



## EMPLOYMENT AND ECONOMIC DEVELOPMENT IN INDIA

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### ABSTRACT

*In the usually employed ('call' workers) category, 57 percent among males and nearly 62 percent among females were self-employed. The corresponding proportion in urban India were 44 percent for males and 45 percent for females. One needs to examine to what extent institutional finance has a role to play in the lives of those self-employed. In the rural areas, 67 percent of usually employed males and 84 percent of usually employed females were engaged in the agriculture sector. In rural India, the proportion of "all" male workers engaged in the agriculture activities declined gradually from 81 percent in 1977-78 to 67 percent in 2004-05. (This may be pointing to increased migration to cities, among other causes.) For all female workers, the decline was less- from 88 percent in 1977-78 to 83 percent in 2004-05. In urban India, the tertiary sector engaged 59 percent of male workers while secondary sector accounted for 35 percent of the usually employed males. For females, the corresponding proportions were lower at 3 and 31 percent. In urban India, the 'trade, hotel and restaurant' sector engaged about 28 percent of the male workers while 'manufacturing' and 'service' sector accounted for nearly 24 and 21 percent, respectively, of the usually employed males. Quality of employment in these sectors, especially trade, hotel and restaurant is an issue of concern. In rural India, on an average, per day, a male casual labourer earned Rs. 56.53, Rs. 20.38 more than a female casual labourer who earned Rs. 36.15 In urban India, wage difference was more prominent. A male casual labourer in the urban force is employed in the "unorganized sector". i.e. sectors which don't provide with the social security and other benefits and employment in the "organized sector".*

**KEYWORDS:** *Employed Agriculture manufacturing and service sector male and female labour rural and urban India.*

### INTRODUCTION

The Indian economy has seen growth on the shoulders of a very successful services sector, which has offset slow growth in manufacturing (which could have been relied upon to generate substantial employment) and the insignificant growth rates in agriculture. Regular employment was unavailable for many workers. This was indicated by the fact that unemployment rates on the basis of current daily status were much higher than those on the basis of usual Hypoth status (unemployed on an average in the reference year.) Urban unemployment rates (current daily status) were higher than rural unemployment rates for both males and females in 1993-94. However, in 2004, a rural unemployment rate for males was higher than that of urban males. It is important to look at quality of employment in urban areas. Unemployment rates varied sharply across States. States, where wages are higher than in neighboring ones because of strong bargains or social security provisions, such as high minimum wage, had high incidence of unemployment, in general. In the rural areas for every 1000households, about 17 households reported that

at least one male member had got the work in public works, where as only 8 households reported that at least one male member had got incidence is found to be highest for the STs, followed by the SCs and OBCs. This may be considered in the implementation of schemes like the NREGS.

#### OBJECTIVE OF THE STUDY:-

- To study Economic Development and change in employment.
- To study Employment situation in various sector.
- To study change in Economic Development and employment comparatively.

#### HYPOTHESIS OF STUDY :-

- Effect of Economic development on employment is passitive.
- Share of agriculture sector in GDP is decreased due to economic development.
- Impact of Economic development on service sector and employment is passitive.

#### EMPLOYMENT SITUATION:-

- An analysis of changes in employment that took place during the quarters falling in the financial year 2009-10 (i.e., Mar, 2010 over mar, 2009), indicates that the overall employment in the eight selected sectors covered in the quarterly survey has increased by 10.66 lakh (0.16%) during this period. In IT/BPO sector the increase in the employment is maximum (6.9 Lakh) during the year 2009-10.
- The increase in employment in the selected eight sectors derived on the basis of quarterly surveys also corroborate the facts relating to overall growth of 7.2 in GDP at factor cost at constant prices and IIP indication a growth of 10.4% during the year 2009- 10.
- As regard the employment during the current quarter i.e. January to March 2010, it has increased in all the sectors except textiles including apparels and marginal decline in handloom/power loom and transport sectors. At overall level (all sectors covered) the employment has increased by 0.61 lakh in March 2010 over December 2009. In textile (Including apparels) sector, the employment has decline by 1.19 lakh during the period March, 2010 over December 2009.
- The employment in the contract category of workers has increased by 0.74 lakh and the employment of direct workers has decreased by 0.13 lakh during the period March, 2010 over Dec, 2009.
- In the exporting units the employment has increased by 1.87 lakh during the period March, 2010 over Dec, 2009. However in the non-exporting units it has declined by 1.25 lakh during the same period.

#### UNEMPLOYMENT RATE :-

At the all India level, unemployment rate was nearly 8 percent in the current daily status approach. The unemployment rate stood at nearly 4 percent in current weekly status approach and 2 percent in the usual Status approach, i.e., in usual (Adjust). In the rural areas, female unemployment rate stood at 8 percent in current daily status compared to 9 percent for males while in the urban areas, female unemployment rate in the current daily status was nearly 10 - percent which was 3 percentage point higher compared to male unemployment rate.

#### UNDEREMPLOYMENT :-

- The proposition of usually employed males who are found to be not employed during the week preceding the date of survey (current weekly status) was 4 percent in the rural and 2 percent in the urban areas. The proportion of usually employed females not employed (unemployed + not in the labour force) during the week preceding the date of survey was as high as 19 percent in the rural and 7 percent in urban areas.
- The proportion of person - days without work (unemployed + not in the labour force) of the usually employed was about 36 percent and 19 percent for females in rural and urban areas respectively as against 11 percent and percent for males in rural and urban areas respectively.

- The percentages of person - days on which persons with some work during the reference week (according to the current weekly status) were without work was about 7 for rural males, 21 percent rural females, 3 for urban males and 12 for urban females.

#### EMPLOYMENT GENERATION SCHEMES :-

Government implementing a number of employment generation schemes, such as Swaenjayanti Gram Swarojgar Yojana (SGSY), Swarn Jayanti Shahari Rojgar Yojana (SJSRY) and Prime Minister's Employment Generation Programme (PMEGP). The PMEGP has been launched in august 2008 for implantation from 2008-09 to 2012-13 with an estimated expenditure of Rs. 4735 crore to words margin money and Rs. 250/- crore to words backwards forward linkages with the target for generation of 37.37 lakh additional employment opportunities.

#### G.D.P. and employment in developing country :-

Sr. No.	Country	G.D.P. (On P.P.P.) Base 2007	Share of Agriculture, Industrial & Service sector Production (%)			Share of Agriculture, Industrial & Service sector in Employment (%)		
			3	37	60	7.4	25	66.6
1	Koriya	26.230	3	37	60	7.4	25	66.6
2	Malesiya	13.250	10	48	42	14.3	28	56.7
3	Thailand	07,500	11	45	45	41.7	20.7	37.4
4	Chin	05,600	11	47	42	47	22	31
5	Bharat	02,350	18	29	53	50.2	20.4	29.4
6	Pakistan	02,540	20	27	53	43.6	21.0	35.4

#### Economic Development and change employment: -

##### (A) (Condition of before 1990)

Sr.No.	Sector	1983 (द.लक्ष)	1993-94 (द.लक्ष)	Change in Employment 1983- 93
1	Agriculture	208.99	245.16	50.5 %
2	Industry	41.66	55.53	19.3 %
3	Service	52.11	73.76	30.2 %

##### (B) (After 1992 to 2000)

Sr.No.	Sector	1993-94 (द.लक्ष)	1999-2000 (द.लक्ष)	Change in Employment 1994-2000
1	Agriculture	245.16	239.83	23.6 %
2	Industry	255.53	66.81	50.4 %
3	Service	73.76	80.26	73.2 %

#### CONCLUSION:-

The informal workforce in India is an estimate 370 million workers, nearly 93% for the total workforce. The informal sector provides income - earning opportunity for a larger number of workers. In India, there is large magnitude of workforce getting their livelihood from the informal sector. The enactment of legislations and other measure to bring them under the regulatory and social protection instruments will adversely affect the exiting mechanism reviling in the informal sector as it would lead to market imperfection creating hurdles in the smooth functioning of the market led economy. Besides, it requires huge infrastructural and institutional arrangement involving financial implication beyond the capacity of the Government in the changing scenario all over the world. The government has to play a role of facilitator and promoter so that the workers employed in the informal sector are able to get requisite level of protection

and security to have decent work environment enabling them to express their skills fully and according to their capabilities necessary for enhancing the competitiveness of their outputs and thereby raising their income and socio-economic status.

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