

CHAPTER –I

INTRODUCTION

1.1 The present Employment Review relates to the quarter ended March, 2004. The data analysis contained in this review is based on the statistics collected under the Employment Market Information (EMI) Programme of the Directorate General of Employment & Training, Ministry of Labour & Employment, Government of India. The data/information on the level of employment is, however, collected only in respect of the organised sector of economy, which comprises of all establishments in the public sector and non-agricultural establishments employing 10 or more persons in the private sector. It is worth noting that whereas data from all the establishments in the public sector and those non-agricultural establishments in the private sector employing 25 or more persons are obtained statutorily under the provisions of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the data from non-agricultural establishments engaging 10 to 24 persons in the private sector are collected on a voluntary basis.

1.2 Collection of data under the EMI programme is resorted through an “Establishment Reporting System”. All the establishments are required, at quarterly intervals, to supply details about the number of persons they are employing, vacancies occurred and the type of persons who are found in short supply. The information relates only to ‘Employers’ and ‘Employees’. The term ‘Employers’ means owners, proprietors and managers, working partners or directors of the firms/companies. On the other hand, ‘Employees’ include all those persons whose wages or salaries are paid from the establishments but does not cover part-time employees and apprentices. The EMI programme precisely does not cover the following sectors: -

- Self-employed or independent workers.
- Agricultural and allied operations in the private sector, except plantation establishments, which are covered on a voluntary basis.
- Household establishments.
- Non-agricultural establishments in the private sector employing less than 10 workers.
- Employment in Indian Missions/embassies abroad, Defence forces and those not covered due to administrative reasons and
- Smaller establishments employing 10-24 persons in the private sector in the metropolitan areas of Greater Mumbai and Kolkata are not covered due to practical difficulties.

1.3 As far as geographical coverage of EMI Programme is concerned, it is in operation in all States/Union Territories of the country except Sikkim, Arunachal Pradesh, Dadra and Nagar Haveli and Lakshadweep. This programme has not been extended to these areas yet.

1.4 Besides above-mentioned limitations of coverage the EMI programme has the following limitations: -

- i) The frame of establishments maintained at the Employment Exchanges is not comprehensive in certain cases, and
- ii) Employment in respect of the non-responding establishments is estimated on the basis of data available from previous quarters as was reported by such establishments.

1.5 The processing of data for the review is based on prescribed ER-I Returns, which were received from responding establishments for the quarter ended 31st March, 2004. The data might, however, undergo minor changes in future when employment data at three-digit disaggregation level of NIC for Annual Employment Review is finalised. In view of this, the data presented in this review may be treated as provisional. It may also be noted that totals in Tables/Annexure may not sometime tally due to rounding off.

CHAPTER-II

OVER-ALL EMPLOYMENT SITUATION IN THE ORGANISED SECTOR

ESTABLISHMENTS

2.1 The number of establishments in the organised sector had gone down to 289.77 thousand during the quarter ended March, 2004. Out of these establishments, 171.99 thousand were in the public sector and remaining 117.77 thousand were in the private sector. The number of establishments at the end of March, 2004 by branches of public sector and size of establishments in the private sector along with percentage changes over the corresponding quarter of previous year are presented in the following Table:

TABLE-I

ESTABLISHMENTS IN DIFFERENT BRANCHES OF PUBLIC & PRIVATE SECTORS

Branches of Public and Private Sector	Number of Establishments as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
A. PUBLIC SECTOR			
Central Govt.	8051	7997	-0.7
State Govt.	86712	86397	-0.4
Quasi Govt.(Central)	42316	42461	0.3
Quasi Govt. (State)	20363	19771	-2.9
Local Bodies	14646	15365	4.9
Total (A)	172088	171991	-0.1
B. PRIVATE SECTOR			
Act Establishments (employing 25 or more persons)	55683	54779	-1.6
Non-Act Estbs. (Employing 10-24 persons)	65525	62995	-3.9
Total (B)	121208	117774	-2.8
Grand Total (A) + (B)	293296	289765	-1.2

2.2 It can be observed from data in the above Table that total number of Establishments in the organised sector during quarter ended March, 2003, which was 293.30 thousand decreased to 289.77 thousand at the end of March, 2004 reflecting a decrease of 1.2 percent. The negative growth of establishments was observed as 0.5 and 2.8 percent in public sector and the private sector respectively over the corresponding quarter of previous year.

2.3 Zone-wise/State-wise break up of establishments and employment therein as on the 31st March, 2004 are presented in Annexure-I. The number of establishments in different States/Union Territories in various branches of public sector and by size of establishments in private sector is detailed in Annexure-II.

TOTAL EMPLOYMENT

2.4 The total employment in the 'Organised Sector' of the country as on 31st March, 2004 was estimated at 264.43 lakh as compared to 270 lakh at the end of March, 2003 indicating a decrease of 2.1 percent. The sector-wise employment for the two quarters ended March, 2003 and 2004 along with relative percentage changes are shown in the following Table:

TABLE-2

EMPLOYMENT IN THE ORGANISED SECTOR (Public and Private Sectors)

Sector	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	3	2	4
Public	18579.7	18196.7	-2.1
Private	8420.7	8246.0	-2.1
Total	27000.3	26442.7	-2.1

2.5 It will be observed from data in Table-2 above that there was a decrease of 2.1 percent in employment in the public sector as employment decreased from 18579.7 thousand in March, 2003 to 18196.7 thousand in March, 2004 whereas the private sector also reflected a decrease of 2.1 percent in its employment being 8420.7 thousand on the 31st March, 2003 and 8246.0 thousand at the quarter ended March, 2004.

2.6 Zone-wise/State-wise distribution of employment as on the 31st March, 2004 by different branches in the public sector and by various sizes of establishments in the private sector is presented in Annexure-III.

EMPLOYMENT BY ZONES

2.7 The country has been divided into six zones according to the States Reorganisation Act, 1956. The Union Territory of Andaman & Nicobar Islands has, however, been kept outside the scheme of zonal classification embodied in the Act. The distribution of employment in various zones and separately in the Union Territory of Andaman & Nicobar Islands for the quarter ended March, 2003 and 2004 are shown in Table-3 below:

TABLE-3

EMPLOYMENT BY ZONES

Zones	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	3	2	4
Northern	4069.5	4090.0	0.5
Central	3870.0	3819.2	-1.3
North Eastern	1479.4	1495.9	1.1
Eastern	4627.1	4318.9	-6.7
Western	5299.4	5253.5	-0.9
Southern	7615.4	7427.6	-2.5
*Andaman & Nicobar Islands	39.6	37.6	-5.0
Total	27000.3	26442.7	-2.1

***Note:** The data for Andaman & Nicobar Islands has been shown separately as it is outside the scheme of Zonal Classification embodied in the States Reorganisation Act, 1956.

2.8 Zone wise analysis of the growth of employment at the quarter ended March, 2004 over the quarter ended March, 2003 indicates highest decrease of 6.7 percent in the Eastern Zone followed by 2.5 percent in the Southern Zone, 1.3 percent in Central Zone and 0.9 percent in the Western Zone. Only North-Eastern and Northern Zone recorded an increase of 1.1 and 0.5 percent respectively in employment over the previous year.

EMPLOYMENT BY STATES/UNION TERRITORIES

2.9 Employment data in various States/Union Territories during the quarters ended March, 2003 and 2004 are given in Annexure-IV. State-wise analysis reflects that among major States only Pondicherry and Punjab reflected an increase of more than 3 percent in employment and an increase of 1 percent and above was noticed in Assam and Nagaland over corresponding quarter of the previous year. The States of Bihar, Goa, West Bengal, Tamil Nadu, Andaman & Nicobar and Chhattisgarh registered a decrease of more than 3 percent and Manipur, Uttaranchal, Andhra Pradesh, Karnataka and Madhya Pradesh recorded a decrease above 1 percent in employment during the year 2003-2004.

EMPLOYMENT BY INDUSTRIES

2.10 Annexure-V presents details of employment by major Industry Divisions. Analysis of the growth of employment by major Industry Divisions indicates that major industry divisions registered a decrease of 5.4 percent in Manufacturing (Div.-2&3) followed by 4.3 percent in Electricity, Gas & water (Div.-4), 4.0 percent in Transport, Storage & Communication (Div.-7), 2.6 percent in Community, Social & Personal Services (Div.-9), 2.0 percent in Wholesale and Retail Trade & Restaurants and Hotels (Div.-6) and 1.5 percent in Construction (Div.-5) in employment during the year ended March, 2004. However, employment in all other Industry Divisions recorded an increase, highest being 20.0 percent in Mining & Quarrying (Div.-1) followed by 3.5 percent in Financing, Insurance, Real Estate & Business Services (Div.-8) and 0.7 percent in Agriculture, Hunting, Forestry & Fishing (Div.-0). Details about employment in States/Union Territories by Industry Divisions are given in Annexure-VI & VII separately for the public and private sector respectively for the quarter ended March, 2004.

CHAPTER-III

EMPLOYMENT IN PUBLIC SECTOR

3.1 Employment in the public sector decreased from 185.80 lakh at the end of March, 2003 to 181.97 lakh at the end of March, 2004 registering a negative growth of 2.1 percent in employment during the period under review.

EMPLOYMENT CLASSIFIED BY BRANCHES OF PUBLIC SECTOR

3.2 State-wise data on employment in the public sector by its various branches viz. Central Government, State Government, Quasi-Government (Central), Quasi-Government (State) and Local Bodies are given in Annexure-III. Summary details of employment are provided in the following Table:

TABLE-4

EMPLOYMENT IN PUBLIC SECTOR CLASSIFIED BY BRANCHES

Branches of Public Sector	Employment (in thousands) as on		Percentage Change
	31 st March 2003	31 st March, 2004	
1	2	3	4
Central Govt.	3133.3	3027.4	-3.4
State Govt.	7366.6	7221.9	-2.0
Quasi Govt.(Central)	3177.1	3302.8	4.0
Quasi Govt.(State)	2724.0	2519.1	-7.5
Local Bodies	2178.6	2125.6	-2.4
TOTAL	18579.7	18196.7	-2.1

Above data indicates that employment in all branches of public sector registered negative growth except in the case of Quasi Govt. (Central) wherein the employment increased by 4.0 percent. It is also relevant to note that within various branches of Public Sector Quasi Govt. (State) reflected highest decrease of 7.5 percent in employment followed by Central Govt., Local Bodies and State Govt. reflecting a decrease of 3.4, 2.4 and 2.0 percent respectively.

PUBLIC SECTOR EMPLOYMENT BY ZONES

3.3 A summary position of employment in the public sector classified by various zones in the country as on the 31st March, 2003 and 2004 and its change in terms of percentages are shown in Table-5 below.

TABLE-5

EMPLOYMENT IN PUBLIC SECTOR BY ZONES

Zones	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
Northern	3024.9	3021.8	-0.1
Central	3191.1	3149.5	-1.3
North Eastern	899.0	894.1	-0.5
Eastern	3544.2	3369.3	-4.9
Western	3093.2	3020.6	-2.3
Southern	4792.5	4706.4	-1.8
Andaman & Nicobar Islands	34.7	34.9	-1.8
Total	18579.7	18196.7	-2.1

As would be seen from the above data, employment in Public Sector recorded decreasing trends in all the Zones. The Eastern Zone reflected highest decrease of 4.9 percent followed by 2.3 percent in the Western Zone, 1.8 percent each in Southern Zone and Andaman & Nicobar Islands which has been kept outside the scheme of zonal classification, 1.3 percent in the Central Zone, 0.5 percent in the North Eastern Zone and 0.1 percent in Northern Zone over the corresponding quarter of the previous year.

PUBLIC SECTOR EMPLOYMENT BY STATES/UNION TERRITORIES

3.4 Relative data on employment in various States for the quarters ended March, 2003 and 2004 for the public sector are presented in Annexure-IV. It could be observed from data therefrom that Bihar, Goa, West Bengal,

Chhattisgarh, Gujarat and Kerala registered more than 3 percent decrease in employment. The employment in the Public Sector reflected a decrease above 1 percent in the State of Manipur, Uttaranchal, Chandigarh, Andhra Pradesh, Tamil Nadu, Maharashtra and Haryana. Only few States registered an increase highest being 7.1 percent in Pondicherry followed by 1.5 percent in Punjab, 0.6 percent in Andaman & Nicobar and 0.2 percent in Nagaland in public sector employment at the end of March, 2004 as compared to the employment in the corresponding quarter of the previous year.

PUBLIC SECTOR EMPLOYMENT BY INDUSTRY DIVISIONS

3.5 Annexure-V contains details of public sector employment classified by major Industry Divisions, wherefrom it would be observed that the public sector employment recorded an increase of 21.7 percent in Mining and Quarrying (Div.-1) and 2.2 percent in Financing, Insurance, Real Estate & Business Services (Div.-8) at the end of March, 2004. All other Industry Divisions registered a negative growth, highest being 5.7 percent in Manufacturing (Div.-2&3), followed by 4.2 percent each in Electricity, Gas & Water (Div.-4) and Transport, Storage & Communication (Div.-7), 3.5 percent in Community, Social & Personal Services (Div.-9), 2.6 percent in Agriculture, Hunting, Forestry & fishing (Div.-0), 1.7 percent in Construction (Div.-5) and 0.9 percent in Wholesale and Retail Trade & Restaurants and Hotels (Div.-6) in employment over March, 2003.

CHAPTER-IV

EMPLOYMENT IN PRIVATE SECTOR

4.1 Employment in the private sector as on the 31st March, 2004 reflected a marginal decrease of 2.1 percent over the corresponding quarter of the previous year i.e. 31st March, 2003. In absolute terms, employment in the private sector had gone down from 8420.7 thousand at the end of March, 2003 to 8246.0 thousand at the end of March, 2004.

EMPLOYMENT IN PRIVATE SECTOR BY SIZE GROUPS

4.2 Table-6 below reflects employment in the private sector by size of establishments. It would be seen therefrom that employment in the Act establishments employing 25 or more persons decreased by 3.2 percent whereas employment in the smaller establishments engaging 10-24 persons registered an increase of 6.7 percent over the corresponding quarter of the previous year. The overall decrease in private sector employment was observed as 2.1 percent.

TABLE-6

EMPLOYMENT IN PRIVATE SECTOR BY SIZE GROUP

Size-Group	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
Larger Establishments Employing 25 or more Persons (Act Estts.)	7472.0	7233.9	-3.2
Smaller Establishments Employing 10-24 persons (Non-Act Estts.)	948.7	1012.0	6.7
TOTAL	8420.7	8246.0	-2.1

PRIVATE SECTOR EMPLOYMENT BY ZONES

4.3 An analysis of the private sector employment by six zones of the country can be made on the basis of data in Table-7 below. It shows that employment in the private sector recorded an increase of 3.7, 2.3 and 1.2 percent in the North-Eastern, Northern and Western Zone respectively during 2003-2004 as compared to the corresponding quarter of the previous year.

TABLE-7

EMPLOYMENT IN PRIVATE SECTOR BY ZONES

Zones	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
Northern	1044.5	1068.2	2.3
Central	679.0	669.7	-1.4
North Eastern	580.3	601.8	3.7
Eastern	1082.8	949.6	-12.3
Western	2206.2	2232.9	1.2
Southern	2822.9	2721.1	-3.6
Andaman & Nicobar Islands	4.9	2.7	-44.5
Total	8420.7	8246.0	-2.1

Further, among other zones, the Eastern Zone recorded highest decrease of 12.3 percent in the private sector employment, which was followed by 3.6 percent in the Southern Zone and 1.4 percent in the Central Zone.

PRIVATE SECTOR EMPLOYMENT BY STATES/UNION TERRITORIES

4.4 State wise distribution of private sector employment is contained in Annexure-IV. An analysis of private sector employment data for the quarter ended 31st March 2003 and 2004 would reveal that Pondicherry registered highest growth of 20.4 percent followed by 19.9 percent in Nagaland, 7.1 percent in Punjab and 4.2 percent each in Uttaranchal and Orissa. Among other States only Chandigarh, Assam, Delhi, Gujarat and Kerala recorded an increase of more than 1 percent in employment over March, 2003. More than 3 percent negative growth was observed in Bihar Andaman & Nicobar, Tamil Nadu and West Bengal. Among major States there were only few States namely Karnataka, Chhattisgarh, Madhya Pradesh and Uttar Pradesh which reflected a decrease of more than 1 percent in private sector employment in March, 2004 over the quarter ended March, 2003.

PRIVATE SECTOR EMPLOYMENT BY INDUSTRY DIVISIONS

4.5 Annexure-V contains details of private sector employment classified by major Industry Divisions wherefrom it would be observed that private sector employment as on 31st March, 2004 over 2003 recorded a growth of 7.5 percent in Financing, Insurance, Real Estate & Business Services (Div.-8) 3.0 percent in Transport, Storage & Communications (Div.-7), 2.5 percent in Agriculture, Hunting, Forestry & Fishing (Div.-0), 2.1 percent in Community, social & Personal Services (Div.-9) and 1.8 percent in Construction (Div.-5). The highest decrease was observed as 6.7 percent in Electricity, Gas & Water (Div.-4) followed by 5.4 percent in Manufacturing (Div.-2&3), 2.5 percent in Wholesale and Retail Trade & Restaurants and Hotels (Div.-6) and 1.8 percent in Mining & Quarrying (Div.-1) in employment at the end of March, 2004.

CHAPTER -V

WOMEN'S EMPLOYMENT

5.1 Women's employment in the organised sector of the economy at the end of the 31st March, 2004 was estimated as 4934.4 thousand, which was 18.7 percent of the total organised sector employment. It is encouraging to note that percentage of women's employment to total has appreciably increased from 18.4 percent in March, 2003 to 18.7 percent in March, 2004. Out of the total women's employment (4934.4 thousand), 2890.0 thousand belonged to the public sector and the remaining 2044.4 thousand comprised that of the private sector. Sector-wise women's employment decreased by 0.5 percent in public sector and 0.9 percent in private sector over the corresponding quarter of the previous year. The overall decrease in women employment was observed as 0.7 percent. The estimates of women's employment in the public and private sectors for the quarters ended 31st March, 2003 and 2004 and their respective percentage changes are given in Table-8 below:

TABLE -8

WOMEN'S EMPLOYMENT IN THE ORGANISED SECTOR

Sector	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
Public	2904.7	2890.0	-0.5
Private	2063.7	2044.4	-0.9
Total	4968.4	4934.4	-0.7

5.2 It will be observed from data presented in Annexure-XII that among different branches of the public sector, the State Government engaged highest (say about 14.62 lakh) women employees, followed by Local Bodies (5.78 lakh), Quasi Government (Central) (3.58 lakh). Central Govt. and Quasi Govt. (State) engaged about 2.48 lakh and 2.44 lakh women employees respectively. In the private sector the larger sized Act establishments employing 25 or more employees engaged the maximum (17.56 lakh) women employees and the rest 2.88 lakh women were reportedly employed in the smaller-sized establishments (employing 10-24 workers).

WOMEN'S EMPLOYMENT BY ZONES

5.3 A summary data on Women's employment classified by various zones in the country for the two quarters ended 31st March, 2003 and 2004 is presented in the Table-9 below:

TABLE-9

WOMEN'S EMPLOYMENT BY ZONES

Zones	Employment (in thousands) as on		Percentage Change
	31 st March, 2003	31 st March, 2004	
1	2	3	4
Northern	614.8	619.6	0.8
Central	433.0	434.8	0.4
North Eastern	407.6	422.7	3.7
Eastern	450.9	423.1	-6.2
Western	792.1	790.0	-0.3
Southern	2264.2	2238.4	-1.1
Andaman & Nicobar Islands	5.8	5.9	1.1
Total	4968.4	4934.4	-0.7

Compared to the employment recorded during the corresponding quarter of the previous year (i.e. quarter ended 31st March, 2003) Women's employment registered a decrease in three zones highest being 6.2 percent in Eastern Zone followed by 1.1 percent in Southern Zone and 0.3 percent in Western Zone as on 31st March 2004. The North-Eastern Zone recorded appreciable increase of 3.7 percent in women's employment. The Northern and Central Zones also registered a marginal increase of 0.8 and 0.4 percent respectively in women's employment as compared to the corresponding quarter of the previous year.

WOMEN'S EMPLOYMENT BY STATES/UNION TERRITORIES

5.4 The State wise distribution of women's employment is contained in Annexure VIII. It would be observed from data therefrom that Nagaland, Chandigarh, Assam, Kerala, Rajasthan and Orissa recorded an increase of more than 3 percent in women's employment as on 31st March 2004 over 2003. Above 1 percent increase was observed in the States of Delhi, Gujarat, Uttar Pradesh and Andaman & Nicobar. More than 3 percent decrease was noticed in Bihar, Goa, West Bengal, Tamil Nadu, Punjab and Uttaranchal whereas among other states Karnataka, Manipur and Chhattisgarh registered a decrease above 1 percent in the case of women's employment at the end of quarter March, 2004 over March, 2003.

WOMEN'S EMPLOYMENT IN DIFFERENT INDUSTRIES

5.5 The distribution of women employees in major Industry Divisions is presented in Annexure-IX. Data therefrom would reveal that excepting two Industry Divisions, which recorded a negative growth of 6.0 percent and 1.7 percent in Manufacturing (Div.-2&3) and Agriculture, Hunting, Forestry & Fishing (Div.-0) respectively all other Industry Divisions reflected appreciable growth in women's employment at the end of quarter ended March, 2004 as compared to the corresponding quarter of the previous year. It was as high as 20.4 percent in Mining & Quarrying (Div.-1) followed by 9.2 percent in Electricity, Gas & Water (Div.-4), 4.7 percent in Financing, Insurance, Real Estate & Business Services (Div.-8), 3.4 percent in Wholesale and Retail Trade & Restaurants & Hotels (Div.-6), 3.0 percent in Construction (Div.-5) and 0.2 percent in Transport, Storage & Communication (Div.-7). No percentage change in employment was observed in Community, Social & Personal Services (Div.-9).