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Class 12 commerce Sub. ECO/B Date 9.9.2020

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EMPLOYMENT : GROWTH, INFORMALISATION AND OTHER ISSUES

EMPLOYMENT IN FIRMS, FACTORIES AND OFFICES

In the course of economic development of a country, labour flows from agriculture and other related activities to industry and services. In this process, workers migrate from rural to urban areas. Eventually, at a much later stage, the industrial sector begins to lose its share of total employment as the service sector enters a period of rapid expansion. This shift can be understood by looking at the distribution of workers by industry. Generally, we divide all economic activities into eight different industrial divisions. They are

(i) Agriculture (ii) Mining and Quarrying (iii) Manufacturing (iv) Electricity, Gas and Water Supply (v) Construction (vi) Trade (vii) Transport and Storage and (viii) Services. For simplicity, all the working persons engaged in these divisions can be clubbed into three major sectors viz., (a) primary sector which includes (i) , (b) secondary sector which includes (ii), (iii), (iv) and (v) and (c) service sector which includes divisions (vi), (vii) and (viii). Table 7.2 shows the distribution of working persons in different industries during the year 2017-18. Primary sector is the main source of employment for majority of worker sin India. Secondary sector provides employment to only about 24 per cent of workforce. About 31 per cent of workers are in the service sector. Table 7.2 also shows that about 60 per cent of the workforce in rural India depends on agriculture, forestry and fishing.

About 20 per cent of rural workers are working in manufacturing industries, construction and other industrial activities. Service sector provides employment to about 20 per cent of rural workers. Agriculture is not a major source of employment in urban areas where people are mainly engaged in the service sector. About 60 per cent of urban workers are in the service sector. The secondary sector gives employment to about one-third of urban workforce. Though both men and women workers are concentrated in the primary sector, women workers' concentration is very high there. About 57 per cent of the female workforce is employed in the primary sector whereas less than half of males work in that sector. Men get opportunities in both secondary and service sectors.

TABLE 7.2

Distribution of Workforce by Industry, 2017-2018

<i>Industrial Category</i>	<i>Place of Residence</i>		<i>Sex</i>		<i>Total</i>
	<i>Rural</i>	<i>Urban</i>	<i>Men</i>	<i>Female</i>	
Primary Sector	59.8	6.6	40.7	57.1	44.6
Secondary Sector	20.4	34.3	26.5	17.7	24.4
Tertiary / Service Sector	19.8	59.1	32.8	25.2	31.0
Total	100.0	100.0	100.0	100.0	100.0

**Fig. 7.3** *Garment workers: upcoming factory employment for women*