मनुष्यवती भूमिरर्थः

Third Party Evaluation Report

on the

Labour and Employment Statistical System (LESS),

Labour Bureau,
(Ministry of Labour and Employment)
Govt of India

by

ARUN JAITLEY NATIONAL INSTITUTE OF FINANCIAL MANAGEMENT (AJNIFM)

(An Institute of Ministry of Finance, Government of India)

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ABBREVIATIONS

AE	Actual Expenditure
AE/BE	Actual Expenditure as a percentage of Budget Estimate
AE/RE	Actual Expenditure as a percentage of Revised Estimate
AFES	Area Frame Establishment Survey
AFS	Area Framework Survey
AI	Artificial Intelligence
AJNIFM	Arun Jaitley National Institute of Financial Management
ALS	Administrative Labour Statistics
API	Application Programming Interface
AQEES	All India Quarterly Establishment-based Employment Survey
ASI	Annual Survey of Industries
ASUSE	Annual Survey of Unincorporated Enterprises
BE	Budget Estimates
BLS	Bureau of Labor Statistics (USA)
C&E/PC	Conferences & Events / Planning & Coordination
CACP	Commission for Agricultural Costs and Prices
CAPI	Computer-Assisted Personal Interviewing
CCC	Citizen Clients' Charter
CES	Consumer Expenditure Survey
CPI	Consumer Price Index
CPI-AL	Consumer Price Index for Agricultural Labourers
CPI-AL/RL	Consumer Price Index for Agricultural Labourers/Rural Labourers
CPI-ISW	Consumer Price Index for Informal Sector Workers
CPI-IW	Consumer Price Index for Industrial Workers
CPI-R	Consumer Price Index (Rural)
CPI-RL	Consumer Price Index for Rural Labourers
CPI-Urban	Consumer Price Index (Urban)
CSO	Central Statistics Office
CTC	Central Training Course
DA	Dearness Allowance
DES	Directorate of Economics and Statistics
DGE&T	Directorate General of Employment & Training
DGQI	Data Governance Quality Index

DIS	Directorate of Industrial Statistics
DRP	Detailed Request for Proposal
DWS	All-India Survey on Domestic Workers
ENOE	National Survey of Occupation and Employment (Mexico)
EPFO	Employees' Provident Fund Organisation
eSHRAM	Electronic Shramik Database (Portal for unorganized workers)
ESIC	Employees' State Insurance Corporation
EVs	Electric Vehicles
FC	Finance Commission
FGDs	Focus Group Discussions
GNCTD	Government of National Capital Territory of Delhi
GVA	Gross Value Added
ICT	Information and Communication Technology
IES	Indian Economic Service
ILESS	Improvement of Labour & Employment Statistical System
ILJ	Indian Labour Journal
ILS	Indian Labour Statistics
IoT	Internet of Things
IRC	Inter-Departmental Review Committee
IS	Indian Statistical Service
ISCLI	Informal Sector Cost of Living Index
ISS	Indian Statistical Service
ISSE	Indian Statistical Service Examination
IT	Information Technology
JCSE	Junior Central Civil Services
JNU	Jawaharlal Nehru University
KIIs	Key Informant Interviews
KPIs	Key Performance Indicators
LB	Labour Bureau
LESS	Labour & Employment Statistical System
LWEI	Labour Welfare and Employment Index
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MIS	Management Information System
MMTU	Modernization and Manpower Training Unit
MMTU / MTU	Modernization of Machine Tabulation Unit / Machine Tabulation Unit
MoL&E	Ministry of Labour and Employment

MoLE	Ministry of Labour and Employment
MoSPI	Ministry of Statistics and Programme Implementation *(already listed)*
MSW	All-India Survey on Migrant Workers
MTU	Modernization and Technology Unit
NDP	National Development Plans
N-E	North-East
NeGP	National e-Governance Plan
NGO	Non-Governmental Organization
NITI Aayog	National Institution for Transforming India Aayog
NPC	National Policy Committee
NPC	National Productivity Council
NPCC	National Productivity Council of India
NSO	National Statistical Office
NSS	National Sample Survey
NSSO	National Sample Survey Office
NVA	Net Value Added
OECD	Organisation for Economic Co-operation and Development
OOMF	Output-Outcome Monitoring Framework
OWS	Occupational Wage Surveys
PLFS	Periodic Labour Force Survey
PM	Prime Minister
PNAD	National Household Sample Survey (Brazil)
PSU	Public Sector Undertaking
QES	Quarterly Employment Survey
QLFS	Quarterly Labour Force Survey (South Africa)
R.O.	Regional Office
RAIS	Annual Social Information Report (Brazil)
RBI	Reserve Bank of India
RE	Revised Estimates
RE/BE	Revised Estimate as a percentage of Budget Estimate
REESI+	Relevance, Effectiveness, Efficiency, Sustainability, Impact + context
REESI+	Relevance, Effectiveness, Efficiency, Impact, and Sustainability Plus
RFP	Request for Proposal
RGI	Registrar General of India
RHRS	Repeat House Rent Survey
RLE	Rural Labour Enquiry

RPI	Retail Price Index
SC/ST	Scheduled Castes / Scheduled Tribes
SCCS	Senior Central Civil Services
SDG	Sustainable Development Goal
SESDSL	Survey, Evaluation, and Studies on Different Segments of Labour
SESDSL	Surveys/Studies on Different Segments of Labour
SLEA	Senior Labour and Employment Advisor
SOPs	Standard Operating Procedures
TAC on SPCL	Technical Advisory Committee on Statistics of Prices and Cost of Living
TFP	Total Factor Productivity
TOR	Terms of Reference
TTDI	Travel & Tourism Development Index
UNSC	United Nations Statistical Commission
UTs	Union Territories
VI^2 / VI2	Vacancy Intensity Index
VVGNLI	V. V. Giri National Labour Institute
WCFIES	Working-Class Family Income and Expenditure Surveys
WRI	Wage Rate Index
WRI (Base Year)	Wage Rate Index with base year 2016 = 100
WRIN	Wage Rate Index Number

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Chapter 1

The Labour & Employment Statistical System (LESS) scheme has been evaluated by AJNIFM to assess its performance over the period 2021–22 to 2023–24, with a focus on design, efficiency, impact, and sustainability. As a central pillar of India's labour data ecosystem, LESS plays a crucial role in informing wage policy, employment generation, and labour welfare programs. Administered by the Labour Bureau under the Ministry of Labour & Employment, the scheme produces a range of high-impact statistical outputs such as the Consumer Price Index for Industrial Workers (CPI-IW), Consumer Price Index- AL/RL, Wage Rate Index (WRI), Occupational Wage Surveys, and the Quarterly Employment Survey (QES), etc.

These statistics are widely utilised by policymakers, regulators such as the RBI, and social sector planners. However, critical gaps remain, particularly in capturing data on informal workers, gig and platform-based employment, and region-specific labour dynamics. Addressing these gaps is essential for formulating inclusive and responsive labour policies.

AJNIFM employed a structured evaluation framework that assessed scheme outputs, budget utilisation, stakeholder feedback, and institutional delivery mechanisms. The study finds that while LESS has strengthened India's capacity for labour analytics, its effectiveness is hampered by outdated infrastructure, restricted geographic reach, and the lack of integrated data-sharing systems. As India's labour market undergoes rapid transformation driven by digitalisation, climate change, and socio-economic changes, LESS must evolve to capture new forms of work, indices and the emerging Labour ecosystem. Aligning the scheme with national initiatives such as the Aspirational Districts Programme and PM Vishwakarma Yojana can enhance targeting, increase impact, and promote inter-ministerial coordination for comprehensive workforce development.

The evaluation offers a set of forward-looking recommendations, including the expansion of thematic surveys, capacity building, modernisation of IT systems, and open access to datasets. These steps are vital for transforming LESS into a future-ready statistical system that can support the Viksit Bharat 2047 vision and ensure no worker is left behind.

Chapter 2

The evaluation of the Labour & Employment Statistical System (LESS) scheme has been carried out through a structured, mixed-method approach grounded in the REESI+ framework, covering relevance, effectiveness, efficiency, impact, sustainability, and context-specific factors. The study began with preparatory consultations, including a virtual meeting and an in-person session at the Labour Bureau in Chandigarh to finalise objectives and methodologies. It incorporates both primary and secondary data collection techniques such as field visits, structured surveys, Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and financial reviews. Emphasis was placed on assessing digital readiness, regional variations in

labour dynamics, and the adequacy of infrastructure and human resources in regional offices. The study also includes a detailed financial analysis of fund allocation and utilisation trends over the last three years, revealing significant underutilization and pointing to operational inefficiencies that require urgent attention.

Stakeholder engagement played a central role in enriching the evaluation with ground-level perspectives. Consultations with Labour Bureau officials, regional staff, shop owners, and other labour market participants highlighted practical challenges in data collection, especially concerning the Consumer Price Index and employment statistics. Through a combination of qualitative insights and quantitative analysis-including a thematic review study, provides a comprehensive assessment of the LESS scheme. The recommendations emerging from this evaluation aim to strengthen institutional capacities, enhance data quality, and ensure that the scheme better supports evidence-based policymaking for inclusive and effective labour market governance.

Chapter 3

This chapter assesses the Labour and Employment Statistical System (LESS) scheme, highlighting key financial and implementation challenges. Between 2019-20 and 2024-25, fund utilisation showed wide fluctuations. While initial years recorded over 90% absorption of revised estimates (RE), later years saw sharp underutilization, only 29.4% in 2024-25, mainly due to delays in administrative approvals and procedural bottlenecks in large-scale surveys and digitisation efforts.

The Labour Bureau's core outputs, including the Consumer Price Index for Industrial Workers (CPI-IW), are vital for wage revisions and dearness allowance calculations. Unlike MoSPI's CPI-Urban, CPI-IW is tailored to the industrial workforce, with a higher weightage on essentials. The Bureau also carries out the analysis of vital labour statistics based on the Annual Survey of Industries (ASI); however, it does not include vacancy data, which is essential for analysing labour demand. Additionally, surveys on migrant and domestic workers, along with statistical publications and wage indices, play a key role in building a comprehensive labour data ecosystem.

However, several operational challenges continue to hinder the scheme's effectiveness. Field visits to regional offices revealed persistent issues such as manual data collection, staff shortages, poor infrastructure, limited digital adoption, and inadequate training. There is a pressing need to strengthen existing regional centres and establish additional ones, especially to improve representation from the North-Eastern states. Low stakeholder awareness also affects data quality. To address these gaps, key recommendations include the adoption of digital tools like CAPI and real-time dashboards, creation of zonal offices to boost regional outreach, and enhanced incentives to encourage timely and accurate data reporting.

A stakeholder consultation at AJNIFM called for deeper data collection, better coverage of gig and platform-based work, dedicated migration surveys, and enhanced collaboration with research institutions. Labour Bureau data influences key schemes such as MGNREGA and the Mid-Day Meal Programme, yet suffers from weak convergence with related departments.

Manual systems, manpower shortages, inconsistent reporting by states, and a lack of digital integration limit effectiveness. Strengthening the Bureau's autonomy and digital capabilities, along with launching structured migration surveys and training programs, is essential to modernise labour statistics and support informed policy-making.

Chapter 4

The LESS scheme has significantly advanced India's labour statistical framework by developing key indices like CPI-IW, WRI, and RPI, which inform wage revisions and fiscal planning. Regular publications, including the Indian Labour Journal and wage data, support transparency and decision-making. Large-scale surveys such as QES, OWS, and ASI provide vital insights, although the informal sector remains underrepresented.

Some challenges remain, such as reliance on manual data collection, occasional delays in publication, the need to update base years, and the scope for greater digital adoption. Stakeholder engagement has improved; however, there is still a need to collect and capture comprehensive data on informal sector workers. Despite delays in some reports, the scheme has supported labour market policy, wage negotiations, and economic forecasting.

Its structured data aids research in employment trends and wage disparities. To enhance its impact, the scheme must prioritise digital integration, timely dissemination, streamlined reporting, regional capacity building, and dedicated training. These measures will bolster LESS as a critical instrument for evidence-based workforce planning and inclusive labour policy.

Chapter 5

The report advocates for broadening the mandate of the Labour Bureau to build on its expertise by developing new indices such as the Consumer Price Index for Informal Sector Workers (CPI-ISW), Urban Labour Market Index, Gender Wage Gap Index, and Labour Welfare and Employment Index (LWEI). It further emphasises the need to reinforce enterprise-based employment surveys like AQEES to generate timely, demand-side labour market insights. To enable a cohesive and integrated labour data ecosystem, the report also recommends enhancing data platform interoperability and fostering strategic collaborations with institutions such as MoSPI, EPFO, state labour departments, and gig economy platforms.

Institutional reforms are essential, including improved staffing at regional offices, the creation of zonal centres, capacity building, and the formation of a Labour Data Innovation Unit to explore AI-driven analytics. A review of LESS publications is also advised to eliminate redundancy, ensure regularity, and promote digital dissemination. Strengthening convergence with allied schemes and streamlining fund utilisation will further enhance the scheme's efficiency and sustainability.

In conclusion, LESS should continue as a Central Sector Scheme serving as a cornerstone for evidence-based labour policymaking. Its long-term relevance, however, will be greatly enhanced through strategic reforms—particularly by embracing digital modernisation, expanding its reach to the informal sector, and strengthening institutional frameworks to address the needs of an evolving workforce.

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CHAPTER-1

Overview of the Scheme

Chapter 1

Overview of the scheme

1.1 Labour Statistics in India

Labour statistics generally refer to official data relating to workers and include employment levels, unemployment rates, working hours, earnings, occupation types, demographics and socio-economic conditions of the working population. Along with the collection of data on population, trade and agriculture, labour-related statistics have their origin in colonial administration. Some forms of Labour statistics in India have been available since the first national population census in 1872. Subsequent decennial census data provide insights into the characteristics of workers across industries and occupations.

In 1920, the Indian Labour Bureau was established in Shimla under the Board of Industries and Munitions. Its primary functions were collecting labour-related data, engaging with international organizations like the ILO, and serving as a reference center for government and private entities. The Bureau provided data on industrial workers in sectors considered critical for the government, focusing on basic and infrastructural industries such as railways, plantations and textiles. These efforts were aimed at monitoring wages and addressing labour welfare, but provided only a limited perspective, largely ignoring rural and informal sectors that represented the majority.

The Royal Commission on Labour (1931) highlighted the need for systematic labour statistics. During World War II, inflationary pressures led to workers demanding wage compensation, resulting in the establishment of the Rau's Court of Enquiry in 1940. This inquiry recommended compiling the Cost-of-Living Index to measure price changes for making wage adjustments. Subsequently, the Directorate of Cost of Living was set up in Shimla within the Labour Bureau in 1941 to conduct Family Budget Enquiries and compile these indices (https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1647258).

The Industrial Statistics Act of 1942 further formalized data collection on factories, labour welfare, and working conditions. By October 1946, the Labour Bureau was reconstituted with expanded functions, inheriting the responsibilities of the Directorate of Cost of Living. Since then, the Labour Bureau has been the premier organization for labour statistics in India, engaged in collecting, analyzing, and disseminating data on employment, wages, industrial relations, and living conditions across various segments of the labour force.

A study by Krishnamurthy (1976) brought out the inadequacies of early labor data, noting its inability to capture the realities of the rural economy and informal employment. Much of these data were collected sporadically and came out primarily as a byproduct of administering labour laws rather than with the objective of policy formulation. Their narrow focus had restricted policymakers' understanding of the broader socio-economic fabric of India during the colonial and to an extent in the post-colonial era.

After independence in 1947, India's developmental priorities shifted to nation-building with a welfarist perspective, resulting in labour statistics gaining increased importance. The Ministry of Labour and Employment (MoLE) became the most important source of labour statistics. It brings out data on various aspects of labour through periodical administrative reports and returns based on over four dozen labour laws that it administers and implements. These laws address work conditions, employment, wages, earnings, social security, trade unions, and industrial relations. Some are sector-specific, covering areas such as mines, plantations, and construction. Additionally, the Ministry collects data through regular, periodic, and ad-hoc surveys. Its specialised statistical agency, the Labour Bureau, plays a significant role in this. Path-breaking studies on agricultural and rural labour were conducted by the Bureau, which provided first-hand information on the conditions of rural labour in the country. Currently, it compiles and publishes data on price indices, employment, unemployment, wages, earnings, absenteeism, labour turnover, industrial relations, and the socio-economic conditions of workers across different segments of the economy. These are integral to understanding and addressing the challenges emanating from the labour force in the country.

The Bureau has been assigned the responsibility of compiling data to monitor compliance, inform policy decisions, and improve working conditions from the returns specified under various labour laws. Under the previous system, labour laws were scattered across multiple acts, such as the Industrial Disputes Act, 1947; the Minimum Wages Act, 1948; the Payment of Wages Act, 1936; and the Factories Act, 1948, among others. These laws governed key aspects such as wage regulation, industrial relations, worker safety, and social security. However, the fragmented nature of these laws resulted in inefficiencies in enforcement, data collection, and timely policy interventions. The administrative challenges included delays in reporting, duplication of efforts, and inconsistencies between central and state governments in implementing labour regulations
(https://labour.gov.in/sites/default/files/labour_code_eng.pdf).

To address these issues, the government has consolidated 29 labour laws into four comprehensive labour codes: the Code on Wages, the Industrial Relations Code, the Code on Social Security, and the Occupational Safety, Health, and Working Conditions Code. These codes aim to simplify compliance for businesses while ensuring better wage security, social security, and workplace safety for workers, including those in the informal sector. The new framework establishes a more structured and digitized system for record-keeping, reducing delays in data collection and improving coordination between the Centre and States. Additionally, the inclusion of protections for gig workers, inter-state migrant labourers, and contract workers reflects a more inclusive approach to labour welfare. By modernizing India's labour laws, the four codes enhance transparency, streamline governance, and promote a more balanced approach to economic growth and worker rights (ibid).

Labour statistics has, thus, evolved alongside the country's socio-economic transitions, taking into consideration changing data requirements, particularly those required for formulation and implementation of the five-year plans. From an initial focus on industrial employment in the colonial and post-colonial era to addressing the informal sector, particularly domestic workers, short-duration migration etc. in recent years, these statistics have become critical for

understanding the dynamics of India's workforce and designing and implementing public policy relating to the working class.

The economic reforms and globalization of the 1980s and 1990s brought greater attention to the informal sector's critical role in India's economy. To address this, the Labour Bureau expanded its surveys to include unorganized labour, enabling a more comprehensive understanding of workforce dynamics. Sundaram and Tendulkar (2002) argued that these expansions were essential for designing labour policies, targeting the unorganized sector. However, they also highlighted inconsistencies in definitions and methodologies in the current surveys that limited the data comparability and usage in policy.

Context and Background of the Study

With poverty reduction and inclusive growth becoming central to new developmental policies, the demand for detailed labour statistics has increased and is evolving with the changing labour ecosystem. Policymaking in the country now involves disaggregated data on employment, earnings, and social protection by gender and socio-economic groups to address these objectives effectively. Additionally, granular data on wages and earnings for both wage earners and own-account workers has become critical for crafting inclusive development policies.

The Ministry of Labour, as a key stakeholder, recognizes the importance of addressing these evolving demands. Inclusive development policies now emphasize on understanding the conditions of workers in the unorganized sector, minimum wages, and social protection. These data points are essential for fostering equitable labour practices and achieving meaningful poverty alleviation and social inclusion.

The need for nuanced labour statistics extends beyond policymaking in government. Topics such as informal and unorganized sectors, rural non-formal employment and informal employment within the organized sector are now critical areas of academic concern, and these involve private sectors and civil society organizations. The existing labour statistics system, however, often lacks the depth and timeliness required for comprehensive analysis, creating gaps in evidence-based decision-making in all spheres.

The Labour and Employment Statistical System (LESS) scheme was introduced to address these challenges. It aims to integrate advanced statistical tools, enhance the scope and accuracy of labour data, and ensure timeliness in its dissemination. In this context, evaluating the LESS scheme becomes essential to determine its effectiveness in meeting these objectives. Recognizing this need, the Ministry of Labour and Employment, along with the Labour Bureau have initiated a third-party evaluation of the LESS scheme for its continuation in the 16th FC period.

The Arun Jaitley National Institute of Financial Management (AJNIFM) was entrusted with this study to assess the scheme's impact and identify gaps in the current statistical system and the need for its continuation. The evaluation includes secondary research on aspects of the LESS Scheme such as analysis of the output-outcome indicators for the evaluation period 2021-

22 to 2023-24, key informant interviews, and focused group discussions with regional offices and users.

1.2 Objectives of the Study

The broad objectives (TOR) for the Evaluation of the LESS scheme are given below:

a. **Comprehensive Evaluation of the LESS Scheme (2021-22 to 2023-24):** Conducting an in-depth assessment of the scheme over the specified period, evaluating both financial and physical aspects concerning its objectives and performance targets.
b. **Assessment of Scheme Components:** Reviewing various components of the LESS scheme to gauge design, relevance, efficiency, effectiveness, impact, and sustainability, determining how well each aligns with the goals of the scheme.
c. **Strengths and Weaknesses Analysis:** Proposing any necessary revision to the planning, monitoring, and evaluation processes to better achieve the scheme's objectives based on the identification of its strengths and weaknesses.
d. **Implementation Constraints Identification:** Identifying barriers to effective implementation of the scheme, analyze the factors that hinder its success and indicate opportunities for improvement.
e. **Performance on Output-Outcome Indicators:** Evaluating the scheme's performance based on predefined output and outcome indicators, providing insights into measurable progress toward its objectives.
f. **Organizational Mandate and Achievement Review:** Assessing the organization's role and responsibilities under the scheme, highlighting the key achievements and any constraints that impact performance.
g. **Recommendations and Vision for the Future:** Providing forward-looking recommendations to address issues, outline future challenges, and suggest actionable steps for the scheme's implementation in the coming years.

1.3 Terms of Reference (TOR) of the Study

The following key objectives/TOR have been used by the study team to undertake the evaluation of the scheme:

a. To assess the performance of various components of the LESS scheme in terms of design, relevance, efficiency, effectiveness, impact and sustainability of results, i.e., overall evaluation of the scheme in terms of its objectives, targets and performance (both financial and physical).
b. To assess the strengths and weaknesses of the scheme and whether the set rules and procedures of planning, monitoring and evaluation of various activities need any review to meet the objectives of the scheme. To identify constraints, if any, in the proper implementation of the scheme.
c. To assess the performance of the output-outcome indicators of the LESS scheme.
d. To give detailed observations and recommendations, including issues and challenges, vision for the future, and recommendations with reasons. Further, the recommendation part of the evaluation should include the overall evaluation of the organization and be

able to spell out achievements, constraints, and way forward for the scheme/organization's mandate.

1.4 Background of the LESS Scheme

a) Brief about the Labour & Employment Statistical System (LESS) Scheme

The Labour Bureau initiated a flagship scheme during the 11th Plan Period (2007-12), known as the Labour and Employment Statistical System (LESS) which plays a crucial role in consolidating and modernizing the collection, analysis, and dissemination of labour statistics in the country. LESS aims to strengthen statistical infrastructure and improve the timeliness and reliability of labour-related data. It is designed to meet the growing demand for detailed and up-to-date labour statistics to support policymaking and research.

Role of the Labour Bureau in Indexing

The Labour Bureau, an attached office of the Ministry of Labour & Employment, Government of India, has served as the cornerstone of the country's labour-related statistical architecture since its establishment in 1946. As the successor to the Directorate of Cost of Living Index Numbers, the Bureau remains the only national institution exclusively dedicated to the creation and maintenance of labour-centric index numbers. These indices are vital tools for economic planning, wage setting, social security, and inflation tracking, making the Bureau an indispensable pillar in India's labour governance framework.

Over the decades, the Bureau has compiled an extensive portfolio of indices, including the Consumer Price Index for Industrial Workers (CPI-IW), Consumer Price Index for Agricultural Labourers (CPI-AL), Consumer Price Index for Rural Labourers (CPI-RL), Wage Rate Index (WRI), and Retail Price Indices (RPI) for selected urban centres. These indices are widely used to determine minimum wages, dearness allowances, and to monitor price stability, both at the central and state levels. Institutions such as the Reserve Bank of India, Finance Commissions, state governments, trade unions, and international bodies like the ILO regularly rely on the Bureau's outputs.

The Labour Bureau's indexing work is distinguished by its scientific rigor and institutional autonomy. It conducts large-scale Working-Class Family Income and Expenditure Surveys (WCFIES) using stratified sampling methods, tenement and payroll approaches, and a centre-specific consumption basket. The data is collected from 88 industrial centres and 317 markets, supported by a three-tier supervision system—field collectors, regional supervisors, and central statisticians—ensuring integrity, accuracy, and uniformity.

The Index Review Committee (IRC) Report (2009) offers an in-depth analysis of these processes, highlighting the Bureau's methodical design of base year selection, market demarcation, price collection, and weighting diagram formation. Training programs, visual materials, and field verification mechanisms have further strengthened the Bureau's ground-level data gathering capabilities.

What sets the Labour Bureau apart is not only its statistical excellence but also its institutional foresight. The IRC has recommended expanding the coverage of CPI-IW and other indices to include Handloom, Construction, and non-manual occupational groups, which remain underrepresented in national statistics. The Bureau has also been encouraged to construct component-specific indices for essential services such as Education, Medical, and Transport,

reflecting India’s changing consumption profile in the wake of urbanization and economic transition.

Despite the existence of other data-producing bodies such as the National Statistical Office (NSO) and NSSO, the Labour Bureau's unique focus and established expertise in labour-specific indices make it a non-substitutable institution. This was reaffirmed by the IRC's opposition to merging the WCFIES with the NSSO’s broader Consumer Expenditure Survey (CES), noting the former's superior granularity and alignment with wage policy needs.

In addition to its statistical products, the Bureau plays a central role in implementing the Labour and Employment Statistical System (LESS), a flagship scheme of the Government of India. LESS incorporates diverse initiatives, including wage rate tracking, employment-unemployment surveys, and price indices—all of which reinforce the Bureau's integrated approach to labour statistics.

As India navigates the complexities of a digital and in formalizing economy, the Labour Bureau’s mandate is more critical than ever. The IRC has advocated for increased funding, digital infrastructure, stakeholder engagement, and inter-agency coordination to support the Bureau in generating next-generation indices that reflect contemporary labour market realities. Its legacy, methodological integrity, and adaptability equip it to anchor the evolving landscape of Indian labour statistics with credibility and precision.

The LESS scheme has the primary objective of gathering, analyzing, and disseminating comprehensive data on India’s labour market. It is a central scheme under India’s Ministry of Labour & Employment, and the current sanction is till 2025-26. It incorporates various initiatives, including the generation of Consumer Price Index Numbers, socio-economic surveys, wage rate indices and employment-unemployment surveys. In all these, the Labour Bureau plays a key role in facilitating the collection and publication of labour statistics.

Objectives of the Scheme

The main objectives of the LESS are organized into five key areas:

- **Labour Intelligence:** The Bureau constructs and maintains various index numbers, the important ones being Consumer Price Index (CPI) for Industrial, Agricultural, and Rural Workers, reflecting changes in living costs for different segments of workforce and Wage Rate Indices, and Retail Price Indices in urban areas, providing wage trends and insights into inflationary pressures on essential commodities Additionally, it compiles administrative statistics on absenteeism, labour turnover, labour costs, employment, earnings, and industrial disputes, which are essential indicators of the functioning of the labour market health **(discussed in detail in Section g: Components of the Scheme)**.

- **Labour Research:** The Bureau publishes research studies on labour issues across the organized and unorganized sectors. Key studies cover areas such as the unorganized sector, SC/ST labour, women workers, implementation of the Minimum Wages Act, the Occupational Wage Survey (OWS), and more. Besides these Rural Labour Enquiry, Quarterly Employment Surveys, and sector-specific studies like those on the Pradhan Mantri Mudra Yojana are also brought out by the Bureau that present survey-based data for policy purposes with a research perspective.

- **Monitoring and Evaluation:** The Bureau gathers, compiles, and publishes labour data from statutory and voluntary sources under various Labour Acts. This information, accessible on the Bureau's website, informs ongoing monitoring efforts.
- **Regular Publications:** The Bureau provides essential labour data through publications like the Indian Labour Journal (monthly), Indian Labour Statistics (annual), Pocket Book of Labour Statistics (annual), and the Indian Labour Year Book (annual), which offers useful labour-related insights.
- **Training:** Regular training programs are conducted for price collectors, supervisors, and senior officials from states and union territories. The Bureau also provides skill-building programs for officers and staff in collaboration with VVGNLI, enhancing domain expertise and functional competencies.

Uses of LESS

The data generated by LESS serves diverse groups of users and multiple purposes:

- **Policy Formulation:** The statistics provide a foundation for policy decisions, supporting initiatives aimed at improving labour conditions, wage standards, and employment opportunities.
- **Research and Analysis:** Universities, think tanks and labour organizations, including the ILO use LESS data for research studies, contributing to the understanding of labour trends and socio-economic impacts of programmatic interventions on various workforce segments.
- **Economic Indicators:** LESS statistics, such as the CPI and Wage Rate Indices, act as key economic indicators that inform monetary policy and help gauge inflationary trends, providing inputs in economic planning at the national and state levels.

Implementation mechanism of LESS

LESS utilizes a systematic and structured methodology to ensure the accuracy and reliability of data. The scheme implements surveys across both organized and unorganized sectors, covering a wide range of labour issues. These activities involve:

- **Sampling and Surveying:** A representative sample is designed by an Expert Group for the collection of data from diverse geographical regions and occupational categories, ensuring comprehensive labour market coverage.
- **Data Collection and Compilation:** Field surveys are conducted by trained personnel who collect data on wages, employment conditions, and price indices. This raw data is then compiled, processed, and verified by the Labour Bureau to ensure reliability.
- **Index Computation:** Index numbers like the CPI are computed using a basket of goods and services that accurately reflect changing consumption patterns among the identified labour groups. This approach allows consistent monitoring of changes in the dynamic labour market, including those in the cost-of-living.

Modern Advancements: Real-Time Data and Technology Integration in LESS

Past research works and articles have emphasized the critical role of robust labour data in shaping effective policies (Smith, 2010; Kumar & Choudhury, 2015). Studies indicate that the absence of reliable data can hinder informed decision-making, ultimately affecting employment outcomes and economic growth (Jain et al., 2018). These highlight the importance of addressing data gaps and ensuring inclusivity, particularly for marginalized groups (Nair & Ranjan, 2019). These insights underscore the need for the LESS scheme to align with broader national labour policies while addressing specific challenges in data collection and analysis. The recent advancements in labour data collection have leveraged technology to address gaps and improve efficiency. The Labour & Employment Statistical System (LESS), has modernized data gathering through digital platforms, enabling more accurate and timely reporting.

Papola (2014) in the document "An Assessment of the Labour Statistics System in India" discusses the Labour Employment Statistics System (LESS) scheme, emphasizing its role in collecting labour data essential for policy making. LESS primarily supports the continuance of the compilation of the Consumer Price Index for Industrial Workers (CPI-IW), ensuring that wage increases reflect inflation and protect workers' real income. The scheme's reach includes the formal sector and is limited in extending coverage to the informal sector. The recommendations focus on addressing these gaps by enhancing digital data collection, increasing regional and sectoral coverage, and implementing better administrative measures. Suggestions also include streamlining of data submission through digital platforms, particularly in under-resourced states, to improve efficiency and accuracy. Additionally, the document advises increased funding and technical support to expand the scope and coverage of LESS, particularly for monitoring informal employment trends. Another study by Pramit Bhattacharya (2023) highlights similar issues and draws attention towards India's statistical situation and proposes similar measures for increasing usage and effectiveness in the near future.

The above narrative traces the evolution of labour statistics in India and reflects the government's increasing reliance on data-driven policymaking in the context of socio-economic transitions in the country. From the establishment of the Labour Bureau during the colonial era to the adoption of modern tools-based initiatives like the Labour & Employment Statistical System (LESS) and special surveys like that of migrant and domestic workers, labour statistics have progressively expanded their scope and depth. These advancements would enable policymakers to address the complexities of the informal sector like domestic workers wherein an employer can engage several persons and a worker can have multiple employees. Equally complex is the case of migrants whose economic activity and family status are often different before and after migration. The above data, recently collected and compiled by the Bureau, would, when brought into the public and policy domain, assist in designing programmes for better working conditions and social security. Emerging forms of employment in the gig economy are an area of critical concern awaiting the attention of the Labour Bureau. Challenges persist in ensuring comprehensive coverage, particularly of vulnerable segments of the labour force, inclusivity and methodological robustness, for maintaining the relevance and reliability of labour statistics in a rapidly changing economic landscape.

The following sections explore the pivotal role the Labour Bureau has played in labour statistics and market analytics, and the challenges it faces in the coming years. Additionally, an attempt is made here to put forward a few recommendations for strengthening and improving the LESS framework for presenting the labour market data.

b) ***Components of the Scheme***

The **Labour Bureau**, a specialized organization under the **Ministry of Labour and Employment**, is India's foremost authority on labour statistics and wage-related indices. Through the **LESS** scheme, the Bureau performs a unique and indispensable function, such as producing high-frequency, high-quality labour statistics that no other institution in the country undertakes at this scale or depth.

The Bureau not only measures **inflation, wages, and employment trends** but also bridges critical data gaps on **informal workers, rural labourers, and wage disparities**- segments often neglected in conventional economic statistics. The following components in **Table 1.1** of the LESS scheme demonstrate how the Bureau has emerged as a **cornerstone of evidence-based labour policy in India**, setting benchmarks for transparency, statistical rigour, and inclusivity:

Table 1.1: Components of the LESS Scheme

Sl. no.	Component	Sub-component
1.	Consumer Price Index numbers for Industrial Workers on base year 2016=100, including retail price indices (CPI-IW)	
2.	Consumer Price Index- AL/RL (Agricultural and Rural Labourers) on base 1986-87= 100	
3.	Socio-economic Surveys of Different Segments of Labour (SESDSL)-	AQEES: Quarterly Employment Survey (QES) & Area, framework establishment survey (AFES)
4.	Occupational Wage Survey (OWS)	
5.	Annual Survey of Industries (ASI)	
6.	Modernization of Machine Tabulation Unit (MMTU)	
7.	Administrative Labour Statistics (ALS)	
8.	Improvement of Labour Statistics & Service on Labour Employment Issues	All India Survey of Migrant & Domestic Workers
9.	Research & Studies on Labour-related matters	
10.	Wage Rate Index (WRI)	
11.	Publication on Labour Statistics	

Source: Labour Bureau

- **Consumer Price Index Numbers for Industrial Workers (CPI-IW):** The **CPI-IW** is one of India's most referenced indices, capturing the impact of inflation on industrial workers' consumption patterns. It is not just a price index, it underpins **dearness allowance calculations**, wage contracts, and pension revisions for millions of public and private sector employees. The Labour Bureau meticulously collects data from 88 industrial centres across the country, ensuring real-time tracking of inflation where it matters most in workers' homes. **No other institution in India collects and processes worker-centric price data at this scale and frequency (Labour Bureau, 2020).**

- **Consumer Price Index for Agricultural and Rural Labourers (CPI-AL/RL):** These indices provide vital information on inflation in rural India, directly influencing wage revisions under the **MGNREGA scheme** and other rural employment programmes. Based on price data from over 600 villages, the CPI-AL/RL gives an authentic, ground-level understanding of cost-of-living changes among **agricultural and unorganized labourers**. This is the **only index in India** that exclusively represents the rural poor, making it indispensable for inclusive policy design **(Labour Bureau, 2020)**.

- **Socio-Economic Surveys of Different Segments of Labour (SESDSL):** Through surveys like the **Quarterly Employment Survey (QES)** and the **Area Frame Establishment Survey (AFES)**, the Bureau produces rapid, reliable employment data in both organized and unorganized sectors. These datasets are crucial for assessing the effectiveness of national employment policies and schemes, especially post-COVID. These are **the only high-frequency surveys** in India that map employment shifts across firm sizes and sectors, providing early signals for policy correction **(Labour Bureau, 2020)**.

- **Occupational Wage Survey (OWS):** The OWS maps wage structures across key labour-intensive sectors like plantations, manufacturing, and mining. It forms the empirical base for revising the **Wage Rate Index (WRI)** and offers data essential for assessing **wage inequality, sectoral parity, and gender-based wage gaps.** This survey is **unique in its occupational depth and disaggregation**, something no private or public agency currently matches **(Labour Bureau, 2020)**.

- **Annual Survey of Industries (ASI):** The ASI segment curated by the Bureau delves into **employment, earnings, absenteeism, and labour turnover** in the organized manufacturing sector. The findings are foundational for evaluating India's industrial competitiveness and labour productivity. The Labour Bureau ensures **labour-cost specific modules** within ASI, which no other industry survey provides **(Labour Bureau, 2020)**.

- **Wage Rate Index (WRI):** The WRI captures temporal wage movement across key occupations. This index is vital to understanding trends in real income, living standards, and purchasing power—particularly in inflation-prone periods. It also aids wage revision mechanisms across government departments and PSUs. It is the **only wage index in India** that monitors real-time wage shifts across sectors with national coverage **(Labour Bureau, 2020)**.

- **Modernization of Machine Tabulation Unit (MMTU):** The Bureau has upgraded its Machine Tabulation Unit with advanced software and hardware capabilities. This initiative ensures **faster data processing, real-time analysis, and digital archiving,** enhancing responsiveness in releasing timely statistics. The MMTU makes Labour Bureau a **technologically agile data agency**, on par with global statistical standards **(Labour Bureau, 2020)**.

- **Administrative Labour Statistics (ALS):** ALS compiles information on **labour inspections, legal compliance, and enforcement of labour laws**. These data are critical for governance audits, social dialogue, and improving labour grievance redressal systems. The Bureau stands alone in **creating real-time compliance dashboards** for central and state labour enforcement agencies **(Labour Bureau, 2020)**.

- **Improvement of Labour Statistics and Services on Labour Employment Issues:** This includes large-scale surveys like the **All India Survey on Migrant Workers and Domestic Workers**, targeting highly vulnerable and often invisible labour groups. The aim is to embed them into formal policy frameworks for social protection and welfare entitlements. These surveys are **trailblazers in informal labour documentation**, filling massive policy blind spots in India's welfare architecture **(Labour Bureau, 2020)**.

- **Research and Studies on Labour-Related Matters:** The Bureau sponsors and undertakes cutting-edge research on labour dynamics, social security, and employment trends. These studies support ministries, courts, think tanks, and international organizations in designing informed interventions. The Labour Bureau is fast emerging as a **national thought leader** on labour policy and evidence-based governance **(Labour Bureau, 2020)**.

- **Publication on Labour Statistics:** The Bureau regularly publishes bulletins, yearbooks, and statistical digests, offering stakeholders a **transparent, timely, and granular view of India's labour market**. These publications are heavily cited in parliamentary debates, academic research, and international development reports **(Labour Bureau, 2020)**.

Thus, the Labour Bureau's work under the LESS scheme is not just technical—it is **mission-critical** for inclusive growth and equitable development. In an era where data drives policy, the Bureau's continued excellence in labour statistics, covering both the organized and informal sectors, is unmatched in India. Strengthening its capacity further through skilled manpower, administrative autonomy, and global benchmarking will ensure that India remains prepared to address the evolving needs of its vast and diverse workforce. In short, **no other agency in India plays such a central and comprehensive role in tracking, analyzing, and reporting the state of the working class**. The Labour Bureau is not just collecting data—it is shaping the future of India's labour governance.

c) Year of Commencement of Scheme

Until the 10th Plan period, the Labour Bureau implemented several independent schemes. These included:

- Consumer Price Index Numbers for Industrial Workers (CPI-IW) with a base year of 2001=100. ***(Info checked)***
- Rural Labour Enquiry (RLE), which also involved the construction of Consumer Price Index Numbers for agricultural and rural labourers.
- Occupational Wage Survey (OWS).
- Socio-economic Surveys of Different Segments of Labour (SESDSL).
- Collection of labour statistics under the Annual Survey of Industries (ASI), which extended to the sample sector.
- Modernization of the Machine Tabulation Unit (MMTU).

All these schemes were later merged into a new scheme called the Labour & Employment Statistical System (LESS) from the 11th Plan onwards. In addition, a new Plan scheme called "Improvement of Labour & Employment Statistical System" (ILESS) was approved in principle by the Planning Commission for inclusion in the 11th Plan. This new scheme included the following components:

- Updating the base of the Consumer Price Index Numbers for Industrial Workers from 2001=100 to a new base.
- Updating the base of the Consumer Price Index Numbers for Agricultural and Rural Labourers from 1986-87=100 to a new base.
- Updating the base of Wage Rate Index Numbers.
- Improving Labour Statistics through a Training-cum-Liaison Scheme.
- Human Resource Development Initiatives.
- Establishing a Management Information System (MIS) and upgrading the in-house printing facility.
- Building infrastructure facilities, including an office building for the Labour Bureau.

Over time, all these plan schemes, including ILESS, were consolidated under one umbrella scheme, the Labour & Employment Statistical System (LESS). Alongside the above-mentioned Plan schemes, the Labour Bureau also managed nine Non-Plan schemes. These include Labour Statistics, Improvement of Labour Statistics/Training, Wages, Contract Labour Survey, Research, Wage Rate Indices, Annual Survey of Industries (Census Sector), Retail Price Indices and Indian Labour Journal (I.L.J.)

Following the government's decision to eliminate the distinction between Plan and Non-Plan schemes, both the Plan and Non-Plan schemes were incorporated into the LESS scheme. This move helped streamline the operations and objectives under one comprehensive system, and the present components under the LESS scheme are given above in Table 2.1.

d) Present status with coverage of the Scheme

The Labour & Employment Statistical System (LESS) scheme, as of now, operates under a unified structure, consolidating both the former Plan and Non-Plan schemes related to labour

statistics. This streamlined approach ensures comprehensive coverage of various labour-related data collection and analysis activities.

While the scheme has made significant strides in improving the quality and availability of labour market data, challenges remain. Some components, particularly those related to modernization, data accuracy, and inclusivity, are still in the process of implementation or require further strengthening to meet evolving labour market demands.

Operational Status: The core activities of the LESS scheme are operational, with ongoing data collection, surveys, and reports covering key sectors such as industrial, agricultural, and rural labour. Regular updates are provided through surveys like the Quarterly Employment Survey (QES), Occupational Wage Survey (OWS), and the Annual Survey of Industries (ASI), which offer valuable insights for policy formulation. Additionally, modernization efforts aimed at enhancing data processing and information systems are progressing, improving the overall efficiency and effectiveness of the scheme.

Non-Operational Status: Some components of the LESS scheme, such as the updating of base years for indices like CPI-IW and Wage Rate Indices, are still under review or have not been fully implemented. Additionally, there are areas where the scheme's coverage remains limited, particularly concerning informal sector workers and migrant labourers. These groups require more targeted data collection efforts to ensure that their needs are adequately addressed in national policies and programs.

Thus, the LESS scheme is operational but continues to face challenges related to full-scale implementation, data inclusivity, and modernization. Enhanced focus on these aspects will ensure the scheme meets its goal of providing reliable, comprehensive labour statistics to support policymaking and labour market interventions.

e) LESS Scheme and SDGs: Progress & Challenges

The LESS Scheme aims to support India's progress toward the Sustainable Development Goals (SDGs) by enhancing labour market data collection and informing policy decisions. It contributes to SDG 8 (Decent Work and Economic Growth), SDG 1 (No Poverty), SDG 10 (Reduced Inequalities), and SDG 16 (Peace, Justice, and Strong Institutions) by providing insights into employment trends, social security, and labour welfare. However, structural inefficiencies, particularly in informal sector coverage and data dissemination, limit its overall impact. The **table 1.2** below presents a structured analysis of the LESS scheme’s alignment with SDGs, key objectives, and existing challenges.

Table 1.2: LESS Scheme & SDG Alignment

Scheme Name	Objectives of the Scheme	Sustainable Development Goals (SDGs) Addressed	Challenges in Achieving SDGs
Labour & Employment Statistical System (LESS) Scheme	**Strengthening Labour Market Data**: Collect and consolidate employment, wage, and working condition statistics to support policy decisions.	**SDG 8** – Decent Work and Economic Growth	**Limited coverage of the informal sector** – A large proportion of the workforce remains undocumented.
	Tracking Employment Trends: Provide reliable data for monitoring labour market trends and ensuring evidence-based policymaking.	**SDG 8** – Decent Work and Economic Growth	**Delays in data processing** – Reduces policy relevance for real-time decision-making.
	Enhancing Social Security & Welfare Data: Improve data collection on vulnerable worker segments, including women and migrant workers.	**SDG 1** – No Poverty **SDG 10** – Reduced Inequalities	**Exclusion of gig workers & domestic workers** – Policies may overlook informal employment groups.
	Institutional Strengthening: Establish a structured framework for labour data collection, ensuring transparency in policy formulation.	**SDG 16** – Peace, Justice, and Strong Institutions	**Fragmented data systems** – Coordination issues between agencies affect data reliability.
	Monitoring Labour Law Compliance: Assess the impact of labour regulations and social security programs.	**SDG 8** – Decent Work and Economic Growth	**Outdated statistics** – Rapid changes in the labour market demand more frequent updates.

f) Alignment with Viksit Bharat 2047 Vision (This section has been added as per the LB submission)

As India charts its course toward becoming a developed nation by 2047, under the **Viksit Bharat** vision, the need for data-driven, inclusive, and evidence-based governance has never been more critical. At the heart of this transformation lies the LESS scheme—an institutional backbone that enables the Government of India to monitor, evaluate, and reform labour markets in real-time.

i. Empowering Inclusive Growth through Targeted Labour Insights

One of the pillars of Viksit Bharat 2047 is the creation of an **inclusive economy** that leaves no worker behind- whether rural, urban, formal, or informal. The LESS scheme, through its **CPI-AL/RL,** surveys on migrant and domestic workers, and Occupational Wage Surveys, offers granular data on the most marginalized segments of the workforce. These insights are indispensable for:

- employment guarantee schemes,
- Designing targeted social security programs,
- Expanding Informing minimum wage legislation that reflects regional disparities.

By enabling evidence-based income redistribution, LESS directly supports the social justice dimension of the Viksit Bharat vision.

ii. Enhancing Labour Productivity for Global Competitiveness

Viksit Bharat 2047 envisions India as a **global manufacturing and services hub**. Achieving this requires a comprehensive understanding of wage structures, absenteeism, turnover, and employment dynamics, especially in the organized sector. Through the ASI and the WRI, the Labour Bureau provides:

- Benchmarks for labour productivity,
- Real-time wage trend analysis,
- Sectoral competitiveness diagnostics.

Such data helps industries and policymakers fine-tune interventions for skilling, automation, and equitable wage policies, driving productivity and enhancing India's global appeal.

iii. Strengthening Governance and Compliance in the Labour Ecosystem

The **ALS** and compliance-focused surveys within the LESS framework support Viksit Bharat's call for **"minimum government, maximum governance."** By digitizing inspection records, tracking legal compliance, and measuring the effectiveness of grievance redressal mechanisms, LESS ensures:

- Transparent implementation of labour laws,
- Identification of governance bottlenecks,
- Evidence to reform outdated regulatory frameworks.

This fosters a business-friendly yet worker-sensitive environment, a key aspect of a modern developed economy.

iv. Powering Evidence-Based Reforms through High-Frequency and Modernized Surveys

Viksit Bharat demands **agile policy responses** to evolving socio-economic dynamics, such as climate-induced labour shifts, gig economy expansion, and digital transformation of work. LESS is being modernized through:

- The **MMTU** for faster data analytics,
- High-frequency tools like the **QES**,
- Integration of new thematic surveys such as on gig and platform workers.

This positions the Labour Bureau as a national sentinel for early warnings, adaptive governance, and future-of-work policy formulation.

v. Institutionalizing Knowledge for Intergenerational Equity

Viksit Bharat 2047 is not just about economic upliftment but about building **resilient, forward-looking institutions**. The Labour Bureau, through its regular publications and funded research studies, is:

- Curating labour knowledge repositories,
- Training a new generation of labour economists and statisticians,
- Providing empirical inputs to the parliamentary and judicial systems.

In doing so, LESS is building the intellectual infrastructure needed to ensure that India's demographic dividend is transformed into long-term developmental capital.

Policy Recommendations for LESS aligned with Viksit Bharat

- **Modernize Infrastructure**: Scale up digital data capture, GIS-linked wage tracking, and automation of labour returns via mobile apps and AI tools.
- **Expand Coverage**: Introduce new indices for gig workers, green jobs, and care economy; deepen time-use and skill mapping surveys.
- **Invest in Capacity Building:** Strengthen the Labour Bureau through staffing, training, and partnerships with academic and global statistical agencies.
- **Integrate with National Development Platforms**: Align LESS outputs with Aspirational Districts Programme, PM Vishwakarma Yojana, and skilling missions.
- **Ensure Open Access and Transparency**: Make LESS datasets publicly available for researchers, policymakers, and startups to foster innovation in labour analytics.

The Labour Bureau, through the LESS scheme, is uniquely positioned to serve as a national sentinel for labour intelligence. By aligning its outputs with the transformative goals of Viksit Bharat @2047, the scheme can ensure that no worker is left behind, while positioning India as

a model for inclusive and sustainable development. Investing in LESS is not just investing in data—it is investing in the future of India's workforce.

g) LESS Scheme and National Development Plan: Strengths and Shortcomings

Table 1.3 below discusses the NITI Aayog's National Development Plans (NDP) framework and how the Labour & Employment Statistical System (LESS) Scheme aligns with its key objectives. NITI Aayog emphasizes inclusive growth, sustainable development, and improving quality of life, all of which require reliable labour market data for informed policymaking. The LESS scheme contributes to these goals by tracking employment trends, addressing labour inequalities, and supporting evidence-based policy interventions. However, certain gaps in data coverage and dissemination limit its full potential. The table below presents a structured analysis of how the LESS scheme aligns with NDP goals, highlighting its strengths and shortcomings.

Table 1.3: Alignment of the LESS Scheme with National Development Plans

Scheme Name	Alignment with National Development Plans	Strengths	Challenges
Labour & Employment Statistical System (LESS) Scheme	**Inclusive Growth** – Supports policies aimed at reducing income disparities and improving employment opportunities.	It helps identify wage disparities and inform labour welfare policies.	**Limited informal sector coverage** – Excludes many migrant and gig workers.
	Sustainable Development – Provides data to track employment trends and ensure economic growth benefits marginalized groups.	Provides structured labour statistics for informed decision-making.	**Insufficient data on green jobs** – Limited insights on climate-resilient occupations.
	Improving Quality of Life – Informs policies on wages, social security, and working conditions.	Enhances social security and welfare data collection.	**Delayed data dissemination** – Reduces policy effectiveness and real-time decision-making.
	Evidence-Based Policymaking – Strengthens data-driven labour policies.	Offers insights for tracking employment trends and labour law compliance.	**Lack of frequent updates** – Labour market dynamics change rapidly, requiring timely reports.

Scheme Name	Alignment with National Development Plans	Strengths	Challenges
	Evaluation & Policy Recommendations – AJNIFM's evaluation study critically assesses gaps and offers improvements.	Provides a structured analysis based on budget utilization, stakeholder consultations, and performance assessments.	**Need for stronger data systems** – Improved accessibility and integration with policy frameworks are required.

AJNIFM has undertaken this evaluation study to critically analyze the gaps and limitations within the LESS scheme. Within a structured analytical framework, it examines the operation of the schemes based on the budget allocation and their utilization, stakeholder consultations, and performance assessments. The insights and findings have been compiled into a comprehensive report, offering actionable recommendations to enhance the scheme's functionality and effectiveness.

1.5 Summary of Past Evaluation Since Inception of the Scheme

Over the years, numerous independent evaluations/research have been conducted to assess the effectiveness of the scheme. Independent studies have emphasized the need for improved digital data collection systems and labour market analytics. The scheme has played a significant role in supporting wage policies and social security measures for informal workers, leading to important policy refinements. Among these assessments, two key third-party evaluations of the LESS scheme have been conducted, a summary of which is detailed below in **Table 1.6**.

Table 1.4: Summary of Past Third-Party Evaluations

Year	Name of Organization	Recommendations	Status
2014	M/s APITCO (Andhra Pradesh Industrial & Technical Consultancy Organization), Hyderabad	1. The CPI-IW should continue as it is useful for policymaking related to wages, inflation, and banking. 2. The CPI-AL/RL should continue as it aids in minimum wage fixation and poverty estimation. 3. Surveys for unorganized sector workers, SC/ST workers, and women workers should continue. 4. The Occupational Wage Survey (OWS) should be continued to ascertain skill	**Accepted** and implemented by the Labour Bureau.

Year	Name of Organization	Recommendations	Status
		demand and meet ILO requirements. 5. Data from the Annual Survey of Industries (ASI) on employment and wages is crucial. 6. Regional offices should be opened in major states/UTs to address language barriers in fieldwork.	
2019	National Productivity Council (NPC) (2015-19 Evaluation of LESS Scheme)	1. Digitalization and automation of the Labour Bureau's data collection and processing. 2. Online system for submission of returns to reduce delays in data collection from States/UTs. 3. Adoption of advanced data analytics software like SAS, STATA, etc. 4. Merging Area Frame Establishment Survey (AFES) and Quarterly Employment Survey (QES) to improve employment data coverage. 5. Capacity building programs for Labour Bureau officials. 6. Opening of regional offices to support fieldwork.	**Partially Implemented:** 1. Digitalization and automation are recommended but not fully executed. 2. Online submission system proposed but pending implementation. 3. Adoption of analytics software under review. 4. AFES and QES merger under discussion. 5. Training programs initiated but need expansion. 6. Regional offices proposal pending approval.

1.6 Scope of Work

a. Identifying:

- Improvement in the design of the Scheme
- Goals/achievements/impact of the scheme and its components
- Financial Allocations and Expenditure of the Scheme
- Output and Outcome of the Scheme for the given period
- Key Performance Indicators are being used to gauge the output and outcome of the scheme
- Suitable methodology for evaluation of the scheme

b. Analyse:

- The overall relevance, efficiency, effectiveness, and impact of the scheme.
- The challenges faced in data collection, verification and compilation and creating solutions for better functioning of the scheme.
- The financial performance of the scheme in comparison to the physical targets made and achieved.
- The gaps in the achievement of outcomes
- The role and progress of the scheme in achieving SDG goals as had been set by the Labour Bureau
- The extent of changes undertaken for the scheme as per the recommendations made in the last NPC evaluation.
- The constraints/challenges faced concerning the monitoring of different components of the scheme, as mentioned in the TOR.
- The implementation mechanism of the scheme to understand any leakages thereof
- The training/capacity building procedures to see if they are adequate in disseminating the required knowledge to handle data appropriately
- The extent of digitalization of the statistical system and recommend a road map for complete digitalization of data managed under the LESS scheme.
- The key bottlenecks and challenges faced during the functioning/implementation of the scheme.

c. Preparing and Submitting:

- **First Deliverable**: Preliminary Report consisting of a brief introduction to the LESS scheme and its components. This report will also comprise the approach, methodology, and work plan for the evaluation to be carried out by AJNIFM.
- **Second Deliverable:** The Mid-Term Report, required data will be collected through questionnaires and stakeholder discussions, leading to further analysis of the LESS scheme as per the TOR.
- **Final Deliverable:** The Mid-term report will lead up to the Final draft report after taking into consideration the final comments and views from the Ministry and Labour Bureau.

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CHAPTER-2

Approach & Methodology of the Evaluation

Chapter 2

Approach & Methodology of the Evaluation

The LESS Scheme plays a crucial role in generating labour market data for policy formulation. Recognizing the need to assess its effectiveness, this evaluation study was initiated to identify gaps, assess challenges, and suggest improvements to enhance the scheme's impact. To ensure a structured and evidence-based evaluation, a virtual meeting was held on October 14, 2024, to outline the modalities and a roadmap for the study. This was followed by a kick-off meeting on October 26, 2024, at the Labour Bureau in Chandigarh, where the objectives, terms of reference, and key evaluation parameters were finalized.

The study employs a mixed-method research design, integrating quantitative and qualitative approaches, within the REESI+ framework (Relevance, Effectiveness, Efficiency, Impact, and Sustainability Plus) forming the basis of assessment. The methodology includes field visits, stakeholder consultations, Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and financial evaluations, ensuring a holistic review of LESS.

2.1 Evaluation Methodology and Approach

a. Research Design

For a comprehensive evaluation of the LESS Scheme, the REESI+ framework, as developed by the OECD and widely used by NITI Aayog, has been considered appropriate as it allows a systematic and multi-dimensional assessment of the functioning and impact of LESS on Indian development scenario. The "+" in the REESI+ framework allows for the inclusion of context-specific considerations, which in this study include:

- Regional Variations in the labour market across different states and sectors.
- Data Collection and Quality Challenges faced by Regional Offices.
- Insights from Stakeholder Engagements, including meetings with shop owners and discussions with Labour Bureau officials.

The study employs a temporal and cross-sectional analysis, assessing the current status and impact of the LESS scheme, while also proposing recommendations for future scalability and policy refinement.

b. Approach: The REESI+ Framework

i) Relevance

The first step in the evaluation is to assess how well the LESS scheme aligns with labour market needs and national policy priorities. This involves:

- Examining the role of the LESS scheme and its objectives to address key labour market challenges such as unemployment, skill gaps, regional disparities, and informal sector inclusion.
- Evaluating how the collected data like the Quarterly Employment Survey (QES), Occupational Wage Survey, and the Consumer Price Index (CPI) contributes to designing, implementing and monitoring of labour-related policies and programmes

ii) Effectiveness

In measuring effectiveness, an attempt is made to determine the extent to which LESS has succeeded in achieving its intended goals, focusing on:

- Accuracy and reliability of the collected data.
- The usefulness of LESS data for ministries, policymakers, and researchers in making informed decisions.
- The success of digitalization efforts in improving data collection efficiency.

iii) Efficiency

The efficiency of the scheme is assessed by analyzing:

- Operational efficiency of Regional Offices, particularly their role in monitoring, supervising, and training personnel for data collection.
- The deficiency in infrastructure, manpower shortages, and language barriers, as highlighted in regional office reports these have delayed the delivery of services and quality of the outcomes.

iv) Impact

The impact evaluation is focused on:

- How LESS data has influenced policy decisions, skill development programs, and employment initiatives.
- Regional variations in shaping labour market interventions and their impact.
- The extent of digital adoption and its utilization in data-driven policymaking.

v) Sustainability

The sustainability analysis determines whether:

- LESS methodologies and frameworks are scalable and adaptable to meet the future labour market needs.
- Institutional mechanisms are in place to ensure continuity and periodic improvements in data collection.

- Integration with other government initiatives (e.g., Shram Suvidha Portal for online submission) is being attempted to enhance the longevity of the practices introduced through the Scheme.

vi) Additional Considerations (+)

Beyond the core REESI framework, additional context-specific dimensions are included, such as:

- **Regional Office Analysis:** Evaluation of the role of regional offices in managing data collection across states and the challenges they face.
- **Stakeholder Interactions:** Meetings with shop owners and businesses provide ground-level insights into employment trends, wage structures, and sectoral shifts.

c. Data Collection Methodology

To ensure a comprehensive evaluation, the study employs multiple data collection techniques:

h) Secondary Data Collection Methods for this Study

i) Review of Labour Bureau Reports: Analysis of CPI-IW, QES, WRI, and Annual Labour Statistics.

- Evaluation of LESS Implementation Reports from Regional Offices (Chennai, Hyderabad, etc.).
- Policy Documents & Parliamentary Reports: Understanding how LESS aligns with national labour policies.

ii) Primary Data Collection Methods for this Study

Regional Office Assessments

- In-depth interviews with Regional Office staff to understand data collection challenges, manpower issues, and coordination with central agencies.
- Evaluation of training programs for field staff responsible for data gathering.

Stakeholder Interviews

- Meetings with shop owners to assess the impact of labour market trends on small businesses.
- KIIs and FGDs with employers, labour representatives, and policymakers to validate data accuracy and identify gaps.

Field Surveys

- 4 sets of structured questionnaires were prepared and circulated to stakeholders to collect data on various parameters and asses the labour market participants, covering wage patterns, employment status, and sectoral shifts.

- On-site observations of market conditions and price fluctuations, aligning with CPI-IW and CPI-AL/RL.

d. Financial Evaluation & Output/Outcome Budgeting

A financial analysis of the LESS scheme was conducted to examine the budget allocation, expenditure trends, and financial efficiency over the past three years. The evaluation focused on assessing fund utilization, operational bottlenecks, and the effectiveness of resource deployment at the regional and national levels.

The analysis revealed a consistent underutilization of allocated funds, with actual expenditures falling significantly short of both budget estimates and revised allocations. This trend points to delays in fund utilization, administrative bottlenecks, and potential inefficiencies in scheme execution. Additionally, the revised budget estimates showed a sharp reduction over the years, suggesting challenges in executing planned activities efficiently. A detailed breakdown of budgetary trends and financial gaps is provided in Chapter 3, where expenditure patterns across different financial years and regional offices are analyzed comprehensively.

2.2 Output vs. Outcome Analysis

As part of the evaluation, key performance indicators (KPIs) were assessed to determine the effectiveness of LESS in achieving its intended objectives. The evaluation covered all regional offices, measuring survey coverage, digital data collection progress, and workforce adequacy.

The analysis found gaps in regional office performance, with only five out of eight regional offices conducting surveys as per the expected targets. Furthermore, digital data collection remains limited, covering only 45% of the targeted scope, indicating the need for further investment in IT infrastructure to streamline processes. The price auditing process also requires improvements in tracking inter-market variations and product substitutions to ensure more accurate consumer price index calculations.

A detailed output budget analysis, including performance indicators and regional office-specific evaluations, is presented in Chapter 3.

e. Data Analysis Framework

The analysis follows a multi-tiered approach to ensure comprehensive insights:

i) Quantitative Analysis

- National Statistics: Trends in employment, wage fluctuations, and demographic patterns.
- Cross-sectional Analysis: Evaluating regional disparities using labour market indicators.
- Time-Series Analysis: Examining the impact of LESS over different periods.

ii) Qualitative Analysis

- Thematic Coding: Identifying key themes from stakeholder interviews and FGDs.

- Sentiment Analysis: Understanding perceptions of the LESS scheme among business owners, workers, and policymakers.
- Policy Mapping: Aligning LESS findings with national labour policies and global best practices.

2.3 Evaluation Process and Stakeholder Engagement

To gain on-ground insights, the study team conducted field visits to the Chennai and Kolkata Regional Offices, and interactions with labour department officers, different types of shop owners at the market place, and key stakeholders. These engagements provided valuable perspectives on:

- Challenges in price data collection
- Employment patterns and workforce shortages
- Regional disparities in labour market conditions
- Operational inefficiencies in LESS implementation

Building upon these findings, the next phase of the study involved expert interviews with officials from regional offices, state representatives, and labour unions in a hybrid mode. The evaluation process incorporates a comprehensive stakeholder engagement strategy, including:

- Key Informant Interviews (KIIs) with officials and policymakers
- Focus Group Discussions (FGDs) with labour market participants
- Online and offline stakeholder consultations for diverse inputs

The findings from these engagements are discussed in detail in Chapter 3, providing insights into scheme implementation, gaps, and policy recommendations. Thus, the study's mixed-method research design, incorporating field surveys, financial analysis, and stakeholder consultations, ensures a holistic evaluation of LESS. Moving forward, the findings from this methodology will guide policy recommendations, operational improvements, and strategic interventions to enhance the effectiveness of the scheme in promoting labour welfare and employment support.

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CHAPTER- 3

Objective of the Study: An Evaluation of the Components of the LESS Scheme

Chapter 3

Objective of the Study: An Evaluation of the Components of the LESS Scheme

3.1 Objective of the Study:

The assessment in this chapter covers the following aspects:

- Evaluating the financial and physical performance of the LESS scheme and its components.
- Reviewing components of the scheme to determine their relevance, efficiency, effectiveness, impact, and sustainability, based on outcome indicators.
- Analyzing the implementation of scheme components and identifying key challenges and barriers.
- Measuring the scheme's progress using predefined output and outcome indicators.
- Identifying major challenges and bottlenecks affecting the successful implementation of the LESS scheme.

3.2 Performance of the Scheme Based on the Financial Indicators:

Budgetary allocation and Expenditure pattern of the Scheme

Table 3.1 and Chart 3.1 below illustrate the budget allocation and expenditure trends under the LESS Scheme from 2019-20 to 2024-25, highlighting fluctuations in funding and utilization efficiency. Over this period, the scheme experienced shifts in budget allocations, adjustments in revised estimates, and varying levels of actual expenditure, pointing to changing priorities and potential lack of fund utilization.

In 2019-20, the Budget Estimate (BE) was ₹22 crore, which was marginally revised to ₹21.5 crore in the Revised Estimate (RE). The Actual Expenditure (AE) was ₹17.7 crore, reflecting a reasonable level of fund utilization. In 2020-21, the BE increased to ₹25 crore, and the RE was further raised to ₹27 crore, indicating an upward revision in funding requirements. The AE for the year was ₹23.3 crore, suggesting that a significant portion of the allocated funds was effectively utilized.

In 2021-22, the BE witnessed a sharp increase to ₹150 crore; however, the RE was substantially reduced to ₹90 crore, indicating a reassessment of financial needs. The AE for this period was, however, only ₹40 crore, hinting to the lower absorption capacity of the scheme and considerable underutilisation. However, during the interaction with the LB officials, it was highlighted that the lower utilization is on account of the fact that some major surveys were envisaged but could not be undertaken for want of administrative approval. In the subsequent year (2022-23) we see a similar trend, the BE was ₹89 crore but was later revised down to ₹80 crore, whereas the AE was only ₹49.1 crore. Thus, we see that a significant gap remains between the allocated and actual expenditure. When examining fund utilization, AE in 2021-

22 amounted to only 44.4% of the RE. In 2022-23, the AE/RE ratio improved to 61.4%, indicating better utilization but still leaving scope for further improvement.

In 2023-24, the BE was increased to ₹110 crore, but the RE was again reduced to ₹44.8 crore, and the AE was even lower to RE of ₹33.8 crore, indicating low fund absorption. In terms of utilization, AE/RE in 2023-24 was 75.4%. The most significant reduction occurred in 2024-25, with the BE set at ₹50 crore, the RE declining to ₹26.6 crore, and AE dropping further to just ₹12.72 crore. The AE/RE for this year amounted to only 29.4% and AE/BE was just 15.6%, till December 2024, indicating that a large portion of the allocated funds remained unspent. Even assuming that in the last three months of the financial year 2024-25 expenditure might have increased at a faster rate, still it will not be adequate to fully meet the RE of 26.6 crore.

These fluctuations between BE and RE are reflective of the Labour Bureau's proposals to address the emerging labour scenario through new surveys and studies. These proposals often involve the induction of resources for data collection and processing, which is resource-intensive. But being new and innovative, the proposals take time to obtain necessary administrative approvals. However, the procedural delays in obtaining approvals and repeated back-and-forth exchanges between departments have hampered the timely launch of these surveys. As a result, while the intention to scale operations and introduce new data-gathering initiatives is evident in the Budget Estimates, delays in clearances have affected survey timelines, postponed data collection and publication, and ultimately resulted in unutilized funds. However, once these new initiatives are in place, such differences between BE and RE is expected to come down.

The underutilization of the substantial funds allocated to the LESS scheme could also be attributed to delays in the implementation of digitization efforts, and not taking up large surveys. While the Labour Bureau successfully conducted all its regular surveys, even during the COVID-19 period, ensuring that routine funds were fully utilized, the funds earmarked for activities such as training and digitization remained largely unspent. This may have been primarily due to procedural delays, which hindered the timely execution of these initiatives. Consequently, despite adequate budgetary allocations, the inability to operationalize digitization measures may have led to significant gaps in fund absorption.

Table 3.1: Financial Progress of the LESS Scheme (amount in Rs. Cr.)

Items/Years	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
BE	22	25	150	89	110	50
RE	21.5	27	90	80	44.8	26.6
AE	17.7	23.3	40.0	49.1	33.8	7.8[1]
AE/RE (%)	82.5	86.2	44.4	61.4	75.4	29.4
RE/BE (%)	97.7	108.0	60.0	89.9	40.7	53.2
AE/BE (%)	80.6	93.1	26.7	55.2	30.7	15.6

[1]The figure shown is till 31.12.2024

Source: Notes on Demands for Grants, Annual Reports, Ministry of Labour & Employment (2019-20 to 2023-24) & Labour Bureau (2024-25)

Chart 3.1: Budget Allocation and Expenditure for the LESS Scheme (2019-20 to 2024-25)

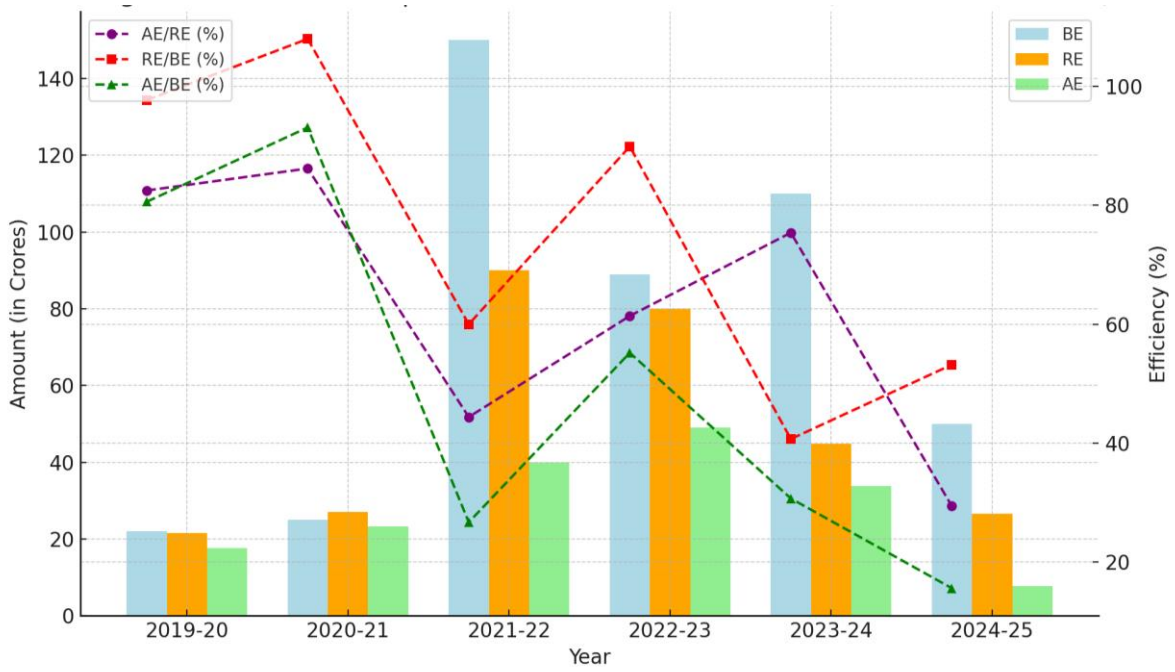


Table 3.2 and Chart 3.2 below illustrate the financial performance of the scheme under their establishment head over the years. In 2019-20, the Budget Estimate (BE) was ₹21.0 crore, which remained unchanged in the Revised Estimate (RE). The Actual Expenditure (AE) was ₹20.3 crore, indicating efficient utilization of funds. In 2020-21, the BE increased to ₹28.7 crore, but the RE was revised downward to ₹25.8 crore, suggesting a reassessment of funding needs. The AE for the year was ₹24.4 crore, showing that most of the revised allocation was utilized.

In 2021-22, the BE was ₹26.8 crore, and the RE saw a slight increase to ₹27.0 crore. The AE for this period was ₹25.3 crore, reflecting consistent fund absorption. In 2019-20 and 2020-21, AE/RE was 96.4% and 94.8% respectively, demonstrating optimal fund utilization. In 2021-22, AE/RE was 93.7%, and RE/BE slightly exceeded 100%, indicating effective financial planning.

In 2022-23, the BE was ₹30.4 crore, but the RE was revised slightly downward to ₹29.2 crore, indicating an adjustment based on requirements. The AE, however, stood at ₹25.0 crore, suggesting some level of underutilization. In 2023-24, the BE was ₹31.7 crore and RE was ₹28.4 crore, with AE reaching ₹25.7 crore. While fund utilization remained relatively stable, there was a noticeable gap between allocation and expenditure. The trend continued in 2024-25, where the BE was ₹30.1 crore, but the RE was revised down to ₹26.1 crore. The AE dropped further to ₹20.5 crore, indicating a decline in fund absorption. from 2022-23 onwards,

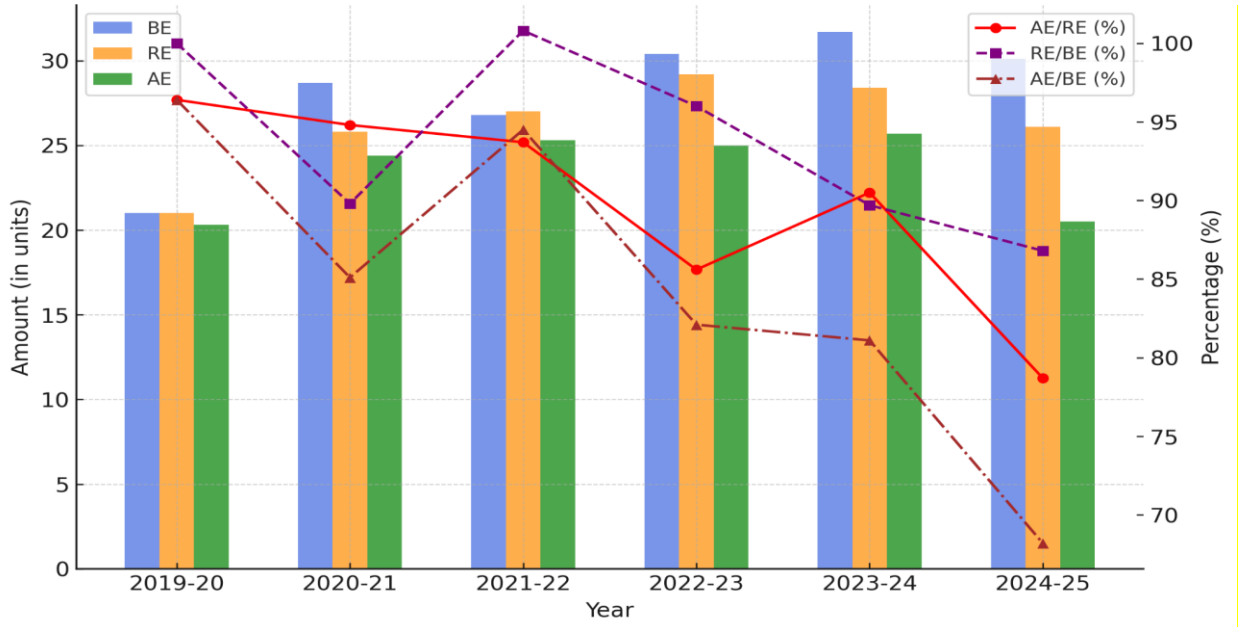
efficiency declined. Utilization percentages show that AE/RE dropped to 85.6% in 2022-23 and remained at 90.5% in 2023-24.

A significant decline occurred in 2024-25, where AE was only 78.7% of RE and 68.2% of BE, showing a growing gap in fund utilization. This trend suggests procedural or implementation challenges, leading to a gradual reduction in actual spending compared to allocated budgets.

Table 3.2: Financial Progress under the Establishment Head- Labour Bureau (amount in Rs. Cr.)

Item/Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
BE	21.0	28.7	26.8	30.4	31.7	30.1
RE	21.0	25.8	27.0	29.2	28.4	26.1
AE	20.3	24.4	25.3	25.0	25.7	20.5
AE/RE (%)	96.4	94.8	93.7	85.6	90.5	78.7
RE/BE (%)	100.0	89.8	100.8	96.0	89.7	86.8
AE/BE (%)	96.4	85.1	94.5	82.1	81.1	68.2

Chart 3.2: Budget Allocation and Expenditure for the Establishment Head (2019-20 to 2024-25)



Main reasons for the significant underutilization of funds, as emerged during the interaction with senior officers of the Labour Bureau, are inordinate delays in administrative approvals and in the execution of key initiatives. The All-India Survey on Domestic Workers (DWS) and the All-India Survey on Migrant Workers (MSW) reports remain pending for approval having impact of fund utilization. One of the main component of unutilized funds has been the automation project due to administrative delays and for want of administrative approval for the project from the Ministry. These procedural bottlenecks underscore the need for streamlined approvals, clearance for critical projects like automation and digitalization, and strengthened institutional capacity to ensure effective implementation.

3.3 The performance of the scheme's components based on the outcome/output Indicators for the year 2019-2024 for each component of LESS Scheme and a detailed analysis is given below:

Component wise analysis of Outcome-Output Indicators of the LESS scheme

3.3.1 The Consumer Price Index for Industrial Workers (CPI-IW) 2016=100

Evolution and Current Status: The Consumer Price Index for Industrial Workers (CPI-IW), compiled by the Labour Bureau of India, has remained a cornerstone of India's labour and economic policy framework since its inception during World War II in 1941. Originally designed to address the rising cost of living for industrial workers during a period of heightened wartime inflation, the CPI-IW began systematic compilation in 1944 following the recommendations of the Rau Court of Enquiry. It quickly evolved into a critical benchmark for wage indexation, dearness allowance (DA) calculation, and economic planning targeted at protecting the real income of workers.

Today, the CPI-IW continues to serve as a comprehensive and independent tool for monitoring price trends at the consumer level- specifically for India's organized workforce employed in factories, public sector undertakings, mines, and plantations. It plays a key role in linking policy actions with the actual cost-of-living experience of workers, thereby ensuring wage fairness and social equity.

In a vast and socio-economically heterogeneous country like India, characterized by diversity in income levels, market structures, and consumer behavior, the Labour Bureau provides an essential harmonizing function. Through indices like the CPI-IW, it brings methodological consistency and homogeneity to the task of tracking inflation trends in an otherwise complex and segmented economy. This is especially vital in ensuring regionally differentiated wage policies remain nationally comparable and equitable. The general acceptance of the CPI-IW among the working class is a measure of their confidence in the government's pro-labour policies.

Historical Development and Base Year Revisions: The CPI-IW has undergone several methodologically significant base year revisions to take in to account the changing living standards of the working class in key sectors. These revisions allow the index to reflect changing consumption patterns, employment trends, and shifts in urbanization. The base year has evolved through the following key phases such as, 1944–1949, 1949–1960, 1960–1982, 1982–2001, and 2001–2016.

Each revision has involved a comprehensive re-survey of consumption habits, price collection centres, and market representations to align the index with prevailing socio-economic realities. The most recent update- from base year 2001 to 2016- was implemented in September 2020, following the recommendations of the Index Review Committee chaired by Prof. G.K. Chaddha. The major revisions introduced were:

- A broadened sample of centres and outlets, enhancing geographical representation,

- A revised consumption basket reflective of post-liberalization expenditure structures,
- Improved data collection methodologies, embracing digital processing and real-time analytics.

These reforms brought the CPI-IW in line with international statistical standards and improved its utility for global comparative analysis, particularly among developing countries with similar labour market structures.

The 2018 National Policy Committee (NPC) emphasized the importance of timely base year revisions—ideally within a 7–10 year window—to ensure that the index remains responsive to economic changes. Similar recommendations have been echoed by the International Labour Organization (ILO) and the National Statistical Commission, which stress the importance of maintaining statistical integrity, transparency, and global comparability in labour indices.

Distinct Purpose and Target Group Context: A frequent area of misunderstanding is the comparison between CPI-IW and CPI-Urban, the latter being compiled by the Ministry of Statistics and Programme Implementation (MoSPI). While both indices focus on price changes in urban settings to an extent, their objectives, population coverage, and policy applications differ substantially.

Key Features of CPI-IW:

Occupation Specific Consumption Basket:

The CPI-IW focuses on the consumption habits of industrial workers, who typically have distinct spending patterns compared to the general urban population. For instance, it gives higher weight to essentials like food, housing (including a specific house rent index revised biannually), and clothing, which are critical for this group. The index also accounts for the unique needs of workers in industrial hubs, such as specific types of clothing or transportation costs.

Geographic Specificity:

By covering 88 industrially significant urban centers, CPI-IW captures price variations in areas where industrial workers are concentrated, such as factory towns or mining regions. As the CPI-IW serves a distinct purpose by targeting labour market section and capturing their consumption patterns which are generally not covered under the other Indices particularly CPI-Urban by MoSPI. CPI-IW contrasts with MoSPI's CPI-Urban, which covers a broader sample of 310 towns but aims to represent the entire urban population, including affluent and middle-class households

Purpose-Driven Application: The CPI-IW is primarily used to determine dearness allowances (DA) for central and state government employees and workers in industrial sectors, as well as for revising minimum wages in scheduled employments. This makes it a vital tool for wage indexation, directly impacting the livelihoods of millions of workers.

In contrast, CPI-Urban combined with its rural counterpart CPI-R serves as a general-purpose inflation index used by the Reserve Bank of India and other macroeconomic institutions for monetary policy decisions. Its scope is broader and more reflective of overall consumer expenditure patterns in urban India rather than target consumption behavior of the labour market particularly industrial worker.

Though demographic overlaps may exist, these indices are not functionally comparable. CPI-IW serves a targeted socio-economic objective, making it indispensable for labour economics and wage policy, while CPI-Urban serves a macro-economic monitoring function.

Strategic Role of the Labour Bureau in Labour-Centric Data Systems: The Labour Bureau's role in CPI-IW compilation is nationally accepted by all workers. It is the only institution that independently and systematically compiles price indices for specific labour groups. Its scientific methodology, field-based surveys, and rigorous quality control mechanisms ensure that CPI-IW is not just accurate but also globally benchmarked.

Through the CPI-IW and its companion indices, the Bureau:

- Anchors social protection schemes with real-time data,
- Provides a statistical basis for region-specific wage negotiations,
- Enables international comparability in measuring worker inflation and wage erosion,
- Plays a key role in ensuring economic justice through policy-relevant data.

In doing so, the Labour Bureau bridges the gap between macroeconomic indicators and micro-level livelihood realities. It delivers not only statistical outputs but also empirical foundations for inclusive and equitable development.

The output-outcome of CPI-IW/Retail Price Index is given in the table below

a) Consumer Price Index numbers for Industrial Workers (CPI-IW) 2016=100

CPI-IW	Output/Outcome	Performance of Component
2021-22	1. Collection of retail price data from markets/outlets spread over constituent centres and compilation and release of index for centres and all-India index for the period March, 2021 to February, 2022. 2. Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2021 to January, 2022. 3. Release of Annual Report for the year 2020.	1. Released 2. Released 3. Released

CPI-IW	Output/Outcome	Performance of Component
2022-23	1. Collection of retail price data from markets/outlets spread over constituent centres and compilation and release of index for centres and all-India index for the period March, 2022 to February, 2023. 2. Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2022 to January, 2023. 3. Release of Annual Report for the year 2021.	1. Released 2. Released 3. Released
2023-24	1. Collection of retail price data from markets/outlets spread over constituent centres and compilation and release of index for centres and all-India index for the period March, 2023 to February, 2024. 2. Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2023 to January, 2024.	1. Released 2. Released
2024-25	1. Collection of retail price data from markets/outlets spread over constituent centres and compilation and release of index for centres and all-India index for the period March, 2024 to February, 2025. 2. Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2024 to January, 2025.	1. Released 2. Released

b) RPI (Retail Price Index)

RPI	Output/Outcome	Performance of Component
2021-22	Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2021 to January, 2022.	Achieved.
2022-23	Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February 2022 to January, 2023.	Achieved.
2023-24	Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2023 to January, 2024.	Achieved.

2024-25	Compilation and release of Retail Prices Index for 31 Essential Commodities for the period February, 2024 to November, 2024.	Achieved.

The performance of the **Consumer Price Index for Industrial Workers (CPI-IW)** and the **Retail Price Index (RPI)** from 2021-22 to 2024-25 has been consistently successful, with timely data collection, compilation, and release. The CPI-IW index and the RPI for 31 essential commodities have been regularly published as scheduled, demonstrating strong institutional efficiency. Annual reports for previous years were also released without delays.

3.3.2 The Consumer Price Index for Agricultural/Rural Labourers (CPI-AL/RL)

Evolution and Current Status: The Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL), compiled by the Labour Bureau of India, have been key instruments for monitoring rural inflation since their introduction in 1964–65. Designed to represent the price trends experienced by rural India's most economically vulnerable populations, these indices capture the cost-of-living changes among agricultural wage earners and broader categories of rural labourers, including those engaged in non-farm activities. In spite of growing urbanization and economic growth, the agriculture sector employs over half of all workers in the country. While the share of agriculture in the GDP has reduced, the workforce has not. This makes the separate compilation of these two indices extremely relevant even after the passage of time, as it covers the changes in price level relevant to rural workers.

Key Features of CPI-AL/RL:

Targeted Consumption Basket:

The CPI-AL and CPI-RL baskets are tailored to the consumption patterns of rural and agricultural labourers, emphasizing essentials like food (e.g., cereals, pulses, vegetables), fuel (e.g., firewood, kerosene), and clothing. Notably, housing costs are given negligible weight, as rural labourers often live in self-owned or low-rent dwellings, unlike urban populations.

Rural-Centric Price Collection:

Prices are collected from 600 villages, staggered over four weeks, ensuring a representative sample of rural markets, including weekly "Hat" markets. This granular approach captures price variations in rural areas, which differ significantly from urban markets.

Policy Relevance:

CPI-AL and CPI-RL are critical for setting minimum wages under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and other rural wage policies. They directly influence the livelihoods of millions of rural workers by ensuring wages reflect the rising cost of essential commodities.

Unlike general inflation indices CPI-Rural of MOSPI, the CPI-AL and CPI-RL are special-purpose indices, targeted specifically at low-income households in rural settings. Given the

socio-economic diversity of rural India—with sharp variations in prices, access, and consumption across regions—these indices offer a statistically harmonized view of rural price dynamics. They play an indispensable role in a country as vast and heterogeneous as India, helping bring consistency and comparability to policymaking for rural development.

Historical Development and Base Year Revisions: The evolution of the CPI-AL and CPI-RL has been marked by intermittent but significant base year revisions, undertaken to update the indices in line with shifting consumption patterns and rural livelihood structures. The indices were originally introduced using a 1960–61 base year, revised to 1964–65, and most recently updated to 1986–87, which remains the operative base year as of now.

However, this timeline reveals a marked departure from the international best practice of revising base years every 7–10 years, as recommended by bodies like the International Labour Organization (ILO) and the National Statistical Commission. The current base year of 1986–87 is now over three decades old, which limits the index's ability to fully reflect contemporary rural consumption and inflation realities.

To address this gap, a base year revision to 2019 has been proposed and is currently under review by the Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL). This forthcoming revision is expected to introduce:

- A modernized rural consumption basket, reflective of dietary, fuel, transport, and communication changes in rural India,
- Expanded coverage of states and rural centres to enhance regional representativeness,
- Improved data collection methods and digitization of price reporting for increased accuracy and timeliness.

Once approved and implemented, the 2019 base year update will align the indices with current socio-economic conditions and enhance their value for both national and state-level wage and welfare interventions. It will also bring CPI-AL/RL in closer methodological alignment with international standards for rural price monitoring, thus strengthening India's standing in global comparative analyses of rural development and poverty alleviation.

Target Population and Distinction from Other Indices: The CPI-AL and CPI-RL serve distinct functions and cover specific demographic segments of India's rural economy. While CPI-AL focuses on landless agricultural labourers, CPI-RL includes a broader spectrum of rural workers, including those engaged in forestry, fisheries, rural artisanship, and domestic work.

It is important to emphasize that these indices cannot be directly compared with CPI-Urban or CPI-Rural compiled by MoSPI. The latter are macro-level inflation indicators, designed for national inflation tracking and monetary policy. In contrast, CPI-AL and CPI-RL are policy tools tailored for welfare schemes and targeted income support, grounded in the lived realities of India's poorest and most underserved populations.

These indices ensure that minimum wages, employment guarantees, and food subsidies are adjusted in ways that accurately reflect regional and occupation-specific cost pressures. By doing so, they uphold social protection objectives that general inflation indices cannot fulfill.

Labour Bureau's Strategic Role in Rural Wage Governance: The Labour Bureau's independent and specialized mandate in compiling CPI-AL and CPI-RL reinforces its critical role in India's rural policy architecture. As the sole national agency responsible for tracking consumer-level rural price trends relevant to labourers, the Bureau enables data-driven decisions that improve the livelihoods of millions.

Its work:

- Bridges gaps in rural economic intelligence, especially in states with underdeveloped statistical systems,
- Empowers state governments to adjust statutory minimum wages based on transparent, empirical benchmarks,
- Supports welfare targeting and real income protection for labourers most exposed to food, fuel, and health cost volatility.

As rural India faces new challenges—from climate change impacts on agriculture to rising in formalization and underemployment—the need for updated, region-sensitive, and high-frequency rural price data has become urgent. The Labour Bureau's efforts to modernize CPI-AL/RL, through the 2019 base year revision, will be a critical step in re-aligning rural wage policy with 21st-century realities.

The output-outcome of CPI-AL/RL is given in the table below

a) Consumer Price Index numbers for Agricultural and Rural Labourers (CPI-AL/RL) (1986-87=100)

CPI-AL/RL	Output/Outcome	Performance of Component
2021-22	1. CPI Numbers for Agricultural and Rural Labourers for 20 States and All-India on monthly basis will be compiled and released. 2. Compilation and release of Annual Report on CPI Numbers for AL/RL for the year 2020-21. 3. Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month. 4. Compilation/ release of a booklet on "Wage Rates in Rural India" for the year 2021-22	1. Released 2. Released 3. Released 4. Released

CPI-AL/RL	Output/Outcome	Performance of Component
2022-23	1. CPI Numbers for Agricultural and Rural Labourers for 20 States and All-India on monthly basis will be compiled and released. 2. Compilation and release of Annual Report on CPI Numbers for AL/RL for the year 2021-22 3. Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month. 4. Compilation/ release of a booklet on "Wage Rates in Rural India" for the year 2021-22	1. Released 2. Released 3. Released 4. Released
2023-24	1. CPI Numbers for Agricultural and Rural Labourers for 20 States and All-India on monthly basis will be compiled and released. 2. Compilation and release of Annual Report on CPI Numbers for AL/RL for the year 2022-23. 3. Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month. 4. Compilation/release of a booklet on "Wage Rates in Rural India" for the year 2022-23.	1. Released 2. Released 3. Released 4. Released
2024-25	1. CPI Numbers for Agricultural and Rural Labourers for 20 States and All-India on monthly basis will be compiled and released. 2. Compilation and release of Annual Report on CPI Numbers for AL/RL for the year 2023-24. 3. Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month. 4. Compilation/release of a booklet on "Wage Rates in Rural India" for the year 2023-24.	1. Released upto November, 2024 2. Compiled and is being reviewed 3. Released upto November, 2024 4. Compiled and is being reviewed

b) **Base updation of Consumer Price Index Numbers for Agricultural and Rural Labourers - CPI (AL/RL) Index (2019=100)**

Base revision of CPI-AL/RL	Output/Outcome	Performance of Component
2021-22	1. Examination/ processing of price data and compilation of State-wise and All-India index separately for AL and RL on a month-to-month basis. 2. Derivation of linking factor.	1. Achieved 2. Achieved
2022-23	1. ndex with updated base year (2019=100) is likely to be released after approval of competent authority and accordingly it will replace the existing series of CPI Numbers for Agricultural and Rural Labourers (1986-87=100).	1. The updated base year of CPI-AL/RL (2019=100) has been recommended by TAC on SPCL in its 71st meeting held in July, 2022. 2. Regular monthly compilation of CPI-AL/RL (2019=100) initiated.
2023-24	Index compilation and release of new index based on updated base year (2019=100).	1. Index based on updated base year (2019=100) will be released after approval of competent authority. 2. Regular monthly compilation of CPI-AL/RL (2019=100) being undertaken.
2024-25	Index compilation and release of new index based on updated base year (2019=100).	1. Index based on updated base year (2019=100) will be released after approval of competent authority. 2. Regular monthly compilation of CPI-AL/RL (2019=100) being undertaken.

The performance of the CPI-AL/RL components for Agricultural and Rural Labourers has been consistent over the evaluation period from 2021-22 to 2024-25. Monthly CPI numbers for 20 states and the All-India index, along with annual reports, wage rate data for 600 sample villages, and a booklet on "Wage Rates in Rural India," were released on schedule in 2021-22 through 2023-24. For 2024-25, data have been released up to November 2024, with the annual report and the booklet currently under review. Concurrently, the process for updating the base year of the CPI-AL/RL index to 2019=100 has made steady progress and is in its final stages of approval. In 2021-22, the necessary examination of price data and the derivation of a linking factor were achieved, laying the groundwork for the new series. In the following years, regular monthly compilations based on the updated base have been initiated, with the full index slated for release upon approval by the competent authority.

Inadequate reflection of the urban industrial worker by MoSPI's CPI:

MoSPI's CPI-Urban and CPI-Rural, while comprehensive, are designed to represent the general urban and rural population, respectively. Their broader scope dilutes their ability to capture the specific cost-of-living pressures faced by industrial workers or agricultural/rural laborers. The CPI-IW and CPI-AL/RL are uniquely positioned to reflect the economic realities of industrial workers in urban areas and agricultural/rural laborers, respectively. By focusing

on the distinct consumption patterns and price pressures faced by these groups, CPI-IW and CPI-AL/RL ensure that inflation measurements and subsequent policy interventions are relevant, targeted, and impactful, safeguarding the livelihoods of some of India's most vulnerable workers.

3.3.3 Occupational Wage Survey (OWS)

Evolution and Current Status

The Occupational Wage Survey (OWS), conducted by the Labour Bureau of India, has been a critical initiative for compiling comprehensive occupational wage data since its inception in 1958-59. The wage statistics available in the country under various Acts, like Payment of Wages Act, 1936, Collection of Statistics Act, 1959 and Minimum Wages Act, 1948 etc. suffered from serious gaps, as they provide only industry level data, instead of occupation-wise details, which are essential for a proper examination of wage rates and wage differentials in specific jobs/occupations. Originating from recommendations in the Second Five-Year Plan and earlier reports by commissions and committees like the Royal Commission on Labour (1931) and the Labour Investigation Committee (1944-45), the OWS was introduced to address the absence and inadequacy of occupation-specific wage data. Over time, it has become the primary source for understanding wage rates and differentials across various sectors in India.

Historical Development and Updates

The first OWS conducted in 1958-59 covered 44 industries, including 37 in manufacturing, 4 in mining, and 3 in plantations. Subsequent rounds have been periodically conducted, with the 7th round completed and preparations underway for the 8th sub-round. Unlike traditional indices, the OWS does not rely on a fixed base year but provides critical data to develop and update base year weights for the **Wage Rate Index Numbers (WRIN)**, ensuring its relevance in wage analysis.

The output-outcome of OWS is given in the table below

Occupational Wage Survey (OWS)

OWS	Output / Outcome	Performance of the component
2021-22, **2022-23,** **2023-24,** **2024-25**	1. Issuing letters/notifications to different organizations including State government agencies, Labour Commissioner offices, State departments of economics & statistics, etc., for frame collection. 2. Gathering and compiling of data from Units/State Govt. agencies. 3. Scrutiny and data entry of received data. Verification of data and its validation in coordination with State agencies. 4. Conduct of fieldwork for 8th round of OWS.	The revised proposal for the 8th round of OWS is under consideration.

The **Occupational Wage Survey (OWS)** has been progressing steadily, with key activities focused on data collection, validation, and coordination with various state agencies. Throughout 2021-22 to 2024-25, essential steps such as issuing notifications to organizations, collecting data from state government agencies, scrutinizing and verifying the data, and conducting fieldwork have been consistently carried out. However, the 8th round of OWS is still under consideration, with the revised proposal yet to be finalized. While foundational tasks such as data gathering and validation are ongoing, the approval and execution of the 8th round remain a critical next step for further progress.

3.3.4 Socio-Economic Surveys of Different Segments of Labour (SESDSL)

Evolution and Current Status

The Socio-Economic Surveys of Different Segments of Labour (SESDSL) have evolved over the years to provide comprehensive data on the living and working conditions of various labour segments in India. Initially focused on specific groups like industrial and agricultural workers, the surveys now cover a broader range, namely, the All-India Quarterly Establishment-Based Employment Survey (AQEES) and the Survey of Working and Living Conditions of Workers. These surveys, conducted by the Labour Bureau under the Ministry of Labour and Employment, Government of India, offer valuable insights into the socio-economic conditions of different labour segments, aiding policymakers in formulating targeted interventions and policies.

The output-outcome of the SESDSL is given below:

Socio Economic Survey for Different Segments of Labour (SESDSL)

SESDSL	Output/Outcome	Performance of Component
2021-22	All India Quarterly Establishment based Employment Survey (AQEES)	Two quarterly Employment Survey Reports were released.
2022-23	All India Quarterly Establishment-based Employment Survey (AQEES)	Two quarterly Employment Survey Reports were released.
2023-24	All India Quarterly Establishment based Employment Survey (AQEES)	1. Two quarterly Employment Survey Reports were released. 2. Two quarterly Employment Survey Reports were submitted to the Ministry for approval.
2024-25	1. Conduct of Quarterly Employment Survey 2. Conduct of Perception Survey on "Emerging Technologies, Job Creation and Challenges."	1. Proposal submitted to MoLE for conduct of QES. 2. In Progress

The Survey on Employment, Skill Development, and Social Security (SESDSL) has consistently conducted and released All India Quarterly Establishment-based Employment

Survey (AQEES) reports over the years. In 2021-22 and 2022-23, two quarterly employment survey reports were successfully released each year. By 2023-24, in addition to releasing two reports, two more were submitted to the Ministry for approval, indicating progress in survey documentation and review.

For 2024-25, the Quarterly Employment Survey (QES) and a Perception Survey on "Emerging Technologies, Job Creation, and Challenges" are planned. The proposal for conducting QES has already been submitted to the Ministry of Labour & Employment (MoLE), while the Perception Survey is currently in progress. The overall progress suggests a structured approach to employment data collection, though timely approval and execution of pending surveys will be crucial for maintaining momentum.

3.3.5. Annual Survey of Industries (ASI)- Collection of statistics under Annual Survey of Industries (ASI)

Evolution and Current Status: The Annual Survey of Industries (ASI) is the primary and most comprehensive source of industrial statistics in India. Launched in 1960 with reference year 1959, ASI has been conducted annually (with the exception of 1972) and serves as a vital instrument for monitoring structural and dynamic changes in India's organized manufacturing sector. The ASI covers registered factories governed by the Factories Act, 1948, employing 10 or more workers with power, or 20 or more without power, and thus offers exclusive insight into the demand side of employment in formal industry.

Currently, the ASI is carried out under the Collection of Statistics Act, 2008 and its rules notified in 2011. In the state of Jammu & Kashmir, it continues to be conducted under the State Collection of Statistics Act, 1961. Data are collected under two schemes: (i) Census Sector, covering all larger units, and (ii) Sample Sector, comprising smaller establishments selected via stratified sampling. The dual-structure allows for both macro-level industry trends and micro-level labour diagnostics.

The Labour Bureau's contribution to ASI is through the processing and dissemination of Part-II of the ASI schedule, which exclusively covers labour and employment dimensions of industrial operations. This section collects data on:

- Working days and man-days worked,
- Absenteeism rates,
- Labour turnover,
- Man-hours worked,
- Employment and wage structure,
- Social security and welfare benefits.

These indicators are not collected by any other statistical instrument in India and offer unique longitudinal data that is indispensable for tracking time-series changes in industrial labour dynamics.

Historical Development: The roots of industrial statistics in India trace back to post-1930 efforts by the Government of India to capture vital data from key industries. During World War II, fragmented statistical systems emerged within individual departments to support war-related planning. To integrate these efforts, the Industrial Statistics Act, 1942 was passed, based on the Royal Commission on Labour's recommendations, leading to the formation of the Directorate of Industrial Statistics (DIS) in 1945.

The DIS launched the Census of Manufacturing Industries in 1946, and after Independence, the Central Statistical Organisation (CSO) was established in 1951 to coordinate national statistical efforts aligned with India's planned economic development. With the passage of the Collection of Statistics Act, 1953, the DIS was merged into CSO in 1959 as its Industrial Statistics Wing, setting the foundation for the modern ASI.

Unique Role and Utility of ASI Labour Data: The Labour Bureau's processing of the labour component of ASI is of immense utility for understanding the demand-side characteristics of employment in India's organized manufacturing sector. Unlike supply-side surveys (which assess labour availability), ASI captures the real-time demand for labour, wages, benefits, and employment practices as experienced by registered industrial units.

The parameters collected—absenteeism, labour turnover, working days, and labour cost composition—are critical yet underexplored facets of industrial operations. These dimensions are absent from other surveys, making ASI's labour module a non-substitutable dataset for:

- Wage policy design,
- Productivity measurement,
- Industrial relations research,
- Occupational welfare monitoring.

The ASI data compiled by the Labour Bureau fills a strategic gap in employment analysis and offers a consistent time-series on formal sector work conditions.

Need for Expansion and Scope of using ASI data: Despite its value, there are some serious limitations that require policy attention. The current scope of ASI does not collect data on vacancies, a critical input for understanding skill mismatches and hiring trends in the formal industrial sector. The absence of vacancy-related indicators makes it difficult to quantify labour demand gaps, especially in capital- and skill-intensive industries where automation and attrition are rising.

ASI data can be innovatively used to address vacancies, skill mismatches, productivity, innovation trends, and employment generation, enhancing labor welfare and economic growth Some of the suggestion for leveraging ASI data creatively and futuristically are indicated below:.

Identifying Vacancies: ASI captures employment and labor turnover, indirectly indicating vacancies. It can develop models to estimate vacancies by analyzing employment vs. output/capital trends.

Link with Employment Exchange data for real-time vacancy mapping.

Use AI for vacancy forecasting, create digital job portals linked to ASI, and implement blockchain for transparent vacancy reporting.

Addressing Skill Mismatches: Employment and wage data hint at skill demands. Correlate ASI with PLFS to map skill gaps, focusing on high-wage sectors (e.g., pharmaceuticals). Create regional skill profiles using state-level data (e.g., Maharashtra, Gujarat). Develop AI-driven skill mismatch dashboards, align training with Industry 4.0 needs (e.g., AI, robotics), and partner with Ed-Tech for micro-credentialing.

Measuring Productivity: ASI tracks GVA, NVA, and labour costs. Compute TFP and labour productivity by industry/state, benchmarking high performers (e.g., chemicals vs. textiles). Use AI for predictive productivity models, design productivity-linked incentives, and develop worker-centric metrics (e.g., productivity with wage growth).

Tracking Innovation Trends: Capital expenditure data (Block-C) indicates technology investments. Analyze R&D spending and technology adoption in high-GVA sectors (e.g., pharmaceuticals). Map innovation hubs by state (e.g., Karnataka). Create an ASI-based Manufacturing Innovation Index, scale AI/IoT adoption, and crowdsource worker-led innovation ideas.

Promoting Employment Generation:. Identify high-employment sectors (e.g., motor vehicles) and promote formalization of contract labour. Design state-specific job programs. Worker exit reasons, beyond just turnover rates.

Develop gig economy platforms for industrial workers, promote green jobs (e.g., EVs, renewables), and create automation-proof roles via retraining.

By leveraging ASI data with AI, real-time platforms, and targeted policies, the Labour Bureau can address labor market challenges, enhance worker welfare, and drive employment generation. These futuristic approaches ensure policies are proactive, inclusive, and aligned with India's industrial growth.

Incorporating these parameters would transform the ASI into a truly comprehensive labour intelligence platform for the manufacturing sector. Moreover, such expansion would support national skilling missions, employment-linked production incentives, and demand-responsive vocational training curricula.

Synergies with High-Frequency Surveys: The Quarterly Employment Survey (QES) offers more immediate insights into employment trends in non-agricultural establishments. However, QES and ASI should not be viewed as substitutes but as complementary data sources. While QES delivers frequency and timeliness, ASI provides depth and granularity, especially in terms of cost structure, absenteeism, and social security provisioning.

Together, these two surveys—if methodologically integrated—can provide a robust and holistic framework for industrial workforce planning, identifying trends in job creation, job quality, and labour compliance in the organized sector.

In a policy environment increasingly focused on industrial growth, formal job creation, and productivity enhancement, the Labour Bureau's stewardship of the ASI labour module is central to understanding how India's manufacturing units are utilizing their human capital. The ASI's ability to generate detailed, factory-level labour data, with the potential to include vacancy and workforce transitions, makes it a strategic national asset for employment planning. Expanding the ASI labour module is not just a technical reform—it is a strategic imperative for data-informed workforce policy and inclusive industrial growth.

The output-outcome of the ASI is given below:

Collection of statistics under Annual Survey of Industries (ASI)

ASI	Output/Outcome	Performance of Component
2021-22	1. Annual Survey of Industries 2017-18 {Volume-II} - Report on Absenteeism, Labour Turnover, Employment and Labour Cost 2. Annual Survey of Industries 2018-19 {Volume-I} - Statistics on Employment and Labour Cost	1. Released 2. Released 3. Released
2022-23	1. Annual Survey of Industries 2018-19 {Volume-II} - Report on Absenteeism, Labour Turnover, Employment and Labour Cost 2. Annual Survey of Industries 2019-20 {Volume-I} - Statistics on Employment and Labour Cost 3. Annual Survey of Industries 2019-20 {Volume-II} - Report on Absenteeism, Labour Turnover, Employment and Labour Cost	1. Released 2. Released 3. Released
2023-24	1. Annual Survey of Industries 2020-21 {Volume-I} - Statistics on Employment and Labour Cost. 2. Annual Survey of Industries 2020-21 {Volume-II} - Report on Absenteeism, Labour Turnover, Employment and Labour Cost	-
2024-25	1. Annual Survey of Industries 2020-21 – Abstract on Employment, Labour Cost, Absenteeism and Labour Turnover (both Vol I & II) 2. Annual Survey of Industries 2021-22 – Abstract on Employment, Labour Cost, Absenteeism and Labour Turnover (both Vol I & II)	1. Report has been prepared and is under process for release. 2. Report has been prepared and is under process for release.

The **Annual Survey of Industries (ASI)** has consistently published reports on employment, labour cost, absenteeism, and labour turnover. Reports for 2017-18 to 2019-20 were successfully released by 2022-23, while those for 2020-21 were completed in 2023-24. For 2024-25, reports for 2020-21 and 2021-22 have been prepared and are awaiting release.

3.3.6. Modernization of Machine Tabulation Unit (MMTU)

Digitalization and Automation of All Activities of Labour Bureau: Labour Bureau aims to ensure expeditious dissemination of information on various facets of Labour with a minimum possible time lag to keep pace with the changing environment. To facilitate the organization in achieving its aim, the scheme was taken up with the following objectives:

i) Facilitating the work of different activities by using IT tools,
ii) Regular updation of Labour Bureau's website
iii) Imparting training to officers / staff in IT tools
iv) Implementation of NeGP and E-office.

The broad objectives of digitalization and automation project are:

a. To integrate the existing core activities of the Bureau with advanced tools and technologies and make them paperless.
b. Digitization of archive data records.
c. IT based Survey solutions for surveys conducted by Bureau to make the surveys paperless.
d. Development of a database management system that addresses the need for seamless data transfer, storage, access and integrity.
e. Integration of the database so created with the Bureau's website including the creation of a dynamic dashboard for dissemination to end users.

The output-outcome of the MMTU is given below:

Modernization of Machine Tabulation Unit (MTU)

MTU	Output/Outcome	Performance of Component
2021-22, 2022-23, 2023-24 and 2024-25	i) Facilitating the work of different activities by using IT tools, regular update of website and implementation of National e-governance Plan (NeGP) ii) Finalization of Agency for undertaking Digitalization and Automation of all activities of the Labour Bureau.	1. E-office has been implemented in the organization. 2. Finalization of DRP/RFP on hiring of agency for automation of Labour Bureau activities. 3. Digitalization of physical and archival data/records is in progress.

The **Modernization and Technology Unit (MTU)** has focused on IT integration, digitalization, and automation of Labour Bureau activities. Key achievements include the implementation of the e-office system, progress in digitalizing archival records, and the finalization of DRP/RFP for hiring an agency to automate operations. While some steps have been taken, completing the digitalization process and full automation needs to be expedited. Along with these efforts should also be made to make the data collection and compilation completely paperless with the usage of data collection tools like CAPI or any other application-based tools for data entry and real-time data collection. This will also reduce the time lag that is seen due to the procedural delays involved in the manual data collection and compilation process.

3.3.7. Administrative Labour Statistics

The Labour Bureau receives statutory statistics in the form of annual returns in the prescribed proformae under various Labour Acts from States/UTs and Central Agencies. In addition to these annual returns, monthly returns on i) industrial disputes resulting in work stoppages, ii) absenteeism, iii) closures, iv) retrenchments and v) lay-offs are also being received on a voluntary basis.

Based on the data received by the enforcement machinery and provided to Labour Bureau under the following Labour Acts, the annual reports / reviews are published: i) Factories Act, 1948. ii) Trade Unions Act, 1926. iii) Payment of Wages Act,1936 iv) Minimum Wages Act, 1948 v) Maternity Benefits Act, 1961. vi) Plantation Labour Act, 1951. vii) Legislation relating to Workers in Shops & Commercial Establishments viii) Industrial Employment (Standing Order) Act, 1946. ix) Industrial Disputes Act, 1947. x) Workmen's Compensation Act, 1923. 7 xi) Motor Transport Workers Act, 1961.

The output-outcome of the ALS is given below:

a) **Administrative Labour Statistics (LS) – Major Reports (Annual)**

ALS	Output/Outcome	Performance of Component
2021-22	1. Factories Act, 1948 for the year – 2018 2. Minimum Wages Act, 1948 for the year - 2017 3. Payment of Wages Act, 1936 for the year - 2017 4. Trade Unions Act, 1926. for the year - 2018 5. Industrial Dispute Act 1947 for the year - 2018	1. Factories Act, 1948- report released for the year – 2018 2. Minimum Wages Act, 1948 report released for the year 2017 3. Payment of Wages Act, 1936 report released for the year 2017 4. Trade Unions Act, 1926 report released for the year 2018 5. Industrial Dispute Act 1947 report released for the year 2018
2022-23	1. Factories Act, 1948 for the year – 2019 2. Minimum Wages Act, 1948 for the year - 2018	1. Factories Act, 1948- report released for the year 2019 2. Minimum Wages Act, 1948- report released for the year 2018

ALS	Output/Outcome	Performance of Component
	3. Payment of Wages Act, 1936 for the year - 2018 4. Trade Unions Act, 1926. for the year - 2019 5. 5. Industrial Dispute Act 1947 for the year - 2019	3. Payment of Wages Act, 1936 report released for the year 2018 4. Trade Unions Act, 1926 -report released for the year 2019 5. Industrial Dispute Act 1947- report for the year 2019 has been released.
2023-24	1. Factories Act, 1948 for the year – 2020 2. Minimum Wages Act, 1948 for the year - 2019 3. Payment of Wages Act, 1936 for the year - 2019 4. Trade Unions Act, 1926. for the year - 2020 2. Industrial Dispute Act 1947 for the year - 2020	1. Factories Act, 1948- report released for the year 2020 2. Minimum Wages Act, 1948- report released for the year 2019 3. Payment of Wages Act, 1936 report released for the year 2019 4. Trade Unions Act, 1926 -report released for the year 2020 5. Industrial Dispute Act 1947- report for the year 2020 has been released.
2024-25	1. Factories Act, 1948 for the year – 2021 2. Minimum Wages Act, 1948 for the year – 2020 & 2021 3. Payment of Wages Act, 1936 for the year -2020 & 2021 4. Trade Unions Act, 1926. for the year - 2021 2. Industrial Dispute Act 1947 for the year - 2021	1. Factories Act, 1948- report released for the year 2021 2. Minimum Wages Act, 1948- report for the year 2020 has been released & for the year 2021 is under approval. 3. Payment of Wages Act, 1936 reports for the year 2020 & 2021 have been released. 4. Trade Unions Act, 1926 - report for the year 2021 released. 5. Industrial Dispute Act 1947 - report for the year 2021 is complete.

b) Administrative Labour Statistics (LS) – Minor Reports

ALS	Output/Outcome	Performance of Component
2021-22	1. Industrial Employment (Standing Orders) Act, 1946, for the year 2018 2. Shops and Commercial Establishments Act, for the year 2018 3. Plantations Labour Act, 1951, for the year 2018	1. Industrial Employment (Standing Orders) Act, 1946, report for the year 2018 released 2. Shops and Commercial Establishments Act, report for the year 2018 released

ALS	Output/Outcome	Performance of Component
	4. Motor Transport Workers Act, 1961, for the year – 2018 5. Maternity Benefits Act, 1961 for the year – 2018 **6.** Employee Compensation Act, 1923. for the year – 2018	3. Plantations Labour Act, 1951, report for the year 2018 released 4. Motor Transport Workers Act, 1961, report for the year 2018 released 5. Maternity Benefits Act, 1961 report for the year 2018 released 6. Employee Compensation Act, 1923 report for the year 2018 released.
2022-23	1. Industrial Employment (Standing Orders) Act, 1946, for the year 2019 2. Shops and Commercial Establishments Act, for the year 2019 3. Plantations Labour Act, 1951, for the year 2019 4. Motor Transport Workers Act, 1961, for the year – 2019 5. Maternity Benefits Act, 1961 for the year – 2019 6. Employee Compensation Act, 1923. for the year – 2019	1. Industrial Employment (Standing Orders) Act, 1946, report for the year 2019 released 2. Shops and Commercial Establishments Act, report for the year 2019 released 3. Plantations Labour Act, 1951, report for the year 2019 released 4. Motor Transport Workers Act, 1961, report for the year 2019 released 5. Maternity Benefits Act, 1961 report for the year 2019 released 6. Employee Compensation Act, 1923 report for the year 2019 released
2023-24	1. Industrial Employment (Standing Orders) Act, 1946, for the year 2020 2. Shops and Commercial Establishments Act, for the year 2020 3. Plantations Labour Act, 1951, for the year 2020 4. Motor Transport Workers Act, 1961, for the year – 2020 5. Maternity Benefits Act, 1961 for the year – 2020 6. Employee Compensation Act, 1923. for the year – 2020	1. Industrial Employment (Standing Orders) Act, 1946, report for the year 2020 released 2. Shops and Commercial Establishments Act, report for the year 2020 released 3. Plantations Labour Act, 1951, report for the year 2020 released 4. Motor Transport Workers Act, 1961, report for the year 2020 released 5. Maternity Benefits Act, 1961 report for the year 2020 released 6. Employee Compensation Act, 1923 report for the year 2020 released

ALS	Output/Outcome	Performance of Component
2024-25	1. Industrial Employment (Standing Orders) Act, 1946, for the year 2021 2. Shops and Commercial Establishments Act, for the year 2021 3. Plantations Labour Act, 1951, for the year 2021 4. Motor Transport Workers Act, 1961, for the year – 2021 5. Maternity Benefits Act, 1961 for the year – 2021 6. Employee Compensation Act, 1923. for the year – 2021	1. Industrial Employment (Standing Orders) Act, 1946, report for the year 2021 released 2. Shops and Commercial Establishments Act, report for the year 2021 released 3. Plantations Labour Act, 1951, report for the year 2021 released . 4. Motor Transport Workers Act, 1961, report for the year 2021 released 5. Maternity Benefits Act, 1961 report for the year 2021 released 6. Employee Compensation Act, 1923 report for the year 2021 released

3.3.8. Improvement of Labour Statistics and Surveys on Employment and related issues

Labour Bureau has been entrusted with the undertaking of the following All India Surveys, under this component: i) **All-India Survey on Migrant workers**, ii) **All-India Survey on Domestic workers**

In addition to above, this component also includes any survey of unanticipated nature which is entrusted by the Government to Bureau.

A brief on the above-mentioned surveys is as follows.

a) All India Survey on Migrant Workers

Objective: The objective of the survey is to:

- Estimate the number of domestic/internal migrant workers in the country.
- Collect data on their household characteristics, socio economic conditions and working conditions
- Study the impact of COVID19 on their work.

Coverage of the Survey: The survey covers approximately 1.5 lakh households across all the State/UTs in India.

b) All India Survey on Domestic Workers

Objective: The objective of the survey is to:

- To estimate the number of Domestic Workers across the country by important socio-demographic key characteristics.
- Collect data on the characteristics of Live-in and Live-out Domestic workers, household characteristics, socio-economic conditions, living and working conditions, etc.
- To estimate the incidence and characteristics of households which employ domestic workers
- Study the impact of COVID-19

Coverage of the Survey: The survey covers approximately 1.5 lakh households across all the States/UTs in India.

3.3.9. Research and Studies on Labour Related Matters

The Labour Bureau has been entrusted with the collection and examination of research studies for the Twelfth Digest of Indian Labour Research (2020-24), Statistical Profile on Women Labour and various other studies by the Government from time to time. Under this scheme, the Bureau brings out two publications, namely,

i) **Digest of Indian Labour Research**: An annotated bibliography of the research work done in the field of Labour in Indian Universities, Central and State Govt. Organizations, Research Institutes and by individual researchers, the Statistical Profile on Women Labour provides comprehensive data on important aspects of Women Labour in India at one place.

ii) **Statistical Profile on Women Labour**: Containing comprehensive data on important aspects of Women Labour in India at one place.

3.3.10. Wage Rate Index

Evolution and Current Status: The Wage Rate Index (WRI) is a key statistical product compiled by the Labour Bureau, mandated by the Government of India to be released on a half-yearly basis. The WRI captures trends in nominal wage rates across major sectors of the Indian economy and plays an essential role in monitoring wage inflation, wage disparities, and income progression over time.

The current WRI series is based on a revised base year of 2016=100, aligning it with the latest macroeconomic series and price indices. Under this new base, the index covers a total of 37 industries, including:

- 30 manufacturing industries,
- 4 mining industries, and
- 3 plantation industries.

Data are collected on 713 occupations across these industries from a nationally representative sample of approximately 2,500 units. The survey thus captures both occupational and industrial wage movement, offering a rich, multidimensional view of wage dynamics.

Scope and Analytical Utility: The Labour Bureau not only compiles the WRI but also facilitates analysis of wage trends, enabling both inter-industry and intra-industry comparisons. This allows stakeholders to:

- Evaluate sectoral wage competitiveness,
- Track wage progression within occupational hierarchies, and
- Monitor regional wage differentials.

In addition to the index numbers, the Bureau also compiles and publishes:

- Absolute wage rates (actual rupee terms),
- Real wage rates (adjusted for inflation).

Together, these provide a three-dimensional picture of wage evolution: nominal, real, and relative. The analysis and findings are regularly published in the Indian Labour Journal, adding to the corpus of empirical research on wage economics in India.

Critical Analysis and Undervalued Potential: Despite its robust design and comprehensive coverage, the Wage Rate Index remains underutilized in mainstream policy and academic discourse. While other wage-related data sets, such as the Occupational Wage Survey (OWS) provide point estimates, the WRI offers time-series data, enabling long-term trend analysis and forecasting.

If taken seriously, the WRI has tremendous potential for:

- Indexing wage floors and minimum wage revisions,
- Monitoring informal wage suppression or stagnation in plantation and mining sectors,
- Designing productivity-linked incentive schemes in manufacturing,
- Informing sector-specific skill premiums and wage planning.

Moreover, the WRI is the only index in India that provides systematic tracking of wage changes across sectors and occupations over time. Its structured time-series allows analysts to evaluate how real incomes are evolving relative to inflation, especially for low-skilled and semi-skilled occupations, where wage erosion is a serious concern.

Yet, unlike price indices or employment surveys, the WRI has not received the attention it merits. There is a pressing need to mainstream WRI in national wage-setting mechanisms, labour policy discussions, and social security benefit calculations.

Weaknesses

Limited Scope of Industries and Occupations:

The WRI covers only 37 industries, missing emerging sectors like renewable energy, IT services, and e-commerce, which are significant employers in modern India. It focuses on low-

skilled occupations, neglecting semi-skilled and skilled workers, whose wage trends are critical in high-growth sectors like electronics or pharmaceuticals

Exclusion of Unorganized Sector: The WRI is limited to the organized sector, ignoring the unorganized sector, which employs over 80% of India's workforce (per PLFS 2023-24). This limits its representativeness.

No Adjustment for Productivity or Skill Levels: The WRI does not correlate wages with productivity or skill levels, missing insights into whether wage increases align with economic contributions or skill demands.

Gender and Regional Disparities: The WRI does not disaggregate data by gender or account for regional wage variations driven by local economic conditions, reducing its utility for targeted interventions.

Policy Recommendation and Forward Outlook

To unlock the full potential of WRI, the following steps are suggested:

The Labour Bureau can enhance the WRI's relevance, accuracy, and utility through the following actionable and innovative suggestions:

Expand Industry and Occupation Coverage: Include emerging sectors like renewable energy, IT, e-commerce, and gig economy platforms (e.g., delivery services) in the WRI basket. Add semi-skilled and skilled occupations (e.g., technicians, data analysts) to reflect modern workforce dynamics.

Incorporate Unorganized Sector Data:: Integrate wage data from the unorganized sector using surveys like the Annual Survey of Unincorporated Enterprises (ASUSE) or eSHRAM portal data, covering informal workers in manufacturing and services.

Update Weighting and Base Year: Revise industry and occupation weights using recent employment data (e.g., PLFS 2023-24) and update the base year to 2024=100 to reflect current economic realities.

Leverage Technology for Real-Time Data: Develop a digital platform for real-time wage data collection from employers, integrated with the ASI Web Portal or eSHRAM. Use AI to validate and analyze data

Greater dissemination and integration with other national statistical outputs such as CPI-IW and PLFS.

Inclusion of wage indexation clauses in state and central government wage and pension frameworks based on WRI trends.

Regular updating of occupational and industry coverage, especially in light of emerging job roles in digital manufacturing and green economy sectors.

Expansion to service sector occupations, which are currently underrepresented but increasingly important for India's labour market.

The Wage Rate Index, if given due policy and analytical prominence, can become a central tool in India's quest for wage equity, labour welfare, and inclusive growth. As wages continue to shape consumption patterns, poverty outcomes, and productivity trajectories, the WRI stands as a ready-made but underleveraged resource for strategic labour market governance. In an era where real income stagnation and wage inequality are pressing concerns, the Wage Rate Index deserves not only preservation but elevation as a core national labour indicator.

The output-outcome of the WRI

a) Wage Rate Index (WRI)

WRI	Output / Outcome	Performance of the component
2021-22	Compilation of Wage Rate Index (WRI) for January 2021 and June, 2021.	Released
2022-23	Compilation & release of Wage Rate Index (WRI) for January, 2022 and June, 2022	Released
2023-24	Compilation & release of Wage Rate Index (WRI) for July, 2022 and December, 2022.	Released
2024-25	Compilation & release of Wage Rate Index (WRI) for January, 2023 and July, 2023.	1. Wage Rate Index (WRI) for pay period January 2023 has been released. 2. Wage Rate Index (WRI) for the pay period July 2023 is under preparation and due to be released.

b) Wages

Wages	Output/Outcome	Performance of Component
2021-22	Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month.	Collection, processing, analysis, and publication of wage rate data for 600 sample villages for agricultural and non-agricultural occupations upto the month of January, 2022, completed.

Wages	Output/Outcome	Performance of Component
2022-23	Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month.	Collection, processing, analysis and publication of wage rate data for 600 sample villages for agricultural and non-agricultural occupations upto the month of January, 2023 completed.
2023-24	Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month.	Collection, processing, analysis and publication of wage rate data for 600 sample villages for agricultural and non-agricultural occupations upto the month of January, 2024 completed.
2024-25	Regular processing and publication of wage rate data for 600 sample villages in respect of selected agricultural and non-agricultural occupations every month.	Collection, processing, analysis and publication of wage rate data for 600 sample villages for agricultural and non-agricultural occupations upto the month of November, 2024 completed.

The Wage Rate Index (WRI) has been consistently compiled and released for each pay period, with the latest index for July 2023 under preparation. Similarly, wage rate data for 600 sample villages across agricultural and non-agricultural sectors has been regularly collected, processed, and published, ensuring comprehensive tracking of wage trends.

3.3.11. Publications on Labour Statistics

Labour Bureau undertakes the release of the following publication on a regular basis:

i) **Indian Labour Journal (Monthly):** It contains special articles from eminent persons in the field of labour, reports, labour characteristics, industrial disputes, statistical information on CPI numbers, information related to employment, wages, earnings etc.

ii) **Indian Labour Year Book (Annual):** It provides a general description of various topics such as employment, wages, CPI numbers, welfare, housing, health, labour legislation, absenteeism, productivity, etc. in a compact format.

iii) **Pocket Book of Labour Statistics (Annual):** It provides serial statistics in respect of a number of important aspects of labour, covering information on employment, social security, prices, industrial disputes, accidents, safety and absenteeism, etc.

iv) **Indian Labour Statistics (Annual):** It is an annual flagship publication of the Labour Bureau and is a rich source of data on a wide range of parameters of labour in the country.

The output-outcome of the Publications of the Labour Statistics is given below:

ILJ (Indian Labour Journal)

ILJ (Indian Labour Journal)	Output/Outcome	Performance of Component
2021-22, 2022-23, 2023-24, 2024-25	It contains special articles from eminent persons in the field of labour, reports, labour characteristics, industrial disputes, statistical information on CPI numbers, information related to employment, wages, earnings etc.	ILJ (Indian Labour Journal) is released every month and released up to March, 2024.

ILS (Training)

ILS (Training)	Output/Outcome	Performance of Component
2021-22, 2022-23, 2023-24, 2024-25	Organizing one Central Training Programme in every year in the field of labour statistics for each of the following target Groups: i) ISS/IES Probationers. ii) Trainees sponsored by CSO. iii) Officers from State/UT Labour Departments/DES.	Achieved.

Conferences & Events / Planning & Coordination (C&E/PC)

(C&E/PC)	Output/Outcome	Performance of Component
2021-22, 2022-23, 2023-24, 2024-25	This section coordinates the work of the Labour Bureau with external agencies, including various Ministries and Departments of Government of India. The division makes available material / technical notes to the Ministry of Labour & Employment in the form of Monthly DO letter, Monthly Progress Reports, inputs for Demand for Grants, inputs for International documents including those by World Bank, ILO Conventions, UNSC (United Nations Statistical Commission), ILO questionnaire to update ILOSTAT database, Economic Survey, TTDI (Travel & Tourism Development Index) etc. The division also develops material for framing replies to Parliament Questions, Parliament Assurances, inputs for Private Bills, etc. The	Achieved.

(C&E/PC)	Output/Outcome	Performance of Component
	division undertakes preparation of agenda notes / PowerPoint presentations for the various meetings including the Parliamentary Standing Committee meeting, Review Meetings by Hon'ble Minister of L&E, Hon'ble Minister of State, Secretary (L&E), SLEA and other senior officers. Further, information on vital documents like- Third Party Evaluation of LESS, Output-Outcome Monitoring Framework (OOMF), Annual Report of MoL&E, Citizen Clients Charter (CCC), DGQI, etc., is also undertaken in the division.	

The Labour Bureau has maintained a consistent track record in publishing key labour-related reports and indices. The **Indian Labour Journal (ILJ)** has been released monthly without interruptions, providing valuable insights into labour trends, industrial disputes, employment, wages, and CPI statistics. Enhancement of The **Indian Labour Statistics (ILS) Training Program** is required. The robustness of the trainings is to be enhanced in keeping with the realities of the field. Additionally, the **Conferences & Events/Planning & Coordination (C&E/PC) division** has effectively managed inter-agency coordination, ensuring smooth collaboration with various ministries, international organizations, and parliamentary bodies. These publications and initiatives have been crucial in facilitating informed policymaking and strengthening labour market analysis in India.

3.4 Implementation mechanism

3.4.1 CI-IW/RPI

The Consumer Price Index for Industrial Workers (CPI-IW) is implemented through a structured process managed by the Labour Bureau under the guidance of the Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL). It covers industries such as manufacturing, mining, utilities, construction, transport, communication, trade, and services. Data collection is conducted across 88 urban centers, where Retail Price Indices for 31 selected commodities are compiled monthly and shared with the Ministry of Consumer Affairs, Food & Public Distribution for price monitoring. Additionally, biannual Repeat House Rent Surveys are conducted in these centers to compile the Housing Index, ensuring accurate tracking of rent fluctuations. The CPI-IW is released monthly, providing crucial insights for wage adjustments, inflation measurement, and economic policymaking.

3.4.2 CPI-AL/RL

The Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) is implemented through a structured data collection and analysis process overseen by the Labour Bureau in coordination with the Field Operations Division of the National Statistical Office (NSO). Covering 600 sample villages across 20 states, the data is collected weekly over

four weeks each month to ensure accuracy and consistency. Price collection aligns with market dynamics, occurring on fixed days corresponding to "Haat" days or regular market days. The collected data undergoes scrutiny through correspondence and field inspections, with discrepancies resolved before final processing. The indices are compiled and aggregated using a state-wise, sector-wise, and center-wise methodology, guided by the Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL). Released monthly, these indices serve as essential tools for rural policy formulation, wage adjustments, and inflation measurement, with findings disseminated through press releases, the Labour Bureau's website, and relevant stakeholders.

3.4.3 OWS

The Occupational Wage Survey (OWS) is implemented through a structured sampling and data collection methodology to ensure accurate representation of employment and wage patterns across key industries, including services, plantations, mining, and manufacturing. Establishments from major industrial centers are surveyed to gather occupation-wise data on employment, wage rates, and dearness allowance, ensuring sectoral and occupational diversity. The Labour Bureau meticulously analyzes payroll earnings components to study wage differentials within and across industries, which also serve as inputs for constructing base year weights for the Wage Rate Index Number (WRIN). The collected data undergoes systematic processing and validation before being published in official reports, press releases, and on the Labour Bureau website. The OWS plays a crucial role in wage-related research and policy formulation, offering insights into wage structures, disparities, and economic trends, essential for national planning and labour welfare.

3.4.4 SESDSL

The Survey, Evaluation, and Studies on Different Segments of Labour (SESDSL) component is implemented through comprehensive surveys and studies that analyze employment trends, labour conditions, and socio-economic aspects of various worker groups. The All-India Quarterly Establishment Based Employment Survey (AQEES), conducted quarterly, consists of two major components: the Quarterly Employment Survey (QES), covering establishments with 10 or more workers across nine key sectors, and the Area Frame Establishment Survey (AFES), focusing on establishments with 9 or fewer workers. These surveys estimate employment trends, job types, and gender distribution. Additional studies under SESDSL include assessments of working and living conditions of Scheduled Castes, Scheduled Tribes, and unorganized sector workers, women in industry, the effectiveness of the Minimum Wages Act, 1948, and contract labour conditions. Data is collected through structured sampling methods, analyzed by the Labour Bureau, and used for policy formulation. The findings support labour welfare initiatives, social security enhancements, and economic planning, ensuring targeted interventions for different labour segments.

3.4.5 ASI

The Survey, Evaluation, and Studies on Different Segments of Labour (SESDSL) component is implemented through comprehensive surveys and studies that analyze employment trends, labour conditions, and socio-economic aspects of various worker groups. The All-India Quarterly Establishment-Based Employment Survey (AQEES), conducted quarterly, consists of two major components: the Quarterly Employment Survey (QES), covering establishments with 10 or more workers across nine key sectors, and the Area Frame Establishment Survey (AFES), focusing on establishments with 9 or fewer workers. These surveys estimate employment trends, job types, and gender distribution. Additional studies under SESDSL include assessments of working and living conditions of Scheduled Castes, Scheduled Tribes, and unorganized sector workers, women in industry, the effectiveness of the Minimum Wages Act, 1948, and contract labour conditions. Data is collected through structured sampling methods, analyzed by the Labour Bureau, and used for policy formulation. The findings support labour welfare initiatives, social security enhancements, and economic planning, ensuring targeted interventions for different labour segments.

3.4.6 ILS Training

The ILS Training component is implemented through a structured approach that includes conducting the Central Training Course (CTC) annually, devising a training calendar, inviting nominations from State/UT Labour Departments, and preparing training modules and booklets for labour statistics. The training process also involves scheduling lectures, coordinating with trainers and stakeholders, and soliciting feedback from participants. Additionally, ad-hoc training programs are implemented by preparing subject-specific schedules and modules, liaising with State/UT Labour Departments, and ensuring effective coordination with stakeholders.

3.4.7 ILJ

The Indian Labour Journal (ILJ) is compiled through data collection from various external agencies and different sections of the Bureau. After a thorough scrutiny of the material and a literature review on contemporary labour issues, the manuscript is drafted and published.

3.4.8 Publication of Labour Statistics

The Labour Statistics component focuses on preparing All-India Reports on the Factory Act, 1948, and the Trade Unions Act, 1926, based on annual returns from State Governments and UT Administrations. The report preparation process involves issuing reminders to non-responding states, scrutinizing annual returns, compiling and tabulating data, and finally disseminating it in the form of annual reports. Data sources include industrial establishments covered under the Act, enforcement agencies, and Labour Courts. These statistics are collected through two sets of proforma—one for industrial units and another for state and regional labour commissioners. Monthly and annual returns are analyzed and scrutinized by the Labour Bureau before being published as annual reports and reviews.

3.4.9 WRI

The weighting diagram for WRI is constructed using benchmark data from OWS conducted by the Labour Bureau. In its meetings, 37 industries across Manufacturing, Mining, and Plantation sectors have been finalized, covering approximately 4,600 units for collecting data on wages, employment, and total wage bill, with the base year set as 2016=100. The occupations within these industries have also been finalized by a sub-committee comprising Labour Bureau officers, and their recommendations have been approved by the TAC. Furthermore, the industry-wise schedule, frequency of index, and other technical aspects have also been finalized. Data on wages, employment, and total wage bill will be collected region-wise on a quarterly basis by contractual staff, which will then be used to construct weights and base wages for compiling the Wage Rate Index series.

3.4.10 Research

The Statistical Profile on Women Labour is compiled using data from various sources and publications that highlight key socio-economic characteristics of women in the workforce. These sources include DGE&T (Directorate General of Employment & Training), ESIC (Employees' State Insurance Corporation), RGI (Registrar General of India), different sections of the Labour Bureau, and various Ministries. This ensures a comprehensive representation of women's labour participation, employment trends, and related socio-economic factors. Additionally, the Digest of Indian Labour Research serves as an annotated bibliography of research studies conducted in the field of labour. It compiles studies from universities, central and state government organizations, research institutes, and individual researchers, offering valuable insights into labour trends, policies, and workforce dynamics across India.

3.5 Identifying major challenges and bottlenecks affecting the successful implementation of the LESS scheme.

The study team visited Chennai and Kolkata Regional Offices of Labour Bureau to understand and identify major challenges, bottlenecks in the implementation of the scheme and to suggest a way forward.

The Chennai, Regional Office oversees labour market data collection across five states—Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, and Telangana—and two union territories—Puducherry and Lakshadweep. A significant aspect of this visit was an interaction with shop owners at Saudapet Market, Chennai, where data collection for CPI-IW is monitored by the regional office.

A detailed shop-level assessment was conducted to analyze market pricing variations. The following shops participated in data collection activities:

Sl.no.	Shop Name	Type of Shop	Owner
1.	S.K. Provision Stores	Primary Grocery Store	Kumar
2.	New Moorthy Provision Store	Secondary Grocery Store	Moorthy

Sl.no.	Shop Name	Type of Shop	Owner
3.	Raj Vegetables	Primary Vegetable Shop	Raj
4.	Sumathi Fruits Stall	Primary Fruit Shop	Sumathi
5.	Kadar Chicken & Mutton Stall	Meat Shop	Khadar

The evaluation team shadowed price collectors, analyzing their data entry processes and reporting mechanisms. This provided key insights into price volatility, inter-market price differences, and manual documentation challenges.

Following the visit to the Regional Office, Chennai, the team also visited the Kolkata Regional Office to assess the implementation of the LESS scheme and the effectiveness of data collection, coordination, and capacity-building efforts. The visit also included an evaluation of the manual data collection and operational challenges. The Kolkata R.O covers 19 centers and 71 markets across West Bengal, Odisha, Assam, Meghalaya, and Tripura under the LESS scheme. Field investigators, price collectors, and supervisors carry out the data collection process.

Additionally, visits to local markets were undertaken, especially in the Khidderpore Dock Area. The study team, accompanied by field supervisors, price collectors/supervisors, interacted with shopkeepers, to get an insight into the data collection process and awareness levels regarding the LESS scheme.

The main aspects covered during the visit to Kolkata, Regional Office are as follows:

- **Examining** how the Regional Office plans, executes, and assists in implementation of the LESS scheme.
- **Assessed the Standard Operating Procedures (SOPs) to understand the** guidelines for data collection, selection of centers and markets/shops, and price collection methodologies for CPI-IW and Repeat House Rent surveys, which is also a component of the same
- **Identified key Operational Challenges** faced in data collection and exploring possible solutions to improve efficiency.
- **Training and Capacity Building**: Assessing the need for additional training and support to strengthen the capabilities of the Regional Office staff in implementing the LESS scheme.
- **Scheme Awareness**: Understanding the level of awareness and outreach of the LESS scheme among the data providers like the shopkeepers, house owners, etc.

3.5.1 The key discussion points that have been covered during the visits are as follows:

a) Structure and Coverage of the Regional Offices

- The Regional Offices (R.O.) are responsible for collecting data for the Consumer Price Index for Industrial Workers (CPI-IW), along with conducting supervision, audits for the collected prices, and conducting and supervising Repeat House Rent Surveys.

- The CPI-IW data is collected by Price collectors appointed by state labour departments, while field investigators appointed by the Labour Bureau, Chandigarh, supervise the data collected and also conduct the RHRS every 6 months.

b) Data Collection Process and Methodology

- It was conveyed that market centers and shops are selected during the base updation activity for the CPI-IW, along with the basket of commodities to be surveyed. The consumption data dictates the choice of commodities/basket to be surveyed. Basket/Commodities may also slightly vary from centre to centre, taking into account the regional differences in consumption.
- There are selected/substitute shops and common vendors from where the data is collected from the specific market.
- Price data is usually collected during peak market hours to reflect real-time price fluctuations. Seasonal variations and external factors, such as border issues and supply chain disruptions, also influence price trends.

c) Current Level of Digitalization

- The Regional Offices primarily focuses on data collection, which is still paper-based. The level of digitization remains low, leading to delays in data processing.
- The correction and compilation of data is conducted by the Labour Bureau, Chandigarh, resulting in time-consuming processes due to the absence of real-time data updates.

d) Need for Greater Representation of the North-East

- The lack of regional offices in the north-eastern states was also noted. At present, there is one Regional Office at Guwahati with limited staff. Given the distinct economic and geographic challenges, there is a need to enhance representation of 8 N-E states in a cluster-based manner.
- The wage structure in the north-eastern states differs from other regions. Thus it was suggested that factors like distance from the mainland and logistical barriers must be considered in labour indices.

e) Challenges in Data Collection and Awareness

- Discussions with the officials indicated that a triangular data collection mechanism is followed, involving price collectors from the state labour departments, field investigators from Labour Bureau, and data providers like workers, industries, shopkeepers, landlords etc.
- The officials stated that they have often faced resistance from data providers primarily due to a lack of awareness regarding the purpose of data collection under LESS scheme.
- Collaborative discussions with Labour Bureau, Chandigarh officials present at the meeting indicated that there is an urgent need for a structured outreach program to create awareness about the importance of labour statistics, ensuring better cooperation from stakeholders.

f) Capacity Building and Infrastructure Strengthening

- The price collectors from state government informed about the lack of timely trainings that is required to equip them with the idea and process of field collection. Thus implementation of a structured training and capacity-building framework for price collectors, supervisors, state labour departments, trade unions, and industry representatives at the center/ state level was suggested.
- The lack of infrastructure at the regional office level was also flagged. Strengthening of regional offices is essential to enhance their role beyond data collection, including administrative improvements, stakeholder coordination, and training programs.
- The budget for capacity building, training, digitization, and awareness programs may be increased, and it was suggested that these processes may be expedited.

3.5.2 Key Bottlenecks Observed at Regional Offices during the visit are as follows:

a) Limited Human and Technological Resources and Regional Centres

- The regional offices are currently operating with severely limited manpower, which significantly hampers the efficiency and effectiveness of data collection and supervision activities. A critical issue affecting performance is the lack of technological support—investigators have not been provided with essential tools such as laptops or tablets, resulting in delays and reduced accuracy in data collection.

- The Labour Bureau currently operates with only nine regional offices. Of these, only the offices in Kolkata and Chennai have the minimum required number of officers and staff. The remaining regional offices need to improve the manpower deployment to the similar levels.

- To address these operational challenges, it is imperative to significantly augment the staffing and infrastructure of existing regional offices. Additionally, establishing six well-equipped Zonal Offices—one each in the North, South, East, and West, Central and North-East akin to NSSO Zonal offices—would greatly enhance coordination, monitoring, and overall efficiency of survey and index-related activities. The regional offices can be expanded to cover all large states and placed under these zonal offices for better coordination and supervision.

- There is also an urgent need for large-scale recruitment of investigators to support and strengthen the regional offices, ensuring timely and high-quality data collection for evidence-based policymaking.

b) Lack of Digital Infrastructure

- The manual data collection and verification process make real-time updates challenging.
- The absence of a web-enabled data collection system results in delays and inefficiencies. There is an immediate need for Digital Transition. Adoption of web-based data collection systems and Computer-Assisted Personal Interviewing (CAPI) tools will improve the efficiency of price data collection.
- Implementing real-time dashboards will facilitate better decision-making and streamline data processing.

c) Need for strengthening the Institutional Mechanism for Data Collection

- Data collection for CPI-IW relies on both formal and informal systems, with respondents such as shopkeepers, school authorities, and house owners forming the backbone of the informal system. It is essential to sensitize them about the significance of accurate data collection and create awareness about the importance of labour statistics, fostering a sense of national duty among them.

- Labour statistics, particularly the Consumer Price Index for Industrial Workers (CPI-IW), involves three key stakeholders: the Directorate of Economics and Statistics (DES) of the state government, the officials responsible for data collection, Labour Bureau (LB) officials who verify the data, shopkeepers of the selected markets, school authorities, and house owners play a crucial role as respondents. This, in a way, is a unique feature of the data collection mechanism of CPI-IW, which not only ensures the accuracy and quality of the data but also promotes greater cooperation from state machinery in the data collection process.

- State government officials, who are the critical link in the data collection process, must be reminded of their responsibility to conduct the exercise with diligence and commitment. At present, state government officials get an honorarium for the price collection work. It has been pointed out that this honorarium has not been enhanced in the last ten years. To motivate them, it will be desirable to enhance their honorarium periodically.

- To encourage voluntary participation, shopkeepers and other respondents should be informed about their crucial role in generating the price index. Their contributions should be acknowledged through testimonials and incentives as a token of appreciation for their service to the nation. To further motivate their involvement, they may be provided with items such as diaries, calendars, testimonials, and small gifts in recognition of their valuable support.

- Furthermore, the Labour Bureau must periodically engage with senior officials of the state governments to reinforce their duty and obligation towards timely collection of reliable data.

- Since Labour Bureau does not have a national-wide presence, it has to rely on services of state governments and other informal respondents, it is vital that Labour Bureau and Ministry of Labour and Employment fosters and develops a robust institutional relationship with the state government and respondents.

d) Awareness and Outreach

- A nationwide awareness campaign could be launched by the Labour Bureau to educate stakeholders on the importance of labour indices and disclosure of price and cost data by the respondents.

- The outreach material and booklet may be prepared and translated into vernacular languages and made available in audio-visual formats for wider accessibility.

e) Need for Regular Training Programs

- Training programs should be conducted biannually at the national or state level to enhance skills and coordination among price collectors, supervisors, and state representatives.
- Collaborating with a knowledge partner can help design a structured training curriculum.

f) Requirement for a One-Time Compliance Survey

- A national-level compliance survey by a third-party evaluator could assess the implementation of the 11 Acts under the LESS scheme.
- The survey would provide a benchmark for compliance levels, identify challenges, and suggest improvements.

3.5.3 Feedback from Users of LESS Scheme

An interaction to find out the emerging challenges and gaps in the LESS scheme was held at the AJNIFM in February. This discussion provided an opportunity to engage with state governments, NGOs, and Labour Organisations to address bottlenecks, implementation challenges, and other key aspects.

The key discussion points of the meeting are outlined below.

3.5.4 Key Discussion Points

- **Intensive rather than extensive collection of Labour statistics:** Instead of spreading its resources on extensive data collection, it was suggested that Labour Bureau could leverage its strength and capacity by focusing on certain specific issues however with deeper probe, ie, intensive.
- **Incorporating Emerging Work Trends:** Labour statistics may also take up and capture gig economy jobs, remote work, and online employment to reflect modern workforce dynamics.
- **Strengthening Migration Data:** A structured approach is needed to track migration trends, particularly in states where migrant workers play a crucial role in the economy. Dedicated surveys should be conducted to assess their impact.
- **Optimizing Labour Indices:** Wage and price indices should be aligned across agencies to ensure consistency. Updating the base years of certain indices will improve economic assessments.
- **Modernizing Administrative Processes:** Digitalization and improved coordination with state governments will help streamline data collection, reduce procedural delays, and ensure timely reporting.
- **Advancing Research Collaborations:** Engaging with specialized research institutions will provide deeper insights into emerging employment trends, such as the impact of AI and automation on jobs.

- **Improving Access to Employment Data:** A centralized digital dashboard should be developed to provide real-time access to labour bureau data, ensuring timely and data-driven policymaking.
- **Expanding Survey Methodologies:** Mobile-based and technology-driven surveys should be incorporated to improve data collection efficiency while maintaining statistical accuracy.

3.6 Training/Capacity building of administrators/facilitators

The Labour Bureau used to conduct yearly training sessions for officers and officials from State/UT and Central departments till COVID. These training programs aimed to enhance the quality of data received by the Bureau from various organizations. Additionally, they provided an opportunity for probationers from different services to gain firsthand experience of India's statistical system in operation.

These training programmes are required to be resumed to focus on the capacity building of the Regional Offices, Price Supervisors and Price Collectors. These can be conducted at the state/ center level. The enhancement of the training and capacity-building activities is of utmost importance to increase the robustness of the indices.

The Bureau also conducts specialized training sessions for probationers and trainees from services such as S.C.C.S., J.C.C.S., I.S.E.S., I.S.S., and I.E.S., as deputed by the Central Statistical Office (C.S.O.) or their respective cadre-controlling authorities.

3.7 Benefits (individual, community)

The indices and reports regularly released by the Labour Bureau serve as valuable resources for a diverse range of stakeholders. These statistics play a crucial role in evidence-based policymaking by the Government. Additionally, they are highly sought after by academic institutions, researchers, and international organizations, including the International Labour Organization (ILO).

Labour statistics generated and compiled by the Bureau cater to the data needs of various agencies, such as Central and State Governments, employer organizations, worker unions/trade unions, and research scholars. Key Government policy documents, including the Economic Survey, also rely on this data for analysis and decision-making.

A significant contribution of the Bureau is the development of worker-specific price indices, which serve as critical inputs for Government decisions at multiple levels. For instance, the Consumer Price Index for Industrial Workers (CPI-IW) is instrumental in determining Dearness Allowance (DA) and wage revisions for millions of employees in the Central Government, State Governments, and public and private establishments. Additionally, this index is used to assess retail price trends, real wage calculations, and interest rate adjustments.

Similarly, the Consumer Price Index for Agricultural Labourers and Rural Labourers (CPI-AL/RL) plays a key role in fixing and revising minimum wages for scheduled employment in rural areas under the Minimum Wages Act, 1948. This index is also utilized for:

- Wage revisions under MGNREGA
- Fixing procurement/support prices of agricultural crops by the Commission for Agricultural Costs and Prices (CACP)
- Revising cooking costs under the Mid-Day Meal Scheme

Furthermore, data collected from various Labour Bureau surveys provides valuable insights into the working and living conditions of workers in both the organized and unorganized sectors. The Annual Survey of Industries (ASI) serves as a crucial statistical database, offering an in-depth view of labour-related parameters in the organized manufacturing sector while also reflecting broader trends in the industrial sector of the economy.

3.8 Convergence with the scheme of own Ministry/Department or of another Ministry/Department:

In the United States, the Bureau of Labor Statistics (BLS) operates as an independent statistical agency, with the primary mandate to measure labor market activity, working conditions, price changes, and productivity within the U.S. economy. Its data and insights play a pivotal role in informing both public policies and private sector decisions. In India, the Ministry of Statistics and Programme Implementation (MoSPI) holds overarching responsibility for national statistics. Labour-specific data is primarily the domain of the Labour Bureau. Given the critical and evolving nature of employment-related issues in India, there is a compelling case for enhancing the functional autonomy and institutional capacity of the Labour Bureau.

The core work of the Bureau is technical in nature, requiring a degree of independence that allows it to identify, anticipate, and investigate emerging trends in labor markets. This includes researching new forms of work arrangements—such as platform-based employment, gig economy roles, and hybrid workplace models—as well as the emergence of new industries and occupations that fall outside traditional classification systems. The Bureau is uniquely positioned to lead such research efforts and can play a catalytic role by collaborating with specialized labor research institutes under the Ministry of Labour and Employment.

In a country as diverse and administratively complex as India, where various agencies oversee different aspects of economic activity, it is crucial for the Labour Bureau to carve out clear niche areas of expertise. This strategic focus will enable the Bureau to function as a thought leader and knowledge hub on issues pertaining to employment and labor markets.

For instance, the widespread adoption of artificial intelligence (AI) and automation is expected to significantly reshape employment patterns in the coming years. These technological disruptions will not only affect the demand for certain skill sets but also alter the structure of labor markets across sectors. The Labour Bureau should proactively engage with experts, technologists, and academic researchers to study the nature, scale, and implications of such

changes. This engagement can take the form of structured research collaborations, thematic seminars, policy workshops, and pilot studies.

Rather than limiting itself to conventional statistical reporting, the Bureau must evolve into a dynamic institution that combines rigorous data collection with forward-looking analysis. Such a transformation will allow it to provide timely, policy-relevant insights on the challenges and opportunities emerging in the world of work—thereby supporting the government's employment and skilling agenda more effectively.

3.9 Gaps in achievement of outcomes

Some of the gaps observed in the implementation of the LESS scheme are discussed below:

- There is a gap between budget allocation and actual expenditure (AE) due to procedural delays in implementing digitalization and initiating new surveys.
- As per the Labour Bureau's 2024-25 training calendar, many domain-specific training sessions have not been conducted. Training, capacity building, and infrastructure development are lacking. It is essential to restart these training programs, focusing on enhancing the capabilities of Regional Offices, Price Supervisors, and Price Collectors. These programs can be conducted at both the state and central levels. Strengthening training and capacity-building activities is crucial to improving the robustness of labour indices.
- It was found that Regional Offices lack infrastructure and administrative as well as technical staff.
- The informal data collection system, which relies on shopkeepers, school authorities, and house owners as respondents, needs to be reinforced through incentives and formal recognition.
- The key stakeholders of the Labour Employment Statistical System (LESS) scheme—Labour Bureau, state governments, shopkeepers, schools, and house owners—must be actively engaged through a nationwide awareness and outreach program.
- The Labour Bureau may explore utilizing the Statistics Act, 2008, to ensure the timely collection of data and enhance collaboration with state governments.
- There is a significant time lag, incompleteness, and lack of timely data from state governments regarding compliance with the 11 Acts covered under the Administrative Labour Statistics Survey. To address this, a real-time dashboard should be developed, along with active consultations with state governments, to ensure accurate and timely reporting.

3.10 Key Bottlenecks & Challenges -

Several challenges hinder the effective implementation of various components of the **Labour and Employment Statistical System (LESS) Scheme**:

a) Manual Collection and Transmission of Price Data

- The scheme still relies heavily on manual data collection, making the process labour-intensive and time-consuming. However, the bureau has initiated an automation process which will ensure end to end automation of all the activities of the Labour Bureau.

- There is an emphasized need for digital interventions, such as API integration, to streamline data collection and reduce manual errors.

b) Shortage of Manpower

- A severe shortage of trained personnel continues to hinder the efficient execution of various components of the LESS Scheme.
- Limited staff availability affects the accuracy, timeliness, and reliability of statistical outputs.
- Outsourcing certain research tasks to academic institutions and private agencies could help address this issue.

c) Delays and Inconsistencies in Administrative Labour Statistics

- The accuracy and timeliness of administrative labor statistics are dependent on state governments submitting statutory and voluntary returns under 11 Labour Acts.
- However, significant delays in responses from state/UT governments cause major bottlenecks in publishing labor reports.
- The submitted data often lacks consistency, completeness, and accuracy, leading to discrepancies and policy gaps.
- Digitalizing data submissions/ updation and improving coordination with state labor departments could help address these delays.

d) Lack of Digitization and Data Integration

- Inaccurate & Delayed Data Collection – Manual processes lead to duplication and delays in compiling and verifying labor market data, which affects policy decisions.
- Limited Real-Time Monitoring – The absence of digital tools prevents real-time tracking of employment trends, making it difficult to respond promptly to labor market fluctuations.
- Inefficiency in Data Processing & Analysis – Without digitalization, data compilation remains time-consuming, limiting the Bureau's ability to release timely and actionable labor statistics.
- Lack of Transparency & Accountability – Manual record-keeping increases the risk of misreporting and data manipulation, making audits and verification difficult.
- A centralized digital dashboard to integrate employment statistics, reduce duplication across agencies, and enable real-time access to unit-level data.

e) Challenges in Tracking Labour Migration

- Labour migration remains an under-researched area due to the absence of dedicated surveys and inconsistencies in migration definitions across statistical agencies.
- The lack of a migration census leads to gaps in understanding the movement of labor across states, particularly post-COVID.

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CHAPTER-4

Observations – Thematic Assessment and Externalities

Chapter 4

Observations – Thematic Assessment and Externalities

The contents of the thematic evaluation include an assessment of how well the LESS scheme has met its objectives in terms of construction of indices, execution of surveys, publication & dissemination of reports, stakeholder engagement, and digital adoption & integration.

4.1 Thematic Assessment of the LESS Scheme

a. Capturing Labour Indices: Strengths and Gaps

The LESS scheme has successfully developed key labour indices, including the Consumer Price Index for Industrial Workers (CPI-IW), Wage Rate Index (WRI), and Retail Price Index (RPI). These indices provide a structured mechanism for tracking wage patterns, cost of living, and inflationary trends, forming the basis for determining dearness allowances and minimum wage revisions affecting a large segment of Indian workforce and fiscal planning at macro level.

Key Achievements:

- The CPI-IW and RPI have been released consistently from 2021-22 to 2024-25, ensuring a steady supply of price-related data.
- The Wage Rate Index (WRI), introduced with a 2016=100 base year, has been compiled and published at regular intervals, offering a benchmark for inter-industry wage disparities.
- Expansion of data coverage to include both formal and informal employment sectors has improved workforce tracking.

Challenges and Areas for Improvement:

- Delays in data collection and verification have resulted in time lags in monitoring administrative labour statistics, limiting their real-time utility.
- The informal sector remains under-represented, leading to certain inadequacies in wage rate assessments.
- Base year revisions for certain indices, particularly the CPI-AL/RL (Agricultural/Rural Labourers), have been delayed, affecting the relevance of long-term trend analysis.

b. Capacity for Large-Scale Surveys: Expanding Labour Intelligence

The LESS scheme has played a key role in conducting employment-related surveys, such as the Quarterly Employment Survey (QES), Occupational Wage Survey (OWS), and the Annual Survey of Industries (ASI). These surveys provide insights into, industrial employment trends socio-economic conditions of Labourers and impact of weariest interventions.

Key Achievements:

- The QES has been conducted and published regularly, with two reports released per year from 2021-22 to 2023-24, and additional reports are submitted for approval in 2024-25.
- The OWS has progressed through data collection, validation, and preliminary analysis, supporting wage tracking across key industries.
- The ASI reports covering employment, absenteeism, and labour costs have been consistently released up to 2019-20, aiding industrial workforce analysis.

Challenges and Areas for Improvement:

- Survey execution remains largely manual, leading to delays in data processing and publication.
- The informal sector remains inadequately covered, limiting the applicability of findings, particularly in non-traditional employment settings.
- Recent delays in ASI reporting (with no reports post-2019-20) indicate unforeseen challenges in data compilation and validation.

c. Publications and Data Dissemination: Bridging the Information Gap

The LESS scheme facilitates the systematic publication of labour market data through reports such as the Indian Labour Journal, Indian Labour Statistics, and Annual Survey Reports. These reports serve as key references for policymakers, researchers, and industry stakeholders.

Key Achievements:

- The Indian Labour Journal (ILJ) has been released monthly without interruptions, providing critical insights into employment, wages, and industrial disputes.
- Wage rate data for agricultural and non-agricultural occupations has been consistently published, ensuring transparency in rural labour earnings.
- The digitization of labour statistics has commenced, with efforts underway to automate data compilation and improve accessibility.

Challenges and Areas for Improvement:

- The publication schedule should be maintained by focusing resources on a few critical publications rather than diluting efforts across scattered topics.
- Publications should be streamlined to eliminate overlapping information across different reports. The current fragmented approach leads to data duplication, which must be avoided.
- Lack of interactive, real-time digital dashboards limits the accessibility of data for the stakeholders, researchers and policymakers.
- Some reports, such as ASI and OWS, require faster turnaround times to remain relevant for policy planning.

d. Stakeholder Awareness and Engagement: Improving Accessibility

While the LESS scheme has enhanced labour data availability, its engagement with businesses, trade unions, and informal sector workers can be further enhanced by holding periodic meetings with the stakeholders.

Key Achievements:

- The government and research institutions actively utilize LESS-generated data for employment planning and wage regulation.
- The scheme has facilitated structured interactions between policymakers and labour market stakeholders.

Challenges and Areas for Improvement:

- Better awareness among businesses and worker organizations can further enhance the application of LESS data.

4.2 Externalities of the LESS Scheme: Indirect Benefits and Impacts

Beyond its core functions, the LESS scheme has generated several positive externalities that contribute to labour market efficiency, policy innovation and formulation.

Key Positive Impacts:

- It showcases institutional coordination between state, central agencies and informal respondents for data collection related to labour statistics.
- It supports economic forecasting, wage negotiations, and social security planning to state governments, employers, trade unions, industries, researchers, and policymakers by providing structured workforce and inflation analytics.
- By conducting periodic surveys on occupation, employment, migration, wage rates, etc. it facilitates comparative analysis of the changing labour scenario.
- It facilitates research in labour economics, encouraging policy interventions on informal employment, wage disparities, and industry-specific job growth.

Conclusion

While the LESS scheme has made significant contributions to India's labour intelligence framework, strengthening digitalization, capacity building & training, filling the vacancies, strengthening the regional offices and stakeholder engagement, will enhance the role of LESS as a tool for workforce planning, wage tracking, and policy formulation in India's evolving labour landscape.

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CHAPTER- 5

Conclusion & Recommendations

Chapter 5

Conclusion & Recommendations

The study conducted by the Arun Jaitley National Institute of Financial Management (AJNIFM) is based on data collected through field visits, stakeholder consultations and online surveys, besides a review of financial data, output/outcome budget, Annual Reports of the concerned Ministries Report on Third Party Evaluation of Less by NPC, and information from the labour bureau website.

The LESS scheme has strengthened India's labour statistics framework, making data-driven decision-making more effective. Studies and reports have recognized its achievements and functionality. The scheme has delivered on its objectives by ensuring accurate wage indexation and inflation tracking, conducting surveys to provide key labour market insights, publishing reports and research studies useful for various users. Its impact goes beyond numbers, as it helps in shaping policy perspectives of the government, which directly affect workers and industries. This report also brings out certain positive externalities of the scheme. Despite the achievements of the LESS scheme, the evaluation report highlights certain challenges that are currently being faced under different components of the scheme, as presented below

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
1	CPI-IW	These indices measures the relative changes in retail prices of fixed basket of goods and services consumed by industrial workers over a period of time. The Consumer Price Index Numbers for Industrial Workers are utilized for regulation of wages & dearness allowance for millions of workers & employees in the country. These indices are also used for measuring inflation and other policy formulations. As an integral part, the Labour Bureau conducts Repeat House Rent Surveys at 88 centers across the country with an objective to collect House Rent data from sampled dwellings on a regular basis for compilation of Housing Index in respect of these centers in each round of six months	• Investigators are yet to be equipped with essential technological tools such as laptops and tablets to transmit data efficiently. Providing these tools will enhance efficiency and ensure real-time updates. • The reliance on manual data collection and verification makes real-time updates difficult. Introducing digital data entry and automated verification can streamline the process and improve accuracy. • A more well-structured and coordinated approach is needed to enhance accuracy, timeliness, and stakeholder engagement. Establishing standardized protocols and training programs can improve data collection efficiency. • Heavy reliance on informal respondents such as shopkeepers, school authorities, and house owners highlights the need for better sensitization on the importance of labour statistics. Awareness campaigns and targeted communication strategies can improve data reliability. • State government officials play a critical role in data collection but require stronger motivation. Periodic enhancements in their honorarium,	• Sensitizing respondents about the significance of the data collection process and the importance of labour statistics will foster a sense of national duty, improving participation from data respondents such as shopkeepers, school authorities, and house owners. • Enhancing the institutional mechanism for data collection by strengthening collaboration and awareness among key stakeholders will lead to more efficient and accountable data gathering. • Periodically revising the honorarium for state government officials and formally recognizing their contributions will boost their motivation and commitment to ensuring accurate data collection. • Strengthening partnerships between the Labour Bureau and state agencies, along with regular engagement with senior officials, will streamline data collection efforts and improve overall accountability. • Introducing incentives such as testimonials and small tokens of appreciation will encourage voluntary participation, fostering a more engaged and cooperative approach to data sharing. • Establishing a well-structured institutional framework and reinforcing stakeholder collaboration will ensure timely and

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
			which has remained unchanged for a decade, would help boost their engagement and commitment. • The Labour Bureau lacks a nationwide presence, making it dependent on state government cooperation. Establishing a more formalized institutional framework and fostering stronger collaboration with state agencies can enhance independence and operational efficiency. • Encouraging voluntary participation is essential. Introducing incentives such as testimonials and small tokens of appreciation can foster a sense of national duty among respondents, leading to higher engagement and better-quality data. • Strengthening these mechanisms will ensure increased participation and reduced time of labour statistics, ultimately contributing to more effective policymaking.	reliable data collection, ultimately enhancing labour statistics for better policymaking.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
2	CPI-AL/RL	The Field Operations Division of the National Statistical Office has been entrusted with the responsibility of collection of rural retail prices every month from shops and markets catering to 600 representative sample villages spread over 66 NSS regions in 20 States. Price collection from these sample villages is staggered over the four weeks of a month, with one-fourth of the sample being covered every week. These prices are collected on the fixed price collection day which may be a "Haat" day for non-daily markets and any market day for daily markets. The price returns are scrutinised and processed in Labour Bureau and the discrepancies, if any, are sorted out through correspondence and field inspections by the staff of the Bureau.	• The Annual Report on CPI for the year 2023-24 and the subsequent year is yet to be released, delaying access to updated insights on price movements. • The Wage Rates in Rural India booklet for 2023-24 and the following year is still pending, affecting the timely availability of crucial wage trend data. • The CPI-AL and CPI-RL indices, initially based on 1960-61 and later revised to 1964-65 and 1986-87, are now set for an update to 2019 to align with global best practices. While periodic updates are essential to maintaining statistical accuracy, the revision cycle for these indices has significantly exceeded the standard 7–10-year timeframe, resulting in a gap of over three decades. • As per the last evaluation conducted by NPCC in 2019-20, the base year for CPI-AL/RL was recommended to be updated to 2019=100. However, the process of index compilation and release of the updated index based on this revised base year is still ongoing, highlighting the need for expediting the transition to ensure more accurate economic assessments.	• Ensuring timely release of the Annual Report on CPI Numbers for AL/RL for 2023-24 will enhance accessibility to updated inflation trends, supporting more informed economic analysis. • Publishing the "Wage Rates in Rural India" booklet for 2023-24 will provide crucial insights into wage patterns, benefiting policymakers, researchers, and stakeholders relying on accurate rural wage data. • Expediting the base year revision of CPI-AL/RL to 2019=100 and implementing it at the earliest will ensure that inflation measurement aligns with current economic conditions, improving statistical accuracy and relevance. • Strengthening the periodic update cycle of CPI indices to adhere to the 7–10-year standard will help maintain consistency with international best practices and prevent significant delays in future base year revisions.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
3	Annual Survey of India	Labour Bureau processes, compiles and disseminates data on the Labour Part of the ASI. The main objectives of the Annual Survey of Industries (Labour Part) data which the Labour Bureau compiles are to build a systematic database on Absenteeism; Labour Turnover; Earnings; Employment, and Labour Cost in Manufacturing Industries, and to analyse various components of Labour Costs such as Wage/Salary; Bonus; Provident Funds; Welfare Expenses, etc. in Manufacturing Industries.	• The Annual Report on ASI was last published in 2022-23	• Updated reports may be published for the ASI for the latest years to keep the statics updated regarding Absenteeism; Labour Turnover; Earnings; Employment, and Labour Cost in Manufacturing Industries, and to analyse various components of Labour Costs such as Wage/Salary; Bonus; Provident Funds; Welfare Expenses, etc. in Manufacturing Industries.
4	Administrative Labour Statistics	The Labour Bureau receives statutory statistics in the form of annual returns in the prescribed proformae under various Labour Acts from States/U.Ts and Central Agencies. Based on the data received by the enforcement machinery and provided to Labour	• A lack of compliance regarding the 11 Labour Statistics Act was found in the states. The gap in coordination between the Labour Bureau and State governments has given rise to a lag in timely data for these compliance-based acts.	• Enhancing coordination between the Labour Bureau and state governments through regular engagement, capacity-building initiatives, and a structured reporting mechanism will improve compliance with the 11 Labour Statistics Acts. Establishing a streamlined framework for timely data submission and periodic reviews can help bridge existing

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
		Bureau under the 11 Labour Acts reports are published.		gaps and ensure more effective enforcement of these acts.
5	Occupational Wage Survey	Under Occupational Wage Survey, Occupational wage data are collected in respect of workers in selected Service Sector, Plantations, Mines and Manufacturing Industries at periodic intervals, so as to facilitate the generation of up to-date data base which, in turn, facilitate the fulfillment of the following objectives:- To obtain occupation-wise data on employment, wage rates and dearness allowance for building up base year weights for updating the base of Wage Rate Index Numbers. To obtain data on different components of pay roll earnings for different occupations for scientific	• According to global standards, Occupational Wage Surveys (OWS) should be conducted every 3–5 years to accurately determine wage rates and support the preparation of the Wage Rate Index. The 7th OWS by the Labour Bureau of India was conducted in 2016–17, and over five years have passed since then. Preparations for the 8th OWS are currently underway.	• Although the Labour Bureau dashboard and the layered wage data highlight the effectiveness and necessity of the Occupational Wage Survey (OWS), maintaining the timeliness of data collection is crucial. While accuracy remains essential, ensuring the timely availability of data is equally important. Revisions in wage rates rely heavily on OWS findings, making it imperative to expedite the 8th OWS and ensure its release within the stipulated timeframe.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
		studies of inter-industry and intra-industry differentials in earnings in Service Sector, Plantation, and Mining & Manufacturing industries. The latest 7th round of OWS has been completed recently. The preparatory work for 8th sub round is in progress.		
6	Wage Rate Index	Wage Rate Index Numbers depict the movement of relative change experienced in the wage rates over some time. The WRI New Series (base 2016=100) consists of 37 industries selected keeping in view their importance in terms of percentage share in total employment and also the growing industries on the basis of the data from the seventh Occupational Wage Survey.	• The Wage Rate Index (WRI) has been updated only until January 2023 for all sectors, with no available data beyond July 2023. The timely release of updated WRI data for July 2023, January 2024, July 2024, and January 2025 is crucial to ensure accurate wage trend analysis and informed policy decisions. Expediting the compilation and publication of these updates will enhance data reliability and support effective wage policy formulation.	• To ensure consistency and accuracy in wage trend analysis, it is essential to expedite the compilation and release of the updated Wage Rate Index (WRI) for July 2023, January 2024, July 2024, and January 2025. Strengthening coordination between relevant authorities will help streamline data collection, verification, and publication, minimizing delays in future releases. Establishing a structured timeline for periodic WRI updates will enhance data reliability and support effective wage policy formulation. Additionally, leveraging technology-driven solutions for real-time data collection and processing will improve efficiency and ensure timely updates.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
7	SESDSL	The main objective under the SESDSL component is to conduct surveys/studies on different segments of labour. Currently, All India Survey namely the All India Quarterly Establishment-Based Employment Survey (AQEES) is being carried out on a quarterly basis. AQEES has two components : QES (Quaterly Employment Surveys) and AFS (Area Frame work Survey)	• Two quarterly reports for 2023-24 under QES are yet to be published. Additionally, approval for conducting the QES survey for 2024-25 is awaited, which may affect the timely collection of employment data. • The Perception Survey on "Emerging Technologies, Job Creation, and Challenges" for 2024-25 is awaiting approval, which may affect capturing valuable insights into workforce trends and emerging job market dynamics.	• Ensuring the timely release of the pending QES quarterly reports for 2023-24 expediting the approval process for the QES survey for 2024-25 will help prevent disruptions in data collection, ensuring that workforce trends are accurately captured without delays. • Accelerating approvals for the Perception Survey on "Emerging Technologies, Job Creation, and Challenges" will enable timely insights into evolving job markets, technological impacts, and employment trends, fostering proactive decision-making.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
8	MMTU	Labour Bureau aims to ensure expeditious dissemination of information on various facets of Labour with a minimum possible time lag to keep pace with the changing environment. To facilitate the organization in achieving its aim, the scheme was taken up with the following objectives: - 1. Facilitating the work of different activities by using IT tools, 2. Regular updation of Labour Bureau's website 3. Imparting training to officers / staff in IT tools 4. Implementation of NeGP and E-office. The broad objectives of digitalization and automation project are: i) To integrate the existing core activities of Bureau with advanced tools and technologies and making them paperless.	• The integration of advanced tools and technologies to digitize core activities and transition to a paperless system is still in progress, with key areas like IT-based survey solutions yet to be implemented. Achieving this will enhance efficiency and accuracy in data collection. • While some progress has been made in digitizing archival records and integrating databases with the Bureau's website, further efforts are needed to ensure seamless data transfer, secure storage, real-time access, and a dynamic dashboard for effective dissemination. • Developing a comprehensive database management system remains a crucial requirement, as its successful implementation will enable faster data uploads, improve accessibility, and strengthen data accuracy and integrity.	• Expediting the adoption of advanced digital tools, including web-based data collection systems and Computer-Assisted Personal Interviewing (CAPI) or any other application based tools, will enhance the efficiency of surveys and price data collection, reducing manual efforts and improving accuracy. Implementing structured training programs will ensure smooth adoption. • Strengthening the digitization of archival records, developing a robust database management system, and ensuring seamless data transfer will improve efficiency, accuracy, and transparency. Real-time data access and automated workflows will optimize data handling, enabling quicker updates and analysis. • Integrating the database with the Bureau's website and implementing a dynamic, real-time dashboard will enhance data dissemination, facilitate informed decision-making, and improve accessibility for stakeholders, ensuring transparency and usability of collected data.

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
		ii) Digitization of archive data records. iii) IT based Survey solutions for surveys conducted by Bureau to make the surveys paperless. iv) Development of a database management system that addresses the need for seamless data transfer, storage, access and integrity. v) Integration of database so created with the Bureau's website including creation of a dynamic dashboard for dissemination to end users.		

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
9	Publications	Labour Bureau is entrusted with the responsibility to regularly publish: Indian Labour Journal (Monthly): Features expert articles, reports, industrial disputes, CPI data, employment, wages, and earnings. Indian Labour Year Book (Annual): Summarizes key labour topics like employment, wages, CPI, welfare, housing, health, and legislation. Pocket Book of Labour Statistics (Annual): Presents key labour statistics on employment, social security, prices, disputes, accidents, and absenteeism. Indian Labour Statistics (Annual): A flagship publication providing comprehensive labour data. It also conducts regular trainings for the data collected under Indian	• The Indian Labour Journal (ILJ) is a crucial resource for disseminating labour statistics and indices on a monthly basis. However, the latest available edition on the Labour Bureau Dashboard is from 2024. Ensuring its continuous and timely release is essential for keeping stakeholders informed. • The Annual Report on key labour topics such as employment, wages, CPI, welfare, and legislation is expected to be published yearly. The last available report dates back to 2022. If subsequent reports have been compiled, their prompt publication on the Bureau's dashboard is necessary to maintain transparency and accessibility. • The Pocket Book of Labour Statistics and the Indian Labour Year Book, both annual publications, have not been released beyond 2021. Timely dissemination of these reports is important for providing updated statistical insights. • The Annual Report on the Minimum Wages Act, which plays a vital role in wage policy discussions, has not been released post-2019-20. Its publication will ensure continued tracking and	• The Indian Labour Journal, Annual Report on Labour Topics, Pocket Book of Labour Statistics, and the Annual Report on the Minimum Wages Act should be released as per their stipulated timelines. If reports post-2021 have already been compiled, they should be published promptly on the Labour Bureau's dashboard to ensure accessibility and transparency. Strengthening internal review and approval mechanisms can facilitate their timely release. • Training programs should be conducted biannually at the national or state level to enhance skills and coordination among price collectors, supervisors, and state representatives. Collaborating with a knowledge partner can help design a structured training curriculum that ensures comprehensive learning and skill development. • To improve data collection accuracy, periodic training sessions should be conducted for field investigators, price collectors, and supervisors. This will enhance their understanding of evolving methodologies and ensure consistency in data collection practices. • Establishing a more structured dialogue with state governments on the importance

S.no.	Component Name	Objective	Areas that require improvement	Suggestive actions to be undertaken
		Labour Journal, which includes all the indices released.	evaluation of minimum wage implementation. • The Training and Capacity-Building Framework offers significant potential for enhancing data collection processes. While the Labour Bureau includes domain-specific programs in its training calendar, several sessions have not been conducted, particularly after COVID-19. Regular training for price collectors, supervisors, and field investigators will improve data accuracy and streamline collection efforts. • Enhanced collaboration with state governments through structured discussions on the significance of price and wage data collection is essential. Strengthening these engagements will foster better coordination, commitment, and efficiency in data collection.	of wage and price data collection can foster better cooperation. Regular state-level meetings and workshops will ensure alignment with national data collection objectives. • Digital training modules and e-learning platforms can supplement physical training sessions, enabling continuous capacity-building for field personnel and government representatives. This will ensure scalability and accessibility of training content. • A system should be put in place to track the progress of report publications and training programs, ensuring accountability and adherence to deadlines. Regular evaluations will help identify bottlenecks and address them proactively.

Apart from the above-mentioned challenges some of the general and administrative challenges identified in the study are as follow:

S. No.	Key Concern	Solution
1.	**Underutilization of allocated funds** due to delays in digital transformation, infrastructure development, and administrative procedures. Manual data collection and limited adoption of Information & Communications Technology (ICT) tools have led to inefficiencies in data processing and dissemination. The fluctuations between BE and RE are not merely indicative of changing financial planning but are often rooted in the Labour Bureau's proactive efforts to conduct new surveys, for which substantial funds are initially proposed. However, the procedural delays in obtaining necessary administrative approvals and repeated back-and-forth movement of files between departments have hampered the timely launch of these surveys. As a result, while the intention to scale operations and introduce new data-gathering initiatives is evident in the Budget Estimates, delays in clearances have affected survey timelines, postponed data collection and publication, and ultimately resulted in unutilized funds.	Prioritize automation and digitalization by integrating ICT tools into core operations for real-time data processing and user-friendly statistics. Strengthen financial planning to improve fund absorption, especially in digitization and training. An analysis of the spending for activities under the LESS shows that the actual expenditure for planned activities under the scheme has not matched the demands projected. Spending under establishment is committed expenditure for staff and office administration which can be projected with a certain degree of confidence. The deficit in expenditure shows that while the long-continuing activities have been carried out, the work on projected activities like new surveys has lagged behind. A stronger organizational commitment to taking up these new activities or broadening the areas under the LESS and completing them within a time frame is therefore recommended.
2.	Acute manpower shortages persist across all regional offices as well as the headquarters of the Labour Bureau, significantly hindering its ability to function efficiently. This shortfall is especially pronounced at the investigator level, where data collection, validation and field supervision are most critical. The Bureau's heavy reliance on contractual workers has further complicated matters, often resulting in delays in the execution of surveys, bottlenecks in data processing, and slower disbursal of analytical reports.	This persistent gap in staff strength has become a **key structural concern**, affecting the timely generation and dissemination of vital labour market indices such as CPI-IW, CPI-AL, and WRI. To address this issue, a two-pronged solution is recommended: 1. **Expedited Recruitment of Permanent Field and Statistical Staff**: Filling sanctioned positions at both central and regional levels—particularly for investigators and statisticians—would ensure continuity, institutional memory, and a more accountable workforce. 2. **Leveraging Institutional Partnerships and Technology**:

S. No.	Key Concern	Solution
		Collaborating with national statistical training institutes, universities, or autonomous research centres can create a pool of trained manpower that can be temporarily deputed or contractually engaged. Additionally, the use of modern data collection technologies (e.g., mobile-based apps with geo-tagging and real-time monitoring) can ease the burden on limited personnel and enhance data accuracy and efficiency. By strengthening its human resources and operational flexibility, the Labour Bureau can better uphold its mandate and ensure the timely production of high-quality labour statistics that are critical for informed policymaking.
3.	**Delays in responses from State/UT governments** in submitting Administrative Labour Statistics under the 11 Labour Acts. Defective, partial, or late submissions create bottlenecks in releasing key labour reports.	Enhance coordination mechanisms, provide capacity-building initiatives for state officials, and implement digital submission systems to streamline reporting.
4.	**Gap in informal sector representation** within the existing statistical framework. Many informal workers—including gig workers, domestic workers, and short-term migrants—remain underrepresented, affecting policy effectiveness.	Expand survey coverage and develop targeted methodologies for informal sector data collection to ensure comprehensive workforce representation.
5.	**Limited stakeholder engagement and awareness** among businesses, trade unions, and workers regarding LESS data, reducing its usability and impact.	Increase outreach efforts by engaging industries and worker groups, ensuring labour statistics are widely used in policymaking and research.

Additional Recommendations: Expansion of the Indexing scope with a focus on the Informal Sector

As the pioneer institution for labour-related indexing in India, the Labour Bureau has demonstrated expertise in compiling indices such as the CPI-IW, CPI-AL, CPI-RL, and WRI. Building upon this legacy, there is an urgent need to broaden the indexing framework to include emerging and underrepresented sectors, particularly the vast and heterogeneous informal sector, which constitutes a significant portion of India's workforce.

The informal economy, which includes self-employed individuals, casual workers, gig economy participants, domestic workers, and street vendors, remains largely statistically invisible despite its critical role in employment and consumption.

The creation of a Consumer Price Index for Informal Sector Workers (CPI-ISW) or an Informal Sector Cost of Living Index (ISCLI) could provide deep insights into the economic vulnerabilities and consumption patterns of this group, enabling more targeted social protection, urban welfare planning, and minimum wage design.

In addition to informal sector indices, the Labour Bureau can explore indexing in the following areas:

- **Sector-Specific Price Indices**: For construction, handloom, domestic work, and gig services.
- **Youth Employment Index**: Tracking employment trends and wage movements among younger cohorts.
- **Urban Labour Market Index**: Capturing dynamics in growing urban and peri-urban economies.
- **Gender Wage Disparity Index**: Measuring progress in gender-inclusive labour outcomes.
- **Job Quality or Working Conditions Index**: Offering a multidimensional assessment of labour market wellbeing.
- **Work**-Life Balance Index
- **Skill and Capability Index**

To operationalize this expansion, the Labour Bureau would require the following:

- **Administrative Empowerment**: Greater autonomy and faster inter-departmental clearances are needed to pilot and launch new indices without procedural delays.
- **Strengthening of Manpower and Research Capacity**: Dedicated research teams at headquarters and regional centres should be established for conceptualizing and testing new indices.
- **Adoption of Global Best Practices**: It would be useful to draw from successful indexing models in countries like Brazil (RAIS/PNAD surveys), South Africa (QLFS), and Mexico (ENOE), the Bureau can adapt frameworks suited to India's unique informal sector structure.

- **Data Partnerships**: Collaboration with local governments, NSSO, and digital platforms to tap new data sources such as gig platforms and urban job exchanges must be strengthened.

By expanding its indexing portfolio and integrating informal sector data, the Labour Bureau can significantly enhance its strategic relevance and utility. These innovations would equip policymakers, economists, and development practitioners with high-quality, disaggregated labour statistics, paving the way for more inclusive and evidence-based labour policy in India.

Strategic Recommendations for Strengthening Labour Statistics and Indices in India

Building on its historic strength in labour indexing and the urgent need for data reflecting India's evolving workforce composition, the Labour Bureau is well-positioned to become the nodal institution for coordinating, innovating, and implementing advanced labour intelligence systems across the country.

One such transformative step is the proposed Labour Welfare and Employment Index (LWEI)—a landmark initiative aimed at ranking states and Union Territories based on employment generation, labour welfare, productivity, and social security coverage. This index has the potential to not only foster healthy inter-state competition but also mainstream labour welfare and employment as key metrics of development performance, comparable to education, health, and infrastructure.

To maximize its impact, the LWEI should be embedded in a broader framework of enterprise-based labour statistics. The Labour Bureau's increasing reliance on tools such as the All India Quarterly Establishment-based Employment Survey (AQEES) represents a strategic shift towards demand-side, sectoral, and formal economy-focused data collection. These surveys complement household-based labour force surveys by capturing:

- Vacancy dynamics, hiring trends, and workforce needs at the establishment level;
- Skill gaps and occupational demands specific to high-growth sectors;
- Intra-sectoral job quality, earnings, and social security indicators;
- Enterprise characteristics, such as size, ownership, and contractualization patterns.

Together, these features offer a granular, real-time, and verifiable portrait of employment, essential for improving the ease of doing business, designing labour reforms, and guiding investment in skilling and workforce development.

In this context, the following institutional and policy measures are recommended to support the successful rollout of LWEI and reinforce the value of enterprise-based labour intelligence:

i. Institutionalization of the Labour Welfare and Employment Index (LWEI)

- Design the LWEI with a robust framework of quantitative indicators drawn from AQEES, ASI (Labour Part), and PLFS.
- Include both outcome (employment, coverage, productivity) and process (labour inspections, grievance redressal, policy innovation) metrics.

- Incorporate adjusted weights to reflect differences in state size, sectoral composition, and informality.
- A committee of Experts may be formed to examine feasibility of undertaking new indices by Labour Bureau

ii. Scaling up and Institutionalizing Enterprise-Based Employment Surveys

- Make AQEES a statutory and continuous survey, providing quarterly estimates with a standardized core and modular sector-specific extensions.
- Include vacancy assessment modules with indicators on time-to-hire, skill mismatch, and reasons for attrition.
- Integrate ASI (Labour Part) with AQEES for synchronized annual and quarterly reporting, enabling triangulation of demand-side labour trends.

iii. Expansion of Sectoral and Structural Indices

- Develop **index modules within LWEI** or as standalone products for:
    - **Vacancy Intensity Index** (VI2): To quantify unfilled positions and workforce demand across sectors.
    - **Workplace Productivity and Job Quality Index**: To reflect changes in wages, access to social security, hours worked, and absenteeism.
    - **Digital Platform Employment Index**: To reflect emerging employment patterns constructed in collaboration with gig platforms.

iv. Interoperable Data Architecture and Strategic Collaborations

- Build real-time, interoperable digital dashboards linking AQEES, LWEI, ASI, and PLFS outputs to inform ministries, NITI Aayog, and state departments.
- Forge data-sharing partnerships with:
    - MoSPI (for enterprise listings),
    - EPFO/ESIC (for formal employment tracking),
    - State labour departments (for inspections and enforcement),
    - Digital job exchanges and skill platforms (for hiring patterns).

v. Institutional Capacity and Policy Linkage

- Strengthen Labour Bureau's technical and analytical workforce through targeted recruitment, training, and research fellowships.
- Create a Labour Data Innovation Unit to pilot new indices and explore AI-based analytics on high-frequency survey data.
- Link data outputs explicitly to wage code enforcement, minimum wage revisions, and state employment budgeting.

Conclusion

Labour Employment Statistical System (LESS)

The Labour Employment Statistical System (LESS), managed by the Labour Bureau, provides information within a comprehensive framework of labour statistics and monitoring programs. It includes key components such as the Consumer Price Index for Industrial Workers (CPI-IW), Consumer Price Indices for Agricultural and Rural Labourers (CPI-AL/RL), the Wage Rate Index (WRI), Occupational Wage Surveys (OWS), Annual Survey of Industries (ASI) data processing, labour statistics publications, and the monitoring of 11 mandatory Labour Acts.
These elements collectively offer critical data for wage setting, inflation analysis, employment planning, and labour law enforcement. They are central to formulating evidence-based labour policies and improving worker welfare in the organized sector.

Relevance and Scope for Enhancement

The LESS framework is highly relevant but can be made more impactful by expanding its coverage to include the informal sector, which employs over 80% of the workforce, and new and emerging sectors such as information technology, e-commerce, and renewable energy. Broader coverage would make the system more inclusive and better aligned with the evolving dynamics of India's labour market.

The publication strategy under LESS requires a relook. While existing publications provide valuable insights, they suffer from irregular updates and overlap in coverage with other data sources. There is a need to ensure regularity, reduce duplication, transition toward digital dissemination, and to consider phasing out outdated or low-utility publications. A streamlined, timely, and tech-enabled publication approach would greatly enhance the system's utility. A systematic survey of the institutional and individual users must be conducted to reduce overlap in publications and discontinue certain publications by including their non-overlapping components into other publications

Efficiency and Sustainability

The overall efficiency of the LESS framework is commendable in terms of its structured data collection and dissemination. However, the system continues to rely heavily on manual processes, which adversely affect publication timeliness and accuracy. Enhancing digital infrastructure and automating data workflows would significantly improve operational efficiency.

In terms of sustainability, the scheme has been consistently supported through government funding and institutional backing. Its long-term sustainability can be further ensured by modernising data systems, investing in staff capacity building, and adopting advanced technologies such as AI-based analytics. This will not only reduce operational costs over time but also make the system more adaptive to future labour market challenges.

Institutional Strengthening and Capacity Building

LESS implementation is constrained by capacity issues, especially at the regional level. Existing regional offices should be strengthened with enhanced staffing and technological support. Additionally, the establishment of zonal offices can improve coordination and supervision. Staffing requirements at the head office, particularly at the middle-management level must be reviewed and addressed to ensure efficient scheme management and execution.

Effective fund utilization is another key concern. Approval of proposed sub-schemes and activities is essential to ensure timely use of allocated resources. Strengthening institutional capacity at all levels will support smoother implementation and more consistent data collection and analysis.

Convergence and Integration

The overview in the present chapter suggests that LESS is a valuable and essential system for labour policy and planning in India. However, its full potential can only be realized through strategic enhancements—particularly its coverage, regularity of publications, institutional capacity, digital modernization, and convergence with allied schemes. These measures will ensure that LESS remains robust, relevant, and responsive to the needs of a changing workforce structure and economy.

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