

ROLE AND INITIATIVES TAKEN BY GOVERNMENT TO HANDLE UNEMPLOYMENT IN INDIA

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ABSTRACT

India is a fast growing economy. There has been enormous improvement in the unemployment scenario since the time it was recognized as a challenge. Unemployment can be briefly declined as a state of being without gainful work. It is considered as an involuntary failure to get income yielding work. It is recognised as one most significant sociological problem in the society. Efforts made by the government have resulted in a slight drop in the unemployment rate in India. But although we're making some progress, it's not enough.

Keywords: *Unemployment, Economy, Society, Work, Government*

INTRODUCTION:

Rudolf Gyan D. Mellow (1969) defined unemployment as "a condition in which an individual is not in a state of remunerative occupation despite his desire to do so". Again, Harris and Levenly (1975) defined unemployment " as a condition of one who is able to work but unable to find it".

Unemployment in India remains a subject of concern since it was first recognized in 1950s. During that period; the Government of India had only few initiatives of employment generation until the first Five Year Plan was drafted in the year 1950-1951. This plan laid the foundation for overall and sectorial development in a medium term prospective for achieving the goal of employment growth and increasing the labour force. For the first time, in the Seventh Five Year Plan (1985-1990), employment was placed at the core of development strategy. In the Ninth Five Year Plan (1997-2002), employment was identified as one of the three important dimensions of state policy with others being quality of life and regional balance. The Eleventh Five Year Plan (2007- 2012) mainly focused on 'inclusive' growth and conceived employment as the key element of the same even in twelfth five year plan.

However, Centre's top think-tank Niti Aayog thinks unemployment is not as big a problem for India as it is often claimed. Instead, the policy think-tank believes the bigger problem is "underemployment".

In its three-year action agenda released on Thursday, the Aayog said, "Indeed, unemployment is the lesser of India's problems. The more serious problem, instead, is severe underemployment. A job that one worker can perform is often performed by two or more workers. In effect, those in the workforce are employed, but they are overwhelmingly stuck in low-productivity, low-wage jobs."

Niti Aayog refutes claims that India's growth has been "jobless". Citing the Employment Unemployment Surveys (EUS) of the National Sample Survey Office (NSSO), the thinktank said they "have consistently reported low and stable rates of unemployment over more than three decades. Even under the most demanding definition of employment, the unemployment rate consistently remains between 5% and 8%." You may think that it's not your problem. But the bigger picture remains that a high illiteracy rate holds a nation back from making progress. It is affecting all of us in ways that we can't even imagine. We all need to come together to help underprivileged children get better education because they are our country's future. As per the Economic Survey (2015-16), the rate of unemployment has increased from 3.8% (2011-12) to 5% (2015-16). Additionally, in 2015 only 1.35 lakh jobs were added in eight labor intensive sectors, compared to 9.3 lakh jobs that were added in 2011-12.

The United Nations International Labour Organisation (ILO) released its 2017 World Employment and Social Outlook report on Thursday, which finds economic growth trends lagging behind employment needs and predicts both rising unemployment and worsening social inequality throughout 2017. Job creation in India is not expected to pick up pace in 2017 and 2018 as unemployment rises slightly, representing a near stagnation in percentage terms. "Unemployment in India is projected to increase from 17.7 million last year to 17.8 million in 2017 and 18 million next year. In percentage terms, the unemployment rate will remain at 3.4 per cent in 2017-18," the report added.

The following steps have been taken by Govt, to increase employment opportunities:

1. Integrated Rural Development Programme (IRDP):

In 1978-79, government of India introduced IRDP to create full employment opportunities in rural areas. Under this programme agriculture, animal husbandry, forests, fisheries, small and cottage industries, construction of roads and canals etc. are to be developed in all the 5111 development blocks. Moreover, to provide more employment, in the Seventh Plan a sum of Rs. 312 crores was spent on this programme. It benefited 182 lakh families. In 1995-96 about 21 lakh families have been benefited.

2. Drought Prone Area Programme (DPAP):

This programme was launched in 70 such districts of 13 states as were prone to drought. The programme has proved fruitful particularly in removing seasonal unemployment. In Sixth Plan, the programme provided 17 crore and 70 lakh man-days of employment. In the same period, a sum of Rs. 301 crores was made on the programme. In Seventh Plan, Rs. 474 crores has been spent for the programme.

3. Training for Self-Employment:

This programme was launched on 15th August, 1979 by the Government of India. It is called National Scheme of Training of Rural Youth for Self Employment (TRYSEM). The main

objective of this programme is to reduce unemployment among the youth. During Seventh Plan about 11.6 lakh youth were imparted training under the programme.

4. Jawahar Rozgar Yojana:

The Jawahar Rozgar Yojana was started on 28th April 1989. The objective of this Yojana is to provide employment to at least one member of each poor rural family for fifty to a hundred days a year at a work place near his residence. A special feature of the scheme is that 30% of the employment generated will be reserved for women. The Central government will finance 80% of the programme and the state government will have to bear only 20% of the expenditure of this scheme. In 1989, National Rural Employment Programme and Rural Landless Employment Guarantee Programmes were merged in the yojana.

5. Employment in Foreign Countries:

Government also helps people to get employment abroad. Special agencies have been set up to recruit people to serve in gulf countries like Kuwait, etc.

6. Self-employment to Educated Unemployed Youth:

In 1983, a scheme namely self-employment of educated unemployed was initiated. Under this scheme, loans up to Rs. 25,000 are given to those educated unemployed who have no other financial resources. This scheme is enforced by District Industries Centers. Government will give 25 percent as subsidy of the loans given by the banks under this scheme.

7. Nehru Rozgar Yojana (NRY):

This Yojana was started in 1989. There are three schemes under it. (1) Under the first scheme, subsidy is given to urban poor to set up micro enterprises. In 1995, under this programme, 1.25 lakh families have been benefited. (2) Under the second scheme arrangements have been made for wage-employment to labourers in cities with less than 10 lakh population by providing Indian Economic Development and Elementary Statistic 'them basic facilities. In 1995, under this scheme 93 lakhs man-days of employment have been provided. (3) Under the third scheme, urban poor in the cities are to be provided employment opportunities in jobs like house repairing etc.

8. Small and Cottage Industries:

In order to reduce unemployment, government if has made special efforts to develop small and cottage industries. In 1995-96 about 33 lakh persons were employed in these industries.

9. Development of Organized Sector:

Many people are getting employment in organized public and private sectors. In 1995-96, nearly 340 lakh persons got employment in large industries. In 1961, organized public sector provided employment to 70 lakh persons; now it provides employment to 1 crore and 92 lakh

persons. Likewise, in 1961 organized private sector provided employment to 50 lakh persons; in 2000 it provided employment to 89 lakh persons.

10. Employment Exchanges:

Government has set up about 890 employment exchanges offering information on the possible vocational avenues. These exchanges do not provide employment directly but are of great assistance in directing the job-seeker to the possible areas of employment.

11. Employment Guarantee Scheme:

This Scheme has been launched in many states, such as, Maharashtra, West Bengal, Kerala, Rajasthan etc. Under the scheme unemployed persons are given economic assistance.

12. Employment Assurance Scheme:

The Employment Assurance Scheme (EAS) was launched in 1994 in 1752 backward blocks in the country. The main objective was to provide 100 days of unskilled manual work to the rural poor who are seeking employment.

13. Prime Minister's Integrated Urban Poverty Eradication Program (PMIUEP):

This programme has been implemented in 1995-96. This programme aims at to provide employment to the urban poor. It will cover 50 lakh urban poor living in 345 towns. The central government will incur an expenditure of Rs. 800 crores this programme during a period of Five years.

14. The Swarn Jayanti Rozgar Yojana:

This plan began on December 1, whereas launching of this yojana, previous programmes meant for providing employment to urban unemployed like Nehru Rozgar Yojana and Prime Minister Integrate Urban Poverty Eradication Programme were merged into it.

It aims at providing self-employment or wage employment to urban unemployed and under-employ persons. It comprises of two plans: (i) Urban Self- Employment Programme-(USE and (ii) Urban Wage Employment Programme-(UWEP). Of the total expenditure on "Yojana, 75 percent will be borne by the centre and 25 percent by the state governments. In the year 1997-98, a sum of Rs. 125 crore was spending on this yojana.

15. Jawahar Gram Samridhi Yojana:

Jawahar Rozgar Yojana has been restructured as Jawahar Gram Samridhi Yojana with effect from April 1999. This Yojana has been formulated to improve the quality of life of the rural poor by providing the additional gainful employment.

16. Other Programmes:

Govt, of India launched other employment and poverty alleviation programme as under:

- (i) Pradhan Mantri Gramodaya Yojana (PMGY)
- (ii) Pradhan Mantri Gramodaya Yojana (Gramin Awas)
- (iii) Pradhan Mantri Gramodaya Yojana-Rural Drinking water project.
- (iv) Pradhan Mantri Gram Sadak Yojana (PMGSY)
- (v) Autyodya Anna Yojana.
- (vi) Jai Prakash Rozgar Guarantee Yojana (JPRGY).
- (vii) Valmiki Ambedkar Awas Yojana (VAMBAY).

Additionally, the Economic Survey (2016-17) also indicates a shift in the pattern of employment from permanent jobs to casual and contract employment. This temporary nature of work has adversely affected the wages, employment stability and social security of the workers.

The Modi government initiated many new schemes to boost employment in India. However, these schemes have not so far yielded the expected results.

1. Make in India

The main aim of the Make in India programme was to generate employment in the manufacturing sector. The target was to increase the share of manufacturing to 25% of GDP by 2020 from 15% under the UPA-led government. However, the parliamentary standing committee of commerce (2017) indicated that “the manufacturing sector has grown only by an average of 1.6% in the last 5 years till 2015-16.”

Some economists believe stringent land acquisition laws and inflexible labour regulations make it difficult for India to attract investors in the manufacturing sector. Others believe the lack of support to local manufacturers has led to the failure of the project. Local apparel, footwear, textiles and leather industries did not receive any support from the government in the form of funding. This suggests that although the government aimed to ease the process of business and create more jobs, it could not achieve either.

2. Digital India

The government aimed to stress on automation through the introduction of Digital India. As a result, major IT companies such as WIPRO, Tech Mahindra and HCL Technologies hardly hired any new employees from 2015-16. Additionally, demonetisation and the switch to online transactions resulted in the closing down of many local kirana stores that accepted only cash payments.

In many ways, India is not yet equipped to transition to Digital India. At present, there isn't enough spectrum or wired connectivity to support the initiative. Through the project, the

government had aimed to create home based jobs and encourage more entrepreneurs to start online businesses. However, due to poor digital infrastructure, it has failed to achieve its goals.

3. Start-up India

Under this programme, the Modi government encouraged banks to provide finance to young entrepreneurs to start their own business ventures. However, lack of innovation and lack of skilled labour resulted in the shutdown of many new start ups. In the last two years, a total of 25 start ups have shut down. Startups such as TinyOwl, Dazo and Peppertap had to close down due to lack of funds and appropriate skill set. In particular, due to Start up India, many existing employees left their present jobs and turned entrepreneurs. However, since many of the start ups failed, they are now unemployed. It could be suggested that not only did Startup India fail to create more jobs, it may have actually resulted in a lot of individuals losing their jobs.

4. Smart cities

The Modi government had announced that 100 smart cities would be created and townships revamped by developing infrastructure and transportation facilities. Additionally, in each of these townships, new job opportunities would be created to accelerate overall development. In particular, the main aim of smart cities was to invest in technology and train the youth to create more jobs. But post the identification of the smart cities, no further steps have been taken by the government. Though there have been multiple conferences on the subject, no proper policy regarding investment in technology and how to provide training has been designed.

It is also important to highlight that labour force participation among women has declined significantly. In the three-year action agenda draft (2017-2020), released on April 23 by Niti Aayog, the emphasis was on promoting gender equality in workplaces. Government data from 2004-2012 showed that 1.96 crore women dropped out of the workforce in India. One major reason women join the workforce is to add to household income. However, it has also been observed that once household incomes become stable, they leave their jobs. Also, post marriage, women have to divide their time between public and private responsibilities, according to the International Labour Organisation. Women are willing to accept work if it is nears their homes and they do not have to travel too much. Hence, in order to encourage more women in the labour force, it is important to encourage equal division of labour both at the home and the workplace between men and women.

For instance, the government recently increased the number leave days under the maternity benefit scheme. To divide childcare responsibilities between men and women, the government should introduce paternity schemes as well. This will be a step forward and help women to divide their time between the home and the workplace. Additionally, women are enrolling more in education. However, sufficient jobs are not created in sectors such as

textiles, farming and clothes manufacturing that could absorb women. The government should particularly focus on sectors that would suit the employability needs of women.

Options for youth

With the level of rising unemployment and given India's high youth population, it is important for the government to create gainful opportunities. With three years now behind it, unemployment has emerged as a major challenge for the Modi government. Additionally, all its major schemes together have not been able to create jobs. In this context, the government should focus on the key factors of unemployment, as well as develop alternatives that will generate employment for the unemployed youth in India.

CONCLUSION:

India's unemployment rate continues to be below the global average, despite concentrated and prolonged efforts. Unemployment is a problem to most nations of the world. It is one serious problem facing the developing countries like India. It is one of the main issues India has had to deal with since independence. Efforts made by the government have resulted in a slight drop in the unemployment rate in India. But although we're making some progress, it's not enough. There are still so many things we can do to help eradicate unemployment in our country. With the level of rising unemployment rate in population, it is important for the government to create gainful opportunities. Additionally, all its major schemes together have not been able to create jobs. In this context, the government should focus on the key factors of unemployment, as well as develop alternatives that will generate employment for the unemployed youth in India.

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