

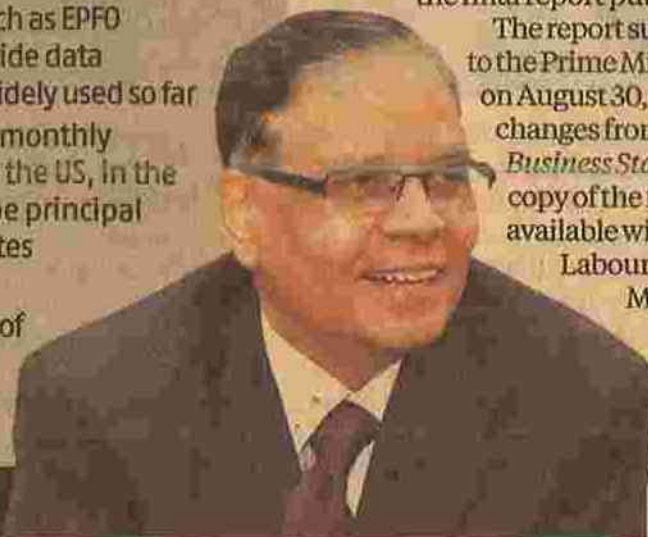
Task force report on jobs data kept in cold storage

Arvind Panagariya submitted the report to PMO a day before demitting office in August 2017

WHAT THE FINAL REPORT SAID

- **Present household surveys** are insignificant and enterprise surveys exclude non-agricultural workers
- **Economic Census**, which is used in sampling jobs data, does not accurately cover the entire universe of enterprises
- **Administrative sources** such as EPFO and govt schemes can provide data on formalisation but not widely used so far
- **There's a need to shift** to monthly household surveys, like in the US, in the long term, which should be principal instrument of jobs estimates
- **MoSPI should initiate** a time-use survey with a lag of three years and a targeted survey to collect data from migrant workers

ARVIND PANAGARIYA,
Former NITI Aayog vice-chairman



SOMESH JHA
New Delhi, 2 January

A day before demitting office as NITI Aayog vice-chairman in 2017, Arvind Panagariya submitted the final report of the task force he chaired for recommending improvements in jobs data. Even as a draft version was put up in the public domain, the government did not make the final report public.

The report submitted by Panagariya to the Prime Minister's Office (PMO) on August 30, 2017, had significant changes from its draft version.

Business Standard has reviewed a copy of the final report, which is available with the PMO, Ministry of Labour and Employment, Ministry of Statistics and Programme Implementation (MoSPI), and NITI Aayog.

The task force was set up by the PMO in May 2017 after various official

and private estimates painted a grim picture of job creation under the Narendra Modi government. The findings of the report were significant as it gave directions to the government on key changes to be made in the employment statistical framework.

"The proposed system would lead to the generation of comprehensive employment, unemployment, and wage estimates on a sustained basis," the report noted, adding it had identified surveys and censuses aimed at creating a system consistent with "our needs and meeting modern-day international standards". However, it did not give the "detailed direction on the design of surveys and censuses", which the task force felt could be delegated to statistical agencies.

Prime Minister Narendra Modi had himself emphasised the absence of reliable statistics to measure jobs, in his interviews with various media organisations last year, saying how a lack of data on jobs was a bigger problem than job creation itself.

One of the highlights of the panel's final report was a recommendation to conduct monthly estimates of employment in rural and urban areas in the long term, instead of relying on enterprise-based surveys. It further asked the

government to institute a "time-use survey" to collect data on how individuals spend their time over a specific period, and a targeted survey to collect data from migrant workers.

The final report pointed to serious flaws in the Economic Census, of all non-agricultural establishments, conducted by MoSPI. Six Economic Censuses have been conducted so far and the seventh one will begin shortly.

The task force felt that a monthly household survey was the ideal way of mapping job creation in the country, but noted it might not be "immediately feasible" and the upcoming series of quarterly and annual job surveys, known as the periodic labour force survey, conducted by the National Sample Survey Office, can fill the "current vacuum" in the availability of information related to the country's labour market.

The report recommended "exercising caution in drawing inferences" on employment numbers from enterprise surveys and suggested a slew of alternatives, including an annual survey of companies using the Goods and Services Tax Network (GSTN), while also verifying the GSTN as a sample frame against other enterprise registers.

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Panagariya's successor Rajiv Kumar shared a copy of the report with all the task force members on September 13, 2017, stating how the report had significant changes from the draft version. Panagariya did not respond to queries sent through e-mail, despite repeated requests.

Kumar did not respond to a question e-mailed to him on December 27, that why the final report was not made public. To a specific question, he, however, said, "I do not recall taking any stand on publishing the report as some of its suggestions were not favourable to me. The final report was submitted by my predecessor to the PMO on August 30, 2017, prior to my taking over as VC. Therefore, I do not recall having any role in finalising the report." There were divergent views in the task force on whether the Economic Census should be discontinued altogether as it was found to be inaccurate. The other view was that the final report should note the limitations of the census, but it could become a "possible public embarrassment". Ultimately, the task force asked the government to verify the Economic Census numbers with other enterprise registers, rather than discontinuing it.

The task force also deliberated upon the need to give access of government data to researchers. In a meeting held on June 20, 2017, the PMO told the NITI Aayog that "the proposal of giving access to external researchers to all government data which will be housed in the proposed central server needs further thought" and need not be given at this stage. It had asked the NITI Aayog to hold further discussions on it.

The task force recommended a shift to a monthly household survey, similar to the Current Population Survey of the United States, in the long run, and suggested experimenting with data collection via mobile technology. The report said that after building a face-to-face contact for the first time, a set of core questions could be sent to people over the phone. It, however, acknowledged that this approach might take time to be adopted as India had less than 100 per cent mobile penetration and many households might be unable to respond to questions on the phone despite access.

The task force said surveys of enterprises could serve as a complementary source of information on labour markets and should be used only to study the composition of workforce across sectors, wages, and productivity.

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Jobs data...

It also highlighted how the GSTN itself might not be an appropriate framework as businesses might try to stay away from it in a bid to evade taxes. It said the statistics captured through the Employees' Provident Fund Organisation, Employees' State Insurance Corporation, and National Pension Scheme databases could be useful in tracking only the "formal social security nets" and could show the progress in formalisation of workforce, and not job creation. The government has been releasing monthly payroll data of the EPFO, NPS and ESIC in a bid to counter the claims of "jobless growth".

The final report was prepared after incorporating public comments received by the task force.