

LABOUR FORCE PROJECTIONS FOR INDIA, 1951-76

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LABOUR force is one of the most important determinants of economic and social progress of a country. In the under-developed regions that are fast implementing several development projects, the role of labour force *vis-a-vis* capital and technology has often been the subject of debate. Whereas the starting point of Western industrialism had been the scarcity of hands, the present-day under-developed nations by remaining backward for years, owing largely to foreign rule, have accumulated in them sizeable backlog of unemployed and under-employed working force. In the situation, advocacy for all-out labour intensive method of production seems quite valid and convincing. But, practical attempts at instituting and working a project of the kind in view, give rise to other problems such as operational efficiency, cost of production, quality of the product and, sometimes, capacity to compete in foreign markets, etc.

On the contrary, by switching over to the other extremity of capital intensive type it may well be that the national product would increase without any substantial rise in employment. Increasing national income unaccompanied by increasing employment opportunities will not, excepting the few, mean much to the common man. It is, therefore, essential of any economic planning towards a welfare state to seek a rapid solution for the problem of unemployment too. Though in the initial one or two plans the problem of employment may be advantageously relegated to the background, it can no longer warrant anything short of top priority in successive plans.

Furthermore, the problem of employment assumes far more importance if viewed from another angle. Demographically, the process of industrialization in the West was seldom, if ever, affected by the spectacular decline in death rates that is now taking place in almost all the under-developed countries of the world. As a consequence, governmental actions to control fertility, and other demographic factors will tend to govern appreciably the course of economic development of the under-developed countries, especially of densely populated India. In particular, the impact of demographic transition on the size and characteristics of the labour force of India is of great concern here. Hence, in the present paper, a set of labour force projections for India has been prepared up to 1976 under alternative assumptions about demographic and non-demographic factors affecting it. Implied changes in the labour force over the period 1951-76 are also examined at the end.

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