

PRESS NOTE

FOURTH

ANNUAL EMPLOYMENT & UNEMPLOYMENT SURVEY REPORT

(2013-14)



सत्यमेव जयते

**LABOUR BUREAU
MINISTRY OF LABOUR & EMPLOYMENT
GOVERNMENT OF INDIA
CHANDIGARH**

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Ministry of Labour & Employment
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Dated the 7th January, 2015

PRESS NOTE

***Report on Fourth Annual Employment & Unemployment
Survey 2013-14***

Labour Bureau, an attached office of the Ministry of Labour & Employment has released the results of the Fourth Annual Employment & Unemployment Survey 2013-14 conducted in the country. The survey has been conducted in all the States/UTs by covering all the districts.

The survey results are presented in five volumes namely

- i. Employment - Unemployment Scenario 2013-14;
- ii. Youth Employment - Unemployment Scenario 2013-14;
- iii. Education, Skill Development & Labour Force 2013-14;
- iv. Employment in Informal Sector & Conditions of Informal Employment 2013-14;
- v. Employment-Unemployment Scenario among different Social Groups 2013-14.

The main findings of the survey reports are as follows:

Employment - Unemployment Scenario 2013-14 (Volume-I)

- The Report is the Fourth Annual Employment-Unemployment Survey 2013-14 conducted by Labour Bureau.
- The survey has been conducted in all the States/UTs by covering all the districts.
- The field work executed from January, 2014 to July, 2014.
- A total sample of 1,36,395 households has been covered with a break up of 83,385 households in the rural sector and 53,010 households in the urban sector.
- From the households covered, 6,80,392 members were surveyed, out of which 4,20,239 respondents reside in rural households and rest 2,60,153 in urban households.
- All the Labour Force Estimates are derived from persons aged 15 years and above only.

Labour force and worker-population ratio

- Labour Force Participation Rate (LFPR) is estimated to be 52.5 per cent under the UPS approach at All India level.
- LFPR for different categories based on UPS approach is as below:

| Sector | <i>(in per cent)</i> | | |
|---------------|----------------------|---------------|---------------|
| | Male | Female | Person |
| Rural | 74.7 | 29.1 | 54.7 |
| Urban | 73.8 | 18.5 | 47.2 |
| Rural + Urban | 74.4 | 25.8 | 52.5 |

- The Worker Population Ratio (WPR) is estimated to be 49.9 per cent at All India level under the UPS approach.

The employment-unemployment situation

- The unemployment rate is estimated to be 4.9 per cent at All India level under the UPS approach.
- The unemployment rate for different categories based on UPS approach is given below.

(in per cent)

| Sector | Male | Female | Person |
|---------------|-------------|---------------|---------------|
| Rural | 4.2 | 6.4 | 4.7 |
| Urban | 3.9 | 12.4 | 5.5 |
| Rural + Urban | 4.1 | 7.7 | 4.9 |

To get a better picture about the Employment situation, it will be useful to look at the distribution of workers or employed persons according to the nature of their employment

- At all India level, 49.5 per cent persons are estimated to be self employed under the Usual Principal Status Approach followed by 30.9 per cent as casual labour. Only 16.5 per cent were wage/salary earners and the rest 3.0 per cent covered contract workers.
- The survey results show that majority of the persons are employed in the primary sector. Under Agriculture, Forestry and Fishing sector, 46.9 per cent persons are estimated to be employed at All India level based on Usual Principal Status Approach.

For the first time in any nation-wide sample survey, an attempt was made in this round of the Annual Employment-Unemployment Survey to work out some estimates of under-employment, considering only the duration of work available to participants in the Labour Force.

- Only **60.5** per cent of persons aged 15 years and above who were available for work for all the 12 months during the reference period were able to get work throughout the year at All India level. In rural and urban sector, it was 53.2 per cent and 78.5 per cent respectively.

Another important finding of the present round related to the distribution of households according to the number of employed members in them

- In about 5 per cent of the households, there are no workers aged 15 year and above, based on Usual Principal Status Approach.
- About 46 per cent of the households are having only one worker.
- In about 78 per cent of households, there is no wage/salary earning members.
- About 17 per cent of the households are having one wage/salary earning member. In urban areas, about 30 per cent of the households are having one wage/salary earner whereas in rural areas, it is 12 per cent.

**Youth Employment - Unemployment Scenario 2013-14
(Volume-II)**

- The labour force estimates for specific age groups representing "Youth" viz. 15-17 years, 18-29 years and 30 years and above have been derived based on two approaches. The two approaches are Usual Principal Status (UPS) Approach and Usual Principal and Subsidiary Status (UPSS) Approach.
- Based on the survey results, Labour Force Participation Rate (LFPR) is estimated at 49 per cent for the age group 18-29 years based on Usual Principal Status Approach at All India level.
- Labour Force Participation Rate for different age groups and by two different approaches is as follows:

(in per cent)

| Approach | 15-17 Years | 18-29 Years | 30 Years & above |
|-----------------|--------------------|--------------------|-----------------------------|
| UPS | 10.7 | 49.0 | 59.7 |
| UPSS | 14.1 | 52.0 | 62.8 |

- Worker Population Ratio is estimated at 42.7 per cent for the age group 18-29 years based on Usual Principal Status Approach at All India level.
- Worker Population Ratio for different age groups and by two different approaches is as follows:

(in per cent)

| Approach | 15-17 Years | 18-29 Years | 30 Years & above |
|-----------------|--------------------|--------------------|-----------------------------|
| UPS | 8.8 | 42.7 | 58.8 |
| UPSS | 12.7 | 47.1 | 62.3 |

- The Unemployment Rate for the age group 18-29 years is estimated at 12.9 per cent at All India level based on Usual Principal Status Approach.
- Unemployment Rate for different age groups and by two different approaches is as follows:

(in per cent)

| Approach | 15-17 Years | 18-29 Years | 30 Years & above |
|-----------------|--------------------|--------------------|-----------------------------|
| UPS | 17.5 | 12.9 | 1.4 |
| UPSS | 10.2 | 9.4 | 0.8 |

- Based on Usual Principal Status Approach, 41.9 percent employed persons are self-employed followed by 34.9 percent as casual worker and the remaining 23.1 percent as wage/salaried employee and contract category worker for the age group 18-29 years.
- The Unemployment Rate for the persons aged 18-29 years and holding a degree in graduation and above is found to be maximum with 28 per cent based on Usual Principal Status Approach at All India level.
- The Unemployment Rate for the persons aged 18-29 years and having educational qualification "below primary" and "primary" is about 4 per cent based on Usual Principal Status Approach at All India level.

Education, Skill Development & Labour Force 2013-14

(Volume-III)

- Population aged 15 years and above who received/are receiving vocational training is estimated at 6.8 per cent at All India level. In rural and urban areas, it is 6.2 and 8.2 per cent respectively.
- About 76 per cent of the persons aged 15 years and above have reported to be employed at All India level who have received/receiving vocational training during the reference period.
- A significant proportion of females, about 39 per cent, have not joined the labour force after receiving vocational training in different fields.
- In case of 'graduates' and 'post graduates' the unemployment rate is about 14 per cent and 12 per cent respectively based on Usual Principal Status approach. Whereas in case of 'not literate' and 'below primary' persons, the unemployment rate is less than 2 per cent each based on survey results.
- The survey results have been derived separately for persons receiving/received formal and informal vocational training. Out of the 6.8 per cent Vocational trained persons, 2.8 per cent received formal training and remaining 4 per cent were informally trained.
- The percentages of formally trained persons are estimated at 2.2 and 4.4 per cent in rural and urban sectors respectively.
- The percentages of informally trained persons are estimated at 4.0 and 3.8 in rural and urban sectors respectively.
- In case of informal training, the percentage of vocationally trained unemployed persons is found marginal at 3.1 per cent whereas in case of formal vocational training acquired, the percentage of unemployed persons is estimated at 14.5.

Employment in Informal Sector & Conditions of Informal Employment 2013-14 (Volume-IV)

- Information on characteristics of enterprises and conditions of informal employment was collected for usual principal status workers engaged in AGEGC (*[a]griculture sector [e]xcluding [g]rowing of [c]rops, plant propagation, combined production of crops and animals without a specialized production of crops or animals*) and non-agricultural sector.
- Proprietary and partnership enterprises together shares more than 50 percent of the employed persons. In other words, among the workers in AGEGC and non-agricultural sectors, about 52 percent are found to be working in informal sector enterprises.
- Around 39 percent workers are employed in proprietary enterprise type which implies that a high proportion of informal workers are engaged in proprietary enterprises as compared to partnership enterprises in both rural and urban sectors.
- In proprietary enterprises, about 43 percent of the male workers are engaged as compared to female workers (23 percent), whereas, in partnership enterprises, female workers share a high proportion (about 25 percent) as compared to male workers (9.8 percent).
- Around 67 percent of the enterprises in AGEGC and non-agricultural sector employ less than six workers. The small enterprises (enterprises with less than 9 workers) constitute about 74 percent in AGEGC and non agricultural enterprises. In rural areas, the proportion of enterprises employing less than 10 workers is found to be higher (76.8 percent) as compared to be urban areas (65.3 percent).
- About 82 percent of the employed persons in AGEGC and non-agricultural sector have reported to be working without any written job contract followed by 3 percent of the workers with the job contract for the period between 1-3 years.
- About 93 percent of the casual workers do not have any written job contract; which implies more informality among them followed by contract workers

(68.4 percent). Among the wage/salaried employees where more formal jobs available, about 66 percent employees have reported to be working without written job contract.

- Only about 23 percent of the workers except self employed have reported to be received paid leave in AGE GC and non-agricultural sector
- Around 69 percent of the workers except self employed have found to be not eligible for any social security benefits in AGE GC and non-agricultural sector. In rural areas the proportion of non-eligibility for social security benefits is found to be higher (74.1 percent) as compared to urban sector (56.7 percent); which implies higher informality conditions in rural areas.

Employment-Unemployment Scenario among different Social Groups 2013-2014 (Volume-V)

- The households have been classified based into four social groups, viz., Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC) and Others category.
- The survey results show that 41.1 per cent households belong to the OBC category followed by 30.4 per cent under Others category, 18.8 under SC category and the rest 9.6 per cent belong to the ST category at All India level.
- All the households under study are put in five categories on the basis of number of employed members in the household.

(in per cent)

| Particulars | None | 1 person | 2 persons | 3 persons | 4 & above persons |
|---------------|------|----------|-----------|-----------|-------------------|
| Rural | 4.1 | 42.6 | 33.4 | 12.7 | 7.2 |
| Urban | 5.7 | 54.8 | 27.1 | 9.1 | 3.3 |
| Rural + Urban | 4.6 | 46.3 | 31.5 | 11.6 | 6.1 |

- The Labour Force Participation Rate for different social groups based on UPS and UPSS approach is as follows:

(in per cent)

| Approach | SC | ST | OBC | Others |
|----------|------|------|------|--------|
| UPS | 54.6 | 60.8 | 53.1 | 47.8 |
| UPSS | 58.3 | 66.4 | 56.2 | 49.8 |

- Female LFPR is significantly lower among all the four social groups as compared to LFPR for male category under the Usual Principal Status approach. At All India level, highest female LFPR is estimated to be 38.8 per cent under ST category as compared to 80.8 per cent under the male category.
- The Worker Participation Ratio (WPR) for different social groups based on UPS and UPSS approach is as follows:

(in per cent)

| Approach | SC | ST | OBC | Others |
|----------|------|------|------|--------|
| UPS | 52.0 | 58.1 | 50.5 | 45.3 |
| UPSS | 56.5 | 65.0 | 54.3 | 47.7 |

- The Unemployment Rate (UR) for different social groups based on UPS and UPSS approach is as follows:

(in per cent)

| Approach | SC | ST | OBC | Others |
|----------|-----|-----|-----|--------|
| UPS | 4.6 | 4.5 | 4.8 | 5.3 |
| UPSS | 3.1 | 2.1 | 3.4 | 4.2 |

- Under the current survey, workers who were available for the entire 12 months during the reference period are categorised in four categories according to the period for which they get work based on Usual Principal & Subsidiary Status Approach.
- Distribution of workers available for 12 months under different social groups based UPSS approach is as follows:

(in per cent)

| Particulars | worked for 12 months | worked for 6-11 months | worked for 1-5 months | did not get any work |
|----------------------|----------------------|------------------------|-----------------------|----------------------|
| Scheduled Caste | 52.5 | 42.9 | 1.2 | 3.4 |
| Scheduled Tribe | 48.2 | 47.4 | 2.0 | 2.4 |
| Other Backward Class | 60.0 | 35.2 | 1.1 | 3.7 |
| Others | 70.3 | 24.6 | 0.8 | 4.3 |

- ❖ All the Five volumes of the 4th Annual Employment-Unemployment Survey are available in Labour Bureau website (www.labourbureau.gov.in).
