

Nature of Unemployment in India:

Unemployment indicates a situation where the total number of job vacancies are much less than the total number of job seekers in the country. It is a kind of situation, where the unemployed persons do not find any suitable or gainful job opportunities in spite of having the willingness or capacity to work.

Unemployment in developing countries is not the result of deficiency of effective demand but a consequence of shortage of capital equipments or other complementary resources accompanied by a high rate of population growth.

Most of the unemployment in India is structural in nature. During the period of 1951-2015, population in these countries increased at an alarming rate of 2.1% per annum and with it number of people coming to labour market increased rapidly. However the employment opportunities on the other hand, did not increase most of the time correspondingly due to slow economic growth. Hence there has been an increase in the volume of unemployment from one period to another.

Unemployment problem of the country can broadly be classified under two categories - ① Rural unemployment ② Urban unemployment.

Rural unemployment - The incidents of unemployment is more ~~is~~ severe in the rural area. It is of two types viz- ① Seasonal

① Seasonal unemployment - During the lean period and in.

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the absence of multiple cropping system and subsidised occupation in the rural areas, a large number of rural population have to sit idle for a span of 5-7 months of a year.

② Disguised unemployment - The persons whose marginal productivity tends to be zero are termed as disguised unemployment. In this type of unemployment it is seen that everyone is employed but in reality sufficient full time work is not available for all.

Urban unemployment - Urban unemployment has two aspects -

① Industrial unemployment - This type of unemployment arises due to slow growth of industrial sector which is insufficient to match the growth rate of urban industrial workers. Industrial unemployment is also induced by the inclusion of capital intensive mode of production.

② Educated unemployment - The defective education system with its theoretical biasness, lack of aptitude and technical qualifications for various types of work among job seekers are some of the known causes of educated unemployment.

• Concept of Unemployment:

The National Sample Survey Organisation (NSSO) developed three concepts of unemployment. They are - ① Usual status unemployment ② Current weekly status unemployment ③ Current daily status unemployment.

Usual status unemployment - This concept is meant to determine the usual activity status (employed/unemployed) of those covered by the survey with reference to a longer

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period, ^{say} a year preceding the year of survey. Persons covered by the survey may be classified into working or available for work in their principle activity sector and allied sector. The usual status unemployment rate is a personal rate and indicates a chronic unemployment because all those who are found usually unemployed in this reference year are counted as unemployed.

Current weekly status unemployment - This concept determines the activity status of a person with reference to a period of preceeding seven days. If in this period a person seeking employment fails to get a job even for one hour on any day he/she is deemed to be unemployed. Thus a person having work for an hour or more on anyone or more days during the reference period gets the employed status. The current weekly status like the usual status unemployment rate is also a person rate.

Current daily status - This concept considers the activity status of a person for a single day. A person who works for one to four hours is considered having worked for half a day. If he works for four hours or more during a day he is considered as employed for the whole day. The current daily status of unemployment rate is a time rate.

• Trade Union Movement in India:

Trade Unions are a kind of voluntary organisation formed by workers for promoting and preserving their collective interest. Trade unions are playing a vital role in maintaining industrial relation in various countries.

The people of India experienced the ushering of trade union movement during the first quarter

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of 20th century. The All Indian Trade Union Congress (AITUC) was set up in 1920 in order to represent and protect the interest of workers. It also seek to make necessary, coordination between the activities of different labour organisation and to penetrate into the unorganised organisation of the country. ~~In~~ The government passed the trade union act in 1926 to provide legal status to the registered trade unions.

The trade union which are more less well organised are Indian Trade Union Congress (INTUC), All Indian Trade Union Congress (AITUC), Center of Indian Trade Union (CITU), Hind Mazdoor Sabha (HMS), Bharatiya Mazdoor Sabha (BMS).

• Defects of Trade Union Movement in India:

The standard of trade union movement in India is far lower as compared to that of the Western countries. However the trade union movement in India is subjected to a number weaknesses which are as follows -

1. Limited membership - From the very beginning trade union in India can enlist only a small fraction of workers of the industrial sector as its members. At present the membership of trade union in India is far below as compared to that of the countries like UK and USA (around 90%).
2. Small size unions - In India there are more than 45,000 registered trade unions and out of that about $\frac{3}{4}$ th of the unions have a membership of less than 500. This has weakened the very base of the trade union movement.
3. Poor finance - Due to limited membership the fund raising capacity of these unions are very limited.

thus the financial conditions of trade unions in India are not at all sound.

4. Outside leadership - Another major setback of the trade union movement is that, its leadership stays in the hands of professional politicians who in spite of protecting the interest of the workers use the trade unions for political benefits of his/her parties.

5. Political affiliations - Trade unions in India have different political affiliations which lead to rivalries among the unions and thereby compromises the interest of workers in general.

6. Neglect of beneficial activities - Trade unions in India have failed to improve the loyalty of workers and have ignored the beneficial activities such as, provision of medical and sickness relief, helps to widow and dependents etc.

• Remedial Measures :

1. Achieving unity - The achieving unity among unions and by enhancing their strength, the interest of the workers can be safe guarded.

2. Working class leadership - Leadership of trade unions in India should come from the workers and not from professional politicians.

3. Elimination of political influence - Unhealthy political influence in trade unions in India should be removed totally.

4. Developing work culture - The unions should make their workers understand about their duties and responsibilities along with their rights and privileges.

5. Greater emphasise of on beneficial activities - Trade unions should work harder for effective implementation of different beneficial schemes such as, compensation for accidents, medical aid, educational and cultural activities.

• Mahatma Gandhi National Rural Employment Guarantee Scheme / Act (MGNREGA):

Rural unemployment has sharply increased in India in the recent years. In the absence of gainful employment opportunities in the rural areas and increasing number of rural households have faced complete collapse of their income. Recognising this crisis, the government made a commitment in its common minimum programme that it would immediately enact an employment guarantee act. The draft of MGNREGA proposed by National Advisory Council (NAC) gave legal guarantee to every household in rural areas for 100 days of casual manual work.

• National Rural Employment Guarantee Act (NREGA):

It was enacted in September 2005 and came into force on 2nd February 2006. NREGA covers all rural areas of the countries from 2nd October 2009. NREGA has been renamed as MGNREGA.

• Features of MGNREGA:

- ① MGNREGA seeks to provide 100 days of guaranteed employment in a financial year to at least one member of every rural household whose adult members volunteers to do unskilled manual work.
- ② Unique feature of the scheme includes time bound employment guarantee and wage payment within 15 days. 90% of the cost of the programme is borne by the centre and 10% of the cost is financed by state.
- ③ At least 33% of beneficiaries should be woman.
- ④ Under MGNREGA wage disbursement should be through banks and post office account. This is likely to help the poor and protect them from exploitation.

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⑤ The focus of MGNREGA is on works relating to water conservation, draught proofing, land development, flood control, improved drainage facilities and rural connectivity in terms of all weather roads.

⑥ The scheme promises a wage rate of ₹189 per worker per day.

Criticism of MGNREGA:

1. Failure to provide statutory minimum wages — Although the ministry claims that the revision takes MGNREGA wages above the minimum wages in 26 states and union territories, analysis reveal that 8 states, that continue getting less than minimum wages constitute 1.3 crore household or 31% of the total household provided work till the end of December 2010. On account of this reason MGNREGA has been criticised for paying wages less than the minimum wages under the Minimum Wage Act, 1948.
2. Half hearted implementation — As against the allocation of rupees 40100 crores under MGNREGA for the year 2011-12, the actual expenditure has been only a little more than half. As a result the finance minister has reduced budget allocation for the same to rupees 33000 crores for the next financial year (i.e. 2012-13). Again many observers have noted that the scheme seems to be losing its momentum in recent years. For example the scheme entitles rural citizen to 100 days of work on demand, they received, on an average only 54 days of employment in 2008-09 and in 2009-10, & 48 days of employment in 2010-11.
3. Irregularities in implementation — There are wide spread irregularities in implementation and bribes and pay backs are common. For example - CAG report (Comptroller and Auditor General) 2007 in MGNREGA pointed out that in Bihar Rs. 8.99 Lakhs was paid as wages to labour irrespective of 7 works. As the name of the same labourer was recorded twice

or thrice for the same period for the same or other matter rates.

4. Delayed Payment of wages - There are reports from various states pointing towards delayed payments of wages beyond the stipulated period of 15 days.

5. Lack of staff - Lack of dedicated and administrative and technical staff for MGNREGA has become a key constraint responsible for procedural lapses.

● Status of Child Labour in India:

According to the 2011 census of India, the total no. of child labour, aged 5-14 is estimated to be 10.1 million. The Child and Adolescent Labour Act, 1986, prohibits employment of a child in any service including domestic help. However the act allows, adolescence to be employed except in the listed hazardous occupations and processes which includes mining, inflammable substances and explosive related works. As per the estimates of 2001 around 1,20,000 children were still employed in such hazardous works.

Furthermore, India also witnessed the instance of bonded child labour. This is a system in which the child or the parents enter into an oral or written agreement. The child performs the work as in kind of repayment of credit.

As a consequence of presence of large number of child labourers, we witness lack of skilled workforce. This is because children who work are not able to attain education. They do not get opportunities to develop their physically, intellectually, emotionally and psychologically. Majority of child labourers in India

are employed in agricultural sector and some in low skilled labour intensive sector such as saree weaving or as domestic helpers which requires neither formal education nor training.

The young labourers today, will be part of India's human capital tomorrow. Therefore to keep an economy prospering, a vital criterion is to have an educated workforce equipped with relevant skills for the needs of the industries and service sector.

Status of Women Employment in India :

India's rapid economic ^{growth} has been accompanied by falling fertility rates and higher educational attainment among women. These advances often lead to an increase in women entering the labour force, but there has been a surprising decline of this front in India. Less than 30 percent of working aged women are currently in work. There are a number of reasons for this ranging from a lack of job growths in female friendly sectors such as manufacturing, to more women staying in education for longer period and persisting stigma surrounding the idea of women working. The other reasons for the lack of women's participation in working are —

1. A major section of women population (mainly in rural area) faces many hurdles in getting access to education.
2. Lack of education, leads to lack of skill among the women workforce which in turn obstruct them to get equal opportunity.
3. The orthodox outlook of Indian society is also responsible for restricting women from getting into jobs. Mainly in urban area, women get themselves employed only under compulsion.

4. The wage differential among the male and female workers is also a cause for lowering the initiative of women in the service sector.

All such reasons are responsible for lowering the participation rate of women in Indian workforce.