CHAPTER IV

OBJECTS OF EMPLOYMENT EXCHANGES

The main objective of Employment Service Organisation (Employment Exchanges) is to see that employment market is properly organised in relation to the existing opportunities for useful work. The functions of employment exchanges follow from the need of workers, employers and the economy regarding recruitment and placement of workers. The main functions of the organisation in a country like India are in order of their importance, collection of employment market information, placement, formulation of training and retraining schemes.

Recruitment is an important and difficult task. It is still in a primitive stage in India and at some places is still made in a haphazard manner, by incompetent persons without any regard to the workers' fitness, aptitude and ability for a particular job, with the result that a large proportion of workers are dissatisfied with their jobs and employers are dissatisfied with their performance. This chaotic labour market functions somehow is a tribute to human adaptability. It is necessary that the existing system should be replaced by a rational system and here we find employment exchanges useful.

The employment exchange organisation is established for the placement work, which consists in helping job seekers to find suitable jobs and to find suitable workers for the employers. Placement is not only a highly technical work; it also requires, on the part of the staff, an ability to gain confidence of workers and employers. The technical side of the work consists in registering the applicants according to the occupational classification, so that their names may be referred for suitable employment opportunities and for this purpose the employment exchange organisation finds out and evaluate qualifications, experience, aptitude and wishes of job seekers.
This requires competence of high order and there is no place of hurried methods. It must also be remembered that a large number of persons enter into the labour market, naturally they are different. If the staff does not have a human approach, proper employment counselling will not be possible. The other side of the placement work is to find suitable workers for employers. The employment exchange organisation must replace the traditional methods of recruitment and it can not be successful in the task unless it is able to convince the employers that this method is better than the traditional method.

The other objective of the establishment of employment exchange is the formulation of training and retraining scheme. In a developing economy the problems of skill formulation are very complicated. A large number of new jobs and occupations are created and older methods of production are displaced by new methods. The employment exchange organisation is the best informed agency so far as the availability and requirements of various skills are concerned and it can advise about the scope, content and organisation of training and retraining programmes. In this way it was established in increasing occupational mobility and in bringing about an adjustment between the demand and supply of labour and employment opportunities in various occupations.

Another function which employment exchange can perform in an agricultural country like India is to regulate and direct migration of workers from the agricultural sector to the non-agricultural sector. Such movements from agriculture is a necessary condition and a necessary consequence of economic development. The Employment Exchange organisation can help in the occupational and geographical mobilisation of labour force from the villages to the industrialised cities.

The most important objective of Employment exchange organisation in an under-developed country like India, where there is no agency
to collect the relevent information about the employment market is to collect employment market information. Before we can think of organising the employment market, we must have necessary information about it. This is of a particular importance in a planned economy where adequate information regarding quality and quantity of human resources is required, for, otherwise, utilisation of human resources will, at best, be based upon guesswork, "The basis of manpower policy is facts", and these facts must be collected, analysed and published, so as to be useful in guiding the planners, employers, and workers.

On the supply side the employment exchange organisation can collect information regarding the availability of labour, its geographical and occupational distribution and composition and the factors which tend to bring about changes in them. On the demand side it can collect information regarding the labour needs and skill requirement of various occupations and the forces which tend to bring about changes in them. Information can also be collected on various demographic, technical, social and economic problems and regarding mobility and vocational training of workers.

The other important objective with which the employment exchange organisation deals is the standardisation of nomenclature and classifications of occupations. The usefulness of information regarding these items is beyond dispute. It helps employers, for they know, where to find workers and what kind of workers are available, it helps workers, for they know, where to search for jobs and what skill are in demand, it helps the planners in the formulation of plans, for, now they can take necessary steps to eliminate the bottleneck which would otherwise arise and which might seriously retard the growth of economy according to the plan.

It is true that the Employment exchanges can not create new jobs, but it can help in solving the problem of unemployment by examining the causes,
extent and character of unemployment and help in formulating measures against unemployment. It can also participate in the formulation and execution of various welfare and social securities schemes for the workers. It can help in establishing decasualisation schemes to eliminate the evils of casual labour market.

About the objectives of Employment Exchange organisation "The SHIVA RAO Committee" emphasised, for the improvement of the quality of the service to employers and workers, the introduction of aptitude and trade testing programme with a view to assessing the suitability of applicants. The introduction of employment counselling programme and collection and publication of information on a general employment outlook. All that need be done is that vacancies should be brought to the notice of applicants, through announcements or other means and they should approach the employers directly.

To reduce the abuses of recruitment method and to lessen the exploitation of the workers by employers, jobbers and contractors, and to maintain a continuous relationship with employers and workers organisation, the private employment employers should be required on a compulsory basis to notify to the exchanges all the vacancies other than vacancies for unskilled categories, vacancies of very temporary duration. And the vacancies should be filled through promotion.

The End

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