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**Human Resource Development
in Construction**

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THEME PAPER

INDIA

PREPARED BY



Construction Industry Development Council

**(A body established by the Planning Commission (Now Niti Aayog) Govt. of India &
Construction Industry)**

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EXECUTIVE SUMMARY

This theme note presents the overview of the Indian Construction Industry pertaining to the key to the sustainable & healthy growth of any sector in the National Economy is the Human Resource. With over 43 Million citizens under direct employment of construction entities, the sector has the distinction of being the second largest employer.

A miniscule proportion (5.65%) of this strength has the benefit of structured training & education, keeping the activity under low value/ low productivity tag.

The force therefore needs to be given on creation of Institutions & Institutional frame work along with provision of Institutional resources to meet the requirements of HRD.

Training, Skill up gradation, & certification of skills need to be taken up vigorously, where the Government & Industry have to join hands. The resources to meet the monetary requirements could be channeled through welfare cess & PF deposits as well as from the training funds earmarked under various state & centrally sponsored schemes.

While developing the Institutions & creating infrastructure for the Human Resource Development, some novel actions could be taken, such as

- a) Declaring Construction sites as places of learning.
- b) Introducing mandatory internship for engineers, post or during their education.

Mere provision of financial resources may not attain the purpose if the training infrastructure is lacking, & therefore training programmes to groom the trainers & Institutional provisions need to be placed in position.

Even a fresh crop of contractor would need formal training to meet the demands.

Construction is the second largest economic activity & planned to investment of US\$ 1 trillion [63910 billion (INR)] {Source Economic survey of India } and generates employment for over 43 million people, Construction Industry remains a low value added, rigid and primitive entity and there is a great demand for skilled construction workers in the country.

The Construction sector provides direct/indirect employment to approximately 43 million people and is expected to employ about 92 million persons by 2022 as described in Table I. Thus almost 50 million additional jobs may be created in Construction in the next 10 years.

❖ OPPORTUNITY

Development of 100 new smart cities

Focus on Infrastructure by Government

Availability of funding by Government, Foreign Companies and Agencies in Infrastructure sector

Identified focus areas -Rail /Road / Affordable housing/ Airports / Ports / River linking etc

Annual total anticipated requirement in construction-8 million fresh people out of which approx 2% are of engineers-(1.5 lac)

❖ CHALLENGES

- Fresher's not meeting the employers expectation
- No diligence, discipline, loyalty - employer have no faith
- High salary expectation and low delivery

- Not interested in Physical / Manual work
- Poor understanding of Technical and managerial aspects
- Lack of mobility willing to work locally
- Construction is a round the clock activity - no time
- Unable to compete with fast growing technology
- Lack of skill up gradation

Requirement of Human Resources for Construction (2022)

1.	Engineers	3.72 million man years
2.	Technicians	4.32 million man years
3.	Support Staff	3.65 million man years
4.	Skilled Workers	23.35 million man years
5.	Unskilled/ Semi skilled workers	56.96 million man years
Total Manpower Required		92 million man years

Source: XIIth Plan Approach Paper – Planning Commission

Role of Construction Industry Development Council

No	Ministry / Department/ Organisation	Present number of institutions	Present training capacity per annum (IN LAKH)	Projected number of trained persons by 2022 (IN LAKH)
	National Skill Development Corporation	-	-	1500
1	Labour & Employment	33,000	12 .00	1000
2	Tourism	38	0.17	50
3	Textiles	277	0.15	100
4	Transport	1	0.02	300
5	Tribal Affairs	63	0. 06	-----
6	Rural Development (RUDSETI) and IL & FS	156	5.48	200
7	Women & Child Welfare	68	17.50	100
8	Agriculture	72	19.81	200
9	HRD Higher Education HRD Vocational Education	10,000(Voc. schls)	19.60	500
10	(Engg. Coll. 2297 Polytechnics 1675)	14.00		
11	Urban Development	34	0.013	150
12	Department of Information Technology	1000 (Affiliated centres) + 7 CDAC	1.37	100
13	Food Processing Industries	34	0.10	50
14	Construction Industry Development Council (under Planning Commission)	147	4.64	200
15	Health & Family Welfare	3802	1.35	100
16	Micro Small Medium Enterprise	356	2.92	150
17	Social Justice & Empowerment	Through NGOs & others	-----	50
18	Overseas Indian Affairs	In partnership with MSME/ etc.	0.13	50
19	Finance-Insurance/Banking	*		100
20	Consumer Affairs	*		100
21	Chemicals & Fertilizers	6	0.19	50
22	Others (Power, Petroleum etc.)	NA		150
23	Total	99.46	5300	

Source : National Skill Development Policy

Conclusion

In order to achieve the huge capacity addition in the Construction Industry as envisaged by the government of India to sustain or speed up the high economic growth target the country has set its sight on, it is absolutely necessary that we take a serious note of the data/statistics about the shortage of trained manpower in Industry as has been disclosed by ministry of skill development and various other agencies associated with Construction Industry. Some of the facts that should be kept in mind while implementing the strategies to improve the training facilities and developing manpower are : —

First of all a training policy specific to the requirements of a particular organization should be prepared by it after a thorough and careful analysis of its goals/objectives, work processes, and business requirements which should be reviewed periodically.

- A mechanism should be developed to assess the performance of training providers and those engaged in the area of training and a proper reward should be given to encouragement system be introduced to reward the best organization/ Institute and personnel.
- A long term plan to be chalked out for continuous up gradation of knowledge and skills of the trainers.
- Need on job training for practicing workers at site.
- Training, testing & certification should be made mandatory to all organizations in the construction Industry.
- Registration of Engineers as Professional Engineer.
- Engagement of Internship students.