

## CHAPTER-I

# **EMPLOYMENT MARKET INFORMATION PROGRAMME**

## **OBJECTIVES**

- 1.1 The main objectives of Employment Market Information (EMI) Programme are: -
- I) to provide information at short intervals about the structure of employment in public and private sectors at the area, state and national levels and also to monitor changes in the levels of employment.
  - II) to present occupational composition and educational profile of employees in the public and private sector establishments.
  - III) to identify occupations which are characteristic to a given industry.
  - IV) to assess manpower shortages in organised sector.
  - V) to make available information required to improve and add to the services offered by the National Employment Service.
  - VI) to monitor the progress in generating employment during the Five Year Plans.

## **COVERAGE**

- 1.2 EMI programme was initiated in the year 1955 as a Pilot Project in Delhi, which was subsequently extended to selected areas (Districts) in various States during the Second Five-Year Plan period. The Programme has got a statutory base with the enactment of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959. The data collected under the EMI programme covers only the organised sector of the economy which inter-alia covers all establishments in the public sector irrespective of their size and non-agricultural establishments in the private sector employing 10 or more persons. While the information from non-agricultural establishments in the private sector employing 25 or more persons is collected under the provisions of EE (CNV) Act, 1959, data from the establishments employing 10-24 persons are collected on a voluntary basis.
- 1.3 Under the EMI programme collection of data is done following the “establishment reporting system”. The establishments are required to furnish, at regular intervals, details about the number of persons they employ by gender, vacancies that have occurred and the type of persons, which are in short supply. This information relates only to ‘Employers’ and ‘Employees’. Employers include Owners, Proprietors, Managers, Working Partners, Directors of Firms/Companies who work full time for the firms/companies.

## **GEOGRAPHICAL COVERAGE**

- 1.4 EMI Programme is being implemented in all the States and Union Territories of the country except Arunachal Pradesh, Sikkim, Dadra & Nagar Haveli and Lakshadweep. The programme could not be extended to these States/UTs so far due to administrative reasons. The smaller establishments employing 10-24 persons in private sector in metropolitan areas of greater Mumbai and Kolkata are also not being covered owing to administrative reasons.

## **REFERENCE PERIOD**

- 1.5 EMI data is furnished by the establishments through ER-I return. The form ER-I is used for the collection of information from the establishments at quarterly intervals ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December of each year.

## **ORGANISATION OF THE PROGRAMME**

- 1.6 The information collected through ER-I return is scrutinised, tabulated and analysed at the area, State and national level. The Employment Exchanges prepare Area Employment Market Reviews to indicate employment situation in the organised sector within the district. The State Directors of Employment also prepare State level Employment Reviews showing employment situation prevailing at the State level. At the national level, Employment Reviews are prepared annually by the Directorate General of Employment and Training projecting the overall picture of employment in the organised sector in different States/UTs. The present Employment Review provides information regarding employment in the organised sector during the period 2008-2009. The National Industrial Classification (NIC) 1998 was followed in classifying the employment data by industries.

## **LIMITATIONS OF EMI DATA**

- 1.7 **EMI Programme does not cover: -**
- a) Employment in un-organized sector.
  - b) Self employment
  - c) Part-time employment
  - d) Employment in agricultural and allied establishments, which furnish employment returns only on voluntary basis.
  - e) Employment in household sector and non-agricultural establishments employing less than 10 workers in private sector.
  - f) Employment in Defence Forces.
  - g) Employment in Indian Embassies and Missions abroad.

**Other limitations of EMI Programme are: -**

- a) The frame of establishments maintained at local Employment Exchange may not be comprehensive in certain cases due to non-inclusion of new and emerging establishments.
- b) There is an element of estimation of employment in respect of non-responding establishments.
- c) Employment created under various beneficiary oriented employment generation schemes/programmes might be erroneously reported under the EMI Programme.

**COVERAGE OF ESTABLISHMENTS IN THE ORGANISED SECTOR AT THE END OF MARCH, 2009.**

- 1.8 On the basis of information furnished by the Directorates of Employment of various States/Union Territories (excluding Jammu & Kashmir, Manipur and Mizoram) there were 3.05 lakh establishments borne on the Employers' Register as on 31<sup>st</sup> March 2009. Of these, the required employment returns were rendered by 2.07 lakh establishments both in public and private sectors. The rate of response works out to be 67.90% for the period ending March, 2009.
- 1.9 The public sector comprises establishments of Central Government, State Government, Quasi- Government (Central), Quasi-Government (State) and Local Bodies. Under private sector, the establishments are grouped on the basis of number of persons employed therein. Establishments employing 25 or more persons are categorised as larger establishments and those employing 10-24 persons are termed as smaller establishments.

**TABLE – 1**  
**NUMBER OF ESTABLISHMENTS IN ORGANISED SECTOR**  
**AS ON 31<sup>ST</sup> MARCH 2009**

SECTOR	No. of establishments		Percentage response
	Addressed	Responded	
1	2	3	4
<b>PUBLIC SECTOR</b>	<b>172174</b>	<b>123197</b>	<b>71.55</b>
1. Central Government	7594	4963	65.35
2. State Government	85776	63129	73.60
3. Quasi-Government (Central)	44061	30057	68.22
4. Quasi-Government (State)	19591	14447	73.74
5. Local Bodies	15152	10601	69.96
<b>PRIVATE SECTOR</b>	<b>132709</b>	<b>83831</b>	<b>63.17</b>
1. Larger Establishments	60085	41919	69.77
2. Smaller Establishments	72624	41912	57.71
<b>*GRAND TOTAL</b>	<b>304883</b>	<b>207028</b>	<b>67.90</b>

\* *Due to non availability of data as per NIC-1998, information in respect of J&K, Manipur and Mizoram not included in totals in 2009.*

1.10 It is observed from the above table that out of the total of about 1.72 lakh establishments in public sector 71.55% rendered the returns whereas in private sector out of 1.33 lakh establishments 63.17 % rendered the returns. The analysis of the rate of response reveals that in public sector the highest number (73.74%) of establishments in Quasi Government (State) rendered the employment returns followed by State Govt.(73.60%), Local Bodies (69.96%), Quasi-Govt. (Central) (68.22%), Central Government (65.35%). In the private sector, 69.77% of the Larger Establishments and 57.71% of the Smaller Establishments had furnished the employment returns for the period ending March, 2009.

## BRANCHWISE & SIZEWISE DISTRIBUTION OF ESTABLISHMENTS

1.11 Table-2 below presents the distribution of establishments by different branches of public and private sectors during the year 2008-2009.

**TABLE - 2**

### **NUMBER OF ESTABLISHMENTS IN DIFFERENT BRANCHES OF PUBLIC AND PRIVATE SECTOR**

Sector / Branch	No. of establishments as on 31 <sup>st</sup> March		Percentage change 2009/2008
	2008	2009	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b><u>PUBLIC SECTOR*</u></b>	<b>173869</b>	<b>176216</b>	<b>1.35</b>
1. Central Government*	7668	7771	1.34
2. State Government*	86622	87791	1.35
3. Quasi-Govt. (Central)*	44493	45094	1.35
4. Quasi-Govt. (State)*	19786	20053	1.35
5. Local Bodies*	15300	15507	1.35
<b><u>PRIVATE SECTOR</u></b>	<b>131274</b>	<b>132933</b>	<b>1.26</b>
1. Larger Establishments	59692	60219	0.88
2. Smaller Establishments	71582	72714	1.58
<b>GRAND TOTAL*</b>	<b>305143</b>	<b>309149</b>	<b>1.31</b>

\* The figures have been revised based on fresh data received from State Govt. of Tamil Nadu 2008.

1.12 It is seen from the above table that the number of establishments increased in the public sector by 1.35%. All the branches of public sector and also private sector (larger and smaller establishments) maintained a positive growth during the period 2008-09.

### **COVERAGE OF ESTABLISHMENTS IN DIFFERENT ZONES / REGIONS :**

1.13 The entire country has been divided into six Zones / Regions, viz., Northern Zone, Central Zone, Eastern Zone, North-Eastern Zone, Western Zone and Southern Zone. The Andaman & Nicobar Islands is outside the scheme of Zonal Councils embodied in the States Reorganization Act, 1956. Table-3 shows the number of establishments in the six zones and in the Union Territory of A & N Islands.

**TABLE – 3****DISTRIBUTION OF ESTABLISHMENTS BY ZONES**

Sl. No.	Zones	No. of establishments as on 31 <sup>st</sup> March		Percentage change 2009/2008
		2008	2009	
1	2	3	4	5
<b>I</b>	<b>Northern</b> Chandigarh, Delhi, Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, Rajasthan	<b>57065</b>	<b>55623</b>	<b>-2.53</b>
<b>11</b>	<b>Central</b> Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Uttarakhand	<b>43451</b>	<b>43905</b>	<b>1.04</b>
<b>III</b>	<b>Eastern</b> Bihar, Jharkhand, Orissa, West Bengal	<b>37736</b>	<b>39681</b>	<b>5.15</b>
<b>IV</b>	<b>North-Eastern</b> Assam, Manipur, Meghalaya, Nagaland, Tripura, Mizoram	<b>11357</b>	<b>11390</b>	<b>0.29</b>
<b>V</b>	<b>Western</b> Goa, Gujarat, Maharashtra.	<b>63278</b>	<b>65650</b>	<b>3.75</b>
<b>VI</b>	<b>Southern</b> Andhra Pradesh, Karnataka, Kerala, Pondicherry, Tamil Nadu	<b>92099**</b>	<b>92746</b>	<b>0.70</b>
<b>VII</b>	<b>Andaman &amp; Nicobar Islands*</b>	<b>157</b>	<b>154</b>	<b>-1.91</b>
	<b>Total</b>	<b>305143**</b>	<b>309149</b>	<b>1.31</b>

\* Outside the scheme of zonal classification.

\*\* The figures have been revised based on fresh data received from State Govt. of Tamil Nadu for March, 2008.

The above table reveals that the highest percentage increase of establishments in the organised sector in 2009 over 2008 was recorded in the Eastern Zone (5.15%) followed by Western Zone (3.75%), Central Zone (1.04%), Southern Zone (0.70%), North Eastern Zone (0.29%). The decline has been recorded in Northern Zone (2.53%) and Andaman & Nicobar Islands (1.91%) which is kept outside the scheme of zonal classification.