

## **CHAPTER - 4**

### **MANPOWER AND EMPLOYMENT**

4.1 Employment growth in Rajasthan during the past two decades largely followed the national employment growth rate, though the growth in the major sectors like agriculture, industry and services was different. Employment grew at 2.2% per annum in the State as compared to 2.1% in the country. In Rajasthan, Agriculture & allied activities still provide over 60% of all jobs, with industry (mainly construction and manufacturing) and services (mainly trade, hospitality, Government and Community Services) accounting for the rest of employment.

4.2 Creation of adequate job opportunities for youth is a major challenge before the planners. The State Government has been creating a number of job opportunities under various sectors, but the increase in the job has been more than offset by the rapid growth of population. Consequently there has been gradual increase in the number of job seekers.

4.3 The rate of growth of employment is lesser than the growth of labour force, thus creating a backlog of un-employment. As a result of rapid increase in the labour force, a small percentage of persons has been absorbed in the paid employment in the organised sector. In March, 2006, only 12.05 lacs persons were engaged in organised sector in Rajasthan, comprising of 9.47 lacs under public sector and 2.58 lacs under private sector. The only solution to the problem of unemployment lies through promotion of substantial gainful employment opportunities in the un-organised sector. The data available with the employment exchanges reveals that about 7.68 lakhs unemployed persons were registered in district employment exchanges as on 30 June, 2007.

4.4 The problem that the country is facing today is unemployability, because of lack of skills. Even our graduates lack the skills to get the white-collar jobs which they aspire to. A mission namely "Rajasthan Mission on Livelihood" (RMOL) has already been set up in the State in the year 2004 in partnership with a well known NGO, BASIX. The mission is focusing on promoting livelihoods through skill development of youth in various sectors; vocational training programmes spoken English, IT trainings for increasing employment in the State, RMOL has also initiated setting up of District level skill training centers and providing incentives for getting trained youths placed in industries. District employment fairs are being conducted for unemployed youth under Chief Minister's Livelihood Promotion Programme. This is generating competency level for employment among the unemployed youth, particularly those coming from poor families and from rural background. Apart from trainings RMOL has also launched various programmes for creating employment and enhancing income of rural poor

through provision of migrant support services, in horticulture, animal husbandry, tourism etc.

4.5 IT sector is offering great opportunities for employment growth at this juncture. However, these are not fully exploited by youth in Rajasthan owing to lack of training under IT skills. To utilize this opportunity fully in the state, IT training programmes as a part of skill training programme would be taken up in tier II cities, semi urban areas and towns under the Eleventh Plan period in a big way.

4.6 Educated youth in Rajasthan, particularly with rural background are deficient in spoken English, communication and confidence in facing interviews and also have limited access to information about job opportunities available. Some intermediation is, therefore, needed for preparing these people for the job opportunities. This can be better done in public private participation mode on the basis of revenue model, which covers the cost of intermediation to a considerable extent. To address this issue, Raj Kaushal has been set up. This would primarily perform the following tasks:

- Setting up Academies of Training. An Academy of Animation has already been set up at Jaipur.
- Facilitate employment and Training of Overseas Migrants and other segment with the State.
- Raising employability of youth through training in spoken English, communication and facing interviews.
- Dialoging with corporate organizations for job opportunities and preparing youth for benefiting from such opportunities.

4.7 In recent years, employment opportunities have been enhanced especially under industry, services & IT sector in the State. Efforts are being made to increase employment opportunities under the sector like manufacturing, construction, information & technology and tourism sectors such as food processing, leather products, footwear and khadi products, as these sectors have tremendous potential in the State. Providing gainful employment, creating livelihood and improving economic status are the high priority areas of the State government. This is one of the " Six Ideals" that have been announced by the Government as its vision.

### **Labour Force and unemployment Estimates**

4.8 With a view to assessing the extent of the problem of unemployment, it is necessary to estimate the number of persons expected to become available for employment. To arrive at the total number of employment opportunities required to be generated, backlog of unemployed persons at the beginning of the plan and possible addition to the labour force during the Annual Plan 2008-09 have been estimated on the basis of results of

61<sup>st</sup> field survey (2004-05) conducted by National Sample Survey Organisation in the State.

4.9 The estimates of labour force and unemployment are prepared separately in respect of three categories namely usual activity status, current weekly activity status and current daily activity status for various age group viz., persons in the age group 15 and above (15+). The usual principal and subsidiary status is determined with reference to a longer period than a day or week. Therefore, adoption of usual principal and subsidiary status rates is considered to be more appropriate for the estimation of labour force and backlog of unemployment.

4.10 Based on the Central sample results of 61<sup>st</sup> round of NSS (usual principal and subsidiary status) addition to labour force during XIth five year plan period in Rajasthan is estimated to be around 46.98 lakhs persons including backlog of 5.43 lakhs persons. ss projections worked out are as given below:

Table No. 4.1  
Projections of Labour Force

(in lakhs)

Age group (years)	Total Population as on 1 <sup>st</sup> March		Labour Force as on 1 <sup>st</sup> March		Addition to Labour Force 2008-2009
	2008	2009	2008	2009	
15 years & above	418.98	431.49	290.40	299.04	8.64

4.11 The usual activity status relates to the activity status of the person during the reference period of 365 days preceding the date of survey. The activity status on which person spent relatively longer time (major time criterion) during 365 days preceding the date of survey is considered the principal usual activity status of the person. To decide the principal usual activity of a person, he/she is first categorized as belonging to the labour force or not, during the reference period on the basis of major time criterion.

4.12 With a view to maintaining uniformity of concepts and ensure comparability with the all India figures, it is felt that all persons in the age group of 15 and above should be taken to constitute the labour force and all subsequent projections should be based on labour force of all persons of the age 15 and above. Accordingly, the addition to labour force during annual plan 2008-09 in Rajasthan is estimated to be around 14.30 lakh persons including backlog of 5.66 lakh at the beginning of annual plan 2008-09. The age, sex and residence wise break up of the labour force is given below:

Table No. 4.2

Estimated Labour Force on Usual Principal and Subsidiary Status  
Participation Rate (As per 61st Round of NSSO)

(in 000 No.)

Age Group	Rural		Urban		Total
	Male	Female	Male	Female	
<b>AS ON 1ST MARCH 2008</b>					
15 years and above	13941	9708	4056	1335	29040
<b>AS ON 1ST MARCH 2009</b>					
15 years and above	14352	9988	4187	1377	29904

### Employment Scenario in Rajasthan

4.13 The employment scenario in Rajasthan indicates that while the present status may not appear alarming, the trends certainly call for urgent interventions to increase employment opportunities to meet the needs of the increasing work force. The characteristic features of the employment scenario in Rajasthan are:

- Low productivity of the Agriculture and Livestock Sector which employs about 66% of the rural labour force
- Low skill levels of the working population and their inability to get good prices
- Unemployment is more serious among rural youth quite a few among whom are educated
- Growth of employment in manufacturing sector declining (Jobless Growth)
- 7 lac new hands entering labor market annually
- Planning Commission's estimates in the XIth Plan that even if the State achieves the projected growth of 7.4%, there will be a shortage of 7.11 lakh jobs
- Overall it is estimated that around 8 lakh livelihoods needs to be generated every year for a decade to have a zero unemployment situation in the State

4.14 Information Technology Education has been made mandatory in all the secondary schools and colleges. The State Government will be taking several more steps through public private partnership for talent development of trained manpower, especially for IT & ITeS sector. Stress will be on Business Process Outsourcing (BPO) sector.

4.15 No strategy on employment can succeed in isolation; effective measures will have to be taken to address the requirements dictated by

the other pillars of the Eleventh Plan strategy - State finances and governance issues.

4.16 In view of the limited scope for wage employment due to financial constraints, the thrust is now on self-employment. The facilities for vocational guidance and assistance for self-employment to the educated persons are, therefore, being given emphasis. Expansion in education, medical and health, and housing facilities is envisaged creating new opportunities for self employment. Technical training facilities will also be improved and it will be imparted in emerging areas to cater to the changing needs and pattern of industrialisation and advancement of technology. Concerted efforts will be made to provide assistance for employment/self-employment to women. It is proposed to expand technical training facilities for women and introduce new employment oriented courses for them in educational institutions at various levels.