# Periodic Labour Force Survey 2019-20

## Why in News

Recently, the **National Statistical Office (NSO)** released the **third annual report** on **Periodic Labour Force Survey (PLFS),** conducted between **July 2019 and June 2020.**

> Labour indicators recorded an **all-round improvement in 2019-20** compared with the previous two years i:e 2017-18 and 2018-19.



**National Statistical Office**

- It is the **central statistical agency** of the Government mandated under the **Statistical Services Act 1980** under the **Ministry of Statistics and Programme Implementation.**
- It is **responsible for the development of arrangements for providing statistical information services** to meet the needs of the Government and other users for information on which to base policy, planning, monitoring and management decisions.
  > The services include **collecting, compiling and disseminating official statistical information.**

## Key Points

- **Unemployment Rate:**
  - The unemployment rate **fell to 4.8% in 2019-20.** In 2018-19, it stood at 5.8% and 6.1% in 2017-18.
- **Worker Population Rate:**
  - It improved to **38.2% in 2019-20** compared with 35.3% in 2018-19 and 34.7% in 2017-18.
- **Labour Force Participation Ratio:**
  - It **increased to 40.1% in 2019-20** from 37.5% and 36.9%, respectively, in the last two years. The higher the LFPR, the better.
- **Gender Based Unemployment Rate:**
  - The data showed the jobless rate for both **male and female fell to 5.1%** and **4.2%,** respectively, in 2019-20 from 6% and 5.2% in 2018-19.
    - WPR and LFPR also comparatively improved during the year.
- **Periodic Labour Force Survey:**
  - **About:**
    - It is India's **first computer-based survey** launched **by** the **NSO in 2017.**
    - It has been constituted based on the recommendation of a committee headed by **Amitabh Kundu.**
    - It essentially **maps the state of employment in the country.** In doing so, it **collects data on several variables** such as the level of **unemployment,** the **types of employment** and their respective shares, the **wages earned** from different types of jobs, the **number of hours worked etc.**
    - Before PLFS, the <u>National Sample Survey Office (NSSO)</u> **previous name of NSO** used to bring the data related to employment and unemployment based on its quinquennial (every 5 year) household socio-economic survey programme.
  - **Objective:**
    - To **estimate the key employment and unemployment indicators** (viz. WPR, LFPR, UR) in the short time interval of three months for the urban areas only in the **Current Weekly Status (CWS).**
    - To **estimate employment and unemployment indicators in both usual status and CWS in both rural and urban areas** annually.

- **Recent Government Initiatives to Tackle Unemployment:**
  - The Union government has come up with an economic stimulus package under **Atmanirbhar Bharat Abhiyan** to support the Indian economy and create jobs.
    - Under the **Pradhan Mantri Street Vendor's Atma Nirbhar Nidhi (PM SVANidhi)**, the Union Government is providing affordable loans to street vendors.
    - In 2020 the government allocated an additional fund of Rs 40,000 crore for **MGNREGA**, as part of the stimulus package.
    - The government is offering **credit guarantees for Micro, Small and Medium Enterprises (MSMEs)** which will help them in getting loans easily and boost their functioning.
    - **Pradhan Mantri Mudra Yojana** to provide financial support to entrepreneurs to start small enterprises.
  - Various other initiatives have also been taken by the government to support the economy which includes relaxation in Companies Act and **Insolvency proceedings**, **reforms in agri- marketing** etc.
  - Government has also taken initiatives such as the **New Code on Wages, 2019** to reduce gender-based discrimination in wages, recruitment and conditions of employment.
  - State governments have also come up with the initiative to support their economy and increase jobs.
    - Andhra Pradesh government's **'ReStart' programme** to support the MSME sector in the State.
    - **Jharkhand has launched three employment schemes** to create wage employment for workers in rural areas.

**Key Terms**

- **Unemployment Rate (UR):**
  It is defined as the **percentage of persons unemployed** among the persons in the labour force.
- **Labour Force Participation Rate (LFPR):**
  It is defined as the **percentage of persons in the labour force** (i.e. working or seeking or available for work) in the population.
- **Worker Population Ratio (WPR):**
  It is defined as the **percentage of employed persons in the population.**

- **Activity Status:**
  The activity status of a person is **determined on the basis of the activities pursued by the person** during the **specified reference period.**
    - **Usual Status:** The activity status determined on the basis of the **reference period of the last 365 days** preceding the date of survey, it is known as the usual activity status of the person.
    - **Current Weekly Status (CWS):** The activity status determined on the basis of a **reference period of the last 7 days** preceding the date of survey is known as the current weekly status (CWS) of the person.

<u>**Source: IE**</u>