

बेरोजगारी (UNEMPLOYMENT)

Unemployment



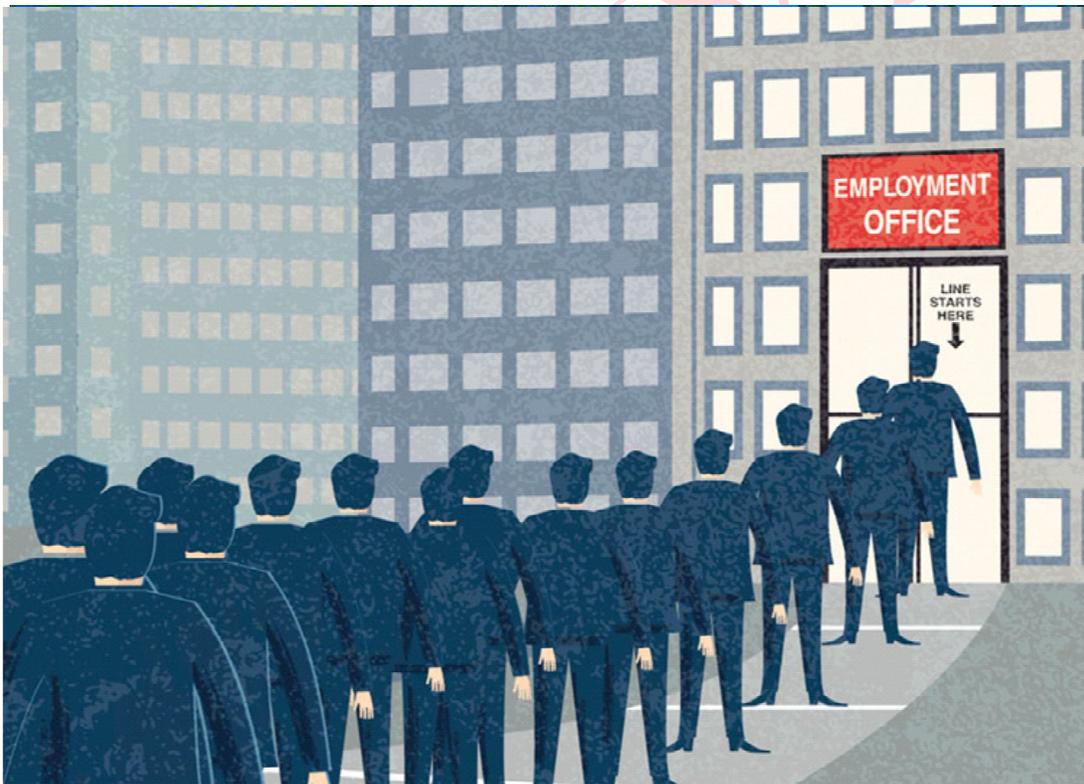
The unemployment in India stood at 6.1% in the financial year 2018 mentions the NSSO - National Sample Survey Organisation Report 2019.

Unemployment is a situation when a person actively searches for a job and is unable to find work. Unemployment indicates the health of the economy.

Unemployment rate = $(\text{Unemployed Workers} / \text{Total labour force}) \times 100$
Ministry of Statistics and Programme Implementation measures

India's unemployment on three approaches:

1. **Daily Status Approach:** unemployment status of a person under this approach is measured for each day in a reference week. A person having no gainful work even for one hour in a day is described as unemployed for that day.
2. **Weekly Status Approach:** This approach highlights the record of those persons who did not have gainful work or were unemployed even for an hour on any day of the week preceding the date of the survey.
3. **Usual Status Approach:** This gives the estimates of those persons who were unemployed or had no gainful work for a major time during the 365 days.



Types of Unemployment in India

In India, there are seven types of unemployment. The types of unemployment are discussed below:

1. **Disguised Unemployment:** This is a type of unemployment where people employed are more than actually needed. Disguised unemployment is generally traced in unorganised sectors or the agricultural sectors.
2. **Structural Unemployment:** This unemployment arises when there is a mismatch between the worker's skills and availability of jobs in the market. Many people in India do not get job matching to their skills or due to lack of required skills they do not get jobs and because of poor education level, it becomes important to provide them related training.
3. **Seasonal Unemployment:** That situation of unemployment when people do not have work during certain seasons of the year such as labourers in India rarely have occupation throughout the year.
4. **Technological Unemployment:** the situation when people lose their jobs due to advancement in technologies. In 2016, the data of the World Bank predicted that the proportion of jobs threatened by automation in India is 69% year-on-year.
5. **Cyclical Unemployment:** unemployment caused due to the business cycle, where the number of unemployed heads rises during recessions and declines with the growth of the economy. Cyclical unemployment figures in India are negligible.
6. **Frictional Unemployment:** this is a situation when people are unemployed for a short span of time while searching for a new job or switching between jobs. Frictional Unemployment also called Search Unemployment, is the time lag between the jobs. Frictional unemployment is considered as voluntary unemployment because the reason for unemployment is not a shortage of jobs, but in fact, the workers themselves quit their jobs in search of better opportunities.

Causes of Unemployment

The major causes of unemployment in India are as mentioned below:

- Large population.
- Lack of vocational skills or low educational levels of the working population.
- Labour-intensive sectors suffering from the slowdown in private investment particularly after demonetisation
- The low productivity in the agriculture sector plus the lack of alternative opportunities for agricultural workers that makes transition among the three sectors difficult.
- Legal complexities, Inadequate state support, low infrastructural, financial and market linkages to small businesses making such enterprises unviable with cost and compliance overruns.
- Inadequate growth of infrastructure and low investments in the manufacturing sector, hence restricting the employment potential of the secondary sector.
- The huge workforce of the country is associated with the informal sector because of a lack of required education or skills, and this data is not captured in employment statistics.
- The main cause of structural unemployment is the education provided in schools and colleges are not as per the current requirements of the industries.
- Regressive social norms that deter women from taking/continuing employment.

Impact Of Unemployment

The unemployment in any nation have the following effects on the economy:

- The problem of unemployment gives rise to the problem of poverty.
- The government suffers extra borrowing burden because unemployment causes a decrease in the production and less consumption of goods and services by the people.
- Unemployed persons can easily be enticed by antisocial elements. This makes them lose faith in the democratic values of the country.
- People unemployed for a long time may indulge in illegal and wrong activities for earning money which increases crime in the country.

- Unemployment affects the economy of the country as the workforce that could have been gainfully employed to generate resources actually gets dependent on the remaining working population, thus escalating socio-economic costs for the state. For instance, a 1 % increase in unemployment reduces the GDP by 2 %.

Government Initiative To Control Unemployment

1. In 1979 the government launched TRYSEM - Training of Rural Youth for Self-Employment. The objective of this scheme was to help unemployed youth of rural areas aged between 18 and 35 years.
2. The Government launched the IRDP - Integrated Rural Development Programme (IRDP) in the year 1980 to create full employment opportunities in rural areas.
3. The Jawahar Rozgar Yojana (JRY) was started in April 1989 by merging the two existing wage employment programmes i.e. RLEGP - Rural Landless Employment Guarantee Programme and NREP - National Rural Employment Programme on an 80:20 cost-sharing basis between the state and centre.
4. MNREGA - Mahatma Gandhi National Rural Employment Guarantee Act launched in 2005 providing the right to work to people. An employment scheme of MNREGA aimed to provide social security by guaranteeing a minimum of 100 days paid work per year to all the families whose adult members opt for unskilled labour-intensive work.



5. PMKVY - Pradhan Mantri Kaushal Vikas Yojana was launched in 2015. The objective of PMKVY was to enable the youth of the country to take up industry-relevant skill training in order to acquire a secured better livelihood.
6. The government launched the Start-Up India Scheme in 2016. The aim of Startup India programmes was to develop an ecosystem that nurtures and promotes entrepreneurship across the nation
7. Stand Up India Scheme also launched in 2016 aimed to facilitate bank loans to women and SC/ST borrowers between Rs 10 lakh and Rs. 1 crore for setting up a greenfield enterprise.
8. National Skill Development Mission was set up in November 2014 to drive the 'Skill India' agenda in a 'Mission Mode' in order to converge the existing skill training initiatives and combine scale and quality of skilling efforts, with speed.

PURA Initiative (Provision of Urban Amenities in Rural Areas (PURA))

- PURA was mooted by the former President Dr. Abdul Kalam in January 2003 as a way of empowering and accelerating rural development.
- The Ministry of Rural Development (MoRD) implemented the PURA scheme on a pilot basis in seven clusters for a period of three years (2004- 05 to 2006-07).
- PURA 2.0 as a central sector scheme was launched in 2012 focussing on the development of potential growth centres such as census towns.
- Objective: Provision of livelihood opportunities and urban amenities in rural areas to bridge the rural - urban divide.