

UNIT 2

Employment in India and Tamil Nadu

Learning Objectives

- To know the employment structure in India
- Understand the organised and unorganised sector
- Understand the distinction between public sector and private sector
- Understand the changing employment pattern
- To appreciate the case study format



Introduction

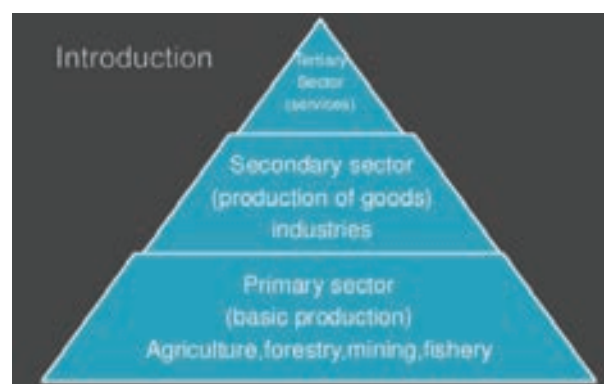
You know the basic needs of every human being are food, clothes and shelter. In the present world, one more essential need has to be added in this list. That is employment. To survive in the world, we all need employment to earn money. Those who are engaged in economic activities, in whatever capacity– high or low – are called employees. People who employ these workers and pay rewards for their work are called the employers.

Labour force of the economy is the number of people in the country who work and also capable of working. We take the age group of 15–60 years for the computation of workforce. Persons who are less than 15 years are considered as children, and person who have crossed 60 years of age are excluded as they are not physically fit to undertake productive occupation. If larger percentage of population is accounted by children and old-age persons, then the progress of the country would be very slow as the working force is very small. Besides, the small working force will have to maintain larger non-working force for feeding out of the small national product.

2.1 Employment Structure in India

The nature of employment in India is multi-dimensional. Some get employment throughout the year; some others get employed for only a few months in a year.

The economy is classified into three sectors: primary or agriculture sector, secondary or industrial sector and tertiary or service sector.



Employment Structure

The structure of employment denotes the number of workers engaged in different sectors of the economy. Though the occupational pattern varies from one country to another, one

can find in developing countries like India that a large work force will be engaged in primary sector, while a small proportion in secondary and tertiary sectors. Whereas, in well-developed countries, the proportion of workforce engaged in agriculture will be very small and a majority of labour force will be in the industrial and tertiary sectors.

Employment has always featured as an important element of development policy in India.

Employment growth has increased at an average rate of 2% during the past four decades since 1972–73.



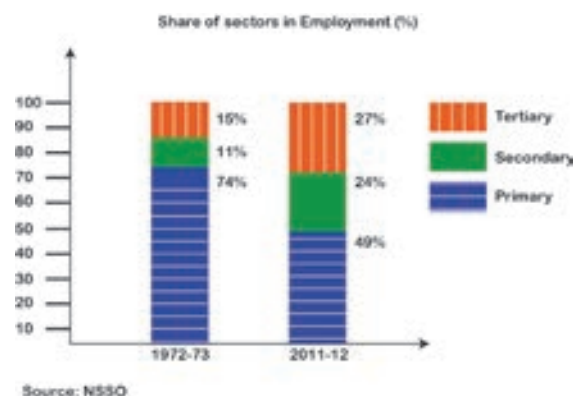
In the medieval period, Feroz Shah Thuglaq, the Sultan of Delhi, had set up an 'Employment Bureau' to solve the unemployment problem.

2. 2 Types of Employment: Organised and Unorganised Sectors

Organised Sector

The organised sector is one that is incorporated with the appropriate authority or government and follows appropriate rules and regulations. In short organised sectors are those which are deliberately planned, designed and duly sanctioned by competent authority. They are formal by nature. In India employees of central and state governments, banks, railways, insurance, industry and so on can be called as organised sector. This sector works according to certain rules and regulations given in the law. Organised sector has some formal processes and procedures. The employees in this sector are provided with job security and receive higher wages than those of the unorganised sectors.

Organised sector gives good salary, fixed working hours, paid holidays and provides medical allowance and insurance also.



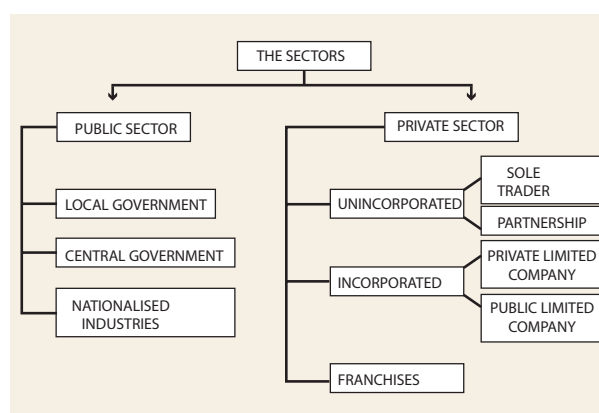
Unorganised Sector

The unorganised sector of the economy characterised by the household manufacturing activity and small-scale industry. Jobs here are low paid and often not regular, Mostly, they do not have paid leave, holiday, leave due to sickness and so on. Employment is not secure. When there is no work, people are asked to leave the job. This sector includes a large number of people who are employed on their own doing small jobs such as selling on the street, doing repair work and so on.

In the unorganised sector, the employment terms are not fixed and regular. They do not enjoy any special benefits or job security. These enterprises are not registered with the government.

Public Sector vs Private Sector

Economic activities are classified into public and private sector based on who owns assets and is responsible for the delivery of services.



Differences between the Public Sector and Private Sector		
S. No.	Public Sector	Private Sector
1	Service motive	Profit motive
2	Government owns the assets	Private individuals own the assets
3	Wages are paid by the government	Wages are paid by the owner of private enterprises.

Examples

Public Sector	Private Sector
NLC	TVS Motors
SAIL	Ashok Leyland
BSNL	TATA Steel

2. 3 Employment Pattern

In recent years, there has been a change in the employment pattern and this has helped the employers to develop more flexible working patterns among their employees. The trends are (a) increasing self-employment (b) firms using fewer full-time employees and tending to offer more short-term contracts (c) there has been a growth in part-time employment. This may be due to lifestyle of the people.

Employment Trends in Tamil Nadu

Agriculture, despite a sharp decline in gross domestic product, continues to be the largest employer in Tamil Nadu. This is because the non-agriculture sectors are yet to generate enough employment to affect a shift of labour force. Most of the employment growth in Tamil Nadu has been contributed by the unorganised and informal sectors.

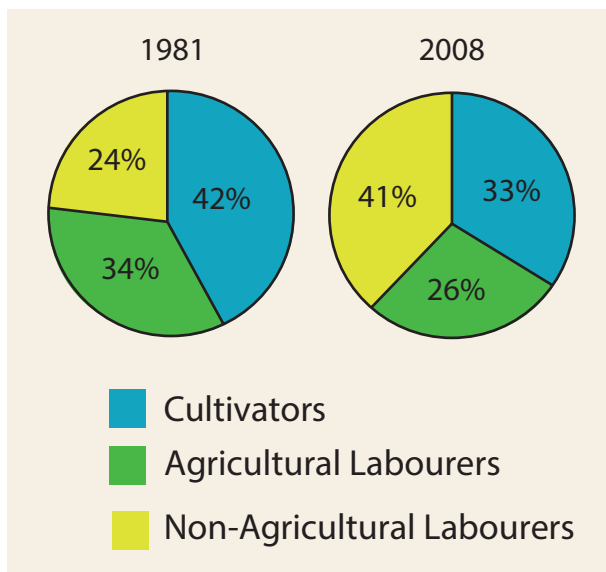
Employment in Iruvelpattu: A case study

What is happening in the employment scenario can be understood not only from national or state level, but also from the study of the village economy. Iruvelpattu is one such village in Villupuram district in Tamil Nadu. This village has been studied for more than 100 years by many scholars. This village is also called Slater village as Gilbert Slater was the first scholar working in the University of Madras to go with his students to study this village in 1916. Over the years, many scholars surveyed the occupation of villagers and collected many more details of each person in the village.

It was clearly observed that the government brought social security awareness among the people of the village through primary health care, provision of schools and maintenance of public distribution system. Though this village underwent many changes, it is still dependent on agriculture as the main occupation. Look at the following table or chart. You will notice that during 1981, out of 100 families, 24% were engaged in non-agricultural laboures. In 2008, the member of families engaged in such employment increased to 41%. During 1981–2008, the proportion of families engaged in agriculture has declined from 34% to 26% – both as agriculture labourers and as cultivators.

Employment details of households in Iruvelpattu (in%)

Occupation	% of Households	
	1981	2008
Cultivators	42	33
Agricultural labourers	34	26
Non-agricultural labourers	24	41
All households	100	100



Activity

1. Why did people shift from agriculture to non-agriculture jobs in Iruvelpattu? What could have been the reasons?
2. Do you think it is easy to move from agriculture to non-agriculture jobs? Talk to your teachers and parents and discuss in the class.
3. Collect details of main occupations of 20 families in your locality. Prepare a table or chart as given above and discuss in the class.

Recap

- Labour force is the number of people in the country who work and also capable of working.
- Structure of employment denotes number of workers engaged in different sectors of the economy.
- The employment growth rate of India increased at an average rate of 2% during past four decades from 1972-73.
- Organised sector provides job security and other benefits like insurance to its employees.
- Public sector means government undertakings.
- Employment pattern changes due to lifestyle of the people.



EXERCISE



I. Choose the correct answer

1. We take age group _____ years for computation of the workforce.
a. 12–60 b. 15–60
c. 21–65 d. 5–14
2. Which is the correct sequence of various sectors in GDP of India in the descending order?
a. Primary sector, Secondary sector, Tertiary sector
b. Primary sector, Tertiary sector, Secondary sector
c. Tertiary sector, Secondary sector, Primary sector
d. Secondary sector, Tertiary sector, Primary sector
3. Which one of the following sectors is the largest employer in India.
a. Primary Sector
b. Secondary Sector
c. Tertiary Sector
d. Public sector
4. Which one of the following is not in Primary Sector
a. Agriculture b. Manufacturing
c. Mining d. Fishery
5. Which one of the following is not in the Secondary Sector?
a. Construction b. Manufacturing
c. Small Scale Industry
d. Forestry
6. Tertiary Sector include/s
a. Transport b. Insurance
c. Banking d. All of these
7. Which sector is not included in the occupational pattern?
a. Primary sector
b. Secondary sector
c. Tertiary sector
d. Private sector

8. Match the List I with List II using the codes given below:

I	II
a. Agriculture, Forestry, Fishery and Mining	1. Unorganised sector
b. Manufacturing, Electricity Gas and Water Supply	2. Service Sector
c. Trade, Transport and Communication	3. Secondary sector
d. Unincorporated Enterprises and Household industries	4. Primary Sector

	(A)	(B)	(C)	(D)
a.	1	2	3	4
b.	4	3	2	1
c.	2	3	1	4
d.	3	2	4	1

9. Which Delhi Sultan of medieval India formed 'Employment Bureau' to solve the unemployment problem.
- Muhamad Bin Tugluq
 - Allauddin Khilji
 - Feroz Shah Tugluq
 - Balban
10. _____ sector is registered and follows government rules.
- Agriculture
 - Organised
 - Unorganised
 - Private
11. _____ sector provides job security and higher wages
- Public sector
 - Organised sector
 - Unorganised sector
 - Private sector
12. Find the odd one
- Banking
 - Railways
 - Insurance
 - Small Scale Industry
13. The sectors are classified into Public and Private sectors on the basis of

- number of workers employed
- nature of economic activity
- ownership of enterprises
- employment conditions

14. **Assertion (A)** : The unorganised sector of the economy characterised by the household manufacturing activity and small-scale industry.

Reason (R) : Jobs here are low paid and often not regular

- Both (A) and (R) are true and (R) explains (A)
- Both (A) and (R) are true and (R) does not explain (A)
- (A) is correct and (R) is false
- (A) is false and (R) is true

15. People who employ workers and pay rewards for their work is termed as _____.

- employee
- employer
- labour
- caretaker

16. _____ continues to be the largest employer in Tamil Nadu.

- Agriculture
- Manufacturing
- Banking
- Small Scale Industry

II. Fill in the blanks

- In _____ sector, the employment terms are not fixed and regular.
- Economic activities are classified into _____ and _____ sectors.
- _____ has always featured as an important element of development policy in India.
- Employment pattern changes due to _____.
- The nature of employment in India is _____.
- _____ of the economy is the number of people in the country, who work and also capable of working.
- Public sector means _____.

III. Match the following:

1. Public sector — a. Banking
2. Private sector — b. Poultry
3. Primary sector — c. Profit motive
4. Tertiary sector — d. Service motive

IV. Give Short answers:

1. What is labour force of the economy?
2. Why are children and old age (above 60 years) are not considered for computation of workforce?
3. What are the three sectors of an economy?
4. Agriculture, despite a sharp decline in Gross Domestic Product, continues to be the largest employer in Tamil Nadu. Give reason.

V. Answer in detail:

1. Explain: (a) primary sector; (b) secondary sector; (c) tertiary sector.
2. Explain the employment structure of India.
3. Compare the employment conditions prevailing in the organised and unorganised sectors.
4. Distinguish between the Public sector and the Private sector.

VI. Projects and Activities

1. Make a long list of all kinds of work that you find adults around you. In what way can you classify them?
2. A research scholar looked at the working people in the city of Chennai and found the following:
3. Classify the following list of occupations under primary, secondary and tertiary sectors.
Milk vendor, tailor, teacher, doctor, farmer, postman, engineer, potter, fisherman, artisans, policeman, banker, driver, carpenter.

Primary	Secondary	Tertiary

Place of work	Nature of employment	Percentage of working people
In offices and factories registered with the government	Organised	15
Own shops, office, clinics in marketplaces with formal license		20
People working on the street, construction workers, domestic workers		25
Working in small workshops usually not registered with the government		

VII. HOTS

Tertiary sector is in top position in the world now. Justify

VIII. Life Skill

Discuss the sectors of your village economy.



REFERENCE BOOK AND INTERNET RESOURCES

1. Iruvelapattu (1916–2008), Economic and Political Weekly, July 31, 2010, vol. XLV, No. 31, pp.47–61.

2. <https://villageinfo.in>

3. <https://quickonomics.com>

4. <https://study.com>



ICT CORNER

Employment in India and Tamil Nadu

Explore TNSDC
to know opportunities
for various skills



Steps:

- Type the URL given (or) Scan the QR Code. Tamilnadu skill development corporation webpage will open.
- Click on the '**List of Training Courses**'. Select accordingly in the corresponding boxes. A list of training will appear.
- Click **New Registration** and select '**TNSDC LOGIN**' and type your username and password.
- Click '**Downloads**' to get important G.O.'s about skill developments. Click the '**Important Links**' to get other important links.

Timeline Project's URL:

<https://www.tnskill.tn.gov.in/>

