New Payroll Report by Niti Aayog

Why in news?

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A new payroll report to gauge the level of employment generation has been released by the Niti Aayog.

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What is new payroll data report about?

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- The report of payroll data is an important first step by the Union government to track job growth more closely.
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- The payroll data collected by the Employees' Provident Fund Organisation (EPFO), Employees' State Insurance Corporation (ESIC) and the Pension fund Regulatory & Development Authority (PFRDA) has been consolidated by the Niti Aayog in the form of a report.
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- This report will be released every month, to track the number of jobs added in the formal sector.
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- The recently released report has measured the rate of employment addition for the period 2017 September to 2018 February.
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- It highlights the new jobs generated in the 6 month period with the help of EPFO and PFRDA data.
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- And the data collected by EPFO and PFRDA has suggested that jobs are being created in the country, which is seen as a positive growth indicator.
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What are the limitations with the report?

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- This report collects data only from the union and state government establishments and do not capture the jobs created in the professional jobs.
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- Also, employment generation in the informal sector, especially in the agriculture and micro enterprises are not captured which hold more than half of the total employee population.
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- There is no methods used in the report to filter duplicate data and data from inactive accounts in EPFO and PFRDA.
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- It is also possible that many new jobs accounted were already existing in informal sector but newly moved to the formal sector.
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What measures can be taken to address these limitations?

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- The NITI Aayog can additionally source data from the ICAI, bar council, medical council and other professional bodies to account for other avenues of employment.
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- Periodic surveys can be conducted to identify the job creation in the informal sectors.
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- Collaboration with NSSO can be done to bring out annual and quarterly surveys to provide a holistic picture of the employment status in the country.
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Source: Business Line

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