Need for an Urban Job Guarantee Scheme

Why in news?

A study commissioned by the Prime Minister's Economic Advisory Council has recommended an urban job guarantee scheme.

What is the history of urban employment schemes in India?

- India has had a history of urban employment schemes such as the Swarna Jayanti Shahari Rozgar Yojana (SJSRY), which was launched in 1997.
- It provided employment to the unemployed and underemployed urban poor through self-employment and wage employment.
- In 2013, the SJSRY was replaced by the National Urban Livelihoods Mission (NULM).
- But none of them were employment guarantee schemes.
- More and more Indian state governments are looking favourably towards an urban version of MGNREGA. These include
    - Kerala - Ayyankali Urban Employment Guarantee Scheme
    - Odisha- Unnati or Urban Wage Employment Initiative
    - Himachal Pradesh- Mukhya Mantri Shahri Ajeevika Guarantee Yojna or MMSAGY
    - Madhya Pradesh- Mukhyamantri Yuva Swabhiman Yojana
    - Jharkhand- Mukhyamantri Shramik Yojana
    - Rajasthan- Indira Gandhi Shahari Rozgar Yojana
    - Tamil Nadu- Tamil Nadu Wage Urban Employment Guarantee Scheme for Urban Poor

What is the need for an urban job guarantee scheme?

- The nationwide lockdown implemented strictly in urban areas led to job losses and reverse migration.
- Growing distress among the urban poor.
- Unemployment rates are typically higher in urban areas.
- Urban poor are worst affected by India's persistently high inflation.
- Prevalence of low-wage, poor quality, informal work.

> *Food transfers under the Pradhan Mantri Garib Kalyan Yojana as well as enhanced MGNREGA works saved the rural population but most of the urban poor has not signed up for PMGKY or Jan Dhan Yojana.*

Can an urban job guarantee scheme be tailored along the lines of MGNREGA?

- An urban job guarantee scheme should not be tailored along the lines of a job guarantee like MGNREGA because the urban workforce is more diverse than its rural counterpart.

- The MGNREGA is essentially an income-support programme for off-season farm workers, whereas the urban workforce can be divided into two broad categories
    - Those living on the margins in cities for years
    - A more aspirational migrant population
- Those living on the margins in cities need to be enrolled in the government portals for benefits such as pension schemes.
- Investment in skilling is essential to ramp up competitiveness in manufacturing.
- The industrial training institutes need to be brought in line with the latest skilling needs by working in concert with industry.

Reference

1. https://www.thehindubusinessline.com/opinion/editorial/a-job-at-hand/article65484645.ece

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