

CHAPTER - 7

EMPLOYEMENT - GROWTH , INFORMALISATION AND RELATED ISSUES

Question 1. Who is a worker?

Answer. A worker is an individual who is doing some productive employment to earn a living.

Question 2. Define worker-population ratio.

Answer. Workforce Participation Rate (or ratio)

$$\text{Participation Ratio} = \frac{\text{Workforce}}{\text{Total Population}} \times 100$$

Participation ratio is defined as the percentage of total population which is actually participating in productive activity. It is also called workers-population ratio. It indicates the employment situation of the country. A high ratio means that more proportion of population is actively contributing to the production of goods and services of a country.

Question 3. Are the following workers — a beggar, a thief, a smuggler, a gambler? Why?

Answer: No, they are not workers because they, are not doing any productive activity.

Question 4. Find the odd man out (i) owner of a saloon with more than 10 employees (ii) a cobbler (iii) a cashier in Mother Dairy (iv) a tuition master (v) transport operator (vi) construction worker.

Answer. Owner of a saloon.

Question 5. The newly emerging jobs are found mostly in the sector (service/manufacturing).

Answer. Service.

Question 6. An establishment with four hired workers is known as (formal/informal) sector establishment.

Answer. Informal.

Question 7. Raj is going to school. When he is not in school, you will find him working in his farm. Can you consider him as a worker? Why?

Answer. Raj is disguisedly unemployed.

Question 8. Compared to urban women, more rural women are found working. Why?

Answer. Participation rate for women is higher in rural areas compared with urban areas. It is because in rural areas, poverty forces women to seek employment. Without education, women in rural areas find only less productive jobs and get low wages.

In urban areas, men are able to earn high incomes. So they discourage female members from taking up jobs.

Question 9. Meena is a housewife. Besides taking care of household chores, she works in the cloth shop which is owned and operated by her husband. Can she be considered as a worker? Why?

Answer. Meena is a self-employed worker. She is working in her husband's cloth shop. She will not get salary.

Question 10. Find the odd man out (i) rickshaw puller who works under a rickshaw owner (ii) mason (iii) mechanic shop worker (iv) shoeshine boy.

Answer. Shoeshine boy.

Question 11. The following table shows distribution of workforce in India for the year 1972-73. Analyse it and give reasons for the nature of workforce distribution. You will notice that the data is pertaining to the situation in India 30 years ago.

Place of Residence	Workforce(in millions)		
	Male	Femal	Total
Rural	125	70	195
Urban	32	7	39

Answer. In 1972-73, out of total workforce of 234 million, 195 million was in rural areas and 39 million in urban areas. It shows 83% workforce lived in rural areas. Gender differences were also observed. In rural areas, males accounted for 125 million workforce and women 70 million of workforce. In urban areas, 32 million males formed the workforce whereas women workforce was only 7 million. In the country only 77 million female workers were there as compared to 157 million male workers. In other words, 32% of female workers were there and 68% male workers were there in the country in 1972-73. The data shows:

- (a) pre dominance of agriculture.
- (b) more male workers both in urban and rural areas.
- (c) less female workers in both rural and urban areas. Also, female workers were much lesser in urban areas.

Question 12. The following table shows the population and worker population ratio for India in 1999-2000. Can you estimate the workforce (urban and total) for India?

Region	Estimation of Population (in crores)	Workers Population	Estimated Workers (in crores)
Rural	71.88	41.99	$(71.88/100) \times 41.9$ = 30.12
Urban	28.52	33.7	?
Total	100.40	39.5	?

Answer. Estimated number of workers (in crores) for urban = $\frac{28.52}{100} \times 33.7 = 9.61$ crores
 Total workforce = 30.12 + 9.61 = 39.73 crores

Question 13. Why are regular salaried employees more in urban areas than in rural areas?

Answer. In urban areas, a considerable section is able to study in various educational institutions. Urban people have a variety of employment opportunities. They are able to look for an appropriate job to suit their qualifications and skills. But in rural areas, people cannot stay at home as they are economically poor.

Question 14. Why are less women found in regular salaried employment?

Answer. Female workers give preference to self-employment than to hired employment. It is because women, both in rural and urban areas, are less mobile and thus, prefer to engage themselves in self-employment.

Question 15. Analyse the recent trends in sectoral distribution of workforce in India.

Answer. 1. The data in occupational structure is as follows (for the year 1999-2000):

(a) Industry wise the distribution is:

- (i) 37.1% of workforce is engaged in primary sector.
- (ii) 18.7% of workforce is engaged in secondary sector.
- (iii) 44.2% of workforce is engaged in tertiary sector.

(b) Area wise the data is:

(i) In rural areas:

- 77% of workforce is in primary sector.
- 11% of workforce is in secondary sector.
- 12% of workforce is in tertiary sector.

(ii) In urban areas:

- 10% of workforce is in primary sector.
- 31% of workforce is in secondary sector.
- 59% of workforce is in tertiary sector.

2. The data reveals that:

- (a) Economic backwardness in the country as 60% of workforce is engaged in agricultural activities. A large proportion of population depend on agriculture for their livelihood.
- (b) In urban area, tertiary sector account for 59% of workforce. It shows development and growth in the tertiary sector and the fact that this sector is able to generate sustainable employment and provide livelihood to 59% of the workforce.

3. It can be concluded that in the urban areas, tertiary sector is the main source of livelihood for majority of workforce.

Question 16. Compared to the 1970s, 'there has hardly been any change in the distribution of workforce across various industries. Comment.

Answer. It is true that no much change is observed in the distribution of workforce across various industries. It is because the plans did not emphasise the need for development of:
(a) non-agricultural rural employment industries.
(b) small scale, village and cottage industries.

Question 17. Do you think that in the last 50 years, employment generated in the country is commensurate with the growth of GDP in India? How?

Answer. Jobless growth is defined as a situation in which there is an overall acceleration in the growth rate of GDP in the economy which is not accompanied by a commensurate expansion in employment opportunities. This means that in an economy, without generating additional employment we have been able to produce more goods and services. Since the starting of economic reforms in 1991, our economy is experiencing a gap between GDP growth rate and employment growth rate that is, jobless growth.

Question 18. Is it necessary to generate employment in the formal sector rather than in the informal sector? Why?

Answer. With economic reforms in 1991, there has been significant rise in informalisation of workers. Since informal workers face uncertainties of making of living, it is surprising that such a high percentage of total workforce prefer to be employed in the informal sector. All necessary steps should be taken to generate employment in the formal sector, which is only 7% at present.

Question 19. Victor is able to get work only for two hours in a day. Rest of the day, he is looking for work. Is hie unemployed? Why? What kind of jobs could persons like Victor be doing?

Answer. No. he is employed because Victor has work for 2 hours daily for which he gets paid. He is a casual worker.

Question 20. You are residing in a village. If you are asked to advise the village panchayat, what kinds of activities would you suggest for the improvement of your village which would also generate employment.

Answer. Digging of wells, fencing, building roads and houses, etc.

Question 21. Who is a casual wage labourer?

Answer. Those people who are not hired by their employers on a regular/permanent basis and do not get social security benefits are said to be casual workers. Example: construction workers.

Question 22. How will you know whether a worker is working in the informal sector?

Answer. Informal Sector:

(a) It is an unorganised sector of an economy which includes all those private sector enterprises which employ less than 10 workers. Example: agriculture labourers, farmers, owners of small enterprises, etc.

(b) The workers of this sector are called informal workers.

(c) The workers are not entitled to social security benefits.

(d) The workers cannot form trade union and are not protected by labour laws.