

Employment and unemployment

10.10 As part of the annual series in the 60th round of the NSSO, an all-India survey on the situation of employment and unemployment was conducted in January to June, 2004 with a moderately large sample of households. The survey points out the large rural-urban and male-female divide in not only literacy, but also in employment and wages (Box 10.4). Between the rural and urban segments, there are differentials among the usual principal status, current weekly status, and current daily status of unemployment. In respect of current daily status (of unemployment), particularly of the intermittent variety, the rate

appears to be larger in rural areas than in urban areas (Table 10.4).

10.11 Some salient features of the trend of unemployment rates in the country are:

- The unemployment rate went up between 1993-94 to 2004. On the basis of current daily status (unemployed on an average in the reference week), during the reference period, unemployment rate for males increased from 5.6 per cent to 9.0 per cent in rural areas, and from 6.7 per cent to 8.1 per cent in urban areas (Table 10.5).
- Similarly, unemployment rate for females increased from 5.6 per cent in 1993-94 to 9.3 per cent in 2004 in rural

Box 10.4: Results of 60th round of NSSO survey on employment and unemployment situation conducted in January-June 2004

- About 72 per cent of households belonged to rural India and accounted for nearly 75 per cent of total population. The average household size for the rural sector at 5.0 is higher than the urban average of 4.5.
- Male literacy was 62 per cent and 80 per cent in rural and urban areas, respectively. In females, the corresponding rates were 43 per cent and 68 per cent.
- According to the usual principal and subsidiary statuses taken together (called 'all' usual status), nearly 44 (37) percent of the rural (urban) persons were in the labour force. The corresponding percentages for males (females) were 55 (32) in rural areas and 56 (16) in urban areas.
- In the usually employed ('all' workers) category, 57 per cent among males and nearly 62 per cent among females were self-employed. The corresponding proportions in urban India were 44 per cent for males and 45 per cent for females.
- In the rural areas, about 66 per cent of usually employed males and 84 per cent of usually employed females were engaged in the agricultural sector.
- In urban India, the tertiary sector engaged 59 per cent of male workers while secondary sector accounted for 35 per cent of the usually employed males. For females, the corresponding proportions were lower at 53 and 31 per cent.
- In rural India, on an average, per day, a male casual labourer earned Rs. 56.53, Rs. 20.38 more than a female casual labourer who earned Rs.36.15.
- In urban India, wage difference was more prominent. A male casual labourer in the urban areas earned Rs.75.51 in a day and female, Rs. 44.28 in a day.

Table 10.4 Unemployment rates*

(all-India)

Status	Rural			Urban		
	Male	Female	Total	Male	Female	Total
Usual-principal status	24	22	23	46	89	53
Current weekly status	47	45	46	57	90	64
Current daily status	90	93	91	81	117	88

* Unemployment rates (number of persons {or person days} unemployed per 1000 persons {or person days})
Source : NSSO's 60th Round Survey on Employment and Unemployment conducted in January-June 2004.

Table 10.5 : Unemployment rates* for 50th round (1993-94) and 60th round (January-June 2004) of the NSSO

(all-India)

Rural						
Males			Females			
Round	Usual	CWS	CDS	Usual	CWS	CDS
60th (2004)	24	47	90	22	45	93
50th (1993-94)	20	30	56	14	30	56

Urban						
Males			Females			
Round	Usual	CWS	CDS	Usual	CWS	CDS
60th (2004)	46	57	81	89	90	117
50th (1993-94)	45	52	67	83	84	105

*Unemployment rates (number of persons {or person days} unemployed per 1000 persons {or person days})
 CWS : Current Weekly Status, CDS: Current Daily Status
 Source : NSSO's 60th Round Survey on Employment and Unemployment conducted in January-June 2004.

areas and from 10.5 per cent to 11.7 per cent in urban areas.

- Furthermore, unemployment rates on the basis of current daily status were much higher than those on the basis of usual status (unemployed on an average in the reference year) implying a high degree of intermittent unemployment. This could be mainly because of the absence of regular employment for many workers.

- Urban unemployment rates (current daily status) were higher than rural unemployment rates for both males and females in 1993-94. However, in 2004, rural unemployment rates for males was higher than that of urban males.
- Unemployment rates varied sharply across States. States, where wages are higher than in neighbouring ones because of strong bargains or social security provisions, such as high minimum wage, had high incidence of unemployment, in general.