

# AN OVERVIEW OF UNEMPLOYMENT IN INDIA

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**Abstract:** The employment condition in the country is marred by a number of ugly marks. Large many are underemployed. Many are without work. Quite a number, though educated, find no or little work to use their skill. One of the most disturbing problems in India has been the mounting rate of unemployment, both in the rural and urban sectors. In case of rural sector, there has been both unemployment and under-employment. In urban sector there has been both educated and industrial unemployment. India presently suffers mainly from structural unemployment which exists in open and disguised forms. In order to earn living, it is necessary that every individual should engage himself in economic activities. It is a tragedy that we have been lagging behind in all the fields of economic activities. It has resulted in wide spread and ever growing unemployment. India has not been able to create the requisite number of employment opportunities or develop sufficient economic and social infrastructure for business and develop professions. All these have made India victim of chronic unemployment. So present study is basically a review of unemployment in India and important measures adopted by the governments for the removal of it.

**Keywords:** Unemployment, Underemployment, Economic activities, Government, Rural sector.

## I. INTRODUCTION

A man must perform several activities in his life, the foremost crucial of that is that of associate in earning member. It's crucial not as a result of a person spends about simple fraction of his period of time acting this role however as a result of it determines each keep and standing and additionally permits the individual to support his family and fulfill his social obligation to the family and society. It additionally permits him to realize power. If person, with a capability and potential to figure, refuses to figure or fails to get work, he not solely doesn't gain any standing within the society however additionally involves suffer from many emotional and social issues his plight affects not solely himself however his family and society too no surprise, state has been represented because the most vital social science downside within the society.

Unemployment occurs when a person who is actively searching for employment is unable to find work. Unemployment is usually used as a measure of health of the economy. For several people the notion of unemployment is one among people who don't have employment or, area unit paid no remuneration. This can be partially correct however not all. Such a notion would apply mostly to the educated those who don't seem to be able to realize work or to those in urban areas who return to hunt employment. Unemployment has so reached nowadays that's maybe thought of the foremost serious of the matter moving India and one that's steady worsening because the gap between the fast rising member pressing for work and therefore the new employment opportunities being created widen.

## II. OBJECTIVES

- To find the reasons for unemployment in India.
- To Study the Issues associated with India's employment.
- To Analyze Problems and give their solutions related to unemployment in India.

## III. RESEARCH METHODOLOGY

This study is of analytical nature and makes use of secondary data. The required & relevant secondary data are collected from various publications of Government of India, census data, from the data of Five Year Plans, relevant books on the topic of research, seminar write-ups, journal, magazines, newspapers, and bulletins and various other websites. The time series data and the relevant data have been collected for the period 1950 to 2017.

#### IV. NATURE OF UNEMPLOYMENT IN INDIA

Most of the unemployment in India is definitely structural. It is associated with the inadequacy of productive capacity to create enough jobs for all those able and willing to work. During the 1951-2011 periods, population in India increased at an alarming rate around 2.1 percent annum and with it the number of people coming to the labour market in search of jobs also rose rapidly, whereas employment opportunities did not increase most of the time correspondingly due to slow economic growth. Hence, there has been an increase in the volume of unemployment from one plan period to another. This unemployment, on account of its very nature, can be eliminated only by introducing certain radical reforms in structure of the economy. Basically India's unemployment is structural in nature. Apart from structural unemployment, there is Keynesian involuntary unemployment which can be eliminated by increasing effective demand, as is done in developed economies. Unemployment is not a temporary phenomenon in the sense that it will pass off on its own after a lapse of time. It is chronic. It requires for its solution the application of long-term measures for remedying the defects in the economic structure. Is the development of the economy alone that can take care of unemployment.

#### V. CAUSES OF UNMEMEMPLOYMENT

The foregoing analysis of unemployment in India has made it evidently clear that most of the unemployment in this country is structural. The major causes which have been responsible for the widespread unemployment can spelt out as under:

- 1) **Excessive burden of population on cultivation.** Land is fixed as regards its area and geographical situations, so employment opportunities from agriculture and its allied services are very limited. In such economies employment opportunities will have to be created in larger number.
- 2) **Rapidly increasing population.** Indian population has been increasing at faster rates than the increase in number of opportunities for employment. Instead of all possible efforts to accelerate the pace of economic growth and check the population explosion unemployment continues to grow.
- 3) **Low productivity in agricultural sector.** Agricultural development has been slow. This sector has been incapable of meeting the increasing needs of the developing economy. Limited use of new technology in cultivation is responsible for its backwardness.
- 4) **Defective education system.** Indian education system provides only general education, so our educated people are, jack of all trade and master of none. Lack of technological knowledge and professional qualifications renders our educated unemployed. Preference for white collared job is also responsible for our unemployment.
- 5) **Defective economic planning.** We could not yet build the sound socio-economic infrastructure, necessary for rapid economic development. Lack of transportation, communication, financing, health, housing, education and civic amenities are responsible for our slow economic development.
- 6) **Large scale production and mechanization.** Since the industrial revolution, machines have thrown workers out of employment. In order to multiply production many times, it was necessary to introduce machines into the production. As a result, unemployment has emerged.
- 7) **Inappropriate technology** also increases the level of unemployment.

#### VI. UNEMPLOYMENT REMOVAL MEASURES ADOPTED BY THE GOVERNMENTS

- 1) **National Rural Employment Programme (NREP).** This scheme was launched in October, 1980. The scheme generates employment opportunities. Workers are provided subsidized wheat and rice. Under this programme, employments amounting to 1774 million Mandays have been generated. It has been merged in Jawahar Rozgar Yojana (JRY) in 1989.
- 2) **Rural Landless Employment Guarantee Programme (RLEGP).** The programme was introduced in August, 1983. The scheme guarantees employment to at least one member of every landless family up to 100 days in a year. RLEGP has generated employment of 1013 million Mandays up to December 31, 1988. It has been merged in JRY in 1989.
- 3) **Training Rural Youth for Self-employment (TRYSEM).** The scheme was started in August, 1979. It provides rural youths with technical skills to enable them to take up self employment in agriculture, rural industries, services and business activities. Up to December 1988 about 15 million persons have been provided training under the scheme.
- 4) **Jawahar Rozgar Yojna (JRY).** This scheme was announced on April 28, 1989 in the Lok Sabha. It is an ambitious employment guarantee programme envisaging Rs. 2,100 crores financial assistance to village panchayats. The yojna seeks to provide employment to at least one member of each rural poor family for 50 to 100 days in a year. All the existing rural wage employment programmes will be merged in this scheme. In April 1999 JRY was restructured as Jawahar Gram Samridhi Yojna.

- 5) **Nehru Rozgar Yojna (NRY).** It is the urban counterpart of the JRY. It aims at creating one million jobs annually. It will create opportunities for self employment as well as generate wage employment. The largest group will be the urban poor living below poverty line. NRY has been merged in Swarn Jayanti Shahri Rozgar Yojna on December 1, 1997.
- 6) **Jawahar Gram Samridhi Yojna (JGSY).** With effect from April, 1999 Jawahr Rozgar Yojna has been restructured as Jawahar Gram Samridhi Yojna. The plan aims at providing gainful additional employment to village people, so that their standard of living and quality of life may improve.
- 7) **Sawarnajayanti Gram Swarozgar Yojna (SGSY).** It was launched on April 1, 1999. It is only self-employment programme for the rural poor. The objective is to bring the self-employed above the poverty line by providing them income generating assets through bank credit and government subsidy.
- 8) **Sawarnajayanti Sahari Swarozgar Yojna (SJSTY).** It came into operation from December 1, 1991, subsuming the earlier urban poverty alleviation programmes, viz., Nehru Rozgar Yojna, Prime Minister's Integrated Urban Poverty Eradiction Programme and Urban Basic Services Programme. The programme was revamped with effect from April 1, 2009. The scheme provides gainful employment to urban unemployed and underemployed poor, by encouraging the setting up of self-employment ventures by the urban poor and also by providing wage employment.
- 9) **Prime Minister's Rozgar Yojna (PMRY).** This scheme was designed to provide self-employment to more than a million educated unemployed youth by setting up of seven lakh micro-entrprises under the English Five Year Plan.
- 10) **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNEGS).** The National Rural Employment Guarantee Act 2005 (NREGA) is a social security scheme that attempts to provide employment and livelihood to rural labourers in the country. In an effort to make inclusive and overall development a reality, the NREGA was passed as a labour law and implemented across 200 districts in 2006. By 2008, it came to cover the entire country. The scheme was designed to provide any adult who registers for rural employment a minimum job guarantee of 100 days each financial year. This includes non-skilled work, making it one-of-its-kind across the world. It was later renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). The MGNREGA is an entitlement to work that every adult citizen holds. In case such employment is not provided within 15 days of registration, the applicant becomes eligible for an unemployment allowance.

## VII. MEASURES TO SOLVE THE UNEMPLOYMENT PROBLEM IN INDIA

In the light of the above-mentioned causes of unemployment in India, there are various measures that can help in eradicating this evil.

- 1) Investment in heavy and basic industries and consumer goods industries should be increased. They provide more employment along with the supply of consumer goods.
- 2) Cottage and small scale industries should be developed, because they provide more employment by adopting labour intensive techniques.
- 3) Means of transportation and communication should be developed.
- 4) Rapidly rising population should be checked by adopting family planning and welfare schemes.
- 5) Modernization and mechanization of agriculture should be done.
- 6) Educational system should be changed. Emphasis should be given to vocational education.
- 7) Subsidies and other incentives should be given to private sector.
- 8) Employment exchanges and employment information centers should be opened.
- 9) Rural works programmes should be increased.
- 10) Young entrepreneurs should be financed for self-employment.
- 11) Infra-structure of the economy should be developed.
- 12) Employment oriented plans should be drafted and implemented. Agro-services should be extended.
- 13) Raising capital formation.
- 14) Refresher and training programmes should be started.

## VIII. CONCLUSION

The problem of unemployment is the most serious and crucial problem that India is facing now a day. It is extremely grim for many countries. There are many causes of unemployment like underdevelopment, inadequate employment planning, rapid population etc. There are various recommendations proposed on the problem like controlling the population, improving the quality of education at every level may it be primary, secondary or higher, selection of course and institute where proper training encouragement from the government, more exports than imports. The educated youth should change their mind also and they should think of self-employment, rather than searching jobs and services here and there wasting their energy. In this way very serious problem of

unemployment may be saved to a great extent. The government should frame policies and programmes to tackle this problem effectively.

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