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Pattern of Employment in India and in Major States

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The new economic policy including the farm policy initiated in India since the early nineties, it is apprehended, is likely to affect employment, in both the rural and urban areas apart from other consequential effects in the other sectors of the economy. It is with this concern and apprehension, an attempt is made to gauge the impact of economic reforms on labour employment in India and in the major states of the country with the help of National Sample Survey (NSS) data of various rounds. This paper deals with changes in Work Force Participation Rate (WFPR) according to various activity statuses in Section I; Section II deals with changes in the pattern of employment by employment. The last section presents the summary and conclusion of the study.

CHANGES IN WFPR ACCORDING TO VARIOUS ACTIVITY STATUSES

WFPR over the NSS Rounds according to Usual Status (PS + SS)

WFPR highlighted in the Table 1 for the country as a whole in the different rounds of the NSS reveals that there was a conspicuous decline in rural workforce as compared to their urban counterpart during the post-reform period (1993-94 to 1999-2000) in comparison with the pre-reform period (1987-88 to 1993-94). There was 3 percentage point decline in the absorption of rural persons and the decline in the absorption of urban persons was 1 percentage point during the post-reform period. During 1999-2000, the number of persons employed per 1000 persons was 417 in rural areas, but during 1993-94 and 1987-88 it was 444 and 434 respectively. On the other hand, in the urban areas, the number of employed persons per 1000 persons was 337; and the same during 1993-94 and 1987-88 were 347 and 337 respectively.

WFPR according to Current Weekly Status (CWS) and Current Daily Status (CDS)

The number of persons employed per 1000 persons according to CWS and CDS over different NSS Rounds for the country as a whole, presented in Table 2, also revealed much more decline during the post-reform period as compared to an increase

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during the pre-reform period (1987-88 to 1993-94) for both male and female workers of either rural or urban origin. During 1999-2000, the number of employed males under CWS was 510 and 509 in the rural and urban areas respectively, and the corresponding figures for females were 253 and 128. The corresponding figures for the year 1993-94 were 530 and 511 for males, and 267 and 139 for females.

| | Employed (all workers) | | | | | | | | |
|----------------------------|------------------------|-------------|----------------|--------------|----------------|----------------|--|--|--|
| NSS Round (Year) (1) | · · · | Rural | | Urban | | | | | |
| | Males (2) | Females (3) | Persons (4) | Males (5) | Females (6) | Persons (7) | | | |
| 55 (1999-2000) | 531 | 299 | 417 | 518 | 139 | 337 | | | |
| 50 (1993-94) | 553 | 328 | 444 | 520 | 154 | 347 | | | |
| 43 (1987-88) | 539 | 323 | 434 | 506 | 152 | 337 | | | |

TABLE 1. NUMBER OF PERSONS EMPLOYED PER 1000 PERSONS ACCORDING TO USUAL STATUS (PS + SS)[†] DURING 1987-88 TO 1999-2000 IN INDIA IN DIFFERENT NSS ROUNDS

Source: Employment and Unemployment in India, 1999-2000, NSS 55th Round, Government of India, p. 14. † Principal Status + Subsidiary Status.

Regarding employment under CDS, the number of rural males and urban males was 478 and 490 respectively and that for females, it was 204 and 111 respectively in the rural and urban areas during 1999-2000. The corresponding figures in 1993-94 were 504 and 498 for males, and for females the respective figures were 220 and 120.

| | | CWS er | nployed | | CDS employed | | | | |
|---------------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--|
| NSS Round (Year) | Rural | | Urban | | Rural | | Urban | | |
| | Males (2) | Females (3) | Males (4) | Females (5) | Males (6) | Females (7) | Males (8) | Females (9) | |
| 55 (1999-2000) | 510 • | 253 | 509 | 128 | 478 | 204 | 490 | 111 | |
| 50 (1993-94) | 530 | 267 | 511 | 139 | 504 | 220 | 498 | 120 | |
| 43 (1987-88) | 504 | 220 | 492 | 119 | 501 | 207 | 477 | 110 | |

TABLE 2. NUMBER OF PERSONS EMPLOYED PER 1000 PERSONS ACCORDING TO CWS AND CDS DURING 1987-88 TO 1999-2000 IN INDIA IN DIFFERENT NSS ROUNDS

Source: Employment and Unemployment in India, 1990-2000, NSS 55th Round, Government of India, p. 15.

Change in Employed Persons per 1000 Population according to PUS, US (PS+SS), CWS and CDS in Rural and Urban Areas during 1993-94 to 1999-2000 in Major States of India

The changing pattern of employment under different statuses during the period 1993-94 to 1999-2000 for the major states of India is presented in Table 3. Although WFPR for the country as a whole, taking all employed workers taken together,

TABLE 3. DISTRIBUTION OF STATES ACCORDING TO CHANGE IN THE NUMBER OF EMPLOYED PERSONS PER 1000 POPULATION IN (1) PRINCIPAL USUAL STATUS (PUS), (2) USUAL STATUS TAKING BOTH PRINCIPAL AND SUBSIDIARY STATUSES TAKEN TOGETHER {US (PS+SS)}, (3) CURRENT WEEKLY STATUS (CWS), AND (4) CURRENT DAILY STATUS (CDS) DURING 1993-94 to 1999-2000

| Principal usua | l status (PUS) | Usual statu | s {US (PS+SS)} | Current wee | kly status (CWS) | Current d | aily status (CDS) | |
|--|--|--|---|---|---|--|--|--|
| States showing positive change (1) | States showing negative change (2) | States showing positive change (3) | States showing negative change (4) | States showing positive change (5) | States showing negative change (6) | States showing positive change (7) | States showing negative change (8) | |
| | | | R | ural | | · · · · · · · · · · · · · · · · · · · | | |
| Gujarat (3%), Haryana (0.1%), Jammu and Kashmir (0.1%), Karnataka (2%), Kerala (1%), Tamil Nadu (0.1%), West Bengal (1%) | Andhra Pradesh (2%), Assam (0.2%), Bihar (1%), Himachal Pradesh (3%), Madhya Pradesh (1%), Maharashtra (1%), Orissa (1%), Punjab (1%), Rajasthan (3%), Uttar Pradesh (2%) | Gujarat (1%), Kerala (0.7%), Punjab (2%) | Andhra Pradesh (3%), Assam (1%), Bihar (1%), Haryana (3%), Himchal Pradesh (5%), Jammu and Kashmir (1%), Karnataka (3%), Madhya Pradesh (3%), Maharashtra (3%), Orissa (3%), Rajasthan (6%), Uttar Pradesh (3%), West Bengal (3%), Tamil Nadu | Gujarat (1%), Orissa (1%), Punjab (3%), Assam*, Haryana*, Jammu and Kashmir* | Andhra Pradesh (2%), Bihar (0.6%), Himachal Pradesh (4%), Karnataka (1%), Kerala (2%), Madhya Pradesh (2%), Maharashtra (2%), Rajasthan (5%), Tamil Nadu (1%), Uttar Pradesh (3%), West Bengal (3%) | Gujarat (0.8%), Punjab (0.3%), Haryana* | Andhra Pradesh (3%), Assam (0.2%), Bihar (2%), Himachal Pradesh (3%), Jammu and Kashmir (2%), Karnataka (1%), Karata (2%), Madhya Pradesh (2%), Maharashtra (2%), Orissa (1%), Rajasthan (5%), Tamil Nadu (1%), Uttar Pradesh (3%), West Bengal (4%) | |
| | | | (3%) | ban | and the second second | | | |
| Assam (0.8%), Gujarat (1%), Karnataka (1%), Madhya Pradesh (1%), Punjab (1%), Uttar Pradesh (0.3%), West Bengal (0.2%), Tamil Nadu*, Maharashtra* | Andhra Pradesh (2%), Bihar (1%), Haryana (2%), Himachal Pradesh (2%), Jammu and Kashmir (3%), Kerala (1%), Orissa (1%), Rajasthan (0.7%) | Assam (1%), Madhya Pradesh (1%), Pånjab (2%), Karnataka*, Uttar Pradesh*, Gujarat (1%) | Andhra Pradesh (3%), Bihar (1%), Haryana (4%), Himachal Pradesh (4%), Jammu and Kashmir (3%), Kerala (1%), Orissa *(3%), Rajasthan (1%), Tamil Nadu (1%), West Bengal (1%) | Assam (1%), Gaujarat (0.33%), Karnataka (0.8%), Madhya Pradesh (0.2%), Punjab (0.4%), Bihar*, Uttar Pradesh* | Andhra Pradesh (2%), Haryana (2%), Himachal Pradesh (3%), Jammu and Kashmir (3%), Kerala (1%), Maharashtra (0.3%), Orissa (3%), Rajasthan (2%), Tamil Nadu (0.7%), West Bengal (1%) | Assam (0.3%), Karnataka (1%), Punjab (0.2%), Gujarat* | Andhra Pradesh (2%), Haryana (2%), Himachal Pradesh (2%), Jammu and Kashmir (2%), Madhya Pradesh (0.2%), Kerala (1%), Maharashtra (1%), Orissa (3%), Rajasthan (2%), Tamil Nadu (0.7%), West Bengal (1%), Bihar (0.5%), | |

Source: Based on the data of NSS 50th and 55th Rounds for which Appendix 1 was prepared but could not be annexed due to space limit. Note: Figures in parentheses are percentage point changes. * Indicates no change during the period.

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exhibited a greater declining trend during the post-reform period, when WFPR was disaggregated according to different statuses and according to different states, the situation seemed to give a somewhat improved picture for some of the states at least. The examination of Table 3 gives such an impression. For instance, among the four categories of statuses, the number of states showing negative change during the postreform period in the case of US (PS + SS combined) and for CDS was far more than the number of states showing positive change during the same period in the corresponding statuses in the rural areas. But for other statuses, viz., PUS and CWS, a significant number of states showed positive change during this period in the rural areas. Similarly, in the urban areas, a significant number of states showed positive change during this period for all categories of statuses except for CDS. However, it was noted that the magnitude in percentage point positive change for the states concerned was, in general, lower than their corresponding counter-states showing negative change during the same period, both in the rural and urban areas. In general, percentage point positive changes exhibited by the concerned states were seen to move around 1 per cent; whereas the same for states showing negative change was, in general, within 1 to 3 per cent. The states, in general, showing positive change were Gujarat, Punjab, Haryana, etc., in the rural areas. These were also states which showed positive change during the period in the urban areas along with some other states like Assam and Karnataka.

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FEATURES OF EMPLOYMENT BY STATUS OF EMPLOYMENT

Different NSS Rounds throw light on the employment pattern by status of employment. These rounds give the extent of employment of the three categories of employed persons, viz., (a) Self-employed, (b) Regular employees and (c) Casual labour and the data are presented in Table 4. Self-employed persons are those who operated their own farm or non-farm enterprises or are engaged independently in a profession or trade on own-account or with one or a few partners. The essential feature of the self-employed is that they have autonomy and economic independence for carrying out their operations. Their remuneration comprised two parts: share of their labour and profit of the enterprise. Regular employees are those who work in other's farm or non-farm enterprises and in return receive salary or wage on a regular basis. Casual wage labourers are casually engaged in others' farms or non-farm enterprises and in return receive wages according to the terms of the daily or periodic work contract.

Note: Figures in parentheses are percentage point changes. * Indicates no change during the period.

An examination of Table 4 reveals no significant qualitative change in the composition of the three categories of employed persons over the rounds except minor percentage changes around 2 to 3 per cent. Taking all categories of employees together, the percentage of self-employed persons constituted 55 to 60 per cent in the rural areas, and the percentage of casual labour in the rural areas was within 30 to 40 per cent. In the case of urban areas, the extent of self-employed persons cover 40 to

45 per cent and casual labour constituted 15 to 30 per cent, whereas the percentage of regular employees accounted for 25 to 44 per cent. A significant difference between rural and urban areas was that, next to self-employed persons, the casual labour was the second important source of employment in the rural areas, whereas it was the regular employee category which was second important source next to self-employed in the urban area.

| | Usually employed | | | | | | | | |
|----------------|--------------------------|----------------------------|-------------------------|--------------------------|----------------------------|-------------------------|--|--|--|
| | F | Principal status | | - | All status | | | | |
| NSS Rounds (1) | Self- employed (2) | Regular employee (3) | Casual labour (4) | Self- employed (5) | Regular employee (6) | Casual labour (7) | | | |
| 55 (1000 0000) | | | Rural male | S | <u>_</u> | | | | |
| 55 (1999-2000) | 544 | 90 | 366 | 550 | 88 | 362 | | | |
| 50 (1993-94) | 569 | 85 | 346 | 579 | 83 | 338 | | | |
| 43 (1987-88) | 575 | 104 | 321 | 586 | 100 | 314 | | | |
| | | | Rural femal | es | · · · · · | | | | |
| 55 (1999-2000) | 500 | 39 | 461 | 573 | 31 | 396 | | | |
| 50 (1993-94) | 513 | 34 | 453 | 585 | 28 | 387 | | | |
| 43 (1987-88) | 549 | 49 | 402 | 608 | 37 | 355 | | | |
| | | | Urban male | S | | | | | |
| 55 (1999-2000) | 412 | 419 | 169 | 415 | 417 | 168 | | | |
| 50 (1993-94) | 411 | 427 | 162 | 417 | 421 | 162 | | | |
| 43 (1987-88) | 410 | 444 | 146 | 417 | 437 | 146 | | | |
| | | | Urban fema | les | | | | | |
| 55 (1999-2000) | 384 | 385 | 231 | 453 | 333 | 214 | | | |
| 50 (1993-94) | 364 | 355 | 281 | 454 | 286 | 162 | | | |
| 43 (1987-88) | 393 | 342 | 265 | 471 | 275 | 254 | | | |

TABLE 4. DISTRIBUTION OF USUALLY EMPLOYED PER 1000 BY CATEGORY OF EMPLOYMENT IN INDIA IN DIFFERENT NSS ROUNDS

Source: Employment and Unemployment in India, 1999-2000, NSS 55th Round, Government of India, p. 24.

Again, when the change over the rounds is observed, the engagement of casual labour both for PS and for all status together was seen to increase all along over the rounds for both rural males and females and urban males as well. Of course, however, the rate of increment was more during the post-reform period than during the prereform period. Engagement of self-employed rural males and females was seen to decrease over the rounds, both for PS and for all status together. The new economic reforms which envisaged a boom in private investment in the rural sector through small-scale and agro-industries, and thereby promoting employment opportunities for self-employed establishments could not attain desired change in this direction. Ш

INDUSTRY/SECTORWISE CHANGE IN EMPLOYMENT

Employment Pattern by Broad Groups of Industry

The distribution of usually employed persons in different NSS Rounds for the country as a whole is presented in Table 5. Broad industry groups are primary, secondary and tertiary. Agriculture alone represents the primary sector. Secondary sector includes mining and quarrying; manufacturing; electricity, etc., and construction. The tertiary sector, on the other hand, covers wholesale and retail trade; restaurant and hotels; transport, storage and communication services; financial intermediation, insurance, real estate and business services; public administration, education, community services, etc.

| | | | Ma | les | 1. | | | | Fem | ales | | • |
|----------|--------|------------|-----------|------------|-----------|---------------|-----------|------------|------------|-------------|------------|-------------|
| NSS | Prin | nary | Secondary | | Tert | Tertiary Prim | | Primary | | ndary | Tertiary | |
| Rounds | PS (2) | All (3) | PS (4) | All (5) | PS (6) | All (7) | PS (8) | All (9) | PS (10) | All (11) | PS (12) | All (13) |
| <u> </u> | | | · · · · | | | Rural | | | | | | |
| 55 | 712 | 714 | 127 | 126 | 161 | 160 | 841 | 854 | 93 | 89 | 66 | 57 |
| 50 | 737 | 741 | 113 | 112 | 149 | 147 | 847 | 862 | • 91 | 83 | 63 | 56 |
| 43 | 739 | 745 | 123 | 121 | 138 | 134 | 825 | 847 | 112 | 100 | 63 | 53 |
| 38 | 772 | 775 | 102 | 100 | 123 | 122 | 862 | 875 | 78 | 74 | 57 | 48 |
| · · · | | | | | | Urban | | $\sim 2f$ | | | | |
| 55 | 65 | 66 | 329 | 328 | 606 | 606 | 146 | 177 | 293 | 293 | 561 | 529 |
| 50 | 87 | 90 | 331 | 330 | 581 | 579 | 193 | 247 | 295 | 291 | 510 | 463 |
| 43 | 85 | 91 | 343 | 340 | 572 | 569 | 218 | 294 | 324 | 317 | 458 | 389 |
| 38 | 97 | 103 | 344 | 342 | 551 | 550 | 255 | 310 | 307 | 306 | 430 | 376 |

TABLE 5. DISTRIBUTION OF USUALLY EMPLOYED PER 1000 BY BROAD GROUPS OF INDUSTRY IN INDIA IN DIFFERENT NSS ROUNDS

Source: Employment and Unemployment in India, 1999-2000, Key Results, NSS 55th Round, Government of India, p. 25.

The pattern of employment observed in percentage contribution of different sectors during the post-reform period was not very much significantly different from that observed in the pre-reform period. The primary sector, as usual, was seen to be the major source of employment covering 70 to 85 per cent of employment in the rural areas over the rounds. The tertiary sector was the next important source for rural males; and for the rural females, the secondary sector was the most important. In the urban areas, however, the tertiary sector was the most important source of employment both for males and females and next came the secondary sector in that order.

The trend observed in the change over the rounds was that the proportion of persons employed in the tertiary sector both in the rural and urban areas was seen to increase for both males and females; and this increment was more pronounced during the post-reform period than during the pre-reform period. On the other hand, employment in the primary sector in the urban as well as the rural sector was seen to decline over the rounds; and this decline was again more conspicuous during the post-reform period than during the pre-reform period, particularly in the rural sector.

Regarding employment in the secondary sector, it was observed that in the urban areas, it gradually declined over the rounds, but in the rural areas it increased during the post-reform period (1993-94 to 1999-2000) despite a decline during the pre-reform period (1987-88 to 1993-94).

Economic reforms have not brought any significant distortions in the relative contribution of different industry sectors. Moreover, the pace of change in the secondary and tertiary sectors was not very much discouraging when the pre- and post-reform periods were considered.

SECTORWISE CHANGE IN EMPLOYED PERSONS OVER THE ROUDNS IN MAJOR STATES OF INDIA

Having studied the change in sectorwise contribution for the country as a whole, let us now concentrate on the same for the major states of the country. Here also, two periods were covered, viz., 1987-88 to 1993-94 (pre-reform period and 1993-94 to 1999-2000 (post-reform period). The change was observed on the basis of the distribution of major states showing different nature of change over the two periods. The distribution of states has been presented considering four types of changes during the two periods, namely, (a) states showing increase in the number of employed persons all along during both the periods; (b) states showing decrease all along during the periods; (c) states showing increase in the post-reform period despite decrease during the pre-reform period, and (d) states showing decrease during the post-reform period despite increase in the pre-reform period. The information on these aspects pertaining to employed persons in Usual Status (both principal and subsidiary combined) are presented in Table 6.

Rural Males

Rural males engaged in the primary sector showed an increase all along during both the pre- and post-reform period in Gujarat only and in Jammu and Kashmir in the post-reform period only. In all other states, it declined.

In the secondary sector, a continuous increase in the engagement of rural males in both the periods was observed in states like Kerala and Uttar Pradesh and during the post-reform period only in states like Bihar, Haryana, Himachal Pradesh, Madhya

| | | Rural males | | Rural females | | | |
|--|---|---|---|---|--|--|--|
| Category of states | Primary Secondary (2) (3) | | Tertiary (4) | Primary (5) | Secondary (6) | Tertiary (7) | |
| (1) States showing increase both during pre- and post-reform periods | Gujarat (1) Kerala, Uttar Pradesh (2) | | Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Maharashtra, Punjab, Uttar Pradesh (10) | Andhra Pradesh, Gujarat (2) | Bihar, Uttar Pradesh, West Bengal (3) | Haryana, Himachal Pradesh, Kerala, Madhya Pradesh, Punjab, Uttar Pradesh, West Bengal (7) | |
| States showing increase in post-reform period despite decrease in pre-reform period | Jammu and Kashmir (1) | Bihar, Tamil Nadu, Haryana, Orissa, Punjab, Madhya Pradesh, Himachal Pradesh, Rajasthan, Maharashtra (9) | Orissa, Madhya Pradesh (2) | Karnataka, Maharashtra (2) | Haryana, Jammu and Kashmir, Kerala, Madhya Pradesh, Orissa, Punjab, Tamil Nadu, Rajasthan (8) | Andhra Pradesh, Bihar, Tamil Nadu (3) | |
| States showing decrease both in pre- and post-reform period | Haryana, Himachal Pradesh, Kamataka, Kerala, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh (8) | Gujarat, Karnataka, Jammu and Kashmir (3) | (0) | Himachal Pradesh, Kerala, Uttar Pradesh, West Bengal (4) | Andhra Pradesh, Gujarat, Karnataka, Maharashtra (4) | Orissa (1) | |
| States showing decrease in post-reform period despite increase in pre-reform period | Andhra Pradesh, Bihar, Madhya Pradesh, Orissa, Rajasthan, West Bengal (6) | Andhra Pradesh, West Bengal (2) | Haryana, Jammu and Kashmir, Tamil Nadu, West Bengal (4) | Bihar, Haryana, Jammu and Kashmir, Madhya Pradesh, Orissa, Punjab, Rajasthan, Tamil Nadu (8) | Madhya Pradesh (1) | Maharashtra, Gujarat, Kamataka, Jammu and Kashmir, Rajasthan (5) | |
| Total | 16 | 16 | 16 | 16 | 16 | 16 | |

TABLE 6. DISTRIBUTION OF STATES ACCORDING TO SECTORWISE CHANGE IN PER 1000 EMPLOYED PERSONS IN USUAL STATUS (PS+SS COMBINED) DURING 1987-88 TO 1993-94 AND 1993-94 TO 1999-2000

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| Catagonia | | Urban males | TABLE 6 (Concld.) | | | | | |
|--|--|--|--|--|--|--|--|--|
| Category of states | | Urban males | | Urban females | | | | |
| (1) | Primary (2) | Secondary (3) | Tertiary (4) | Primary (5) | Secondary | Tertiary | | |
| States showing increase both during pre- and post-reform periods States showing increase in post- | Haryana (1) Gujarat, Jammu | Karnataka, Orissa (2) Andhra Pradesh, | Andhra Pradesh, Haryana, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh, West Bengal (7) Gujarat, Karnataka, | (0) | (6) Kerala, Karnataka, Uttar Pradesh (3) | (7) Andhra Pradesh, Gujarat, Himacha Pradesh, Punjab, Karnataka Maharashtra, Tamil Nadu, (7) | | |
| reform period despite decrease in pre-reform period | and Kashmir (2) | Kerala, Bihar, Himachal Pradesh, Jammu and Kashmir, Uttar Pradesh, Maharashtra, Rajasthan (8) | Kerala, Rajasthan (4) | Bihar (1) | Andhra Pradesh, Jammu and Kashmir, Madhya Pradesh, Orissa, Punjab, Rajasthan (6) | Haryana, Kerala, Madhya Pradesh, Uttar Pradesh, West Bengal (5) | | |
| States showing decrease both in pre- und post-reform periods | Bihar, West Bengal, Karnataka, Maharashtra, Punjab, Rajasthan (6) | Madhya Pradesh, Haryana, Punjab, Tamil Nadu, West Bengal (5) | Orissa (1) | Andhra Pradesh, Gujarat, Uttar Pradesh, Rajasthan, West Bengal, Punjab, Maharashtra, Kerala, Karnataka | Gujarat, Himachal Pradesh, Maharashtra, Tamil Nadu (4) | (0) | | |
| tates showing ecrease in post-reform eriod despite increase pre-reform period | Andhra Pradesh, Himachal Pradesh, Kerala, Madhya Pradesh, Orissa, Tamil Nadu, Uttar Pradesh (7) | Gujarat (1) | Bihar, Himachal Pradesh, Jammu and Kashmir, Madhya Pradesh (4) | (9) Haryana, Himachal Pradesh, Jammu and Kashmir, Madhya Pradesh, Orissa, Tamil Nadu (6) | Bihar, Haryana, West Bengal (3) | Bihar, Jammu and Kashmir, Orissa, Rajasthan (4) | | |
| tal | 16 | 16 | 16 | | All and a second se | | | |

Source: Based on sectorwise data available from NSS 43rd Round (1987-88), NSS 50th Round (1993-94) and NSS 55th Round (1990-2000) which were presented in Appendix 2 but the same could not be annexed due to space limit.

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Pradesh, Orissa, Punjab, Rajasthan, Tamil Nadu, Maharashtra. It was striking to note that rural labour absorption in the secondary sector was seen to decrease all along in Gujarat, Karnataka and also in Jammu and Kashmir, and during the post-reform period in Andhra Pradesh and West Bengal.

Rural male absorption in the tertiary sector was seen to increase in all states covered except Haryana, Jammu and Kashmir, Tamil Nadu and West Bengal.

Rural Females

Rural female absorption in the primary sector, of course, was observed to increase all along in Andhra Pradesh, Gujarat, and during the post-reform period only in Karnataka and Maharashtra. In all other states, it declined.

Out of major 16 states, in three states, namely, Bihar, Uttar Pradesh and West Bengal, absorption of female labour in the secondary sector was seen to increase in both the periods and in another 8 states it was seen to increase only during the post-reform period.

Again, for the tertiary sector, the number of states showing increase in female labour absorption in both the periods was 7 and in another 3 states, it increased only during the post-reform period.

It was the tertiary sector and then the secondary sector which have come in a big way to absorb both the male and female labour in the rural areas in places of traditionally dependent agricultural sector.

Urban Males and Females

A pattern almost similar to that of the rural counterpart is also observed for absorption of urban male and female labour in different sectors in different states of India.

Extent of Employment Diversification

The apprehension that economic reforms have slowed down the pace of diversification of rural economy is not borne out by facts. The extent of increased dependence on the secondary as well as tertiary sectors in many a state, as seen in the earlier section, bears testimony to the fact that there was a gradual shift in labour absorption pattern away from the primary sector. All states but Gujarat and Jammu and Kashmir showed negative percentage change in labour absorption in the primary sector during the post-reform period. Moreover, the process of shifting away from the primary sector has not slowed down during the post-reform period as will be evident from a study of Table 7 which highlights change in usually working rural males and females in the secondary and tertiary sectors. Here it is observed that the percentage point changes in labour absorption in the post-reform period than during the pre-reform period for many states. Of course, in the case of the tertiary

sector, the performance during the post-reform period was not very satisfactory as compared to the pre-reform period for quite a few states particularly for female labour.

| | ····· | Seconda | ry sector | | _ | Tertiar | y sector | | |
|--|---------------------------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|------------------------------------|--|
| | Percentage point change in | | | | Percentage point change in | | | | |
| States | M | ales | Females | | Ma | Males | | nales | |
| (1) | 1987-88 to 1993-94 (2) | 1993-94 to 1999- 2000 (3) | 1987-88 to 1993-94 (4) | 1993-94 to 1999- 2000 (5) | 1987-88 to 1993-94 (6) | 1993-94 to 1999- 2000 (7) | 1987-88 to 1993-94 (8) | 1993-94 to 1999- 2000 (9) | |
| Andhra Pradesh Bihar Gujarat | +.01 -2.5 -3 | -2 +3 | -1 +3 | -1 +1 | +0.2 +1 | +1.8 +1 | -1 -0.5 | +1 +2 | |
| 4. Haryana 5. Himachal | -0.3 | -2 +7 | -15 -1 | -1 +1 | +0.6 +10 | +2 -5 | +0.1 +1 | -0.5 +0.1 | |
| Pradesh 6. Jammu and | -1 | +8 | +1 | -1 | +4 | +4 | +0.6 | +1 | |
| Kashmir 7. Karnataka | -4 -1 | -2 -0.4 | -2 -1 | +3 -3 | +5 +2 | -5 +1 | +0.5 | -0.2 | |
| 8. Kerala 9. Madhya Pradesh | +1 -1 | +5 | -1 -3 | +3 +1 | +1 | +5 | +1 | -0.4 +0.4 | |
| 0. Maharashtra | -0.4 | +0.2 | -1 | -1 | -1 +1 | -3 +1 | +0.5 | +1 -2 | |
| 2. Punjab | -2 -2 | +1 +11 | -5 -1 | +5 +1 | -1 +3 | +1 +1 | -3 +0.2 | -1 +1 | |
| Rajasthan Tamil Nadu | -3 -0.4 | +1 +3 | -10 -0.4 | +2 +3 | +4 +0.8 | +0.1 -1.7 | +0.3 | -0.2 +1 | |
| Uttar Pradesh West Bengal | +0.2 +3 | +3 -0.6 | +0.6 +11 | +2 +5 | +2 +4 | +2 -1 | +0.5 +1 | +1 -0.1 | |

| 1 | ABLE 7. STATEWISE PERCENTAGE CHANGE IN USUALLY WORKING RURAL MALES AND RURAL |
|---|--|
| | FEMALES IN PRINCIPAL AS WELL AS SUBSIDIARY STATUS TOGETHER IN SECONDARY AND |
| | TERTIARY SECTORS FROM 1987-88 TO 1993-94 AND 1993-94 TO 1999-2000 |

Source: Based on sectorwise data available from NSS 43rd Round (1987-88), NSS 50th Round (1993-94) and NSS 55th Round (1999-2000) which were presented in Appendix 2 but the same could not be annexed due to space limit.

IV

SUMMARY AND CONCLUSION

It is observed from the preceding discussion that the WFPR according to usual status was seen to decline both in the urban and rural areas, but the rate of decline was more in the rural areas than in the urban areas. Again, the decline in the postreform period was faster than that in the pre-reform period. Similar was the trend for WFPR according to CWS and CDS with regard to performance of states. The WFPR according to PUS and CDS for many a state was positive during the post-reform period. The states, in general, showing positive change were Gujarat, Punjab, Haryana, etc., in the rural areas. These were also the states showing positive change in the urban areas along with some other states like Assam and Karnataka.

No significant qualitative change in the composition of the three employed categories, viz., self-employed, regular employees and casual labour was observed over the NSS Rounds except some minor changes around 2-3 per cent. Again, this change was more during the post-reform period than during the pre-reform period. The new economic reforms, which envisaged a boom in private investment in the rural sector through small-scale and agro-industries and thereby promoting employment for self-employed establishments, could not attain desired change in this direction.

Examination of employment pattern by broad industry groups indicated that the primary sector, as usual, was seen to be the major source of employment accounting for 75-85 per cent of employment. Analysis of statewise sectoral contribution highlighted that the pace of diversification of rural economy increased during the post-reform period for a number of states as there was a gradual shift of labour force away from the primary sector and a positive change in labour absorption in the secondary and tertiary sectors.

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