Shortfalls in employment surveys

What is the issue?

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- There has been a lack of official unemployment estimates.
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- This undermines democratic accountability.
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What are theshortfalls in employment survey mechanisms?

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- **NSSO -** there has been a delay in mapping unemployment by the National sample survey office, where the last employment survey took place in 2011-12.
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- There is also no clear decision on upcoming employment surveys, whether it should stick to April-March cycle or shift to June-July cycle.
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- Shifting the cycle has its own complications like data becoming incomparable.
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- **CIME -**Centre for Monitoring the Indian Economyis able to produce high-frequency unemployment data with a large sample size using innovative methods such as hand-held devices.
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- It has estimated that urban unemployment in the first full week of October was at its highest in 11 months.
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- But the estimates by this organisations are not taken into account by the government.
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- **Non-State actors** - Many non-state actors are also taking surveys which are

many times biased or not reliable.
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- It is puzzling to see the non-state actors taking up the task of conducting surveys using digital technology, while the government lags in its data collection mechanisms.
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What are impacts of lack of employment data?

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- Unavailability of unemployment data, comparability of overall growth estimates have made the economy opaque.
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- The delays in survey during the turbulent times have become a major obstacle in framing suitable policies.
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- This crisis can be clearly seen on the small and medium enterprises (SMEs) which were affected by demonetisation and GST.
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- They have been the engine of employment growth in India, given the constraints on hiring and firing by the larger companies.
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Way Forward

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- The government has failed to bring in this crucial aspect of governance-collection of employment data under the radar of its Digital India.
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- To respond and realign the priorities with appropriate policies, government needs to update its data collection mechanisms.
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- This will ensure confidence and transparency in the economy and also boost investments.
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Source: Business Standard

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