

## Manpower Planning in India

**Ravishankar Prasad<sup>1</sup>**

<sup>1</sup>*Department of Commerce, Karpoori Thakur College, Motihari, (East Champaran) Bihar.*

India is the seventh largest country in the world. It is well marked off from the rest of Asia by mountains and the sea, which give country a distinct geographical entity Bounded by the great Himalayas in the north, it stretches southwards, and at the tropic of cancer tapers off into the Indian Ocean between the Bay of Bengal on the east and Arabian Sea on the west. It covers an area of 32,87,782 sq. kms.

India is an under-developed but developing economy. The per capita income of an Indian was \$ 330, which is lowest in the world barring a few countries. From the point of view of occupational pattern, Indian economy is primary producing, because agriculture contributes 32 percent of national income while 70 percent of the labour force is engaged in agriculture. The rate of population growth was 1.31 percent per annum during 1941-50 which rose to 2.22 during 1981-90. Prevalence of chronic unemployment and under employment is a common feature of a developing economy like India which is a result of capital deficiency. The rate of capital formation is very low in India. Inequality in asset distribution exists in the India economy. A glaring feature of Indian economy is the poor quality of human capital. The level of technology is very low in Indian economy. The low productivity per hectare in Indian agriculture along with the low level of productivity per worker in agriculture and Industry are largely a consequence of technological backwardness. Failure to secure a Balanced diet manifests in India in the low calorie intake and low level of consumption of protein. Among the demographic characteristics associated with Indian economy are high density of population, a large proportion of the people in the age group of 0-15 and lower proportion of the people in the working age group of 15-60. India is far behind the developed countries so far as the indicators of standard of living like per capita intake of calorie, fats and proteins; population per T.V. set and per physician are concerned. Another important feature of the Indian economy is poor economic organization. Certain institutions necessary for economic development are not adequately developed here.

Given the link between education and manpower planning in determining the rate of economic growth and quality of life in India, the authors of the Constitution of India enunciated cultural and educational rights. Education is included in the state list in the Constitution of India and is thus the responsibility of the states. Though it is not a federally Administered activity, nevertheless, since 1977 Union-State partnership has assumed great influence in sharing this responsibility as a part of economic and social planning.

The setting up of Scientific Manpower Committee in 1947 is the earliest landmark in the evolution of manpower planning in India after Independence. In 1955, the Planning commission set up the Engineering Personnel Committee under the Chairmanship of Shri

Y.N. Sukhtanker, Another committee which went into the requirements of technical manpower, especially of engineers at about the same time was the River Valley Projects Technical Personnel Committee by the Government of India in 1956 to examine the various problems connected with the forecasting of manpower requirements. In the same year, the Government of India set up a Scientific Personnel Committee under the Chairmanship of Prof. P.C. Mahalanobis. Manpower Studies Nos. 1-12 prepared by the Perspective Planning Division of the Planning Commission represent a substantial addition to the then existing knowledge about important categories of manpower. In 1952, the Government of India set up a working group on Technical Education and Vocational Training.

The demand and supply of agricultural personnel during Second and Third Five Year Plans formed the subject matter of study and investigation by the agricultural Personnel Committee set up by the Planning Commission in 1957 under the Chairmanship of Sri P.N. Thapar.

In the Government of India Resolution setting up the Planning Commission in 1950, the Commission was specifically charged with the responsibility, among other things, to make estimates of human resources of the country including technical personnel and to investigate the possibilities of augmenting the resources as are found deficient in relation to manpower requirements.

With the setting up of the Manpower Directorate in the Home Ministry, a number of steps were taken to create and activate the consciousness of the need for manpower planning in various ministries as well as the various State Governments.

An important landmark in the organizational growth of manpower agencies has been the setting up by the government of India the Institute of Applied Manpower Research in 1962 as an autonomous body wholly devoted to the manpower research. The institute has been publishing a quarterly Manpower Journal.

The concern for manpower planning and an appreciation of the issues involved are relatively new development. The First Plan had scarcely any need for worrying about the matter, as the tempo of development was not fast enough to cause shortages of trained personnel. After the Second Plan was prepared, an Engineering Personnel Committee was appointed to evaluate the demand for engineers arising from the development programmes of the Second Plan and to suggest means of meeting the same. The Report of working Group on Technical Education and Vocational Training, appointed by the Planning Commission in connection with the preparation of the Third Plan, recognized the necessity of anticipating Fourth Plan requirements.

The share of public sector in the total employment generation was 65.37 percent during 1971-80 which rose to 69.86 percent in 1981-90. Considering the whole period of 20 years from 1971 to 1990, the share of the public sector in employment generation was observed to be 67.86 percent. During 1991-95, the corresponding figure rose to 71.06 percent.

The growth rate in employment generation in the public sector was observed to be 3.76 percent per annum in 1971-80 which came down to 2.29 percent per annum in 1981-90. In the span of 20 years of 1971-90, the growth rate was observed to be 2.90 percent per annum. During 1991-95, the corresponding figure was observed to be 0.65 percent per annum.

The private sector's share in total employment has been found less than half of that of the public sector, as during 1971-90, the share of the private sector was 32.14 percent against 67.86 percent of the public sector. During 1991-95 the share of private sector in employment generation was found to be 28.94 percent. Further, the growth rate of employment Generated by the private sector was seen very low (0.75 percent per annum) in 1971-80 which further slipped to 0.02 percent per annum in 1981-90. In the 20 years' span of time from 1971 to 1990, the growth rate in employment generation was found 1.01 percent per annum.

Taking the public and private sectors together, the growth rate in employment generation was observed to be 2.5 and 1.6 percent per annum for the respective period of 1971-80 and 1981-90. Considering the whole period of 20 years, the growth rate has been estimated to be 2.18 percent per annum. During 1991-95, the growth rate of employment generation was found to be 0.77 percent per annum.

Since 1920-91, there has been observed a declining trend in the employment generated in the public sector enterprises. AS a part of the strategy of the new economic policy, not only equity of the public sector is being disinvested but also the sick units are being disbanded and workers in other units are being retrenched.

Human resource development was the main focus of the Eighth Five Year Plan (1992-97). It was towards this ultimate goal that employment generation, population control, literacy, education, health, safe drinking water and provision of adequate food and basic infrastructure were tested as the priorities of the Eighth Five Year Plan.

The policies of economic reforms and liberalization have not helped in the solution of the problems like poverty, unemployment, illiteracy, malnutrition, regional Imbalances and ecological degradation, rather these problems have been aggravated to some extent.

Inspite of having achieved the high growth rate in the Eight Plan, the problem of unemployment remained uncontrolled. It was proposed that the average growth rate in employment would be increased from 2.6 to 2.8 percent during the plan period. It was expected that during first half off the 80 to 90 lakh employment would be generated, while during the second half 90 to 100 lakh employment would be generated. But actually, 65.8 lakh, 50.2 lakh and 71.8 lakh employment opportunities were created in 1992-93, 93-94 and 94-95 respectively. It is a matter of grave concern that daily unemployment states of male workers increased from 5.54 percent 1987-88 to 5.91 percent in 1993-94. The weaker sections of the society have not benefited by the rapid economic growth brought about by the economic reforms and liberalization, because the government expenditure on the items like

education, health and family welfare, development of women and children, housing and water supply which are dependent totally on government financing, did not receive sufficient support from the government.

The labour force has been growing faster than the population. This has resulted in the heavy backlog of under-employment and unemployment. The problem of under-employment is especially grave in the rural areas where majority of the people resides and which still contributes a significant proportion to the G.D.P. Associated with the problems of under-employment and unemployment is the problem of acute poverty and a very low level of living.

The production of manpower cannot be left to the market forces. Actually the production of manpower forms the basic parts of creation of 'infrastructure' in developing economies like India. It will be unrealistic to expect the market forces to lead to its production. Lack of skilled manpower is likely to lead to waste and under-utilization of other resources.

## References

1. Kravis, I.B. et. al., (1978), International Comparison of Real Product and Purchasing power.
2. Datt, Ruddar and K.P.M. Sundharam, (1996), Indian Economy, S. Chand & co. Ltd., New Delhi, p.6
3. Centre for Monitoring Indian Economy, (1993) World Economy and India's Place in It, October.
4. World Bank, (1994), World Development Report (1994).
5. Datt, Ruddar and K.P.M. Sundharam, (1996), Indian Economy, S. Chand & Co. Ltd., New Delhi, p.7.
6. UNDP, (1993), Human Development Report (1993).
7. Gandhi, Prem P., (1984), "Economics of Education and Manpower Planning", in J.S. Uppal (Ed.), India's Economic Problems : An Analytical Approach, Tata Mc-Graw Hill Publishing Company Pvt. Ltd., New Delhi, p.323.
8. Abraham, P.M., (1971), "Manpower Planning in India; A Review of Studies and Problems", Manpower Journal, Vol.7, No.3, October-December, P-13.
9. Das, H.C.L. (1998), "Education, Manpower Planning and H.R.D. Perspective in 21<sup>st</sup> Century", paper presented at the 52<sup>nd</sup> All India Commerce Conference, L.N. Mithila University, Darbhanga, October 14-16.
10. Johnson, J., (1981), Econometric Methods, 3<sup>rd</sup> Ed., Mc-Graw Hill, New York.