

CHAPTER V

Growth in Overall Employment State wise Scenario

There is a feeling among many sections of the society that economic reforms have pushed up employment growth, but the benefits have accrued only to a few states and cities and that majority of the states failed to get any benefits in terms of employment growth. In fact, many people feel that economic reforms have led to decline in employment in some of the states. What is the real picture? How much variation is there among the states and union territories with regard to employment growth? The answers to these questions will be found in this chapter.

In the last chapter (Chapter IV), the data at the all-India level was analyzed and it was observed that the economic reforms had a positive impact as far as employment growth at all-India level was concerned. In this chapter, the data at state level is being analyzed to identify the states that have been benefited due to economic reforms.

Overall Employment Growth – Index of Workers

The state wise absolute figures relating to total population and total workers for the year 1971-2001 can be seen in Tables 5.0 A & 5.0 B and the indices of total workers for the years 1971-2001 can be seen in Table 5.1. It may be noted that Assam, Mizoram and Jammu & Kashmir have been excluded, as comparable figures for these states are not available. Further, Uttaranchal, Jharkhand and Chattisgarh have been included in the respective states from which these were carved out after the 1991 Census, to make the data pertaining to Uttar Pradesh, Bihar and Madhya Pradesh comparable.

Among the 28 states and union territories listed in Table 5.1, the index of workers has been continuously increasing in all the states since 1971 and the increase during 1991-2001 has been more than the increase during 1981-1991 in 23

Table 5.0 A					
State wise Distribution of Population and Total Workers – 1971 - 2001					
(excluding Assam, Jammu & Kashmir and Mizoram)					
S.N o.	State	Total Popn (1971)	Total Popn (1981)	Total Popn (1991)	Total Popn (2001)
1	A& N Islands	115,133	188,741	280,661	356,152
2	Andhra Pradesh	43,502,708	53,549,673	66,508,008	76,210,007
3	Arunachal Pradesh	467,511	631,839	864,558	1,097,968
4	Bihar (including Jharkhand)	56,353,369	69,914,734	86,374,465	109,944,338
5	Chandigarh	257,251	451,610	642,015	900,635
6	D & Nagar Haveli	74,170	103,676	138,477	220,490
7	Delhi	4,065,698	6,220,406	9,420,644	13,850,507
8	Goa (including Daman & Diu)	857,771	1,086,730	1,271,379	1,505,872
9	Gujarat	26,697,475	34,085,799	41,309,582	50,671,017
10	Haryana	10,036,808	12,922,618	16,463,648	21,144,564
11	Himachal Pradesh	3,460,434	4,280,818	5,170,877	6,077,900
12	Karnataka	29,299,014	37,135,714	44,977,201	52,850,562
13	Kerala	21,347,375	25,453,680	29,098,518	31,841,374
14	Lakshadweep	31,810	40,249	51,707	60,650
15	M.P. (including Chhattisgarh)	41,654,119	52,178,844	66,181,170	81,181,826
16	Maharashtra	50,412,235	62,784,171	78,937,187	96,878,627
17	Manipur	1,072,753	1,420,953	1,837,149	2,166,788
18	Meghalaya	1,011,699	1,335,819	1,774,778	2,318,822
19	Nagaland	516,449	774,930	1,209,546	1,990,036
20	Orissa	21,944,615	26,370,271	31,659,736	36,804,660
21	Pondicherry	471,707	604,471	807,785	974,345
22	Punjab	13,551,060	16,788,915	20,281,969	24,358,999
23	Rajasthan	25,765,806	34,261,862	44,005,990	56,507,188
24	Sikkim	209,843	316,385	406,457	540,851
25	Tamil Nadu	41,199,168	48,408,077	55,858,946	62,405,679
26	Tripura	1,556,342	2,053,058	2,757,205	3,199,203
27	U.P.(including Uttaranchal)	88,341,144	110,862,013	139,112,287	174,687,270
28	West Bengal	44,312,011	54,580,647	68,077,965	80,176,197
	India	528,585,478	658,806,703	815,479,910	990,922,527
Source :					
1. Census of India 1971, Series I, India, Part- II – A (i), General Population					
2. Census of India 1981, Series I, India, Part- II – B (i), Primary Census Abstract - General Population					
3. Census of India 1991, Volume I, Series I, India, Part- II – A (ii), Union Primary Census Abstract					
4. Census of India 1991, Series I, India, Part- II – B (i), Volume I, Primary Census Abstract - General Popn.					
5. Census of India 1991, Series I, India, Part- II – B (i), Volume II, Primary Census Abstract - General Popn.					
6. Census of India 2001, Primary Census Abstract (on CD)					

Table 5.0 B					
State wise Distribution of Population and Total Workers – 1971 - 2001					
(excluding Assam, Jammu & Kashmir and Mizoram)					
S.No.	State	Total Workers (1971)	Total Workers (1981)	Total Workers (1991)	Total Workers (2001)
1	A& N Islands	45,531	69,612	98,901	136,254
2	Andhra Pradesh	18,005,999	24,505,681	29,963,648	34,893,859
3	Arunachal Pradesh	269,542	332,555	399,782	482,902
4	Bihar (including Jharkhand)	17,488,879	22,617,085	27,777,071	38,083,636
5	Chandigarh	85,645	157,695	224,294	340,422
6	D & Nagar Haveli	34,987	50,719	73,739	114,122
7	Delhi	1,228,397	2,002,192	2,980,461	4,545,234
8	Goa (including Daman & Diu)	271,641	382,448	450,960	595,646
9	Gujarat	8,395,546	12,702,472	16,620,519	21,255,521
10	Haryana	2,653,993	4,087,692	5,103,470	8,377,466
11	Himachal Pradesh	1,278,632	1,813,999	2,214,379	2,992,461
12	Karnataka	10,179,114	14,943,824	18,886,798	23,534,791
13	Kerala	6,216,459	7,771,220	9,146,118	10,283,887
14	Lakshadweep	8,318	9,816	13,664	15,354
15	M.P. (including Chhattisgarh)	15,295,663	22,397,652	28,340,485	35,473,390
16	Maharashtra	18,390,279	26,718,230	33,910,366	41,173,351
17	Manipur	370,863	613,808	774,904	945,213
18	Meghalaya	446,828	613,441	757,322	970,146
19	Nagaland	262,114	373,754	516,237	847,796
20	Orissa	6,850,651	10,022,338	11,882,762	14,276,488
21	Pondicherry	141,025	183,830	267,214	342,655
22	Punjab	3,912,592	5,287,911	6,261,989	9,127,474
23	Rajasthan	8,048,859	12,542,621	17,104,372	23,766,655
24	Sikkim	111,607	152,814	168,721	263,043
25	Tamil Nadu	14,741,967	20,198,790	24,194,343	27,878,282
26	Tripura	432,463	662,449	858,517	1,159,561
27	U.P.(including Uttaranchal)	27,334,455	34,051,362	44,799,280	57,117,860
28	West Bengal	12,368,944	16,464,565	21,914,774	29,481,690
	India	174,870,993	241,730,575	305,705,090	388,475,159
Source :					
1. Census of India 1971, Series I, India, Part- II – A (i), General Population					
2. Census of India 1981, Series I, India, Part- II – B (i), Primary Census Abstract - General Population					
3. Census of India 1991, Volume I, Series I, India, Part- II – A (ii), Union Primary Census Abstract					
4. Census of India 1991, Series I, India, Part- II – B (i), Volume I, Primary Census Abstract - General Popn.					
5. Census of India 1991, Series I, India, Part- II – B (i), Volume II, Primary Census Abstract - General Popn					
6. Census of India 2001, Primary Census Abstract (on CD)					

Table 5.1 Statewise Index of Total Workers - 1971 - 2001 (Excluding Assam, Jammu & Kashmir and Mizoram)							
S.No.	State	Index of Workers				Increase in Index of Workers during 1991-2001	Increase in Index of Workers during 1991-2001 over increase in Index during 1981-1991
		1971	1981	1991	2001		
1	A& N Islands	100	153	217	299	82	17.7
2	Andhra Pradesh	100	136	166	194	27	-2.9
3	Arunachal Pradesh	100	123	148	179	31	5.9
4	Bihar (including Jharkhand)	100	129	159	218	59	29.4
5	Chandigarh	100	184	262	397	136	57.8
6	D & Nagar Haveli	100	145	211	326	115	49.6
7	Delhi	100	163	243	370	127	47.7
8	Goa (including Daman & Diu)	100	141	166	219	53	28.0
9	Gujarat	100	151	198	253	55	8.5
10	Haryana	100	154	192	316	123	85.1
11	Himachal Pradesh	100	142	173	234	61	29.5
12	Karnataka	100	147	186	231	46	6.9
13	Kerala	100	125	147	165	18	-3.8
14	Lakshadweep	100	118	164	185	20	-25.9
15	M.P. (including Chhattisgarh)	100	146	185	232	47	7.8
16	Maharashtra	100	145	184	224	39	0.4
17	Manipur	100	166	209	255	46	2.5
18	Meghalaya	100	137	169	217	48	15.4
19	Nagaland	100	143	197	323	126	72.1
20	Orissa	100	146	173	208	35	7.8
21	Pondicherry	100	130	189	243	53	-5.6
22	Punjab	100	135	160	233	73	48.3
23	Rajasthan	100	156	213	295	83	26.1
24	Sikkim	100	137	151	236	85	70.3
25	Tamil Nadu	100	137	164	189	25	-2.1
26	Tripura	100	153	199	268	70	24.3
27	U.P.(Including Uttaranchal)	100	125	164	209	45	5.7
28	West Bengal	100	133	177	238	61	17.1
India		100	138	175	222	47	10.7

Source : Compiled from the data given in Table 5.0 B

states, that is in about 82% of the 28 states and union territories. Out of the 5 states, where the increase in workers during 1991-2001 was either equal to or lesser than the increase during 1981-91. Lakshadweep and Pondicherry are very small but Kerala, Tamil Nadu and Andhra Pradesh are bigger states and in all these states/U.T., the growth rate of population during 1991-2001 declined resulting in perhaps relatively lesser number of job-seekers. The rate of growth of population during 1981-91 and 1991-2001 in these five States/U.T. can be seen below.

S.No.	State/U.T	Population Growth (%)	
		1981-1991	1991-2001
1.	Andhra Pradesh	24.2	14.6
2.	Kerala	14.3	9.4
3.	Tamil Nadu	15.4	11.7
4.	Pondicherry	33.6	20.6
5.	Lakshadweep	28.5	17.3

It is seen from the table given above that there has been a very sharp decline in growth rate of population in Andhra Pradesh (about 10 percentage points), Lakshadweep (about 11 percentage points) and Pondicherry (about 13 percentage points). The decline in Kerala, Tamil Nadu is also notable.

It can be easily concluded from the analysis made above that the economic reforms had a positive impact on growth of employment in all the states and union territories. There is no doubt that some would have gained more and some less. In this respect, it seems that some of the smaller states/union territories relatively gained more than some of the bigger states. The distribution of states by “increase in Index of workers during 1991-2001 over increase in Index during 1981-1991” is given in Table 5.2. As may be seen from this table, even Nagaland and Sikkim gained relatively more than the bigger states. In Nagaland, there was a huge increase in number of workers during 1991-2001, resulting in 223% increase in employment during 1971-2001. The corresponding figure for Sikkim is 136%.

The highest “increase in Index of workers during 1991-2001 over increase in Index of workers during 1981-91” was observed in case of Haryana. This is because many of the I.T. Companies located their offices in Gurgaon (Haryana) because of its nearness to Delhi and lower cost of land in Gurgaon.

Table 5.2 : Distribution of States by increase in Index of Workers during 1991- 2001 over Increase in Index during 1981 - 1991 (excluding Assam, Jammu & Kashmir and Mizoram)		
Range of increase in Index	No.of States	Names of States
≤ zero	5	Lakshadweep, Pondicherry, Kerala, A.P. & Tamil Nadu
> zero - 10	8	Maharashtra, Manipur, U.P. (Including Uttaranchal), Arunachal Pradesh, Karnataka, M.P. (including Chhattisgarh), Orissa & Gujarat
10 - 20	3	Meghalaya, West Bengal & A & N Islands
20 - 30	5	Tripura, Rajasthan, Goa (including Daman & Diu), Bihar (including Jharkhand) & Himachal Pradesh
30 - 40	0	Nil
40 - 50	3	Delhi, Punjab & Dadar & Nagar Haveli
50 - 60	1	Chandigarh
60 & above	3	Sikkim, Nagaland & Haryana
Source : Compiled from the data given In Table 5.1		

As may be seen from Table 5.2, the increase in Index of workers during 1991-2001 over increase in Index of workers during 1981-91 was more than 70 points in Sikkim, Nagaland and Haryana and was between 40 and 50 points in Delhi, Punjab and Dadra & Nagar Haveli. Looking at the data furnished in Table 5.1, it is seen that the number of workers more than doubled during 1971-2001 in all the states and union territories, except Lakshadweep, Kerala, Andhra Pradesh, Tamil Nadu and Arunachal Pradesh.

Participation Ratio

The trend in participation ratio is also a good indicator to assess the impact of economic reforms. Had the economic reforms resulted in “jobless growth”, the participation ratio should have declined during the decade 1991-2001, especially when the population is growing at a higher rate. The participation ratios have been analysed in the following paragraphs to assess the real scenario.

Table 5.3 : Statewise Participation Ratio - 1971 - 2001 (excluding Assam, Jammu & Kashmir and Mizoram)						
S.No.	State	Participation Ratio (%)				Increase in Participation Ratio during 1991 - 2001
		1971	1981	1991	2001	
1	A & N Islands	39.5	36.9	35.2	38.3	3.0
2	Andhra Pradesh	41.4	45.8	45.1	45.8	0.7
3	Arunachal Pradesh	57.7	52.6	46.2	44.0	-2.3
4	Bihar (including Jharkhand)	31.0	32.3	32.2	34.6	2.5
5	Chandigarh	33.3	34.9	34.9	37.8	2.9
6	Dadra & Nagar Haveli	47.2	48.9	53.2	51.8	-1.5
7	Delhi	30.2	32.2	31.6	32.8	1.2
8	Goa (including Daman & Diu)	31.7	35.2	35.5	39.6	4.1
9	Gujarat	31.4	37.3	40.2	41.9	1.7
10	Haryana	26.4	31.6	31.0	39.6	8.6
11	Himachal Pradesh	37.0	42.4	42.8	49.2	6.4
12	Karnataka	34.7	40.2	42.0	44.5	2.5
13	Kerala	29.1	30.5	31.4	32.3	0.9
14	Lakshadweep	26.1	24.4	26.4	25.3	-1.1
15	M.P. (including Chhattisgarh)	36.7	42.9	42.8	43.7	0.9
16	Maharashtra	36.5	42.6	43.0	42.5	-0.5
17	Manipur	34.6	43.2	42.2	43.6	1.4
18	Meghalaya	44.2	45.9	42.7	41.8	-0.8
19	Nagaland	50.8	48.2	42.7	42.6	-0.1
20	Orissa	31.2	38.0	37.5	38.8	1.3
21	Pondicherry	29.9	30.4	33.1	35.2	2.1
22	Punjab	28.9	31.5	30.9	37.5	6.6
23	Rajasthan	31.2	36.6	38.9	42.1	3.2
24	Sikkim	53.2	48.3	41.5	48.6	7.1
25	Tamil Nadu	35.8	41.7	43.3	44.7	1.4
26	Tripura	27.8	32.3	31.1	36.2	5.1
27	U.P. (including Uttaranchal)	30.9	30.7	32.2	32.7	0.5
28	West Bengal	27.9	30.2	32.2	36.8	4.6
India		33.1	36.7	37.5	39.2	1.7
<i>Source : Compiled from the data given in Tables 5.0 A & 5.0 B</i>						

The participation ratios (urban + rural) of various states and union territories for the years 1971, 1981, 1991 and 2001 are given in Table 5.3. Among the 28 states listed in Table 5.3, all the states and union territories, except 6 states/U.T's, viz., Arunachal Pradesh, Dadra & Nagar Haveli, Lakshadweep, Maharashtra, Meghalaya and Nagaland, registered increases in their participation ratios during 1991-2001. However, it has to be noted that in all these six states and union territories, the participation ratios (as in 2001) are more than 40% except in Lakshadweep (25.3%), which is a small union territory.

Since in majority of the states, the participation ratio has increased, it is difficult to accept that reforms led to "jobless growth". The distribution of states and union territories by participation ratio can be seen in Table 5.4.

It is revealed by the figures furnished in Table 5.4 that the number of states/U.T's having participation ratio below 35% came down from 11 in 1991 to only 5 in 2001. During 1981-91, the number of states/U.T's falling in the range "below 35%" remained constant. The number of states and union territories having participation ratio equivalent to 35% or above has been continuously increasing since 1971, except during 1981-91 when they remained constant at 17.

Table 5.4 : Distribution of States by Participation Ratio (excluding Assam, Jammu & Kashmir and Mizoram)				
Participation Ratio Range	1971	1981	1991	2001
Below 30	7	1	1	1
30 - 35	10	10	10	4
35 - 40	5	5	4	9
40 - 45	2	6	10	10
45 - 50	1	5	2	3
50 & above	3	1	1	1
Total	28	28	28	28
<i>Source : Compiled from the data given in Table 5.3</i>				

Looking at the data furnished in Table 5.3, it is observed that in 1971, the number of states and union territories having participation ratio below the all-India average of 33.1 was 14 and the corresponding figures for 1981, 1991 and 2001 are 13, 13 and 12. It is observed that the number of states and union territories having participation ratio below the all-India average in the respective year is showing a declining trend. Since the all-India average of participation ratio is showing an increasing trend and the number of states/U.T's falling below the national average is

declining, it can be safely concluded that employment is having positive growth and that economic reforms have not had any adverse effect on employment growth.

Variations in State's Share in Growth in Total Employment at All-India Level

It has been already mentioned in the last chapter that the increase in overall employment during 1991-2001 was much more than the increase during 1981-91. The shares of different states and the union territories in the increase at all-India level and their trends will definitely throw light on the intensity of impact of economic reforms in different states. It is often believed that the southern states benefited more than the northern states because of economic reforms and that the impact was almost 'nil' in smaller states, especially the northeastern states. The analysis of the relevant data, however, tells a different story as far as growth in overall employment at state level is concerned.

The state wise increases in total workers (overall employment) during 1981-91 and 1991-2001 and their percentages to the respective all-India total are presented in Table 5.5. In the last column of the table, the percentage increase in the share of the state is given. The percentage share in the increase in the number of workers has increased in 14 states/U.T's i.e., West Bengal (7.3%), Rajasthan (12.9%), Meghalaya (14.3%), Tripura (18.7%), Delhi (23.6%), Chandigarh (34.8%), Dadra and Nagar Haveli (35.6%), Himachal Pradesh (50.2%), Bihar (including Jharkhand) (54.4%), Goa (including Daman & Diu) (63.2%), Nagaland (79.9%), Punjab (127.4%), Haryana (149.1%) and Sikkim (358.3%). In Punjab, Haryana, and Sikkim, the share has increased by more than 100% indicating thereby that these states have relatively, been benefited more by the economic reforms. Haryana accounts for the highest increase, which is due to setting up of many companies in Gurgaon. Haryana has taken advantage of its nearness to Delhi. Gurgaon is on the border of Delhi and many industries have come up here because of easy availability of land and that too at cheaper rates.

The analysis made in the foregoing paragraphs clearly prove that all the states have benefited due to economic reforms, as far as overall employment is concerned. The scenario relating to urban employment at state level is examined in the next chapter.

Table 5.5 : Decadal increase in Number of Workers – 1981-1991 and 1991-2001 (excluding Assam, Jammu & Kashmir and Mizoram)						
S.No.	State	Increase in Total Workers during 1981 - 91		Increase in Total Workers during 1991- 2001		%age Increase in the Share of State
		Absolute	% To All India Total	Absolute	% To All India Total	
1	A& N Islands	29,289	0.05	37,353	0.05	-1.4
2	Andhra Pradesh	5,457,967	8.53	4,930,211	5.96	-30.2
3	Arunachal Pradesh	67,227	0.11	83,120	0.10	-4.4
4	Bihar (incl. Jharkhand)	5,159,986	8.07	10,306,565	12.45	54.4
5	Chandigarh	66,599	0.10	116,128	0.14	34.8
6	D & Nagar Haveli	23,020	0.04	40,383	0.05	35.6
7	Delhi	978,269	1.53	1,564,773	1.89	23.6
8	Goa (incl. Daman & Diu)	68,512	0.11	144,686	0.17	63.2
9	Gujarat	3,918,047	6.12	4,635,002	5.60	-8.6
10	Haryana	1,015,778	1.59	3,273,996	3.96	149.1
11	Himachal Pradesh	400,380	0.63	778,082	0.94	50.2
12	Karnataka	3,942,974	6.16	4,647,993	5.62	-8.9
13	Kerala	1,374,898	2.15	1,137,769	1.37	-36.0
14	Lakshadweep	3,848	0.01	1,690	0.00	-66.1
15	M.P. (incl. Chhattisgarh)	5,942,833	9.29	7,132,905	8.62	-7.2
16	Maharashtra	7,192,136	11.24	7,262,985	8.77	-21.9
17	Manipur	161,096	0.25	170,309	0.21	-18.3
18	Meghalaya	143,881	0.22	212,824	0.26	14.3
19	Nagaland	142,483	0.22	331,559	0.40	79.9
20	Orissa	1,860,424	2.91	2,393,726	2.89	-0.6
21	Pondicherry	83,384	0.13	75,441	0.09	-30.1
22	Punjab	974,078	1.52	2,865,485	3.46	127.4
23	Rajasthan	4,561,751	7.13	6,662,283	8.05	12.9
24	Sikkim	15,907	0.02	94,322	0.11	358.3
25	Tamil Nadu	3,995,553	6.25	3,683,939	4.45	-28.7
26	Tripura	196,068	0.31	301,044	0.36	18.7
27	U.P.(incl. Uttaranchal)	10,747,918	16.80	12,318,580	14.88	-11.4
28	West Bengal	5,450,209	8.52	7,566,916	9.14	7.3
	India	63,974,515	100.00	82,770,069	100.00	0.0

Source : Compiled from the data given in table 5.0 B