



29

WAGE EMPLOYMENT

In your locality you must have seen people busy in different economic activities. Some of them may be working for others to earn wages or salary. The others may be doing their own business and earn profit. What do you think about yourself? What will you like to do after completing your study to earn your livelihood? However, before choosing a career you must have a clear idea about the different avenues of employment. The previous four lessons dealt with career opportunities in self-employment. In the ensuing four lessons, including the present one, we shall discuss different aspects of wage employment.



OBJECTIVES

After studying this lesson, you will be able to:

- define wage employment;
- recognise the characteristics of wage employment;
- describe the importance of wage employment;
- state and explain the different types of wage employment;
- identify the avenues of wage employment in government and private sector; and
- enumerate the requirement of wage employment as a career in terms of knowledge, skill and personality traits.

29.1 MEANING OF WAGE EMPLOYMENT

Do you know somebody who is working for others and earning his/her livelihood? Have you ever observed his/her activities? Let us take an example. Suppose your friend Madhav is working regularly as an Assistant. Regarding Madhav's job you can say that,

- He is working for an individual, or in a business firm, in an office, in a factory, or in a shop;



- He is known as an employee and for whom he is working is said to be his employer;
- He is being paid by his employer the remuneration for his work; and
- He works as per the terms and conditions laid down by the employer.

From the above observations we can say that Madhav is pursuing his career in wage employment. Thus, wage employment can be defined as ‘a mutual agreement between two parties (known as employer and employee) in which the employee (generally an individual) agrees to work for the employer (generally a business firm, government office or sometimes an individual) under some specific terms and conditions and the employer agrees to pay him some remuneration (may be in cash or kind) for his work’.

In wage employment, there are always two parties and the employee gets wage or salary from the employer for his work. Wage is normally an assured amount (which is agreed upon by both the parties) given to the employee on a daily or weekly basis for his work. Similarly, salary is also a mutually agreed upon assured amount given to the employee by the employer for his work on a monthly basis.

29.2 CHARACTERISTICS OF WAGE EMPLOYMENT

Following are the characteristics of wage employment

1. **Two parties:** In case of wage employment there are always two parties involved. One is known as the employee and the other as the employer.
2. **Contractual nature:** Wage employment is always contractual in nature. It is basically an agreement between two parties whereby one party works for the other under specific terms and conditions and the later party has to pay the former any mutually agreed upon wage or salary in return of his work. The whole employment relationship can be terminated by either party by giving a notice to the other party just like a contract.
3. **Employer-Employee relationship:** The relationship between the two parties in wage employment is an employer-employee relationship. This is unlike a master-servant, father-son or teacher-pupil relationship. Here both the parties are interdependent and interrelated. One cannot exist without the other. Both operate under some pre-determined and mutually agreed upon rules and regulations concerning their work relationship.
4. **Remuneration:** Remuneration is the return or reward that the employee receives from the employer for his work. This is one of the important characteristics of wage employment as this remuneration is determined and accepted by both the parties. This remuneration is known as wage or salary.
5. **Terms and conditions of employment:** In case of wage employment the nature of work, working conditions, rules concerning work relationships etc. are decided in advance. Both the party abide to these terms and conditions of employment.



INTEXT QUESTIONS 29A

1. Define Wage Employment in your own words.

2. Answer the following in one sentence.

- (a) Who is an employee?

- (b) Who is an employer?

- (c) Give the meaning of salary?

- (d) What is meant by remuneration?

29.3 DISTINCTION BETWEEN WAGE EMPLOYMENT AND SELF-EMPLOYMENT

You know that some people do not want to work under others. They want to be independent in their career and prefer to start their own business or profession. Such persons are said to be in self-employment. Let us now look at the various points of difference between wage employment and self-employment.

	Wage Employment	Self-employment
1.	The status of the individual is that of an employee.	The status of the individual is that of an owner and employer.
2.	The individual works for another.	The individual works for self.
3.	Income is in the form of salary or wage.	Income is in the form of profit.
4.	Earning is limited. It is mostly pre-determined and fixed having regular increments.	The scope of earning is unlimited. It depends upon the capability and contribution of the individual.
5.	The nature of work is mostly routine except where one has to take independent decisions on policy and strategic matters.	The work involved is flexible and depends on what the individual wants to do.
6.	Entire supervision and control lies with the employer.	The individual controls and supervises his own work.



29.4 IMPORTANCE OF WAGE EMPLOYMENT

Wage employment provides a regular and steady income for the individual to earn his livelihood and to sustain his family. In this section let us discuss its importance.

1. Wage employment not only assures a regular and steady income but also ensures various other benefits like medical facilities, housing facility, travel concessions, loans and advances, insurance, old age benefits like – pension, gratuity etc.
2. Wage employment is a must in almost every sphere to carry out several tasks. Even self-employment generates wage employment, although not immediately but when it expands. For example, suppose you start a shop at your locality and run it alone. When the business grows, it may not be possible to manage everything alone. Then you may think of employing another to assist you, thereby creating wage employment.
3. Wage employment can be made as a career and individuals can excel in their respective fields. For example, to be a renowned scientist it is not required to own the entire laboratory. Rather any one can start the career as an employee of a big laboratory.
4. Wage employment involves much less risk than self-employment. There is no need to invest in land, building etc. for wage employment.
5. Everyone is not capable of being self-employed by starting a business or profession. Wage employment is normally undertaken as a vocation by majority.



INTEXT QUESTIONS 29B

1. With the help of an example state how self-employment generates wage employment.

2. Identify whether the following statements relate to self-employment or wage employment. Give your answer by mentioning the serial number of each statement in the circles given under each heading.

- (a) Gopal works as an assistant in a private office.
- (b) Suresh runs a restaurant in the central market.
- (c) Every month Suresh gets a fixed income.
- (d) Sarita earns huge profit from her tailoring shop.
- (e) The scope of earning of Mr. Anthony is unlimited.

Self-employment
<input type="radio"/> <input type="radio"/> <input type="radio"/>

Wage Employment
<input type="radio"/> <input type="radio"/> <input type="radio"/>



29.5 TYPES OF WAGE EMPLOYMENT

There are various types of wage employment available for an individual to choose from. However, each type has its own criteria for recruiting people. For example, there are some jobs for which the minimum qualification required by the individual is graduation. For other jobs, it may be High school or intermediate or post graduation or some professional/ vocational qualification. Let us restrict ourselves to the types of wage employment that are available after completing Secondary or Senior Secondary courses, with or without having some extra technical, vocational or professional qualifications.

Considering the types of jobs available after passing the Secondary or Senior Secondary courses, we can categorise wage employment as Technical Jobs and Ministerial Jobs.

29.5.1 TECHNICAL JOBS

Jobs that require some kind of a technical skill to perform the tasks are called Technical Jobs. For example, a mechanic in a motor garage, a welder in a fabrication unit, a chemist in a drug manufacturing unit, a plumber in a water supply unit, an electrician in a repair shop, a DTP operator in a publishing unit, a driver in an office etc. are all said to be technical staff of the respective organisations. In order to enter into a technical job, you need to acquire a technical skill by doing a technical course in any institute that provide technical training after getting the class 10th or 12th certificate. For instance, you can join any computer institute to learn DTP and join in a publishing/printing unit. You can join ITI training and then go for any job related to the skill you acquired. Sometimes after completing secondary/ senior secondary course, you are hired by some employers who provide you the necessary training for technical skill and then absorb you in a job. During the training period also, you earn some amount of money, which is known as a stipend or a consolidated salary. Some examples of such jobs are cadets of NDA, soldiers of Army, sailors of Navy etc. A list of some of the technical jobs are given below:

Jobs	Employers	Extra qualifications/ Training
Computer Operator	Office/ business house/ shops/ government organisations.	Computer training, DTP work
Computer Programmer	Software companies/ consultants, etc.	Software packages and computer programming
Laboratory Assistants	Educational institutions	Must have a science background
Library Assistant	Educational institutions, Public library,	Certificate course in Library and Information Sciences



Jobs	Employers	Extra qualifications/ Training
Fitter, Mechanic, Electrician, Welder, cook, driver, generator operator, telephone operator, Xerox machine operator, etc.	Factories, Large offices, commercial complexes, cinema halls, guest houses, etc.	Requisite training in the respective area.

29.5.2 MINISTERIAL JOBS

These are basically clerical jobs available in Government offices. Ministerial jobs also include cashiers, accountants, storekeepers, personal assistants, salesmen etc. The following table gives a small indication of various ministerial jobs available after secondary or senior secondary.

Job Category	Qualifications required	Age
Clerical Jobs in Government Offices: LD clerk, UD clerk, Account assistants	Secondary/Senior Secondary	18-25 years
Railways: Booking Clerk, Accounting Clerk, Goods Clerks, Train Assistant etc.	Secondary/Senior Secondary Through SSC & RRB	18-32 years
Banks: Clerk cum Cashier, Clerk cum Typist	Secondary/Senior Secondary Through BSRB and RBI-SSB	18-26 years
Offices/ Stores/ Shops: Storekeeper, salesman, office assistants etc.	Secondary/ Senior Secondary	18 plus

29.6 AVENUES OF WAGE EMPLOYMENT

Availability of wage employment depends primarily on the local or regional job vacancies. Some of the **major avenues** of wage employment are listed below:

- (1) Small factory/shops
- (2) Business firms
- (3) Service organisations
- (4) Government and Semi-Government organisations
- (5) Public Enterprises



- (6) Private institutions
- (7) Defence and Allied Services
- (8) Agricultural Sector

Let us discuss about these avenues in brief.

- (1) **Wage employment in small factory/shops:** This category includes employment in workshops, provision stores, super market, departmental store, stationary shop, chemist's shop, etc.
- (2) **Business firms:** Manufacturing and trading organisations, newspaper offices, advertising agencies, etc. also provide wage employment to a large number of people.
- (3) **Service organisations:** Avenues of wage employment also exist in service organizations like railways, banks, financial institutions, insurance companies, motor transport companies, airways, telecommunications, and advertising agencies.
- (4) **Government and Semi-Government organisations:** These organisations include municipal offices, state and central government offices, government educational and technical institutions, government hospitals and post and telegraph offices.
- (5) **Public Enterprises:** Public enterprises are owned, managed and controlled by central and state governments and include State Electricity Boards, Water Supply undertakings, Mahanagar Telephone Nigam Limited (MTNL), Shipping Corporation of India, Port trusts, Steel Authority of India Limited (SAIL), Bharat Heavy Electricals Limited (BHEL), Indian Oil Corporation (IOCL), National Thermal Power Corporation (NTPC), Gas Authority of India Limited (GAIL), Bharat Electronics Limited (BEL), Hindustan Machine Tools Limited (HMT), and other State Government enterprises.
- (6) **Private Institutions:** These include private schools, colleges and other educational institutions, private hospitals, nursing homes, etc.
- (7) **Defence and Allied Services:** Defence Services including Army, Navy and Air Force provide employment of different types.
- (8) **Agriculture and Allied fields:** This includes employment in agricultural farms, plantations, dairy, poultry farms, horticulture etc.

29.7 REQUIREMENTS OF JOBS IN TERMS OF KNOWLEDGE, SKILL AND PERSONALITY TRAITS

After the detailed discussions about job opportunities available for wage employment, let us study the requirements of various jobs in terms of knowledge, skill, and personality traits.

MODULE-7
Wage Employment in
Business



Notes

JOB	TASK	KNOWLEDGE	SKILL	PERSONALITY TRAITS
Clerical Jobs	<ul style="list-style-type: none"> • Typing • Inward and outward mail handling • Sending and receiving e-mail • Filing • Indexing • Office correspondence • Public dealing 	<ul style="list-style-type: none"> • Typing Knowledge • Knowledge about essential parts and keyboard of typewriter • Knowledge of office machines • Knowledge of Computer operation • Knowledge of other routine office duties • Knowledge of postal services • Code of conduct of clerical jobs 	<ul style="list-style-type: none"> • Computational skill (ability to count, calculate and do arithmetical operation) • Technical skill (ability to handle office machine) • Communication skill (ability to convey and interpret messages) • Administrative skill (ability to handle paper work and other office tasks). 	<ul style="list-style-type: none"> • Diligence • Honesty • Sincerity • Alertness • Emotional stability • Judgment • Commonsense
Stenographer and related jobs such as Personal Assistant/ Personal Secretary	<ul style="list-style-type: none"> • Taking dictation • Transcription • Officer's personal correspondence • Attending telephone calls • Sending and receiving e-mail, fax message • Assisting boss in official work 	<ul style="list-style-type: none"> • Noting, drafting and follow up of letters • Knowledge of Stenography • Knowledge of Typing • Knowledge of Computer operation 	<ul style="list-style-type: none"> • Operational skills (ability to take & transcribe short-hand dictation) • Technical skills (ability to operate telephone, fax & computer) • Communication skills (ability to convey & interpret messages and deal with official correspondence) • Interpersonal skill (ability to interact with general public) 	<ul style="list-style-type: none"> • Intelligence • Diligence • Judgment • Promptness • Persuasiveness
Accounts Clerk cum cashier in Banks	<ul style="list-style-type: none"> • Cash dealing (Receipt & Payment) • Preparing FDR, Bank Draft and Telegraphic Transfers • Handling of cheques & Bank Drafts • Correspondence with the clients • Helping clients in Bank dealing • Maintenance of record. 	<ul style="list-style-type: none"> • Arithmetical knowledge • Knowledge of Banking Laws, Rules & Procedures • Knowledge of Negotiable Instruments Act, loans and advances & RBI instructions • Knowledge of Accounting • Knowledge of foreign exchange transactions 	<ul style="list-style-type: none"> • Computational Skill (ability of calculation) • Technical Skill (ability to use machines) • Communicational Skill • Conceptual skill (ability to handle foreign exchange transactions, dealing with Negotiable Instruments, sanctioning loans & advances) 	<ul style="list-style-type: none"> • Helpfulness • Diligence • Alertness • Honesty • Judgment



Notes

JOB	TASK	KNOWLEDGE	SKILL	PERSONALITY TRAITS
Telephone Operator	<ul style="list-style-type: none"> Operating on Telephone 	<ul style="list-style-type: none"> Knowledge of PBX/PABX Board, FAX message lines Knowledge of organisational activities Knowledge of regional language 	<ul style="list-style-type: none"> Technical skill Operational skill Communication skill (fluency in language) 	<ul style="list-style-type: none"> Tolerance Patience Cheerfulness Sociability Courtesy Politeness
Computer Operator	<ul style="list-style-type: none"> Operating on Computers 	<ul style="list-style-type: none"> Knowledge of required software 	<ul style="list-style-type: none"> Technical skill Operational skill 	<ul style="list-style-type: none"> Intelligence Diligence Judgment Promptness Persuasiveness
Storekeeper	<ul style="list-style-type: none"> Store keeping activities in business firm and industry Maintaining records of incoming & outgoing stocks Maintenance of stock & safety measures for preservation of stock Receiving and issuing of stock 	<ul style="list-style-type: none"> Knowledge of Storekeeping Knowledge of Stores Accounts including elementary cost accounting Knowledge of rules & procedure Knowledge of Inventory Methods Knowledge of identification, classification and codification of materials 	<ul style="list-style-type: none"> Accounting skill (ability to maintain Stores A/c) Operational skill (Skill of preparing voucher purchase orders, delivery notes, and inspection reports etc.) 	<ul style="list-style-type: none"> Honesty Integrity Alertness Watchfulness
Counter Sales Jobs and Salesmanship	<ul style="list-style-type: none"> To sell the product as per customers' requirement To explain and demonstrate the use of different products Prepare cash memos Receive cash or ensure that cash is paid at cash counter. Ensure that delivery of goods is made against payment 	<ul style="list-style-type: none"> Knowledge of product & its attributes Knowledge of customers' taste and preference Knowledge of competing product Elementary knowledge of marketing 	<ul style="list-style-type: none"> Communication skill (ability to persuade customers) Demonstration skill (ability of conducting demonstrations & displaying goods) Promotional skill (ensuring sales promotion). 	<ul style="list-style-type: none"> Persuasiveness Honesty Patience Cheerfulness



INTEXT QUESTIONS 29C

1. Give two examples of Technical jobs.

(a) _____

(b) _____



2. Identify the categories of avenues of wage employment in the following case.

- | | |
|--|----------------------|
| (a) Mohit works as an army officer. | <input type="text"/> |
| (b) Banit works as a school teacher in a private school. | <input type="text"/> |
| (c) Gobind employed in MTNL. | <input type="text"/> |
| (d) Suresh works in an insurance company. | <input type="text"/> |
| (e) Mita works in a nursing home. | <input type="text"/> |



29.8 WHAT YOU HAVE LEARNT

- Wage employment can be defined as ‘a mutual agreement between two parties (known as employer and employee) in which the employee (generally an individual) agrees to work for the employer (generally a business firm, government office or sometimes an individual) under some specific terms and conditions and the employer agrees to pay him some remuneration (may be in cash or kind) for his work’.
- The individual gets the status of employee in wage employment, where as it is of an owner or employer in case of self-employment. In wage employment the individual works for others and gets salary or wage. In self-employment the individual works for self and earns profit. The earning is limited and predetermined in case of wage employment. The scope of earning is unlimited and it depends upon the capability and contribution of the individual in case of self-employment. The work is generally routine in nature in wage employment. Where as in self-employment the work is flexible and fully depends on what the individual wants to do.
- Wage employment provides a regular and steady income for the individual to earn his livelihood and to sustain his family. Wage employment is a must in almost every sphere to carry out several tasks. Even self-employment generates wage employment. Wage employment can be made as a career and individuals can excel in their respective fields. It involves less risk than self-employment.
- There are various types of wage employment available for an individual to choose from. However, each type has its own criteria for recruiting people. Considering the types of jobs available after passing the Secondary or Senior Secondary courses, we can categorise wage employment as Technical Jobs and Ministerial Jobs.
- Jobs that require some kind of a technical skill to perform the tasks are called Technical Jobs. The clerical jobs available in government offices, cashier, accountants, storekeepers are called as ministerial job.



- Some of the major avenues of wage employment are Small factory/shops, Business firms, Service organisations, Government and Semi-Government organisations, Public Enterprises, Private institutions, Defence and Allied Services, and Agricultural Sector.
- Different jobs like clerical jobs, jobs of stenographers, computer operators, salesmen, telephone operator, storekeeper are available in government offices, industry and business. The important features of every job must be known along with the types of organisation in which job vacancies exist. The general requirements of jobs in terms of knowledge, skill and personality traits should also be known.



29.9 KEY TERMS

Ministerial Job

Remuneration

Salary

Self-employment

Technical Job

Wage Employment

Wages



29.10 TERMINAL QUESTIONS

Very Short Answer Type Questions

1. Define wage employment.
2. Name the two parties of wage employment contract.
3. What is meant by self-employment?
4. Name any four avenues of wage employment.
5. Enumerate any four qualities required for pursuing clerical job.

Short Answer Type Questions

6. Give any four distinctions between wage employment and self-employment.
7. Briefly explain the different categories of wage employment.
8. Define wage employment highlighting its characteristics.



9. Enumerate any four knowledge required to pursue clerical jobs.
10. State any four knowledge required for storekeeping job.

Long Answer Type Questions

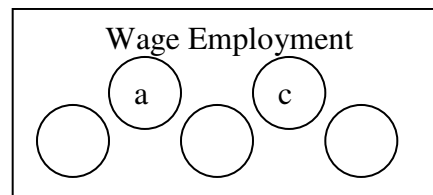
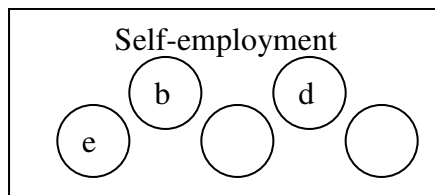
11. What is wage employment? How does it differ from self-employment?
12. Describe the significance of wage employment.
13. Explain the various characteristics of wage employment.
14. Suresh is of the opinion that wage employment and self-employment are the same. Is Suresh right? Explain.
15. What is meant by wage employment? Explain the different categories of wage employment.



29.11 Answers to Intext Questions

- 29A 2.**
- (a) An individual who works in an organisation and gets salary or wages as remuneration.
 - (b) The person who engages others to work for him/her by following certain terms and conditions.
 - (c) Salary is a mutually agreed upon assured amount given to the employee by the employer for his work on a monthly basis
 - (d) The salary or wages received in return of the work or service provided is known as remuneration.

29B 2.



- 29C 1.**
- (a) Computer Operator
 - (b) Electrician
- 2.**
- (a) Defence and allied services



- (b) Private institutions
- (c) Public enterprises
- (d) Service organisations
- (e) Private institutions



DO AND LEARN

Make a list of atleast 10 persons of your locality those employed in different organisations. Categorise them under Technical and Ministerial jobs. Prepare chart containing the qualifications required for those jobs and task handled by them.



ROLE PLAY

Satish and Nitesh are good friends. Nitesh belongs to a poor family. Satish father works in a factory. One day he visited a factory along with Satish who was carrying the lunch pack for his father. Nitesh observed that there were number of young persons working that factory. It struck him of his financial condition. He asked Satish's father –

Nitesh : Uncle! How come your factory has so many young persons?

Uncle : Why do ask this question?

Nitesh : Well! To be frank, I wish to support my father after completing my senior secondary course.

Uncle : That's good. These days getting a job is not a problem provided you have requisite qualification, knowledge and skill. So you have to acquire some technical skill in certain area.

Nitesh : How nice! Could you please tell me the possible areas and qualification required for some technical jobs after passing the senior secondary course.

Satish's father explained to him about various technical jobs and the qualification, knowledge and skills required.

Assume the role of Nitesh and ask your friend as Satish's father and continue the conversation.



Chapter at a Glance

- 29.1 Meaning of Wage Employment
- 29.2 Characteristics of Wage Employment
- 29.3 Distinction between Wage Employment and Self Employment
- 29.4 Importance of Wage Employment
- 29.5 Types of Wage Employment
 - 29.5.1 Technical Jobs
 - 29.5.2 Ministerial Jobs
- 29.6 Avenues of Wage Employment
- 29.7 Requirements of Jobs in terms of Knowledge, Skill and Personality Traits