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*Good practices in using partnerships for effective and efficient delivery
of employment services and active labour market policies in India*

Vinoj Abraham, S.K.Sasikumar

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Preface

The primary goal of the ILO is to work with member States towards achieving full and productive employment and decent work for all. This goal is elaborated in the ILO Declaration 2008 on Social Justice for a Fair Globalization which has been widely adopted by the international community. Comprehensive and integrated perspectives to achieve this goal are embedded in the Employment Policy Convention of 1964 (No. 122), the Global Employment Agenda (2003) and – in response to the 2008 global economic crisis – the Global Jobs Pact (2009) and the conclusions of the Recurrent Discussion Reports on Employment (2010 and 2014).

The Employment Policy Department (EMPLOYMENT) is engaged in global advocacy and in supporting member States in placing more and better jobs at the centre of economic and social policies and growth and development strategies. Policy research and knowledge generation and dissemination are essential components of the Employment Policy Department's activities. The resulting publications include books, country policy reviews, policy and research briefs, and working papers.

The Employment Policy Working Paper series is designed to disseminate the main findings of research on a broad range of topics undertaken by the branches of the Department. The working papers are intended to encourage the exchange of ideas and to stimulate debate. The views expressed within them are the responsibility of the authors and do not necessarily represent those of the ILO.

Azita Berar Awad
Director
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Foreword

The global economic and financial crisis and its aftermath increased the quest for advanced countries to deliver more and better services tailored to individual labour market participants at lower or the same costs. The austerity measures adopted after the climax of the crisis in 2009 led to significant budgetary cuts to public employment services and the delivery of active labour market policies in general. As more and more people became jobless, particularly among the young, and their demands increased, the search for the twin objectives of efficiency and effectiveness became more apparent in the PES of the advanced countries. Partnerships between the PES and other non-public providers became an important avenue to deliver better services at lower unit cost.

The adoption of the ILO Private Employment Agencies Convention, 1997 (No.181) marked the end, at international level, of the monopoly of public employment services in the delivery of employment services and recognized the important role private employment agencies can play in well-functioning labour markets. The Convention encourages cooperation between public and private employment agencies. The rapid labour market changes, propelled among other things by globalization and technological change, leading to changes in the organization of production and work, revealed the importance of other players in the labour market. In developing and emerging countries, where the level of economic development and capacity are low, partnering with other public and non-public actors offers a promising way to address capacity limitations.

The ILO commissioned a global study to contribute to the debate regarding the role of partnerships in promoting more efficiency and effectiveness of employment services and ALMPs. In addition to reviewing literature at the global level, the study sought to fill knowledge gaps in developing and emerging countries, with a bias towards the BRICS. Five country studies were commissioned covering China, Columbia, India, Korea, and Russia. This country study on India examines in detail the framework for provision of employment services in the country, focusing on the recent comprehensive and radical reforms undertaken to revamp the system through the establishment of the National Career Service (NCS) in 2015, replacing the National Employment Service. The NCS, built around the versatile and universal online jobs portal and the establishment of modern model career centres, seeks to rally all key stakeholders in the labour market, through partnerships to improve service provision. In this experiment, India offers to the world yet another example of how to overcome capacity challenges in developing countries through the use of partnerships facilitated by technological innovation.

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List of Abbreviations

ALMPs	Active Labour Market Policies
ASAP	Additional Skill Acquisition Programme
ASSET	Advanced Soft Skills and English Language Training
ASTP	Association of Skills Training Providers
CEED	Centre of Excellence in Entrepreneurship Development
CEOR	Centre of Excellence in Oil and Rig
CATS	Centre for Advance Training in Security
CII	Confederation of Indian Industries
CIRTES	Central Institute for Research and Training in Employment Service
CNV	Compulsory Notification of Vacancies
CoEs	Centres of Excellence
CRET	Centre for Research in Education and Teacher Training
CSO	Central Statistics Office
DAY-NRLM	Deen dayal Antyodaya Yojana-National Rural Livelihoods Mission
DAY-NULM	Deen Dayal Antyodaya Yojana-National Urban Livelihoods Mission
DDU-GKY	Deen Dayal Upadhyaya Grameen Kaushalya Yojana
DGE	Directorate General of Employment
DGE&T	Directorate General of Employment and Training
DGT	Directorate General of Training
EEMMP	Employment Exchange Mission Mode Project
EPF	Employees' Provident Fund
EPFO	Employees' Provident Fund Organization
FICCI	Federation of Indian Chambers of Commerce and Industry
ICSS	International College for Security Studies
ICT	Information and Communication Technology
IDP	Institute Development Plan
IIC	Indian Institute of Infrastructure and Construction
IMC	Institute Management Committee
ISCO	International Standard Classification of Occupations
ISF	Indian Staffing Federation
iSTEP	International Skill Training and Employability Programme
ITI	Industrial Training Institute
KASE	Kerala Academy for Skills Excellence
KEC	Karnataka Employment Centre
KSID	Kerala State Institute of Design
LFPR	Labour Force Participation Rate
LMI	Labour Market Information
LSPs	Local Service Providers

MCC	Model Career Centres
MEDC	Maharashtra Economic Development Council
MoA	Memorandum of Agreement
MSDE	Ministry of Skill Development & Entrepreneurship
NCO	NCO National Classification of Occupations
NCS	National Career Services
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
NCSC-DA	National Career Service Centre for Differently Abled
NeGP	National E-Governance Plan
NES	National Employment Service
NGO	Non-Governmental Organization
NICE	Nursing Academy Centre for Excellence
NSDC	National Skill Development Corporation
NSSO	National Sample Survey Office
ODEPC	Overseas Development and Employment Promotion Consultants
PEAs	Public Employment Services
PES	Public Employment Services
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMRPY	Pradhan Mantri Rozgar Protsahan Yojana
PPPs	Public-Private Partnerships
PrEAs	Private Employment Agencies
PwD	People with Disability
RSK	Rojgar Sahay Kendra
SEE	State Employment Exchange
SCs	Scheduled Castes
SEPC	Self-Employment Promotion Cells
SEWA	Self-Employed Women's Association
STs	Scheduled Tribes
STEP	The Support to Training and Employment Programme for Women
TES	Temporary Employment Services
TLSU	TeamLease Skill University
TNSDC	Tamil Nadu Skill Development Corporation
UK	United Kingdom of Great Britain and Northern Ireland
UKEIRI	UK-India Education and Research Institute
VRCH	Vocational Rehabilitation Centre for Handicapped
YPs	Young Professionals

Executive Summary

Background

This study reviews the emerging structure of employment services in India, with specific focus on the nature, role and outcomes of partnerships in delivering employment services and active labour market policies (ALMP). The relevance and performance of the National Employment Service (NES) of the Government of India, designed to mitigate labour market mismatches, enhance skills and increase employment opportunities, had been waning over the years. The NES is currently undergoing dramatic changes in its structure. In this revamped employment service set-up, partnerships between the public and private sectors play a key role. After delineating the background for the establishment of the refashioned NES through the National Career Service (NCS), this study traces the nature of the partnerships that are evolving, and the lessons learnt.

The demographic transition underway in India holds vast potential for growth dividends because of the youth bulge in the population. With the economy transitioning from an agrarian to a services-led economy, it has the capacity to generate employment for aspiring youth. However, the economy has an overwhelmingly large unorganized sector devoid of any social security cover for its workers. Additionally, with the liberalization of the economy in the 1990s, employment growth in the public sector has slowed dramatically and it is now the private sector that is the primary source of employment.

The NES, with its mandate of matching employers and employees, providing labour market information and imparting skills, had catered chiefly to public sector employment through employment exchanges. Though it was mandatory for large firms in the private sector to report vacancies that arose, this was not always strictly respected. Later, after the ending of mandatory registration and notification of vacancies in the private sector, and public sector appointments being made through alternative bodies such as the Public Service Commission, placement rates and registration through the NES stagnated. The need for physical attendance and checks at employment exchanges also acted as a disincentive. The lack of proper matching and poor information about the market led to inefficient market-clearing mechanisms. At the same time, a number of private employment service agencies offering diversified services entered the field, competing with the NES.

NCS and partnerships

In 2014, the NCS was launched to revamp the National Employment Service. It aims at delivering employment services and ALMPs through multiple channels. Its focus is to enhance skills and employability along with labour market matching. At its core is the web-based NCS portal catering to multiple stakeholders, including jobseekers, employers, skills trainers, counsellors and local service providers (LSP). The NCS has entered into partnerships with a number of private and public sector entities in delivering services through its portal.

The public sector partnerships are largely with the state governments, which administer the career centres (including the erstwhile employment exchanges), and other parallel ministries engaged in skills training and related services. The NCS has also partnered the postal department to tap into its vast local level network and extend employment services to those not connected to the web-based portal.

The partnerships with the private sector are strategic, whereby both partners share information on vacancies and jobseekers. The portal also provides space for private partners to register candidates for skills training, counselling and self-employment. With the establishment of the NCS portal and building of partnerships, there has been a dramatic rise

in the number of registrants with the NCS. Furthermore, it has entered into partnerships with Non-Governmental Organizations (NGOs) and the private sector with the aim of reaching those not connected to the web-based portal in rural areas. Evidence, such as the jump in the number of registrants, vacancies notified, and skills training provided, shows that the partnerships have so far been successful.

Another highlight is the NCS's partnership with private institutions and state governments in establishing state-of-the-art Model Career Centres (MCCs). These career centres primarily focus on imparting employable short-term skills to registrants. The skills training modules are broadly designed and implemented in these centres by private training providers, according to industry requirements. Based on strict outcome-based evaluation parameters, these partnerships have been successful in skills development, providing employment and meeting the demands of industry.

Good practices

This study reviews seven case studies of good practices in partnerships in delivering employment services and ALMPs. Drawn from across the country, these case studies examine distinct partnership mechanisms and their outcomes.

1. Background of the study

1.1. Introduction and context of the study

A major problem faced by labour markets across the globe is ‘friction’ within the market. Perhaps the most important form of such ‘friction’ is associated with the ‘searching and matching’ mechanism. This entails substantial costs to both the employer and the employee due to information asymmetries. Often, due to these search costs, the labour market turns out to be monopsonistic in nature. The firms would need to incur additional expenses to attract and retain workers above existing wages. Workers in such markets end up receiving wages that are lower than their value of marginal product (Ehrenberg and Smith, 2006). Labour market intermediaries can thus play a crucial role in reducing the search and match costs of both employers and employees.

Traditionally, when such frictions entail high search costs, labour markets tend to acquire informal institutional norms that reduce the number of market transactions (such as potential workers turning to self-employment), build institutional structures that shrink the cost of search and match (such as traditional customs and practices in skills transfer through guilds and other closed social networks, especially occupation-based social stratification) or introduce labour market intermediaries that shift the costs of searching to the poor bargaining partner in the exchange (such as the *kankani* system in India, where the primary function of the jobber or agent was to tie the worker to the employer through advances and loans).

In the story of Indian labour contractors or labour intermediaries, these agents had acquired particular notoriety for the role they played in recruiting workers for the colonial masters in the plantations, military and government services. When India attained independence, such labour intermediation, considered an exploitative practice, was explicitly discouraged through various laws and regulations, the most prominent being the Contract Labour (Regulation and Abolition) Act, 1970. In 1959, the Indian Parliament adopted the Employment Exchanges (Compulsory Notification of Vacancies) Act (CNV Act 1959) after ratifying the ILO Employment Service Convention, 1948 (No.88). This Act provided the normative framework for the establishment and operation of the National Employment Service (NES) which long became the key labour market intermediary.

The country has forged ahead from its colonial past and the initial development trajectory. So far as labour requirements are concerned, India, currently one of the fastest growing economies in the world, throws up a new conundrum for the labour market. The requirements for skills are fast changing, with demand for newer and multiple skills soaring. The nature of jobs is changing. While permanent forms of employment are declining, contractual and flexible forms of employment are on the rise. From conventional or standard forms of lifetime employment in single firms, more workers are moving in and out of a succession of firms and workers are increasingly becoming specialized professionals whose services are sought in diverse firms. In this scenario, the problem of search and match has acquired an altogether different dimension.

Reports show that, except in a few states, particularly Gujarat, the performance of the conventional employment exchanges at national level has been lacklustre. During the period 2005 to 2014 the average percentage share of placements amongst live registered applicants¹ was around 0.5 to 0.7 per cent, and never more than 1.5 per cent (Government of India,

¹ The ‘live register’ is the register of the employment exchange pertaining to applicants who are in need of employment assistance. The live register drops the names of registered applicants who have not carried out periodic renewal of their registration or not responded to two consecutive call letters (National Employment Service Manual, Vol. 1, p.13).

2015). As of 31 December 2014, while 48.26 million people were registered as jobseekers in the employment exchanges, the number of vacancies notified was only 0.76 million during the calendar year 2014, and only 0.34 million were filled. Even among those filled, 290,000 – more than 85 per cent of the total placements – were concentrated in the State of Gujarat. The remaining placements were mostly in states such as Kerala (8,000), Tamil Nadu (8,800) and Maharashtra (9,500) (Government of India, 2015). Essentially, for most parts of the country, the employment exchanges were not effective intermediaries.

This rather mediocre performance of the NES can perhaps be attributed to its poor response to the changing needs of the labour market. Additionally, even though notification of vacancies through the employment exchanges is mandatory for firms with more than 25 workers under the CNV Act, 1959, this scarcely happens in practice, and most employment requirements of the firms are not met through the employment exchanges.

Several significant modifications have been introduced in India's employment services that are aimed at reviving and making the NES relevant to the changing times. First, the National Career Service (NCS) was launched in 2014 as part of the NES. Second, the NCS has dramatically widened the scope and reach of employment services and ALMPs by leveraging new technologies. Third, the NCS has prioritized ALMPs, such as training and skills enhancement, hitherto neglected in the NES. Fourth, a large number of private employment service providers and third sector (NGOs) providers have become active in the field. The private employment service providers perform several other functions apart from typical employment services. Fifth, there is an emerging trend of private employment service providers linking up with public employment service providers to service the market. Such public-private partnerships (PPPs) have also forayed into other ALMPs, apart from the conventional employment services.

1.2. Types of employment services in India

Employment service providers record vacancies for employers, register jobseekers, and provide a platform for jobseekers and employers to meet. Such service providers can be classified into two types: public employment services (PES) and private employment agencies (PrEAs); the latter include both for-profit and not-for-profit (third sector) agencies. Within both these types, there are services aimed at domestic recruitment and overseas recruitment.

PES for the domestic market: The PES in India is represented by the NES of the Government of India, and its network across the country. The NES was established and is governed by the CNV Act, 1959. It has a decentralized system with a central NES functioning at national level and a chain of employment exchanges under it operating at state level, administered by the respective state governments. Currently, there are 978 employment exchanges across the country, whose main functions are to provide labour market information, matching services by liaising between employers and jobseekers, training and counselling for jobseekers and, in some states like Kerala, distributing unemployment benefits to registrants. In 2014, the NES introduced the NCS with the aim of reorienting and reforming the employment exchanges. The NCS has mainstreamed career training and counselling as central functions along with job search. The shift to a web-based portal is vital in the architecture of the NCS, wherein the search, not only for jobs, but also career counselling, training and local services have become part of its functions.

PES for overseas recruitment: Though an overwhelming proportion of the overseas recruiting agencies are in the private sector, there also exist publicly owned overseas recruiting agencies. To illustrate, Overseas Development and Employment Promotion Consultants (ODEPC) is an overseas recruiting agent of the Government of Kerala that has been operational since 1977. Tamil Nadu has a similar body called the Overseas Manpower

Corporation, and the State of Telangana runs the Telangana Overseas Manpower Company. All these companies, managed by the respective state governments, have emerged mainly as a response to the exploitation faced by international migrants.

PrEAs for the domestic market: PrEAs form a very heterogeneous group. There are numerous small, unorganized and unregistered employment service providers or single worker entities functioning from rented offices. There are no estimates of the number of service providers, the quantum of services provided by them, or the industry segments they serve. However, PrEAs are gradually moving away from the small unorganized segment to the organized segment, with many of them registered as companies under the Companies Act. Many PrEAs also provide Temporary Employment Services (TES)². There are a number of TES agents in the country in the private sector and a few in the NGO sector (under various names such as manpower suppliers, labour contractors, etc.), though the Government is not a player in this market. The emergence of PrEAs, however, has occurred against a background of a lack of any formal legal or regulatory structure that binds and regulates these players. India is yet to ratify the ILO's Private Employment Agencies Convention, 1997 (No. 181), which provides for the regulation of the operation of PrEAs to respond to the changing needs of the labour market while ensuring protection of workers and decent work.

PrEAs for overseas recruitment: All recruitment agencies recruiting workers overseas are required to obtain a licence from the Protector General of Emigrants following the Emigration Act, 1983. The Annual Report of the Ministry of External Affairs records that from December 2015 to December 2016, 90 new registration certificates were issued, and 182 licences were renewed, with the total number of licensed private recruitment agencies being around 1400 (Government of India, 2017). Private recruiting agencies currently dominate the overseas recruiting landscape in India.

Partnerships in employment services and ALMPs in India: Partnerships among the public, private and third sectors in India providing employment services are of recent origin and are still nascent. PPPs have come to find a secure place with the new mandate of the NCS at national level. In a scenario of change in the labour market and the limited capacity of the NES to deliver traditional services and to diversify to new functions, partnerships have been identified as a key means to achieve the goals of the NES. A number of partnerships with public, private and third sector agencies have been initiated at national and regional level, with the aim of enhancing the performance of the NES in India. Furthermore, these partnerships are spreading beyond the conventional employment services, and new collaborative ventures are being developed in implementing a number of other ALMPs.

1.3. Objectives of the study

Given the above context of the Indian labour market and the recent changes in employment service provisioning, this study reviews the emerging structure and functions of labour market intermediaries in India, with a specific focus on the nature of the partnerships that are being forged.

² Temporary employment services (TESs) are akin to temporary agency work as defined in ILO Convention 181 on private employment agencies, whereby an agency employs workers and these workers are hired out to perform work for the user company. The work could be to complete specific tasks or for a contractual period. There may not be any legal obligations between the worker and the user company, but the workers may have legal contracts with the agency. The wages may be paid by the agency rather than the user, with the user paying a fee to the agency.

The study has two broad objectives: firstly, to illustrate the structure of employment services in India, and, secondly, to explore the structure of the emerging employment services partnerships in India.

1.3.1. Structure of employment services in India

Analysis of emerging labour demand and supply conditions in India: To bring out the changing nature of employment in the country, the supply and demand conditions of labour are analysed. This analysis also defines the potential role that could be played by labour market intermediaries in the sphere of search and match, as well as in providing signals to the market and the Government on search mismatches regarding skills and the nature of employment.

Organization, governance and performance of the NCS and employment exchanges: The study analyses the scope, structure, governance, functions and efficiency of the NCS.

Organization and performance of PrEAs: The study analyses the policy and regulatory framework for the operation of PrEAs in India. Furthermore, it attempts to document and categorize the PrEAs by types of employment services and ALMPs. A number of case studies in the sector are included to obtain a picture of the employment services provided by PrEAs.

1.3.2. Partnerships in employment services and ALMPs

Partnerships in employment services were limited in number until the advent of the NCS. Now, under the NCS, partnerships with private agents play a very significant role. To understand such partnerships, a few cases at national and regional level are analysed. Partnerships in both employment services and other ALMPs are explored, evaluating the following aspects:

1. The capacity of PES and the supportive role played by PPPs.
2. Type and nature of partnerships in terms of the actors, types of relationships and intensity of the partnerships.
3. Effectiveness and efficiency of partnerships in delivering services.
4. Monitoring mechanisms in place to evaluate partnerships.

1.4. Data sources

The analysis of emerging labour market trends in India is based on two major secondary data sources. Data from the National Sample Surveys on Employment and Unemployment have been used to delineate the major trends for the relatively longer-term period of 1983 to 2011-12. The trends for the more recent period, 2011-12 to 2014-15, have been analysed based on the Labour Bureau's Annual Employment-Unemployment Surveys. The evolution of public and private employment services over time has been reviewed based on a systematic review of existing studies and also based on relevant government manuals and reports such as the Employment Exchange Statistics and Annual Reports of the Ministry of Labour and Employment. The performance of the NCS has been analysed on the basis of the registration details pertaining to the supply and demand side variables. We have also developed case studies of Model Career Centres (MCCs) and employment exchanges in different states to capture the operational aspects, including partnership profiles and practices. Additionally, we conducted detailed interviews with senior officials of the NCS and Labour and Employment Departments of various states, professionals managing the MCCs and academics specializing in employment services, to obtain insights into the efficiency of delivery of employment services in India.

Part One: Situation analysis and background information

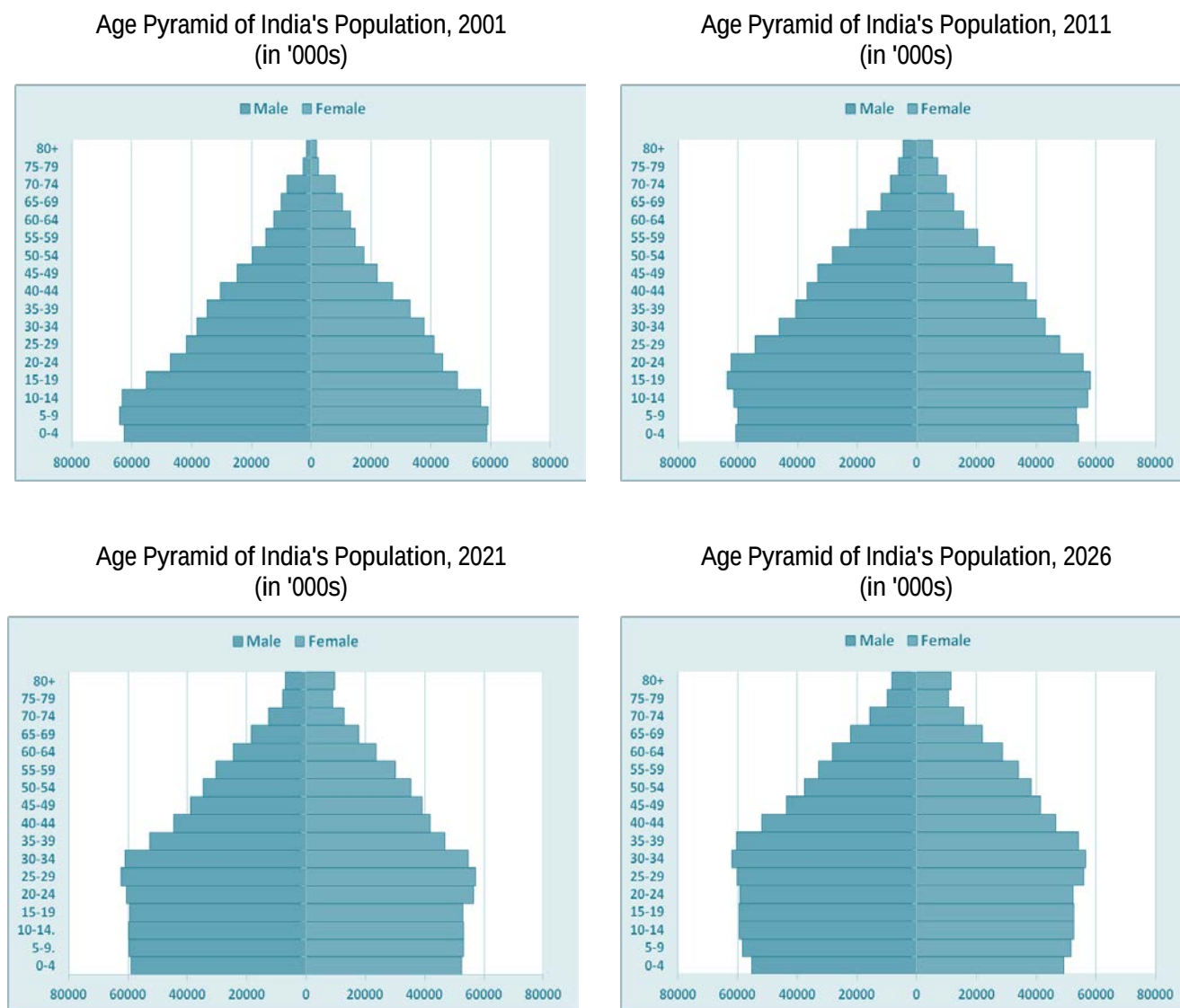
2. Structure and recent trends in the Indian labour market

This section provides an overview of the structure, trends and patterns of employment in India for the past four decades. The Indian labour market is in the midst of a transition, both on the supply side and the demand side. From being a predominantly agricultural economy up to the early 1980s, there has been a structural shift to non-agricultural sectors along with an acceleration in economic growth. This economic transition has been accompanied by social and demographic changes. The key changes and its implications are discussed below.

2.1. Demographic transition and the labour force

India is in the midst of a demographic transition, with declining infant mortality, declining fertility and rising life expectancy. The average exponential annual population growth rate has dropped from 2.16 per cent during 1981-1991 to 1.64 per cent during 2001-2011. The effect of this demographic transition on the labour market is transmitted through the key indicator of the dependency ratio (non-working age persons/working age population), which has been consistently falling. An increase in the proportion of potentially economically active persons in the population holds out the promise of immense advantages in the shape of increased average income, savings and investment. India is poised to benefit from this unique window of opportunity for the next three decades when the dependency ratio is expected to fall continuously (Figure 1). This has significant implications for the labour market both in the short and long term. This major increase in the youth population holds the promise of acceleration in economic growth powered by rising labour productivity. Yet, this may prove a bane if this youth population is not equipped with the skills that would make them employable. Moreover, if the economy does not create sufficient employment opportunities, the demographic advantage may be frittered away. It is in this context that the expansion of employment services in India becomes relevant. Employment services, including training and career counselling, have the potential to convert this population increase into a population advantage.

Figure 1: India's demographic dividend

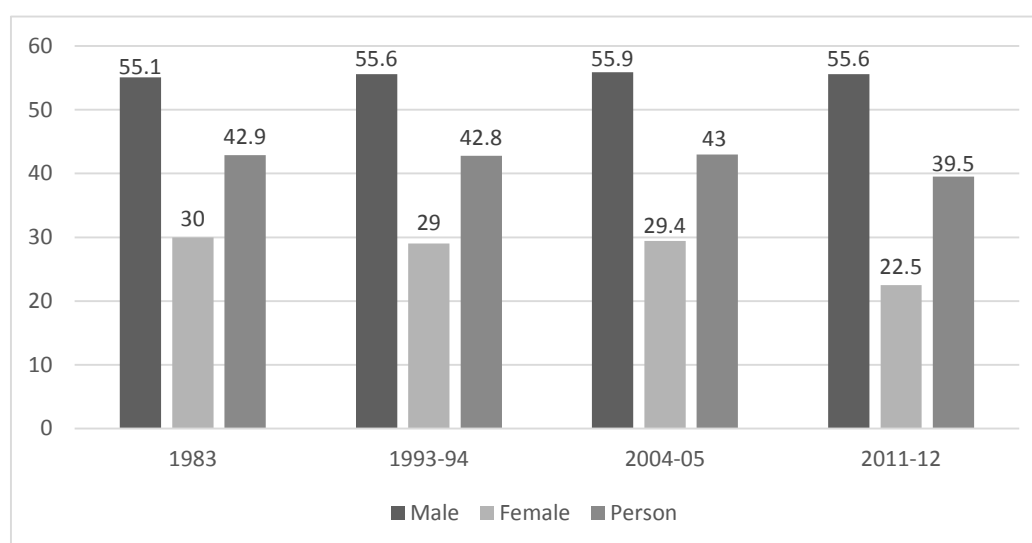


Source: Census of India: Population Projection: 2001-2026.

The increase in the youth population in India has not necessarily translated into higher labour market participation. Even though the population has been growing, the net addition of workers to the labour market has been slower than the population growth, due to falling labour force participation rates (LFPR)³. India's labour force was estimated to be 483.7 million in 2011. After being consistently pegged at around 43 per cent, the LFPR (age 5 and over) in India fell below 400 per thousand in 2011-12 (Figure 2). This relatively low participation rate has been engendered mainly by the significantly low participation rate of females in the labour force, which declined from 300 per thousand in 1983 to 225 in 2011-12. While in the short run this may ease the pressures on generating employment, in the medium to long term it could lead to increasing pressure to generate employment both quantitatively (as larger numbers will enter the labour market) and qualitatively (as those who enter the labour market will have higher educational attainments as well as higher aspirations and expectations from the labour market).

³ Labour force participation rate is defined as the proportion of the total labour force, including workers and unemployed, to the total population of a given age group.

Figure 2: Labour Force Participation Rate (UPSS) in India:
1983 to 2011-12 (per 1000)

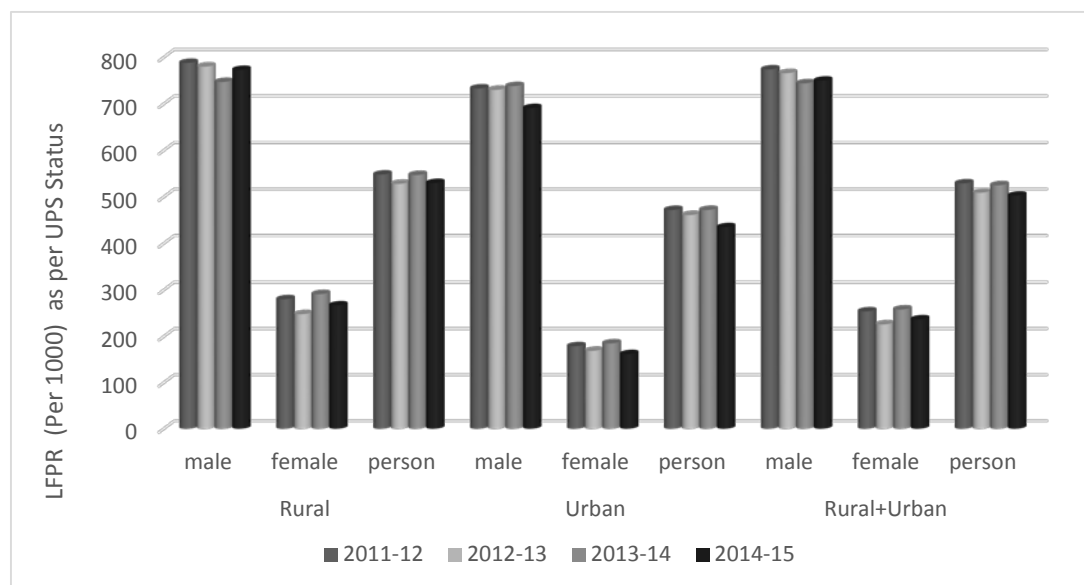


Source: National Sample Survey Employment-Unemployment rounds (various years).

Statistics from the Labour Bureau's Annual Employment-Unemployment Surveys indicate that the decline in LFPR has been continuing in more recent periods, with the LFPR for persons aged 15 years and above declining from 529 per thousand in 2011-12 to 503 by 2014-15 (Figure 3). The declining trend is discernible among males as well as females. The stark differentials in the LFPRs between males and females have also continued during this period, with the LFPR for males being 750 and that for females being 237 in 2014-15.

The LFPR for the age group 15-59 years has fallen from 671 in 1993-94 to 666 in 2004-05 and 583 in 2011-12. The decline of the LFPR of the working age population in recent years is mainly due to: (a) a sharp drop in the LFPR of the age group 15-29 years; and (b) the drastic fall in female LFPR which has declined at double the rate of male LFPR. The bulk of the reduction in the female LFPR has occurred since 2004, mainly in the working age cohort of 15-29 years (371 to 244 per thousand). This fall has a positive significance: it indicates a sharp increase in female enrolment and retention in education, including secondary and higher education. The enrolment rate in educational institutions for women in the 16-20 age group has seen the maximum increase, from 43 per thousand and 217 per thousand to 347 and 585 per thousand in rural and urban areas respectively during 1983-2011. However, in the same period, there has been a significant increase of women reporting unpaid domestic duties, up from 300 and 420 per thousand to 385 and 480 per thousand in rural and urban areas respectively. Studies suggest that there are multiple reasons behind this drop in female LFPR in India. These include the transition of the economy from agriculture to non-agricultural activities, with women's traditional role as agricultural worker fast disappearing and the new employment generated in the non-agricultural activities being taken up by males. Studies also indicate that, with increasing education and income levels of the males, women of the household are being assigned care roles and status-producing activities for the household (Abraham, 2013). Therefore, not all of the decline of female LFPR can be attributed to increased educational enrolment. Some of it can be attributed to rising average household incomes in both rural and urban areas. Particularly problematic, however, from a societal perspective is that this low and declining level of participation of women in the labour force indicates persistent gender inequality, which may prevent the country from reaping the potential benefits of the demographic dividend.

Figure 3: LFPR as per UPS Status (per 1000)

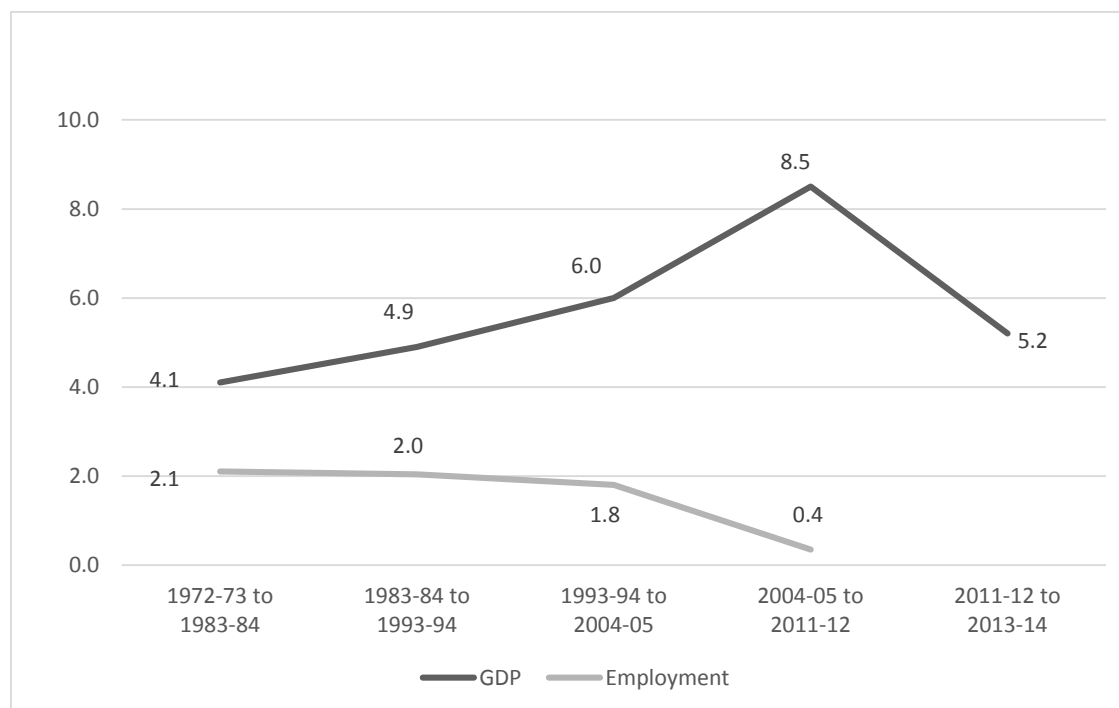


Source: Computed from different reported estimates of Annual Employment and Unemployment Surveys of the Labour Bureau.

2.2. Economic growth-employment growth linkage

The post-liberalization phase saw the Indian economy being propelled to a much higher growth trajectory compared to the growth patterns pre-liberalization. While the Indian economy's growth rate from 1950 through to the 1980s was 3.5 per cent, it surged to 7 per cent during 1993-94 to 2011-12 (Figure 4). However, employment growth presents a strikingly different picture. While employment grew at an average of 2.0 per cent during the first three decades of developmental planning, it dropped to 1.4 per cent during the period 1993-94 to 2011-12. The decline in employment growth in the post-liberalization phase is primarily attributed to liberalization of trade and investment and privatization. The privatization of many enterprises in the public sector, the objectives of which had been to address the unemployment problem, along with providing essential goods and services, led to a fall in employment. Along with this, the integration of the Indian economy with the global economy led to a decline in the relative price of capital, a rise in capital intensity in production and a drop in the growth of employment (Kannan and Reveendren, 2009; Chandrasekhar, 2008; Goldar, 2013). Berman et.al. (2005), Ramaswamy (2008), Abraham (2010) and Goldar (2013) also argue that skills-biased technological change, both due to imported technology and increased use of information technology (IT), caused the demand for unskilled labour to decline in the recent past. Furthermore, Goldar (2013) shows that increasing exports in the Indian manufacturing sector may have a depressing effect on employment. Also, it has been noted that workers' bargaining power has been declining vis-à-vis the employers (Papola, 1994; Sundar, 2005), as indicated by the declining strength of trade unions in terms of the number of unions and union membership, and the ratio of man-days lost due to employer lockouts versus employee strikes. The need to synergize economic growth and employment growth has acquired added urgency in the immediate context of deceleration in India's economic growth in recent years.

Figure 4: Growth of Gross Domestic Product and Employment (in %)



Source: Central Statistical Office (CSO) for GDP and National Sample Survey Office (NSSO) for Employment.

2.3. Labour market duality

The persistent duality between the organized and unorganized sectors (defined by size of enterprise) and between formal and informal work (based on the regularity of employment and access to social security) has been a matter of concern, particularly since the 1990s. In India, the overwhelming proportion of workers (nearly 83 per cent in 2011-12) is employed in the unorganized sector, albeit with a declining trend during the last decade (Table 1). While total employment in the organized sector has grown from 38.89 million in 1999-2000 to 81.6 million in 2011-12, informal jobs in the sector have increased from 15.95 million to 47.20 million during the same period. This indicates that an overwhelming majority (nearly three-fourths) of the new jobs generated in the organized sector in the last decade are informal, so that in 2011-12 informal jobs constituted 58 per cent of organized sector employment. This trend is reflected clearly in organized manufacturing, where there has been a sharp increase in temporary and contractual jobs, which rose from 7.6 per cent in the 1970s to 13.2 per cent in 1995-96 to 33.9 per cent in 2010-11.

Table 1: Total Workers in India by organized/unorganized sector and formal/informal workers: 1999-2000 and 2011-12 (million workers)

	Formal employment	Informal employment	Total
1999-2000			
Organized Sector	22.94	15.95	38.89
Unorganized Sector	1.44	356.57	358.01
Total	24.38	372.52	396.90
2011-12			
Organized Sector	34.40	47.20	81.60
Unorganized Sector	1.96	389.44	391.40
Total	36.36	436.64	473.00

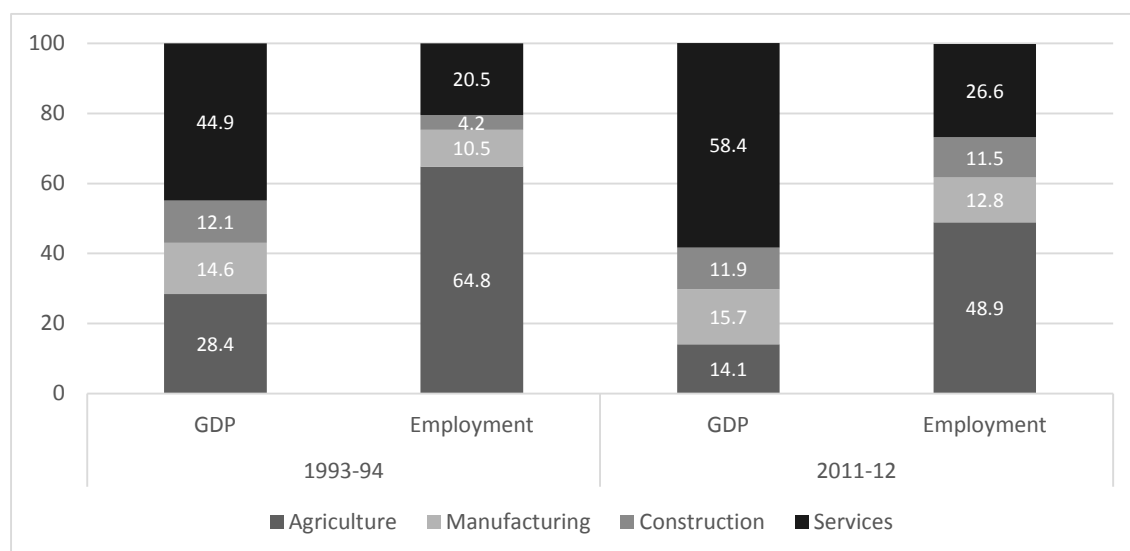
Source: NSSO Rounds 2001 and 2013.

The growing trend of informalization is reinforcing the duality and disparity between the organized and unorganized sectors and between formal and informal employment. The structural transformation process in the economy (moving people from low productive to high productive employment) is hindered by this growing disparity and inequality. Though some linkages exist between the two sectors, the largely segmented nature of the sectors hampers the development of an integrated market. The labour market for the organized sector has rigid institutional barriers to entry and exit, while the unorganized sector remains outside the purview of institutions that create decent employment.

2.4. Structural transformation in the Indian labour market

The long anticipated structural transformation of the labour market – the movement of employment from the low productive primary sector – has gained pace in recent years. From around 70 per cent in the early 1980s, employment share in agriculture declined to 60 per cent in 1999-2000 and further to 49 per cent in 2011-12 (Figure 5). Yet this process of structural transformation has been significantly different from that experienced earlier by advanced/industrial countries, or the more recent spectacular changes in East Asian economies. Industrial manufacturing played a significant role in the structural transformation of these economies. Conversely, India has seen stagnation in manufacturing employment, which has remained at a low level of 11-12 per cent for the last three decades – the crucial phase of structural transformation in India. The bulk of the labour force moving out of agriculture has been absorbed in construction and the low-end service sector in the informal economy.

Figure 5: Structural transformation in India: 1983 to 2011-12



Source: CSO for GDP and NSSO for Employment.

2.5. Nature of employment

A critical dimension of the structure of the labour market and quality of employment is provided by the status of the workforce. The predominance of self-employment in India, with over 52 per cent such workers (Figure 6), is an important characteristic. The proportion of self-employed has fallen over the last decades, with the maximum decline being in rural areas, due mainly to the decline of self-cultivating farmers. The category of self-employment is a heterogeneous one; it includes financial consultants, freelance workers, professionals like doctors and lawyers in the high-end service sector, as well as marginal and small farmers, street vendors, hawkers and other low-end service workers with highly diverse income profiles. It is estimated that 85 per cent of the self-employed are engaged in low productive and precarious occupations.

Figure 6: Status of employment in India: 1983 to 2011-12 (per 1000)



Source: National Sample Survey Employment-Unemployment rounds (various years).

Figure 7: Employment status in India across consumption expenditure quintiles: 2011-12 (per 1000 people)

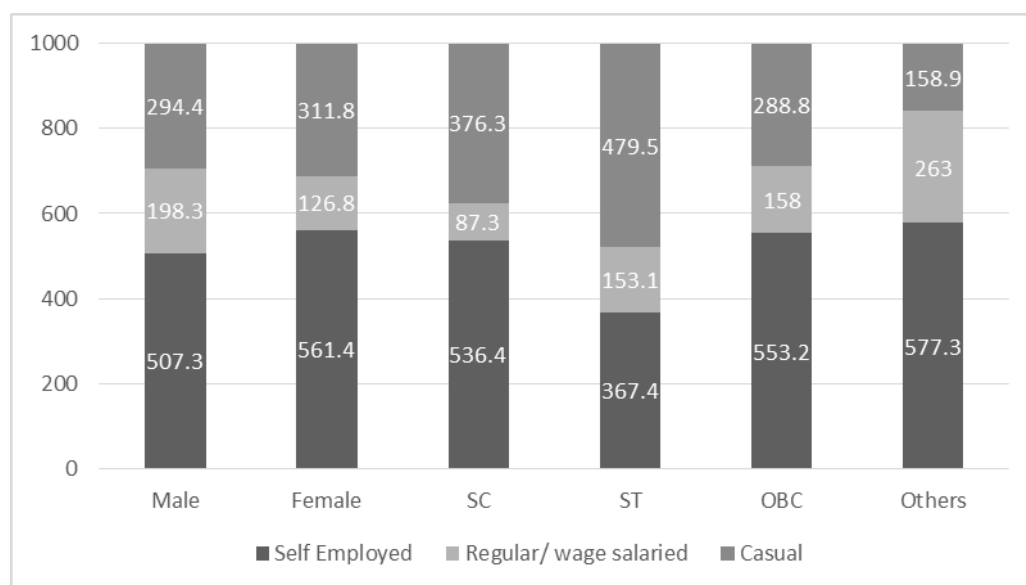


Source: NSSO Round 2013.

Within wage employment, casual employment remains the most vulnerable in terms of access to both employment and social security. The proportion of casual employment in India has remained constant at a relatively high level over the last three decades, at around 30 per cent of total employment and nearly two-thirds of all wage employment. It is important to note that a significant proportion of the socially disadvantaged groups such as the Scheduled Castes (SCs) and Scheduled Tribes (STs)⁴ are engaged as casual wage earners. These proportions are much higher than the national average: 48 per cent of the SCs and 38 per cent of the STs were in casual employment in 2011-12 compared to the national average of 30 per cent (Figure 8). The existing inequalities between differences in employment status become clear when it is observed that 42 per cent of the poorest quintile of consumption expenditure concerns casual workers (Figure 8).

⁴ Scheduled Castes (SC) and Scheduled Tribes (ST) are marginalized social groups in India. SC are people who traditionally suffered caste-based discrimination and ST are indigenous tribes. Both these groups are now covered under the Constitution for affirmative reservation status guaranteeing political representation, educational reservation in public funded institutions and employment reservation in the public sector.

Figure 8: Employment status in India across gender and social groups: 2011-12 (per 1000 people)



Key: SC = Scheduled Castes, ST = Scheduled Tribes and OBC = Other Backward Classes.

Source: NSSO Round 2013.

2.6. Nature of unemployment

One of the major concerns in the Indian labour market is the rising youth unemployment. While the open unemployment rate (for all age groups) in India has been relatively low, the rate of unemployment amongst the youth has been almost double the overall rate (Table 2). The gravity of the problem becomes more evident when it is considered that the unemployment rate among educated youth, particularly among women, is even higher⁵ (Table 3). The demographic composition of the population, while providing a window of opportunity, could become a major concern if adequate quality jobs are not made available to the increasingly educated young entrants to the labour market. Given the above analysis, the immediate policy imperatives are: (a) to increase the overall female participation rate, especially for educated young women; and (b) special focus on enhancing employability through skills enrichment of young people.

⁵ Though underemployment is still the single largest form of unemployment in India, this is much more relevant for the agricultural sector.

Table 2: Total Workers in India by organized/unorganized sector and formal/informal workers: 1999-2000 and 2011-12 (million workers)

	Formal employment	Informal employment	Total
1993-94			
15-24	11.4	10.8	11.2
25-34	6.5	6.7	6.6
35 & above	3.0	4.0	3.3
Total	5.9	6.3	6.0
2011-12			
15-24	12.9	14.7	13.3
25-34	5.4	7.4	5.9
35 & above	2.9	3.8	3.1
Total	5.3	6.6	5.6

Source: NSSO Rounds 1997 and 2013.

Table 3: Unemployment rate of educated youth (UPSS) (15-29 Years)

	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2004-05	9.1	20.7	11.9	13.3	27.0	16.5	10.8	23.0	13.7
2011-12	8.2	15.5	9.8	11.6	20.0	13.5	9.5	17.4	11.3

Source: NSSO Rounds 2006 and 2013.

2.7. Wage trends

An analysis of wage trends over the last three decades indicates that although the average wage rate in absolute terms has increased for both regular and casual workers, the gap between the two segments has widened over time, contributing to rising wage inequality in the labour market (Table 4). Gender wage disparity is a key feature of the Indian labour market with wide-ranging implications for the economy and society. While the wage gap between female and male workers seems to have declined over the last 30 years, female wage rates are still only 60 per cent of the male wage rate on average, across different locations and employment status. The most significant decline in the wage gap has occurred mainly since 2004-05, and in respect of rural casual labour, where female wages are now 70 per cent of the male wages. This could be mainly attributed to the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) where statutory provisions and modes of payment (through post offices and banks) have ensured equal wages for men and women.

Table 4: Average daily wages of male and females: 1983 to 2011-12 (in rupees at constant prices)

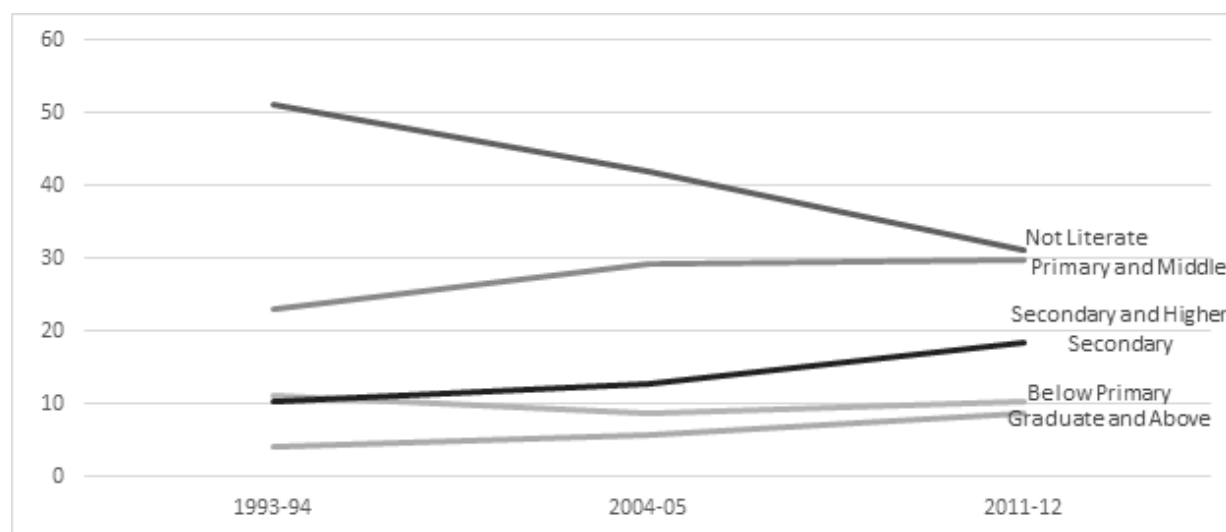
	1983		1993-94		2004-05		2011-12	
	Male	Female	Male	Female	Male	Female	Male	Female
Rural Regular	17.6	12.8	58.5	34.9	144.9	85.3	320.2	202.8
Rural Casual	7.8	4.9	23.2	15.3	55.1	34.9	150.4	104.6
Urban Regular	25.7	19.5	78.1	63.3	203.3	153.2	462.8	368.8
Urban Casual	11.1	5.6	32.4	18.5	75.1	43.9	185.0	114.9

Source: NSSO Rounds (various years).

2.8. Education and the skills base

The level of employability is critically dependent on the educational and skills profile of the workforce. At present less than 30 per cent of the workers have educational attainments above secondary level, and more than 30 per cent are not literate. However, the trend over the last two decades has exhibited several positive features (Figure 9). Between 1993 and 2011, the number of non-literate amongst the workers has declined sharply from 51.2 per cent to 31.2 per cent. During the same period, the proportion of workers with secondary level education and above has nearly doubled, from 14.1 to 28.6 per cent. However, the skills base of the workforce measured by vocational training (formal or informal) continues to be one of the lowest in the world, with only 2 per cent receiving formal and 8 per cent informal vocational training. Another critical issue in the context of skills development in India relates to the structure of the skills pyramid. Given that the focus is presently on the manufacturing sector, there is an urgent need to improve the skills base, particularly in relation to the base and middle of the skills pyramid. This would entail more focus on vocational training as a key driver to generate the requisite skills in different trades. Massive scaling up of skills is a key requirement for enhancing both the quantity and quality of employment.

Figure 9: Educational profile of workers: 1993-94 to 2011-12 (5 years+)



Source: NSSO Rounds (various years).

Apart from general education, vocational job-oriented training is the major means to enhance the skills base. Vocational training provides the intermediary skills, and in developing economies, such skills are in greatest demand. In India, only 2.1 persons out of 100 aged 15 and over are reported to have received or were receiving vocational education during 2011-12 according to the Employment-Unemployment Report of the Labour Bureau. The proportion of the population that received or was receiving vocational education in rural and urban areas is estimated to be 1.8 and 3.0 per 100 among the population during 2011-12. The gender-wise estimates show that the proportion of females who received or were receiving vocational training is about one-third of their male counterparts, at 1.2 and 2.9 per 100 during 2011-12.

2.9. Conclusion

To summarize, India is undergoing a demographic transition with a youth bulge that will endure into the future. However, the demographic dividend is marred by two important trends: that of declining labour force participation, especially among women, and high rates of unemployment among the young, especially the educated. Moreover, the nature of employment in India is overwhelmingly low productive self-employment and low wage casual work, which are also increasing. Though wage rates have been rising, the low levels are a real cause for concern; additionally, there is the widening gender gap in wages.

This poor performance of the labour market can be linked to the weak absorption of labour in India's fast-growing economy and the relatively slow structural transformation in employment, even when sectoral shares in output have moved to more productive sectors. The low employment elasticity has further sharpened the duality in the economy, with a small formal sector providing decent work, incomes and conditions of work, while the vast majority is increasingly becoming informalized. The labour market conditions are such that, although levels of education are increasing, the current levels are too low to push workers to other sectors. Moreover, the educational skills and training levels remain very poor, creating a mismatch between skills requirement and skills availability. Given the concerns of skills mismatch and low levels of education, alternatives to general education such as vocational training and short-term or specific skills training become imperative.

Because of the decline in traditional forms of employment in agriculture and allied sectors, the search for jobs in non-agricultural sectors is bound to rise. Again, the

overwhelming presence of the informal sector, even in the non-agricultural sector, necessitates the extension of employment services to the informal sector as well. This calls for a shift in the orientation of employment services to cater to a far larger section of the population, from the limited role they now play.

3. Public employment services in India

3.1 Historical origins and evolution of PESs in India

Employment services during the colonial period in India were not considered an important requirement, as the goals of the colonial government did not align with the welfare goals of such services. For the growing industrial sector in India, finding workers was not difficult, as they thronged the factory gates in large numbers from the neighbouring agricultural areas, as observed in the Royal Commission on Labour in India (1931) (Panakal, 1950). Elaborate disciplinary and control mechanisms were established during the colonial era to attract and retain workers in the emerging industrial sector, which demanded not only labour but also their adjustment to a new work ethic, very different from that of the agricultural sector.

However, sporadic attempts to start employment services were made, such as the establishment of an employment exchange in Ahmedabad in 1936 by the Ahmedabad Mill Owners Association. The need for the creation of a labour market also resonated in the Ahmedabad Labour Association's responses to the Bombay Textile Labour Enquiry Committee; they expressed the view that employment exchanges would increase choices for workers and reduce controls by the employers. However, the national government's concern regarding employment was only to deal with the fallout of the Second World War, i.e. meeting the demand for technical personnel during the war and rehabilitating demobilized personnel after the war (Chandra et al., 2006, pp. 26-27). This was in line with the way most European governments engaged with their labour markets for recruiting and rehabilitation at that time. The then Governor General promulgated the National Service (Technical Personnel) Ordinance on 28 June 1940, under the provisions of which National Service Labour Tribunals were set up in different parts of the country. The tribunals were empowered to tap the labour market and re-skill workers to meet the exigencies of war. Their powers included compelling employers to deploy their skilled workers into national, meaning war, services. They were also entrusted with the reintegration of these wartime workers to civilian life in the post war period. It was in this context that the tribunals established employment exchanges in Bombay, Calcutta, Madras, Ahmedabad, Kanpur, Lahore, Nagpur, Delhi, Karachi and Jamshedpur in 1944.

With the creation of the Directorate General of Resettlement and Employment (DGR&E) in July 1945, after the amendment of the Government of India Act, 1935, the NES was introduced. Under the NES the number of employment exchanges expanded dramatically, particularly after the partition of the country, for resettlement of people displaced from East Bengal and Punjab. By the end of 1947 more than 75 exchanges existed across the country. In 1948 the scope of the NES was expanded to include all jobseekers. With the expansion of the scheme to all jobseekers, the volume of responsibility and the scale of work soared. The NES, which had functioned as a temporary body to meet certain transient needs, such as relocating wartime and displaced workers, was now entrusted with a long-term function: that of acting as a search intermediary in the labour market. However, the NES, designed primarily as a temporary body, was not structured to assume such functions, albeit with periodic extensions of life. It was in this context that the Training and Employment Services Organization Committee under the chairmanship of Shiva Rao was set up in 1952 to examine the need for and viability of the NES.

The Shiva Rao Committee recommended in 1954 that the NES be made a permanent body. However, its functioning was to be decentralized: at central level, it was to act mainly as a policy-making and regulatory institution, while the local employment exchanges were to be managed by the state governments from 1 November 1956. Furthermore, the Committee also recommended diversification of its functions in the field of occupational

research, vocational guidance and employment market information (Government of India, 1978). It also recommended the creation of a legislative framework to assess the employment potential of the economy, the skills base and skills requirements, and to initiate skills training for employment.

Based on the Shiv Rao Committee recommendations in 1959, the Central Government enacted the Employment Exchanges (Compulsory Notification of Vacancies) Act in 1959, which came into effect on 1 May 1960. This Act made it mandatory for all public sector units and private sector entities with 25 or more employees to notify vacancies through the employment exchanges. The Act also made it mandatory for such firms to file quarterly returns with the local employment exchange, in the form of Employment Return (ER-I) and biennial returns in the form of Occupational Return (ER-II), which declare the total number of employees in the firm, expected future vacancies and current manpower shortage.

With the CNV Act in place, the responsibilities and powers of the NES received a huge boost. Now all appointments made to the public and private sectors under the above provisions were to give priority to recruitment through employment exchanges. While this was strictly implemented in the case of public employment, in the private sector the provisions of the CNV Act could not be executed in their entirety, mainly because the machinery to monitor their implementation was weak. Penalties for non-compliance were also ineffective⁶. It was also increasingly recognised that the employment exchanges were gradually moving away from being market information intermediaries to public sector recruitment agencies. At the same time, the NES was unable to meet the demands of millions of registered jobseekers. Furthermore, with its role as a public sector employment recruiter, a large number of complaints of corruption, rent-seeking and incompetence emerged against the NES (Chandra et al., 2006).

To rectify these weaknesses, the Indian Government set up the Mathew Committee in 1978 to examine the functioning of employment exchanges. One of the important recommendations of this committee was to recognise the existence of private placement agencies and the need to regulate them. The Committee also recommended that, where hitherto it had been compulsory to make appointments through the employment exchanges, employers should now also be able to shortlist their own candidates and combine them with the list obtained from the NES, and call them for interview, provided that they announced the scheme in advance.

In 1987 a judgment by the Supreme Court of India in the case *Union of India & Others. vs. N. Hargopal & Others* noted that private establishments were not bound by the CNV Act to recruit workers through the employment exchanges, though they would need to post vacancies there. The Court also noted that the provisions of the Act allowed the National Government to establish rules for the conduct of recruitment for public employment. In that case, if the Government had made it mandatory for recruitments to be conducted through the employment exchange, that could not be challenged. This judgment relieved the private sector from having to recruit through the employment exchanges and weakened the power of the NES in private sector recruitment.

In 1996, the Supreme Court of India ruled in the case of the *Excise Superintendent, Malkapatnam, Krishna District, Andhra Pradesh vs. K.B.N. Visweshwara Rao & Others* that public sector recruitment need not occur solely through employment exchanges. The judgment specified that in addition to employment exchanges, vacancies could be notified in other media and, if suitable candidates were found by this method, then their not having been registered in employment exchanges should not be held to disqualify them. In essence, this meant that government sector recruitment could also now be done independently of the

⁶ Under the CNV Act, the penalty for not complying with the Act was a fine of Rs.500 for the first offence and Rs.1000 for repeated offences. This penalty remains unchanged to this day.

employment exchanges. Thus, both these judgments weakened the regulatory powers of the NES.

With these two judgments eroding the position of the NES, even as the Mathew Committee recognised private placement agencies, the NES had now become a market player providing labour market information services, along with other private players in the sector. Since the liberalization and privatization of the economy, the number of vacancies in the public sector itself had sharply declined. Moreover, with the emergence of various government recruitment bodies, such as the Public Service Commission, Staff Selection Commission, State Service Selection Boards, Railway Recruitment Boards and Subordinate Service Selection Boards, the role of employment exchanges in direct placement began to shrink. This apart, the shift in the employment structure in the government and private sectors towards flexible forms of employment had cast doubt on the relevance of the CNV Act and the employment exchanges in the current scenario.⁷

The employment services provided by the employment exchanges were becoming redundant. Their services were not sought after by industry, and prospective candidates found it difficult to register with the exchanges because their physical presence was required; even then, there was no reasonable guarantee of employment. Moreover, the exchanges were working in isolation in their own districts with much overlapping across sectors/industries, rather than catchment areas related to specific industries or categories of employee. All this contributed to their failure. In short, it was felt that the employment exchanges had outlived their usefulness. Therefore, in 2008, serious thought was given to whether to close them down or to revamp them.

In 2008, a key change occurred in the concept of employment exchanges. The Government of India undertook a Mission Mode Project⁸ for the Upgradation and Modernization of the Employment Exchanges (EEMMP) under its National E-Governance Plan (NeGP). The main thrust of the project was to take advantage of advances in ICT to improve search and match for jobseekers and employers in the labour market. A budget of Rs.1487 million was approved in the 12th Five Year Plan for this project in December 2013. The aim of EEMMP was to provide career options and facilitate informed choice for jobseekers by providing a national platform for interface between stakeholders for responsive, transparent and efficient career services to meet the skills needs of a dynamic economy.

The EEMMP had the following objectives:

1. To collect and disseminate information on employment and training to jobseekers and employers in the organized and unorganized sectors so as to ensure a proper balance between workforce demand and supply.
2. To create easy and speedy access to the services of employment exchanges for all stakeholders.
3. To provide relevant employment counselling, assessment of capabilities and vocational guidance services to jobseekers in improving their employability.
4. To obtain and provide accurate and quality labour market information for planning and prompt decision-making.

⁷ See 'The Employment Exchanges (Compulsory Notification of Vacancies) Amendment Bill, 2013, Standing Committee on Labour (2013-2014), Fifteenth Lok Sabha, Ministry of Labour and Employment, Lok Sabha Secretariat, February 2014'.

⁸ Mission Mode Projects are projects that usually focus on one aspect of a sector with clearly defined objectives, functions, delivery mechanisms, targets, measurable outcomes, timelines and monitoring mechanisms. Mission Mode Projects have been undertaken by both central and state governments.

In November 2013, the Ministry of Labour and Employment, India, signed a Memorandum of Understanding with the UK-India Education and Research Initiative (UKEIRI) to develop employment services in India on the lines of the UK's National Careers Service. The experience of England, Scotland, Wales and Northern Ireland in changing over to the National Careers Service was studied. A working group was formed to transform the National Employment Service in India to the National Career Service of India and its recommendations were accepted.

On 20 July 2015, India's Prime Minister Narendra Modi officially dedicated to the nation the NCS portal, which facilitates registration of jobseekers, job providers, skills providers, career counsellors and private placement agencies. The NCS programme aims at digitization of the NES, offering a host of career-related services such as career counselling, job notifications, vocational guidance, and information on skills development courses, internships and the like.

3.2 The legal framework of the NES in India

The objectives of the NES are as follows:

1. Collect, compile and disseminate information on vacancies notified, employment in various industries, types of occupations in existence, qualifications required for various occupations, emerging employment trends in various industries, etc.
2. Assess demand (from notification of vacancies) and supply of labour (from registration of jobseekers) in the labour market and match them.
3. Create the requisite database for manpower planning and management, career counselling and vocational guidance with a view to effectively guiding jobseekers.⁹

To achieve the above objectives, the legal edifice for PES in India was founded on the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, which came into force on 1 May 1960.¹⁰ The Act was enacted on the basis of the Shiva Rao Committee set up in 1952. The Act defined the structure and functions of the employment exchange, the ambit of its applicability, the obligations of employers and penalties.

Section 2(d) of the CNV Act defines employment exchanges as:

“any office or place established and maintained by the Government for the collection and furnishing of information, either by the keeping of registers or otherwise, respecting”

- (i) persons who seek to engage employees,
- (ii) persons who seek employment, and
- (iii) vacancies to which persons seeking employment, may be appointed;”

⁹ <http://labour.gov.in/nesc>.

¹⁰ A bill to amend the CNV Act, 1959, was introduced in 2013 in the Upper House of the Indian Parliament, the Rajya Sabha, and is currently under consideration by the Government. The bill aims to widen the scope of the Act to include the unorganized sector firms with regular employees, and also mainstream skills trainers and vocational guidance. It may be reintroduced after the stabilization of the NCS. However, for the time being, the CNV Act, 1959 continues to be the legal foundation for the NES.

By virtue of this Act, any establishment in the public sector or any private sector establishment with more than 25 employees is required to report vacancies arising in them to the employment exchanges. However, private sector establishments engaged in agricultural activities were exempted. Also, employment in domestic service, any employment the total duration of which is less than three months, employment to do unskilled office work, and any employment connected with the staff of Parliament were exempted from the purview of the Act. Under the Act, all employers as defined above were required to report vacancies and file returns, with information on the total number of persons on the payroll, the number of vacancies that had occurred and the number of vacancies remaining unfilled. Failure to report vacancies and/or to file returns attracted fines of up to Rs. 500 for the first offence, and up to Rs.1000 for every subsequent offence.

In order to achieve the above objectives, the NES, which operates through the network of employment exchanges, performs the following functions:

1. Registration and placement of jobseekers to ensure a proper balance between demand and supply.
2. Collection of comprehensive employment market information on a quarterly basis for the creation of a database for use in the effective management of demand and supply of labour, preparing career literature for counselling and vocational guidance.
3. Career counselling and vocational guidance.
4. Conducting specialized area-specific studies/surveys to provide an assessment of available and marketable skills required to encourage jobseekers to take up self-employment, particularly in the rural informal sector.

Some state governments, such as Kerala, ¹¹Uttar Pradesh and Himachal Pradesh, provide for disbursement of unemployment allowance to certain specific categories of jobseekers out of their own resources through the employment exchanges registered with them.

Based on the Shiva Rao Committee Report, the functions of the NES were decentralized, with the roles of the Central Government and the provincial governments delineated. The respective responsibilities of the Government of India and the state governments are as follows (Government of India, 1978, pp. 2-3):

“(i) The Government of India shall:

- (a) establish in collaboration with State Governments national policies, standards and procedure to be followed by this Employment Service in the States;
- (b) coordinate the work of the Employment Service in the States;
- (c) plan and formulate programmes for expansion and development of the Employment Service in consultation with State Governments and examine local programmes and procedure, through appropriate officers, with a view to ensure that agreed policies are being implemented, standards maintained, and programmes followed;
- (d) conduct, whenever necessary, training programmes for Employment Officers and develop staff training materials for use by the Employment Service in the States;

¹¹ The Unemployment Allowance Scheme of Kerala provides an allowance of Rs.120 per month to the unemployed who are registered in the employment exchanges in Kerala. The scheme was introduced in 1982. The Government of Himachal Pradesh has announced in 2017 an unemployment allowance of Rs.1000 per month to youth having intermediate qualifications or above while unemployed youth with a disability would be given Rs.1500 per month. The Government of Uttar Pradesh started an unemployment allowance scheme in 2012 whereby registered unemployed would be given an allowance of Rs.1000 per month.

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- (e) provide a central machinery for adjustment of surplus and shortages of workers in different States;
 - (f) collect and disseminate information concerning employment and unemployment and prescribe uniform reporting procedure;
 - (g) plan, develop and carry out a continuous programme of employer and worker relations directed to employers and workers' organizations at the national level and to employers who maintain establishments in several States;
 - (h) arrange for coordination and consultation with the Ministries of the Government of India whose activities affect the employment situation in the country;
 - (i) carry out, at the national level, a public relations and information programme and develop informational material and provide Employment Service in the States with technical assistance in the operation of public relations and information programmes; and
 - (j) carry out a continuous programme of evaluation of policies, procedure and working practices of Employment Exchanges in the States with a view to assess and advise the State Government on the progressive development of the service and to ensure that national policies, standards and procedure are effectively implemented.

(ii) The responsibilities of the State Government are to:

- (a) exercise full control over the Exchanges in the States, including the power of appointment, control, promotion and punishment of all their staff as well as the staff of State Directorates;
- (b) carry out inspection of Employment Exchanges to assess the effectiveness of their work and take appropriate action to bring about necessary improvements;
- (c) organise and carry out training programmes for non-gazetted staff in accordance with national policies;
- (d) organise vacancy and labour clearing in Employment Exchanges at the State level and coordinate with the central machinery;
- (e) collect, compile, analyse and interpret statistical and employment market data in the prescribed manner and furnish such data and information to the Government of India as may be required;
- (f) provide and disseminate information to public and private bodies in the State interested in such information;
- (g) plan, develop and carry out at state and local levels a programme of employer and worker relations in accordance with national policies;
- (h) arrange for coordination and consultation with departments of the State Government whose activities affect the employment situation in the State;
- (i) set up, in accordance with national policies, Committees on Employment at State and local levels;
- (j) refer to the Government of India for consideration recommendations of Committees on Employment involving major changes in policy or procedure;
- (k) carry out, at State and local levels, a public relations and information programme in accordance with national policies; and
- (l) provide full facilities to the authorised officers of the Government of India to evaluate the work of Employment Exchanges."

3.3. The organizational structure and functions of the NES in India

3.3.1. Organizational structure of the NES

As mentioned in the NES manual, public employment services are delivered at two levels: national and provincial/state. The NES works as a decentralized two-tier system. The apex body for establishing policies and standards is the Directorate General of Employment and Training (DGE&T), a division under the Ministry of Labour and Employment of the Central Government. The DGE&T establishes policies and standards in consultation with the departments of employment at the provincial/state level. The consultative process is essentially conducted through an NES working group comprising representatives of the central and state governments. The employment exchanges are administered and managed by the respective state governments. The institutional framework of the NES and the roles of the constituent elements are described below.

The Directorate General of Employment and Training (DGE&T): The DGE&T, previously known as the Directorate General of Resettlement and Employment, was rechristened in 1960 when its functions were expanded to employment services beyond resettlement. Operating under the Ministry of Labour and Employment, Government of India, the DGE&T has been administering the national-level PES in India through the NES since 1960. The Directorate codifies and formulates procedures based on the policies that emerge from the consultative processes between the central and state governments. It also conducts technical evaluation of employment exchanges and advises state-level directors. The DGE&T has codified a set of routine procedures for the functioning of the NES, which have been published in the National Employment Service Manual.

The DGE&T is also the apex body for the Craftsmen Training Scheme of the Government of India, and acts as the Central Apprenticeship Adviser under the Apprentices Act of 1961. With the creation of the new Ministry of Skill Development and Entrepreneurship in 2014, operation of the Craftsmen Training Scheme and the control of apprentices under the Apprentices Act of 1961 was transferred to the DGE&T from the Ministry of Labour & Employment.

National Institute for Career Service: Formerly known as the Central Institute for Research and Training in Employment Service (CIRTES), this was instituted for the purpose of in-service training and research for employment service personnel in 1964.

State employment departments: Every state/province and Union Territory in India has a state employment department, under which the employment services function. The administration of the NES was decentralized to the state governments in 1956 following the Shiva Rao Committee recommendations. The state employment department is a division of the labour department of the ministry of labour of each state government. The state employment department administers all the employment exchanges within the state, according to the standards and procedures prescribed by the DGE&T through its consultative process with the central and state governments. The state employment department, headed by a director, provides leadership in technical activities such as employment surveys and studies, manpower planning, enforcement of the Employment Exchange Act, 1959, vocational guidance, occupational research and staff training.

Employment Exchanges: The employment exchanges are organized in a similar way to other government services in the country, with exchanges functioning at state, district, municipal and village levels. At state level, the *State Employment Exchange*, in the state capital, deals with applicants of professional and executive grade, vacancy and labour clearing at state level, research and job development for the differently abled, ex-servicemen,

SC and ST applicants. The *Regional Employment Exchange*, a subregional office, is in charge of four district-level employment exchanges. The regional employment officer is responsible for the inspection of the exchanges in the region, staff training, special problems of differently abled applicants, ex-servicemen, SC and ST applicants, job development efforts and enforcement of the Employment Exchanges Act, 1959, within the region. The *District Employment Exchange* normally constitutes the basic unit for implementing and coordinating all employment assistance, career advice and employment market information programmes, and surveys and studies in the district. The district employment officer is responsible for inspection and enforcement of the Employment Exchanges Act, 1959 at district level. He is also responsible for the efficient functioning of the municipal employment exchanges and rural employment bureaus in the district. *Municipal Employment Exchanges* are set up in all towns having a labour force of 10,000 or a population of 25,000 or above. The lowest formation of the NES is the *Rural Employment Bureau*, now called the *Employment Information and Assistance Bureau*. These apart, there is an *employment information and guidance bureau* in each university.

As of December 2014, there were 978 employment exchanges spread across the country, of which 76 were university employment information and guidance bureaus (Table 5).

Table 5. Numbers and types of employment exchanges in India, 2014

	Number
Total number of employment exchanges	978
Specialized employment exchanges:	
University employment information and guidance bureaus	76
Professional and executive employment exchanges	14
Special employment exchanges for the differently abled	42
Special employment exchanges for plantation labour	01

Source: Annual Report 2016-17, Ministry of Labour and Employment, Government of India.

3.3.2. Functions of the NES in India

Traditionally, there are four functions undertaken by the PES providers:

1. Job search assistance and placement including counselling and guidance, assessment and profiling, etc.
2. Collection, analysis and dissemination of labour market information
3. Administration of ALMPs
4. Administration of unemployment benefits

The following section examines the performance of the NES of India in terms of these functions.

1. Job search assistance and placement including counselling and guidance, assessment and profiling: As mentioned above, the NES functions through a network of employment exchanges across the country administered by the respective state governments. One of the important tasks taken up by the employment exchanges is to reduce labour market friction by bringing together employers and prospective employees. To this end, each employment exchange registers prospective candidates within its jurisdiction, along with their educational qualifications, work experience and occupational preferences, based on the

National Classification of Occupations, which broadly follows the International Standard Classification of Occupations. When candidates register at an employment exchange, they are given counselling and guidance on employment prospects as well as training. The employment exchanges maintain a live register in which the candidates with active registration are recorded.

From the employer's side, it is mandatory, under the Employment Exchange Act, 1959, for all establishments in the public sector and all establishments in the private sector with 25 or more employees to notify vacancies to the respective employment exchanges. For establishments not covered under the Employment Exchange Act, notification of vacancies is on a voluntary basis. The employment exchanges also maintain a register of vacancies. When a vacancy is notified by an establishment, an employment exchange 'sponsors' the list of candidates to the establishments, called submission, based on seniority of applicant and skills match. This service is free, and no fee is levied either on the employer or the jobseeker.

Though the employment exchanges provide opportunities for employers and employees to find a match, they have performed poorly in this regard in the recent past. For instance, the share of placements to total submissions ranged only between 6 to 14 per cent during the period 2005 to 2014, and the percentage share of placements to vacancies notified remained about 50 to 60 per cent throughout the period (Government of India, 2015). A number of factors are behind this weak performance. As mentioned earlier, though vacancy notification continues to be mandatory, appointments through employment exchanges are not. Moreover, a large number of public sector recruitments are managed through specialized recruitment agencies.

2. Labour Market Information (LMI): Apart from matching functions, the employment exchanges are also a source of information about the labour market. This information is collected under the Employment Exchange Act, 1959, which makes it mandatory for public sector establishments and private sector establishments with 25 or more employees to submit Employment Returns (ER-I) and Occupational Returns (ER-II) at quarterly and biennial intervals respectively. However, this does not cover agricultural establishments, self-employed or own account workers, and part-time workers. Given that more than 50 per cent of all employment in India consists of self-employed workers, and nearly 50 per cent of employment is still in the agricultural sector, the information provided by the employment exchanges is limited to the organized private and public sectors. The organized sector in India provides employment to only 7 to 8 per cent of the total workforce. LMI is limited to this small percentage, while the vast unorganized sector consisting of more than 90 per cent of the workforce is not covered. Hence, the information has been far too insufficient to allow estimation of major labour market trends in India. Furthermore, given that the success rate of employment exchanges has been low regarding placements, the number of jobseekers registering in the employment exchanges has been stagnant. This is visible for both live registrations and notified registrants.¹² Thus jobseekers, too, have been gradually withdrawing from the employment exchanges, further impacting the quality of information provided through these exchanges.

3. Active Labour Market Policies: The NES has a number of initiatives aimed at enhancing employment opportunities of marginalized sections of Indian society. These include programmes aimed at the differently abled, persons belonging to marginalized communities such as SCs and STs, women and the self-employed. The programmes have a two-pronged approach: providing skills and training to enhance prospects in the labour market and offering special assistance in seeking employment.

¹²Live and notified registrants are those registered members of the employment exchange whose applications are currently active. For details see footnote 1 in this document.

The Vocational Rehabilitation Centres for the Physically Handicapped provide rehabilitation services to the differently abled. Skills training workshops attached to these centres provide training to persons with disabilities to take up trades best suited to them. Currently, the Ministry of Labour and Employment runs 21 Vocational Rehabilitation Centres of which seven have skills training workshops. After training, these persons are placed in suitable trades. The NES also provides coaching and guidance to educated job seekers belonging to marginalized communities such as the SCs and STs in India. This occurs through the *Coaching-cum-Guidance Centres* for SC/STs where counselling and psychological training are provided for confidence building and personality development. This apart, the applicants belonging to ST/SC and women are accorded priority in the employment exchanges for vacancies, based on reservation criteria. Another intervention is to motivate and guide unemployed youth to take up self-employment ventures. In 22 selected employment exchanges, *Self-Employment Promotion Cells (SEPC)* have been in operation.

ALMPs aimed at enhancing prospects of employment run by various government ministries include skills development and employment programmes. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a rights-based rural employment programme that guarantees 100 days of unskilled manual labour per household on demand. One of the most successful livelihood programmes under the Ministry of Rural Development, it has arguably been a safety net for the rural population who are otherwise more or less bereft of social security cover. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY), launched in 2015, is the flagship scheme of the Ministry of Skill Development and Entrepreneurship; it offers industry-relevant skills-based training and a government certification on successful completion of training, along with assessment to help participants secure jobs. The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) incentivizes employers to hire new employees by requiring the Government to pay an 8.33 per cent Employee's Pension Scheme contribution for new recruited employees for a period of three years.

The Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) is a career enhancement scheme for rural youth initiated by the Ministry of Rural Development in 2014. Under the Stand-Up India scheme, the Government provides support such as free pre-loan training and facilitation of loans and marketing to SC, ST and women entrepreneurs to promote entrepreneurship among these groups. The Deen Dayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) aims to reduce poverty and vulnerability of urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities. The Deen Dayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM) aims at creating efficient institutional platforms for the rural poor, enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. The Support to Training and Employment Programme for Women (STEP) scheme aims to impart skills that render women employable and to provide skills that enable women to become self-employed/entrepreneurs.

A Digital Employment Exchange was launched by the Ministry of Micro, Small and Medium Enterprises in 2015. This facility aims to enable micro, small and medium-sized enterprises employing less than 25 people to find suitable labour and jobseekers to find suitable jobs. However, this exchange is not governed by the Employment Exchange Act, 1959, and hence it is not mandatory for such firms to provide information on vacancies.

None of the programmes discussed above fall directly under the NES. The primary goal of all these programmes is poverty alleviation through enhanced livelihoods.

4. Disbursal of Unemployment Allowances: Though the unemployment allowance disbursal is a function usually taken up by the PES, there is no national-level unemployment allowance as such in India. At regional level, several states, such as Kerala, Tamil Nadu, Uttar Pradesh and Himachal Pradesh, have been providing unemployment benefits to the

unemployed registered with the employment exchanges. However, the benefits under the scheme are very meagre, and they do not provide the unemployed with social security cover.

3.4. Reforms in the organizational structure of the NES

As part of revitalizing the NES, many changes were introduced. Firstly, the functions of the NES were distributed between two different ministries. While operations connected with job matching, LMI and ALMPs relating to employment and unemployment allowance remain with the NES, the functions governing skills enhancement, training and ALMPs relating to career enhancement have been shifted to a newly formed central government Ministry of Skill Development and Entrepreneurship. In 2014, the functions of training and skills development carried out through the DGE&T were relocated to the Directorate General of Training (DGT) in the new ministry; and the DGE&T has been renamed the Directorate General of Employment (DGE). The supervision of a major skills training institution, the *Industrial Training Institutes (ITI)* – of which there are now nearly 12,000 – were also transferred to the new ministry.¹³ Though the functions of the NES are now shared between two ministries, the functioning of the NCS is conducted through active collaboration between the two ministries. This collaboration in services is not limited to the NCS portal but extends to offline employment exchanges as well.

Secondly, the NES was launched by the Ministry of Labour and Employment in 2015. While the NCS follows the same goals as the long-running NES, some new ones have been added; the stakeholders have also increased. In a departure from the past, its central focus is the NCS web-based portal (www.ncs.gov.in), through which the NCS aims to create employment search options at national level. At present, the state-level employment exchanges are populating the NCS portal with their database. The portal also allows independent registration directly on its website. It also accepts registration of both applicants and service providers for skills development, training and counselling. Thus, the NCS, true to its name, aims to resolve the mismatches in the labour market through search facilities, providing LMI, and as well as enhancing the employability of prospective candidates. To attain these goals, it also explicitly recognises the importance of partnerships with the public, private and third sectors in providing employment services and ALMPs.

Thirdly, while the conventional employment exchanges continue to exist, their structure and functions have been altered so that they can act as feeder mechanisms for the NCS portal. The employment exchanges have been renamed career centres to suit their changed roles.

Fourthly, in line with the shift towards the NCS, CIRTES was renamed the National Institute for Career Service. Its functions currently include preparing materials for skills development, conducting research on skills development, in-service training of NCS employees and training young professionals appointed under the NCS.

¹³ In April 2017, the Union Government transferred 26 ‘training of trainers’ institutions, the National Council for Vocational Training, and 25 new Advanced Training Institutes under the PPP mode to the newly formed ministry. *Indian Express*, 18 April 2015, <http://indianexpress.com/article/india/india-others/12000-itis-brought-under-skill-ministry/>, accessed on 7 March 2017.

3.5. Operationalization of the NCS

The NCS came into being in response to the lacunae in the NES system. Aimed at the efficient delivery of employment services to the nation, the NCS marked a drastic departure from the operational structure of the earlier NES system. Its functions, as well as delivery mechanisms, were transformed in a bid to achieve greater efficiency and transparency in these services.

3.5.1. Structure of the NCS

The most important innovation in this new format is the use of IT for vacancy and jobseeker registration and possibility of online search and match. Under this programme, a National ICT-based portal (www.ncs.gov.in) has been developed to bring people closer to the right opportunities at the right time. On 20 July 2015, Prime Minister Narendra Modi officially dedicated to the nation the NCS portal, which facilitates the registration of jobseekers, job providers, skills providers, career counsellors and private placement agencies.

The NCS could be configured on an ICT-based platform owing to the massive expansion in infrastructure and setting up of institutions, and the rising use of telecom-based solutions. The preamble of the National Telecom Policy-2012 asserts:

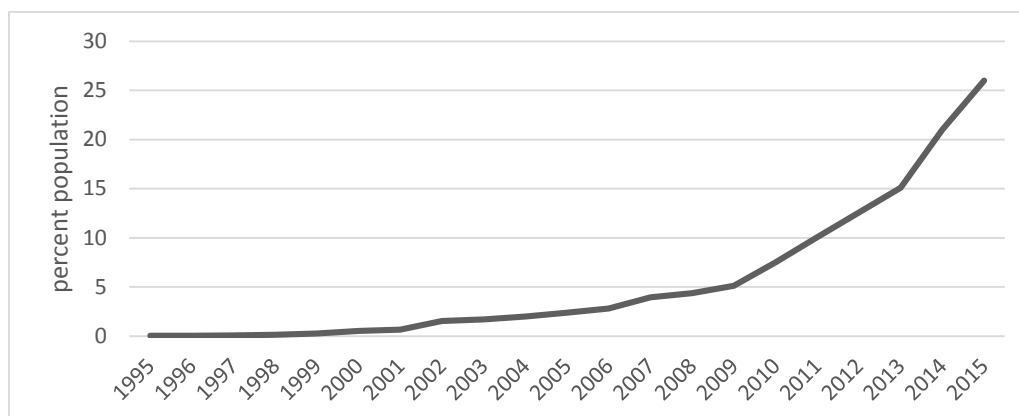
“The National Telecom Policy-2012 is designed to ensure that India plays this role effectively and transforms the socio-economic scenario through accelerated equitable and inclusive economic growth by laying special emphasis on providing affordable and quality telecommunication services in rural and remote areas. The thrust of this policy is to underscore the imperative that sustained adoption of technology would offer viable options in overcoming developmental challenges in education, health, employment generation, financial inclusion and much else.”

Accordingly, the Government is seeking to make mobile devices the tools of social empowerment. This will be achieved by enabling participation of citizens in e-governance and m-governance projects through mobile devices in key sectors such as health, education, skills development, employment, governance and banking. The telecom policy recommends affordable and high-quality broadband connectivity throughout the nation, essentially achieved through a combination of technologies, viz. optical fibre, wireless, VSAT and others.

The Digital India initiative launched by the Government in 2014 aims at providing Internet access to all by creating infrastructure, delivering government services on the Web and mobile phone, promoting digital literacy and increasing electronic manufacturing capability. In the 2014-15 Union budget, the Government committed Rs.5000 million for building infrastructure, according to the National Rural Internet and Technology Mission, with an additional Rs.1000 million for improving e-governance by increasing teledensity in rural areas.

Owing to the drive for telecommunication and internet connectivity throughout the country, Internet penetration rates have been surging in India. From less than 1 per cent with Internet access in 1995, Internet penetration rose to around 31 per cent by 2016 (Figure 10). The Internet and Mobile Association of India reports, in its study, that though the penetration rates are not high in comparison to other countries, India has the third largest Internet base in the world with more than 430 million people having access to it. The report further observes that about 60 per cent of urban India is using the Internet currently; the corresponding percentage in rural areas is only about 17.

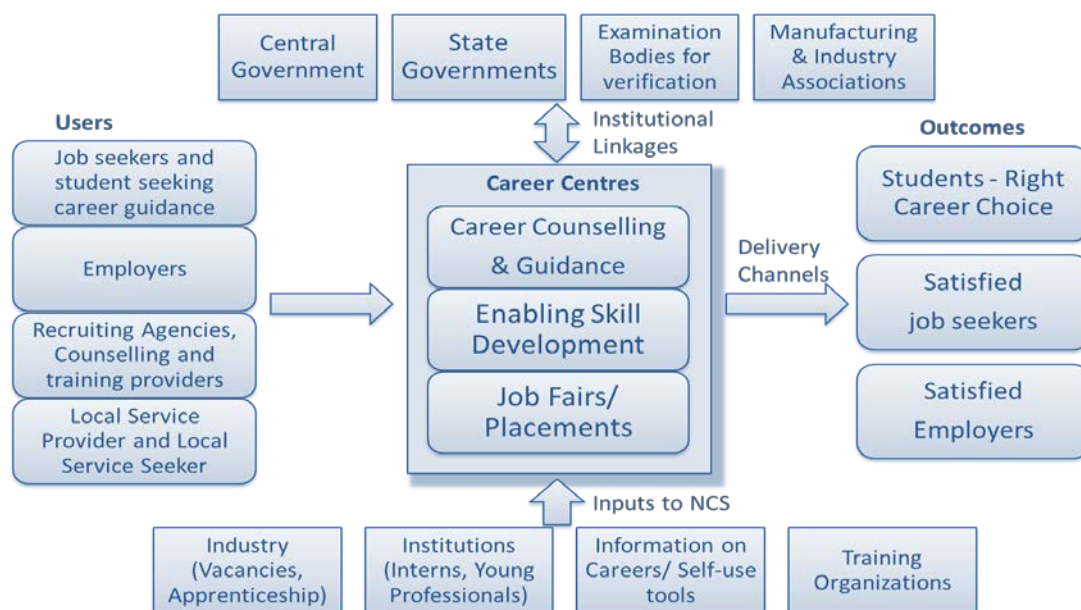
Figure 10: Internet penetration rate (% population)



Source: World Development Indicators.

This growing information and communication technology (ICT) base in the country is used extensively by the government for e-governance as well as welfare and development interventions in key sectors. It is this expanding and deepening Internet and mobile base in India that has enabled the Government to widen the scope of the NES through its ICT-based portal service.

Figure 11: Structure of the NCS



Source: NCS website.

Figure 11 shows the structure of users, inputs, linkages and outcomes of the programme. This architecture is dynamic and is subject to change with the inclusion of more stakeholders going forward. The NCS portal is envisaged as an essential entity to integrate various systems and applications focusing on employment opportunities, counselling services, state employment exchanges, etc. and provide an effective, convenient as well as user-friendly platform providing adequate information, in an interactive manner, to all citizens and stakeholders. The portal operation is envisaged to adhere to clear quantifiable metrics with respect to the following:

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- a) Interoperability and stakeholder integration
 - b) Interfacing with other systems—state employment exchanges, university databases, digital locker, etc.
 - c) Performance
 - d) Availability
 - e) Security
 - f) Standards, protocols, guidelines and policies

The NCS architecture represents a working model for the NCS portal and displays all stakeholders, channels of delivery, sources of all transactions and the expected outcomes. The universe of NCS users is quite wide and inclusive and includes all prospective jobseekers, students, employers, placement organizations, counsellors and local service providers. All categories of user can register on the portal and avail themselves of the user-specific services free of charge as determined by the Government of India.

As illustrated in the architecture, the primary mode of delivery of employment services is the existing network of employment exchanges which are being transformed into career centres. The career centres will provide basic registration and other value added services like counselling, assessment tests, profiling, etc. They would also be the key initiators and enablers for conducting job fairs and employment drives in coordination with industry and academia.

Institutional linkages are seen as playing a major role in the success of the NCS. This is a joint effort by central and state governments in terms of policy design, implementation of policy and guidelines, the setting in which the NCS operates and how the scheme works in practice. Industry associations play a vital role, from providing consultation to engaging member companies and spreading awareness about the scheme. A central thrust is partnerships with organizations actively engaged in the areas of employment generation and skills development to provide better opportunities to jobseekers regarding both quantum and quality.

The key outcomes envisaged under the NCS scheme are:

- a) Enhanced career and employment opportunities
- b) Counselling and guidance for career development
- c) Enhanced quality of workforce
- d) Enhanced female labour force participation
- e) Entrepreneurship
- f) Re-employment opportunities for returning and retired workers
- g) Better transition of workforce from informal to formal sectors

The major objectives of the programme are:

1. Easy accessibility of employment services to all stakeholders.
2. Enhanced employability of the workforce by providing them with information on training and skills training programmes, connecting them with training institutions and providing them with career counselling services.
3. Provision of employment counselling, assessment of capabilities and vocational guidance services to jobseekers in improving their employability.

-
4. Complete information related to jobs, job market, job profiles, career paths and employers at a single point.
 5. Assistance to the workforce in their career planning by providing self-help assessment tools.
 6. Improved interface with industry and employers through regular interactions, to estimate job demand and obtain feedback regarding emerging work streams.

This programme strives to connect the aspirations of jobseekers through a wide range of facilities and services, to cater not only to their employment needs but also help them to make an informed career decision.

3.5.2. Functions of the NCS

Free and secure access to all: The NCS portal is accessible free of charge to jobseekers, employers, counsellors, career centres, placement agencies and training providers. Each of these user registrations is checked against an official identity document (such as PAN card, Aadhaar card and driving licence) for authentication and transparency.

Access to opportunities for jobseekers: Registered jobseekers can gain access to various career-related services such as job opportunities along with alternatives to pursue advanced career opportunities in the jobs market. The features available for jobseekers include job search, information on mega job fairs, skills training institutes and access to counsellors.

Career counselling and guidance: The NCS offers a wide network of career counsellors to provide expert guidance on career options, skills-training institutions and training courses available. It encourages privately practising counsellors to sign up and provide their services to its registered users. In addition, every MCC has officially appointed inhouse counsellors, including young professionals, who provide counselling services free of charge. One of the mandates for these officially appointed counsellors in MCCs is to hold counselling sessions in schools, colleges and other institutions to create awareness about the benefits of career counselling.

The NCS offers users access to the counsellors' profiles, a feature to request an appointment and choose the discipline and subject for counselling along with the mode of counselling, from telephonic, face-to-face or videoconferencing options. These counsellors can charge applicants up to Rs.300 (under the prescribed fee structure of the Ministry of Labour and Employment) . Applicants may also seek appointments with counsellors at the career centres.

Providing support to employers: The NCS enables employers to find the right talent for their organization. Registered employers gain access to a nationwide pool of candidates' profiles on the portal. Currently, over 1.4 million employers are registered with the NCS; they have access to jobseeker profiles from various sectors, can post jobs and internship notifications, and can participate in mega job fairs, free of charge.

Free access to comprehensive career content: The NCS provides a rich repository of career content covering over 3500 job profiles across 52 industry sectors, free of charge. This enables a jobseeker to make an informed career decision, while it helps employers in skills mapping and job postings. This content can also be used to understand trends in the employment market for research and policy planning purposes. All information on career content is linked with the National Classification of Occupations (NCO) 2014 code, which is based on the International Standard Classification of Occupations (ISCO) 2008. Also, the NCO codes are mapped or aligned with NCO 2004 standards as well as the National Industrial Classification (NIC 2008), for 52 priority sectors.

Skills training: In conjunction with the Central Government's Skill India initiative, the NCS provides extensive information on skills training institutions across the country, through its portal or career centres. It also offers jobseekers the option to apply online for certification courses offered by skills-training partners.

Platform for local service providers to reach prospective employers (households): The NCS has launched a novel initiative to address employment challenges at the grassroots level by bringing the lion's share of the labour market, i.e. unorganized workers within the purview of the NES. The NCS supports local service providers, such as electricians, plumbers, drivers and the like, to get in touch with prospective clients through the portal. Registered users can hire these LSPs and provide feedback about their services. This feature helps LSPs in expanding their clientele free of charge.

Helpline for the NCS : A dedicated multilingual call centre (toll-free number: 1800-425-1514) has been established to guide people through the NCS portal. Operational from Tuesday to Sunday, 8am-8pm, the call centre assists with registration, features and functionalities, and any portal access issue at the user end, to ensure uninterrupted access.

3.5.3. Delivery mechanisms

The NCS has been designed to benefit people across the country through its multiple delivery mechanisms. These delivery channels assist in the last mile outreach of the programme to the remotest parts of the country. The three major delivery channels are:

Career centres: As mentioned above, the erstwhile employment exchanges have been rechristened career centres, signalling a dramatic change in their functions. The entire state-level network of employment exchanges, now career centres, has been brought under the NCS. Today, the NCS brings together nearly 978 career centres, over 37 million registered jobseekers, 900,000 employers, and career information on over 3000 occupations across 50 sectors. The NCS is repositioning all the existing 978 career centres into hubs of career-related services with improved infrastructure. Capitalizing on technology, these career centres collaborate with various stakeholders such as counsellors, skills providers and employers to create a 360-degree environment for job seekers. These physical centres are essentially engaged in online and offline registration of jobseekers, employers, skills providers, counsellors and private placement agencies. Career centres serve as a platform for addressing all career-related needs of youth and students seeking counselling and employment. They undertake all the activities related to the NCS, i.e. establish links with industry for managing the demand side while providing counselling and job assistance services to the supply side.

Model Career Centres (MCCs): Model career centres are being established by the Directorate General of Employment, Government of India, in partnership with either the respective state governments or private institutions. The primary goal of these MCCs is to impart skills training and counselling, apart from providing opportunities for job search. The Central Government provides a one-time grant of up to Rs.5,000,000 for the establishment of an MCC, based on the proposals received. It is envisaged that through the establishment of the MCCs, state-of-the-art technology will be transferred to employment exchanges. The state governments are currently facing a severe financial crunch, because of which the Central Government is providing direct funding. Currently, there are 107 such centres, including seven non-funded centres. These non-funded centres are privately owned institutions that are provided with non-financial assistance in the form of access to the NCS portal and its various career centre-related services along with free training. The NCS follows a stringent eligibility policy in partnering with private institutions to safeguard the interests of the public. These PPPs enhance the outreach of the programme. Going forward, the aim is to develop a robust network of close to 1200 MCCs across the country.

NCS Portal: This is a country-wide web platform that facilitates online registration of various stakeholders, along with providing a range of services such as job placement, vacancy notification, information on formal training programmes, on-the-job training and much more. Under the current dispensation, several states (Andhra Pradesh, Gujarat, Jharkhand, Madhya Pradesh, Manipur, Telangana) with databases of employment exchange data have integrated those with the NCS portal; this is supported by a multilingual call centre.

Common Service Centres: Facilitating the last mile outreach, the NCS has collaborated with an extensive network of common service centres to register jobseekers and enable them to take advantage of the benefits in the remotest of areas.

The entire structure of the NCS is designed to bridge the gap between information in the employment market and those who need it, the jobseekers, who are often unaware of the trends in the employment market.

3.6. Performance of the NCS

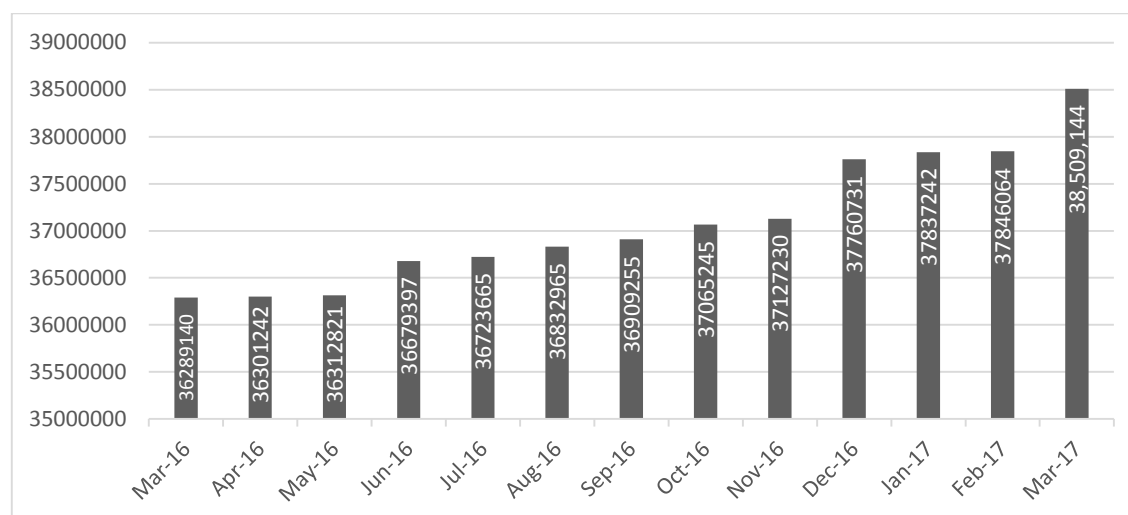
So far, the NCS has more than 37 million registered jobseekers who can avail themselves of uninterrupted career-related services such as counselling and information about skills-training institutions or searching for a job. The number of registered jobseekers is also steadily increasing, as can be seen from Figure 12. In the short space of two years since its inception, the NCS has been able to bring in large numbers of registrant jobseekers. However, to a large extent, these registrants are those who have migrated from offline registration with the employment exchanges in various states to the centralized online NCS portal. This process of transferring to online registration is still underway. Some states are yet to transfer their employment exchange registration details to the NCS. Nevertheless, this represents about 80 per cent of the live registrants in the offline employment exchanges in 2014 (see Table 6 for Employment Exchange Statistics). Thus, the NCS has been able, within a short time, to collate online the voluminous offline information available in employment exchanges.

Table 6: Number of job registrants, vacancies and placements in employment exchanges (2005-14)

	Employment Exchanges	(in '000s)					% of placements to submissions	% of placement to vacancies notified
		Registration notified	Placements made	Vacancies notified	Submissions made	Live register		
1	2	3	4	5	6	7	8	9
2005	947	5437.1	173.2	349.2	2402	39347.8	7.2	49.6
2006	947	7289.5	177	358.2	3029.5	41466	5.8	49.4
2007	965	5434.2	263.5	525.8	3666.1	39974	7.2	50.1
2008	968	5315.7	304.9	571	3345.6	39114.9	9.1	53.4
2009	969	5693.7	261.5	419.5	2589.3	38152.2	10.1	62.3
2010	969	6186	509.6	706.9	3747.1	38826.9	13.6	72.1
2011	966	6206.3	471.5	819.7	5142.9	40171.6	9.2	57.5
2012	956	9722.2	427.6	682.8	2982.2	44790.1	14.3	62.6
2013	956	5969.4	348.5	510.7	3002.1	46802.5	11.6	68.2
2014	978	5957.2	338.5	762	4220.4	48261.1	8	44.4

Source: Government of India 2015.

Figure 12. Job seekers registered on the NCS Portal (March 2017)



Source: MIS Reports, NCS.

However, the quality of data that is available on the portal leaves much to be desired. For instance, while jobseekers are registered, the reporting of their educational qualifications is very low; only 37 per cent of the total registrants report educational qualifications (Table 7), and only 53 per cent of the job vacancies report their industry (Table 8). This incompleteness of information is a barrier to the efficiency of the portal as an employment matchmaking mechanism.

Table 7. Job seeker registration: Educational qualifications

No Schooling	Up to 9 th grade	10 th grade	11 th grade	12 th grade	Diploma After 10 th grade	Diploma After 12 th grade	Graduate	Post Graduate	PhD	Not Specified	Total
1,866,748	5,486,103	50,095	3,437,200	419,922	50,219	1,471,939	269,546	3,314	740,681	24,062,401	37,858,168

Note: Update on 28 February 2017.

Source: MIS Reports, NCS.

From the available data, the sector that reports most job vacancies seems to be IT, followed by financial and insurance services and the manufacturing sector. In some sectors, very few vacancies are being posted on the NCS. Particularly relevant is the fact that there is hardly any vacancy reporting from the unorganized sector (as shown in Table 8). This low vacancy reporting from this overwhelmingly large sector in India does not bode well for one of the key objectives of the NCS – to widen employment service coverage to that sector.

Table 8. Job vacancies by industry, 2015-2017

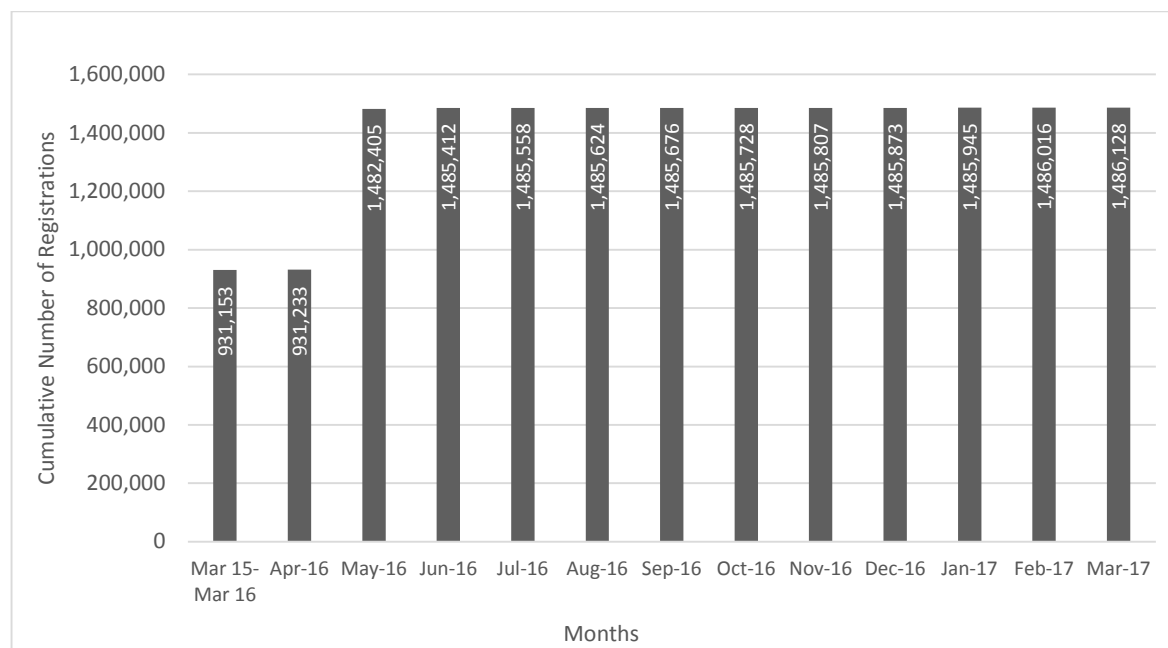
Industry	March 2015- March 2016	March 2016- March 2017	Total to 31 st March 2017
	Total	Total	
Other Service Activities (including Placement and Employment Agencies**)	1,218	110,506	111,724
Agriculture, Forestry and Fishing	1	113	114
Mining and Quarrying	6	461	467
Manufacturing	167	23,112	23,279
Electricity, Gas, Steam and Air Conditioning Supply	9	1,031	1,040
Water Supply; Sewerage, Waste Management and Remediation Activities	1	34	35
Construction	62	7,602	7,664
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	53	6,590	6,643
Transportation and Storage	31	2,083	2,114
Accommodation and Food Service Activities	7	835	842
Information and Communication	2,653	254,723	257,376
Financial and Insurance Activities	48	38,740	38,788
Real Estate Activities	4	971	975
Professional, Scientific and Technical Activities	26	6,618	6,644
Administrative and Support Service Activities	10	1,370	1,380
Public Administration and Defence; Compulsory Social Security	.	355	355
Education	159	14,943	15,102
Human Health and Social Work Activities	11	4,345	4,356
Arts, Entertainment and Recreation	.	4	4
Activities of Households as Employers; Undifferentiated Goods and Services Producing Activities of Households for Own Use	1	7	8
Activities of Extraterritorial Organizations and Bodies	.	.	.
Unorganized Sector	.	.	.
Other (including not specified)	45,911	487,111	533,022

Note: Updated on 31 March 2017. ** Includes data vacancies that have been posted by private employment agencies on NCS.

Source: MIS, NCS.

As of 2017 February, more than 1.4 million employers were registered with the NCS portal (Figure 13). As mentioned above, most of these employers are the ones who have been transferred from the employment exchanges to the NCS.

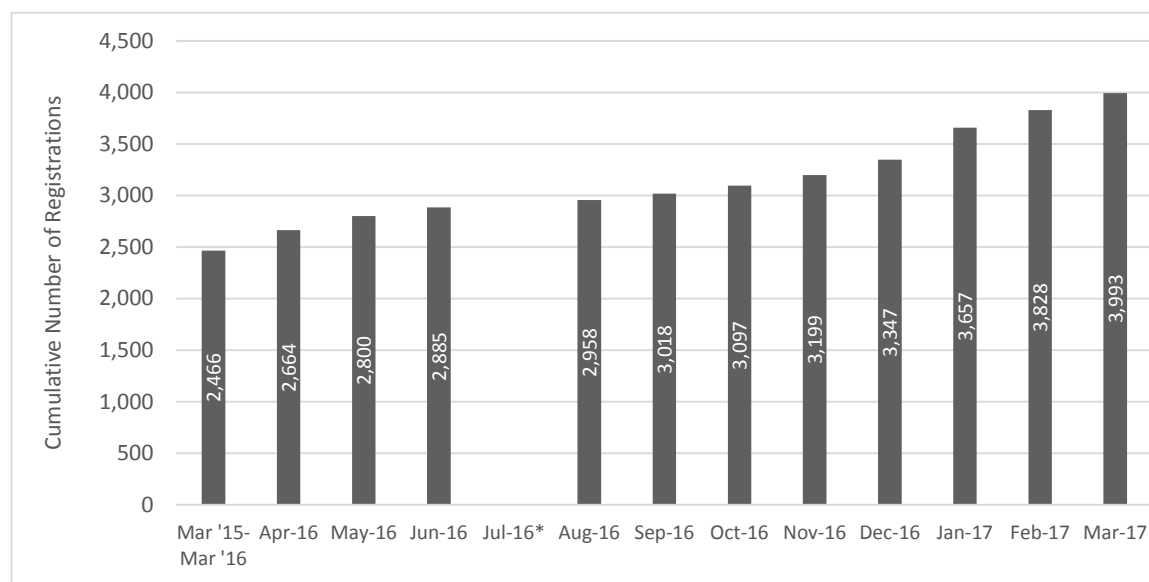
Figure 13. Employer registration on the NCS Portal (March 2017)



Source: MIS, NCS, Ministry of Labour and Employment.

The NCS has been able to reach more than 3000 LSPs across the country (Figure 14). The concept of LSPs is unique to the Indian employment service. They cater to the local labour market and address demand and supply of local blue-collar workers. Though the current reporting of job vacancies is abysmally low, it is expected that over time the services of the NCS would be utilized for LSPs. To improve matters for LSPs, a wider career centre network is also being developed.

Figure 14. Local service provider registration on the NCS Portal (March 2017)

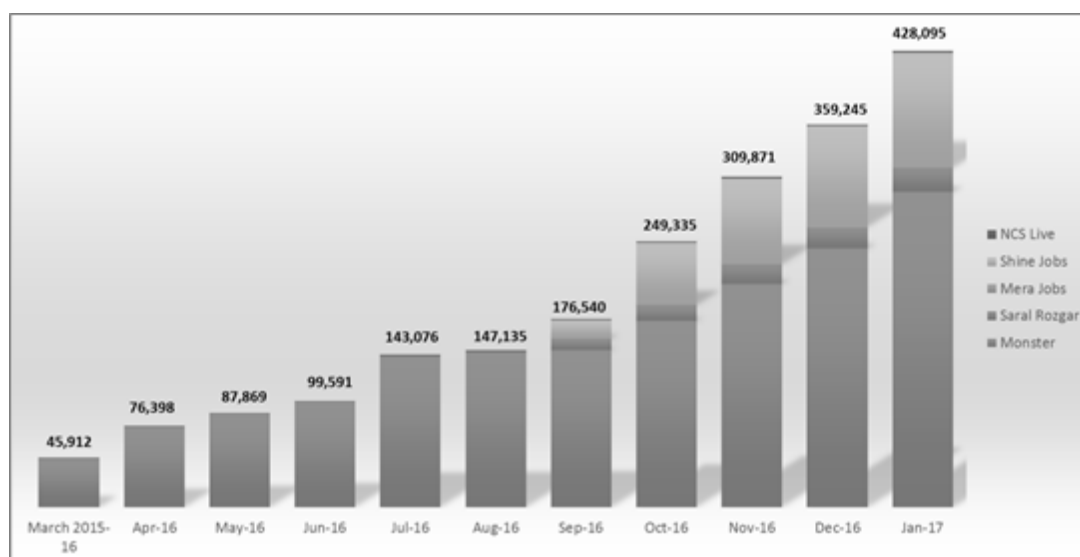


Note: *data for July is not available.

Source: MIS NCS, Ministry of Labour and Employment.

Regarding jobs, the NCS has posted close to half a million jobs on the portal using both organic and inorganic sources, i.e. other private partners such as Monster Jobs, Shine Jobs, Saral Rozgar and the like (Figure 15). These job postings are in a variety of sectors and cater to the people working both in the formal and informal sectors.

Figure 15. Cumulative job posting on NCS: Organic and inorganic (February 2017)



Source: MIS, NSC Portal.

The performance parameters described here show the growth of the NCS as a scheme and its expanding outreach across the country. Other than this, NCS has also been collaborating with various ministries under the Government of India to source all their recruitment-related process and notifications through the NCS. With both private and public recruitment notifications available on one platform, and the ever-growing network of counsellors as well as skills providers, NCS is destined to become the one-stop shop for any employment-related information across the country.

The NCS has been expanding its outreach through a network of young professionals who are working towards its objectives across the country. It has also been organizing various activities such as awareness campaigns and free counselling sessions at schools and colleges, and mega job fairs for jobseekers, employers and private partnerships in order to expand its outreach across the employment market.

Box 1. Young Professionals of the NCS

As an innovative attempt at involving the youth in the nation-building process, the Ministry of Labour and Employment launched the National Career Service-Young Professional Programme in 2015. Under this programme, the NCS is building a strong and dedicated network of young professionals (YPs) to work towards its objectives throughout the country. These are highly qualified, motivated and forward-thinking individuals who are responsible for driving, achieving and sustaining the objectives of the NCS. These professionals are trained in various disciplines ranging from management studies, social work, human resources management, counselling and psychology, public relations and public administration. They also come from various states and cultures, which enables the NCS programme to be more inclusive and comprehensive, both in policy and practice.

These young social leaders are utilizing their knowledge, energy and innovative thinking to transform the emerging landscape of employment services and career counselling in India. Under this programme, each Model Career Centre is allocated one YP who is on-site for a span of three years. These YPs work closely with state officials to facilitate the technology-oriented transition of the NES into the NCS. Along with close oversight of state-central government coordination, these professionals also play a role in sensitising other stakeholders such as jobseekers, employers, counsellors and private placement agencies about the NCS. Currently, there are 71 YPs anchoring the NCS programme across the country.

These young professionals are responsible for:

- Facilitating the transition of employment exchanges into career centres by actively engaging in capacity building, branding and training on the NCS project.
- Coordinating between central government and various state governments and institutions to help with the smooth implementation of this national programme across various states and union territories.
- Preparing regular reports on performance indicators of the MCC and NCS programmes in their area.
- Identifying best practices and problem areas/bottlenecks in implementing DGE schemes in collaboration with the NCS project.
- Coordinating outreach activities in schools/colleges and organizing job fairs, including interaction with academia, local industry, manufacturing associations, training providers, counsellors and others.
- Planning, organizing, developing and implementing career events and publications to publicize career centre services, resources and speaker programmes.
- Maintaining lists and bulletins concerning jobs and mapping the required skills within the resource pool; providing information concerning industry job trends across the country and assistance in enhancing applicants' skills.
- Conducting market research and analysis to generate intelligence for better performance of the MCCs, ensuring their efficient and effective functioning.

Testimonials of YPs

"These few months at the Model Career Centre, AISECT, Indore, have strengthened my belief that a right initiative in the right direction at the right time can open the doors to immense possibilities for a vast majority of people."

YP, Indore, Madhya Pradesh

"Being associated with the NCS has been a great journey so far. This scheme can bring a revolutionary change in the employment ecosystem of the nation. In Chhattisgarh, the migration of workers for livelihood has been a key issue. I'm working to bring local employment opportunities and talent to a common platform through the NCS and the Model Career Centre."

YP, Durg, Chhattisgarh

3.7. The way forward

The NCS has been an innovative initiative in the field of public employment services. It has not only taken advantage of technology but has also created a common platform for all stakeholders to come together and work in tandem. In times to come, the NCS will pursue more collaborative arrangements to develop a robust mechanism and generate all possible employment-related information and disseminate it effectively. With a rich reservoir of information, the NCS can synthesize it and make insightful policy recommendations. A few of the major areas on which the NCS envisages it will focus in future are discussed below:

Bridging the demand-supply gap by reducing information asymmetry: The NCS, with its huge information base on various stakeholders in the employment market, can easily analyse it and evaluate employment trends for better policy planning. The labour market information captured through job postings, job requirements or jobseekers' profiles are valuable inputs to generate astute insights into demand and supply trends in the employment market. Such insights can also be plugged into the curriculums of skills development institutions, leading to equilibrium between demand and supply in the employment market.

Convergence of national schemes: The Government of India is endeavouring to build a robust economy that will not only generate employment opportunities but will also enable India to become a frontrunner in the global economy. Thus, the Government has embarked upon multi-pronged initiatives – Skill India, Make in India, Digital India, Stand-up India and Start-up India – which seek to transform the Indian economy and empower its citizens. While these initiatives have been at work building the nation across different spheres, the NCS is where it all converges. From a dedicated page for Stand-up and Start-up India to promoting skills development by enlisting skills providers across the country or digitizing the overall working of employment exchanges, the NCS portal has become, by design, the meeting point for all these government programmes. The NCS aims not only to build a common platform, but also to facilitate the convergence of all government programmes for their effective implementation.

Database integration at the national level: Digitization of records in the public and private domain creates a great opportunity for creating a framework to integrate such databases. The NCS will work in the area of coordinating databases of educational bodies, universities and examination bodies, which would help in creating a simple platform for sharing candidate-related information and verification of details.

Employment information dissemination: The NCS has the largest Aadhaar-verified national database of jobseekers and employers, and a diverse pool of job vacancies. This creates opportunities for building employment market information analysis models wherein the information related to available jobs, future vacancies and other relevant information can be provided to users and the general public. The NCS intends to develop a national employment index which would collate information on online jobs posted on various job portals and job aggregators (including the NCS portal). It will use an analytical model to present analyses of current job opportunities according to location, industry and salary, as well as predicting job opportunities based on trends and statistics.

Creating international job convergence: In the age of globalization and cross-border transfer of human capital, it is of utmost importance that the NCS works towards developing an international jobs corner for Indian citizens; this will provide them with a platform to access information about such opportunities, along with rules and procedures to be followed, when migrating to international destinations to take up work opportunities. In addition to this, appropriate information should be provided to international candidates/NRIs seeking work opportunities in India.

Counselling-based predictive career path for jobseekers: A way forward for the NCS to help job seekers find appropriate careers is the use of high-level predictive analytics. The cognitive model works on an input-output basis, whereby inputs related to jobseeker education, work experience and acquired skills set are fed in, and a highly cognitive score based on continuous learning provides the output. The output is not limited to appropriate career paths; it also provides information on which additional skills they need to achieve success in the predicted career path.

Ensure last mile outreach to career seekers: With the advent of digital initiatives, technology has become the main enabler of access to quality education, healthcare and financial services in empowering people in non-urban areas. The NCS platform is a core technology solution riding high on the wave of adoption of technology across the nation and seeks to deliver easy and efficient employment service with a click. With the increased rate of mobile usage across geographical areas and age groups, an app-based service has become a necessity. The NCS is working towards developing a multilingual app that would provide an array of services, including job notifications and job fair alerts, quickly. It also anticipates collaborating with government institutions, such as India Post, which have a huge presence in rural and far-flung areas to bridge the urban-rural divide. It would be a strategic move to tie up with government agencies that have a historical network which reaches the last man standing in India, is ready and available and could be used for providing basic employment services such as portal registration and submission of job applications.

4. Private and not-for-profit employment services in India

Private employment agencies have evolved from labour suppliers/labour contractors to labour market intermediaries. PrEAs have always been relevant in the Indian labour market owing to the overwhelming presence of the informal sector in the economy. In the more recent periods after liberalization and increasing integration with the global economy, their role has become particularly vital, as new forms of employment emerge and the flexibility of the labour market grows. The conventional employment exchanges, which largely fill the space for employment search for public employment, have not ventured into the arena of flexible employment, mainly because their main stakeholder, the government sector, is still a long way from adopting flexible forms of employment. This is the crucial large and growing segment of the labour market that the private employment service providers seek to cover.

Because of the dynamic and fluctuating nature of employment in the private sector, the demand and needs peculiar to the sector have kept the employment service agents growing, specializing and diversifying. A large number of such organizations mushroomed in the past, many perished, and some survived to grow into very large establishments. The sector has grown without a specific legal framework and such little legal coverage as exists derives from various provisions of laws that were targeted at other issues.

4.1. Legislative framework governing private employment services in India

There is no single Act or Regulation that covers the entire gamut of private employment services in India. The ILO Private Employment Agencies Convention, 1997 (No. 181) – which has been ratified by many countries – has not been ratified by India. At state level, Chhattisgarh is the only state in India that has passed an Act, the Chhattisgarh Private Placement Agencies (Regulation) Act, 2013, on regulation of placement agencies. Some other states, such as Manipur and Delhi, have introduced bills of a similar nature. In 2014, the Delhi Government brought in notification of compulsory registration of private placement agencies for domestic workers.

Currently, the existing legislative framework for employment services provided by private agencies rests on multiple acts and rules. The Emigration Act, 1983, covers the operation of recruitment agencies recruiting international migrant workers from India. Other Acts, such as the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Regulation Workmen (Regulation of Employment and Conditions of Service) Act, 1979, and Shops and Establishments Acts (various years) at state level contain various provisions relating to recruitment agents in the private sector. The Contract Labour Act aims to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. This Act specifies conditions under which contract labour can be hired. The Inter-State Migrant Regulation Workmen (Regulation of Employment and Conditions of Service) Act, 1979, regulates the employment of migrant workers from other states through contractors. It also safeguards the interests of the local workers and sets out the conditions under which inter-state migrant workers can be hired on short-term contracts.

A primary concern regarding the legislative framework for placement agencies in India is the existence of multiple Acts whose jurisdiction overlaps. The lack of an integrated legislative framework at national level has left this sector virtually unregulated. A large number of private placement agencies are not registered and hence do not fall within the

purview of any of the above legislative provisions. In a survey in the Delhi region, Samantroy (2013) observed, that although a large number of private placement agencies claim to be registered, there is no documentary evidence of this. Given the lack of a clear regulatory framework, there have been numerous reports of workers being subjected to fraudulence, overcharging for services and poor delivery of services by the service agents. Additionally, Rajan et al (2011) and Sasikumar & Hussain (2008) note that the Emigration Act of 1983 was enacted with the protectionist logic of the colonial institutional framework, with the Act itself containing provisions that discouraged international migration, especially of less skilled workers.

4.2. Structure of private employment services in India

Private employment service providers can be classified into two types: overseas recruiting agencies and PrEAs for the domestic market.

Overseas recruiting agents: As mentioned earlier, the overseas recruiting agents are covered by the Emigration Act, 1983. There are around 1400 licensed private recruiting agencies, the bulk of which are located in Delhi and Bombay. About 300 to 400 are very active, while the rest are either small players or act as service providers for larger agencies. Many of the agencies have evolved, specializing in supplying labour for certain destinations and specific occupational categories. There is also a tendency towards concentration and cartelization among the agencies. While subagents are not legally permitted under the 1983 Act, it is well known that licensed recruiting agencies operate through a wide network of subagents spread across major recruiting areas of the country. The role of the chain of subagencies in recruiting is one of the least researched areas in migration studies. However, there is no doubt that they play a crucial role in connecting prospective migrants to the main recruiting agents and also in facilitating procedural compliance (obtaining passports, organizing medical tests, etc.). The role of subagents is especially important for newly emerging catchment areas, which are generally in the poorer states of the country.

Private employment agencies (PrEAs) recruiting for the local market: There is no clear estimate of the number of PrEAs, nor are there any documents that chart out all the functions that they perform in India. While there are a large number of small unorganized and unregistered employment service providers or single worker entities functioning from a small rented office, there are no estimates of their number, the quantum of services provided by them or the industry segments they serve. The study by Samantroy (2013) shows that the major industry segments served in Delhi/Noida region are domestic workers, security services and overseas consultancies, manufacturing, retail, hospitality, business process outsourcing (BPO), knowledge process outsourcing (KPO), human resource/manpower consultants, marketing, sales, insurance, transport, construction, mining, petroleum, airlines, etc. Samantroy (2013) classified the small and medium-sized service providers into the following types based on their legal status:

1. Manpower export and placement agencies, covered under the Emigration Act, 1983
2. Labour contractors, covered under the Contract (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
3. Private security agencies, governed by the Private Security Agencies (Regulation) Act, 2005
4. Private placement agencies catering to specific needs of employers and the labour market, mainly operating for domestic needs and not covered by any specific Act; some states register them under their Shops and Establishments Acts

However, employment service providers are gradually moving away from the small unorganized segment to the organized segment, with many of them registered as companies under the Companies Act. Some are very large formally organized firms, such as TeamLease, with over 1200 employees (www.teamlease.com), regional offices across India and claiming to have 1.2 million job vacancies and jobseekers.¹⁴ There are also signs of diversification and specialization in the industry, symbolizing its growth and maturation. For instance, some of the large employment service providers specialize in executive or managerial services, while others specialize in the technology segment, such as IT, BPOs and KPOs.

The employment services provided by the PrEAs can be classified into the following types based on ILO Convention 181, Article 1 on PrEAs:

1. services for matching offers of and applications for employment, without the private employment agency becoming a party to the employment relationships which may arise therefrom
2. services consisting of employing workers with a view to making them available to a third party, who may be a natural or legal person (... “user enterprise”) which assigns their tasks and supervises the execution of these tasks
3. other services relating to jobseeking such as the provision of information, that do not set out to match specific offers of and applications for employment

Based on this classification we look at the functions performed by the PrEAs in India:

- A. *Services for matching offers:* The most important services provided by PrEAs concern job search. There are both online, and offline models. The offline models, which have limited coverage, are now moving online. The job portals of these agencies collect CVs of prospective employees and allow employers to have access to these CVs based on various search algorithms, including tag and key word searches. In most such services, both the employee and employer register with the service provider. While the employer pays for the services rendered by the agency, the employee does not usually pay for uploading the CV, though there may be service charges for other services.

Since the late 1990s, there has been a proliferation of such online employment service providers. Some of these services are online web aggregators where advertisements and other online agents’ requirements are posted on the websites. A wide variety of firms are engaged in this segment. Large firms focusing on multiple industry sectors, medium-sized firms specializing in specific skills, and small low-skill firms all coexist and provide these services. Virtual or online service providers form a new specialized segment among the PrEAs. There are a number of service providers of this nature, such as www.naukri.com, www.monsterindia.com and www.indeed.co.in. Several firms are arranging themselves under various umbrella organizations. Samantroy (2013) notes that some placement agencies have organized under the Indian Staffing Federation (ISF) (<http://www.indianstaffingfederation.org/ISF>). Members of ISF claim they encourage ‘flexicurity’, i.e. providing social security as well as flexible employment. Another body of a similar nature is the Executive Recruiters Association (www.era.org.in). These umbrella organizations have become the voice of this emerging industry; they lobby the government and enhance public awareness of such services.

¹⁴<http://www.teamlease.com/about-us/about-teamlease/>.

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- B. *Executive search and headhunting*: A large number of agencies provide employees for permanent/long-term recruitment by clients. Generally, these agencies do not have open platforms for employees' registration but, on behalf of the client, search for employees according to the client's requirements. The recruitments are for longer periods, and usually involve executive level, professional, , skilled and semi-skilled workers. The agencies enter into a contract with the client as recruiting agents for that client for a given period, usually at least a year. They charge a fee from the client for the services rendered. The agencies search for workers through various means such as advertising in the media, searching in online portals, approaching workers, etc.
- C. *Temporary employment services (TESs)*: There are also a large number of firms that provide temporary recruitments to firms. Such agencies maintain a register of potential workers and provide workers to a third party employer. There can be two types of TES. Some of the TES providers only supply labour to perform tasks for the employer. The responsibility for completion of the task lies with the employer and the service would be confined to providing the required workers. In such case, the PrEA acts as a quasi-employer, partly assuming the functions of the employer. In this case, the agency usually charges both the employer and employee a fee for the services.

In some cases, the agency acts as the primary employer, entering into a contract with the client to perform certain tasks as a service to the client. This is equivalent to outsourcing. As and when the demand arises, the agency picks candidates from its register and undertakes a task for a firm. In such cases, the agencies are pure labour contractors. The remuneration for the task completed would be paid to the agency, and the agency would distribute it among the workers after covering its costs.

There are large numbers of TES agents in the country in the private and NGO sectors (under various names such as manpower suppliers, labour contractors, etc.), though the Government is not a player in this market. Governed largely by the Contract Labour (Regulation and Abolition) Act, 1970, such agencies are required to register with the central or respective state government. Since flexible manpower requirements are primarily for low and intermediate skills, most of these service providers are concentrated in this segment. If there are large search costs, such agents reduce the costs of transactions for the employer and employee. Such agencies, additionally, have a quasi-employee-employer relation with the workers. With the employers, manpower service agencies enter into task-based contracts. Here, apart from lowering their search and matching costs, the employers reduce the costs of economic shocks by using employment service providers to complete tasks, and thereby minimizing the fixed overheads associated with direct employment. At the same time, the manpower service providers cover the risks of workers being laid off by making part payments to the workers in lean periods. Particularly large is the group of labour suppliers for domestic work, catering services, construction work and security services. In the domestic work segment, a prominent third sector agency is the Self-Employed Women's Association (SEWA) (www.sewa.org/). Apart from self-employment activities, this organization also supplies women domestic workers. SEWA is a registered trade union that works on the principles of a workers' cooperative. It acts as an intermediary for women who are registered with SEWA to find employment, especially domestic work. The client enters into a contract with SEWA for a stated period for a fee charged by SEWA. The organization then appoints women from its register for the period concerned. SEWA charges the women a nominal membership fee; however, no fees are charged for finding

employment. Usually, PrEAs charge a fee from both the client and the worker for services provided.

Apart from the two primary functions mentioned above, PrEAs also engage other allied services as well.

- D. *Training and counselling services:* An increasing number of large PrEAs are providing vocational and training services. These are short-term employment-oriented courses, usually with placement services. Some of the large PrEAs have linked up with government and private educational institutions to conduct such training programmes. At least one of the PrEAs has started a nationally recognised university that provides both short-term and long-term training and education to students.¹⁵
- E. *Other services:* PrEAs provide services in preparing and improving resumes and CVs of potential candidates. They also engage in verification of certificates and provide training and counselling to applicants for interviews.

Apart from the above core employment services, PrEAs are diversifying into a number of allied activities related to human resources management for firms.

- F. *Recruitment outsourcing:* PrEAs also provide recruitment services, where they conduct the initial screening and interviews of candidates for firms. A specialized set of private agencies has grown up in this segment. At times when a large number of candidates appear, they conduct aptitude tests as well.
- G. *Payroll outsourcing:* Some of the larger firms have started using PrEAs to provide payroll services. PrEAs manage their payrolls and payroll compliance with regulations. However, this is limited to large firms. There are firms that now specialize in payroll outsourcing and labour management for their clients; for example, Automatic Data Processing is a specialist in payroll outsourcing, whose services are sought by firms whose labour pool is dynamic, flexible and scattered.¹⁶
- H. *Regulatory compliance:* PrEAs also provide services that ensure firms comply with current national and regional regulations and rules with regard to hiring and firing of workers. With the employment structure of new age firms changing fast, it becomes difficult for them to manage their compliance with various legal and regulatory provisions of the country. Therefore, they seek such services from specialized agencies. For instance, Aparajitha, a recruitment agency, offers consultation and audit services, establishment compliance, factory compliance, mines compliance and contract labour compliance services to firms.¹⁷

Many employment service providers have also started providing add-on functions such as social security coverage and skills training to workers, and legal support to both workers and employers in drawing up contracts and other employment-related issues. Samantroy (2013) notes one possible role, that of creating a flexible workforce while at the same time ensuring social security to permanent workers. This is achieved mainly through service agents ensuring the portability of social security cover for workers when they move from

¹⁵ TeamLease Service Limited, a prominent PrEA in India, established the TeamLease Skill University (TLSU) through its TeamLease Skill Foundation. Arguably India's first vocational skills university, it is located within the ITI campus, Tarshali, Gujarat, through a PPP agreement with the Department of Labour and Employment, Government of Gujarat. TLSU offers employment-oriented programmes and creates a career path for non-graduate employees through programmes for working professionals. For details see <http://www.teamleaseuniversity.org/about-us/teamlease-university-service/>.

¹⁶ <http://www.adp.in/success-stories/payroll-for-retail>.

¹⁷ <http://www.aparajitha.com/index.html>.

one firm to another. Another important function of employment service providers in the NGO sector is to imbue services with a professional character. A good example is SEWA in the domestic workers sector (George, n.d.). Apart from these, many agencies are also engaged in skills training, legal counselling, etc.

Part Two: Partnerships in employment services and ALMPs

5. The partnership environment

Employment services in India have a chequered history. In colonial India, the labour market intermediary, labour contractor or jobber, who was instrumental in facilitating labour supply to the emerging and new industries, achieved particular notoriety. The labour contractor was the conduit through which industrial relations were determined in the emerging industrial sector. The jobber was a key player in disciplining and controlling labour in the colonial economy. The labour contractor in the industrial sector and the moneylender/landlord in the agriculture sector pushed the workers into poor bargaining positions by engaging them in exploitative labour ties such as debt bondage and indentured labour systems. This exploitative role was explicitly recognised in independent India's discourse on labour. Thus, at the time of independence, one of the key regulatory changes that occurred in labour relations was to free workers from these ties through legislation such as the Contract Labour (Abolition and Regulation) Act of 1970 and Bonded Labour System (Abolition) Act of 1976. In effect, the post-independence State viewed private labour market intermediaries as exploitative and undesirable.

In post-independence India, the national and state governments and their auxiliary bodies were the largest employers in the emerging sectors. With a relatively weak private sector, both demand for and supply of labour was met by the public sector. In this context, the employment exchanges, under the NES, played the role of labour intermediary, attempting to reduce the mismatch between demand and supply of labour in government establishments. However, as mentioned earlier, the employment exchanges themselves came under severe criticism, owing to rent-seeking and inefficiencies.

After liberalization in the 1990s, with the opening up of the economy and privatization, the nature of labour demand shifted. The public sector began to shrink, and the private sector started expanding. With technological change and the emergence of new technology sectors, the nature of work changed from permanent long-term employment to short-term and flexible forms of employment. Globalization and increasing dependence on international trade for economic growth led to the dependence of labour demand on production cycles; for instance, immediate and customized production required meeting labour demand that was immediate and short term, and labour had to be shed when demand declined.

These changes had a deep impact on the demand for labour, resulting, in turn, in changes in the employment services required. With the decline of the public sector, the functions of the NES were becoming irrelevant to the emerging market. Though the private sector was required to notify vacancies to the employment exchanges, compliance with this requirement was somewhat inadequate. Later the regulatory changes mentioned earlier made it optional for the private employers to report vacancies. Thus, the relevance of the PES began to decrease. At the same time, the changing nature of the labour market rendered the services provided by them unattractive. Most appointments are now made through advertisements and the emerging employment service providers in the private sector, and much of the public employment is through specialized government recruitment bodies such as the Staff Selection Commissions and Public Service Commissions.

As discussed above, a large number of private employment service providers of diverse nature have emerged. With the rise of new forms of employment needs, the NES started diversifying into other labour market interventions, mainly focused on generating self-

employment, catering to private employment, and also improving the employability of potential applicants through skills enhancement and training. In this context, the NES viewed the private employment services as partners in the national goal of providing employment and reducing market mismatches. Though there have been no changes in the regulatory framework of the NES, it has, through the newly implemented NCS, entered into partnerships with private employment service providers and other public entities.

Partnerships between the public, private and third sectors in India providing employment services are of recent origin. Partnerships are also being fostered at regional level, with individual states initiating action. Furthermore, these partnerships are extending beyond conventional employment services, and new forms of collaboration are being carved out in implementing a number of ALMPs.

The Government of India, in an effort to modernize the vocational training segment in India, has entered into a public-private partnership (PPP) to improve the Industrial Training Institutes (ITIs) in India, making them into Centres of Excellence (CoEs), providing assistance in the form of interest-free loans.¹⁸

Gujarat State is one of the early entrants into the PPP segment. The state has been providing employment services in collaboration with the private sector. The new Rojgar Sahay Kendra (RSK) institution, established in partnership with the private sector, provides employment services. RSKs are parallel employment service providers along with the traditional employment exchanges in Gujarat. They are essentially kiosks run by either private individuals or the Government that provide employment services. Each RSK is selected by inviting applications from suitable candidates from any particular area. The Gujarat Government aims to establish at least one RSK for every 2000 jobseekers registered with each employment exchange and at least one per *taluka* (sub-district). Each RSK can charge for all the user services that it provides to the jobseekers and employers. There would be a ceiling on such charges to be recovered from the jobseekers; however, no such ceiling on charges from the employers has been proposed.

The first formal PPP for employment services was between TeamLease and the Government of Karnataka, to set up the Karnataka Employment Centre (KEC) in 2010.¹⁹ Under the terms of the partnership agreement, the KEC provides employment services such as placement and will also deliver services covering registration, assessment, counselling, training and certification. According to newspaper reports, TeamLease is also engaging with the state governments of Maharashtra, Gujarat, Rajasthan and Orissa to replicate the KEC model there. Similarly, the Karnataka Government employment search portal includes links to private employment providers such as monster.com and naukri.com that allow individuals to search other private portals as well.

The Government of Kerala has engaged with the PrEA sector in a number of ways, both in employment services and ALMPs. For instance, Kerala has started a self-employment programme where training is provided through another public sector agency, the Kerala Academy for Skill Excellence (www.kase.in). Training is provided not only to registered members of employment exchanges but also employer-sponsored employees of different firms.

The Government of Andhra Pradesh²⁰ has collaborated with the TMI e2E Academy. Currently, the Tirupati Employment Exchange is run on the PPP model. The Guntur

¹⁸<http://www.employment.gujarat.gov.in/Training/stateppps.aspx>.

¹⁹<http://www.rediff.com/money/report/first-employment-exchange-in-ppp-mode-opens/20100708.htm>.

²⁰<http://apcareerportal.com/>.

Employment Exchange is being managed in collaboration with TeamLease on similar lines. Both these Exchanges provide counselling and career services. West Bengal has permitted private training organizations to offer training at employment exchanges.²¹

²¹ http://www.business-standard.com/article/opinion/shyamal-majumdar-privatise-employment-exchanges-110062500017_1.html.

6. Partnerships through the NCS: Types and nature of partnerships

6.1. The NCS context

The NCS established by the Government envisages a context that optimizes employment opportunities for Indian citizens. The NCS has expanded its purview from wage employment, the primary focus of the NES, to both wage and self-employment. The context consists of jobseekers, employers, counsellors and skills trainers, apart from the NCS and its partners. The NCS seeks collaboration with other governmental organizations at national and state level, private employment service providers, academic institutions, industry associations and NGOs in fulfilling its central objective.²² At the core of the NCS model is the NCS web portal which acts as the focal point for the partners in the collaborative effort. The delivery of NCS services is through the NCS portal, mobile devices and MCCs. It should be noted that the NCS is of recent origin, having been established in 2015, and all its collaborative arrangements and partnerships are at a nascent stage and still evolving. Most of these arrangements were established in 2016, and new ones are being set up in 2017.

6.2. The NCS partnership policy

In tune with the explicit recognition of the need and viability of establishing partnerships with other stakeholders, the Directorate General of Employment, Ministry of Labour and Employment, has issued a policy statement on the NCS project partnership policy. The policy statement describes the aims of partnerships as follows:

The NCS initiative aims to address the gaps in the employment market by strategic interventions and partnerships with leading institutions and organizations. Improving decent employment, enhancing the quality of the workforce, enhancing female labour force participation, entrepreneurial endeavours, transition from the informal to the formal, engaging with the rural workforce for higher productivity, re-employment (second-life) opportunities etc. will be the focus areas.

The partnering institutions will offer various services as mentioned below and, in turn, use the career centres (formerly employment exchanges) in providing the services.

- a) Online registration of candidates
 - Permanent account number/Aadhaar-based verification
 - Search for vacancies, counsellors, etc.
 - Rich career content
 - Counselling services
- b) Online registration of establishments
 - Posting and managing job vacancies
 - Search for skilled workforce

²² The NCS has associated with several technical organizations to initiate and provide management support services for the NCS, such as Microsoft for its web.

-
- c) Multiple delivery channels
 - Employment exchanges (career centres)
 - Common Service Centres (CSCs)
 - Internet and mobile-based access
 - d) Value added services such as updates/notifications/alerts by SMS, email, IVR, etc.
 - e) Multilingual call centre services to assist candidates and establishments with registration, profile updating, etc.

The modes of operation of these partnership functions are described below.

Employers and PrEAs: Private employers and PrEAs can enter into a partnership with the NCS in providing employment services. The NCS provides free access to the online database of registered applicants to both employers and PrEAs. They can now find their choice of candidates from this existing database, instead of having to build their own. Both employers and PrEAs see this as advantageous, as the credentials of the registered applicants, such as their Aadhaar number²³ and academic qualifications, are pre-verified before registration. There is also a plan to link up the applicants' employment Provident Fund to the registry, which would provide some evidence of their employment history as well. This would allow employers and PrEAs to select candidates from an authenticated database. The NCS now also allows the partners to post vacancies on the NCS portal. Thus, the search options for registered applicants are wider. Employers and PrEAs also participate in, and recruit employees from, job fairs conducted by the NCS. Job fairs are also conducted by PrEAs in partnership with the NCS.

Skills-training providers: The NCS facilitates the registration of skills-training providers on the portal free of charge. The aim is to widen the workers' career choices by providing information about skills-training providers on the NCS portal. Skills-training providers post their expertise and costs of training, allowing workers to choose the training most suitable for them. They also participate in job fairs conducted by the NCS.

Counsellors/vocational guidance providers: Counsellors and vocational guidance providers can also post their expertise on the NCS website. They can call for conduct or aptitude tests, and these test results can be linked to the registered job seeker's application.

Local service providers: The NCS provides for online registration of LSPs. Firms that provide local services can also enter into a partnership with the NCS. An individual registering with the NCS as an LSP can register with the NCS directly free of charge, or can choose to register with a service-providing firm. For instance, a driver can register with Uber via the NCS website. After registering with the NCS, the portal would redirect the applicant to complete the specific application requirements for Uber. An applicant registering with Uber would pay Uber for the service provided by Uber. In this case, the partnership between the NCS and Uber can be called a strategic partnership, whereby applicants to the NCS find placement, while Uber gets access to information about LSPs.

It may be noted that all private partnerships with the NCS portal are essentially strategic in nature. The NCS does not make any financial commitment to the private parties nor do the private parties make any to NCS. The gains for the parties are essentially the greater amount of information about their respective clients. It also enhances the visibility, trust and accountability of both parties.

²³The Aadhaar number is the unique identification number provided to Indian citizens.

Apart from the NCS portal, the NCS project is also engaged in establishing MCCs across the country in collaboration with the respective state governments. These centres are a one-stop hub for all employment service needs, including employment search and skills enhancement. Currently, there are more than 100 MCCs established across the country.

The NCS portal envisages stakeholders' partnership in the career development field. These stakeholders are the following:

1. State governments
2. Various central government departments
3. Private organizations, including corporate, aggregators, placement agencies, private job portals, etc.

6.3. Nature of partnership

In accordance with the partnership policy announced by the DGE for the NCS, a number of collaborations have been established with the private sector.²⁴ Private partnerships are one of the unique features of the NCS as it strives to engage with private organizations, something that was missing from the NES policy. Recognising the significance to the economy of the private sector in generating employment opportunities, the NCS aims to forge collaborative partnerships with private organizations and work together to stimulate the employment market in both the formal and informal sectors. So far, the NCS has formally partnered the following private organizations²⁵:

Private Partners					
Merajobs		HT Shine		Delivery Track	
Wheebox		UrbanClap		Portea	
Indeed		FreshersWorld		Amity	
ASTP		Firstjob		QuikrJobs	
Babajobs		GetAheadFast		Return of Million Smiles	
Monster		Uber		ISF	
SaralRozgar					

Apart from these private organizations, the NCS has established partnerships with state governments in managing the MCCs, and also with other central government departments such as the Department of Post and Telecommunications and the Ministry of Skill Development and Entrepreneurship; it has also entered into partnerships with various industry associations and lobbying bodies such as the Confederation of Indian Industries (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), Association of

²⁴<http://pib.nic.in/newsite/PrintRelease.aspx?relid=149137>.

²⁵http://economictimes.indiatimes.com/articleshow/50867915.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst.

Skills Training Providers (ASTP) and Indian Staffing Federation. Another important collaborator with the NCS is the third sector, NGOs such as Pipl Tree.

The ISF deserves particular mention, as it has been a key lobbying body of the private employment service providers. Established in 2011, it has been working closely with the Ministry of Labour and Employment on policymaking and implementation. The principal focus of the Federation's activities is to strengthen triangular employment relationships, in which the employment agency or firm is the employer of the temporary worker, who works under the supervision of the user company. The ISF ensures that all its members comply with the statutory employment requirements, such as the provisions of the Minimum Wages Act, Provident Fund Act, Contract Labour Regulation Act, Employees' State Insurance Act, Industrial Disputes Act and Payment of Gratuity Act, and that market wages are paid to workers. At the same time, it protects the interests of the employers by lobbying the Government on policy changes with regard to staffing.

6.4. Types of partnership

6.4.1. Public-private partnerships with PrEAs in employment services

Information exchange: The NCS has entered into a partnership with many private online job portals and private employment service providers for information sharing. The private employment service providers have free access to the database of jobseekers registered with the NCS portal. Since registration with the NCS requires Aadhaar verification as a prerequisite, the PrEAs in effect have access to this Aadhaar-verified authentic jobseekers' database free of charge. However, so far, this information sharing is only from the NCS to PrEAs while the PrEAs are not obliged to share their own jobseekers' database with the NCS. By sharing the database of jobseekers with the PrEAs, the NCS expects to enhance the probability of employment of its registered jobseekers.

Job feeds of private job portals: The NCS has partnered private job portals which allow the job opportunities appearing in the private job portals to run on the NCS portal as well, free of charge. This allows registrants with the NCS portal to reach the private job portal through the NCS platform. This enhances the visibility of the private portals; at the same time, the NCS acts as a single platform where all job notifications are aggregated. Monster.com, Quikr.com, TechMahindra, Babajobs.com, HTShine.com are just a few of the online portals that have signed MoUs with the Ministry of Labour and Employment for this arrangement.

Enhancing entrepreneurship and flexible employment through private portals: The NCS portal has a page titled 'Start Your Own Business', where information regarding micro-entrepreneurship opportunities provided by various government ministries and agencies is collated. The NCS entered into a partnership with Uber in February 2016 with the aim of enhancing micro-entrepreneurship. The agreement between Uber and the NCS now facilitates driver registration with the NCS portal and accessing Uber's technology services. Uber will now get drivers whose credentials are Aadhaar-verified through the NCS. The company has its own verification process as well. This enhances public trust in Uber, a company that has experienced trust-related disputes between drivers and their clients in the recent past. At the same time, it enhances the visibility of the NCS and micro-entrepreneurship. Since Uber currently provides not only technology support for transport aggregation, but also helps in arranging finances for drivers to buy cars, it is possible that new entrepreneurs could emerge. Thus, the NCS-Uber partnership may lead to enhancing entrepreneurship as well. As Uber services allow worktime flexibility, this allows many to

have a second career, or twinning options of studying with working, in effect, opportunities for flexible forms of employment.²⁶

Reaching out to the unconnected through PrEAs: An overwhelmingly large section of the Indian labour market is rural and remains unconnected to the Internet. However, mobile phone coverage is much wider and has deeper penetration. To take advantage of this, the NCS has partnered SaralRozgar, a PrEA that focuses on blue-collar jobs in the rural and semi-urban areas of the country. SaralRozgar seeks to bridge the digital divide in the unorganized labour market through alternative platforms such as mobile phones. The partnership should benefit both the NCS and SaralRozgar: the reach of the NCS would widen, and SaralRozgar would be able to improve its performance.²⁷

Reaching out to specialized labour markets through PrEAs: The NCS has partnered many specialized and niche job portals that cater to specific labour markets. These include Freshersworld.com, an online portal that caters to first-time labour market entrants. It has collaborated with UrbanClap.com, an online urban service provider that specializes in urban-centric services. The NCS has also partnered other portals that focus on blue-collar jobs.

Job fairs: PrEAs have linked up with the NCS in organizing job fairs. The NCS also holds job fairs across the country with industry bodies such as the CII, FICCI and ISF.

6.4.2. Public-Public Partnerships in employment services

Reaching out to the unconnected through the postal network: With 155,015 post offices, the Department of Posts, Ministry of Communications, Government of India, has the most widely distributed postal network in the world. Covering all urban areas and more than 90 per cent of rural areas in India, the post office network provides the widest offline network in India. The Ministry of Labour and Employment, Government of India, entered into an MoU with the Department of Posts whereby rural youth could register offline with the NCS through the post offices. This, to a large degree, will bridge the digital and literacy divide in the country. The facility was opened to the public on 12 February 2017. Initially, it is being implemented in 95 head post offices, and will be extended over the years.

Partnership with the skills development ministry: With the establishment of a separate ministry for skills development, the Ministry of Skill Development and Entrepreneurship under the Government of India, the skills development functions of the Ministry of Labour and Employment have been relocated to the new ministry. The Ministry of Labour and Employment now collaborates with the new Ministry for skills development and placement of workers. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a skills development and certification programme launched by the Skills Ministry in 2016. The Ministry collaborates with the NCS on placement of the trained workers. The PMKVY aims to provide skills training to school/college dropouts and unemployed youth in the country. The training is provided by the training centres, and the placement is done by training partners. The training partners regularly hold their own job fairs across the country, as well as participating in others organized by the NCS. The PMKVY training centres also need to be registered with the NCS and associated with the MCCs and NCS employment exchanges. The sector skills councils, which are industry bodies, provide information on skills and

²⁶<https://newsroom.uber.com/india/labour-ministry/>.

²⁷http://www.indiainfoline.com/article/print/general-csr/saral-rozgar-partners-with-union-ministry-of-labour-and-employment-for-national-career-services-portal-116021100097_1.html.

certification requirements for their respective industry. They play a key role in liaison between the NCS and the PMKVY training centres.

Subsidizing new employment in the formal sector through the PMPRY: The Pradhan Mantri Rozgar Protsahan Yojana (PMRPY) is a scheme under the Ministry of Labour and Employment, launched in 2016, aimed at incentivizing employers registered with the Employee's Provident Fund Organization (EPFO) to recruit targeted new employees, thus bringing more workers into the formal sector and widening the coverage of social security among employed workers. The Employees' Provident Funds and Miscellaneous Provisions Act (EPF Act), 1952, stipulates that workers and employers belonging to the firms listed in the Act would contribute to their Provident Fund to build a social security fund for post-retirement needs. The Act is applicable to factories in the industries specified in Schedule 1 of the Act or to other establishments notified and employing 20 or more employees. However, many workers employed in the organized sector are without any social security cover, and firms often under-report the number of their workers to avoid contributing to the funds. Under this scheme, the Government will contribute 8.33 per cent of the total 12 per cent of the mandatory contribution to be made by eligible employers for all new employees for the next three years.

The PMPRY scheme is linked with the NCS in the following ways:

1. The PMPRY database is accessible to the NCS for analytics
2. All Employees' Provident Fund (EPF) establishments can log in to the NCS
3. All new employees can log in to the NCS
4. All new vacancies covered under the PMPRY scheme may be posted on the NCS
5. The current employment status of all new employees will be updated as 'employed' on the NCS

The NCS is thus developing synergies with the Employment Provident Fund Organization. In turn, it is envisaged that NCS access to the PMPRY data would enable it to enhance the employability of workers. In discussions with officials, it emerged that private employers are often reluctant to provide experience and skills certificates to employees who want to move to another firm. This creates considerable difficulties in worker mobility from one firm to another. Now, with access to the PMPRY data, the NCS envisages access to employee information and is attempting to provide some form of authentication of workers' claims of years of experience in a firm/industry.

Partnering with state governments in the transformation of employment exchanges to career centres and setting up of MCCs: As mentioned earlier, under the NES, the employment exchanges were administered by the respective state governments and had been performing poorly for various reasons. In an attempt to revamp them, they were renamed career centres and their functions considerably enhanced. Career centres are now conceived and implemented as career-enhancing institutions with a greater focus on training and career counselling. The NCS is working in partnership with state governments in transforming employment exchanges into career centres, and expanding and diversifying their functions.

The guidelines for setting up career centres, issued on 10 December 2014 and amended on 5 March 2015, set out the objectives of the centres:

“Career Centres will connect local youth and other jobseekers with all possible job opportunities in a transparent and effective manner, through the use of technology as well as through counselling and training. While the state-of-the-art technology driven National Career Service Portal will, in a sustained manner, provide information about available job opportunities and resources for Career Centres to function effectively, the Career Centres will be the pivotal outreach and counselling interface of the National Career Service for

teeming millions of aspiring youth from rural, semi-urban areas and disadvantaged sections of the society.”

The NCS views career centres as outreach hubs, drawing the unconnected into its network. Career centres are to provide a variety of employment-related services, such as career counselling, vocational guidance, information on skills development courses, apprenticeships and internships. The DGE of the Ministry of Labour and Employment will provide support for the following aspects:

- a. Capacity-building programme for counsellors in career centres encompassing orientation programmes on counselling techniques, training of trainers, refresher training and advanced training
- b. Tools and aids for career counselling activities, such as standard operating procedures for handling applicants, psychometric and aptitude tests, access to video and audio content on career choices and skills-mapping tools
- c. Tools and aids for outreach activities such as job fairs, industry directory, outreach programmes and publicity content
- d. Establishing MCCs in collaboration with the states/institutions in accordance with the guidelines issued by the DGE; these would be the models for replication of career-related services
- e. Launching a scheme for young professionals/counsellors to be deputed to these MCCs to facilitate the integration and institutionalization of new processes. The DGE proposes to empanel competent young professionals through a centralized scheme for a period of three years across these MCCs
- f. ICT platform in the form of the NCS portal
- g. Call centre and help desk services
- h. Central government scheme for skills enhancement

The career centres can be sponsored by:

- a. Central and state governments
- b. Autonomous training institutions under the central and state governments
- c. Educational and training institutions recognised by the central and state governments, University Grants Commission, State University Act and All India Council for Technical Education
- d. Other reputed institutions/organizations in operation for a minimum of five years that have worked in the area of career counselling and skills development and have a presence in at least three or four states
- e. Corporates, industry, industry associations, chambers of commerce, etc.

These sponsoring institutions would conduct the following:

- a. Current situation analysis of the proposed centre
- b. Identification of suitable location(s) for establishing MCCs
- c. Establishing suitable sustainability model for career centres
- d. Identification of best practices related to industry interaction, student engagement and outreach programmes
- e. Collation of career, job and skill related data for hosting on the national portal
- f. Appointing a nodal person to manage the NCS activities

So far as funding is concerned, the DGE will provide funds for basic IT infrastructure and minor refurbishing of the career centres and for organizing job fairs at district level on a quarterly basis for one year, 2016-17. This will take the form of:

- a. A one-time grant up to Rs.300,000 per career centre for IT infrastructure enhancement
- b. A one-time grant up to Rs.500,000 per career centre for refurbishing the office complex
- c. A grant of up to Rs.200,000 per job fair per quarter to be organized at district level

For funding the MCCs, financial assistance up to a maximum of Rs.5m will be provided by the Ministry of Labour and Employment for infrastructure building. Any expense above Rs.5m would have to be funded by the states/institutions, and an incentive of Rs.500,000 is provided if the MCC shows good performance up to the end of the second year.

7. Good practice case studies

Case 1: Employment Exchanges in Tamil Nadu

Long before the NCS became operational in 2014, the Department of Employment and Training, Government of Tamil Nadu, had embarked on an online employment registration system in 2010 through its e-governance initiative 'Empower' with the by-line 'Excellence for Empowerment of Youth'. The primary objectives of the scheme were:

- a) Online registration of candidates seeking employment
- b) Online renewal of registered candidates
- c) Online updating of higher qualifications, skills and experience
- d) Selection of prospective candidates for government jobs based on various selection criteria
- e) Nomination of candidates in accordance with government procedures and guidelines with strict adherence to seniority
- f) Reduced waiting time at employment exchanges for registration
- g) Automatic registration of 10th and 12th Grade students directly from the School Education Department

The Tamil Nadu online database consists of 8,900,000 jobseekers that can be accessed by prospective employers. It facilitates manpower planning and analysis through effective implementation of employment market information and promotes coordination between labour supply and demand through vocational guidance to jobseekers .

The new vision of the Department of Employment and Training of Tamil Nadu is to convert all the employment offices into centres of excellence for the empowerment of youth. The Department's greatest advantage is its presence in every district; there are also special employment offices such as:

- a) Professional and Executive Employment Office
- b) Special Employment Office for Differently Abled
- c) Technical Personnel Office
- d) Coaching-cum-Guidance Centre for SCs & STs

This coverage enables it to play a highly proactive role in achieving the redefined objectives of private sector placements, vocational guidance, collection of employment market information, creation of study circles to enhance jobseekers' competitive skills and special services to the weaker sections of society to promote self-employment.

Given the decline in public sector employment, employment exchanges have now also started targeting the private sector for placements. A large number of placements made through the employment exchanges are via these private employment channels. For instance, in 2015-16, a total of 9,176 applicants were placed in the public sector through employment offices and 61,752 in the private sector.

Some of the achievements of the scheme are:

Jobseeker registration: The main employment focus of the programme is government jobs. Unlike the offline version, the online version does not verify candidates' credentials. The onus of authenticity rests with the applicant and verification is done by the employer.

The Department of Employment and Training has entered into collaboration with the Tamil Nadu Department of Education, to conduct automatic registration of all students graduating from secondary and higher secondary education in Tamil Nadu. This offers two advantages: students no longer need to go to the district employment exchanges to register, and their certificates are pre-verified by the Department of Education, thus ensuring that the skills claimed by the applicants are genuine. During the past five years, a total of 7,200,685 applicants registered, of which over 83 per cent were school leavers. In 2015-2016, 1,598,460 candidates registered, of which more than 80 per cent were students in 10th and 12th Grade who were registered online from their schools²⁸. Currently, this scheme runs parallel to the NCS web portal at national level. Thus, the inter-departmental partnership, along with conversion to online registration, has succeeded in greatly enhancing the number of applicants in Tamil Nadu.

Job fairs: Job fairs have been institutionalized and are held on a regular basis in the employment exchanges. Every second Friday of the month, private sector job fairs are held in all employment exchanges while mega job fairs are organized at regular intervals across the state. The mega job fairs are held with the dual purpose of placement and skills development. During 2013 to 2016, 15 such mega job fairs were held, with 13.6 per cent of the total applicants finding placement. The Tamil Nadu Skill Development Corporation (TNSDC) and its skills-training partners organize these mega job fairs, thanks to which a large number of candidates register for skills training in various sectors.

Partnership for the upgrade of government industrial training institutes: Under the Government of India scheme to upgrade ITIs across the country by means of PPP, 32 government ITIs were selected for upgrade. Hyundai Motors India Ltd., India Cements Ltd., Maruti Suzuki India Ltd., Tata Motors Ltd., Fenner India Ltd., TVS Motor Company, JSW Steel Ltd., Sakthi Auto Components, Aravind Group of Companies, Dow Chemicals, etc., are acting as key industry partners in this scheme. It is envisaged that through these partnerships, industry's skills requirements can be met directly, thereby also enhancing the employability of the jobseekers. Industry partners engage in faculty exchange, facilitate industrial visits, retrain unskilled employees, and provide on-the-job training and short-term courses.

Public-private partnership in skills development: The TNSDC has identified reputed public and private skills-training institutes to provide market-oriented placement-linked skills training. TNSDC is currently empanelling private skills-training providers who can provide training up to national standards with a minimum 70 per cent placement for trainees. Currently, there are 2,406 job training places offered, mostly by private services.

²⁸Labour and Employment Department, Policy Note 2016-2017, Demand No.32, Minister for Labour, Government of Tamil Nadu
2016, http://cms.tn.gov.in/sites/default/files/documents/labemp_e_2016_17_pn.pdf.

Case 2: Public-Private Partnership in upgrading of industrial training Institutes In Tamil Nadu

The Government of India scheme to upgrade 1,396 ITIs across the country through PPPs was launched in 2007-08 with a total outlay of Rs.35,000 million. By the end of the 11th Five Year Plan, 1227 government ITIs were covered and the release of funds under this scheme ended in March 2012.

The scheme is overseen and monitored by the National Steering Committee. A National Implementation Cell has been set up to manage, monitor and evaluate the scheme. State steering committees and state implementation committees have also been established to perform these tasks at the state level. The aim of the upgrade is to include the private sector in developing skills and training for students. There are several phases involved, including upgrading of civil infrastructure, procuring additional tools and equipment for training, etc. with an interest-free loan of Rs.25million in each phase. As mentioned above, companies such as Hyundai Motors India Ltd., India Cements Ltd. and Maruti Suzuki India Ltd. are acting as key industry partners. The state government chooses the industrial partner in consultation with industry associations.

An Institute Management Committee (IMC), headed by the partnering industry, manages the upgrade in each of the ITIs. The IMC is converted by the state government into a Society under the relevant Societies Registration Act. The IMC includes five representatives from the government as well as industry and manages the institute based on the terms and conditions of the Memorandum of Agreement (MoA) signed between the Central Government, the state government and the industry partner. The MoA defines the roles and responsibilities of all three parties to the agreement. The IMC holds administrative and financial powers to conduct short-term training courses and placement opportunities. Besides these, the IMC can also manage 20 per cent of the admissions in the ITI management quota of places.

The IMC is composed of:

1. Industry partner or its representative as Chairperson
2. Four other members of local industry to be nominated by the industry partner
3. Five members nominated by the state government:
 - a) District Employment Officer
 - b) One representative of the State Directorate dealing with ITIs
 - c) One expert from local academic circles
 - d) One senior faculty member
 - e) One representative of the trainees
4. Principal of the ITI, as ex-officio member secretary of the IMC Society

Representatives of both private partners and the state are included in the IMC to manage the upgrading of the ITIs, so as to ensure the benefits of the knowledge and experience of both the private and the public sector. An Institute Development Plan (IDP) prepared by the IMC has to be set up for upgrade, with key performance indicators for objectives to be achieved in five years. The State Steering Committee examines the IDP and sends the information to central government. It is only after the IDP is approved that central government provides interest-free loans for the IMC.

In Tamil Nadu, 32 ITIs were selected for upgrade from 2007-08 to 2011-12. 18 new trades have been introduced under the scheme in the state. The industry partners have provided Rs.13.4 million for the ITI upgrade.

The ITI upgrade in Tamil Nadu involves the following areas:

1. Civil work and procurement of machinery and equipment,
2. Industrial visits for trainees,
3. In-plant training for trainees,
4. Guest lectures by executives from industry,
5. Maintenance of machinery and equipment,
6. Donation of machinery, equipment and tools for the ITI.

The 32 Tamil Nadu ITIs selected for upgrading during the period 2007-2012 are as follows.

Table 9: List of the 32 ITIs in Tamil Nadu selected for upgrade between 2007 and 2012.

2007-08	2008-09	2009-10	2010-11	2011-12
Chekkannurani	Aundipatti(W)	Ambattur (W)	Pullambadi	Ramanathapuram
Cuddalore	Coonoor	(BTC), Ambattur	Thirukkuvalai	VK Pudur
Mettur Dam	Paramakudi	Arakkonam		
Dindigul (W)	Pudukkottai	Chidambaram		
Nagercoil	Thiruvannamalai	Erode		
Needamangalam		Madurai (W)		
Salem (W)		Mudukulathur		
Theni		Nagercoil (W)		
Thiruchendur		Ranipet		
Tiruppur		Sankarapuram		
Ulundurpettai		Tenkasi		
Virudhunagar				

Source: [http://www.dget.nic.in/upload/uploadfiles/files/itits state/TamilnaduITIs.pdf](http://www.dget.nic.in/upload/uploadfiles/files/itits%20state/TamilnaduITIs.pdf).

Table 10: Industries in the PPP for the upgrade of ITIs in Tamil Nadu:

Name of Government ITI	Partnering Industry
Tiruchendur	India Cements Ltd., Tirunelveli
Ulundurpet	Hyundai Motors India Ltd., Sriperumbudur
Cuddalore (Women's ITI)	Foods Fats & Fertilizers Ltd., Egmore
Tiruppur	Gemini Communications, Coimbatore
Salem (Women)	Sambandan Spinning Mills Ltd., Salem
Mettur Dam	JSW Steels Ltd., Mettur Dam
Nagercoil	JOE Engineering Works, Nagercoil
Theni Managing Director,	M.M. Synthetics, Theni
Dindigul (Women)	CAV Cotton Mills Ltd., Dindigul
Chekkannurani	Fenner India Ltd., Madurai
Needamangalam	GB Engineering Enterprises Pvt. Ltd., Trichy
Virdhunagar	MAFOI Management Consultants Ltd., Chennai
Paramakudi	Sri Kannapiran Mills Ltd., Coimbatore
Pudukottai	Cether Vessels Ltd., Trichy
Coonor	TVS Motor Company, Hosur
Tiruvannamalai	JSW Steel Ltd., Mettur
Aandipatti (Women)	Vi-Micro Systems Ltd., Chennai
Madurai (Women)	S Duraisamy & Sons, Madurai
Ambattur (Women)	Dow Chemical International Pvt. Ltd., Chennai
Tenkasi	Plasweave, Sengottah
Erode	Sakthi Auto Components Ltd., Erode
Nagercoil (Women)	Sai Flexi Bag Pvt. Ltd., Tuticorin
Ranipet	Hyundai Motor India Ltd., Sriperumbudur
Arakkonam	Everonn Education Ltd., Chennai
Chidambaram	Laurus Edutech Pvt. Ltd., Nungambakkam
Sankarapuram	Aravind Group of Companies, Virudhachalam
Mudukalathur	TATA Motors Ltd., Madurai
B.T.C., Ambattur	Taj Coromandel, Chennai
Pullampadi (Women)	Aravind Group of Companies, Virudhachalam
Thirukuvalai	Maruti Suzuki India Ltd., New Delhi
Veerakeralampudur	TATA Motors Ltd., Madurai
Ramanathapuram	TATA Motors Ltd., Madurai

Source: [http://www.dget.nic.in/upload/uploadfiles/files/itits state/TamilnaduITIs.pdf](http://www.dget.nic.in/upload/uploadfiles/files/itits_state/TamilnaduITIs.pdf).

The ITIs in the upgrade scheme have shown significant levels of improvement, as shown in the following table. The table below shows upgrades in the existing trades in each of the ITIs, whether they have opened up new trades and whether they have set up new CoEs.

Table 11. Existing trades, new trades and new CoEs in each ITI.

Name of Government ITI	Upgrade of existing trades	Opening up of New Trades	Opening up of CoEs
Chekkannurani	✓	✓	×
Cuddalore	✓	✓	×
Mettur Dam	✓	✓	×
Dindigul (W)	✓	✓	×
Nagercoil	✓	✓	×
Needamangalam	✓	✓	×
Salem (W)	✓	×	×
Theni	✓	✓	×
Thiruchendur	✓	✓	×
Tiruppur	✓	✓	×
Ulundurpettai	✓	✓	×
Virudhunagar	✓	✓	×
ITI upgrades in 2008-09			
Aundipatti(W)	×	✓	✓
Coonoor	✓	✓	×
Paramakudi	✓	✓	×
Pudukkottai	✓	×	✓
Thiruvannamalai	✓	✓	×
ITI upgrades in 2009-10			
Ambattur (W)	✓	✓	×
BTC, Ambattur	✓	✓	×
Arakkonam	✓	✓	×
Chidambaram	✓	✓	×
Erode	✓	✓	×
Madurai (W)	✓	✓	×
Mudukulathur	✓	✓	×
Nagercoil (W)	✓	✓	×
Ranipet	✓	✓	×
Sankarapuram	✓	✓	×
Tenkasi	✓	✓	×
ITIs upgrades in 2010-11			
Pullambadi	✓	✓	×
Thirukkuvalai	✓	✓	×
ITIs upgrades in 2011-12			
Ramanathapuram	✓	×	×
VK Pudur	✓	✓	×

Source: [http://www.dget.nic.in/upload/uploadfiles/files/itits state/TamilnaduITIs.pdf](http://www.dget.nic.in/upload/uploadfiles/files/itits%20state/TamilnaduITIs.pdf).

It can be observed from the table that almost all ITIs have upgraded their existing trades (except Aundipetty, where the focus was on opening a CoE). Twenty-nine of them have started new trades as part of the upgrade. However, ; only two ITIs were able to set up a CoE, when the scheme was started in 2008-09. None of these have implemented all three phases of the scheme.

An evaluation of the scheme was undertaken by the Maharashtra Economic Development Council (MEDC) which carried out a field survey of 10 ITIs in Tamil Nadu for the Planning Commission . The MEDC report shows significant changes in the measures for skills development and training in the ITIs with the adoption of the PPP scheme. Many of the existing courses have been upgraded and new courses introduced. Placements have increased, an industry-oriented culture has developed among the students and employability has improved. Moreover, with increased funding and assistance from industry partners, the infrastructure facilities have also developed significantly. The report, however, observes that the ITIs and their courses upgraded through these measures are not in great demand, and it might require more exposure and time to attract more students. It notes that the success of a PPP depends on the IMC and the industry partner. The location of the industry partner seems very important, in that the farther away the industries are from the ITIs, the lower the chances of engaging the students, providing them with proper training and experience within the industry, carrying out IDPs, etc. In Ulundurpet, the partners are 200 km away, and therefore the efficiency of training is affected.

The choice of the industry partner is also important. The selection of industries engaged in similar trades and areas as that of the institute is encouraged. Some vacancies remain unfilled and the responsibilities for those are shared by the available people. In the ITIs of Chekkaruni and Ulundurpet, the Principal's post is assigned to one person, even though under the PPP scheme the state could have employed additional instructors and other staff. However, sufficient posts have not been created in Tamil Nadu, and they have given this task to the employment exchanges. It was also observed in the field surveys that, in Tamil Nadu, there is a huge gap between the amount allocated and amount spent for upgrade measures. This needs to be examined and corrected to reach the programme's objectives and targets.

Case 3: Employment exchanges and employability centres in Kerala

The National Employment Service in Kerala, headed by the Director of Employment, comes under the State Government Labour Department, and is supported by regional deputy directors. Each of the 14 districts has a district employment exchange and there are 60 municipal employment exchanges.²⁹ Additionally, there are six special employment exchanges for the physically challenged, three executive and professional employment exchanges, one rural employment exchange, two coaching-cum-guidance centres for SC/ST, seven university employment information and vocational guidance bureaus and six employment information assistance bureaus.

Among India's states, Kerala has the highest literacy rate and educational levels. However, it also records the highest unemployment in India among the better educated, partly due to lack of employment opportunities but partly because their skills are not easily employable.

The NES in Kerala has been involved in solving this problem of youth unemployment, though with limited success. The placements offered through Kerala's employment

²⁹ Municipal employment exchanges were started in February 1977.

exchanges have been declining over time, especially for government jobs. Recruitment for most government jobs are filled via the Public Service Commission, Staff Selection Commission and Railway Recruitment Boards and not the employment exchanges. With the Panchayati Raj³⁰ institutions in place, many job offers have been distributed via the panchayat as well (such as through MGNREGA), even though the payments are made from Labour Department funds. Also, many of the IT companies depend on direct placements via campus recruitments, therefore few are interested in seeking jobs via employment exchanges.

The number of placements offered by employment exchanges in Kerala has been declining over the years, with the exchanges engaged only in recruiting people for a very small number of permanent posts and some temporary posts in a 'stop-gap' manner. It is to bridge this market mismatch and poor employability of jobseekers that the Kerala government NES embarked on a two-pronged approach to its functioning in Kerala: first, to diversify its activities into ALMPs other than conventional employment services; and second, to convert the employment exchanges into centres that enhance the employability of the jobseekers.

Diversification of services

Kerala has introduced a number of self-employment schemes for targeted groups through the employment exchanges. These include employment services for people in categories other than the usual special cases of the hearing and speech impaired, the blind and visually impaired and people with locomotor disabilities. Kerala's employment exchange schemes also focus on the intellectually disabled, endosulfan victims, widows, unemployed senior citizens and other marginalized groups. The growing trend towards self-employment schemes for marginalized groups is a significant change.

Three self-employment schemes initiated by Kerala employment exchanges are:

1. KESRU 99 (Kerala Self Employment Scheme for the Registered Unemployed): Through this scheme, introduced in 1999, unemployed persons registered with an employment exchange are eligible for a bank loan of up to Rs.100,000 to start up their own venture. Of this amount, 20 per cent will be reimbursed to the bank as a government subsidy through the Employment Department. Eligible applicants for the scheme are shortlisted based on their skill sets and the project submitted and is recommended for bank loans.
2. Saranya: The scheme was introduced in 2010 as a self-employment scheme targeting women who are widows, divorced, deserted, spinsters above the age of 30 and single ST mothers. Interest-free bank loans of up to Rs.50,000 are given to start up self-employment ventures, out of which 50 per cent is reimbursed as a government subsidy, subject to a maximum of Rs.25,000, through the Employment Department.
3. MPSC/JC (Multi-Purpose Service Centres/Job Clubs): The scheme was introduced in 2007 as a group-oriented self-employment scheme for development of enterprises in the unorganized sector. Bank loans up to Rs.1,000,000 are given for start-ups of self-employment group ventures involving two to five members, out of which 25 per cent, subject to a maximum of Rs.200,000, is reimbursed as a government subsidy through the Employment Department. This scheme is combined with the Credit Guarantee Scheme.

³⁰ Panchayati Raj Institutions are the local level three-tier governance structure instituted through the 73rd and 74th amendments of the Indian Constitution. The thrust of these institutions is devolution of powers and functions to the local level. The smallest unit, called the Gram Panchayat, is the administrative unit for a small group of villages.

From employment exchange to employability centre

The limited success of employment exchanges and the need to change their role prompted the shift of focus towards employability centres. As the name suggests, employability centres deliver more than the usual employment services. Apart from the matching functions of employment exchanges, they prepare the youth for employment by providing them with the skills, both technical and soft, that are in demand in the labour market. The employability centres conduct skills gap analysis through tests, which include technical and psychometric analysis, after which training is provided to fill this gap. After training and testing, certificates are issued to the successful candidates. Training is also provided in communication skills, attending job interviews, preparing CVs, etc. The activities of the employability centres also include conducting 'job fests' and canvassing potential employers.

Employability centres are conceived as institutions that provide skills training that is globally acceptable and on a par with international standards. The scheme was initiated in 2012-13, and by the end of 2014-15, seven employability centres had been set up, in Kollam, Ernakulam, Kozhikode, Kannur, Palakkad, Alappuzha and Kottayam. These facilities are attached to the respective employment exchanges.

Partnerships in employability centres: The department had identified that, for activities such as screening and assessment, skills gap analysis, skills training and skills testing and certification, technical expertise was critical. For this purpose, agreements were initially forged with private skills institutions; however, these partnerships did not work well. This was because the private partners were not flexible enough to accommodate the government schemes in form and content; instead, they sought to deliver their existing programmes. The government programmes did not directly provide enough flexibility for such an engagement either. Later a PPP was established between the National Employment Service Department and the Skill Development Mission of Kerala, the Kerala Academy for Skills Excellence (KASE). This is both a promoting and regulating body for skills enhancement institutions in the state. KASE itself has a large number of private and public partners engaged in delivering its various programmes.³¹

Table 12. Employability centre update (at 30 August 2016)

Applicant details	Nos.
Number of applicants registered	58,886
Number of applicants assessed	40,028
Number of applicants trained	39,718
Number of applicants offered jobs	30,342

Source: <http://www.kase.in/EmployabilityCenter.php>.

³¹ For details see the case study below on KASE.

Table 13. Number of applicants registered in employment exchanges and trained through KASE, Kerala

Centre Name	Registered	Assessed	Trained	Placed
Palakkad (2014 onwards)	10,395	4,543	7,912	4,331
Kozhikode (2016 onwards)	5,533	3,882	3,446	1,544
Kannur (2016 onwards)	5,281	3,774	4,237	1,281
Ernakulam (2016 onwards)	5,763	4,195	3,479	1,365

Source: <http://keys.org.in/>.

The experiments in partnerships in Kerala have been limited to the public-public mode, and have been mainly focused on skills enhancement. In the context of declining performance of employment exchanges in the state, the diversification to ALMPs and entering into public partnerships enhanced the performance of Kerala's employment services, as can be seen from the tables above.

Case 4: Kerala Academy for Skills Excellence

The Government of Kerala has set up a non-profit public company, the Kerala Academy for Skills Excellence (KASE), as a nodal agency for skills development activities in the state. This lead agency has been incorporated under Section 25 of the Companies Act, 1956. KASE has the objective of developing the skills of young people in Kerala to meet international standards of employment. KASE aims to set up, support and manage institutions to enhance the skills levels and employability of young people, and promote technology that can meet the needs of various industries across the world. KASE also works as a public company that provides accreditations to institutions on the basis of their expertise in developing skills. It is managed by an Advisory Council headed by the Chief Minister as Chair and the Minister for Labour and Skills as Vice Chair. There is a Board of Directors with the Principal Secretary as the Chair.

KASE works through the following four models:

- Centres of Excellence through the International Skill Training and Employability Programme (iSTEP)
- Community Skill Parks –*Kaushal Kendras*
- Accreditation programme
- Skills training certificates

KASE works on a partnership basis with several organizations, including:

1. ICA: A nation-wide institution that provides training in accounts and finance; it provides a practical skill-building training programme.
2. Eram Group: A Gulf-based conglomerate operating in oil and natural gas, power and utilities, travel, food, healthcare and automotive sectors; it partners with KASE in the Centre of Excellence in Oil and Rig (CEOR).
3. Sadhbhavana Group: A service provider in education, it has set up a joint initiative with KASE called the Centre for Research in Education and Teachers Training (CRET), which plans to nurture skilled educators.
4. National Skill Development Corporation (NSDC): The NSDC is a non-profit company under the Ministry of Skill Development and Entrepreneurship that provides funding for skills training. Its partnership with KASE involves the Centre of Excellence in

Hospitality and Tourism. The Kaushal Kendras³² have adopted a curriculum based on the one in the NSDC.

5. TeamLease: A company that works on a PPP model with various government departments across states in India, it manages three Human Resources Development Centres and has upgraded employment exchanges with KASE in Kerala. It has also set up the Additional Skills Acquisition Programme (ASAP) with the Government of Kerala.
6. Pragmatic Educational Society: This organization, with its objective of 'Skilling India', provides job-oriented courses and training. It has established the Centre for Advanced Training in Security (CATS) with KASE in Kerala. Its International College for Security Studies (ICSS) also engages in skills development in Kerala.
7. SUT, Pattom: The KASE Nursing Academy, a centre for excellence in nursing, the *Nursing Institute for Career Enhancement*. (NICE), has been set up in PPP mode with SUT Hospital; its aim is to skill participants for job markets within and abroad.
8. NMC Healthcare: This UAE company works along with SUT, Pattom, in providing skills development, as well as job opportunities, for people trained in the KASE Nursing Academy (NICE).

Major initiatives under KASE

International Skill Training and Employability Programme (iSTEP): iSTEP plans to set up CoEs in various fields under KASE, where the centres would be a public-private initiative. The private (or public) partner would, along with KASE, prepare a master plan for each CoE and act as operator. The CoE will be managed by the operator and respond to market forces in designing and implementing courses. A committee comprising representatives of KASE, the state government and the partners is expected to provide overall guidance. The various CoEs are given below.

1. Nursing - Nursing Institute for Career Enhancement (NICE): Set up on 2 October 2015 at the Kinfra International Apparel Park in Trivandrum, the Nursing Institute aims to provide world-class training for enhancing the skills and employability of nurses. The course is provided by KASE in partnership with SUT, Pattom, and NMC Healthcare in Abu Dhabi.

The core courses offered are:

- BLS (basic life support)
- ACLS (advanced cardiac life support)
- Infection prevention & control
- Quality & patient safety
- Emergency & critical care nursing

Optional courses such as language training under the International English Language Testing System, NALS (neonatal advanced life support), etc. are also offered in the institution. An Advanced Nursing Excellence Programme (ANEP) is provided for graduate or diploma holding nurses to enhance their employability. These render them employable in both the Emergency Department and Emergency Medical Services Division, which increases their value in the labour market.

³² *Kaushal Kendras* are model training centres under the Ministry of Skill Development and Entrepreneurship; the implementing agency is the National Skill Development Corporation.

The licences of the exams conducted at NICE are provided by:

- Ministry of Health, Government of India
- HAAD (Health Authority of Abu Dhabi)
- DHA (Dubai Health Authority)
- Qatar Ministry of Health

The nurses are also exposed to the best international nursing practices. They are also trained in various communication skills such as integrated English, English for health professionals, assessment, personality development and mock interviews as well as in the Arabic language.

2. Oil and Rig - Centre of Excellence in Oil and Rig (CEOR): CEOR was set up on 6 December 2015 at International Skills Park, INKEL Towers, Angamaly, in partnership with Eram Engineering Company, Qatar. The centre aims to impart skill training for ITI certificate and diploma holders, engineering graduates and others to excel in the oil and rig field in petrochemical industries, power plants, etc. The centre also plans to improve communication skills, leadership and team-building aptitude and other features of general competence. The courses offered are for the following jobs:

<i>Mechanical</i>	<i>Electrical</i>	<i>Instrumentation</i>
* Welder	* Industrial Electrician	* Instrument Technician
* Fabricator/Fitter	* Maintenance Electrician	* Valve Technician
* Rigger	* General Electrician	* Instrument Fitter
* Scaffolder		

3. Security - Centre for Advanced Training in Security (CATS): Inaugurated on 29 September 2015 at Kinfra Apparel Park in Trivandrum, the Centre offers courses in physical security (postgraduate diploma in security management, certificate in security management, diploma in security management and unarmed security guard). Similar courses are also provided in the cyber security domain. The courses are carried out in partnership with the Pragmatic Educational Society, New Delhi.
4. Teaching - Centre for Research in Education and Teachers Training (CRET): A joint initiative of KASE and the Sadhbhavana Group, CRET was inaugurated in February 2016. CRET takes the form of a finishing school for teachers, nurturing them as international educators. Besides capacity building and honing skills, CRET tries to develop theory, policy and practice in education by providing research in education, educator training, institutional auditing, consultancy, placement and educational data mining. The course offered is the Programme for Achieving Competencies of Educators (PACE) for B.Ed. graduates. Quantitative literacy, best teaching practices and strategies, professional etiquette, language programme, enterprise resource planning and ICT are the core subjects
5. Hospitality - Centre of Excellence in Hospitality and Tourism: With attrition rates in the hospitality industry on the rise, the CoE in hospitality and tourism aims to build skilled personnel in this field. Three courses of three months duration are provided in the centre: for stewards, room attendants and customer reception. The centre plans to improve its network with more national and institutional organizations to enhance the quality of the training. The certificates are provided by Datadot-Williams, UK, and the NSDC, Government of India.
6. Entrepreneurship - Centre of Excellence in Entrepreneurship Development (CEED): KASE and the Entrepreneurship Development Institute, Ahmedabad, have established CEED as a model institution for the country to provide the necessary exposure for 'sector-

based entrepreneurs' in Kerala, in three segments: sectoral knowledge, technical knowledge and entrepreneurial spirit. CEED works on a plug-and-play model, where aspiring entrepreneurs are trained and mentored, and are allowed to start their office within their campus. It is designed especially for people in both IT and non-IT sectors, initially in five key sectors: ready-made garments, engineering, food, agriculture and spices, and tourism. Entrepreneurship Awareness Programme (EAP) and Aspiring Entrepreneurship Workshop (AEW) are the two courses offered.

Besides CoEs, iSTEP chapters have been set up in ITIs and engineering colleges in Kerala similar to a youth cadre programme, training students in developing their skills and entrepreneurship spirit. These include iSTEP for students and iSTEP Youth Brigade.

Kaushal Kendras: Kaushal Kendras are community skills-training hubs focusing on the rural population. Students are provided with training in technical and vocational skills through resources such as the assessment and career guidance cell, digital laboratory, language lab and multi-skill centres. These help students in identifying their aptitudes, and then developing and building on them, giving them access to resources for learning and developing their communication skills. The multi-skill centres provide round-the-year placement-linked practical learning.

Accreditation provided by KASE: KASE provides accreditation from the Government of Kerala to organizations conducting skills-training courses. A high-level committee of experts has been constituted for accreditation purposes. Institutions seeking accreditation must offer courses based on the approved syllabus and curriculum, have industry tie-ups for on-the-job training and internships, guarantee placements for at least 60 per cent of the students on each course, carry out research with domestic and foreign institutions and engage in consultancy support for the industry. Institutions accredited by KASE have high standards and can attract the best candidates.

Skills Development Programme, ASSET (Advanced Soft Skills and English Language Training): KASE along with the Kerala State Welfare Corporation for Forward Communities (KSWCFC) set up ASSET, through which it plans to provide skills development and career guidance to young people; the first cohort had 1200 applicants. The programme seeks first to identify participants' areas of interest and then train them. After completion of the training, the candidates are put in touch with companies through job fairs in employability centres under KASE. ASSET aims to provide training in partnership with pan-Indian private institutions. The programme is open to applicants in the 18-30 age group who have completed at least higher secondary education.

Construction Academy—Indian Institute of Infrastructure and Construction (IIIC): An academy for developing skill sets in infrastructure and the construction sector, the IIIC is being set up at Kollam, Kerala, by KASE. The institution plans to provide courses in construction engineering and management that are of international standard; it will also offer skills training in masonry, plumbing, electrical and other technical jobs. This training is expected to make people employable in national and international markets. Personnel from workers to higher managerial levels will be trained and nurtured by the institution.

KSID: Merged with KASE in April 2014, KSID seeks to promote education in design, technology and management skills. KSID functions with the support of the National Institute of Design (NID), Ahmedabad, which has made special plans for the growth of this institution. KSID offers the following courses:

- Integrated textile and clothing design
- Integrated lifestyle product design
- IT-integrated communication design

Employability centres through KASE: As well as through the employment exchanges, the Government of Kerala plans to provide value added services via employability centres under KASE. Unlike the employment exchanges, rather than trying to provide employment in the public sector alone, the KASE employability centres seek to place skilled and trained young people in the private sector as well. The employability centres organize job drives and placements. They also conduct aptitude tests, assessments, counselling, and training. These activities are undertaken by private partners who have entered into a MoU with KASE and specialize in these functions. The private partners recoup expenses by charging fees.

Case 5: Model Career Centre: Durg, Chhattisgarh

Chhattisgarh is one of the most naturally endowed states in India. It is the tenth largest state and the seventeenth most populous in the country. It is one of the country's primary sources of steel and electricity. However, in spite of rapid industrialization, it has one of the highest rates of poverty in the country. With close to 50 per cent of the population living below the poverty line, there is a huge gap in the labour market, which renders the majority of its population underemployed or unemployed. Most of the working population is involved in agriculture, minor forest produce, or migrates to nearby urban centres to work in industries and mines.

In recent times, the Government of Chhattisgarh has embarked upon a mission to make investment in the state friendly and bolster the process of industrialization. This would eventually boost the employment market and provide more job opportunities for the locals. Making use of this opportunity, the NCS opened one of its first 100 model career centres (MCC) at Durg, Chhattisgarh. A revamped structure of the erstwhile employment exchange in Durg, it was inaugurated in November 2015. Since then, the MCC staff have been working tirelessly to build a stakeholder network across the region, with enhanced community engagement, industrial fairs, and outreach through counselling services and skills providing institutions.

Infrastructure upgrade

The latest IT infrastructure has been installed to connect local youths with various job opportunities available across the country and abroad. High-speed leased line Internet connection and networking of all computers, printers and scanners enable the staff at the MCC to promptly register stakeholders and provide information about various career-related services at the click of a button. The Durg MCC has been provided with ample parking space and a waiting area capacity of 60-70 persons, LED display system for all notifications, a self-service kiosk, information-cum-reception desk, etc. All these facilities enhance the user experience of visiting stakeholders and boost the footfall.

The facts and figures given below highlight the improved outreach of the MCC:

Number of registrations:	
Jobseekers	252,527
Employers	4,751
Skills providers	249
Counsellors	5
Number of job vacancies offered (on portal + job fairs)	6,404
Monthly footfall at MCC (average)	3000-4000

Private partnerships and industry linkages

One of the biggest reasons for the lacklustre performance of employment exchanges was the complete absence of private entities as stakeholders. They never forged partnerships with the private sector organizations in spite of the fact that the latter employs the largest share of labour in India. Realizing this lacuna, the NCS has put special focus on building collaborative partnerships with private partners to further the objectives of the programme.

Given that Chhattisgarh is mainly occupied by heavy industries such as steel, sponge iron, cement, mining and allied industries, the demand for human resources is perpetually on the high side. With this opportunity in its backyard, MCC Durg is leaving no stone unturned to forge partnerships with these major industries, while ensuring that jobseekers are informed of the appropriate skills they need to be recruited by these companies and the skills training programmes available to them. Durg MCC has been focusing on the industries in Chhattisgarh to discourage migration and encourage employment generation locally for Chhattisgarh youth. Big industries often link up with skills-training institutions to develop customized training programmes for their requirements. This helps them train youth specifically for their own operations.

The organizational structure of the Durg MCC is shown below:

<i>1 Centre Manager (Deputy Director Employment)</i>	Responsible for overall management of the MCC and its services
<i>1 District Employment Officer/Counsellor</i>	Responsible for providing counselling services and managing the operations of the MCC
<i>1 Young Professional</i>	Responsible for overall operations, outreach and stakeholder partnerships for the MCC
<i>4 Office Assistants (Grade 3)</i>	Responsible for office assistance for MCC-related work
<i>1 Data Entry Operator</i>	Responsible for stakeholder registration, data management at MCC

The initiatives undertaken by Durg MCC to engage with private sector organizations are as follows:

- Officials extensively reach out to all sorts of employment opportunities available in and around Durg MCC's catchment area, which includes the Rajnandgaon, Balod, Bemetara, Kabirdham and Raipur districts. They use email, phone calls, media coverage and personal visits to engage more intensely with private companies.
- MCC Durg uses both traditional and non-traditional media to promote the benefits of the NCS for various stakeholders: employers, jobseekers, skills-training institutions and the like.
- The MCC organizes small placement camps consisting of a maximum of one to three employers. These camps are organized in accordance with the employer's requirements. The placement camps are sector-specific. They also work on the backward and forward linkages by inviting pass-out trainees of relevant sectors from skills development centres of the Mukhya Mantri Kaushal Vikas Yojna (MMKYV) and employers together on a common platform.
- It organizes mega job fairs with free participation for both employers and jobseekers. Major brands across various sectors come together to launch a massive recruitment drive offering hundreds of jobs through a single event. So far Durg MCC has been able to reach out to 3,995 participants through 44 such programmes. These events provide a space to all the skills-providing institutions to meet prospective students seeking to build their skills and enhance their employability.

Counselling sessions

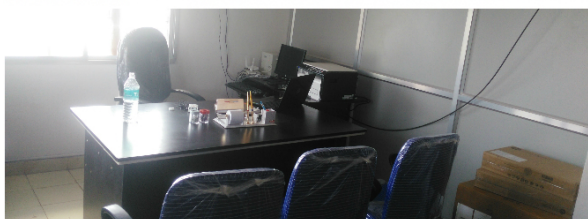
Durg MCC has been focusing equally on building a network of counsellors in the area and improving jobseekers' access to counselling facilities. It organizes awareness camps to encourage counsellors in private practice to work with the NCS. The MCC also has officially appointed in-house counsellors (including young professionals) who reach out to the students and jobseekers to assist them with career counselling, free of charge.

Some of the initiatives undertaken by Durg MCC in this sphere are as follows:

- Organizing talks on various subjects by experts from different educational institutes, industries and sectors for the students including freshers.
- Visiting various schools and colleges to deliver counselling and awareness sessions.
- Visiting the Panchayat office and interacting with youth groups in the villages to motivate them to come to the MCC and participate in various group counselling sessions.
- Organizing group counselling sessions (in groups of 35-40 participants) by MCC team members and employers' representatives. Comprehensive information about a job role is given in a 40-minute session; at the same time, the MCC team advises participants on employable skills and various aspects of careers in that particular sector. These group sessions are free of charge.

Similar strategies to encourage participation of various stakeholders will be continued to expand the outcomes of the NCS as a nationwide programme.

Facilities at Durg MCC, Chhattisgarh





Events at MCC Durg, Chhattisgarh

दुर्ग का रोजगार कार्यालय प्रदेश के लिए मॉडल, घर बैठे मिलेगी मनपसंद नौकरी

हरिभूमि न्यूज. दुर्ग

छत्तीसगढ़ राज्य का पहला मॉडल रोजगार कार्यालय के रूप में दुर्ग जिले को चुना गया है। इसके लिये मालवीय नगर स्थित जिला रोजगार कार्यालय में सभी सुविधाएं उपलब्ध कराया जा रहा है। मॉडल रोजगार कार्यालय बनने के बाद पूरे दुर्ग संभाग के बेरोजगारों को एक सुनहरा अवसर भी प्राप्त हो जायेगा, जिसके लिए दिवनीसिटी व शिक्षाधामों के रूप में विख्यात दुर्ग-भिलाई के प्रतिभाओं को मनपसंद नौकरी मिलने लगेगी। विभाग को इस पहल यहाँ पदस्थ अधिकारी व कर्मचारी भी खुश है।

विदित हो कि जिला रोजगार कार्यालय के माध्यम से मुख्यमंत्री कौशल विकास योजना के तहत प्रशिक्षण दिये जाने का प्रावधान किया गया है। इस प्रावधान के लिए रोजगार अधिकारी व

खास बातें

- सेंट्रल पोर्टल से जुड़ने का मिलेगा लाभ
- दुर्ग संभाग के बेरोजगारों को मिलेगा सुनहरा अवसर
- शिक्षाधामों के रूप में विख्यात है दिवनीसिटी
- मेट्रो सिटी से मिलने हज़ारों जॉब के आकर

मुख्यमंत्री कौशल विकास योजना के तहत प्रशिक्षण दिये जाने का प्रावधान

कंपनियां होगी रजिस्टर्ड

सेंट्रल पोर्टल के तहत कई कंपनियां रजिस्टर्ड होंगी। इस रजिस्ट्रेशन की प्रक्रिया से दुर्ग संभाग के रोजगार अधिकारी सीधे तौर पर जुड़े रहेंगे और नार्मीगिसिटी कंपनियों पर नज़र रखेंगे, जो यहाँ के बेरोजगारों के लिए मोटी पगार वाली नौकरियां उपलब्ध करने की गारंटी कर बेगारी के अंतिम से युवाओं को उबारने का प्रयास करेंगे। इस प्रक्रिया के लिए यहाँ के सभी अधिकारी व कर्मचारी बड़े उत्साह से काम करने में जुट गये हैं।



संवर्गा कैरियर

इस संबंध में रोजगार एवं प्रशिक्षण संचालक एसआर नेताम व रोजगार अधिकारी एसआर टाकुर ने संयुक्त रूप से बताया कि जिला रोजगार कार्यालय को मॉडल के रूप में विकसित किया जा रहा है। यहाँ पर बेरोजगारों को कैरियर काउंसिल के माध्यम से कनवेंस करने का प्रावधान होगा, जिसमें योग्यता, उम्र, जाति व आरक्षण के आधार पर चयन की प्रक्रिया निर्धारित है।

सेंट्रल पोर्टल से पंजीयन का लाभ

जिला रोजगार कार्यालय सेंट्रल पोर्टल से जुड़ जायेगा। इस पोर्टल से जुड़ने के बाद देशभर के केम्पस ऐप्लेमेंट एजेंसियां दुर्ग दफ्तर से सीधा संपर्क कर सकेंगी। संवाद होने से कई अवसर खुलेंगे और रोजगार के लिए पाठ व योग्यताधारी उम्मीदवारों की तलाश भी पूरी हो जायेगी।

रिक्त शाखा से संपर्क किया जा सकता है। वहीं रोजगार एवं प्रशिक्षण के उपसंचालक भी समय-समय पर जिले के सभी उद्योगों व रोजगार के अवसर प्रदान करने वालों से संपर्क कर केम्पस का आयोजन कर रहे हैं। रोजगार मेला के तहत 31 जनवरी को केम्पस का आयोजन किया गया है। जिसमें दर्जनभर से अधिक बेरोजगारों को नौकरी देने की गारंटी की गई है। वहीं माह के अंतिम सप्ताह में बाद जिला रोजगार कार्यालय में दोबारा केम्पस का आयोजन भी किया जायेगा।

जिला रोजगार कार्यालय में बेरोजगारों का पूरा विवरण दर्ज रहेगा, जो भी कंपनियों के केम्पस सलेक्शन का आयोजन करेंगी उसे बेरोजगारों की पूरी कुंडली उपलब्ध कराई जायेगी, जिसके आधार पर नौकरी देने के लिए आतुर व कामगारों की तलाश करने वाली कंपनियों को भी सहूलियतें मिलेंगी। इसके अलावा बंदि बेरोजगार युवकों व युवातियों को मनपसंद नौकरी की चाहत पूरी नहीं होगी, तो वे ऐसे

15 फरवरी 2020





Case 6: Model Career Centre: National Career Service Centre for Differently Abled (NCSC-DA)

Located in the eastern part of the country, Odisha is inhabited by some Particularly Vulnerable Tribal Groups (PVTGs) such as the Kharia, Juang, Sauura and Bondo. About one third of the area is forested. It is a mineral-rich state, making it an ideal destination for heavy industries such as steel, mining and quarrying, construction and allied industries.

Though agriculture is a priority sector in the state, there has been a sectoral shift to manufacturing industries and the service sector in recent times. Odisha is now regarded as one of the best places to do business by corporates and industry. Given its investment-friendly policies, the state has seen an upsurge in the number of industries starting operations here. Rapid industrialization and urbanization have led to a steep increase in labour participation rates. Census data for 2011 shows that total workers have grown by 22.9 per cent in 2011 over the 2001 data. With the rapid industrialization and growing labour participation, the need to create a mechanism to mediate demand and supply in the labour market has become indispensable.

The National Career Service Centre for Differently Abled (NCSC-DA), Odisha, formerly the Vocational Rehabilitation Centre for Handicapped (VRCH), started operations in October 2015. Prior to the NCS, the VRCH only catered to PwD (person with disability) applicants and organized counselling sessions and job fairs for them. However, after the VRCH was revamped to become NCSC-DA Odisha, they have broadened its purview to other jobseekers, with a special focus on PwD candidates. NCSC-DA has been actively pursuing partnerships and collaboration with various stakeholders in the labour market, including skills-providing institutions, private counsellors, industries and private placement organizations. The overhauled system has given the staff a fresh perspective to work with.

Table 14. organizational structure of Odisha MCC

<i>1 Centre Manager</i>	Responsible for overall management of MCC and its services
<i>1 Young Professional</i>	Responsible for overall operations, outreach and stakeholder partnerships for the MCC
<i>2 Counsellors</i>	Responsible for providing appropriate counselling to jobseekers/students including administering and interpreting results of the standardized test

Infrastructure upgrade

The earlier set-up of the VRCH, now NCSC-DA Bhubaneswar, has been re-engineered with ample infrastructure support such as a dedicated IT lab, air conditioning, LED TVs, LED projector, closed circuit television (CCTV) cameras, a library with literature and books on careers, and minor works/constructions of workstations. There are now specified service areas with specialized job roles and dedicated facilities for specific services. The MCC has a reception area with general information about the centre and plan giving directions to the different sections for various services, high-speed internet connectivity and online uninterrupted power supply(UPS), waiting area with LEDs displaying career information, news and videos, air-conditioned training room with interactive board and careers literature, air-conditioned group counselling room with LED projectors and whiteboard, 100 seater conference halls, dedicated workstations for office, accounts, stores, cafeteria, etc.

The centre was previously restricted to manual registration and traditional vocational guidance, training and re-training; now there is online registration via the NCS portal, timely and relevant guidance through displayed career literature, information on subsidized loans/government schemes and consultations for aspiring entrepreneurs.

The facts and figures below highlight the improved outreach of the MCC:

Table 15. Highlights of the improved outreach of the Model Career Centre

Number of registrations	
Jobseekers	33,562
Employers	21
Skills providers	20
Counsellors	33
Local service providers	91
Private placement agencies	7
Number of job vacancies offered (on portal + job fairs)	6,784
Monthly footfall at MCC (mainly PwDs)	400

Private partnerships and industry linkages

The NCSC-DA Bhubaneswar has been working in collaboration with various skills-providing institutions, industries, employers, counsellors as well as private placement agencies. So far, 1,146 candidates (both PwD and non-PwD) have obtained job offers at the jobs fairs and placement drives organized by the MCC.

The PwDs are excellent untapped human resources, but lagging behind when it comes to finding the right employment opportunities. One of the major agendas of the NCSC-AD Bhubaneswar is to sensitize private sector companies about hiring PwDs in appropriate roles, utilizing their functional abilities. They also hold awareness raising sessions and workshops on how to facilitate an inclusive workplace for all.

The MCC also maintains a database of employers through the NCS portal, regularly emails and makes personal visits to employers and regularly interacts with various stakeholders such as skills-providing institutions and private placement agencies to bolster their collaboration with the NCS as a stakeholder through formal registration. The MCC provides employers with access to the state-wide database to find the right fit for their organization, absolutely free of charge.

Counselling sessions and other events

The MCC has organized various events, such as campaigns to register local service providers, outreach activities through which it has reached some 4,700 individuals, pre-recruitment coaching, skills development training for PwDs and various industrial fairs, as well as employer outreach activities. Through these events, the MCC seeks to expand the stakeholder base of the NCS, while educating on how to use the NCS as a smart career development/recruitment tool.

There are two officially appointed counsellors, along with a young professional (YP) at MCC Odisha, to provide counselling services to the candidates. While the 33 counsellors in private practice registered with the NCS charge a nominal fee for their services, the MCC counsellors must provide free counselling services through the NCS portal and in person at the career centre. Thus, applicants (both PwD and non-PwD) have access to both paid and pro bono career counselling through the NCS.

Some initiatives of the MCC are:

- Officials organize individual/group counselling within the MCC as well as in different schools, ITIs, colleges, universities, youth clubs and Nehru Yuva Kendras, to help students make informed decisions about their career path. For further information, they are advised to visit the 'Career Information' section of the NCS portal.
- The MCC also organizes pre-recruitment coaching programmes to fill posts reserved for PwDs (3 per cent), in banks and the district revenue service, by retrieving data on PwD applicants through the Odisha Sub-Ordinate Staff Selection Commission (OSSSC) and other recruitment boards. This programme has an impressive success rate, with many candidates passing the exams.
- The MCC also organizes information sessions on various vocational/skills development training provided within the MCC exclusively for PwDs, such as basic sewing operator, accounts assistant using Tally, electrician (domestic and commercial), carpentry, metal and cutting, radio and TV repair, in conjunction with the Department of Social Security and Empowerment of Persons with Disabilities and the Odisha Skill Development Authority, Government of Odisha.

-
- So far, the MCC has organized 10 job fairs and placement drives, enabling around 1200 candidates to gain entry to the final round of recruitment.

All the above services through the improved MCC attract PwD jobseekers, aspiring entrepreneurs, employers, government departments and various other stakeholders to partner with the NCS and make use of its valuable services.

Infrastructure at MCC



Counselling Sessions at MCC



Jobs Fair at MCC



Case 7: Model Career Centre: Don Bosco Skill Mission, Bengaluru, Karnataka

Karnataka's capital, Bengaluru, is known as the 'Silicon Valley of India' and is ranked among the top four technology clusters of the world. Bengaluru Urban is a business hub with 315 large-scale industries, 211 medium-scale industries and 74,282 small-scale industries. The district has 16 industrial areas, of which one (Peenya, 36 km from the Bengaluru MCC) is the largest industrial cluster in Asia, 13 industrial estates and 14 notified operational Special Economic Zones (SEZ), which form the framework of the rich industrial landscape of the region. Bengaluru is India's highest IT-related exporter with 35 per cent of the one million workers in India's IT pool employed here. It also has the highest number of MNCs and IT and BT giants. All this points to a dynamic employment market for youth in Bengaluru.

With this promising background, the NCS opened one of its first 100 MCCs in Bengaluru. This MCC was opened in collaboration with a renowned skills-training institute, Don Bosco Skill Mission, Bengaluru. It was one of the first instances of the NCS striking a partnership with a private set-up to take advantage of its existing networks and student base.

Infrastructure

The Don Bosco MCC is strategically located in the vicinity of two major industrial clusters, Jigani Industrial Area and Bommasandra Industrial Area. It has 10 schools, 5 undergraduate colleges, 3 polytechnic colleges, 4 ITIs and various other management colleges. Don Bosco Skill Mission already had a good infrastructure which helped the MCC in upscaling the area allotted to it. Hence the infrastructure upgrade did not need to start from scratch, as was the case with the former employment exchanges and VRCs. Don Bosco also had a good footfall of students seeking training skills, which boosted the MCC's footfall from Day 1.

Facts and figures that indicate the improved outreach of the MCC are given below:

Table 16. Improved outreach of the Model Career Centre

Number of registrations	
Jobseekers	3830
Employers	3
Skills providers	1
Counselling sessions organized	227
Job vacancies offered (on Portal + job fairs)	183
Monthly footfall at MCC (average)	100

Private partnerships and industry linkages

The private partners associated with the NCS have been in the market for a long time and have strong networks. This helps the NCS in further extending its reach and scale. The benefits to be reaped by NCS through private partnership and industry linkages include:

Infrastructure: The NCS can take advantage of the established state-of-the-art infrastructure maintained by the private partners. They have an established systematic support system that helps in the smooth functioning of the MCC. This reduces the funding pressure on the Government since the MCC is not set up from scratch.

Smooth functioning: Peculiar to a government set-up is its bureaucratic working environment. One of the major reasons for the lacklustre performance of employment exchanges was the obstructive bureaucratic administration. In a private sector set-up such long-winded formalities do not exist, and hence the working of the MCC is smooth and swift. The officials enjoy a considerable amount of freedom to develop strategic approach to their work and implement it.

Credibility: People's perception changes when they see a private sector party involved in the functioning of an MCC. The private sector is seen as delivering efficient and effective results and that aids in building the confidence of the stakeholders.

Synthesis: Collaborative efforts always ensure added value, which is the case with private partnerships and industry linkages with the NCS. Private partners with an existing network and client base relieve the NCS from the preliminary steps of outreach. The NCS gets a ready pool of resources from the outset, which essentially catapults the entire process directly into creating added value in the employment market.

Counselling sessions

According to the 2011 census, almost 18 per cent of the total population of Bengaluru falls into the adolescent age group. This highlights an immense need for career coaching in the city. Given the growing IT and industrial sector, the city's youth prefer technical education or engineering, thus, there is enormous demand for engineering and relevant ITI courses. However, it becomes equally important to offer students diverse career options to maintain the equilibrium of the employment market. Thus, the MCC at Don Bosco endeavours to:

- Visit different schools and colleges and provide information on the availability of counselling services at the centre;
- Visit various schools and colleges to deliver counselling and awareness sessions on various skills-oriented short and long-term courses, and advise young people about potential new and innovative career options, as an alternative to the traditional or conventional ones.

The MCC at Bengaluru has been working constantly to bridge the gap in the employment market by bringing together various stakeholders on one platform, i.e. the NCS, for a better future.

Waiting area



Individual counselling session



Computer Lab



8. By way of conclusion

The demographic transition underway in India holds vast potential for growth dividends because of the youth bulge in the population. With the economy transitioning from an agrarian economy to one led by services, it has the capacity to generate employment for aspiring youth. However, employment growth has slowed during the last two decades. With the liberalization of the economy in the 1990s, employment growth in the public sector has dropped dramatically, and it is now the private sector that is the primary source of employment. Moreover, the economy has an overwhelmingly large unorganized sector devoid of any social security cover for its workers.

In this scenario, employment services and active labour market policies aimed at matching employers and employees, providing labour market information and imparting employable skills acquire vast significance. These functions are, by and large, vested in the National Employment Service of the Government of India, which had been performing weakly for various reasons. The mandate of the NES was chiefly to provide employment services to the public sector and the organized private sector. But both these sectors together account for less than 8 per cent of total employment in the country, with the overwhelming majority of the remaining 92 per cent of workers employed in the unorganized sector. Thus, the services of the NES did not cater to the needs of the major share of the Indian economy. Mandate apart, there were problems in its functioning: although it was mandatory for large firms in the private sector to notify vacancies that arose, this was not always strictly respected. Later, with the mandatory clauses on registration and vacancy notification made voluntary in the private sector, and public sector appointments being made through alternate bodies such as the Public Service Commission, placement rates and registration through the NES stagnated. The need for physical visits and checks in employment exchanges also acted as a disincentive. The lack of proper matching and poor information about the market led to inefficient market-clearing mechanisms.

A number of private employment service agencies with diversified services entered the field, competing with the NES. Private employment service agencies, which initially catered to overseas migration, local employment services and temporary employment services, expanded their operations to search and match, skills training and other services with the emergence of new information technology-based solutions such as web portals and mobile phone applications. However, though many of the private employment service agencies registered as companies, they operated in an environment lacking a legal regulatory mechanism directly overseeing their operations.

Given this context, alternative strategies for employment services and ALMPs to be delivered effectively to the nation became imperative. Responding to this need, the NES is currently undergoing dramatic changes in its structure. In 2014 the National Career Service was launched to revamp the NES. The NCS aims at delivering employment services and ALMPs through multiple channels, and caters to multiple stakeholders, including jobseekers, employers, skills trainers, counsellors and local service providers. It delivers its services through two channels: its online web portal and its offline career centres administered by the respective state governments. In both cases, a number of partners have been enlisted, both from the public and private sectors, to enhance performance.

The public sector partnerships are largely with the state governments, which administer the career centres (including the erstwhile employment exchanges), and other parallel ministries engaged in skills training and related services. The partnerships with the private sector are strategic ones whereby both partners share information on vacancies and job seekers. The portal also provides space for private partners to register candidates for skills training, counselling and self-employment. The NCS is also partnering with private institutions and state governments in establishing state-of-the-art Model Career Centres.

These MCCs primarily focus on imparting employable short-term skills to registrants. The skills-training modules are broadly designed and implemented in these centres by private skills-training providers according to industry requirements. Based on strict outcome-based evaluation parameters, these partnerships have been successful in imparting skills, providing employment and meeting the demands of the industry.

With the establishment of the NCS portal and forging of partnerships, there has been a dramatic rise in the number of registrants with the NCS. Furthermore, it has entered into partnerships with NGOs and the private sector with the aim of reaching the unconnected in the rural areas. The jump in the number of registrants, vacancies notified, and skills training undergone are all evidence of the success of these partnerships so far. The seven case studies drawn from across the country highlight the divergent modes of partnerships including public-public and public-private partnerships, their successes and challenges

The following concluding remarks are in order:

1. The NES had reached a stage where restructuring was necessary for various reasons.
2. The restructuring of the NES into the NCS has shown positive signs in terms of delivery of employment services and ALMPs.
3. NCS partnerships with the private and public sector as well as partnerships between state governments and other public sector bodies and the private sector constitute a promising step towards better delivery of employment services.
4. However, there is clearly a regulatory vacuum, in that the functioning of the current NCS is not fully covered under the present regulatory framework.
5. There is also a need to bring in regulatory structures to monitor the private sector, which presently has no such mechanism.
6. Though the data from the NCS shows a promising start, it should be borne in mind that the large jumps in the numbers are not necessarily due to fresh registrations, but are because of migration of data from state employment exchanges, as well as integration of data from registered private employment service providers.
7. Currently, all NCS partnerships with the private sector are strategic in nature, with no financial commitments from either side. It remains to be seen how these partnerships would evolve when the services provided by either of these parties need to be funded.
8. While the NCS has shown impressive performance, it has had only limited success in reaching out to the vast unorganized sector. Without actively including the unorganized sector within their ambit, these services may remain confined to the limited role formerly played by the NES.
9. Though there are efforts to reach out to rural areas through offline modes and partnerships, the current data shows that this has had only limited success. To extend the services to the unconnected in rural areas and the unorganized sector, decentralized local level service delivery mechanisms, using both online and offline modes, may need to be introduced.
10. To that end, partnerships at the grassroots level may become a key mode of design and delivery of employment services for India.

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