Digital Public Infrastructure for Employment Matching in India

Technology-driven solutions connecting jobs and talent efficiently

Introduction and Executive Summary

Overview and Context

Current Employment Challenges

Structural friction in India's labor market persists due to information asymmetry and high search costs despite low unemployment.

Digital Public Infrastructure Proposal

Proposal to evolve employment portals into a comprehensive DPI using the India Stack model to connect workers and formal economy.

Impact on Employment Matching

DPI framework aims to reduce inefficiencies and empower job seekers and employers with technology-driven solutions.

Policy Recommendation

RozgarStack and Open Network for Employment

Unified Employment Platform

RozgarStack acts as a foundational layer enabling interoperability among various employment stakeholders.

Verified Digital Credentials

The system uses Aadhaar-seeded profiles and DigiLocker credentials to reduce trust deficit in hiring.

Scalable and Inclusive Ecosystem

Open APIs enable scalability and inclusivity while maintaining security and trust in employment matching.

Supporting Arguments

Challenges of Informal Intermediaries

Rural job seekers rely on informal intermediaries, often leading to exploitation and inefficiencies in the labor market.

Discoverability-at-Scale

DPI-led approach enables large-scale worker discoverability, matching workers and employers directly without middlemen.

Integration of e-Shram Database

Integrating 30.98 crore e-Shram registrations with private platforms via open APIs enables instant discovery of workers nationwide.

Transparent and Efficient Labor Market

Reducing intermediary dependency lowers search costs and creates a transparent, efficient labor market for all stakeholders.

Reducing Search Costs and Information Asymmetry

Verification and Trust via Digital Credentials

Challenges in Remote Hiring

SMEs hesitate to hire remotely due to difficulties in verifying candidates' skills and credentials effectively.

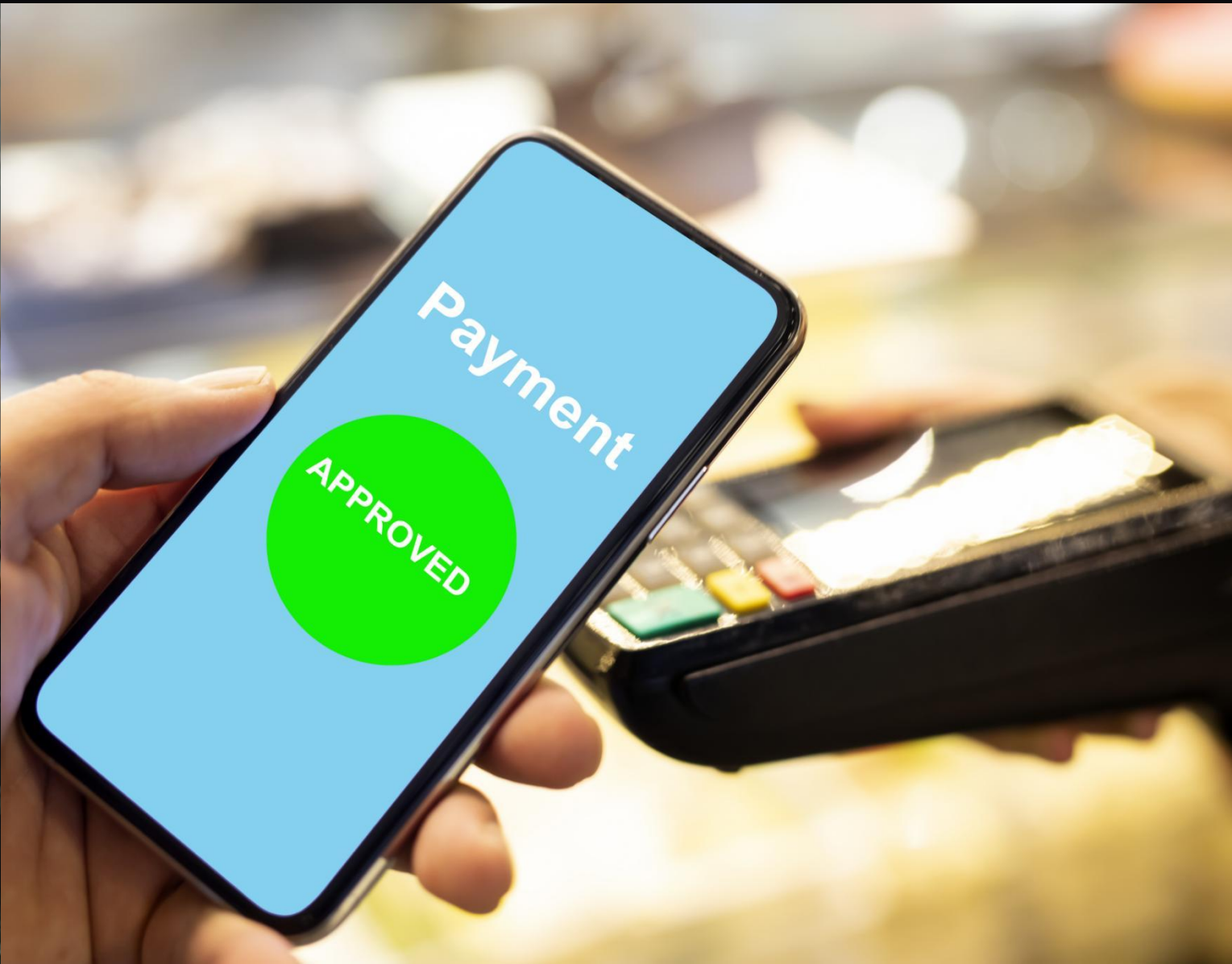### Skill India Digital Hub Solution

SIDH enables pushing of verifiable vocational certifications directly to employers' dashboards for instant access.

Fast Background Verification

Verification time is reduced from weeks to seconds, benefiting sectors with high turnover like gig work and retail.

Building Trust in Remote Hiring

Instant skill verification builds trust with employers, making remote employment more reliable and efficient.

Targeted Social Security and Formalization

Employment Linked Incentives

DPI links employment with ELI schemes to facilitate automatic incentive disbursement directly to Aadhaar-seeded bank accounts.

Proof of Employment Generation

Digital 'Proof of Employment' on RozgarStack ensures accurate employment records and supports incentive eligibility verification.

Enhanced Social Security

The system reduces leakage and promotes formalization, strengthening social security and transparency in incentive distribution.

Adoption Data

Employment Platform Adoption (e-Shram)

STATE	REGISTRATIONS	TARGET ACHIEVEMENT	PRIMARY WORKER CATEGORY
Uttar Pradesh	8.37 Cr	124%	Agriculture & Construction
Bihar	2.96 Cr	82%	Migrant Labor
West Bengal	2.64 Cr	92%	Apparel & Handloom
Maharashtra	1.73 Cr	40%	Manufacturing & Services
Madhya Pradesh	1.84 Cr	72%	Agriculture

Conclusion and Next Steps

Transition to DPI Model

Government Role Shift

The DPI model changes government from job provider to market enabler, fostering private sector innovation and protecting workers.

Open Employment Ecosystem

Creating an open and interoperable employment ecosystem boosts collaboration, transparency, and fair access for all stakeholders.

Next Steps Implementation

Key next steps include implementing RozgarStack, integrating databases, and raising awareness among employers and workers.