

# Unemployment Rate among the Religious Group in Rural India: an Analysis of 66<sup>th</sup> round NSSO Report

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**ABSTRACT:** This article is dedicated to a discussion of the country's unemployment rate, which has a clear answer in the form of planned development. In this context, certain numbers are presented derived from National Sample Survey (NSS) data for the 66th round of the eighth quinquennial survey on employment and unemployment, which may be considered as reasonable estimates of the country's unemployment rate from 1999 to 2010. The primary purpose of this article is to investigate the trend of rural unemployment among various religious groupings like Hindu, Sikhs, Christianity, Muslims and others religion and their variation in age-group in India. According to survey, the unemployment rate in rural areas is lower than in metropolitan ones. During 2009-10, Christians had the greatest unemployment rate in rural areas, both males (3%) and females (3 per cent). Sikhs (6 percent) had the greatest unemployment rate in urban areas, both males (6%) and females (8 percent). This displays the socio-demographic features that, due to their influencing factors, also dominate the unemployment rate.

**Keywords:** unemployment rate, NSSO, religious-groups, usual status, employment.

## I. INTRODUCTION:

Employment and unemployment have been measured primarily using the time criterion in NSS labour force surveys. A person was considered to be employed if he was gainfully occupied on at least one day during the reference period (which was set at one week), regardless of the number of hours worked. Unemployment was defined as having no gainful job for at least one of the seven days of the reference week and being either seeking or available for work at current rates of remuneration and working conditions. A gainfully employed person was characterised as severely underemployed if he worked for 28 hours or less and moderately underemployed if he worked for more than 28 hours.

**Genesis of NSSO Quinquennial Surveys:** The quinquennial survey on employment-unemployment is one of the main surveys that the NSSO conducts on a regular basis after a five-year mandate. The first such survey was conducted between September 1972 and October 1973, coinciding with the 27th round of NSSO. This is the eighth survey in the series. The previous NSSO quinquennial surveys are displayed here.

Table no.1: NSSO quinquennial surveys

Serial no.	Years of quinquennial surveys	Round
1	1972-73	27 <sup>th</sup>
2	1977-78	32 <sup>nd</sup>
3	1983-83	38 <sup>th</sup>
4	1987-88	43 <sup>th</sup>
5	1993-94	50 <sup>th</sup>
6	1999-2000	55 <sup>th</sup>
7	2004-05	61 <sup>th</sup>
8	2009-10	66 <sup>th</sup>

Source: author compilation

The goal of the annual series data was to assess employment and unemployment indicators in terms of usual and current weekly statuses exclusively, and to analyse these indicators in relation to employment categories, industry distribution of the usually employed, and so on. The particulars of employment and unemployment according to the usual principal status and usual subsidiary status were collected in the annual rounds in the same manner as in the quinquennial rounds. In the quinquennial rounds, details of household members' current daily status are collected and the current weekly status is generated from them, but in the annual rounds, the current weekly status is obtained through a direct enquiry. The report is structured around four primary ideas.

**Labour force participation rate (LFPR)** LFPR is defined as the number of persons in the labour force per 1000 persons.

**Worker Population Ratio (WPR):** WPR defined as the number of persons employed per 1000 persons.

**Proportion Unemployed (PU)** It is defined as the number of person's unemployed per 1000 persons.

**Unemployment Rate (UR):** UR is defined as the number of persons unemployed per 1000 persons in the labour force (which includes both the employed and unemployed) (NSSO 66<sup>th</sup> round, 2009-10).

The primary objective of this paper is to examine the concept and trend of unemployment in rural India across age groups and religious groups. The study also makes recommendations based on in-depth reviews, paper analysis, and reports from government organizations. The study was divided into two sections, the first of which discussed age-based unemployment and the second of which discussed the trend of unemployment in major religious groups in rural India.

## II. REVIEW OF LITERATURE

Several other researches have discovered an inverse association between unemployment and worker education (e.g., Magnussen, 1979; Sicherman, 1987; Wolbers, 2000). Income, productivity, willingness, and time criteria measure the unemployment rate through the investment rate, technology choice, population growth rate, and participation rate in India. Researchers found a negative relationship between the supply of labour and productivity. Aside from the investment rate, the choice of technology, structural changes, and political feasibility all have an impact on India's employment policy (Kishan, R. 1973). However, a

lack of demand for workers, inadequacies in search and matching, and a mismatch between well-educated goals and adequate career prospects accessible may result in employment insecurity and instability among potential job-seekers. Furthermore, poor educational quality may be partly to blame for high proportions of educated unemployment and underemployment (Stiglitz, 1975). Previously, in the majority of OECD countries, education levels and unemployment rates were inversely associated, resulting in substantial unemployment and underemployment among the educated. However, as a result of the 2008 global economic crisis, educated unemployment and underemployment have become more prominent, affecting both the developed and developing economies, with the latter suffering the most. While over education is part of the problem, erroneous assumptions about the labour market and socioeconomic circumstances also play a role in the mismatch between demand for and supply of educated labour (O'Higgins, 2001). The demographic characteristics of the major religious groups have a direct and indirect impact on the major trends in labour market. The data comes from the National Sample Survey Office's (NSSO) Report on Employment and Unemployment among Major Religious Groups in the United States. The unemployment rate reflects the proportion of the labour force that is looking for employment but is not working. In 2009-10, the overall unemployment rate in India was roughly 2%, with urban unemployment (3.4%) greater than rural unemployment among religious groups (Sannghi, S. & Srija, A. 2014).

## III. DATA AND METHODOLOGY

This study examines data from the NSSO's 66th round 2009-10 8th quinquennial survey estimates of various employment and unemployment variables at the national and state levels. Study mainly analyses the unemployment trend among religious groups and overall during three quinquennial survey (1999 to 2010) in rural India. This reflects the socio-demographic characteristics that also dominate the unemployment rate due to their influencing factors. Since the 27th round (October 1972-September 1973), NSS surveys on employment and unemployment with a substantial sample size of households have been conducted quinquennial.

There were three reference periods for this survey. These are: (i) one year (ii) one week and (iii) each day of the reference week. Based on these three periods, three different measures of activity

status are arrived at. These are termed respectively as usual status, current weekly status and current daily status. In this report, the various indicators of employment and unemployment have been presented in the usual status approach (NSSO 66<sup>th</sup> round 2013).

**Unemployment Rate (UR):** (unemployed) ‘not working but seeking and/or available for work’. UR is defined as the number of persons unemployed per 1000 persons in the labour force (which includes both the employed and unemployed) (NSSO 66<sup>th</sup> round 2013).

$$\frac{\text{no. of unemployed persons}}{\text{no. of employed persons} + \text{no of unemployed persons}} * 1000$$

Person was distributed across states in nearly the same orders of magnitude as they were among families for major religious groups. Hindus made up more than 96% of the rural population of Chhattisgarh, Himachal Pradesh, and Odisha. Hindus constituted more than 90% of the urban population in Himachal Pradesh, Odisha, Haryana, and Chhattisgarh. The proportion of Muslims residing in rural areas in Jammu and Kashmir (57%), Assam (34%), and West Bengal exceeded 30%. Jammu and Kashmir (53%), Uttar Pradesh (26%), Kerala (23%), Uttarakhand (22%), and Karnataka (20%) have more than 20% Muslim population in urban areas. Kerala has the highest concentration of Christians among the major states; accounting for around 19% in both. Table no. 2 represents the major religious groups in India.

### Major religious groups in India

**Table no. 2: Per 1000 distribution of persons by major religious groups for States and Union Territories**

state/Uts	rural male+female					
	Hinduism	Islam	Christianity	Sikhis	O	all*
Andhra Pradesh	906	64	30	0	0	1000
Arunachal Pradesh	2	11	230	1	4	1000
Assam	63	329	28	0	95	1000
Bihar	42	8	142	2	0	1000
Chhattisgarh	54	9	12	19	0	1000
Delhi	69	9	0	0	1	1000
Goa	99	7	8	250	0	1000
Gujarat	42	9	76	1	0	1000
Haryana	22	9	27	0	49	1000
Himachal Pradesh	21	9	10	3	4	1000
Jammu & Kashmir	68	4	568	1	13	1000
Jharkhand	18	7	93	28	0	1000
Karnataka	85	8	102	7	0	1000
Kerala	91	5	237	193	0	1000
Madhya Pradesh	70	9	36	1	2	1000
	60					

Maharashtra	90	8	42	3	0	6	1000
Manipur	14	4	83	477	1	5	1000
Meghalaya	3	4	30	847	3	4	1000
Mizoram		0	0	817	3	7	1000
Nagaland	5	1	1	980	0	79	1000
Odisha	70	9	14	16	0	0	1000
Punjab	59	2	14	21	690	1	1000
Rajasthan	22	9	53	2	21	6	1000
Sikkim	69	6	2	44	0	86	1000
Tamil Nadu	29	9	29	41	0	0	1000
Tripura	75	8	79	4	0	2	1000
Uttarakhand	93	8	80	1	25	0	1000
Uttar Pradesh	52	8	146	0	2	1	1000
West Bengal	75	6	315	6	0	4	1000
A & N Islands	01	6	37	359	0	3	1000
Chandigarh	60	5	0	100	339	0	1000
Dadra & Nagar Haveli	98	9	0	2	0	0	1000
Daman & Diu	000	1	0	0	0	0	1000
Lakshadweep		0	1000	0	0	0	1000
Puducherry	44	9	48	9	0	0	1000
<b>all –India</b>	38	8	114	21	17	0	1000

Source: NSSO 66<sup>th</sup> round

#### Analysis of unemployment trend in rural India

The unemployment rate describes the number of unemployed people per 1000 people in the labour force. This represents the underutilized labour force. It is a more nuanced indication of a population's unemployment situation than the proportion unemployed (PU), which is simply the number of unemployed people per thousand people in the population. It should be noted that the

population's unemployment rate, as indicated by surveys, is far lower in relation to the worker population ratio (WPR). As a result, estimations of the unemployment rate derived from surveys have a wider margin of sampling error than WPRs. One approach is to interpret unemployment rate numbers with caution, particularly at the state and union territory levels.

**Table no. 3: Number of unemployed per 1000 persons in the labour force usual status (PS+SS among persons of major religious groups during 2009 - 2010, 2004 - 2005 and 1999 - 2000**

religion	rural male			urban male		
	1999-2000	2004-05	2009-10	1999-2000	2004-05	2009-10
Hinduism	16	14	15	46	36	29
Islam	22	20	19	46	37	25
Christianity	27	26	26	69	56	22
Sikhism	20	33	27	34	34	56
Others	21	18	15	51	72	19
all	16	18	16	46	39	28

  

religion	rural female			urban female		
	1999-2000	2004-05	2009-10	1999-2000	2004-05	2009-10
Hinduism	9	14	14	52	70	58
Islam	18	38	20	67	55	68
Christianity	58	68	60	79	141	46
Sikhism	4	38	17	48	90	83
Others	3	29	6	44	35	9
all	11	18	16	57	67	57

  

religion	rural persons			urban person		
	1999-2000	2004-05	2009-10	1999-2000	2004-05	2009-10
Hinduism	14	15	15	47	44	34
Islam	21	23	19	50	41	32
Christianity	39	44	39	73	86	29
Sikhism	14	35	24	36	46	61
Others	13	11	12	50	64	17
All	15	16	16	48	45	34

Source: NSSO 66<sup>th</sup> round

According to Table 3, rural unemployment rates are lower than those in metropolitan areas. Urban ladies had the highest unemployment rate across all demographic groups (6 per cent). In rural areas, Christian males (3%) and females (3%) had

the highest unemployment rates in 2009-10. In urban areas, Sikhs had the highest unemployment rate (6%) for both males and females (8 per cent). Between 2004-05 and 2009-10, rural male and female unemployment rates stayed nearly constant,

while urban male and female unemployment rates fell by one percentage point.

### **Recommendation on eradication of unemployment through Policy**

On the basis of above analysis unemployment exits mainly in Christian and Sikhs community due to structural changes and socio-economic characteristics constraints. Unemployment can be reduced by policy makers if adopted majors' steps. On the basis of government reports, research papers, working papers by institutions at national and global levels recommended some steps to eradicate unemployment.

1. **Tackle uncertainty to increase investment and job creation.** Policymakers, particularly in industrialised countries, must confront policy uncertainty. This includes more coherent and predictable policy plans; measures to increase disposable incomes to encourage stronger consumption; and the expeditious implementation of financial reforms to return the banking sector to its proper function of supporting investment and providing credit, particularly to SMEs, which are key engines of job creation. It also necessitates viable exit alternatives for those countries most affected by the debt crisis, such as rescheduling government debt and relieving individual household financial pressures.
2. **Coordinate between global demand and employment creation.** In numerous European countries, uncoordinated initiatives and attempts to boost competitiveness have heightened the likelihood of a deflationary spiral of lower wages, weaker consumption, and faltering global demand. In view of global job and consumer gaps, countries should tailor the pace of fiscal consolidation to the underlying health of the economy and recognise that short-term stimulus may be required to help economies grow out of debt burdens. Global policymakers and coordinating groups, such as the G20 and EU, should make greater efforts to avoid beggar-thy-neighbor policies, which are being implemented in Europe through wage and social protection cuts, as well as trade and monetary measures in other nations. Global policy activities must be better coordinated in order to rebalance growth and promote multipolar growth.
3. **Address labour market mismatch and promote structural change.** The majority of the unemployment situation is cyclical in

nature. However, authorities must also address structural issues that have worsened as a result of the crisis, such as skill and vocational mismatches. Weak and inconsistent recovery has worsened these challenges in certain nations, and future labor-market recovery is likely to be hampered as a result. Governments should increase their efforts to assist skill and retraining programmes in order to close the skills and credentials gap and alleviate long-term unemployment. Measures for reactivation and job counselling should be strengthened. The global crisis has delayed the speed of structural change in many emerging countries, necessitating initiatives to boost productivity and allow people to move across industries. Governments must adopt strategies to accelerate agricultural employment where it is particularly significant.

4. **Increase efforts to promote youth employment for long term.** High and rising youth unemployment rates have fueled fears of a "lost generation," with long-term negative effects for both young people and the economy as a whole. To solve these issues, officials should encourage young employment. Aside from pro-employment macroeconomic policies and active labour market policies, three types of interventions are particularly relevant: i) improving young people's employability through measures such as better links between the worlds of education and training and the world of work, including apprenticeships; improving young people's access to information on career opportunities, support for job search, and youth employment guarantee schemes; and ii) encouraging youth employment guarantee schemes.

## **IV. DISCUSSION**

Above analysis on unemployment rate among major religious groups asserted that, rural unemployment rates are lower than those in metropolitan areas. Between 2004-05 and 2009-10, rural male and female unemployment rates stayed nearly constant, while urban male and female unemployment rates fell by one percentage point. In rural areas, Christian males (3%) and females (3%) had the highest unemployment rates in 2009-10. In urban areas, Sikhs had the highest unemployment rate (6%) for both males and females (8 per cent). Beside that Hindus made up more than 96% of the rural population of Chhattisgarh, Himachal Pradesh, and Odisha. Hindus constituted more than 90% of the urban population in states of India.

## V. CONCLUSION

The above analysis concludes that the unemployment problem is a dangerous situation for any economy's health, especially in the case of rural areas in India. Rural areas are the main backbone of any economy in regard to agriculture, labour supply, will power, bowls of grain, etc., in which women and youth share the labour force and have a major share in the labour market. According to the study's findings, Christians in rural areas and the Sikh community in urban areas had the highest rates of unemployment. So, based on the recommendations, address structural changes, youth employment strategy, undereducated unemployment, labour supply and demand, and so on in policy to reduce India's unemployment rate.

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