



EMPLOYMENT GENERATION SCHEMES IN INDIA DURING PLAN PERIODS

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ABSTRACT

In India special emphasis is laid on employability programme right from the inception of five year plan. In first and second five year plan agriculture and industry sectors were given priority to yield the opportunities of employment in these sectors. Labour intensive projects were initiated from third five year plan onwards. The sixth five year plan aimed at the two major goals of reducing under employment for the majority of labour force and cutting down on long term employment. Seventh to ninth plan mainly focused on employment creation opportunities. The tenth plan laid emphasis on the target of absorbing all new entrants to labour force during the next five years and removing unemployment by the end of decade. The eleventh plan also aimed at creating 58 million job opportunities. The twelfth five year plan hopes to make the manufacturing sector a genuine engine of growth which could generate hundred million work opportunities by 2022.

Unemployment was recognised as a problem from the very beginning of the planning process in India. Accordingly, employment generation was accepted as a goal of development planning. According to the planning Commission, employment generation does not necessarily imply creating wage employment. However, a faster growth with special emphasis on employment intensive sectors like the small scale industry was considered adequate to generate employment of the order required to take care of the problem.

First Five Year Plan (April 1951- March 1956)

During the First Plan, greater emphasis was laid on the maximization of output rather than on increasing the employment opportunities. The First plan clearly stated that full employment should be considered as a corollary or development rather than a direct object.

Second Five year plan (April 1956 – March 1961)

The second plan laid greater emphasis on large scale and heavy industries. The plan realized the earlier mistake and had as one of the objectives the creation of employment opportunities'. It was hoped that the development of the small – scale and cottage industries may solve the problem of unemployment.

Third Five year plan (April 1961- March 1966)

The Third plan has as one of the objectives the creation of employment opportunities'. The Rural work Programme was intended to utilize to the fullest extent the manpower resources of the country and to ensure a substantial expansion in employment opportunities.

Rural Work Programmes (RWP)

The Rural work Programme aimed at generating employment for 1 lakh persons in terms of 100 days' work for each person during the first year of the programme and for about 2.5 million persons by the end of the Third plan. Initially an outlay of Rs. 150 crores was provided for the 5 year period. The Rural work Programme was intended to utilize to the fullest extent the manpower resources of the country and to ensure a substantial expansion unemployment opportunities. It was discontinued after the their plan because it failed to achieve it object.

Fourth Five Year Plan (April 1969 –March 1974)

The Fourth plan particularly favoured the adoption of labour-intensive techniques to the maximum extent possible. Many special employment programme were taken up during the plan period.

- (1) **Drought- Prone Area Programme (DPAP)** – In the place of earlier “ Rural work Programme the Drought prone Area programme was started in 1970-71. Nearly 74 districts were identified as drought prone districts and grouped into 54 units. The main objective of the programme was to provide employment through rural works in order to reduce the severity of the drought conditions.
- (2) **Crash Programme for Rural Employment (CPRE)**- The Crash programme was introduced in 1971-72 for the period of three years for the benefit of rural unemployed. The primary objective of the scheme was to generate additional employment to 1,000 persons on average through a network of rural projects of various kinds which are labour intensive and productive. It could not succeed in removing rural unemployment and under employment because the programmes were neither well-conceived a properly integrated and they lacked administrative competence and organized popular support.
- (3) **Small Farmers Development Agencies (SFDA)**- This scheme was introduced in 1969-70 but started working in 1971-72 during the Fourth plan for generating employment and additional income in the rural areas. The objective of the scheme was to make available to small farmers credit to enable them to make use of the latest technology to practice intensive agriculture and diversify their activities. In 1980, this programme was merged into integrated Rural Development Programme.
- (4) **Marginal Farmers and Agricultural Laborers Development Agencies (MFALDA)**:- This scheme started functioning from the year 1971-72. Under the scheme, families were to be assisted with subsidized credit support for agricultural and subsidiary occupations like dairy, poultry, fishery, piggery rearing, horticultural operations, etc. In 1980 this scheme was merged into Integrated Rural Development Programme (IRDP).

- (5) The Pilot intensive Rural Employment Project;- This project was launched in 1971-72 in 15 selected blocks with the objective of assessing the dimension of the unemployment problem, its extent and the probable cost of full employment. Nearly 3.5 croer rupees were spent on the project during the first of its working.
- (6) Integrated Dry Land agricultural Development – It was adopted to solve the twin problems that the country is faced in the dry areas, namely, low productivity and high instability. Under the scheme, permanent works, like soil conversation, land development and water harnessing were undertaken. Under this, 24 projects were taken up in 12 states in Co-ordination with research centers. These programmes were labour- intensive and it was estimated that for an expenditure of every one crore of rupees, about 15,000 persons would get employment. Some of the programmes undertaken under the project were: Cultivation of short duration on photosensitive high yielding and drought resistant varieties of crops and adopting the modern dry farming technology.
- (7) **Agro-service Centres** - This scheme provided assistance for self-employment to the unemployed graduates in mechanical, agricultural and electrical engineering and allied fields and graduates in agriculture and science with experience in industry or agriculture. It aimed to help in establishing workshops, organizing agricultural machinery, repairing and hiring facilities and other technical services like supply of spare parts, inputs, it's Under this scheme, service training cells have started functioning in different states.
- (8) **Common Area Development Schemes:-** These schemes relate to the development of adequate infrastructure facilities like roads, market complexes, etc. in areas commanded by the major irrigation projects.
- (9) **Programme for Educated unemployment** – A programme for educated unemployed and for highly qualified engineers technologists and scientists were drawn up UN 1972- 73. Under this programme, a sum of Rs. 9.81 crores was given to the states resulting in about 45,000 job opportunities mostly the educated. The Central budget for 1972-73 provided for this Rs. 63 crores.

The schemes under this programme related to expansion and improvement of primary education, rural engineering surveys setting up agro service, expansion of consumer co-operative stores, investigation or road projects, design units for rural water supply, investigation of irrigation and flood control projects, natural resources, etc.

- (10) **Special Employment programmes in States and Union Territories'**- For the special employment programmes, sum of Rs 26.50 crores was allotted to the various states Government on the understanding that they would raise additional matching resources.
- (11) Half a million job programme – Since the problem of the educated unemployed was becoming more and more severe it was decided to start a special programme. Accordingly, Half a Million Job Programme's was launched. A budget provision of Rs. 100 crores was made for this programme in

the budget for 1973-74. Different States were asked to formulate and implement schemes aimed at securing employment opportunists for a specific number of persons.

Fifth Five year Plan (April 1974 –March 1978)

Under the fifth plan, high priority was accorded to the removal of unemployment. Like the fourth plan, the fifth plan also stressed on the selection of labour intensive projects as far as possible it asserted that major efforts would have to be made for generating self-employment opportunists since unemployment problem could not be solved merely by wage employment. It continued the SFDA, MFAL and DPAP, etc.

Food for work scheme

The Government had accumulated a buffer stock of over 20 million tons of Food grains in 1977. Consequently, the food for work programme was conceived with the following objectives;

- (i) to generate additional gainful employment, for both men and women, in the rural areas;
- (ii) To create durable community assets and strengthen the social infrastructure in order to increase production and raise living standards in the rural areas; and
- (iii) To utilize surplus food grains for the development of the country's human resources.

The food for work programme failed to generate permanent avenues of employment. The programme did not make any impact on wages.

Sixth Five Year plan (April 1980 – March 1985)

The planning commission acknowledged in the Sixth plan document the reality that despite economic planning, employment opportunities had not adequately increased over the years. Hence the sixth plan aimed at the two major goals of reducing under employment for the majority of labour force and cutting down on long term unemployment” The Central Government started some major employment programmes.

Integrated Rural Development Programme (IRDP)

A multiplicity of agencies like Employment Guarantee schemes, food for work programme, SFDA, MFAL, DPAP, CADP and Desert Development programme etc. had been carrying on the task of providing rural employment. All these programmes for the rural poor have been replaced by one single Integrated Rural Development Programme (IRDP). It was launched in 1978-79 and extended all over the country in 1980-81. The basic strategy of IRDP is to promote self-employment of the poor households through a programme of asset endowment in a variety of activities like animal husbandry in the primary sector, weaving and handicrafts in the secondary sector and service and business activities in the tertiary sector. Under the Sixth plan, the IRDP aimed at covering 15 million families in all the blocks of the country. Thus, on an average, about 3,000 families in a block were expected to receive assistance under this programme, The assets provided to these households were financed though a mix of government subsidy and institutional credit on an average subsidy credit ratio of 1:2 Under the IRDP, 382 Million

families were assisted. However, the exact amount of employment generation has not been estimated. Many studies revealed that the IRDP had failed to provide the required self-employment. Wrong identification of the families to be helped, outright leakages through corrupt in and malpractices, overwhelming bias towards animal husbandry, inadequacy of banking infrastructure in certain areas, and non-adopt in of the cluster group approach were identified as the major weakness.

The National Rural Employment Programme (NREP) was started as part of the sixth plan and was continued under the seventh plan. On April 1, 1989, it was merged into the jawahar Rozgar Yojana. The NREP was meant to help the segment of rural population which largely depends on wage employment and has virtually no source of income during the lean agricultural period. Under the NREP, development project and target group oriented employment generation projects were closely intertwined. The Programme was implemented as a centrally sponsored scheme. But its financial burden was to be shared between the Central government and the state governments on 50:50 basis. Under the scheme a district level employment plan (disaggregate block wise) was prepared.

The Rural Landless Employment Guarantee Programme (RLEGP) was started on 15th August, 1983, with the objective of expanding employment opportunities for the rural landless. The programme aimed at providing guarantee of employment to at least one member of the landless household for about 100 days in a year. Under this scheme, infrastructural development was undertaken with a view to creating employment opportunities for the rural landless. Though the programme was to be fully financed by the central government, was to be fully financed by the central government, the implementation of the programme was entrusted to the states.

The scheme of Training Rural youth for self-employment (TRYSEM) was initiated in 1979 with the objective of tackling unemployment problem among the rural youth. It aimed at training about 2 lakh rural youth every year to enable them to become self- employed. Under this scheme 40 youths were to be selected from each block and for being eligible for selection, the person was required to belong to a rural family having an income less than rs. 3500 per year. In making selection, members of scheduled castes and scheduled tribes were given preference. Under the scheme a minimum of one third of the rural youth trained were to be women. The TRYSEM was merged into swarnjayanti Gram Swarozgar yojana In April 1999.

SEVENTH AND EIGHTH FIVE YEAR PLANS (April 1985 – March 1990 and April 1992 –March 1997)

Jawahar Rozgar Yojana (JRY) In February 1989 the government announced a new wage employment scheme. The jawahar Lal Nehru Rozgar Yojana for intensive employment creation in 120 backward districts However, later on it was felt that there was no need to have the separate it was felt that there was no need to have the separate NREP, RLEGP and the Jawahar Lal Nehru Rozgar Yojana. These wage employment programmes had the same objective and similar thrust. Therefore these programmes

were merged into a single rural employment programme on April 1, 1989 and it was given the name Jawahar Rozgar Yojana (JRY). The JRY was restructured with effect from April 1999 and was renamed as Jawahar Gram Samridhi Yojana (JGSY). The objective of JGSY was creation of infrastructure and durable assets at the village level so as to increase opportunities for sustained employment to the rural poor. The wage employment under JGSY was provided normally to persons belonging to households below poverty line. There was no sectoral earmarking of resources under JGSY. However 22.5 per cent of annual allocation had to be spent on schemes of the benefit of Scheduled Castes/scheduled Tribes and 3 per cent of annual allocation was to be utilized for creation of barrier free infrastructure for the disabled.

(2) Employment Assurance Scheme (EAS) - Under JRY, the Government introduced Employment Assurance scheme with effect from 2nd October, 1993 in rural areas, in 1778 blocks of 261 districts. The scheme aimed at providing assured employment of 100 days of unskilled manual work to the rural poor who were in need of employment and seeking it. The assurance of 100 days extends to all men and women over 18 years and below 60 years of age. A maximum of two adults per family were to be provided employment under the scheme.

The Swarana Jaynti Shahari Rozgar Yojana (SJSRY) – Came into operation from December 1, 1997 subsuming the earlier urban poverty alleviation programmes, viz, Nehru Rozgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme and Urban Basic Services Programme. The programme was revamped with effect from April 1, 2009. The scheme provides gainful employment to the urban unemployed and underemployed poor, by encouraging the setting up of self-employment ventures by the urban poor and also by providing wage employment and utilising their labour for construction of socially and economically useful public assets. The revamped SJSRY has five components: (i) the urban self-Employment Programme, (ii) the urban women self Help programme, (iii) Skill Training for Employment Promotion among Urban poor, (iv) the Urban Wage Employment Programme, and (v) the urban Community Development Network.

Swaranajyanti Gram Swarozgar yojana (SGSY) – NRLS was Launched from April 1, 1999 after restructuring the IRDP and allied schemes. It is the only self-employment programme for the rural poor. The objective is to bring the self-employed above the poverty line by providing them income generating assets through bank credit and government subsidy. SGSY was restructured as National Rural Livelihoods Mission (NRLM). Subsequently renamed as Aajeevika to implement it in a mission mode across the country. The programme was formally launched on June 3, 2011. NRLM is implemented through scheduled commercial bank (including RRBs). To begin with, NRLM will ensure that at least one member from each identified rural poor household, preferably a woman, is brought under the household, preferably a woman is brought under the SHG (Self-Help Group) network in a time bound manner. The scheme will further ensure that the poor are provided with requisite skills for managing their institutions, linking up with markets managing their existing livelihoods, and enhancing their credit absorption

capacity and creditworthiness. NRLM will work towards achieving universal financial NRLM will work towards achieving universal financial inclusion and is expected to reach all districts by the end of Twelfth Five Year Plan.

NINTH PLAN (April 1997 – March 2002)

Job opportunities would need to be created for 53 million persons during 1997-2002 as a consequence of labour force increase, for 58 million during 2002-07 and thereafter for 55 million during 2007-12.

Report of the Task force on Employment Opportunities

The Task Force on Employment Opportunities headed by Dr. Montek Singh Abluwaila , submitted its report to the planning Commission on July 1,2001.

The Task force suggested measures like the boosting of private sector investment in agriculture, development of integrated agricultural complexes and food park by the corporate sector, giving contracts to agro companies for developing degraded waste lands, encouraging large industrial units, including MNCs to participate in the development of food processing industries, and involving large firms in various activities like construction, retail trade and road transport, among others. In other words, the total responsibility for employment generation should be given to the corporate sector. Although the planning Commission did not formally reject the Report of the Task Force, yet it sidelined this Report completely by appointing the S.P. Gupta Special Group on Targeting 10 Million Employment Opportunities' a year on September 5,2001.

TENTH PLAN (April 2002 – March 2007) -50 Million job Opportunities

The Tenth plan had set up the target of absorbing all new entrants to the labor force during the next five years and removing unemployment by the end of decade, given the target of 8 per cent GDP growth for the plan.

Employment Requirement estimate of the Tenth plan was as follows:

1. Labour force as on 31st March, 2002 is 378.21 million;
2. Employment available is 343.36 million;
3. Backlog of unemployment (1-2) 34.85 million;
4. New entrants to the labour force is 35.29 million;
5. Total job requirements (3+4) is 70.14 million

Special programmes to provide employment were;

- (1) Prime Minister's Rozgar Yojana (PMRY) (SSI);
- (2) Rural Employment Generation Programme (REGP) (KVIC)'
- (3) Sampooran Gramin Rozgar yojana (SGRY);
- (4) Pradhan Mantri Gram Sadak Yojan (PMGSY);
- (5) Swarna Jaynti Gram swarojgar Yojana (SGSY)

According to the Special Group's exercise, of the proposed 50 million job opportunities to be generated over the Tents Plan nearly 20 million should come from specific employment programmes and 30 million from growth buoyancy.

ELEVENTH PLAN (April 2007- March 2012)

The Eleventh Five Year Plan (2007-12) aimed at creating 58 million job opportunities – about 17 million in trade, hotel and restaurant sector and about 12 million each in industry and construction (no increase in employment was projected in the agricultural sector) The plan advocated an employment strategy that could ensure rapid growth of employment and improvement in the quality of employment. The plan argued that, “While self-employment will remain an important employment category in the foreseeable future – it accounted for 58 per cent of all employment in 2004-05 there is need to increase the share of regular employees in total employment. It should be the focus of policy to achieve a substantial increase in the share of regular employment with a matching reduction in the share of casual employment which at present is as high as 23 percent” However, the plan failed miserably in meeting the target of generating 58 million job opportunities.

Twelfth Five year plan (April 2012 –March 2017)

The Twelfth Five year plan hopes to make the manufacturing sector a genuine engine of growth, which could generate 100 million work opportunities by 2022. The plan notes that the employment contribution of labour intensive manufacturing namely textiles and garments, leather and footwear, gems and jewelry, food processing industries and so on can be greatly enhanced provided the government puts supportive policies in place. To reap the benefits from demographic dividend, the plan also emphasises focusing on skill development which should “ occupy centre stage in any employment which should occupy centre stage in any employment strategy of the Twelfth Plan , The plan proposes to create 50 million non-farm employment opportunities and provide skill certification to at least an equivalent number of people .

CONCLUSION

In a nut shell, this research paper aims at giving the broad vision and aspirations which all the five years plans seek to fulfill in order to make India self-reliant and ensures sustainable and more inclusive growth. The paper talks about scenario planning in terms of real GDP growth, agricultural growth, manufacturing growth increase investment in infrastructure, more job opportunities, removal of illiteracy by providing better education opportunities, enhancement in medical facilities, improvement in banking, telecom, transport, energy etc. sectors. In addition to, extension of green revolution to areas of low productivity, revamping.

National Food Securities Mission (NFSM), strengthening infrastructure with active cooperation of the private sector through PPP (Public Private Participation) mode are some of the salient features of these five years plans.

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