

ALL INDIA BANK EMPLOYEES' ASSOCIATION (AIBEA)
NATIONAL CONFEDERATION OF BANK EMPLOYEES (NCBE)
NATIONAL ORGANISATION OF BANK WORKERS (NOBW)
INDIAN NATIONAL BANK EMPLOYEES FEDERATION (INBEF)

No. 2020/Joint/07

8th December, 2020

To

Shri Rajkiran Rai. G,
Chairman
Indian Banks' Association,
Mumbai

Dear Sir,

Reg: Misuse of provisions of Apprentices Act

Our attention has been drawn to a recent Advertisement published by the State Bank of India in various newspapers all over the country proposing to engaged **8,500** Apprentices in the Bank. In recent years, few other Banks have also engaged such Apprentices, of course in a very limited way.

In this regard, we would like to bring the following for the attention and consideration of the IBA:

As you are aware, the scheme of Apprenticeship is provided under the Apprentices Act, 1961. The Ministry of Skill Development and Entrepreneurship is the administrative ministry governing the scheme of apprenticeship. Thus the basic idea is training and skill development and not a substitute for regular employment.

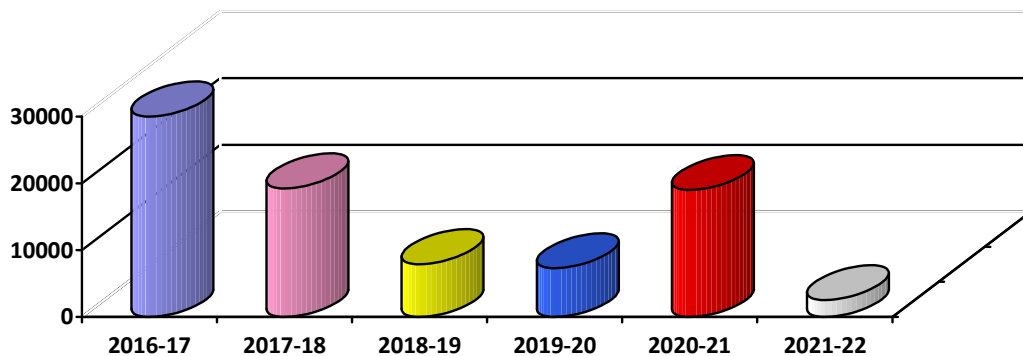
In 2014, the Act was amended to provide for more emphasis and thrust on skill development and avenues of such training. Thus the Government provided the Scheme under the amended Act to regulate the engagement of apprentices in various sectors.

We are aware that banking sector is also covered by the Act and as well as in the Scheme thereunder. The underlying objective behind the Act and the Scheme is to train the unemployed youth with skills so that it would enable them to get employment opportunities in the sectors where their trained skill would be preferred and found useful to both the trainees as the employers.

You will appreciate that the objective and purpose of engaging such apprentices in any industry or sector should be helpful to such unemployed persons to get employment and the period of apprenticeship would be useful to them to learn the job techniques in the sector in which they get employed.

In the banking sector, we observe that the intake of clerical staff is shrinking and getting reduced drastically. The following Table will explain the declining graph of clerical recruitment in the Banks.

2016-17	30,000
2017-18	19,243
2018-19	7,883
2019-20	7,275
2020-21	18,954
2021-22	2,500



It is matter of concern and intrigue that while the Banks as a whole would be recruiting only about 2500 clerical staff for the next financial year, only one Bank is now asking to engage 8500 Apprentices.

If the objective of engaging Apprentices is to provide skill to them keeping their future job opportunities in that sector, then, engaging 8500 apprentices when future job slots are so meagre, is not reconcilable.

In the current unemployment scenario, where the youth are desperate for jobs, this will frustrate majority of them as only few of them, if at all, may expect to get jobs in the Banks.

Secondly, such method of skill development is more suited for manufacturing sector and not for service sector like banking sector. In manufacturing sector, pre-employment skill training in related work will be useful while banking such prolonged and long duration training is not necessary and warranted.

Thirdly, we find in some of the Banks, where such apprentices are engaged, in the name of on the job training, they are being allowed to attend to regular work of permanent employees including exercising

passing powers of Single Window Operators. Thus these Apprentices are being used as normal employees. In addition to their replacing permanent employees, Banks are also running the risk of exposing the operation of the CBS system to all of them.

Fourthly, when there is no commitment or possibility that such Apprentices would get preference in getting employment in the Banks, engaging them in such large number for a long duration of 3 years will result in misplaced expectation and consequent frustration and avoidable litigations.

Further, the consolidated lump sum payment for these unemployed youth without any guarantee of future employment is exploitative in nature. Such large scale engagement of Apprentices will also adversely affect the normal recruitment of permanent employees in the Bank.

Hence, we strongly opposed this engagement of Apprentices in the banking sector in this large manner needs immediately review and reconsideration.

Thanking you,

Yours faithfully,

C H Venkatachalam
Gen. Secretary
AIBEA

S K Bandlish
Gen. Secretary
NCBE

Upendrakumar
Gen. Secretary
NOBW

O P Sharma
Acting Gen. Secretary
INBEF

Copy to: Chief Executive, IBA, Mumbai