

CHANGING LABOUR MARKET IN INDIA**Garima Gupta***

ABSTRACT

A prominent change is evident in the labour market of India post liberalisation, privatisation and globalisation. The ever increasing population has caused paucity of jobs in government sector and alluring high packages being offered in multi-national corporations has grabbed attention of general public towards them. Also, surge of institutes providing professional certificates has widened the job prospects in different genres.

51 per cent of the India's total workforce is self-employed owing to delisting of various public-sector industries, opening doors for privatisation. Repercussion of globalisation can be seen in the form of sprawling Multinational corporations having huge hierarchy i.e. jobs at more levels. Also, segregation of ownership from management has generated more managerial positions and separate departments have been created for managing the vast of operations of these giant enterprises.

Rampant population, limitation of vacancies and lack of education has compelled people to opt for self-employment, making 51% of the working population as self- employed. India, being pre-dominantly an agricultural country, nearly 63 per cent of the male workers in rural areas are engaged in agriculture. The percentage engaged in secondary and tertiary sectors stood at 19 per cent and 18 per cent, respectively.

Thus, aggregate labour market outcome depend on the actions of innumerable individual workers and firms, as well as their mutual interactions

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*Assistant Professor, Department of management, Institute of Management Studies, Bulandshahr Road, Lal Quan, Ghaziabad

INTRODUCTION:

India's labour market is under a vigorous turmoil over the past few years. The upside is with uncertainty comes opportunity. If you're nimble, surprises become opportunities. The inexorable march of market forces and their interplay with the structural and political dynamics of the country could end up drawing many unemployed persons into the job market.

Integration of world economies post liberalisation and globalisation has accelerated the element of competition in Indian market causing to change in its labour market. Industrial production based occupations have been replaced by knowledge and information based occupations. This metamorphosis has escalated the requirement of skilled labour and highly educated employees in the economy.

Rampant establishment of various professional courses and growing enrolments in higher studies has manifested the demand of highly educated and skilled work force in Indian economy. A consensus is now being emerging that though the quality and size of your credentials are vital, the virtue of dynamic and innovative traits of your personality stands you apart from the crowd. In business, professionals with international experience or knowledge especially in finance or law will be hot as the emphasis on global trade and business grows.

Opportunities abound as we become an information-rich society. With a growing number of video cameras, radio-frequency identification chips (RFID) and sensors gushing data, hot jobs will spring up, creating a demand for people who can cope and build new ways to comprehend it.

Although the threshold of Multinational corporations in India has opened great avenues of employment in Information Technology Sector, still the percentage of self-employed people occupies the major portion of the total employed population of the country. As per the survey of the National Sample Survey Office (NSSO) in 2011, 51 per cent of the India's total workforce are self-employed, only around 15.6 per cent are 'regular wage/salaried' employees and 33.5 per cent are casual labours. A negative growth in government sector is manifested due to sprawling private sectors.¹ According to the Chairman of Indian conglomerate Godrej Group, Adi Godrej, while there is a slowdown in the economy, the perception of it has grown worse than the reality. For the current fiscal year, Godrej believes that the government, the central bank and industry leaders have to focus on growth oriented measures.

¹ TNN | Apr 23, 2012, 07.06PM IST

Passage of time has made no difference in the plight of working women. Discrimination still prevails in the wages of men and women for doing similar jobs, as per the data of a government survey.

India being densely populated has always been the centre of attraction for many labour-intensive techniques based companies. Although “Hindi” is the national language, there is fad of spoken English all over the country. Consequently, India has become the hub of BPO (Business Process Outsourcing) companies.

The purpose of this empirical research is to have an overview on the changes taken place in labour market of India in the changing scenario. This paper analyses the changing labour market of India in the present scenario of globalisation and privatisation.

HISTORY OF INDIAN LABOUR MARKET

Employment Pattern:

In early 1980s, our economy was predominated by import substitution, pervasive public sector and extensive government control over private sector activity. Apparently, there was limitation of jobs in private sector. So, majority of population was either based on agriculture or other unorganised sectors. As per Census 2001, 61.6 percent of all workers were engaged in agriculture, 17.2 percent in industry and 21.12 percent in services sectors. Census 2001 had recorded 402 million workers. This comprised of 313 million main workers and 89 million marginal workers and 626 million non-workers. The workers included 127million cultivators and 106 million agricultural labourers. In the decade of 1991-2001, there was decrease in the number of main workers in agriculture while a significant increase in the number of marginal workers was seen. As economic growth resulted in availability of various job opportunities causing marginalization of workforce in agriculture, agriculture sector did not grow at the same pace. The non-agricultural sectors (except mining and quarrying) saw growth in absolute as well as percentage terms and in both the main and marginal workers. This manifests a shift in occupational pattern from agriculture to other sectors in the country, but the shift was not significant.

India has followed a non-traditional pattern of development. This is evident from two facts.

1. In recent years, growth in services has preceded growth in manufacturing and more focus is on skill intensive rather than labour-intensive manufacturing within manufacturing sector.

2. Share of service sector in employment has grown much slower than its share in GDP which accounted for over 57 percent of GDP now contribute only about 28 percent of the employment.

EDUCATION AND SKILL PROFILE OF WORKFORCE:

The educational and skill profile of Indian workforce was very poor and primarily responsible for its low productivity. Though enrolments in academic institutions are significant, the percentage of people having marketable skills is woefully low (more than 90 percent in primary classes, around 60 percent in middle classes, more than 30 percent in higher secondary and above 10 percent in higher education). As per National Sample Survey on employment and unemployment (1993-94), only 10.1 percent of male workers and 6.3 percent of female workers possessed specific marketable skills. The percentages were marginally higher in urban areas. The levels of vocational skills of labour force in India significantly low in comparison to other poor countries. Only 5 percent of the Indian labour force in the age group 20-24 had vocational training compared to 96 percent in Korea and varying between 60-80 percent in other industrial countries.

Between 1993/94 to 1999/2000, rate of employment growth had declined from 2.1 percent to 1.6 percent per annum and is below the growth of labour supply which was around 2 percent per annum. During the 1990s, there was a shift from low productivity sectors to middle productivity sectors such as financial and business services category. After 2000, there was a surge in employment in IT and IT enabled services sectors. It is seen that overall share of manufacturing in employment has not changed over the past two decades. Rigid labour laws and generous depreciation rate of 25 percent provided by the government for investment in machinery and equipment for tax purposes encouraged firms to use capital intensive techniques instead of labour intensive techniques. As per ²NSSO 56th round and the Annual Survey of Industries, while in the year 2000-01 the gross value added by the organized sector is 75.24 percent, it employed only 13.85 percent of the workforce. There was a marked growth in services sector, primarily in the IT and IT enabled services, creating jobs requiring high skills and high productivity level. Jobs were also created in trade and hotel industry but were marked with low productivity. The Directorate General of Employment and Training (DGET) collects data on employment in the public sector or in non agricultural

1. ² National Sample Survey Office (NSSO), Jun 24, 2011 at 1912 hrs IST.

establishments employing more than 10 workers as organized sector employment. According to these estimates formal sector constitutes merely 7 percent of the total workforce. As per other estimates, the figure somewhere lies between 11 and 14 percent. As per DGET data, employment in organized sector remained stagnant since 1990. There had been a fall in public sector employment since 2000.

According to NSS data of 2001 from the Employment-Unemployment Survey which represents the country's organized and unorganized sectors, a decline was observed in the crude worker-population ratio for men and women in rural and urban areas and in all of the age groups ranging from 5-59 years. In absolute terms, there was a decline in the number of rural women workers in rural areas declined but this was offset by a rise in the number of urban women workers. Rise in school enrolment at the primary and higher levels caused to decline in number of working children.

Some changes in the structure of the economy were also observed such as decline in the share of the population engaged in agriculture and a small rise in the share engaged in manufacturing, the more substantial increases being in trade, hotels and restaurants; construction; and transport, communications and storage.

LABOUR MARKET: STRUCTURE AND TRENDS

The Indian labour market is of dynamic nature. Liberalization and globalization has created a stir in the labour market especially for the educated people of India. So, we will study the employment pattern of the country in context of the shift taking place between the economic sectors and formal and informal sector of economy followed by the analysis of education and skill profile of the workforce and labour market trends.

EMPLOYMENT PATTERN:

Majority of workforce is engaged in agriculture and allied activities marked with low productivity levels. Indian agricultural sector attributes to low productivity levels and low wage rates, even in the non-agricultural activities. About ninety percent of the workforce is engaged in poor working environment of informal sector. Despite of numerous changes in economic structure over the years, the employment pattern has been resistant to change.

1980s was the employers' market. There was little job-hopping; engineers, doctors and civil services were most coveted. As in 1991 country was liberalized, there was surge of multinational corporations. This expanded the job opportunities. MBA became a dream degree for middle-class people.

Between 1995 and 2000, India saw a boom in the services sector. As a result, manufacturing sector shed jobs and the multinational corporations continued to hire in chunks. But with the threshold of 21st century, manufacturing sector rebounded; exports are escalating and the services sector continued to boom.³ A report of a leading newspaper published a report regarding top five and worst jobs of 2012. This report figure out a reporter's job among the ten worst professions, alongside the likes of butchers, waiters and dishwashers, as per a new study by the US-based consultancy Career Cast, which has named a software engineer's occupation as the best for the year 2012.

The annual study has ranked a total of 200 jobs from best to worst on the basis of five core criteria such as physical demands, work environment, income, stress and hiring outlook. This outcome is based on data Labour Statistics and other government agencies. The job of a software engineer has topped the list in the best jobs category, followed by actuary, human resources manager, dental hygienist and financial planner. Software engineers earn a median income of more than \$ 88,000 with few physical demands and minimal stress, it noted. The report further said that those in the top categories earn between \$68,000 to \$104,000 annually (Rs 30-50 lakh a year). Among the ten worst jobs, the study has named a newspaper reporter's occupation at the fifth position, after that of a lumberjack, dairy farmer, enlisted military soldier and oil rig worker. Others in the ten worst jobs for 2012 include waiter/waitress, meter reader, dishwasher, butcher and broadcaster. "As the digital world continues to take over and provide on-demand information, the need for print newspapers and daily newscasts is diminishing. To be sure, both jobs once seemed glamorous, but on-the-job stress, declining job opportunities and income levels are what landed them on our worst Jobs list," the report noted. The study has also listed out ten most stressful jobs and none of these occupations figure in the list of ten best jobs. Career Cast has ranked enlisted soldier, fire fighter, airline pilot, military general, police officer, event coordinator, public relations executive, senior corporate executive, photo-journalist and taxi driver among the most stressful jobs.

Globalization has led to India's emergence as one of the most important job markets in the world in 2010. Many of the world's leading companies have sought to reduce costs in the wake of the global recession, with the result that India is in the rare position of reducing unemployment in spite of the economic downturn. The top jobs in India illustrate its blossoming modernity.

³ Times of India, 12 April, 2012, 15:56 IST

IT -The most popular job sector in India is still IT, although job numbers have dwindled, owing to the global financial crisis. Typically, these jobs are well paid and offer a better lifestyle to young Indians. More jobs are set to be created by BPO (business process outsourcing) in India, and the salaries are nearly double the average wage in the country.

Aviation-The number of jobs in aviation has risen this year in India, including those of pilot and airline cabin crew. Air India is the domestic airline of India and employs 30,000 people as well as boasting a 136-strong fleet of aircraft.

Hotel/Hospitality- The hospitality sector goes from strength to strength in India, with increasing numbers of tourists on a wide range of budgets sampling India's broad cultural landscapes. The Commonwealth Games is also coming to Delhi in October 2010 and will bring an influx of thousands of athletes and tourists to the nation's hotels and restaurants.

Retail- Retail is one of India's biggest emerging job markets, with an estimated 2 million positions filled in 2010. ASSOCHAM Business Barometer (ABB) estimates a turnover of \$21.5 billion for the industry, lining the pockets of India's working population.

Healthcare- Ninety percent of India's population is without health insurance, meaning that jobs in health insurance are particularly on the rise, and India outsources many doctors and nurses to the rest of the world. The Indian healthcare industry was estimated at being worth \$35 billion in 2007, leaving the door open for millions of Indian people to make money in the field.

Social Network Marketing- Social media marketing is an emerging job market in India and is even used by websites like Socialmoto to put recruiters directly in contact with job seekers. Social media marketing is a popular method used by large businesses to reach potential customers on a one-to-one basis. Because of this, demands for SEO professionals, SEM experts, PPC campaigners, internet marketers and bloggers are on the rise. India is also in the enviable position of being an English-speaking country working with an Internet that is largely written in the English language.

Environmental- Many governments suffering because of the recession are beginning to take green matters very seriously, as green jobs represent a growth market. The global industry value is set to rise to \$2.74 trillion before 2020, twice its current size.

Real Estate- A growing population will always have a great need for manpower in the property sector, and with India set to hit the 1.5 billion population mark, lucrative opportunities await potential employees in real estate.

Research- With India modernizing in line with the western world, jobs in technological research are hot for would-be workers. Growth in this industry is predicted to be 14 percent

over the next year. India is set to become an industry leader in scientific/mathematical research.

POPULATION PROJECTIONS FOR THE PERIOD 2001-2026:

Youth account for one fifth of the world's population and according to the population projections of Planning Commission of India, they contribute to 22.8% of the Indian population. Majority of these young people constitute student population acquiring higher education who may contribute to future workforce of the country. These young people, across the globe, especially in developing countries where the population density and growth is also highest, face unprecedented challenges in their capacity to access public resources and family resources, stemmed from waves of cultural and economic globalisation. Educational qualification levels of the people in the age group 15 to 29 are also expected to improve significantly in the next decade.

Population projections regarding age and sex for the period 2001-2026 made by the made by the Expert Committee of the National Population Commission. Certain features of the developments in population scenario that have implications for the location of incremental employment and for the magnitude of new entrants to labour force are summarized in **Tables 1 and 2**. Rural to urban migration during the 11th Plan period is projected at 19.2 million, and at 18.2 million during the next 5 year period. Urban share of the increase in population during the 11th Plan period will be 46 percent, as compared to the base year (2007) share at 29 per cent. The increase in population during the next 5 year period (2012 – 2017) will be nearly equal in the urban and the rural areas.

Since participation in the labour force by persons differs with age, and also differs between the male and the female persons, the projections of population have been made by quinquennial age group, and by gender. Youth population (15-29) will increase by 26.3 million during the 11th Plan but this increase drops to 9.6 million during the next 10 year period. **(Refer Table 2)**

The Sub Group has also projected the labour force by level of education on the basis of changes projected in educational attainments of the population, but assuming that the ⁴LFPR for a specific level of education in a specific age, gender and area (rural-urban) as observed in the survey for the year 2004-05 (61st Round) will remain fixed, and that the changes in LFPR at various age levels will be entirely due to the changes in composition of population in terms level of education. On this basis LFPR's have been projected. For the years 2017 and 2022,

⁴ Labour Force Participation Rate

no attempt was made to estimate the educational composition of the population. Age-specific LFPRs combined for all educational categories were calculated for males and females in rural and urban areas for the years 2007 and 2012. The implied change in the LFPR of each age group during 2007-12 (because of the change in educational composition) is assumed to hold true for the period 2012-17 and 2017-22. The projections of Labour Force for the period 2007 to 2022 were made based on the LFPRs estimated and projected as above, and using the population projections. Labour force is projected to increase by 49.24 million during the Eleventh Plan, comprising 19.68 million in the urban areas, and 29.56 million in the rural areas. (Refer Table 3)

⁵Imperatives for employment projections from developments in Labour Force:

In the period 2012 to 2022 the number of new entrants to labour force who will seek work either in the rural areas, or spill over as first generation migrants to urban areas from the rural areas will be very high, for the reasons cited at Table 3. And the quality of work for them should be such as can afford them the basic civic amenities, if the slum workers population in the urban areas is to be checked. Illegal migrants will also compete with them, and drive them out of work in urban high income islands, by accepting minimal / basic survival wages. There is very little to offer on these fronts, in concrete terms, as yet, in terms of:

- (i) Our urban infrastructure planning, or
- (ii) In terms of providing a minimal quality of employment to rural work force, or in terms of facilitating the placement of new entrants into formal jobs.

So, there is an urgent need to open up new locations, clusters, rural or in new towns to absorb the new entrants to labour force in the perspective period.

Government has also projected employment opportunities in its 10th and 11th five years plans stating an addition of 52 million to labour force in the Plan period and had called for the creation of 70 million employment opportunities. It has been revised to 45 million increase in labour force during the Eleventh Plan period. The employment prospects in the Eleventh Plan period have also been revised and the results are presented in **Tables 4(A) and (B)** with

⁵ Report of the Working Group on Labour Force & Employment Projections constituted for the Eleventh Five Year Plan (2007 – 2012), Planning Commission (Labour, Employment & Manpower Division), Government of India, (September 2008)

projections of labour force and employment over a longer period, 2006–07 to 2016– 17, encompassing both the Eleventh and the Twelfth Plans.

Population growth is expected to decelerate through this period with a corresponding deceleration in labour force growth to 1.6% per year. Although the labour force growth is projected to decelerate, the absolute increase in the labour force is very large. In fact, India's demographic profile is such that the expansion in the labour force in India will be larger than in the industrialized countries, and even China. **(Refer Table 4)**

According to the survey of ⁶**National Informatics Centre (NIC)**, participation of labour force (both men and women) has decreased in the age group of 15- 19 years. Male labour force has increased from 517 in 1997 to 412 in 2012 and female labour force from 302 in 1997 to 241 in 2012 as shown in **Table 5**. This indeed is a positive cue towards rampant awareness among the population against child labour. **Table 6** exhibits the increase in percentage of working force from 42% to 47% in the period of 1997 to 2012.

EMPLOYMENT SCENARIO IN VARIOUS SECTORS:

Although India had also been the target of recession in the global market, the situation is improving gradually. Of course the economic crisis has affected the job market, but the growth has been positive as per the survey for last few months. Companies are recruiting students and experienced candidates as well.

Indian Job Layout:

Apparently, the growth prospect of every sector is not the same. This varies from place to place. As far as the Indian Job Layout is concerned IT, Healthcare and the BPO sectors are showing an excellent growth. IT companies are enormously going for both on campus and off campus recruitments. Even for Healthcare and BPO many new scopes of employment are opening up gradually. However the IT and the BPO sectors contribute to almost 50% of employment growth in India. Some of the major IT companies are HCL Technologies, TCS, Cognizant, IBM, Accenture, Siemens, Wipro and many more.

Although the employment opportunities are soaring, the pay packages are not much satisfactory in the current Indian job scenario. The companies are planning to overcome this situation by lessening the salary for the freshers. Skill and experience would rather be preferred now. IT sectors in metros like Mumbai, Delhi, Bangalore, Chennai and Hyderabad are expected to show a huge growth.

⁶ www.nic.in

BEST CAREER DEALS IN INDIA:

Job scenario in India is booming now; students have started getting placements in college campuses as well as applying online in Naukri.com, Monster, Times jobs and many other job portals. They are being offered good salary packages. Somehow to fit in the current job scenario in India, it is essential to understand and analyse the prospect of the respective fields the students are going for. Some of the best career deals in the Indian Job scenario 2012 are as:

MBA (Masters in Business Administration): One of the most well paid careers is offered by the B-Schools now. The basic eligibility for this course is graduation in any discipline followed by a high score in CAT (Common Entrance Test). This will surely let you take admission in an “A” grade B-School providing you a job with an annual package of at least Rs. 7 to 8 lakhs even being a fresher.

Airline Industry Jobs: Previously Indian Airlines was the only company to recruit pilots and engineers but in the present job market numerous private airlines companies have cropped up like Kingfisher, Spicejet, Indigo, Air Asia, Go Air, Jet Airways and so many to mention. Hence a lot of scope lies here for the flight engineers and pilots who earn a typical package of Rs. 400,00,000 to Rs. 95,00,000.

Software Engineer: IT sector is also one of the fundamental sectors in the Indian job market which contributes to a rewarding as well as a promising career. High end and experience required positions like CEO, Senior Software Development Managers are offered awesome annual packages ranging from Rs. 12,00,000 to 20,00,000. Even the Programmers and the Software Engineers earn a good package of at least Rs. 8,00,000 to 85,00,000.

⁷Annual campus recruitment programs in the IITs – the premier educational institute of India got a big bump when Facebook offered one of its students a Rs 70 Lakh job offer. The student in question, who gives his name as DKS — he is to graduate from the school of computer science and engineering at IIT-Kharagpur in 2011 has received a “join-us” post from the website.

Similarly, Facebook selected 21-year-old Ankur Dahiya, a student of computer science engineering. Dahiya's annual salary package is around Rs. 65 lakh.

⁷ Hindustan Times, New Delhi, December 05, 2011.

⁸Facebook has also recruited the four students of IIT-Kharagpur, Radhika Mittal, Arun Dobriyal, Ashish Kumar Yadav and Vighnesh Vadhani at an annual salary package of Rs. 77 lakh each — the highest offered by the company to IIT students so far this year.

Chartered Accountant: Fad for Chartered Accountants is definitely one of the splendid option grabbing the lime light. Most of the private banks and big corporate houses require CAs. Moreover a job of a CA is not only limited to the private sector but also has a huge scope in the government sector as well, that also with a high annual package ranging from Rs. 3, 50,000 to 4, 50, 000

SURVEYS ON WORKING POPULATION:

Economic Survey 2011-2012:

Most of the working Indians have no job security and are casual workers or self-employed, with no regular salaries.

The Economic Survey 2011-2012 presented in Parliament by Finance Minister Pranab Mukherjee on 15th March, 2012 paints a mixed picture on future employment potential of Indian markets. It says the upward trend in employment that began in 2009 has continued since then. However, the survey warns against declining rates of job growth in the organised sector.

⁹In 2010, more than half of the workforce (51 per cent) was self-employed and around one-third (33.5 per cent) was casual, leaving just 15.6 per cent with regular wage employment and salaried jobs. Of all the jobs in the organised sector, women held just 20.4 per cent. Though Labour Bureau Surveys, being conducted since 2008 to assess the impact of global economic meltdown on jobs, posted an increase of 9.11 lakh jobs between September 2010 and 2011 with the IT/ BPO sector contributing 7.96 lakh jobs, employment in the organised sector grew at a slower pace than earlier.

Employment in the organised sector (private and public) grew by just 1.9 per cent in 2010 as against 2.3 per cent in 2009. The annual growth rate for the private sector was much higher at 4.5 per cent than for the public sector (0.4 per cent). On March 31, 2010, the public sector had 178.62 lakh persons employed as against 108.46 lakh in the private sector. A positive takeaway from the survey was an overall increase in employment between September 2010

⁸ Hindustan Times, Kolkata, December 07, 2011

⁹ ECONOMIC SURVEY, Tribune News Service, March 15, New Delhi.

and 2011 - a period that saw an addition of 9.11 lakh jobs. According to the survey, "An upward trend in employment has been continuously observed since July 2009. Between July and September 2011, employment increased in all sectors, except leather and transport. Overall employment increased by 3.15 lakhs". As many as 2.04 lakh jobs were contributed by the IT/BPO sector.

During the same quarter, jobs in export-oriented units increased by 1.96 lakh as against 1.16 lakh in non-exporting units. The overall estimated employment in all sectors surveyed saw a net addition of 23.58 lakh jobs between October 2008 (first survey) and September 2011 (12th survey).

The survey also warns of challenges. Whereas 11th Plan had aimed at generating 58 million work opportunities between 2007 and 2012, NSSO reported an increase of 18 million work opportunities between 2005 and 2010. The country will see 63.5 million new entrants in the working age group between 2011 and 2016.

¹⁰NSSO Survey: 66th Round

More than half of the India's overall workforce is self-employed, but female employees receive less remuneration than their male counterparts for doing similar jobs, as per the data of a government survey released on 24th June, 2011.

While 51 per cent of the India's total workforce are self-employed, only around 15.6 per cent are 'regular wage/salaried' employees and 33.5 per cent are casual labours.

Among workers in rural areas, about 54.2 are self-employed, while only 41.4 per cent of the workforce in urban areas is self-employed.

While only 7.3 per cent of workers in rural areas are regular wage earners, 41.4 per cent of workers in cities are getting regular salaries.

The findings of the NSSO also reveal that women workers, both in rural and urban areas, continue to receive less remuneration than their male counterparts.

In urban areas, the average wage is Rs 365 per day and it is Rs 232 in rural areas.

NSSO survey found that the average earning per day received by male workers is Rs 249 but it is only Rs 156 in case of female workers, indicating the female-male wage ratio at 0.63.

Similarly, in urban areas males earn Rs 377 as against Rs 309 by woman, indicating a ratio of 0.82.

1. The indicators are based on a central sample of 1,00,957 households of which 59,129 were from the rural areas and 41,828 from urban areas.

¹⁰ National Sample Survey Office

The samples, collected from July 2009 - June 2010, were drawn from 7,402 villages and 5,252 urban blocks across the country, as per the statement of Ministry of Statistics and Programme Implementation.

The survey found that the per day wage rates for a casual labourer in works other than public works in rural areas is Rs 93 and in urban areas, the comparative rate is Rs 122.

In rural areas, male casual labourers engaged in such activities receive an average of Rs 102 per day. However, for a female labourer the rate is only Rs 69. On the other hand, in urban areas the wage rates for casual labourers engaged in work other than public works is Rs 132 for males and Rs 77 for females.

The difference between the wages for males and females is visible even in projects under the ¹¹MGNREGA. In rural areas, daily wage rates for casual labourers in MGNREG public works is Rs 91 for males and Rs 87 for females.

In public works other than MGNREG, the wages are Rs 98 for males and Rs 86 for females.

The NSS key indicators say that in rural areas nearly 63 per cent of the male workers are engaged in agriculture. The percentage engaged in secondary and tertiary sectors stood at 19 per cent and 18 per cent, respectively.

The agriculture sector is more dependent on female workers. Nearly 79 per cent of the female workforce is engaged in agriculture while secondary and tertiary sectors shared 13 per cent and 8 per cent of female workers, respectively.

The survey also found that the industry-wise distribution of workers in the urban areas was distinctly different from that of rural areas.

In urban areas the share of the tertiary sector is more, followed by that of secondary sector while agricultural sector engaged only a small proportion of total workers for both male and females.

¹²In urban areas, nearly 59 per cent of male workers and 53 per cent of the female workers are engaged in the tertiary sector.

¹¹ Mahatma Gandhi National Rural Employment Guarantee Act.

¹² Jun 24, 2011 at 1912 hrs IST Labour force, 487.6 million (2011 est.), CIA World Factbook issued on 9th January, 2012

The secondary sector employs nearly 35 per cent of the male and 33 per cent of female workers, while the share of urban workforce in agriculture is nearly 6 per cent of male and 14 per cent for female workers.

The Ministry of Statistics and Programme Implementation said the key indicators have been released, before the full survey is made public, for use in planning, policy formulation, decision support and as input for further statistical exercises by the government and its agencies.

The NSSO 66th round covered the whole country except interior villages in Nagaland situated beyond five kilometres of a bus route, villages in Andaman and Nicobar Islands which remain inaccessible throughout the year and the Leh, Kargil and Poonch districts of Jammu and Kashmir.

CONCLUSION:

Change in labour market of India has been tracked in this paper, especially post liberalisation and globalisation. On one side, surge of multinational corporations has broadened the employment opportunities for Indian people and on the other side it is giving stiff competition to our indigenous industries which job and threatening their existence. ¹³Since 51% of Indian population is self employed, it is becoming arduous for them to survive in the market. However, they have opened numerous avenues of employment per se, IT sector, Hotel and Hospitality, Social Network marketing, etc. Apart from that, there has been growth in trade and transport services, financial services, construction and health and education services.

In recent years, it has been felt that the India's growth would halt unless it handles the problem of skill shortages. This has been manifested by large and growing overall unemployment and underemployment and particularly amongst the youth and the educated people. Also, India being densely populated country, its middle class population is also escalating. ¹⁴According to the report of National Council for Applied Economic Research's (NCAER) Centre for Macro Consumer Research, by 2015-16 India will be a country of 53.3

¹³ NSSO Survey: 66th Round

¹⁴ National Council for Applied Economic Research's (NCAER) Centre for Macro Consumer

Research, PTI Feb 6, 2011, 11.18am IST

million middle class households, translating into 267 million people falling in the category, up 67 per cent from the current levels, thus providing a great market opportunity for firm.

To sustain the current pace of economic growth, the most important resource that India needs is people or Human Resource. The speed of headcount scaling by some organisations (both Indian and multinational) in Indian Business has not happened anywhere else in the world and reflects a maturity that is unique to India.

As per the Economic Survey 2011-12 tabled by Finance Minister Pranab Mukherjee in the Parliament on Thursday, March 15, 2012, the ¹⁵Gross Domestic Product (GDP) is likely to grow to 7.6 percent (plus or minus 0.25 percent) in Financial Year 2012-13 and it is expected to further improve to 8.6 percent in 2013-14 which is the indication of improvement in employment level also. According to the Labour Bureau Survey- 2012, upward trend in employment since July 2009 has been maintained. Employment in organized sector has increased by 1.9 % in 2010. Women share 20.4% in organized-sector employment till the end of March, 2010. ¹⁶MGNREGA has increased its coverage to 5.49 crore households in 2010-11. Government also established a committee for developing index for fixing MGNREGA wage rates.

There has been moderation in government jobs due to the steep fall in growth of public administration and defence services reflecting fiscal consolidation. As growth in trade, hotels and restaurant sectors are flourishing, growth rate is expected to be 11.2% and Retail-sector is expected to grow even more robust in Financial Year 2013. Industrial growth is pegged at 4-5% in Financial Year 2012. Employment in Industrial sector has increased from 16.2% in 1999-2000 to 21.9% in 2009-10 largely due to sprawling construction sector. The proportion of women in the labour force has also increased. Old skills/jobs/occupations are declining and new /skills/jobs/occupations are emerging. Earlier IT eliminated routine jobs of unskilled workers to middlemen roles of managers. Now the e-commerce to e-tailing to e-banking to e-training -are displacing even larger proportions of jobs in several sectors. Of course, a wide array of new jobs –teleworking and teleworkers-are already on the horizon. Tertiary sector is also emerging as a major provider of jobs. IT enabled services are emerging as a major engine of job creation.

Not only job market, attributes of labour are also changing. Young workforce is vying for jobs which provide them decent work and fringe benefits such as company car, house

¹⁵ Economic Survey 2011-12

¹⁶The Mahatma Gandhi National Rural Employment Guarantee Act.

allowance, paid holidays, subsidized meals, etc. On the other hand, older workers are more interested in job protection, social security medical and pension benefits.

As India has become a hub of Business Process Outsourcing (BPO), more computer oriented jobs are founding place in employment sector, especially among youngsters and college going students.

Although the proportion of women in the labour force is increasing, the “Green Ceiling effect” still persists in India refraining women to hold higher positions in the organisation. Women workers, both in rural and urban areas, continue to receive less remuneration than their male counterparts.

Emergence of labour unions is also rampant. They are fighting for protecting accumulated rights of labours. Recent example of this is ¹⁷world’s biggest ever strike held in India on 28th February,2012 in which over 100,000,000 Indian workers will come out on strike. Workers from many unions and sectors are trying to gain improvements in areas such as, pay, pensions, and employment rights.

So, we can conclude that India has been on a roller coaster ride. There has been a drastic change in labour market and labour force of the country which is an ongoing and all pervasive process. Although, we are facing both pros and cons of it but we are keeping our fingers crossed and hoping for the best.

¹⁷ Submitted by Ed on Feb 27, 2012,12:23 hours.

APPENDIX:**Table 1: Increase in Male and Female Population in Rural and Urban Areas-All India during 2007 – 2012 & 2012 – 2017.**

Level of population 2007	2007 - 2012	2012 - 2017
(_000s)		
Rural	799608	42954
- Male	411163	22220
- Female	388445	20734
Urban	328705	36704
- Male	172806	19221
- Female	155899	17483
Rural + Urban	1128313	79658
- Male	583969	41441
- Female	544344	38217

Table 2: Increase in Population by Age Group during 2007 – 2012 & 2012 - 2017

Age	Increase		Distribution of increase	
	2007- 2012	2012-2017	2007 -2012	2012 – 2017
(_000s)		(percent to total)		
0 -14	-9308	-5916	-11.70	-7.86
15-29	26353	9601	33.08	12.76
30-44	20913	26844	26.25	35.66
45-59	25731	24006	32.30	31.89
15-59	72997	60451	91.63	80.31
60+	15969	20735	20.05	27.55
All age (s)	79658	75270	100.00	100.00

Table 3 : Summary Results of the Labour Force Projection, 2002-2022

Indicator	2002	2007	2012	2017	2022
Total					
LF size ('000s)	440166	492610	541850	586464	623446
Female share in LF (%)	32	32	31	30	30
LFPR 0+	421	437	449	457	461
LFPR 15+ (as calculated from Tables)	645	637	628	621	613
LFPR 15+ (as given in Sub Group Report)	645	637	628	621	613
Increase in LF('000s)	na	52444	49240	44614	36982
Annual Growth rate (%)					
Labour Force	na	2.28	1.92	1.60	1.23
Population	na	1.54	1.37	1.22	1.05
Urban					
LF size ('000s)	111004	130991	150673	168244	189139
Female share in LF (%)	22	22	21	21	21
LFPR 0+	379	399	412	418	418
LFPR 15+ (as calculated from Tables)	532	532	533	533	528
LFPR 15+ (as given in Sub Group Report)	539	538	537	536	530
Increase in LF('000s)	na	19987	19682	17571	20895
Annual Growth rate (%)					

Labour Force	na	3.37	2.84	2.23	2.37
Population	na	2.32	2.14	1.96	2.36
Rural					
LF size ('000s)	329162	361619	391177	418220	434307
Female share in LF (%)	36	35	34.7	34	34
LFPR 0+	438	452	464	475	483
LFPR 15+ (as calculated from Tables)	677	670	663	658	653
LFPR 15+ (as given in Sub Group Report)	691	682	672	664	658
Increase in LF ('000s)	na	32457	29558	27043	16087
Annual Growth rate (%)					
Labour Force	na	1.90	1.58	1.35	0.76
Population	na	1.23	1.05	0.89	0.42

TABLE 4(A)

Population, Labour Force, Employment Projections

('000)

	Basis	1993-94*	2004-05*	2006-07	2011-12	2016-17
Population (age 0+)		893676	1092830	1128313	1207971	1283242
Population (age 15-59)		501760	652940	687120	760110	820570
Labour Force	UPSS	378650	471250	492660	541840	586440
Labour Force	CDS	334197	419647	438948	483659	524057
Employment Opportunities	CDS	313931	384909	402238	460310	51820
Unemployed ('000)	CDS	20266	34738	6710	348	53
Unemployment Rate (%)	CDS	6.06	8.28	8.36	4.83	1.12

Note: * Actual estimates derived from NSS.

TABLE 4(B)

Projected Population, Labour Force, and Employment in Different Periods

Growth rates (% per annum) and absolute increase ('000)					
	Basis	1993-94 to	2004-05 to	2006-07 to	2011-12 to
		2004-05*	2006-07	2011-12	2016-17
Growth Rate in Population (age 0+)		1.85	1.43	1.37	1.22
Growth Rate in Population (age 15-59)		2.42	2.29	2.04	1.54
Growth Rate in Labour Force	UPSS	2.01	1.99	1.92	1.59
Growth Rate in Labour Force	CDS	2.09	2.02	1.96	1.62
Growth Rate in Employment Opportunities	CDS	1.87	1.98	2.73	2.40
Addition to Population ('000)	UPSS	199154	35483	79658	75271
Addition to Labour Force ('000)	UPSS	92600	21410	49180	44600
Addition to Labour Force ('000)	CDS	85450	19301	44711	40398
Addition to Employment Opportunities ('000)	CDS	70978	17330	58072	57893

Note: * Actual estimates derived from NSS.

UPSS Basis: Usual Principal and Subsidiary Status Basis.

CDS Basis: Current daily Status Basis.

TABLE 5

Participation in Labour Force by Age Group and by Sex: 1997 - 2012

(Per thousand of population)

Age	Male				Female			
	1997	2002	2007	2012	1997	2002	2007	2012
15-19	517	482	447	412	302	282	261	241
20-24	871				408			
25-29	975				454			
30-34	988				505			
35-39	996				526			
40-44	986		(a)		538		(a)	
45-49	981				524			
50-54	961				476			
55-59	914				411			
60+	637				205			

Note: (a) No change in labour force participation in age groups above 20 years.

Table 6: Population and Labour Force: 1997 - 2012

(Million - 1st April)

	1997	2002	2007	2012
Population	951.18	1028.93	1112.86	1196.41
Labour Force	397.22	449.62	507.94	562.91

Source: National Informatics Centre (NIC), Government of India

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