

# CENTRE APPROVES COVID ALLOWANCE IN SKILL TRAINING ECOSYSTEM

Relevant for: Developmental Issues | Topic: Government policies & interventions for development in various Sectors and issues arising out of their design & implementation incl. Housing

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The Union government has approved a proposal to set aside 1.5% of the money it gives for skills training and put it into sanitation of training infrastructure and safety protocol amid rising coronavirus cases.

The government bears the cost of training provided by hundreds of 'training partners', including companies, for a range of skills from IT to retail and shop floor management. The issue was first discussed in November as institutions were opening up after pandemic started easing.

Initially the common norms committee of the government related to the skills mission supported "granting of 1-2% as covid allowance for sanitation requirements".

The skill ministry has now decided that 1.5% of the average training cost per trainee will be used for covid allowance and it has got approval from the finance ministry.

"This matter has been examined and it has been decided that 1.5% of the average training cost per trainee for 3 months, or 1.5% of the hourly base cost rate (as applicable as per category of trade undergoing the training) may be allowed as covid allowance," the ministry of skill development and entrepreneurship said. Mint has seen a copy of the order. The covid allowance will be funded out of the grants already made available for training, and no additional funds can be demanded for incurring the expenditure, the ministry said.

"This allowance should be discontinued once the need ceases," the skills ministry underlined, adding that the allowance provision has the "concurrence of department of expenditure, ministry of finance."

The Union government rolled out the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY 3.0) in January in 600 districts across the country with an expenditure target of 950 crore.

The PMKVY 3.0 is likely to be extended for a longer period beyond its 2020-21-time frame with a larger fund allocation.

Other than short term skill training, the ministry oversees the long-term skilling via over 12,000 industrial training institutes (ITIs).

While the 729 Pradhan Mantri Kaushal Kendras (PMKKs) have started the training under the third phase, the ministry is in the process of allowing scores of empanelled training centres of the National Skill Development Corporation (NSDC) to implement PMKVY 3.0 training.

This time the focus is on demand-driven skills instead of supply-driven ones as was the practice for last six years.

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