

# CONTENTS

Declaration of the Candidate	iii
Certificate	iv
Acknowledgements	v
List of the Tables	xv
List of the Figures, Maps, Boxes and Appendices	xix
List of the Abbreviations	xxi

*Page*

## **CHAPTER I INTRODUCTION** 1-23

- 1.1 Introduction
- 1.2 Causes of unemployment
  - 1.2.1 Demographic Trend
  - 1.2.2 Urbanisation
  - 1.2.3 Economic Diversification
  - 1.2.4 Technological Changes
  - 1.2.5 Structural Changes
  - 1.2.6 Labour Union's Collective Bargaining
  - 1.2.7 Industrial Sickness
  - 1.2.8 Labour Exploitation Techniques
  - 1.2.9 Government Policy
- 1.3 Unemployment and Involuntary Unemployment in Economic Theories
- 1.4 Consequences of Interrupted Employment/ job loss
  - 1.4.1 At Micro Level
  - 1.4.2 At Macro Level
- 1.5 Rationale for the Study
- 1.6 Research Questions

## **CHAPTER II REVIEW OF LITERATURE** 24-43

- 2.1 Introduction
- 2.2 Review of Earlier Studies on Interrupted Employment
  - 2.2.1 Global Studies
  - 2.2.2 Indian Studies
- 2.3 Summary

- 3.1 Introduction
- 3.2 Purpose and Objectives of the Study
- 3.3 Hypotheses of the Study
- 3.4 Scope of the Study
- 3.5 Definitions and Concepts used in the Study
  - 3.5.1 Worker
  - 3.5.2 Unemployed
  - 3.5.3 Labourforce
  - 3.5.4 Persons with interrupted employment / Ex-worker
- 3.6 Analytical Tolls used
  - 3.6.1 Labourforce Participation Rate (LFPR)
  - 3.6.2 Workforce Participation Rate (WFPR)
  - 3.6.3 Gender specific Workforce Participation Rate
  - 3.6.4 Age specific Workforce Participation Rate
  - 3.6.5 Growth Rate
  - 3.6.6 Proportion Unemployed
  - 3.6.7 Unemployment Rate
- 3.7 Data Sets
  - 3.7.1 Secondary Data
    - 3.7.1.1 Data for Workers
    - 3.7.1.2 Data for Unemployed
    - 3.7.1.3 Data for Persons with Interrupted Employment
  - 3.7.2 Primary Data
    - 3.7.2.1 Sample Design
    - 3.7.2.2 Data Collection Tools
    - 3.7.2.3 Field Data Collection
    - 3.7.2.4 Data Collection Areas
    - 3.7.2.5 Sample Size
    - 3.7.2.6 Selection of Affected Families
    - 3.7.2.7 Period of Data Collection
    - 3.7.2.8 Limitations of the Study
- 3.8 Limitations of the Study
- 3.9 Organisation of the Thesis

## **CHAPTER IV TRENDS AND PATTERNS OF EMPLOYMENT AND UNEMPLOYMENT**

65-100

- 4.1 Introduction
- 4.2 Levels, Trends and Patterns of Employment
  - 4.2.1 Employment Situation at Global Level
  - 4.2.2 Employment Situation at National Level
  - 4.2.3 Employment Situation at Regional Level
  - 4.2.4 Employment Situation at Study Area, Mumbai
    - 4.2.4.1 Magnitude and growth in Workforce
    - 4.2.4.2 Workforce Participation Rate (WFPR)
    - 4.2.4.3 Growth Rate of Workforce
    - 4.2.4.4 Age specific Workforce Participation Rate
    - 4.2.4.5 Educational level of Workers
    - 4.2.4.6 Industrial Classification of Workers
- 4.3 Levels, Trends and Pattern of Unemployment
  - 4.3.1 Defining Unemployment
  - 4.3.2 Unemployment at Global level
  - 4.3.3 Unemployment at National Level
    - 4.3.3.1 Magnitude of the Unemployed
    - 4.3.3.2 Proportion Unemployed
    - 4.3.3.3 Pattern of Unemployment
    - 4.3.3.4 Unemployment Rate
  - 4.3.4 Unemployment at Regional Level
    - 4.3.4.1 Proportion Unemployed in States
    - 4.3.4.2 Unemployment Rates in States (urban)
    - 4.3.4.3 Unemployment Rates in Class-1 Cities
  - 4.3.5 Unemployment in the Study Area, Mumbai
    - 4.3.5.1 Magnitude of Unemployed in Mumbai
    - 4.3.5.2 Proportion Unemployed in Different Age Groups
    - 4.3.5.3 Unemployment Rate in Mumbai
  - 4.3.6 Demographic and Socio-economic Profile of Unemployed Persons in Mumbai
- 4.4 Summary

**CHAPTER V MAGNITUDE OF INTERRUPTED EMPLOYMENT** 101-119

- 5.1 Introduction
- 5.2 Magnitude of Interrupted Employment
  - 5.2.1 At Global Level
  - 5.2.2 At National Level
    - 5.2.2.1 How Did India Enter the Global Economy?
  - 5.2.3 At the Study Area, Mumbai
- 5.3 Interrupted Employment as per NSSO Data
  - 5.3.1 Interrupted Employment at Urban India, NSSO
  - 5.3.2 Interrupted Employment in the Mumbai, NSSO
    - 5.3.2.1 Profile of Persons with Interrupted Employment
    - 5.3.2.2 Descriptions of the Last Employment
    - 5.3.2.3 Comparison of Family Members in the General and Employment Interrupted Person's Household
    - 5.3.2.4 Comparison of Working Wife and Unmarried Children in General and the Employment Interrupted Person's Household
- 5.4 Summary

**CHAPTER VI PROFILE OF THE STUDY AREA** 120-141

- 6.1 Introduction
- 6.2 Physical Profile of Mumbai city
- 6.3 Demographic Profile of Mumbai
  - 6.3.1 Magnitude of Population
  - 6.3.2 Growth Rate of Population
  - 6.3.3 Migrant Population in Mumbai
  - 6.3.4 Slum Population in Mumbai
  - 6.3.5 Population Density in Mumbai
- 6.4 Economic Profile of Mumbai
  - 6.4.1 Characteristics of Industries in Mumbai
    - 6.4.1.1 Textile Industries
    - 6.4.1.2 Pharmaceutical Industries
    - 6.4.1.3 Chemical Industries
    - 6.4.1.4 Electronic Industries

- 6.4.1.5 Engineering Industries
- 6.4.1.6 Small Scale Industries (SSI)
- 6.4.1.7 All Industries
- 6.4.2 Number of Working Industries in Mumbai by Worker's Strength
- 6.5 Employment Situation in Mumbai
- 6.6 Unemployment Situation in Mumbai
- 6.7 Interrupted Employment in Mumbai
  - 6.7.1 Number of Closing Down Industries in Mumbai
  - 6.7.2 Number of Workers Affected (Interrupted Employment)
- 6.8 Reasons for Declining Industrial Activities in Mumbai
  - 6.8.1 Government Policies
  - 6.8.2 Sky rocketing Land Price
  - 6.8.3 Labour Exploitation Technique
- 6.9 Summary

**CHAPTER VII CHARACTERISTICS OF THE SELECTED INDUSTRIES AND THE STUDY POPULATION**

142-159

- 7.1 Introduction
- 7.2. Profile of the Selected Industries
  - 7.2.1 Non-textile Industries
  - 7.2.2 Textile Industries
- 7.3 Profile of the ex-workers
  - 7.3.1 Demographic Characteristics of the Ex-workers
  - 7.3.2 Socio-economic Characteristics of the Ex-workers
  - 7.3.3 Household Composition of the Ex-workers
  - 7.3.4 Housing Characteristics of Ex-workers
  - 7.3.5 Religion of Ex-workers
  - 7.3.6 Origin of the Ex-workers
  - 7.3.7 Economic Status of the Household
- 7.4 Summary

**CHAPTER VIII: ECONOMIC IMPACT OF INTERRUPTED  
EMPLOYMENT**

160-177

- 8.1 Introduction
- 8.2 Details of the Last employment of the Ex-worker
  - 8.2.1 Age, years of work and Last Wage at the Time of Job loss
  - 8.2.2 Type of Occupation of Last Employment
  - 8.2.3 Other Benefits Received
  - 8.2.4 Compensation received by the Ex-workers
  - 8.2.5 Utilisation Pattern of Compensation Money
- 8.3 Work Status of the Ex-worker after Job loss
  - 8.3.1 Intermediate Work Status after Job loss
  - 8.3.2 Time Taken to Get another Job
  - 8.3.3 Reasons for Currently not Working
  - 8.3.4 Reasons for Non-availability of work
- 8.4 Effects of Job loss
  - 8.4.1 Shift in the Industry
  - 8.4.2 Shift in the Occupational Category
  - 8.4.3 Shift in Income Level
  - 8.4.4 Shift in the Magnitude of Workforce in the Household
- 8.5 Perception on the Current Economic Condition of the Family
- 8.6 Welfare Measures Demanded by the Ex-workers
- 8.7 Summary

**CHAPTER IX: SOCIAL IMPACT OF INTERRUPTED  
EMPLOYMENT**

178-198

- 9.1 Introduction
- 9.2 Profile of the Spouses of Ex-workers
  - 9.2.1 Age and Usual activity Status of the Spouses
  - 9.2.2 Nature of the Work of Spouses
- 9.3 Profile of Children of the Ex-workers
  - 9.3.1 Number of Children Living with the Ex-worker
  - 9.3.2 Age, Education and Usual Activity Status of Children
  - 9.3.3 Profile of the Working Children
  - 9.3.4 Nature of employment of the Unmarried Children
- 9.4 Changes in Family Level
  - 9.4.1 Family Move
  - 9.4.2 Change in Family Structure
- 9.5 Changes in Family Role
  - 9.5.1 Change in Social Relationship within Family and Outside

- 9.5.2 Household Decision Making
- 9.6 Domestic Violence and Marital dispute/Family erosion
- 9.7 Dependency on substances
  - 9.7.1 Alcohol Consumption
  - 9.7.2 Consumption of *Pan, Bedi, Gutka* and *Thambakku*
- 9.8 Gender Preference
  - 9.8.1 Preference to have number of Children by Gender
  - 9.8.2 Educational Preference for Children by Gender
- 9.9 Desire Vs. Reality about Children's Future
- 9.10 Health Status of Family Members
- 9.11 Perception on Current Health Status
- 9.12 Summary

**CHAPTER X: RESCILIENCE MEASURES TAKEN BY THE FAMILY**

199-221

- 10.1 Introduction
- 10.2 Resilience Theories
- 10.3 Resilience Measures Adapted by the Study Families
  - 10.3.1 Support Received
  - 10.3.2 Strategies Used by the Ex-worker's Families
  - 10.3.3 Investment of Compensation Money Received
- 10.4 Case Studies
- 10.5 Summary

**CHAPTER XI: SUMMARY AND CONCLUSION**

222-232

- 11.1 Introduction
- 11.2 Major findings from Secondary Data
  - 11.2.1 Trends and Pattern of Employment
  - 11.2.2 Trends and Pattern of Unemployment
  - 11.2.3 Interrupted Employment in India and Mumbai
- 11.3 Study of Mumbai as an Industrial City
- 11.4 Study Plan
- 11.5 Major Findings from Primary/Field Data
  - 11.5.1 Profile of the Study Population
  - 11.5.2 Economic Impact of Job Loss
  - 11.5.3 Social Impact of Job loss
  - 11.5.4 Resilience Measures Adapted by the Affected Families

- 11.6 Conclusions
- 11.7 Policy Recommendations

**LITERATURE CITED** 233-242

**APPENDICES** 243-263

- A.I Tables Mentioned in the Text
- A.II National Industrial Classifications (NIC)
- A.III National Classification of Occupation (NCO)
- A.IV Interview Schedule



## LIST OF TABLES

<i>Table</i>	<i>Title</i>	<i>Page</i>
1.1	Comparison on Labour Force Participation Rate by Age at Global level, 2007	4
3.1	Checklist to Validate Hypothesis-I with Outcome of the study	45
3.2	Respondents of the Study	61
4.1	Trend in Population and Labour Force at Global Level, 1980-2005	66
4.2	Trend in Work Participation Rate (%) in India between 1961 to 2001	69
4.3	Trend in Population and Workforce in India, 1981 to 2001	70
4.4	Trend in Gender specific Workforce Participation Rate in Maharashtra, by Place of Residence and Category of Workers (Main, Marginal and Total Workers), 1981-2001	71
4.5	Trend in the Magnitude and Workforce Participation Rate in Mumbai, Census 1961 -2001	73
4.6	Annual growth rate (%) of Main, Marginal and Total workers in Mumbai by Gender and Different Age Groups, 1981-2001	75
4.7	Percentage Distribution of Total Population in Mumbai and the Workers (main, marginal and total) by their Gender and Educational Level, Census 2001	78
4.8	Magnitude of Unemployed Persons at Global level, 1998-2009	82
4.9	Unemployment Rate at Global Level and in some Selected Regions, 1998-2010	83
4.10	Magnitude and Annual Growth Rate of Unemployed Persons in India, 1991- 2001	85
4.11	Proportion of Unemployed to Total Population in India,1981 - 2001	86
4.12	Proportion Unemployed in India by Background Characteristics, 2001	87
4.13	Proportion of Unemployed in India by level of Education, 2001	89
4.14	Unemployment Rate for India and its Urban Areas, 1993-2008	90
4.15	Unemployment Rates for Persons aged 15 Years and above according to Usual Adjusted Status in Selected Class-I Cities, 1993- 2005	92
4.16	Proportion of Unemployed in Specific Age groups in Mumbai, 2001	93

4.17	Proportion Unemployed, Aged 15 years and above by Gender in Mumbai, 1993-2005	95
4.18	Unemployment Rate in Mumbai as per NSSO Estimate, 1987 - 2005	96
4.19	Percent Distribution of Unemployed Population in Mumbai (Usual Principal) by their Demographic and Socio-economic Characteristics, 2004-05	97
5.1	State-wise Number of Companies Registered and Closed, and the Percentage Closed in India, 2006	106
5.2	Number of Industries Closed Down and Workers Affected in Maharashtra (1998-99 to 2002-03)	107
5.3	Percent Distribution of Unemployed (15 to 59 years) who Ever-worked by Reason for Break in their Employment, Urban India, 1993-2005	110
5.4	Percent Distribution of Unemployed who Ever-worked (15-59 years) by Reason for Break in Employment in Mumbai (2004-05)	111
5.5	Percent Distribution of Persons with Interrupted Employment (15-59 years) by their Demographic and Socio-economic Characteristics, 2004-05	112
5.6	Characteristics of the Last Employment for those who had Break in Employment, 2004-05	113
5.7	Characteristics of Wives, Elders and Unmarried children from all the Families and Families of Interrupted Employment Persons in Mumbai, 2004-05	114
5.8	Characteristics of Working Wives and Unmarried Sons in all the Families and Families of Interrupted Employment Persons in Mumbai, 2004-05	117
6.1	Trend in the Magnitude of Population in Mumbai, 1901- 2001	122
6.2	Trend in the population Annual Growth Rate and Sex-ratio of Mumbai, 1961-2001	123
6.3	Cotton Textile Industry in Mumbai, 1926 -2004	128
6.4	Number of Working Factories and Average Daily Workers in Maharashtra and Mumbai, 1985-2004	131
6.5	Number of Working Factories by Worker's Strength in Mumbai, 2000-05	132

6.6	Trend in the Distribution of Workers by Industrial Structure in Mumbai, 1961- 2001	133
6.7	Number of Registered, Working and Closed Down Factories in Mumbai from 1987 -2005 (Under the IFA 1948)	136
7.1	Distribution of Ex-workers by their Demographic Characteristics	148
7.2	Percent Distribution of Ex-workers by their Level of Education and their Current Activity Status	149
7.3	Percent Distribution of Ex-workers who were Working at the time of Survey by their Occupational Status	151
7.4	Household Composition of the Ex-workers	152
7.5	Ownership and Type of the Houses of the Ex-workers	154
7.6	Distribution of Ex-workers by their Place of Birth	155
7.7	Distribution of Ex-workers by Place of Last Education, Language Spoken at Home and Years of Stay in Mumbai	156
7.8	Distribution of Ex-workers by Economic Condition of the Households	158
8.1	Description of Age at the Time of Job loss, Duration of Work at the Industry and the Last Wage Received by the Ex-workers	161
8.2	Percent Distribution of Ex-workers by their Occupation before Job loss	163
8.3	Compensation Money Received by the Ex-workers from the Industry	165
8.4	Utilisation Pattern of Compensation Money Received from the Industry	166
8.5	Work Status of the Ex-worker after Job loss	167
8.6	Shift in the Industry of Work, Before and After Job loss	170
8.7	Shift in the Occupational Status, Before and After Job loss	171
8.8	Shift in Wage and Household Income Level, Before and After Job loss	172
8.9	Change in the magnitude of working members in the household	174
8.10	Perception on the Current Economic Condition of the Household	175
9.1	Usual Activity Status of the Spouses of the Ex-workers	179
9.2	Distribution of Spouses by the Nature of Work	180
9.3	Description of Children Currently Living with Ex-workers	181
9.4	Distribution of the Children of Ex-workers by their Age, Educational level and Usual Activity Status by Marital Status (only those children living with him/her at the time of survey)	182

9.5	Distribution of Unmarried Working Children by their Age and Educational level	184
9.6	Nature of Job the Unmarried Children of the Ex-worker doing at the Time of the Survey	185
9.7	Distribution of Ex-worker's Household, by the Type of Family, Before and After Job loss	187
9.8	Changes in Social Relationships Within and Out side Family	188
9.9	Distribution of Ex-workers by their Decision Making Autonomy in the Household, Before and After Job loss	189
9.10	The Perceived level of Education Ex-workers Wanted to Provide to their Children	193
9.11	Distribution of Ex-workers who Wanted their Children to be Graduate and Children's Achieved level of Education (aged 25 and above) at the Time of Survey	194
9.12	Distribution of Respondents by their Perception on the Current Health Status, Before and After Job loss	197
10.1	Distribution of Ex-workers by the Persons Supported and Kind of Support Received	202
10.2	Type of Current Work vs. Earlier Job of Ex-workers	204
10.3	Distribution of the Unmarried Children by their Usual Activity Status from the General households and Ex-worker's Households	205
10.4	Utilisation Pattern of Compensation Money and Current Perception on Health, Life and Economic condition of the Family	207

---

## LIST OF FIGURES

<i>Figure</i>	<i>Title</i>	<i>Page</i>
1.1	Trend in Gender specific Workforce Participation in Urban India, 1971-2001	5
1.2	Trend in Gender specific Unemployment rate in Urban India, 1993-2006	6
4.1	Trend in Gender specific Work participation rate of Main-workers in Mumbai, 1961-2001	74
4.2	Trend in Gender specific Work participation Rate of Marginal-workers in Mumbai, 1981-2001	74
4.3	Age specific Workforce Participation Rate in Mumbai by Gender, 2001	77
4.4	Percentage Distribution of Workers as per National Industrial Classification in Mumbai, from 1961, 1971, 1981, 1991 to 2001	79
4.5	Unemployment Rate among Youth (15-24 years) and Adults (> 24 years) at Global Level, 1998-2010	84
4.6	Proportion of Unemployed in different age groups by Gender in India	88
6.1	The Trend in the Volume of Population and the Proportion of Migrant and Slum Population to the Total Population in Mumbai, 1961 -2001	125
6.2	Trend in Gender specific Workforce in the Registered Factories of Mumbai, 2000-2005	137

## LIST OF MAPS

<i>Map</i>	<i>Title</i>	<i>Page</i>
3.1	Location of Selected Industries in Mumbai	59
6.1	Physical Change of Mumbai, Before and Now	121

## LIST OF BOXES

<i>Box</i>	<i>Title</i>	<i>Page</i>
1.1	Interrupted Employment-Conceptual Frame work	21
3.1	Questions Used to Identify Interrupted Workers from NSSO Data	53
3.2	Path Used to Select Interrupted Workers from NSSO Data	54
3.3	Sampling Steps	60

## LIST OF APPENDIX

<i>Appendix</i>	<i>Title</i>	<i>Page</i>
A-I	List of Tables Mentioned in the Text	
	A-I.1 The Magnitude of the Workforce in India Between 1961 to 2001	243
	A-I.2 Decennial Growth Rate of Workers in India, 1961-2001	244
	A-I.3 Proportion of Unemployed at State Level by Gender and Place of Residence, 2001	245
	A-I.4 Unemployment Rate by Usual Activity Status (Principal) in the Urban Areas of Indian States, 1993 to2008	246
	A-I.5 State-wise Number of Units Closed/Permanently Closed and Number of Workers Affected in India (1997-98 to 1999-2000)	247
	A-I.6 The number of Textile Mills closed and Mill Workers Affected After Year 2000 in Mumbai	248
	A-I.7 Reduction of work force in pharmaceutical industry in Mumbai-Thane region, Maharashtra, 1995-97	249
A-II	List of National Industrial Classification (NIC)	250
A-III	List of National Classification of Occupations (NCO)	252
A-IV	Interview Schedule	255

## LIST OF ABBREVIATIONS

ATLS	Ambekar Institute of Labour Studies
BIFR	Board for Industrial and Financial Reconstruction
BMRPB	Bombay Metropolitan Regional Plan for Region
CII	Confederation of Indian Industries
CRD	Centre for Research and Development
e.g.	For example
<i>et al</i>	And all
EU	European Union
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GOM	Government of Maharashtra
GOI	Government of India
IFLR	Indian Factories and Labour Report
ILO	International Labour Organisation
IMF	International Monetary Fund
LFPR	Labour Force Participation Rate
MIDC	Maharashtra Industrial Development Corporation
MIT	Massechutes Institute of Technology
NAFTA	North American Free Trade Agreement
NIC	National Industrial Classification
NCO	National Classification of Occupation
NSSO	National Sample Survey Organisation
PCAP	Planning Commission on Annual Plan
RGI	Registrar General of India
RGI	Registrar General India
SC	Scheduled Castes
SSI	Small Scale Industries
ST	Scheduled Tribes
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNICEF	United Nations Children's Fund
viz.	In other words
WFPR	Work Force Participation Rate