

Employment and Unemployment Scenario of India

Directorate General of Employment

CONTENTS

A. Employment Situation in the Country	3
A.1 Employment data based on PLFS Reports	3
Employment Indicators for Rural Sector.....	4
Employment Indicators for Urban Sector	4
Gender-wise Employment Indicators.....	5
Industry-wise percentage distribution of workers.....	5
A.2 Employment data based on Labour Bureau Surveys.....	6
Employment Indicators for Rural Sector.....	6
Employment Indicators for Urban Sector.....	7
Gender-wise Employment Indicators.....	7
A.3 Employment data based on Quarterly Employment Survey (QES) of Labour Bureau.....	8
1st Round of QES (April-June 2021).....	8
2nd Round of QES (July-September 2021).....	9
3 rd Round of QES (October-December 2021)	10
4 th Round of QES (January-March 2022).....	10
Percentage distribution of workers in 1st, 2nd, 3rd and 4th Round of QES.....	11
Estimated number of workers in 1st, 2nd, 3rd and 4th Round of QES	12
A.4 Employment data based on Economic Survey 2021-22.....	12
Employment across Organized and Unorganized sector.....	13
Industry wise Employment.....	13
A.5 Trends in Urban Employment using Employees' Provident Fund Organisation (EPFO) Payroll Data:	
14	
B. Impact of pandemic on Employment situation.....	14
C. Policy Initiatives for Employment Generation.....	16

A. Employment Situation in the Country

The authentic data source of employment/unemployment indicators in India at present is the Periodic Labour Force Survey (PLFS) conducted by the Ministry of Statistics and Programme Implementation since 2017-18. The annual PLFS reports for the year 2017-18, 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 are available in the public domain. Prior to PLFS i.e., before 2017-18, National Statistical Office (NSO), Ministry of Statistics and Programme Implementation, used to conduct quinquennial Employment and Unemployment surveys. Last such survey was done in year 2011-12.

A.1 Employment data based on PLFS Reports

The PLFS aims to provide **quarterly changes** of various indicators of Labour market for **urban areas** and the **annual estimate** of different labour force indicators for **both rural as well as urban areas** at State/UT and all India level. The **survey period** of PLFS survey is **1st July to 30th June** of next year.

As per annual PLFS report, the Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) in usual status for persons of age 15 years and above were as follows:

Years	WPR	LFPR	UR
2017-18	46.8	49.8	6.0
2018-19	47.3	50.2	5.8
2019-20	50.9	53.5	4.8
2020-21	52.6	54.9	4.2
2021-22	52.9	55.2	4.1
2022-23	56.0	57.9	3.2

The above table indicates that **Labour Force and Work Force in the country increased steadily** and on the other hand **Unemployment Rate has declined**.

Employment Indicators for Rural Sector

Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) according to usual status for persons of age 15 years and above in Rural sector were as follows:

(in percentage)

Years	WPR			LFPR			UR		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2017-18	72.0	23.7	48.1	76.4	24.6	50.7	5.7	3.8	5.3
2018-19	72.2	25.5	48.9	76.4	26.4	51.5	5.5	3.5	5.0
2019-20	74.4	32.2	53.3	77.9	33.0	55.5	4.5	2.6	3.9
2020-21	75.1	35.8	55.5	78.1	36.5	57.4	3.8	2.1	3.3
2021-22	75.3	35.8	55.6	78.2	36.6	57.5	3.8	2.1	3.2
2022-23	78.0	40.7	59.4	80.2	41.5	60.8	2.7	1.8	2.4

The data in the above table indicates

- *Labour force and work force in rural areas of the country has increased.*
- *Unemployment Rate has declined to 2.4% in rural areas during 2022-23.*

Employment Indicators for Urban Sector

Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) according to usual status for persons of age 15 years and above in Urban sector were as follows:

(in percentage)

Years	WPR			LFPR			UR		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2017-18	69.3	18.2	43.9	74.5	20.4	47.6	6.9	10.8	7.7
2018-19	68.6	18.4	43.9	73.7	20.4	47.5	7.0	9.8	7.6
2019-20	69.9	21.3	45.8	74.6	23.3	49.3	6.4	8.9	6.9
2020-21	70.0	21.2	45.8	74.6	23.2	49.1	6.1	8.6	6.7
2021-22	70.4	21.9	46.6	74.7	23.8	49.7	5.8	7.9	6.3
2022-23	71.0	23.5	47.7	74.5	25.4	50.4	4.7	7.5	5.4

The data in the above table indicates

- *Unemployment Rate has declining trend over the years in urban areas and stood at 5.4% during 2022-23.*

Gender-wise Employment Indicators

Gender-wise data on employment indicators viz., LFPR, WPR and Unemployment Rate (UR) according to usual status for persons of age 15 years and above are as follows:

(in percentage)

Years	WPR	LFPR	UR
Male			
2017-18	71.2	75.8	6.1
2018-19	71.0	75.5	6.0
2019-20	73.0	76.8	5.0
2020-21	73.5	77.0	4.5
2021-22	73.8	77.2	4.4
2022-23	76.0	78.5	3.3
Female			
2017-18	22.0	23.3	5.6
2018-19	23.3	24.5	5.1
2019-20	28.7	30.0	4.2
2020-21	31.4	32.5	3.5
2021-22	31.7	32.8	3.3
2022-23	35.9	37.0	2.9

The data in the above table indicates

- For Male, WPR and LFPR showed a significant rise over the years.
- For Male, unemployment rate has declined to 3.3% during 2022-23 from 6.1% in 2017-18.
- For Female, WPR and LFPR has increasing trend and unemployment rate has declining trend.

Industry-wise percentage distribution of workers

As per annual PLFS reports, Broad Industry Division-wise percentage distribution of workers during PLFS 2017-18 to 2022-23 are as below:

(in percentage)

S. No.	Broad Industries as per NIC 2008	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1	Agriculture	44.1	42.5	45.6	46.5	45.5	45.8

2	Trade, hotel & restaurant	12.0	12.6	13.2	12.2	12.1	12.1
3	Construction	11.7	12.1	11.6	12.1	12.4	13.0
4	Manufacturing	12.1	12.1	11.2	10.9	11.6	11.4
5	Transport, storage & communications	5.9	5.9	5.6	5.4	5.6	5.4
6	Electricity, water, etc.	0.6	0.6	0.6	0.6	0.6	0.5
7	Mining & quarrying	0.4	0.4	0.3	0.3	0.3	0.3
8	Other services	13.2	13.8	11.9	12.0	11.9	11.4

A.2 Employment data based on Labour Bureau Surveys

Labour Bureau conducted Annual Employment Unemployment Surveys for the years 2010-11, 2011-12, 2012-13, 2013-14, 2015-16 & 2016-17 in order to fill the data gap for ascertaining the Employment Unemployment Scenario in the country. **However, the results of Labour Bureau Survey are not comparable with the results of PLFS results due to the different survey methodologies.**

As per Labour Bureau Survey reports, the Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) in usual status for persons of age 15 years and above were as follows:

(in percentage)

Years	WPR	LFPR	UR
2011-12	53.6	55.4	3.3
2012-13	51.0	53.1	4.0
2013-14	53.7	55.6	3.4
2015-16	50.5	52.4	3.7
2016-17	50.7	52.8	3.9

Employment Indicators for Rural Sector

Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) according to usual status for persons of age 15 years and above in Rural sector were as follows:

(in percentage)

Years	WPR			LFPR			UR		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2011-12	77.5	32.5	56.3	79.4	33.9	57.9	2.4	4.1	2.9
2012-13	76.1	28.7	53.6	78.7	29.9	55.5	3.3	4.2	3.5

2013-14	74.3	35.1	57.1	76.4	36.4	58.8	2.7	3.4	2.9
2015-16	75.7	30.2	53.9	78.0	31.7	55.8	2.9	4.7	3.4
2016-17	75.6	28.1	52.9	78.0	29.5	54.8	3.1	4.7	3.5

Employment Indicators for Urban Sector

Labour Force participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment Rate (UR) according to usual status for persons of age 15 years and above in Urban sector were as follows:

(in percentage)

Years	WPR			LFPR			UR		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2011-12	71.3	17.0	45.8	73.7	19.1	48.0	3.1	11.2	4.7
2012-13	70.4	15.7	44.2	73.2	17.8	46.7	3.9	11.7	5.3
2013-14	71.4	17.5	45.5	74.0	19.7	47.9	3.5	10.8	4.9
2015-16	67.1	14.8	41.8	69.1	16.6	43.7	3.0	10.9	4.4
2016-17	70.8	17.8	45.0	73.6	20.1	47.6	3.8	11.2	5.3

Gender-wise Employment Indicators

Gender-wise employment indicators (in percentage) according to usual status for persons of age 15 years and above are as follows:

Years	WPR	LFPR	UR
Male			
2011-12	75.9	77.9	2.6
2012-13	74.5	77.2	3.5
2013-14	73.5	75.7	2.9
2015-16	73.3	75.5	3.0
2016-17	74.3	76.8	3.3
Female			
2011-12	28.5	30.0	5.3
2012-13	25.0	26.5	5.6
2013-14	29.6	31.1	4.9
2015-16	25.8	27.4	5.8
2016-17	25.2	26.9	6.1

A.3 Employment data based on Quarterly Employment Survey (QES) of Labour Bureau

Quarterly Employment Survey (QES)

Quarterly Employment Survey (QES), conducted by Labour Bureau, aims to assess employment situation in respect of selected nine sectors of non-farm economy of India over successive quarters. Selected nine sectors are Manufacturing, Construction, Trade, Transport, Education, Health, Accommodation & Restaurants, Information Technology (IT)/ Business Process Outsourcing (BPO) and Financial Services. QES is limited only to establishments having 10 or more persons (Organized Segment) as identified by the 6th EC (2013-14).

1st Round of QES (April-June 2021)

Labour Bureau released the first report of first quarter of Quarterly Employment Survey (QES) part (April to June 2021), of the All-India Quarterly Establishment-based Employment Survey (AQEES). The estimated total employment in the nine selected sectors from the **first round of QES is 3.08 crores approximately against a total of 2.37 crores in these sectors taken collectively, as reported in the sixth Economic Census (2013-14) reflecting a growth rate of 29%.**

- Of the total employment estimated in the selected nine sectors, **Manufacturing** accounts for nearly **41%** followed by **Education** with **22%**, and **Health 8%**. **Trade as well as and IT/BPO** each engaged **7% of the total estimated number of workers.**
- The most **impressive growth** of **152%** has been recorded in the **IT/BPO sector**, while growth rates in **Health** is **77%**, in **Education** it is **39%**, in **Manufacturing** it is **22%**, in **Transport** it is **68%** and in **Construction** it is **42%**.

Sector-wise Percentage Distribution of total Number of Estimated Workers according to Type of Worker and Gender are as follows:

(in percentage)

S. No.	Sectors	Self-Employed			Employees			Total Workers	
		M	F	Total	M	F	Total	M	F
1	Manufacturing	1.7	0.2	1.9	76.9	21.2	98.1	78.6	21.4
2	Construction	1.1	0.0	1.1	76.4	22.5	98.9	77.5	22.5
3	Trade	2.9	0.4	3.3	75.6	21.0	96.6	78.5	21.4
4	Transport	1.4	0.1	1.5	83.7	14.9	98.6	85.1	15.0

5	Education	0.9	0.2	1.1	55.1	43.9	99.0	56.0	44.1
6	Health	0.7	0.1	0.8	59.3	39.9	99.2	60.0	40.0
7	Accommodation & Restaurants	3.6	0.4	4.0	73.4	22.7	96.1	77.0	23.1
8	IT /BPOs	1.0	0.0	1.0	67.2	31.8	99.0	68.2	31.8
9	Financial Services	0.8	0.3	1.1	64.8	34.1	98.9	65.6	34.4
Total		1.5	0.2	1.7	69.2	29.1	98.3	70.7	29.3

2nd Round of QES (July-September 2021)

The estimated total employment in the nine selected sectors in this round of QES (July-September, 2021) came out as 3.10 crore approximately, which is 2 lakhs higher than the estimated employment (3.08 crore) from the first round of QES (April-June, 2021).

Of the total employment estimated in the selected nine sectors, **Manufacturing** accounted for nearly **39%**, followed by **Education with 22%** and **Health as well as IT/BPOs** sectors both around **10%**. **Trade and Transport** sectors engaged **5.3%** and **4.6%** of the total estimated workers respectively.

Sector-wise Percentage Distribution of total Number of Estimated Workers according to Type of Worker and Gender are as follows:

(in percentage)

S. No.	Sectors	Self-Employed			Employees			Total Workers	
		M	F	Total	M	F	Total	M	F
1	Manufacturing	1.6	0.6	2.2	75.7	22.1	97.8	77.4	22.6
2	Construction	1.4	0.2	1.6	82.1	16.4	98.5	83.5	16.5
3	Trade	3.3	0.8	4.1	73.2	22.7	95.9	76.4	23.6
4	Transport	0.6	0.0	0.6	85.7	13.7	99.4	86.3	13.7
5	Education	1.0	0.2	1.1	54.3	44.6	98.9	55.2	44.8
6	Health	0.6	0.1	0.8	48.5	50.7	99.2	49.2	50.8
7	Accommodation & Restaurants	4.3	3.3	7.5	72.3	20.2	92.5	76.5	23.5
8	IT /BPOs	0.1	0.0	0.1	62.3	37.6	99.9	62.4	37.6
9	Financial Services	1.1	7.4	8.5	60.4	31.1	91.5	61.6	38.4
Total		1.3	0.7	2.0	66.6	31.5	98.1	67.9	32.1

3rd Round of QES (October-December 2021)

The estimated total employment in the nine selected sectors from the third round of QES (October-December, 2021) came out as 3.14 crore (3.145 crore, more precisely), which is 4 lakhs higher than the estimated employment (3.10 crore) from the second round of QES (July-September, 2021).

Of the total employment estimated in the selected nine sectors, Manufacturing accounted for nearly 39%, followed by Education with 22%, IT/BPOs with around 11% and Health sector with 10%; Trade and Transport sectors engaged 5.3% and 4.2% of the total estimated workers respectively.

Sector-wise Percentage Distribution of total Number of Estimated Workers according to Type of Worker and Gender are as follows:

(in percentage)

S. No.	Sectors	Self-Employed			Employees			Total Workers	
		M	F	Total	M	F	Total	M	F
1	Manufacturing	1.75	0.75	2.50	76.75	20.75	97.50	78.50	21.50
2	Construction	1.50	0.13	1.63	82.22	16.15	98.37	83.71	16.29
3	Trade	3.30	1.35	4.65	73.75	21.60	95.35	77.04	22.96
4	Transport	0.61	0.03	0.64	87.66	11.70	99.36	88.27	11.73
5	Education	0.94	0.18	1.11	55.08	43.81	98.89	56.02	43.98
6	Health	0.63	0.11	0.74	48.25	51.01	99.26	48.88	51.12
7	Accommodation & Restaurants	4.19	2.51	6.70	74.77	18.53	93.30	78.96	21.04
8	IT /BPOs	0.09	0.01	0.10	61.20	38.70	99.90	61.30	38.70
9	Financial Services	0.81	8.44	9.25	56.95	33.80	90.75	57.77	42.23
Total		1.34	0.76	2.10	67.07	30.83	97.90	68.41	31.59

4th Round of QES (January-March 2022)

The estimated total employment in the nine selected sectors from the fourth round of QES (January-March, 2021) came out as 3.18 crore, which is 4 lakhs higher than the estimated employment (3.14 crore) from the third round of QES (October-December, 2021).

Of the total employment estimated in the selected nine sectors, Manufacturing accounted for nearly 38.5%, followed by Education with 21.7%, IT/BPOs with around 12% and Health sector with 10.6%; Trade and Transport sectors engaged 5.3% and 4.2% of the total estimated workers respectively.

Sector-wise Percentage Distribution of total Number of Estimated Workers according to Type of Worker and Gender are as follows:

(in percentage)

S. No.	Sectors	Self-Employed			Employees			Total Workers	
		M	F	Total	M	F	Total	M	F
1	Manufacturing	1.78	0.70	2.48	76.14	21.38	97.52	77.92	22.08
2	Construction	1.26	0.07	1.32	81.60	17.08	98.68	82.85	17.15
3	Trade	3.12	1.05	4.16	73.56	22.27	95.84	76.68	23.32
4	Transport	0.60	0.03	0.63	86.93	12.43	99.37	87.54	12.46
5	Education	0.96	0.24	1.20	55.21	43.59	98.80	56.17	43.83
6	Health	0.49	0.07	0.56	47.52	51.92	99.44	48.01	51.99
7	Accommodation & Restaurants	4.57	2.10	6.67	72.75	20.58	93.33	77.32	22.68
8	IT /BPOs	0.09	0.01	0.10	64.09	35.81	99.90	64.18	35.82
9	Financial Services	0.75	5.67	6.43	58.22	35.35	93.57	58.98	41.02
Total		1.33	0.63	1.96	66.90	31.14	98.04	68.23	31.77

Percentage distribution of workers in 1st, 2nd, 3rd and 4th Round of QES

Following Table illustrates the sector-wise percentage distribution of workers during 1st, 2nd, 3rd and 4th Round of QES.

Percentage distribution of Workers (in %)					
S. No.	Sectors	1 Round of QES	2 Round of QES	3rd Round of QES	4th Round of QES
1	Manufacturing	40.6	39.1	39.4	38.5
2	Construction	2.4	2.0	2.0	1.9
3	Trade	6.6	5.3	5.3	5.3
4	Transport	4.3	4.6	4.2	4.2
5	Education	21.8	22.0	22.0	21.7
6	Health	8.4	10.8	10.4	10.6
7	Accommodation & Restaurants	2.9	2.5	2.6	2.6
8	IT /BPOs	6.7	10.7	11.0	12.0
9	Financial Services	5.7	2.8	2.8	2.9

Estimated number of workers in 1st, 2nd, 3rd and 4th Round of QES

Following Table illustrates the sector-wise estimated number of workers during 1st, 2nd, 3rd and 4th Round of QES.

Estimated Number of Workers (in lakh)					
S. No.	Sectors	1 Round of QES	2 Round of QES	3rd Round of QES	4th Round of QES
1	Manufacturing	125.20	121.41	124.00	122.55
2	Construction	7.55	6.07	6.19	6.10
3	Trade	20.48	16.46	16.81	16.98
4	Transport	13.40	14.44	13.20	13.27
5	Education	67.30	68.48	69.26	69.04
6	Health	26.03	33.45	32.86	33.80
7	Accommodation & Restaurants	9.09	7.77	8.11	8.20
8	IT /BPOs	20.79	33.21	34.57	38.31
9	Financial Services	17.69	8.73	8.85	9.07

A.4 Employment data based on Economic Survey 2021-22

The **Economic Survey 2021-22** has estimated total number of persons in Labour Force, Employment and Unemployment for all ages and in usual status for the year 2017-18, 2018-19 and 2019-20 on the basis of PLFS report, which are as follows:

Years	(in crore)		
	Labour Force	Employment	Unemployment
2017-18	50.95	47.14	3.83
2018-19	51.82	48.78	3.04
2019-20	56.34	53.53	2.81

As per the **Economic Survey 2021-22**, during PLFS 2019-20 (survey period from July 2019 to June 2020), employment at usual status continued to expand. Between 2018-19 and 2019-20, **about 4.75 crore** additional persons joined the workforce. This is about three times more than the employment created between 2017-18 and 2018-19. The rural sector contributed much more to this expansion relative to the urban sector (3.45 crore in rural sector and 1.30 crore in urban sector). Further, amongst the additional workers, 2.99 crore were females (63 percent). About **65 percent** of the additional workers joined in **2019-20** were **self-employed**.

Employment across Organized and Unorganized sector

Following Table gives estimates of total employment in formal and informal across organized and unorganized sector. Of the additional workers joined in 2019-20, close to 90 percent were in the informal nature of employment and more than 98 percent were in unorganised sector. About 91 percent of additional workers were in unorganised-informal sector. Formal-informal employment in usual status across organized and unorganized sector is given as follows:

(in Crores)

Type of Employment	Organized	Unorganized	Total
	2017-18		
Formal	4.43	0.28	4.70
Informal	4.62	37.79	42.43
Total	9.05	38.07	47.13
2018-19			
Formal	4.91	0.45	5.35
Informal	4.55	38.87	43.43
Total	9.46	39.32	48.78
2019-20			
Formal	5.09	0.80	5.89
Informal	4.46	43.19	47.64
Total	9.55	43.99	53.53

Source: Economic Survey 2021-22 (Estimated using PLFS 2017-18, 2018-19 and 2019-20 Surveys).

Industry wise Employment

As per Economic Survey 2021-22, the Industry wise Employment in usual status in India are as follows:

(in Crores)

Year/Sector	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2018-19									
Agriculture	12.97	6.01	18.98	0.62	0.26	0.88	13.58	6.27	19.86
Mining & quarrying	0.10	0.02	0.11	0.08	0.01	0.08	0.17	0.02	0.20
Manufacturing	1.78	0.76	2.54	2.77	0.81	3.58	4.55	1.57	6.12
Electricity, water, etc	0.10	0.02	0.11	0.15	0.02	0.17	0.25	0.03	0.28
Construction	3.75	0.51	4.26	1.47	0.14	1.60	5.22	0.64	5.86
Trade, hotel & restaurant	2.39	0.36	2.75	3.19	0.46	3.64	5.57	0.82	6.39
Transport, storage & communication	1.32	0.02	1.33	1.54	0.12	1.66	2.86	0.14	2.99
Other services	1.95	0.77	2.72	2.82	1.51	4.33	4.77	2.28	7.05
Total							36.97	11.78	48.76

2019-20									
Agriculture	14.10	8.18	22.28	0.67	0.32	0.99	14.77	8.51	23.27
Mining & quarrying	0.08	0.00	0.08	0.07	0.00	0.07	0.14	0.01	0.15
Manufacturing	1.86	0.79	2.65	2.70	0.88	3.59	4.56	1.67	6.24
Electricity, water, etc	0.13	0.01	0.14	0.19	0.02	0.21	0.31	0.03	0.35
Construction	3.82	0.61	4.42	1.60	0.19	1.79	5.42	0.80	6.22
Trade, hotel & restaurant	2.34	0.40	2.74	3.85	0.88	4.73	6.19	1.28	7.47
Transport, storage & communication	1.37	0.02	1.40	1.61	0.14	1.75	2.99	0.16	3.15
Other services	1.78	0.79	2.57	2.64	1.50	4.13	4.42	2.29	6.71
Total							38.80	14.75	53.55

A.5 Trends in Urban Employment using Employees' Provident Fund Organisation (EPFO) Payroll Data:

EPFO data covers the low paid workers in medium and large establishments of formal sector. The net addition in EPFO subscriptions is an indicator of the extent of formalisation of the job market, and the coverage of social security benefits to the organized/ semi-organized sector workforce. Net addition in EPF subscribers are as follows:

(in numbers)

Years	Net Payroll for all ages	Net Payroll for age group 18 & above
2017-18 from Sept, 17	15,52,940	15,11,318
2018-19	61,12,223	60,17,147
2019-20	78,58,394	77,69,844
2020-21	77,08,375	76,36,674
2021-22	1,22,34,625	1,21,58,964
2022-23	1,38,51,689	1,37,74,119
April, 2023	11,59,481	11,50,214
May, 2023	10,04,595	9,95,556
June, 2023	12,22,242	12,13,747
July, 2023	14,00,001	13,92,879
August, 2023	12,48,148	12,42,126
September, 2023	13,44,715	13,39,080
October, 2023	15,29,277	15,24,943
November, 2023	13,95,049	13,89,786

Source: EPFO Payroll data (P: Provisional)

B. Impact of pandemic on Employment situation

1. The annual PLFS data for both rural and urban sector is available till June, 2023.

Additionally, quarterly reports for urban sector are released under PLFS which are available till June, 2023.

2. The Economic Survey 2021-22 has made an analysis on impact of COVID-19 pandemic on the labour market using quarterly PLFS reports for **urban areas** till September, 2022.

3. Before the outbreak of COVID-19, the urban labour market showing positive signs in terms of Labour Force Participation Rate (LFPR), Worker Population Ratio (WPR) and Unemployment rates (UR). However, the nation-wide lockdown imposed in late- March, 2020 adversely impacted the urban labour market. In the first quarter of 2020-21, the unemployment rate for urban sector rose to 20.8%. The LFPR and WPR in urban sector also declined significantly during this quarter.

4. With the revival of economy in the subsequent quarters of 2020-21, all three labour market indicators showed a swift recovery. The UR gradually declined during this period to reach 9.3% in last quarter of 2020-21 (January-March, 2021). At present, UR has declined to 6.6% during April-June, 2023.

Labour Force indicators for Urban Sector (age: 15 years & above) at Current Weekly Status (CWS) (in percent)

Survey	Quarters	LFPR	WPR	UR
2019-20	July – September 2019	47.3	43.4	8.3
	October – December, 2019	47.8	44.1	7.8
	January-March, 2020	48.1	43.7	9.1
	April-June, 2020	45.9	36.4	20.8
2020-21	July-September, 2020	47.2	40.9	13.2
	October-December, 2020	47.3	42.4	10.3
	January-March, 2021	47.5	43.1	9.3
	April-June, 2021	46.8	40.9	12.6
2021-22	July-September 2021	46.9	42.3	9.8
	October-December 2021	47.3	43.2	8.7
	January-March, 2022	47.3	43.4	8.2
	April-June, 2022	47.5	43.9	7.6
2022-23	July-September, 2022	47.9	44.5	7.2
	October-December, 2022	48.2	44.7	7.2
	January-March, 2023	48.5	45.2	6.8
	April-June, 2023	48.8	45.5	6.6

According to latest quarterly report of PLFS (April-June, 2023) for urban sector, the LFPR and WPR for age 15 years and above at CWS increased to 48.8% and 45.5%, respectively and

simultaneously the unemployment rate decline to 6.6%.

(Definitions: LFPR is defined as the percentage of population in the labour force. Labour force comprises of persons who were either working (employed) or seeking work (unemployed). WPR is defined as the percentage of employed persons in the total population. UR is defined as the percentage of unemployed persons in the labour force)

C. Policy Initiatives for Employment Generation

Employment generation coupled with improving employability is the priority of the Government. Accordingly, the Government of India has taken various steps for generating employment in the country.

- a) The Government of India has announced Aatmanirbhar Bharat package to provide stimulus to business and to mitigate the adverse impact of Covid 19. Under this package, the Government is providing fiscal stimulus of more than Rs. Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.
- b) Investments in Infrastructure and productive capacity have a large multiplier impact on growth and employment. The budget of 2023-24 proposed to increase capital investment outlay steeply for the third year in a row by 33 per cent to Rs 10 lakh crore, which would be 3.3 per cent of GDP. This substantial increase in recent years is central to the government's efforts to enhance growth potential and job creation.
- c) Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched with effect from 1st October, 2020 as part of Atmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. This scheme being implemented through the Employees' Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers and encourages them to hire more workers.
- d) Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government for facilitating self-employment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities.
- e) The Production Linked Incentive Schemes being implemented by the Government have potential for creating 60 lakh new jobs.
- f) Government had launched the Garib Kalyan Rojgar Abhiyaan (GKRA) of 125 days on

20th June, 2020 to boost employment and livelihood opportunities for returnee migrant workers and similarly affected persons including youth in rural areas, in 116 selected districts across 6 States of Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The GKRA ended on 22nd October, 2020 and a total of 50.78 crore persondays employment were provided with a total expenditure of Rs. 39,293 crore during the Abhiyaan.

- g) PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.
- h) The Government has put emphasis on railways, roads, urban transport, power, telecom, textiles and affordable housing amid continued focus on the National Infrastructure Pipeline. Budget 2021-22 launched PLI schemes for 13 sectors, with an outlay of Rs. 1.97 lakh crore, for a period of 5 years starting from 2021-22. All these initiatives are expected to collectively generate employment and boost output in the medium to long term through multiplier-effects.
- i) The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP) of the Ministry of Micro, Small & Medium Enterprises, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) & Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of the Ministry of Rural Development, Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) of the Ministry of Housing & Urban Affairs etc. for employment generation.
- j) Besides these initiatives, various flagship programmes of the Government such as Make in India, Start-up India, Stand-up India, Digital India, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure Development and Industrial Corridors are also oriented towards generating employment opportunities.

D. Flagship programmes of the Government that have the potential to generate productive employment opportunities

S. No.	Programmes	Ministries	Objective
1	Digital India	Ministry of Electronics and Information Technology	Ensuing Broadband connectivity at village level, improved access to services through IT enabled platforms, greater transparency in Government process and increased indigenous production of IT hardware and software for exports and improved domestic availability.
2	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	Ministry of Housing and Urban Affairs	Providing basic services to households and build amenities in cities which will improve the quality of life for all.
3	Make in India	DPIIT, Ministry of Commerce & Industry	To facilitate investment, foster innovation, enhance skill development, project intellectual property and build best in class manufacturing infrastructure.
4	Smart Cities	Ministry of Housing & Urban Affairs	To promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions.
5	Shyama Prasad Mukherji Rurban Mission	M/o Rural Development	To deliver integrated project based infrastructure in the rural areas, including development of economic activities and skill development.
6	National Industrial Corridor Authority	Ministry of Finance	To coordinate the development of the industrial corridors, with smart cities linked to transport connectivity, drive India's growth in manufacturing and urbanization.
7	Stand up India Scheme	Department of Financial Services, Ministry of Finance	To facilitate bank loans to SC/ST/ woman borrower for setting up a new enterprise in manufacturing, trading or services sector.
8	Start Up India	DPIIT, Ministry of Commerce & Industry	To empower startups to grow through innovation and design.
9	Pradhan Mantri Awas Yojana – (PMAY)	Ministry of Housing & Urban Affairs	To provide Central Assistance to the implementing agencies through States/Union Territories (UTs) and Central Nodal Agencies (CNAs) for providing houses to all eligible families/ beneficiaries against the validated demand for housing
10	Swachh Bharat Mission- Grameen	Ministry of Jal Shakti	To accelerate the efforts to achieve universal sanitation coverage and to put focus on sanitation.
11	Swachh Bharat Mission - Urban (SBM-U),	Ministry of Housing & Urban Affairs	To make urban India free from open defecation and achieving 100% scientific management of municipal solid waste in 4,041 statutory towns in the country.

12	Smart City Mission	Ministry of Housing & Urban Affairs	To promote sustainable and inclusive cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions.
13	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	Ministry of Housing & Urban Affairs	Providing basic services to households and build amenities in cities which will improve the quality of life for all, especially the poor and the disadvantaged is a national priority.
14	Pradhan Mantri Garib Kalyan Yojana (PMGKY)	Ministry of Labour and Employment	Providing employment in EPFO registered establishments during post Covid period.

Annexure

Employment Indicators viz., LFPR, WPR and UR according to usual status for persons of age 15 years and above since 2011-12 to 2022-23

(in percentage)

Years		2011-12	2012-13	2013-14	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Labour Force participation Rate (LFPR)												
Rural	Male	79.4	78.7	76.4	78.0	78.0	76.4	76.4	77.9	78.1	78.2	80.2
	Female	33.9	29.9	36.4	31.7	29.5	24.6	26.4	33.0	36.5	36.6	41.5
	Total	57.9	55.5	58.8	55.8	54.8	50.7	51.5	55.5	57.4	57.5	60.8
Urban	Male	73.7	73.2	74.0	69.1	73.6	74.5	73.7	74.6	74.6	74.7	74.5
	Female	19.1	17.8	19.7	16.6	20.1	20.4	20.4	23.3	23.2	23.8	25.4
	Total	48.0	46.7	47.9	43.7	47.6	47.6	47.5	49.3	49.1	49.7	50.4
Rural + Urban	Male	77.9	77.2	75.7	75.5	76.8	75.8	75.5	76.8	77	77.2	78.5
	Female	30.0	26.5	31.1	27.4	26.9	23.3	24.5	30.0	32.5	32.8	37.0
	Total	55.4	53.1	55.6	52.4	52.8	49.8	50.2	53.5	54.9	55.2	57.9
Worker Population Ratio (WPR)												
Rural	Male	77.5	76.1	74.3	75.7	75.6	72.0	72.2	74.4	75.1	75.3	78.0
	Female	32.5	28.7	35.1	30.2	28.1	23.7	25.5	32.2	35.8	35.8	40.7
	Total	56.3	53.6	57.1	53.9	52.9	48.1	48.9	53.3	55.5	55.6	59.4
Urban	Male	71.3	70.4	71.4	67.1	70.8	69.3	68.6	69.9	70.0	70.4	71.0
	Female	17.0	15.7	17.5	14.8	17.8	18.2	18.4	21.3	21.2	21.9	23.5
	Total	45.8	44.2	45.5	41.8	45.0	43.9	43.9	45.8	45.8	46.6	47.7
Rural + Urban	Male	75.9	74.5	73.5	73.3	74.3	71.2	71.0	73.0	73.5	73.8	76.0
	Female	28.5	25.0	29.6	25.8	25.2	22.0	23.3	28.7	31.4	31.7	35.9
	Total	53.6	51.0	53.7	50.5	50.7	46.8	47.3	50.9	52.6	52.9	56.0
Unemployment Rate (UR)												
Rural	Male	2.4	3.3	2.7	2.9	3.1	5.7	5.5	4.5	3.8	3.8	2.7
	Female	4.1	4.2	3.4	4.7	4.7	3.8	3.5	2.6	2.1	2.1	1.8
	Total	2.9	3.5	2.9	3.4	3.5	5.3	5.0	3.9	3.3	3.2	2.4
Urban	Male	3.1	3.9	3.5	3.0	3.8	6.9	7.0	6.4	6.1	5.8	4.7
	Female	11.2	11.7	10.8	10.9	11.2	10.8	9.8	8.9	8.6	7.9	7.5
	Total	4.7	5.3	4.9	4.4	5.3	7.7	7.6	6.9	6.7	6.3	5.4
Rural + Urban	Male	2.6	3.5	2.9	3.0	3.3	6.1	6.0	5.0	4.5	4.4	3.3
	Female	5.3	5.6	4.9	5.8	6.1	5.6	5.1	4.2	3.5	3.3	2.9
	Total	3.3	4.0	3.4	3.7	3.9	6.0	5.8	4.8	4.2	4.1	3.2

Source: (i) Labour Bureau Survey Reports for 2011-12 to 2016-17, and (ii) Annual PLFS Survey reports for 2017-18 to 2022-23

(Note: the results of Labour Bureau Survey are not comparable with the results of PLFS results due to the different survey methodologies)