

Original Research Paper

Management

KEY ROLE OF EMPLOYMENT EXCHANGE IN GENERATING AWARENESS ABOUT OPPORTUNITIES FOR EMPLOYEMENT AS WELL AS CAREER DEVELOPMENT TO JOB SEEKERS IN INDIA

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ABSTRACT

National Employment Service or Employment Exchange, operated by the Directorate General of Employment and Training, Ministry of Labour, runs over 900 Employment Exchanges in order to bring about a better matching of the demand for, and the supply of work opportunities. Job seekers register themselves with these Employment Exchanges and get notified as soon as any vacancy in the Government sector matches their desired profile.

KEYWORDS: Job-seeker, employment, training, employment exchange, jobs, national career service (NCS).

INTRODUCTION

According to the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 in any State or area thereof, the employer in every establishment in public or private sector in that State or area shall, before filling up any vacancy in any employment in that establishment, notify that vacancy to such employment exchanges as may be prescribed. Employment Exchanges play a significant role in assisting the youth in finding employment in paid jobs. They also assist them in starting Self-Employment Ventures through Vocational Guidance activities. Registering the applications of job-seekers and notifying them about vacancies, collection and dissemination of Employment Market Information, Vocational Guidance to students and the youth are the major functions of Employment Exchanges.

Meaning - A definition of the term is given in Section 2(d) of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 as mentioned below:

Employment Exchange means any office or place established and maintained by the Government for the collection and furnishing of information, either by the keeping of registers or otherwise, respecting—

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

Objective - Main objective is to play role of bridging a pool between employers and job seekers so that jobseekers get proper job and employers get the right manpower.

Historical Background - The Employment Service came into existence in India under the stress of post-war demobilization. Towards the end of the World War II, the need for a machinery which could handle orderly re-absorption of the civil life, of a large number of service personnel and war workers who were about to be released as keenly felt. After having realised of the complexity of the problem and in order to ensure uniformity in policies and effective co-ordination of efforts, it was considered necessary that the proposed machinery be directed and controlled by the Central Government. In accordance with a scheme that was agreed upon by the Central and State Governments, the Directorate General of Resettlement and Employment (D.G.R. & E.) was set up in July 1945 and Employment Exchanges were gradually opened in several parts of the country. In 1947, consequently upon the partition of the country, the Employment Exchanges were called upon to deal with the resettlement of the large amount of people who were displaced as a result of partition. In response to popular demands, the scope of the service was gradually extended and by early 1948, Employment

Exchanges were thrown open to all categories of applicants. This gradually lead to start up the fulfilling the aspirations of job seekers and the rest is history.

Legal Background of Employment Exchanges in India -

The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 was enacted for providing compulsory notification of vacancies to the Employment Exchanges and for rendition of returns by the employers (regarding both employment as well as vacancies). Failure to comply with this will meet with penalties (though the amount which is not much as per the present-day standards). The aforementioned act came into force with effect from 1stMay, 1960. This was enacted on the recommendations of the Training and Employment Services Organisation Committee which was set up by the Government of India in 1952. The relevant Rules were notified on 26 April 1960.

The Act applies to all the establishments in the public sector and to such establishments which are engaged in non-agricultural activities and employing 25 or more workers in the private sector.

The requirement of the act is that an employer in every establishment in public sector and relevant firms in the private sector in that state or area shall, before filling up any vacancy for any employment in that establishment, they have to notify that vacancy to the employment exchanges. However, it does not impose any kind of obligation upon any employer to recruit any person through the employment exchange to fill any vacancy merely because that vacancy has been notified by the exchanges.

However, vacancies for the following types of employments need not be notified, $\-$

- Agriculture employment (including horticulture) in any private sector establishment other than employment as farm machinery operatives;
- · Employment in domestic services;
- · Employment for unskilled office work;
- Employment where the total duration less than three months;
- Employment which carries the remuneration below a threshold:
- Employment connected with the staff of the Parliament;
- Vacancies which are proposed to be filled through the promotion or by the absorption of surplus staff of any branch or department of the same establishment or on the basis of result of any examination conducted or interview held by, or on the recommendation of, any independent agency, such as the Union or a State Public Service Commission and the like.

Administration of Employment Exchanges -In the Ministry of Labour, Directorate General of Employment and Training (DGET) operates a National Employment Service (NES) which is entrusted with the matters regards to Employment Exchanges. The administration of Employment Exchanges on regular basis is upon the State / Union Territories governments. Generally, Department of Employment & Training or Department of Labour is having involved with the administration of Employment Exchanges at the state level. DGET carries out periodic programme of evaluation of policies, procedures and working practices of Employment Exchanges in the States with a view to assess and advise the State Governments on the progressive development of the service and to ensure that National Policies, Standards and Procedures are effectively being implemented.

Employment exchanges under some of the state Governments / Union territories are Andaman and Nicobar Islands, Bihar, Chandigarh, Delhi, Gujarat, Jammu & Kashmir, Karnataka, Kerala, Odisha, Tamil Nadu and Telangana and others are 997 as on 2019.

Data on Employment Exchanges - National Employment Service (NES) operates through a network of all employment exchanges. The total number of Employment Exchanges functioning as on 2019 is 997 as compared to 18 in 1951 which includes 76 University Employment Information and Guidance Bureaux, 14 Professional and Executive Employment Exchanges, 42 Special Employment Exchanges for the Physically Handicapped and 1 special Employment Exchanges for Plantation Labour and 1 special Employment Exchange for Women in Gujarat. In July 2015, National Employment Service (NES) has been integrated into the National Career Service.

National Employment Service (NES) collects data through Employment Exchange Statistical Returns, each return covering a specific field of activity. As a part of the Employment Market Information Programme, data are collected from the Organised Sector i.e. all public-sector establishments and all non-agricultural private sector establishments with 10 or more workers on employment, vacancies, occupational and educational pattern of employees, etc. prescribed under the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Rules framed thereunder. The establishments employing 10 to 24 workers in private sector are covered on voluntary basis.

Detailed information on Employment exchanges and the number of job seekers can be seen easily from the Annual Reports of Ministry of Labour. Placement, Year-wise registration, vacancies notified, submissions made and Live Register from 2009 to 2019, for each category of job seekers may it be women, physically handicapped, Scheduled Castes / Tribes etc. are being given in the Annual Report Data on employment and unemployment may be obtained from the Ministry of Labour.

Activities—The main activities of the employment exchanges are registration and placement of job seekers, and to some extent career counselling and vocational guidance particularly for the under-privileged sections of the society, and collection of employment market information. Some of the State Governments arrange disbursement of unemployment allowance to certain specific categories of job seekers out of their own resources through the employment exchanges registered with them. Major activities which are uniform at national level are mentioned below;

- Online as well offline registration of new job seekers and renewal of the same at a time period of three years at regional level, district level and tehsil level.
- 2. Placement activity by recommending as per eligibility,

- qualification, experience, seniority, age, reservation and as per $1:30\,\mathrm{ratio}$.
- 3. Recommendation for apprentice to various government and non-government bodies.
- 4. Organising industrial job fairs three to four in a month at various district levels and a mega job fair at specific time period (for this, outside jobseekers will be availing facilities of free State transport coupons).
- Advertisement i.e. recommending jobseekers against published advertisement of private employers, inspiration to apply for job to job seekers by letters intimation about various advertisements.
- 6. Providing vocational guidance for self-employment activity by organising various camps at regional, district and tehsil level, providing information regarding different types of loan plans provided by Government for selfemployment as well as of loan/assistance providing government offices.
- 7. Professional guidance activities at employment exchanges includes registration related guidance, group discussions, personal guidance as well as information and review of old cases. Outside of employment exchange activities include career guidance at school and college level, career expositions, parent meetings, career management week.
- 8. Overseas career guidance centre in which lot of and useful information providing about education in overseas countries.
- 9. Specifically in Gujarat, Defence job fairs and training related to that is provided to in a capacity of 30 candidates who opt to join army, navy and air force. In this residential 45 days training (30 days training for all levels candidates and 15 days additional training for technical candidates), local administrative body is providing lodging, food and water facilities to all the trainees. Additionally, Rs.100 will be given per candidate per day as encouragement scholarships.
- 10. Training classes for preparation of written examination for the candidates who have cleared the physical examination of above mentioned defence job fairs. This training class is for seven days and four hours per week for teaching reasoning, maths, English and general knowledge. Additionally, Rs.50 will be given per candidate per day as encouragement scholarships.
- 11. Guidance, training and placement of Physically Handicapped and disabled Candidates.
- 12. The National Career Service (NCS) project envisaged setting up of 100 Model Career Centres (MCCs) in collaboration with various States/UTs and Private Institutions to deliver employment services during the 12th Five Year Plan. The NCS Portal is India's largest employment platform for bringing people and opportunities together with the objective to link the youth with jobs and career opportunities through counselling and training. Model Career Centre assists job seekers with all employment-related information ranging from career counselling to apprenticeship and job opportunities, through self-assessments & insights, thereby helping them make the right career choices. It acts as a platform for all stakeholders i.e. Employers, Jobseekers, Counsellors, Local Service Providers, Skill Providers and Government Departments to come together and connect with each other to meet their requirements. Being a reservoir of skilled talent pool, a Model Career Centre is an avenue for the Industry to tap in from and form a seamless employer-employee connection. Today there are around 107 MCCs across the country.

International Experience - Governments in many countries (for example Malaysia, Australia, UK etc.) are known to provide such kind of employment related services, also as a means of collecting statistics on matters related to

unemployment and distributing unemployment benefits. Different names are given to them such as Labour Exchange, Employment Agency etc. For instance, in UK, its Department for Work and Pensions runs an online platform called Jobcentre Plus for its working-age support service across United Kingdom. Jobactive is the Australian Government's employment service to help Australians into work and help employers find the right staff for their business. JobBank is the Canadian version of employment exchanges.

The International Labour Organisation's ILO Convention 88 which refers to the Employment Service Convention, 1948 mandates the Governments have to maintain a free Employment Service.

Digital Employment Exchange- Digital Employment Exchange is a voluntary job portal launched on 15 June 2015 by the Ministry of Micro, Small and Medium Scale Enterprises for companies and industrial units to find suitable manpower and assist the job seekers to connect with an employer. Though conceptually similar to the traditional employment exchanges, unlike the traditional Employment Exchange formed under Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, it is not mandatory for organisations to notify vacancies on Digital Employment Exchange. Traditional Employment Exchanges and the new digital exchange come under two different administrative Ministries. Digital Employment exchange is mostly a voluntary initiative and is not bound by the 1959 Act. i.e., it is not mandatory for companies to notify their vacancies on to this platform.

National Career Service (NCS) - The Ministry of Labour and Employment on 20 July 2015 launched the National Career Service (NCS) Project by transforming the processes in the network of Employment Exchanges. The 997 Employment Exchanges including the 76 University Employment Information and Guidance Bureaux are now transformed into career centres. The NCS portal provides a nation-wide online platform for jobseekers and employers for job matching in a dynamic, efficient and responsive manner. National Career Service is one of the mission mode projects under the umbrella of E-Governance Plan. It works towards bridging the gap between job-seekers and employers, candidates seeking training and career guidance and agencies providing training and career counselling by transforming the National Employment Service. It brings together all stakeholders like job seekers, employers, counsellors, trainers and private placement agencies to facilitate convergence of information and create synergies through these associations.

CONCLUSION -

Employment Exchanges play a significant role in assisting the youth in finding employment in paid jobs. Registering the applications of job-seekers and notifying them about vacancies, collection and dissemination of Employment Market Information, Vocational Guidance to students and the youth are the major functions of Employment Exchanges. They also assist them in starting Self-Employment Ventures through Vocational Guidance activities. An Employment Exchange is in its true sense an organisation that provides employment assistance on the basis of qualification and experience. Thus, employment exchanges play their role in superior way to guide, to educate, to train, to support, and thus they meet the needs of every personal who want to get employed.

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