

REPORT
OF
THE TRAINING AND EMPLOYMENT
SERVICES ORGANISATION
COMMITTEE



सत्यमेव जयते

GOVERNMENT OF INDIA ♦ MINISTRY OF LABOUR

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REPORT OF THE TRAINING AND EMPLOYMENT SERVICES ORGANISATION COMMITTEE

INTRODUCTION

The Training and Employment Services Organisation Committee was appointed by the Government of India, Ministry of Labour, in terms of their Notification No. RCO-320(2) dated the 10th November, 1952, (Appendix I), to examine the future of the organisation of the Directorate-General of Resettlement and Employment. The Committee consisted of the following:—

Chairman

Shri B. Shiva Rao, M.P.

Members

1. Shri Hariraj Swarup, representative of the All-India Organisation of Industrial Employers on the Central Employment Advisory Committee.
2. Shri Ratan Lal Malviya, President, Madhya Pradesh Branch of the I.N.T.U.C., representative of the I.N.T.U.C. on the Central Employment Advisory Committee.
3. Shri V. K. R. Menon, I.C.S., Secretary, Ministry of Labour, representing the Ministry of Labour (at present Director, International Labour Office, India Branch, New Delhi).
4. Shri C. S. Menon, Joint Secretary, Ministry of Finance, representing the Ministry of Finance.
5. Shri G. K. Chandiramani, Deputy Educational Adviser and Ex-officio Deputy Secretary, Ministry of Education, representing the Ministry of Education.
6. Shri P. M. Sundaram, Deputy Secretary, Ministry of Home Affairs, representing the Ministry of Home Affairs.
7. Shri O. N. Misra, I.A.S., Labour Commissioner, U.P., Kanpur, representative of the Government of U.P.

Secretary

Shri F. M. Nathaniel, Deputy Director of Employment Exchanges, Directorate-General of Resettlement and Employment, Ministry of Labour.

On transfer of Shri P. M. Sundaram to the Ministry of Labour with effect from the 1st March, 1954, Government appointed

Shri R. K. Rangan, Deputy Secretary, Ministry of Home Affairs, as a representative of that Ministry on the Committee.

2. The terms of reference of the Committee were:

To assess the need for the continuance of the Resettlement and Employment Organisation in the context of the country's economic and social development and to suggest with reference to such need what its future shape should be. In particular—

- (a) to enquire into the whole question of the future of the Resettlement and Employment Organisation and examine whether part of the Organisation should be transferred to the State Governments or not; in the latter event, what degree of superintendence and control should be retained by the Central Government;
- (b) to assess the results obtained by the Employment Exchanges and Training Schemes, including the Scheme for the Training of Instructors and Supervisors at the Central Institute, Koni-Bilaspur;
- (c) to consider on what basis the Training Schemes should be continued and whether the present system of granting stipends should be abolished or modified;
- (d) to examine whether there should be further expansion of Employment Exchanges and training programmes consonant with the increased requirements of the country;
- (e) to consider whether legislation should be introduced making it obligatory for industry to recruit personnel, at least in the larger industrial centres, through Employment Exchanges; and
- (f) to consider whether Government should make a small levy from employers and/or employment-seekers in order to finance part of the cost of the Organisation.

3. With a view to eliciting opinion on the working of the Employment Service Organisation, the need for its continuance and its future shape, the Committee issued a comprehensive Questionnaire (App. II), covering all the various aspects of the work of the Organisation, to the various State Governments, Ministries of the Government of India, Employers' Organisations, Workers' Organisations, Central, Regional and Sub-Regional Employment Advisory Committees and other important organisations. A list of the organisations and individuals who furnished replies to the Questionnaire or furnished written memoranda is given in Appendix III. The Committee is grateful and acknowledges its thanks to all those who sent replies to the Questionnaire.

4. The Committee held its first meeting in Delhi on the 9th February, 1953, and subsequently held fiftyfive sittings. At the first meeting it decided *inter alia* to visit some important places in India with a view to meeting representatives of State Governments and Employers' and Workers' Organisations and to obtaining their views on matters falling within the Committee's terms of reference. Accordingly, the Committee visited Kanpur, Lucknow and Calcutta during April, and Madras and Bombay during August, 1953. In December, 1953, the Committee met the representatives of the Planning Commission, the Ministry of Education and the Directorate-General of Resettlement and Employment. All these meetings were of immense value to the Committee as they afforded the members an opportunity of having free and frank discussions with persons connected with or interested in the Organisation. A list of persons whom the Committee met is given in Appendix IV. The Committee would also like to avail of this opportunity to express its thanks to all those who responded to its invitation and gave evidence before it.

5. The Committee also visited some Employment Exchanges and Training Centres located at Kanpur, Lucknow, Calcutta and Madras and studied in detail their working and the problems confronting them.

6. The Committee has given careful consideration to the views of various Governments, representative organisations of industrialists and workers and has also kept in view the experience of other countries in regard to employment service organisation. The conclusions that the Committee has reached as a result of its deliberations and the considerations that have led to those conclusions, together with the recommendations, are set out in the following chapters.

7. The Report is divided into two parts. The first part deals with the Employment Exchange Organisation and the second part with the Organisation of Training. A summary of recommendations is given at the end.

PART I
CHAPTER I
EMPLOYMENT SERVICE IN INDIA—
A HISTORICAL SURVEY

8. *Unemployment Convention of the I.L.O. (1919).*—The origin of the idea of setting up an employment service in India can be traced to the Unemployment Convention, adopted by the first session of the International Labour Conference held in Washington in 1919, which provided *inter alia* for the establishment of a system of free public employment agencies under the control of a central authority. India's ratification of the Convention in 1921—and she was one of the few countries that did so—is evidence of her recognition of the value of a free public employment service. It is true, though, that she could not, for many years, set up such a service on account of constitutional, economic and other difficulties.

9. *The Royal Commission on Labour in India (1931).*—Ten years later the question of setting up an employment service in India came up for consideration by the Royal Commission on Labour. At that time, India, in common with many other countries, was going through a period of stress in the economic sphere. Industry was involved in the general depression and the position was one of anxiety for industrialists, workers and Government. The Commission expressed the view that Employment Exchanges could not provide an effective remedy for any general unemployment arising in times of economic stress. It held that while Employment Exchanges might help to increase mobility of labour, they could not augment the volume of employment, nor could they render much employment assistance unless employers were compelled to recruit through them. The Commission did not, however, consider that general compulsion on industry to recruit through Employment Exchanges was practicable in the conditions then prevailing. Though the Commission favoured the maintenance by employers of joint bureaux for recruitment, it did not consider that the time was opportune for setting up such bureaux, particularly when most factory-owners could find sufficient labour at the gates. It will thus be seen that while the Commission did not consider that Employment Exchanges by themselves could provide an effective remedy for alleviating unemployment, it was not opposed in principle to the idea of an intermediary agency to bring employers and workers together.

10. *Government of India Act, 1935.*—According to the Government of India Act, 1935, "Unemployment" was classified as a Provincial

Subject. As a result of this change, which meant that initiation of ameliorative measures against unemployment became the responsibility of Provincial Governments, and also because India was at that time passing through a period of general depression, it was not considered an opportune time for setting up Employment Exchanges in the country. India, therefore, denounced the I.L.O. Convention in the year 1938. This denunciation, however, did not arise from any lack of appreciation of the principles underlying the Convention

11. *Recommendations of other Committees.*—Various Committees appointed from time to time by the Provincial Governments and the Government of India to investigate into the problem of unemployment or into different aspects of labour problems recommended the setting up of suitable employment agencies. These recommendations bear testimony to the fact that there has all along been a growing recognition in the country of the need for an employment service.

12. The Committee appointed by the Government of the United Provinces in 1927 to suggest ways and means of alleviating the conditions of unemployment prevailing among the educated classes of the United Provinces recommended *inter alia* the setting up of Employment Bureaux at Lucknow, Allahabad, Cawnpore and Agra. Although this recommendation was not implemented, arrangements were made for registering candidates needing employment assistance on payment of a fee of Re. 1 per head. Steps were also taken to compile a hand-book of suitable avenues of employment.

13. The Sapru Committee on Unemployment, appointed by the Government of the United Provinces, recommended in December, 1935, the setting up of two separate Appointments Boards, one for graduates of the various Universities in the United Provinces and the other for the products of Secondary Schools, Intermediate Colleges, Vocational Schools, Industrial Schools, etc., to help them in finding suitable employment and to collect statistics of employment and unemployment among them.

14. The Cawnpore Labour Enquiry Committee (1938), under the Chairmanship of Dr. Rajendra Prasad (now President of India), advocated the establishment of Employment Exchanges, which, the Committee thought, would lead to a better organisation of labour supply. The Committee said—

“Both the employers and the workers have advocated it (establishment of Employment Exchanges). We believe that if vacancies on the substitute lists are filled by reference to the Labour Exchange, a very important

step will have been taken towards the elimination of bribery and corruption associated with recruitment.”

15. The Bihar Labour Enquiry Committee, also under the Chairmanship of Dr. Rajendra Prasad, recommended specifically the setting up of an Employment Exchange under State control for the Jharia coal-field. It was not uncommon to find a surplus of labour in one colliery co-existing with scarcity of labour in another, and the Committee felt that the Employment Exchange should be able to meet such a state of affairs. The Committee also held that employers could be expected to pay a fee for every worker supplied by the Employment Exchange and found suitable. Finally, it expressed the hope that the Employment Exchanges in India might become in course of time a machinery for the administration of schemes of unemployment relief or insurance when such schemes were instituted.

16. The Textile Labour Enquiry Committee, Bombay, in July, 1940 recommended that a beginning should be made by Government in large industrial centres in the country in organising Employment Exchanges; that Bombay, Ahmedabad and Sholapur would be suitable centres for initiating the experiment. The Committee further recommended that Exchanges should organise the supply of labour for all industries, including Government factories and workshops, and expressed the view that Exchanges would be most useful to the Textile Industry.

17. The Labour Investigation Committee, which was set up by the Government of India in February, 1944 to collect data on various aspects of the field of labour, with a view to enabling Government to draw up a programme of social security for labour in India, also looked into the various recruitment methods employed in private industry and considered the measures that might be adopted to eliminate the evils of recruitment by jobbers. The Committee came to the following conclusion:—

“Probably the only real remedy lies in having a wide network of Employment Exchanges. Employment Exchanges cannot only prevent the abuses of recruitment through jobbers but are also bound to prove a more efficient system of recruitment for skilled and semi-skilled labour and also, perhaps, for unskilled labour.....Even if Employment Exchanges do not increase employment (at best they can reduce frictional unemployment), they can at least remove the abuses of the present system of recruitment and save employers the trouble and expense of active recruiting. Employment Exchanges are no

longer to be regarded as institutions for the mere convenience of employers but should take their proper place in any orderly system of industrial relations.....If these functions are fully discharged by Employment Exchanges, they are bound to prove useful in galvanising the employment market”.

18. *National Service Labour Tribunals.*—The first Employment Exchanges in India came into being more or less as appendages of the National Service Labour Tribunals set up to administer the National Service (Technical Personnel) Ordinance, 1940. When the Tribunals were first established, the intention was that they should gradually assume the role of Employment Exchanges for technical personnel. The statutory powers given to the Tribunals, during the period of the war emergency, to fix wages and terms of service and to compel an employer to give up an employee and an employee to take up employment in the national service, distinguished them from Employment Exchanges working on voluntary basis in other countries. As the war progressed, it was felt that an Employment Exchange Organisation should be built up to deal with the registration and voluntary placement of skilled and semi-skilled workers who would be thrown out of employment on the termination of hostilities. The Tribunals had gained much experience of the requirements of employers and in the placement of labour, and it was proposed, therefore, to organise under them voluntary Employment Exchanges for skilled and semi-skilled personnel. Accordingly, during the period 1943-44, 10 Employment Exchanges were started, on an experimental basis, in Calcutta, Bombay, Ahmedabad, Madras, Cawnpore, Lahore, Nagpur, Delhi, Jamshedpur and Karachi. To begin with, these Exchanges were open to technical personnel only. Employers were required to notify to the Employment Offices all vacancies in the technical category and to furnish monthly reports as to how the vacancies had been filled. It was not obligatory on employers to engage applicants referred to **them** by the Exchanges, although they were encouraged to seek their assistance. If an employer rejected an applicant referred to him by an Exchange, he was required to give reasons for the rejection. Industrial undertakings were also required to issue the technical personnel discharged or dismissed, a service certificate in a prescribed form.

19. *Setting up of the Directorate-General of Resettlement and Employment.*—The Employment Service as such came into being under the stress of post-war demobilisation. Towards the end of the War, the need was felt for a machinery that would facilitate orderly absorption in civil life of a large number of Service personnel and war-workers who were to be released. Having regard to the

complexity and magnitude of the problems arising from the demobilisation and resettlement in civil life of such a large body of returning Service men and to ensure uniformity and co-ordination of policies governing demobilisation and resettlement, it was considered necessary that the machinery to be set up should be directed and controlled by the Central Government. To empower the Central Government to assume, temporarily, the responsibility involved, a suitable amendment was made to the Government of India Act, 1935. The Labour Department of the Government of India prepared a scheme for the setting up of a Resettlement and Employment Organisation and obtained concurrence of Provincial Governments thereto. In pursuance of this scheme, a Directorate-General of Resettlement and Employment was created in July, 1945 with the object of supervising, co-ordinating and directing the work of both the central and regional sections of the Organisation. The entire country was divided into 9 regions each placed under the charge of a Regional Director.

20. The scheme provided for a net-work of 71 Employment Exchanges to be established throughout the country by February, 1946. Till such time as the Exchanges were established, the work was entrusted to the Army Recruiting Organisation, in addition to its duties connected with recruitment. The Recruiting Offices were designated Recruiting and Employment Offices and made responsible for the registration and placement of specified categories of ex-Servicemen and women. At the end of December, 1945, there were 118 Recruiting and Employment Offices. These handed over their employment functions to the Employment Exchanges as and when they were set up and by the 31st May, 1946, all Recruiting and Employment Offices in British India had handed over their employment records to the Exchanges concerned.

21. For a time, there was a Resettlement Advice Service under the D.G.R.&E. to explain to Service personnel the procedure for contacting Employment Exchanges and to advise them generally in regard to the various possibilities of their re-employment. This Service was wound up in February, 1948.

22. *Employment Exchanges.*—The 71 Exchanges were to consist of one Central, nine Regional, two Special Exchanges for Naval and Aircraft trades respectively and 59 Sub-Regional Employment Exchanges. The function of the Central Exchange was to co-ordinate the work of the Regional Exchanges and to act as an inter-Provincial clearing house. The Regional and Sub-Regional Exchanges were responsible for registration and placement of personnel within their

respective areas. The Regional Exchanges, in addition, were responsible for co-ordinating the work of the Sub-Regional Exchanges within their respective areas and for acting as regional clearing houses.

23. *Employment Information Bureaux.*—As the area covered by some Sub-Regional Exchanges was large, need was felt for Employment Information Bureaux within easy access of demobilised persons. Provinces were advised to set up, at their cost, a Bureau for each compact area covering roughly 1,000 demobilised persons. These Bureaux were to work as agencies of the Sub-Regional Exchange concerned. Their main function was to provide a supplementary channel for communicating information, advice and guidance to ex-Servicemen and women on all matters connected with their training, registration and placement and for forwarding their requests, communications and representations to the Sub-Regional Employment Exchange concerned. A number of States opened such Bureaux in their areas. Others entrusted the work of the Bureaux to their District Soldiers' Sailors' and Airmen's Boards. In the year 1946, there were 173 Employment Information Bureaux in the various regions, in addition to 79 Sub-Information Bureaux in Madras. Most of them were closed down by the year 1948, while the remaining were converted into District Employment Exchanges.

24. Four Zonal Employment Information Bureaux were set up in the twin-cities of Hyderabad and Secunderabad (Hyderabad) in November, 1951 as an experimental measure to render assistance to employment-seekers residing in sections of the cities remote from the Employment Exchange. In October, 1952, 6 more Bureaux were set up, though two of them were subsequently closed down. Thus, there are 8 such Bureaux in operation at present. They function on a part-time basis and are under the charge of honorary social workers designated as Zonal Officers.

25. *Mobile Sections of Exchanges.*—To meet the requirements of demobilised personnel residing in areas remote from Exchanges, sanction was accorded in September, 1945 for purchase of 71 vehicles to operate as Mobile Exchanges. Actually, only 45 Employment Exchanges were supplied with vehicles. 15 vehicles were withdrawn in April, 1951 so that at present there are only 30 Mobile Sections in operation which have vehicles attached to them.

26. *Employment Exchanges in Indian States.*—Employment Exchanges were also opened during the year 1946 in 17 Indian States. Those States which did not open Exchanges were linked with the nearest Employment Exchange in British India. At the end of April, 1950, 10 Exchanges were functioning in the various Part B

States. These came under the administrative control of the Directorate-General of Resettlement and Employment in April, 1950, under the Financial Integration Scheme. Eight more Exchanges were subsequently opened so that at present there are 18 Employment Exchanges functioning in Part 'B' States.

27. *District Employment Exchanges.*—In addition to Regional and Sub-Regional Exchanges, District Employment Exchanges have been set up from time to time in different States. There are at present 55 such Exchanges in the country as a whole.

28. *Growth of Employment Exchanges.*—The number of Employment Exchanges in operation at the end of each year since 1945 is given below :

<i>Year</i>	<i>Total No. of Employment Exchanges at the end of each year</i>
1945	18
1946	69
1947	75
1948	77
1949	109
1950	123
1951	126
1952	131
1953 (30th September)	126

NOTE: (1) Figures for the year 1945 and 1946 relate to the total number of Exchanges in undivided India. On Partition, 2 Regional and 15 Sub-Regional Exchanges were transferred to Pakistan.

(2) The number of Employment Exchanges given above does not include the Central Employment Co-ordination Office. The figure for the year 1953 includes 9 Regional Employment Exchanges, 62 Sub-Regional Exchanges or Employment Exchanges and 55 District Employment Exchanges.

29. *Special Employment Bureau.*—A Special Employment Bureau was set up by the Ministry of Rehabilitation in March, 1948 for employment assistance for highly-qualified displaced persons. This was transferred to the D.G.R. & E. in October, 1948. Up to the end of the year 1948, the Bureau had registered 2,359 persons including 106 women; the number of those placed in employment

was 435. The Bureau was wound up at the end of August, 1950 and the Index Cards of applicants remaining on the Register of the Bureau were transferred to the Exchanges within whose jurisdiction the applicants lived.

30. *Land Colonisation Schemes, Schemes relating to formation of Co-operative Societies and Schemes of Further Education.*—Apart from the Central Government's Schemes for the resettlement and employment of demobilised Services personnel, various Provincial/State Governments prepared Land Colonisation Schemes and Schemes for setting up industrial, transport and construction co-operative societies. These were calculated to aid further in the process of resettlement, to inculcate among ex-Service personnel the spirit of self-help and mutual co-operation and to provide on that basis opportunity to return to land or take work in cottage industries, workshops or transport services. Employment Exchanges took an active part in the various schemes; they publicised them, brought the details of the schemes to the notice of eligible applicants, forwarded applications to the appropriate State authorities and made arrangements for selection. Responsibility for publicising the various schemes, and for forwarding applications from ex-Servicemen who desired to participate in them, which had been passed on by the Ministry of Defence to the D.G.R. & E. in June, 1947, was re-transferred to that Ministry in September, 1949. Employment Exchanges also similarly assisted in the schemes for the Further Education of Ex-Service Personnel.

31. *Group Employment Scheme.*—A Group Employment Scheme was sanctioned in September, 1946 as an experimental measure for a period of six months with a view to providing employment on Central Government construction works for unskilled workers demobilised from the Armed Forces, the Civil Pioneer Force or other work connected with the war effort. Responsibility for the administration of the Scheme was entrusted to the D.G.R. & E. in November, 1946. The Scheme was, however, abandoned in August, 1947.

32. The Government of India also requested Provincial/State Governments to introduce Group Employment Schemes in their areas and made an offer of financial assistance up to the extent of 50 per cent. of losses, if any, incurred during the year 1946-47, subject to the condition that such losses should not exceed annas four per labourer per day. The Governments of Madras and Orissa introduced such schemes in their respective States but discontinued them after about a year. The U.P. Government also introduced similar

schemes some of which continue to function. These are financed entirely by the U.P. Government and are being administered on behalf of the U.P. Government by the Regional Director of Resettlement and Employment, U.P.

33. *Gorakhpur Labour Organisation.*—The Gorakhpur Labour Organisation was first set up during the War with a view to supplying labour to various Defence projects and to coal-mines. With the termination of the War, the demand for Gorakhpur labour for Defence projects came to an end. As the coal-mines industry was anxious to continue to recruit some of its workers from Gorakhpur, it was decided that the Gorakhpur Labour Organisation should supply labour to the coal-mines on condition that the colliery-owners bore the entire expenditure. The colliery-owners formed an association known as the Coal-Fields Recruiting Organisation which entered into an agreement with the Government of India agreeing to bear the entire expenditure of the Gorakhpur Labour Organisation. The Government on their part recognised the Coal-Fields Recruiting Organisation as the sole agency for distributing Gorakhpur Labour to the member collieries. Thus, while Government of India bears no financial liability, it is still responsible for the administration of the Gorakhpur Labour Organisation.

34. *Extension of the scope of the Employment Exchanges.*—Till the end of the year 1946, Employment Service facilities were available only to demobilised Services personnel and discharged war-workers. There was a growing demand, however, that Exchange facilities should also be made available to other categories of employment-seekers. The Employment Exchanges in Assam, West Bengal, Bihar, Delhi and U.P. were thrown open to all categories of employment-seekers in 1947. In Bombay, Madras and Orissa also the scope of the Exchanges was enlarged to include certain other categories of persons besides ex-Servicemen and discharged war-workers. Early in 1948, the Employment Exchanges in all Provinces were thrown open to all categories of workers.

35. *Extension of the term of the Employment Exchange Organisation.*—The Resettlement and Employment Organisation was originally set up for a period of five years. In August, 1949, Government decided that the Employment Exchanges and Technical and Vocational Training Centres should continue to be administered by the Directorate-General of Resettlement and Employment up to the 31st July, 1952, subject to certain reductions in expenditure to be effected as a measure of economy. The life of the Organisation has since been extended upto March, 1955 on the existing financial and administrative basis.

CHAPTER II

GENERAL ADMINISTRATIVE ORGANISATION

36. The Employment Service Organisation, as constituted at present, functions under the administrative control of a Director-General of Resettlement and Employment who is responsible to the Secretary, Ministry of Labour, and through him to the Minister for Labour, for the policy, conduct and efficiency of the Organisation. The Director-General lays down broad policies to be followed by the Organisation in the several lines of its activities and supervises, co-ordinates and directs its work. The Director-General is assisted in the discharge of his responsibilities by two Directorates and a Branch Secretariat. He is advised on the policy and practice of the Organisation by an advisory committee known as the Central Employment Advisory Committee which has as its members representatives of Governments (Central and States), Employers' and Workers' Organisations and other important interests. The Director-General himself is the Chairman of the Committee.

37. For administrative convenience the Organisation has been divided into two sections—Central and Regional. The Central unit constitutes the Headquarters of the Organisation.

Organisation of Headquarters

38. The Headquarters consists of two Directorates, namely, the Directorate of Employment Exchanges and the *Directorate of Training and of the Branch Secretariat, with the Director-General at the head.

39. *Directorate of Employment Exchanges.*—The Directorate of Employment Exchanges is responsible for co-ordinating the work of all Employment Exchanges and for advising the Director-General on matters pertaining to policy, organisation and control. The Directorate studies employment trends and employment problems on an all-India basis and is responsible for collection and analysis of all-India statistics and for research on questions affecting employment. It is also responsible for the training of staff, inspection of Employment Exchanges and for publicising the activities of the Organisation.

40. At the head of the Directorate is the Director of Employment Exchanges who is assisted in his work by three Deputy Directors,

*The general administrative organisation relating to training both at the Centre as well as in the Regions is given in Part II of the Report.

five Assistant Directors, one Statistical Officer, two Assistant-Statistical Officers and one Staff Training Officer.

41. *Central Employment Co-ordination Office.*—The Director of Employment Exchanges is also responsible for the supervision of the Central Employment Co-ordination Office which is a subordinate office located at the Headquarters. The main function of this office is to clear on an all-India basis vacancies which cannot be filled locally or regionally. The Central Employment Co-ordination Office is also responsible for the maintenance of the Special Register of Retrenched/Surplus Class I and Class II Officers of the Government of India and for submission of suitable persons from the Special Register against vacancies arising under the Government of India, which are filled on the recommendations of the U.P.S.C. The Central Employment Co-ordination Officer is of the status of an Assistant Director of Employment Exchanges and is assisted by two Assistant Employment Officers.

42. *Secretariat.*—The head of the Organisation, namely, the Director-General is usually also an ex-officio Joint Secretary to the Government of India. In this latter capacity he is assisted by one Deputy Secretary and three Under Secretaries. The post of the Director-General is vacant at present; the Deputy Secretary is holding, as a temporary measure, current charge of the duties of the Director-General.

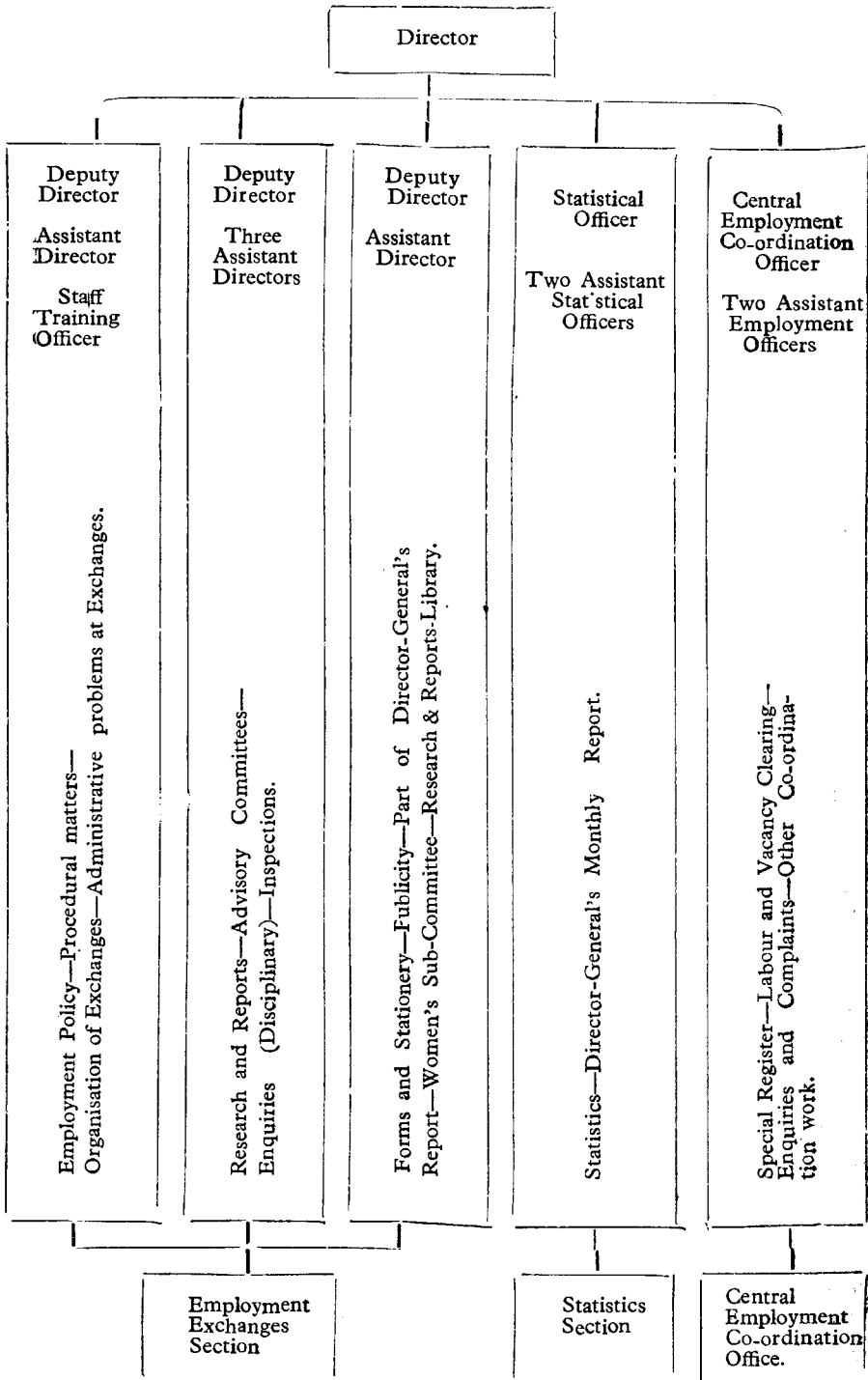
43. The general organisation of the Directorate of Employment Exchanges and of the Secretariat is shown in the Charts on pages 15 and 16.

Organisation of Regional Offices

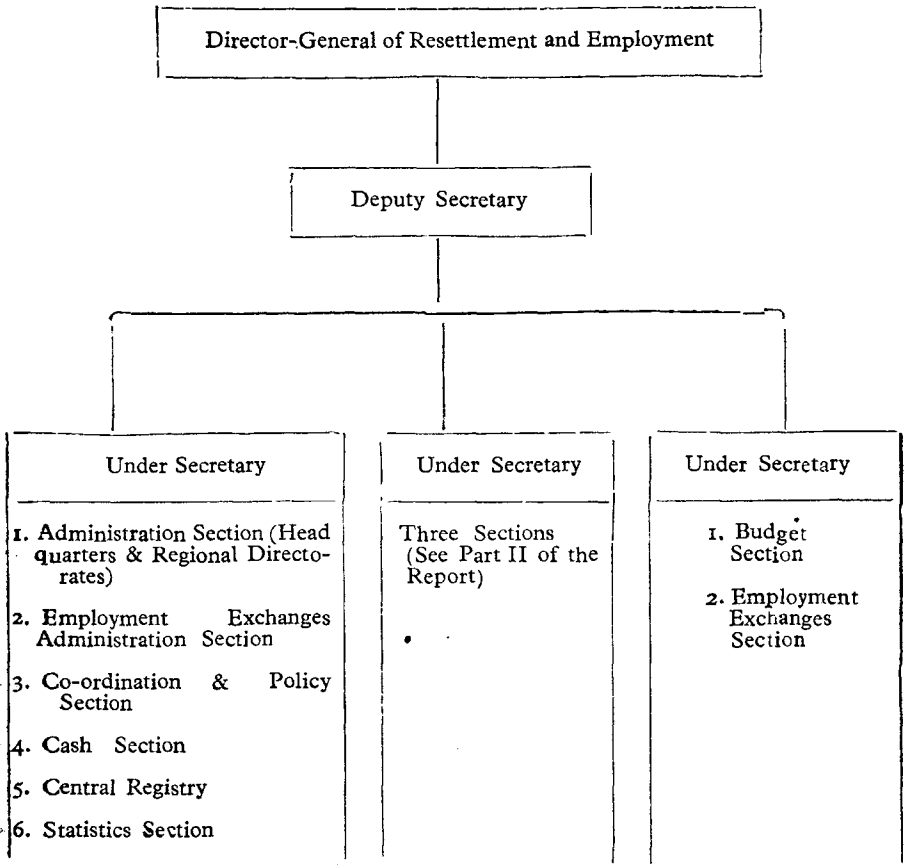
44. For purposes of administration the country is divided into Regions. At present there are eleven Regions, viz., Assam, Bihar, Bombay, Delhi-Ajmer and Rajasthan, Hyderabad, Madhya Pradesh, Madras, Orissa, Punjab, Uttar Pradesh and West Bengal. Except in the case of Bihar, Hyderabad, Orissa and West Bengal, where the State constitutes the Regional unit, the boundary of the Region overlaps the area of two or more States.

45. *Regional Directors of Resettlement and Employment.*—Each Region is placed under the charge of a Regional Director directly responsible to the Director-General for the supervision and efficient running of the Organisation in the Region. The Regional Director is required to establish and maintain close liaison with the State Government or Governments in his Region. While the duties of all

Organisation of the Directorate of Employment Exchanges



Organisation of the Secretariat



Regional Directors are the same, all are not of equal status; nor do they draw the same rates of pay.

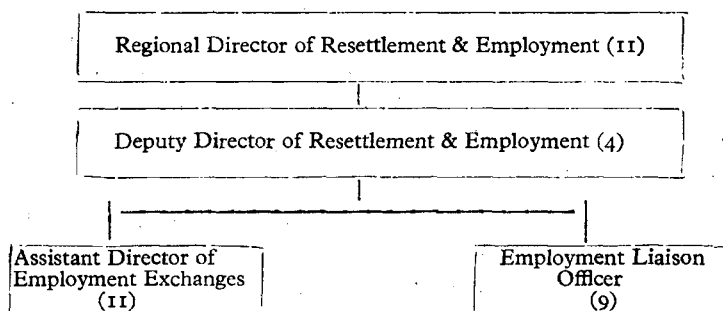
46. The Regional Directors are assisted in their work by Assistant Directors of Employment Exchanges. Madras, Bombay, West Bengal and Uttar Pradesh Regions have, in addition, a Deputy Director of Resettlement & Employment. In each Region (except Orissa which has an Assistant Public Relations Officer), there is an Employment Liaison Officer to assist the Regional Director in the organisation of publicity with a view to popularising the Employment Exchanges amongst employment-seekers and employers.

47. As in the case of the Director-General, the Regional Director is advised in matters pertaining to employment and training by a Regional Employment Advisory Committee. This is also a tripartite body consisting of representatives of the State Government

or Governments, Employers' and Workers' Organisations and other important interests. The Regional Director is the Chairman of this Committee and the Employment Liaison Officer its Secretary.

48. The organisational structure of a Regional Directorate is given below:—

Organisation of Regional Directorate



NOTE :—

- (1) The number of posts in all the different Regions taken together is shown in brackets.
- (2) There is a Deputy Director of Resettlement & Employment in Bombay, Madras, Uttar Pradesh and in the West Bengal Regions.
- (3) Madhya Pradesh, Orissa and Assam Regions do not have Assistant Directors of Employment Exchanges. All other Regions have one Assistant Director of Employment Exchanges except the Madras, Uttar Pradesh and Hyderabad Regions each of which has two such officers. The posts of Assistant Directors in the Hyderabad Region carry State Government rates of pay.
- (4) All Regions except Orissa and Hyderabad have an Employment Liaison Officer. Orissa has an Assistant Public Relations Officer.

Organisation of Employment Exchanges

49. There are at present 126 Employment Exchanges in the country which fall under three broad categories, namely, Regional Employment Exchanges, Sub-Regional Employment Exchanges and District Employment Exchanges. The Exchanges located in part 'R' States are usually called 'Employment Exchanges'. The number of Exchanges under the various categories is given below:

Regional Employment Exchanges	...	...	9
Sub-Regional Employment Exchanges	...	...	45
District Employment Exchanges	...	...	55
Employment Exchanges	...	...	17

A distribution of the Employment Exchanges according to Regions and States is shown in Appendix V.

50. Each Region is divided into sub-regions consisting of two or more districts. Each sub-region is served by an Exchange designated as the Sub-Regional Employment Exchange, except in the case of one selected sub-region in most States, where the office is designated as the Regional Employment Exchange. The only additional function which the Regional Employment Exchange performs is that it acts as the Regional Employment Co-ordination Office for purposes of clearing vacancies which the Exchanges in the region find difficult to fill locally. In Assam and Orissa, however, where there is no Regional Employment Exchange, this function is performed by the Sub-Regional Employment Exchanges at Shillong and Cuttack. Both the Regional and the Sub-Regional Employment Exchanges supervise the work of the District Employment Exchanges within their respective jurisdictions.

51. Where necessitated by local conditions, Sub-Offices have been set up with the concurrence of the Directorate-General and the State Government concerned to serve the needs of particular projects or industries. These Sub-Offices, which function more or less, as out-housed sections of Exchanges, are normally staffed by personnel borne on the strength of the Regional, Sub-Regional or District Employment Exchanges concerned. There are at present 29 such Sub-Offices, out of which 5 have been set up for the purpose of operating decasualisation schemes.

52. A Regional Employment Exchange is placed under the charge of a Regional Employment Officer (an officer of the grade of an Assistant Director) assisted by Deputy Regional Employment Officer(s) and Assistant Employment Officers. A Sub-Regional Employment Exchange has a Sub-Regional Employment Officer and one or more Assistant Employment Officers. A District Employment Exchange is under the charge of a District Employment Officer, who is of the same status as an Assistant Employment Officer. The number of Assistant Employment Officers at a Regional or Sub-Regional Employment Exchange and the strength of the ministerial staff at an Exchange vary according to the volume of work. Some Employment Exchanges have Assistant Employment Officers with technical qualifications, who are designated Assistant Employment Officers (Technical).

53. In each Exchange, particularly the bigger ones like the Regional and the Sub-Regional Employment Exchanges, work is organised in a number of sections, such as a section for registration of applicants, a section for documentation of vacancies and submissions, a women's section, a vacancy and labour clearing section, a section to deal with highly qualified applicants and vacancies for such applicants, a general section and a "mobile" section. In some

of the major Exchanges where the volume of work is very heavy, separate sections have been set up to handle different categories of workers.

54. Attached to each Sub-Regional Employment Exchange is an Employment Advisory Committee which is also a tripartite body consisting of representatives of Government, employers and workers. The Deputy Commissioner or Collector concerned is the Chairman of the Sub-Regional Employment Advisory Committee and the Sub-Regional Employment Officer its Secretary. Regional Employment Exchanges, except those at Kanpur and Ambala, do not have separate advisory committees. The Regional Employment Advisory Committees set up to advise the Regional Directors are intended to serve the needs of the Regional Employment Exchanges as well.

Methods of securing administrative co-ordination

55. As already stated, the Organisation is centrally administered. All Employment Officers (excepting those at District Exchanges run by State Governments and those in Part 'B' States) are selected through the U.P.S.C. The qualifications, emoluments, etc., prescribed for the posts of Employment Officers, with the exception mentioned above, are uniform throughout the country. The ministerial staff at the Exchanges are selected locally and are paid the prescribed scale of pay of the Government of India. Ministerial staff at the Regional Directorates, Class IV staff and Motor Drivers, both at the Exchanges as well as the Regional Directorates, are paid according to the scales of pay prevalent in the Secretariats of the respective States. The ministerial staff at the District Exchanges run by State Governments and at the Exchanges in Part 'B' States get States rates of pay. In the case of the Delhi Regional Directorate and the Exchanges located in Part 'C' States, all categories of staff are paid at the Central rates.

56. Though the Organisation is centrally administered, its structural pattern necessitates adoption of measures with the object of securing co-ordination and uniformity between the three main components—Headquarters, Regional Directorates and Employment Exchanges. Co-ordination and uniformity are brought about through—

- (1) central instructions;
- (2) central inspections; and
- (3) conferences of Employment Officers and Regional Directors.

57. *Central Instructions.*—All instructions of a permanent and semi-permanent nature are embodied in the Manual of Instructions for Employment Exchanges. Explanations and commentaries on instructions, when necessary, are issued in the form of Employment Exchange Explanatory Notes. In addition to the Manual and the Explanatory Notes, instructions on various routine and incidental matters are issued through the medium of Employment Exchange Minutes. The instructions embody the basic policy and prescribe procedure for the day-to-day work of the Exchanges. The instructions are sometimes drawn up in consultation with the Regional Directors but the responsibility for issuing the instructions rests with the Central Headquarters.

58. *Central Inspection.*—To ensure that the Exchanges maintain, at all times, a high level of efficiency, as also to check whether they implement prescribed policies and procedures, they are inspected regularly by Inspecting Officers from the Headquarters. The Central Inspectorate conducts an all-India programme of inspection co-ordinated, as far as possible, with Regional inspections conducted by Regional Officers. In addition to the Central and Regional inspections, Employment Exchanges themselves are required to conduct internal inspections periodically.

59. *Conferences of Employment Officers and Regional Directors.*—Employment Officers' Conferences are held sometimes in the Regions, which are, whenever possible, attended by an officer from the Headquarters. These conferences help in the promotion of unified programmes and procedures. In addition to the Employment Officers' Conferences in the Regions, conferences of Regional Directors are held at the Headquarters once a year where administrative and procedural problems are discussed. These help in the formulation of policies by the Headquarters and at the same time provide an opportunity to the Headquarters to explain or clarify its policies.

Financing of the Employment Service

60. The expenditure on the Headquarters of the Organisation, the Regional Directorates and on Employment Exchanges in Part 'C' States is borne entirely by the Central Government. As regards Employment Exchanges in Part 'A' and Part 'B' States, the Central Government and the State Government concerned share the expenditure in the ratio of 60: 40. The State Governments also provide at their own cost office accommodation for the Employment Exchanges. The expenditure on the District Employment Exchanges in Uttar Pradesh and Bihar is borne entirely by the respective State Governments. In the case of Bihar, however, the contingent expendi-

ture of the District Employment Exchanges is shared between the Central and the State Governments in the prescribed ratio of 60: 40.

61. As the major portion of the expenditure on Employment Exchanges is met by the Central Government, the entire expenditure is initially debited to the Central Government and the share of the State Government is recovered at the end of the financial year by the Accountant-General in consultation with the Regional Director concerned. The gross total expenditure on Employment Exchanges at present is Rs. 50·38 lakhs a year, the Central and State Governments' shares being Rs. 37·13 lakhs and Rs. 13·25 lakhs respectively.

NOTE.—Financial arrangements relating to the expenditure on Training Centres, etc., are given in Part II of the Report.

CHAPTER III

REVIEW OF WORK PERFORMED BY THE EMPLOYMENT EXCHANGES

Registration and Placing

62. The main function of the Employment Exchanges is to help as speedily as possible employment-seekers to find suitable employment and employers to secure suitable workers. In order to assess the measure of success achieved in the performance of their main task, it would be necessary to know, in the first place, how many and what types of applicants have sought the assistance of the Exchanges. The following statement shows the number of registrations effected since the inception of the Organisation in July, 1945 up to August, 1953:—

Number of registrations effected by the Employment Exchanges during the period July, 1945—14th August, 1947 and 15th August, 1947—31st August, 1953.

Year	No. of Registrations
<i>Pre-Partition</i>	
1945 (July-Dec.)	51,306
1946	5,69,872
1947 (Jan.-14th Aug.)	4,22,123
TOTAL	10,43,301
<i>Post-Partition</i>	
1947 (15th Aug.-Dec.)	2,07,838
1948	8,70,904
1949	10,66,351
1950	12,10,358
1951	13,75,351
1952	14,76,699
1953 (Jan.-Aug.)	9,45,568
TOTAL	71,53,069
GRAND TOTAL	81,96,370

The figure of 71,53,069 pertains to the post-Partition period and includes both initial registrations as well as re-registrations. As the Exchanges do not maintain a separate account of re-registrations, it is not possible to say how often the same applicants came back to the Exchanges and got themselves re-registered or exactly how many individuals are represented by the registration figure. The fact that statistically no distinction is drawn between initial registrations and re-registrations is of special significance, particularly as the bulk of the registrants belong to the casual/unskilled category who, in the nature of things, apply much more frequently than others for re-registration on the termination of each spell of employment. Until the middle of 1951, Exchanges regarded each repeat registration as a re-registration and included it in the overall statistics of registrations. For example, a person registered on the first of a month and placed on the same day in a job lasting just that day was re-registered on his next visit to the Exchange. If that process was repeated each working day of the month in respect of the same person, statistics of the Exchange concerned showed that the Exchange had registered and placed 26 persons in the month. Since the middle of 1951, an applicant is shown registered only once even if he gets re-registered more than once during the month; even this means that one applicant can be re-registered once each month.

63. Another fact to be borne in mind, if the registration figure is to be viewed in its correct perspective, is that in a number of instances, particularly round about big cities, applicants get themselves registered at more than one Exchange without disclosing that they are already registered. Then again, the registration figure also includes persons already in employment, both those who disclosed the fact of their being employed and those who did not. The number of the latter type is not insignificant as was revealed by a recent sample survey at an Exchange which had about 36 per cent. of its registrants belonging to this category. Statistics are not available even of those who declared themselves as employed at the time of registration, so that it is difficult to say what percentage of the registrants are employed persons. Information is not available either to show the occupational distribution of applicants registered with the Exchanges. Some idea regarding the types of applicants who sought the assistance of the Exchanges can be formed from the composition of the Live Registers at the Exchanges as indicated in the statement on the next page.

Thus, out of 4,98,891 applicants on the Live Registers of Exchanges on 31st August, 1953, 1.0 per cent. belonged to the industrial supervisory group, 0.7 per cent. to skilled and semi-skilled, 28.8 per cent. to clerical, 2.6 per cent. to educational, 3.3 per cent. to domestic ser-

Statement showing by occupational distribution the number of applicants on the Live Registers of Exchanges at end of the months, January, June, December, 1951 and June, December, 1952 and June, August, 1953.

Types of Applicants	No. of applicants on Live Register						
	Jan. 51	June 51	Dec. 51	June 52	Dec. 52	June 53	Aug. 53
Industrial Supervisory	3,804	3,505	3,448	4,109	4,348	4,268	5,057
Skilled and Semi-skilled	43,799	40,065	38,021	43,759	46,728	45,150	48,147
Clerical	79,052	89,357	85,057	1,10,920	1,15,964	1,32,697	1,43,825
Educational	5,103	6,710	4,825	8,812	6,929	12,772	13,070
Domestic Service	12,151	11,613	11,704	12,447	13,922	14,822	16,726
Unskilled	1,74,701	1,55,192	1,62,445	1,76,864	2,24,479	2,34,264	2,39,269
Others	26,549	23,927	23,219	24,828	25,201	29,944	32,797
TOTAL	3,45,159	3,30,369	3,28,719	3,81,739	4,37,571	4,73,917	4,98,891

vice, 6.6 per cent. to an unclassified group and 48.0 per cent. belonged to the unskilled group. It is reasonable to presume that a much bigger proportion of the registrants belonged to the unskilled group considering that about 53 per cent. of those who register with the Exchanges in this group find employment within a month of their registration. This presumption is borne out by the results of a rapid survey conducted at our instance. The survey showed that during the period October, 1952 to September, 1953 the Exchanges registered 14,52,368 applicants of whom 8,27,500 were unskilled, i.e. 57.0 per cent. of those registered.

64. The statistics of registrations show a steady increase in the number of persons seeking the assistance of the Exchanges. Whether or not it is possible to discern any direct connection between the number registered with the Employment Exchanges and the level of unemployment throughout the period, the increase in the registrations can certainly, to some extent, be taken as indicative of the growing popularity of the Employment Exchanges. It is true, however, that the increase in registrations can also be attributed to the gradual expansion of the size and number and hence the coverage of the Employment Exchange Organisation.

65. The real value of the work performed by the Employment Exchanges must in the final analysis be judged in terms of the measure of success the Exchanges have achieved in finding employment for those who have sought their assistance. The following table shows that since Partition the Employment Exchanges have on an average placed 25.4 per cent. of those registered during the period:

Number of placings effected by the Employment Exchanges during the period July, 1945—14th August, 1947 and 15th August, 1947—August, 1953.

Year	No. of placings effected	Percentage of placements to registrations
<i>Pre-Partition</i>		
1945 (July-Dec.)	9,780	19.1
1946	1,06,208	18.6
1947 (Jan-14th August)	99,645	23.6
TOTAL	2,15,633	20.7

Year	No. of plac-ings effected	Percentage of placements to registrations
<i>Post-Partition</i>		
1947 (15th Aug-Dec.)	61,729	29.7
1948	2,60,088	29.9
1949	2,56,809	24.1
1950	3,31,193	27.4
1951	4,16,858	30.3
1952	3,57,828	24.2
1953 (Jan-Aug.)	1,32,980	14.1
TOTAL	18,17,485	25.4
GRAND TOTAL	20,33,118	24.8

Actually, all that the figure of 18,17,485 means is that since Partition as many job openings of varied duration were filled by the Exchanges—not that 18,17,485 different individuals were placed in employment. No information is available to show the duration of vacancies, nor of the actual number of persons helped into employment by the Exchanges. The placement figures themselves are to some extent inflated inasmuch as a certain proportion of these is a result of the dubious activities of some Employment Exchanges at “addas”, assembly points, or work-sites or at decasualisation offices where they merely registered and regarded as placed those who had already been selected by employers. Statistics of such placements are not available, so that it is not possible to measure the extent of the genuineness of the overall placement figure. Inclusion of engagements in which Employment Exchanges have played no active part has rendered the percentage of placements to registrations given in the statement above, somewhat undependable.

66. Break-up by broad occupational groups of vacancies against which the placements were effected is not available except for the period January, 1952 to August, 1953. This distributes the placements as follows:—

Statement showing distribution of placements effected during the period January, 1952 to August, 1953 by broad occupational groups.

Occupational groups	Period	
	Jan. 1952— August 1953	Percentage
Industrial Supervisory	3,665	0.7
Skilled and Semi-skilled	70,317	14.4
Clerical	44,073	9.0
Educational	6,943	1.4
Domestic Service	22,659	4.6
Unskilled	3,16,138	64.4
Others	26,813	5.5
TOTAL	4,90,808	100.0

Thus, unskilled placements accounted for 64·4 per cent. of the total placements effected during the period. The survey referred to above showed that during the period October, 1952—September, 1953, 2,26,882 unskilled placements were effected by the Exchanges, i.e. 60·0 per cent. of the total placements effected during the period. This is in accord more or less with the classification of placements by emoluments as given in the statement below:

Statement showing classification of placings by emolument groups.

Period	Percentage of placements in posts carrying emoluments of				
	Below Rs. 30 p.m.	Rs. 30 p.m. and above but less than Rs. 61 p.m.	Rs. 61 p.m. and above but less than Rs. 101 p.m.	Rs. 101 p.m. and above	
Jan. 1952—Aug. 1953	4·5	55·7	32·3	7·5	100·0

67. Information regarding the type of employer with whom the applicants were placed is available only since January, 1952, which shows that since January, 1952 to August, 1953, 1,33,783 placements were effected in Central Government, 1,06,720 in State Governments and 2,50,305 in private establishments. Thus, in spite of the factors already described, private employers did make a substantial contribution towards placements made by the Exchanges, though under no obligation to do so.

68. Success in placements by the Exchanges must also be judged by the speed with which the placements are effected. No information is available to show the period for which applicants remained on the Live Registers of Exchanges before being placed except for the brief period of three months, January-March 1953. This information, which is incomplete inasmuch as it is limited to those applicants who were placed and does not cover all who were registered, shows that whereas in the unskilled group 53 per cent. of the applicants were able to secure jobs within one month of their registration, only 15 per cent. of the applicants in the clerical group were absorbed within that period and that whereas 25 per cent. of the clerical applicants had to remain on the Live Register for a period of six months or more, only 7 per cent. of the unskilled and 12 per cent. of the applicants belonging to other groups had to wait so long. Taking all groups together, 44 per cent. of the placed applicants were on the Live Register for less than a month before being placed. If the unskilled group is not taken into consideration, 70 per cent. of the placed applicants belonging to the clerical and

other groups got employment within four months of their registration.

Registration and Placing of Special Categories of Applicants

69. *Ex-Service Personnel.*—It has already been stated that the Organisation was started initially with a view to resettling in civil life persons demobilised from the Armed Forces. Though it now caters for all who seek its assistance, ex-Service personnel continue to enjoy a high priority for recruitment to Central Government vacancies. Some of the State Governments also accord ex-Service personnel priority for absorption against their vacancies. Statistics are, however, not available to show how many ex-Service personnel have been absorbed in Central and State Government employment. The following statement shows that since Partition the Employment Exchanges have registered 7,82,808 ex-Service personnel and have placed 1,89,114 in employment i.e. 24.2 per cent. of those registered. This percentage compares very favourably with the overall percentage for the same period of placements to registrations, which was 25.4.

Number of Ex-Service Personnel Registered and Placed in employment by the Employment Exchanges during the period 1945—1953 and the Number remaining on the Live Register at the end of each Year.

PRE-PARTITION			
Year/Period	Registered	Placed	No. on Live Register at end of period
1945 (July-Dec.)	19,990	3,090	11,903
1946	4,42,274	76,589	2,34,675
1947 (Jan.-14th Aug.)	3,08,000	65,598	2,78,305
TOTAL (Pre-Partition)	7,70,264	1,45,277	..
POST-PARTITION			
Year/Period	Registered	Placed	No. on Live Register at end of period
1947 (15th Aug.-Dec.)	88,361	31,940	1,34,167
1948	1,95,485	68,821	47,579
1949	1,31,596	21,878	36,685
1950	1,08,482	17,517	34,240
1951	1,12,115	25,663	30,841
1952	87,638	14,462	27,120
1953 (Jan.-Aug.)	59,131	8,833	29,218
TOTAL (POST-PARTITION)	7,82,808	1,89,114	..
GRAND TOTAL	15,53,072	3,34,391	..

The fact that the Live Register has been more or less static since 1951 is significant. It would be reasonable to presume that about 30,000 ex-Service personnel, who continue to remain on the Live Register, are either difficult to place or are casual workers who come back to the Exchanges after short spells of employment, and that others have either been placed in employment or have found work or otherwise do not need the assistance of the Exchanges.

70. *Displaced Persons*.—Immediately after Partition in August, 1947, the Employment Exchanges were called upon to assist in the resettlement of displaced persons. Government decided that the Employment Exchanges should accord to some categories of displaced persons priority in submission against Central Government vacancies. While statistics are available to show how many displaced persons have been placed, it is not known how many have been placed in Government employment. The following statement shows the number of displaced persons registered and placed in employment by the Employment Exchanges and the number remaining on the Live Register:—

Number of Displaced Persons registered and placed in employment by the Employment Exchanges during the period 1947—1953 and the number remaining on the Live Register at the end of each year.

Year/Period	Registered	Placed	No. on Live Register at the end of period
1947 (Sep.-Dec.)	64,224	10,566	45,897
1948	2,73,886	72,474	50,958
1949	1,63,452	43,737	33,987
1950	1,68,650	29,657	58,091
1951	1,31,032	27,427	37,046
1952	1,04,171	17,088	37,569
1953 (Jan.—Aug.)	69,328	8,127	43,962
TOTAL	9,74,743	2,09,076	..

The percentage of those placed in employment to those registered works out to 21.4. The value of the work performed by the Employment Exchanges on behalf of displaced persons should not be assessed solely on the basis of the number actually placed in:

employment. The fact that the Employment Exchanges provided a placing agency to which displaced persons turned with some hope of resettlement and that the Exchanges did succeed in some measure in finding employment for those who sought their assistance had more than a negligible effect on the morale. There were other agencies also which participated in the resettlement of displaced persons, such as the Transfer Bureau of the Ministry of Home Affairs (which has since closed down) and in general the Ministry of Rehabilitation. The share of the Employment Exchanges in the overall task of the resettlement of displaced persons has by no means been insignificant.

71. *Discharged Government Employees.*—The Government of India have assumed moral responsibility for the resettlement of their retrenched employees and have ordered that in so far as recruitment to Central Government Departments is concerned all vacancies (other than those filled through the U.P.S.C. or through competitive examinations or by normal promotion) should be notified to the Employment Exchanges and that no office or establishment should fill vacancies by direct recruitment unless the Employment Exchanges certify inability to recommend suitable candidates. Exceptions to the general procedure for recruitment to Central Government vacancies have been permitted in certain cases. For example, while the Railways are required to notify their vacancies to the Exchanges, they are permitted to recruit from the open market also. Employment Exchanges have at the same time been instructed to accord discharged Central Government employees priority in submission against Central Government vacancies. Most of the State Governments have also prescribed the priority that should be accorded to their retrenched employees in the matter of submission against State Government vacancies. Not all State Governments, however, canalise recruitment to their vacancies through the Employment Exchanges, although almost all have laid down that vacancies in their departments or offices should be notified to the Employment Exchanges. The extent to which the Employment Exchanges have been successful in helping discharged Government employees into Government employment has largely been dependent on the degree of co-operation extended by the Central and State Government Departments. Statistics are not available, however, to show how many discharged Central and State Government employees have been helped into Government employment. The statement on the next page shows the volume of work performed by the Employment Exchanges on behalf of discharged Government employees.

72. In assessing the measure of success achieved by the Employment Exchanges in helping discharged Government employees, the

Number of discharged Government employees registered and placed in employment by the Employment Exchanges during the period April, 1946 to August, 1953 and the number remaining on the Live Register at the end of each year

Year/Period	Registered			Placed			Live Register at end of period		
	DGE(C)	DGE(S)	Total	DGE(C)	DGE(S)	Total	DGE(C)	DGE(S)	Total
April '46—14th Aug. '47 . . . . .	..	..	23,414	..	..	3,012	..	..	8,803
15th Aug. '47—31st Dec. '47 . . . . .	..	..	6,438	..	..	737	..	..	7,173
1948 . . . . .	..	..	20,279	..	..	2,632	..	..	4,997
1949 . . . . .	..	..	15,040	..	..	3,073	..	..	11,133
TOTAL . . . . .	..	..	65,171	..	..	9,454	..	..	..
1950	38,809	14,257	53,066	10,905	3,869	14,774	9,193	4,023	13,216
1951	29,532	11,746	41,278	9,182	3,818	13,000	8,161	2,989	11,150
1952	18,685	9,085	27,770	6,204	2,392	8,596	5,539	3,014	8,553
1953 (Jan.-Aug.)	9,292	6,629	15,921	2,821	2,554	5,375	4,223	2,954	7,177
TOTAL—Jan. '50 to Aug. '53	96,318	41,717	138,035	29,112	12,633	41,745			
GRAND TOTAL			203,206			51,199			

Percentage of Placings to Registration

D.G.E. (C) 30.2
D.G.E. (S) 30.3 } Based on 1950-53 figures.

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time taken to place a discharged Government employee since his discharge should also be taken into account. Unfortunately, no information is available in this regard.

73. *Scheduled Castes/Tribes and Anglo-Indians.*—Scheduled Castes/Tribes and Anglo-Indians enjoy a special privilege under the Constitution in that specific reservations have been prescribed for these communities in the matter of recruitment to posts and services under the Central Government. Vacancies for Scheduled Castes and Tribes are advertised in the Press and simultaneously notified to the Employment Exchanges. Recruitment to vacancies reserved for Scheduled Castes and Tribes therefore is not canalised solely through the agency of the Employment Exchanges. The statement on the next page gives the volume of work performed by the Employment Exchanges on behalf of these categories of applicants.

The percentage of placings to registrations works out as follows:—

Scheduled Castes	...	...	...	33·9%
Scheduled Tribes	...	...	...	38·5%
Anglo-Indians	...	...	...	14·1%

The placement figures include placements against Central Government vacancies as also against vacancies under State Governments and private employers. Again, the placement figures cover placements against vacancies notified as specifically reserved for Scheduled Castes/Tribes and Anglo-Indians and other vacancies. Statistics are not available, however, to show the extent of success the Exchanges achieved in filling the reserved vacancies notified to them. It is gratifying to note, however, that the percentage of Scheduled Castes and Scheduled Tribes placed in employment was higher than the general percentage of placements to registrations.

74. *Educated Unemployed.*—The educated unemployed form a fairly large percentage of the total number of applicants on the Live Register. At the end of June, 1953, 31·1 per cent. of the applicants on the Live Register belonged to this category. Of these, 16,659 were graduates and 1,30,950 matriculates and intermediates, i.e. 89 per cent. of the total educated unemployed comprised under-graduates. In view of the fact that a majority of these, particularly the under-graduates, had entered the employment market for the first time and had no special skill or qualifications, it is not surprising that the Employment Exchanges have not been able to render them much assistance. The statement on page 34 gives the statistics of registrations, placings and the Live Register for the period May, 1952 to June, 1953.

Number of Scheduled Castes/Tribes and Anglo-Indians registered and placed in employment by the Employment Exchanges during the period 1950—53 and the number remaining on the Live Register at the end of each year

Year/Period	Scheduled Castes				Scheduled Tribes				Anglo-Indians			
	Registra- tions	Placings	Live Register	Reserved vacancies notified	Registra- tions	Placings	Live Register	Reserved vacancies notified	Registra- tions	Placings	Live Register	Reserved vacancies notified
1950	1,09,246	45,142	20,461	..	..	..	..	..	..	..	..	..
1951	1,46,124	56,699	29,378	3,460	..	..	..	..	..	..	..	..
1952	1,51,411	49,482	40,795	3,782	14,478	6,623	2,604	210	2,062	341	713	26
1953 (Jan- Aug).	97,278	19,655	45,548	2,968	18,575	2,251	3,316	400	*991	90	747	14
TOTAL	5,04,059	170,978	..	10,210	23,053	8,874	..	610	3,053	431	..	40

*(From January—June)

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Number of the Educated Unemployed registered and placed in employment by the Employment Exchanges during the period May, 1952 to June, 1953, and the Number remaining on the Live Register at the end of each year

Period	Registrations						Placings						No. on Live Register at end of the month/quarter					
	Matri- culates (in- cluding Inter- mediates)	Graduates				Total	Matri- culates (in- cluding Inter- mediates)	Graduates				Total	Matri- culates (in- cluding Inter- mediates)	Graduates				Total
		Engi- ning	Medical	Others	Total			Engi- ning	Medical	Others	Total			Engi- ning	Medical	Others	Total	
1952 May .												1,01,038	563	227	14,038	14,828	1,15,866	
October .												1,10,443	644	105	15,306	16,055	1,26,498	
Quarter end- ing Dec.	60,189	424	54	7,936	8,414	68,603	8,006	55	18	1,448	1,521	9,527	1,04,669	832	150	14,368	15,350	1,20,019
1953 March	57,606	356	73	6,802	7,231	64,837	6,820	132	6	1,152	1,290	8,110	1,03,800	563	162	13,411	14,136	1,17,936
June .	80,706	437	134	9,289	9,860	90,566	7,059	75	12	1,058	1,145	8,204	1,30,950	703	218	15,738	16,659	1,47,609
TOTAL Oct. '52 to June '53.	1,98,501	1,217	261	24,027	25,505	2,24,006	21,885	262	36	3,658	3,956	25,841						

The statement shows that of the graduates and under-graduates registered with the Exchanges only 15·5 per cent. graduates and 11·0 per cent. under-graduates were able to secure jobs through the Employment Exchanges. A study of trends during the twelve months shows that the number of under-graduate employment-seekers looking for clerical and allied employment was steadily increasing whereas the number of clerical vacancies notified to the Exchanges had been, more or less, static. The need for an effective counselling service at the Exchanges is clearly indicated, to advise applicants regarding the prospects of employment in the field of their choice as well as in other fields in order that necessary adjustments might be brought about in the supply of and demand for workers in the various fields of employment.

75. *Applicants of Appointments Branch Standard.*—Appointments Branch Standard Applicants means applicants who possess qualifications and experience of an administrative, executive, supervisory, managerial, higher technical, scientific and professional nature. In evaluating the role the Employment Exchanges have performed in regard to this category, account must be taken of the number of applicants who sought assistance and the extent to which they have been helped into employment. The statement below shows the number of Appointments Branch Standard applicants registered and placed in employment by the Employment Exchanges during the period 1949 to 1953 and the number remaining on the Live Register:

Number of Appointments Branch Standard Applicants registered and placed in employment by the Employment Exchanges during the period 1949—August, 1953 and the Number remaining on the Live Register at the end of each year.

Year/Period	Registra- tions	Placings	Percentage of placings to Registra- tions	Live Register
1949	9,837	2,071	21·1	6,980
1950	9,477	1,433	15·1	5,519
1951	9,707	1,441	14·8	4,938
1952	10,059	1,260	12·5	4,707
1953 (Jan.-Aug.)	6,850	736	10·7	5,232
TOTAL	45,930	6,941	15·1	

The Employment Exchanges, therefore, registered 45,930 applicants and placed 6,941 in employment, i.e. 15·1 per cent. of those registered. The Appointments Branch Standard registrations and placements

formed a very small proportion of the total number of registrations and placements effected by the Exchanges, 0·8 and 0·5 per cent. respectively. One important reason why the Employment Exchanges have failed so far to attract or help a larger number of applicants of this category is that in so far as the field of Government employment is concerned, vacancies are generally filled through the Public Service Commissions without the intervention of the Employment Exchanges. In the field of private employment, such vacancies are either advertised or employers prefer to appoint those who are known to them. There is also a mistaken impression in certain quarters that Employment Exchanges do not handle vacancies of this nature and that their work is confined to semi-skilled and skilled personnel. Such incorrect impressions should be removed by means of effective measures of publicity.

76. *Women Applicants.*—The Employment Exchanges have achieved a fair degree of success in helping women applicants in finding employment. This is evident from the figures given in the statement below which shows that the number of women applicants has been steadily increasing and that the percentage of placements to registrations has been as high as 42. Even here, however, a large proportion of those placed belonged to the unskilled group.

Number of Women Applicants registered and placed by the Employment Exchanges during the period 1945 to August, 1953, and the Number remaining on the Live Register at the end of each year.

Year/Period	Registrations	Placings	No. on Live Register at end of the year/period
1945-46 (July 45 to Dec. 46)	2,612	533	1,402
1947	5,653	1,399	2,311
1948	18,200	7,213	4,460
1949	27,605	11,690	6,046
1950	53,842	24,140	9,728
1951	54,074	28,321	10,374
1952	62,343	26,755	15,761
1953 (Jan.-August)	35,191	8,887	18,274
TOTAL	2,59,520	1,08,938	..

77. *Disabled Ex-Servicemen.*—In a country like India where able-bodied workmen are surplus to requirements, placement of disabled ex-Servicemen has not been an easy task. It is against this background that the work of the Exchanges relating to the disabled

should be assessed. The statement below shows that the Employment Exchanges have been successful in placing 13.1 per cent. of the disabled ex-Servicemen who registered with them.

Number of Disabled ex-Servicemen registered and placed by the Employment Exchanges during the period 1946 to August, 1953 and the number remaining on the Live Register at the end of each year.

Year/Period	Registrations	Placings	Live Register
1946	5,925	742	3,248
1947	4,000	610	1,730
1948	1,360	209	415
1949	733	82	289
1950	728	68	268
1951	901	96	296
1952	972	111	309
1953 (Jan.-Aug.)	620	79	283
TOTAL	15,239	1,997	..

Meeting Employers' Demands

78. For a comprehensive assessment of the work of the Employment Exchanges account must also be taken of the extent the employers have utilised the Exchanges and the extent to which the Exchanges have been successful in meeting the employers' demands. The statement below shows the monthly average number of employers who used the Exchanges since 1949.

Monthly average number of employers (Government and Private), who used the Employment Exchanges during the year 1949—August, 1953.

Year	Monthly average number of employers who used the Exchanges			Percentage of Govt. to total	Percentage of private to total
	Government	Private	Total		
1949	2,261	2,258	4,519	50.0	50.0
1950	2,304	3,260	5,564	41.4	58.6
1951	2,971	3,393	6,364	46.7	53.3
1952	3,099	2,924	6,023	51.5	48.5
1953 (Jan.-Aug.)	3,044	1,409	4,453	68.4	31.6

Thus, from the year 1949 upto 1951 there has been an increase in the total number of employers who used the Exchanges. This increase, in so far as private employers are concerned, may be taken as an indication of the growing popularity of the Employment Exchanges. The fall in the numbers in the private sector during 1952 and 1953 is partly due to the fact that the figures for the earlier years were inflated by the inclusion of employers who recruited workers at "addas" or assembly points and at factory gates and other work-sites. This factor makes a full assessment of the degree of popularity achieved by the Exchanges difficult. There is evidently need for more intensive exploitation of the private sector.

79. The number of vacancies notified and filled from 1946 upto August, 1953 are given in the statement below:—

Number of vacancies notified and filled by the Employment Exchanges during the period April, 1946 to August, 1953

Year	No. of vacancies notified	No. of vacancies filled	Percentage of vacancies filled to vacancies notified (Col. 3 to Col. 2)
(1)	(2)	(3)	(4)
1946 (April-Dec.) .	1,88,105	74,644	39.7
1947	2,67,841	1,58,353	59.1
1948	3,80,921	2,55,657	67.1
1949	3,62,011	2,55,693	70.6
1950	4,19,307	3,29,348	78.5
1951	4,86,534	4,15,141	85.3
1952	4,29,551	3,56,808	83.1
1953 (Jan.-Aug.) .	1,79,343	1,32,964	74.1
TOTAL	27,13,613	19,78,608	72.9

80. It will be noticed that the gap between the two sets of figures, namely, those relating to vacancies notified and those relating to vacancies filled, has tended to grow smaller each year since 1950. This would indicate that, with the gradual improvement in their technique, the Employment Exchanges have succeeded in filling a larger proportion of vacancies notified to them each year. In drawing any conclusions from the figures above it must be remembered that the Employment Exchanges operated at "addas", assembly points, etc. from the year 1949 to about the middle of 1953.

Number of vacancies notified and filled during the years 1952 and 1953 (January to August) classified according to broad occupational categories

Occupational Category	No. of vacancies notified			No. of vacancies filled			Percentage of vacancies filled to vacancies notified (Col. 7 to Col. 4)
	1952	1953 (Jan.-Aug.)	Total	1952	1953 (Jan.-Aug.)	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Industrial Supervisory	4,914 (1.2)	3,190 (1.8)	8,104 (1.3)	2,143 (0.6)	1,522 (1.1)	3,665 (0.8)	45.2
2. Skilled and semi-skilled	63,674 (14.8)	30,889 (17.2)	94,563 (15.6)	50,127 (14.0)	20,390 (15.3)	70,517 (14.4)	74.6
3. Clerical	37,495 (8.7)	22,038 (12.3)	59,533 (9.8)	27,374 (7.7)	16,699 (12.6)	44,073 (9.0)	74.0
3. Educational	7,387 (1.7)	5,469 (3.0)	12,856 (2.1)	3,935 (1.1)	3,008 (2.3)	6,943 (1.4)	54.0
5. Domestic Service	21,099 (4.9)	11,850 (6.6)	32,949 (5.4)	14,853 (4.2)	7,806 (5.9)	22,659 (4.6)	68.8
6. Unskilled	2,68,118 (62.4)	88,152 (49.2)	3,56,270 (58.5)	2,42,333 (67.9)	72,769 (54.7)	3,15,102 (64.3)	88.4
7. Others	26,864 (6.3)	17,755 (9.9)	44,619 (7.3)	16,043 (4.5)	10,770 (8.1)	26,813 (5.5)	60.1
Total	4,29,551 (100.0)	1,79,343 (100.0)	6,08,894 (100.0)	3,56,808 (100.0)	1,32,964 (100.0)	4,89,772 (100.0)	80.4

Note.—Figures in brackets indicate percentages of each category to total number notified or filled.

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81. Break-up of vacancies notified and filled according to broad occupational groups is available since the year 1952. This is given in the statement on previous page. The statement shows that during the years 1952 and 1953 the Exchanges were most successful in filling unskilled vacancies, the percentage of such vacancies filled to those notified being 88·4. It will also be seen that the Employment Exchanges were not so successful in meeting demands for applicants possessing high technical qualifications and industrial experience. The over-all percentage, namely 80·4, shows that Employment Exchanges have on the whole been successful in filling the bulk of the vacancies notified to them.

82. Information is available since the year 1949 regarding the volume of work which the Employment Exchanges have received from Government and private employers. The statement on the next page shows the number of vacancies notified by and filled in the Railways, other Central Government Departments, State Government Departments and private establishments.

83. A comparison of the total number of vacancies notified and filled in each of the different groups shows that the Employment Exchanges have on the whole been quite successful in meeting the demands of the various groups of employers. This would be evident from the percentage of vacancies filled to vacancies notified as in the statement below:

Percentage of vacancies filled by the Exchanges to the vacancies notified by the different types of Establishments during the period 1949 to August, 1953.

<i>Establishments</i>				<i>Percentages.</i>
Railways	...	...	...	82·1
Central Government Departments			...	76·9
State Government Departments		...	...	72·6
Private Establishments		...	...	83·1
Total	...	...	...	79·4

Vacancy Clearance

84. Vacancy clearance is an integral segment of the placement process and is not a separate activity. It comes into operation when the type of applicants an employer desires are not available locally and the employer is willing to accept workers from other localities.

85. Comprehensive statistics relating to vacancies filled through the operation of the vacancy clearing machinery are available only

Number of vacancies notified by and filled in the Railways, other Central Government Departments, State Government Departments and Private Establishments during the years 1949—August 1953

Year	No. of vacancies notified by					Number of vacancies filled in				
	Railways	Central Govt.	State Govts.	Private Estabs.	Total	Railways	Central Govt.	State Govts.	Private Estabs.	Total
1949	25,912	64,869	1,16,174	1,55,056	3,62,011	17,950	47,439	79,232	1,11,072	2,55,693
1950	27,695	60,204	92,118	2,39,290	4,19,307	20,099	44,164	69,212	1,95,873	3,29,348
951	30,406	81,211	1,04,083	2,70,834	4,86,534	28,263	65,297	79,820	2,41,761	4,15,141
952	36,173	68,383	92,121	2,32,874	4,29,551	31,742	55,246	66,243	2,03,577	3,56,808
1953 (Jan-August)	22,280	37,017	56,698	63,348	1,79,343	18,958	27,464	40,155	46,387	1,32,964
Total	1,42,466	3,11,684	4,61,194	9,61,402	18,76,746	1,17,012	2,39,610	3,34,662	7,98,670	14,89,954

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since the beginning of the year 1953 and are contained in the statement below:—

Number of vacancies circulated by the Central and Regional Employment Co-ordination Offices, number filled as a result of circulation and number withdrawn from circulation during the period January, '53—September, '53.

No. of vacancies under circulation at the end of December, 1952	No. of fresh vacancies given during the period	No. of circulated vacancies reported as filled by Exchanges other than Vacancy Exchanges during the period	No. of vacancies withdrawn from circulation during the period	No. of vacancies under circulation at the end of the period
2,104 C.E.C.O.	1,164	229	2,440*	599
1,109 R.E.C.O.	1,856	94	2,051†	820

Note :— *Includes 120 vacancies which were filled by the Vacancy Exchanges themselves.

† Includes 214 vacancies which were filled by the Vacancy Exchanges themselves.

In addition to 323 vacancies filled as a result of all-India and regional circulation, 2,992 vacancies were filled during the period as a result of limited circulation between individual Exchanges.

86. It is clear that the Organisation has achieved only limited success in the field of vacancy clearance; this has largely been due to various economic and sociological causes over which the Organisation has no control. Notwithstanding the limited success achieved, we consider the Vacancy Clearing machinery to be the best possible method of directing the orderly movement of workers from one area to another and of helping employers in their search for qualified workers who may be available in other areas.

Conclusions

87. It is clear from the foregoing paragraphs that the gaps in the available data place a serious limitation in the way of a correct appraisal of the work performed by the Employment Exchange Organisation. The task has been rendered all the more difficult in view of the fact that during the latter part of their existence, in their anxiety to show impressive placement figures, the Exchanges indulged in recording placements which were dubious in character. When drawing any conclusions from the available statistics, therefore, a certain degree of caution is necessary.

88. In terms of absolute numbers the Exchanges have no doubt registered a large number of applicants and have helped into employment a fair percentage of those registered. From the point of view of quality, however, one cannot fail to observe that the bulk of registrations effected so far has consisted of unskilled and clerical categories and that the unskilled category has formed the bulk of placements. In our opinion, and for reasons already stated, quality of placements has been sacrificed in preference to quantity and no serious attempt appears to have been made to attract to the Exchanges the more highly qualified and skilled type of applicants and vacancies. No specific data have been furnished to us regarding the duration of the vacancies in which the applicants were placed. It is, however, understood that a fairly large proportion of the so-called placements were effected against vacancies of a casual nature. Even if it were assumed that all the placements against casual/unskilled vacancies were genuine, it cannot be denied that the time, effort and money (approximately Rs. 20 per placement) that have been expended on them could have been better utilised, considering particularly that such vacancies can be filled easily and promptly without the intervention of the Exchanges.

89. In spite of what has been stated above, it must be recognised that the Exchanges have played an important role in the resettlement of ex-Service personnel and displaced persons and that without the Exchange machinery it would have been difficult even to attempt to implement the promise of a suitable civil employment to the ex-soldier; similarly, but for the Employment Exchanges, the resettlement of displaced persons could not have been achieved in as orderly a manner as has been done.

90. In so far as employers are concerned, it is evident that they have not utilised to any great extent the facilities offered by the Employment Exchanges as an agency for recruitment. Even though the Central Government has made it incumbent upon its establishments to fill through the Employment Exchanges all their vacancies (other than those which are filled through the U.P.S.C. or as a result of competitive examinations) cases have not infrequently been reported where Central Government departments have bypassed the Exchanges. The co-operation that the Exchanges have received from State Governments and private employers has also been limited. It is true that the Employment Exchanges during all these years have very often had to fight an uphill battle and to compete with traditional methods of engaging workpeople. It must, however, be admitted that one important reason for lukewarm support on the part of employers has arisen from the fact

that the Exchanges are not in a position to meet satisfactorily demands for skilled personnel. As no adequate machinery has been provided to trade-test applicants, the standard of submissions by the Exchanges does not always come up to the expectations of the employers. Unless this is assured, it is futile to expect the employers to make use of the Organisation to any great extent.

91. While it is true that the principles upon which the Employment Service in India has been based are derived from international practice and experience and that these principles have stood the test of time, we are, however, of the view that the Service is neither quite suitably organised nor fully equipped for the work it has to perform and that it suffers from certain defects and shortcomings which have hampered its growth and usefulness. Some of these defects and shortcomings have been brought out in the next chapter.

CHAPTER IV .

SHORTCOMINGS AND DEFECTS IN THE EXISTING ORGANISATION

92. In the next Chapter we give our considered views why in our opinion there should be an Employment Service Organisation. We would, however, be failing in our duty if we do not state clearly that the Organisation in its present form is not performing the functions which a National Employment Service Organisation is expected to do. There are various reasons for the present state of affairs and it is as well to deal with them briefly. As indicated in the first Chapter, the Organisation was started exclusively as one for resettling demobilised Army personnel. With all the hopes held out to men for joining war service—one of the most important of which was a hope of a suitable civil occupation on the termination of the war—Government had a responsibility for assisting in the realisation of those hopes. That was why the Organisation started functioning exclusively for the benefit of the demobilised personnel. Many of these persons had acquired technical skills in their war-time employment and in the expectation that there will continue to be a great shortage of skilled personnel, training schemes were also instituted to enable demobilised personnel to be absorbed in suitable occupations on the civil side both under Government and in private industries. There were also reservations of various governmental posts for ex-Servicemen so that these persons were treated as in a privileged category. Nevertheless, before long it became fairly clear that the response from the ex-Servicemen was not very much. The D. G. R. & E. could not create new sources of employment but could only assist the men concerned in getting such jobs as were available including those which had been kept in reserve for them. With the shrinkage of many activities after the war, both in the Government and private sectors, the demand fell far short of supply and men had to wait for long in hopes—hopes which even after long waiting could be fulfilled only to a very limited extent. There was also the difficulty of persuading persons who had drawn high scales of pay in military service to take on peace-time employment on considerably lower rates. It was natural, therefore, that after working the scheme for a time, it became abundantly clear that the Organisation could not continue as one exclusively for ex-Service personnel. We cannot help feeling, however, that an anxiety developed at the time to keep the Organisation going at any cost and this must be why, with one stroke of the pen so to speak, the D. G. R. & E. was converted into an organisation catering to all

civilian personnel. Not much thought appears to have been given to the important consideration that this major change in policy required a deep study of the modifications necessary in the activities of the Organisation, so as effectively to serve the purpose of catering for all civilian personnel in the country. The difficulties of catering even for a relatively small percentage of the population, i.e. the demobilised soldiers, were serious enough. Such difficulties would obviously be much greater when the Organisation undertook to cater for the needs of millions of civilian personnel. With the problem of having to cater for literally hundreds of times the number originally intended, effective work could be done only if methods were evolved for ascertaining more thoroughly the scope of employment possibilities under Government or in private industries. Further, some more effective steps should have been taken to ensure that the Employment Exchanges were made greater use of. Also, while, in the case of Army personnel, war records could give sufficient information as to the exact worth of the person concerned, this would not be easy in the case of civilian personnel unless some means were adopted for testing their ability before recommending such persons for employment. In other words, adequate steps were not taken for fulfilling the motto "Finding the Right Man for the Right Job".

93. There were perhaps certain extenuating circumstances responsible for the Organisation continuing on the old basis without devising suitable methods for making it more effective. It is no exaggeration to say that almost throughout its existence, the Directorate-General of Resettlement and Employment was faced with the criticism that it was run on extravagant lines, that the duties performed were those which fell wholly within the sphere of State Governments and that the continuance of the Organisation was throwing an undue and unnecessary burden on the Central exchequer. We do agree that in the initial stages the Organisation was conceived on extravagant lines but understand that in those stages the Ministry of Labour, on its own, brought about substantial reductions in the budget of the Organisation. In spite of this, the Directorate-General of Resettlement & Employment was invariably apprehensive of receiving a new year gift in the form of a further reduction in its budget at the commencement of every financial year. The following table shows the progressive reductions made in the budget provision:—

Year	Expenditure (in lakhs of rupees)		
	Total (2)	Central (3)	States (4)
(1) 1945-46 (Actual)	23.18	17.97	5.21
1946-47 "	161.09	124.81	36.28
1947-48 " (Pre-Partition)	64.78	47.52	17.26

Year	Expenditure (in lakhs of rupees)		
	Total	Central	States
I	2	3	4
1947-48 (Actual-Post-Partition)	101·61	84·73	16·83
1948-49 (Actual)	194·73	145·54	49·19
1949-50	166·07	120·58	45·49
1950-51	134·18	96·71	37·47
1951-52	134·28	99·51	34·77
1952-53	125·81	90·44	35·37
1953-54 (Revised Estimates)	133·38	94·80	38·58
1954-55 (Budget Estimates)	129·59	95·00	34·60

It is also unfortunate that along with this uncertain existence, the entire Organisation has been allowed to continue on a temporary basis for 8 years and this naturally added to the apprehensions in the minds of the officers of the Organisation. In these circumstances, human nature being what it is, an anxiety developed to keep the Organisation going at any cost, and not to state or make recommendations for any changes, lest it should revive the criticism that the Organisation should rather be wound up on the ground that it was an unnecessary liability on Central finances.

94. Another unfortunate development was a tendency on the part of Exchanges to show spectacular results of placements even by adopting practices which were by no means commendable. An idea developed that the future of the Organisation depended wholly, if not substantially, on the number of persons placed in employment. As a result, every attempt was made to bolster up placement figures including a large number of placements for which the Employment Exchanges concerned could not legitimately claim any credit. Various cases could be given of fictitious placements but one extreme case might be cited by way of example. In a certain small Exchange, the Officer-in-charge found that a contractor was appointing a large number of workers at a factory gate only six miles from the Exchange. The Officer-in-charge, accompanied by his staff, went to the spot regularly and when the contractor made his own selection, all the persons given employment were persuaded to fill in cards. The number of cards filled then represented the number of persons supposed to have been registered at the Exchange as also the number placed in employment. A high percentage of placement was thus cheaply obtained and the Employment Officer felt fully satisfied. In fact, he felt so satisfied that he believed that there was no other work for him to do except to continue the operation and satisfy his superiors that his office, in view of its record of placements, was indeed one of the best.

95. As already stated, nobody dared put up concrete proposals for improvements for fear that any request for extra funds might again raise the question as to whether even the existing expenditure could be avoided by closing down the Organisation. In other

words, it was feared that if bread was asked for, a stone might be thrown instead. Simultaneously, there was also a decline in the morale of the officers who had been on a temporary basis for so long and who were constantly facing the nightmare of possible wholesale retrenchment. Malpractices started on a fairly large scale and we are told that the number of cases involving misconduct and irregularities has been rather unusually high. These, coupled with the attempt at producing spectacular results by cheap methods, mainly contributed to the Organisation earning rather a bad name. We understand that the services of quite a number of persons guilty of malpractices were terminated but that it was found difficult to get proper replacements, again for the reason that suitable persons hesitated to accept employment in an Organisation the future of which they believed to be somewhat gloomy.

96. It became abundantly clear that while the State Governments were contributing towards the cost, there was not the desired amount of association of State Governments in the administration of the Organisation. The subject being one of concurrent jurisdiction, the Central Government, at the most, can only work in partnership with the State Governments and not, virtually, in isolation. Despite the decision to retain the administrative functions under the Central Government, we cannot help feeling that the Directorate-General of Resettlement and Employment could have had more satisfactory working arrangements with the State Governments so that the latter played a more effective part in the successful working of the Organisation. We will, later in this report, give our views as to why even the policy decision for retaining the administration with the Central Government should be changed.

97. We will be giving our views in a later Chapter, as to the various functions which should legitimately belong to a National Employment Service Organisation. We would only state at this stage that if what we propose for the future had been brought into force three or four years ago, there might have been a more effective Organisation in existence today. There would also have been the satisfaction that the tax-payers' money would have been much better utilised. As matters stand, the implementation of our recommendations may take quite a substantial length of time, and, meanwhile, a greater portion of the period of the Five Year Plan—and we propose to show how the Organisation has a part to play in the successful implementation of the Plan—would have passed; but this cannot be helped. We would only urge that while we have been forthright in our criticism, the existing shortcomings should not in any way minimise the need for the maintenance of a proper National Employment Service Organisation as a permanent measure. We would also stress the need for urgency in reaching a decision.

CHAPTER V

NEED FOR AN EMPLOYMENT SERVICE

98. The problem of unemployment has attracted public attention for some time. Some hold that unemployment has assumed alarming national proportions. The unemployment situation in the country has been widely discussed and it is evident from the discussions that the increase in unemployment has given rise to serious concern and apprehensions. Various attempts have been made to analyse the underlying social and economic factors and to clarify the nature of recent employment trends. Several remedies have also been suggested. While there is no doubt that the employment situation has deteriorated, no overall statistical data are available to warrant anything more than a very rough estimate of the magnitude of the problem. The Planning Commission who are at present engaged in examining the various aspects of the present employment situation have stated that it is difficult to obtain a clear or a complete picture from the meagre data available. They have, therefore, sought the assistance and co-operation of State Governments in correctly appraising the problem as also in taking suitable remedial measures.

99. It is obvious that no effective remedial action can be thought out or plans formulated to combat unemployment without the knowledge *inter alia* of the magnitude and the nature of the problem. Accurate and scientific data are thus an essential pre-requisite for diagnosing the underlying causes and the incidence of unemployment and for the planning of suitable remedial action. There is, therefore, need for an efficient and well-organised machinery which would both collect and analyse information regarding the employment situation and its trends—in the country as a whole as well as in different industries, occupations and areas—and make such information available systematically and promptly to Government and the general public. The Employment Service constitutes, although in a very small way, such a machinery. No doubt the data available with the Employment Exchanges are not comprehensive and cannot be used as an absolute reliable basis for any plan of action; yet, that is the only information we have regarding the employment situation in the country. It is obvious that if the challenge of unemployment is to be met squarely, the machinery should be developed and strengthened.

100. Factual information relating to the employment situation on a national, regional and local basis and for particular industries and occupations will also provide the groundwork for the best possible organisation of the employment market in relation to national policies of full employment and maximum production. The co-ordination of manpower resources with the general economic plan at each stage is essential, and this co-ordination can best be secured through the agency of a well-organised Employment Service. The I.L.O. Convention No. 88 sets forth this essential object of the Service in the following terms:—

“The essential duty of the Employment Service shall be to ensure, in co-operation where necessary with other public and private bodies concerned, the best possible organisation of the employment market as an integral part of the national programme for the achievement and maintenance of full employment and the development and the use of productive resources.”

No doubt from the narrow point of view the task of the Employment Exchanges, is, as far as possible, on the one hand to find men and women suitable for vacancies notified by employers and, on the other, to help applicants to find posts for which they are best suited. This by itself would be an important service whether jobs are plentiful or scarce. The complex nature of modern life, the variety of occupations and the wide range in the skills and abilities of workers necessitate a well-organised intermediary agency to bring the two together and to mitigate the “misery of tramping after problematical work”. There is, however, the larger task of ensuring, in the interest of the country as a whole, the most effective utilisation and distribution of its resources in manpower between different industries and services. Organisation of the employment market or a planned programme of effective utilisation of the manpower resources is not possible without a machinery to provide information on current as well as on the prospective needs. Employment Exchanges can be developed into an indispensable instrument for the provision of information as the basis for effective action as also for the execution of any plan or programme of development.

101. While Employment Exchanges do not themselves create employment, they can, as has already been stated, certainly alleviate unemployment arising from lack of information regarding the opportunities of employment available in the local community or outside. We are long past the stage when each village or town was self-sufficient in employment. With each day of progress, different parts of the country are becoming inter-dependent so that the labour markets are rarely confined within the boundaries of a town or a

city. Employers need workers who are not available within the area; similarly, workers frequently need employment not obtainable in the area in which they reside. With the provision of adequate or reliable information concerning employment opportunities in other occupations and areas the Exchanges can encourage and facilitate geographical and occupational mobility of labour and thus help to adjust the supply of workers to present and prospective employment opportunities in the various occupations and areas.

102. Whatever be the economic situation prevalent in a country at any time, an agency is needed to advise candidates in the matter of choice of their occupation or training based both on an appraisal of their abilities and aptitudes as well as on the basis of the availability of employment opportunities. The need for guidance in the choice of employment has been generally recognised. The need for such guidance arises from the complexity of the labour market and differences in the aptitude, interests, acquired skills and physical capacities of individuals. Unless an individual is employed in a job suited to his ability he does not get full satisfaction from his work, and, in many cases, is not a productive employee. This results in a loss not only to the employer concerned but to the country as a whole. With the information they possess regarding occupational demands in general as also regarding vocational requirements, Employment Exchanges are admirably suited to perform this task.

103. Again, Employment Exchanges provide a readymade framework for schemes of social security such as unemployment insurance. We realise that unemployment insurance may not be a live issue for a long time to come; yet even if experimental or pilot schemes are introduced a machinery will be needed for their administration. There can be no better machinery than the Employment Exchanges to ensure that side by side with payments of benefits, efforts are made to place the beneficiary in employment.

104. The Employment Exchange Organisation contains within itself the potentialities and seeds of an important and many-sided Service. *We, therefore, recommend that the Organisation should be placed on a permanent footing.* In making this recommendation, we have the support of all State Governments, all Workers' Organisations and of almost all Employers' Organisations and Central Government Departments. Even when the Organisation was first started it was expected ultimately to develop into a permanent Service closely integrated with the economic policies of the State and catering for all classes of employment-seekers. The utility of the Service was recognised as early as April 1947 when the Provincial (now State) Labour Ministers met in conference and recommended that the Organisation should be made permanent. The question was also

considered at the Preparatory Asian Regional Conference held under the auspices of the I.L.O. (November 1947) where a resolution was passed emphasising that the development of a proper Employment Exchange Organisation was essential for securing the proper utilisation of national manpower resources and for promoting the mobility of labour. The Central Employment Advisory Committee at a meeting held on 16th January, 1948 passed a resolution recommending that the Employment Service should be placed on a permanent footing; that an office be opened in each district and that further expansion be made as dictated by needs revealed in the individual district and that the Employment Service be made available to all categories of employment-seekers. It is evident that the usefulness of the Organisation and the necessity for retaining it on a permanent basis have been recognised on all sides. The temporary nature of the Organisation has had an adverse effect on the morale of the staff and has sometimes been the underlying cause of some undesirable practices. If the Employment Service Organisation is to put forth its best, its staff must feel secure as regards their tenure of service. *We, therefore, recommend that the decision to place the Organisation on a permanent footing should be taken without further delay.*

105. As regards the recommendation of the Central Employment Advisory Committee, referred to in the preceding paragraph, that an office be opened in each district, while we generally agree with it as an ultimate objective, we do not consider that at the present stage of our development all districts in the country need the facilities of an Employment Exchange. *Employment Exchanges should, for the present, be confined to places where the employment market is wide-spread and complex; they are not necessary in places which are self-sufficient and compact so that it is easy for employers and workers to come into direct contact with each other. We, therefore, recommend that additional Employment Exchanges should be set up only when the need for such is fully established.*

CHAPTER VI

ADMINISTRATION AND FINANCING OF THE EMPLOYMENT SERVICE ORGANISATION

106. As described in Chapter II, the Resettlement and Employment Organisation is administered by the Central Government while the cost is shared between the Central and State Governments. State Governments bear 40 per cent. of the cost of Regional and Sub-Regional Employment Exchanges and also provide at their cost accommodation required for these Exchanges. The Centre bears the cost of the Regional Head Offices and also of the Headquarters Organisation of the Directorate-General. The expenditure on the District Employment Exchanges in Uttar Pradesh and Bihar is borne entirely by the respective State Governments. In case of Bihar, however, the contingent expenditure of the District Employment Exchanges is shared between the Central Government and the State Government in the prescribed ratio of 60:40. These offices are also governed by the policies laid down by the Central Government, the necessary policy control being exercised by the Regional Director concerned who also administers these offices on behalf of the respective State Government. In Part 'B' States, the States continue to administer the existing Exchanges but as agents of the Central Government, which is responsible for administrative, financial and policy control. This is because, prior to the merger, these States were running the Exchanges themselves. As in Part 'A' States, the expenditure incurred on the Employment Exchanges is shared between State and Central Governments in the ratio of 40:60. The Regional Director of the adjoining Part 'A' State is, however, responsible for direction and supervision of the work of the Employment Offices in the Part 'B' States concerned. Hyderabad alone has its own Regional Director who occupies the same position *vis-a-vis* the State and Central Governments as the Regional Directors in Part 'A' States do.

107. Though the administration is under the Central Government, it was always visualised that the Central Government should work in close collaboration with State Governments. The very idea of asking State Governments to share the cost pre-supposed that they would also have a corresponding voice in the administration. Most State Governments had often expressed a desire to have the administration transferred to them and even stressed that such a transfer would result in economy. The Central Government also in its turn had held out hopes, if not promises, that ultimately the administration

would be transferred to State Governments. One reason urged for not already transferring it was that State Governments were not in a state of preparedness for taking on this work. Meanwhile, the question of transfer came up for consideration several times mainly in consideration of the saving this might result to the Central Government. The Economy Committee set up by the Government of India recommended *inter alia* that the training centres should be run by the Central Government but the Employment Exchanges, other than those in the Centrally administered areas, should be transferred to the Provinces forthwith. The Economy Committee did not, however, contemplate that on such a transfer the entire financial liability also would be transferred to State Governments. The reason given by the Committee for the suggested transfer was that Provinces might economise in expenditure by having a less elaborate set-up and also that there would be very substantial consequential reduction in expenditure of the Headquarters of the Directorate-General. The recommendations of the Economy Committee were considered by the Standing Finance Committee in May, 1949. The Standing Finance Committee was inclined to accept the Economy Committee's recommendations and felt that the high cost of the Organisation and the disparity between the Central and the Provincial rates of pay were *prima facie* the main reasons for the unwillingness on the part of some Provincial Governments to taking over the Organisation. It felt that given freedom in regard to fixation of pay scales, any possible objection from the Provincial Governments would disappear. It is important to note that the Standing Finance Committee also took the view that even after the transfer the Central Government should agree to make a suitable subsidy to cover the expenditure over and above the contribution of 40 per cent. which the Provincial Governments were making towards the cost of the Regional and Sub-Regional Exchanges. Government reached no final decision on the recommendations of the Standing Finance Committee but directed the continuance of the Organisation on the existing basis till the end of July, 1952, and since then, by a subsequent order, the period has been extended upto March, 1955, also on the existing basis subject to such modifications as may be made as a result of the recommendations of this Committee.

108. Though the administration is at present under the Central Government—except in the case of a few offices in two States financed and administered by the respective State Governments—there has been consultation and collaboration with State Governments. As one effective way of doing this, it has been the policy to select for appointment as Regional Director a nominee of the State Government concerned where the State Government was prepared to release a suitable officer. In some cases these Directors have been

given *ex-officio* status as Additional Secretary or a similar rank in the respective State Governments so as to give them a further opportunity of associating themselves with the work of the State Governments. The concurrence of State Governments was obtained at each stage of the extension of the life of the Organisation on the existing terms. Their approval is also sought in regard to any proposal for the setting up of a new office and their advice taken in determining the jurisdiction of individual Exchanges in the States. State Governments are also consulted in the formulation of major policies in regard to all proposals which would entail additional expenditure.

109. Notwithstanding the attempt to work in collaboration with State Governments, we cannot help feeling that really effective collaboration between the Central and State Governments has not been achieved. For all practical purposes the Organisation has been functioning exclusively as a department of the Central Government and this, we feel, has, in its turn, resulted in some indifference on the part of State Governments towards its successful working. Even in the matter of recruitment to State Government vacancies, the utilisation of Employment Exchanges in most States is limited to the notification of vacancies to the Exchanges. In one State two separate agencies have been set up for recruitment to State Government vacancies and to vacancies in the cotton textile industry. If State Governments felt themselves as real partners in the working of this Organisation, this perhaps may not have arisen. We should like to make it clear that the responsibility for this state of affairs is not really that of State Governments and that the Organisation itself has to bear a good share of the blame. Merely associating State Governments with the Employment Advisory Committees or other committees will not have the same effect as allowing them a voice in the detailed administration itself.

110. The evidence placed before us showed that there was general consensus of opinion in favour of centralised co-ordination and supervision. In regard to administration, majority of Part 'A' and Part 'B' States are in favour of the entire administration being transferred to State Governments. We feel that those States which favour Central administration would also be agreeable to the transfer if they were assured that the Centre would continue to pay its share towards the cost of Employment Exchanges, as we believe financial liability is mainly responsible for the recommendation for retaining Central administrative control. The Workers' Organisations similarly were, in principle, generally in favour of administration by State Governments. As far as the Employers' Organisations, Employment Advisory Committees and Ministries of the Government of India are concerned, opinion appeared to be more in favour of Central administration than by the States. The arguments advanced

by those who favour Central administration are that a national service is necessary in order to ensure a national view of the employment situation and a uniform labour policy throughout India. Some fear that transfer to State Governments may result in the Exchanges not developing on sound lines.

111. *After careful consideration we have come to the conclusion that the administration of the Organisation should be transferred to State Governments and in making this recommendation we are doing nothing more than repeating the oft-repeated hopes held out to State Governments in the past. We are satisfied that the full collaboration expected from State Governments can be achieved only by such transfer of administrative functions. The organisation in the States cannot function in a vacuum; it should work in close association with various departments of Government whose co-operation is essential. Such close working can be more effectively achieved, if the Service in the States operates under the administrative control of State Governments just like any department of State Governments. It is true that the employment market is not always confined within the boundaries of the States and in some respects it tends to assume a national character. Nevertheless, the true focus of the programme and activities of the Employment Exchanges will always be in the local employment market. It is in this local setting, in the main, that employment opportunities and employment-seekers exist and where the employment process goes on. The problems of employment and unemployment in the States find their roots in the characteristics and inadequacies of the local economies and require planning of remedial measures based in the first instance on the initiative on the part of State Governments. If the Employment Exchanges are to stimulate and participate in the State employment programmes as a means of helping to solve the employment problems in the States, it is necessary that they should work, at all levels of administration, in the closest co-operation with the appropriate State authorities. With the object that the Employment Exchange Organisation might continue to function as a nation-wide system and at the same time be integrated with the plans and programmes of the States, we recommend that while State Governments should be responsible for the day-to-day administration of the Exchanges, the Central Government should continue to lay down policy and standards and co-ordinate and supervise the work of the Employment Exchanges. Our recommendation incidentally is also in accord with the I.L.O. Convention on the subject which lays down that the employment services should consist of a national system of employment offices under the direction of a national authority. The pattern we have suggested will not only give the Organisation a national character so that it might be in a position to meet national problems with*

national action but would also, at the same time, give the Organisation the necessary flexibility to gear itself to meet the needs of the individual States. The supervisory control by the Centre would give the Organisation a basic harmony and help in the maintenance of prescribed standards uniformly throughout the country.

112. We would like to make it clear that in recommending the transfer of administrative responsibility to State Governments we are not suggesting that the Central Government's financial responsibilities should cease. We are, perhaps, right in assuming that the theory that financial responsibility depends wholly on the location of a Subject in the Schedules of the Constitution, is no longer current. Even in regard to Subjects which are wholly in the State List, the Central Government does, in suitable cases, render financial assistance. Most State Governments depend on liberal grants from the Centre in balancing their budgets and some of them will find it extremely difficult to find the additional funds necessary if the full responsibility for running the Exchanges in their respective States is placed on them. We repeat that the Standing Finance Committee, while recommending the transfer of administrative control of the Employment Exchange Organisation to State Governments, visualised the continuance of financial subsidy by the Central Government. *Our recommendation, therefore, is that, for the present, the subsidy to be paid to a State Government should be restricted to 60 per cent. of the expenditure on the Regional Headquarters and Employment Exchanges in the State, subject to a maximum of the amount provided for in the budget for 1953-54 or the actual expenditure incurred during 1952-53, whichever may be of greater advantage to the State Government concerned. Within this amount State Governments should be free to reorganise their respective Employment Service Organisations, except that the closing down of the Exchanges not considered necessary and the opening of new Exchanges, where the need exists, would require the prior approval of the Central Government. We are aware that at present the Centre bears the entire cost of the Regional Headquarters, whereas some States bear the entire cost of the District Exchanges. We would like uniformity in this matter, and this is why, we recommend that in all such cases the Centre should bear liability to the extent of 60 per cent.* An explanation is needed for our recommending the alternatives between the actuals of 1952-53 and the budget figures of 1953-54. The latter might, ordinarily, have been a good basis but it is understood that due to the uncertainty regarding the future of the Organisation and other factors, the provision made for 1953-54 may not be the best guide in all cases. In some cases a better guide may be the actuals of expenditure in 1952-53. Hence, our recommendation.

113. *The Central Government should continue to bear the entire cost of the Central Headquarters, while State Governments should provide, at their cost, the necessary accommodation for the Employment Exchanges.*

114. *We would also recommend that the expenditure of the Central Government on the Employment Exchange Organisation should not on the whole be reduced from the present level. Any amount left over after meeting the Central Government's share, as indicated above, should be made available for improving the efficiency of the Organisation on the lines recommended in our report. Similarly, State Governments also should continue to spend not less than what they are doing now. We visualise that sooner or later, the coverage of the Exchanges will have to be made more comprehensive and additional funds may be necessary. This additional expenditure should also be shared between the Centre and the States in the same proportion.*

115. *As we attach great importance to the Central Government having an effective voice in matters of policy, standards, co-ordination, etc., we feel that the specific responsibilities of the Central and State Governments respectively should be laid down. Our recommendations in this connection are contained in the paragraphs that follow.*

116. *As specific responsibilities of the Centre, we recommend that the Centre should:*

- (i) *establish national policies, standards and programmes to be followed by all Employment Exchanges throughout the country and prescribe the necessary procedure for the purpose;*
- (ii) *carry out periodical inspections of Employment Exchanges with a view to evaluating operating practices and procedures, organisational structure, supervisory methods and the effectiveness of the various programmes as also to check whether the expenditure incurred conforms to the purposes for which it was allotted, and recommend action which should be taken to further improve the working of the Exchanges;*
- (iii) *review State plans and budget proposals both from the standpoint of the cost and of the effectiveness of the service to be provided;*
- (iv) *organise and provide leadership and guidance in the following programmes:*
 - (a) *Counselling and Testing,*
 - (b) *Occupational Analysis and Research;*

- (v) make adequate arrangements for the training of staff in Employment Exchange policies and procedures;
- (vi) collect information concerning employment and unemployment and prescribe uniform reporting procedures;
- (vii) provide a machinery for adjusting surpluses and shortages of workers in the different States;
- (viii) develop working relationships with major industrial and business concerns of national significance, size, and inter-State importance; and with national Employers' Organisations and Trade Unions, to promote and interpret the Employment Exchange programmes, policies and services; and
- (ix) arrange for co-ordination and consultation between Ministries whose activities affect the employment situation in the country.

117. As specific responsibilities of the States, we recommend that they should:

- (i) be responsible for the administration of the Employment Exchanges within the jurisdiction of the State;
- (ii) submit annual plans setting forth the organisation of Employment Services in the States, showing location of offices, their boundaries, charts of organisation and staffing of each office and definition of the location of administrative authority and responsibility;
- (iii) carry out regular inspections of the Employment Exchanges with a view to assessing the effectiveness of their work and take appropriate action to bring about necessary improvements;
- (iv) analyse information submitted by the Employment Exchanges concerning employment and unemployment trends in the State;
- (v) set up a counterpart of the central machinery for adjusting surpluses and shortages of workers within the States; and
- (vi) arrange for co-ordination and consultation between all State Government Departments whose activities affect the employment situation in the State.

CHAPTER VII

SCOPE OF THE EMPLOYMENT EXCHANGES

Registration of Applicants

118. All citizens of India resident in the country are eligible for registration for employment assistance at the Employment Exchanges. Subjects of Sikkim, Nepal, Portuguese and French possessions in India and persons who have migrated from Pakistan with the intention of permanently settling in India, provided they are resident in the areas covered by the Employment Exchanges, are also eligible for registration. Employed persons are also eligible for registration at the Employment Exchanges provided they produce a "No objection" certificate from their employers. Registration for employment assistance is not conditional on the availability of employment. If, however, an applicant insists on being registered solely for posts for which he is obviously ineligible, he is registered; a written statement to the effect that he desires to be registered only for the post specified by him, is obtained from him for record. Similarly, when applicants whose chances of employment are negligible because they are too young or too old apply for registration, they are discouraged from doing so. If they still insist, they are registered and a written statement to the effect that they were informed about their chances of employment is obtained from them for record.

119. We invited views on the question whether Employment Exchanges should, as hitherto, cater for all categories of employment-seekers or whether they should exclude from their scope the field of employment where there is ample opportunity for the employer and the employment-seeker to get into touch direct. While the majority view was in favour of the Exchanges covering all categories of employment-seekers, there were some who held that the purely unskilled categories, since they are in surplus, should be excluded. *In our view the Employment Exchange Organisation, as a Government agency, should not discriminate between one category of employment-seekers and another who apply for its assistance. We agree, however, that there are situations where intervention by the Employment Exchanges can serve no useful purpose. For example, it is customary in some places for employment-seekers to congregate at traditional points where employers go to recruit the workers they need. It is obvious that Exchanges can render effective help neither*

to the employers nor to the employment-seekers in such situations; they should, therefore, keep off such points. Employment Exchanges should similarly stay away from work-sites or other places where workers assemble on their own and where Employment Exchanges have no opportunity for making any positive contribution in the employment process. While employment assistance should not be refused to unskilled labour who seek such assistance, we feel that the normal procedure should not apply in their case. A much simpler method, as described in the following Chapter, should meet the requirements of the situation.

120. We also recommend that Employment Exchanges should not register applicants for jobs for which they do not possess the prescribed qualifications or satisfy conditions laid down by the respective State Governments from time to time.

Registration of vacancies notified by employers

121. Vacancies notified by employers, both private and Government, are registered by the Exchanges and suitable action taken to submit applicants against them. Vacancies advertised in the Press are also registered provided suitable applicants are available on the Registers of the Exchanges. Our recommendation in regard to vacancies for unskilled workers is given in the following Chapter. The policy with regard to acceptance of vacancies by the Exchanges in some special circumstances, together with our recommendations in cases we consider a modification or a revision of the present policy necessary, is set forth below.

122. *Vacancies for women and vacancies for which cash securities are required.*—Vacancies for women and those for which cash securities are required are carefully scrutinised more particularly if they are notified by an employer who is not known to the Exchange. Action to submit applicants is taken only after the Exchange has satisfied itself as to the *bona fides* of the employer.

123. *Strike Vacancies.*—Employment Exchanges do not accept vacancies arising as a result of a strike or lock-out or register work-people who have become unemployed as a result of a strike or lock-out except in the case of a strike or lock-out which the appropriate Government, through a duly authorised officer, notifies to the Employment Exchange to be an illegal strike or lock-out, the continuance of which is contrary to public interest, and directs the Employment Exchange to submit suitable applicants. In all cases where workers are submitted against strike vacancies or where workers who are on strike are submitted to employers for employment, the Employment Exchanges before making such submissions inform the worker or

the employer, as the case may be, that the vacancy has arisen due to an illegal strike or that the person who has been submitted for employment is unemployed because of illegal strike or lock-out.

124. *Vacancies offering sub-standard wages.*—Employment Exchanges, at present, accept all vacancies whatever be the wage rate offered by the employer. It is only when submission efforts fail on account of unsatisfactory terms and conditions of service that the employer is tactfully persuaded to offer better terms. *We are of the view that in cases where the wages or salary offered is so unreasonably low that the time of the Exchange is likely to be wasted in trying to get the men required, the Exchange should explain the position to the employer and not accept such vacancies. In regard to employment in respect of which minimum wages have been fixed under the Minimum Wages Act, 1948, the Exchanges should not accept vacancies which violate the provisions of the Act.*

125. *Vacancies involving discrimination.*—Insofar as employment under the State is concerned, the Constitution lays down that no citizen should, on the grounds only of religion, race, caste, sex, descent, place of birth or residence be discriminated against, in respect of any employment or office under the State. Whenever, therefore, a vacancy involving discrimination is notified, Employment Exchanges have been instructed to point out to the employer that they cannot accept vacancies which violate the Constitution.

126. Insofar as the field of private employment is concerned, Employment Exchanges themselves do not discriminate against any applicant on the grounds of religion, race, caste, descent, etc. If, however, an employer lays down terms and conditions which involve discrimination between applicants on grounds other than suitability for the job in question, Employment Exchanges do conform with the requirements prescribed by the employer. The evidence placed before us showed that employers and workers are generally in favour of preferential treatment to sons and relations of employees. From the point of view of employers, it has been stated that preferential treatment to sons and relations promotes a family feeling amongst the employees and strengthens the bonds of loyalty between the employers and employees. *We do not consider it desirable that preferential treatment should be accorded to a group or groups of applicants on grounds other than their suitability for the job concerned. We, therefore, recommend that whenever such discriminatory terms are prescribed by employers, the Employment Exchanges should bring to the notice of the employer if they have more suitable candidates on the Register, judged solely by their qualifications and experience. If the employer persists, he should be persuaded to restrict preferential treatment to only a certain percentage of the vacancies.*

CHAPTER VIII

FUNCTIONS, PROGRAMME AND PROCEDURE

127. To achieve their present main objective Employment Exchanges—

- (1) register applicants seeking employment assistance;
- (2) register demands for workers from employers; and
- (3) select and submit applicants to employers.

Organisation of Placement work

128. *Reception of applicants.*—Most Employment Exchanges have set up Enquiry Sections to deal with enquiries from visitors. Applicants who desire to be registered or desire interviews with an officer are directed by the Enquiry Clerk to the Section concerned. Very few Employment Exchanges have facilities to provide a waiting hall large enough to seat all callers although a number of Exchanges have set up a Visitors' Room intended primarily for employers.

129. One of the general complaints made to us has been that callers are not always treated in a courteous manner and that they have to stand in queues for long hours. *We consider it necessary that Exchanges should have adequate seating arrangements for callers and for prompt and courteous handling of their requests*, as those who visit the Exchange naturally judge its service by the manner in which they are received.

Registration and Interview of Applicants

130. *Procedure for Registration.*—Applicants who desire employment assistance are registered normally at the Exchange in whose jurisdiction they reside. Sometimes, however, applicants are allowed, with special permission, to register at an Exchange outside their area. Registration is usually effected by personal interview, although registration by post is permitted in the case of those who live far away from the Exchange. The registration process involves completion either by the Exchange staff or by the applicant himself of a specially designed Index Card and the issue to the applicant of a certificate of registration known as the Registration Card.

131. The information recorded on the Index Cards comprises personal data to facilitate identification, a record of educational qualifications and training received and a record of previous employment.

The educational qualifications are entered only if the applicant produces in support original or attested copies of certificates, degrees or diplomas. In the case of qualifications for which it is not the practice to issue certificates, diplomas, etc., the production of documentary evidence is not insisted upon. Similarly, the applicant is asked to furnish, if he can, copies of certificates from previous employers in respect of previous employment, attested by a gazetted officer. If the applicant is unable to produce such certificates, the fact is noted on his Index Card.

132. Index Cards are completed for all categories of applicants, including casual workers. In cases where an applicant is placed at the time of initial attendance at the Exchange, only factual details, necessary to establish identity at a later date, are recorded. This is done only with the permission of a gazetted officer. Such skeleton registration, however, is not permitted at Sub-Offices, out-housed Sections, Camp Offices or by Mobile Sections.

133. *Occupational classification of applicants.*—Applicants are classified occupationally on the basis of their preference and suitability. Alternative occupations are also recorded on the same basis. To facilitate matching up of the qualifications and experience of applicants with those prescribed by employers, a uniform system of trade-indexing is applied to registrations and to employers' orders. The trade index numbers are allotted on the basis of the "Guide to Occupational Classification".

134. *Verification of character and antecedents of applicants.*—Employment Exchanges are not responsible for the verification of the character and antecedents of applicants. Some employers' representatives have suggested that the Exchanges might verify the antecedents and character of applicants they recommend. *We are of the view that the verification of character and antecedents is not a normal function of the Employment Exchanges and it should be the responsibility in the main of the employers themselves. Besides, we do not think that the Exchanges should let their selection of applicants be influenced mainly by the opinions regarding their character expressed by their previous employers. As regards antecedents, situations can arise sometimes when it might be in the interest of the applicants themselves to have their antecedents verified. In such a case, we do not consider that there can be any objection to the Employment Exchanges verifying, at the request of the applicant, his antecedents through authoritative sources. Similarly, when an employer selects an applicant subject to the verification of antecedents, Employment Exchanges may, at the request of the employer, make such verification.*

135. *Renewal of Registration and Re-registration.*—Applicants are required to renew their registration periodically, the normal period being two months. Those who do not renew their registration within the prescribed period are deemed to have found employment or to be no longer in need of employment assistance. Index Cards in such cases are transferred from the Live to the Dead Register. When an applicant whose Index Card has been transferred to the Dead Register applies again for employment assistance, he is re-registered.

Employers' Orders for Workers

136. Details of vacancies received from employers are recorded on a specially designed form known as the Order Card. A separate Order Card is prepared for each type of vacancy, even though the employer may be the same. Order Cards are also opened in respect of vacancies advertised in the Press provided suitable applicants are available on the Live Register.

137. *Occupational classification of vacancies.*—Each order is classified occupationally and the trade index number appropriate to the vacancy allotted with reference to the "Guide to Occupational Classification".

Selection and Submission of Applicants

138. *Referral Policy.*—The basic policy underlying selection and submission of applicants by the Exchanges is that the best qualified applicant should be submitted. From amongst equally qualified applicants, preference is given to the one who has been longest continuously on the Live Register. In cases of urgency, submission is made from amongst those who happen to be present at the Exchange or who can be contacted easily. Employed persons registered with the Exchange are submitted only if equally qualified unemployed persons are not available. Nominees of Government employers are submitted if the nominees are as well or better qualified than other available applicants. In determining the suitability of an applicant against a job, certificates from previous employers are taken into consideration and preference is given to those whose record of employment is supported by satisfactory and creditable evidence.

139. We agree in the main with the referral policy followed by the Employment Exchanges. We would, however, recommend one slight modification in the policy in regard to employed persons. It has been represented to us by employers that employed persons, even though better qualified, are not considered for selection by the Exchanges if unemployed persons who fulfil the minimum requirements prescribed by the employer are available. *We recommend*

that even in the case of employed persons, the basic referral policy, viz., that the best qualified applicant should be submitted, should apply. In its practical application our recommendation would mean that between an unemployed person and an employed person selection should not be based merely on the possession of minimum qualifications prescribed by the employer but on the relative suitability of the applicants for the job concerned. However, between an unemployed and an employed person who are equally qualified, preference should be accorded to the one who is unemployed.

140. As regards the submission of nominees of Government employers, the present practice by which Government employers request nomination of particular individuals is likely to lead to abuse and should be stopped.

141. Procedure for selection and submission.—Applicants considered suitable for submission are, as a rule and when time permits, called by the Exchange for a pre-submission interview. Postal submissions are, however, made when it is considered absolutely essential to do so. The applicant finally selected for submission is required to give a certificate to the effect that he is agreeable to the terms and conditions attached to the vacancy and is issued an Introduction Card to the employer. Unless the employer has specified the number to be submitted and subject to the availability of suitable candidates, submissions are made as follows:

No. of vacancies	No. of submissions
1 or 2	Seven times the number of vacancies.
3 or 4	Five times the number of vacancies. —
5 or above	Four times the number of vacancies.

142. When a submission made by an Exchange has led to the absorption of an applicant into remunerative employment (or work which is likely to lead to remunerative employment) it is regarded as a placing. In every case satisfactory proof to the effect that the applicant submitted has actually been engaged is obtained from the employer or the applicant concerned and filed inside the Order Card.

Procedure Recommended for adoption by the Exchanges in respect of Unskilled Workers

143. As already stated, according to the present procedure, Index Cards are completed for all categories of applicants. We are of the view that completion of Index Cards is not necessary in the case of unskilled workers. There is hardly any scope for scientific selection by the Exchanges in so far as this category of workers is concerned and selection in their case is usually a matter of locating those who are immediately available for submission rather than finding persons

possessing specific skill, knowledge, or ability. The selection of such workers on the basis of the Live Register also is not always possible as demands in the field of unskilled employment are usually of a short-notice nature. Even when sufficient time is allowed, selection on the basis of the Live Register is not worthwhile, since a very large proportion of those selected do not respond to call letters. *In so far as unskilled vacancies are concerned, we recommend that such vacancies should not be formally registered, nor should any formal submission be made against them. It should suffice if such vacancies are brought to the notice of employment-seekers by announcements or other means. Thereafter, applicants should approach the employer direct.*

144. Since the work of the Exchanges in respect of unskilled workers will be confined to public announcements of suitable vacancies, we recommend that *no statistics be maintained of those who assemble at the Exchange each day, nor of the number of vacancies received or involved in the announcements.*

145. The procedure outlined above should, in our view, meet adequately the needs of unskilled workers and vacancies. *State Governments may, however, consider it necessary that Employment Exchanges should participate more actively in some special cases of large-scale recruitment of unskilled workers so as to eliminate exploitation of such workers by intermediary agencies. Employment Exchanges should, in such situations, undertake to help in the recruitment. Even in these cases we do not consider it necessary for the Exchanges to complete Index Cards. Statistics relating to such recruitment of unskilled workers should be kept separate from other statistics.*

146. *State Governments should draw up in consultation with the Central Government lists of categories of workers who are to be treated as unskilled for the purpose of the above recommendations. In doing so, we suggest that the "Guide to Occupational Classification" prepared by the D.G.R. & E. should be made use of.*

147. *The recommendations in respect of unskilled workers should not be applied to the posts of peons and allied categories. Such vacancies should be dealt with in the normal manner but only those who possess the minimum educational qualification prescribed by the Central Government and the respective State Government should be eligible for formal registration and submission. We expect that even in cases where an employer has not prescribed any educational qualification, he would prefer those who possess at least the minimum qualification laid down by the Central and the State Government con-*

cerned. *Where, however, an employer expresses preference for an illiterate person or a person possessing a qualification lower than that prescribed by the Central and the State Government, his demand should be treated as that for an unskilled worker and dealt with as such.*

Vacancy and Labour Clearing

148. It is sometimes necessary to circulate notice of a vacancy over a wider area either because the employer desires that or because the Employment Exchange concerned does not have suitable applicants to recommend. In such situations, vacancies are cleared at three levels:—

- (1) at the Employment Exchange level by direct notification to one or more selected Exchanges either in the same region or in other regions;
- (2) at a regional level by the Regional Employment Co-ordination Offices (located at the Regional Employment Exchanges) which circulate details of suitable vacancies to all Exchanges in their respective regions; and
- (3) at an all-India level by the Central Employment Co-ordination Office (located at the Central Headquarters) which circulates details of suitable vacancies to all Exchanges in the country.

149. To provide an aid, in case of limited circulation, in determining the Exchange to which a vacancy or vacancies might be notified, Employment Exchanges are required to furnish to the Central Employment Co-ordination Office a monthly statement known as the 'Mobile Labour Return' indicating the number of applicants in the Exchange area available for employment in other areas together with any limitations upon their movement and their occupations. This information is called for in respect of specific occupations in which applicants are known to be maldistributed and in short supply. On the basis of the Mobile Labour Returns, the Central Employment Co-ordination Office prepares a consolidated all-India statement called the 'Mobile Labour Location Statement' showing the location of mobile labour belonging to the particular occupations in all Exchange areas, their numerical strength and the extent of their mobility. This statement is circulated by the Central Employment Co-ordination Office to all Exchanges and forms the basis of determining the particular Exchange or Exchanges to which the vacancy might be notified.

150. We have pointed out elsewhere that Employment Exchanges have achieved very limited success in the field of vacancy and labour clearing. This, in our opinion, is mainly due to the various causes, economic and sociological, which stand in the way of the movement of workers from one area to another and which are to a large extent

beyond the control of the Employment Exchanges. Notwithstanding the limited measure of success that has been achieved, we have no doubt whatsoever about the need and the value of arrangements for vacancy and labour clearing as an integral part of the employment service machinery. The existing arrangements at the local, regional and all-India levels widen the range of employment opportunities for the applicants and the field of labour supply for the employers. These arrangements provide the only method for promoting necessary geographic mobility among workers from surplus to deficit areas.

151. From the procedural angle the existing arrangements in regard to clearance appear to be satisfactory. *We would, however, emphasise the need for providing the Employment Exchanges with more comprehensive information regarding the terms and conditions attached to the vacancies to be circulated.* We understand that the Vacancy Lists usually contain only brief descriptions of such vacancies.

152. *From the point of view of the organisation of the work in connection with clearance, we recommend that the work at present handled by the Regional Employment Co-ordination Offices located at the Regional Employment Exchanges should be transferred to the State Headquarters.* Such an arrangement will ensure a more adequate supervision of this item of work and will place the Regional Employment Exchanges on a comparable level with other Employment Exchanges as regards functions. This should facilitate a more rational classification of the Exchanges based solely on the volume of work handled.

Use of Occupational and Aptitude Tests at the Employment Exchanges

153. One of the common complaints against the Employment Exchanges is that these Exchanges do not always submit the right type of person with reference to the qualifications and experience prescribed by the employer. This, it has been suggested, is the main reason why employers do not utilise the facilities offered by the Employment Exchanges to a greater extent than they actually do. As a remedy it has been suggested that Exchanges should conduct occupational tests with a view to assessing the suitability of candidates registered with them.

154. We understand that some but not all Employment Exchanges have on their staff an Employment Officer with technical qualifications. Even if each Exchange had such an officer, he could not be expected to be adequately acquainted with all the different trades and occupations dealt with at Exchanges. In the circumstances, selections at the Exchanges are based for the best part on what the applicants say about themselves rather than on any objective assessment

of their skill or knowledge. The quality of submissions by the Exchanges can be improved and the claim that the Employment Exchanges recommend the right person for the right job can obviously be justified only if the Exchanges adopt scientific methods of selection based on objective tests in place of the more or less rough and ready methods of selection in use at present.

155. Various types of occupational tests have been developed and standardised in different countries. These may be classified into two broad groups—aptitude tests and proficiency or trade tests. Aptitude tests measure a person's potentiality and provide a very useful aid in advising him in the choice of a career; proficiency tests, on the other hand, measure the extent of a person's skill in an occupation.

156. *We recommend that the Employment Service should develop standardised aptitude tests and trade tests to assess wherever necessary the aptitude and/or proficiency of applicants desiring training or employment in skilled trades.* In the latter case it may not be necessary to subject to a trade test an applicant who holds a certificate of proficiency from a recognised authority such as the proposed National Trades Certification Board. A programme of occupational testing, if such a programme were instituted at the Exchanges, would be helpful in a variety of situations. In addition to the uses already mentioned, occupational tests would help to supplement the information obtained during the registration interview and in verifying the experiences claimed by an applicant. Such tests would be useful also as an instrument for selection from amongst a number of applicants for relatively few vacancies and in determining which particular applicants are best suited to the requirements of the employer.

157. *For an accurate appraisal of an applicant's skill it will sometimes be necessary to test the applicant actually on the job. This will not always be possible at the Exchanges themselves; it will, therefore, be necessary to seek the co-operation of industry in the trade-testing of applicants.* A programme of trade-testing with which private industry is closely associated will have the added advantage in that industry would be assured that the classification and submission of applicants by the Exchanges is determined on the actual possession of the trade knowledge required for a given occupation. From the side of private industry, we have been assured by the various employers' representatives that in their own interest they would be prepared to co-operate in any trade-testing programme that might be conducted by the Exchanges.

158. *In addition to tests for technical trades, we would recommend particularly the development of suitable tests in respect of the*

general clerical category denoted by the Trade Index Numbers N.II.14 and N.II.15, specifically in regard to fresh entrants to the employment market. We are of the view that the Employment Service would be rendering a very valuable service if it could assist in developing and organising tests in the field of clerical employment where there are relatively fewer openings available than the number seeking employment.

159. As the supply of those looking for clerical employment far exceeds the demand, employment-seekers wander from door to door either at the instance of the Exchanges or on their own initiative—in most cases, only to get rejected on the basis of tests conducted by the employers individually. To provide for a choice in the selections, Exchanges normally submit applicants larger in number than the actual requirements of the employers. Those rejected rush back to the Exchanges for further submissions. This process is repeated over and over again and naturally results in frustration on the part of the unsuccessful candidates. If, therefore, those who have chances of absorption could be sorted out on a scientific basis, having regard to the probable number of openings available, the Exchanges would be enabled to advise applicants regarding their prospects of employment. Those who have comparatively no chance of absorption could be advised of the fact as early as possible in order that they might look for employment in other fields. The encouragement of occupational mobility among workers with a view to adjusting the supply to the available or potential employment opportunities is an important function which the Employment Exchanges should equip themselves to discharge. In so far as those seeking clerical employment are concerned, the need for diverting the large majority to other fields of employment constitutes a serious problem in the present context. Our recommendation above is designed to provide the first essential step towards tackling the problem.

160. *The proposed test for the clerical category might be conducted periodically, in close collaboration with Service Commissions, educational institutions and the Employment Exchange Organisation, by an independent agency which State Governments might set up for the purpose. The tests should be of a qualifying nature to assess the candidates' suitability not for a specific job or jobs but for the occupation in general, thus obviating the need for frequent tests. Panels might be drawn up on the basis of results of such tests against the likely requirements for a particular period, of Government, local authorities and private employers and submissions might be made from the panel. Any secretariat assistance that may be necessary for the independent authority to conduct the tests can be provided by the Employment Exchanges.*

161. Since the tests will, as we envisage, be conducted in close collaboration with Service Commissions, both Central and State Governments as also local authorities and private employers would be enabled to utilise the panel of names drawn up on the basis of the results of the tests. We understand that in some States, even clerical posts are filled through Public Service Commissions. *In our view Service Commissions need not be saddled with the duty of conducting examinations for recruitment to clerical and allied grades.*

162. It might be argued that the conducting of the tests we have suggested might involve additional avoidable expenditure. We do not consider that our recommendation need result in additional overall expenditure as the cost of conducting centralised tests is not likely to exceed the cost of holding a number of independent tests by several authorities.

163. *Till such time as suitable tests are developed and organised, we recommend in respect of the general clerical category that from amongst equally qualified applicants, submissions by the Exchanges should be based on marks obtained at the High School/University Examinations.*

164. *As regards applicants who desire to be recommended for the posts of peons or for allied posts, we have already recommended that only those who possess the minimum educational qualifications prescribed by the Central Government and the respective State Government, or higher qualifications, should be eligible for formal registration and submission. To assess the comparative suitability of applicants who possess the prescribed qualifications, we recommend the introduction of tests of a simple nature. Until such tests are developed, we would recommend that selections should be based on seniority of registration.*

165. We are aware that the introduction of a testing programme at the Exchanges would require the services of some experts. We suggest that a Section might be set up for the purpose at the Central Headquarters of the Service and that, after tests have been developed, training might be imparted to Employment Officers in the administration of the tests. We are convinced that unless such a programme is established and developed, the services rendered by the Employment Exchanges will not really be worthwhile and the Exchanges will not gain the confidence of employers. We are given to understand that the Delhi Regional Employment Exchange has made a beginning in the direction and that it has been conducting a programme of testing, particularly in typing and shorthand in collaboration with the Secretariat Training School run by the Ministry of Home Affairs and that, as a result of the programme, it has

achieved considerable success in the selection and submission of Typists and Stenographers. We have no doubt that with the introduction of a testing programme, which might be expanded in stages to cover as wide a field as possible, the Exchanges will grow in usefulness from the point of view of both employers as well as of employment-seekers. Suitable placings based on an accurate assessment of abilities and aptitude would result in contentment and in increased efficiency.

Occupational Research

166. One of the essential pre-requisites of an effective testing programme is the standardisation of definitions of skills and functions of the various types of tradesmen at different levels of proficiency. As far as we know, no serious attempt has so far been made to define in precise terms the occupational content and the degree of proficiency needed for a tradesman to achieve different levels of skills such as Grade I, Grade II and Grade III, except to some extent, in the case of the textile industry. We understand that the Central Employment Advisory Committee considered the problem in December, 1950, but that no positive action by the D.G.R. & E. has been possible for reasons of financial stringency. Uniformity of standards in the measurement of skills presupposes uniformity of standards in the definition of skills. In order that the degree of proficiency possessed by applicants, revealed as a result of trade tests, be related to the degree of proficiency required by particular employers and be expressed in comparable terms uniformly throughout the country, it is necessary to define the functions and skills of the various types of tradesmen. Uniformity of standards both in the definition and measurement of skills is necessary for other purposes as well. It is necessary for encouraging mobility of craftsmen from places where they are in surplus to places where they are in demand. It is equally necessary for arriving at a satisfactory basis for the fixation of wages. Further, uniformity of standards will also help in arriving at reliable estimates of available manpower in different categories of skills and in the planning of training programmes.

167. *We recommend that side by side with the development of trade tests, the Service should undertake, in collaboration with technical experts and representatives of workers, industry and Government the task of standardising definitions of skills and functions of the different types of tradesmen. The "Guide to Occupational Classification," published by the D.G.R.&E. for use by the Employment Exchanges, lists, classifies and outlines over a thousand trades and occupations. The Guide has promoted in some measure the use of common trade and occupational nomenclature and provides a very good starting point for the task of standardisation of definitions*

of skills and functions of the different types of tradesmen. It should eventually be developed into a comprehensive Dictionary which would provide both nomenclature of trades and occupations as well as their definitions.

168. We have recommended that a unit might be set up at the Central Headquarters of the Service to undertake the development of a programme of testing. This unit should also be responsible for co-ordination of the entire range of occupational research necessary for the standardisation of the definitions of skills and functions of different types of tradesmen. As a first essential step towards the development of a programme of testing and standardisation of skills and functions, this unit will have to collect, on the one hand, information relating to the nature of specific jobs and tasks which comprise the jobs, and on the other, the skills, knowledge, abilities and responsibilities required of the worker for successful performance of the job. Such information would also provide very useful aid in the interviewing and counselling of applicants.

169. Side by side, the unit might also prepare occupational and staffing patterns found in different industries and collect information regarding jobs or groups of jobs which are related to each other or which require similar skills. Information of this type would be of value in employment planning, counselling and in the preparation of curricula of training. The latter type of information would help to identify workers who might be utilised with the minimum of re-training to fill specific jobs; it would also help to identify jobs in which workers can be most efficiently employed with the maximum possible utilisation of their skills when work in which they have had experience and training is not available.

Employment Counselling

170. From the employment-seeker's angle, the main objective of the Employment Exchanges is to find him a job for which he is best suited. The attainment of this objective requires on the part of the Exchanges, firstly, determination of a job or jobs which would take into account the employment-seeker's interest and preference, his aptitude, his training and experience, and secondly, rendering of assistance in finding employment in the field so determined. It also requires on the part of the Exchanges advising or counselling, in making a practical and satisfactory occupational choice, those who seek or are in need of such advice or counsel.

171. The need for employment counselling arises from the complexity of the labour market and differences in the aptitude, interest, acquired skills and physical capacities of individuals and from the recognition that unless an individual is employed in a job suited to

his ability, he does not derive any satisfaction from his job, and in many cases, is not fully a productive employee. It is generally true that in the existing employment situation the preponderance of applicants over jobs does not leave much choice to the applicant; nevertheless, it cannot be denied that satisfactory matching of jobs and workers through a process of employment counselling will not only be in the interest of individual workers but would also be in the national interest inasmuch as it would promote productivity and at the same time minimise the waste involved in frequent changes of jobs.

172. A counselling programme was instituted for a brief period soon after the termination of the last War under what was called the Resettlement Advice Service. The function of the Service was to advise demobilised personnel regarding their prospects of employment. Even today, Employment Exchanges do, in a manner of speaking, carry on a certain amount of counselling activity when during an interview the applicant is advised regarding his chances of employment. No counselling programme as such, however, has been instituted by the Service, nor are the Exchanges equipped for this purpose. *We are of the view that if the Exchanges are to achieve the overall objective of the Service, a counselling programme is essential.*

173. In order that Employment Exchanges might be in a position to advise applicants regarding the chances of their employment, they should be equipped not only to adjudge the present and potential capabilities of an applicant but at the same time be in possession of comprehensive information relating to the present and prospective employment opportunities. *We, therefore, recommend that the Central Headquarters of the Service, in collaboration with industrial leaders, trade unions and professional societies, should collect and publish for public dissemination information on general employment outlook in specific fields, duties involved, training required, chances of advancement and working conditions.* Besides being a valuable counselling aid, such information should also be of great assistance to schools and colleges giving vocational or professional training.

174. *Employment counselling is a means to an end, the ultimate end being suitable employment. Advice in the choice of a career or an occupation should, therefore, be made available to all who need such advice. Employment Exchanges should provide special facilities for counselling young men and women straight out from schools or colleges, who have had no previous experience and are not occupationally set in their choice of employment and who represent the largest single addition to the country's manpower every year.*

175. *Employment Exchanges should maintain a close liaison and develop co-operative arrangements with schools and colleges and other agencies engaged or interested in vocational guidance.* The Secondary Education Commission has recently recommended a programme of educational and vocational guidance for schools and suggested that the services of trained Guidance Officers and Career Masters should be made available gradually and in an increasing measure to all Educational Institutions. We welcome the recommendation of the Commission and suggest that *Employment Exchanges should also assist schools which set up a vocational guidance or counselling programme by making available to them information pertaining to employment opportunities available in the country.* Steps should, however, be taken to avoid duplication between the *Employment Service and the Schools.* The Schools and the Employment Service should agree upon a clear-cut line of demarcation as between their respective functions. *It must be clearly recognised that placement is more logically an Employment Service function rather than that of a School or a University.* We understand that some Universities have set up *Employment Bureaux to assist their students find employment.* Though we are not aware of the measure of success the Bureaux have achieved, we are of the view that such Bureaux should work as an adjunct of the local *Employment Exchange rather than as independent employment agency.*

Mobile Sections of Employment Exchanges

176. The original scheme for the setting up of the Employment Service in the Provinces provided for 71 Employment Exchanges, which in regard to the size of the country was obviously inadequate. Each Exchange had to serve an extensive geographical area covering several districts. One of the earliest problems which the Organisation had to face, therefore, was how best to make its services readily available to those who lived in remote areas. To render at least a partial service to distant places, Mobile Sections were started as an integral part of the Employment Exchanges. Financial sanction was accordingly obtained in September, 1945 for the purchase of 71 motor vehicles, one for each Employment Exchange. Some Mobile Sections were set up in the year 1946 and the others followed as and when vehicles were made available. By 1950, 45 Employment Exchanges had been supplied with vehicles, 15 of which were withdrawn in April, 1951, as a measure of economy. The names of the Employment Exchanges which have been supplied with vehicles is given in Appendix VI.

177. The approximate annual expenditure per vehicle by way of maintenance charges, excluding repairs, comes to about Rs. 1,800 plus pay and allowances of the driver at Rs. 1,200 per year.

178. The main functions of the Mobile Sections, to begin with, were to visit outlying areas on a preplanned basis and to—

- (1) register persons desiring employment assistance;
- (2) consider them for available vacancies; and
- (3) contact employers in the area and secure vacancies.

In addition, Employment Exchange vehicles were also utilised, when necessary, for transporting applicants to employers for employment interviews.

179. About the end of the year 1949, Mobile Sections were assigned a new task. Employment Exchanges were asked to send their Mobile Sections every day, if possible, to recruiting centres or labour markets where building trade operatives and casual labourers assembled, to register those assembled and to submit them to employers if they were willing to co-operate. The Exchanges which had not been supplied with vehicles, were advised to operate sub-offices at the recruiting centres or labour markets at the appropriate time of the day. This direction of the Mobile Sections towards a field of employment where there are ample opportunities for the employer and employment-seekers to get into touch direct and where there is hardly any scope for any positive contribution by the Exchanges by way of scientific selection and submission, constituted a fundamental change in the original objective of the Mobile Sections. The result was that Employment Exchanges started sending their Mobile Sections or setting up Sub-Offices at labour markets, 'addas', assembly points, and work-sites where their work was confined in the main to registering those who had already been selected.

180. Complete statistics in respect of work performed by the Mobile Sections are available only since February, 1951. Figures for the period February, 1951 to August, 1953 are given below:

*Statement showing the work performed by Mobile Sections/
Employment Exchanges during the period February, 1951 to
August, 1953.*

REGISTRATIONS

	1951 (Feb.-Dec.)	1952	1953 (Jan.-Aug.)	Total
Mobile Sections	1,10,838	1,09,091	36,745	2,56,764
Employment Exchanges total	12,55,292	14,76,699	9,45,568	36,77,550
Percentage of Mobile Sections work to Employment Exchanges total	8.8	7.4	3.9	7.0

PLACEMENTS

	1951 (Feb.-Dec.)	1952	1953 (Jan.-Aug.)	Total
Mobile Sections	87,174	76,453	17,769	1,81,396
Employment Exchanges total	3,82,227	3,57,828	1,32,980	8,73,035
Percentage of Mobile Sections work to Employment Exchanges total	22.8	21.4	13.4	21.0

Note :— These figures do not include figures relating to the work of Sub-Offices at recruiting centres or labour markets.

Thus, during the period February, 1951 to August, 1953, the Employment Exchanges registered 36,77,559 persons and placed in employment 8,73,035. Of these, Mobile Sections registered 2,56,674 and placed 1,81,396 in employment, contributing 7 per cent. of the total registrations and 21 per cent. of the total placements. The fall in the percentages for the year 1953 is notable. Another noteworthy feature is that while the percentage of total placements to total registrations for the period February, 1951 to August, 1953 was 23.7, the corresponding percentage for the Mobile Sections alone was 70.7. This would indicate that spot submissions and placements have been a significant feature of the work of the Mobile Sections.

181. The work of the Mobile Sections and Sub-Offices at labour "addas" or labour markets has come in, with justification in our opinion, for quite a lot of adverse criticism. We are happy to note that since April, 1953, there has been a revision in the policy so that labour "addas", assembly points and work-sites are no longer considered a legitimate sphere for Employment Exchange activities. Consequently, there has been a drop in the placement figures in respect of Mobile Sections, which in turn has affected in some measure the total placements by the Exchanges. For example, during March, 1951 the Employment Exchanges attained the peak figure of 38,253 by way of placements, of which the Mobile Sections alone contributed 12,155. This does not take into account the placement figures contributed to the total by the Sub-Offices operating at labour markets and recruiting centres. The contribution of the Mobile Sections, since the revision of the policy regarding their sphere of work in April, 1953 upto August, 1953, had dropped to a monthly average figure of 1,817. The total monthly placement figure had also dropped to 13,114 in August, 1953. In the absence of statistics relating to the work of Sub-Offices at labour markets, etc., it is difficult to say exactly what effect the revision of the policy has had on the total placement figures. It is obvious, however, that the discontinuance of the Mobile Section and Sub-Office operations at labour markets, etc. has contributed to a fair extent towards the fall in the total placement figures. Thus, the apparent decrease in

employment as revealed by Employment Exchange statistics is mainly attributable to the discontinuance of an activity on the part of the Employment Exchanges, which, in our opinion, was utterly futile.

182. The replies to the question whether the Mobile Employment Exchanges had proved useful and efficient showed that of the ten States (Assam, Bihar, Bombay, Madhya Pradesh, Orissa, Punjab, U.P., West Bengal, Delhi and Ajmer) which have had experience of Mobile Sections, only four States, namely, Assam, West Bengal, Madhya Pradesh and Orissa definitely support the continuance of these Sections, whereas the States of U.P. and the Punjab categorically oppose the continuance of these Sections. The rest of the States are either lukewarm in their support or have given non-committal replies. Of those States which have had no experience of the Mobile Sections, only Hyderabad, Rajasthan, Travancore-Cochin and Tripura are in favour of the continuance of the Mobile Sections; the rest have offered no comments. So far as Employers' and Workers' Organisations are concerned, opinion is divided. Most of the Employment Advisory Committees, however, favour the continuance of the Mobile Sections. As regards the Ministers of the Government of India, almost all who have replied to the Questionnaire have offered no comments since neither they nor their attached and subordinate offices have had much occasion to utilise the service of the Mobile Sections.

183. We have recommended in Chapter V of our report that Employment Exchanges should, for the present, be confined to places where the employment market is widespread and complex. While Exchanges in such places can provide service to neighbouring localities which do not warrant the maintenance of full-time Employment Offices, it will not be possible to do so in the case of remote areas. It will, therefore, be necessary to devise some machinery to make the services of the Employment Exchanges readily accessible to such areas. Judging from the views expressed, however, it cannot be said that the Mobile Sections, as at present organised, have proved themselves to be the best possible machinery for the purpose. *If need is felt for some employment service in places which do not justify a full-time office, we would recommend, as an alternative, setting up of part-time Employment Exchanges.* We are of the view that one of the reasons why the Mobile Sections have failed to achieve their objective is that their visits to outlying areas could not be organised on a regular basis. Even if regularity of visits on the part of the Mobile Sections could be assured, part-time offices in our opinion would still be preferable to the Mobile Sections inasmuch as part-time offices would be in constant touch

with the employment situation in their areas and would thus be in a better position to serve the employment-seekers and employers of their areas.

184. *While we do not favour the continuance of Mobile Sections as a normal feature of Employment Exchange work, we recommend that the Exchanges, at least the bigger ones, should be supplied with suitable vehicles in order to facilitate maintenance of contacts with employers on a continuous basis. The need for the maintenance of adequate contacts and development of good relations with employers cannot be over-emphasised. No placing work is possible unless vacancies are received at the Employment Exchanges and employers are advised concerning the type of labour available. Similarly, employment counselling would be difficult unless guidance could be based on a full knowledge of industrial and occupational trends. Likewise, information pertaining to labour demand cannot be made available for employment planning unless it is obtained from employers. If Employment Exchanges are to render effective service in all these different fields, it is obvious that they should be in constant touch with employers. Effective contact work is not possible, particularly in bigger cities, without adequate transport facilities. We, therefore, recommend that if it is decided to close down Mobile Sections, vehicles should be withdrawn from individual Exchanges after taking into consideration their needs for contact work. Apart from contact work, Exchange vehicles might also be utilised in emergent cases for recruitment drives, though tours in connection with recruitment drives should normally be conducted in public transport.*

185. Most of the vehicles supplied to the Employment Exchanges were old Army 15 cwt. trucks or station wagons so that a number of them became unserviceable within a short time and had to be replaced. Besides, it has proved uneconomical to maintain such heavy vehicles. *We, therefore, recommend that all future replacements of vehicles should be made with due regard to the need for economy in expenditure and the purpose for which the vehicles will be utilised.*

Employment Information

186. An indispensable function of an Employment Service is to provide authoritative information concerning the condition and trend of employment and unemployment in the country. Except in the case of employment under the Central Government, all the information that the Service collects is derived from the operating records of the Employment Exchanges and is gathered for the most

part as a by-product of their day-to-day activities. Broadly speaking the information collected comprises:

- (1) that pertaining to applicants seeking employment assistance and vacancies notified to the Exchanges;
- (2) that regarding some special categories of applicants and vacancies required by certain Departments of the Government of India; and
- (3) that designed to help in the evaluation and control of the performance of the Exchanges.

Employment Exchanges are required to render to the Central Headquarters a monthly narrative report and a number of periodical statistical returns in prescribed forms. A brief summary of the nature of statistics collected in each return is given below:

E.S.1.—This is a monthly return which gives a statistical summary of various aspects of work performed at an Exchange, namely, registrations, placings, number of applicants remaining on the Live Register, vacancies notified, vacancies filled and vacancies outstanding, classified into broad categories; e.g., applicants are classified under ex-Servicemen, discharged Central and State Government employees and Others and vacancies are classified under Central Government, State Government and Others. The return also gives the number of employers who used the Exchange during the month.

E.S.2, E.S.4 and E.S.5.—In these returns trade-wise information is collected in respect of applicants on the Live Register, the vacancies notified and filled and the vacancies outstanding at the end of each month.

E.S.17 and E.S.18.—These returns classify vacancies and applicants according to the period for which they remain on the Live Register.

E.S.7, E.S.8, E.S. 12, E.S.15, E.S.16, E.S.20, E.S.21, E.S.22 and E.S.23.—These are special returns which relate to Railway vacancies, Scheduled Caste and Scheduled Tribe applicants, ex-Servicemen, Anglo-Indian applicants, applicants who are matriculates and graduates and displaced persons.

E.S.10.—This is a monthly return which classifies placements according to wage groups.

E.S.11, E.S.13 and E.S.14.—These returns relate to work performed by the Exchanges in connection with vacancy and labour clearing.

E.S.19.—This is a quarterly return which gives by trades the number of ex-trainees from training institutes under the D.G.R.&E.

placed in employment and the number remaining on the Live Register.

187. In addition to those enumerated above, Employment Exchanges are sometimes required to render returns on an *ad hoc* basis in connection with special enquiries or investigations undertaken by the Central Headquarters.

188. Employment Exchange statistics are thus derived almost entirely on the basis of and relate to the number seeking employment assistance and the employment openings referred to the Exchanges. Since there are only a limited number of Exchanges which are almost wholly confined to urban areas and there is no compulsion on employment-seekers to register with the Exchanges nor for employers to recruit through them, there are obviously serious gaps in the coverage of these statistics. It is, therefore, not possible to work out any reliable estimate of the total unemployment or the quantum of employment available in the country as a whole. We have no information on even gross national totals of the unemployed or employment opportunities, much less data on their location or composition. Another drawback from which the statistics suffer arises from the fact that a large number of persons who are already in employment get themselves registered as unemployed. A recent sample survey in one Exchange area showed that about 36 per cent. of the registrants who stated at the Exchange that they were unemployed were on enquiry found to be employed but seeking better jobs.

189. Despite their various drawbacks, the Live Register figures of the Exchanges constitute the only statistics available of unemployment and employment openings. Recently, sample surveys of unemployment have been undertaken, on the initiative of the Planning Commission, by the National Sample Survey in a few selected towns in the country. Such surveys are valuable and provide indicators of overall trends, but they cannot furnish detailed information regarding the characteristics and movements of the employment market. *It is the function of the Employment Service to collect comprehensive information on a continuing basis regarding the supply as well as the current and anticipated demand for labour in all its aspects.* Correct policy decisions such as the extent of training and re-training facilities to be provided in various occupations and regions and measures for the relief of the unemployed will largely depend on the efficiency with which this information is collected and made available from time to time. We have recommended in another Chapter that Government and semi-Government employers should be required to recruit through the Employment Exchanges on a

compulsory basis and that it should be made obligatory on private employers to notify their vacancies to the Exchanges. If that recommendation is implemented, it will not only increase the scope and coverage of the Exchange statistics relating to employment opportunities but will indirectly increase the scope of the statistics relating to the unemployed inasmuch as the majority of the employment-seekers will, we expect, be drawn into the Exchange registers.

190. In order to enable a meaningful analysis of the figures relating to the unemployed registered with the Employment Exchanges, it is necessary that statistics should bring out the essential characteristics of the Live Register of the employment-seekers. For this purpose, *we recommend that the statistics of the unemployed should also give their distribution according to industry, trade, age, sex, qualifications (academic and professional), location and duration of unemployment. Similarly, statistics of registrations should be maintained by trade, age, sex and qualifications. On the side of demand for labour, the available data should be arranged by industry, trade and region.* With the information on the characteristics of the unemployed, on the one hand, and those of the demand, on the other, it should be possible to determine the extent to which the labour supply in a particular area is adequate in overall terms, to identify shortages and surpluses in terms of trades and industry, to determine training needs, and to consider measures to adjust demand and supply.

191. Statistics of unemployment alone do not represent a complete picture of the labour market. It is also necessary to know the structure of and variations in employment. Employment Exchanges are now required through personal contacts to obtain and maintain detailed and up-to-date information relating to employers located in their areas, showing the industry, trade or business of the employers, details of employees and demands placed on the Exchange and action taken on the demands. The information is required to be maintained in prescribed forms which constitute what is known as the Employers' Register. We understand that in most cases up-to-date information is not available at the Exchanges, nor has the Headquarters made any use whatsoever of the information when available. The only statistics of employment the Employment Service collects are in regard to Central Government employment, which are obtained from various Central Government establishments through monthly Staff Strength Returns. Apart from the statistics available with the Employment Exchanges, statistics of employment are also being collected in the case of certain organised industries, e.g., factories which come under the Factories Act, 1948, Mines, Plantations, Railways, Posts and Telegraphs, etc. The data collected, however are of limited practical value as they do not provide a break-up of the employed

persons by occupations, age groups, etc. Besides, industries covered by these statistics employ only a small proportion of the total gainfully employed population. In order that Government may have reliable and up-to-date statistical information regarding the level of employment in the country, we recommend that like the Central Government Departments all employers (including Government, semi-Government and private) should be required on a compulsory basis to render to the Employment Exchange concerned and to the Central Headquarters of the Service half-yearly returns in a form that might be prescribed for the purpose, showing the total staff strength at the end of the six-monthly period, the number of vacancies (including those in the unskilled categories) that occurred during the period, the manner of their filling and a forecast of likely increase or decrease in the staff during the next six months. As regards the size and type of industrial establishments which should be required to render the proposed Staff Strength Return, we consider that the ultimate goal should be to cover as many sectors of employment as possible. The size of the Employment Exchange Organisation and its coverage will be a major deciding factor. We, therefore, suggest that the proposal, may be given effect to in several stages, the progress in each stage being decided by the Central Government in consultation with State Governments and the various Employers' and Workers' Organisations.

192. Our recommendation that the Staff Strength Return should be half-yearly and not at more frequent intervals is based purely on practical considerations. To supplement the information which will be available through these Staff Strength Returns twice during the year, we recommend that the Employment Exchanges should organise employment information surveys at shorter intervals. Operational details should be worked out by experts. The object of the data collected should be not only to provide information regarding the state of employment but also to make available necessary material for planning.

193. We are of the view that the Employment Service should be the main agency for the collection, compilation and dissemination of all statistics in regard to employment and unemployment, the situation and trend and the requirements of the different occupations and industries in regard to manpower. Full use might, however, be made of the existing statistical agencies for the collection of primary data. In addition to the collection of statistics, the Employment Service should undertake special research into and studies of the employment market and trends in particular industries, occupations and areas.

194. If the information collected or the results of the studies are to be used for practical purposes adequate arrangements should be made to make the information available systematically and promptly to all concerned. It is also necessary to organise the material for use at the national, regional and local levels. Local action and planning being an essential part of any overall programme for promoting fuller employment, the material relating to employment information should also be adapted to regional and local needs and made available to public authorities and private bodies concerned at all levels.

Relations with Employers and Workers

195. For an effective performance of its main function, namely, helping applicants find suitable employment and employers find suitable workers, the Employment Exchange Organisation must, as an essential pre-requisite, adopt measures which would promote and encourage the use, by both employers and applicants, of the facilities offered by the Employment Exchanges.

196. *Relations with Employers and their Organisations.*—From evidence placed before us we have come to the conclusion that there is need for concentrated effort towards the building up and maintenance of effective working relationship between Employment Exchanges and individual employers. It came as a surprise to us when we were told by some major employers that they had never been contacted by representatives of the Exchanges. We were equally surprised to learn that a large number of Employment Exchanges do not possess complete and comprehensive information in regard to the various employers in their areas. It is no wonder then that the extent of impact upon the employment process in the local areas by the Employment Exchanges has been so insignificant.

197. It is obvious that an Employment Exchange cannot provide an effective and a complete placement service, nor can it provide adequate and reliable information on employment trends without a planned and purposeful employer relations programme. We recommend that effective steps should be taken to ensure that each Employment Exchange carries out a programme of visits to employers in the Exchange area on a pre-planned and continuous basis. We realise that personal visits to employers are a costly business in terms of staff time and that it may not always be possible to include in the programme each employer located in the Exchange area. We, therefore, suggest that in making their plans, Employment Exchanges should carefully select employers to be visited on the basis of the greatest potential (or actual) returns. Smaller employers might be contacted less frequently than the major employers. We are aware

that it may in some cases be necessary to make provision by way of staff for carrying out a programme of employer relations, particularly in the bigger Exchanges. We recommend that special staff be provided for the purpose wherever necessary. In so far as Regional Employment Exchanges are concerned, the need for extra staff can be met if Employment Liaison Officers are attached to them instead of the Regional Directorates as at present. This would provide the Employment Liaison Officers an opportunity of performing their functions more effectively. An employer relations programme if it is to be successful should be a co-operative venture on the part of the entire Organisation. All gazetted officers at the Exchanges and at the Regional Directorates, including the Regional Directors themselves, should, therefore, participate in the programme of employer relations.

198. *The Central Headquarters should also actively participate in the employer relations programme at an all-India level. Apart from providing to the Regions leadership and guidance in the carrying out of the programme, the Central Headquarters should, as its specific responsibility, plan and execute a programme for the development of co-operative relationship with policy-making executives and top-ranking officials of major industrial and business concerns of national significance, size and inter-State importance and with national organisations of employers. The fundamental purpose of the programme at the Exchange, Regional and Central levels should be to promote and interpret the overall Employment Service programme, policies and services, and to assist in furthering public acceptance and use of Employment Service facilities throughout the country. We understand that very little has been done in this direction by the Central Headquarters itself and that it has been content for the most part with delegating responsibility to the offices in the field.*

199. *Relations with Workers and their Organisations.*—Employment Exchanges are required to cultivate and maintain good relations with Workers' Organisations and to encourage the leaders of these Organisations to co-operate actively with the various activities of the Employment Exchanges. While local contacts are maintained in varying degree, we find that apart from contacts through the Central Employment Advisory Committee very little contact appears to have been maintained by the Central Headquarters with national Organisations of workers. The importance of close and systematic contacts with Workers' Unions at all operative levels cannot be over-emphasised. For a Service which functions solely on a voluntary basis, interest and support of the Workers' Organisations is equally necessary to enable it to carry out its tasks effectively. *We, therefore,*

recommend that the Central Headquarters should establish and maintain regular and systematic contacts with national Organisations of workers so that all policies regarding Employment Exchange operations might be framed with due regard to their viewpoint also.

200. *Relations with the Public and Public Information.*—Employment Officers are required to conduct public relations and publicity work within the areas of their jurisdiction. Broadly speaking, employer relations and relations with trade unions might be described as a phase of public relations. Development of relations with employers and trade unions apart, it has been stated that public relations work of the Employment Exchanges is too often limited to speeches, photographs, newspaper articles and radio programmes. But these media of publicity are more in the nature of public information rather than of direct public relations. Little regard appears to have been paid to the fact that public relations have a broad implication and are involved in practically everything that is done at the Employment Exchanges—whether by the Enquiry Clerk, the Registration Clerk, the Peon or by the Employment Officer himself. Public relations are also shaped by the appearance of the office as well as by the various contacts. We are of the view that there is need for paying greater attention to this aspect of public relations work at the Exchanges.

201. As regards public information, we do not think there can be any question about the need for keeping the public informed of the nature and extent of Employment Exchange work. The support of the public can be sought in the various activities of the Exchanges only if the public is made familiar with the functions and is satisfied with the effectiveness of the Employment Exchanges. The only medium for the dissemination of information in use at present is the monthly Press Note issued through the Press Information Bureau and a monthly report reviewing the work of the Directorate-General. The latter is an official release and is supplied to Government Departments and Offices and to members of the Central Employment Advisory Committee. We are of the view that there is need for a suitable medium for conveying information to the public which would also bring home to employment-seekers the services available at the Exchanges. We understand that a monthly bulletin "The Employment News" was published by the Central Headquarters as a regular feature until the end of 1952 when it was discontinued. *We recommend that a periodical bulletin dealing with all topics of interest relating to the Service be issued as an effective instrument of public information.*

202. *Relations with Government Departments.*—*The Employment Exchange Organisation should also make arrangements for achieving very close liaison with other Government Departments, both Central*

and States, where their interests impinge on those of the Organisation or vice versa, or whose work affects the employment situation. Being the basic source of information regarding employment situation and trends, the Organisation should participate on the highest level with other Government Departments in the initiation and formulation of national and local policies and plans aimed at the attainment of fuller employment. Among other fields, the Organisation can make, or work its way up to a position where it can make, useful contribution in the formulation of policies regarding location of industry and in determining the types and the timing of public works projects. As a means of bringing about collaboration of the Employment Exchange Organisation with other Government Departments, we recommend that the Organisation should be represented on committees set up to formulate policies likely to affect the employment situation. The Employment Exchange Organisation should be associated with all planning in economic and social fields not merely because it can furnish information on the employment situation but also because it provides an agency which can assist in the carrying out of plans by way of organisation and distribution of manpower.

203. *Employment Advisory Committees.*—We have already referred to the Employment Advisory Committees set up at the all-India, regional and sub-regional levels, which provide the machinery for securing the co-operation and support of Employers' and Workers' Organisations, Government Departments and other public and private bodies interested in the work of the Organisation. The function of the Committees is purely advisory. Advice and help of the Committees is sought on questions of broad principle as also on a number of questions of procedure and organisation.

204. We have no doubt whatsoever about the need for a machinery which would secure for the Service the support and assistance of the various bodies interested in the formulation and implementation of its policies. Close and systematic contacts with other Government Departments and Employers' and Workers' Organisations are bound to prove more fruitful than hitherto when the Service is placed on a permanent footing. We recommend that Advisory Committees should be attached to State Headquarters and to major Employment Exchanges, namely, Class I and II Exchanges (as defined in a later Chapter). Such Committees may, in suitable cases, function as joint committees to advise more than one Exchange. The setting up of Committees for Exchanges lower than Class II would be a matter for State Governments to decide.

205. In regard to the functions of the Advisory Committees, some have suggested that the Committees should have a share in the actual administration of the Organisation. We have considered the

suggestion very carefully and have come to the conclusion that while it will not be practicable to delegate administrative powers to these Committees, *healthy conventions may be established whereby in certain matters the advice of the Committees would be accepted as a matter of course.*

Decasualisation Schemes

206. As part of its service to workers and employers, the Employment Exchange Organisation has been operating in certain localities schemes for the decasualisation of labour in collaboration with the employers, trade unions and the Government concerned. The object of these schemes is to mitigate the hardship inherent in intermittent or casual employment and to provide a regular supply of the most efficient and experienced available workers to the employers. This object is sought to be achieved by pooling both workers and employment opportunities in an industry or locality.

207. *Decasualisation Scheme at Kanpur.*—The Decasualisation Scheme at Kanpur came into operation in April, 1950. It has since its inception been operated by the Regional Employment Exchange, Kanpur, with the assistance of four Sub-Offices set up for the purpose by the State Government. The Scheme initially catered for the textile mills and has since been extended to cover some of the Kanpur leather goods manufacturing concerns, the sanitary services under the Municipal Board and the oil mill industry.

208. The co-operation received from the various units, which come under this scheme, has not been uniform. While some have accorded the fullest co-operation, there are others who prefer to recruit direct at the mill gates or nominate persons so that the Sub-Offices merely regularise the employment of those who have already been selected by the employers themselves. The textile mills maintain registers of substitute workers and notify vacancies to the Sub-Offices only when they are unable to fill them from the Substitutes Registers. Vacancies on the Substitutes Registers are not always filled through the Exchange or from the Pool Register.

209. *Decasualisation Scheme at Beawar.*—The Scheme for the Decasualisation of Textile Labour at Beawar started functioning in November, 1950. As it was found that the Scheme was of no utility whatsoever either to the employers or to the employment-seekers and that all that it did was to provide cheap figures of placement, it was discontinued with effect from October, 1953.

210. *Decasualisation Scheme at Nagpur.*—Intended for the decasualisation of textile labour at the Empress Mills, Nagpur, this Scheme

was started in April, 1952. The Employment Exchange Sub-Office maintains a fixed pool of badli workers and it is stated that casual vacancies are distributed amongst those on the Pool Register by rotation.

211. *Decasualisation Scheme in the Jute Industry, West Bengal (Serampur).*—A scheme for the decasualisation of labour at the Jute Mills in the Serampur area was started in November, 1952. As the Jute Mills Association operates a scheme of its own, the Employment Exchange Scheme has been discontinued with effect from October, 1953.

212. *Decasualisation Scheme at Tin Plate Co., Jamshedpur.*—The Decasualisation Scheme at the Tin Plate Co., Jamshedpur, was put into operation in February, 1952. It covers only those workers who are employed on a casual basis through the agency of contractors by the Tin Plate Co. The contractors get a commission equivalent to 12½ per cent. of the total wage bill in respect of casual labour. Even after the introduction of the Scheme, the contractors continue to get their commission. All workers on the Pool Register are expected to attend the departments and the shifts to which they have been assigned. Departments are expected to engage, from amongst those assembled on the basis of rotation, the object being to ensure as far as possible fair and equal distribution of employment amongst the registrants on the Pool Register. The Employment Exchange Sub-Office, however, plays no part whatsoever in the filling up of vacancies which arise as a result of absenteeism. The Sub-Office is not advised of the number of vacancies arising at the beginning of each shift, nor does the Sub-Office send any worker to report to the various departments or to the shifts. At the end of the month the Company forwards a statement to the Sub-Office showing the number of days on which the various workers on the Pool Register were engaged.

213. Apart from the decasualisation schemes referred to above which are operated by the Employment Exchanges, the Bombay Government have introduced a scheme for decasualisation of textile workers in the cities of Bombay, Ahmedabad and Sholapur. The scheme is operated through Sub-Offices set up for the purpose by the State Government. A decasualisation scheme for textile labour has been established at Indore as a result of a "gentlemen's agreement" between employers and workers. The scheme is operated independently of the Exchange Organisation. Schemes designed to regularise employment of labour working in the Docks at Bombay, Calcutta and Madras have also been introduced by Government under the Dock Workers (Regulation of Employment) Act, 1948.

214. Properly organised decasualisation schemes should help to regulate employment. It is questionable, however, whether in view of the amendments recently effected in the Industrial Disputes Act, whereby all vacancies in an industrial unit, covered by this Act, have to be filled from among retrenched workers of that unit in the order of seniority, decasualisation schemes can serve any practical purpose. We understand that most industrial establishments will come within the scope of the Act. Moreover, if the existing schemes are to serve a really useful purpose, the shortcomings in the working of these schemes should be removed. For instance, the system by which the constituent mills continue to maintain their registers of substitute workers and make recruitment from them, approaching the decasualisation pool only when the substitute list is not adequate, virtually results in little use being made of the decasualisation pool. Also, all vacancies are not invariably notified to the decasualisation offices. We cannot help feeling that one main reason for starting some of these schemes was the desire on the part of the Exchanges to show higher placements, though engagements from a short pre-determined list or register can hardly be classified as "placement" in the usual sense of the word. *While we feel that there may still be scope, in certain cases, to have properly organised decasualisation schemes, introduction of any new scheme should be undertaken only after careful consideration of the various factors to which we have referred. In order to discourage the establishment of decasualisation schemes merely with a view to getting credit for placements, we recommend that statistics relating to decasualisation work should be considered separately and not be included in the normal placements of an Exchange. It is likely that some or all of the existing schemes do not serve much useful purpose to justify their continuance. We, therefore, recommend that before deciding on the continuance or abolition of the existing schemes, the whole matter should be reviewed by the State Governments concerned.*

Training of Employment Exchange Staff

215. Since its inception, the Organisation has conducted a systematic programme of training with the object of imparting the requisite knowledge of the procedure and practices that should be followed by the staff at the Exchanges. A Staff Training Centre was set up as a subordinate office in Delhi in June, 1945. In 1948, the staff of the Centre comprised one Assistant Director of Employment Exchanges, two Senior Lecturers and two Junior Lecturers. The Staff Training Centre as such was wound up with effect from 1st October, 1949, as a measure of economy. One post of a Senior Lecturer, however, was retained and the post was redesignated as 'Staff Training Officer'.

216. The number of courses conducted so far since the inception of the training programme is given below:

Training Courses Conducted by the Headquarters of the D.G.R.&E.

I. Training of Officers: (Employment Officers, Assistant Directors, Public Relations Officers, Staff Training Officers).

	No. of courses held.	No. of officers trained.
I. Initial Training Courses	21	440
2. Refresher Courses	1	215

In addition to the above, training courses were arranged for the following categories of officers:

Category of officers	No. trained
(a) Resettlement Advice Officers	490
(b) Trade Testing Officers	33
(c) W.A.C. (I) Officers	35
(d) Rehabilitation Officers	20
(e) Representatives from Trade Unions and Employers' Organisations	13
(f) Officers from Burma, Ceylon and Singapore	11

II. Training of Ministerial Staff 1 798

Most of the courses referred to above were conducted prior to the winding up of the Staff Training Centre. Since then, only three courses of training for Employment Officers have been held; these were conducted with the help of officers of the Directorate of Employment Exchanges.

217. The training courses conducted so far can be classified into three broad groups:

- (1) Initial Training Courses;
- (2) Refresher Courses; and
- (3) Training of Ministerial Staff.

218. *Initial Training Courses.*—The object of these courses has been to initiate new entrants into their work by giving them good grounding in Exchange procedure, making them familiar with the departmental geography and providing background knowledge on different aspects of labour matters and human psychology so that they might take their rightful place in the field of employment and labour effectively and play their part with sympathy and understanding. The courses have been planned to suit the needs of different grades of staff and cover, in addition to lectures on subjects, such as "Employment Exchange Procedure" and "Problems of Labour", subjects dealing with specific spheres of work; e.g., the course for Assistant Directors of Employment Exchanges included subjects like "Assessment of Employment Trends", "Inspection of Exchange work", etc. The courses for Public Relations Staff laid special emphasis on contact work and creation of public goodwill. Originally, the

duration of the initial training course for Employment Officers was approximately six weeks followed by practical training at Employment Exchanges and visits to selected industrial establishments. The course has since been shortened to last three weeks.

219. *Refresher Courses for Employment Officers.*—A three-day refresher course of training for Employment Officers was held during the period September, 1946 to March, 1947 at all Regional Centres. Although these were called refresher courses, they were actually a continuation of the initial training as they covered those aspects of Exchange work which had either not been dealt with at all or had not been dealt with fully during that training.

220. *Training of Ministerial Staff.*—A ten-day training course for ministerial staff was conducted at each Employment Exchange during 1948-49. The course covered the entire procedure of Employment Exchange work which is normally handled by the ministerial staff.

221. The evidence placed before us shows that there is general agreement regarding the need for a continuous programme of training. In an Organisation such as the Employment Service which should be dynamic with regard to its function and size, where the work is so highly standardised, training of the staff is indispensable. *We recommend therefore that training of staff should continue to form an important part of the overall programme of the Employment Service.* In this connection, we would invite the attention of Government to the recommendations of the *Central Pay Commission on the subject emphasising the importance of the provision of courses of training for recruits in different grades of public service. The Commission held that higher standards of service could not be attained without planned and purposeful training.

222. *With only one Staff Training Officer, it will obviously not be possible to organise and conduct initial as well as refresher courses on a centralised basis. The training programme will, therefore, have to be a co-operative effort on the part of the Central Headquarters, the Regions and the Employment Exchanges. We are, however, of the view that all initial training courses for officers should be arranged by the Central Headquarters at suitable Centres. Refresher courses and courses of training for ministerial staff should be arranged for and conducted by Regional Directorates or the Employment Exchanges themselves. The Central Headquarters might also organise courses with the object of giving specialised training in certain items of Exchange work. The following are examples of such courses:—*

- (1) Course for Vacancy Officers (e.g., Course in Industrial Processes);

* Central Pay Commission Report, Part II Section G para 135.

- (2) Course covering problems relating to the supervision and organisation of Employment Exchanges;
- (3) Course in Employment Exchange statistics; and
- (4) Course in public relations work.

In addition, the Central Headquarters might also issue periodically notes on staff training matters. These will not only help officers, engaged in training work, to keep in touch with each other's ideas and activities but will also serve the purpose of 'Correspondence Courses' inasmuch as the notes will deal with problems relating to procedure and provide guidance to Employment Officers in their work of training. The notes will also serve as the basis of discussions at the Exchanges.

CHAPTER IX

UTILISATION OF EMPLOYMENT EXCHANGE FACILITIES

223. The first Employment Exchanges set up during the War in 1943-44 under the control of the National Service Labour Tribunals functioned for the most part on a voluntary basis. Registration with the Exchanges was not compulsory. Similarly, though employers were asked to notify to the Exchanges all vacancies for technical personnel, they were not required to confine recruitment to nominees of the Exchanges; however, if an employer rejected an applicant referred to him by an Exchange, he was required to state the reasons for rejection. Employers were also required to render returns in a prescribed form showing how they had filled the vacancies in their establishments. At present also, except for recruitment to Government vacancies, the use of the Employment Exchanges is altogether voluntary. Those who notify vacancies to the Exchanges are free to select and appoint whomsoever they please, and workers who register with the Exchanges are free to accept the jobs of their choice.

Recruitment to Central Government vacancies

224. All vacancies arising in Central Government establishments, not filled by competitive examinations or by promotion, are required to be notified to the Employment Exchanges and to the D.G.S. Section of the Ministry of Home Affairs. Direct recruitment is allowed only if it is certified that suitable candidates cannot be supplied. Exchanges are required to accord preference to displaced Government servants, retrenched Government employees and certain other categories in the order of priority prescribed by the Ministry of Home Affairs. Vacancies reserved for the Scheduled Castes and Tribes are advertised in the Press and simultaneously notified to the Exchanges.

225. *Vacancies filled through the U.P.S.C.*—Vacancies normally filled through the U.P.S.C. are notified by the Ministry concerned to the Ministry of Home Affairs (D.G.S. Section) and to the D.G.R.&E. The D.G.R.&E. maintains a Special Register of Class I and Class II Government of India gazetted officers (including Commissioned Officers of the Defence Services) and those of Part 'C' States, who have rendered continuous service for at least six months and who have been declared surplus or retrenched. Persons belonging to the priority categories who held gazetted posts in Pakistan or in Burma are also eligible for inclusion in the Special Register. The U.P.S.C., proceeds to advertise the vacancy/vacancies only if the Ministry of Home Affairs and the D.G.R.&E. are unable to recommend any candidates or where the candidates submitted by them are considered unsuitable.

226. *Recruitment to Railway Vacancies.*—Class III vacancies on the Railways are filled through the Railway Service Commissions who supply copies of advertisements to the linked Exchanges (Regional Employment Exchanges, Calcutta, Bombay and Madras and the Sub-Regional Employment Exchange, Allahabad). It is permissible but not obligatory on applicants to forward their applications through the Exchanges. The Exchanges also arrange for the distribution of application forms. As regards Class IV vacancies, Railway Administrations notify these vacancies to the Exchanges or furnish copies of advertisements if the vacancies are advertised in the newspapers. The candidates submitted by the Exchanges get no preference but are considered simultaneously with those from the open market. However, the Exchanges have received at some places considerable co-operation from the Railway Administrations in filling Class IV vacancies. The statement on page 41 (Chapter III) shows that during the period January, 1949 to August, 1953 the Railway Administrations notified 1,42,466 vacancies to the Exchanges and that the Exchanges succeeded in filling, 1,17,012 or 82·1 per cent. of those notified.

227. *Recruitment to vacancies under the Comptroller and Auditor-General.*—Though the Ministry of Home Affairs orders do not apply to the offices under his control, the Comptroller and Auditor-General of India has instructed the Accountants-General to send to the nearest Employment Exchange copies of advertisements of vacancies. He has also agreed that displaced persons or retrenched Central Government employees, registered with the Employment Exchanges and considered suitable, will get preference over others.

228. *Recruitment to Defence Services.*—Recruitment to Defence Services is made through their own Recruiting Organisation. Employment Exchanges, however, maintain close liaison with the Recruiting Officers and assist them in collecting recruits. As regards Defence Establishments, recruitment is made through the Employment Exchanges in accordance with Ministry of Home Affairs orders except in the case of vacancies for casual unskilled workers, which are normally filled through contractors.

229. *Recruitment to vacancies under the Posts & Telegraphs Department.*—Till recently recruitment to clerical and allied cadres in Class III services in the P. & T. Department was made through competitive examinations. These examinations have now been discontinued and a revised system of recruitment is under consideration. However, postmen, mail guards, etc., will still continue to be recruited through examinations.

230. The overall position in regard to recruitment to Central Government Offices/Establishments is that most vacancies occurring in these offices, with the exceptions mentioned in the preceding paragraphs, are notified to the Employment Exchanges. It follows that all those desirous of entering Central Government employment in the various cadres falling within the purview of the Employment Exchanges have to register themselves with the Employment Exchanges. It cannot, however, be claimed that the entire recruitment to Central Government vacancies is made through the Employment Exchanges, as would be evident from the statement on the next two pages compiled from the Staff Strength Returns rendered by Central Government Offices/Establishments. Employment Exchanges have complained that employing departments sometimes reject candidates nominated by the Exchanges because they are interested in their own candidates. Some of the Ministries, on their side, hold that Exchanges do not always recommend suitable candidates.

Recruitment to Quasi-Government Institutions

231. The Ministry of Home Affairs has requested other Central Ministries to issue definite orders to the quasi-Government bodies, over which they have statutory control in the matter of recruitment, that Employment Exchanges should be consulted before any appointment is made and to persuade those bodies, over which the Ministries have no such control, to fall in line with other Central Government Departments as regards recruitment to their vacancies. No statistics are available to show the extent to which quasi-Government institutions have utilised the services of the Employment Exchanges; we understand, however, that the extent of co-operation the Employment Exchanges have received from such bodies so far has been very limited.

Recruitment to State Government vacancies

232. Almost all State Governments have issued instructions asking offices under them to notify to the Employment Exchanges all vacancies other than those filled through Service Commissions or on the results of competitive examinations. With the exception of a few States, who recruit from the open market only when suitable candidates are not forthcoming from the Exchanges, other States consider the Employment Exchange nominees along with those from the open market. In actual practice, therefore, the extent to which the State Governments have utilised the Employment Exchanges is very limited. The following statement shows for the period January, 1949 to August, 1953 the number of vacancies received from the

Statement showing how Central Government vacancies were filled during the period May, 1950 to July, 1953.

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TRAINING & EMPLOYMENT SERVICES COMMITTEE REPORT

Vacancies filled through	Aver- age. No. of De- pts. Re- porting	Gazetted Officers		Non-Gazetted Officers		Ministerial				Total	
		Admini- strative	Executive	Adminis- trative	Executive	Assts., U. D. clerks	Jr. clerks, Typists	Stenogra- phers, Steno- Typists	Un- skilled		Tech- nical
1950											
Departmental promotions & transfers, U. P. S. C., and through Min. of H. A. D. G. S. Section		300	275	461	822	1,440	1,310	141	1,994	2,620	9,363
Employment Exchanges		2	10	34	442	669	1,303	120	5,003	2,114	9,727
Otherwise		52	122	109	418	1,110	1,030	100	11,348	1,767	16,056
Total vacancies filled	2,289	354	407	604	1,682	3,249	3,643	361	18,345	6,501	35,146
1951											
Departmental promotions & transfers, U.P.S.C., and through Min. of H. A. D.G.S. Section		481	628	801	1,899	2,643	2,144	272	5,108	3,898	17,874
Employment Exchanges		13	4	40	981	1,587	2,344	202	13,020	5,474	23,665
Otherwise		68	110	98	1,161	2,073	1,370	117	6,491	2,905	14,393
Total vacancies filled	2,154	562	742	939	4,041	6,303	5,858	591	24,619	12,277	55,932

Statement showing how Central Government vacancies were filled during the period May, 1950 to July, 1953.—contd.

Vacancies filled through	Avera- age. No. of De- pts. Re- porting	Gazetted Officers		Non-Gazetted Officers		Ministerial					Total
		Adminis- trative	Executive	Adminis- trative	Executive	Assts., U. D. clerks.	Jr. clerks, Typists	Stenogra- phers, Steno- Typists	Un- skilled	Tech- nical	
1952											
Departmental promotions & transfers, U.P.S.C. and through Min. of H.A. D.G.S. Section.		576	457	678	1,650	2,832	1,737	237	5,027	2,632	15,826
Employment Exchanges		9	6	29	959	1,187	2,465	192	7,967	3,501	16,315
Otherwise		93	124	115	462	2,650	1,255	54	3,469	2,299	10,521
Total vacancies filled	1,997	678	587	822	3,071	6,669	5,457	483	16,463	8,432	42,662
1953											
Departmental promotions & transfers, U.P.S.C. and through Min. of H.A. D.G.S. Section		371	342	405	985	1,947	1,412	179	3,290	2,696	11,627
Employment Exchanges		8	1	11	369	532	1,430	102	3,933	1,519	7,905
Otherwise		62	82	52	338	2,037	639	43	1,233	893	5,379
Total vacancies filled	1,874	441	425	468	1,692	4,516	3,481	324	8,456	5,108	24,911

- NOTE. (1) Of the vacancies filled by departmental promotion or transfer, and through the U. P. S. C. and Min. of Home Affairs, over 90 per cent, were filled by departmental promotion or transfer and the rest by the U. P. S. C. and the D.G.S. Section of the Min. of Home Affairs.
- (2) Approximately 65 per cent. of Defence Establishments and 88 per cent. of establishments under the Civil Ministries render the S.S.R.I. Return.
- (3) The statement excludes figures in respect of Armed Forces, Railway Administrations and Indian Embassies and Missions abroad.

different States and the number filled through the Employment Exchanges.

Number of vacancies notified to the Exchanges by State Governments and Number of vacancies filled by the Exchanges during the period January, 1949 to August, 1953.

Year	No. of vacancies notified			No. of vacancies filled		
	State Govt.	Total	Percentage of col. 2 to col. 3	State Govt.	Total	Percentage of col. 5 to col. 6.
1	2	3	4	5	6	7
1949 .	1,16,174	3,62,011	32.1	79,232	2,55,693	31.0
1950 .	92,118	4,19,307	22.0	69,212	3,29,348	21.0
1951 .	1,04,083	4,86,534	21.4	79,820	4,15,141	19.2
1952 .	92,121	4,29,551	21.4	66,243	3,56,808	18.6
1953 (Jan-Aug.)	56,698	1,79,343	31.6	40,155	1,32,964	30.2
Total	4,61,194	18,76,746	24.6	3,34,662	14,89,954	22.5

Recruitment by Contractors on Public Works Projects

233. Like all private employers, contractors on public works projects are not obliged to utilise the services of the Employment Exchanges. However, the Chief Engineer, C.P.W.D. has issued instructions to all Superintending Engineers asking them to impress upon the contractors the desirability of utilising the Employment Exchanges to the maximum extent possible for the recruitment of their labour. But this and similar appeals from the Ministries of Railways and Defence have not evoked much response from the contractors. Employment Exchanges have quite often volunteered to register workers assembled at the work-sites and the contractors have been persuaded to agree; it is open to question, however, whether in such cases the Employment Exchanges, have helped the contractors, or whether it is just the other way round in that it is the contractors who have helped the Exchanges in showing placements.

234. An attempt has been made in Uttar Pradesh to canalise through the Employment Exchanges recruitment by P.W.D. contractors. A scheme was launched in three districts, Kanpur, Lucknow and Bareilly in March, 1952, as an experimental measure, requiring these contractors to recruit workers through the Exchanges. The scheme has met with only a limited success, as would be evident from the fact that during the period August, 1952 to March, 1953, 22 contractors recruited in all only 1,454 workers through the three Exchanges.

Recruitment to vacancies under Local Bodies. (Municipalities, District Boards, Cantonment Boards, Panchayats, Local Boards, Janapada Sabhas, etc.)

235. Statistics are not available to indicate the use made of Exchanges by the local bodies, except for the year 1950 and for the

period July, 1951 to December, 1951. During the year 1950, 8,775 vacancies were received from an unspecified number of local bodies. Of these, 6,471 vacancies were filled by the Exchanges. As for the period July, 1951 to December, 1951 a little more detailed information is available. This is contained in the statement below.

Number of vacancies notified by Local Bodies to the Employment Exchanges and number of such vacancies filled by the Exchanges during the period July, 1951 to December, 1951.

	No.	Vacancies notified	Vacancies filled	Percentage of vacancies filled to those notified
Local bodies that had by formal resolution agreed to notify vacancies to the Exchanges	86	1,793	1,678	93·6
Local bodies that had informally agreed to notify vacancies to the Exchanges and were generally doing so.	151	2,654	2,474	93·2
Local bodies that used Exchanges occasionally.	272	905	568	62·8
Local bodies that had not been using the Exchanges at all.	717	..	..	..
TOTAL	1,226	5,352	4,710	88

The statement above accounts for only 1,226 local bodies out of which 717 had not been using the Exchanges at all. For the rest, the number of vacancies notified to the Employment Exchanges during the six months under review works out to about 2 vacancies per month per local body. Thus, the extent to which local bodies have been making use of the Exchanges appears negligible.

Recruitment to Private Industry

236. The system of recruitment and appointment in private industry, commercial trading establishments and construction works varies practically from unit to unit. Generally speaking, the various methods used can be classified under three broad groups:

- (1) Direct recruitment by the management,
- (2) recruitment through intermediaries who are called by different names, such as, contractors, jobbers, sirdars, etc., and
- (3) recruitment through the Employment Exchanges.

237. The evidence placed before us shows that some well-established firms and major industries have set up their own recruiting organisations and have adopted well-designed and tried methods of recruitment through selection boards, personnel departments or through trade tests. Such employers sometimes invite applications

through Press advertisements and select candidates on the basis of personal interviews. This is also true in the case of commercial trading establishments. Engagement on the personal recommendations of friends or employees is another very common method of recruitment. Preference in recruitment to sons and relations of employees as a matter of policy is generally favoured by employers and workers alike. From the employers' point of view, this helps to bring about a friendly atmosphere in the factories and ensures a spirit of co-operation. We have also been told that a large number of employers, particularly in smaller industrial establishments and in construction works, do not employ any scientific method but depend for their supply of labour on agents, or recruit in a haphazard manner from amongst those assembled at factory gates or work-sites. The methods adopted are not always dictated by a consideration of efficient service but are more a matter of bestowing patronage and favour. This applies in a varying degree to a large number of employers.

238. We did not set out to study in detail the recruitment methods employed by the various individual industrial establishments but have collected specific information on some, which are typical of the particular industries or areas they represent. This information is briefly set forth below.

239. *Recruitment in Engineering Industry.*—The evidence before us shows that generally speaking major engineering concerns have set up their own recruiting machinery or have personnel or labour officers for recruiting workers. Some have organised apprenticeship schemes to meet their needs of technical personnel. Even so, some major engineering concerns do place demands on the Exchanges for technical personnel. The smaller concerns also utilise the Exchanges in varying degrees, depending upon the efforts of the individual Exchanges concerned.

240. *Recruitment in Textile Industry.*—KANPUR: On the basis of a "gentlemen's agreement", the Employers' Association of Northern India recruit all workers in the textile industry at Kanpur through the Employment Exchange. The textile mills at Kanpur maintain a Substitutes List from which workers are engaged against permanent vacancies, as also against short-term vacancies arising as a result of the temporary absence of permanent workers. Vacancies on the Substitutes List are generally filled through the Employment Exchange, Kanpur. If at any time the requirements of a mill cannot be met from the Substitutes List, a demand is placed on the Employment Exchange which gives preference in submission to the ex-employees of the mills registered on the Pool Register. The representatives of the Employers' Association of Northern India and the Upper

India Chamber of Commerce, the U.P. Chamber of Commerce, Kanpur, and the Merchants' Chamber of Commerce, Kanpur, stated that the system adopted at Kanpur had worked satisfactorily and that employers had no complaints. These representatives also admitted that the previous system of recruitment through mistries lent itself to corruption and that it was possible that nepotism and corruption had been reduced to some extent as a result of the intervention of Exchanges. The representatives of the I.N.T.U.C. and the Hind Mazdoor Sabha at Kanpur agreed with the views of the employers' representatives. They stated that mistries exercised considerable power over the workers and maintained gangs of their own inside each department and added that recruitment through the Exchanges had to a great extent resulted in the reduction of the unwholesome powers exercised by these mistries and in the reduction of nepotism and corruption. The representatives of the Hind Mazdoor Sabha further observed that if corruption continued to exist, it was more on the side of the employers rather than on the side of the Employment Exchanges. The representatives of both Trade Unions were of the view that, despite the "gentleman's agreement" to recruit through the Employment Exchange at Kanpur, in actual practice not all employers did so. Co-operation on the part of the employers amounted very often merely to the regularisation of employment of those who had already been selected by the employers themselves.

241. BOMBAY: The Millowners' Association, Bombay, operates on a voluntary basis a scheme for the decasualisation of textile labour. Under the Scheme, the textile mills in Bombay, Sholapur and Ahmedabad recruit all their workers through the Decasualisation Offices operated by the State Government. The representative of the Millowners' Association was of the view that this Decasualisation Scheme had achieved its objective, inasmuch as it had avoided wastage and had eliminated corruption. The help of the jobbers, however, continued to be enlisted in cases where the Decasualisation Office concerned was not able to meet the demands of an individual mill. In such cases the suitability of the persons brought by the jobber was determined by the department concerned. It was pointed out that since the introduction of the Decasualisation Scheme, the jobbers had for all intents and purposes ceased to have any direct say in the matter of recruitment.

242. The representatives of the All-India Manufacturers' Organisation stated that the experience of the textile industry in Bombay was that the Employment Exchanges were not able to meet the demands

of employers promptly and efficiently. Employers, therefore, were often compelled to turn to jobbers to meet their requirements.

243. MADRAS: The representative of the Employers' Federation of South India and the Associated Chambers of Commerce of India stated that employers such as the Buckingham & Carnatic Mills had not used to any considerable extent the facilities offered by the Employment Exchanges as they (employers) had their own arrangements for recruitment. In the Buckingham & Carnatic Mills fresh recruitment in the textile trades, when necessary, is made only at the unskilled level. Thereafter, the higher vacancies are filled by promotion. As regards the engineering section, the Buckingham & Carnatic Mills run a five-year apprenticeship course, so that it is not necessary for the mills to take anybody from outside. The representative urged that the system of recruitment at the Buckingham and Carnatic Mills had a personal touch and created among workers a feeling that they were being taken in as members of a large family and that the system was working satisfactorily. The President of the Hindustan Chamber of Commerce, Madras, stated that so far as the textile industry in Coimbatore was concerned, the problem was one of surplus of workers. Each mill had a number of people on its list of substitutes who had been working as such for the past 20 years and, therefore, the question of fresh recruitment in the textile industry did not arise. Besides, employers sometimes preferred to employ sons and relations of their own employees. The same policy was followed by the Buckingham and Carnatic Mills, which, in the opinion of the representative of the Employers' Federation of South India, stood in the way of employers utilising the services of the Employment Exchanges. As against the views of the President of the Hindustan Chamber of Commerce and the representative of the Employers' Federation of South India, the representative in Madras of the Institution of Engineers (India), Calcutta, felt that the reason why employers in Madras were not taking advantage of the Employment Exchange was that they readily found suitable workers at their factory gates. In his opinion, corrupt practices still prevailed and in the interest of national efficiency, recruitment should be canalised through the Employment Exchanges. He did not agree with the policy of reservation of vacancies for sons and relations of workers.

244. *Recruitment to Plantations.*—Recruitment to plantations in Assam is governed by the Tea Districts Emigrant Labour Act, 1932. All recruitment is done by the Tea Districts Labour Association set up by the tea industry for the purpose. The Association makes arrangements for forwarding recruits though the actual recruitment is largely made by garden sirdars who get a commission for their part of the

work. The problem in Assam at present, however, is that of surplus labour in the tea estates. There is, therefore, no serious problem of recruitment.

245. As regards plantations in the South, Shri D. C. Kothari, who is also an ex-President of the United Planters' Association of South India stated that the problem here also was of surplus labour. For this reason, the United Planters' Association had decided to disband their labour recruiting organisation. Labour for the plantations is recruited from villages located at distances within 30 to 40 miles. During off season, about 75 per cent. of the workers are retained and provided with work for three days during the week, the remainder being sent back and given one-way travel money. Workers usually return before the due date and no need arises for recruiting fresh workers. While in the beginning the plantations industry in the South was opposed to the abolition of the Kanganis system, in the changed situation it was quite prepared to do so. Shri Kothari further stated that it was perhaps true that the Kanganis did sometimes exploit the labour they brought to the plantation, but employers, in their own interest, did every thing possible to curb such activities.

246. *Recruitment to Sugar Industry.*—The Bombay Chamber of Commerce have stated that a large majority of the labour force in the sugar industry is engaged on the agricultural side of the operation and is recruited through contractors. Technical staff is recruited individually as and when vacancies arise. The Upper India Chamber of Commerce have stated that there is no dearth of unskilled labour in U.P. and there appears, therefore, to be no pressing need for Employment Exchanges to supply sugar factories with the type of labour they need. In the case of technical labour, the sugar factories usually recruit local men and undertake their training themselves.

247. *Recruitment to Coal-Mines.*—According to the I.N.T.U.C., a primitive system of recruitment still continues in the coal-mining industry, which has led to bribery and corruption. The Employers' Federation of India have, however, stated that the question of recruitment of colliery labour through Employment Exchanges in the coal-fields has been favourably considered by the Indian Mining Association and many of the larger employers are already availing themselves of the facilities offered by the local Exchanges.

248. *Recruitment to Jute Industry.*—Recruitment to the Jute Industry is made through a Labour Bureau, which arrangement, according to the Bengal Chamber of Commerce, is working satisfactorily. Most factories are said to be carrying surplus labour and the employers generally experience no difficulty in recruitment except for

certain types of labour during particular seasons. As regards the recruitment of unskilled labour, employers did not feel the necessity of approaching the Exchanges, as such labour is readily available from amongst those assembled at the gates. The jute mills have organised a Badli system. Each mill maintains a list of Badlis who are paid 10 per cent. of the normal wages by way of a retainer. The Badlies are not recruited through the Exchanges but it is proposed to do so in a certain mill as an experimental measure.

249. The statement on page 37, under paragraph 78, and the following statement will show the extent to which private employers have utilised the Employment Exchanges for the recruitment of their workers:

[Number of vacancies notified to Employment Exchanges during the Period January, 1949 to August, 1953.]

Period	Total No. of vacancies notified to the Exchanges	No. of vacancies notified by private employers.	Percentage of vacancies from private employers to the total
1949	3,62,011	1,55,056	42.8
1950	4,19,307	2,39,290	57.1
1951	4,86,534	2,70,834	55.7
1952	4,29,551	2,32,874	54.2
1953 (Jan-Aug.)	1,79,343	63,348	35.3

The statement above shows that from 1949 upto the end of 1952 private employers contributed more than half of the business of the Exchanges. The fall in the contribution of the private employers during the year 1953 is significant. It is difficult to say to what extent the fall is due to a decline in the quantum of employment opportunities in the country. There is no doubt, however, that the discontinuance of Employment Exchange operations at work-sites and labour "addas" has had an appreciable effect on Employment Exchange figures—not that the employment process at the work-sites and labour "addas" has discontinued with the withdrawal of the Exchanges. While the contribution of private employers to the business of the Exchanges appears impressive in relation to the total business handled, it was still only a very small fraction of total employment in the private sector.

250. Various reasons have been adduced to explain why private employers have not utilised the services of the Employment Exchanges to the desired extent. Some state that even those employers who do not have any machinery of their own, have experienced no

difficulty in recruiting through direct contacts. There are others who hold that the main reason has its roots in local inertia, apathy towards the Organisation, natural conservatism or the utilitarian character of the methods of recruitment employed in private industry. Some others are of the opinion that employers are hesitant to utilise the Employment Exchanges because they are afraid that if they did so their discretion in the matter of selection would be fettered. Another view is that vested interests are too deeply entrenched to permit the intervention of the Exchanges in the matter of recruitment and that employers do not naturally wish to part with their powers of patronage and favour.

251. There is a considerable body of opinion, on the other hand, which places the responsibility for lack of co-operation on the part of employers on the Employment Exchanges themselves. It has been stated that the Employment Exchanges have not inspired much confidence among employers, because they have not always been able to recommend the right type of persons. The main complaint voiced by the representatives of employers or their organisations is that Employment Exchanges do not conduct trade tests at the time of registration and are therefore not in a position to assess the degree of proficiency or skill of the candidates. Others have complained that Employment Exchanges go by what applicants tell them and have no means at their disposal of verifying the antecedents of the applicants. The methods employed by the Exchanges, it has also been stated, are dilatory. From the point of view of employers again, one reason responsible to some extent for unsatisfactory submission on the part of the Employment Exchanges is stated to arise from the Employment Exchange policy regarding the submission of persons already in employment. According to the present policy such persons are submitted only when no suitable unemployed person is available. Employers who naturally prefer experienced hands or those already on the job, therefore, advertise their vacancies.

252. The poor quality of submissions by the Exchanges apart, some very prominent employers have stated that they are not fully aware of the facilities that the Employment Exchanges offer; nor has any attempt been made by officials at the top level of the Organisation to acquaint the employers with the object and functions of the Employment Exchanges or to enlist their support and co-operation.

253. There are some other factors which are stated to have stood in the way of fuller utilisation of the Employment Exchanges by employers. These arise mainly from the fact that the Organisation continues to function on a temporary basis and that its coverage

is very limited. It has been said that employers cannot be easily persuaded to entrust their recruitment to an Organisation the future of which is so uncertain; also that employers located in areas which are not served by an Employment Exchange find it very inconvenient to make arrangements regarding recruitment with an Employment Exchange situated far way.

254. Various agreements between the employers and trade unions regarding the recruitment policy constitute another obstacle to a fuller utilisation of the Employment Exchanges by individual industrial establishments. Both employers and trade unions have agreed in certain cases that sons and relations of the employees should be given preference in recruitment. Such agreements do not quite fit in with the referral policy of the Employment Exchanges, with the result that employers prefer to keep away from the Exchanges.

Compulsory Recruitment through the Employment Exchanges

255. We have stated in the preceding section and in an earlier Chapter that while employers generally agree that the basic concept of an intermediary agency to bring the employers and workers together is sound and that the Employment Exchanges have an important function to perform in the national economy, for a variety of reasons, not many employers have made use of the Employment Exchange facilities. The Employment Exchange Organisation cannot obviously discharge its responsibility adequately unless full use is made by employers, workers and governments alike of the facilities offered by the Exchanges. The question, therefore, arises as to how this could be achieved.

256. *Government Departments and Local Bodies.*—In so far as employment under the Central Government is concerned, as has already been stated, recruitment to all Central Government vacancies, with some exceptions, is made through the Employment Exchanges, unless the Exchanges certify that they are not in a position to recommend suitable candidates. *We recommend that the existing arrangements should continue and that the Employment Exchange Organisation should as hitherto perform the role as the main agency for recruitment to Central Government employment, reflecting Central Government policy in the matter of priority for those categories for whom the Central Government has assumed moral responsibility to provide employment. The obligation to recruit through the Employment Exchanges should for the present apply only to clerical and other non-technical categories, excluding the unskilled, and should extend to technical personnel as soon as Employment Exchanges have made*

arrangements for the trade-testing of applicants, as recommended elsewhere. Vacancies for technical personnel should, however, continue to be notified to the Exchanges. As regards vacancies for peons and allied categories, recruitment to such vacancies should be made through the exchanges in the same way as in the case of other vacancies, provided minimum educational qualifications have been prescribed for such posts.

257. *Recruitment to Class IV vacancies in the Railways also should, in our opinion, be brought in line, as far as possible, with that in other Central Government departments. As regards Defence Services, recruitment should similarly be made, to the extent possible, in collaboration with the Employment Exchanges. In so far as vacancies under the Comptroller and Auditor-General of India are concerned we hope that the Comptroller and Auditor-General will have no serious objection to utilising the Employment Exchanges as the machinery for recruitment to vacancies in his department.*

258. *There is a general consensus of opinion in favour of recruitment being made to vacancies under State Governments and Local Bodies through the Employment Exchanges on a compulsory basis. All State Governments, except two, and all Government of India Offices/Ministries who have replied to the Questionnaire, barring two, favour this view. Employers' and Workers' Organisations, as also the various Employment Advisory Committees, are similarly in favour of recruitment being canalised through the Employment Exchanges. We agree with the majority view and recommend that recruitment to State Government vacancies and vacancies under Local Bodies should be made through the Employment Exchanges. The scope of this compulsory measure should be the same as in the case of Central Government vacancies. The obligation to recruit through the Employment Exchanges should apply equally to all State-owned enterprises and to all Quasi-Government and Statutory Bodies.*

259. *Regarding selection for appointment from amongst applicants nominated by the Exchanges, we consider that the final say in the matter should rest with the appointing authority and not with the Employment Exchanges except in the case of submissions from amongst a panel formed on the basis of objective tests or examinations. We have recommended in Chapter VIII the introduction of tests at the Exchanges and the preparation of panels of names for the posts of clerks on the basis of tests. We have also recommended the classification of applicants desiring skilled jobs on the basis of trade tests. We are of the view that the tests for the clerical cadre could be organised to suit the needs of the Central Government,*

as also of the various State Governments. The standard that the Central Government or State Governments might prescribe could be applied to the tests to ensure that their results are acceptable to the Central Government and to the State Governments. *We suggest that unless the appointing authority has very strong reasons against it, the selection should be from the panel of names submitted by the Exchanges. We would urge acceptance of the same principle in the case of recruitment to vacancies for peons and allied workers where we have proposed that submissions by Exchanges should be based on the results of tests or on priority of registrations.* Referral strictly in accordance with the chronological order of registration is, in our opinion, the fairest criterion for selection for jobs which do not require any specific skill or previous experience.

260. The requirement that recruitment should be made through the Employment Exchanges on a compulsory basis raises a number of problems concerned with the ability of the Employment Exchanges to fill the vacancies satisfactorily or to recommend suitable candidates. Obviously, employers cannot be expected to await indefinitely nominations by the Exchanges or to go on interviewing one batch of applicants after another continuously. *We are of the view that except in cases of urgency employers should allow a reasonable time limit for the Exchanges to make submissions. If the Exchanges fail to recommend candidates within the prescribed time limit, the employer should be free to recruit direct. We also recommend that if the Employment Exchange cannot submit suitable candidates even in a second attempt, the employer may, if he so desires, recruit direct.* This provision would necessarily throw a responsibility on the employer to specify clearly reasons why applicants submitted by the Exchange were considered unsuitable to enable the Exchange to take steps to ensure that its submissions conform with the specifications of the employer.

261. A further problem will be of affording equal opportunities to all who desire to enter Government service. *One practical solution, which we recommend, would be to classify in collaboration with the Ministry of Home Affairs, in the case of Central Government vacancies, and State Governments, in respect of their vacancies, those which should be filled on a local, regional or on an all-India basis.* This would ensure the application of a uniform policy to all recruitment under the Central and State Governments and would eliminate the grievance of many applicants that they are deprived of the opportunity of being considered if they do not happen to be residing in the area in which vacancies occur.

262. *Private Industry.*—Regarding recruitment to private industry, divergent views have been expressed as to whether or not recruit-

ment should be made through the Exchanges on a compulsory basis. Of the 24 State Governments which sent replies to the Questionnaire, 11 are opposed to compulsion in any form. Of the remainder, the weight of opinion is in favour of compulsion to notify vacancies to the Employment Exchanges, but with freedom to employers to fill them as they choose. The latter is also generally the view of the various Government of India Offices/Ministries.

263. The Workers' Organizations and their representatives are predominantly in favour of compulsion, both regarding the notification of vacancies and recruitment through the Exchanges. As regards the various Employment Advisory Committees and other organisations, while some have opposed the imposition of compulsion on employers to use the Exchange facilities, the rest are more or less equally divided, some favouring compulsory recruitment through the Exchanges, while others would limit compulsion to notification of vacancies only.

264. As for the Employers, they are, as a rule, opposed to recruitment through the Employment Exchanges except on a voluntary basis. They feel that any compulsion on industry to recruit through the Employment Exchanges would hamper the good relations between the Exchanges and the employers which, in turn, would seriously affect the utility of the Exchanges. While opposing compulsory recruitment through the Employment Exchanges, the Employers' Organizations have voiced the view that the Employment Exchanges can bring no more effective a pressure to bear on the employers to recruit through them than the pressure that would be exerted through sheer efficient handling of the employers' demands. The reply of the Bengal Chamber of Commerce which we quote *in extenso* is typical of the attitude of many employers. The Bengal Chamber of Commerce have stated, "Private employers are under various pressures of recruitment, e.g., from their own workers who invariably want preference for their relatives, and even from influential persons, such as customers. Most employers have resisted those pressures as far as possible and possibly are making increased use of the Employment Exchanges. Every improvement in the Service will make their task easier".

265. We have very carefully examined the question of private employers being compelled to recruit through the Employment Exchanges and have come to the conclusion that it is not desirable at the present time to enforce such compulsion. *We suggest that the working and the results of our recommendation regarding recruitment by Government and semi-Government employers through the Exchanges should be watched for a time before enforcing compulsion on the private sector also.* When working out the scheme of

compulsion in stages, which is what we really have in mind, it is reasonable to expect that Government Departments should come in at the first stage and set an example to others.

266. While the Employers' Organisations are almost unanimously opposed to compulsory recruitment through the Exchanges, they are not hostile to the same degree to the idea of notification of vacancies on a compulsory basis. Representatives of the Employers' Association of Northern India and the Upper India Chamber of Commerce at Kanpur stated that there was no objection to such compulsory notification of vacancies, provided the employer was left free to select whomsoever he considered suitable from amongst those submitted by the Exchange and those who came on their own. The representatives of the Bengal Chamber of Commerce and of the U.P. Chamber of Commerce, Kanpur, while favouring utilisation of Employment Exchanges on a purely voluntary basis, stated that if any compulsion was necessary at all, it should be limited to the notification of vacancies. The President, Hindustan Chamber of Commerce, Madras, had also no objection to compulsory notification of vacancies though he considered that not much useful purpose would be served thereby so long as there was no obligation to recruit also through the Exchanges. He was, of course, strongly opposed to compulsory recruitment through the Exchanges. The Managing Director, Messrs. Simpson and Group Co. stated that employers experienced innumerable difficulties in the matter of recruitment. They would themselves desire to recruit through the Exchanges for the greater bulk of their vacancies if it was ensured that applicants recommended by the Exchanges were properly trade-tested and screened for undesirable political leanings. His own concern might agree to recruit through the Exchanges provided their impartiality was assured.

267. *Though we have not, for the present, recommended compulsion on private employers to recruit through the Employment Exchanges, we recommend that they be required on a compulsory basis to notify to the Exchanges all vacancies, other than vacancies for unskilled categories, vacancies of very temporary duration and vacancies proposed to be filled through promotion. The obligation to notify vacancies should apply equally to firms engaged on Government contracts, undertakings in respect of which Government hold part of the stock and establishments which have received aid/subsidy from Government. We have already recommended in Chapter VIII that private employers should also be required on a compulsory basis to render to the Employment Exchange concerned and to the Directorate-General of Resettlement and Employment half-yearly*

Staff Strength Returns. If these two measures are adopted, one important advantage that will accrue will be that the Employment Exchanges will be in possession of a good deal of information relating to employment needs and trends and will thus be in a position to advise employers, Government and the public, at large, in their plans of training and other plans of development. The compulsory notification of vacancies will also indirectly encourage employment-seekers to register with the Exchanges which would provide the Exchanges with a wider field of selection. Advance information regarding future plans of recruitment and lay-offs will enable Exchanges to help in the adjustment of surpluses and deficits and in planning in general.

268. Opinion is divided as to whether the two compulsory measures suggested above should apply in the first instance to specific industries or specific areas which form major industrial centres. The majority view, however, is in favour of compulsion being applied to specific industries in specific areas. The main object of compulsory notification is to give the Employment Exchanges an opportunity to recommend suitable applicants and to provide a fair chance to all applicants registered at Exchanges to compete for such vacancies. This object would, in our opinion, be difficult to achieve in cases where the establishments are located in an area which is not within easy reach of an Employment Exchange. While the ultimate aim should be to apply this measure of compulsion uniformly throughout the country, *we are of the view that until Employment Exchange coverage is made more intensive, it should be optional on the employers located in the areas distant from the Exchanges to notify their vacancies. Such employers should, however, be required to furnish the suggested Staff Strength Return.*

269. *As regards the particular industries and the categories and size of industrial establishments which should be brought under the operation of the measures of compulsion we have suggested, we recommend that these be decided by the Central Government in consultation with State Governments and the various Employers' and Workers' Organisations.*

270. *The measures of compulsion that we have recommended in the preceding paragraphs may, if necessary, be embodied in suitable legislation.*

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271. *A measure of compulsion suggested by the All-India Manufacturers' Organisation is that employers should be asked to give a certificate to each retrenched/discharged employee giving his name, designation, record of previous service, efficiency, conduct, etc. The certificates should be useful to the Employment Exchanges inasmuch*

as they will have an authentic record of previous service and will not have to rely mainly on what the applicants themselves say. We, therefore, recommend the acceptance of this suggestion.

272. On the question whether any compulsion should be placed on employment-seekers to register themselves with the Exchanges, majority view is against compulsory registration. *We agree and consider that as hitherto workers should register with the Exchanges on a purely voluntary basis.*

273. Various suggestions designed to encourage a wider use of the Employment Service on a voluntary basis have been offered. One is that closer contacts should be maintained between the Employment Exchanges and the employers and that publicity should be directed towards bringing home to the employers the obvious advantages of recruitment through the Exchanges. One Chamber has suggested the appointment of Employment Exchange agents to visit employers on a regular and continuous basis with the object of maintaining very close liaison with them. Another suggestion offered as an alternative to compulsion is that Employment Exchanges might obtain voluntary agreements on the part of Employers' Organisations in their areas that their members would recruit all their requirements through the Exchanges as in Kanpur in the "gentlemen's agreement" regarding recruitment to the textile industry. Yet another suggestion is that employers might be persuaded to agree to associate officers of the Service with their Selection Boards. All these suggestions in our view are worth consideration. By and large they will lead to a better understanding between the Exchanges and the employers and will help to promote wider utilisation of the Exchanges. The thoroughness with which the Employment Exchanges handle employers' demands will, in the final analysis, determine the extent to which employers will of their own accord turn to the Exchanges for assistance.

Levy of a Fee on Employers and/or Employment-Seekers

274. One of our terms of reference was to consider whether Government should make a small levy from employers and/or employment-seekers in order to finance part of the cost of the Organisation. From evidence placed before us, we find that with a few exceptions the general consensus of opinion of State Governments, Workers' and Employers' Organisations, Ministries/Departments of Government of India and Employment Advisory Committees is against levying of a fee from either employers or workers to meet the cost of the Employment Exchanges.

275. After very careful consideration, we have come to the conclusion that *it would not be desirable for Government to charge fees, however nominal, from unemployed persons or employers who seek the assistance of the Employment Exchanges.* Our view is in accord with international opinion on the working of employment agencies, as is evident from the Employment Service Convention adopted by the I.L.O. in the year 1948 stipulating that 'each member of the International Labour Organisation for which this Convention is enforced shall maintain or ensure the maintenance of a free Public Employment Service'.

276. While almost all State Governments are opposed to the levying of a fee from employers or employment-seekers, all are in favour of Government financing the net cost of the Employment Service. Of the nine Part 'A' States, nine Part 'B' States and eight Part 'C' States which have replied to the Questionnaire, all, with the exception of one or two in each group, favour the cost of the Service being met partly by the Central and partly by State Governments. We are in agreement with the view of the large majority of State Governments and have accordingly recommended in Chapter VI that the cost of the Service should continue to be shared between the Central and State Governments.

CHAPTER X

PROPOSED PLAN OF ORGANISATION OF THE EMPLOYMENT SERVICE UNDER A CENTRAL-STATE SYSTEM

277. We have recommended in Chapter VI that the Employment Service should be a joint enterprise of the Central and State Governments; while the Central Government should plan and prescribe a common national policy and national minimum standards and should co-ordinate and supervise the work of the Employment Exchanges the actual administration should rest with State Governments. We have also recommended that the Central Government should continue to meet the entire cost of the Central Headquarters of the Employment Service and 60 per cent of the cost of the Service in the States, State Governments meeting the rest of the cost and also providing at their own cost the necessary accommodation for the Employment Exchanges. In this Chapter we propose to present what we consider would be a suitable organisational structure in the light of our recommendations regarding the specific responsibilities of the Central and State Governments.

Name of the Organisation

278. The title 'Directorate-General of Resettlement and Employment' was perhaps suitable as long as the purpose of the Organisation was to help in the resettlement of ex-Service and displaced personnel. We do not consider this title quite appropriate or broad enough to connote our conception of the main object and functions of the Organisation as outlined in the preceding Chapters. Furthermore, the present title would not be quite applicable to the future set-up of the Employment Service which should, in our view, take on an identity distinct from and unrelated administratively to the Training Organisation. While we agree that the Employment Service should assist the Training Organisation in developing and determining the content of training courses, in selecting persons for training and in finding employment for those who complete their training, we do not consider it necessary that the two Organisations should function under the unified administrative control of one officer. Even at present, notwithstanding the fact that the two Organisations are placed administratively under one Director-General, they function independently of each other for the most part and there is not much of co-ordination in their working. *We recommend that the Employment Exchange Organisation, with the Central*

Headquarters, State Administrative Offices and Employment Exchanges, should constitute a unit by itself and be renamed as the "National Employment Service".

Organisation of the Central Headquarters of the National Employment Service

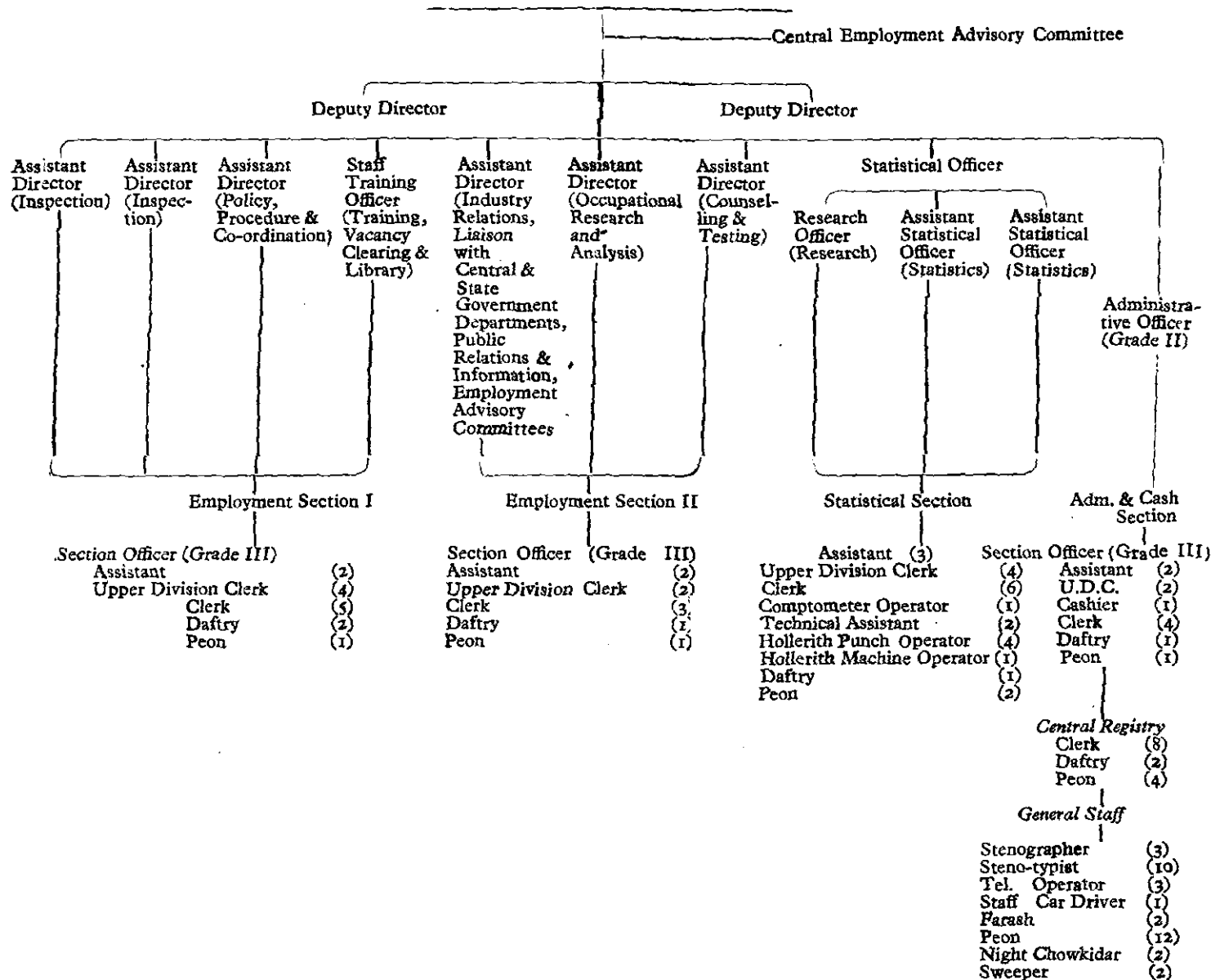
279. We have described in Chapter II the present Organisation of the Central Headquarters—both the Directorate of Employment Exchanges and the Branch Secretariat. With the handing over of administration of the Employment Exchanges to State Governments, a considerable portion of the Branch Secretariat would be rendered superfluous and the responsibility for the co-ordination and supervision of the work of the Employment Exchanges would naturally devolve on the Directorate of Employment Exchanges. *We recommend that the Directorate of Employment Exchanges should perform the role of the Central Headquarters of the National Employment Service and that it should be re-designated as the Department of National Employment Service which should function as an Attached Office, headed by a Director of National Employment Service, under the Ministry of Labour.* The proposed set-up of this Department showing in detail the various activities and their allocation amongst the staff and different sections is given in the Chart on the next page.

280. The organisation of the Department of National Employment Service, which we have proposed in the above Chart giving the allocation of the various functions the Department should exercise and perform and the designations and the number of posts we consider necessary to enable the Department to discharge its responsibilities, is based on and follows very closely the functions and responsibilities which, as we have suggested in Chapters VI and VIII, should fall to the share of the Central Government. We do not, therefore, consider it necessary to enumerate all these different functions once again.

281. We have, in an earlier Chapter, expressed the view that unemployment being a national problem, the methods of coping with it are properly matters of national concern also; and further that the Centre's financial participation creates both a right and an obligation on the part of the Central Government in obtaining an efficient Employment Service. The proposed organisation is designed to ensure the maintenance of a well-developed system of supervision of the Employment Service in the States by the Central authority. By supervision we do not mean any interference in the day-to-day administration. The responsibilities of the Department should be limited to prescribing national minimum standards and the underlying policy upon which the entire system should be built and to obtaining conformity to the prescribed standards and policy.

**CHART SHOWING THE ORGANISATIONAL SET-UP OF THE PROPOSED DEPARTMENT OF
NATIONAL EMPLOYMENT SERVICE**

Director of National Employment Service & Ex-Officio
Deputy Secretary to the Government of India.



PROPOSED PLAN OF ORGANISATION

STAFF SUMMARY

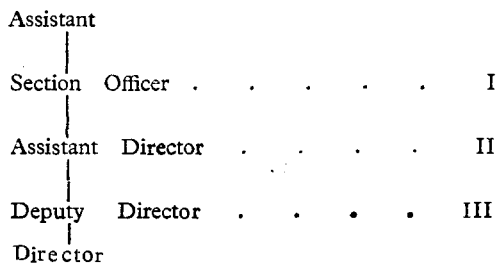
Director	1	Assistant	9
Deputy Director	2	Upper Division Clerk	12
Assistant Director	6	Cashier	1
Statistical Officer	1	Lower Division Clerk	26
Assistant Statistical Officer	2	Comptometer Operator	1
Research Officer	1	Technical Assistant	2
Staff Training Officer	1	Hollerith Punch Operator	4
Administrative Officer (Grade II)	1	Hollerith Machine Operator	1
Section Officer (Grade III)	3	Stenographer	3

Furthermore, the Department should establish programmes to be followed by all Employment Exchanges, setting out their goals and objectives, lay down operating practices and procedures, provide guidance and leadership and render, where necessary, technical assistance to the Services in the States.

282. *We have recommended that the Department should be administered by a Director of National Employment Service, advised by a Central Employment Advisory Committee, representing employers, labour and other important public interests, in formulating the over-all policy and programme of the National Employment Service.* As an Attached office under the Ministry of Labour, the Department will obviously function under the general supervision and direction of the Secretary, Ministry of Labour, and through him of the Minister for Labour. *We have also recommended that the Director of National Employment Service should be given the status of ex-officio Deputy Secretary.* We consider this necessary and desirable for the reason that the Central—State system of organisation, under which the National Employment Service, will, as we envisage, now function, will necessitate frequent personal contacts by the Director with State Governments and quick decisions in a number of minor matters at his own level. This will not be possible unless the Director is given the proposed status. The Director-General whom we consulted in regard to all our recommendations about staff, had no comments to offer except in regard to this one recommendation of giving the Director *ex-officio* Secretariat status. We do not share the apprehensions of the Director-General in this matter and, in fact, a system of this type has been working very satisfactorily in other Ministries. If this system has not worked well in the D.G.R. & E.—and this is the main point brought out by the Director-General—the fault lies not in the system itself but elsewhere.

283. The present organisation of the Directorate of Employment Exchanges as given in Chapter II will show that the Director is assisted in the carrying out of his various responsibilities by three Deputy Directors, five Assistant Directors, one Staff Training Officer, one Statistical Officer and two Assistant Statistical Officers. The main staff of the Central Employment Co-ordination Office, which is a subordinate office located at the Headquarters and which functions under the supervisory control of the Director, comprises one Central Employment Co-ordination Officer, an Assistant Director in status, and two Assistant Employment Officers. The work of the Directorate, including that of the Central Employment Co-ordination Office, is normally canalised through the three Deputy Directors. The Statistical Officer, however, reports direct to the Director. The work of the

Directorate is thus organised in the following stages or levels of responsibility:



284. From an examination of the nature of work performed by Deputy Directors and Assistant Directors, we find that both discharge similar duties and that in actual practice the responsibilities of Deputy Directors are not distinguishable from those of Assistant Directors. As a result, the third stage or level in the organisation is unnecessary and one involving duplication and delays. We consider that normally routing of files should not involve more than three levels at the most and this can be ensured only by eliminating the Deputy Director from the tier shown above.

285. On other considerations, however, we feel that two officers of the status of Deputy Directors will be required. The Director will be a busy person who, in addition to dealing with day-to-day administrative matters, will have to control and supervise the work of six Assistant Directors, a Statistical Officer and a Staff Training Officer. Besides, he will have to do a large amount of touring, both for general inspection as also for establishing contact and liaison with State Governments. *If co-ordination with State Governments is to be really effective, we feel that contacts and discussions should be conducted by the Director himself.* With all this burden, the Director will not be able to deal with the large number of cases, simple as well as complicated—and there will be large numbers—which will come to him if there is no authority intermediate between himself and the Assistant Directors. *We, therefore, recommend one Deputy Director for assisting the Director and for finally disposing of all such cases as the Director may authorise him to do. This Deputy Director will, therefore, be in the nature of a general assistant to the Director.* While he would not normally be an inspecting officer, he will do inspections when asked by the Director. He will also assist the Director in the review of State plans and budget proposals. Also, while in the normal way, cases from the Assistant Directors will go straight to the Director, there will be nothing to preclude the latter from referring any of those cases to this Deputy Director for further examination or advice.

286. Our recommendations involve the tackling of two totally new subjects, namely, occupational research and analysis, and counselling and testing. The introduction of these new programmes will need for quite a long time to come considerable studies and research of a continuing nature. The Director with his multifarious other duties will not have adequate time to devote to these matters which will require considerable thinking, while it would be equally unfair to entrust such responsibilities to officers of the rank of Assistant Directors. *We, therefore, recommend a second post of Deputy Director who will be primarily concerned with these subjects as also other cases requiring a degree of research.* In other words, the point to be emphasised here again is that this Deputy Director should not be treated, as at present, as one in the regular tier but as an officer to deal with certain specific problems.

287. The Central Inspectorate at present comprises a Deputy Director and three Assistant Directors. *We are of the view that the responsibility for detailed inspection of Employment Exchanges should be fully delegated to State Directors and that the Central inspections should be confined to the evaluation of the effectiveness of the various programmes, operating practices and procedures, organisational structure and supervisory methods and to ascertaining whether or not the Services in the States have complied with the national policy and standards as also to checking whether the expenditure from Central grants conforms to the purposes for which the grants were allotted.* The scope of Central inspections will thus be limited. *Some inspections will henceforth be in regard to important matters requiring subsequent discussions and consultations with State Government authorities, while others may be relatively unimportant. Our recommendations imply that inspections of the former type will normally be done by the Director himself during his tours, but for general inspections an Inspectorate, though a smaller one than at present, will be required. We have, therefore, recommended an Inspectorate consisting of two Assistant Directors.*

288. Besides the posts of Director, two Deputy Directors and two Assistant Directors (Inspection), we have recommended four other posts of Assistant Directors. Two of these are new additions and are in consequence of our recommendation that the Headquarters of the Service should organise programmes of counselling and testing, and occupational analysis and research, and provide to the Employment Exchanges in the States leadership and guidance. Incidentally, as these activities will be new to the country, *we further recommend that the services of an experienced officer should be obtained to assist in organising these programmes. This may be done through the I.L.O. or the Colombo Plan or other similar agencies.*

289. Among the responsibilities of the Centre, we have recommended that the Headquarters should organise and conduct on a centralised basis initial and specialised training courses for the Employment Exchange staff. We have, therefore, proposed the retention of the post of Staff Training Officer. Since the training courses will be organised and conducted as and when necessary and not on a continuous basis, we have recommended that, in addition to his duties in connection with Staff Training, the Staff Training Officer should also function as officer-in-charge of work in connection with vacancy clearance at an all-India level and be in charge of the library.

290. The work in connection with vacancy clearance at an all-India level has hitherto been performed as its main function by the Central Employment Co-ordination Office. In addition, the Central Employment Co-ordination Office is responsible for the maintenance of the Special Register of retrenched Central Government gazetted officers for consideration against vacancies which are filled through the U.P.S.C. and also handles complaints and enquiries and performs certain other miscellaneous items of work. *We find no justification whatsoever for the retention of the Central Employment Co-ordination Office as a self-contained unit and recommend that it should be wound up. The Staff Training Officer will, as already recommended, function as officer-in-charge of vacancy clearance at an all-India level.* For this purpose we have provided for the necessary clerical and other staff. *As for the Special Register, we recommend that as long as the arrangement lasts, the Special Register should be maintained by the Employment Exchange, Delhi. For the rest, for example, complaints etc., these should more appropriately be handled by the State Governments themselves.*

291. The gazetted staff of the Statistical unit at present comprises one Statistical Officer and two Assistant Statistical Officers. We have recommended the addition of a post of Research Officer to undertake special and systematic research into the different aspects of the problem of employment and unemployment.

292. Thus, we have provided altogether for fourteen what might be called technical posts (including three new posts) as against 16 such posts in existence at present. *We have made no provision by way of staff for the printing and distribution of forms and stationery, as this should hereafter be undertaken by the States themselves.*

293. On the Secretariat side, the work of the Directorate-General is organised in eleven sections as shown in Chapter II. Some provide joint service to both the Directorate of Employment Exchanges and that of Training. In the organisational plan of the Department, we

have recommended three sections with the necessary staff and, in addition, an Administration Section under the charge of an Administrative Officer of the status of Grade II Section Officer.

294. The statement in Appendix VII, which gives the present strength of the entire Headquarters of the D.G.R. & E. (including the Training Directorate) and the proposed strength of the Department of National Employment Service as well as that of the Central Organisation for Training will show that we have recommended the reduction of 9 gazetted posts and 103 non-gazetted posts out of a total of 35 gazetted and 233 non-gazetted posts in existence at present. In their financial implications, our recommendations, if accepted, will result in an over-all annual saving of Rs. 3,72,000.

295. The statement referred to in the previous paragraph also gives our recommendations regarding the pay scales we consider appropriate for the various categories of gazetted staff of the proposed Department of National Employment Service. Our proposals are designed to bring the scales in line with recognised scales of pay of posts carrying equivalent responsibilities. *The present salary scales and those proposed are reproduced on the following page.*

Designation of post	Present scale	Proposed scale
Director	Rs. 1,560—60—1,920 .	Rs. 1,600—100—1,800
Deputy Director	Rs. 1,000—50—1,350 .	Rs. 1,000—50—1,400
Assistant Director	Rs. 600—25—800—40 —1,000	Rs. 600—40—1,000— 1,000—1,050—1,050— 1,100—1,100—1,150.
Statistical Officer	Do.	Do.
Assistant Statistical Officer	Rs. 350—25—750	Rs. 350—350—380—30— 590—EB—0—770— 40—850.
Research Officer	Do.	Do.
Staff Training Officer	Rs. 450—25—750	Do.

296. The staffing of the Department of National Employment Service will present a problem of particular importance when the present Service is remodelled on the basis of a Central-State system of organisation. *In order that the Department might be enabled to perform its role in an effective manner, it should be manned by a competent and experienced staff drawn, as far as possible, from those in service at present, whether at the Centre or in the Regions.* We understand that there are at present wide variations in the quality of the staff of the Organisation owing largely to the fact that the initial recruitment was made in an emergent situation and in a hurry from amongst Services personnel in the process of demobilisation and from the open market. In the circumstances, *we recommend*

that in the selection of staff for the Department greater emphasis should be placed on merit than on seniority, the latter being only a secondary consideration. Our recommendation is in accord with the principle of promotion recently enunciated by Government.

297. We would even emphasise that this principle should be more rigidly enforced in the present case. The Organisation being now temporary, no officer has a right to permanent absorption. Therefore, we do not see why Government should not have the discretion to select the most meritorious persons for permanent absorption. We have already made it clear that the Organisation today has not a record much to its credit and for this the quality of the personnel is to a large extent responsible. If the reorganised Department is to function efficiently, the need for an initial selection of the right type of persons cannot be over-emphasised.

298. *Among the officers in the Organisation, there are some who have a lien on other posts under the Central or State Governments. Some of them have served the Organisation for long periods and have good records to their credit. The mere fact of their holding a lien should not justify their reversion, particularly if the drop in emoluments will be considerable. On the other hand, where other factors are equal, the possibility of reverting a person with a lien in preference to discharge of another having no such lien should be considered so that the reorganisation will result in minimum unemployment.*

State Administrative Organisation

299. Under the present centrally administered system, the Director-General of Resettlement and Employment works through a network of regional offices. The country has been divided into 11 regions, each placed under the charge of a Regional Director, directly responsible to the Director-General for the administration, supervision and efficient running of the Employment Exchanges and the Training Centres in his region. Except in the case of four regions, namely, Bihar, Hyderabad, Orissa and West Bengal, where the State constitutes the regional unit, the region comprises two or more States. The grouping of two or more States to constitute a region has hitherto been possible, firstly, because the Service is centrally administered and secondly, because the cost of the Regional Directorates is borne entirely by the Central Government. If the administration of the Employment Exchanges is transferred to the State Governments and the cost of the State Administrative Offices is also shared between the Central and the State Governments, the grouping of two or more States into one region will no longer be feasible. Each State, where an Employment Exchange or Employment Exchanges are functioning or where Exchanges may be set up in future, will

constitute separately the basic unit of the National Employment Service.

300. The first question about the organisation of a State Employment Service is its place in the State administrative system. As in the case of the Central Government, the most logical place for the Service in a State is obviously the Department of the State Government responsible for the enforcement of labour laws. *We, therefore, recommend that for administrative purposes, the Employment Service in the States should be placed under the Department of Labour or, where a separate Department of Labour does not exist, under the State Government authority responsible for the administration of labour laws.*

301. For the efficient discharge of their responsibility for the administration of the Employment Exchanges in the States, and above all, of their responsibilities concerning employment problems in the States, State Governments will have to establish their own suitable administrative machinery. It is of vital importance that the machinery, which States might set up to exercise control over the Employment Exchanges, should be properly equipped and placed under effective leadership and direction so that it might be capable of formulating programmes to meet adequately the varying needs of the States and of bringing to a focus their varied efforts in this field. We recommend that *State Governments should establish, under their Departments of Labour, State Directorates of Employment Service placed under the charge of State Directors.* There are 11 States where Regional Directorates are at present in operation. These, with suitable modifications where necessary, could be converted into State Directorates. *In those States where the size of the Organisation will not justify the setting up of a separate Directorate, the administration should be entrusted on a part-time basis to an officer in the Department responsible for labour matters.*

302. The duties of all Regional Directors at present are practically the same; all, however, are not of equal status, nor do they draw the same rates of pay. The following statement gives the present salary scales of the different posts of Regional Directors:

Present Salary Scales of Regional Directors

State	Salary Scale
Madras, Uttar Pradesh, Bombay and Bihar .	Rs. 1,550—50—1,750
Delhi, Rajasthan and Ajmer, Punjab and West Bengal.	Rs. 1,200—50—1,550
Hyderabad	Rs. 900—50—1,200—EB—75—1,500
Madhya Pradesh	Rs. 1,000—50—1,350
Assam and Orissa	Rs. 600—25—800—40—1,000.

According to the proposed plan of organisation each State which has an Employment Service will have its own State Directorate under a State Director. Instead of 11 Regional Directorates, as at present, there will thus be 22 State Directorates and as many Directors. As a basis for determining pay scales and the status of the State Directors, we have classified the various States into three broad groups according to the number and type of Employment Exchanges operating in each State. The three groups are given below:

<i>Group I.</i>	<i>Group II.</i>	<i>Group III.</i>
1. Bihar	1. Andhra	1. Ajmer
2. Bombay	2. Assam	2. Bhopal
3. Madras	3. Hyderabad	3. Coorg
4. Punjab	4. Madhya Pradesh	4. Delhi
5. Uttar Pradesh	5. Orissa	5. Himachal Pradesh
6. West Bengal	6. Rajasthan	6. Madhya Bharat
	7. Travancore-Cochin	7. Mysore
		8. Pepsu
		9. Saurashtra

As a general principle, we recommend that the salary scales of State Directors be brought in line with or fixed on the basis of scales obtaining in the States for other posts of Directors (or equivalent posts) comparable in regard to size, importance and responsibility. We suggest that the pay scales of State Directors in Groups I and II should be fixed in the States Scales of pay, approximating as near as possible to the pay scales proposed in respect of the posts of Deputy Director and Assistant Director of the Central Department of National Employment Service respectively. As regards States which fall into Group III, the number of Employment Exchanges in these States will not warrant the appointment of full-time State Directors. We are of the view that the administration of the Exchanges in these States can be carried on on a part-time basis, and recommend that, in the interest of economy, such arrangements should be brought about.

303. We have included in the above classification only those States which have an Employment Exchange or Exchanges. Other States, namely, Vindhya Pradesh, Bilaspur, Manipur, Tripura and Kutch are at present linked with the nearest Exchange in the neighbouring State. We understand that this arrangement is unsatisfactory and, therefore, recommend that these States should set up according to their needs one or more Employment Exchanges of suitable size. To begin with, it would be adequate if these States were to organise their administrative machinery on the same pattern as States falling in Group III.

304. *The grouping we have recommended is based on the size of the existing organisations in these States. We recognise that if the size, after reorganisation, is varied regrouping also might become necessary.*

305. We have defined in Chapter VI the various responsibilities which State Governments will have to bear under a Central-State system of organisation. Most of these will obviously devolve on the State Directorates. In the case of States which fall in Groups II and III, the responsibilities will have to be shouldered largely by the State Directors themselves, with the assistance of Employment Officers. In the case of Group I States, the size of the State organisations will necessitate, commensurate with the volume of work involved, provision of adequate supervisory staff to assist the State Directors.

306. Under the present arrangement the Regional Director in four Regions is assisted by a Deputy Director, in most Regions by one or two Assistant Directors, in nine Regions, by an Employment Liaison Officer and, in one Region by an Assistant Public Relations Officer. *We consider the four posts of Deputy Directors to be superfluous and recommend that these should be abolished.* As regards the posts of Employment Liaison Officers, we have recommended in Chapter VIII that these posts should be transferred from the Regional Directorates to the main Exchanges in the States. *We are of the view that each State included in Groups I and II should have an Employment Liaison Officer and therefore recommend the creation of three more such posts.*

307. We do not propose to make detailed recommendation regarding the strength of supervisory and other supporting staff necessary for manning the State Directorates. Details will have to be worked out by the State Governments themselves in consultation with the Department of National Employment Service. Plans for staffing should, however, take in to account the various functions which State Directorates will have to perform. Some of the major functions are given below:—

1. Administration of the Employment Exchanges, including appointment and control of personnel and administration of finances.
2. Supervision and inspection of Employment Exchanges.
3. Collection and maintenance of statistics.
4. Clearance.
5. Printing and distribution of standardised forms and procurement and supply of equipment.

6. Promotion of the Service and maintenance of close liaison with other State Government Departments.
7. Relations with Employers' and Workers' Organisations on a State level.

308. As regards the pay scales of staff in the State Directorates, we understand that Class III and Class IV staff in Regional Directorates draw State rates of pay and that the gazetted staff are on Central rates. *As in the case of State Directors, we recommend that the pay scales of all gazetted staff should be brought in line with those prevalent in the States for posts carrying like responsibilities. Transference to the State Service will cause hardship to those who, according to the State rates of pay, will receive a salary much lower than their present salary. We recommend that in all such cases, provided the persons concerned have held their present posts for a minimum period of three years, protection should be given against any loss in present emoluments. As the transfer from the Central to the State Service will be a matter on which the staff will have no control, their services under the Central and State Government should be deemed to be continuous for all purposes.*

309. Our recommendations pertaining to the setting up of State Directorates in each State will result in the creation of two full-time additional posts of State Directors. Furthermore, some posts of Regional Directors might fall vacant on the reversion of the present incumbents to their substantive posts on administrative grounds or in consequence of the proposed reduction of the salary scales of the posts of Regional Directors. On the other hand, we have recommended the reduction of a total of five posts of Deputy Directors of Employment Exchanges, which will result in the present incumbents reverting to lower posts and in consequential reversions from lower grades to still lower grades. In the interest of the Service, as a whole, as also of the individuals concerned, *we recommend that all new or vacant posts of State Directors be filled either from amongst the Deputy Directors or Assistant Directors depending upon the status of the posts. We hope that in the situation that would be created as a result of the transference of administration of Employment Exchanges to the States, the State Governments will agree, as a special case, to take these persons wherever they are found suitable. This should be in the interest of the States themselves who will otherwise find it difficult to obtain the services of persons with adequate experience and training. Our recommendation regarding the absorption of Deputy Directors and Assistant Directors in equivalent posts of State Directors should govern recruitment against all posts that might be rendered vacant or created as a result of transference of administration of Employment Exchanges to the States.*

As all these officers have hitherto been employees of the Central Government the latter has a moral responsibility to ensure that as many as possible are retained in service. *Therefore, in the initial constitution of the State cadre, the views of the Central Government should be given full weight and the selection should be made in close association with the Centre.*

310. These recommendations will, on the basis of the present expenditure on the Regional Directorates, result in a saving of Rs. 4,52,100 to the Central Government and in an additional expenditure of Rs. 4,61,800 on the part of all State Governments taken together. Details are shown in Appendix VIII.

311. In arriving at the above figures, we have taken no account of the ultimate saving that will accrue both to the Central and State Governments on account of the lowering of salary scales, nor of the reduction of posts which may be necessary as a result of the formation of separate Directorates in place of the present composite Regional Directorates. We have also left out of account the additional expenditure that may be involved if new posts are created consequent upon some of our recommendations. In arriving at any final estimates of the financial liabilities of the Governments, these factors should also be taken into consideration.

Organisation of Employment Exchanges

312. We have described in Chapter II the organisation and the present net-work of Employment Exchanges. Here we propose to specify a few general principles we consider essential for the planning of an Employment Exchange structure which would be suitable for the development of an effective nation-wide service and which would, at the same time, fit into the administrative patterns obtaining in the various States.

313. *Location of Employment Exchanges in States.*—As pointed out in Chapter I, the Organisation was originally set up to help in the resettlement in civil life of demobilised personnel. Employment Exchanges were set up in large cities and towns, one of the important considerations in the selection being that they should be situated in those areas or in close proximity to areas from which recruitment to Armed Forces had taken place. The later expansion of the Employment Exchanges was dictated mainly by the needs of Government establishments rather than of private industry. New Exchanges were opened largely on the initiative of Regional Directors who were not always guided by any well-defined plan in terms of actual needs. The result was that Exchanges were opened generally in towns where the District Headquarters are

located, irrespective of the scope for a separate office. An extreme example of the haphazard growth of Employment Exchanges is provided in the situation that exists in Madurai. The Sub-Regional Employment Exchange, Madurai, and the District Employment Exchange, Ramanathapuram, are located in the same building in Madurai. One caters to the needs of employment-seekers and employers resident in Madurai District and the other to those of Ramanathapuram District. The justification offered for locating the District Employment Exchange in Madurai is that most of the District Offices of Ramanathapuram are located in Madurai town.

314. We have expressed in Chapter V the view that only those places offer reasonable opportunities for the development of an active Employment Service where the employment market has become widespread and complex. It is possible even in a small place for a popular and active Employment Officer to induce friendly employers to route the recruitment of workers through his Office and make an apparent showing of placing activity even though the persons submitted could readily have been found by the employer; the utility of the service rendered in such a situation is, however, slight. So long as both jobs and workers are locally available and can come together without the aid of an outside agency, an organised Employment Service is not particularly necessary. Before deciding to set up an Employment Exchange in a certain locality it would, therefore, be necessary to study the characteristics of local industries, the methods of recruitment used by employers, the size and the number of establishments, the stability or instability of employment and the degree of diversification of industry.

315. *We recommend that the present location of Employment Exchanges should be reviewed in the light of the observations in the preceding paragraph.* Any plan of re-organisation of Employment Exchanges must be based on the study of the local situation, with careful consideration of the needs of both employers and employment-seekers. Though one purpose of the employment service should be the placement of workers in private industry, the organisation of the Employment Exchange system will also have to be moulded by the needs of Government and quasi-Government employers, on the assumption that our recommendation that these should recruit their staff through the Employment Exchanges on a compulsory basis proves acceptable. The re-organisation plan will also have to take into account the responsibility of the Service for the collection of employment market information. Re-organisation may necessitate the closing down of some Employment Exchanges and the opening of other new ones. It may be that the part-time arrangements as suggested in Chapter VIII would be adequate enough for the requirements of some localities. The needs of a District

where conditions do not warrant the retention of a full-time Employment Exchange may have to be met either through part-time arrangements or, where convenient, by linking up the District with the nearest Employment Exchange in the adjoining District. During the early years considerable experimentation will doubtless be necessary in most States, with constant readjustments on the basis of experience. The over-all aim should be to provide State-wide coverage consistent with the needs and the effectiveness of the service that can be rendered.

316. *Classification of Employment Exchanges.*—There are at present 126 Employment Exchanges in the country. These are classified into four broad categories as under:—

Regional Employment Exchanges	...	9
Sub-Regional Employment Exchanges	...	45
District Employment Exchanges	...	55
Employment Exchanges	...	17

The last category of Exchanges are located in Part 'B' States. Unlike District Employment Exchanges, these enjoy an independent status although they are staffed on the same basis as District Exchanges. In our opinion the present classification is arbitrary and is not based on any logical consideration. The nomenclature Regional Employment Exchange, for example, might give the impression that such Exchanges exercise some supervisory control over other Exchanges in the region. In actual fact that is not the case. With the suggested transference to the State Directorates of the work relating to vacancy clearance, the Regional Employment Exchanges will in no way be different from other Exchanges as regards functions. The designation District Employment Exchange is also misleading, as in some cases these Exchanges serve more than one District. Then again, the present classification does not take into account the volume of work normally performed by individual Employment Exchanges. There are some Sub-Regional Employment Exchanges which handle a much bigger volume of work than some of the Regional Employment Exchanges. Likewise, some District Employment Exchanges do much better than some of the Sub-Regional Employment Exchanges. In our opinion, the volume of work that Employment Exchanges normally handle should be one of the major considerations in determining their relative status. We recommend that all Employment Exchanges should in future be classified into five classes, namely, Class I, Class II, Class III, Class IV and Class V. The classification should be determined on considerations, such as the importance of the town, the size of the population, the characteristics of local industries " where all, the

volume and nature of placement work. We recommend that a classification on the basis suggested should be undertaken by State Governments in collaboration with the Central Government.

317. We made a detailed study of the nature and volume of work performed by individual Employment Exchanges during the period October, 1952 to September, 1953. In this study we did not include the work relating to unskilled applicants and unskilled vacancies, as the simplified procedure for handling this category of workers and vacancies, we have suggested, will cut out entirely all the paper work the present procedure entails. On the basis of their present work-load, the Employment Exchanges would fall into the following groups:

GROUP I

Bombay (including Parel), Delhi, Madras, Calcutta and Kanpur.

GROUP II

Ahmedabad, Poona, Ajmer, Saifabad, Nagpur, Jullundur, Allahabad, Kidderpore, Patna, Visakhapatnam, Cuttack, Ambala, Gorakhpur, Lucknow, Moradabad and Bareilly.

GROUP III

Jorhat, Hazaribagh, Jaipur, Jodhpur, Jabalpur, Bangalore, Coimbatore, Madurai, Salem, Amritsar, Patiala, Agra, Dehra Dun, Saharanpur, Asansol, Barrackpore, Darjeeling, Howrah, Dhanbad, Jamshedpur, Ranchi, Jalgaon, Rajkot, Sholapur, Aurangabad, Warrangal, Amravati, Ernakulam, Kozikode, Tanjore, Trichy, Tirunelveli, Vijayawada, Sambalpur, Ferozepore, Hoshiarpur, Ludhiana, Simla, Aligarh, Banaras and Meerut.

GROUP IV

Chapra, Laheria Sarai, Motihari, Muzzafarpur, Hubli, Kolhapur, Surat, Bhilwara, Kotah, Indore, Raipur, Cuddalore, Kakinada, Mangalore, Ramanathapuram, Saidapet, Trivandrum, Vellore, Willingdon Island, Gurdaspur, Faizabad, Gonda, Shahjehanpur and Jhansi.

GROUP V

Shillong, Silcher, Arrah, Bhagalpur, Belgaum, Alwar, Bhopal, Gwalior, Anantpur, Bellary, Chittoor, Cuddapah, Eluru, Guntur, Kurnool, Mercara, Nellore, Ootacamund, Gurgaon, Hissar, Karnal, Rohtak, Almora, Ballia, Lansdowne, Rampur and Mysore.

GROUP VI

Chaibassa, Daltonganj, Dumka, Gaya, Monghyr, Thana, Bikaner, Mandi, Nainital, Serampore, Dharmsala and Kathiar.

If the present work-load were the sole criterion, we would classify the Employment Exchanges in Groups I, II, III and IV as Class I, Class II, Class III and Class IV Employment Exchanges respectively and those in Groups V and VI in Class V. *In the case of Class V Exchanges their present volume of work would not justify a full-time officer and they could be placed under the charge of a part-time Employment Officer with clerical assistance. The part-time officer may be an appropriate officer of the State Department of Labour or any other officer on the District staff considered suitable. As regards those Class V Employment Exchanges which are located in the capital towns of the States, we would recommend that such Employment Exchanges be made part of the State Directorate.*

318. In addition to the 126 Employment Exchanges functioning at present, there are 29 Sub-Offices. These Sub-Offices function more or less as outhoused sections of the Exchanges and are normally staffed by personnel borne on the strength of the parent Employment Exchange. Most of these are located within ten miles of the parent Exchange. *There are nine Sub-Offices, however, which are located at a distance of more than ten miles from their parent Exchanges and which have shown a volume of work comparable with some of the Employment Exchanges under Groups V and VI. These are located at Gauhati and Dibrugarh in Assam, at Kumardhubi and Sindri in Bihar, at Choudwar in Orissa, at Pathankot in Punjab and at Ghaziabad, Hathras and Mainpuri in U.P. We recommend that these Offices should also be classified as Class V Employment Exchanges, the remaining Sub-Offices continuing to function on the present basis.*

319. The classification recommended by us is based entirely on the present volume of work performed by the Employment Exchanges and does not take into account the likely increase in the work-load as a result of some of our recommendations. Nor does it take into consideration other factors, besides work-load, which are relevant in determining the classification of Employment Exchanges. To this extent the suggested classification can, at the most, give only a very general picture.

320. *Employment Officers and other Staff at the Exchanges.*—Corresponding to the three main classes of Employment Exchanges there are at present three grades of Employment Officers who draw different scales of pay. The three grades are—

- (1) Regional Employment Officer;
- (2) Sub-Regional Employment Officer/Deputy Regional Employment Officer; and
- (3) District Employment Officer/Assistant Employment Officer.

A Regional Employment Exchange is headed by a Regional Employment Officer, assisted by one or more Deputy Regional Employment Officers and a number of Assistant Employment Officers; a Sub-Regional Employment Exchange by a Sub-Regional Employment Officer, assisted by a number of Assistant Employment Officers and a District Employment Exchange by an Assistant Employment Officer, called the District Employment Officer. *In consonance with our recommendation regarding the classification of Employment Exchanges, we recommend that Employment Officers should also be classified into four grades. As for the fifth class of Employment Exchanges, we have already recommended that their work should be supervised on a part-time basis.*

321. We do not propose to make detailed recommendations regarding the strength of gazetted and other staff at the Exchanges, as it is not possible to foresee with reasonable clarity the effect of some of our recommendations in terms of staff strength. For example, it is not possible to estimate the volume of work that would be involved if the compulsory measures, we have recommended, are enforced. Our study of the present work-loads of Employment Exchanges, however, revealed strikingly the great difference among the Offices in the ratios of the size of staff to the volume of work normally handled. The wide ranges among Offices indicate the lack of standards and the serious need of a careful review of the staff requirements and operating efficiency of many offices. *We recommend that the Department of National Employment Service should, on the basis of objective studies, develop standards to help State Governments to assess the staff strength of individual Offices in relation to the actual volume of work performed. Employment Exchange work being highly standardised, it should be possible to determine the time-cost of most items of work, including those which have to be performed regularly, regardless of the size of the Registers. Activities which cannot be measured in terms of unit time can be given an allowance on a percentage basis in relation to those activities which can be measured. With the time-factors thus determined and with the estimated work-loads derived on the basis of past experience, it should be possible to judge the staff requirements more accurately.*

322. *In the matter of distribution of staff between the various Offices in a State, the State Government should have the authority, without the approval of the Central Government, to expand or contract the staff of individual Offices as conditions demand, so long as it keeps within the State's total for personnel services. The appointment of purely temporary additional staff will be governed by the existing rules on the subject.*

323. As regards the pay scales of Employment Officers and other staff, we understand that, except for staff car drivers, peons, farashes, chowkidars and sweepers who draw State rates of pay, the gazetted and non-gazetted staff draw Central scales of pay. *We recommend that the pay scales of the entire staff should be brought in line with those prevalent in the States for posts carrying like responsibilities. We also recommend that Employment Exchange staff, both gazetted and non-gazetted, should also be given protection against loss in present emoluments in the same way as we have recommended in the case of staff of the State Directorates.*

PART II

CHAPTER I

TRAINING SCHEMES FOR CRAFTSMEN SPONSORED BY CENTRAL GOVERNMENT—A HISTORICAL SURVEY

War-Time Technical Training Scheme

324. The first training scheme organised on a national scale for the training of craftsmen was launched in the year 1940. The object of the scheme (known as the War-Time Technical Training Scheme) was to provide Defence Services and civil industries engaged on war work with skilled and semi-skilled personnel and to create a pool of skilled workers for accelerating the industrial progress of the country.

325. The Scheme was entirely voluntary and candidates were admitted, as far as possible, to training in the trades of their choice. Prior to admission, however, the trainees had to give an undertaking in writing agreeing to complete the prescribed training at the training centre and to enrol in a technical branch of the Defence Services or to accept such other employment as may be provided by Government in a technical branch of the Defence Services, Ordnance Factories or civil industry.

326. Training was given in important engineering and building trades at a number of centres set up in technical institutions, factories and workshops, both Government and private. The period of training varied from six months to one year, according to the trade and the capacity of the trainee. As soon as a trainee attained the requisite degree of skill and passed the prescribed trade test, he was declared a Grade III tradesman.

327. Originally the Scheme provided for the training of about 3,000 semi-skilled workers. As, however, the demand for trained personnel grew rapidly, the Government organised by the end of 1942 as many as 380 centres with an immediate training capacity of 45,000 and with a target of 60,000 trainees per year. The Scheme continued upto March, 1946 by which time, 1,02,465 persons had been trained.

Advisory Committee on Technical Training, 1944-45

328. In March, 1944, an Advisory Committee on Technical Training was constituted to review the working of the War-Time Technical Training Scheme and to recommend measures for adapting it to meet peace-time requirements. As a result of a survey conducted, the Committee came to the conclusion that a large number of skilled

workers would be required by industries to maintain their existing strength and to implement schemes of expansion in the post-war period. To meet such needs, the Committee recommended a scheme for the training of young persons as craftsmen. While holding the view that the best way of ensuring a regular supply of skilled craftsmen to industry was through a comprehensive and systematic course of apprenticeship, the Committee felt that the workshop in India was not usually a very good school for obtaining knowledge of first-rate workshop practice and, therefore, recommended that apprenticeship in industry should follow a course of training in specially designed training centres. Therefore, the Committee recommended a scheme for the training of young persons as craftsmen, to be planned and organised on a national basis and with a provision for a National Certificate of Craftsmanship. While the Committee confined its recommendations to twenty-two engineering and building trades, it considered the need for the training of craftsmen for other industries, particularly textiles and leather, as being equally urgent and recommended that early steps should be taken to investigate the matter further with a view to drawing up definite training schemes for other industries. Some of the other recommendations of the Committee are given below:—

- (b) The training centre should provide a predominantly practical training closely related to industrial practice but attention should also be paid to theoretical subjects such as arithmetic, elementary theory of the trade in which training is being given, drawing, etc.
- (a) The duration of training should be 3½ years of which the first two years should be spent in a training centre and the balance as an apprentice in a factory.
- (c) In each region, a Regional Technical Committee should be constituted to co-ordinate and supervise the training and to arrange for trade tests.
- (d) The age limit for admission to the training centres should be from 14 to 18 years.
- (e) Boys admitted to training centres should have studied upto a standard two years below matriculation or its equivalent.
- (f) An employer who participated in the Scheme should be required to provide apprenticeship training for not only those candidates who were admitted to a Government training centre from his factory, but also an equal number of other candidates who have satisfactorily completed their training at a Government centre. For

the remaining candidates, arrangements should be made in other factories with the help of Employers' Associations. The Regional Technical Committee should allocate trainees for apprenticeship training in factories. Before a trainee is assigned to a workshop, training programme should be drawn up by the employer and approved by the Regional Technical Committee.

- (g) During factory training, general education and technical instruction should be arranged by the employer on two half days a week on the same lines as at the training centre. If these classes cannot be arranged within the factory premises, the Regional Technical Committee should group apprentices in a town and arrange for their instruction at the cost of the employers concerned.
- (h) It should be incumbent on the employers to provide separate supervisory staff or at least to ask certain members of their staff specifically to see that the apprentices are receiving satisfactory training and proper treatment. The factories should afford all facilities to any person authorised by the Regional Technical Committee to inspect the work of the apprentices and the arrangements made for their training.
- (i) There should be an agreement between the candidate, the Government and the employer who provides apprenticeship training, laying down the conditions for each party to the agreement. Legislation might be introduced to make the control of apprenticeship effective after obtaining the views of the Regional Technical Committee.
- (j) As a first essential measure for the implementation of the scheme for the training of craftsmen, arrangements should be made for the training of instructors.
- (k) The entire cost of training of craftsmen during the first two years should be met by the Government, Central and/or Provincial and during the apprenticeship training by the employer concerned.

329. The Committee hoped that as recommended by the Central Advisory Board of Education in its Report on Post-War Educational Development in India (1944), a National Council for Technical Education would be set up in due course for stimulating, co-ordinating and controlling the provision of facilities in technical education. It was also of the view that an independent organisation under the National Council for Technical Education should be responsible for

prescribing standards and for conducting tests leading to the award of a National Certificate of Craftsmanship.

330. The report of the Committee was considered and endorsed by the All-India Council for Technical Education (subsequently set up) and also by the Scientific Manpower Committee.

331. The Scheme of the Advisory Committee could not, however, be implemented, as in the meanwhile, the War had taken a favourable turn and immediate arrangements had to be made to provide demobilised personnel facilities for short-time training with a view to resettling them quickly in civil life. The task was assigned to the D.G.R. & E. and schemes were devised to equip ex-Servicemen for the type of employment for which they were most suited and also to meet the manpower requirements of post-war development schemes, both Government and private. Five distinct schemes were drawn up and a brief account of these is given below.

Training Schemes for Demobilised Personnel

332. *Technical Training Scheme.*—The Scheme for the Technical Training of Demobilised Services Personnel was instituted in consultation with Provincial/State Governments in March, 1946. The Scheme provided for the training of 30,000 men and women annually in 48 important engineering and building trades. It covered the following categories of personnel:—

- (1) those whose training had been interrupted as a result of War Service;
- (2) those who had a civilian trade before joining the Defence Services and needed refresher courses;
- (3) those who had acquired a new trade during their War Service and needed further training for suitable civil employment;
- (4) those who needed higher training in order to secure suitable civil employment;
- (5) those who wished to take up a trade for which there was an urgent demand and for which they had the necessary basic qualifications; and
- (6) those who needed apprenticeship and industrial or practical training before they could be effectively employed.

333. To begin with, arrangements were made for the training of 12,000 men. A number of training centres established during the War were switched over to the training of ex-Servicemen after suitable adaptation and some new centres were opened.

334. Under the War-Time Technical Training Scheme, there were three types of training centres:

- (1) Central Government institutions—
 - (a) set up by the Labour Department;
 - (b) Railway Workshops;
- (2) Provincial Government Institutions; and
- (3) Private Institutions.

These arrangements were continued under the Scheme for the Training of Demobilised Personnel.

335. The trainees were provided with free board, lodging and workshop clothing. In addition, each trainee was given an allowance of Rs. 15 per month. The trainees permitted by the Regional Director to live outside the hostels were paid an allowance at Rs. 22 to Rs. 25 *in lieu* of board and lodging, depending on the location of the training centre.

336. The apportionment of the cost of training between the Central and Provincial/State Governments was as follows:—

- (a) The entire cost of staff on direction, inspection and trade-testing, as also the cost of capital equipment and machinery, was borne by the Central Government.
- (b) All recurring expenditure connected with training including the replacement of machinery and equipment, consumable stores, the pay of instructional and administrative staff, board and lodging of trainees and allowance paid to trainees, was shared on the basis of 60 and 40 per cent. by the Central and Provincial Governments respectively. For purposes of such apportionment and to avoid meticulous calculation, an all-inclusive training rate of Rs. 20 per month per trainee was fixed on an *ad hoc* basis in the case of Railway Workshops. Similarly, when training was given to D.G.R. & E. candidates in Provincial Government or private institutions, an amount of Rs. 7 per trainee per month was fixed to cover the cost of consumable stores, honoraria to permanent staff of the institution for doing part-time work, etc. In regard to the centres run by the Central Government, expenditure on consumable stores, power and replacement of hand-tools, etc. was sanctioned at the rate of Rs. 5 per trainee per month.
- (c) The cost of new construction, if any, was to be apportioned in the following manner:—
 - (i) where the construction was of a permanent nature and was undertaken with the consent of the Provincial

Government concerned, the cost was to be shared between the Central Government and the Provincial Government in the proportion of one-third and two-thirds respectively, and

- (ii) where the construction was of a temporary nature, the cost was to be shared between the Central Government and the Provincial Government concerned in the proportion of 60 per cent. and 40 per cent. respectively.

In actual fact, however, no new construction was undertaken. Some buildings belonging to the Defence Department were taken over and in some places buildings were hired. The rent was shared between the Central and State Governments in the ratio of 60:40.

337. The Scheme provided for three types of courses: (i) Grade III, (ii) Grade II, and (iii) Apprenticeship training in industrial undertakings. Grade III was intended for candidates who had some technical background but had not reached the Army Grade III standard and Grade II for those who had acquired some skill but required further training; while the apprenticeship course was intended for those who were sufficiently skilled in their Service trades but required experience of production work under factory conditions in order to qualify for civilian employment. The course of training to be given to a demobilised person was determined by a trade test after admission to the training centre and he was started at a point in the syllabus which corresponded to his skill. The period of training varied from trade to trade and from individual to individual, but on an average it did not exceed twelve months. Subsequently, in the case of Grade III trainees, the course was extended to eighteen months with the object of bringing them up to Grade II standard.

338. After a trainee had completed the course, he was submitted to a trade test by a Trade Testing Panel. Six such Panels were established for the purpose, each headed by a Chairman. As a measure of economy, the offices of Chairmen, Trade Testing Panels, were amalgamated in February, 1949 with those of the Regional Inspectors of Training and the latter were made responsible for the trade-testing work in their respective Regions in addition to their normal duties. Tests were held each month on the recommendations of the Head of the Centre. A trainee who failed in the test the first time but received at least 45 per cent. of the total marks was given another opportunity to pass the test. Trainees who completed their courses successfully were awarded certificates of proficiency in craftsmanship.

339. Before the Partition of the country there were 99 training centres functioning, with a training capacity of 12,373. As a result

of Partition, 19 centres (with 2,606 seats) were handed over to Pakistan and India was left with 80 training centres with a capacity of training 9,767 men.

340. The Scheme was sanctioned in the first instance upto the 28th February, 1949. As a large number of ex-Servicemen continued on the waiting list, the term of the Scheme was extended upto the 31st August, 1949 and later to the 31st July, 1950 when it came to an end. The total number of ex-Servicemen trained was 15,390 out of whom 5,874 qualified for Grade II and 9,516 for Grade III standard.

341. *Vocational Training Scheme.*—The Scheme for the Vocational Training of Demobilised Services Personnel was put into operation in September, 1946 for three years in the first instance. It provided for the training of 39,000 persons per year in agricultural and allied occupations, cottage and small-scale industries, clerical and commercial occupations and in professional and semi-professional trades. The duration of training depended on an individual's aptitude and varied from three to twelve months, according to the nature of the trade.

342. The cost of this Scheme was also apportioned between the Central Government and the Provincial/State Governments on the same basis as in the case of the Technical Training Scheme, including an *ad hoc* assessment on a *per capita* basis, in respect of expenditure on certain items where training was imparted at centers owned by State Governments or private bodies. In cases where no staff or equipment was provided or paid for by the Central Government, an all-inclusive grant at a higher rate was given. This grant was determined on the basis of the overall cost of training at the D.G.R.&E. training centres.

343. Trainees were provided with free board and lodging. When permitted to live outside the hostel, they were paid an allowance of Rs. 22 or Rs. 25 per month (depending on the location of the training centre) *in lieu* of free board and lodging. In addition, the trainees were given a stipend of Rs. 10 per month. When they had attained sufficient skill to produce marketable goods, they were also paid a bonus at the following rates:

First three months	.. Nil
4th to 6th month	.. Three annas per working day.
7th to 9th month	.. Five annas per working day.
10th to 12th month	.. Seven annas per working day.

The payments of bonus were not made on a monthly basis; the amount due to a trainee was held to his credit and was paid in a lump sum at the time he left the centre. The total amount of bonus that a trainee received was approximately Rs. 73,

344. While the Scheme planned for the training of 39,000 men annually, it was decided to make a beginning with about 10,000 seats. Of these, 4,667 seats were sanctioned at 91 centres before the Partition of the country. As a result of Partition, 19 training centres with 751 seats went over to the Government of Pakistan. Thus, India was left with 72 centres with a training capacity of 3,916.

345. The Scheme was discontinued on the 31st July, 1950, by which time a total of 4,004 demobilised persons had completed their training.

346. *Apprenticeship Training Scheme.*—The Apprenticeship Training Scheme, introduced in July, 1947 was not really a separate scheme, but formed part of the Scheme for the Technical and Vocational Training of Demobilised Personnel. This was introduced with the object of providing facilities to suitably qualified ex-Servicemen to gain experience of production work under factory conditions, and was organised in industrial undertakings and establishments for periods not exceeding 12 months. To be eligible, the candidates should have reached at least the Army Grade II standard or should have passed Grade II tests from a D.G.R. & E. technical training centre and be otherwise suitable. Later, apprenticeship training was thrown open to Grade III trainees as well.

347. Apprentices undergoing technical training were paid allowances of Rs. 35 (Rs. 38 in Presidency towns) per month and those undergoing vocational training received an allowance of Rs. 30 per month (Rs. 33 per month in Presidency towns) to cover stipend, board and lodging. As regards training fee, D.G.R. & E. had in suitable cases, discretion to sanction a *per capita* fee of Rs. 15 per month per trainee as training fee payable to the employer concerned. We understand that in practice most employers who provided the facilities received this training fee.

348. The Scheme came to an end in July, 1950 after 1,657 ex-Servicemen had completed their apprenticeship.

349. *Scheme for the Vocational Training of Ex-Servicewomen.*—The Scheme for the Vocational Training of ex-Servicewomen was sanctioned in July, 1946 for a period of two years, the object being to facilitate the resettlement in civil life of demobilised women by training them in useful occupations leading to independent careers. Training facilities were provided in approved private institutions or establishments and in Government establishments.

350. In May, 1947 a training centre for ex-Servicewomen was set up in New Delhi under the control of the Director-General and provision was made for the training of 200 women in tailoring, dress-making, typing, stenography and commercial subjects. As the number of seats at the centre was limited, ex-Servicewomen, who could not be

accommodated, were advised to make their own arrangements for training at other institutions; and in such cases Government paid the usual tuition fee charged by the institution upto a maximum of Rs. 25 per month, provided the Regional Director was satisfied regarding the adequacy of the training arrangements.

351. Training was provided in the following occupational groups:—

- (1) Domestic occupations,
- (2) Commercial occupations,
- (3) Miscellaneous, professional and semi-professional groups,
and
- (4) Social service.

The average period of training was one year but it varied from individual to individual and according to the trade or occupation in which training was given.

352. Trainees were provided with free board and lodging, free medical treatment and recreational facilities. When permitted to live outside the hostel, they were paid an allowance of Rs. 45 per month *in lieu* of free board and lodging. Each trainee was also given Rs. 10 p.m. as pocket money. The entire cost of the Scheme was borne by the Central Government.

353. The Scheme ended on the 31st March, 1948, when 1,141 ex-Servicewomen had completed their training successfully.

354. *Scheme for the Training of Disabled Ex-Servicemen.*—A Scheme for the rehabilitation of Disabled ex-Servicemen was introduced in July, 1946, for a period of three years. The object was to provide facilities for the training of disabled ex-Servicemen in clerical and commercial occupations, engineering, building and other technical trades, professional and semi-professional occupations, cottage industries and agricultural and allied occupations. The Scheme provided for the training of a total of 7,000 disabled ex-Servicemen. Prior to Partition there were four training centres for this purpose. After Partition three centres were left in India located at Meerut, Aundh and Jalahalli with a capacity of 500 each.

355. Rehabilitation of the disabled covered two phases—physical rehabilitation and training for gainful employment. On the completion of medical treatment in military hospitals, the disabled were sent to Post-Hospital Rehabilitation Centres where they were given nourishing food and special attention. The second phase followed when, at the Post-Hospital Rehabilitation Centres, the disabled were advised by specialists, with reference to the disability of each person,

his status, qualifications and experience, the course of training most suited for him, if he had to earn a living. From the Post-Hospital Rehabilitation Centres the disabled were passed on to the special training centres of the D.G.R. & E. where they received training in any of the nearly 25 trades or occupations selected for them. The list of trades included, welding, moulding, carpentry, tin and copper-smithy, basket-making, weaving, leather work, etc. The training provided at the special training centres was free. The trainees were provided with free board and lodging and received, in addition, a stipend of Rs. 10 p.m.

356. The Scheme came to an end in August, 1949, when a total of 1,495 disabled ex-Servicemen had successfully completed their training.

Training Schemes for Displaced Persons

357. Following Partition, the need arose for the provision of training facilities to fit displaced persons for suitable employment. For this purpose, the Government opened new centres or expanded existing centres wherever possible. A brief account of the different schemes for such training is given below.

358. *Scheme for the Technical and Vocational Training of Adult Male Displaced Persons from Pakistan.*—This Scheme was launched in December, 1947 at the instance of the Ministry of Rehabilitation. Initially, it provided for 2,272 seats in the training centres for ex-Servicemen in Delhi, Ajmer and East Punjab. In May, 1948, this arrangement was extended to Bihar, Bombay, C.P. & Berar, U.P. and West Bengal, and the total provision of seats was increased to 8,800. The duration of training stipulated under the Scheme was six months; subsequently, the period of training was extended and brought in line with that for ex-Servicemen, viz., 12 months, for those undergoing training in technical trades and six to twelve months for those undergoing training in vocational trades, according to the nature of the trade.

359. Displaced persons were trained side by side with ex-Servicemen in the trades and occupations provided for ex-Servicemen. The syllabus of training was the same as prescribed for ex-Servicemen, except that in technical trades training was given mostly upto Grade III standard with a bias towards production work. 861 displaced persons were, however, trained upto Grade II standard.

360. As there was a considerable shortage of instructors, a provision was made under the Scheme for the training of 120 instructors. Arrangements for such training could, however, be made only in May, 1948 when the Central Training Institute for Instructors was established at Koni-Bilaspur (Madhya Pradesh).

361. Upto the end of October, 1949 displaced persons were paid a consolidated allowance of Rs. 40 p.m. (Rs. 60 p.m. for instructor trainees) *in lieu* of board, lodging and stipend; subsequently, as a measure of economy, this allowance was reduced to Rs. 25 p.m. In addition to the cash allowance, the trainees were allowed:—

- (i) a free supply of workshop clothing every three months at a cost not exceeding Rs. 9 if they received training in engineering trades or in those vocational trades which involved working near a moving machinery or if a free supply of workshop clothing could not be arranged, an allowance of Rs. 3 p.m. *in lieu* thereof;
- (ii) free facilities for travelling at prescribed rates from the place of residence to the training centre for joining and from the training centre to the place of residence on the completion of training; and
- (iii) free facilities for games and recreation and medical treatment at the rate of Rs. 1-4-0 p.m.

Normally, the trainees were required to make their own arrangements for board and lodging, though hostel accommodation was provided wherever available. In the latter case, the monthly allowance was subjected to a suitable deduction.

362. Training institutions were paid grants of training fee on the same basis as in the case of ex-Servicemen. The entire expenditure incurred on the training of displaced persons was borne by the Government of India and was debited to the Ministry of Rehabilitation. The D.G.R. & E. planned and supervised the training as well as the trade-testing of trainees on the completion of their courses.

363. With the introduction of alternative schemes for the training of displaced persons, described later, this Scheme was discontinued on 31st March, 1950, except in Uttar Pradesh, where a number of displaced persons who were admitted late, under special arrangement with the Uttar Pradesh Government, were allowed to complete their training. 8,930 displaced persons completed their training under the Scheme. Of these, 7,392 were in technical trades and the rest in vocational trades.

364. *Scheme for Apprenticeship Training of Displaced Male Adults.*—A Scheme for the apprenticeship training of displaced male adults in industrial undertakings was introduced in May, 1948 on behalf of the Ministry of Rehabilitation, providing for the training of 2,000 displaced persons. The terms and conditions were the same as those under the Apprenticeship Training Scheme for ex-Servicemen except that (1) displaced persons possessing some experience of their trade were straightaway put on to apprenticeship

training, and (2) they were paid by Government a consolidated allowance of Rs. 40 p.m. *in lieu* of board, lodging and stipend. This Scheme also came to an end on 31st March, 1950, when 3,194 displaced persons had received apprenticeship training.

365. *Scheme for the Vocational Training of Displaced Girls and Women.*—The Scheme for the Vocational Training of Displaced Girls and Women from Western Pakistan was sanctioned in January, 1948. In the first instance, provision was made for the training of 115 girls and women at the ex-Servicewomen's Training Centre, New Delhi. However, when the training of ex-Servicewomen came to an end on the 31st March, 1948 the Centre was switched over exclusively to the training of displaced girls and women and the capacity was increased to 300. Training was given in commercial and clerical occupations and several handicrafts, *e.g.*, spinning and weaving, tailoring, embroidery and needle work, etc., which had been selected in consultation with the Ministry of Rehabilitation and were considered to be suitable for girls and women. The period of training varied from trade to trade and from individual to individual, but on an average it was about 12 months. The trainees were given a consolidated allowance of Rs. 45 p.m. *in lieu* of board, lodging and stipend. Where board and lodging were provided, a suitable deduction was made. D.G.R. & E. planned and supervised the training in consultation with the Ministry of Rehabilitation and also undertook responsibility for the trade-testing of trainees. The entire expenditure on training, both non-recurring and recurring, was debited to the Ministry of Rehabilitation. The Scheme came to an end on 31st March, 1950 when a total of 405 displaced girls and women had been trained.

Results of the Training Schemes

366. The results of the various training schemes described so far (except the one for the training of instructors, which has been described more fully in the following Chapter) can best be judged by the extent to which they were able to satisfy the demands made upon them for the resettlement of ex-Service and displaced persons and for the reinforcement of particular industries. For lack of arrangements for any systematic follow-up of the careers of trainees after they pass out of the training centres, it is difficult to say to what extent the trainees had been helped in finding employment by the training they had received or to what extent the training programme had helped to relieve shortages of skilled manpower. Employment Exchange statistics are not of much help since they naturally relate only to those ex-trainees who sought the assistance of the Employment Exchanges. The number of such passed-out ex-trainees placed in employment upto the 30th September, 1953 and

those remaining on the Live Registers on that date are given in the statement below:—

Statement showing the number who successfully completed training under each Scheme, the number who found employment through the Employment Exchanges and the number remaining on the Live Registers on the 30th September, 1953.

Name of the Scheme	No. who completed training successfully	No. known to have found employment through the Employment Exchanges upto 30th Sept. 1953	No. remain- ing on Live Register of Exchange on 30th Sep. 1953
Training Schemes for Demobilized Personnel			
Technical Training Scheme	15,390		
Vocational Training Scheme	4,004		
Apprenticeship Training Scheme	1,657		
Vocational Training Scheme for Women	1,141		
Training Scheme for disabled ex-Servicemen	1,495		
TOTAL	23,687	3,923	762
Training Schemes for Displaced Persons			
Technical Training Scheme	7,392		
Vocational Training Scheme	1,538		
Apprenticeship Training Scheme	3,194		
Vocational Training Scheme for Women	405		
TOTAL	12,529	2,747	243

The statement above shows that of those passed-out ex-trainees who registered with the Exchanges, 3,923 ex-Service and 2,747 displaced ex-trainees were placed in employment through the Employment Exchanges upto 30th September, 1953. We do not know the duration of the employment in which the ex-trainees were placed; nor do we know how many came back to the Exchanges and how many were helped into employment again. Employment Exchange statistics do show, however, that of those who were placed in employment about 35 per cent. were placed in jobs other than those for which they were trained. As for those who did not apply to the Exchanges for assistance and all those who dropped out of the Live Registers, even if it is presumed that all these must have found employment on their own, it cannot be assumed that they necessarily found employment in the very same trades for which they had received training.

367. We have been told that accurate and reliable records do not exist even in regard to the number of persons who actually joined the training centres and the number who left in the middle without completing their courses. The available information shows that altogether about 52,845 ex-Servicemen were selected and posted for technical training, out of whom only about 30,000 joined the training centres. Of these, about 13,000 absconded, resigned or were discharged, and about 1,400 left because they had found employment. In the case of displaced persons, of about 24,000 persons to whom posting orders were issued, only about 18,000 actually joined the training centres. Of these, about 6,500 deserted in the middle of their training. The gaps in the available information thus render a correct appraisal of the results of the various training schemes very difficult.

368. As regards the cost to the Government of the various training schemes, the schemes for demobilised personnel entailed an expenditure of approximately Rs. 4,36,32,500 on the part of Central and State Governments. This figure does not include the cost of tools and equipment and the non-recurring expenditure such as the purchase of buildings, etc. On the basis of 23,687 trainees who completed their training successfully, the *per capita* cost of training works out at about Rs. 1,842·1. The cost of the training schemes for displaced persons was approximately Rs. 92,37,800. This figure again does not include the cost of tools and equipment and the non-recurring expenditure on buildings, etc. It does not also include the cost of inspectional staff, the cost of the headquarters and the cost of Regional Directorates which were common to the schemes for ex-Servicemen as well as those for displaced persons. On the basis of 12,529 displaced persons who successfully completed their training, the *per capita* cost works out at Rs. 737·3. In working out the *per capita* cost of training we have not taken into account those who left the training centres before the completion of their courses and have also not taken into consideration the fact that some of the courses were for periods less than a year. In fact, we have divided the total expenditure by the total number of persons who completed the various courses.

369. While a correct appraisal of the results achieved by the various training schemes is difficult for want of complete and reliable information, it can generally be stated that the training schemes failed to achieve the desired objective to any appreciable extent. This conclusion is, more or less, borne out by the Monthly Narrative Reports of the Employment Exchanges wherein Employment Officers have repeatedly pointed out that employers are reluctant to accept ex-trainees as they do not possess sufficient skill. In arriving at any estimate of the results achieved it should, however, be borne

in mind that the schemes initiated by the D.G.R. & E. were launched in an emergent situation, and no attempt was made to achieve a co-ordination of the various other training institutions to avoid overlapping or to relate training with the needs and requirements of industry. Industry was not associated in the drawing up of the syllabii; nor was it regularly and systematically associated in the trade-testing of trainees. The allocation of seats as between the different trades and as between the various States was not determined on any scientific basis, taking into account the needs of industry in specific trades or areas, but was influenced more by the volume of demand for training from ex-Servicemen residing in different areas. From the side of ex-Servicemen themselves, their response was not fully satisfactory even in the beginning and became very poor before long. Although in the beginning admission to training centres was restricted to those who had some technical background, latterly it became more a matter of filling the training centres anyhow. A large number of those who joined the training centres were not serious about their training but took advantage of the scheme for the sake of the stipend attached.

370. It must also be stated that all through the duration of the schemes, the D.G.R. & E. experienced several practical difficulties in the working of the training schemes. There was a general shortage of essential equipment, and it was very difficult to obtain certain types of equipment which was in short supply in the country. Even the equipment which was available in the D.G.R. & E. could not be moved to the training centres owing to restrictions in booking imposed by the Railways. There was also a scarcity of raw materials such as yarn, cloth and dyes required for training purposes. It was also difficult to obtain suitably qualified instructors, as the terms offered were not sufficiently attractive. These handicaps should be taken into account in evaluating the results achieved.

371. Like other schemes of training, the Apprenticeship Training Scheme also was not much of a success. It was expected that the industrial concerns would pay ex-Service and displaced trainees some stipend as they did in the case of their regular apprentices, if not the same wages as they paid to workmen of comparable standard. In actual fact, however, not many employers paid any stipend or wages to the ex-Servicemen or displaced persons attached to their undertakings for apprenticeship training. On the contrary, there were instances, when apprentices were given no training whatsoever and were put on jobs unconnected with the trade for which they were supposed to be receiving their training. No supervision or very little of it was exercised over the carrying out of the apprenticeship training programme. Actually, there was no syllabus

or programme of training prescribed by the D.G.R. & E. or the employers. No systematic tests were conducted on the termination of the apprenticeship training. It is not surprising, therefore, that apprenticeship training schemes failed to produce results of material importance.

372. As already stated, the various training schemes referred to in this Chapter were essentially emergency short-term measures. They catered only for a small selected group of people and not for all who desired such training. There was need for evolving a scheme which would not only cater for all who desired training as craftsmen but which would at the same time serve the expanding needs of industry. The training schemes for ex-Service and displaced persons were, therefore, modified and converted into a composite scheme for the training of adult civilians. This latter scheme is described in the following Chapter.

CHAPTER II

PRESENT TRAINING SCHEMES OF THE D.G.R. & E.

Scheme for the Technical and Vocational Training of Adult Civilians

373. *Origin of the Scheme.*—The Scheme for the training of young persons as recommended by the Advisory Committee on Technical Training (1944-45) was considered by the Government during the early part of 1947. It was proposed that, as a first step, a limited number of young persons should be admitted to selected training centres already in existence for the training of demobilised Services personnel. In May, 1947, the Central Government addressed the Provincial Governments in the matter and suggested that as the training of young persons was a Provincial responsibility, the recurring expenditure involved in the training of these persons should be borne by them. Apart from providing the necessary equipment, the Government of India undertook to organise and supervise training through their directional and inspectional staff and to arrange for trade-testing. This arrangement was suggested to ensure uniformity of standards, to facilitate mobility of labour, and to promote development of the Scheme on an all-India basis. The proposal had a mixed reception; some Provincial Governments agreed to participate in the Scheme, while others stated that they had their own plans for providing training facilities. Of those Provinces who agreed to join the Scheme, West Bengal's agreement was conditional on the training centres being transferred to it when the need for the training of ex-Servicemen was over. Just about this time the D.G.R. & E. was called upon to provide training facilities for the resettlement of displaced persons, and on this account as also because all State Governments had not agreed to participate, the Scheme was not pursued.

374. In October, 1948 the D.G.R. & E. proposed that the Scheme be started in a modified form, namely, that training might be provided on the same lines as for ex-Servicemen, but that it should be confined to adult civilians instead of young persons. It was felt that it would not be possible at that stage to arrange for separate courses on two different syllabi and different timings for young persons and ex-Service personnel. Accordingly, sanction was given for 352 seats for the training of adult civilians at the D.G.R. & E. training centres in C.P. & Berar, West Bengal and Assam. But the Government of C.P. & Berar alone agreed to participate. Thus,

192 seats only in 14 technical trades were made available, these being at the Combined Technical and Vocational Training Centre, Koni-Bilaspur. This, in effect, was the forerunner of the Adult Civilian Training Scheme, inasmuch as one of D.G.R. & E's. post-war training centres was thrown open to adult civilians.

375. The Adult Civilian Training Scheme at present in operation, however, was started only in April, 1950 in collaboration with State Governments. Subsequently, the capacity of the Scheme was enlarged to provide for a certain number of displaced persons also.

376. *The Object of the Adult Civilian Training Scheme.*—The object of the Scheme is three-fold:—

- (1) to ensure a steady flow of skilled workers to industry;
- (2) to raise the quality and quantity of production by the systematic training of workers; and
- (3) to reduce unemployment amongst educated youth by equipping them for suitable industrial employment.

377. *Types of Training.*—Two types of training are provided under the Scheme:

- (1) technical training in engineering and building trades; and
- (2) vocational training in cottage and small-scale industries.

378. *Period of Training.*—The period of training for technical trades is 2 years, of which 18 months are spent in a training centre and the remaining six in an industrial undertaking or, where that cannot be arranged, in the centre itself on production/professional work. The only exception is the course for Overseers who spend 21 months in the training centre and the remaining three on field work. In so far as vocational trades are concerned, the period of training extends to 12 months. Though the training is, more or less, on the same lines as in the case of ex-Servicemen, the courses are more comprehensive and, therefore, of longer duration.

379. *Eligibility for Admission.*—Candidates desiring admission to training centres are required to have studied generally upto two standards below the matriculation, except for certain trades such as draughtsmen, surveyors, instrument mechanics, etc. for which the minimum educational qualification is matriculation or its equivalent. Age limit for admission is ordinarily between 18 to 25 years. These conditions can, however, be relaxed at the discretion of the Selection Committee, which is a Sub-Committee of the Regional Employment Advisory Committee.

380. Ex-Servicemen and displaced persons who have already received training under the Schemes specially introduced for them by the D.G.R. & E. are ineligible for admission under the Training Scheme for Adult Civilians.

381. In the selection of candidates for training under the Scheme, other things being equal, displaced persons are given preference. 12½ per cent. and 5 per cent. of the total number of sanctioned seats are reserved for Scheduled Castes and Scheduled Tribes candidates respectively. On joining the training centres, trainees are required to give an undertaking to complete the course, abide by the discipline of the centre and to conform to such other conditions as may be prescribed by the Government.

382. *Concessions to Trainees.*—Trainees are given the following concessions while under training at the centres:

- (1) free training;
- (2) stipends on the basis of the principles enumerated in the next paragraph;
- (3) free supply of workshop clothing every four months to those who have to work near moving machinery;
- (4) free facilities for games, recreation and medical treatment; and
- (5) free hostel accommodation, if available.

383. *Principles for the grant of stipends.*—Stipends are awarded to trainees to the extent of 50 per cent. of the actual number at Rs. 25 per month. As the actual number who will complete their courses cannot be forecast in the very beginning, stipends are awarded in the first instance to 40 per cent. of the sanctioned seats and the position reviewed after about three months, the object being to adhere, as far as possible, to the limit of 50 per cent. of the actual seats filled.

384. Stipends at the above rates are admissible only for the first 18 months. For the remaining six months, where the trainees complete their training at the centres themselves, stipends at a reduced rate of Rs. 15 per month are awarded upto 50 per cent. of the number of such trainees. Trainees who are attached or posted to industrial undertakings and are paid by the employer Rs. 15 or more per month receive no stipends. The others receive stipends at the reduced rate of Rs. 15 per month upto 50 per cent. of the number.

385. Stipends are granted only to those who are not able to take up training without financial assistance from the Government. 12½ per cent. and 5 per cent. of the total number of stipends in each region are reserved for Scheduled Castes and Scheduled Tribes respectively. If a sufficient number of such candidates are not

forthcoming, the stipends not granted are treated as open and awarded to others. Stipends are tenable subject to satisfactory attendance, progress and conduct of the trainees. The decision of Selection Committees in the matter of granting stipends is, as a rule, final.

386. *Training Capacity*.—To start with 10,000 seats were provided, out of which 7,000 were in technical trades and the rest in vocational trades. As a measure of economy the total strength was reduced by 492 seats in 1951. Over and above the remaining 9,508 seats for Adult Civilians, provision was made at the instance of the Ministry of Rehabilitation to impart training to 2,772 displaced persons. The nature and period of training for displaced persons is the same as in the case of others. The cost is borne by the Ministry of Rehabilitation who, in addition, also pay the trainees a monthly stipend of Rs. 30.

387. When the Scheme was initially launched, training was organised in 63 training centres, out of which 28 were under the direct management of the D.G.R. & E. and the rest were training institutions run by the State Governments or by recognised private establishments. At present there are 59 training centres, out of which 23 are located in State Government institutions, 19 in privately owned, while 27 are directly administered by the D.G.R. & E.

388. *Trades in which training is being imparted*.—Training is, at present, given in 32 technical and 23 vocational trades listed in Appendix IX.

389. *Training of Women*.—Facilities for vocational training for women are also provided under the Scheme at three training centres—one at Delhi, the second at Dehra Dun and the third at Madras. Provision also exists for women to receive training alongside men trainees at some Centres in U.P., Orissa and Madras Regions.

390. *Trade Tests*.—The trainees are submitted to a trade test on the completion of the course. The tests are conducted by outside experts appointed for the purpose who are paid a suitable remuneration for the work. Those trainees who fail at the trade tests are tested departmentally. Successful trainees are granted certificates.

391. *Apprenticeship Training Scheme for Displaced Persons*.—The Scheme for the Apprenticeship Training of displaced persons referred to in Chapter I was revived in February, 1951, and 900 seats were provided, 400 in U.P. and 500 in West Bengal. The number of seats in U.P. was subsequently reduced to 200. The training period varies from 6 months to 12 months, depending on the nature of each trade. During the period the trainees receive a stipend of Rs. 30 per month. Upto the end of July, 1953, 395 displaced persons in U.P. and 981 in West Bengal had completed their apprenticeship training.

Results of the Adult Civilian Training Scheme

392. The Adult Civilian Training Scheme has been in operation for nearly four years. During this period the training centres have held two technical training sessions and three vocational training sessions. The fourth vocational training session is in progress at present. The following statement gives the number of trainees admitted to the centres, the number that left the training centres without completing the course and the number passed out:—

Number of trainees admitted under the Adult Civilian Training Scheme since April, 1950, number who left the training centres without completing the course, number passed out and number receiving regular training at the end of December, 1953.

Type of Training	No. admitted	No. resigned, absconded or otherwise failed to complete the course	No. who appeared at the test	No. passed		No. failed	No. under-going regular training on 31-12-53
				All-India Trade Tests	Departmental Trade Tests		
Technical Training.	18,141	6,930	11,143	10,246	655	242	68*
Vocational Training.	9,742	3,050	4,994	4,615	163	216	1,698
TOTAL	27,883	9,980	16,137	14,861	818	458	1,766

* Overseers whose period of training before trade tests is 21 months.

393. The expenditure incurred upto December, 1953 on training under the Scheme was as follows:—

	Rs.
* Total cost on the training of Adult Civilians during 1950-51 to 1952-53 (Training Centres)	1,61,05,000
Total cost of inspectional staff during 1950-51 to 1952-53	16,45,300
50% of the total cost on Headquarters during 1950-51 to 1952-53	13,50,000
10% of the total cost on Regional Directorates during 1950-51 to 1952-53	1,78,200
TOTAL	1,93,58,500
Approximate cost during April, 1953 to December, 1953	36,51,200
TOTAL	2,30,09,700
Proportionate deductions for vocational trainees still to complete training	5,01,800
Approximate net expenditure upto December, 1953	2,25,07,900

*Non-recurring expenditure on items such as purchase of buildings, etc., not included

Cost of tools and equipment not included.

It will be seen from the above that the total approximate expenditure incurred since April, 1950 to December, 1953 on the training of Adult Civilians was Rs. 2,25,07,900. Against this expenditure, the number of trainees who appeared at the trade test during the period was

16,137. The cost of training per such trainee, therefore, works out at Rs. 1,394·8 approximately. Since the number of trainees who did not complete their course—and this is a substantial number—has not been taken into account, this average is considerably inflated.

394. In working out the *per capita* cost we have not drawn any distinction between a technical and a vocational trainee. Since the period of training as well as the expenditure involved is different in the two cases, the actual *per capita* cost would also be different. Also, in working out the *per capita* cost we have not taken into account the non-recurring expenditure on items like buildings and equipment and the recurring expenditure on stores, etc.

395. The following statement gives the position regarding displaced persons:—

Number of Displaced Persons admitted to the Training Centres since April 1950, number who left the Centres without completing the course, number passed out and number receiving regular training at the end of December, 1953.

Type of training.	No. [admitted	No. resigned, absconded or otherwise failed to complete the course	No. who appeared at the test	No. Passed		No. failed	No. under-going regular] training on 31-12-53
				All-India Trade Tests	Departmental Trade Tests		
Technical Training.	4,896	1,319	3,567	2,829	586	152	10*
Vocational Training.	1,191	229	635	426	171	38	327
TOTAL	6,087	1,548	4,202	3,255	757	190	337

* Overseers whose period of training before trade tests is 21 months.

The expenditure incurred upto December, 1953 on the training of displaced persons was approximately Rs. 47,26,600.

396. The main criterion for an appraisal of the success of the training scheme must necessarily be the standard of proficiency attained in their respective trades by the passed-out trainees. An equally important consideration must be whether or not the ex-trainees find acceptance by industry as skilled craftsmen. As in the case of training schemes for demobilised personnel, our information regarding the number of ex-trainees who have found employment is restricted

to those who sought the assistance of the Employment Exchanges. We do not know how many of those who did not apply to the Employment Exchanges for assistance found employment on their own. Since the facilities available at the Exchanges are well known and since passed-out trainees are encouraged to get themselves registered at the Employment Exchanges, it could perhaps be assumed that those who did not register themselves at the Exchanges had succeeded in finding employment on their own. Even then it is very difficult to say whether they found employment in the very trades for which they had received their training, or whether the training was of any assistance to them in starting their own business. Of those who registered themselves at the Exchanges, 1,882 were placed in employment and 3,528 were on the Live Registers of the Exchanges at the end of December, 1953. Employment Exchange statistics relating to placements show that about 25 per cent. of ex-technical trainees and about 38 per cent. of ex-vocational trainees were placed in employment in occupations other than the ones for which they had received training.

397. In the case of displaced persons, 438 were placed in employment through the Exchanges during the period ended 31st December, 1953. The number who were on the Live Registers of the Exchanges on that date was 2,494. Of those placed in employment through the Exchanges, about 38 per cent. of ex-technical trainees and 16 per cent. of ex-vocational trainees were placed in jobs other than those for which they were trained.

398. Available information would seem to indicate that the persons trained in the D.G.R. & E. training centres do not quite come up to the requirements of industry. In spite of the fact that there is demand for trained personnel, attempts on the part of Employment Exchanges to find ex-trainees employment have not been successful to any appreciable extent. The evidence placed before us by employers and their Organisations also confirms the conclusion that generally the standard of training imparted at the D.G.R. & E. training centres is low. In reply to the question whether the centres administered through the D.G.R. & E. had served a useful purpose, a majority of the Employers' Organisations had no comments to offer, since they were not acquainted with the facilities available at the training centres. The Bengal Chamber of Commerce and Industry, however, stated that industry had not been impressed with its experience of persons trained by the D.G.R. & E. training centres. The representative of the All-India Manufacturers' Organisation, as also a number of other representatives of employers and those of workers, were of the view that the training imparted at the training centres, particularly in the engineering trades, was of such a general nature that

the trainees passing out were not quite suitable for particular engineering vocations. The representative of the Organisation added that the D.G.R. & E. training centres in effect produced only semi-skilled persons who were already in surplus. What industry really needed was workers who possessed skill of a much higher standard.

399. Various factors have affected the quality of training imparted at the training centres. One of these is the unsuitability of buildings in which the training centres are housed. Most training centres are located in old military camps which are generally in a dilapidated condition and are otherwise unsuitable for purposes of training. More important than that, the equipment provided is mostly out-of-date and inadequate. The quality of the instructional staff, which has not been of an adequate standard, has also contributed to the deficiencies of training. Apart from the fact that there was a shortage of qualified instructors, the salary scales offered have not attracted suitably qualified persons. It is obvious that it is not possible to impart training of a high quality with poor equipment and poor instructional staff. These factors were perhaps beyond the control of the D.G.R. & E. It must, however, be said that the material requirements for organising a training programme should have been taken into account fully before the emergent demobilised personnel training scheme was switched over to the training of adult civilians. Some of the defects, however, are organisational defects and the responsibility for these should rest squarely on the D.G.R. & E. Much of the reason for the poor quality of the final product can be traced to the type of persons who were selected and enrolled for training. Selections were based more on the necessity of filling up the training centres than on the suitability of the applicant for receiving training in the particular trade in which training was offered. Very little care appears to have been exercised in this regard, with the result that a large number of trainees absconded in the middle of their training and those who did manage to complete their training did not derive as much benefit from it as they should have, had the choice been based wholly on suitability. The figures already given bear testimony to this. Then again, in the anxiety to fill training centres, educational qualifications were very often relaxed resulting in a lowering of standards. A number of examiners have remarked in their reports on trade tests that the low standard attained by a number of trainees could be attributed to insufficient educational background to profit from the training.

400. Another reason for the poor quality of training has been the introduction of several trades at the training centres for which full facilities and appropriate environments do not exist in the localities concerned. The centres have attempted at providing training in

trades for which very costly equipment and machinery are needed without taking steps to assure themselves that such machinery and equipment will, in fact, be forthcoming. Even now, after a lapse of four years, training is being continued without proper machinery and equipment. Trades have been introduced without regard to the needs of industry in the areas which the centres are designed to serve. No serious attempt appears to have been made to secure close collaboration on the part of industry which should have been closely associated in the drawing up of syllabi and in determining the trades in which training should be imparted, as indeed at all stages in the training programme.

401. One of the general complaints against the training provided at the D.G.R. & E. training centres has been that the trainees have very little practical experience. This is not surprising when the training centres are not supplied with sufficient and complete equipment. To meet this deficiency, as also to give trainees an opportunity to acquaint themselves with workshop practice and to work on machines actually in use in production work, the scheme provides, wherever possible, for a period of practical training in industry during the later part of the course. Those for whom practical training cannot be arranged are retained at the training centres themselves for professional training. Information available with regard to the professional training that was arranged at the end of the first session shows that out of 5,302 adult civilians and 1,613 displaced persons who had passed trade tests, 2,230 adult civilians and 364 displaced persons were admitted to industrial undertakings as apprentices for training on production work, and that 1,536 adult civilians and 565 displaced persons were retained for professional training at the D.G.R. & E. training centres themselves. If these figures were even reasonably correct, they would have given a lie to the complaint that training in the centres was not up to adequate standards. There was no compulsion on industry to provide training facilities, and if such large numbers were actually admitted one might reasonably have concluded that the previous training imparted at the centres was acceptable to industry. Our examination of the papers and the evidence adduced on these points have conclusively shown that no reliance whatsoever can be placed on these statistics. At best, these only indicate a preliminary forecast furnished by industrial undertakings as to the number of passed candidates they were prepared to take. There was no follow-up whatsoever to see what number was actually taken on and what remained to complete the course. In some cases, the Regional Directors continued to send monthly statements for six months. These again were not based on any real check. Mostly they were mere repetitions of the first statement. Where Regional Directors did not send regular monthly figures,

matters were made worse by taking the first or the highest set of figures actually reported, whichever was greater, as the number of trainees continuing under training in the remaining months.

402. Out of the persons trained in industrial undertakings, a certain proportion of those not receiving payments are entitled to draw a stipend from the D.G.R. & E. While we have information of the number of persons who actually received stipends, even these figures cannot be relied upon as a guarantee that the stipendiaries were actually undergoing training. The evidence placed before us brought out that stipends were granted as a matter of course when trainees produced statements from employers that they were undergoing training. Among the employers alleged to be giving this training were some petty proprietary concerns, whose statements should not have been ordinarily admitted without independent scrutiny. A few on-the-spot enquiries made at our instance showed that some of the alleged employers could not even be traced. In some cases "apprentices" were not actually in the places reported or were engaged in purely manual work of cleaning machines, etc. The latter could hardly be regarded as a case of "apprenticeship", but one of the employers getting unskilled workers at the cost of the D.G.R.&E.

403. While the D.G.R. & E. made some attempts to collect figures of the trainees who were supposed to have undergone training after the first course which concluded in January, 1952, it is regrettable that no such systematic attempt has been made in the case of those who passed out the second course which ended in November-December, 1953. Some figures, however, have come in from a few regions and these indicate a considerable fall, as compared with the first course, in the proportion of those undergoing practical training to those passed out. This would indicate that even if the trainees who passed out of the first batch were acceptable to industrial undertakings to some extent, the experience of the first batch was discouraging to the employers when it came to the second.

404. In addition to the shortcomings described above, we have to mention a few important points discovered by us after a good deal of scrutiny. The scheme described in the earlier paragraphs had two important aspects, namely,

- (a) that tests were to be conducted by outside examiners—the advisability of which needs no emphasis; and
- (b) that the period of 18 months' training at a centre was to be followed by six months, training in an industrial undertaking, failing which at the centre itself: thus the training was not to be regarded as complete until the full course of two years was gone through.

To our surprise, however, we discovered that major changes had been made in both these respects without realising their full implications. Indeed we were even unable to see from records at what level in the Directorate-General itself, the decisions were taken. The changes effected by these decisions were first, that candidates who did not pass the tests held by outside examiners were, in certain circumstances, allowed to be retested immediately thereafter by the departmental officers themselves. Obviously, the wholesome effect of a test by outside examiners was practically nullified by this modification. The second change made was that a candidate was allowed to obtain the diploma immediately on the completion of the first 18 months' training or on any date thereafter. Thus, for all practical purposes, the training course was reduced to 18 months and there was no obligation at all on the trainee to undergo practical/professional training for a further period of six months. To the prospective employer there was nothing in the Diploma awarded to the trainee to indicate whether he had gone through such training. We feel that both these changes were bound to have had an adverse effect on the quality of training which, even before, was not of an adequate standard.

405. From the foregoing it will be seen that the results obtained by the D.G.R. & E. training programme, for the various reasons discussed, have by no means been impressive. Training cannot be efficient in the existing conditions. Lack of material facilities apart, the training programme itself, in our opinion, is unrealistic, as it has neither been based on the actual requirements of industry nor linked up or coordinated with the existing training facilities. To ensure that the training programme finds acceptance, industry should be associated in the planning and execution of the programme. Also, in order that wasteful overlapping might be avoided, all training facilities available in different parts of the country should be co-ordinated. The present organisation of training needs to be revised and improved in several directions, to achieve the maximum results possible. Our suggestions in this respect are contained in Chapter IV.

Scheme for the Training of Instructors

406. The Advisory Committee on Technical Training, referred to in Chapter I, had drawn pointed attention in its Report to the dearth of good instructors and had recommended the establishment of a central institute for the training of instructors. The Committee had expressed the opinion that the training of instructors was an urgent and indispensable pre-requisite for the success of training schemes for craftsmen. This recommendation of the Committee was subsequently endorsed by the All-India Council for Technical Education

which urged the Government to undertake its early implementation. A conference of Labour Ministers also accepted the recommendation. In spite of difficulties experienced in obtaining a sufficient number of instructors for the training centres for the training of demobilised Services personnel, no action could be taken to set up a training centre for instructors, mainly because the ex-Servicemen training scheme was a temporary measure. Subsequently, when the training centres were thrown open to displaced persons it was decided to set up a central institute for training 120 instructors under the Scheme for the training of Displaced Persons. As a result, the Central Training Institute for Instructors was established at Koni-Bilaspur (Madhya Pradesh) in May, 1948.

407. *Object of the Central Institute.*—The object of the Central Institute is mainly three-fold:

- (1) to improve the efficiency of the instructors employed in Central and State Government institutions as well as in private institutions and establishments by giving them a course of theoretical and practical instruction in their respective trades, and in the art of teaching;
- (2) to train new instructors to meet the needs of existing institutions, and of new institutions to be started under development plans, both Government and private; and
- (3) to provide a refresher course for instructors with a view to ensuring that they are always up-to-date and conversant with the latest methods of production and teaching.

408. *Capacity.*—The Institute has facilities for training in 11 technical and 4 vocational trades and has now a capacity for about 150 trainees. A list of trades in which training is provided is given below:

(a) TECHNICAL TRADES

1. Blacksmiths
2. Draughtsmen (Mech.)
3. Electricians
4. Machinists
5. Mechanics—General
6. Mechanics—Motor
7. Moulders
8. Sheet Metal Workers
9. Turners

10. Welders
 - (a) Gas
 - (b) Electric
11. Wood Workers
 - (a) Carpenters
 - (b) Cabinet Makers
 - (c) Pattern Makers.

(b) VOCATIONAL TRADES

1. Cane, Bamboo & Willow Work.
2. Cutting and Tailoring.
3. Handweaving of cotton and art silk fabrics.
4. Leather work—
 - (a) Manufacture of footwear
 - (b) Manufacture of leather goods

409. *Duration of course.*—The duration in each trade extends at present to five and a half months, so that two batches of instructors can pass through the Institute every year. In addition to these regular courses, short-term courses of four months' duration have been introduced to enable highly qualified persons to take the training within a shorter period.

410. *Scope of Training.*—Training in each trade is given according to a syllabus specially drawn up for the purpose, prepared after taking into consideration the standard of general educational qualifications of the instructor-trainees, as also the standard of training imparted in various technical and industrial schools all over India. Provision has also been made for imparting training in a number of selected trades which are related to the main trades of the trainees. Emphasis is laid on the theory and practice of teaching and instructor-trainees are given some practice in teaching at the school attached to the Institute. Trainees are taught how to prepare lesson plans, job instruction sheets and teaching aids. They are trained also to plan the practical work of the trainees, to maintain machines and equipment under their charge and to store materials and tools in a proper manner.

411. *Admission.*—Admission to the Institute is open to instructors deputed by the Central and State Governments, to those nominated by private industrial concerns and educational institutions and to private candidates who have already qualified in one of the trades and who desire to take up the profession of instructors. Training is given free to Government nominees. Those deputed by private industrial concerns and educational institutions are charged Rs. 10 per month and private candidates Rs. 15 per month

412. *Training of Supervisors.*—Arrangements have also been made for training Supervisors. Their programme of training is the same as in the case of instructors, except that they are given additional instructions regarding the duties of Supervisors.

413. *Entrance Qualifications.*—No minimum educational qualifications have been prescribed though matriculates between the ages of 20 and 40 are preferred. A pass in the matriculation examination is, however, required of those seeking to join the course for Supervisors. Good practical experience with a sound knowledge of the trade is required for both the courses. The Principal of the Institute has discretion to relax educational qualifications in certain cases.

414. *Facilities and Amenities.*—The Central Institute is a residential institution and the instructor-trainees are required to stay within the Institute premises. Furnished accommodation is provided at a nominal rent of Rs. 2/8/- per month. The trainees generally run their own mess. Cooking utensils and kitchen and dining hall furniture are, however, provided free of charge. Free medical attendance and facilities for recreation are also provided.

415. *Proficiency Certificates.*—Proficiency certificates are awarded to Instructor-trainees on the results of an examination held on completion of their courses. The examination covers both theoretical and practical subjects and is conducted by a Board consisting of a number of external examiners.

416. *Expenditure on the Institute.*—The entire expenditure on the Central Training Institute is borne by the Central Government. Since the inception of the Institute in May, 1948 upto the end of the year 1953, the Central Government incurred an expenditure of Rs. 6,34,600 in connection with the training of instructors. Details of the expenditure under the various heads are given below:

	Rs.
Pay of Officers	92,000
Pay of Establishment	2,91,500
Allowances and Honoraria	1,44,200
Other Charges	1,06,900
TOTAL	6,34,600

Note—Figures relating to expenditure on purchase of buildings, including annual maintenance and repairs, etc., cost of tools and equipment, cost on Inspectional staff, Headquarters and cost on Regiona' Directorate have not been included.

The Institute has trained during the period 1,203 trainees out of 1,427 who had been admitted. Out of the 1,203 who received training, 1,072 qualified at the tests. On the basis of the number of trainees who had received training, the *per capita* cost works out to about Rs. 528. In arriving at this cost we have not taken into

account the amount of tuition fees recovered from trainees sponsored by State Governments, private industrial concerns, educational institutions and from private candidates. Recoveries made from State Governments in regard to their nominees and the training fees realised from other candidates during the period ended 31st December, 1953 amounted to about Rs. 26,670.

Results of Training

417. The following statement shows the number of persons deputed for instructors' training by the various sponsoring authorities since the inception of the Institute in May, 1948 upto the end of the year 1953.

Number of Instructors/Supervisors who joined the training course and were trained at the Central Training Institute, Koni-Bilaspur, upto the end of December, 1953.

Sponsoring Authority	No. joined	No. who completed training
D.G.R. & E.	699	589
State Governments	374	323
Government Institutions and Industries	138	118
Private Institutions and Industries	66	58
Private candidates	150	115
TOTAL	1,427	1,203

Note.—(1) 142 were still on rolls at the end of December, 1953.

(2) Those who passed trade tests were 1,072.

It will be noticed that out of a total of 1,427 trainees who joined the Institute during this period about 50 per cent. had been sponsored by the D.G.R. & E. itself. This is not surprising, as originally the Institute was intended primarily to cater to the needs of the D.G.R. & E. The response from State Governments, particularly in the earlier years, was very poor. Among other reasons, one was that State Governments had to pay a very high rate of fee in respect of their nominees. Besides the training fee of about Rs. 80 per head per month, State Governments had to meet the pay and allowances of their nominees, as also of the substitutes, if appointed. In order to encourage State Governments to utilise in an increasing measure the facilities offered by the Institute, it was decided in March, 1950 not to charge any fees from State Government nominees. Since then State Governments have been deputing a larger number of trainees.

418. The response from private institutions and industry to whom the Institute was thrown open in May, 1950, has been rather poor. That there is not much demand on the part of private industry for trained instructors is easily explained by the fact that a large number

of industrial undertakings have not yet fully recognised the importance of training and have therefore made little or no arrangements for training in their establishments. It is true that some of the undertakings conduct well-planned programmes of training and that the standard of training provided is of a high order. But in most others where some arrangements exist, training is neither very systematic nor well organised, and there is lack of a proper realisation of the necessity of specialised training for instructors. In a large number of undertakings responsibility for training new workers is quite often entrusted in a vague fashion to a supervisory staff without regard to their capability for teaching. In some cases the trainees are left to acquire the necessary skill themselves or from fellow-workers. From the evidence placed before us, we find that the lack of response is due partly to the fact that a number of industrial undertakings, as also some of the State Governments, are not aware of the existence of the Central Institute and the facilities it offers. It is obvious that there is need for effective publicity and for adopting such other measures in collaboration with Employers' and Workers' Organisations as will encourage industrialists to organise training programmes in their establishments and to make greater use of the facilities offered by the Central Institute.

419. As regards the usefulness of the training imparted at the Central Institute, majority of the State Governments, Employers' Organisations and Ministries and Departments of the Central Government, who have replied to the Questionnaire, are satisfied that the training at the Institute has proved useful. Some of the improvements which have been suggested are:

- (1) More extensive arrangements should be made for practice lessons in the training centre attached to the Institute;
- (2) More up-to-date equipment should be made available to the Institute; and
- (3) the salary scales in the Institute should be improved to attract well-qualified teachers to work in the Institute.

We agree that there is need for improvement. Our suggestions, in this matter, are contained in Chapter IV.

CHAPTER III

GENERAL ADMINISTRATIVE ORGANISATION

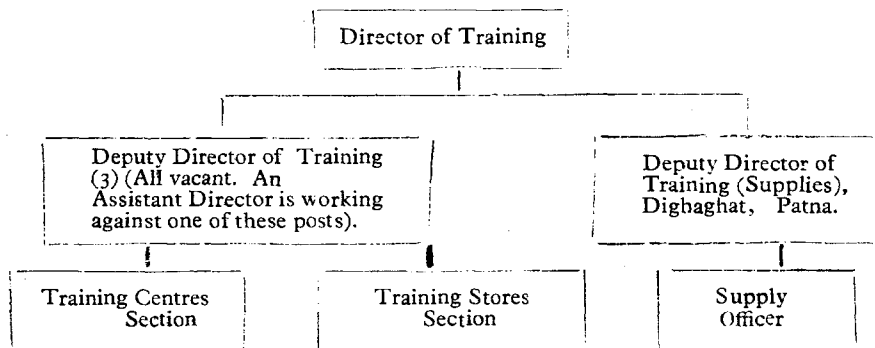
420. The technical and vocational training schemes of the Ministry of Labour operate under the administrative control of the Director-General of Resettlement and Employment who is assisted in his work by a Directorate of Training and by a Branch Secretariat. The Central Employment Advisory Committee referred to in Part I, Chapter II of the Report, advises the Director-General on matters pertaining to training also.

421. The Training Organisation consists of two units--Central and Regional. The central unit constitutes the Headquarters.

Organisation of Headquarters

422. *Directorate of Training.*—At the head of the Directorate of Training is the Director of Training with three Deputy Directors of Training under him. At present all these three posts are vacant and an Assistant Director of Training has been appointed against one of these posts. In addition to the general supervision and administration of the various training centres and institutes, the Director of Training is responsible for the supervision of the office of the Deputy Director of Training (Supplies), Dighaghat, Patna. The organisation of the Directorate of Training is shown in the chart below.

Organisation of Directorate of Training



423. *Branch Secretariat.*—On the Secretariat side, the Director-General is assisted in his work relating to training by a Deputy Secretary and an Under Secretary. The general organisation of the Branch Secretariat has already been shown in Part I, Chapter II. There are three sections which deal exclusively with the work of the Training Directorate. The Statistical Section, which was shown as part of the Directorate of Employment Exchanges, serves the Training Directorate as well

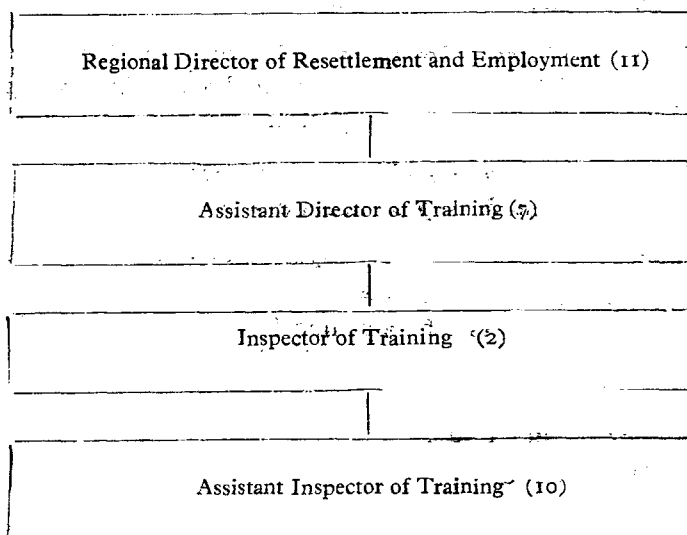
Organisation of Regional Offices

424. The Regional Director of each Region, excepting Hyderabad which has no D.G.R. & E. training centre, is responsible for the supervision and administration of the technical and vocational training centres in the Region. The Regional Director is assisted in his work, excepting in Assam, Orissa and Madhya Pradesh, by an Assistant Director of Training who has a separate office. In Madhya Pradesh the functions of the Assistant Director of Training are performed by the Principal, Central Training Institute for Instructors. The work of the training centres in Assam and Orissa is supervised by the Assistant Director of Training, Calcutta. On the Assistant Director of Training primarily devolves the duty to ensure that the training centres are properly organised and equipped and that the training imparted conforms to the prescribed standards any syllabi. He is assisted by Inspectors and Assistant Inspectors of Training. The posts of Inspectors exist only in the Uttar Pradesh and Madras Regions and those of Assistant Inspectors in all Regions excepting Assam, Orissa and Madhya Pradesh.

425. The Regional Director is advised on matters relating to training by the Regional Employment Advisory Committee.

426. The organisational structure of the Regional Directorates in so far as it concerns training is given below.

Organisational Structure of Regional Offices



Note.—1. The total number of sanctioned posts in all the regions taken together is shown above in brackets.

2. There are no D.G.R. & E. training centres under the Regional Director, Hyderabad.

Organisation of Training Centres/Institutes

427. There are at present 59 Centres/Institutes run by the Directorate-General of Resettlement and Employment. Of these, 27 are located in Central Government buildings, 19 in training institutions of State Governments and 13 training centres in institutions controlled by private bodies. A State-wise distribution of training centres is shown in Appendix X.

428. Each training centre is under the charge of a Principal/Manager. The Principals in the centres owned by the D.G.R. & E. are Central Government employees and those in State or privately owned centres are the employees of the respective State Government or of private institutions. Instructional and other staff in every case, however, are Central Government employees. Instructors are provided usually at the rate of one instructor for every 16 trainees; for highly skilled trades, however, instructors are provided on the basis of one for every 8—12 trainees. Provision for other instructional staff is made as follows:

- 1 Supervisor for a group of 6 classes
- 1 Foreman for 200 seats
- 1 Mathematics Instructor for centres where the number of seats sanctioned is about 200.
- 1. Drawing Instructor for centres where the number of seats sanctioned is about 124.

429. *Hostel facilities.*—Hostel facilities are provided to trainees wherever such exist. Hostels are provided with full or part-time Superintendents with the necessary staff.

430. *Medical attendance.*—All trainees are given free medical attention. Medical staff is provided on the following basis:—

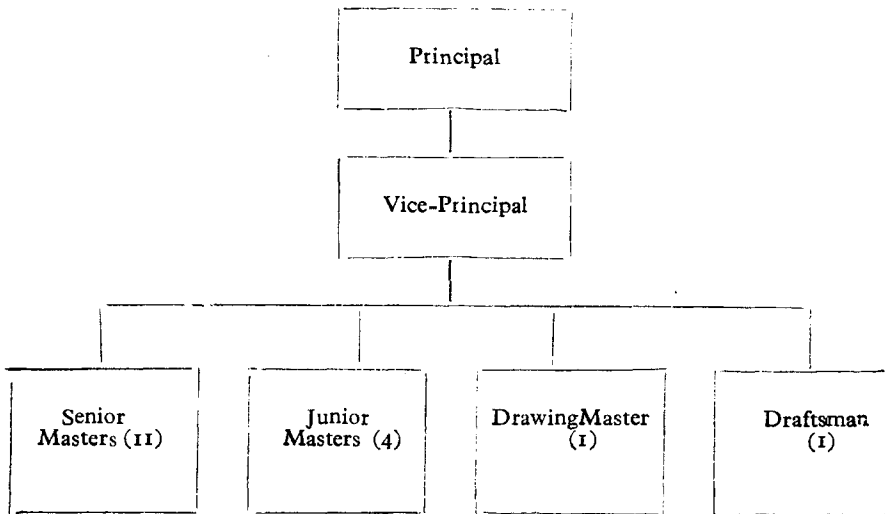
- (i) For centres with seating capacity of less than 150 trainees:
 - (a) one part-time Medical Officer on an allowance not exceeding Rs. 25 per month if the number of trainees does not exceed 60, and Rs. 40 per month if the number of trainees exceeds 60.
 - (b) One Compounder
 - (c) One Dresser
- (ii) For centres with seating capacity of 150 to 349 trainees:
 - (a) One Sub-Assistant Surgeon
 - (b) One Compounder
 - (c) One Dresser

- (iii) For centres with seating capacity of 350 and above:
- (a) One Medical Officer (Assistant Surgeon)
 - (b) One Compounder
 - (c) One Dresser.

Central Training Institute for Instructors

431. The Central Training Institute for Instructors at Koni-Bilaspur functions under the immediate administrative control of the Regional Director of Resettlement and Employment, Madhya Pradesh. The head of the Institute is its Principal, an officer of Deputy Director status who is assisted in his duties by a Vice-Principal, an officer of Assistant Director status. The staff of the Institute consists of 11 Senior Masters (gazetted), 4 non-gazetted Masters, one Drawing Master and a Draftsman. The organisational set-up of the Institute is shown in the chart below.

Organisation of the Central Training Institute for Instructors



432. *Office of Deputy Director of Training (Supplies), Dighaghat, Patna.*—This office handles the purchase and supply of equipment and stores required by the training centres. For this purpose, the office maintains a Tool Depot. The Deputy Director of Training (Supplies) is assisted by a Supply Officer of gazetted status.

Financing of the Training Organisation

433. The expenditure on the Headquarters of the Organisation and the Regional Directorates is, as has already been stated in Part I, Chapter II, borne entirely by the Central Government. The expenditure on the offices of Assistant Directors of Training, Inspectional and Trade Testing Staff, training centres in Part 'C' States

and on capital equipment and machinery is also borne by the Central Government. All recurring expenditure connected with technical and vocational training, including replacements of machinery and equipment, consumable stores, pay of instructional and administrative staff, allowances to trainees, etc. is apportioned between the Central and State Governments concerned in the ratio of 60 : 40. Expenditure on permanent constructions is shared between the Central and State Governments concerned in the proportion of one-third and two-thirds respectively and that on temporary constructions in the proportion of 60 : 40 respectively.

434. *Training Charges.*—In the case of training centres located in State Government and private institutions and establishments, tools and equipment, where necessary, are supplied by the Central Government free of cost. The expenditure on instructional and other staff appointed by the Central Government at these centres is shared between the Central and State Governments in the ratio of 60 : 40. In addition, these centres are allowed a training fee of Rs. 11 per trainee per month for technical trades and Rs. 5 per trainee per month for vocational trades. These fees cover the cost of training, including the use of buildings and equipment, power, water, light, consumable stores, wastage of materials, wear and tear, replacement and repairs of equipment and hand-tools, stationery, and allowance, if any, to existing instructional, clerical and other staff of the Institute who assist in the training. Where additional staff or equipment is not provided or paid for, a special rate of training fee at Rs. 20 per month is paid. This applies, at present, to only one institution, namely, the George Telegraph School, Calcutta. In the case of centres directly administered by the Central Government, expenditure on raw material, consumable stores, replacement of hand-tools, repairs to equipment on account of wear and tear, cost of stationery and cost of light, water and power has been fixed at the rate of Rs. 7 per trainee per month in technical trades and Rs. 15 per trainee, per month in vocational trades. Expenditure on account of training charges or fees is also apportioned between the Central and State Governments in the ratio of 60 : 40.

435. The gross total expenditure on training at present is Rs. 73 lakhs a year, the Central and State Governments' shares being Rs. 51.12 lakhs and Rs. 21.88 lakhs respectively.

CHAPTER IV

TRAINING OF CRAFTSMEN AND INSTRUCTORS—A PLAN FOR THE FUTURE

Training of Craftsmen

436. *Necessity of Training.*—The importance of the training of craftsmen cannot be over-emphasised. The level to which the industrial production of a country can be raised or at which it can be maintained and the extent to which its economic life can be developed would depend, among other factors, on its supply of skilled labour. Capital and machinery, though important factors in production, will be of little avail without a sufficient number of adequately qualified personnel. The organisation of an appropriate system of training to ensure a steady flow of craftsmen is thus a pre-requisite of a programme of industrialisation. While the development of a well-conceived and well-organised system of craftsmen's training is necessary in all countries of the world, it is of particular importance to this country where the supply of skilled personnel falls short of the requirements, both in quantity and quality, and where the need for the provision of adequate facilities for training has not yet received sufficient practical recognition.

437. Small-scale and cottage industries occupy an important place in the economic life of the country and will grow in importance with the implementation of plans for their development. The training system to be built up should, therefore, be comprehensive and cover not only technical trades but also those vocations and handicrafts which are deemed to be of national importance.

438. *Requirements of Industry for Craftsmen and Existing Training Facilities.*—A programme of training for craftsmen, to serve its purpose, should be related to the short-term and long-term requirements and to the needs of development plans, both in regard to standards of proficiency and numbers. No up-to-date assessment of the present strength of skilled craftsmen and of the additional number required is available. The D.G.R. & E. has had a survey in hand for about three years with a view to assessing the demand for tradesmen in building and engineering trades; the survey has not been completed yet. The Planning Commission have also initiated a survey to assess the manpower requirements in certain fields in relation to various development projects. Although limited in their scope these surveys should yield useful results. There is obviously need for devising ways and means for collecting from time to time

information relating to the needs and resources in skilled personnel so that training facilities might be adjusted to the requirements. We have recommended elsewhere that Employment Exchanges should undertake a more comprehensive programme of employment market information and collect data regarding the overall supply and the present and potential demand. Such information should be of value in determining the scope and nature of training required. While no reliable and precise estimates of manpower needs and resources are available, the evidence placed before us would indicate a general shortage of skilled craftsmen. Employment Exchange statistics similarly point to the need for the provision of adequate training in a large number of trades and to the need for raising the standard of training imparted at present.

439. As regards the existing facilities for technical and vocational training, training is being provided at present by the following agencies:—

- (1) Training institutes owned and administered by State Governments.
- (2) Private training institutes with or without Governmental grant-in-aid.
- (3) Employers in industry both private and publicly owned.
- (4) Training centres operated by the Ministry of Rehabilitation.
- (5) Training centres for which the Directorate-General of Resettlement and Employment is responsible.

Full information particularly regarding the capacity, number actually trained and the standards is not available. The National Trades Certification Investigation Committee which was appointed by Government in 1951 to prepare a scheme for the establishment of an All-India Trades Certification Board conducted a survey regarding the training facilities existing in the various States. This survey, which did not cover exhaustively the whole field of craftsmen's training, showed that in the 16 States, which sent replies to the Committee's Questionnaire, there were 353 institutions for training in engineering, building construction, textile and leather industries. Some of these institutions function exclusively for craftsmen and some others are attached to Engineering Colleges and Polytechnics. Many of these schools impart training in more than one trade and cover more than one industry. The Committee estimated the annual intake and out-turn in respect of the sixteen States and for all the four industries together to be about 8,000 and 4,400 respectively. In regard to training in industrial undertakings, Railways, Ordnance factories and dockyards, the Committee estimated on a very rough basis that the number of apprentices undergoing training in 1952

was 25,000 and that the annual out-turn was approximately 5,000. The training centres of the D.G.R. & E. provide training in technical and vocational trades for about 9,500 adult civilian trainees and, in addition, for 2,760 displaced persons on behalf of the Ministry of Rehabilitation. The Ministry of Rehabilitation itself administers one centre with a provision for 300 seats for the benefit of displaced persons.

440. The survey of the National Trades Certification Investigation Committee brought out the wide diversity of training institutions and showed that the working of the various training schemes is supervised by an equal variety of administrative authorities. It showed also that in the absence of a unified conception of the object of training, standards of training, methods of conducting examinations and issuing certificates vary from State to State and sometimes from institution to institution within the same State. An unfortunate outcome of the chaotic condition in the field of craftsmen's training has been that most training institutes, including those of the D.G.R. & E., have succeeded in swelling the ranks of partly trained workers rather than in producing craftsmen who would be of value to industry. Thus, not only has the problem of shortages of skilled workers not been met, but a fresh problem has been created. In the light of evidence placed before us we are satisfied that training facilities should be improved both in quantity and quality, the latter being even more important. The fact that several persons who completed their training failed to get employment is no indication that there is no need for trained men; it is rather evidence of the poor quality of training imparted. No doubt there is an urgent need for the raising of standards of training; more important than that is the need for a co-ordinated and comprehensive plan covering the entire field of craftsmen's training and which would be based on the determination of the scope and character of the requirements and of the facilities available.

441. *Government's responsibility for the training of craftsmen.*— In a number of countries the responsibility for training workers for the skilled trades necessarily rests with industries and to some extent with the trade unions. Governments in such countries generally perform a co-ordinating function and intervene only when it is impracticable for industry to look after its own needs or when wide fluctuations in labour supply and demand necessitate such intervention. Here in India some employers and their Organisations hold the view that training must be organised by industry itself. They have stated that most organised industries have their own apprenticeship schemes under which they train an adequate number of workers for their own requirements. *While we agree that much of the initiative for the training of its workers should rest with industry,*

we do not think we have reached anywhere near the stage when industry could meet its requirements of trained personnel unaided by Government. Some larger undertakings do run well-organised training programmes of their own but, by and large, it would be true to say that there are no systematic arrangements for training, particularly in relatively smaller concerns. Such concerns are not in a position to cater even for their own needs. *It is in the interest of such employers, as also in the larger interest of the country as a whole, that the Government should continue to provide adequate training facilities and thus help industry to maintain a high level of efficiency and to raise the level of production.* Besides, the country has before it a heavy programme of industrial development and will require, for its execution, a large number of skilled workers, of whom there is a considerable shortage at present. Furthermore, the Government of India having now undertaken, under their Industrial Policy Resolution, the regulation, control and establishment of all major industries, they have a special responsibility in the matter of training workers who will be required to man these industries. From the point of view of workers themselves, it is the duty of the Government to ensure that adequate opportunity is available all the time for all who wish to acquire a technical qualification or to extend or improve their technical or trade knowledge. Thus it becomes obligatory, under existing conditions in the country, for Government to assume responsibility, not only for the overall co-ordination and direction of training but for supplementing the training provided by private industry and institutions so that the quantum of training facilities is sufficient to meet the overcall manpower requirements. We realise that this training cannot fully replace training in the plant itself. We have provided for this, in a later recommendation, by suggesting that the last six months of the training should be imparted in a regular industrial unit.

442. The Vocational and Technical Training of Labour is an item appearing in the Concurrent List of the Constitution. A number of State Governments have organised and developed their own programmes for the training of craftsmen. The Central Government, for its part, operates under the D.G.R. & E. the Scheme for the training of Adult Civilians, originally initiated in April, 1950. While the Scheme is administered wholly by the Central Government, the cost is shared by State Governments. Prior to this Scheme, the Central Government had worked a Scheme for the training of demobilised personnel and, as now, State Governments had contributed to the cost. When the Central Government had invited the State Governments to participate in the latter Scheme, they were told that as soon as the resettlement of demobilised personnel was completed, the training centres would be handed over to State Governments. When the new Scheme was introduced, State Governments agreed to the

Scheme being administered by the Central Government, not because they were unwilling to operate it but because they were unwilling or unable to shoulder the entire financial liabilities involved. The result has been that the Central Scheme has continued alongside the schemes of the various State Governments, resulting quite often in duplication and overlapping. Some State Governments had repeatedly urged that the training imparted in the D.G.R.&E. centres was not materially different from that run by the State Governments themselves. It was recognised, however, that the need of the country for trained personnel was so great that there was no excess in regard to training (taking the training facilities provided by all the agencies together) over requirements. State Governments have not pressed for the transfer of D.G.R. & E. centres to State Government control for fear that if that was done, the Central Government might withdraw all financial assistance. The view of State Governments that there is no material difference between the training imparted in D.G.R. & E. centres and those run by themselves is correct. It even looks as if some distinction was created just to make out a case for continuing the D.G.R. & E. centres as a wholly separate organisation. The retention of two separate organisations working side by side or even in the same buildings has given rise to an unhealthy competition; for example, a larger number of stipends are awarded in the D.G.R. & E. centres as compared with the number given in the State Government institutions. While there is no justification for any reduction in the quantum of training facilities provided by the Central and State Governments taken together, we do not think there is any need for maintaining the two classes of training centres administered by the Central and State Governments respectively. The distinction sought between the training now imparted by the two classes of institutions is artificial and is more likely to cause friction and lack of co-ordination. *We, therefore, recommend that the training facilities now provided in the centres run by the D.G.R. & E. should be integrated with similar facilities provided by State Governments, the administrative responsibility for the D.G.R.&E. Scheme being also transferred to State Governments. In respect of the latter, the whole expenditure excluding the cost of the Central Headquarters (to be borne fully by the Centre) should be shared between the Central and State Governments in the ratio of 60:40.*

443. In regard to the sharing of expenditure between the Central and State Governments, the matter is not quite so simple in the case of the training administration as in that of the Employment Service. The latter is at present wholly under Central administration, excepting a few District Exchanges in two States. In regard to training, however, State Governments have their own training schemes operating—in addition to those of the D.G.R. & E. and bear the whole cost thereof. The expenditure incurred by State Governments on their

own scheme is of varying degrees. After the proposed integration, there will be no separate identity of the ex-D.G.R. & E. centres from the others. The Central Government cannot obviously agree to pay 60 per cent. of the cost of the integrated schemes as that would mean increasing the Central Government's liabilities considerably. One alternative might be to fix the Centre's share at a percentage less than 60 so that the total amount payable may be approximately what the Centre is now spending. But a uniform percentage applicable to all States will again mean that those which now incur large expenditure on their own schemes will be benefited, while others will lose. Logically, this may be correct, as it may be right that States which were progressive in this respect should be rewarded for their past efforts. But we fear this would not be feasible or acceptable to those States which will be affected adversely thereby, and a formula of this type will, therefore, be outside practical politics.

444. *The main consideration that should prevail should be that neither the Central nor the State Governments decrease their respective current level of expenditure on technical training as a whole. This can be ensured by providing that where a State Government fulfils this condition, that is, spends not less than what it does now—and this will be the sum total of expenditure incurred on the State Government's own schemes plus the contribution now made by the State to the Central Schemes—the Central Government must agree to paying to the State an amount equal to the net amount now spent on the D.G.R. & E. training schemes in that State. This net amount will be arrived at by deducting from the gross expenditure, the amount recovered from the State as also the expenditure now incurred by the Central Government on the administrative staff maintained at the Regional Directorates in connection with training. There should of course be an explicit condition—though this is implied in our recommendation—that the total expenditure should not be less than the two sums together, that is, the amount which the State Government should spend plus the amount made available by the Centre.*

445. Here again, a question arises as to the basic figures which should be taken for the purposes of calculations on the lines indicated above. For the reasons which we have given in regard to the Employment Service Organisation, *we recommend here also that the base should be either the budget figures of 1953-54, or actuals of 1952-53 whichever may be of greater advantage to the State Governments concerned.*

446. *Cases may arise where State Governments may spend smaller amounts than at present. In such cases, we recommend that the Centre's contribution should be reduced proportionately.*

447. We might illustrate our recommendation by an example to avoid any doubt as to our intentions.

Example :

	Actuals 1952-53.	Budget 1953-54.
	Lakhs.	Lakhs.
	Rs.	Rs
(a) Total expenditure incurred by D.G.R. & E. on training schemes in State ' A '	10	10½
(b) Out of the above figure the amount representing cost of training staff at the Regional Headquarters	½	½
(c) Net expenditure after deducting (b)	9½	10
(d) Out of the above, the Central Government now spends	5·7	6
(e) Expenditure incurred by State ' A ' on its own schemes financed by it wholly	10	8
(f) Total of (c) and (e)	19½	18
(g) The selection between Actuals for 1952-53 and Budget for 1953-54 will depend on the figures in (d). As the Budget 1953-54 figure is in this case higher than actuals of 1952-53, the basis will be the budget figures for 1953-54.		
(h) (i) If the State Government spends 18 lakhs in all, the Centre will reimburse to the extent of 6 lakhs.		
(ii) If the State Government spends 15 lakhs, the Centre will reimburse to the extent of 5 lakhs $\left(\frac{6 \times 15}{18}\right)$		
(i) If the State Government spends 21 lakhs in all after obtaining prior approval of Central Government, the Centre's contribution will be 6 lakhs plus 60 per cent of 3 lakhs or 7·8 lakhs in all.		

448. For purposes of the calculations made in the preceding paragraph we have suggested the exclusion of the expenditure now incurred by the Central Government on the administrative staff at the Regional Directorates. This is because no such staff will be needed in the integrated scheme as State Governments looking after their own training schemes can be expected to look after D.G.R. & E. centres also on their transference to State control. In the present context of the importance of training, we do not, however, think that the Central Government should appropriate these savings. The savings accruing on this account should, we recommend, be made available to the State Governments towards increased expenditure on stipends vide paragraphs 465—466 or any expansion or improvement that may be undertaken. In regard to such new expenditure on expansion or improvements, the Central Government should make a contribution of 60 per cent., the State Governments bearing the remaining 40. In this respect, preference should, however, be given to expenditure on expansions or improvements proposed by those State Governments where training schemes have hitherto received relatively less attention.

449. In the process of reorganisation, we visualize, however, that State Governments may find it necessary to spend much larger sums, both non-recurring and recurring. The additional requirements may well therefore be very much in excess of the small savings accruing as a result of the abolition of the Central administrative staff at the Regional Directorates. We recognise that the limits of additional expenditure will ultimately be determined by the overall budgetary resources of the Central and State Governments. *Having regard to the importance of training, we would urge that substantial expansion and improvements should be made possible in training centres. Such expenditure as may be agreed upon between the Central and State Governments towards expansion in activities relating to training should, we recommend, also be shared by the Centre and the State Governments in the ratio of 60:40.*

450. *As regards the training centres operated by the Ministry of Rehabilitation, the position has already been considered by the Mehr Chand Khanna Committee. As these centres are of a temporary duration and for a specific purpose, we do not think it necessary that these should be incorporated in the integrated scheme. They should, therefore, continue under the Ministry of Rehabilitation.*

451. *Apart from giving financial assistance to State Governments in the running of their training schemes, it should be the responsibility of the Central Government to lay down the policy for the training of craftsmen, to promote the development of training facilities with due regard to needs and to co-ordinate the overall training programme throughout the country. Amongst the measures that might be adopted to bring about the necessary co-ordination, the Central Government may—*

- (1) collect information regarding the requirements of industry for trained workers and the facilities available for the purpose;*
- (2) prescribe standards and methods of training; and*
- (3) draw up syllabi for training in different trades.*

It is obvious that the Central Government cannot discharge its responsibilities in the field of training without the co-operation of the various parties involved. It is of the utmost importance, therefore, that a machinery representative of such parties should be created which would not only advise the Government in the formulation of policy but actively assist in co-ordinating the entire training programme. The National Trades Certification Investigation Committee has proposed a machinery for the purpose. We shall refer to this machinery in a later sub-section of this Chapter.

452. Vocational and technical education is provided by a number of schools as part of the general educational system. In our opinion there is a clear-cut distinction between vocational and technical education provided in schools and vocational and technical training specifically intended for labour, as regards scope as well as objectives. "Vocational and Technical Training of Labour" has been conceived in the Constitution as a subject quite distinct from "Education" (including technical and vocational education) as is evident from the fact that the former has been placed in the Concurrent List, while the latter has been placed in the State List. Vocational and Technical Training of Labour as in List III obviously covers those who are ready to enter the employment market but need training in order that they might become employable, as also those who have already entered the employment market but do not possess sufficient skill, that is to say, those who have an occupational background or at least some practical experience which can and ought to be taken into account in the organisation of training facilities for them. The latter category would also include those who possess skill in particular trades but are surplus to the requirements of industry and, therefore, require training in new skills.

453. The training and re-training of the above categories of persons (in contrast to technical and vocational education in trade or industrial schools, which must also have an educational aim and which must for that reason be more diversified and liberal) has to be related to the needs of industry aiming to impart as speedily as possible the requisite skill in specific trades. This type of accelerated training has to place greater emphasis on the practical aspects of training under workshop conditions than would normally be possible in a trade school.

454. It is accepted on all hands that the most effective method of training labour in various skills is through a system of apprenticeship or in-plant training preceded, where necessary, by training in specially designed training centres which should reproduce, as far as possible, workshop condition and rhythm. Apprenticeship or in-plant training has to be organised in collaboration with workers, employers and their organisations and has to be regulated on the basis of collective agreements or agreed terms, conditions and programmes of training. Since the Ministry of Labour is obviously in the best position to do this, the craftsmen's training of labour should clearly fall within its sphere of responsibilities, just as technical and vocational education, as part of the general educational system, should be the responsibility of the Ministry of Education.

455. In order that the training programme of the educational authorities may dovetail into the general framework of craftsmen's training of labour, it is necessary that the facilities provided by schools and those provided by the training centres should be co-ordinated. *In so far as craftsmen's training of labour is concerned, we recommend that the Ministry of Labour should assume the overall responsibility and continue to lay down policy. Within the Ministry of Labour itself, responsibility for the organisation of training should be entrusted to a Department of Training with a Director at the head.**

*Shri Chandiramani, while agreeing that there is clearcut distinction between technical and vocational education provided in schools as part of the general educational system and craftsmen training specifically intended for labour, maintains that the responsibility for co-ordinating craftsmen training also should be that of Ministry of Education and not that of Ministry of Labour. The main considerations which Shri Chandiramani urged upon us in support of his views, are:—

- (1) Both from the economic angle as also from the educational standpoint, it would be a definite advantage to make provision for the training of craftsmen in schools and in other institutions, which may even be providing facilities at a higher level rather than in separate training centres. The Secondary Education Commission has suggested that the larger institutions in some of the bigger cities should be utilised for a multiplicity of purposes.
- (2) Even at present, in the case of students, who leave school either because they are unfit to pursue a full course of general secondary education or because of economic reasons, the training necessary to make them employable is given in Trade Schools or Industrial Schools established by a number of States. The role of such schools therefore is no different from that of the proposed craftsmen training centres, in so far as the students leaving schools are concerned.
- (3) With the spread of basic education in the country, the entrants to the craftsmen training centres, the Trade Schools and the Industrial Schools, will mostly be from the Senior Basic Schools, where they would have mastered the rudiments of craft training. Such students would still be in their teens and their training, of necessity, would have to be wider and more liberal than what it has been in the D.G.R. & E. centres so far, where only adults have been trained.
- (4) With the transference of direct responsibility for the running of the present D.G.R. & E. centres to State Governments, it is clear that in the States it will be the Department concerned with technical education generally, which will bear this responsibility, and not the Department of Labour. The contact already established between the Ministry of Education at the Centre and the concerned Department in the States for the promotion of technical education at higher levels as also at the secondary school level should be of immense value.
- (5) To discharge its responsibility relating to technical education at higher levels, the Ministry of Education has set up Regional Offices, which help the Regional Committees of the All-India Council for Technical Education, to establish the necessary liaison with Industry for the practical training of diploma-holders and graduates. If the responsibility for the administration of craftsmen training centres is transferred to the Ministry of Education, in so far as the role of the Central Government is concerned, it will meet the point made by Industry that a co-ordinated approach should be made to it for the provision of practical training facilities at the various levels and that steps be taken to remove the confusion resulting from demands being made by different Departments, Ministries and bodies.

456. *National Trades Certification Board.*—The need for the co-ordination of training facilities provided in different States by different agencies and for bringing about uniformity and standardisation on an all-India basis has been fully recognised by the Government. The decision of the Government to establish a Central Board for the purpose, is, in our opinion, a step in the right direction as we feel that such a Board will help to raise the standard of craftsmen training throughout the country and bring about uniformity. We understand that the details of a scheme for the establishment of such a Board, recommended by the National Trades Certification Investigation Committee, are under consideration of the Government. We have already recommended that the responsibility for laying down the overall policy and co-ordination of training programmes throughout the country should be that of the Ministry of Labour. *While the Board should act as an advisory body to the Ministry in framing the training policy, the co-ordination function of the Central Government, such as prescription of standards and methods of training and the drawing up of the curricula for training in different trades may be entrusted to the Board and necessary powers delegated to it to enable it to discharge those functions. In fact, all craftsmen training in technical trades and in vocational trades of national importance throughout the country should be co-ordinated through the National Trades Certification Board. Since the Board would be in the best position to know the training needs and requirements of the various States, we would also recommend that the share of the Central Government in the expenditure on training should be made over to the Board for distribution to the States, with such directions as the Central Government may from time to time give.*

457. We generally agree with the various other functions that have been assigned to the Board by the National Trades Certification Investigation Committee. On a practical consideration of some of the organisational problems involved in the working of the Board, we would, however, recommend as follows:—

- (1) *We do not consider that it is either practicable or necessary for the Central Board itself to conduct examinations. We are of the view that these examinations should be conducted by State Boards wherever such Boards exist; where such Boards do not exist steps might be taken to*

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- (6) The Central Advisory Board of Education and the All-India Council for Technical Education hold that technical education and training at all levels should appropriately belong to the Ministry of Education, in so far as the Central Government is concerned. This has been suggested in the interests of an integrated system of technical education to meet the various needs.

establish such Boards. States which find it difficult to set up their own Boards should constitute, wherever possible, ad hoc local committees in consultation with the Central Board. Such Committees and State Boards should be affiliated to the Central Board and should operate under the latter's direction.

- (2) One of the functions of the Board prescribed by the Committee is to appoint inspectors to make *ad hoc* or periodical inspections of training institutions in the country to ensure that the standards prescribed by the Board are being followed. We are not sure whether the Committee contemplated a wholly independent inspectorate responsible to the Board alone. If that was the Committee's intention, we are of the view that there is no need for a separate independent inspectorate. *The function of inspection on behalf of the Board should be discharged by the Director of Training with an adequate number of Deputy and Assistant Directors.*
- (3) *The Minister for Labour or the Deputy Minister should be the Chairman of the Board and the Director of Training its Secretary.*

458. *The Organisation of Craftsmen's Training.*—The system of training in engineering and building trades followed at the D.G.R.& E. training centres at present consists of initial training at the centre followed by a further training in an industrial undertaking or in the centre itself on production/professional work. This is based on the plan suggested by the Advisory Committee on Technical Training (1944-45) which, while agreeing that the best way of providing good craftsmen for industry is through a comprehensive and systematic apprenticeship, came to the conclusion that in the special conditions obtaining in this country, apprenticeship should follow a course of training in a specially designed training centre. Since the Committee made its recommendations, conditions have not altered much to warrant any change. We do not think that the prevailing conditions in workshops in India are always quite suitable for beginners to start from scratch and pick up good workshop practice. Even if they were, we are of the view that a preliminary training in training centres specially equipped for the purpose would still be desirable to enable trainees to learn the first steps more easily and under better conditions than in actual workshops. Furthermore, it is easier to co-ordinate theoretical training with practical training if both are given in the same place. *We, therefore, recommend that while the greater part of the training might be provided at the training centres, the later part, say six months, if the total course is of*

two years' duration, should be provided under workshop conditions in factories. We have been assured by various representatives of industry that they would be prepared to collaborate with Government in providing practical training for the trainees passed out from the training centres, and we have no doubt that State Governments will take full advantage of such an offer. While we welcome voluntary co-operation in preference to compulsion, the Government should not hesitate to bring legislative measures if there is the slightest doubt of voluntary measures succeeding. Past experience justifies our uttering this caution. If legislation is undertaken it can form part of the apprenticeship legislation referred to below.

459. We attach a great deal of importance to the later portion of the training, as it is only in workshops or in factories that it is possible to relate training as closely as possible to the requirements of the occupations for which training is given. However, if such training is to be profitable it is necessary that it should be based on a well-planned programme. It should also be adequately supervised with a view to ensuring that the training given is satisfactory.

460. *In addition to the short-term in-plant training suggested above, State Governments should take steps for the organisation of full-length apprenticeship programmes. As much of the success of such a programme would necessarily depend on the co-operation of industry, efforts should be made to encourage employers through voluntary methods to take in apprentices. If, however, voluntary methods do not succeed, the Government may enact necessary legislation.*

461. Since programmes of apprenticeship training are intended eventually to benefit the employers, it is but right that they should share the expenditure involved. We, therefore, recommend that a small cess should be levied on employers and that the proceeds of the cess might be utilised towards the supervision of apprenticeship training and towards other connected items of expenditure. We are aware that there are a number of industrial undertakings which are operating their own programmes of apprenticeship training. Such undertakings might be allowed a rebate up to the level of their expenses subject to prescribed ceiling limits.

462. *Levels of Craftsmen's Training.*—The National Trades Certification Investigation Committee has recommended two grades of examinations—the National Trades Certificate and the National Certificate (Higher). The bulk of the training that will be provided under the new plan will naturally be directed at preparing trainees for the National Trades Certificate. In view of the acute shortage of skilled personnel in higher grades and in view also of the lack

of training facilities at that level, we recommend that States should be encouraged to provide training for the Higher National Trades Certificate also.

463. *Selections for Training.*—Selections for admission to training centres constitute a preliminary step which has an important bearing on the training process and on the final outcome of the training programme. Experience has shown that haphazard selections, guided merely by considerations such as necessity for filling up the centres, have not only resulted in desertions but in immense wastage of effort and of material and human potentialities. It is of the utmost importance, therefore, to ensure in the general interest, and in the interest of the candidate as well as that of industry, that the candidate's choice is suited to his aptitude and capacities. *We recommend, therefore, that selections for admission should be based on the result of suitable tests and that industry should be closely associated in the selections.*

464. *Admissions to training centres in technical trades are at present supposed to be held after 18 months so that once the session has commenced, those who desire training have to wait for 18 months before they can be considered. We recommend that admissions at a time may be restricted to half the number of seats allocated and instead of once in 18 months, they should be held every 9 months.*

465. *Stipends.*—Financial handicaps have always been one of the main obstacles in the way of a large number of persons taking advantage of the available facilities for training. Many who stand in need of training or desire training are compelled to take up unskilled work through sheer economic necessity. Free facilities for training might help some but will not offer a sufficient incentive to those who cannot forego a paid occupation. It would be in the larger interests of the country if such persons are rendered financial assistance by way of stipends during the period of training. *We, therefore, recommend that stipends may be granted, under the integrated scheme, to 33½ per cent. of the total number of trainees on the basis of merit and financial condition of the trainee subject to satisfactory progress during training. Within this overall limitation of 33½ per cent proportions may be prescribed for different trades, depending on local conditions and requirements. Expenditure on stipends should also be shared by the Central and State Governments in the ratio of 60:40.*

466. To illustrate by way of a concrete example the financial implications of our recommendation in the above paragraph, the case of one State, say Madras, may be taken. The total number of seats provided in the Central centres in this State is about 548. The total number of trainees for the Certificate Course (whole-time) in

the State Centres is about 540. If stipends are to be given to 33½ per cent. of the total number of seats provided in the State and Central Centres, the liability for stipends will be in respect of 363 seats. Assuming that stipends will continue to be paid at the rate of Rs. 25 p.m., the total amount involved will be about Rs. 1,08,900 a year, of which the share of the Central Government on the basis of 60 per cent. will be about Rs. 65,340 a year, as against Rs. 49,320 a year at present. Thus, the additional liability of the Central Government in respect of the Madras State will be about Rs. 16,020 a year which, in view of the importance of training, is not an appreciable sum.

467. *Geographical Distribution of Training Facilities and Location of Training Centres.*—Under the present training scheme of the D.G. R. & E., the distribution of seats as between different States is based on the demands of individual States within the overall limit of 9,508 seats sanctioned for the entire country. Within the States themselves, the distribution has been based on *ad hoc* considerations rather than on the need or relative importance of industries. For example, Lucknow has a training centre whereas Kanpur, a place of industrial importance, has none. *We are of the opinion that there is need for reviewing the geographical distribution of training facilities within each State so that, where necessary, training centres or facilities for training in particular trades might be shifted to more suitable places. There is need also for reviewing the position in certain Part 'B' States whose requirements do not appear to have been fully considered in the past. This may be done now independent of any general expansion.*

468. *As regards the location of training centres, wherever a new centre is established or existing centres are replaced by new buildings, the new centres, where possible, should be located in the vicinity of some well-established industrial units so as to facilitate the later part of the training being imparted in such running industrial units.*

469. Among the 59 training centres which provide training under the Adult Civilian Training Scheme, there are 19 centres which are located in private institutes. These institutes receive the prescribed *per capita* grant and are, in so far as the D.G.R. & E.'s. scheme is concerned, manned by instructors employed and paid for by the D.G.R. & E., only the Principals being common. Our information is that while some of these centres are functioning well, others are by no means satisfactory. *We recommend that the cases of all centres located in private institutes should be reviewed by State Governments and where the working is not satisfactory, alternative arrangements may be made as early as possible.*

470. *Requirements in Buildings, Equipment and Instructional Staff.*—We have pointed out in Chapter II that unsuitability of buildings and shortage and inadequacy of equipment and teaching staff have been some of the main obstacles in the way of a proper and an effective organisation of training. These are serious obstacles which have undoubtedly affected results. It is hardly necessary to emphasise that it is not possible to provide efficient training without proper buildings, appropriate equipment and sufficiently qualified instructors. To set up suitable new centres with proper equipment will involve substantial capital cost. *We suggest that State Governments should bear 40 per cent of the cost of such new expenditure just as in the case of recurring expenditure. It is likely, however, that some States may not be able to meet a share upto 40 per cent and in that case the Central Government may have to agree to bear a larger share of such cost, each case being decided on its merits.* This expenditure will, in our opinion, be fully justified as training under existing conditions involves wastage of both men and money. As regards instructional staff, while there is a shortage of suitably qualified personnel, it is also true that those available find employment in industry more profitable than in training centres. The only way of meeting the problem obviously is to give instructors appropriate scales of pay. *We recommend that the present pay structure in respect of instructors should be reviewed and suitably revised so that qualified persons might be attracted to the training institutes.*

Training of Instructors

471. Facilities for the training of instructors, as we have already pointed out, are provided at the Central Training Institute, Koni-Bilaspur. Notwithstanding the fact that this is the only institution in the country which has arrangements for specialised training in the theory and practice of teaching craftsmen, full advantage is not being taken of the facilities provided. While reviewing in Chapter II the progress made by the Institute since its inception in 1948, we laid stress on the necessity for adopting measures, in collaboration with Employers' and Workers' Organisations, which would encourage industrialists to organise training programmes in their establishments and to make greater use of the facilities offered by the Central Institute to train instructors required for such a programme. We consider this absolutely necessary as not only should industry be closely associated with training programmes of the Government but it should actively participate in such programmes. If industry is to participate more and more in the general programme of training, conditions should be created whereby it would be possible for industry to conform to agreed syllabi and their scope and to the methods of training regarded as appropriate.

472. We attach a great deal of importance to the training of instructors as we believe that the efficacy of training provided, whether in Government training centres or private institutions or in industrial undertakings, would depend to a large extent on the ability of instructors or supervisors to impart instruction or to supervise the work of others and to correct their technical errors. Expert knowledge is of little value if one does not know how to impart it to others. In our opinion, the training of instructors is the pivot around which the entire programme of training in the country should revolve. We, therefore, recommend that the Central Institute should be placed on a permanent footing and that it should continue to remain the direct responsibility of the Government of India. Centrally controlled, the Institute can serve as an important unifying force in that it can help to promote uniform standards of craftsmanship. It can also serve as an important medium through which the Central Government can bring its influence to bear on the training of craftsmen throughout the country.

473. The Central Institute at Koni-Bilaspur has, no doubt, served a useful purpose. There is, however, ample room for improvement as would be evident from the report of Mr. H. C. Lane, Vocational Training Expert, I.L.O., Asian Manpower Field Office, Bangalore, who carried out a survey of the Institute in November, 1952 at the request of the Government. Mr. Lane's report not only throws light on the present conditions in the Institute, its deficiencies and its shortcomings, but it suggests some lines for future development as well as measures that might be adopted to improve operational efficiency and to raise the standard of training. The report will no doubt prove useful to the Government in determining the present and future needs of the Institute.

474. Amongst other present needs of the Institute, Mr. Lane has pointed out the need for replacement of equipment with a view that it might be brought up to occupational standards. He has also stressed the necessity for ensuring that qualified masters are selected for appointment at the Institute. Adequate equipment and suitably qualified staff are two of the fundamental needs of any training institute. We recommend that early steps should be taken to provide the Institute with more up-to-date equipment, particularly as we feel that the scope of the Institute should be enlarged in the field of basic training as well as in that of instructors' training.

475. As regards the present buildings, Mr. Lane has observed in his report that the buildings, both workshop and residential, are in a constant state of repairs due to light foundations and the type of soil on which the foundations were laid; also that the location of the

Centre being in a non-industrialised area it is not conducive to occupational environment. *We agree with Mr. Lane's view and recommend that the Institute should be shifted to some suitable place of industrial importance centrally located so as to be accessible to candidates from all parts of the country.*

476. *Regarding the scope of the Institute, we endorse the recommendation of Mr. Lane that the Institute should organise a full-fledged programme of training for supervisory workers and foremen. We understand that a start had been made to develop this course but due to a lack of adequately trained instructors, development has been retarded. Supervisors occupy an important place in industry inasmuch as they are, on the one hand, responsible to the management for ensuring proper organisation of work and, on the other, for supervising the work of and training those placed under their charge. The organisation of appropriate training for this category of workers is therefore of vital importance. Among other methods of training supervisors that may be adopted, the use of the T.W.I. Jobs Instructions Programme may be considered.*

477. *In addition to programmes for supervisory workers and foremen, we recommend that the Institute should also provide training for the Higher National Trades Certificate when such Certificate is established. As for the facilities for the training of instructors, these are at present limited to 11 technical and 4 vocational trades. We consider it necessary that the available facilities for training of instructors should be expanded to cover a much wider field than that covered at present.*

General

478. *Amongst other functions assigned to the proposed National Trades Certification Board, the Board will prescribe syllabi for courses of training, determine or approve the standard required for a pass in the examinations leading to the award of the National Trades Certificate, advise the Government regarding the need for setting up additional training institutions and will prescribe qualifications for crafts teachers. As the Board will obviously be in a better position to draw up a detailed programme of craftsmen's and instructors' training, we have not attempted to go into the details, such as content of training, trades in which training should be imparted, etc. We understand that the Ministry of Labour has already asked for the services of a foreign expert to assist in reorganising the Central Institute for Instructors and the existing training centres. This officer's services should be obtained with the minimum delay and he should prepare complete plans and estimates in consultation with the Central and State Governments.*

479. The Plan that we have suggested for the future development of training lays stress on improvement in quality rather than in quantity. Some of our suggestions can be put into operation immediately without much additional expenditure, while others will entail considerable financial outlay. The improvement of training facilities is a vital present-day problem which has an important bearing on the economic and social life of the country. The problem calls for vigorous action on the part of the Government as well as industry.

CHAPTER V

FUTURE ADMINISTRATIVE ORGANISATION

Central and State Governments' responsibility for Training

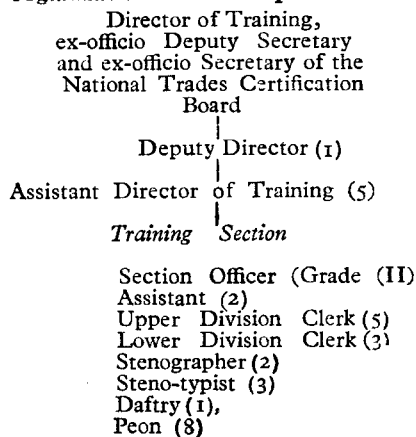
480. We have recommended in the preceding Chapter that the training facilities now provided in the centres run by the D.G.R. & E. should be integrated with similar facilities provided by State Governments and that the administrative responsibility for the whole scheme should be transferred to State Governments. We have also recommended that the Central Government should continue to bear part of the cost of the integrated scheme even after the transfer. Apart from rendering financial aid to States, the Central Government should, as its specific responsibility, develop a unified policy covering the whole field of craftsmen's training and co-ordinate all the various training schemes organised by State Governments and those organised by private institutions and industry. Another related responsibility of the Central Government should be to take positive steps to promote the development of training to such an extent and in such a manner as to meet requirements. In regard to the training of instructors, which is at present provided at the Central Training Institute, we have recommended that that should remain the responsibility of the Central Government which should continue to control and administer the Central Institute. The suggested re-allocation of responsibilities between the Central and State Governments will necessitate a substantial modification of the present administrative structure, both at the Central and State levels. Our recommendations in this regard are given below.

481. *Administrative Organisation at the Centre.*—The Central agency responsible at present for the control and supervision of the training centres in the States is the Directorate of Training at the headquarters of the Directorate-General of Resettlement and Employment. We have already described in Chapter III the present set-up of the Directorate of Training. All the various responsibilities of the Central Government outlined in the preceding section will naturally fall to the Directorate of Training which will function as a unit by itself, unrelated administratively to the Department of National Employment Service. *As in the case of the Directorate of Employment Exchanges, we recommend that the Directorate of Training should be transformed into a separate Department under the Ministry of Labour, with the status of an Attached Office. The Department, which may be designated as the Department of Training, should be headed by a Director of Training who should be responsible to the Secretary in the Ministry of Labour and through him to the Minister for Labour. Since the Director, in the discharge of his duties, will have to come into contact with the heads of various industrial organisations and State authorities, we recommend that,*

like the Director of National Employment Service, he should be accorded the ex-officio status of a Deputy Secretary.

482. We have referred in the preceding Chapter to the Government's plan for the setting up of a National Trades Certification Board and have defined what in our opinion should be the relationship between the Department of Training and the proposed Board. In accordance with the plan we have suggested, craftsmen's training in technical and vocational trades of national importance will be co-ordinated by the Central Government through the proposed National Board. The Board will also be called upon to advise the Department of Training in the formulation of policy. The share of the Central Government towards the expenditure on training centres will be made over to the Board for distribution to the States, with such directions as the Central Government may, from time to time, give. The Minister for Labour or the Deputy Minister will be the Chairman of the Board and the Director of Training will be its Secretary. The Department of Training will function also as the Secretariat of the Board and the Director of Training with an adequate number of Deputy and Assistant Directors will constitute the Inspectorate of the Board. In determining the staff of the Department account will therefore, have to be taken of the requirements of the Board by way of staff. *While the functions of the proposed Board could be generally defined, it is not possible at this stage to indicate with any degree of precision the office staff which would be required by the Board to carry out its functions effectively. Very much will depend upon the decisions which the Board might take in regard to the manner in which it would proceed to perform its tasks. We, therefore, suggest that a start may be made with the following staff for the Department of Training:*

Proposed Organisation of the Department of Training



Note : The proposed staff strength of the Central Headquarters as shown in Part I Chapter X, includes also the staff proposed for the Department of Training.

The staffing requirements of the Department may be reviewed later in the light of actual needs.

483. *As in the case of the gazetted staff of the proposed Department of National Employment Service and for reasons adduced in Part I, Chapter X, we recommend the revision of pay scales of the gazetted staff of the Department of Training as follows:—*

Designation of the post.	Present scale of pay.	Proposed scale of pay.
Director of Training	Rs. 1560-60-1920	Rs. 1600-100-1800
Deputy Director of Training	Rs. 1000-50-1350	Rs. 1000-50- 1400
Asstt. Director of Training	Rs. 600-25-800-40-1000.	Rs. 600-40-1000-1000-1050-1050-1100-1100-1150.

484. *State Administrative Organisation.—At the State level, a number of States already have the necessary administrative organisations for the administration of their training programmes so that they can, for purposes of administration, straightaway place the present D.G.R. & E. training centres, on transference to State control, under those organisations. States which do not already have an administrative machinery for the purpose will have to make some suitable arrangements of their own. As a consequence, the Offices of the Assistant Director of Training at present functioning under the overall control of the Regional Directors will become unnecessary and will have to be abolished. Likewise, it will not be necessary to maintain a separate organisation for the supply of stores to the training centres, as they will also draw their requirements from the sources from which the State training centres draw theirs. Thus, the Office of the Deputy Director of Training (Supplies), Dighaghat, Patna, along with the Tool Depot attached to it, will also become unnecessary and will have to be abolished. The abolition of all these Offices will render the present staff surplus. We recommend very strongly that all State Governments should, as far as possible, recruit their immediate and future requirements from amongst the retrenched staff of these offices.*

485. *The proposed abolition of the Offices of Assistant Directors of Training and the Office of the Deputy Director of Training (Supplies), Dighaghat, Patna (including the Tool Depot), will result in a saving of Rs. 8,54,500 to the Central Government.*

486. *As regards the co-ordination of training activities within the State, some of the States have State Councils or Boards or other similar agencies to co-ordinate all the different activities in the field of technical education. As for the rest, we have suggested that they might set up their own Boards as counterparts of the Central Board. States which find it difficult to set up their own Boards*

should constitute, where possible, *ad hoc* Local Committees in consultation with the Central Board. With the object that the activities of the various State agencies be co-ordinated so as to bring about uniformity and standardisation on an all-India basis, we have recommended that, as suggested by the National Trades Certification Investigation Committee, the State Boards and the Local Committees should be affiliated to the Central Board.

The bulk of the detailed work of the Committee fell on Shri F. M. Nathaniel, the Secretary. To arrive at appropriate conclusions, we, on many occasions, had to call for information which was not readily available, but which Shri Nathaniel had to collect, often involving great effort. His long experience in the Organisation was of the greatest use to us. We acknowledge the valuable services rendered to the Committee by Shri Nathaniel and wish to bring this to the notice of Government.

B. SHIVA RAO (Chairman)
 HARIRAJ SWARUP [My signatures are
 subject to the views expressed in a
 separate note attached herewith]
 RATAN LAL MALVIYA
 V. K. R. MENON
 C. S. MENON
 G. K. CHANDIRAMANI
 R. K. RANGAN
 O. N. MISRA

F. M. NATHANIEL (Secretary).
The 28th April, 1954.

As Chairman, I must express my deep gratitude to Shri V. K. R. Menon one of the members of the Committee. A prolonged illness prevented me from taking an active part in the later stages of the Committee's enquiry and its subsequent deliberations. The burden of conducting the proceedings I was compelled to throw on Shri Menon whom I nominated Vice-Chairman in my absence. He discharged that responsibility with conspicuous ability and efficiency.

B. SHIVA RAO (Chairman)

NOTE BY SHRI HARI RAJ SWARUP

In signing this Report, I am sorry, I have to differ from my colleagues on the important question of transfer of administrative responsibility of Employment Exchanges from the Centre to the States. As, however, in my opinion this question involves the important principle of transfer of actual administration of a big Department which has been continuously administered by

the Centre for the last over 12 years, I thought it right to accord my dissent note and put down my views on it so that it may not be taken as closed and may be considered by the Government carefully in its various aspects.

The proposed decision to transfer the administrative control of the Organisation to the States is not a happy one. The main argument advanced in favour of transfer, *viz.*, lack of co-operation from States, is one-sided which ignores the aspect of co-operation from the Centre. The fact that there have been lapses in the administration of the Employment Exchange Department should not be connected with the agency of the administration. It is mainly due to the uncertainties created by the temporary nature of the Department and the threat of closure is always standing like Damocles sword. I can dare say that with this constant handicap the achievements have been good and the continuance of control of the Centre will give much better results than its transference to the States, once the Department has been made permanent. The employment policy and recruitment rules varying from State to State will hamper Industry and Centre will prove only too weak to remedy the evil as in the case of Sales Tax.

Transfer may result in lack of co-operation from Central Government Ministries in respect of their vacancies

By transferring the administration same prejudices and factors, if any, that retarded co-operation from States will arise in the way of Central Government Departments. The argument cuts both ways.

While in general we may say that co-operation from States has been found to be wanting, we also find that it has been satisfactory or rather spectacular in a few States. For example, U.P. came forward with its own palatial buildings and with District Employment Exchanges financed entirely by them. Moreover, if many States have been apathetic, certain Central Government Departments too were not wholly co-operative. Examples of Railway Board and quasi-Government bodies are before us. Therefore, lack of co-operation from States or Centre cannot be wholly due to as to who administers the Exchanges. As we have said earlier in the Report, full measures in the right direction to make the Organisation really effective and useful should be taken to ensure overall co-operation.

Unless the control is retained at the Centre the continuity of the Organisation throughout the country on a national basis cannot be ensured. States may agree to run the Exchanges today with the present financial contribution of the Centre, but they may change at a later date for so many reasons—a plea of financial deficit may be one. Change in the party in power may be another. The Centre

would not in that event be in a position to force its decision on the defaulting State. In that case the position of the India Government would be rather awkward in view of its international ratification of the I.L.O. Convention.

Transfer may put an end to the Homogeneous Machinery

During more than 12 years of its existence one great thing has been achieved. This consists of uniformity of pay scales and qualifications etc., applicable to officers throughout India. If the States are given a free hand in the matter, we are bound to face the problem of varying emoluments for exactly similar work. The consequent heart burning amongst officers will further demoralise them. If at a later stage we introduce Unemployment Insurance, we may even find it difficult to hand it over to this machinery differing from State to State.

I.L.O.

It will not be correct to say that the Committee's recommendations of transfer of administration to the States under Central supervision would be in accordance with the I.L.O. Convention. The Central supervision is not likely to be so effective as to lead us to conclude that we have established an 'Employment Service under the Central direction'. When the I.L.O. speaks of an Employment Service under direction of national authority it does not mean to say that the Service should be administered by different States. What will happen if any State refuses to have any Employment Service, whatsoever. From the recent episode of Punjab we should be prepared for such a contingency.

The large amount of functions proposed by the Committee to be still discharged by the Central Government cannot be exercised effectively when the actual administration has been passed on to the States. In my opinion the future set up as proposed will make the position much worse than at present. In all countries of the world Employment Exchanges are controlled centrally. Even in America, where residuary powers vest in the States, it was found necessary during the War to centralise the Organisation in order to have a uniform policy. India's Constitution is basically central. All residuary powers under the Constitution vest in the Centre. It parts with powers, as it deems fit, to States.

Uniform Employment Policy

States cannot keep uniform employment policy. Control by States will hit the employers directly, because each State will have its own employment policy and the employers in some States may be put to disadvantage as compared to their competitors in other

States. In this connection it may be stated that in a resolution of the Associated Chamber of Commerce, Calcutta, employers in West Bengal threatened to transfer their industries to different States because of the indolent labour policy of the West Bengal Government which was detrimental to the interests of industries. State control of Employment Service will affect employers as the party in power will make employment in the industry subservient to its own interests and will affect planned development and economic interest of employers. It is in the interest of industrial development of the country that the Employment Exchange Service should remain centrally controlled so that it remains above party politics and renders a truly national service for development of industries and in turn contribute towards welfare of the nation. Extent of State control will differ in different States. This will affect the cost of production in States—differently to the prejudice and disadvantage of various industries. The Employers' Organisations would naturally insist upon a policy of uniform employment so that the industries can be kept alive and does not become a tool for power politics of parties and various States.

In order to enforce a uniform industrial policy in the country recently legislation has been passed whereby administrative control on all major industries in the country has been placed in the hands of the Central Government. Policy on employment has a very great bearing on success or otherwise of the industries and so to transfer administration of Employment Service to States will be a retrograde move and will be a stumbling block in the way of industrial progress.

In all countries revolutions were caused by dissatisfied men. Unemployed are very explosive material subject to exploitation by vested interest of political parties.

In India the total manpower planning is to be done on a Central basis if it is intended to implement the recommendations of the Planning Commission in regard to the Five Year Plan.

Centre Shares Major Cost

Although Centre shares 60 per cent. of the cost of the Scheme, it will have no say in matters concerning administrative control of Exchanges. Such a thing would be unheard of in business. The Central Government should be given its rightful place.

Other Considerations

Centrally controlled Employment Service can be most useful in helping the geographical mobility of labour from surplus area to deficit area on a national basis.

A centrally managed Employment Service can render more useful occupational counselling and employment advice than a Service managed differently by different States.

A unified Social Security Programme can best be implemented through a National Employment Service.

The Employment Exchange should be a Central subject as unemployed persons are mobile and can move from State to State. Thus, Employment Exchanges deal with inter-State matters and can naturally, therefore, be not subjects for State control. They should be centrally controlled because they deal with inter-State equalisation of manpower.

Scope for Substantial Economy by amalgamation of other Social Security Schemes

It is doubtful if the States would be able to reduce cost on the Organisation to any appreciable extent. We are passing on the baby with all sorts of hopes without definite indications how it can be maintained at less cost. We are unable to see that substantial economies can be effected if we muster up necessary courage and imagination. What is the objection of Schemes of Health Insurance, Provident Fund etc., if they are all amalgamated and run under one Directorate-General instead of so many Directorates-General. Our Prime Minister once said "Everybody is Director-General in Delhi". It is indeed a great waste of public money to set up a separate Organisation every time a social security measure is brought about and is bound to crush the industries with increased cost of production. I feel all the more sad when I find that all these Schemes were initiated by the Ministry of Labour who could not put them under one Directorate-General.

TRAINING

The problem of technical training for a vast country like India, where the question of unemployment is looming large, assumes a special importance. Opportunities existing at present are extremely inadequate. In view of the limited financial resources of the State Governments the responsibility for technical training should be directly assumed by the Central Government, specially as the emphasis of the next Five Year Plan is going to be on industrial expansion and the question of finding necessary technical personnel will assume greater importance.

The Central Government have found it necessary even in case of higher technical institutions to have certain institutions, e.g., Kharagpur and Bangalore etc., under their direct administration, if

not for anything else, at least to serve as models to other institutions. The Central Government, therefore, should continue to run the present centres and even expand them by providing better equipment etc., not throwing any more burden on the States. Duplication can easily be avoided. Institutions run by the Central Government should provide facilities also for Higher National Certificates of the proposed National Certification Board.

Arrangements for practical training for persons coming out of these institutions are unsatisfactory and inadequate. I think that the Government should further discuss this question with representatives of Industry in order to formulate a Scheme for compulsory practical training of trainees coming out of such institutions. I am opposed to the levy of any cess on Industry for this purpose. It should be possible to devise a Scheme after discussion which should be able to pay its own way.

In the end I want to express my very great regret that owing to my illness I could not go to Bombay and Madras and Calcutta with the Committee and had also to miss the final discussions on the question of technical training and I tender my apologies for it.

(Sd.) HARI RAJ SWARUP.

SUMMARY OF RECOMMENDATIONS*

PART I

CHAPTER V—NEED FOR AN EMPLOYMENT SERVICE

1. The Employment Exchange Organisation should be placed on a permanent footing without further delay. [104]

2. Employment Exchanges should, for the present, be confined to places where the employment market is wide-spread and complex; they are not necessary in places which are self-sufficient and compact so that it is easy for employers and workers to come into direct contact with each other. Additional Employment Exchanges should be set up only when the need for such is fully established. [105]

CHAPTER VI—ADMINISTRATION AND FINANCING OF THE EMPLOYMENT SERVICE ORGANISATION

3. With the object that the Employment Exchange Organisation might continue to function as a nation-wide system and at the same time be integrated with the plans and programmes of the States, day-to-day administration of the Exchanges should be handed over to the States, the Central Government being responsible for laying down policy and standards and for co-ordination and supervision of the work of the Employment Exchanges. [111]

4. For the present, the subsidy to be paid to a State Government should be restricted to 60 per cent. of the expenditure on the Regional Headquarters and Employment Exchanges in the States, subject to a maximum of the amount provided for in the budget for 1953-54 or the actual expenditure incurred during 1952-53, whichever may be of greater advantage to the State Government concerned. Within this amount State Governments should be free to re-organise their respective Employment Service Organisations, except that the closing down of the Exchanges not considered necessary and the opening of new Exchanges, where the need exists, would require the prior approval of the Central Government. The Central Government should share 60 per cent. of the cost of those District Employment Exchanges also which in some States are at present financed entirely by the State Government concerned. [112]

5. The Central Government should continue to bear the entire cost of the Central Headquarters, while State Governments should provide at their cost, the necessary accommodation for the Employment Exchanges. [113]

*The reference to paragraphs of the Report is given in respect of each main recommendation.

6. The expenditure of the Central Government on the Employment Exchange Organisation should not on the whole be reduced from the present level. Any amount left over after meeting the Central Government's share should be made available for improving the efficiency of the Organisation on the lines recommended in the Report. Similarly, State Governments also should continue to spend not less than what they are doing now. Sooner or later, the coverage of the Exchanges will have to be made more comprehensive and additional funds may be necessary. This additional expenditure should also be shared between the Centre and the States in the same proportion.

[114]

7. As its specific responsibilities, the Central Government should:
- (i) establish national policies, standards and programmes to be followed by all Employment Exchanges throughout the country and prescribe the necessary procedure for the purpose;
 - (ii) carry out periodical inspections of Employment Exchanges with a view to evaluating operating practices and procedures, organisational structure, supervisory methods and the effectiveness of the various programmes as also to check whether the expenditure incurred conforms to the purpose for which it was allotted, and recommend action which should be taken to further improve the working of the Exchanges;
 - (iii) review State plans and budget proposals both from the standpoint of the cost and of the effectiveness of the service to be provided;
 - (iv) organise and provide leadership and guidance in the following programmes:
 - (a) Counselling and Testing;
 - (b) Occupational Analysis and Research;
 - (v) make adequate arrangements for the training of staff in Employment Exchange policies and procedures;
 - (vi) collect information concerning employment and unemployment and prescribe uniform reporting procedures;
 - (vii) provide a machinery for adjusting surpluses and shortages of workers in the different States;
 - (viii) develop working relationship with major industrial and business concerns of national significance, size, and inter-State importance, and with national Employers'

Organisations and Trade Unions, to promote and interpret the Employment Exchange programmes, policies and services; and

- (ix) arrange for co-ordination and consultation between all Central Ministries whose activities affect the employment situation in the country. [116].

8. As their specific responsibilities, State Governments should:

- (i) be responsible for the administration of the Employment Exchanges within the jurisdiction of the State;
- (ii) submit annual plans setting forth the organisation of Employment Services in the States, showing location of offices, their boundaries, charts of organisation and staffing of each office and definition of the location of administrative authority and responsibility;
- (iii) carry out regular inspections of the Employment Exchanges with a view to assessing the effectiveness of their work and take appropriate action to bring about necessary improvements;
- (iv) analyse information submitted by the Employment Exchanges concerning employment and unemployment trends in the State;
- (v) set up a counterpart of the Central machinery for adjusting surpluses and shortages of workers within the States; and
- (vi) arrange for co-ordination and consultation between all State Government Departments whose activities affect the employment situation in the State. [117]

CHAPTER VII—SCOPE OF THE EMPLOYMENT EXCHANGES

Registration of Applicants

9. Employment Exchanges should render assistance to all employment-seekers who seek their assistance. They should stay away from traditional assembly points, worksites or other places where workers assemble on their own and where they (Employment Exchanges) can make no positive contribution towards the employment process. [119].

10. While employment assistance should not be refused to unskilled labour who seek such assistance, the normal registration procedure should not apply in their case. [119]

11. Employment Exchanges should not register applicants for jobs for which they do not possess the prescribed qualifications or satisfy

conditions laid down by the respective State Governments from time to time. [120].

Registration of Vacancies notified by Employers

12. *Vacancies offering sub-standard wages.*—In cases where the wages or salary offered is so unreasonably low that the time of the Exchange is likely to be wasted in trying to get the man required, the Exchange should explain the position to the employer and not accept such vacancies. In regard to employment in respect of which minimum wages have been fixed under the Minimum Wages Act, 1948, the Exchanges should not accept vacancies which violate the provisions of the Act. [124].

13. *Vacancies involving discrimination.*—When private employers desire preferential treatment to be accorded to a group or groups of applicants on grounds other than their suitability for the job concerned, the Employment Exchanges should bring to the notice of employers if they have more suitable candidates on the Register, judged solely by their qualifications and experience. If the employers persist, they should be persuaded to restrict preferential treatment to only a certain percentage of the vacancies. [126].

CHAPTER VIII—FUNCTIONS, PROGRAMME AND PROCEDURE

Organisation of Placement Work

14. *Reception of applicants.*—Employment Exchanges should make adequate seating arrangements for callers and for the prompt handling of their requests. [129].

Registration and Interview of Applicants

15. *Verification of character and antecedents of applicants.*—Verification of character and antecedents of applicants should be the responsibility in the main of the employers themselves. Employment Exchanges should not let their selection of applicants be influenced mainly by the opinion regarding their character expressed by their previous employers. As regards antecedents, situations can arise sometimes when it might be in the interest of the applicants themselves to have their antecedents verified. In such a case, there can be no objection to the Employment Exchanges verifying, at the request of the applicant, his antecedents through authoritative sources. Similarly, when an employer selects an applicant subject to the verification of antecedents, Employment Exchanges may, at the request of the employer, make such verification. [134].

Selection and Submission of Applicants

16. *Referral Policy*.—Even in the case of employed persons, the basic referral policy, *viz.*, that the best qualified applicant should be submitted, should apply. As between an unemployed person and an employed person, selection should not be based merely on the possession of minimum qualifications prescribed by the employer but on the relative suitability of the applicants for the job concerned. However, as between an unemployed and an employed person who are equally qualified, preference should be accorded to the one who is unemployed. [139].

17. The present practice by which Government employers request nomination of particular individuals is likely to lead to abuse and should be stopped. [140].

Procedure recommended for adoption by the Exchanges in respect of Unskilled Workers

18. Completion of Index Cards is not necessary in the case of unskilled workers. Vacancies for unskilled workers should not be formally registered, nor should any formal submission be made against them. It should suffice if such vacancies are brought to the notice of employment-seekers by announcements or other means. Thereafter, applicants should approach the employer direct. No statistics should be maintained of those who assemble at the Exchange each day, nor of the number of vacancies involved in the announcements. [143-144].

19. State Governments may, however, consider it necessary that Employment Exchanges should participate more actively in some special cases of large-scale recruitment of unskilled workers so as to eliminate exploitation of such workers by intermediary agencies. Employment Exchanges should, in such situations, undertake to help in the recruitment. Even in these cases it is not necessary for the Exchanges to complete Index Cards. Statistics relating to such recruitment of unskilled workers should be kept separate from other statistics. [145].

20. State Governments should draw up in consultation with the Central Government lists of categories of workers who are to be treated as unskilled for the purpose of the above recommendations. In doing so, the "Guide to Occupational Classification" prepared by the D.G.R.&E. should be made use of. [146].

21. The procedure recommended in respect of unskilled workers should not be applied to the posts of peons and allied categories. Such vacancies should be dealt with in the normal manner but only

those who possess the minimum educational qualification prescribed by the Central and the respective State Government should be eligible for formal registration and submission. Where, however, an employer expresses preference for an illiterate person or a person possessing a qualification lower than that prescribed by the Central and the State Government, his demand should be treated as that for an unskilled worker and dealt with as such. [147].

Vacancy and Labour Clearing

22. More comprehensive information should be furnished to the Exchanges regarding the terms and conditions attached to the vacancies to be circulated. [151].

23. The work at present handled by the Regional Employment Co-ordination Offices located at the Regional Employment Exchanges should be transferred to the State Headquarters. [152].

Use of Occupational and Aptitude Tests at the Employment Exchanges

24. The Employment Service should develop standardised aptitude tests and trade tests to assess wherever necessary the aptitude and/or proficiency of applicants desiring training or employment in skilled trades. For an accurate appraisal of an applicant's skill it will sometimes be necessary to test the applicant actually on the job. This will not always be possible at the Exchanges themselves; it will, therefore, be necessary to seek the co-operation of industry in the trade-testing of applicants. [156-157].

25. Suitable tests should be developed in respect of the general clerical categories denoted by the Trade Index Numbers N.II.14 and No.II.15, specifically in regard to fresh entrants to the employment market. The proposed test might be conducted periodically, in close collaboration with Service Commissions, educational institutions and the Employment Exchange Organisation, by an independent agency which State Governments might set up for the purpose. The tests should be of a qualifying nature to assess the candidates' suitability not for specific job or jobs but for the occupation in general, thus obviating the need for frequent tests. Panels might be drawn up on the basis of results of such tests against the likely requirements, for a particular period, of Government, local authorities and private employers and submissions might be made from the panel. Any secretariat assistance that may be necessary for the independent authority to conduct the tests can be provided by the Employment Exchanges. [160].

26. Service Commissions need not be saddled with the duty of conducting examinations for recruitment to clerical and allied grades. [161].

27. Till such time as suitable tests are developed and organised, submissions from equally qualified applicants belonging to the clerical category should be based on marks obtained at the High School/ University Examinations. [163].

28. To assess comparative suitability, tests of a simple nature might be devised for applicants who desire to be recommended for the posts of peons or for allied posts. Until such tests are developed, selections should be based on seniority of registration. [164].

29. The Central Headquarters of the Service should undertake responsibility for the development and the standardisation of tests and for imparting training to Employment Officers in the administration of the tests. [165].

Occupational Research

30. Side by side with the development of trade tests, the Service should undertake, in collaboration with technical experts and representatives of workers, industry and Government, the task of standardising definitions of skills and functions of the different types of tradesmen. [167].

31. The "Guide to Occupational Classification" should eventually be developed into a comprehensive Dictionary which would provide both nomenclature of trades and occupations as well as their definitions. [167].

32. The Central Headquarters should also be responsible for co-ordination of the entire range of occupational research necessary for the standardisation of the definitions of skills and functions of different types of tradesmen. [168].

33. The Central Headquarters should also prepare occupational and staffing patterns found in different industries and collect information regarding jobs or groups of jobs which are related to each other or which require similar skills. [169].

Employment Counselling

34. If the Exchanges are to achieve the overall objective of the Service, a counselling programme is essential. Advice in the choice of a career or an occupation should be made available to all who need such advice. Employment Exchanges should provide special facilities for counselling young men and women straight out from schools or colleges, who have had no previous experience and are not occupationally set in their choice of employment and who represent the largest single addition to the country's manpower every year. [172, 174].

35. The Central Headquarters of the Service, in collaboration with industrial leaders, trade unions and professional societies, should collect and publish for public dissemination information on general employment outlook in specific fields, duties involved, training required, chances of advancement and working conditions. [173].

36. Employment Exchanges should maintain a close liaison and develop co-operative arrangements with schools and colleges and other agencies engaged or interested in vocational guidance. They should assist schools which set up a vocational guidance or counselling programme by making available to them information pertaining to employment opportunities available in the country. Steps should, however, be taken to avoid duplication between the Employment Service and the Schools. It must be clearly recognised that placement is more logically an Employment Service function rather than that of a School or a University. University Employment Bureau should work as an adjunct of the local Employment Exchange rather than as independent employment agency. [175].

Mobile Sections of Employment Exchanges

37. Mobile Sections as a normal feature of Employment Exchange work should be discontinued. If need is felt for some employment service in places which do not justify a full-time office, part-time Employment Exchanges might be set up as an alternative. [183-184].

38. Exchanges, at least the bigger ones, should be supplied with suitable vehicles in order to facilitate maintenance of contacts with employers on a continuous basis. If it is decided to close down Mobile Sections, vehicles should be withdrawn from individual Exchanges after taking into consideration their needs for contact work. Apart from contact work, Exchange vehicles might also be utilised in emergent cases for recruitment drives, though tours in connection with recruitment drives should normally be conducted in public transport. [184].

39. All future replacements of vehicles should be made with due regard to the need for economy in expenditure and the purpose for which the vehicles will be utilised. [185].

Employment Information

40. Employment Exchanges should collect comprehensive information on a continuing basis regarding the supply as well as the current and anticipated demand for labour in all its aspects. [189].

41. Statistics of the unemployed should also give their distribution according to industry, trade, age, sex, qualifications (academic and professional), location and duration of unemployment. Similarly, statistics of registrations should be maintained by trade, age, sex

and qualifications. On the side of demand for labour, the available data should be arranged by industry, trade and region. [189].

42. In order that Government may have reliable and up-to-date statistical information regarding the level of employment in the country, all employers (including Government, semi-Government and private) should, like the Central Government Departments, be required on a compulsory basis to render to the Employment Exchange concerned and to the Central Headquarters of the Service half-yearly returns in a form that might be prescribed for the purpose, showing the total staff strength at the end of the six-monthly period, the number of vacancies (including those in the unskilled categories) that occurred during the period, the manner of their filling and a forecast of likely increase or decrease in the staff during the next six months. As regards the size and type of industrial establishments which should be required to render the proposed Staff strength Return, the ultimate goal should be to cover as many sectors of employment as possible. The size of the Employment Exchange Organisation and its coverage will be a major deciding factor. The proposal may, therefore, be given effect to in several stages, the progress in each stage being decided by the Central Government in consultation with State Governments and the various Employers' and Workers' Organisations. [191].

43. To supplement the information which will be available through the Staff Strength Returns twice during the year, the Employment Exchanges should organise employment information surveys at shorter intervals. Operational details should be worked out by experts. The object of the data collected should be not only to provide information regarding the state of employment but also to make available necessary material for planning. [192].

44. The Employment Service should be the main agency for the collection, compilation and dissemination of all statistics in regard to employment and unemployment, the situation and trend and the requirements of the different occupations and industries in regard to manpower. Full use might, however, be made of the existing statistical agencies for the collection of primary data. In addition to the collection of statistics, the Employment Service should undertake special research into and studies of the employment market and trends in particular industries, occupation and areas. [193].

45. Arrangements should be made to make the information available systematically and promptly to all concerned. It is also necessary to organise the material for use at the national, regional and local levels. Local action and planning being an essential part of any overall programme for promoting fuller employment, the material relating to employment information should also be adapted

to regional and local needs and made available to public authorities and private bodies concerned at all levels. [194].

Relations with Employers and Workers

46. *Relations with Employers and their Organisations.*—Effective steps should be taken to ensure that each Employment Exchange carries out a programme of visits to employers in the Exchange area on a pre-planned and continuous basis. Special staff should be provided for the purpose wherever necessary. The Employment Liaison Officers, who are at present attached to the Regional Directorates, should be posted to the Regional Employment Exchanges. All gazetted officers at the Exchanges and at the Regional Directorates, including the Regional Directors themselves, should participate in the programme of employer relations. The Central Headquarters should also actively participate in the employer relations programme at an all-India level. Apart from providing to the Regions leadership and guidance in the carrying out of the programme, the Central Headquarters should, as its specific responsibility, plan and execute a programme for the development of co-operative relationship with policy-making executives and top-ranking officials of major industrial and business concerns of national significance, size and inter-State importance and with national organisations of employers. • [197-198].

47. *Relations with Workers and their Organisations.*—Central Headquarters should also establish and maintain regular and systematic contacts with national organisations of workers so that all policies regarding Employment Exchange operations might be framed with due regard to their viewpoint also. [199].

48. *Relations with the Public and Public Information.*—The Central Headquarters should arrange to issue a periodical bulletin dealing with all topics of interest relating to the Service. [201].

49. *Relations with Government Departments.*—The Employment Exchange Organisation should also make arrangements for achieving very close liaison with other Government Departments, both Central and State, where their interests impinge on those of the Organisation or *vice versa*, or whose work affects the employment situation. Being the basic source of information regarding employment situation and trends, the Organisation should participate on the highest level with other Government Departments in the initiation and formulation of national and local policies and plans aimed at the attainment of fuller employment. As a means of bringing about collaboration of the Employment Exchange Organisation with other Government Departments, the Organisation should be represented on committees set up to formulate policies likely to affect the employment situation. The Employment Exchange Organisation

should be associated with all planning in economic and social fields.
[202].

50. *Employment Advisory Committees*.—Advisory Committees should be attached to State Headquarters and to major Employment Exchanges, namely, Class I and II (as defined later). [204].

51. Healthy conventions may be established whereby in certain matters the advice of the Committees would be accepted as a matter of course. [205].

Decasualisation Schemes

52. Before deciding on the continuance or abolition of the existing schemes, the whole matter should be reviewed by the State Governments concerned. Introduction of any new scheme should be undertaken only after careful consideration of the various factors referred to in the report. Statistics relating to decasualisation work should be considered separately and not be included in the normal placements of an Exchange. [214]

Training of Employment Exchange Staff

53. Training of staff should continue to form an important part of the overall programme of the Employment Service. All initial training courses for officers should be arranged by the Central Headquarters at suitable Centres. Refresher courses and courses of training for ministerial staff should be arranged for and conducted by Regional Directorates or the Employment Exchanges themselves. The Headquarters might also organise courses with the object of giving specialised training in certain items of Exchange work. In addition, the Central Headquarters might issue periodical notes on staff training matters. [221, 222]

CHAPTER IX—UTILISATION OF EMPLOYMENT EXCHANGE FACILITIES

Compulsory Recruitment through the Employment Exchanges

54. *Government Departments and Local Bodies*.—In so far as the Central Government Departments are concerned, the existing arrangements should continue and the Employment Exchange Organisation should as hitherto perform the role as the main agency for recruitment to Central Government employment, reflecting Central Government policy in the matter of priority for those categories for whom the Central Government has assumed moral responsibility to provide employment. The obligation to recruit through the Employment Exchanges should for the present apply only to clerical and other non-technical categories, excluding the unskilled, and should extend to technical personnel as soon as Employment Exchanges have made arrangements for the trade-testing of applicants. Vacancies for technical personnel should, however, continue to be notified to the Exchanges. As regards vacancies for peons and allied categories,

recruitment to such vacancies should be made through the Exchanges in the same way as in the case of other vacancies, provided minimum educational qualifications have been prescribed for such posts. [256]

55. Recruitment to Class IV vacancies in the Railways also should be brought in line, as far as possible, with that in other Central Government Departments. As regards Defence Services, recruitment should similarly be made, to the extent possible, in collaboration with the Employment Exchanges. [257]

56. Recruitment to State Government vacancies and vacancies under Local Bodies should be made through the Employment Exchanges. The scope of this compulsory measure should be the same as in the case of Central Government vacancies. The obligation to recruit through the Employment Exchanges should apply equally to all State-owned enterprises and to all quasi-Government and Statutory Bodies. [258]

57. Regarding selection for appointment from amongst applicants nominated by the Exchanges, the final say in the matter should rest with the appointing authority and not with the Employment Exchanges, except in the case of submissions from amongst a panel formed on the basis of objective tests or examinations. In the latter case, unless the appointing authority has very strong reasons against it, the selection should be from the panel of names submitted by the Exchanges. The same principle should apply in the case of recruitment to vacancies for peons and allied workers where submissions by Exchanges should be based on the results of tests or on priority of registrations. [259]

58. Except in cases of urgency, employers should allow a reasonable time limit for the Exchanges to make submissions. If the Exchanges fail to recommend candidates within the prescribed time limit, the employer should be free to recruit direct. If the Employment Exchange cannot submit suitable candidates even in a second attempt, the employer may, if he so desires, recruit direct. [260]

59. Employment Exchanges should classify (in collaboration with Ministry of Home Affairs, in the case of Central Government vacancies, and State Governments, in respect of their vacancies) vacancies falling within their purview according to whether they should be filled on a local, regional or on an all-India basis. [261]

60. *Private Industry.*—The working and the results of the recommendation regarding recruitment by Government and semi-Government employers through the Exchanges should be watched for a time before enforcing compulsion on the private sector also. Private employers should, however, be required on a compulsory basis to notify to the Exchanges all vacancies, other than vacancies for unskilled categories, vacancies of very temporary duration and vacancies proposed to be filled through promotion. The obligation to notify

vacancies should apply equally to firms engaged on Government contracts, undertakings in respect of which Government hold part of the stock and establishments which have received aid/subsidy from Government. Until Employment Exchange coverage is made more intensive, it should be optional on the employers located in the areas distant from the Exchanges to notify their vacancies. Such employers should, however, be required to furnish the Staff Strength Return.

[265, 267-268].

61. The Central Government should decide, in consultation with State Governments and the various Employers' and Workers' Organisations, the particular industries and the categories and size of industrial establishments which should be brought under the operation of the suggested measures of compulsion. [269]

62. The suggested measures of compulsion may, if necessary, be embodied in a suitable legislation. [270]

63. Employers should be asked to give a certificate to each retrenched/discharged employee giving his name, designation, record of previous service, efficiency, conduct, etc. [271]

64. As hitherto workers should register with the Exchanges on a purely voluntary basis. [272]

Levy of a fee on employers and/or employment-seekers

65. No fee should be levied on employers or employment-seekers who seek the assistance of the Employment Exchanges. [275]

CHAPTER X—PROPOSED PLAN OF ORGANISATION OF EMPLOYMENT SERVICE UNDER A CENTRAL-STATE SYSTEM

Name of the Organisation

66. The Employment Exchange Organisation, with the Central Headquarters, State Administrative Offices and Employment Exchanges, should constitute a unit by itself and be renamed as the "National Employment Service". [278]

Organisation of the Central Headquarters of the National Employment Service

67. The Directorate of Employment Exchanges, which should perform the role of the Central Headquarters of the National Employment Service, should be re-designated as the Department of National Employment Service. The Department should function as an Attached Office, headed by a Director of National Employment Service, under the Ministry of Labour. [279]

68. The Director should be advised by a Central Employment Advisory Committee, representing employers, labour and other important public interests, in formulating the overall policy and programme of the National Employment Service. [282]

69. The Director should be given the status of ex-officio Deputy Secretary. [282]

70. In addition to dealing with day-to-day administrative matters, the Director should personally—

- (i) maintain and establish contacts and liaison with State Governments; and
- (ii) conduct inspections in regard to important matters requiring subsequent discussions and consultations with State Government authorities. [285, 287]

71. The staff of the Department of National Employment Service should, in addition to the Director, comprise 2 Deputy Directors, 6 Assistant Directors, 1 Statistical Officer, 1 Research Officer, 2 Assistant Statistical Officers, 1 Staff Training Officer, 1 Administrative Officer and 3 Section Officers with the necessary complement of Class III and Class IV staff. [279]

One of the Deputy Directors should function as a general assistant to the Director and the other should deal with occupational analysis and research, counselling and testing and with other cases requiring a degree of research. [285, 286]

72. The responsibility for detailed inspection of Employment Exchanges should be fully delegated to State Directors and the central inspections should be confined to the evaluation of the effectiveness of the various programmes, operating practices and procedures, organisational structure and supervisory methods and to ascertaining whether or not the Services in the States have complied with national policy and standards as also to checking whether the expenditure from Central grants conforms to the purposes for which the grants were allotted. General inspections should be conducted by an Inspectorate consisting of two Assistant Directors. [287]

73. The services of an experienced officer should be obtained through the I.L.O. or the Colombo Plan or other similar agencies to assist the Director in organising programmes of counselling and testing and occupational analysis and research. [288]

74. The Central Employment Co-ordination Office as a self-contained unit should be wound up. [290]

The work in connection with vacancy clearance at an all-India level should be performed by the Staff Training Officer and the Special Register of retrenched Central Government Gazetted Officers should be maintained by the Employment Exchange, Delhi. Other items of work such as, disposal of complaints, etc., should be handled by State Governments. [290]

75. Printing and distribution of forms and stationery should now be undertaken by the States themselves. [292]

76. The pay scales of the staff of the Department should be revised as indicated in the main body of the Report. [295]

77. In order that the Department might be able to perform its role in an effective manner it should be manned by competent and experienced staff drawn, as far as possible, from those in service at present, whether at the Centre or in the Regions. In the selection of staff for the Department greater emphasis should be placed on merit than on seniority, the latter being only a secondary consideration. [296]

78. The mere fact that an officer holds a lien should not justify his reversion, particularly if the drop in emoluments will be considerable. On the other hand, where other factors are equal, the possibility of reverting a person with a lien in preference to discharge of another having no such lien should be considered so that the reorganisation will result in minimum unemployment. [298]

State Administrative Organisation

79. For administrative purposes, the Employment Service in the States should be placed under the Department of Labour or, where a separate Department of Labour does not exist, under the State Government authority responsible for the administration of labour laws. [300]

80. State Governments should establish, under their Departments of Labour, State Directorates of Employment Service placed under the charge of State Directors. In those States, where the size of the Organisation will not justify the setting up of a separate Directorate, the administration should be entrusted on a part-time basis to an officer in the Department responsible for labour matters. [301]

81. As a general principle, the salary scales of State Directors should be brought in line with or fixed on the basis of scales obtaining in the States for other posts of Directors (or equivalent posts) comparable in regard to size, importance and responsibility. The salary scales of State Directors in West Bengal, Bombay, Uttar Pradesh, Bihar, Punjab and Madras (Group I) should be fixed in the States scales of pay approximating as near as possible to the pay scales proposed in respect of the post of Deputy Director of the Central Department of National Employment Service. Similarly, the pay scales of State Directors in Andhra, Madhya Pradesh, Assam, Orissa, Hyderabad, Rajasthan and Travancore-Cochin (Group II) should be fixed in the States scales of pay approximating as near as possible to the pay scale proposed in respect of the post of Assistant Director of the Central Department. As regards the remaining States

where the number of Employment Exchanges will not warrant the appointment of full-time State Directors (Group III), the administration of the Exchanges in such States should be carried on on a part-time basis. Vindhya Pradesh, Bilaspur, Manipur, Tripura and Kutch, which do not at present have any Employment Exchange, should set up according to their needs one or more Employment Exchanges of suitable size. To begin with, it would be adequate if these States were to organise their administrative machinery on the same pattern as States falling in Group III. [302, 303]

It is recognised that if the size of the Service in the States is varied after reorganisation, regrouping of States might also become necessary. [304]

82. The posts of Deputy Directors in West Bengal, U.P., Bombay and Madras should be abolished. [306]

83. Each State included in Groups I and II should have an Employment Liaison Officer. [306]

84. The pay scales of gazetted staff at the Regional Directorates, who at present draw Central rates of pay, should be brought in line with those prevalent in the States for posts carrying like responsibilities. In cases where, according to the State rates of pay, a person receives a salary lower than his present salary, protection should be given against any loss in present emoluments, provided the person concerned has held his present post for a minimum period of three years. The services of staff under the Central and State Governments should be deemed to be continuous for all purposes. [308]

85. All new or vacant posts of State Directors should be filled either from amongst the Deputy Directors or Assistant Directors depending upon the status of the post. The recommendation regarding the absorption of Deputy Directors and Assistant Directors in equivalent posts of State Directors should govern recruitment against all posts that might be rendered vacant or created as a result of transference of administration of Employment Exchanges to the States. In the initial constitution of the State cadre, the views of the Central Government should be given full weight and the selection should be made in close association with the Centre. [309]

Organisation of Employment Exchanges

86. *Location of Employment Exchanges in States.*—The present location of Employment Exchanges should be reviewed in the light of principles enunciated in the Report and necessary changes brought about. [314, 315]

87. *Classification of Employment Exchanges.*—All Employment Exchanges should in future be classified into five classes. The classification should be determined on considerations, such as the importance of the towns, the size of the population, the characteristics of local industries and, above all, the volume and nature of placement work. The classification on the basis suggested should be undertaken by State Governments in collaboration with the Central Government. [316]

83. Class V Exchanges should be placed under the charge of part-time Employment Officers with clerical assistance. The part-time Employment Officer may be an appropriate officer of the State Department of Labour or any other officer on the District staff considered suitable. Class V Employment Exchanges, which are located in the capital towns of the States, should be made part of the State Directorate concerned. The Sub-Offices located at Gauhati and Dibrugarh in Assam, at Kumardhubi and Sindri in Bihar, at Choudwar in Orissa, at Pathankot in Punjab and at Ghaziabad, Hathras and Mainpuri in U.P. should be classified as Class V Employment Exchanges. The remaining Sub-Offices may continue to function on the present basis. [317, 318]

89. *Employment Officers and other Staff at the Exchanges.*—Employment Officers should be classified into four grades. [320]

90. The Department of National Employment Service should, on the basis of objective studies, develop standards to help State Governments to assess the staff strength of individual offices in relation to the actual work performed. [321]

91. In the matter of distribution of staff between the various offices in a State, the State Government should have the authority, without the approval of the Central Government, to expand or contract the staff of individual offices as conditions demand, so long as it keeps within the State's total for personnel services. Appointment of purely temporary additional staff will be governed by the existing rules on the subject. [322]

92. The pay scales of Employment Officers and the other staff which at present draw Central scales of pay may be brought in line with the pay scales prevalent in the States for posts carrying like responsibilities. Employment Exchange staff, both gazetted and non-gazetted, should also be given protection against loss in present emoluments in the same way as in the case of staff of the State Directorates. [323]

PART II

CHAPTER IV—TRAINING OF CRAFTSMEN AND INSTRUCTORS
—A PLAN FOR THE FUTURE.**Training of Craftsmen**

93. *Government's responsibility for the training of Craftsmen.*—While much of the initiative for the training of its workers should rest with industry, Government should, under existing conditions in the country, continue to provide adequate training facilities.

[441]

94. The training facilities now provided in the centres run by the D.G.R. & E. should be integrated with similar facilities provided by State Governments, the administrative responsibility for the D.G.R. & E. Scheme being also transferred to State Governments. In respect of the latter, the whole expenditure, excluding the cost of the Central Headquarters (to be borne fully by the Centre), should be shared between the Central and State Governments in the ratio of 60 : 40.

[442]

95. Neither the Central nor the State Governments should decrease their respective current level of expenditure on technical training as a whole. This can be assured by providing that where a State Government fulfils this condition, that is, spends not less than what it does now—and this will be the sum total of expenditure incurred on the State Government's own schemes plus the contribution now made by the State to the Central Schemes—the Central Government must agree to paying to the State an amount equal to the net amount now spent on the D.G.R. & E. training schemes in that State. This net amount will be arrived at by deducting from the gross expenditure, the amount recovered from the State, as also the expenditure now incurred by the Central Government on the administrative staff maintained at the Regional Directorates in connection with training. There should of course be an explicit condition that the total expenditure should not be less than the two sums together, that is the amount which the State Government should spend plus the amount made available by the Centre. As regards the basic figures which should be taken for purposes of calculations on the lines indicated above, the base should be either the budget figures of 1953-54, or actuals of 1952-53 whichever may be of greater advantage to the State Governments concerned.

[444-445]

96. In cases where State Governments spend amounts smaller than at present, the Centre's contribution should be reduced proportionately.

[446]

97. The savings, accruing as a result of abolition of offices of Assistant Directors of Training and other administrative staff

maintained at the Regional Directorates in connection with training should be made available to the State Governments towards increased expenditure on stipends or any expansion or improvement that may be undertaken. In regard to such new expenditure on expansion or improvements, the Central Government should make a contribution of 60 per cent., the State Governments bearing the remaining 40 per cent. In this respect, preference should, however, be given to expenditure on expansion or improvements proposed by those State Governments whose training schemes have hitherto received relatively less attention. [448]

98. Having regard to the importance of training, substantial expansion and improvements should be made possible in training centres. Such expenditure as may be agreed upon between the Central and State Governments towards expansion in activities relating to training should also be shared by the Central and State Governments in the ratio of 60:40. [449]

99. As regards the training centres operated by the Ministry of Rehabilitation, as these centres are of a temporary duration and for a specific purpose, it is not necessary that these should be incorporated in the integrated scheme. They should, therefore, continue under the Ministry of Rehabilitation. [450]

100. Apart from giving financial assistance to State Governments in the running of their training schemes, it should be the responsibility of the Central Government to lay down the policy for the training of craftsmen, to promote the development of training facilities with due regard to needs and to co-ordinate the overall training programmes throughout the country. Amongst the measures that might be adopted to bring about the necessary co-ordination, the Central Government may—

(i) collect information regarding the requirements of industry for trained workers and the facilities available for the purpose;

(ii) prescribe standards and methods of training; and

(iii) draw up syllabi for training in different trades. [451]

101. The Ministry of Labour should assume the overall responsibility and continue to lay down policy for the craftsmen's training of labour. Within the Ministry of Labour itself, responsibility for the organisation of training should be entrusted to a Department of Training with a Director at the head. [455]

102. *National Trades Certification Board.*—While the proposed National Trades Certification Board should act as an advisory body to the Ministry of Labour in framing the training policy, the co-ordination function of the Central Government, such as prescription of standards and methods of training and the drawing up of the

curricula for training in different trades, may be entrusted to the Board and necessary powers delegated to it to enable it to discharge those functions. In fact, all craftsmen training in technical trades and in vocational trades of national importance throughout the country should be co-ordinated through the National Trades Certification Board. [456]

103. Since the Board would be in the best position to know the training needs and requirements of the various States, the share of the Central Government in the expenditure on training should be made over to the Board for distribution to the States, with such directions as the Central Government may from time to time give. [456]

104. It is neither practicable nor necessary for the Central Board itself to conduct examinations. Examinations should be conducted by State Boards wherever such Boards exist; where such Boards do not exist steps might be taken to establish such Boards. States which find it difficult to set up their own Boards should constitute, wherever possible, *ad hoc* Local Committees in consultation with the Central Board. Such Committees and State Boards should be affiliated to the Central Board and should operate under the latter's direction. [457]

105. The function of inspection on behalf of the Board should be discharged by the Director of Training with an adequate number of Deputy and Assistant Directors. [457]

106. The Minister for Labour or the Deputy Minister should be the Chairman of the Board and the Director of Training its Secretary. [457]

107. *The Organisation of Craftsmen's Training.*—While the greater part of the training might be provided at the training centres, the later part, say six months, if the total course is of two years' duration, should be provided under workshop conditions in factories. Various representatives of industry have stated that they would be prepared to collaborate with Government in providing practical training to the trainees passed out from the training centres. If there is the slightest doubt of voluntary measures succeeding, the Government should not hesitate to bring legislative measures. If legislation is undertaken, it can form part of the apprenticeship legislation referred to below. [458]

108. In addition to short-term in-plant training suggested above, State Governments should take steps for the organisation of full-length apprenticeship programmes. As much of the success of such a programme would necessarily depend on the co-operation of industry, efforts should be made to encourage employers through voluntary methods to take in apprentices. If, however, voluntary

methods do not succeed, the Government may enact necessary legislation. [460]

109. A small cess should be levied on employers and the proceeds of the cess may be utilised towards the supervision of apprenticeship training and towards other connected items of expenditure. Industrial undertakings which are operating their own programmes of apprenticeship training might be allowed a rebate up to level of their expenses subject to prescribed ceiling limits. [461]

110. *Levels of Craftsmen Training.*—The National Trades Certification Investigation Committee has recommended two grades of examinations—the National Trades Certificate and the National Trades Certificate (Higher). In view of the acute shortage of skilled personnel in higher grades and in view also of the lack of training facilities at that level, States should be encouraged to provide training for the Higher National Trades Certificate also. [462]

111. *Selections for Training.*—Selections for admission to the training centres should be based on the result of suitable tests and industry should be closely associated in the selections. [463]

112. Admissions to training centres in technical trades are, at present, supposed to be held after 18 months so that once the session has commenced, those who desire training have to wait for 18 months before they can be considered. Admissions at a time may be restricted to half the number of seats allotted and instead of once in 18 months, they should be held every 9 months. [464]

113. *Stipends.*—Under the integrated scheme proposed above, stipends may be granted to 33½ per cent. of the total number of trainees on the basis of merit and financial conditions of the trainees subject to satisfactory progress during training. Within this overall limitation proportions may be prescribed for different trades, depending on local conditions and requirements. Expenditure on stipends should also be shared by the Central and State Governments in the ratio of 60:40. [465]

114. *Geographical distribution of training facilities and location of Training Centres.*—There is need for reviewing the geographical distribution of training facilities within each State so that, where necessary, training centres or facilities for training in particular trades might be shifted to more suitable places. [467]

115. There is need also for reviewing the position in certain Part 'B' States whose requirements do not appear to have been fully considered in the past. This may be done now independent of any general expansion. [467]

116. As regards the location of training centres, wherever a new centre is established or existing centres are replaced by new buildings, the new centres, where possible, should be located in the vicinity of

some well-established industrial units so as to facilitate the later part of the training being imparted in such running industrial units. [468]

117. The cases of all centres located in private institutions should be reviewed by State Governments and where the working is not satisfactory, alternative arrangements may be made as early as possible. [469]

118. *Requirements in Buildings, Equipment and Instructional Staff.*—State Governments should bear 40 per cent. of the cost of expenditure on new centres and equipment just as in the case of recurring expenditure. It is likely, however, that some States may not be able to meet a share upto 40 per cent. and in that case the Central Government may have to agree to bear a larger share of such cost, each case being decided on its merits. [470]

119. The present pay structure in respect of Instructors should be reviewed and suitably revised so that qualified persons might be attracted to the training institutes. [470]

Training of Instructors

120. The Central Training Institute for Instructors should be placed on a permanent footing and should continue to remain the direct responsibility of the Government of India. [472]

121. Early steps should be taken to provide the Institute with more up-to-date equipment. [474]

122. The Institute should be shifted to some suitable place of industrial importance centrally located so as to be accessible to candidates from all parts of the country. [475]

123. The Institute should organise a full-fledged programme of training for supervisory workers and foremen. Among other methods of training supervisors that may be adopted, the use of the T.W.I. Jobs Instructions Programme may be considered. It should also provide training for the Higher National Trades Certificate when such Certificate is established. The available facilities for training of instructors should be expanded to cover a much wider field than that covered at present. [476-477]

General

124. It is understood that the Ministry of Labour has already asked for the services of a foreign expert to assist in reorganising the Central Institute for Instructors and the existing training centres. This officer's services should be obtained with the minimum delay and he should prepare complete plans and estimates in consultation with the Central and State Governments. [478]

CHAPTER V—FUTURE ADMINISTRATIVE ORGANISATION

125. *Administrative Organisation at the Centre.*—The Directorate of Training should be transformed into a separate Department under the Ministry of Labour, with the status of an Attached Office. The Department, which may be designated as the Department of Training, should be headed by a Director of Training, who should be responsible to the Secretary in the Ministry of Labour and through him to the Minister for Labour. [481]

126. Since the Director, in the discharge of his duties, will have to come into contact with the heads of various industrial organisations and State authorities, he should, like the Director of National Employment Service, be accorded the ex-officio status of a Deputy Secretary. [481]

127. The staff of the Department of Training should, in addition to the Director, comprise 1 Deputy Director, 5 Assistant Directors and 1 Section Officer with a complement of Class III and Class IV staff as indicated in the body of the Report. As it is not possible at this stage to indicate with any degree of precision the office staff which would be required by the Board to carry out its functions effectively, a start may be made with the staff suggested above. The staffing requirements of the Department may be reviewed later in the light of actual needs. [482]

128. The pay scales of the gazetted staff of the Department of Training should be revised as indicated in the body of the Report. [483]

129. *State Administrative Organisation.*—The administration of the present D.G.R. & E. training centres, on transference to State control, should be placed under the existing State administrative organisations responsible for the administration of State training schemes. States which do not already have an administrative machinery for the purpose will have to make some suitable arrangements of their own. As a consequence, the Offices of the Assistant Directors of Training will become unnecessary and will have to be abolished. Likewise, the Office of the Deputy Director of Training (Supplies), along with the Tool Depot, will have to be abolished. [484]

130. State Governments should, as far as possible, recruit their immediate and future requirements from amongst the retrenched staff of the above named Offices. [484]

APPENDIX I

GOVERNMENT OF INDIA

DIRECTORATE-GENERAL OF RESETTLEMENT AND EMPLOYMENT, MINISTRY OF LABOUR

No. RCO-320(2)

New Delhi, the 10th November, 1952.

NOTIFICATION

(Directorate-General of Resettlement and Employment)

No. RCO-320(2).—The Government of India are pleased to set up a committee, constituted as follows, to examine the future of the Organisation of the Directorate-General of Resettlement and Employment, Ministry of Labour.

Chairman

Shri B. Shiva Rao, M.P.

Members

1. Shri Hariraj Swarup, representative of the All-India Organisation of Industrial Employers on the Central Employment Advisory Committee.
2. Shri Ratan Lal Malviya, President, Madhya Pradesh Branch of the I.N.T.U.C., representative of the I.N.T.U.C. on the Central Employment Advisory Committee.
3. Shri V. K. R. Menon, I.C.S., Secretary, Ministry of Labour, representing the Ministry of Labour.
4. Shri C. S. Menon, Joint Secretary, Ministry of Finance, representing the Ministry of Finance.
5. Shri G. K. Chandiramani, Deputy Educational Adviser and Ex-Officio Deputy Secretary, Ministry of Education, representing the Ministry of Education.
6. Shri P. M. Sundaram, Deputy Secretary, Ministry of Home Affairs, representing the Ministry of Home Affairs.
7. Shri O. N. Misra, I.A.S., Labour Commissioner, U.P., Kanpur, representative of the Government of U.P.

Secretary

Shri F. M. Nathaniel, Deputy Director of Employment Exchanges, Directorate-General of Resettlement and Employment, Ministry of Labour.

2. The Terms of Reference of the Committee will be as follows:—

To assess the need for the continuance of the Resettlement and Employment Organisation in the context of the country's economic and social development and to suggest with reference to such need what its future shape should be. In particular—

- (a) to enquire into the whole question of the future of the Resettlement and Employment Organisation and examine whether part of the organisation should be transferred to the State Governments or not; in the latter event, what degree of superintendence and control should be retained by the Central Government;
- (b) to assess the results obtained by the Employment Exchanges and Training Schemes, including the Scheme for the Training of Instructors and Supervisors at the Central Institute, Koni-Bilaspur;
- (c) to consider on what basis the Training Schemes should be continued and whether the present system of granting stipends should be abolished or modified;
- (d) to examine whether there should be further expansion of Employment Exchanges and training programmes consonant with the increased requirements of the country;
- (e) to consider whether legislation should be introduced making it obligatory for industry to recruit personnel, at least in the larger industrial centres, through Employment Exchanges; and
- (f) to consider whether Government should make a small levy from the employers and/or employment-seekers in order to finance part of the cost of the Organisation.

E. U. DAMODARAN,

Deputy Secretary to the Government of India.

APPENDIX II
TRAINING AND EMPLOYMENT SERVICES ORGANISATION
COMMITTEE
QUESTIONNAIRE

Part I—Employment Service

1. At the present stage of economic and industrial development, is it necessary that India should maintain an employment service?

2. (a) One view expressed is that in categories of employment where there is ample opportunity for the employer and employment-seeker to get into touch direct, there is no need for an employment service and that such a service should be confined to those categories where the most suitable persons could not be had by direct contacts between the parties.

(b) A contrary view is that an employment service covering all categories results in an impartial independent service obviating possibilities of corruption and other similar evils.

What are your views in this matter? If you subscribe to (b), do you agree that the existing service has attained its object?

3. What should be the division of responsibility for guidance of policy in respect of the employment services between the Central and State Governments?

4. Should the Employment Service be administered—

- (a) entirely by the Central Government,
- (b) entirely by the State Governments, or
- (c) in certain units by the Central Government, while in other units by the State Governments, or
- (d) as at present?

5. In order to finance a part or whole of the cost of the Employment Service, should Government charge a fee from—

- (a) employers, and/or
- (b) employment-seekers?

6. If the States are made partly responsible for the administration of the Employment Service, what functions should be transferred to the States and what machinery should be set up to co-ordinate policy between the Centre and the States?

7. At present a substantial proportion of recruitment to Central Government services and to the services of a few State Governments is done through the Employment Exchanges. Do you consider that all State Governments and Local Bodies should recruit all their personnel through the Employment Exchanges with the only exception of services recruited through the Public Service Commissions?

8. (a) Why has the private industry not utilised the Employment Exchanges to the same extent as the various Governments?

(b) Has the private industry experienced any particular difficulty in making use of the Employment Service?

9. (a) What are the methods of recruitment and appointment in private industry, commercial trading establishments, construction works, etc.?

(b) To what extent the existing methods and procedure need improvement, or should be co-ordinated through the Employment Exchanges?

10. With the growth of industries and in order to secure effective organisation, utilisation and distribution of man-power, is it advisable to impose some measure of compulsion on industry to recruit all their requirements through the Employment Exchanges?

11. If compulsion is not desirable, what special measures would you suggest to encourage as wide a use as possible of the Employment Service on a voluntary basis?

12. If compulsion may be resorted to, which of the following measures of compulsion would be desirable and practicable:

(a) Employers could be compelled to notify their vacancies to the Employment Exchange with obligation to recruit through the Employment Exchange only.

(b) While employers should be compelled to notify their vacancies to the Employment Exchange, they should be free to fill vacancies as they please.

(c) Employment-seekers should be compelled to register with the Employment Exchanges and the employers may be free to recruit any registered person irrespective of the fact whether he has been submitted by the Exchange or not.

13. Would you suggest any other form of compulsion on employers or on employment-seekers?

14. Should the compulsion be embodied in legislation?

15. Should compulsion be applied in the first instance to specific industries or specific areas which form major industrial centres?

16. Is the present organisation of the Employment Service suitable?

17. (a) Is the present arrangement of having a Central Directorate-General with Regional Directors satisfactory?

(b) What improvements, if any, may be considered?

18. (a) Is the present classification of Employment Exchanges into Regional, Sub-Regional and District Exchanges with Sub-Offices satisfactory?

(b) If not, what would be the best basis of classification?

19. Are you aware of any specific defects or shortcomings in the working of the present Organisation? If so, what are they and have you any specific remedies to suggest for overcoming them?

20. Has the organisation of Employment Exchanges effectively helped the employment-seekers in areas where it is operating?

21. Are the Employment Exchanges suitably organised to place the best person in every job and to find the best job for every person?

22. Have the Mobile Employment Exchanges proved useful and effective? Should they be continued or abolished?

23. What further improvements are suggested to increase the utility and efficiency of the Employment Service?

24. (a) In addition to the registration and placement of workers should the Employment Service undertake any other functions?

(b) In particular, should special measures be adopted to—

(i) facilitate occupational mobility?

(ii) collect and analyse data on employment market situation in different industries, occupations, areas, and also the country as a whole?

25. Is the present network of Employment Exchanges adequate?

26. Would you recommend any expansion of the Employment Service by opening more offices or enlarging the area of operation of existing offices through Mobile Exchanges, Sub-Offices or any other means?

27. In view of the nature of work, do you consider that special measures for training of the staff engaged at Employment Exchanges are necessary?

28. If so, would it be an advantage to have a continuous Staff Training programme for the purpose of training the new recruits and providing refresher training for existing staff?

29. In order to secure maximum co-operation from the workers and employers, are any modifications necessary in the constitution, scope and functions of the Employment Advisory Committees functioning at present?

30. (a) Some all-India figures for registrations and placings are published periodically in the form of brief Press statements. Would it be useful to undertake a complete analysis of the trends in wages and employment markets, and the scope for employment for different categories and classes of workers in different areas and zones?

(b) Would annual publications of such complete data help the younger generation to choose their careers with better prospects of full employment?

31. (a) Are reception arrangements at the Employment Exchanges adequate?

(b) Are employment-seekers treated courteously and attended to promptly?

Part II—Technical and Vocational Training

1. Assuming that there is a shortage of adequately trained skilled technical personnel, should training in technical and vocational trades be the responsibility of:

(a) the Government of India, or

(b) the State Governments, or

(c) partly the Government of India and partly the State Governments.

2. To what extent can the existing

(a) large scale,

(b) small scale, and

(c) cottage industries

be made to shoulder financial responsibility for training?

3. (a) To what extent and how can overlapping, if any, be avoided between the training imparted by various institutions administered through different agencies?

(b) Do you consider that one way of avoiding overlapping or duplication will be by the Central Government taking charge of institutions imparting training in trades requiring much higher skill, the State Governments being responsible for the rest?

4. Is there a dearth of good trained instructors for the training centres and institutions run by various agencies?

5. Is it necessary to maintain a Central Institute with adequate capacity to train instructors for technical and vocational trades?

6. The Central Institute at Koni-Bilaspur is the only institute in Asia at present for training instructors. Has the training of instructors at this institution proved useful?

7. Should this training at Koni-Bilaspur be made permanent?

8. Have the training institutes and centres administered through the D.G.R. & E. served a useful purpose in training skilled workmen?

9. How does this training compare in quality with the training imparted in similar institutions maintained by the Rehabilitation Ministry, the State Governments and various non-official bodies?

10. (a) What are the various methods adopted by private industry for training their skilled and semi-skilled workmen?

(b) To what extent do these methods require further improvements and co-ordination with the training schemes of the D.G.R. & E.?

11. To what extent have the persons trained at the institutions controlled by the D.G.R. & E. been successful in obtaining gainful employment?

12. Have you any suggestions for improvement of the quality of training in the institutions controlled by the D.G.R. & E.?

13. (a) Are the present arrangements for admission to these training institutions satisfactory?

(b) If not, what improvements are suggested?

14. (a) Is the present period of training adequate for various trades?

(b) If not, what modifications are required?

15. Do you suggest any amendment in the training programme by way of addition or deletion of any trade?

16. It is at times alleged that the existing award of stipends to 50 per cent. of the total number of the trainees results in persons joining the training more for the stipend than for the training itself and that such persons do not eventually benefit by the training imparted. Is this correct? If so, do you consider that the present system of awarding stipends should be replaced by restricting stipends to meritorious but poor candidates?

17. Is it possible to reduce the stipend of Rs. 25 per month to a smaller figure, if so, to what extent?

18. (a) Should the training be free as at present or a fee should be charged to meet part of the cost either in all or some selected trades?

(b) If a fee is to be charged, what should be the basis for fixing the amount of fee?

19. To what extent do you consider that the training facilities provided through the D.G.R. & E. need further expansion?

APPENDIX III

LIST OF ORGANISATIONS/INDIVIDUALS WHO SUBMITTED REPLIES TO THE QUESTIONNAIRE OR SUBMITTED WRITTEN MEMORANDA TO THE COMMITTEE.

A. State Governments

- | | |
|-----------------------|----------------------|
| 1. Assam | 14. P.E.P.S.U. |
| 2. Bihar | 15. Rajasthan |
| 3. Bombay | 16. Saurashtra |
| 4. Madhya Pradesh | 17. Ajmer |
| 5. Madras | 18. Bhopal |
| 6. U. P. | 19. Bilaspur |
| 7. Punjab | 20. Coorg |
| 8. Orissa | 21. Delhi |
| 9. West Bengal | 22. Himachal Pradesh |
| 10. Hyderabad | 23. Kutch |
| 11. Madhya Bharat | 24. Manipur |
| 12. Mysore | 25. Tripura |
| 13. Travancore-Cochin | 26. Vindhya Pradesh. |

B. Ministries of Government of India and their attached and Subordinate Offices

1. Ministry of Communications:—
 - (1) Directorate-General of Civil Aviation.
 - (2) Directorate-General of Observatories
2. Ministry of External Affairs
3. Ministry of Food and Agriculture
4. Ministry of Health; and
 - (1) Central Research Institute, Kasauli
 - (2) Malaria Institute of India, Delhi
 - (3) Medical Stores Depot, Madras
 - (4) Medical Stores Depot, Calcutta
 - (5) Medical Stores Depot, Bombay

- (6) Medical Stores Depot, Karnal
- (7) B.C.G. Laboratory, Guindy
- 5. Ministry of Home Affairs
- 6. Ministry of Information & Broadcasting
- 7. Ministry of Irrigation and Power
- 8. Ministry of Law
- 9. Ministry of Production; and
 - (1) The Coal Board
 - (2) The Coal Commissioner
 - (3) The Salt Commissioner
 - (4) The Hindustan Cables Ltd.
 - (5) The Sindry Fertilizers and Chemicals Ltd.
- 10. Ministry of States
- 11. Ministry of Transport (including the Roads Organisation);
and
 - (1) Madras Port Trust
 - (2) Commissioners for the Port of Calcutta
 - (3) Bombay Port Trust
 - (4) Development Commissioner, Kandla
 - (5) Secretary, Cochin Harbour
 - (6) Delhi Road Transport Authority
- 12. Ministry of Works, Housing and Supply; and
The Chief Engineer, C.P.W.D.
- 13. Ministry of Defence.

Employers' Organisations

- 1. All India Organisation of Industrial Employers, New Delhi
- 2. The Employers Federation of India, Bombay
- 3. The All India Manufacturers' Organisation, Bombay
- 4. Bombay Chamber of Commerce, Bombay
- 5. The Travancore Chamber of Commerce, Alleppy
- 6. Upper India Chamber of Commerce, Kanpur
- 7. The Cochin Chamber of Commerce, Fort Cochin
- 8. The Bengal Chamber of Commerce and Industry, Calcutta
- 9. Indian Chamber of Commerce, Ambala Cantt.
- 10. The Millowners' Association, Bombay
- 11. National Chamber of Industries and Commerce, U.P., Agra
- 12. The Indian Chamber of Commerce, Calcutta

Workers' Organisations

1. Indian National Trade Union Congress (Central Office), New Delhi
2. All India Trade Union Congress, Bombay
3. United Trade Union Congress (Central Office), Calcutta
4. United Trade Union Congress, Bombay State Committee, Bombay
5. United Trade Union Congress, Madras State Committee, Madras

Other Organisations and Individuals

1. International Labour Organisation, Asian Field Office, Bangalore.
2. Association of Principals of Technical Institutions, India, Delhi
3. Shri T. Pulla Reddy, B.A., B.L., Member, Sub-Regional Employment Advisory Committee, Anantapur
4. Shri Nisbett, Member, Employment Advisory Committee, Bangalore
5. Shri P. C. Bose, M.P., Member, Central Employment Advisory Committee.
6. Shri E. S. E. Rirrie, Member, Sub-Regional Employment Advisory Committee, Darjeeling
7. Shri Baljit Singh, Member, Regional Employment Advisory Committee, U.P.
8. Shri H. S. Brar, Member, Regional Employment Advisory Committee, U.P.
9. Shri C. V. Kinsville, Member, Regional Employment Advisory Committee, U.P.
10. Shri P. A. Menon, Member, Regional Employment Advisory Committee, U.P.
11. Shri Inder Singh, Member, Sub-Regional Employment Advisory Committee, Kanpur, U.P.
12. Shri L. M. Bhatia, I.A.S., Member, Sub-Regional Employment Advisory Committee, Kanpur, U.P.
13. Shri I. A. Panikar, Member, Regional Employment Advisory Committee, U.P.

14. Shri C. Veerabhadra Rao, Member, Sub-Regional Employment Advisory Committee, Visakhapatnam

15. Shri S. L. T. White, Member, Sub-Regional Employment Advisory Committee, Visakhapatnam

16. Shri A. Venkateswaran, Member, Sub-Regional Employment Advisory Committee, Visakhapatnam

17. Shri Gouthu Latchanna, M.L.A., Member, Sub-Regional Employment Advisory Committee, Visakhapatnam

18. All India Council for Technical Education, New Delhi.

Employment Advisory Committees

1. Regional Employment Advisory Committee,		Assam
2. Sub-Regional	-do-	Jorhat
3. Regional	-do-	Bihar
4. Sub-Regional	-do-	Dhanbad
5. "	-do-	Jamshedpur
6. " "	-do-	Muzaffarpur
7. Regional	-do-	Bombay
8. Sub-Regional	-do-	Ahmedabad
9. "	-do-	Hubli
10. "	-do-	Jalgaon
11. "	-do-	Surat
12. "	-do-	Poona
13. "	-do-	Sholapur
14. Regional	-do-	Delhi
15. Sub-Regional	-do-	Ajmer
16. "	-do-	Jaipur
17. Regional	-do-	Hyderabad
18. "	-do-	Madhya Pradesh
19. Sub-Regional	-do-	Amravati
20. "	-do-	Jabalpur
21. "	-do-	Raipur
22. Regional	-do-	Madras
23. "	-do-	Bangalore
24. Sub-Regional	-do-	Anantapur
25. "	-do-	Kozhikode
26. "	-do-	Coimbatore
27. "	-do-	Tiruchirapalli
28. "	-do-	Vellore
29. "	-do-	Vijayawada
30. "	-do-	Madurai
31. Employment Advisory Committee,		Travancore Cochin
32. Regional Employment Advisory Committee,		Orissa
33. "	-do-	Punjab
34. Sub-Regional	-do-	Amritsar
35. "	-do-	Jullundur
36. Regional	-do-	U.P.

37.	Sub-Regional	Employment Advisory Committee	Kanpur.
38.	"	-do-	Agra
39.	"	-do-	Allahabad
40.	"	-do-	Bareilly
41.	"	-do-	Gorakhpur
42.	"	-do-	Jhansi
43.	"	-do-	Lansdowne
44.	"	-do-	Lucknow
45.	"	-do-	Almora
46.	"	-do-	Meerut
47.	Regional	-do-	West Bengal
48.	Sub-Regional	-do-	Asansol
49.	"	-do-	Barrackpore
50.	"	-do-	Darjeeling
51.	"	-do-	Kidderpore
52.	"	-do-	Howrah

APPENDIX IV

LIST OF PERSONS WHO GAVE EVIDENCE BEFORE THE COMMITTEE

Kanpur

- | | | |
|---|---|---|
| 1. Shri E. Royston of Kanpur Textiles Ltd., Kanpur | } | representing the Employers' Association of Northern India and the Upper India Chamber of Commerce. |
| 2. Shri S. C. Mitra of Lakshmirattan Cotton Mills Co., Ltd., Kanpur | | |
| 3. Shri J. K. Srivastava | } | representing the U. P. Chamber of Commerce, Kanpur. |
| 4. Shri Menon | | |
| 5. Shri Sohan Lal Singhanian | } | representing the Merchants' Chamber of Commerce, Kanpur. |
| 6. Shri Gopal Krishan Singhanian | | |
| 7. Shri J. V. Krishnan | | |
| 8. Shri Suraj Prasad Avasthi, M.L.A. | } | representing the Indian National Trade Union Congress. |
| 9. Shri Arjun Arora | | |
| 10. Shri Lakshminarayan Singh | | |
| 11. Shri Raja Ram Shastri, M.L.C. | } | representing the Hind Mazdoor Sabha. |
| 12. Shri Vimal Mehrotra | | |
| 13. Shri Ram Chandra Rai | | representing the United Trade Union Congress. |
| 14. Shri Ashoke Bose | | representing the All-India Trade Union Congress. |
| 15. Shri S. K. Chaudhri | | Deputy Secretary to the Government of U. P., Industry & Labour Deptt., representing the U. P. Government. |
| 16. Shri Radha Kant I.A.S., | | Regional Director of Resettlement and Employment, U. P. |

Calcutta

- | | | |
|------------------------------|---|---|
| 17. Shri P. R. Bagri | | representing the Engineering Association of India. |
| 18. Shri G. M. Mackinlay | } | representing the Bengal Chamber of Commerce and Industry. |
| 19. Shri L. F. Berry | | |
| 20. Shri C. Weal | | |
| 21. Shri K. M. Naik | } | representing the Indian Chamber of Commerce, Calcutta. |
| 22. Shri N. L. Kanoria | | |
| 23. Shri M. C. Parekh | | |
| 24. Shri A. K. Bhattacharya | | |
| 25. Shri N. N. Sengupta | | Principal, Calcutta Technical School, Calcutta. |
| 26. Dr. Mrs. Maitryee Bose | } | representing the Indian National Trade Union Congress. |
| 27. Shri Nirmal Kumar Sen | | |
| 28. Shri Jatin Chakravarty | } | representing the United Trade Union Congress. |
| 29. Shri Nepal Bhattacharjee | | |
| 30. Shri J. N. Mitra | } | representing the Hind Mazdoor Sabha |
| 31. Shri Bhajan Das Gupta | | |
| 32. Shri Ahammadulla | | |

33. Shri Paul } representing the All-India
 34. Shri Gupta } Trade Union Congress.
35. Shri D. S. P. Mukerjee, I.A.S., Joint Secretary,
 Labour Deptt., Govt. of West Bengal } representing the Government
 36. Dr. S.N. Ganguly, Director of Industries,
 Govt. of W. Bengal } of West Bengal.
37. Shri N. M. Majumdar Regional Director of Resettle-
 ment & Employment, West
 Bengal.

Madras

38. Shri E. F. G. Hunter } representing the Employers'
 39. Shri N. S. Bhat } Federation of Southern India
 and the Madras Chamber of
 Commerce.
40. Shri D. C. Kothari Ex-President, U.P.A.S.I. and
 President Hindustan Chamber
 of Commerce, Madras.
41. Shri Subramanayam Managing Director, Messrs
 Gannon Dunkerly & Company.
42. Shri S. Guruswamy Secretary, All India Railway-
 men's Federation and Member
 of the Regional Employment
 Advisory Committee, Madras.
43. Shri E. Ramalingam } representing the Indian Natio-
 44. Shri C. V. Natarajan } nal Trade Union Congress.
45. Shri C. G. Reddi, I.A.S. } representing the Institution of
 46. Shri Raghavan } Engineers (India) Calcutta.
47. Shri S. Krishnamurti representing the All-India Trade
 Union Congress.
48. Shri R. Ramanathan } representing the United Trade
 49. Shri Damodaran } Union Congress (Madras
 State Committee).
50. Comrade Anthony Pillai representing the Hind Mazdoor
 Sabha
51. Shri B. Joogappa, Joint Secretary, Development
 Department, representing the
 Govt. of Madras.
52. Shri S. A. Qadir, I.A.S. Regional Director of
 Resettlement & Employment,
 Madras.
53. Shri T. Vishwanathan } Members, Regional Employ-
 54. Mrs. Clubwalla } ment Advisory Committee,
 Madras.
55. Shri S. Anantaramakrishnan Managing Director, Messrs
 Simpson & Group, Company.

Bombay

56. Shri E. L. C. Gwilt }
 57. Shri K. T. Chandy } representing the Bombay Cham-
 58. Shri R. E. Peters } ber of Commerec.
59. Shri J. Bryson }
 60. Shri Naval H. Tata } representing the Employers'
 61. Shri Swaminathan } Federation of India.

62. Shri H. P. Merchant } representing the All-India
 63. Shri N. D. Sahukar } Manufacturers' Organisation.
 64. Shri R. A. Khedgikar } representing the Hind Mazdoor
 65. Shri K. K. Khadiekar } Sabha.
 66. Shri N. V. Modak } representing the Institu-
 67. Shri E. A. Nadirshah } tion of Engineers (India),
 68. Shri B. P. Kapadia } Calcutta.
 69. Shri G. H. Kale } representing the United Trade
 70. Shri P. M. Padmanabhan } Union Congress.
 71. Shri J. V. Chitnis } representing the All-India Trade
 Union Congress.
 72. Shri G. D. Ambekar M. L. C. } representing the Indian National
 Trade Union Congress.
 73. Dr. K. B. Bharucha, Chairman, Bombay Public } Members, Regional Employ-
 Service Commission } ment Advisory Committee,
 74. Shri V. Khanolkar } Bombay.
 75. Shri K. L. Panjabi, I.C.S., Secretary, Development }
 Deptt., Govt. of Bombay } representing the Government
 76. Shri V.P. Keni, Commissioner of Labour, Bombay, } of Bombay.
 77. Shri J. C. Agarwala, Under Secretary, Govt. of }
 Bombay. }
 78. Shri J. A. Taraporewala, } Director of Technical Educa-
 tion, Government of Bombay'
 79. Shri M. S. Warty } representing the Millowners
 Association, Bombay.
 80. Shri E. J. Francis } Regional Director of Resettle-
 ment & Employment, Bombay.
 81. Shri A. K. Srivastava } Assistant Inspector of Training,
 Regional Directorate of Re-
 settlement & Employment,
 Bombay.

DELHI

82. Shri L. C. Jain, I.C.S. } Director-General of Resettle-
 ment & Employment and
ex-officio Joint Secretary to the
 Government of India (now
 Director-General, Civil Aviat
 ion).
 83. Shri E. U. Damodaran, I.A.S. } Director-General of Resettle-
 ment & Employment.
 84. Shri Tarlok Singh, I.C.S., Deputy Secretary, Plan- }
 ning Commission } representing the Planning
 85. Shri B. N. Datar, Assistant Chief (Labour), Plan- }
 ning Commission } Commission.
 86. Shri G. K. Chandiramani } Deputy Educational Adviser and
ex-officio Deputy Secretary,
 Ministry of Education, repres-
 enting the Ministry of Educa-
 tion.
 87. Shri V. A. Choudhary } Director of Training, Directorate-
 General of Resettlement and
 Employment.
 88. Shri P. V. S. Rao } Assistant Director of Training,
 Directorate-General of Re-
 settlement & Employment.
 89. Shri Prithvi Nath } Manager, Industrial Training
 Centre, Delhi Polytechnic.

APPENDIX V

REGIONAL DISTRIBUTION OF EMPLOYMENT EXCHANGES AT THE END OF DECEMBER 1953

		Number of Employment Exchanges					
Region	States covered	Regional Employ- ment Ex- changes	Sub-Regio- nal Emp- loyment Exchanges	District Employ- ment Ex- changes	Employ- ment Ex- changes	Total	
1	2	3	4	5	6	7	
Assam	Assam	..	2	..	1	3	
	Manipur	..	..	..	..	..
	Tripura	..	..	..	..	..
Bihar	Bihar	1	3	13	..	17	
Bombay	Bombay	1	7	2	1	11	
	Saurashtra	..	..	..	1	1
	Kutch	..	..	..	..	..
Delhi Ajmer & Rajasthan	Delhi	1	..	..	..	1
	Ajmer	..	1	..	..	1
	Rajasthan	..	1	..	5	6	
Hyderabad	Hyderabad	1	2	..	..	3
Madhya Pra- desh	Madhya Pradesh	1	3	..	..	4
	Madhya Bharat	..	..	..	2	2
	Bhopal	..	..	..	1	1
Madras	Madras	1	5	8	..	14	
	Andhra	..	3	8	..	11	
	Mysore	..	..	..	2	2
	Travancore-Co- chin	..	..	2	1	3
	Coorg	..	..	..	1	1
Orissa	Orissa	..	1	1	..	2	
Punjab	Punjab	1	3	9	..	13	
	Pepsu	..	..	..	1	1
	Himachal Pra- desh	..	..	..	1	1
	Bilaspur	..	..	..	..	..
Uttar Pradesh	Uttar Pradesh	1	9	11	..	21	
	Vindhya Pradesh	..	..	..	..	..
West Bengal	West Bengal	1	5	1	..	7	
TOTAL		9	45	55	17	126	

APPENDIX VI

NAMES OF THE EXCHANGES TO WHICH VEHICLES ARE ATTACHED

Region	Names of the Exchanges to which vehicles are attached
Assam	Jorhat Shillong
Bihar	Dhanbad Jamshedpur Patna
Bombay	Bombay (Parel) Ahmedabad Jalgaon Poona Sholapur
Delhi, Ajmer & Rajasthan	Delhi Ajmer
Madhya Pradesh	Amravati Jabalpur Raipur
Orissa	Cuttack
Punjab	Ambala Ferozepore Jullundur
U. P.	Agra Allahabad Gorakhpur Kanpur Lucknow Meerut Bareilly
West Bengal	Asansol Barrackpore Calcutta Howrah

APPENDIX VII

DIRECTORATE-GENERAL OF RESETTLEMENT AND EMPLOYMENT (HEADQUARTERS, INCLUDING CENTRAL EMPLOYMENT CO-ORDINATION OFFICE)

Present and proposed strength and the resultant economy in expenditure

Designation of Post	Present sanctioned strength	Present Scale of Pay	Expenditure per annum (on the basis of Budget Estimates for 1954-55)	Proposed Strength	Proposed Scale of Pay	Proposed expenditure on the basis of col. 4	No. of posts reduced increased (+) or (-)	Annual savings	Annual additional expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
			Rs.			Rs.		Rs.	Rs.
HEADQUARTERS									
GAZETTED									
Director-General of Resettlement and Employment	1	As for Joint Secretary	36,000	..	..	..	-1	36,000	..
Deputy Secretary	1	Grade pay in the I.A.S. plus spl. pay of Rs. 300/-	21,150	..	..	..	-1	21,150	..
Under Secretary	3	Sectt. Scale .	39,400	..	..	..	-3	39,400	..
Section Officer (Gr. II) of the Central Sectt. Service	4	-do-	33,800	1	As in col. 3	8,450	-3	25,350	..
Section Officer (Gr. III) of the Central Sectt. Service	6	do-	41,000	3	-do-	20,500	-3	20,500	..

Director of Employment Exchanges	1	Rs. 1560-60-1920	22,350	1	Rs. 1600-100-1800	22,350	..	..	..
Director of Training	1	Rs. 1560-60-1920	19,320	1	-do-	19,320	..	..	..
Deputy Director of Employment Exchanges	3	Rs. 1000-50-1350	42,750	2	Rs. 1000-50-1400	28,500	-1	14,250	..
Deputy Director of Training	3	-do-	42,750	1	-do-	14,250	-2	28,500	..
Assistant Director of Training . . . . .	..	..	..	5	Rs. 600-40-1000-1000-1050-1050-1100-1100-1150	62,000	+5	..	62,000
Assistant Director of Employment Exchanges	5	Rs. 600-25-800-40-1,000	62,000	6	-do-	74,400	+1	..	12,400
Statistical Officer	1	-do-	11,750	1	-do-	11,750	..	..	..
Administrative Officer . . . . .	..	..	..	1	Rs. 530-30-800	8,450	+1	..	8,450
Assistant Statistical Officer	2	Rs. 350-25-750	14,650	2	Rs. 350-350-380-30-590-EB-30-770-40-850	14,650	..	..	..
Staff Training Officer	1	Rs. 450-25-750	8,200	1	-do-	8,200	..	..	..
Research Officer . . . . .	..	..	..	1	-do-	7,300	+1	..	7,300

CENTRAL EMPLOYMENT CO-ORDINATION OFFICE

GAZETTED

Central Employment Co-ordination Officer	1	Rs. 600-25-800-40-1,000	13,200	..	..	..	-1	13,200	..
Assistant Employment Officer	2	Rs. 215-15-350	10,100	..	..	..	-2	10,100	..

HEADQUARTERS

NON-GAZETTED

Assistant	50	Rs. 160-10-300-EB-15-450	2,01,500	11	As in col. 3	44,300	-39	1,57,200	..
Upper Division Clerk . . . . .	..	..	..	17	Rs. 80-5-120-EB-8-200-10/2-220	36,400	+17	..	36,400
Clerk	58	Rs. 55-3-85-EB-4-125-5-130	1,12,400	29	As in col. 3	56,200	-29	56,200	..

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
NON-GAZETTED									
Stenographer	11	Rs. 160-10-330	38,500	5	As in Col. 3	17,500	-6	21,000	..
Stenotypist	8	As for a clerk + Rs. 20/- S.P.	17,700	13	As for a clerk plus Rs. 20/- S.P.	28,750	+5	..	11,050
Telephone Operator	3	Rs. 60-4-120	5,350	3	As in col. 3	5,350	..	..	..
Comptometer Operator	1	As for a clerk + Rs. 10/- S.P.	1,700	1	As in col 3	1,700	..	..	..
Technical Assistant	2	Rs. 160-10-330	6,950	2	As in col. 3	6,950	..	..	..
Hollerith Punch Operator	4	As for a clerk	8,900	4	-do-	8,900	..	..	..
Hollerith Machine Operator	1	-do-	2,500	1	-do-	2,500	..	..	..
Photographer	1	Rs. 160-10-330	3,350	..	..	..	-1	3,350	..
Senior Draughtsman	1	Rs. 150-7-185-8- 225	3,400	..	..	..	-1	3,400	..
Cinema Projector Operator	1	Rs. 75-3-105	1,900	..	..	..	-1	1,900	..
Staff Car Driver	1	Rs. 60-5/2-75	1,700	1	As in col. 3	1,700	..	..	..
Daftry	15	Rs. 35-1-50	16,500	8	-do-	8,800	-7	7,700	..
Jamadar	1	-do-	950	..	..	..	-1	950	..
Peon/Farash	51	Rs. 30-1/2-35	49,250	31	As in col. 3	29,900	-20	19,350	..
Cinema Projector Attendant	1	Rs. 30-1/2-35	900	..	..	..	-1	900	..
Night Chowkidar	2	-do-	1,950	2	As in col. 3	1,950	..	..	..
Sweeper	4	-do-	3,900	2	-do-	1,950	-2	1,950	..
CENTRAL EMPLOYMENT CO-ORDINATION OFFICE									
NON-GAZETTED									
Superintendent	1	Rs. 160-10-250	3,300	..	..	..	-1	3,300	..
Assistant	2	Rs. 80-5-120-EB- 8-200-10/2-220	4,300	..	..	..	-2	4,300	..
Cashier-cum-Accountant	1	Rs. 60-4-120-5- 170+Rs 15/-S. P.	2,350	..	..	..	-1	2,350	..

Clerk	5	Rs. 55-3-85-EB-4 125-5-130	7,450	..	..	..	—5	7,450	..
Stenotypist	2	As for a clerk + Rs. 20/- S. P.	4,000	..	..	..	—2	4,000	..
Daftry	1	Rs. 35-1-50 + S. P. of Rs. 5/- for operating dupli- cating machine	1,100	..	..	..	—1	1,100	..
Peon	4	Rs. 30- $\frac{1}{2}$ -35	3,800	..	..	..	—4	3,800	..
Sweeper	1	-do-	950	..	..	..	—1	950	..
<hr/>									
TOTAL	268	...	Rs. 9,24,970	..	..	Rs. 5,52,970	(—142) (+30) =—112	Rs. 5,09,600	Rs. 1,37,600

Net Saving Rs. 3,72,000

SUMMARY :	Present staff strength of Headquarters (including the Central Employment Coordination Office)—Gazetted = 35	
	Present staff strength of Headquarters (including the Central Employment Coordination Office)—non-Gazetted = 233	
	Proposed staff strength—Gazetted = 26*	(*This includes 5 new posts of Assistant Directors of Training proposed for the Inspectorate of the National Trades Certification Board and one new post of Research Officer suggested for the Headquarters of the Employment Service).
	Proposed staff strength —non-gazetted = 130	
	Net Reduction — Gazetted = 9	
	Net Reduction — non-Gazetted = 103	
	Present expenditure on staff of the Headquarters including that of C.E.C.O.	= Rs. 9,24,970
	Proposed expenditure	= Rs. 5,52,970
	Net Saving	= Rs. <u>3,72,000</u>

APPENDIX VIII

STATEMENT SHOWING THE PERCENT EXPENDITURE ON THE REGIONAL DIRECTORATE BORNE BY THE CENTRAL GOVERNMENT AND ESTIMATE OF CENTRAL AND STATE GOVERNMENTS' SHARE ON THE BASIS OF 6c: 4c

(Note : The estimates are based on the present expenditure.)

State-Region	Present annual expenditure (entirely borne by the Centre)	Reduction in expenditure proposed if any	Additional expenditure proposed if any	Annual expenditure on the proposed basis			Reduction in Central expenditure	Additional expenditure involved on the part of the Central Government	Additional expenditure involved on the part of the State Government	Remarks
				Total	Central 60%	State 40%				
I	2	3	4	5	6	7	8	9	10	11
Assam . . .	66,000	..	..	66,000	39,600	26,400	26,400	..	26,400	..
Bihar . . .	1,00,600	..	..	1,00,600	60,400	40,200	40,200	..	40,200	..
Bombay . . .	1,30,200	15,400 (abolition of one post of Deputy Director.)	..	1,14,800	68,900	45,900	61,300	..	45,900	..
Delhi . . .	97,300	97,300 (abolition of Regional Directorate in the present form)	..	..	..	..	97,300	..	..	..
Hyderabad . . .	67,200	..	9,000 (creation of one post of Employment Liaison Officer.)	76,200	45,700	30,500	21,500	..	30,500	..

Madhya Pradesh	58,900	..	..	58,900	35,300	23,600	23,600	..	23,600	..
Madras	1,43,500	15,400 (abolition of one post of Deputy Director).	..	1,28,100	76,900	51,200	66,600	..	51,200	..
Orissa	40,300	..	..	40,300	24,200	16,100	16,100	..	16,100	..
Punjab	1,06,800	..	..	1,06,800	64,100	42,700	42,700	..	42,700	..
U. P.	1,94,800	15,400 (abolition of one post of Deputy Director).	..	1,79,400	1,07,600	71,800	87,200	..	71,800	..
W. Bengal	1,39,100	15,400 (abolition of one post of Deputy Director).	..	1,23,700	74,200	49,500	64,900	..	49,500	..
Andhra . . . . .	..	..	*53,200 (Creation of a new State Di- rectorate)	53,200	31,900	21,300	..	31,900	21,300	*On the basis of the present average expen- diture per State Di- rectorate headed by a Regional Director of an Assis- tant Direc- tor status.
Rajasthan . . . . .	..	..	*53,200 *(-do-)	53,200	31,900	21,300	..	31,900	21,300	*-do-
Travancore-Cochin . . . . .	..	..	53,200 *(-do-)	53,200	31,900	21,300	..	31,900	21,300	*-do-
Ajmer . . . . .	..	..	..	..	..	..	..	..	..	..
Bhopal . . . . .	..	..	..	..	..	..	..	..	..	..

	1	2	3	4	5	6	7	8	9	10	11
Coorg
Madhya Bharat
Mysore
Pepsu
Saurashtra
Himachal Pradesh
Vindhya Pradesh
Bilaspur
Manipur
Tripura
Kutch
TOTAL . . .		11,44,700	1,58,900	1,68,600	11,54,400	6,92,600	4,61,800	5,47,800	95,700	4,61,800	..

Net reduction of expenditure on the part of Central Government

col. 2—col. 6 }
or col. 8—col. 9 } Rs. 4,52,100

Additional expenditure on the part of State Governments

col. 10 Rs. 4,61,800

APPENDIX IX

ADULT CIVILIAN TRAINING SCHEME

Technical trades in which training is being imparted

- | | |
|----------------------------|---------------------------|
| 1. Blacksmith | 17. Mechanic (Steam) |
| 2. Building Constructor | 18. Mechanic (Tractor) |
| 3. Carpenter | 19. Millwright |
| 4. Clock & Watch Repairer | 20. Moulder |
| 5. Draughtsman (Civil). | 21. Painter |
| 6. Draughtsman (Mech). | 22. Pattern Maker |
| 7. Electrician | 23. Plumber |
| 8. Electroplator | 24. Mechanic (Radio) |
| 9. Grinder | 25. Sheet Metal Worker |
| 10. Lineman & Wireman | 26. Overseer |
| 11. Machinist | 27. Surveyor |
| 12. Mechanic (Dom. Ref.) | 28. Tool Maker |
| 13. Fitter | 29. Trimmer (Upholsterer) |
| 14. Mechanic (Instrument) | 30. Turner |
| 15. Mechanic (I.C. Engine) | 31. Welder (Elec. & Gas) |
| 16. Mechanic (Motor) | 32. Wireless Operator |

Vocational Trades in which training is imparted

1. Bleaching, Dyeing & Printing
2. Hand Weaving of fancy and furnishing fabrics with cotton, wool & silk
3. Hand Weaving of woollen fabrics
4. Knitting with hand and machines
5. Hand Weaving of newar, tape, durries and carpets
6. Manufacture of household utensils
7. Cane, Willow and Bamboo-Work
8. Manufacture of sports goods (Wooden & Metal)
9. Manufacture of sports goods (Miscellaneous)
10. Wood carving and inlaying
11. Wood turning and lacquer work
12. Manufacture of Footwear
13. Manufacture of suitcases and other leather goods
14. Manufacture of sport goods (Leather)
15. Clay modelling and plaster of paris moulding
16. Signaller (Railway)
17. Book Binding
18. Hand Composition & Proof Reading
19. Printing machine operator
20. Block Making and Engraving
21. Cutting and Tailoring
22. Preservation of fruits and vegetables and manufacturing of confectionery
23. Embroidery and needle work

APPENDIX X

REGIONAL DISTRIBUTION OF TRAINING CENTRES/ INSTITUTES AT THE END OF DECEMBER, 1953

Region	States covered	Government of India Training Centres	Training Centres run in collabo- ration with State Govt. Institutions	Training Centres run in collabo- ration with institutions controlled by private bo- dies.	Total
1	2	3	4	5	6
Assam	Assam	1		..	1
	Manipur	..	..	..	..
	Tripura	..	..	..	..
Bihar	Bihar	1	1	1	3
Bombay	Bombay	2	1	2	5
	Saurashtra	..	..	..	..
	Kutch	..	..	..	..
Delhi, Ajmer & Rajasthan	Delhi	3	..	..	3
	Ajmer	1	..	..	1
	Rajasthan	1	..	..	1
Hyderabad	Hyderabad	..	..	..	..
Madhya Pra- desh	Madhya Pradesh	1	..	..	1
	Madhya Bharat	..	..	..	..
	Bhopal	..	..	..	..
Madras	Madras	1	4	2	7
	Andhra	2	1	..	3
	Mysore	1	1	1	3
	Travancore-Cochin	..	3	1	4
	Coorg	1	..	..	1
Orissa	Orissa	..	1	1	2
Punjab.	Punjab	2	..	3	5
	Pepsu	1	..	1	2
	Himachal Pradesh	..	1	..	1
	Bilaspur	..	..	..	..
Uttar Pradesh	Uttar Pradesh	6	..	3	9
	Vindhya Pradesh	..	..	..	..
West Bengal	West Bengal	3	..	4	7
Total		27	13	19	59

