

MANIDHANAHEYAM FREE IAS ACADEMY – TNPSC GROUP II & IIA**UNIT - III****UNEMPLOYMENT****1. What do you mean by Atma Nirbar Bharat? How would be useful for the Indian Economy?****Atma Nirbhar Bharat:**

- 1) The Prime Minister in his address to nation on 12.05.2020 announced an economic stimulus package for Rs 20-lakh-crore (estimated at 10% of the GDP), towards building an Atma Nirbhar Bharat, or a self-reliant, resilient India.
- 2) The Package is to cater to various sections including cottage industry, MSMEs, labourers, middle class, and industries, among others.

Five pillars of Atma Nirbhar Bharat:

- 1) Economy - an economy that brings Quantum Jump rather than Incremental change.
- 2) Infrastructure - an infrastructure that became the identity of modern India.
- 3) System - A system that is driven by technology which can fulfill the dreams of the 21st century; a system not based on the policy of the past century.
- 4) Demography - Our Vibrant Demography is our strength in the world's largest democracy, our source of energy for self-reliant India.
- 5) Demand - The cycle of demand and supply chain in our economy, is the strength that needs to be harnessed to its full potential.

Benefits:

- 1) Emergency Credit Line to Businesses/MSMEs from Banks and NBFCs up to 20% of entire outstanding credit.
- 2) Rs 20,000 crores Subordinate Debt for Stressed MSMEs.
- 3) Revision of MSME definition.
- 4) Government procurement.
- 5) EPF support to businesses.
- 6) EPF contribution reduced for Business & Workers for 3 months.
- 7) Free food grains supply to migrants for 2 months.

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- 8) Technology system to be used enabling Migrants to access PDS (Ration) from any Fair Price Shops in India by March, 2021-One Nation One Ration Card Scheme.
- 9) Scheme for Affordable Rental Housing Complexes for Migrant Workers and Urban Poor to be launched.
- 10) 2% Interest Subvention for 12 months for Shishu MUDRA loanees- Relief of Rs. 1,500 crores.
- 11) Rs 5,000 crore Credit facility for Street Vendors.
- 12) Rs 70,000 crore boost to housing sector and middle-income group through extension of Credit Linked Subsidy Scheme for MIG under PMAY (Urban).
- 13) Rs 30,000 crore Additional Emergency Working Capital for farmers through NABARD.
- 14) Rs 2 lakh crore credit boost to 2.5 crore farmers under Kisan Credit Card Scheme.
- 15) Rs 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers.
- 16) Rs 10,000 crore scheme for Formalisation of Micro Food Enterprises (MFE).
- 17) Rs 20,000 crore for fisherman through Pradhan Mantri Matsya Sampada Yojana (PMMSY).
- 18) National Animal Disease Control Programme.
- 19) Animal Husbandry Infrastructure Development Fund - Rs. 15,000 crore.
- 20) Promotion of Herbal Cultivation: Outlay of Rs. 4,000 crore.
- 21) Beekeeping initiatives – Rs 500 crore.
- 22) From 'TOP' to TOTAL - Rs 500 crore.
- 23) Rs 40,000 crore increase in allocation for MGNREGS to provide employment boost.

2. How the Self Employment Guarantee schemes like NREGA will be very useful during the crisis times such as Lock down?

Benefits of NREGA:

- 1) Biggest benefits during covid lock down – Increased allocation of 40,000 crores.

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- 2) Off seasonal Income.
- 3) Benefits to migration labour.
- 4) Benefits to unskilled and Informal sector labour.
- 5) Rural Employment.
- 6) Supplement to Agricultural activities.
- 7) Improving rural infrastructure.
- 8) Women empowerment.
- 9) Good solution during economic slowdown.
- 10) Repairing and management of physical infrastructure.
- 11) Rural Peacefulness and law & Order situation.

3. Explain the term Migrant Labours in India. Highlight the major problems faced by the Migrant Labours in India.

Migrant labours:

- 1) A “migrant worker” is defined in the International Labour Organization (ILO) instruments as a person who migrates from one country to another (or who has migrated from one country to another) with a view to being employed.
- 2) The incident of spraying of disinfectant on migrant workers in UP and other places.
- 3) No proper data base.
- 4) No communication cell.
- 5) No coordination organization.
- 6) No uniform pay structures and poor wages.
- 7) No proper policy for migrant regulations.
- 8) No proper implementation of Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
- 9) No proper coordination between centre and states.
- 10) Opposition from Migration state.
- 11) Mostly all are unskilled labour.
- 12) Exploitation by employers.

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- 13) Poor wages and no proper habitation.
- 14) Poor living conditions.
- 15) Inaccessibility to state given services due to lack of identity proof and other documents.
- 16) Absence of government intervention.
- 17) No permanent employment.
- 18) Feminisation of poverty.
- 19) No skill updates and upgradation.
- 20) Economic insecurity faced by the migrant workers as well as its impact on their family members in their States.
- 21) Perspective of charity approach.

4. Analyse the causes of unemployment in India and bring out the measures undertaken by the Government to increase employment in India.

1. Population Explosion:

- 1) The most fundamental cause of large scale unemployment in India is the high rate of population growth since the early 1950s and the consequent increase in its labour force. It was estimated that with the 2.5 per cent annual rate of population growth, nearly 4 million persons are added to the labour force every year. To provide gainful employment to such a big number is really a difficult task.

2. Underdevelopment:

- 1) Indian economy continues to be underdeveloped even as a vast quantity of unutilized and under utilised natural resources are prevailing in the country. The scale and volume of economic activities are still small. The non-agricultural sector especially modern industrial sector which could generate huge number of employment, is growing very slowly.
- 2) During the pre-independence period also, Indian economy experienced a slow growth. British destroyed the indigenous small scale and cottage industries instead of expanding and modernising them. During the post-independence period also, the performance of the industrial sector has also been found far below the plan targets and needs.

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3) Moreover, the slow rate of capital formation is also responsible for the hindrances in the path of realisation of growth potential in agriculture, industry and infrastructure sector. Thus this underdevelopment is largely responsible for slow expansion of employment opportunities.

3. Inadequate Employment Planning:

- 1) In the first phase economic planning in India, employment opportunities could not be increased adequately and little has been done to utilise the Nurksian variety of labour surplus existing in the rural areas. Moreover, weak manpower planning is also another serious gap in Indian planning.
- 2) Less effort has been made for balancing the manpower needs and supplies in various production sectors, indifferent regions of the country and also indifferent skills.
- 3) This has resulted to large imbalances in the sphere of educated and trained personnel like engineers, technicians, cost accountants, plain graduates and port graduates, administrators etc. Thus huge amount of resources used for developing manpower could not come into much help due to faulty manpower planning.

4. Slow Rate of Growth:

- 1) In India the rate of growth of the economy is very poor and even the actual growth rate lies far below the targeted rate. Thus the increased employment opportunities created under the successive plans could not keep pace with the additions to the labour force taking place in the country every year leading to a huge and larger backlog of unemployment at the end of each plan.

5. Backwardness of the Agriculture:

- 1) Heavy pressure of population on land and the primitive methods of agricultural operations are responsible for colossal rural unemployment and underemployment in the country.

6. Insufficient Industrial Development:

- 1) Industrial development in the country is not at all sufficient. Rather the prospects of industrial development has never been completely realised. Due to dearth of capital, lack of proper technology, scarcity of industrial raw materials, shortage of electricity and lack of labour intensive investment

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industrial sector could not gain its momentum and also could not generate sufficient employment opportunities in the country.

7. Prevailing Education System:

- 1) The prevailing education system in India is full of defects as it fails to make any provision for imparting technical and vocational education. Huge number of matriculates, undergraduates and graduates are coming out every year leading to an increasing gap between job opportunities and job seekers among the educated middle class.
- 2) In the absence of vocational education and professional guidance, these huge number of educated youths cannot avail the scope of self-employment leading to growing frustration and discontent among the educated youths.

8. Slow Growth of Employment during Economic Reforms:

- 1) Finally, the current phase of economic reforms introduced in India has resulted jobless growth to some extent. Economic Reforms has resulted large scale retrenchment of surplus workers in different industries and administrative departments due to down-sizing of workers.
- 2) The annual growth rate of employment which was 2.40 per cent during the period 1983- 94, but the same rate declined to a mere 0.98 per cent during the period 1994-2000. As a result, the unemployment growth rates increased from 5.99 per cent in 1993-94 to 7.32 per cent in 1999-2000. The covid pandemic raised the unemployment rate upto 8.2 percent in August 2020 in India.

Measures taken by Govt. to increase employment in India:

- 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.
- 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.

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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) **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.

6) **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.

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- 7) **Small and Cottage Industries:** In order to reduce unemployment, government has made special efforts to develop small and cottage industries. In 1995-96 about 33 lakh persons were employed in these industries.
- 8) **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.
- 9) **Prime Minister's Integrated Urban Poverty Eradication Program (PMIUPEP):** 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.
- 10) **The Swaran 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.
- 11) 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.
- 12) **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.
- 13) **Other Programmes:**
1. Pradhan Mantri Gramodaya Yojana (PMGY)
 2. Pradhan Mantri Gramodaya Yojana (Gramin Awas)
 3. Pradhan Mantri Gramodaya Yojana-Rural Drinking water project.
 4. Pradhan Mantri Gram Sadak Yojana (PMGSY)
 5. Autyodya Anna Yojana.

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6. Jai Prakash Rozgar Guarantee Yojana (JPRGY).

7. Valmiki Ambedkar Awas Yojana (VAMBAY).

5. Evaluate the Measures undertaken by the government to solve unemployment problem during post pandemic period in India.

- 1) Employment generation coupled with improving employability is the priority of the Government. Accordingly, the Government of India has taken various steps for generating employment in the country. The Government of India has announced Aatmanirbhar Bharat package to provide stimulus to business and to mitigate the adverse impact of Covid 19. Under this package, the Government is providing fiscal stimulus of more than Rs. Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.
- 2) Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched with effect from 1st October, 2020 as part of Atmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. This scheme being implemented through the Employees' Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers and encourages them to hire more workers. The terminal date for registration of beneficiaries has been extended from 30.06.2021 to 31.03.2022. Benefits have been provided to 51.95 lakh beneficiaries through 1.35 lakh establishments till 12.03.2022.
- 3) Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government for facilitating selfemployment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities. Upto 11.03.2022, 34.08 crore loans were sanctioned under the scheme.

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- 4) Government had launched the Garib Kalyan Rojgar Abhiyaan (GKRA) of 125 days on 20th June, 2020 to boost employment and livelihood opportunities for returnee migrant workers and similarly affected persons including youth in rural areas, in 116 selected districts across 6 States of Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The Abhiyaan has achieved an employment generation of 50.78 crore persondays with a total expenditure of Rs. 39,293 crore.
- 5) PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all. The Government has put emphasis on railways, roads, urban transport, power, telecom, textiles and affordable housing amid continued focus on the National Infrastructure Pipeline. Budget 2021- 22 launched Production Linked Incentive (PLI) schemes, with an outlay of Rs. 1.97 lakh crore, for a period of 5 years starting from 2021-22. All these initiatives are expected to collectively generate employment and boost output in the medium to long term through multiplier-effects.
- 6) The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP) of the Ministry of Micro, Small & Medium Enterprises, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) & Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGKY) of the Ministry of Rural Development, Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) of the Ministry of Housing & Urban Affairs etc. for employment generation. Besides these initiatives, various flagship programmes of the Government such as Make in India, Start-up India,

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Digital India, Smart City Mission, and Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure Development and Industrial Corridors are also oriented towards generating employment opportunities.

