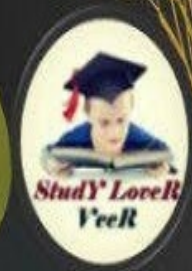
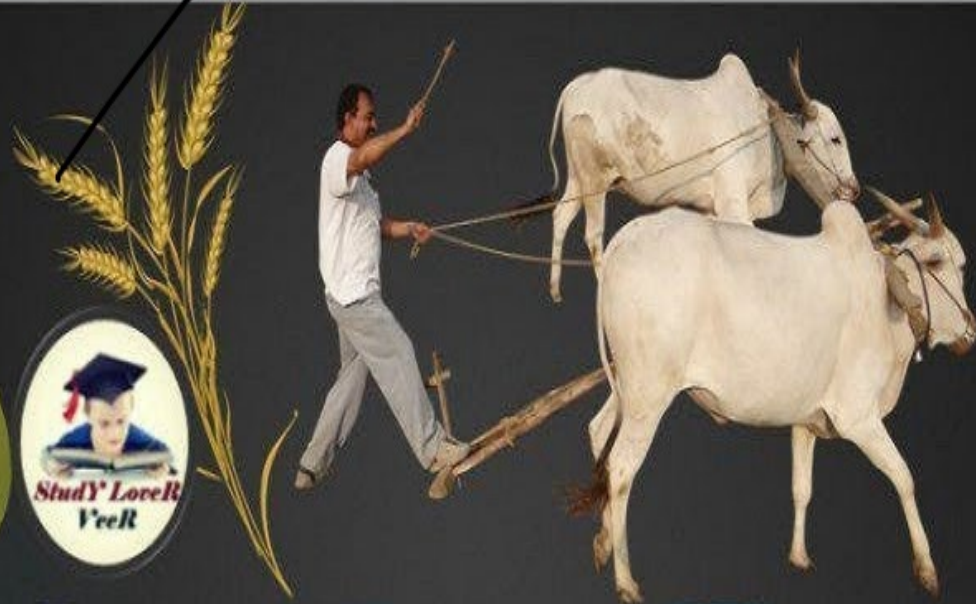
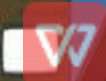
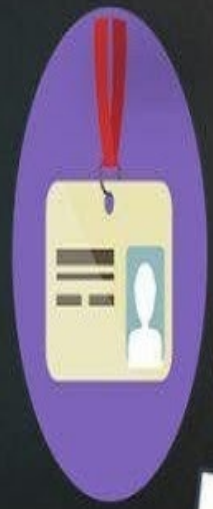


Employment : Growth, Informalisation & Other Issues



★ UNEMPLOYMENT ★




- All human activities that contribute to the Gross National Product of the country are called economic activities.
- Economic activities are rewarded in the form of money.

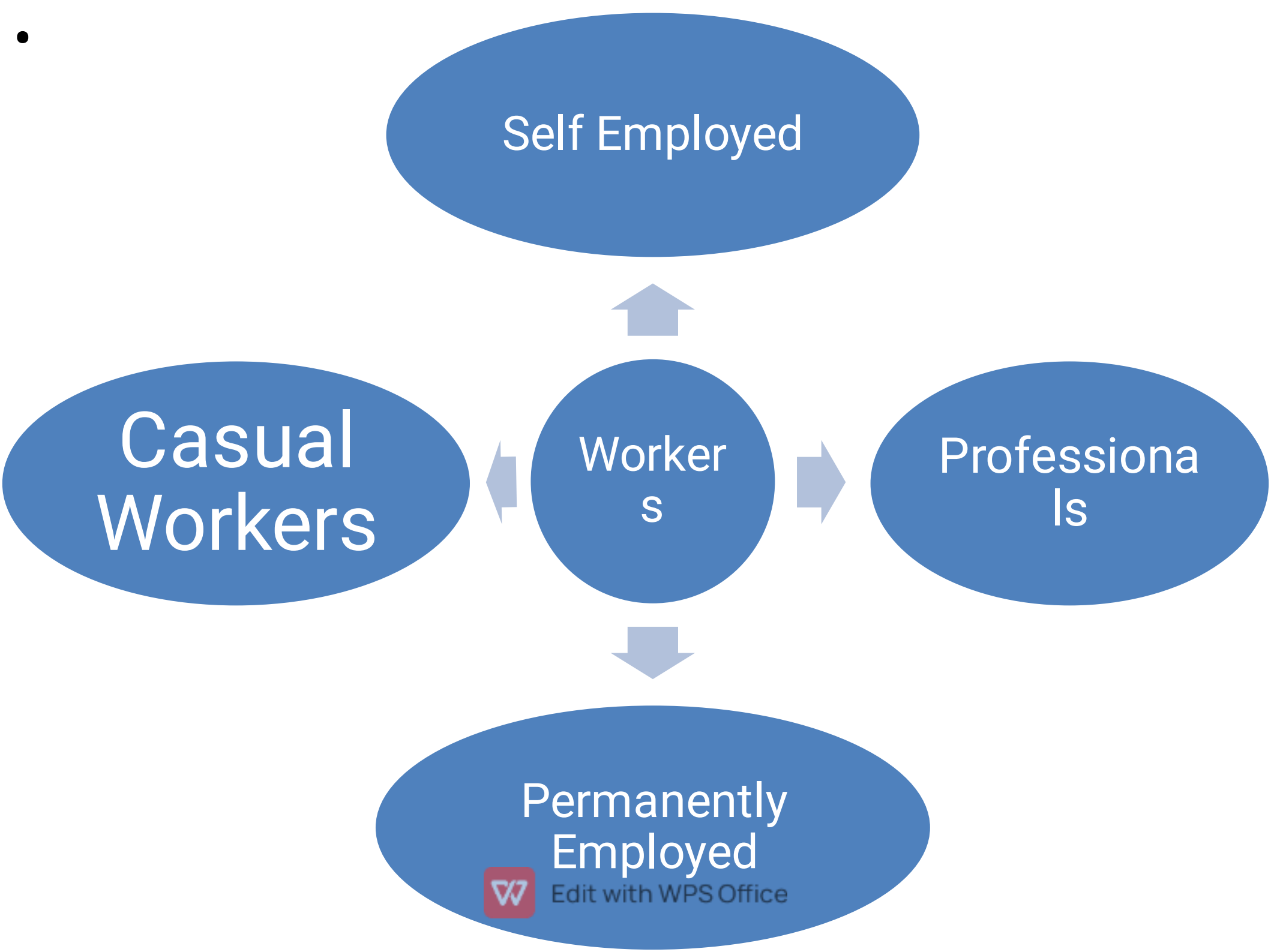


WORKER: Worker is an individual who is engaged in an economic activity in order to earn money.

Importance of Work

- 
- Helps to earn a living
 - Contributes to National Income
 - Provides Goods and Services to people.





Self Employed

Casual
Workers

Worker
s

Professiona
ls

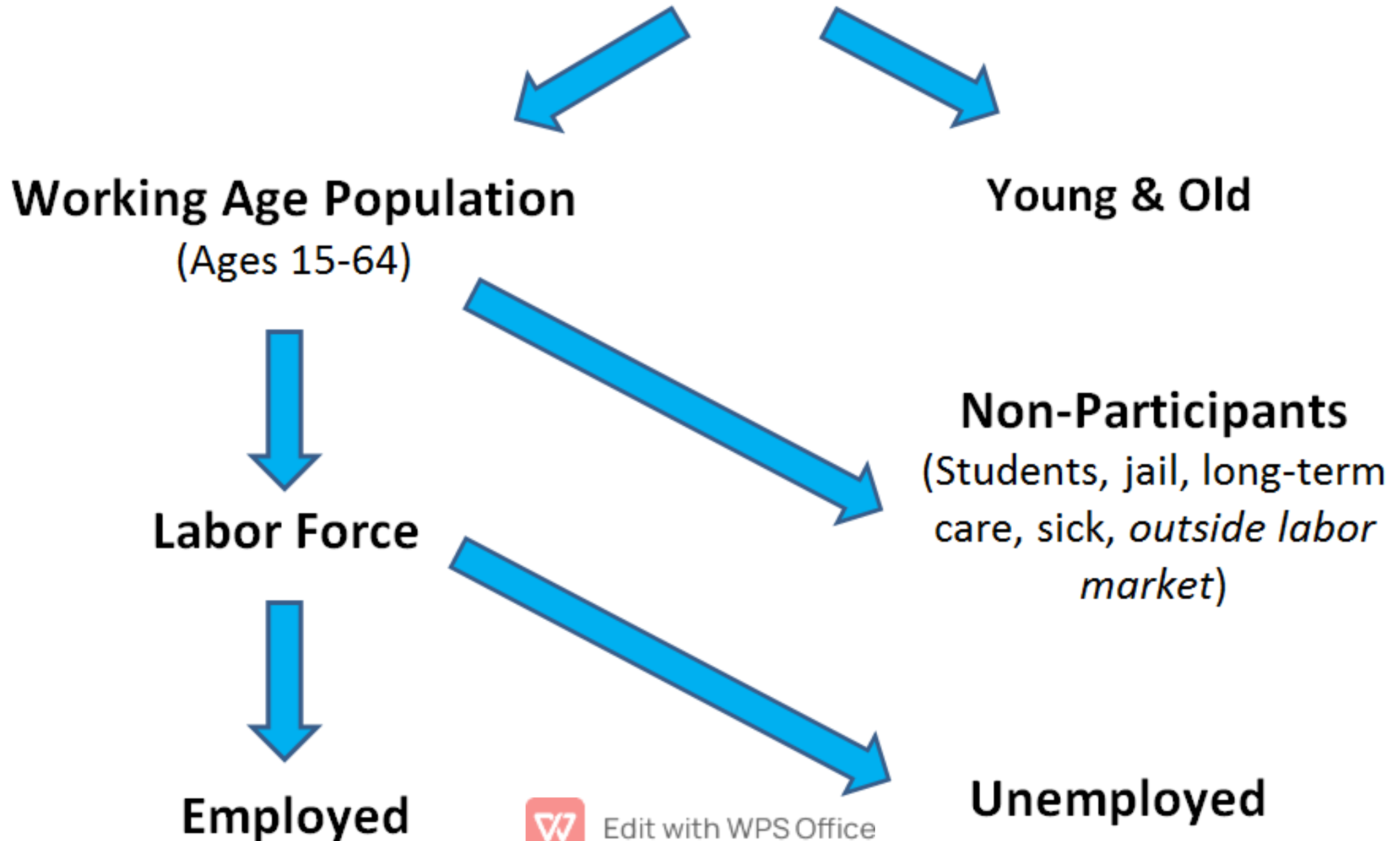
Permanently
Employed

Composition of Indian Workers

- India has 473 million workers (2011 – 12)
- Nearly three fourth (75%) of them are in rural areas
- Men constitute 70% of our work force.
- In rural areas women constitute one third of the workers.
- In urban areas women constitute one fifth of the workers.
- Women who are engaged in household activities like cooking, washing, cleaning etc. are not considered workers because these are unpaid jobs.



Total Population



Worker – Population Ratio

It is the proportion of population that is engaged in economic activities and produce GDP.

Worker Population Ratio =

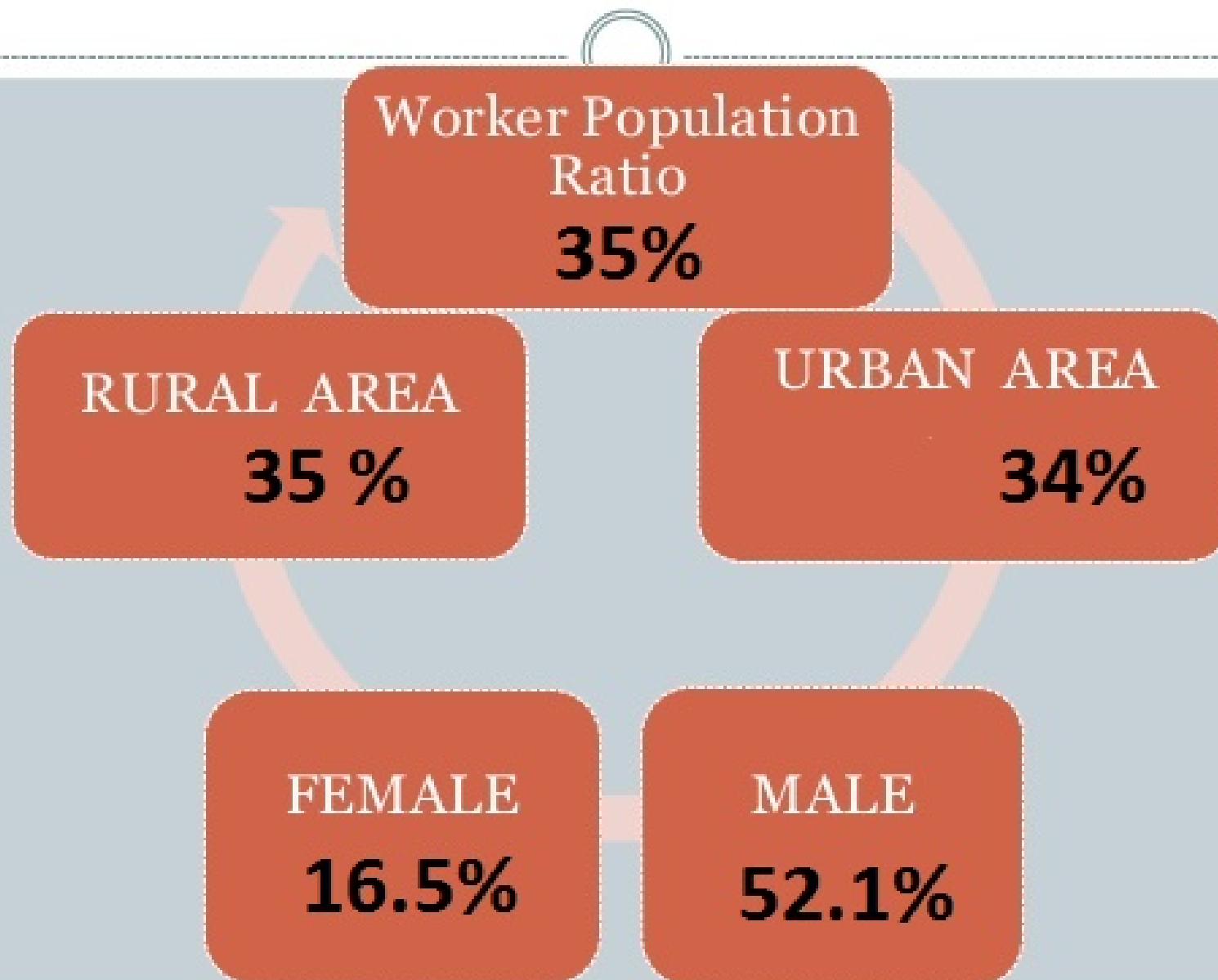
$$\frac{\text{Total Number of Workers}}{\text{Population}} \times 100$$

Worker Population Ratio in India is 35.

It is 34 in urban areas and 35 in rural areas.



WORKER POPULATION RATIO



Worker Population Ratio is High in Rural Area and Low in Urban Area.

- Income earned by the rural workers is low. So, more members of the family work to earn a living.
- Many children leave the educational institutions and join the workforce to support their families.
- Urban workers earn higher incomes. So, their children are able to complete education before joining work.



Worker- population ratio of Women is Low

- In families where men earn high income, women are discouraged from working outside.
- Women do a lot of work in houses. These works are not considered employment as they are not rewarded in the form of money.



URBAN WOMEN WORKERS

Vs

RURAL WOMEN WORKERS



WORKER POPULATION RATIO AMONG RURAL WOMEN IS HIGHER THAN THAT OF URBAN WOMEN

(I) Income of rural workers is low. So, to run the family women should also work.

(ii) Urban workers earn higher incomes. So, women are discouraged from working.

(iii) Women's education is neglected in India. Agricultural works in rural areas do not require education. So, women easily get jobs.



CATEGORIES OF WORKERS



SELF EMPLOYED



REGULAR SALARIED



CASUAL WORKERS

1. Self Employed: They own and operate their own enterprises. About 52% of workers in India are Self Employed.



2. Casual Workers They work for others to earn a living. They do not get regular work. For Example: Construction Workers. They constitute 25% of workers.



3. Regular Salaried Employees: A person who is employed by an enterprise and paid wages on a regular basis is known as regular salaried employees. For example: A Civil Engineer working for a construction company. They constitute 23% of workers.



Regular Salaried Employees are found more in Urban areas than in Rural areas

- Big Enterprises that employ workers on a regular basis are found mainly in urban areas.
- In rural areas people are mostly employed in farming. Many of them are landless. Work is not regular.



Less number of women are found in regular salaried employment

- Women are less educated
- Very less number of women gets higher education and advanced skill training.
- Regular salaried jobs require higher education and advanced skills.
- So, proportion of women in regular salaried employment is less.



CASUALISATION OF WORK FORCE



- People have been moving from regular salaried jobs and self employment to casual work. It is called casualisation of workforce. Several people have lost their jobs in IT sector recently due to recession.



INDUSTRIAL DIVISIONS IN TO WHICH ECONOMIC ACTIVITIES ARE CLASSIFIED

- AGRICULTURE
- MINING AND QUARRYING
- MANUFACTURING
- ELECTRICITY GAS AND WATER SUPPLY
- CONSTRUCTION
- TRADE
- TRANSPORT AND STORAGE
- SERVICES



WORKERS ARE GROUPED INTO THREE SECTORS

- **PRIMARY SECTOR** - AGRICULTURE
- **SECONDARY SECTOR** - MINING AND QUARRYING
MANUFACTURING
ELECTRICITY GAS AND WATER
SUPPLY
- **TERTIARY SECTOR** - TRADE, TRANSPORT, STORAGE
AND
SERVICES



OCCUPATIONAL STRUCTURE OF INDIA

- Primary Sector is the main source of employment for majority of workers of India.
- Secondary sector provides employment to about 24% of the workers.
- Tertiary sector provides employment to nearly 27% of the workers.
- In rural areas 64% of the workers are in primary sector. 20% workers are in Secondary Sector and Service Sector employs 16% of rural workers.
- Nearly 60% of the workers in urban area are in Service Sector. Secondary Sector employs 35% of the workers. Only 5% are in primary sector.
- Women workers are found mostly in rural areas.



UNEMPLOYMENT



Unemployment is a situation in which a person is able and willing to work but does not find a gainful employment.



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SOURCES OF DATA ON UNEMPLOYMENT



REPORT OF CENSUS OF INDIA



REPORT OF CENSUS OF INDIA

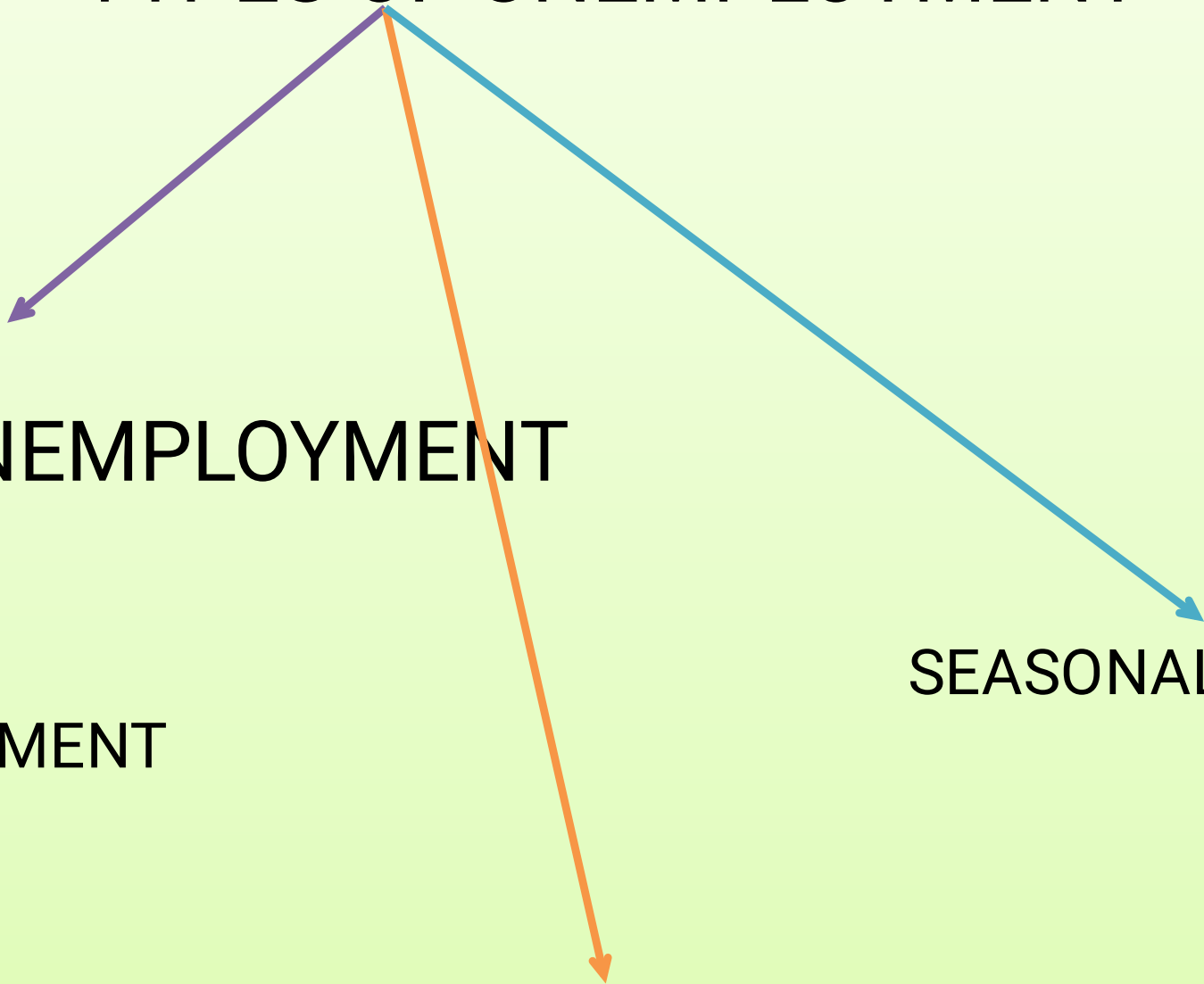


DATA FROM EMPLOYMENT

EXCHANGES



TYPES OF UNEMPLOYMENT



OPEN UNEMPLOYMENT

SEASONAL

UNEMPLOYMENT

DISGUISED UNEMPLOYMENT

CAUSES OF UNEMPLOYMENT IN INDIA

RAPID GROWTH OF POPULATION

LOW LEVEL OF CAPITAL FORMATION

SEASONAL CHARACTER OF AGRICULTURE

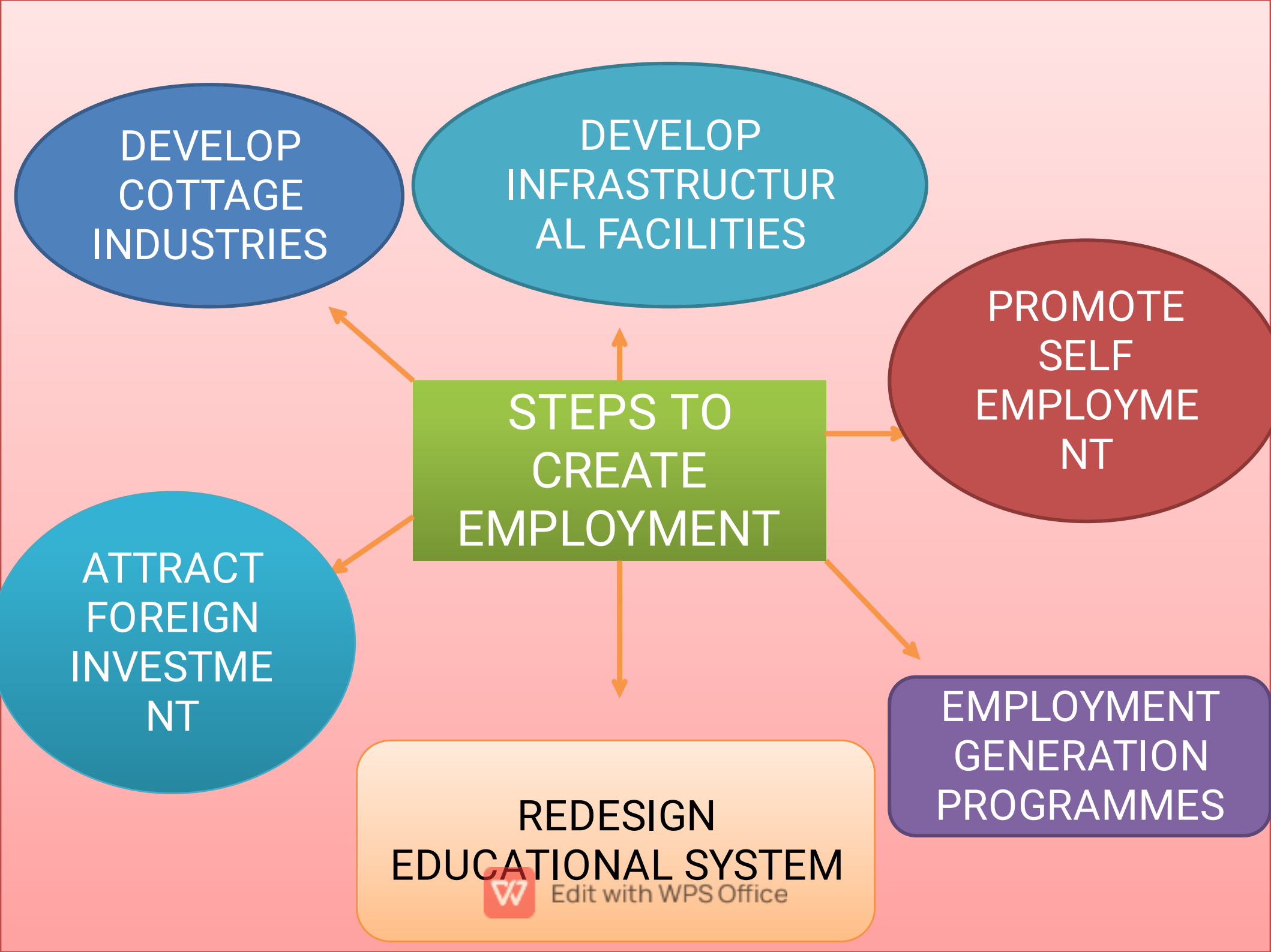
DECLINE OF COTTAGE AND VILLAGE

INDUSTRIES

UNSCIENTIFIC MAN POWER PLANNING

LACK OF ENTREPRENEURIAL SKILLS





DEVELOP
COTTAGE
INDUSTRIES

DEVELOP
INFRASTRUCTUR
AL FACILITIES

PROMOTE
SELF
EMPLOYME
NT

STEPS TO
CREATE
EMPLOYMENT

ATTRACT
FOREIGN
INVESTME
NT

REDESIGN
EDUCATIONAL SYSTEM

EMPLOYMENT
GENERATION
PROGRAMMES

WORKERS IN ORGANISED AND UNORGANISED SECTORS



UNORGANISED
SECTOR



ORGANISED SECTOR



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WORKERS IN FORMAL SECTOR(ORGANISED SECTOR)

WORKERS IN INFORMAL SECTOR(UNORGANISED SECTORS)

Formal Sector includes Public Sector Units and Private Units that employ more than 10 workers

It includes private units that employ less than 10 workers.

Workers get fair wages

Wages are generally very low.

They enjoy social security benefits like pension, provident Fund, gratuity etc

They do not enjoy any social security benefits.

They have paid leave and paid holidays

They do not have paid leave and paid holidays.

They have regular work and job security

They do not have regular work and job security.

Big farmers, workers in Public Sector Units and workers in large private units are in formal sector

Small and marginal farmers, land less workers, workers in small units and casual workers are in unorganised sector.



DISTRIBUTION OF WORKERS IN FORMAL AND INFORMAL SECTORS

- Total number of workers in India is 473 million.
- There are 30 million workers in the formal sector. It is just 6% of the total number of workers.
- Only 21% of the formal sector workers are women.
- 94% of the workers are in the informal sector.



- IT IS NECESSARY TO CREATE EMPLOYMENT OPPORTUNITIES IN FORMAL SECTOR

- Informal Sector does not follow labour laws such as Minimum Wages Act, Provident Fund Act Gratuity Act. Formal Sector follows labour laws.
- Wages are low in formal sector. Informal sector pays very low wages.
- Workers in formal sector enjoy facilities like paid leave, paid holidays, medical benefit, housing facilities etc.
- Workers in formal sector have regular work and they have regular working hours.

- Formal Sector workers enjoy job security. Informal sector workers do not enjoy job security.
- Workers in formal sector enjoy social security benefits. Informal sector workers do not enjoy such benefits.



• STEPS TAKEN TO PROTECT WORKERS IN THE INFORMAL SECTOR

- The Government has taken steps to provide social security benefits to the workers in the informal sector.
- The Government is providing support to informal units to modernise, adopt better technology and become formal units.
- In rural areas, land reform measures are undertaken to give land to landless workers.
- Minimum Wages Act is strictly implemented to enable workers to get fair wages.
- ESI facility is extended to workers.
- Provident Fund benefit is extended to informal sector workers.



THANK YOU



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