

CHAPTER VI

Growth in Urban Employment State wise Scenario

In the last chapter, growth in overall employment at state level was analysed and it was observed that almost all the states experienced a positive impact of economic reforms on overall employment growth. But, what is the scenario at urban level and rural levels? Do all the states indicate the same scenario with regard to growth in urban employment? The answer to this question will be found in this chapter.

Urban Employment Growth – Index of Workers

The state wise data pertaining to urban population and urban workers for the years 1971-2001 may be seen in Tables 6.0 A and 6.0 B and the index of the urban workers for the same years can be seen in Table 6.1. The states of Assam, Mizoram and Jammu & Kashmir have not been included in the table due to non-availability of comparable data. 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. The state of Goa includes the data in respect of Daman and Diu also, as it was earlier part of the Union Territory known as Goa, Daman and Diu.

Looking at the statistics furnished in Table 6.1, it may be observed that only Lakshadweep registered a decline in index of urban workers during 1991-2001. With regard to increase in index of urban workers during 1991-2001 over increase in number of workers during 1981-91, it is seen that all the states and union territories, except five, had higher increase in index of urban workers. Of the five states, where the increase in urban workers during 1991-2001 was lesser than the increase during 1981-91, Lakshadweep, Pondicherry and Tripura are very small, while Kerala and

Table 6.0 A : State wise Distribution of Urban Population – 1971 - 2001 (excluding Assam, Jammu & Kashmir and Mizoram)					
S.No.	State	Urban Population			
		1971	1981	1991	2001
1	A& N Islands	26,218	49,634	74,955	116,198
2	Andhra Pradesh	8,402,527	12,487,576	17,887,126	20,808,940
3	Arunachal Pradesh	17,288	41,428	110,628	227,881
4	Bihar (incl. Jharkhand)	5,633,966	8,718,990	11,353,012	14,675,541
5	Chandigarh	232,940	422,841	575,829	808,515
6	Dadra & Nagar Haveli	0	6,914	11,725	50,463
7	Delhi	3,647,023	5,768,200	8,471,625	12,905,780
8	Goa (incl. Daman & Diu)	226,774	351,808	527,295	727,925
9	Gujarat	7,496,500	10,601,653	14,246,061	18,930,250
10	Haryana	1,772,959	2,827,387	4,054,744	6,115,304
11	Himachal Pradesh	241,890	325,971	449,196	595,581
12	Karnataka	7,122,093	10,729,606	13,907,788	17,961,529
13	Kerala	3,466,449	4,771,275	7,680,294	8,266,925
14	Lakshadweep	0	18,629	29,114	26,967
15	M.P. (incl. Chhattisgarh)	6,784,767	10,586,459	15,338,837	20,152,892
16	Maharashtra	15,711,211	21,993,594	30,541,586	41,100,980
17	Manipur	141,492	375,460	505,645	575,968
18	Meghalaya	147,170	241,333	330,047	454,111
19	Nagaland	51,394	120,234	208,223	342,787
20	Orissa	1,845,395	3,110,287	4,234,983	5,517,238
21	Pondicherry	198,288	316,047	516,985	648,619
22	Punjab	3,216,179	4,647,757	5,993,225	8,262,511
23	Rajasthan	4,543,761	7,210,508	10,067,113	13,214,375
24	Sikkim	19,668	51,084	37,006	59,870
25	Tamil Nadu	12,464,834	15,951,875	19,077,592	27,483,998
26	Tripura	162,360	225,568	421,721	545,750
27	U.P. (including Uttaranchal)	12,388,596	19,899,115	27,605,915	36,718,656
28	West Bengal	10,967,033	14,446,721	18,707,601	22,427,251
	India	106,928,775	156,297,954	212,965,871	279,722,805
Source :					
1. <i>Census of India 1971, Series I, India, Part- II – A (i), General Population</i>					
2. <i>Census of India 1981, Series I, India, Part- II – B (i), Primary Census Abstract - General Population</i>					
3. <i>Census of India 1991, Volume I, Series I, India, Part- II – A (ii), Union Primary Census Abstract</i>					
4. <i>Census of India 1991, Series I, India, Part- II – B (i), Volume I, Primary Census Abstract - General Population</i>					
5. <i>Census of India 1991, Series I, India, Part- II – B (i), Volume II, Primary Census Abstract - General Population</i>					
6. <i>Census of India 2001, Primary Census Abstract (on CD)</i>					

**Table 6.0 B : State wise Distribution of Urban Workers – 1971 - 2001
(excluding Assam, Jammu & Kashmir and Mizoram)**

S.No.	State	Urban Workers			
		1971	1981	1991	2001
1	A& N Islands	11,745	18,107	26,068	42,202
2	Andhra Pradesh	2,582,000	3,896,503	5,512,906	6,720,971
3	Arunachal Pradesh	8,916	17,181	40,262	80,892
4	Bihar (incl. Jharkhand)	1,594,688	2,298,415	2,846,180	3,761,476
5	Chandigarh	77,108	147,292	196,799	300,219
6	Dadra & Nagar Haveli	0	2,900	4,922	22,580
7	Delhi	1,116,937	1,865,844	2,704,072	4,244,170
8	Goa (incl. Daman & Diu)	73,466	117,734	177,039	268,714
9	Gujarat	2,066,499	3,120,925	4,305,002	6,262,209
10	Haryana	466,463	826,497	1,148,332	1,925,879
11	Himachal Pradesh	82,736	114,900	157,141	220,110
12	Karnataka	2,108,225	3,306,049	4,455,214	6,406,988
13	Kerala	935,455	1,308,349	2,274,011	2,612,777
14	Lakshadweep	0	4,357	7,952	7,347
15	M.P. (incl. Chhattisgarh)	1,906,020	3,135,776	4,533,125	6,195,490
16	Maharashtra	4,996,505	7,071,693	9,877,187	13,911,920
17	Manipur	37,575	133,348	172,834	222,126
18	Meghalaya	47,596	78,743	106,591	147,615
19	Nagaland	25,894	42,040	68,131	106,357
20	Orissa	561,820	975,363	1,256,628	1,689,519
21	Pondicherry	50,807	85,503	155,708	214,889
22	Punjab	903,895	1,385,970	1,801,606	2,767,123
23	Rajasthan	1,174,255	1,973,329	2,836,151	3,910,232
24	Sikkim	7,778	21,356	14,507	24,041
25	Tamil Nadu	3,768,685	5,112,576	6,360,260	10,318,514
26	Tripura	39,371	62,251	121,840	177,114
27	U.P. (incl. Uttaranchal)	3,428,337	5,431,183	7,490,998	9,943,066
28	West Bengal	3,303,288	4,305,128	5,534,735	7,592,048
	India	31,376,064	46,859,312	64,186,201	90,096,588

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 Population
5. Census of India 1991, Series I, India, Part- II – B (i), Volume II, Primary Census Abstract - General Population
6. Census of India 2001, Primary Census Abstract (on CD)

Table 6.1 : State wise Index of Urban Workers – 1971- 2001 (excluding Assam, Jammu & Kashmir and Mizoram)							
S.No.	State	Index of Urban Workers				Increase in Index of Urban Workers during 1991 - 2001	Increase in Index of Urban Workers during 1991 - 2001 over Increase during 1981 - 1991
		1971	1981	1991	2001		
1	A& N Islands	100	154	222	359	137	70
2	Andhra Pradesh	100	151	214	260	47	-16
3	Arunachal Pradesh	100	193	452	907	456	197
4	Bihar (incl. Jharkhand)	100	144	178	236	57	23
5	Chandigarh	100	191	255	389	134	70
6	Dadra & Nagar Haveli	0	100	170	779	609	539
7	Delhi	100	167	242	380	138	63
8	Goa (incl. Daman & Diu)	100	160	241	366	125	44
9	Gujarat	100	151	208	303	95	37
10	Haryana	100	177	246	413	167	98
11	Himachal Pradesh	100	139	190	266	76	25
12	Karnataka	100	157	211	304	93	38
13	Kerala	100	140	243	279	36	-67
14	Lakshadweep	0	100	183	169	-14	-96
15	M.P. (incl. Chhattisgarh)	100	165	238	325	87	14
16	Maharashtra	100	142	198	278	81	25
17	Manipur	100	355	460	591	131	26
18	Meghalaya	100	165	224	310	86	28
19	Nagaland	100	162	263	411	148	47
20	Orissa	100	174	224	301	77	27
21	Pondicherry	100	168	306	423	116	-22
22	Punjab	100	153	199	306	107	61
23	Rajasthan	100	168	242	333	91	18
24	Sikkim	100	275	187	309	123	211
25	Tamil Nadu	100	136	169	274	105	72
26	Tripura	100	158	309	450	140	-11
27	U.P. (incl. Uttaranchal)	100	158	219	290	72	11
28	West Bengal	100	130	168	230	62	25
India		100	149	205	287	83	27

Source : Compiled from the data given in Table 6.0 B

Andhra Pradesh are bigger states, and in all these states/union territories the rate of growth of urban population during 1991-2001 was much lesser during 1981-91, resulting in perhaps relatively lesser number of job seekers. The rate of growth of urban population during 1981-91 and 1991-2001 in these five states/U.T.'s can be seen below.

Sl. No.	State/U.T.	Urban Population Growth (%)	
		1981-1991	1991-2001
1.	Andhra Pradesh	43.2	16.3
2.	Kerala	61.0	7.6
3.	Lakshadweep	56.3	-7.4
4.	Pondicherry	63.6	25.5
5.	Tripura	87.0	29.4

It may be observed from the table given above that there has been drastic decline in growth rate of urban population in Kerala (about 53.4 percentage points), Tripura (about 57.6 percentage points) and Lakshadweep (about 63.7 percentage points). The sharp decline can also be seen in Pondicherry and Andhra Pradesh.

It can be easily inferred from the above analysis that the economic reforms had made a positive impact on urban employment growth in all the states and union territories. There is no doubt that some would have gained more and some less. It is clear that even smaller states and union territories such as Arunachal Pradesh, Sikkim, Haryana, Dadra & Nagar Haveli and Andaman and Nicobar Islands relatively gained more than some bigger states.

The distribution of states by “increase in index of urban workers during 1991-2001 over increase in index during 1981-1991” is given in Table 6.2. As seen from this table, even Arunachal Pradesh and Dadra & Nagar Haveli relatively gained more than the bigger states. The increase in index of urban workers during 1991-2001 over increase in index of urban workers during 1981-1991 was more than 100 points in Arunachal Pradesh, Sikkim & Dadra & Nagar Haveli and was between 90-100 points in Haryana (98 points). In five states viz., Lakshadweep, Kerala, Pondicherry, Andhra Pradesh and Tripura, the index either remained the same or declined. In Uttar Pradesh, Madhya Pradesh and Rajasthan the increase in index was between 10 and 20. In seven states viz., Bihar, Maharashtra, Himachal Pradesh, West Bengal, Manipur, Orissa and Meghalaya, the increase in index varied from 20 to 30.

Looking at the figures furnished in Table 6.1, it is seen that the number of urban workers more than doubled during 1971-2001 in all the states and union territories.

Table 6.2 : Distribution of States by increase in Index of Urban Workers during 1991- 2001 over increase in index of Urban Workers during 1981 – 1991 (excluding Assam, Jammu & Kashmir and Mizoram)		
Range of increase in Index	No.of States	Names of States
≤ Zero	5	Lakshadweep, Kerala, Podicherry, A.P. and Tripura
>Zero - 10	0	
10 - 20	3	U.P., M.P. and Rajasthan
20 - 30	7	Bihar, Maharashtra, Himachal Pradesh, West Bengal, Manipur, Orissa and Meghalaya
30 - 40	2	Gujarat and Karnataka
40 - 50	2	Goa and Nagaland
50 - 60	0	
60 - 70	2	Punjab and Delhi
70 - 80	3	Andaman & Nicobar Island, Chandigarh and Tamil Nadu
80 - 90	0	
90 - 100	1	Haryana
100 & above	3	Arunachal Pradesh, Sikkim and Dadra & Nagar Haveli
Total	28	
Source : Compiled from the data given in Table 6.1		

Urban Population Ratio

The trend in urban participation ratio is also a good indicator to assess the impact of economic reforms. The urban participation ratios have been analysed in the following paragraphs to know the real scenario. The urban participation ratio of various states and union territories for the year 1971, 1981, 1991 and 2001 are given in Table 6.3. Among the 28 states and union territories, all except four, viz.,

Table 6.3 : Statewise Urban Participation Ratio – 1971 – 2001 (excluding Assam, Jammu & Kashmir and Mizoram)						
S.No.	State	Urban Participation Ratio (%)				Increase in Urban Participation Ratio during 1991- 2001
		1971	1981	1991	2001	
1	A& N Islands	44.8	36.5	34.8	36.3	1.5
2	Andhra Pradesh	30.7	31.2	30.8	32.3	1.5
3	Arunachal Pradesh	51.6	41.5	36.4	35.5	-0.9
4	Bihar (Incl. Jharkhand)	28.3	26.4	25.1	25.6	0.6
5	Chandigarh	33.1	34.8	34.2	37.1	3.0
6	Dadra & Nagar Haveli	0.0	41.9	42.0	44.7	2.8
7	Delhi	30.6	32.3	31.9	32.9	1.0
8	Goa (Incl.Daman & Diu)	32.4	33.5	33.6	36.9	3.3
9	Gujarat	27.6	29.4	30.2	33.1	2.9
10	Haryana	26.3	29.2	28.3	31.5	3.2
11	Himachal Pradesh	34.2	35.2	35.0	37.0	2.0
12	Karnataka	29.6	30.8	32.0	35.7	3.6
13	Kerala	27.0	27.4	29.6	31.6	2.0
14	Lakshadweep	0.0	23.4	27.3	27.2	-0.1
15	M.P. (Incl. Chhattisgarh)	28.1	29.6	29.6	30.7	1.2
16	Maharashtra	31.8	32.2	32.3	33.8	1.5
17	Manipur	26.6	35.5	34.2	38.6	4.4
18	Meghalaya	32.3	32.6	32.3	32.5	0.2
19	Nagaland	50.4	35.0	32.7	31.0	-1.7
20	Orissa	30.4	31.4	29.7	30.6	0.9
21	Pondicherry	25.6	27.1	30.1	33.1	3.0
22	Punjab	28.1	29.8	30.1	33.5	3.4
23	Rajasthan	25.8	27.4	28.2	29.6	1.4
24	Sikkim	39.5	41.8	39.2	40.2	1.0
25	Tamil Nadu	30.2	32.1	33.3	37.5	4.2
26	Tripura	24.2	27.6	28.9	32.5	3.6
27	U.P. (Incl. Uttaranchal)	27.7	27.3	27.1	27.1	-0.1
28	West Bengal	30.1	29.8	29.6	33.9	4.3
	India	29.3	30.0	30.1	32.2	2.1
.Source : Compiled from the data given in Tables 6.0 A & 6.0 B						

Arunachal Pradesh, Lakshadweep, Nagaland and Uttar Pradesh (including Uttaranchal), registered increases in their urban participation ratios during 1991-2001. The increase in urban participation ratio has been at least two percentage points in 14 states / union territories. The increase in case of Manipur, Tamilnadu and West Bengal has been more than 4 percentage points and with regard to seven states / union territories, viz., Chandigarh, Goa, Haryana, Karnataka, Pondicherry, Punjab and Tripura, the increase has been between three and four percentage points. The states and union territories in which the increase has been in the range of 2-3 percentage points are Dadra & Nagar Haveli, Gujarat, Himachal Pradesh and Kerala. It may be seen from the table that while in Andaman & Nicobar Islands, Andhra Pradesh, Delhi, Madhya Pradesh, Maharashtra, Rajasthan and Sikkim, the urban participation ratio had risen between 1 and 2 percentage points during 1991-2001, the increase was less than one percentage point in Bihar, Meghalaya and Orissa during the same period.

The distribution of states and union territories by urban participation ratio can be seen in Table 6.4. The figures given in the table reveal that the number of states/union territories having urban participation ratio equivalent to or above 35 percent, increased from a mere 4 in 1971 to 10 in 2001. In fact, a dramatic increase in the number of states and union territories which are having a participation ratio of at least 35 per cent occurred during 1991-2001 – the figure increased from 4 in 1991 to 10 in 2001, i.e. in the post reforms era. It is interesting to note that during 1981-91, i.e. before economic reforms were initiated, the number of states falling in the range of “35 per cent and above” fell from 7 to 4.

Table 6.4 : Distribution of States by Participation Ratio - 1971- 2001 (excluding Assam, Jammu & Kashmir And Mizoram)				
Participation Ratio Range	1971	1981	1991	2001
Below - 30	14	12	10	4
30 - 35	10	9	14	14
35 - 40	1	4	3	8
40 - 45	1	3	1	2
45 - 50	0	0	0	0
50 & Above	2	0	0	0
Total	28	28	28	28

The figures given in Table 6.3 reveal that in 1971, the number of states and union territories having urban participation ratio below all-India average of 29.3% was 13. The corresponding figures for 1981, 1991 & 2001 are 12, 10 and 9. It is observed that the all-India participation ratio is showing an increasing trend and the number of states and union territories falling below the national average is declining. Further, the number of states and union territories having urban participation ratio equivalent or above 35% went up drastically during 1991-2001. These trends clearly indicate that economic reforms have not led to “jobless growth”, but rather have in fact pushed up growth in urban employment. The positive impact of economic reforms on overall employment has already been established by the analyses made in the last chapter.

State’s Share in Growth in Urban Employment at All-India Level

The state wise increase in urban workers during 1981-91 and 1991-2001 and their percentages to the respective all-India totals are given in Table 6.5. 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 number of urban workers has increased in 15 states/U.T.’s namely Orissa (2.9%), Goa including Daman & Diu (3.4%), Gujarat (10.5%), Bihar (including Jharkhand) (11.7%), West Bengal (11.9%), Karnataka (13.6), Arunachal Pradesh (17.7%), Delhi (22.9%), Andaman & Nicobar Islands (35.5%), Chandigarh (39.7%), Punjab (55.3%), Haryana (61.6%), Tamil Nadu (112.2%), Sikkim (200%) and Dadra & Nagar Haveli (484%). In Tamil Nadu, Sikkim and Dadra & Nagar Haveli, the share of urban workers has increased by more than 100%, revealing thereby that these states have relatively been benefited more by the economic reforms. The highest increase is accounted for by Dadra & Nagar Haveli.

Table 6.5 : Decadal increase in Number of Urban Workers – 1981 - 1991 & 1991- 2001 (excluding Assam, Jammu & Kashmir and Mizoram)						
S.No.	State	Increase in Urban Workers during 1981 - 1991		Increase in Urban Workers during 1991 - 2001		%age increase in the Share of State
		Absolute	%age to All India Total	Absolute	%age to All India Total	
1	A& N Islands	7,961	0.05	16,134	0.06	35.5
2	Andhra Pradesh	1,616,403	9.33	1,208,065	4.66	-50.0
3	Arunachal Pradesh	23,081	0.13	40,630	0.16	17.7
4	Bihar (Incl. Jharkhand)	547,765	3.16	915,296	3.53	11.7
5	Chandigarh	49,507	0.29	103,420	0.40	39.7
6	Dadra & Nagar Haveli	2,022	0.01	17,658	0.07	484.0
7	Delhi	838,228	4.84	1,540,098	5.94	22.9
8	Goa (Incl. Daman & Diu)	59,305	0.34	91,675	0.35	3.4
9	Gujarat	1,184,077	6.83	1,957,207	7.55	10.5
10	Haryana	321,835	1.86	777,547	3.00	61.6
11	Himachal Pradesh	42,241	0.24	62,969	0.24	-0.3
12	Karnataka	1,149,165	6.63	1,951,774	7.53	13.6
13	Kerala	965,662	5.57	338,766	1.31	-76.5
14	Lakshadweep	3,595	0.02	-605.00	0.00	-111.3
15	M.P. (Incl. Chhattisgarh)	1,397,349	8.06	1,662,365	6.42	-20.4
16	Maharashtra	2,805,494	16.19	4,034,733	15.57	-3.8
17	Manipur	39,486	0.23	49,292	0.19	-16.5
18	Meghalaya	27,848	0.16	41,024	0.16	-1.5
19	Nagaland	26,091	0.15	38,226	0.15	-2.0
20	Orissa	281,265	1.62	432,891	1.67	2.9
21	Pondicherry	70,205	0.41	59,181	0.23	-43.6
22	Punjab	415,636	2.40	965,517	3.73	55.3
23	Rajasthan	862,822	4.98	1,074,081	4.15	-16.8
24	Sikkim	-6,849	-0.04	9,534	0.04	200.0
25	Tamil Nadu	1,247,684	7.20	3,958,254	15.28	112.2
26	Tripura	59,589	0.34	55,274	0.21	-38.0
27	U.P. (Incl. Uttaranchal)	2,059,815	11.89	2,452,068	9.46	-20.4
28	West Bengal	1,229,607	7.10	2,057,313	7.94	11.9
	India	17,326,889	100.00	25,910,387	100.00	0.0

Source : Compiled from the data given in Table 6.0 B