

NEWS WRAP

AGD

Government employment exchanges in India, provided only 1.8 lac jobs each year, from 2004 onwards, whereas on average about 58 lac job seekers approached the employment exchanges. India's workforce is expected to increase by more than eleven corers in the current decade. But the employment exchanges have failed to provide jobs to even one-tenth of the jobseekers, registered with them. There is a growing mismatch between the rising workforce and the opportunities available. The aggregate employment for 2009-10 is 506 million, out of an estimated labour force of 520 million. Global financial services and sections of private industry have called for privatisation of the employment exchanges, to provide better services at lower costs. There are demands for privatisation of information bureaus to reduce search costs for labour, encouragement for more on the job training through tax incentives, and retraining workers who are out of jobs. The union government does not have any scheme to provide employment, after a prescribed period of registration. On an average 1.4 person, in every Indian household is engaged in a remunerative occupation. With a larger section of the population, failing to take part in remunerative jobs, the benefits of India's 9% plus growth, is not reaching the unemployed.

FOREST INFRASTRUCTURE

Tribals in forest areas are deprived of modern education, sanitation, better quality drinking water and more nutritious food. They suffer from the highest infant mortality rate and the highest mortality rate. The 35 left wing, extremist districts in India, have a high percentage of tribal population. There are exceptions like Sonbhadra district in Uttar Pradesh where the scheduled tribe population is merely 0.03%. Similarly, there is zero scheduled tribe population, in five of the six naxalite-hit districts of Bihar. There is a conflict in India's three important laws, relating to forests and panchayats. The Forest Conservation Act (1980) stipulates that all non-forest activities be regulated. The Panchayat Extension Schedule Act (1996) extends panchayati raj institutions to scheduled areas, where in every gram sabha/panchayat should have a tribal as the chairperson. Individual rights are provided to both tribals and other forest dwellers by the Forest Rights Act (2006). The Forest Conservation Act has become a constraint in the implementation of public infrastructure in the thirty five maoist affected districts. Certain forest guards have reportedly been collaborating with the banned CPI (Maoist), and have been travelling in official jeeps to attend Maoist programmes.

POVERTY DATA

The World Bank's \$1 a day poverty line, or \$2-a-day poverty, measures a person to be poor if his income falls short of a given level, adjusted for differences in purchasing power. The Oxford Poverty and Human Development Initiative have devised a Multidimensional Poverty Index (MPI), from a new set of internationally comparative data. The MPI builds a measurement of the prevalence of poverty, based on the fraction of households, who lack certain basic things, like a mud or a concrete floor, decent toilet, members of households who travel more than thirty minutes on foot to fetch clean drinking water; provision of electricity; facilities of education, such as enrolment of school age children, or whether nobody in the family has completed primary education, health

and malnourishment. If a household is deprived on over 30% of the ten indicators used, it is counted as poor. The United Nations Development (UNDP) has adopted the MDI for its Human Development Report.

New anti-poverty devices in developing countries, take the shape of conditional Cash-Transfer Program (CCT), spread across poor and middle-income countries. Under the schemes, stipends and food are granted to the poorest, provided certain conditions are fulfilled such as attendance of children in schools, or babies being vaccinated. These programs cover every continent, and benefits extend to millions. In a cheap manner, the programs reduce poverty and improve income distribution. Income transfers are working nationally. The CCTs are rules-based, and relatively free from corruption. The stipends are usually of small amounts, but they are reliable, unlike the income of the poorer sections. The biggest program is in Brazil, which costs 0.5% of GDP. The social protection makes children better educated and healthier than their parents. More girls have been educated in Bangladesh, Pakistan and Cambodia. A dairy co-operative in Haiti, provides milk and yogurt to mothers when their children go to school.

US SLOW JOBS

Private payrolls in USA rose by 71,000 jobs, in comparison to a forecast of 90,000. The unemployment rate has been steady at 9.5%. But businesses in USA have been creating jobs at a pace slower, than earlier in the year. The US labour department has accepted that the private sector created fewer jobs, than financial markets had expected. Equities in Europe and USA, and commodities led by oil, slumping the treasury yields and the dollar remained sharply lower. The temporary government jobs relating to the 2010 census ended, and the US economy shed around 140,000 jobs during 2010. Private sector job creation was barely enough to keep up with population growth. With the size of the US labour force declining during the year, the US employment rate has remained steady.

DROUGHT IN RUSSIA

Russia experienced the worst drought in July/August 2010, for 140 years. In Aug '10, forest wildfire blazed across western Russia, levelling homes and villages, killing at least 75 people and destroying more than 1500 homes. Thousands of hectares of forests have been scorched. A 3000 km of long cloud of smoke, covered a huge swathe of European Russia. A new Forest Code (2006) dismantled a federal forest safety system, and transferred responsibility to regional authorities and forest tenants. Resources to tackle the wildfires crisis had reached the affected regions too slowly.

After several bumper harvests an unprecedented heat wave and drought have scorched grain crops in Russia, driving many farmers to the brink of bankruptcy. □□□