



## State of Working India 2023

**For Prelims:** State of Working India 2023, Social Issues, [Covid-19](#), [Unemployment](#), State of Indian workforce, [Scheduled Castes and Scheduled Tribes](#).

**For Mains:** India's Unemployment Situation and Problems

[Source: IE](#)

### Why in News?

Recently, Azim Premji University's Centre for Sustainable Employment has released the Report titled- "**State of Working India 2023**" highlighting the State of Indian workforce.

- It covers [unemployment](#) rates, women's participation, intergenerational mobility, and caste-wise workforce dynamics.
- The report used various data sources like surveys conducted by the [National Statistical Office](#) including **Employment-Unemployment Surveys** and [Periodic Labour Force Surveys](#) along with the India Working Survey.

### What are the Highlights of the Report?

- **Faster Structural Change:**
  - After stagnating since the 1980s, **the share of workers with regular wage or salaried work started increasing in 2004**, going from 18% to 25% for men and 10% to 25% for women.
  - Between 2004 and 2017, around 3 million regular wage jobs were created annually. Between 2017 and 2019 this jumped to 5 million per year.
  - **Since 2019, the pace of regular wage jobs creation has decreased** due to the growth slowdown and the pandemic.
- **Gender-Based Earnings Disparities Reduced:**
  - In 2004, salaried women workers earned 70% of what men earned.
  - By 2017 **the gap had reduced and women earned 76% of what men did**. Since then the gap has remained constant till 2021-22.
- **Unemployment Rates and Education:**
  - The overall unemployment rate reduced to **6.6% in 2021-22 from 8.7% in 2017-18**.
  - However, for graduates **under the age of 25**, the unemployment rate was strikingly high at 42.3%.
  - In contrast, those completing **higher secondary education had a lower unemployment rate of 21.4%**.
- **Women's Workforce Participation:**
  - Post the [Covid-19 Pandemic](#), 60% of women were self-employed compared to 50% before.
  - However, this increase in workforce participation was **accompanied by a decline in self-employment** earnings, reflecting the pandemic's distressing impact.

- **Intergenerational Mobility:**
  - **Intergenerational upward mobility** has shown an upward trend, indicating socio-economic progress.
  - However, this trend is weaker for workers from [Scheduled Castes and Scheduled Tribes](#) compared to general castes.
    - 75.6 % of SC/ST men in casual wage work **also had sons involved in casual wage work in 2018**. In comparison, the figure stood at 86.5 % in 2004, indicating that sons of casual wage workers belonging to SC/ST category have **moved to other kinds of employment**, most notably informal regular wage work.
- **Caste-wise Workforce Dynamics:**
  - There are changes in **caste-wise workforce participation** over the years.
  - The share of SC workers in **casual wage work has significantly reduced**, but this reduction is **more pronounced in the general caste category**.
    - For instance, in 2021, 40% of SC workers were involved in casual employment as compared to 13% of general caste workers.
    - Furthermore, around 22 % of SC workers were regular wage workers as opposed to 32% of general caste workers.
- **Economic Growth vs. Employment Generation:**
  - Economic growth has not proportionately translated into job creation, with the capacity to generate jobs declining as [GDP \(Gross Domestic Product\)](#) increases.
  - The transition from agriculture to other sectors has not ensured a **shift to salaried employment**.
- **Informal Salaried Work:**
  - Despite the aspiration for salaried employment, the majority of salaried work is informal, lacking contracts and benefits. **Good salaried jobs** with proper benefits are becoming **less prominent**.
- **Factors Influencing Graduate Unemployment:**
  - Graduate unemployment could be attributed to **high aspirations and wage demands** that the economy may not meet. Additionally, **graduates from well-off households** might have the luxury to remain unemployed.

## What are Government's Initiatives to Curb Unemployment?

- [Support for Marginalized Individuals for Livelihood and Enterprise \(SMILE\)](#)
- [PM-DAKSH \(Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi\)](#)
- [Mahatma Gandhi National Rural Employment Guarantee Act \(MGNREGA\)](#)
- [Pradhan Mantri Kaushal Vikas Yojana \(PMKVY\)](#)
- [Start Up India Scheme](#)
- [Rozgar Mela](#)

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

### Prelims

#### Q. Disguised unemployment generally means (2013)

- (a) large number of people remain unemployed
- (b) alternative employment is not available
- (c) marginal productivity of labour is zero
- (d) productivity of workers is low

Ans: (c)

### Mains

Q. "While we flaunt India's demographic dividend, we ignore the dropping rates of employability." What are we missing while doing so? Where will the jobs that India desperately needs come from? Explain. (2014)

PDF Reference URL: <https://www.drishtias.com/printpdf/state-of-working-india-2023>

