

**Arjun Singh's  
game-plan**

**A one-armed  
basketball star**

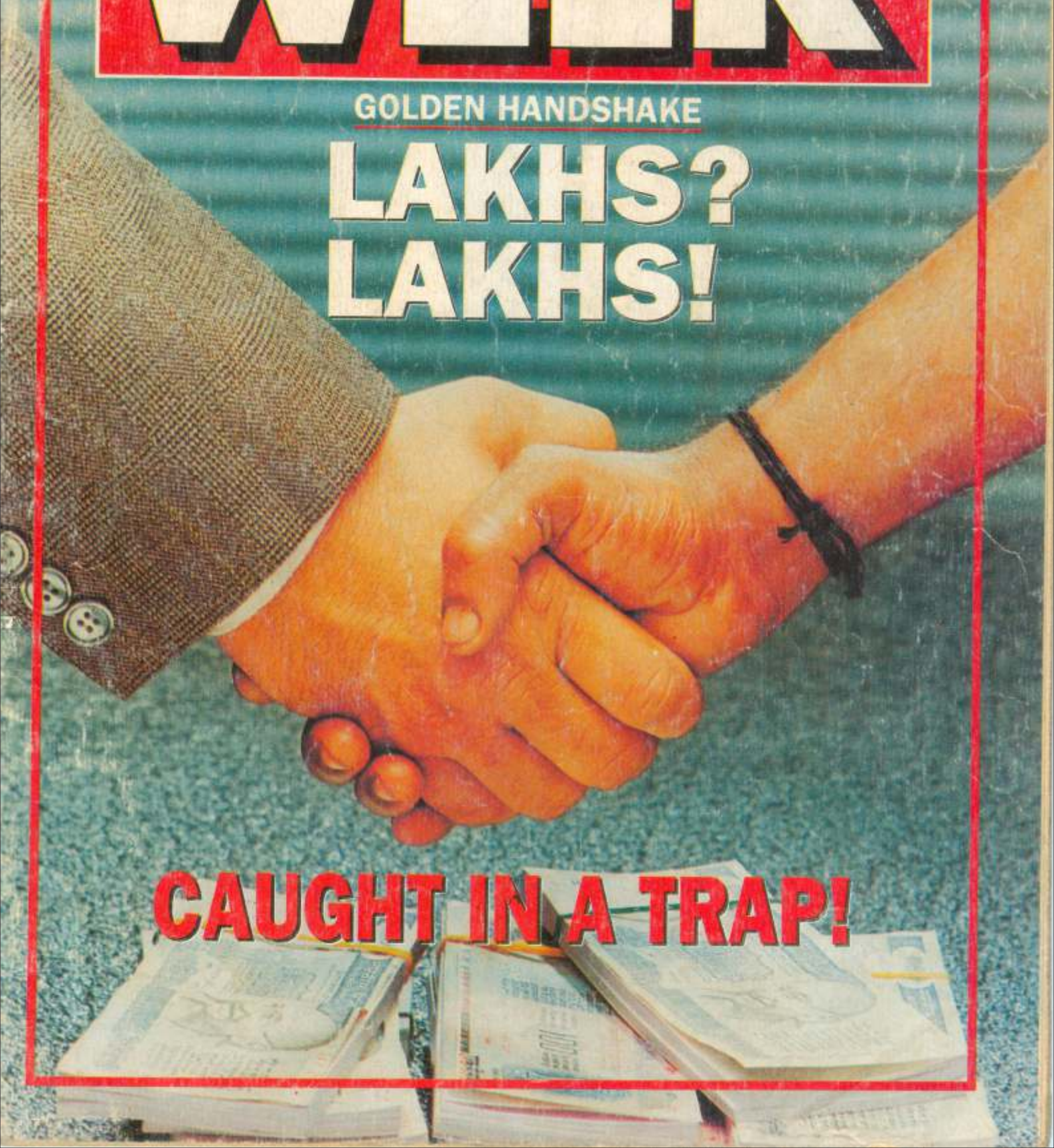
**Khushwant on  
Giani's two lives**

# THE WEEK

**GOLDEN HANDSHAKE**

**LAKHS?  
LAKHS!**

**CAUGHT IN A TRAP!**



sured of a job and hence is not sure of the benefits that he will lose out on if he retires."

**THE** absence of alternative employment continues to be the major hurdle in the path of semi-skilled and unskilled employees accepting VRS, according to labour experts and trade unions. And the national renewal fund, which was meant to fulfil this need, by retraining and redeploying retirees in new jobs, has been a complete failure.

From 1992, when the fund became operational, till October last, it incurred an expenditure of Rs 1,036 crore on the 73,287 employees who opted for VRS—an average of Rs 1.4 lakh an employee. Of these, only 586 employees have been retrained for taking up new jobs through the five employment assistance centres set up in Bombay, Ahmedabad, Indore, Kanpur and Calcutta.

The small number, it is argued, is because it is a 'pilot project' and by implication a long-term one. Said an industrial relations expert and former bureaucrat, who did not want to be named: "Redeployment should be a short-term project as the employment needs of the retired employees need to be taken care of immediately."

"When are the remaining thousands going to be redeployed? Fifteen years later, after the pilot project becomes a model project and then becomes a full scheme?" asks Ashok Rao, president of the National Conference of PSU workers. He cites the situation in the armed forces where thousands of jawans and officers retire every year and are successfully rehabilitated through the exclusive directorate for rehabilitation. "Why can't the government come out with something similar for PSU workers?"

But S.N. Rao, secretary, Indian National Trade Union Congress, may have hit the nail on the head when he said that the bulk of the NRF funds had gone to pay people to leave. "As a result many skilled workers have left and the PSUs are left with the unskilled workers."

"Workers have never stood in the way of retraining. What better example can be given than the way the workforce took to the largescale computerisation in all sectors," says A.B. Bardhan, general secretary, All-India Trade Union Congress.

Increasingly, all trade unions have shed their fear of VRS being an "exit policy in disguise" and are beginning to see the futility of totally opposing

## Training in vain

"THIS is my office", says Sandeep Singh pointing to the polythene carrybag in his hand. The 23-year-old management post-graduate is Assocham's executive coordinating the pilot project in Kanpur for retraining and redeployment initiated under the NRF.

But the idealistic young man has gone along none the less. Thirty-nine employees have been trained in two batches to make items like furniture, toys, utensils, and even outer shells for washing machines and room coolers out of fibre-reinforced plastic (FRP). These items can't be sold under NRF regulations and are lying in a decrepit room at the Harcourt Butler Technological Institute (HBTT) where the training is given. Sandeep hopes these products will inspire others to get themselves retrained.

But inspiration alone may not get them anywhere, as four of those who completed the six-week training learnt. They put in Rs 20,000 to set up a unit for making FRP products and applied for a bank loan of Rs 50,000 to get the project off the ground, but in vain. The banks are unwilling to take the risk. Perhaps their 35 colleagues were the wiser ones—they came for the Rs 15 they got as conveyance allowance!

"I don't have an answer when other employees, whom I invite to join the next training programme, ask me about the money invested by their colleagues," says Sandeep. "At every meeting of the NRF we ask for more money from the fund. But it isn't coming."

—Y.P. RAJESH in Kanpur



Groping in the dark. Sandeep Singh with products made by volunteers

the liberalisation-induced changes. "Now it is a question of survival. What we are particular about is that the surplus is not thrown out without proper retraining and redeployment," says S.N. Rao.

Arun Daur, research and information officer, Hind Mazdoor Sabha, is

**A study for the department of economic affairs by a Delhi-based institute identified 19 "bottlenecks" in VRS, including lack of proper communication of the scheme, inadequate compensation and low retirement age. It suggested granting of post-retirement benefits like education to children of employees and medical assistance.**

worried that VRS, in the absence of alternative jobs in the organised sector, will create an unemployed middle-age population. "You can't turn the whole country into a place full of petty shopkeepers," he says indignantly.

Bardhan shares Daur's concern and says that only a rapid annual industrial growth rate of 6-8 per cent can help absorb the VRS-unemployed.

The rising social costs of VRS are also becoming apparent. "Every society has its own pace of development to keep social costs at a minimum. But the pace at which we are moving is costing the society a lot," says Dr Pravin Sinha of FES.

"A retired employee's buying power is very much reduced. This affects his local economy, as a retired person cannot spend as easily as he did when he was employed. A father who would have said '*chal munna aaj tumhara photo kheenchwate hain*' (Come son, let's get some photographs of yours taken) when employed, will not say so if he is living off VRS dues. As a result, the particular studio's business is affected by that much," says Ashok Rao. The picture is indeed not all that rosy.

—Y.P. RAJESH

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