

## **Unemployment Rate among Youths of India**

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*On the strength of the youth power, we move around the world. The same youth power of the country is forced to wander from rate to rate for a unique job. But the bitter truth is that the stigma of the highest number of suicides is also on the forehead of our country due to increasing unemployment every day. According to the latest statistics of the National Crime Records Bureau, 26 youth are putting themselves in the cheek of the times every day and this state of anguish has been born due to the serious problem of student unemployment. Recent surveys and reports from the International Labour Organization, Government of India and various agencies indicate that the graph of unemployment has increased in the country. The condition of the foundation of the youth on whose strength we are looking forward to the future strong building is disappointing and the hollowness of our policies is showing on the national table.*

[Keywords : Job, Unskilled and Skilled Education, Labour Force]

### **1. Introduction**

According to data from the Union Ministry of Labour, 550 jobs have been reduced every day and self-employment opportunities

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have decreased. The figures which have come face to face between all these exercises, show that the situation in the country is very bad on the issue of employment. A report of the recent International Labour Organization has revealed that by 2019, three-fourth of the country's employees and professionals will be facing threat of job or they will not get the job according to their ability.

According to the report, out of the approximately 53.4 crore working people in India at present, about 39.8 crore people will neither get the job nor the job according to their merit. Apart from this, there is also the danger of losing their job. Although the unemployment rate is estimated to be around 3.5 percent during 2017-19, but in the age group of 15 to 24 years, this percentage is very high. According to the data, in 2017, unemployment percentage of youth in the age group of 15 to 24 was 10.5 percent, which may reach 10.7 percent by 2019. The situation is worse on the women's front. The report says that the unemployment rate of women has reached 8.7 in the last four years.

When a person is actively looking for employment, when he cannot find work, then this stage is called unemployment. It is generally measured as the unemployment rate, which is obtained by dividing the number of unemployed persons out of the number of persons in the workforce.

Normally, people in the economically active age group of 15-59 years are considered unemployed if not employed profitably. Unemployment related data in India is released by the National Sample Survey Office (NSSO). Most of the employment is provided by the unorganized sector in India. The unorganized sector consists of agricultural workers in rural areas and contract workers in urban areas.

According to the ELO's World Employment and Social Outlook report, many South Asian countries, including India, are expected to increase the number of unemployed people over the next two years. What is most worrying is that the prospects of poverty reduction in South Asia due to the informal sector will be reduced. 90 percent of workers in India, Bangladesh, Cambodia and Nepal will be affected by the shortcomings of the informal sector. Unorganized groups are spread not only in agriculture but also in non-agricultural sectors like construction, wholesale and retail trade, housing and food

service industries. At the same time, employment growth rate is also less than the population growth rate in India. It has limited land resources and a large part of the workforce is engaged in agriculture which generates seasonal unemployment here. India's faulty education system also does not develop entrepreneurship and quality and most of the educated become unemployed. There has also not been enough industrial development in India.

## **2. Objectives**

The main objective of present paper is to understand unemployment status among youth of India. So the specific objectives are as follows :

1. To understand, the status of unemployment rate since ninety.
2. To know the variation of unemployment in various state of India
3. To correlate establish linkages between unemployment rate and social indicator.

## **3. Method and Materials**

This study is mainly based on the secondary data. Keeping in view the nature of objectives, data have been taken from Census of India, Centre for Monitoring Indian Economy (CMIE) and National Sample Survey Office (NSSO), Government of India. Firstly year wise information has been taken from CMIE and then it's correlate with Census of India. Some other useful information has also been taken from NSSO, Government of India for the fulfillment of the objectives. Besides these all, some demographic information has also been gathered from Census of India. Firstly raw data from all sources have been gathered and then feeded into SPSS (22<sup>nd</sup> version). Bi-variety and percentile method has been used at the time of analysis.

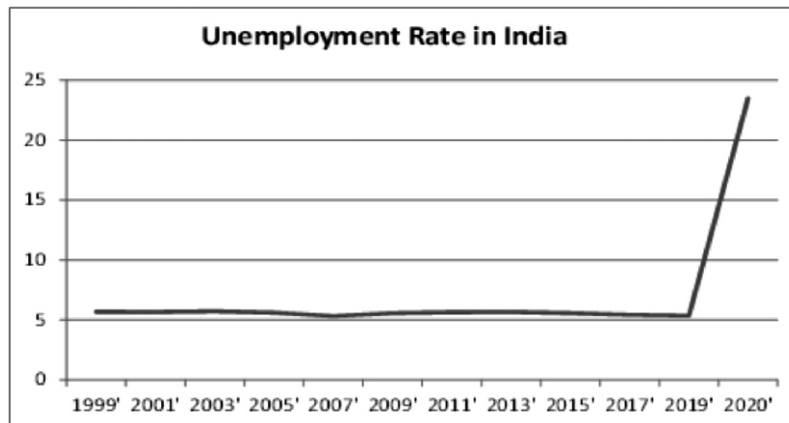
## **4. Results and Discussion**

The main objective of the present study is to explain the condition and direction of unemployment among the youths of India. There was a slight fluctuation in the unemployment rate in India between 1999 and 2019, but it has increased considerably since 2019, which has been elaborated in Table-1 on next page.

**Table-1 : Unemployment Rate in India since 1999**

Year	Unemployment Rate	Year	Unemployment Rate
1999	5.69	2010	5.64
2000	5.66	2011	5.64
2001	5.66	2012	5.65
2002	5.72	2013	5.67
2003	5.73	2014	5.61
2004	5.67	2015	5.57
2005	5.6	2016	5.51
2006	5.45	2017	5.42
2007	5.32	2018	5.33
2008	5.28	2019	5.36
2009	5.57	2020	23.5

**Source :** Centre for Monitoring Indian Economy (CMIE)



The facts displayed in Table-1 show that from 1999 to 2001 the unemployment rate in India was around 5.6. The unemployment rate reached 5.7 in 2002 and 2003, but since 2004 the unemployment rate started declining again and in 2019 it fell to 5.36. By February 2020, the unemployment rate was around 5.4 but due to the COVID-19 epidemic in March 2020, the unemployment rate registered an unprecedented rise and reached 23.5 percent. Due to COVID-19, businesses, private jobs, small-scale industries, all started going to waste and there was an unprecedented increase in the number of unemployed.

**Table-2 : Unemployment Rate in Major States of India**

State	2017-18	May 2020
Gujarat	1.2	13.6
Meghalaya	1.5	5.9
Chhatisgarh	3.3	11.3
Goa	3.5	21.2
Madhya Pradesh	4.5	27.5
Maharashtra	4.9	16.5
Rajasthan	5.0	14.1
Uttar Pradesh	6.4	20.8
Bihar	7.2	46.2
Kerala	13.9	26.5

**Source :** National Sample Survey Organization (NSSO)

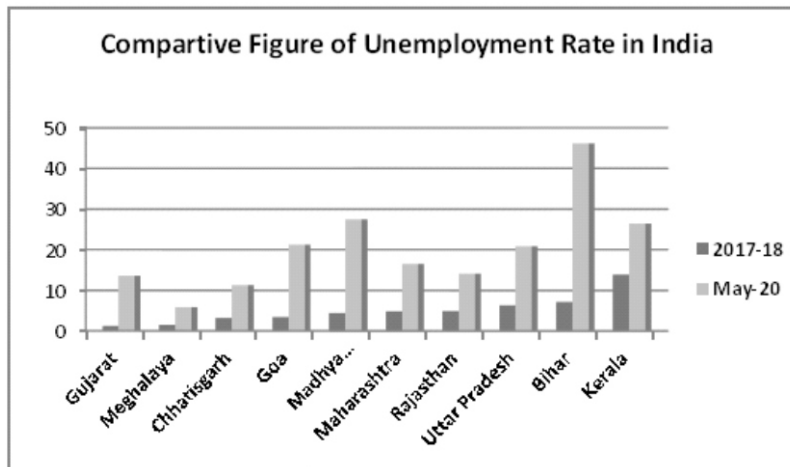


Table-2 shows the unemployment rate in various states of India. At the same time, the unemployment rate in 2017-18 is also compared to the unemployment rate of May 2020. The facts clearly show that in 2017-18 Gujarat and Meghalaya had negligible rate of unemployment which was 1.2 and 1.5 respectively, but in these same states the unemployment rate registered an unprecedented increase in 2020 and the unemployment rate reached 13.6 and 5.9 respectively. In 2017-18, the unemployment rate in Chhattisgarh and Goa was also very low which was 3.3 and 3.5 respectively and the same unemployment rate reached 11.3 and 21.2 respectively in May 2020. The worst case of unemployment rate is in Bihar which rose

from 7.2 in 2017-18 to 46.2 in May 2020. Madhya Pradesh has also recorded an unprecedented increase in the unemployment rate. In this state the unemployment rate was only 4.5 in 2017-18, which increased to 27.5 in May 2020. Kerala, which is the most educated state in India, is considered to be the most prosperous state in socio-economic terms but it also has the highest unemployment rate and it was 13.9 in 2017-18 which increased to 26.5 in May 2020. Uttar Pradesh is also not behind in the unemployment rate, which was 6.4 percent unemployment rate in 2017-18, which increased to 20.8 percent in May 2020.

**Table-3 : Unemployment Rate according to Education**

Level of Education	Unemployment Rate
Illiterate	32
Literate	84
Literate but below matric	41
Matric/Higher secondary but below Graduation	27
Technical/Diploma	1
Graduate and above	8
Technical/Diploma equal to Post Graduate	2

**Source :** CMIE

Table-3 attempts to relate the unemployment rate with the level of education. It is known from the facts that where the level of education is high, the level of unemployment is also high *i.e.* unemployment also seems to be increasing along with education. There is a negative correlation of unemployment with technical education because where there is technical education unemployment is less. Therefore, it can be said that unemployment can be reduced through technical education and skilled education.

## **5. Certain Initiative taken by Government of India**

The Government of India has initiated to eradicate unemployment to introduce several programmed such as :

**Prime Minister Employment Generation Program :** A credit or loan limit of Rs 25 lakh has been provided for manufacturing sector and Rs 10 lakh for service sector.

**Skill Development Program :** It aims to create 500 million skilled personnel by 2022.

**National Rural Livelihoods Mission :** Under this scheme launched with the aim of bringing universal social cohesion, at least one woman member of every rural family has to be brought into self-help group network. Under this mission, ‘Himayat’ for the youth of Jammu and Kashmir and ‘Roshni’ scheme was launched for the youth affected by Left Wing Extremism.

**Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) :** It provides 100 days of employment guarantee for all adult members of every rural family in a financial year, which is ready for unskilled labour. At least 33 percent of the beneficiaries should be women.

**Make in India :** It was introduced for the development of industrial units, whose emphasis is on ease of business, simple licensing, better use of technologies, etc.

**Deendayal Upadhyay ‘Shramev Jayate’ Program :** It focuses on topics related to Shram Suvidha Portal, Contingency Inspection, Universal Account Number, Trainee Incentive Scheme, Restructured National Health Insurance Scheme.

**Pradhan Mantri Yuva Yojana :** To provide entrepreneurship training and education to more than 7 lakh trainees in the period from 2016 to 2021.

## 6. Conclusion

There was a slight fluctuation in the unemployment rate in India between 1999 and 2019, but it has increased considerably since 2019. By February 2020, the unemployment rate was not much more high but due to the COVID-19 epidemic in March 2020, the unemployment rate registered an unprecedented rise. Due to COVID-19, businesses, private jobs, small-scale industries, all started going to waste and there was an unprecedented increase in the number of unemployed.

Kerala, which is the most educated state in India, is considered to be the most prosperous state in socio-economic terms but it also has the highest unemployment rate. Uttar Pradesh is also not behind in the unemployment rate. It is known from the study that where the level of education is high, the level of unemployment is also high i.e. unemployment also seems to be increasing along with education. There is a negative correlation of unemployment with technical

education because where there is technical education unemployment is less. Therefore, it can be said that unemployment can be reduced through technical education and skilled education.

## 7. Recommendations

Due to the shutdown of trade and the changes in the economy, the jobs left cannot be considered as a sole cause of unemployment. Another equally important cause of unemployment is the lack of skills required for jobs. India is facing problems like slowness in job creation, especially in the manufacturing sector. In this area, capital and machine are preferred over humans for better efficiency and higher productivity. There is a need to find a solution by giving due priority to all the reasons for unemployment.

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