

CHAPTER : UNEMPLOYMENT

unemployment : If any individual who is willing, able and looking for work but does not getting the work.

Note : If any individual like beggars, physically differently able i.e. who does not willing or able to work are not considered unemployed.

✓ NSSO categorised people into 3 category :

(a) Employed - one who is willing and able to work and actually working

(b) Unemployed - one who is willing and able to work and looking for work but does not get the work.

(c) Neither willing and able for work nor looking for work.

Unemplo

Labour force : willing and able to work, looking for work and who are working of 15 years and above age.

work force: Those who are actually working.

$$* \frac{\text{Unemployment Rate}}{\text{Rate}} = \frac{\text{No. of unemployed}}{\text{Labour force}} \times 100$$

$$* \frac{\text{Labour force participation Rate}}{\text{Rate}} = \frac{\text{Labour force}}{\text{Total population}} \times 100$$

$$* \frac{\text{workforce participation Rate / workers}}{\text{population Ratio}} = \frac{\text{workforce}}{\text{Total population}} \times 100$$

Types of unemployment

open unemployment:

✓ when lots of people are unemployed over a particular area.

✓ This kind of unemployment is usually seen in the rural areas.

Seasonal unemployment:

✓ This type of unemployment occurs when people become unemployed due to change in season.

✓ It is highly observed in the agricultural sector.

cyclic unemployment:

- ✍ The unemployment situation occur due to change in trade cycle. i.e. the unemployment situation occur due to recession in economy.

Structural unemployment:

- ✍ This type of unemployment occurs due to the mismatch between the skills require by the employers and the skill with the people.

Technological unemployment:

- ✍ when the unemployment occurs due to change in technology.

frictional unemployment:

- ✍ It is a short-term phenomena of unemployment i.e. in this kind of unemployment people become unemployed for a short period of time.
- ✍ This is also called search unemployment.
- ✍ It occurs due to switching job from one place to other, strike and lock out.

Chronic unemployment :

- ✍ when any individual remain unemployed for a long period of time.

Vulnerable unemployment :

- ✍ when there is no formal contract between the employer and employee, the employer or the employee can stop the work and they are called gig workers.

Disguised unemployment :

- ✍ when the unemployment occurs due to some more workers employed than needed.
- ✍ If some people left the job or removed from the job then also their would be no impact on the productivity on the work.
- ✍ The marginal productivity of some people is Zero.
- ✍ It is usually occured in agriculture.

Periodic Labour force survey Report 2022-23

- ✍ methods of data collection for unemployment.

Methods of Data

Collection

Usual Status

Current weekly status

Principle status

Subsidiary status

A person is considered unemployed when he/she does not gain any gainful work from 365 days preceding the date of survey.

A person is considered unemployed when he/she does not gain any gainful work from 30 days preceding the date of survey.

A person is considered unemployed when he/she does not gain any gainful work from 7 days preceding the date of survey.

Periodic Labour force Survey Report

2022-23 Usual status

Labour force participation Rate

workers participation Ratio

unemployment Rate

Periodic Labour force Survey Report 2022-23 usual status

Survey period	Rural			urban			Rural + urban		
	male	female	Total	male	female	Total	male	female	Total
2022-23	80.2	41.5	60.8	74.5	25.4	50.4	78.5	37.0	57.9
2017-18	76.4	24.6	50.7	74.5	20.4	47.6	75.8	23.3	49.8

Workers population Ratio in usual status

Indicator	Rural			Urban			Rural + urban		
	male	female	Total	male	female	Total	male	female	Total
2022-2023	78.0	40.7	59.4	71.0	23.5	47.7	76.0	33.9	56.0
2017-2018	72.0	23.7	48.1	69.3	18.2	43.9	71.2	22.0	46.8

Unemployment Rate

Survey period	Rural			urban			Rural + urban		
	male	female	Total	male	female	Total	male	female	Total
2022-23	2.7	1.8	2.4	4.7	7.5	5.4	3.3	2.9	3.2
2017-18	18.0	10.4	20.2	11.0	22.2	14.4	4.2	8.8	20.0
					10.8	7.7	6.1	5.6	6.0

Labour force participation Rate — Current weekly status

- ✓ In Rural area L FPR increase from 48.9 % in 2017-18 to 56.7 % in 2022-23.
- ✓ for urban areas it increased from 47.1 % to 49.4 %.
- ✓ L FPR for male in India increased from 45.01 % to 54.4 %.
- ✓ for female 21.1 % to 31.6 %.

Workers participation Ratio — Currently weekly status

- ✓ In rural areas, WPR increased from 44.8 to 54.2 %.
- ✓ urban areas ÷ 42.6 → 46 %.
- ✓ whole India ÷ 44.18 % → 54.8 %.
- ✓ male ÷ 68.6 → 73.5
- ✓ female ÷ 19.2 → 30 %.

Unemployment Rate — current weekly

- ✓ Rural ÷ 8.4 % → 4.4 %.
- ✓ urban ÷ 9.5 % → 7.0 %.
- ✓ India ÷ 8.7 % → 5.1 %.
 - male ÷ 8.7 % → 5.1 %.
 - female ÷ 9.0 % → 5.1 %.