

TITBITS OF SME HISTORY

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Observatory

'Small, medium units can solve State's unemployment problem'

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EXPRESS NEWS SERVICE

Kochi Aug 10: The multinational companies cannot solve the rising unemployment rate in the State. This can be dealt with only by entrepreneur-oriented small and medium industries, according to Planning Commission member Dr S P Gupta.

For a State like Kerala, which has excellent performance in the social sector, the unemployment level of 24 per cent is quite appalling, he said. It is 34 per cent in the case of youths and 52 per cent for rural women.

He was here to release an approach paper on the small enterprises of Kerala prepared by Institute of Small Enterprises and Development (ISED) and to inaugurate a conference on strategies and policies of small industry of Kerala.

He felt Kerala should develop the health services, given its strength in this sector. It has all the materials for the development of IT industry but

the State is currently lagging behind other South Indian states. The tourism related to culture also has good scope.

But the problem of the State is the negative attitude of bureaucracy and politicians to development, he said. Moreover, the labour force seems to be inclined to white collar jobs. "They don't want to make their hands dirty." But they are willing to do these jobs once they go outside the State. Dr Gupta called for a change in such attitude at a press conference held later.

He said in his speech that the country will need an investment of 35 per cent of GDP for achieving eight per cent growth as suggested by the Prime Minister. The present growth is 6 per cent and the investment is hardly 23 per cent of GDP. Clearly, the public sector alone cannot raise so much funds and the role of private sector is important. Technological upgradation and labour and knowledge-based development are required to meet capi-

tal constraints.

The role of SSIs, which account for 40 per cent of total production and 70 per cent of employment in the country, is more significant than large industries in this context. SSIs need good lobbying. The formation of a separate SSI Ministry is a great help, he said.

In the report on the development of small enterprises in the country presented to Centre by a committee headed by him, Dr Gupta had stressed the need for using indigenous labour, skill and technology and develop domestic R&D instead depending heavily on foreign direct investment. It also advocated level playing field for SSIs.

Dr P M Mathew, director ISED, welcomed the gathering. A V George, Deputy Mayor of Kochi Corporation, presided. The approach paper was presented by Prof S Muralidharan. V K Ibrahim, president of Ernakulam unit of Kerala State Small Industries Association, and V N Narasimhan offered felicitations.

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OFF THE SHELF

herbs and medicine
from the Vaidyasala. Dr
Govindan, the former
Principal of Kannur Ayurveda
College and a specialist in