



Delay in upgrade of ITIs worsens the job scene

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MUMBAI: India's job market is facing a grim situation as far as employability of its workforce is concerned. This is especially true in the case of blue-collar workers where the appropriateness for the job hinges on upgradation of industrial training institutes or ITIs.

The term 'blue-collar' refers to semi-skilled workers such as mechanics, fitters, plumbers, etc, who are mainly taken on a temporary basis as temps.

"The total job market, as on date, consists of 496 million people. Of these, about 30 million are in the organised sector. Nearly 80% (or almost 24 million) of the workers in the organized sector are blue-collar workers," said Sudhakar Balakrishnan, chief executive officer of human resource solutions firm Adecco India & Middle East.

By 2010, there will be 80 million (blue-collar) temps in both organised and unorganised sectors, according to Rajesh AR, vice-president of Bangalore-based staffing firm, TeamLease Services Pvt Ltd.

Adecco and TeamLease currently have 5,000 and 8,000 blue-collar temps, respectively, on their pay rolls. They will add another 30,000 by 2010. Ma Foi Consultants Ltd has about 2,000 on its rolls.

But the scary fact is that, despite the rising number of blue-collar workers, many are unemployable.

According to HR professionals, "problems will arise now, as the employability of workers is way below industry standards". As per a labour report by TeamLease in November 2007, about 82.5 million people in the age bracket of 15-30 years are unemployable.

So, what is the solution to the problem?

Balakrishnan said ITIs are the major source of blue-collar workers and the unemployability factor can be mitigated by quick upgradation of these institutes. ITIs provide vocational training to people who have studied up to standard X or even less, in trades such as carpentry, masonry, welding, etc.

Set up in 1950, by the Union ministry of labour and employment, there are 1896 government-owned ITIs in India. These institutes are plagued with problems of non-availability of computerised numerically controlled (CNC) machines, outdated tools and machines to impart practical training, faculty shortage, and obsolete curriculum, said

Sharda Prasad, director general for employment and training in the Union labour ministry.

To address the problem, finance minister P Chidambaram had announced a scheme in budget 2007-08 to upgrade 300 ITIs through the public-private partnership (PPP) route. The government had earmarked Rs 750 crore for the scheme. A similar sum has been proposed for upgrading 300 more institutes in 2008-09.

In a separate scheme, another five hundred institutes are being developed with a Rs 1,581 crore loan from the World Bank.

The private sector will ensure upgradation of infrastructure, curriculum, and teacher training at the institute.

“Each ITI is entailed to train 20 teachers in disciplines such as information technology, construction, machinery, etc,” said Prasad. He pointed out that the number of trades offered at ITIs will be increased from the current 110 to include textiles, hospitality, tourism, and information technology.

On the working of the government-sponsored scheme, B P Pant, additional director, research, Federation of Indian Chambers of Commerce and Industry (Ficci), said, “Once an industry partner is identified, an institute management committee (IMC) will be set up. It would have representation from the industry and the government. The IMC would decide the changes to be incorporated”.

He said the IMC would be registered as a society and would draft an institute development plan. “When this plan is presented to the government, an interest-free loan of Rs 2.5 crore would be released by the ministry of labour and employment,” said Pant.

This upgradation initiative had raised hopes that some talent requirements of the industry would be met. But it is moving at snail’s pace. Pant says that till now, of the 300 institutes that were to be upgraded in the first phase, agreements have been signed in only 224 cases.

In the second phase, that’s the current fiscal, no agreement has been signed yet. “At least five years are required to bring in changes. This is a poor number and unless agreements are signed, we can’t expect even a minor change in our employability situation,” says Rajesh.

The reason for the slow pace is the bureaucratic hurdles and insufficient response by state governments, says Prasad. “In some case, companies are taking time to analyse the intricacies of adopting an ITI.”

HR professionals feel that the industry may not get the requisite people it needs the most. “We need skilled people within the next two years and it doesn’t look possible from the way things with the up-gradation are moving,” says Balakrishnan.