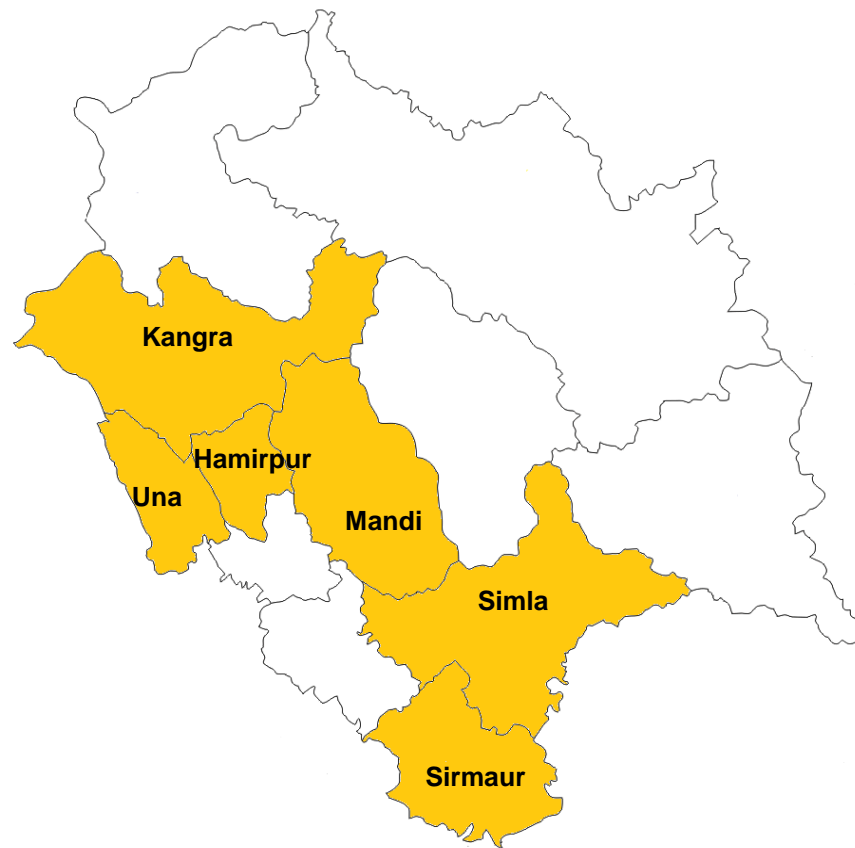
§ Himachal Pradesh has an overall teledensity of 120.7 percent which is greater than the national average of 76.68% in 2012

Source: TRAI

Skill Requirements

Core Skills	Programming language, Understanding of embedded systems, Operating systems and Software testing, Networking, system analysis
Allied Skills	Sales and Marketing, Technician, Repair
Skills with Acute Shortage	Programmers

Communication, Incremental Human Resource Requirement, 45 thousand (2012-22)



Source: KPMG Analysis

Skill Development Opportunities(2012-22)

Himachal Pradesh is a hub of Hospitality and Tourism and offers significant employment opportunities

Sector Growth Outlook

- § State offers wide range of incentives under its Tourism policy 20
- § Tourism development board has been set up to formulate policies for development of Industry.
- § Schemes like 'Panchayat Sanchalita' and 'Panchayat Sahar kuch Kehta' are aimed at promoting tourism.
- § The State has emerged as an important pilgrimage and adventure tourism destination and holds enormous wealth of medicinal plants
- § Compared to the national average growth rate of 12.5 percent, the number of tourists in Himachal has grown at a CAGR of 14 percent during 2006-2010
- § At present there are 2609 Hotels registered with a bed capacity of 59,585

Skill Requirements

Core Skills	Front desk officers, Chefs, Stewards.
Allied Skills	Event managers, Sales and marketing, Electricians, Guides, Drivers
Skills with Acute Shortage	Trained Chefs, Stewards

Tourism Incremental Human Resource Requirement, 7.5 thousand (2012-22)



Source: KPMG Analysis

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Challenges in Skill Development

While the Centre and the State Government has taken every possible step to skill/up-skill the youth through various schemes, the implementation is seen as a challenge

Challenges in implementing the COE scheme

The COE scheme was started with an aim to provide multi-skilled individuals to the industry in a particular industry sector. With an intake of 21 students across each module, the COE admits 126 students each year. However, there are a number of students who fall short to graduate to the advanced modules. Student studies 6 modules of two months each in a year and examinations are held at the end of the year. There are two exams (Theory 1 and Theory 2) comprising of 3 modules in each. If a student fails in any of the modules, he needs to take up the entire examination again leading to a low overall pass percentage

Challenges in implementing the MES scheme

The main objective of the scheme is to skill/up skill **early school leavers, existing workers** with no formal certificate and **existing students** of technical education who would like to gain an additional skill. T Ò Ù Á ã • Á æ Á c æ! * ^ c Á [! ã ^ } c ^ á Á • & @ ^ { ^] ! [ç ã á ^ ! + Á [! Á c @ ^ Á % X V Ú + Á ã • Á æ • • ã * } ^ á Á æ Á ^ ^ æ! Q } Á æ } Á % Q á ^ æ | Á • ã c ~ æ c ã [} + Á æ | | Á c @ ^ Á c @ ! ^ ^ Á & æ c & [~ ! • ^ Á æ ! ^ Á c @ ^ Á • c ~ á ^ } c • Á , @[Á • c ~ á ^ ã } * Á ã } Á c

Challenges in implementing the PPP scheme

PPP schemes implemented by department of labour and employment for private adoption of ITI s has not taken off along expected lines with only limited number of ITI s in PPP mode under operation. Non availability of industry ready curriculum for training in these institutes is a major hurdle for promoting private participation

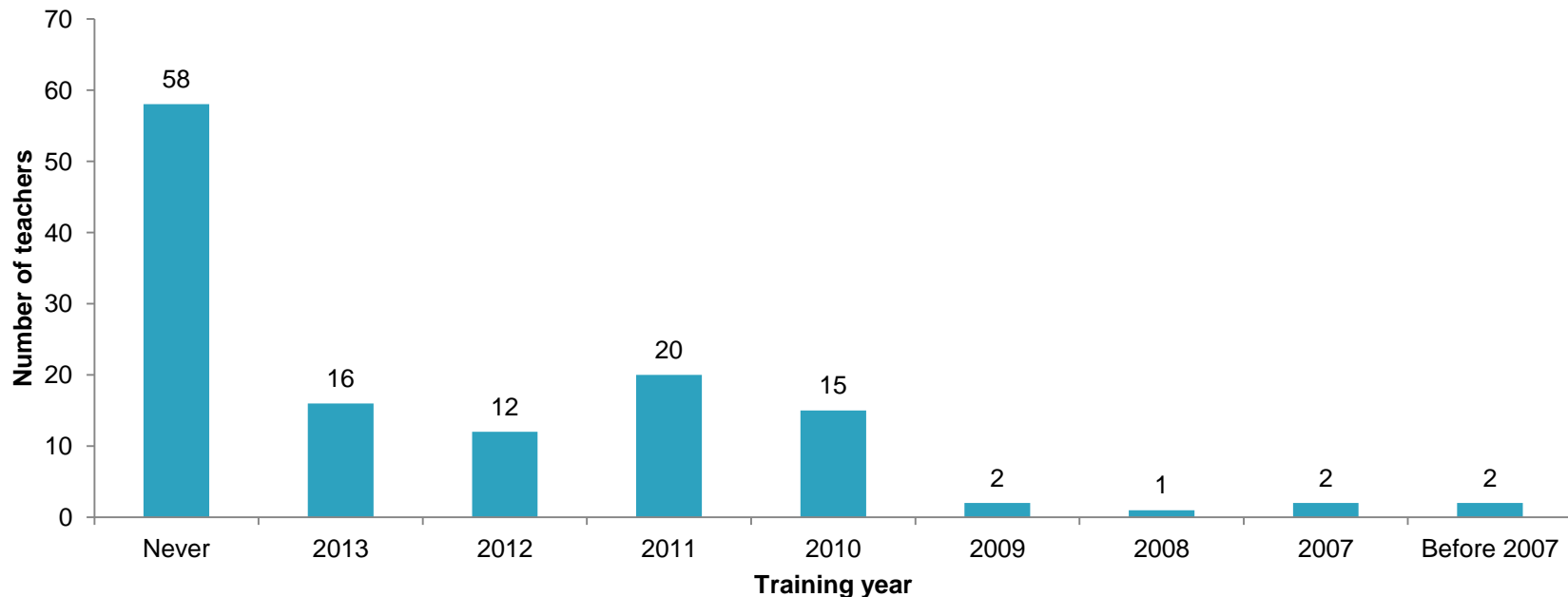
Challenges in Skill Development

Findings

Unstructured teacher trainings

Teachers across all districts in Himachal Pradesh appreciate that up skilling through regular trainings is absolutely essential to keep in tandem with the growing needs of the industry. However, the frequency of trainings for all the teachers is noted to be very intermittent. Out of 128 Instructors interviewed across all the districts of Himachal Pradesh 45 percent never attended any training where as only 12 percent attended trainings in 2013.

Sample of 128 teachers surveyed across 12 districts and their last training attended



Challenges in Skill Development

Lack of uniform standards across training institutes is leading to unemployment of trained youth due to set industry preferences

Misalignment of youth aspirations with employment opportunities

While Himachal is expected to witness significantly high requirement for skilled and semi-skilled workers in future, youth aspirations for work indicate an inclination for white collar jobs predominantly in service based industries.

Sectors with high manpower needs and low youth aspiration need to formulate strategies to attract workforce either from within the state or from outside

Lack of uniform training and evaluation standards

Lack of uniform training and evaluation standards leads to various issues ranging from limited acceptability of certain training certifications in industry, to misalignment of training with industry needs. Currently, NCVT & SCVT courses are being offered in ITI s/ ITCs, while private training institutions/ industry led training bodies offer individual certifications.

There is a need to bring in uniform standards across institutes in order to achieve uniform quality of training and certification.

Teacher training infrastructure

V @ ^ Á c ^ æ & @ ^ | Á c | æ ã } ã } * Á ã } ~ | æ • c | ~ & c ~ | ^ Á ã • Á ç ^ regions in the country are considered to be sub standard and the need of the hour is to establish facilities within the State for teacher training.

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Recommendations

Private Training Providers

1. Participation in Training programs

“ Vocational training providers can focus on the following sectors, districts and skills in the state for delivering vocational education in the State:

Sector	Key Districts	Key Skills Shortage
Tourism	Una, Shimla, Kullu, Hamirpur	Guides, Adventure sports personnel including Trekking and Mountaineering experts, Trained drivers
Communication	Kangra, Hamirpur, Solan, Mandi, Shimla, Sirmaur	Networking, Software testing, Programmers, Sales and marketing professionals, Mobile servicing and repairing
Construction	Kangra, Kullu, Hamirpur, Una, Solan, Shimla, Sirmaur	Heavy Machine Operators, Brick Layers, Designer, Decorators & other service oriented trades
BFSI	Kangra, Una, Hamirpur, Sirmaur, Shimla, Mandi	Insurance underwriting, Claims Management, Business Correspondents, Field Personnel and Salesmen
Healthcare	Kangra, Mandi, Shimla, Solan	Physiotherapists, Bio-Medical Instrumentation technicians, Lab technicians, Sample collection compounders
Pharmaceuticals	Solan, Sirmaur, Una	Bio Instrumentation, Pharmacist, Process Technicians

Recommendations

Government

2. Systematic mechanisms to identify and assist potential school dropouts transition into vocational programs

Scheme Objectives:

- “ In Himachal Pradesh, currently less than one-fourth of the students move on to Higher Education. Students likely to opt out of school education, should be proactively identified and brought into the fold of the vocational education system
- “ Integrate vocational courses in school curriculum to equip students with industry relevant skills, as well as skills for starting businesses and self-employment. This will also ensure reduction in dropout rates
- “ Establish Systems for Integrated Learning with Industry through Multi Level (4 Levels) learning structure, where Level 1 and 2 trainings are provided in school, and supplemented by Level 3 and 4 trainings in industry

Implementation:

- “ Focus on sectors that are high preference as well as medium-to-high growth sectors of Himachal Pradesh (Construction, Communication, Healthcare, Banking & Financial Services, Pharmaceuticals and Hospitality & Tourism)
- “ Upon successful completion of Level 1 and Level 2, candidates can join industry for Level 3 and Level 4 learning within the industry, or opt for self employment opportunities

Scheme Enablers:

- “ Vocational modules for schools need to be standardized to ensure uniform learning outcomes for Level 1 and 2 courses in schools. Local Industry collaborations can be established for Level 3 and Level 4 trainings to students
- “ Considering the shortage of faculty for vocational education, the School Education Department can fund/create systems for Training Trainers for vocational modules In Schools, through the ITIs and industry
- “ Support for Entrepreneurship of trained candidates through tie-ups with Financial Institution.

Recommendations

Government

3. Setting up Anchor Institutes

- § Setting up state level Anchor Institutes in the identified sectors like Pharma (Solan), Tourism (Kullu, Shimla), Adventure sports (Kullu, Kangra), Hydel Power (Kinnaur, Chamba) through industry collaborations

Role of the Anchor Institute

- < To focus on enhancing technical and managerial competence of manpower in the respective sectors, through appropriate training programs
- < To collect information on sectoral courses (all levels . ITIs, UG, PG) offered and review them for any up gradation required for making it industry responsive
- < To suggest introduction of short term skilling courses for those already working in the industry
- < To prepare teaching and learning material for skill training programs
- < To constantly interact with industry and introduce new training programs of high standards
- < To provide an opportunity for students pursuing courses in the sector to interact with industry professionals by encouraging student-industry interaction forums
- < To encourage faculty to undertake industrial research and consultancy activities, so that they stay abreast of the industry developments

Recommendations

Government

4. Focus On Enhancing Skill Training Capacities In Districts With Low Penetration Of Vocational Education

- § Focus on districts with low penetration of vocational education(seat capacity per population) . Chamba, Shimla, Sirmaur, Kangra and Mandi for capacity expansion through public investments/ special schemes to promote private participation through PPP
- § Revalidate the existing PPP schemes considering the challenges in implementation of existing schemes (Refer to section on challenges in skill development initiatives)
- § Fast-track the NSDC/SSC affiliated partners to setup training in these districts by waiving off detailed due-diligence, as NSDC partners are pre-approved through rigorous due diligence

5. Technology enabled Faculty development model

- § This initiative shall aim at continuous development of faculty in their respective domains through periodic distance training sessions through VSAT or similar technology
- § This training model shall prove very useful for districts like Lahaul and Spiti, Kinnaur and Chamba which face extreme temperatures for six months in a year and therefore the faculty does not get a chance to travel during those months.

Recommendations

Government

6. Effective Monitoring mechanisms for the current schemes

- § There are some good schemes applicable to the Vocational system in Himachal Pradesh such as COE, MES and PPP. However, each of these schemes have not been able to bring the desired results in the State.
- § Under the aegis of the Principal Secretary, Technical Education, a monitoring committee can be established to understand the quarterly progress of each of these schemes.
- § Moving from a target based training approach.

Recommendations

NSDC & SSCs

1. Developing Curriculum and Standards for Focus Sectors/ Vocational Courses in Schools

- § SSCs can facilitate development of standardized curriculum that can be designed into four levels (as per practice in some developed countries), where the first two levels are adopted at 9th -12th levels of school education, and the next two levels are provided in industry. The districts of Himachal Pradesh where the Higher Education transition is low, would be of particular focus for implementation of the first two levels of courses within schools
- § SSCs to develop certification standards for high growth/ aspirational value sectors of the state - Pharmaceuticals, Banking & Financial Services, Hospitality and Tourism and Construction

2. Promoting Private Sector Participation in Focus Sectors & Supply Clusters

- § Encouraging NSDC Partners to enhance training capacities in the state by focusing on
 - § Current High growth sectors of the state . Construction, Communication, Agriculture and Horticulture
 - § Future High growth sectors of the state-IT/ITES
 - § Districts with lower penetration of training infrastructure coupled with high industry growth . Sirmaur and Kangra

Recommendations

NSDC & SSCs

3. Quality Standardization through Sector Skill councils

- š The qualitative gap is a cause of concern in the State. The quality can be standardized through the services of sector.
- š Register and certify private training providers.

Recommendations

Industry

1. Participation in Education and Training

- § Aligning CSR Goals (especially mandatory 2% CSR requirement) towards skilling, and play an active role in PPP initiatives. Share annual plan of recruitment with government and industry nodal agencies for skilling
- § Support training institutes in development/delivery of programs
 - § Excess production capacity/equipments can be shared with institutes during lean production hours/shifts
 - § Support Training of Trainers (TOT) allowing skilled employees to be trainers for fixed no. of hours, for ITI faculty, school faculty etc involved in vocational training
 - § Policy to encourage apprenticeships and internships of vocational & ITI students
 - § Support in providing level 3 and level 4 training for students with level 1 and level 2 certifications at schools (Refer to recommendations on vocational programs in schools)
- § Align recruitment policies to ensure hiring as per established National Occupation Standards
- § Invest in up-skilling of existing manpower and formulate formal HR policies and mechanisms to encourage employees to train in institutions
- § Improve the work conditions to reduce attrition by providing a part of compensation in the form of accommodation.

Recommendations

Training Organizations

1. Recommendations for Private Training Institutions in Himachal Pradesh

- § Focus on high growth/ aspirational value sectors identified in the report.
- § Create capacities in districts with lower penetration of training infrastructure . Chamba, Shimla, Sirmaur, Kangra and Mandi. Districts where low penetration of training infra is coupled with high industry growth, are high potential for future growth of skilling such as Sirmaur, Kangra, Shimla and Mandi
- § Explore scheme-based training potential to address the skilling needs of under privileges/BPL population - key schemes/departments with high training potential are (SGSY, Construction and Agriculture)
- § Emphasize on offering accredited programs (SSC certifications) to ensure industry acceptance for certifications
- § Leverage existing infrastructure to build optimal delivery models (ITI premises, industrial space during lean production hours etc)
- § Build industry linkages in areas of development and delivery of training programs- placements, curriculum formulation, apprenticeships, faculty training
- § Engage credible local networks (SHGs and NGOs) for student acquisition

Thank You



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