

UNEMPLOYMENT IN INDIA

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THE question of providing adequate employment opportunities has been engaging the attention of the Planning Commission for the past 10 years. Many attempts have been made to comprehend the nature of employment as well as the mechanism of its generation. Reference to these has been made from time to time in the papers prepared in the Planning Commission and in the reports published by it including the Second and Third Five Year Plans, Mid-Plan Appraisals and the Memorandum on the Fourth Plan.

In order to understand how the planning effort has affected the employment/unemployment situation during the operation of the Plans, four elements connected with unemployment have to be taken into account. They are (a) the state of unemployment at the time of the beginning of the Plan, (b) the likely additional labour force during the Plan period, (c) the employment content of schemes included in the Plan, and (d) indirect effects of (c) on total employment situation. For operational purposes, however, it is necessary to understand the importance of the first three factors on a regional basis and also problems of unemployment connected with certain special categories of the population such as rural, urban educated etc. The problem of employment of women, of agricultural labour with which is connected the whole field of unemployment and under-employment requires to be specially thought out. During the planning decade it has been possible to get a fairly dependable idea of (b) and (c) above. (d) is the subject matter of a closer examination at present.

Unemployment before the beginning of a Plan has to be viewed in its urban and rural components. It is also felt that for a major part of the rural economy and for the self-employed section in urban areas, unemployment and under-employment get mixed inextricably. But even so the National Sample Survey has been able to provide estimates of unemployment in urban and rural areas. On the basis of the 16th Round of the National Sample Survey, unemployment in 1961 was 6.5 millions of which the share of the rural sector was about 5.8 millions. (These rural data have been discussed in Section IV).

Last year a working group was appointed to assess the magnitude of employment task to be tackled in the Fourth Plan. The Group after

* Views expressed in this article are the author's personal views.