

CHAPTER: V

CONCLUSION

Having analyzed the work force in labour market of India with reference to the 61st and 66th rounds of NSSO the researcher is of the opinion that the Indian economy has been achieving a high growth rate, with certain selected sectors performing their best during the post-reform period. With regard to the labour force and work force growth, it is evident that the work force has dramatically increased at an annual growth rate of 0.05 percent in the period of 2004-05 to 2009-10 due to an annual increase in male workers against an annual decline in female work force for all segments of population. In the case of labour force, it has declined at an annual rate of 0.01 percent due to an annual decline in female labour force for all segments of population against the rise of male labour force. The fall in female work force is more distinguished in rural areas from urban areas. In response of both labour force depreciation and work force intensity, the unemployment rate has declined from 2.37 to 2.09 in the same period. This fall is more prominent in urban areas as compared to rural areas and the same in male than female. It has also been observed in the terms of LFPR and WPR that conclude, both the LFPR and WPR have annually declined due to the decline in participation rate in employment for all segments of population except rural male. This fall is more outstanding in female than male, and same is the case in rural and urban areas.

The gender wise age specific LFPR and WPR in rural and urban areas infer that both the segments of youth LFPR and WPR have decreased for all segments of population. The LFPR fall is more apparent in rural female that is followed by urban male- female and rural male. And as per WPR, this fall is mostly occurred in urban male that is followed by urban female, rural female and male. A good thing has been marked that five to nine years old workers has perfectly declined in urban areas.

This annualized drop mainly occurred in STs that is followed by Others, OBCs and SCs. Among these social groups, more than half of them are self-employed that is followed by casual labour (marginally less from fifty) and regular wage/salaried employees (it has accounted single digit) in rural areas. Most of them are engaged in primary sector that is followed by secondary and tertiary sector. The reason behind is that tertiary sector requires higher and well educated skills

and high spread in size of this sector. That is a characteristic of urbanization where a lower part of population lives. In contrast to it, in urban areas where the category of regular wage/salaried employees are the largest gainer that is followed by casual labour and self-employed, most of them are working in tertiary sector in particular year 2009-10. This share of self-employed workers has increased sharply with an off-setting decline in the share of casual labours.

On the level of general education, it has been observed for each social group segments that a negative CAGR has moved in the opposite direction of a higher level of education.

As regards the broad industrial category, the service sector has been growing at a higher annual rate than that of agriculture and allied and industry sector. As per disaggregate, the construction has witnessed a higher rate of annualized CAGR, but it has shown a negative labour productivity growth (i.e. its employment growth is greater than the corresponding GDP growth). This increase in CAGR of employment has been observed for all industries except agriculture and allied, and manufacturing. Remaining industries have witnessed of positive annual growth rate in labour productivity where community, social and personal services industry has registered the highest annual growth rate in labour productivity which is little higher than manufacturing, trade, hotels and restaurants. These trends seemingly suggest a possible trade-off between employment and corresponding productivity of the sector. Moreover, the higher elasticity of employment has been accounted (little more than one) by construction and remaining industries have witnessed of virtually zero except agriculture and allied and manufacturing, where employment elasticity is negative which pushed down the employment elasticity as per aggregate level.

In terms of the quality of the employment, the unorganized sector has dramatically declined while organized sector has increased due to the significant role of public administration and defense especially social security that is utterly under the government. At disaggregate level construction, other community social and personal services, non-manufacturing, electricity, gas and water supply, and mining and quarrying have significantly increased. There is no significance difference that the informal sector in India has been providing more jobs.

After having the analyzed the status of work force in India in both organized and unorganized sector, it has also been evaluated that the casual labour has significantly increased in both male-female and rural-urban India. This increase is more prominent in industry sector that is followed

by services and agriculture sector while in all industries, self-employment, regular wage/salaried employees have witnessed a negative CAGR except service sector's regular wage/salaried employees. In these increments mostly are literate up-to primary classes, which have opposite move in respect to higher education level. And same happened in the case of self-employed workers while opposite movement has been observed in the sphere of regular wage salaried employees.

These results seem to show that jobless growth has now become a serious challenge in the Indian economy despite continuous efforts being made to fulfill the qualitative employment led growth objectives.

To end with, the study urges that still 63 percent people of rural work force are engaged in purely formal agriculture sector in India, as high as 92.5 percent are engaged in non- agricultural part of informal sector in urban India. Hence government policies, over the coming years seriously calls for not only another agricultural revolution for this chunk of work force of the rural agricultural sector but also calls for special attention for the workers who are engaged in informal sector so that it might be formalized. In promotion of regular wage/salaried employees, education might be played a dominant role in India.