

This article is related to General Studies-Paper- III (Indian Economy)

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Delay in releasing key employment data has undermined the credibility of data officialdom.

The resignations of the National Statistical Commission's acting Chairperson P.C. Mohanan and member J.V. Meenakshi appear linked to the Centre's refusal to release new data on employment that were due to be made public in December 2018.

They could also be related to unease about the recently unveiled back-series data on the economy, which recorded slower growth during the UPA-led government's rule, and were released by the NITI Aayog bypassing convention and the commission's views.

Reports suggest that the findings of the new Periodic Labour Force Survey, for July 2017-December 2018, are not too flattering, with unemployment registering a five-decade high. The government has said no such reservations were expressed by Mr. Mohanan or Dr. Meenakshi during NSC meetings and that the report will be released after 'quarterly' data for the survey period is processed.

A key role of the NSC, set up in 2006, is to verify whether data being put in the public domain are reliable and adequate. Information has been collected and disseminated by successive governments under laid-down schedules, earning Indian data greater global trust than most other emerging market peers, especially China.

On the question of job-creation for the youth, the Prime Minister and his Cabinet have been building an argument that jobs abound, but credible data are missing. The National Sample Survey Organisation's quinquennial employment surveys were to be conducted in 2016-17. The year was switched to 2017-18 as the new Labour Force Survey was being prepared to replace it.

Separately, a quarterly survey of select employment-intensive sectors initiated by the Labour Bureau after the 2008 global financial crisis, that provided some clarity on ground realities, was inexplicably junked. Instead, proxy data from enrolments into social security schemes for formal sector employees are being touted as a sign of job-creation: economists have rightly called them out as inaccurate. Even then, Arun Jaitley, in his last year's Budget speech, cited 'an independent study' to claim seven million formal jobs will be created in 2018-19.

The Centre for Monitoring Indian Economy has pegged job losses in 2018 at 11 million based on its regular employment surveys. The government's coy approach to jobs-related data may be due to its disastrous demonetisation gambit which hurt supply chains and informal jobs in the economy and whose effects have lingered.

Contrast this with the NSSO surveys of 2009-10 that revealed little good news on household incomes and job-creation, thanks to after-effects of the global financial crisis. The UPA didn't dither from releasing the data, took criticism on its chin, explained it was an exceptional situation and commissioned another set of surveys in 2011-12 to correct for the timing. The Modi government should have treaded the same path without upending India's statistical integrity.

National Sample Survey Office

Why in the discussion?

- Recently, a report from the National Sample Survey Office (NSSO) related to employment in the country has been leaked.
- According to the reports, unemployment rates in the year 2017-18 reached the highest level of 6.1% in 45 years.

Main point of report

- According to the report, the unemployment rate of 2017-18 is the highest since 1972-73.
- Unemployment rates in urban areas of the country are 7.8 per cent while in rural areas it is 5.3 per cent.
- The unemployment rate among urban males between 15-29 years is 18.7%. In 2011-12, the rate was 8.1 percent.
- In the year 2017-18, 27.2 percent of urban women were unemployed, which was 13.1 percent in 2011-12.
- According to the NSSO survey, the unemployment rate in the country was 2.2 percent in 2011-12.

In urban areas

- Compared to the previous years, the number of unemployed youth in the country is quite high and it is much higher than the 'total population'.
- During the 2011-12, the unemployment rate was 5 percent among the 15-29 age group in rural areas, which increased more than three times in 2017-18 to 17.4 percent.
- Unemployment rates in urban areas are more than rural areas. The unemployment rate here is 18.7 percent for men and 27.2 percent for women.
- PLFS is the NSSO's first annual house survey for which statistics were collected during July 2017 to June 2018.
- Labor force participation rate for women (LFPR) was seen in 2017-18 and it was 23.3 per cent, but in the financial year 2011-12 it was 31.2 per cent

and in 2009-10 it was 32.6 per cent.

- LFPR for men was 79.8 percent in 2011-12, which was 75.8 percent in 2017-18. This means that more women are getting out of labor jobs than men.

in rural areas

- The unemployment rate of women in rural areas was 13.6 percent in 2017-18, which was 4.8 percent in 2011-12.
- In the educated rural women, between 2004-05 and 2011-12 the unemployment rate was between 9.7 percent and 15.2 percent. In 2017-18 this increased to 17.3 percent.
- The unemployment rate for educated rural men increased to 10.5 percent, which was between 3.5 percent and 4 percent between 2004-05 and 2011-12.
- During the 2011-12, the unemployment rate was 5 percent among the 15-29 age group in rural areas, which increased more than three times in 2017-18 to 17.4 percent.

What is it?

- National Sample Survey Office is also known as National Sample Survey Organization.
- It was established in the year 1950.
- This is India's largest organization, which regularly performs the country's socio-economic survey.
- National Sample Survey Office works under the Ministry of Statistics and Program Implementation of the Government of India.

What said the policy commission?

- No such data has been released by the government.
- Government will present quarterly data.
- The data of the NSSO is completely wrong.
- According to the Policy Commission, 7-7.8 million jobs were given.
- The country needs 7 million jobs now.
- The policy commission will issue the report until March.
- Figures are getting ready for employment now

Expected Questions (Prelims Exams)

1. Consider the following statements regarding the National Sample Survey Office (NSSO)-

1. It is the largest organisation of India established in 1950, which regularly conducts the socio economic survey of the country.
2. It works under the aegis of Ministry of Statistics and Programme implementation.
3. According to the report, rate of unemployment in urban areas was 5.3 percent in 2017-18 whereas in rural areas was 7.8 percent, which is the largest after 1972- 73.

Which of the above statements are correct?

- (a) 1 and 2
- (b) 1 and 3
- (c) 1, 2 and 3
- (d) None of the above

Expected Questions (Mains Exams)

Q. Recently, contradictory attitude has been observed between the government and NSSO over the data released regarding the unemployment. In this context analysing the employment status suggest measures to reduce the unemployment.

(250 Words)

Note: Answer of Prelims Expected Question given on 2 Feb. is 1(c)

