

CHAPTER 21

EMPLOYMENT AND UNEMPLOYMENT

Employment

The unemployment rate is a useful measure of the underutilization of the labour supply. It reflects the inability of an economy to generate employment for those persons who want to work but are not doing so, even though they are available for employment and actively seeking work. Unemployment adversely affects the disposable income of families, erodes purchasing power, diminishes employee morale, and reduces an economy's output. Unemployment tends to have negative psychological consequences, including the loss of identity and self-esteem, increased stress from family and social pressures, along with greater future uncertainty with respect to labour market status. Lower unemployment will reduce government borrowing and help economic growth. If the unemployed gain work, they will increase spending, and this will cause a positive multiplier effect which helps to increase economic growth. Employment contributes to economic growth and development: Workers produce valuable goods and services, and in turn receive a wage, which they can spend on buying the goods produced.

1.1 The various constituents of Employment and Unemployment viz. 'employed', 'unemployed', 'labour force' and 'out of labour force' are as explained below:

- (a) **Workers (or employed):** Persons who, during the reference period, are engaged in any economic activity or who, despite their attachment to economic activity, have temporarily abstained from work for reasons of illness, injury or other physical disability, bad weather, festivals, social or religious functions or other contingencies constitute workers. Unpaid helpers who assist in the operation of an economic activity in the household farm or non-farm activities are also considered as workers. All the workers are assigned one of the detailed activity statuses under the broad activity category 'working or being engaged in economic activity'.
- (b) **Seeking or available for work (or unemployed):** Persons, who, during the reference period, owing to lack of work, had not worked but either sought work through employment exchanges, intermediaries, friends or relatives or by making applications to prospective employers or expressed their willingness or availability for work under the prevailing condition of work and remuneration are considered as those who are 'seeking or available for work' (or unemployed).

(c) **Labour force:** Persons who are either 'working' (or employed) or 'seeking or available for work' (or unemployed) during the reference period together constitute the labour force.

(d) **Out of labour force:** Persons who are neither 'working' and at the same time nor 'seeking or available for work' for various reasons during the reference period are considered to be 'out of labour force'. The persons under this category are students, those engaged in domestic duties, rentiers, pensioners, recipients of remittances, those living on alms, infirm or disabled persons, too young or too old persons, prostitutes, etc. and casual labourers not working due to sickness.

1.2 As per Census 2001, the population of Delhi was 138.50 lakh. In 2011 census, the population of Delhi increased to the level of 167.88 lakh which indicate the fact that on an average, the population of Delhi increased at 2.12 per cent per annum during 2001-2011. During the same period the proportion of the working population to the total population in Delhi increased at the rate of 0.46 per cent. The information regarding population, working population and non-workers in India and Delhi during 1981-2011 is presented in Statement 21.1.

STATEMENT 21.1
WORKERS AND NON-WORKERS IN INDIA & DELHI: 1981-2011

(Lakh)

S. No	Details	1981		1991		2001		2011	
		India	Delhi	India	Delhi	India	Delhi	India	Delhi
1.	Total Workers	2446.04 (35.70)	20.02 (32.19)	3141.30 (37.11)	29.80 (31.63)	4023.60 (39.11)	45.45 (32.82)	4818.90 (39.79)	55.87 (33.28)
2.	Non-workers	4405.81 (64.30)	42.18 (67.81)	5322.61 (62.89)	64.41 (68.37)	6262.51 (60.89)	93.05 (67.18)	7289.7 (60.21)	112.00 (66.72)
3.	Total Population	6851.85 (100.00)	62.20 (100.00)	8463.91 (100.00)	94.21 (100.00)	10286.11 (100.00)	138.50 (100.00)	12108.6 (100.00)	167.87 (100.00)

Source: - Census of India, 1981, 1991, 2001 & 2011

Note: - Figures in parenthesis relate to percentage to total.

1.3 It may be observed from Statement 21.1 that the work participation rate in Delhi during 1981 was 32.19 per cent, reduced to 31.63 per cent in 1991 and slightly increased at 32.82 per cent in 2001 & now in 2011 is 33.28. The growth of workers in Delhi during 1981-2011 was worked out at 5.96 per cent per annum while non-workers were at 5.51 per cent per annum. This was the same in the case of national level; where the growth of workers outweighs the growth of non-workers and the difference was worked out at 1.05 per cent per annum during

the same period. This clearly indicates the fact that the work participation rate has enhanced both in national level and Delhi. As Delhi is almost a fully urbanized state in the Indian Union, the growth of workers and non-workers were higher than the national level. During the same period the percentage contribution of workers, non-workers in Delhi increased simultaneously with the increase in population. The more details regarding the growth of workers and non-workers in Delhi and India during 1981-2011 are presented in Statement 21.2.

STATEMENT 21.2
GROWTH OF WORKERS AND NON-WORKERS IN INDIA & DELHI: 1981-2011

S. No	Details	1981-91		1991-2001		2001-2011		1981-2011	
		India	Delhi	India	Delhi	India	Delhi	India	Delhi
1.	Workers								
	a. Absolute Increase (Lakh)	695.26	9.78	882.30	15.65	795.3	10.42	2372.8	35.85
	b. Growth (%)	28.42	48.85	28.09	52.5	19.7	22.9	97.0	179.0
2.	Non-workers								
	a. Absolute Increase (Lakh)	916.80	22.23	939.90	28.64	1027.19	18.95	2883.8	69.82
	b. Growth (%)	20.81	52.70	17.66	44.47	16.40	20.36	65.45	165.5
3.	Total								
	a. Absolute Increase (Lakh)	1612.06	32.01	1822.20	44.29	1822.49	29.37	5256.75	105.67
	b. Growth (%)	23.53	51.46	21.53	47.01	17.7	21.2	76.7	169.88

Source: - Census of India, 1981, 1991, 2001 & 2011

- 1.4 According to the Census, main workers were those who were engaged in any economically productive activity for 183 days (or six months) or more during the year. While marginal workers were those who worked for less than 183 days (or six months) in a year. Generally, the workers' category includes both main and marginal workers. The classification of workers, i.e main and marginal workers, non-workers and the population of Delhi during the last six censuses is mentioned in Statement. 21.3.

STATEMENT 21.3
WORKERS, NON-WORKERS AND POPULATION IN DELHI: 1961-2011

(Number)

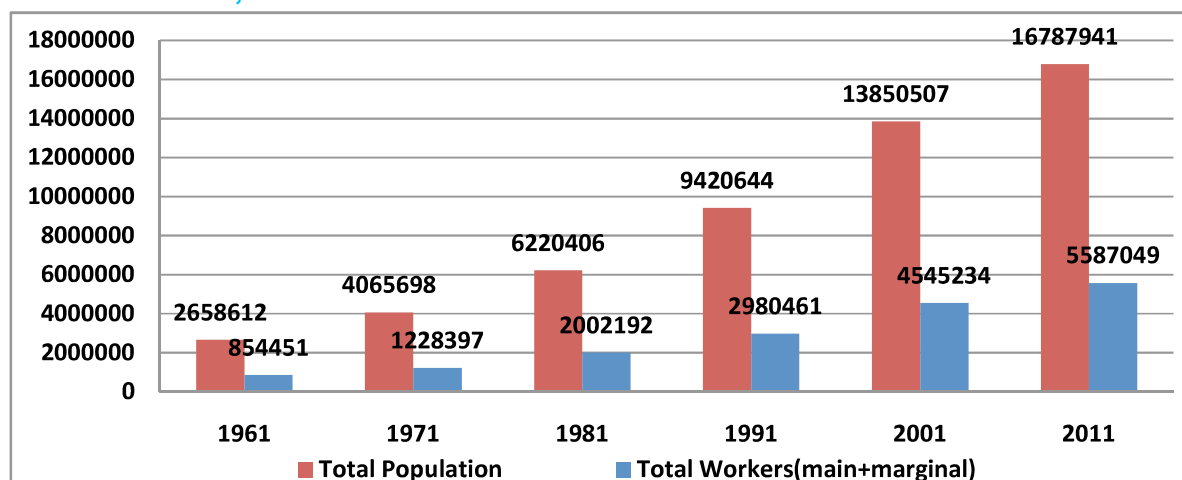
S. No.	Years	Workers			Non-workers	Total Population
		Main	Marginal	Total		
1.	1961	NA	NA	854451 (32.14)	1804161 (67.86)	2658612
2.	1971	NA	NA	1228397 (30.21)	2837301 (69.79)	4065698
3.	1981	1986399 (31.94)	15793 (0.25)	2002192 (32.19)	4218214 (67.81)	6220406
4.	1991	2968377 (31.51)	12084 (0.13)	2980461 (31.64)	6440183 (68.36)	9420644
5.	2001	4317516 (31.17)	227718 (1.65)	4545234 (32.82)	9305273 (67.18)	13850507
6.	2011	5307329 (31.61)	279720 (1.67)	5587049 (33.28)	11200892 (66.72)	16787941

Source: - Census of India, 1961, 1971, 1981, 1991, 2001 & 2011

Note: - Figures in parenthesis relate to percentage to total population.

- 1.5 It may be inferred from Statement 21.3 that one third of the total population in Delhi was taking care of the remaining two-thirds of the population. It is generally called the dependency burden of the working class. It is also observed from the above table that during 1961 and 1971 census not provided the information regarding main and marginal workers and mentioned only in the category of workers. The last census showed the highest percentage of marginal workers at 5 per cent of the workers in Delhi. The information regarding workers, non-workers and population in Delhi during 1961-2011 is depicted in Chart 21.1.

CHART 21.1
WORKERS, NON-WORKERS & POPULATION OF DELHI: 1961 - 2011



- 1.6 The general phenomenon found in most of the urbanized areas is that the percentage of persons engaged in the primary agriculture sector is very low. Delhi is also showing the same way, while the persons employed in the service sector and industrial sectors constitute a major share. The information regarding category-wise workers (including main and marginal workers) in Delhi during 2011 is presented in Statement 21.4.

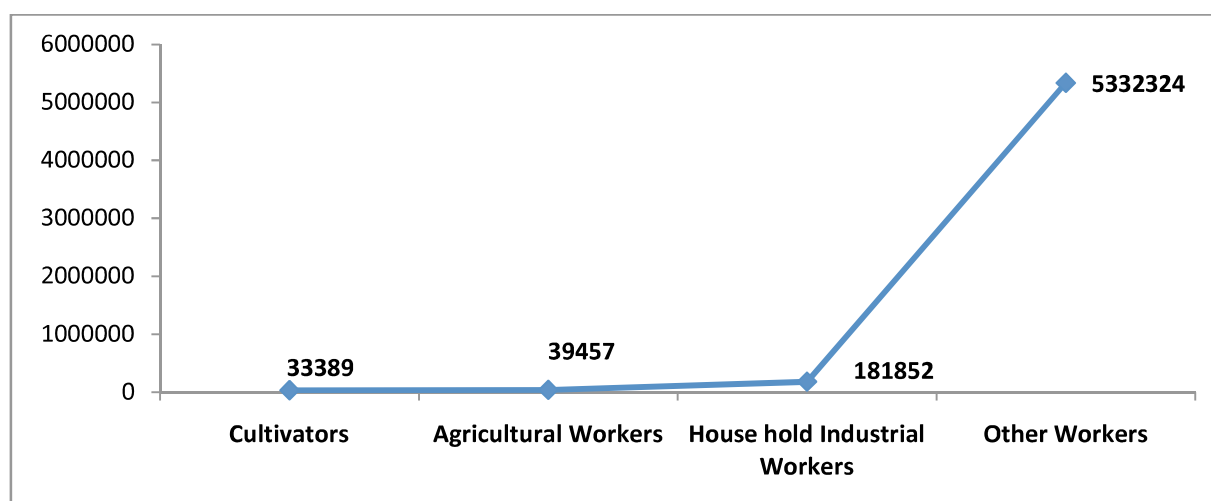
STATEMENT 21.4
CATEGORY-WISE WORKERS IN DELHI- 2011

S. No.	Category of Workers	Workers (Number)			% of Total Workers
		Male	Female	Total	
1.	Cultivators	27458	5940	33389	0.60
2.	Agricultural Workers	31352	8123	39457	0.71
3.	House hold Industrial Workers	152758	29094	181852	3.25
4.	Other Workers	4550458	781866	5332324	95.44
5.	Total Workers	4762026	825023	5587049	100.00

Source: - Delhi Statistical Hand Book, 2019; Census 2011

- 1.7 It may be inferred from Statement 21.4 that female workers constitute a less percentage of workers during 2011 and it approximated up to 15 per cent of workers in Delhi. The major shares of workers in Delhi were in the category of other workers, which includes all industrial and tertiary sector activities at it constitutes at 95 per cent. The information regarding category-wise workers in Delhi is depicted in Chart 21.2.

CHART 21.2
CATEGORY-WISE WORKERS IN DELHI-2011



2. Employment Surveys in Delhi

- 2.1 National Sample Survey Office (NSSO) collects the information regarding the characteristics of the labour force both employed as well as unemployed through their various rounds. The information regarding the same in Delhi during various rounds of NSSO is presented in Statement 21.5.

STATEMENT 21.5
EMPLOYMENT IN DELHI: NSSO ROUNDS

(Lakh)

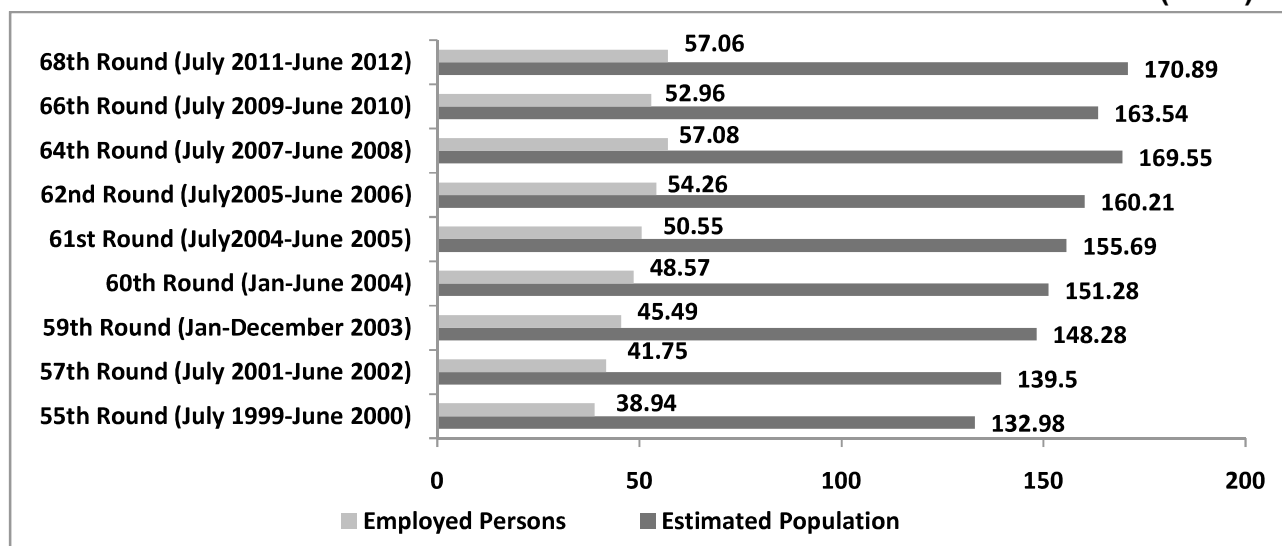
S. No.	Rounds of NSSO	Estimated Population	Employed Persons	% of Employed persons to total estimated population
1.	55 th Round (July 1999-June 2000)	132.98	38.94	29.28
2.	57 th Round (July 2001-June 2002)	139.50	41.75	29.93
3.	59 th Round (Jan-December 2003)	148.28	45.49	30.68
4.	60 th Round (Jan-June 2004)	151.28	48.57	32.11
5.	61 st Round (July 2004-June 2005)	155.69	50.55	32.47
6.	62 nd Round (July 2005-June 2006)	160.21	54.26	33.87
7.	64 th Round (July 2007-June 2008)	169.55	57.08	33.67
8.	66 th Round (July 2009-June 2010)	163.54	52.96	32.38
9.	68 th Round (July 2011-June 2012)	170.89	57.06	33.39

Source: - Directorate of Economics and Statistics, GNCTD

- 2.2 It may be observed from Statement 21.5 that the estimated employed persons in Delhi increased from 38.94 lakh during the 55th round in 1999-2000 to 57.06 lakh in the 68th Round during 2011-12. The percentage of employed persons to the total population increased during all rounds of NSSO except during the 64th and 66th Rounds, and the difference was worked out at 0.2 per cent & 1.29 per cent respectively. The information regarding employment in Delhi as per NSSO Rounds is depicted in Chart 21.3

CHART 21.3
EMPLOYMENT POSITIONS IN DELHI- AS PER NSSO ESTIMATES

(Lakh)



2.3 Periodic Labour Force Survey

On the recommendations of National Statistical Commission (NSC) first periodic labour force survey was conducted during July 2017 to June 2018 and subsequently second July 2018 to June 2019 and third July 2019- June 2020. The objective of the survey is to measure dynamics in labour force participation and employment status.

The findings of third PLFS in term of Employment/Unemployment rate in Delhi during 2019-20 are presented below:

STATEMENT 21.6 (A)
ESTIMATED SECTOR WISE LABOUR FORCE PARTICIPATION RATE, WORKERS POPULATION RATIO IN DELHI DURING JULY 2019-JUNE-2020
(AGE GROUP- ALL) RATE IN %

Year	Gender	Labour Force Participation Rate			Workers Population Ratio		
		Delhi			Delhi		
		Rural	Urban	All	Rural	Urban	All
2019-20	Male	42.6	58.1	57.5	41.5	53.0	52.6
	Female	14.6	12.7	12.8	14.6	11.4	11.5
	All	30.2	37.5	37.2	29.6	34.1	34.0

STATEMENT 21.6 (B)
ESTIMATED SECTOR WISE EMPLOYMENT & UNEMPLOYMENT RATE IN
DELHI DURING JULY 2019-JUNE 2020 (AGE GROUP -ALL) (RATE IN %)

S.No	Category	Details	Male	Female	All
1.	Employed	Urban	91.3	89.8	91.1
		Rural	97.5	100	98.0
		All	91.5	90.2	91.3
2.	Unemployed	Urban	8.7	10.2	8.9
		Rural	2.5	0.0	2.0
		All	8.5	9.8	8.7

Source: National Statistical Office

It can be observed from the above table that the estimated employment rate in Delhi during the period July 2019-June 2020 was 91.3 comprising of 91.1 in urban areas and 98.0 in rural areas. Simultaneously it can be seen that the Unemployment rate in Delhi during the aforesaid period was 8.7, comprising of 8.9 in urban areas and 2.0 in rural areas. Further, in Delhi the employment rate of male was 91.5 as compared to 90.2 for female. At the same time unemployment rate of males in Delhi was 8.5 as compared to 9.8 for female in Delhi.

3. Organized Sector Employment in Delhi

- 3.1 As the capital city of the country, Delhi accommodates almost all the government offices. Thus job opportunities in the government sector are in plenty. Among all the jobs available, aspirants choose from the administrative, financial, management and executive level jobs of their choice. These jobs have lucrative remuneration offers.
- 3.2 Private sector in Delhi also has started showing a sign of strength as their global competitors. Irrespective of the verticals, growing opportunities in the sector make the candidates highly enthusiastic about the growth, value and prospects emerged in the sector. Jobs in Delhi are available in almost all the prominent industry verticals including healthcare, pharmaceutical, media, entertainment, information technology, information technology enabled services, various other service related activities etc. The big players of the industry have established their offshore centers at various places in Delhi to conduct their operations efficiently. The information regarding organized sector employment in Delhi during the last decade is presented in Statement 21.7.

STATEMENT 21.7
EMPLOYMENT IN ORGANIZED SECTOR IN DELHI

(Fig. in Lakh)

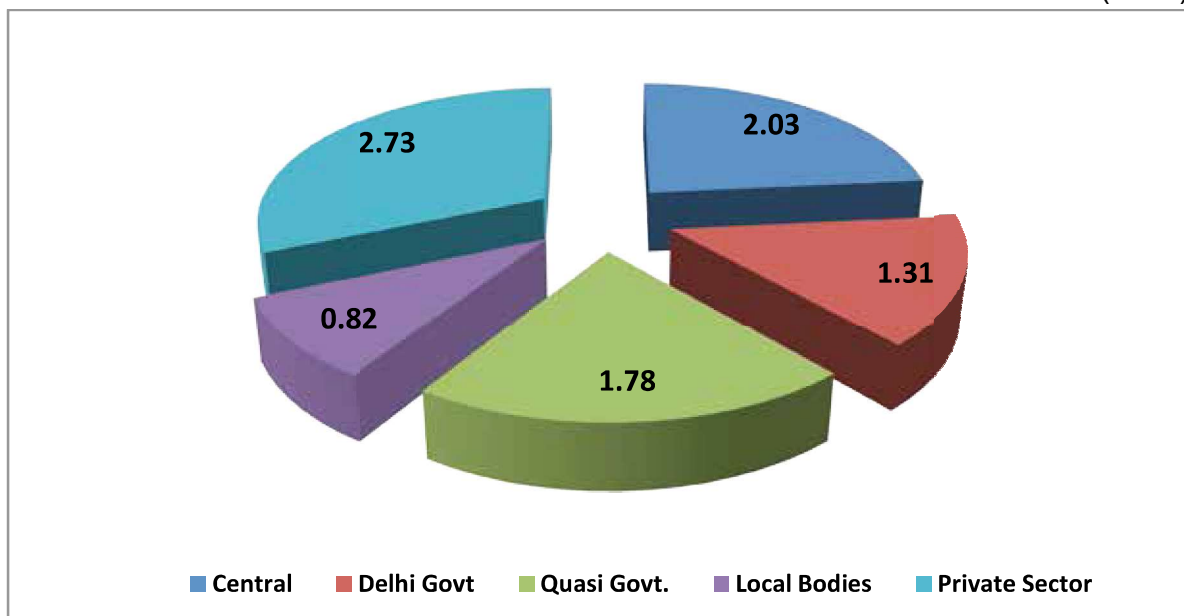
S. No	Years	Public Sector					Private Sector	Total
		Central	Delhi Govt.	Quasi Govt.	Local Bodies	Sub Total		
1.	2008-09	2.03	1.27	1.79	0.83	5.92	2.51	8.43
2.	2010-11	2.03	1.26	1.81	0.83	5.93	2.46	8.39
3.	2011-12	2.02	1.31	1.60	0.82	5.75	1.91	7.66
4.	2012-13	1.96	1.30	1.31	0.82	5.39	2.31	7.70
5.	2013-14	2.02	1.31	1.46	0.83	5.62	2.85	8.47
6.	2014-15	2.02	1.31	1.59	0.82	5.74	1.99	7.73
7.	2015-16	1.85	1.31	1.60	0.82	5.58	1.99	7.57
8.	2016-17	1.85	1.31	1.60	0.82	5.58	1.96	7.54
9.	2017-18	2.03	1.31	1.78	0.82	5.94	2.73	8.67
10.	2018-19	2.03	1.31	1.78	0.82	5.94	2.73	8.67

Source: - Directorate of Employment, Govt. NCT Delhi.

- 3.3 It may be inferred from Statement 21.7 that employment in the organized sector in Delhi during the last decade showed a positive growth rate at 2.84 per cent per annum. During the same period, employment in the private sector showed positive growth at 8.76 per cent per annum. Employment in the public sector especially the central government, quasi government and local bodies showed a increasing trend, while in the Government of the National Capital Territory of Delhi showed positive growth from 1.27 lakh in 2008-09 to 1.31 lakh in 2018-19, recording a growth rate at 3.14 per cent per annum. The information regarding organized sector in Delhi during 2018-19 is presented in Chart 21.4.

CHART 21.4
EMPLOYMENTS IN ORGANIZED SECTOR IN DELHI- 2018-19

(Lakh)



4. Unemployment Scenario in Delhi

- 4.1 Generally a person who is able and willing to work but unable to find a suitable job is considered as unemployed. The unemployment rate is the number of unemployed workers divided by the total number of labour which includes both the unemployed and those with jobs (all those willing and able to work for pay) or Unemployment rate refers to the number of persons unemployed per 1000 persons in the labour force. In practice, measuring the number of unemployed workers actually seeking work is notoriously difficult. There are several different methods for measuring the number of unemployed workers. Each method has its own biases and the different systems make comparing unemployment statistics between countries, especially those with different systems, difficult.
- 4.2 The information regarding the distribution of unemployed persons registered in employment exchanges on the basis of education during 2009-17 is presented in Statement 21.8.

STATEMENT 21.8
EDUCATIONAL DISTRIBUTION OF UNEMPLOYED PERSONS
REGISTERED IN EMPLOYMENT EXCHANGES IN DELHI 2009-2017

(As on 31st December)

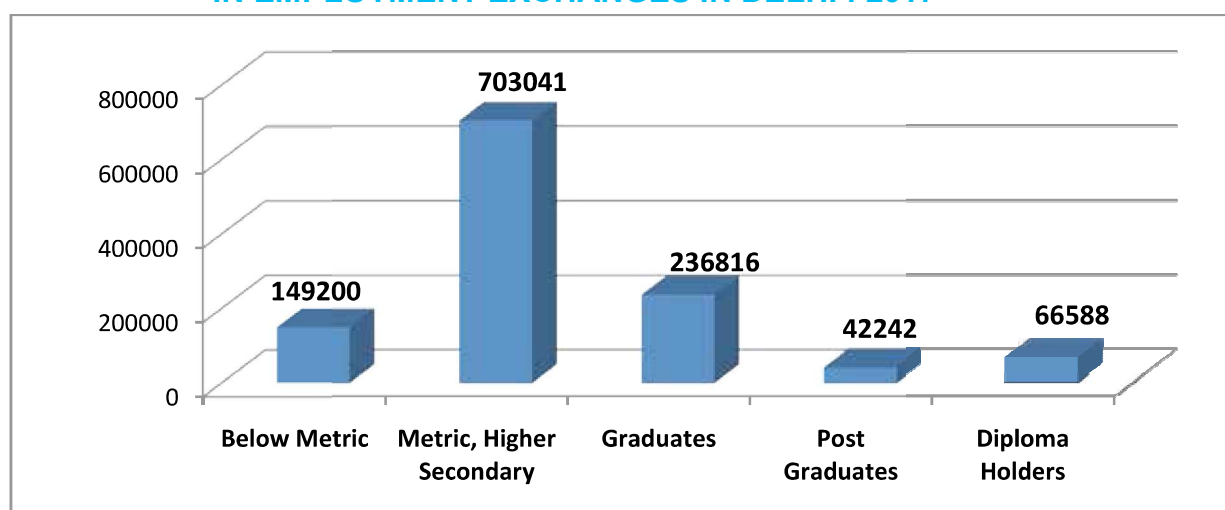
S. No	Education	2009	2010	2011	2012	2013	2014	2015	2016	2017
1.	Below Metric	51575	73259	91925	106362	128040	137158	147049	144774	149200
2.	Metric, Higher Secondary	297757	296047	389742	467479	495423	616019	656088	686859	703041
3.	Graduates	50391	86394	113248	138683	158728	180021	195450	209762	236816
4.	Post Graduates	6050	14323	19249	24491	28167	31839	34033	36403	42242
5.	Diploma Holders	8766	23361	29139	37554	44934	52532	56576	60098	66588
6.	Total	414539	493384	643303	774569	855292	1017569	1083896	1137896	1197887

Source: Delhi Statistical Hand Book.

Note: * Diploma holders already covered under metric and intermediate, hence not included in grand total.

- 4.3 It is evident from the above statement that, 29 % of unemployed persons registered in an employment exchange in Delhi had the educational qualification of graduation and above – in the year 2017. More than 71 % of unemployed persons registered in employment exchanges in Delhi were in the matriculate category or in the category of higher secondary level education. The information regarding the above during 2017 is depicted in Chart 21.5

CHART 21.5
EDUCATIONAL DISTRIBUTION OF UNEMPLOYED PERSONS REGISTERED
IN EMPLOYMENT EXCHANGES IN DELHI : 2017



- 4.4 The information regarding the occupational distribution of unemployed person registered in employment exchanges in Delhi during 2007-17 is presented in Statement 21.9

STATEMENT 21.9
OCCUPATIONAL DISTRIBUTION OF UNEMPLOYED PERSONS/APPLICANTS
REGISTERED IN EMPLOYMENT EXCHANGES IN DELHI 2007-2017

(As on 31st December)

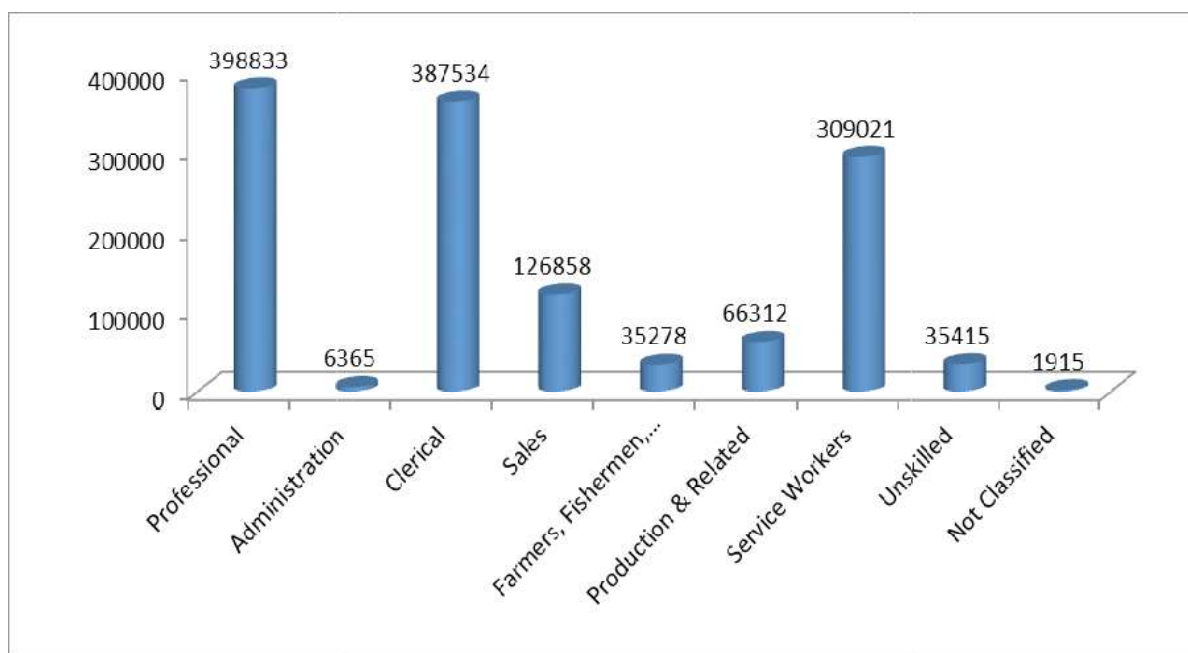
S. N.	Occupations	Years										
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1.	Professional	83940	97246	54203	98567	165666	226292	276427	329233	360697	379683	398833
2.	Administration	873	753	1117	1453	1897	2656	3429	4148	5008	5645	6365
3.	Clerical	14775	16034	6669	49535	104390	171616	231735	296164	338049	363509	387534
4.	Sales	75	37	-	16933	29651	57247	87043	104047	119048	122604	126858
5.	Farmers, Fishermen, Hunters, Loggers & Related	1182	2503	4480	6346	11963	14070	26758	30104	31692	33472	35278
6.	Production & Related	31489	38401	13532	21428	30892	38389	44895	51061	56165	62263	66312
7.	Service Workers	5542	5533	44929	64253	124008	169545	214020	251841	277283	294062	309021
8.	Unskilled	58341	58695	13693	17939	21536	24450	26782	29049	32033	34258	35415
9.	Not Classified	255278	287717	275906	216930	153300	70304	1691	1809	1834	1868	1915
	Total	451495	506919	414539	493384	643303	774569	912780	1097456	1221809	1297364	1367531

Source: - Delhi Statistical Hand Book.

- 4.5 It may be inferred from Statement 21.9 that the number of unemployed persons registered in employment exchanges in Delhi increased from 4.51 lakh in 2007 to 13.67 lakh in 2017. The occupational distribution of unemployed persons registered in employment exchanges in Delhi during 2017 is depicted in Chart 21.6.

CHART 21.6
OCCUPATIONAL DISTRIBUTION OF UNEMPLOYED PERSONS
REGISTERED IN EMPLOYMENT EXCHANGES IN DELHI-2017

(Number)



- 4.6. The information regarding state-wise population, workers, percentage of workers and increase in workers during 2001-2011, distribution of the population of Delhi on the basis of workers and non-workers during 1999-2012 and unemployment in Delhi have been presented in Tables 21.1, 21.2 and 21.3, respectively.