

Employment

10. It may be observed from Table 10.8 that the average annual growth rate of overall employment (in both organised and unorganised sectors) declined continuously from 2.75 per cent in the period 1972-1978 to 1.77 per cent in 1983-1988, but increased to 2.37 per cent in 1987-1994. However, the growth rate of organised sector employment maintained its declining trend even during the period from 1987-88 to 1993-94. There was a significant improvement in the growth rate of organised employment in the private sector from 0.43 per cent in 1983-1988 to 1.18 per cent in 1987-1994. For the first time the growth rate of employment in the organised private sector exceeded the employment growth rate in the public sector.

Period	Growth rate of overall employment	Growth rate of employment in the organised sector		
		Public	Private	Total
1972-73 to 1977-78	2.75	2.45
1977-78 to 1983	2.36	2.99	1.41	2.48
1983 to 1987-88	1.77	2.17	0.43	1.38
1987-88 to 1993-94	2.37	1.00	1.18	1.05

Source: Planning Commission.

11. Table 10.9 presents the annual growth rates of employment in the organised public and private sector during 1991 to 1996. It can be observed from the table that the private sector contributed predominantly to the increase in the organised sector employment in the reform period since 1991 except in the year 1993. The government has decided to set up the Second National Commission on Labour with a view to provide protection to millions of workers. The main focus of the Commission would be to suggest rationalisation of the existing labour laws in the organised sector and also to suggest an umbrella legislation for ensuring a minimum level of protection to the workers in the unorganised sector.

Year	Public sector	Private sector	Total organised
1991	1.52	1.24	1.44
1992	0.80	2.21	1.21
1993	0.60	0.06	0.44
1994	0.62	1.01	0.73
1995	0.11	1.63	0.55
1996	(-)0.19	5.62	1.51
1997	0.67	2.04	1.09

Source : Planning Commission.