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EMPLOYMENT: GROWTH, INFORMALISATION AND OTHER ISSUES

PARTICIPATION OF PEOPLE IN EMPLOYMENT

Worker-population ratio is an indicator which is used for analysing the employment situation in the country. This ratio is useful in knowing the proportion of population that is actively contributing to the production of goods and services of a country. If the ratio is higher, it means that the engagement of people is greater; if the ratio for a country is medium, or low, it means that a very high proportion of its population is not involved directly in economic activities.

You might have already studied, in lower classes, the meaning of the term 'population'. Population is defined as the total number of people who reside in a particular locality at a particular point of time. If you want to know the worker-population ratio for India, divide the total number of workers in India by the population in India and multiply it by 100, you will get the worker-population ratio for India.

If you look at Table 7.1, it shows the different levels of participation of people in economic activities. For every 100 persons, about 35 (by rounding off 34.7) are workers in India. In urban areas, the proportion is about 34, whereas in rural India, the ratio is about 35. Why is there such a difference? People in rural areas have limited resources to earn a higher income and participate more in the employment market. Many do not go to schools, colleges and other training institutions. Even if some go, they discontinue in the middle to join the workforce; whereas, in urban areas, a considerable section is able to study in various educational institutions. Urban people have a variety of employment opportunities. They look for the appropriate job to suit their qualifications and skills. In rural areas, people cannot stay at home as their economic condition may not allow them to do so.

TABLE 7.1

Worker-Population Ratio in India,
2017-2018

Sex	Worker-Population Ratio		
	Total	Rural	Urban
Men	52.1	51.7	53.0
Women	16.5	17.5	14.2
Total	34.7	35.0	33.9

Compared to females, more males are found to be working. The difference in participation rates is very large in urban areas: for every 100 urban females, only about 14 are engaged in some economic activities. In rural areas, for every 100 rural women about 18 participate in the employment market. Why are women, in general, and urban women, in particular, not working? It is common to find that where men are able to earn high incomes, families discourage female members from taking up jobs. Going back to what has already been mentioned above, many household activities done by women are not recognised as productive work. This narrow definition of work leads to non-recognition ofwomen's work and, therefore, to the underestimation of the number of women workers in the country. Think of the women actively engaged in many activities within the house and at family farms who are not paid for such work. As they certainly contribute to the maintenance of the household and farms, do you think that their number should be added to the number of women workers?