

Dynamics of Labour Force, Workforce and Job Seekers in India

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Abstract

Background: The Age-structural transition of the country leading to the hypothesis that the labour force in the working age (15-59 years) will lead the acceleration in the growth of the country. However, the absorption of the labour force into the workforce is not as high as one would expect, resulting in an increasing number of job seekers in the country.

Objectives: To estimate the trend of the labour force, workforce and job seekers in India (1991-2011).

Data and Methods: This paper based on census data, compares the trends of the labour force, workforce and job seekers using simple percentage distribution and exponential growth rate method.

Results: The study found that the population in the working age group is increasing faster than the other age groups due to the nature of the demographic transition.

Conclusion: The findings indicate that there is an urgent need to create more employment opportunities for the growing bulge in the country.

Keywords: Labour force, Workforce, Job Seekers

I. Introduction

The demographic dividend is a phenomenon occurring due to an increase in the working population out of the total population. It is the result of demographic transition and the consequent age - structure change leading to leading to the rising ratio of the working population (15-59) and the declining ratio of the child population (0-14). As in many countries, the rapid fall in birth rates in the past few decades resulted in adding fewer children to the population and relatively rapid growth of the working age group population. There is a consensus that the demographic change in India is opening up new economic opportunities. This demographic change seems to be one of the sources of the future economic growth in India.

The growth benefit of a demographic dividend is not automatic. A lot depends on the whether the bulge in the working population can be trained, and enough employment/ job opportunities are created to employ more and more people who join “the labour force” (The labour force participation rate indicates the percentage of population who are already engaged in any kind of work and those who are ready to work given the employment opportunity). Thus, the labour force includes both the employed and the unemployed persons. India is the second largest country in terms of the size of the labour force.

The size and the structure of the population in all the countries tend to change over time because of the nature of the demographic transition. Since the 1980s, the increase in working age population reaps an immense number of the labour force. Increasing labour force participation is expected to add to the labour supply, reinforcing the effect of the demographic dividend. However, recent studies have shown that the absorption of the Indian youth into the workforce is not sufficient as one would expect. The education of male and females have kept in mind the above discussion; the present study has attempted to explore the trend of job seekers in India. The specific objective of this research is to examine the level, trends and differentials of the labour force, workforce and job seekers in India (1991 to 2011).

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II. Data and methods

The study is based on the data from the Census of India, 1991, 2001 and 2011. The study analyses labour force, workforce and job seekers at the state level. The following indicators are calculated:

1. Labour force (15-59) = $\frac{\text{Total population in the age group 15-59}}{\text{Total Population}} \times 100$
2. Work Participation Rate (15-59) = $\frac{\text{Total workers (Main+Marginal) in 15-59 years age group}}{\text{total Population (15-59)}} \times 100$
3. Job Seekers (15-59) = $\frac{\text{Total seeking workers (Marginal+Non-workers) in 15-59 age group}}{\text{total Population (15-59)}} \times 100$

III. Expected findings

Labour force:

Figure 1 to 3 show that the increasing trend of the labour force from 1991 to 2011. It reveals that overall, 5 per cent point labour force has been increased (from 55 per cent to 60 per cent) in India. In the state level, the highest increase in the labour force is found in Daman and Diu (14 per cent point) followed by Sikkim (11 per cent) and the lowest increase found in Bihar (0.2 per cent point) followed by Kerala (2.7 per cent point). In 2011, the labour force was found to be high in Goa (67 per cent) followed by Sikkim (66 per cent). All the union territories show a higher number of the labour force at the same time. Daman and Diu (73 per cent) are high in terms of the labour force than the other states of India. Moreover, the trend of the labour force is increasing with a decreasing growth rate. Table 1 depicts that the growth rate of the labour force has declined from 2.3 per cent in 1991-2001 to 2.2 per cent from 2001 to 2011. Except for nine states (Madhya Pradesh, Bihar, Manipur, Uttar Pradesh, Arunachal Pradesh, Puducherry, Tamil Nadu, Rajasthan, and Meghalaya), all the states have shown a decreasing growth rate of the labour force in India.

Workforce:

In India, the workforce participation is decreasing continuously from 60 per cent to 59 per cent. Only eleven states have shown a little increasing trend (maximum of 7 per cent point in Daman and Diu) of workforce participation, while eleven states have lost a workforce at the same time. As per recent census data (2011), the workforce participation in the working age group in India is 58.5 per cent and it is high in Chhattisgarh (71 per cent) followed by Himachal Pradesh (70 per cent) and low in Lakshadweep (42 per cent) and Delhi (48 per cent). Likewise, the trend of the workforce since 1991, the growth rate of workforce participation has declined from 2.5 per cent in 1991-2001 to 1.8 per cent from 2001 to 2011. Almost all the states have shown a negative growth rate in India (table 1).

Job Seekers:

Compare to the labour force and workforce the percentage of job seekers in the working age group has increased sharply. From 1991 to 2011, 13 per cent point (from 1.9 per cent to 14.5 per cent) population in the working age group was increased who are looking for a job. In the state level, the highest increase has found in Lakshadweep, West Bengal and Tripura (fig. 7 to 9). In 2011, the job seekers were found to be high in Lakshadweep (42 per cent), followed by Tripura (30.5 per cent) and low in Daman and Diu (4.6 per cent) and Dadra and Nagar Haveli (5.2 percent). However, the growth rate of job seekers is decreased. Table 1 reveals that the growth rate of job seekers has declined from 15.6 per cent in 1991-2001 to 9.6 per

cent from 2001 to 2011. Except for Madhya Pradesh, all the states have a negative growth rate of job seekers during 1991 to 2011.

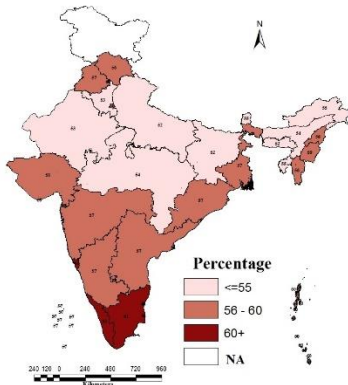
Table 1: the Growth rate of Labour force, Workforce and Job Seekers in the working age-group (15-59) of India and States, 1991-2011.

States/UTs/India	Labour Force		Workforce		Job Seekers	
	1991-2001	2001-2011	1991-2001	2001-2011	1991-2001	2001-2011
Andaman and Nicobar Islands	3.3	1.2	3.1	1.1	27.8	7.9
Andhra Pradesh	1.9	1.6	1.7	1.1	27.2	6.3
Arunachal Pradesh	2.4	3.1	1.8	2.0	33.8	11.6
Assam	2.2	2.2	1.6	2.3	17.6	8.0
Bihar	-0.5	2.5	-0.1	2.0	17.6	16.6
Chandigarh	3.8	2.0	4.1	1.7	23.4	2.7
Chhattisgarh	NA	2.8	NA	2.4	NA	18.4
Dadra & Nagar Haveli	5.4	5.0	4.7	3.4	29.1	12.8
Daman & Diu	5.9	5.0	6.8	5.2	25.6	4.1
Delhi	4.2	2.5	4.2	2.0	22.1	4.3
Goa	1.8	0.8	2.3	0.8	10.8	2.0
Gujarat	2.5	2.2	2.5	1.4	25.9	4.3
Haryana	3.1	2.7	5.0	0.7	22.5	12.6
Himachal Pradesh	2.3	1.9	2.9	1.7	20.8	14.8
Jammu & Kashmir	NA	2.4	NA	1.7	NA	11.3
Jharkhand	NA	2.4	NA	2.5	NA	16.4
Karnataka	2.3	2.1	2.3	1.7	18.0	6.5
Kerala	1.2	0.6	1.2	1.1	3.4	1.9
Lakshadweep	2.1	1.7	1.2	2.1	7.4	6.5
Madhya Pradesh	-0.8	2.6	-0.9	2.1	13.2	15.7
Maharashtra	2.4	2.2	1.9	1.7	19.4	6.1
Manipur	2.1	3.1	1.8	3.3	27.5	8.3
Meghalaya	2.8	2.9	2.3	2.2	36.2	11.0
Mizoram	3.2	2.5	3.1	0.7	27.2	14.0
Nagaland	5.4	0.2	5.0	1.3	30.4	3.7
Odisha	1.8	1.8	1.8	2.1	18.6	11.2
Puducherry	2.4	2.7	2.5	2.6	12.4	1.0
Punjab	2.2	2.1	3.7	0.7	33.0	7.3
Rajasthan	2.5	2.8	3.1	2.4	23.6	16.6
Sikkim	3.6	2.3	4.1	1.8	33.1	9.4
Tamil Nadu	1.5	1.8	1.3	1.6	15.5	2.6
Tripura	2.3	2.3	3.1	2.5	13.3	8.2
Uttar Pradesh	1.7	2.6	1.8	1.8	19.4	12.8
Uttarakhand	NA	2.4	NA	2.0	NA	8.8
West Bengal	2.1	2.1	3.0	1.7	13.9	8.7
India	2.3	2.2	2.5	1.8	15.5	9.6

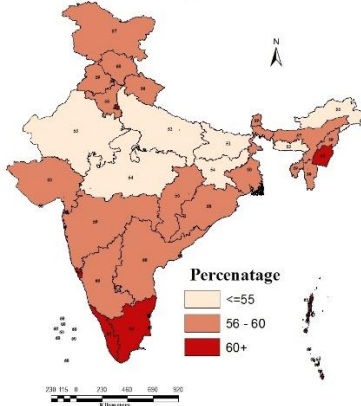
Source: Registrar General of India, Census of India, 1991, 2001, and 2011.

Figures

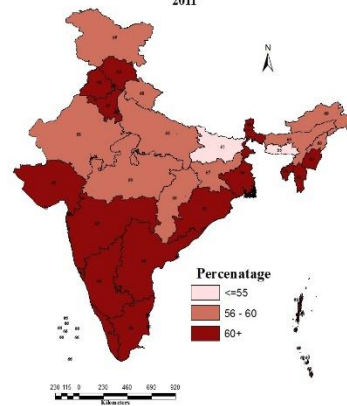
Map1: Labour Force in the working age group (15-59) of India, 1991



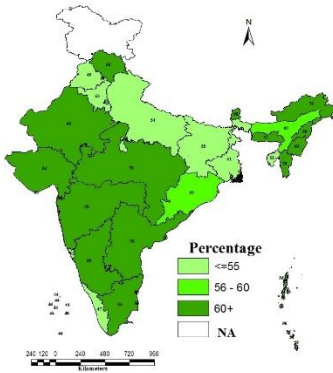
Map2: Labour force in the working age group (15-59) of India, 2001



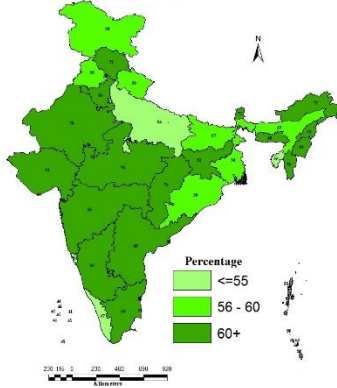
Map3: Labour force in the working age group (15-59) of India, 2011



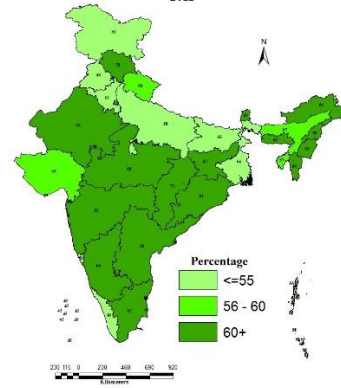
Map4: Workforce in the working age group (15-59) of India, 1991



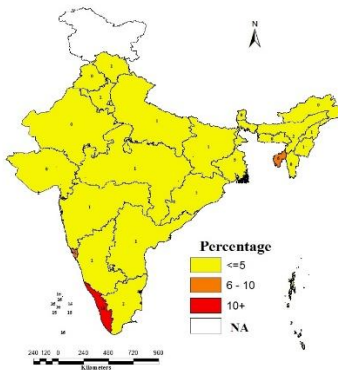
Map5: Workforce in the working age group (15-59) of India, 2001



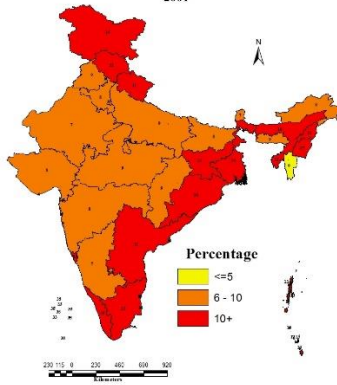
Map6: Workforce in the working age group (15-59) of India, 2011



Map7: Job seekers in the working age group (15-59) of India, 1991



Map8: Job seekers in the working age group (15-59) of India, 2001



Map9: Job seekers in the working age group (15-59) of India, 2011

