

# UNEMPLOYMENT IN INDIA — ESTIMATES BASED ON EMPLOYMENT EXCHANGE STATISTICS<sup>1</sup>

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THE International Labour Organisation, after a detailed study of the different methods of collecting unemployment statistics, makes the following observation on the Employment Exchange Statistics: "For countries relying on such data as their main measure of unemployment it is highly desirable that periodic studies should be made of the relation between the total number unemployed and the number of unemployed as registered at the employment exchanges. Studies should also be made of the extent to which statistics of the registered unemployed derived from the operations of the employment exchanges actually include persons who are employed."<sup>2</sup> The main continuous source of unemployment data, available in India, relates to the unemployed persons registered by the employment exchanges and, therefore, an enquiry on the above lines is desirable for assessment of the employment situation in the country. In India, a number of unemployment surveys, mainly urban, have been conducted during the years 1953 to 1955, and the object of this study is to relate data of these surveys to the employment exchange statistics. An attempt is also made to estimate unemployment in the urban areas of the country, in 1953, 1954 and 1955.

## Employment Exchanges in India

In October 1943, the Government of India decided to open ten employment exchanges for technical personnel in the important industrial cities of India.<sup>3</sup> The initial successes of the experiment encouraged the Government to undertake, in 1945, a further expansion of the service. For this purpose, the Directorate of Resettlement and Employment was set up under the Ministry of Labour, the object of the organisation being the resettlement and re-employment, in civil life, of demobilized men and women and discharged war-workers. The organisation consisted of three separate Directorates: (i) Directorate of Employment Exchanges, (ii) Directorate of Training, and (iii) Directorate of Publicity. In March 1948 the Employment Service was thrown open to all categories of employment-seekers.

<sup>1</sup> The author gratefully acknowledges the help given to him by the office of the Director of Employment, Government of Bombay, by providing the necessary data which made possible this analysis.

<sup>2</sup> *Employment, Unemployment and Labour Force Statistics. A Study of Methods*, International Labour Office, Geneva, 1948, p. 85.

<sup>3</sup> *The Indian Labour Year Book*, Government of India, 1946, p. 27.