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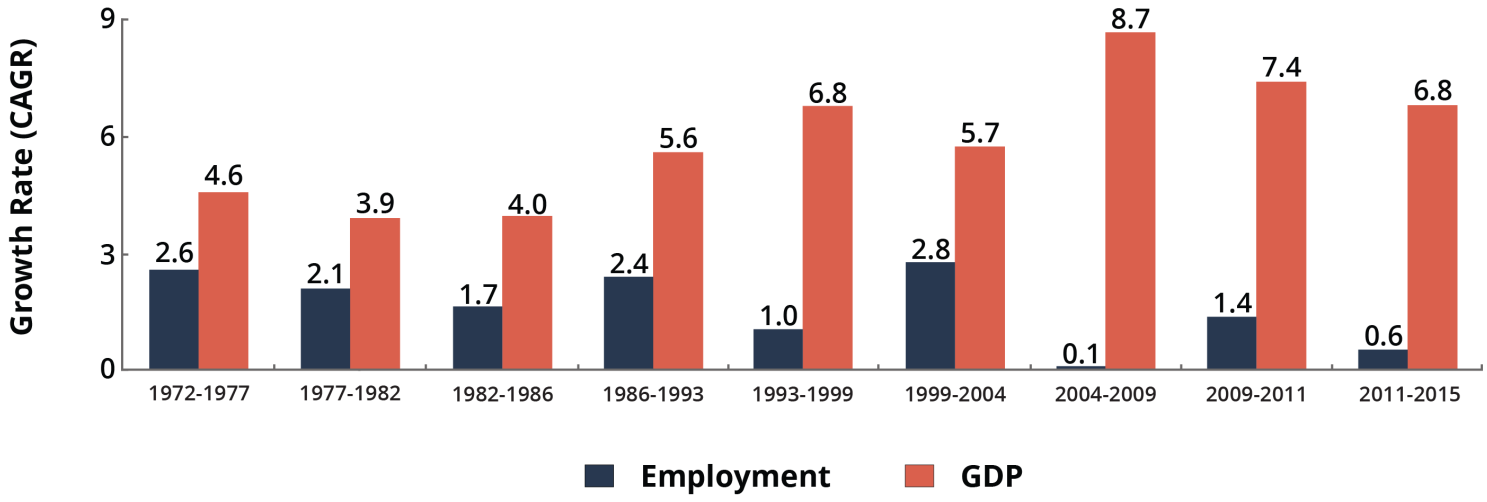
STATE OF WORKING INDIA 2018

REPORT FIGURES

Centre for Sustainable Employment

Fig 2.1: Growth creates fewer jobs than it used to

a) Employment growth vs GDP growth



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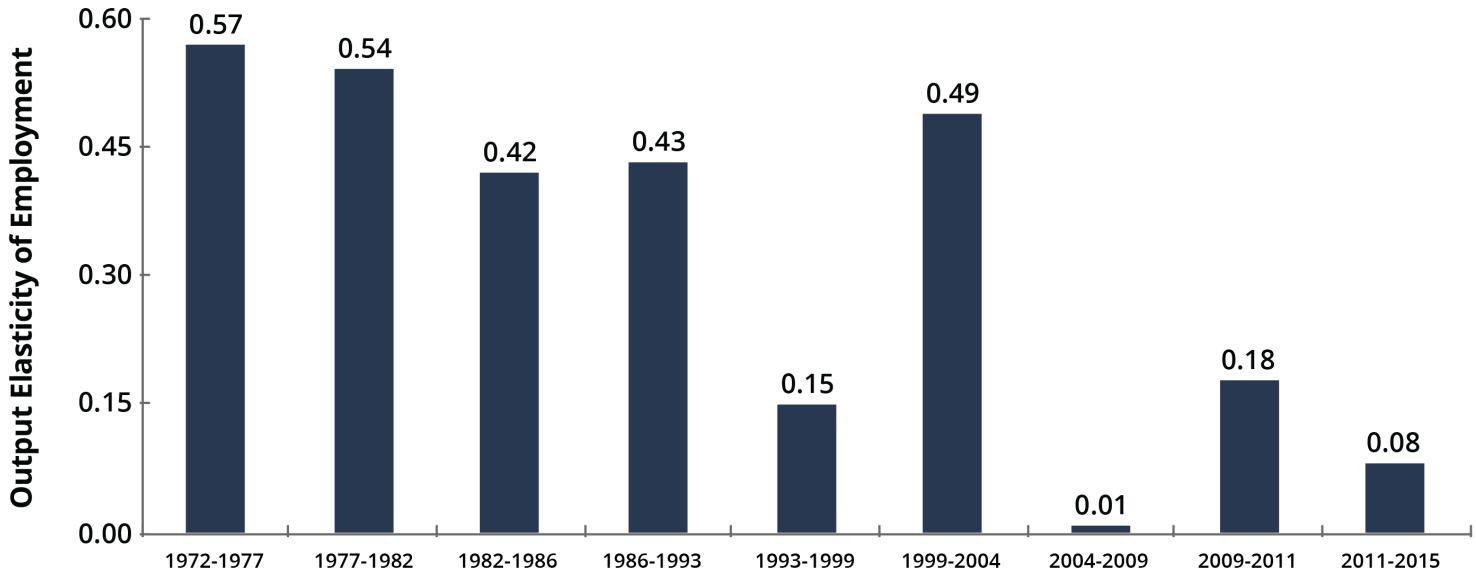
Sources and notes: 1972-2011 from Misra and Suresh (2014); 2011-15 our calculations.

Fig 2.1: Growth creates fewer jobs than it used to

b) Growth elasticity of employment



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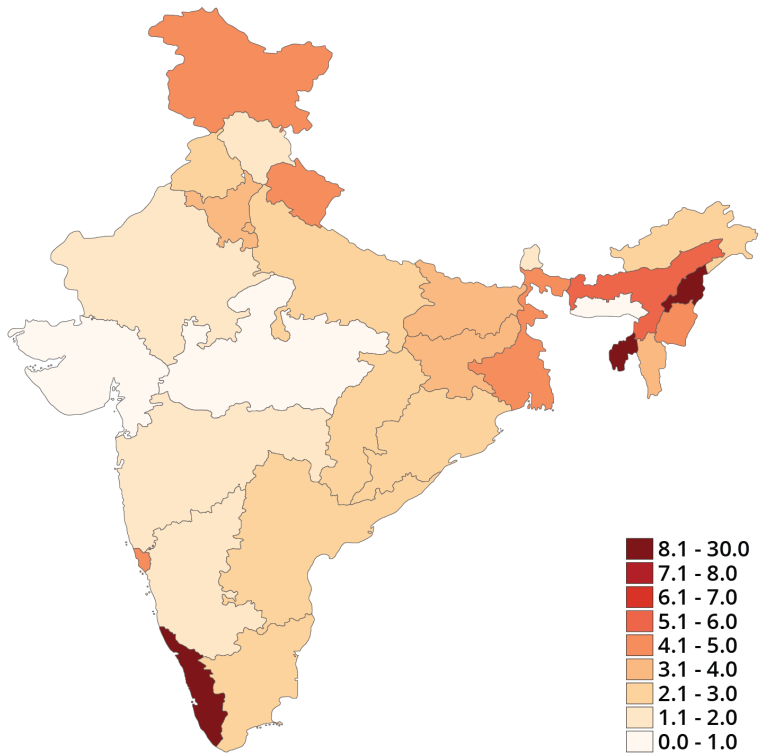
Sources and notes: 1972-2011 from Misra and Suresh (2014); 2011-15 our calculations.

Fig 2.2: Unemployment has risen in almost all states across India

a) 2011



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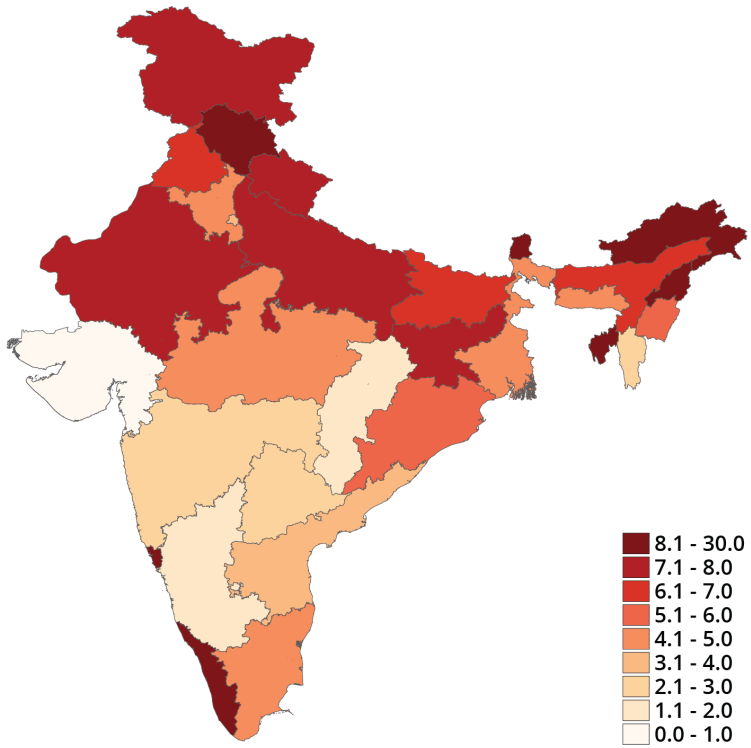
Source and notes: NSS-EUS 2011 and LB-EUS 2015. Employment is defined as per usual principal status. Scale indicates per cent values. Note that the following outlying states have been placed in the top bracket: 2011- Kerala (9), Tripura (14.5), and Nagaland (25.6). 2015 – Nagaland (8.5), Arunachal Pradesh (8.9), Goa (9.6), Himachal Pradesh (10.6), Kerala (12.5), Sikkim (18.1) and Tripura (19.7). See Appendix Table A2.1 online for data.

Fig 2.2: Unemployment has risen in almost all states across India

b) 2015



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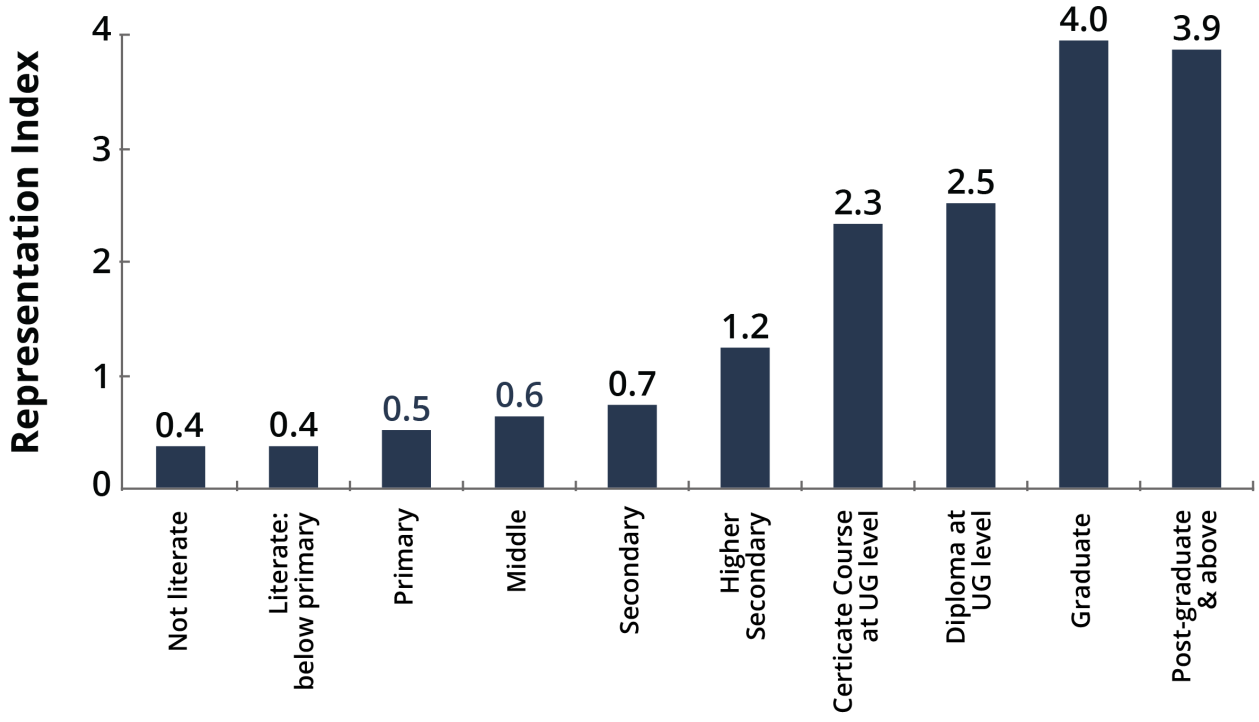
Source and notes: NSS-EUS 2011 and LB-EUS 2015. Employment is defined as per usual principal status. Scale indicates per cent values. Note that the following outlying states have been placed in the top bracket: 2011- Kerala (9), Tripura (14.5), and Nagaland (25.6). 2015 – Nagaland (8.5), Arunachal Pradesh (8.9), Goa (9.6), Himachal Pradesh (10.6), Kerala (12.5), Sikkim (18.1) and Tripura (19.7). See Appendix Table A2.1 online for data.

Fig 2.3: The crisis of the educated unemployed

a) Over-representation of the educated among the unemployed



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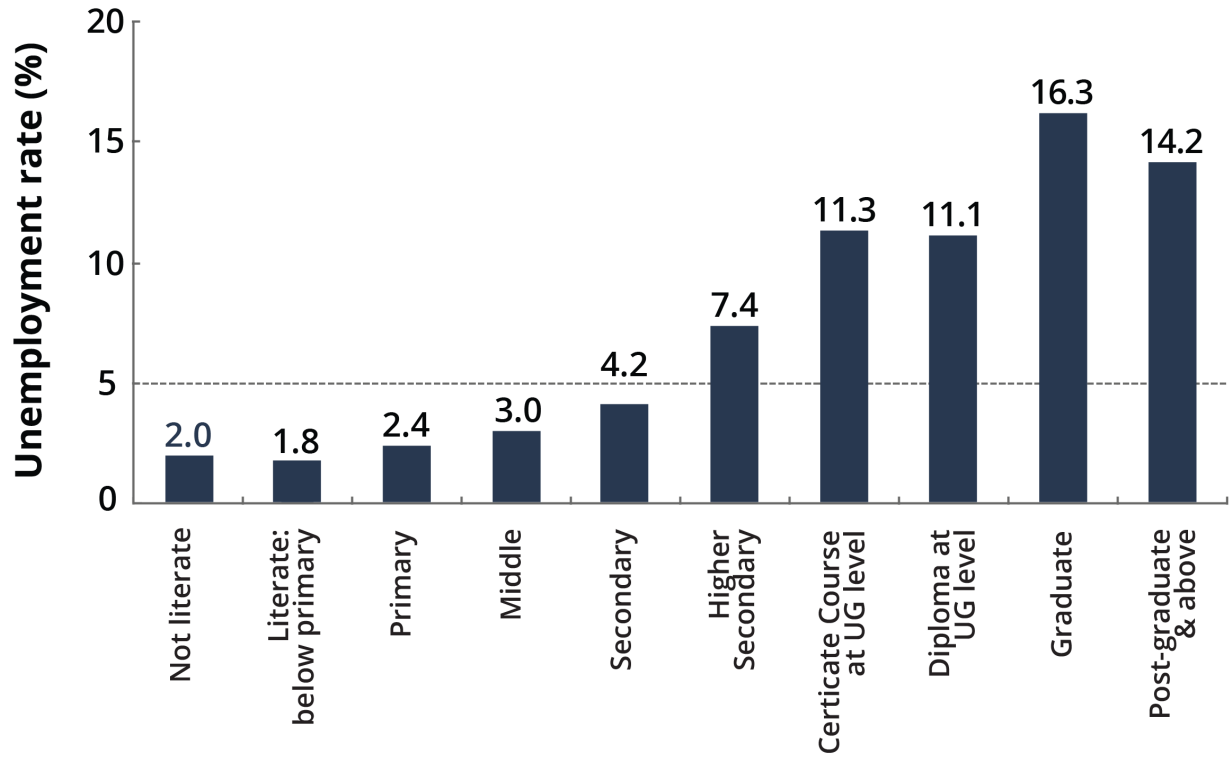
Sources and notes: LB-EUS 2015. Representation Index = Share of group in unemployed/Share of group in working age population

Fig 2.3: The crisis of the educated unemployed

b) Unemployment rate among the educated is three times the national average



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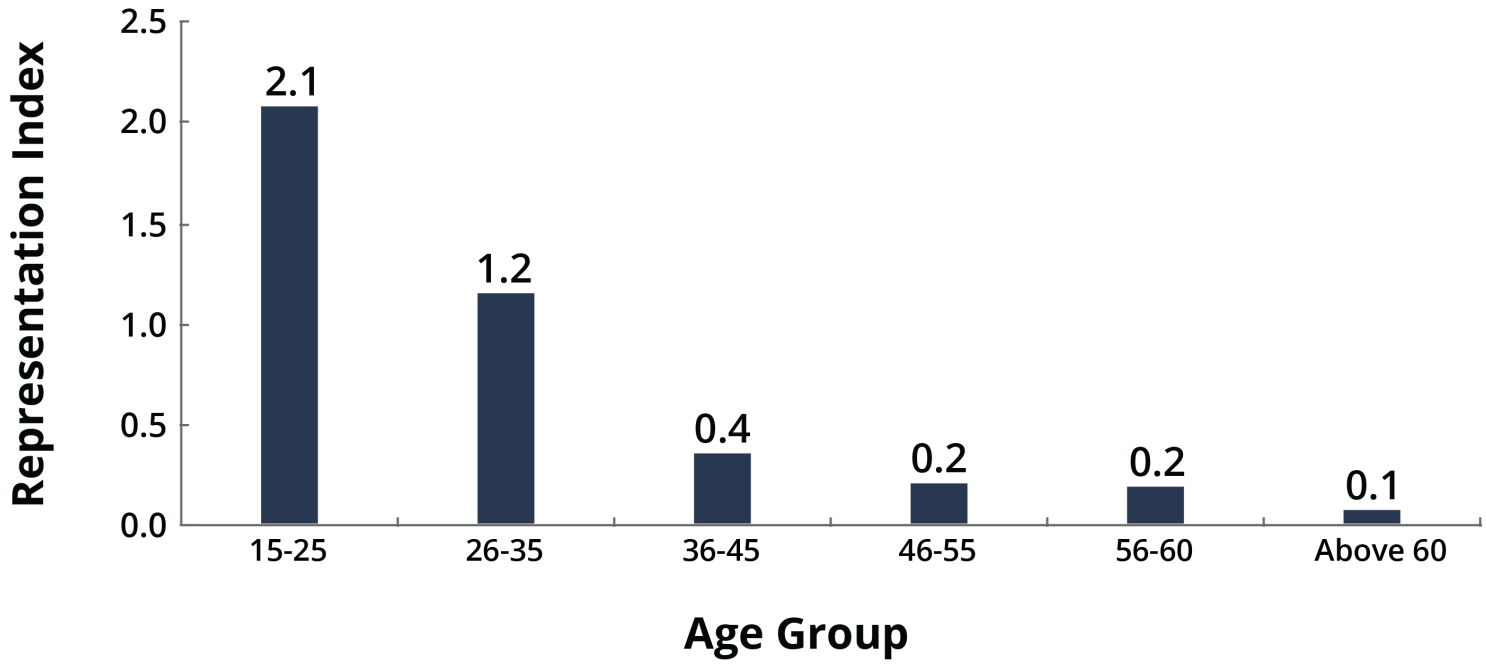
Sources and notes: LB-EUS 2015. Reference line indicates average.

Fig 2.4: Youth unemployment

a) The youth are over-represented among the unemployed



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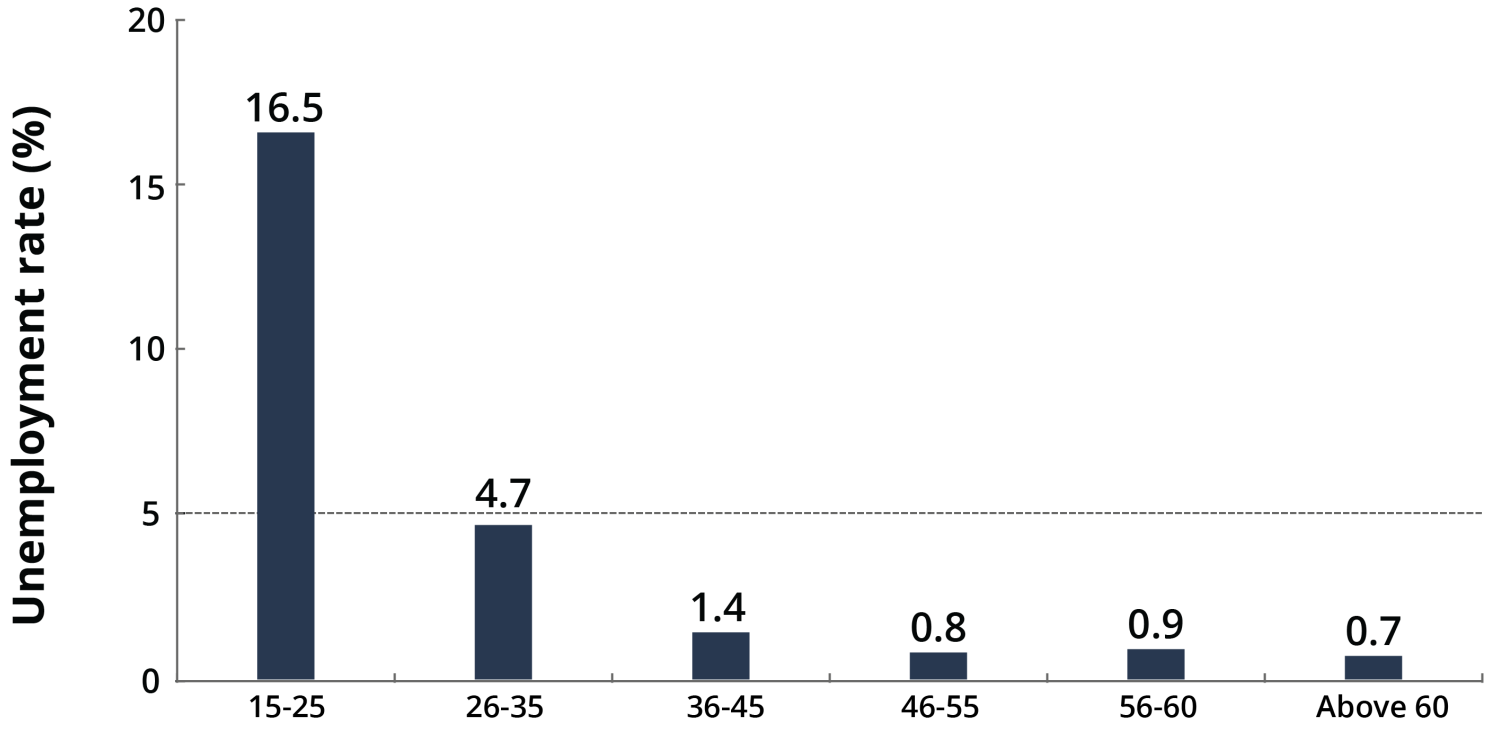
Sources and notes: LB-EUS 2015. Representation Index = Share of group in unemployed/Share of group in working age population

Fig 2.4: Youth unemployment

b) The youth unemployment rate is three times the national average



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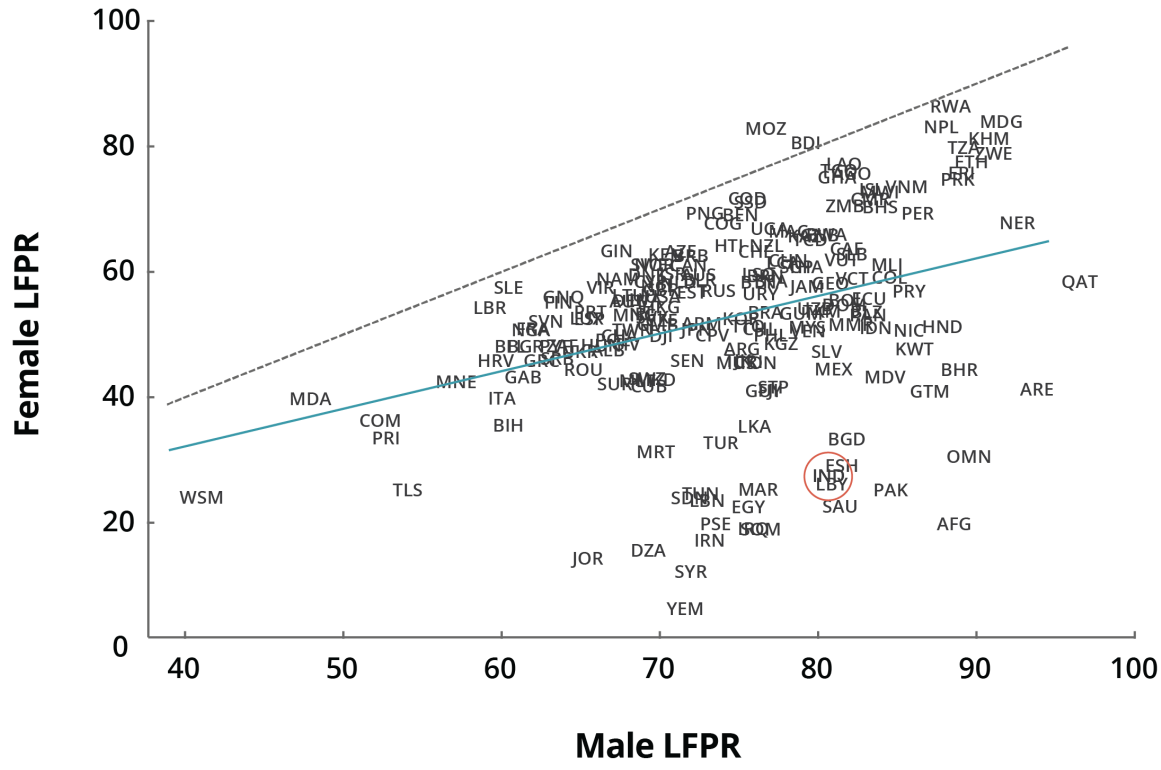
Sources and notes: LB-EUS 2015. Reference line indicates average.

Fig 2.5: Female labour force participation rate in India in India is much lower than..

a) The global average



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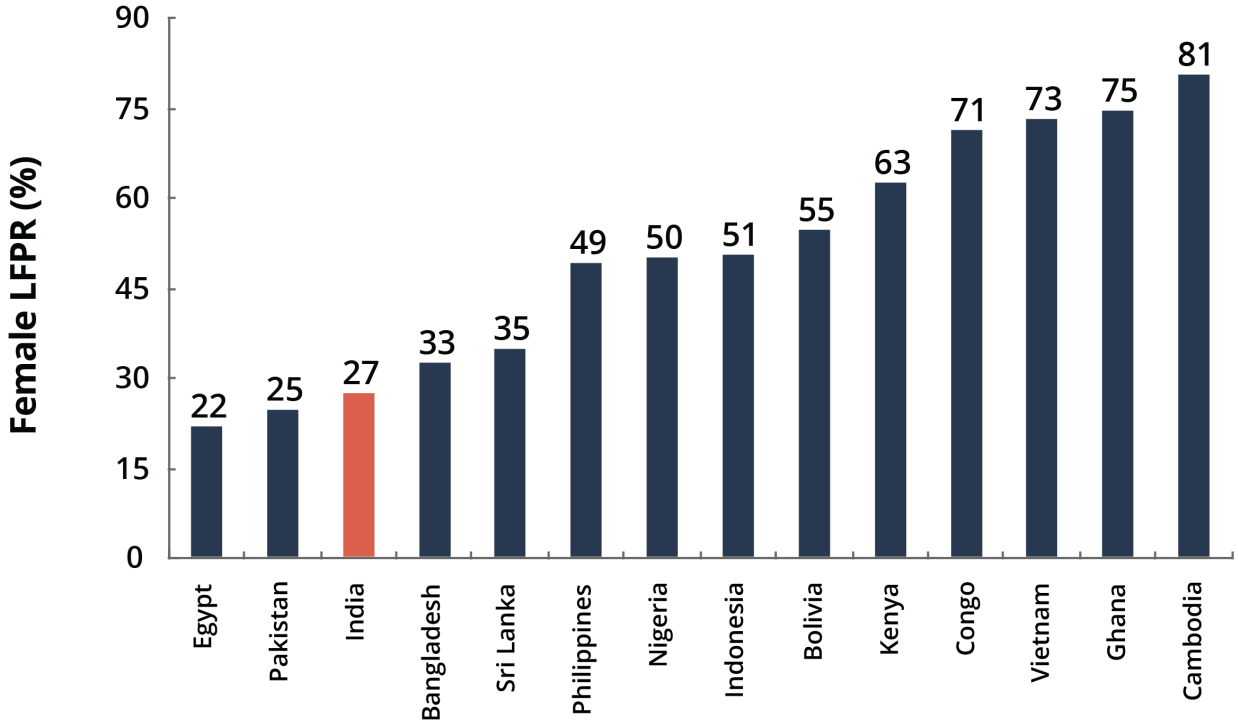
Sources and notes: ILOSTAT (2017), Female (Male) LFPR = number of women (men) in the labour force/number of working age women (men). India is indicated in red. Dashed line is the line of equality. Solid line is the line of best fit.

Fig 2.5: Female labour force participation rate in India in India is much lower than..

b) Comparable developing countries



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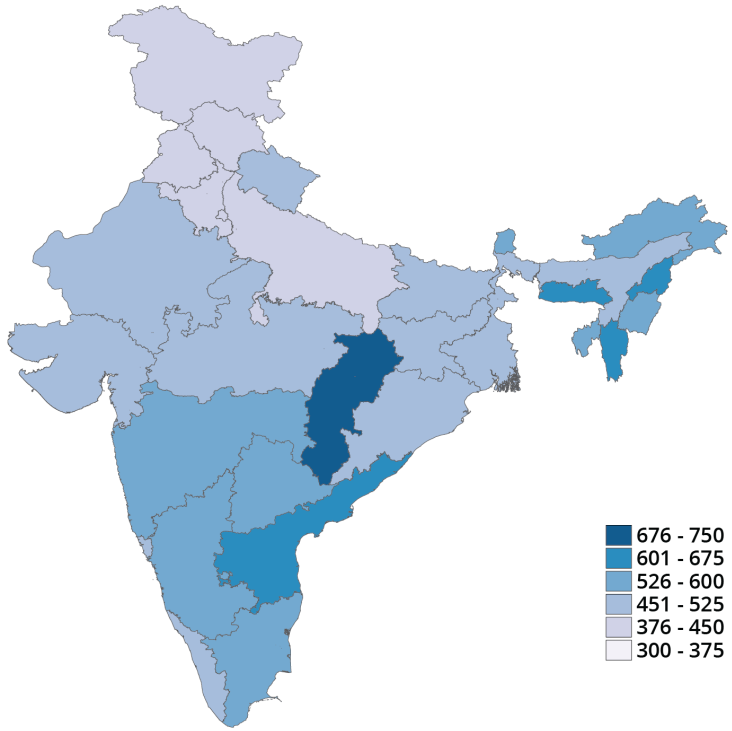
Sources and notes: ILOSTAT (2017), Female (Male) LFPR = number of women (men) in the labour force/number of working age women (men). India is indicated in red.

Fig 2.6: LFPR, particularly for women, is higher in the south and the north-east

a) Overall



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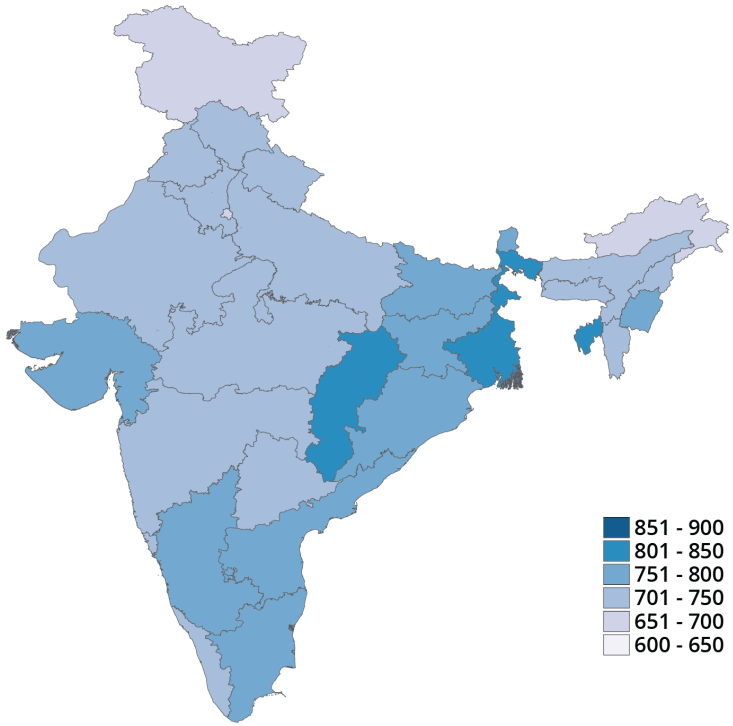
Sources and notes: LB-EUS 2015. LFPR values are out of 1000. Note that scales differ. See Appendix Table A2.3 online for data.

Fig 2.6: LFPR, particularly for women, is higher in the south and the north-east

b) Male



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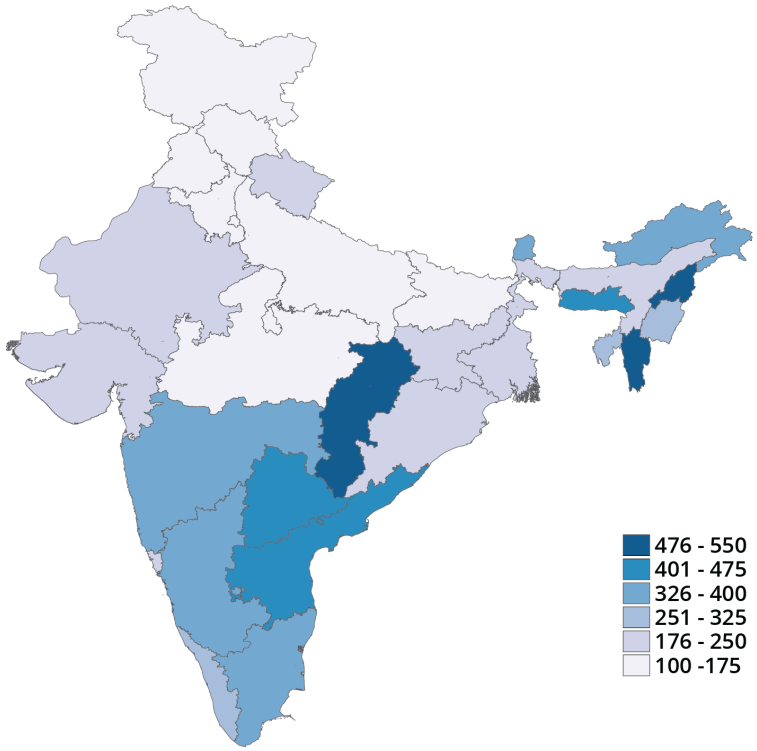
Sources and notes: LB-EUS 2015. LFPR values are out of 1000. Note that scales differ. See Appendix Table A2.3 online for data.

Fig 2.6: LFPR, particularly for women, is higher in the south and the north-east

c) Female



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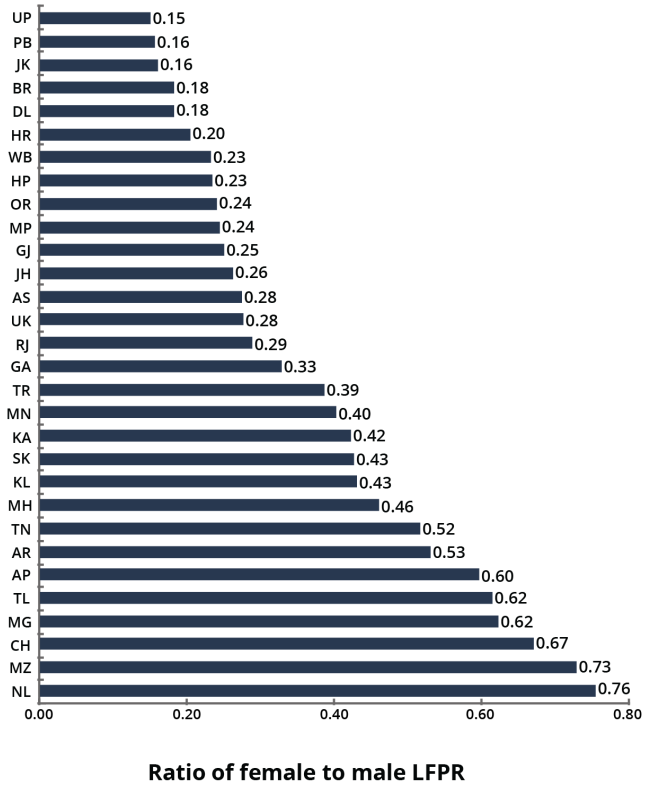
Sources and notes: LB-EUS 2015. LFPR values are out of 1000. Note that scales differ. See Appendix Table A2.3 online for data.

Fig 2.7: Gender disparity in labour force participation varies significantly across states



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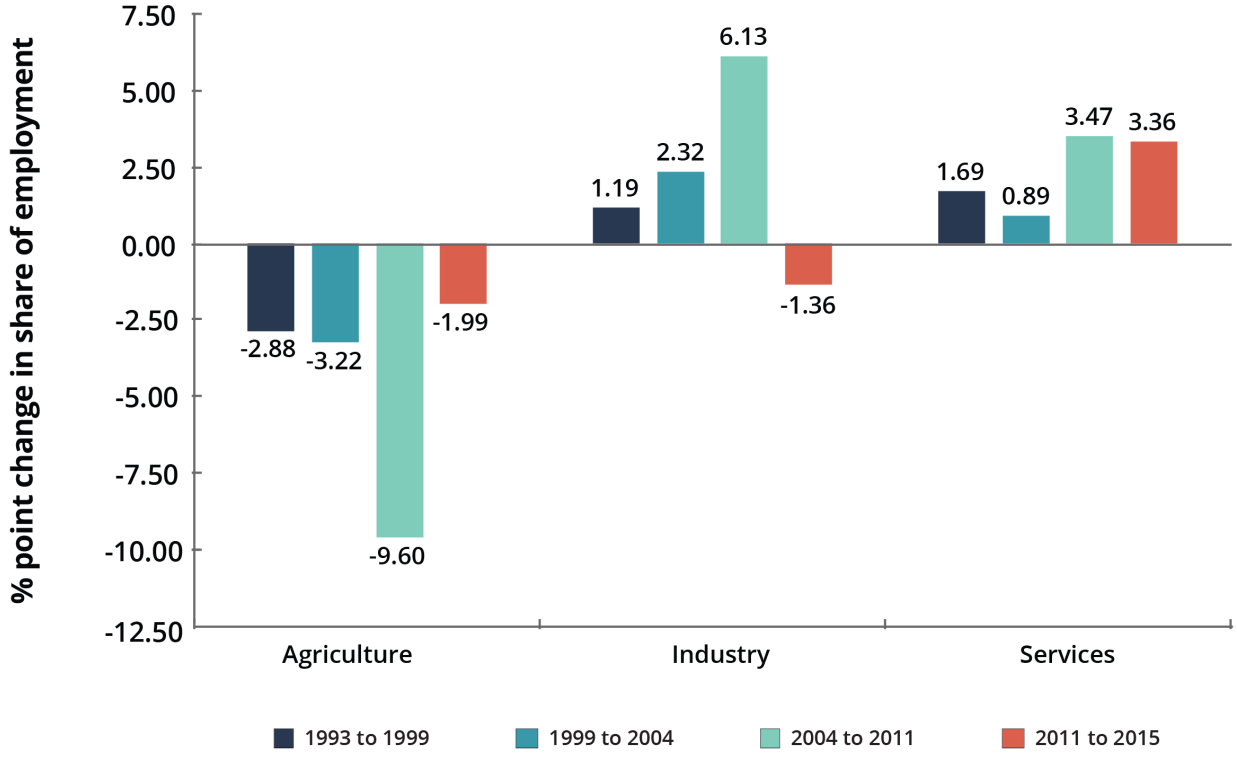
Sources and notes: LB-EUS 2015. Refer Table of Abbreviations for state codes in the report. Ratio of female to male LFPR is shown for major states.

Fig 3.1: Structural transformation over two decades

a) Employment



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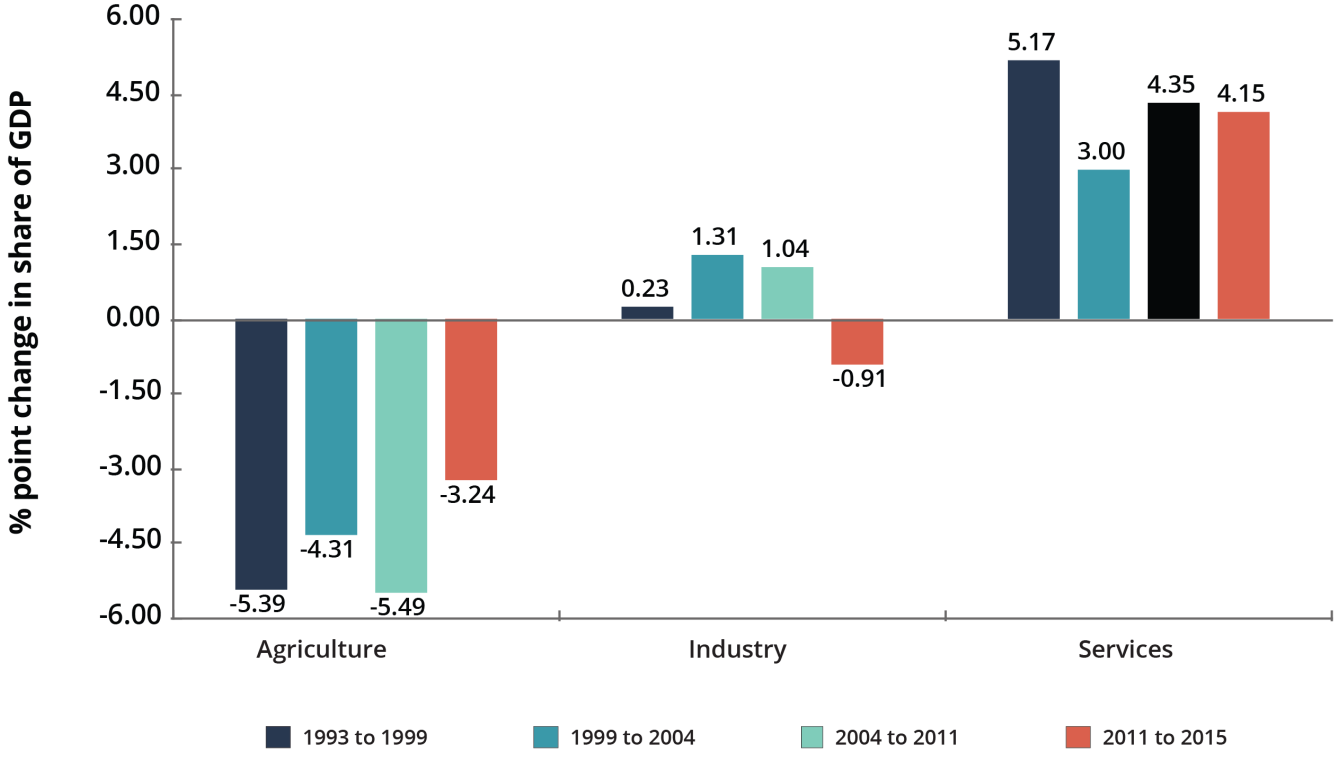
Sources and notes: Employment- NSS various rounds and LB-EUS 2015. GDP- Table 1.3A (for 1993-1999, 1999-2004, 2004-2011) and Table 1.3B (for 2011-2015) of Economic Survey 2016-17 Statistical Appendix.

Fig 3.1: Structural transformation over two decades

b) GDP



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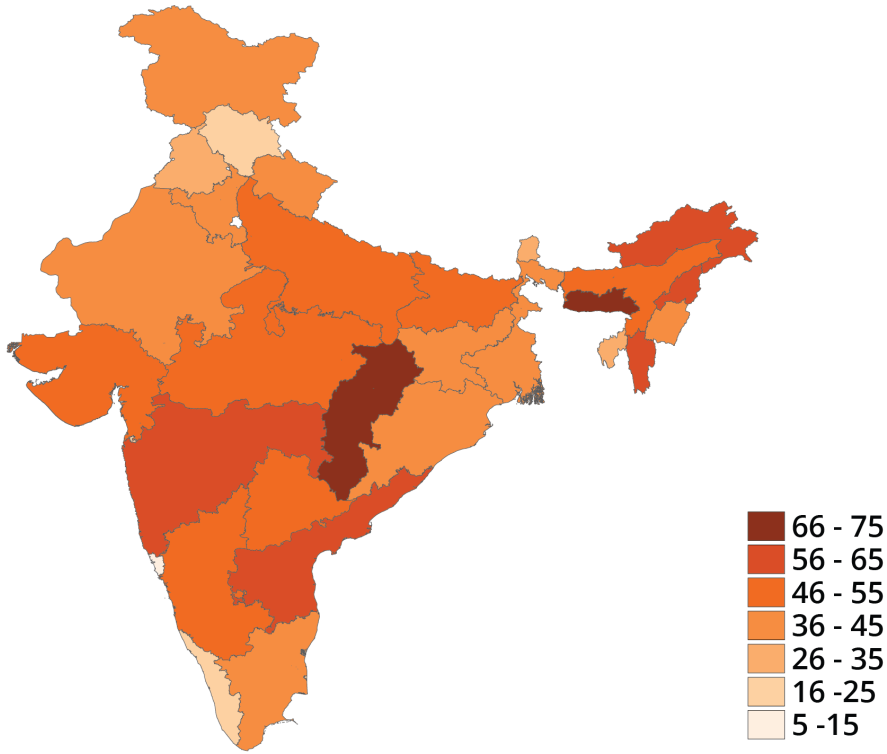
Sources and notes: Employment- NSS-EUS various rounds and LB-EUS 2015. GDP- Table 1.3A (for 1993-1999, 1999-2004, 2004-2011) and Table 1.3B (for 2011-2015) of Economic Survey 2016-17 Statistical Appendix.

Fig 3.2: Share of the workforce in various sectors across states

a) Agriculture



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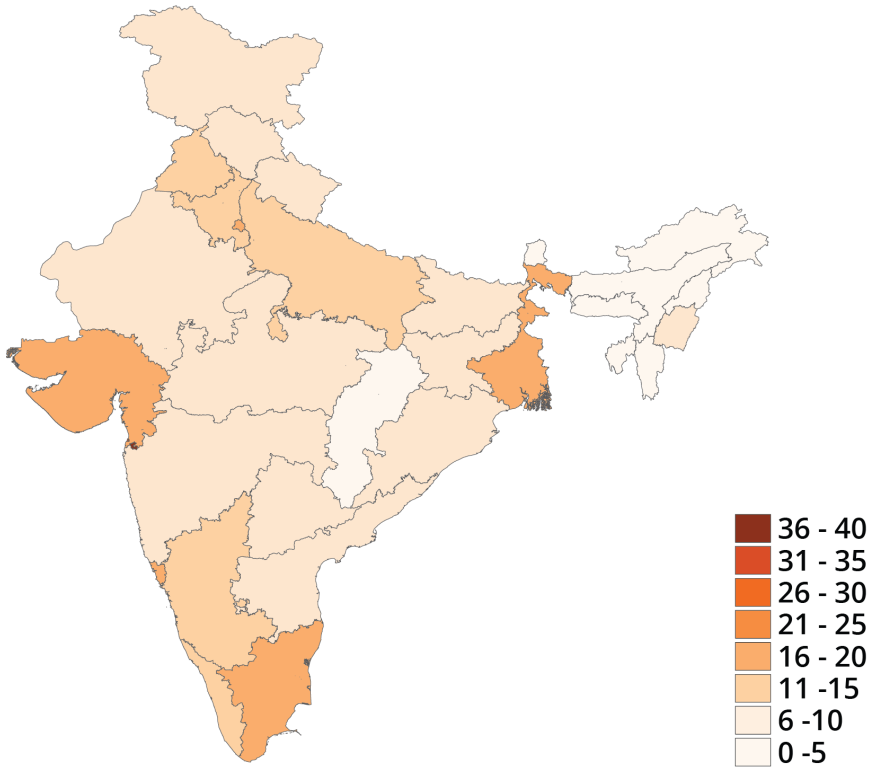
Sources and notes: Sources and notes: LB-EUS 2015. Scale indicates per cent share. See Appendix Table A3.1 online for data.

Fig 3.2: Share of the workforce in various sectors across states

b) Manufacturing



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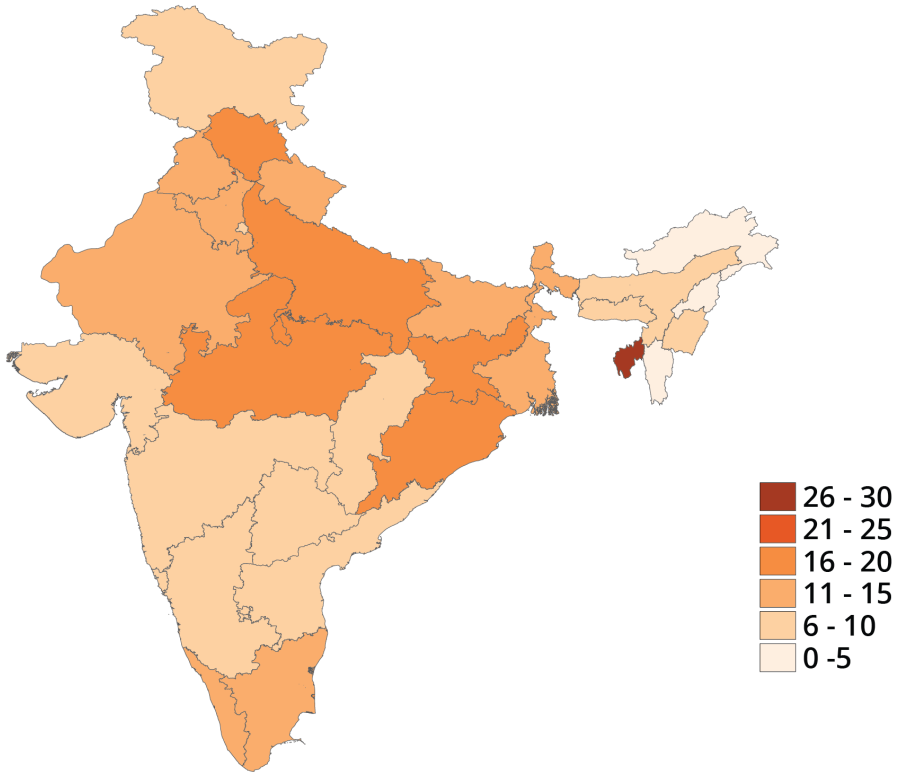
Sources and notes: Sources and notes: LB-EUS 2015. Scale indicates per cent share. See Appendix Table A3.1 online for data.

Fig 3.2: Share of the workforce in various sectors across states

c) Construction



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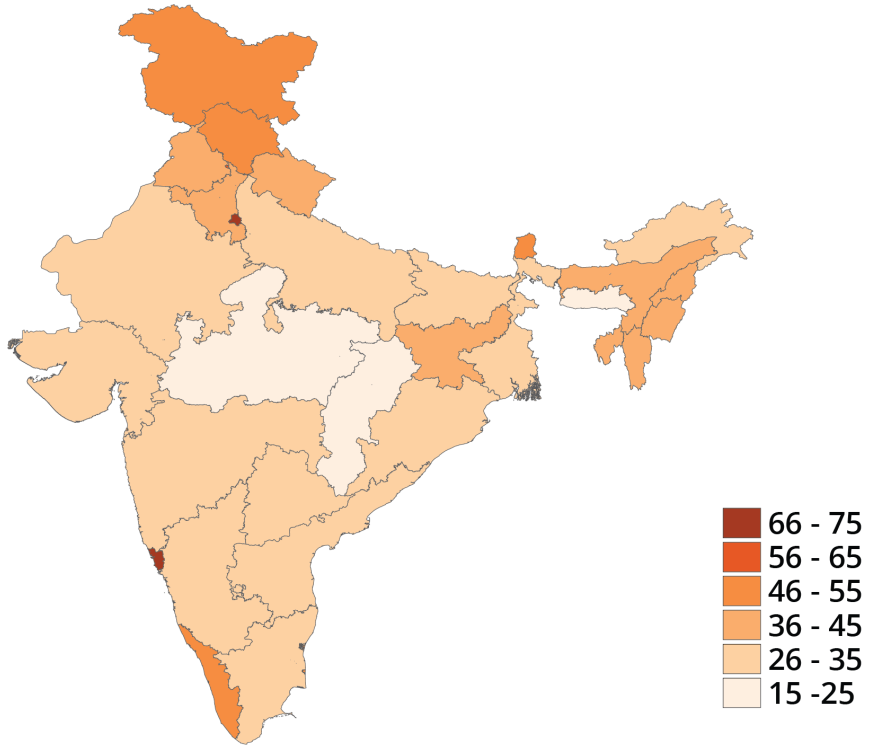
Sources and notes: Sources and notes: LB-EUS 2015. Scale indicates per cent share. See Appendix Table A3.1 online for data.

Fig 3.2: Share of the workforce in various sectors across states

d) Services



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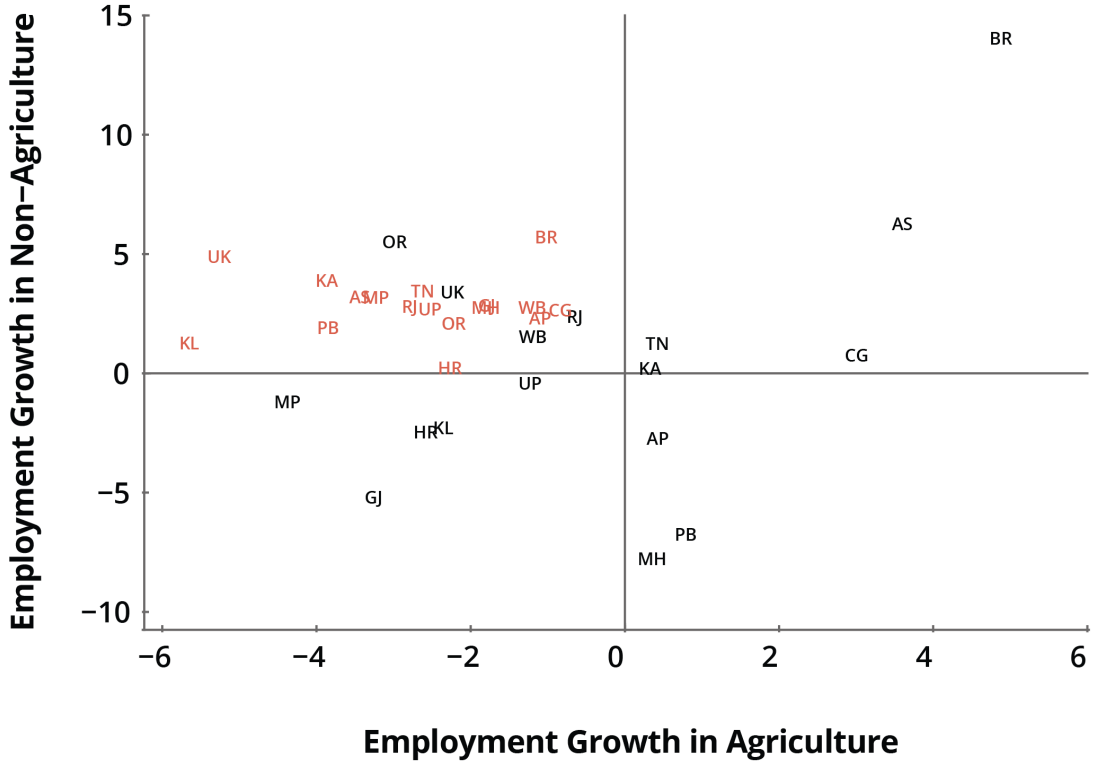
Sources and notes: Sources and notes: LB-EUS 2015. Scale indicates per cent share. See Appendix Table A3.1 online for data.

Fig 3.3: Expected Movement of Workers Away from Agriculture Was Seen across All States between 2004 and 2011 (Red) but Not between 2011 and 2015 (Black)



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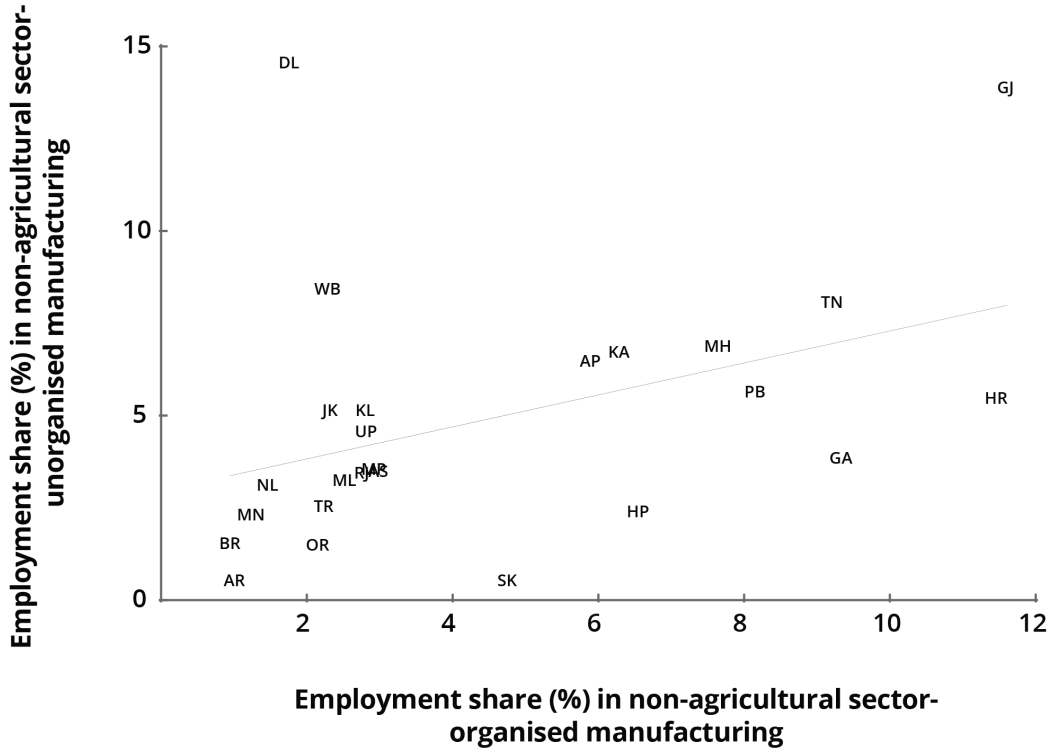
Sources and notes: NSS-EUS 2004, 2011, LB-EUS 2015. 2004 to 2011 in red and 2011 to 2015 in black. Growth rate is calculated as the compounded annual rate of growth. Refer the list of state codes in the report. Union Territories have been excluded.

Fig 3.4: States with a large organised manufacturing sector tend to have a larger unorganised manufacturing sector



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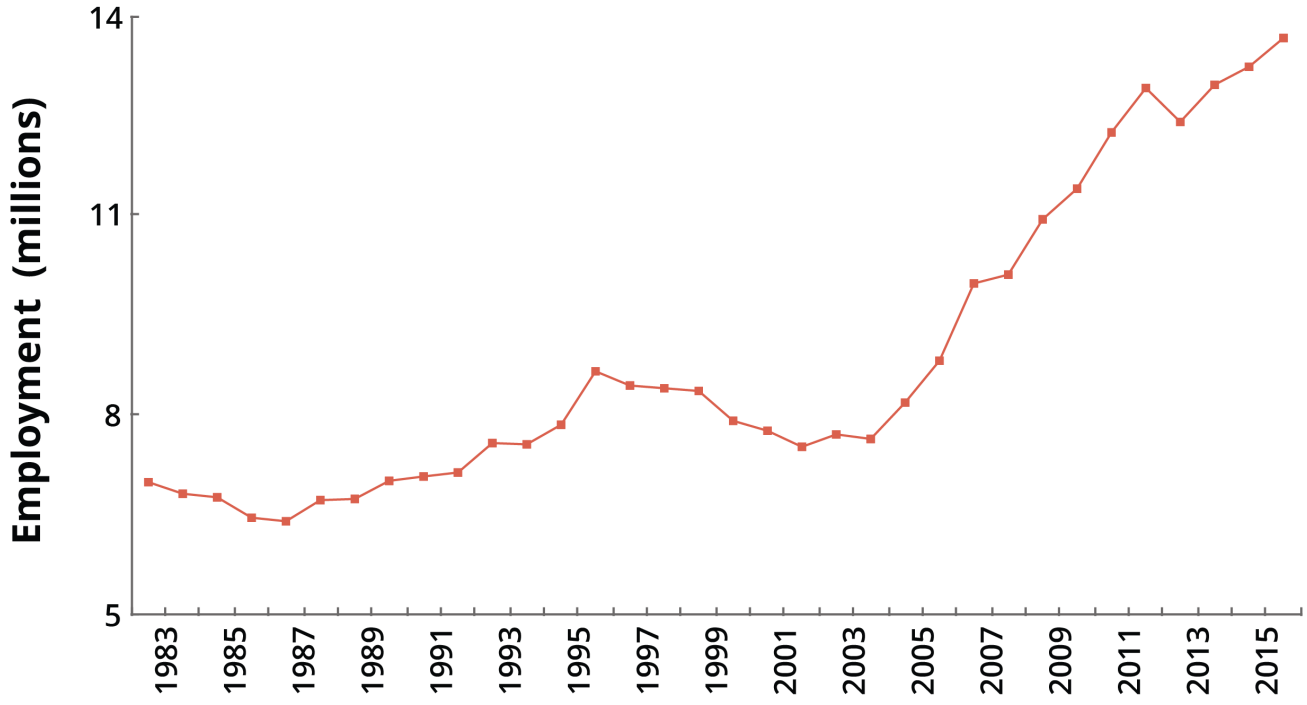
Sources and notes: NSS Unincorporated Non-Agricultural Enterprises Survey 2015, ASI Principal Characteristics 2015. Refer Table of Abbreviations for state codes in the report. Union Territories have been excluded.

Fig 3.5: Employment in organised manufacturing has increased rapidly in the last decade



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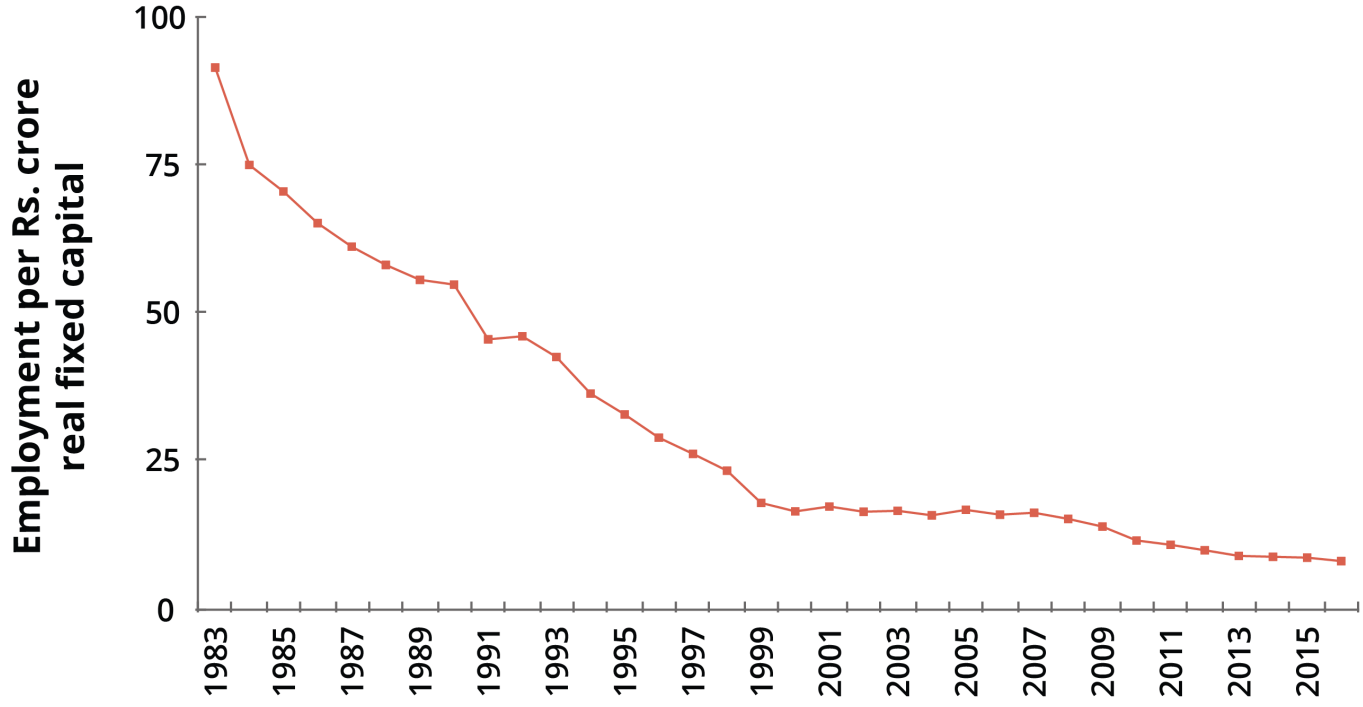
Sources and notes: ASI NIC-2 digit (EPWRFITS) various years. All employees including supervisory, managerial and administrative staff as well as working proprietors have been counted.

Fig 3.6: The labour to capital ratio has fallen continuously in organised manufacturing

a) All Industries



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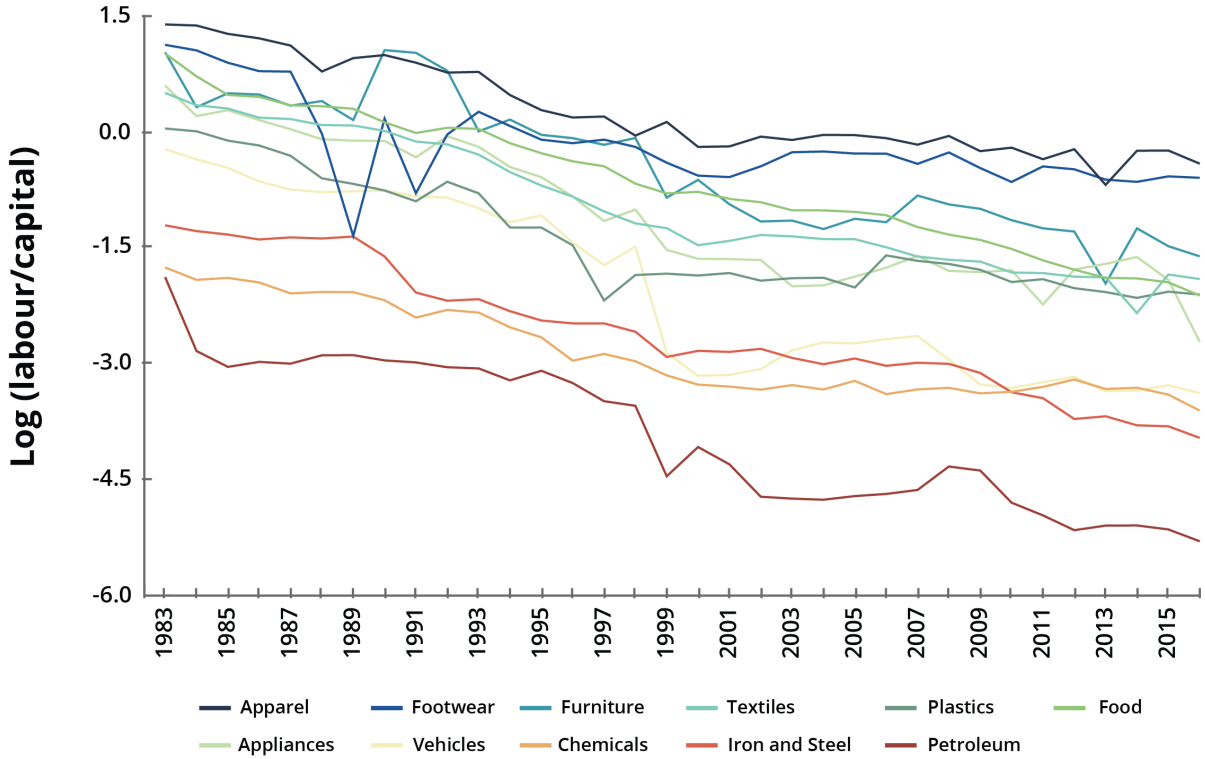
Sources and notes: ASI NIC 2 digit (EPWRFITS) various years. Labour-capital ratio = Number of employees / Real fixed capital.

Fig 3.6: The labour to capital ratio has fallen continuously in organised manufacturing

b) Selected industries



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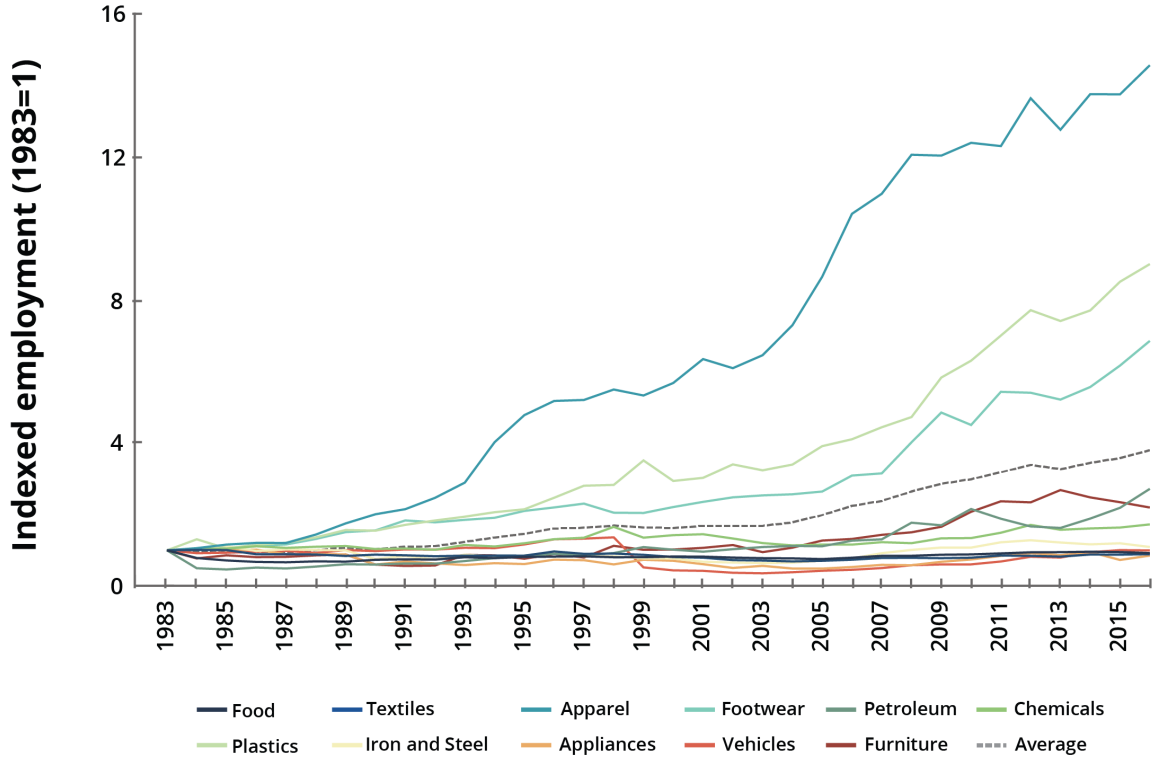
Sources and notes: ASI NIC 2-digit (EPWRFITS), various years. Labour-capital ratio has been log transformed to display trends across industries with different inital values.

Fig 3.7: Employment growth in the organised manufacturing sector

a) Selected industries



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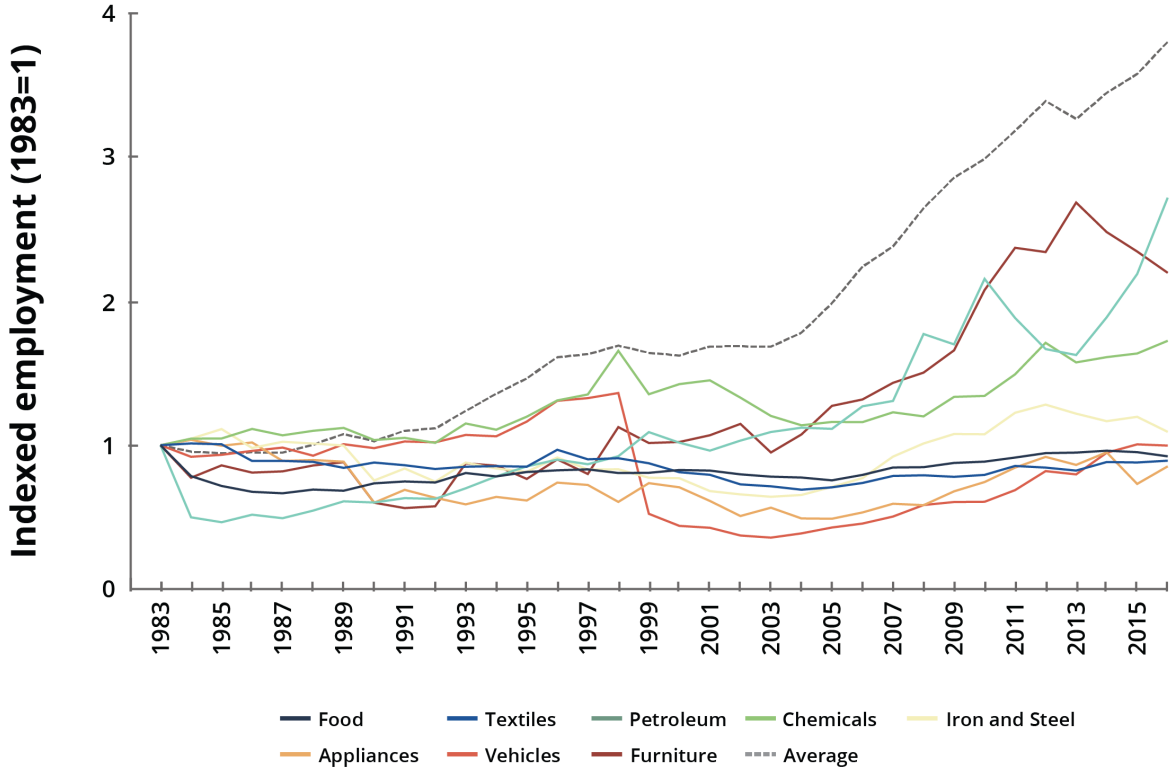
Sources and notes: ASI NIC 2-digit (EPWRFITS), various years.

Fig 3.7: Employment growth in the organised manufacturing sector

b) Below-average performers among selected industries



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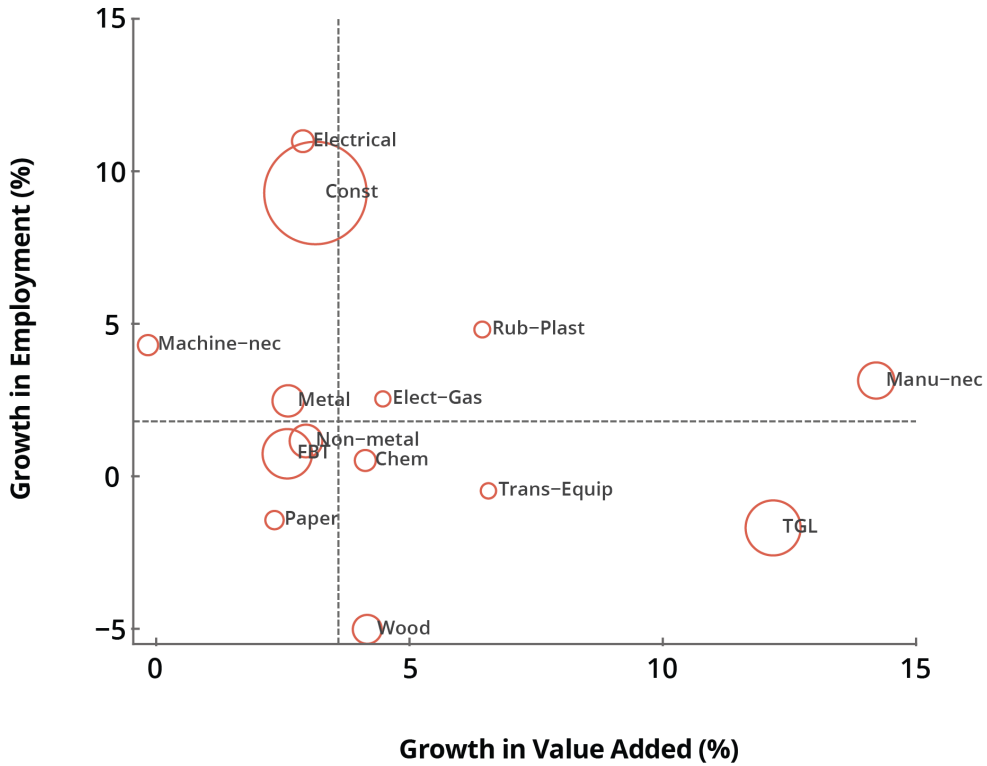
Sources and notes: ASI NIC 2-digit (EPWRFITS), various years.

Fig 3.8: Output has not been correlated with employment growth

a) Industry



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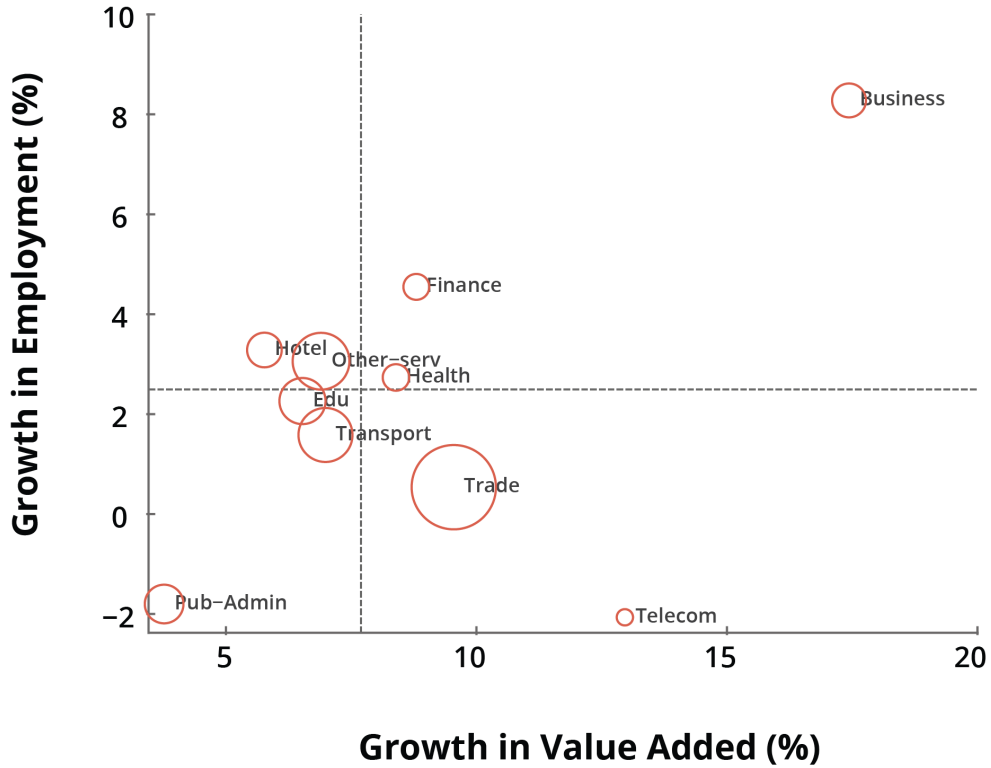
Sources and notes: RBI-KLEMS 2011 and 2015. Compounded annual growth rates are shown. Size of the bubble represents employment share in 2011. Lines represent median values. TGL refers to Textiles, Garments and Leather, and FBT refers to Food, Beverages and Tobacco.

Fig 3.8: Output has not been correlated with employment growth

b) Services



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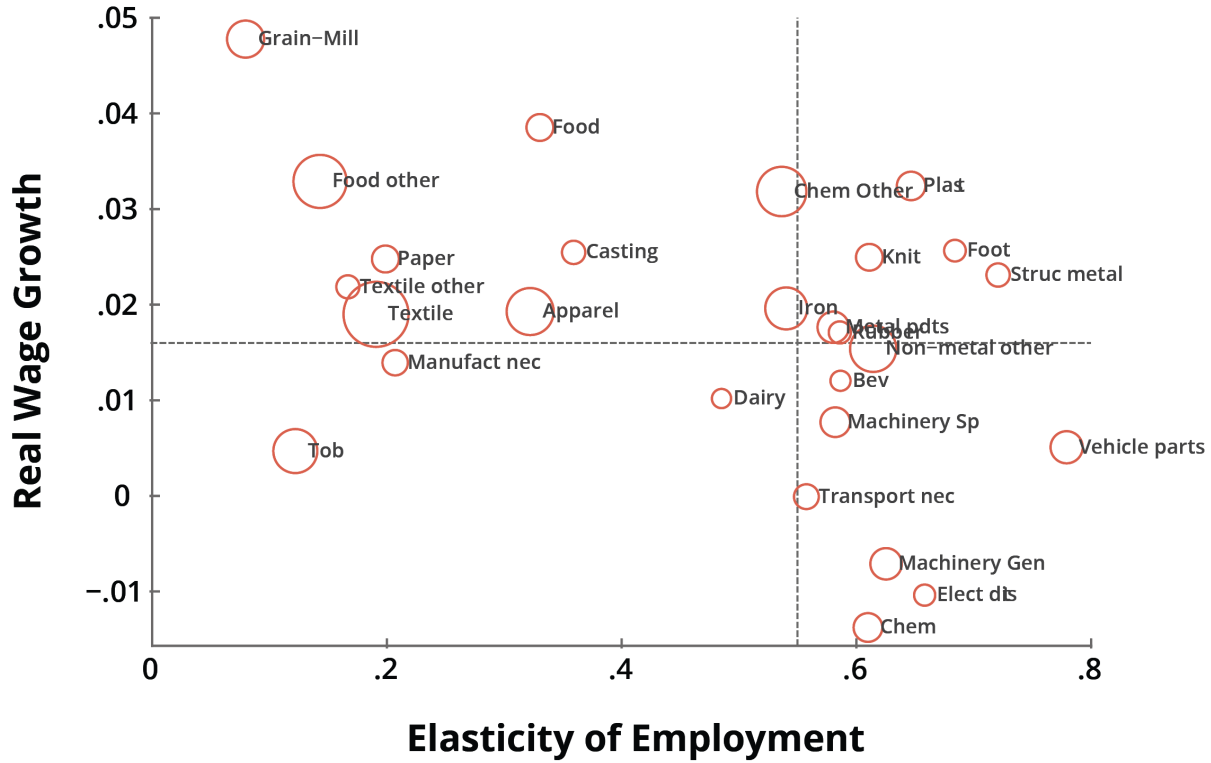
Sources and notes: RBI-KLEMS 2011 and 2015. Compounded annual growth rates are shown. Size of the bubble represents employment share in 2011. Lines represent median values. TGL refers to Textiles, Garments and Leather, and FBT refers to Food, Beverages and Tobacco.

Fig 3.9: Most industries in organised manufacturing have experienced wage growth or job growth over the last decade. A few have seen both.



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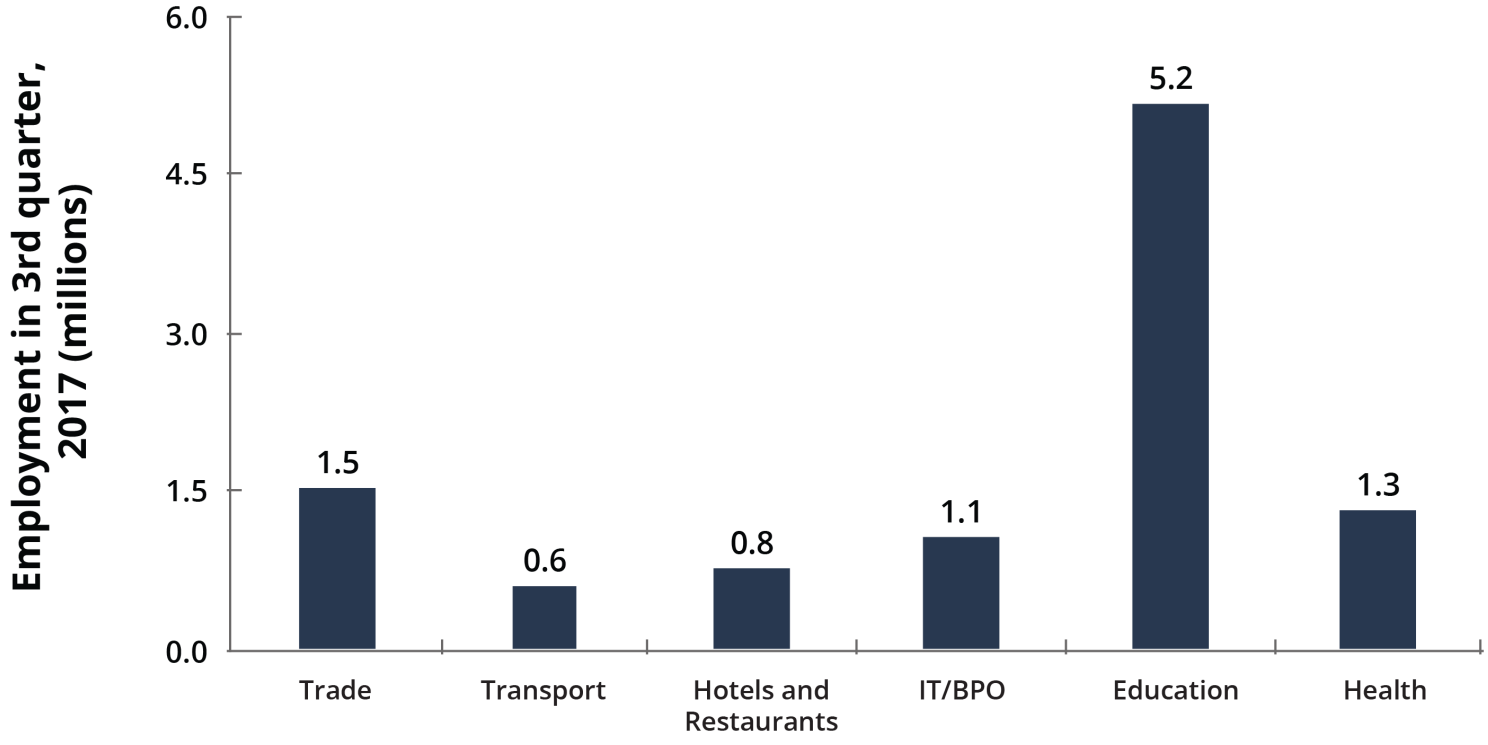
Sources and notes: ASI NIC 2 digit (EPWRFITS) 2006 and 2016. Growth rate is calculated by regressing log real wage rate on time. Elasticity is calculated by regressing log employment on log output. Size of the bubble represents employment share in 2006. Only industries with weight greater than 1% are displayed. Lines represent median values.

Fig 3.10: Employment in selected organised service industries



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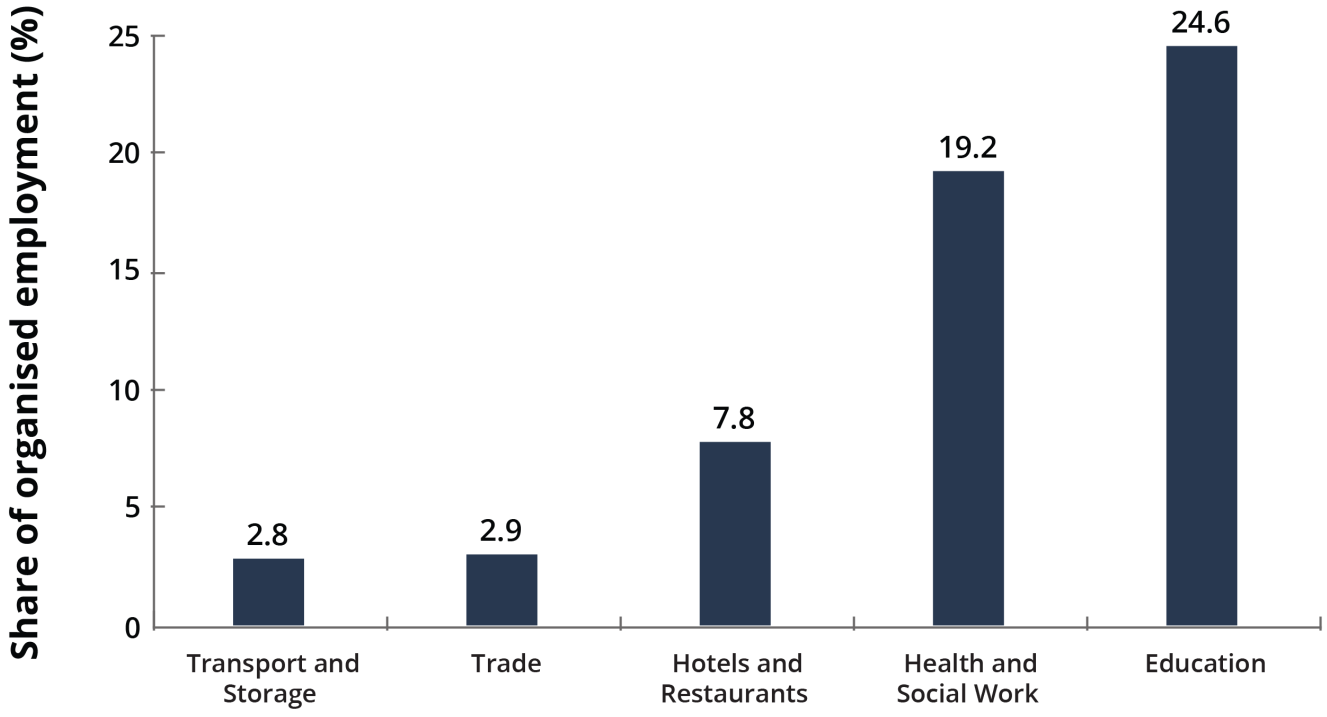
Sources and notes: LB-QES, 2017 3rd quarter report

Fig 3.11: Share of organised employment is less than a quarter in all major service industries



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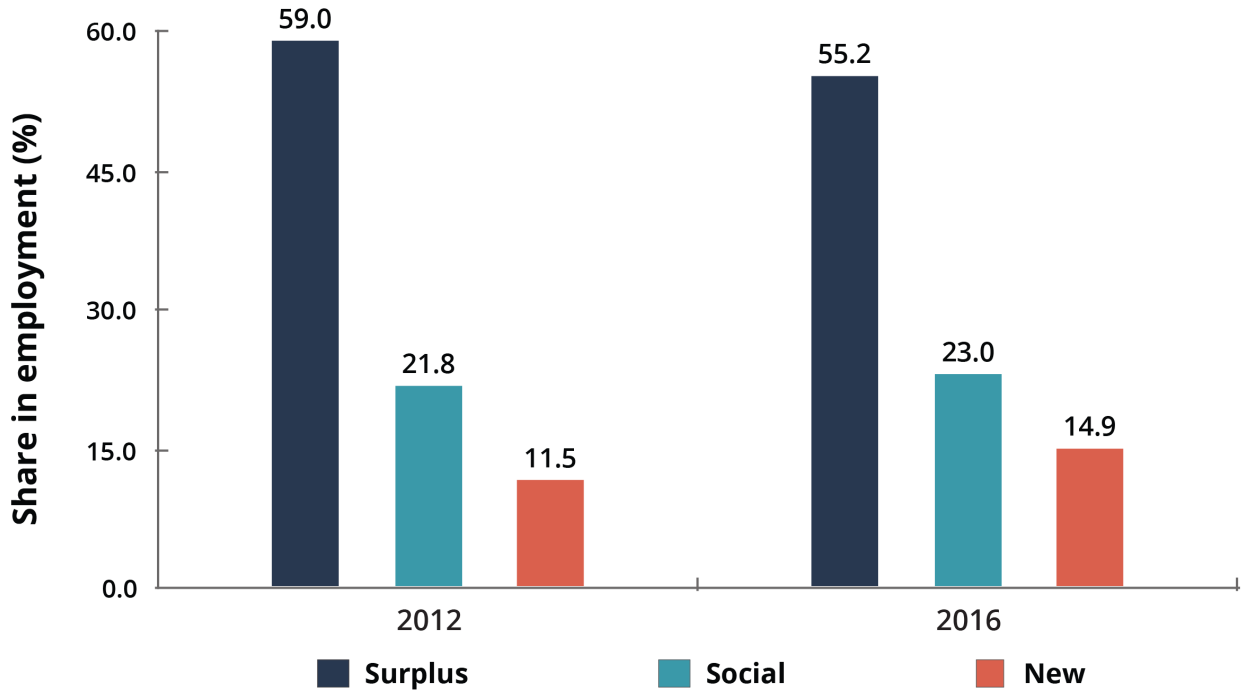
Sources and notes: RBI-KLEMS 2016, LB-QES 2016.

Fig 3.12: ‘Surplus’ industries account for more than 50 per cent of service sector employment



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Sources and notes: RBI-KLEMS 2016, LB-QES 2016. ‘Surplus’ industries refer to industries dominated by self-employment and petty production. Education, health, and public administration are considered to be ‘Social’ industries. Finance, IT-BPO, and organised retail are defined as ‘New’ service industries. Numbers do not sum to 100 due to exclusion of some industries.

Fig 4.1: Regular Salaried Workers Account for 17 per cent of the Workforce

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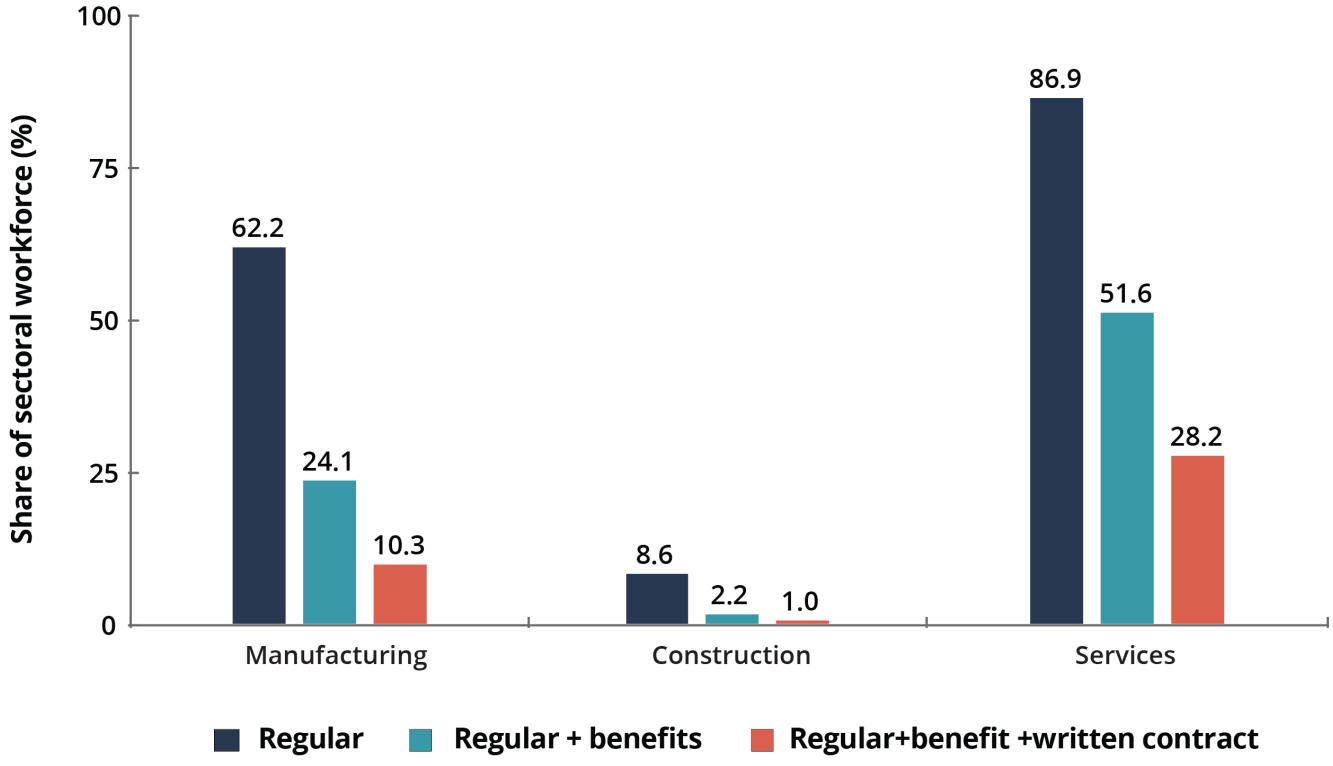
Sources and notes: LB-EUS 2015.

Fig 4.2: Levels of formality in manufacturing, construction and services



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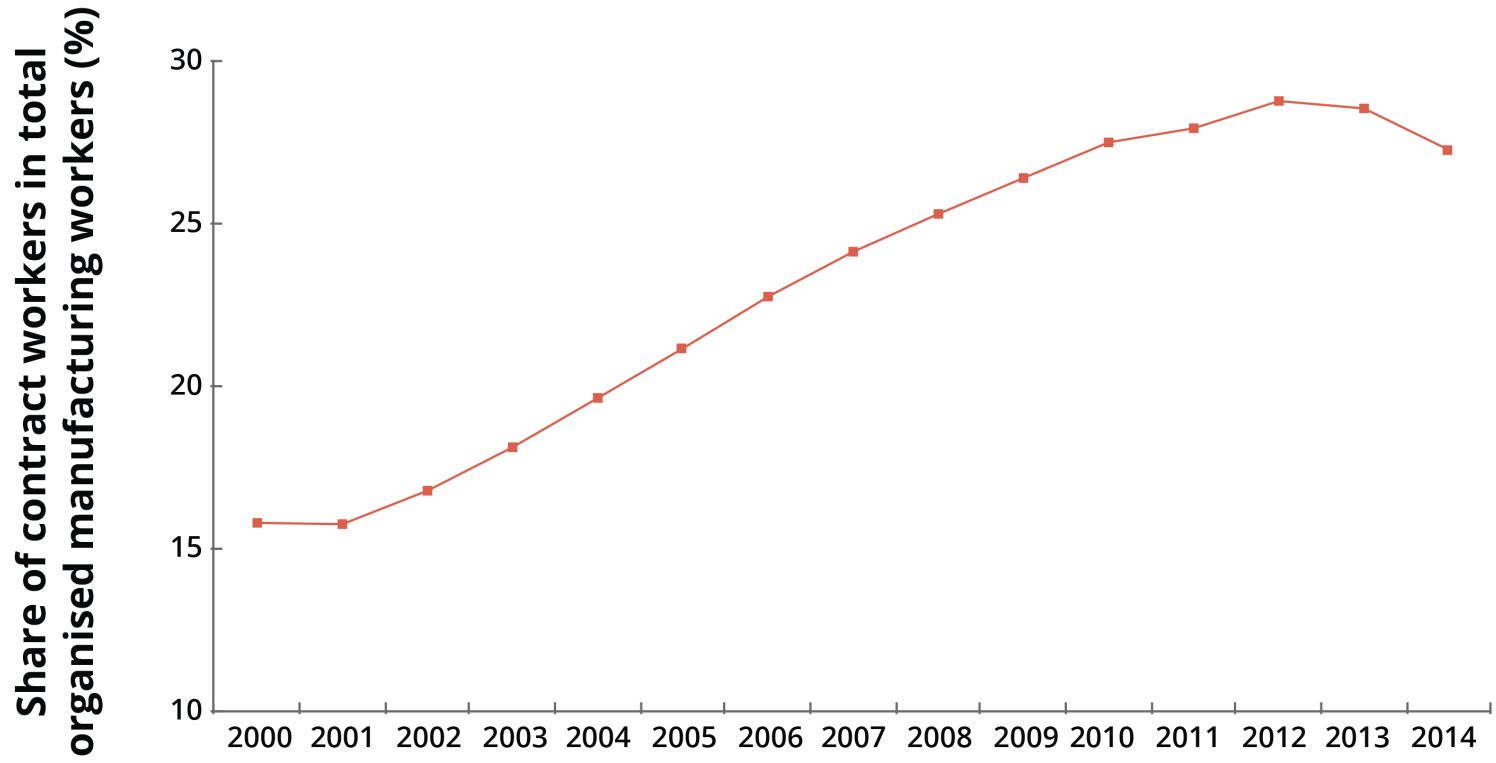
Sources and notes: LB-EUS 2015. Only wage workers are considered. See report for details on worker categories.

Fig 4.3: Contract workers have increased sharply in organised manufacturing in the past two decades



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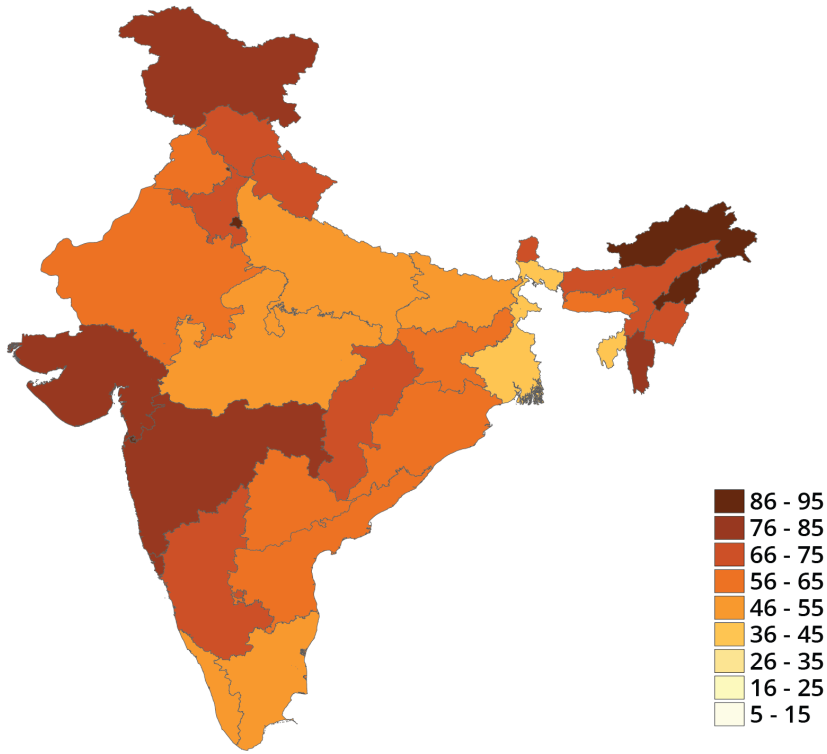
Sources and notes: ASI factory-level data, various years.

Fig 4.4: Levels of formality across states

a) Regular workers



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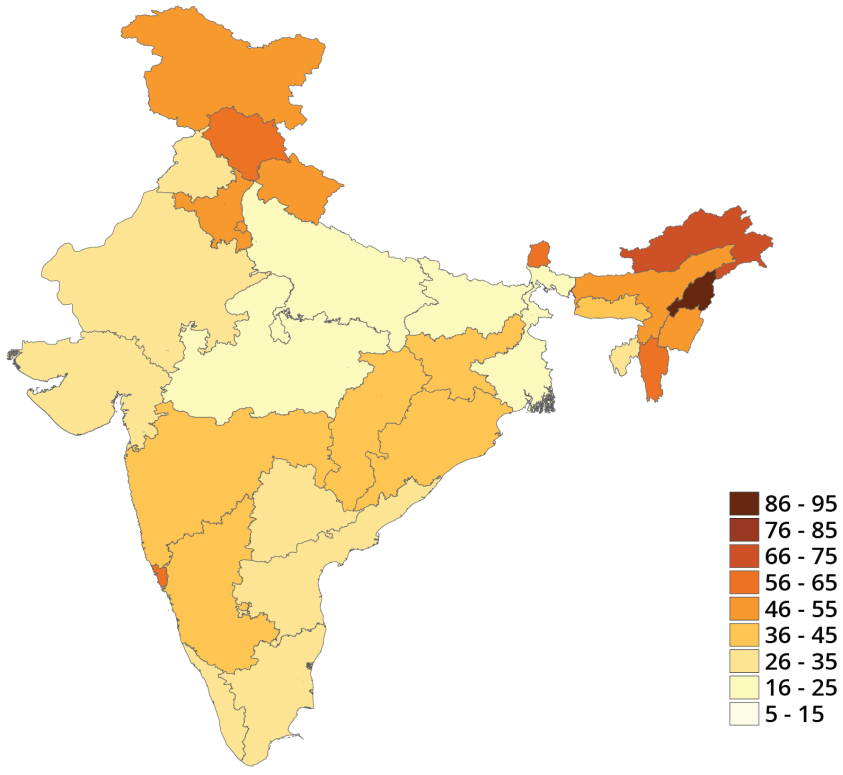
Sources and notes: LB-EUS 2015. Scale indicates per cent workers in a category. See Appendix Table A4.2 online for data.

Fig 4.4: Levels of formality across states

a) Regular workers + benefits

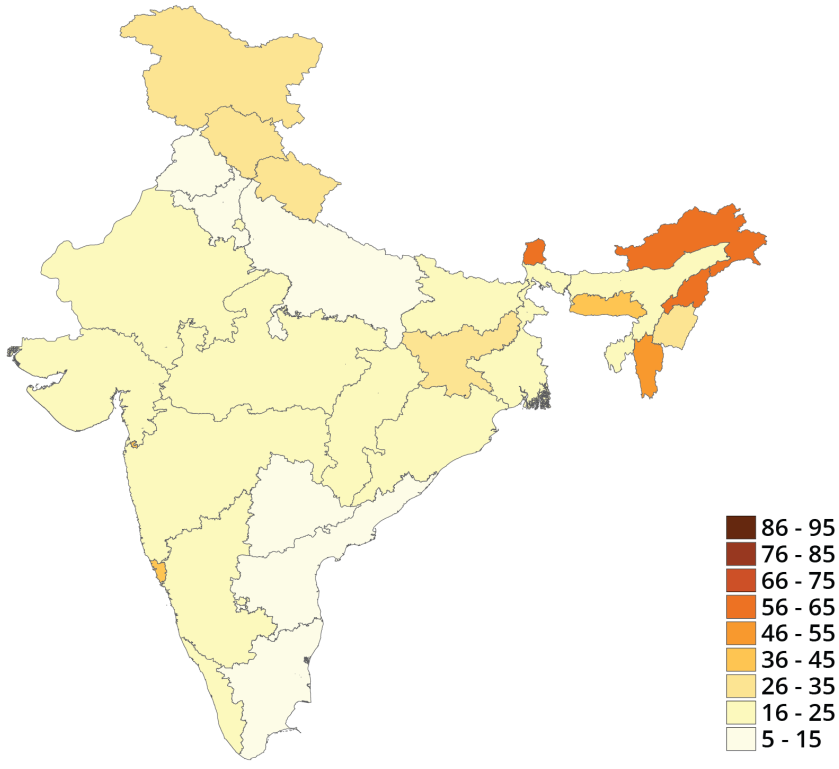


State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. Scale indicates per cent workers in a category. See Appendix Table A4.2 online for data.

Fig 4.4: Levels of formality across states

a) Regular workers + benefits + written contract



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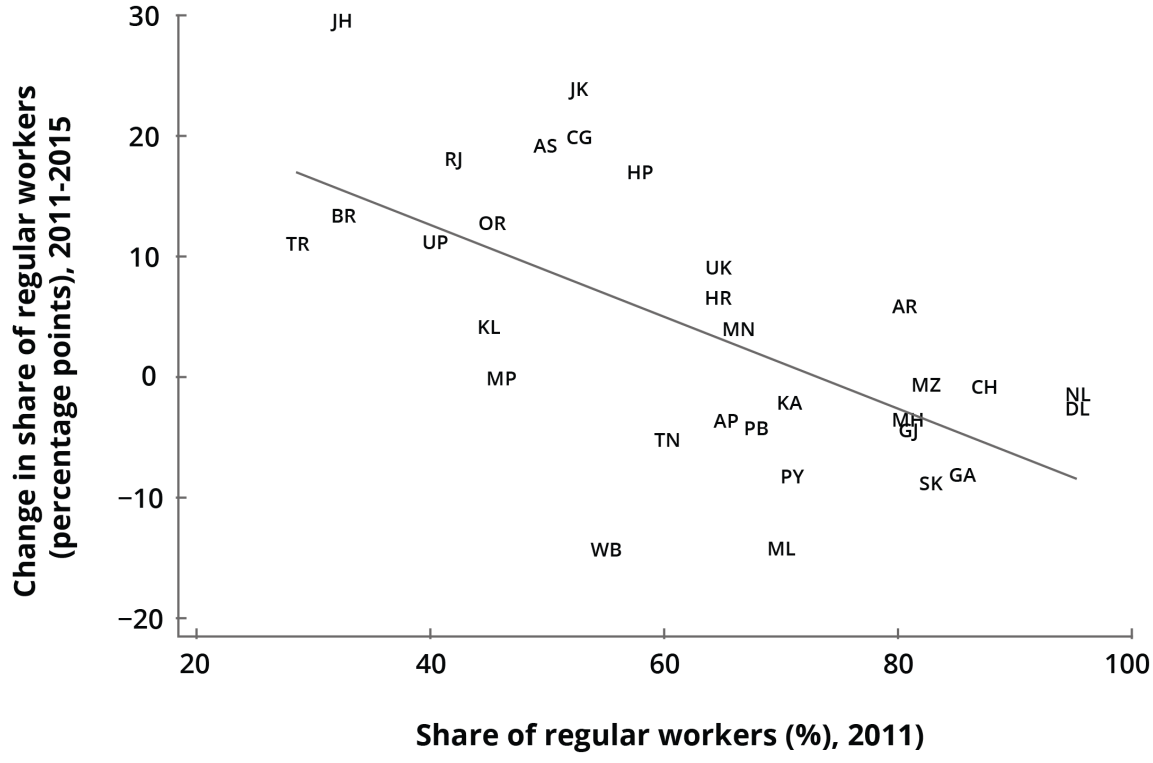
Sources and notes: LB-EUS 2015. Scale indicates per cent workers in a category. See Appendix Table A4.2 online for data.

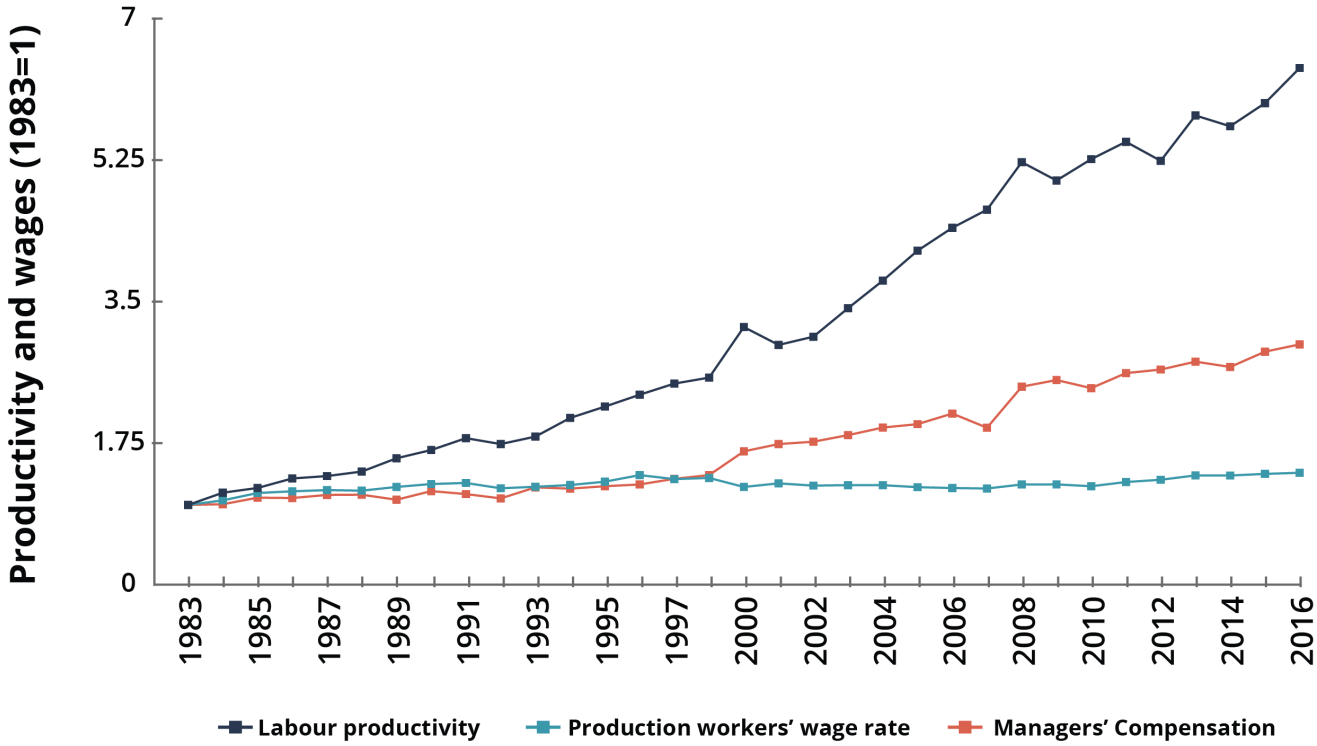
Fig 4.5: Formality convergence? Level of formalisation across states in 2011 versus change between 2011 and 2015



State of Working India 2018, Azim Premji University

Sources and notes: NSS-EUS 2011, LB-EUS 2015. Refer Table of Abbreviations for state codes in the report.

Fig 4.6: Productivity and managerial compensation have risen much faster than workers' wages in organised manufacturing



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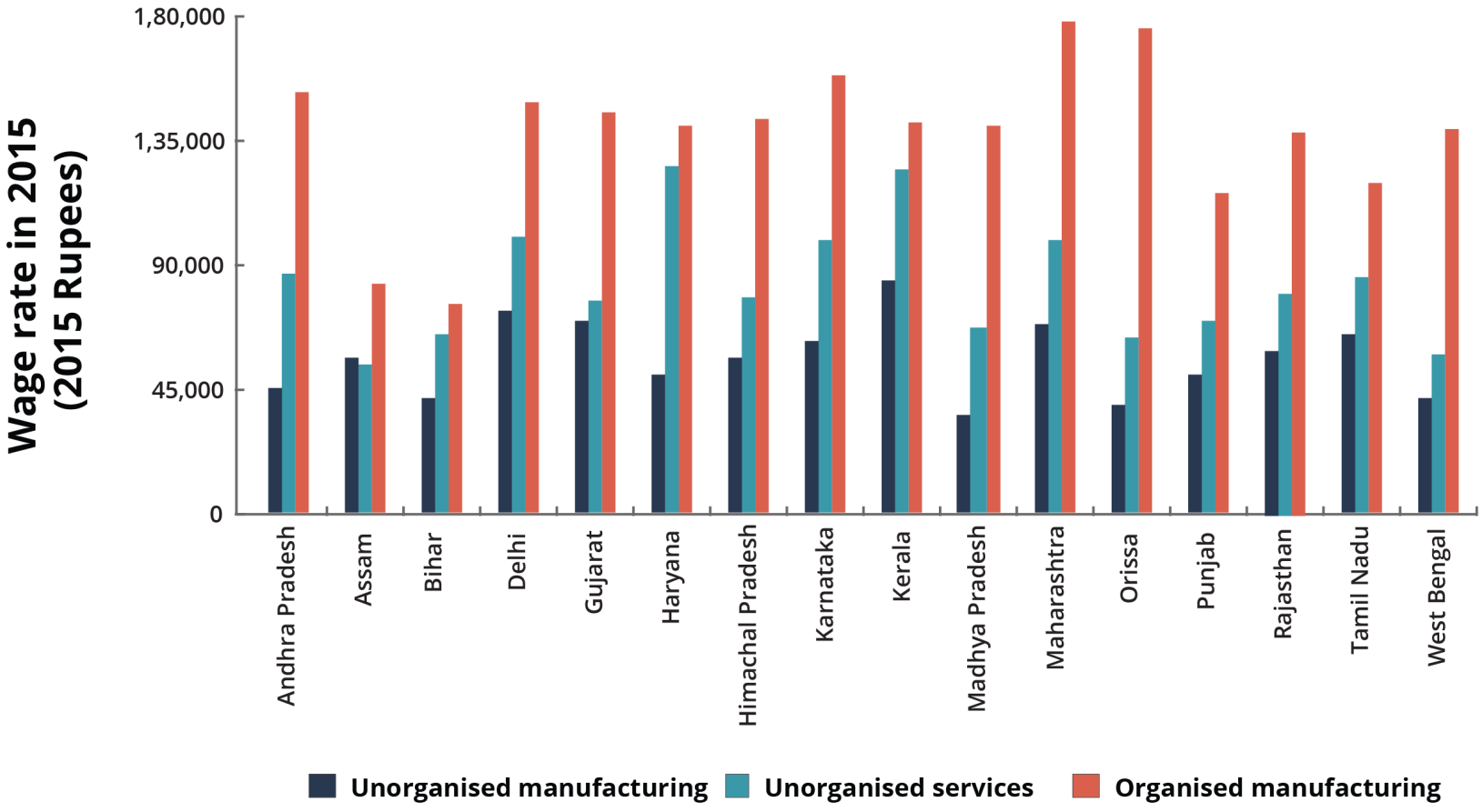
Sources and notes: ASI NIC 2 digit (EPWRFITS) various years. Wages and salaries deflated by CPI-IW and GVA deflated by WPI (manufactured products). Managers' compensation is calculated as the difference between 'emoluments' and 'wages to workers'. Labour productivity is ratio of real GVA to all employees.

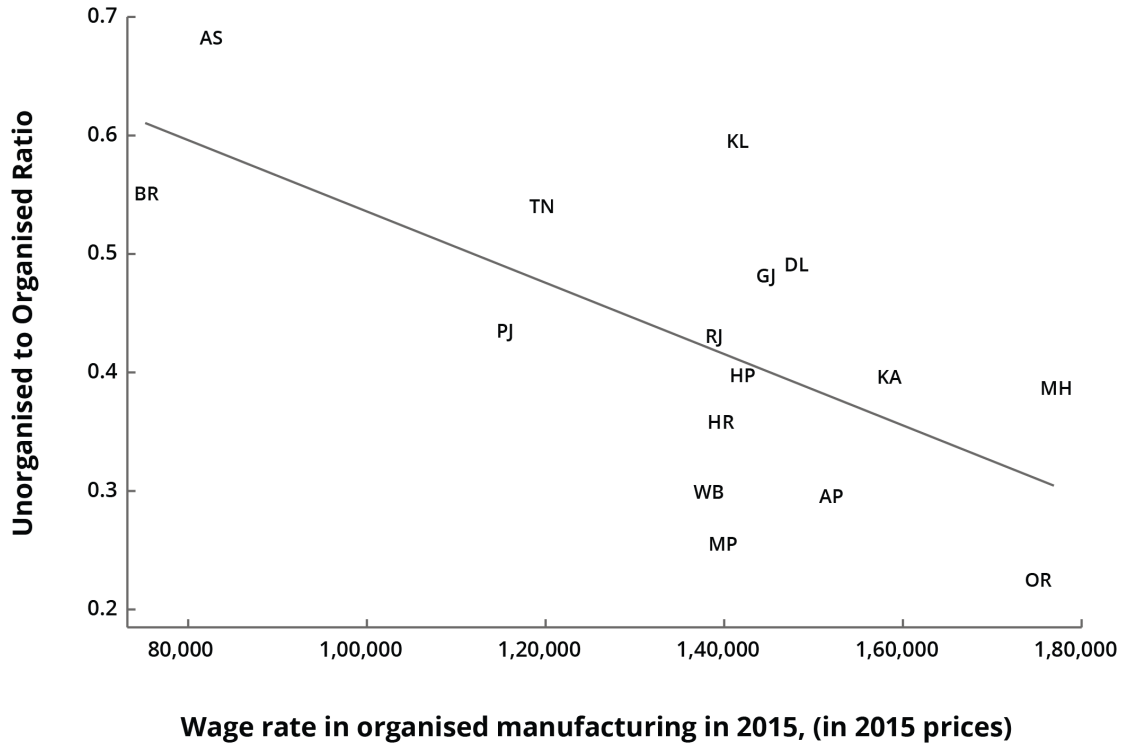
Fig 4.7: Annual wage rates in various sectors across states



State of Working India 2018, Azim Premji University

Sources and notes: ASI Principal Characteristics 2015, NSS Unincorporated Enterprises Survey 73rd Round, 2015.

Fig 4.8: The gap between organised and unorganised wages grows with organised sector wages

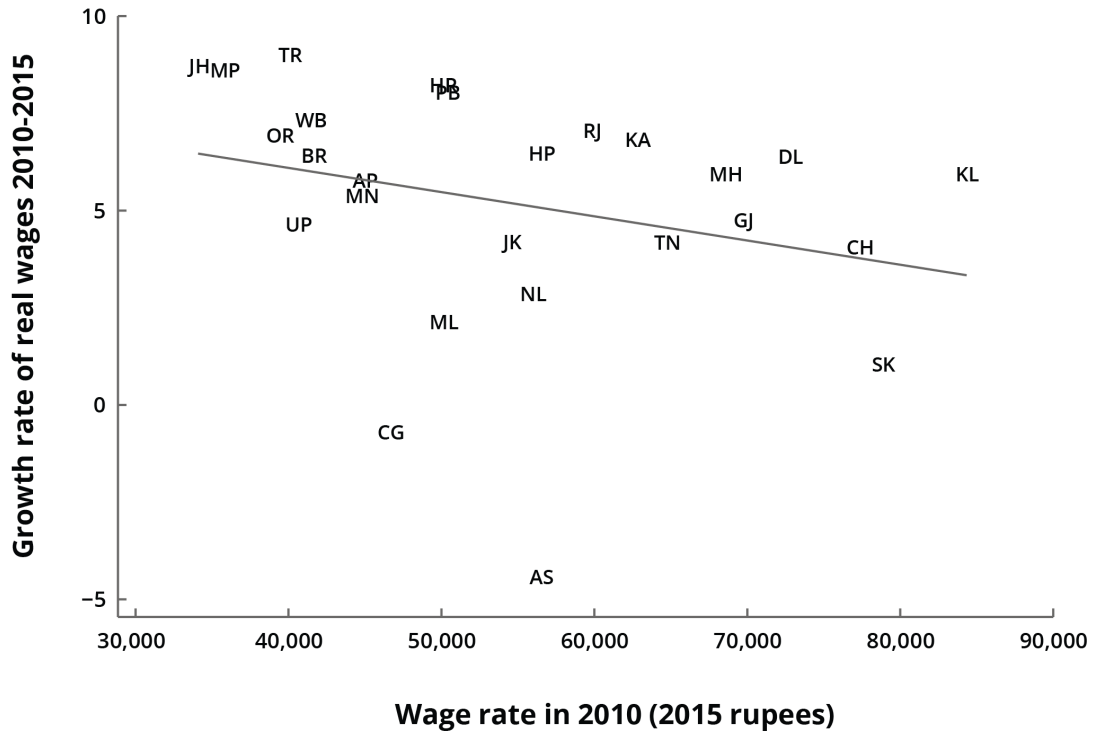


State of Working India 2018, Azim Premji University

Sources and notes: ASI Principal Characteristics 2015, NSS Unincorporated Enterprises Survey 73 Round 2015. Refer Table of Abbreviations for state codes in the report. Union Territories have been excluded.

Fig 4.9: Weak evidence of wage convergence across states

a) Unorganised manufacturing

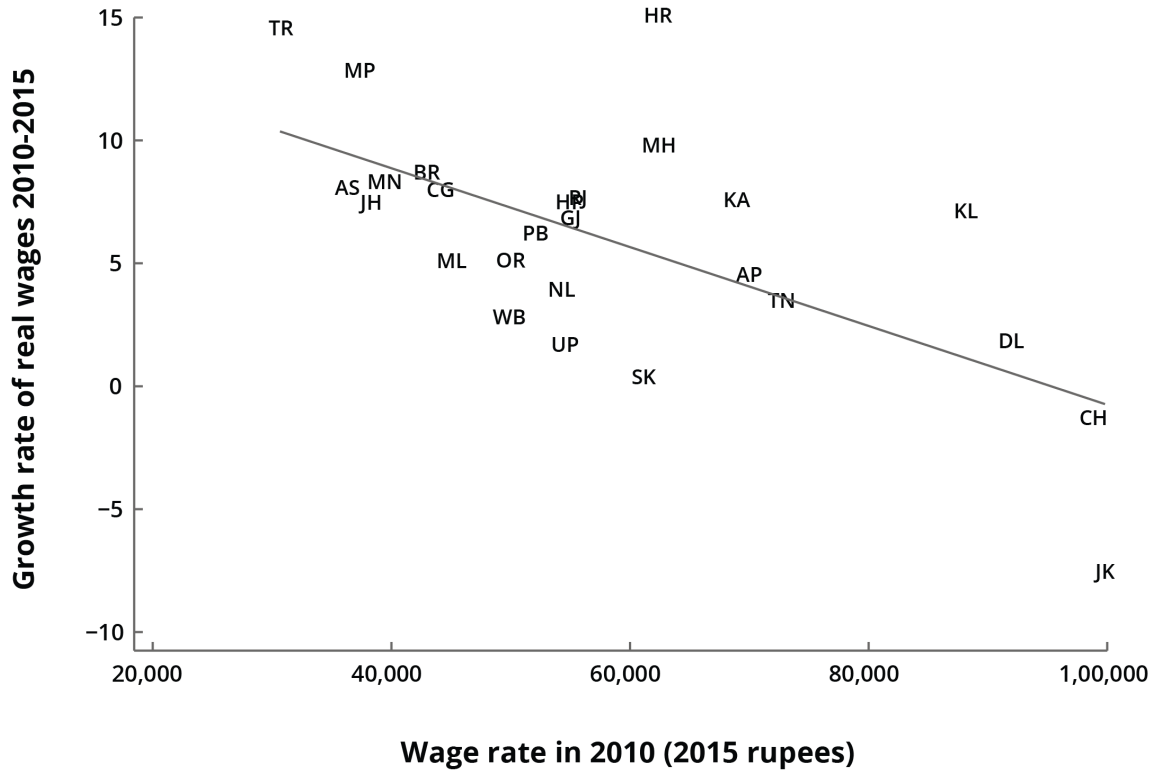


State of Working India 2018, Azim Premji University

Sources and notes: NSS Unincorporated Enterprises Survey, 67 th Round (2010) and 73 rd Round (2015). All wages are deflated using state-level CPI (rural and urban combined), base year 2015. Refer Table of Abbreviations for state codes in the report. Union Territories have been excluded. The relationship is not statistically significant.

Fig 4.9: Weak evidence of wage convergence across states

b) Unorganised services

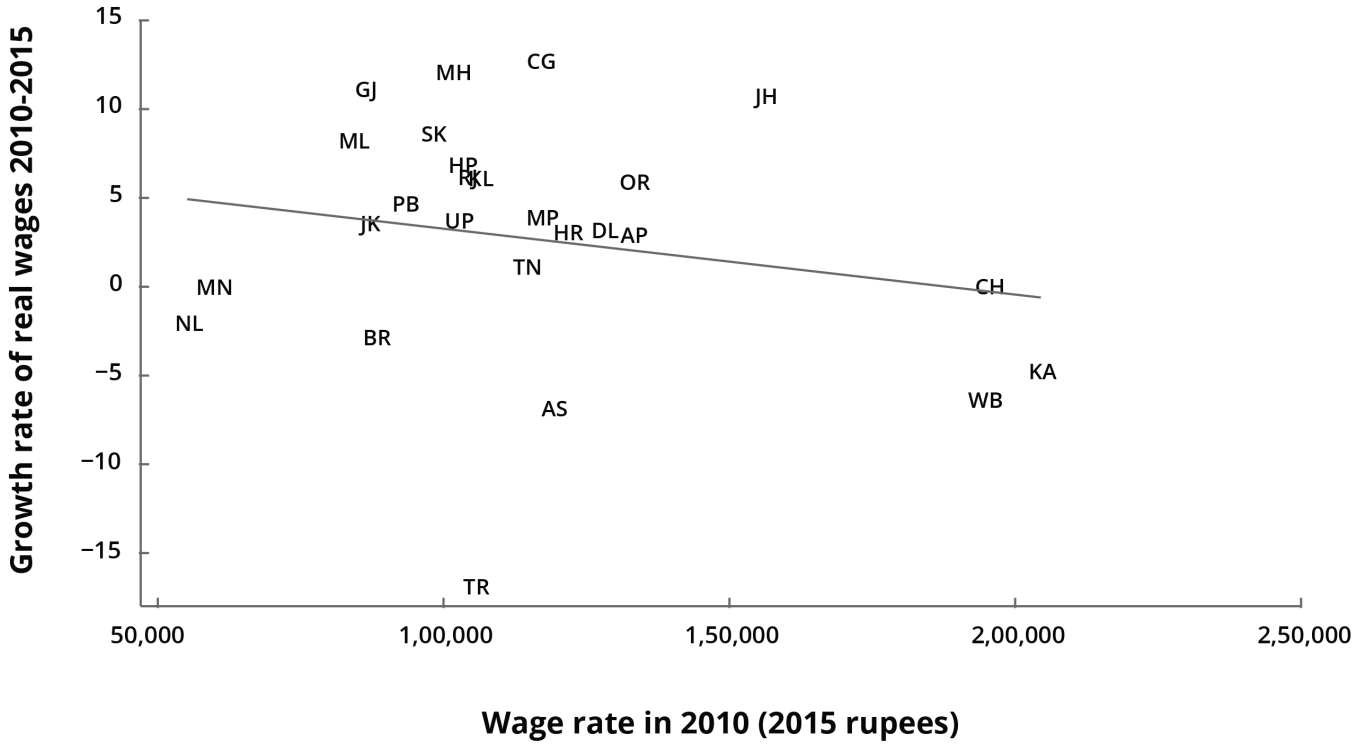


State of Working India 2018, Azim Premji University

Sources and notes: NSS Unincorporated Enterprises Survey, 67 th Round (2010) and 73 rd Round (2015). All wages are deflated using state-level CPI (rural and urban combined), base year 2015. Refer Table of Abbreviations for state codes in the report. Union Territories have been excluded. The relationship is statistically significant.

Fig 4.9: Weak evidence of wage convergence across states

c) Organised manufacturing



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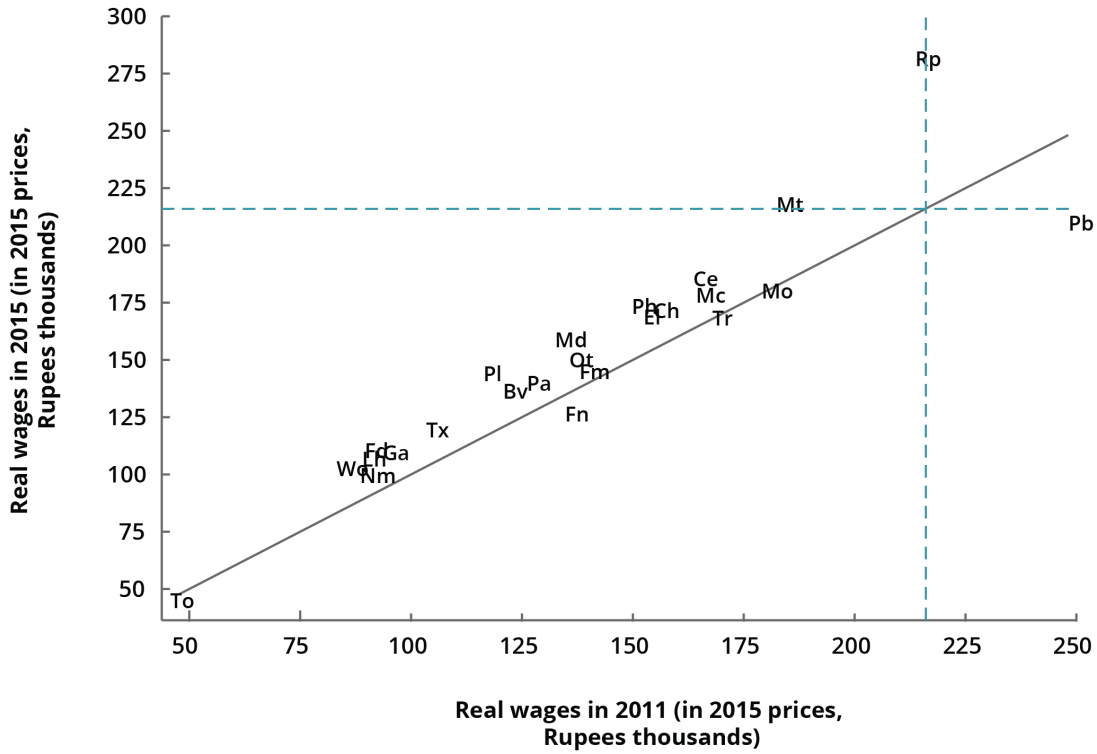
Sources and notes: ASI Principal Characteristics 2010 and 2015. All wages are deflated using state-level CPI (rural and urban combined), base year 2015. Refer Table of Abbreviations for state codes in the report. Union Territories have been excluded. The relationship is not statistically significant.

Fig 4.10: Real wages have grown in most organised industries but are still well below minimum salary recommendation of the Central Pay Commission



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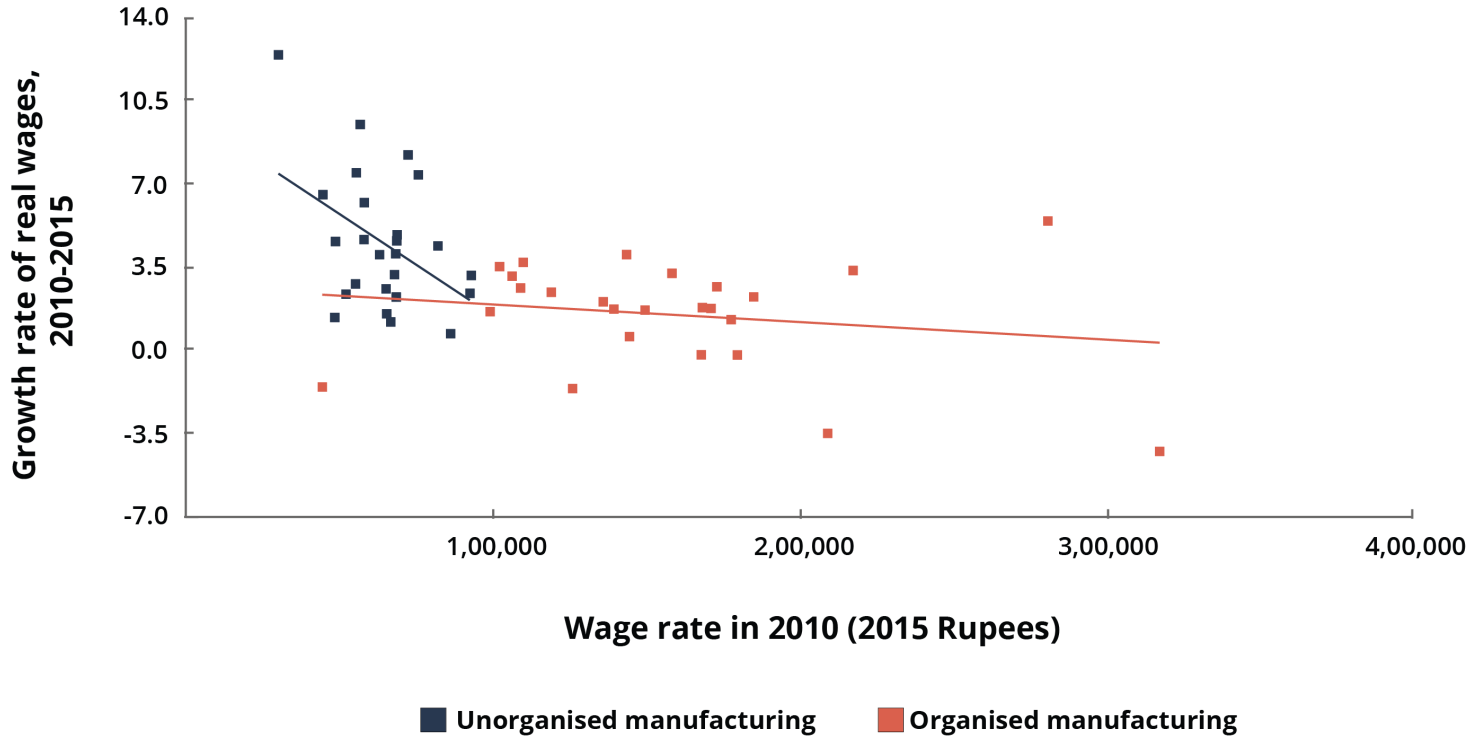
Sources and notes: ASI NIC 2 digit (EPWRFITS) various years. Nominal values are deflated by CPI-IW (base 2015). Lines represent the minimum annual salary recommended by the 7th Central Pay Commission (Rs. 18000 per month x 12). Fd-Food, Bv-Beverages, To-Tobacco, Tx-Textiles, Ga- Garments, Lh-Leather, Wo-Wood, Pa-Paper, Md-Media, Ch-Chem, Ph-Pharma, Pl-Plastics, Nm-Non-Metal, Mt-Metal, Fm-Fab. Metal, Ce-Comp-Electronics, El-Electrical, Mc-Machinery nec, Mo-Motor vehicles, Tr-Transport, Fn-Furniture, Ot-Other Manu, Rp-Repair, Pb-Publishing.

Fig 4.11: Wage convergence across industries in the manufacturing sector



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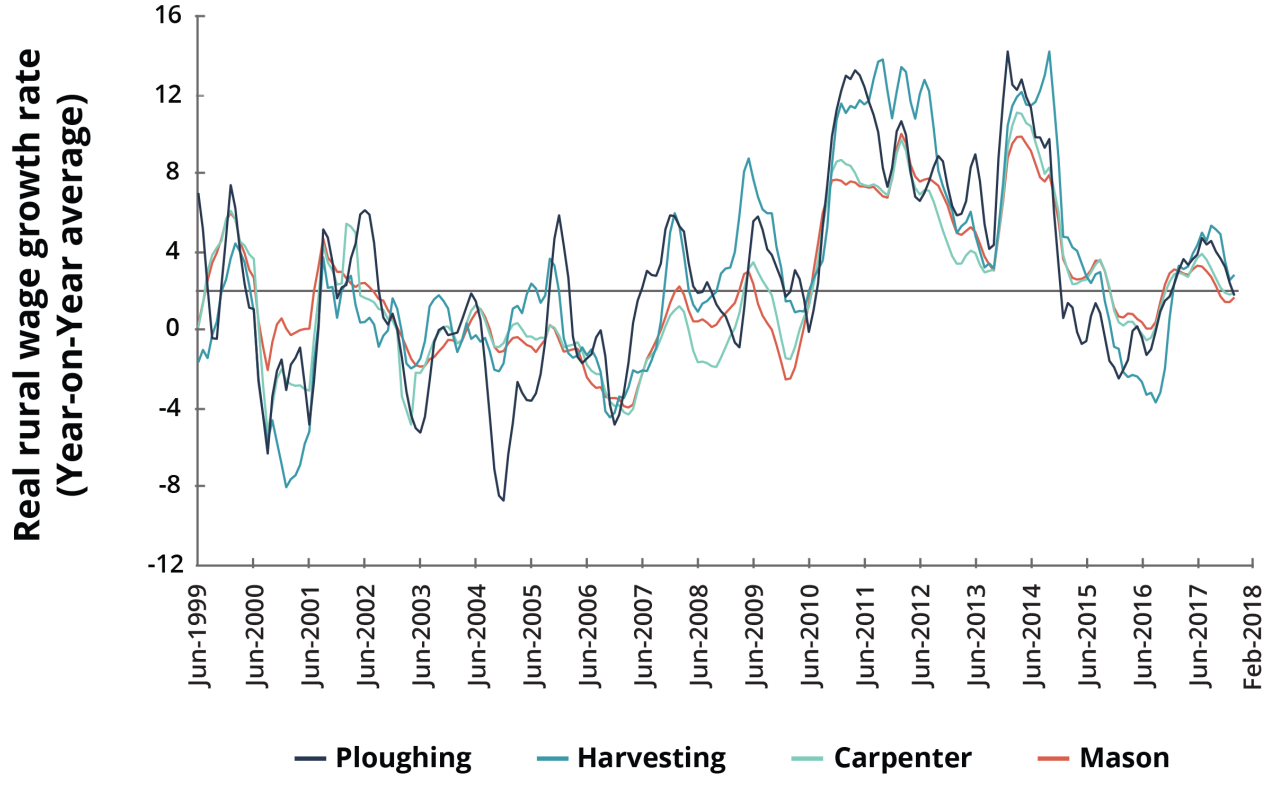
Sources and notes: ASI NIC 2 digit (EPWRFITS) various years, NSS Unincorporated Enterprises Survey 67th Round (2010) and 73rd Round (2015). NIC (2008) 2-digit Industries. Nominal wages are deflated using CPI-IW (base 2015).

Fig 4.12: Growth rate of real wages for selected occupations for men in rural India



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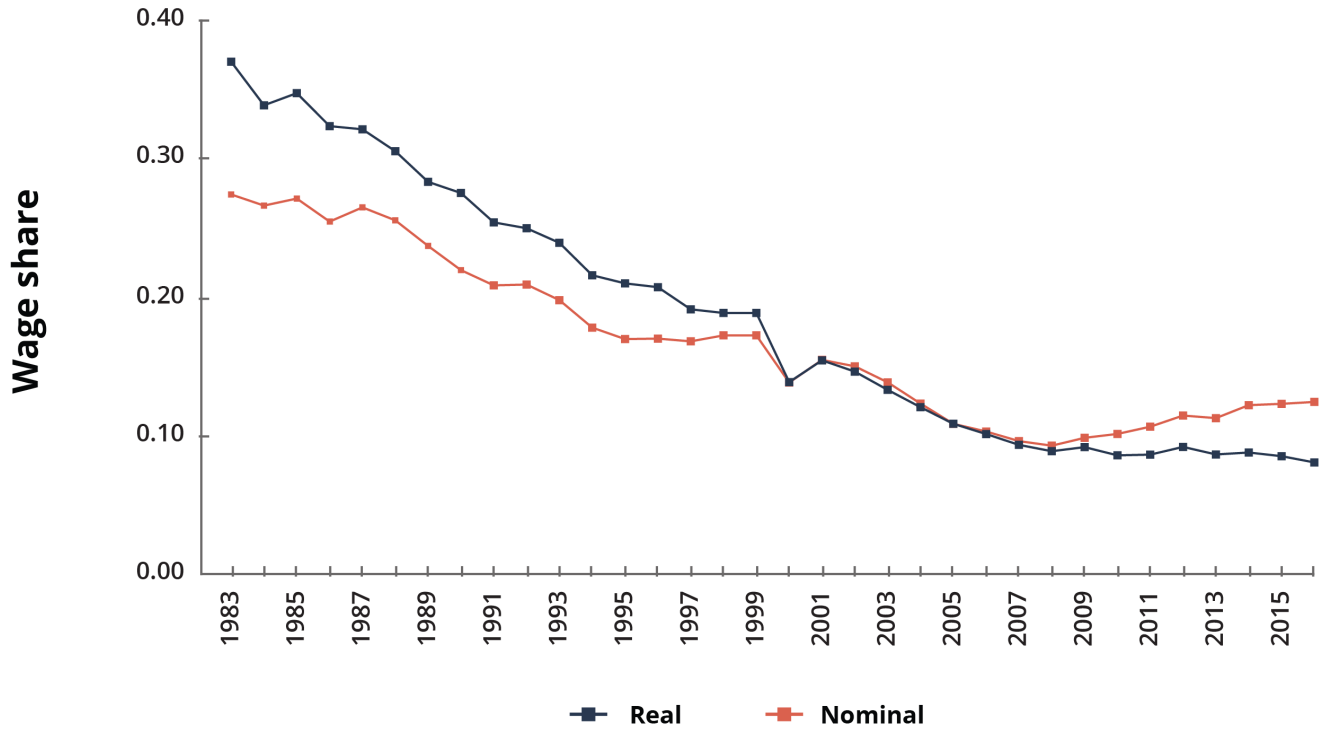
Sources and notes: RBI Database on the Indian Economy. Year-on-year growth rates are shown. Nominal values are deflated using CPI-AL (base 2005).

Fig 4.13: Falling labour share in organised manufacturing

a) Wages



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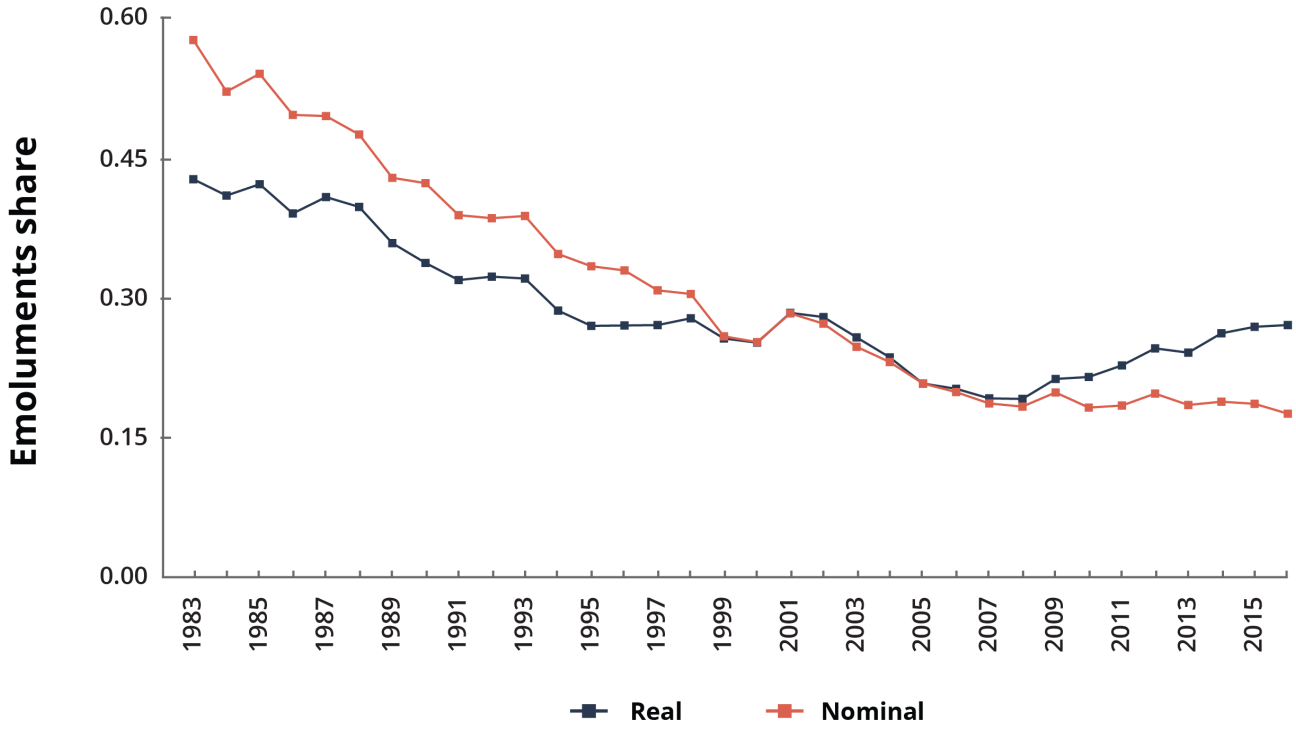
Sources and notes: ASI NIC 2 digit (EPWRFITS) various years. Wage share = wages paid to production workers / GVA . Nominal wages have been deflated by CPI(IW), base= 2015.

Fig 4.13: Falling labour share in organised manufacturing

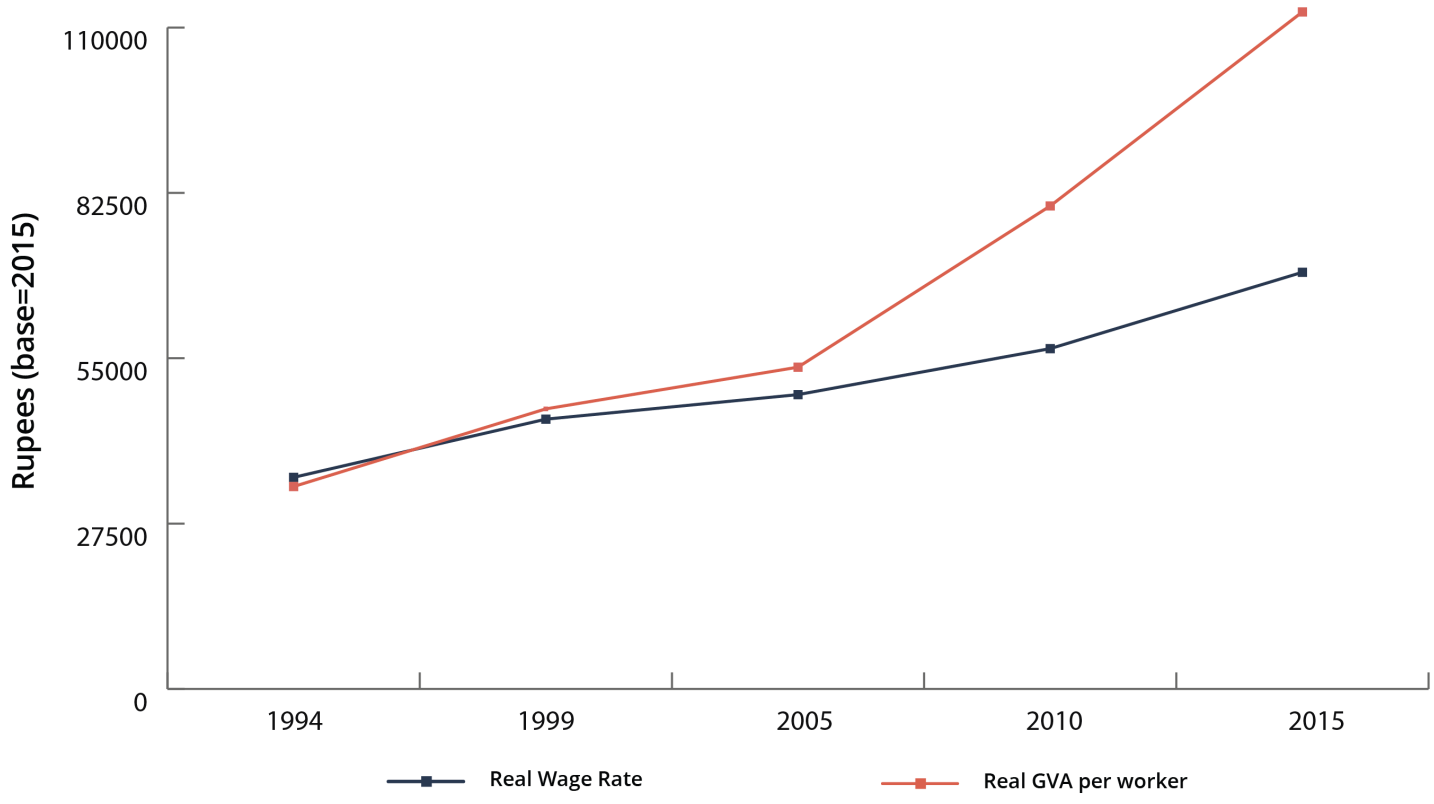
b) Emoluments



State of Working India 2018, Azim Premji University

Sources and notes: ASI NIC 2 digit (EPWRFITS). Emolument share = wages and salaries paid to all employees / GVA. Nominal emoluments have been deflated by CPI(IW), base= 2015.

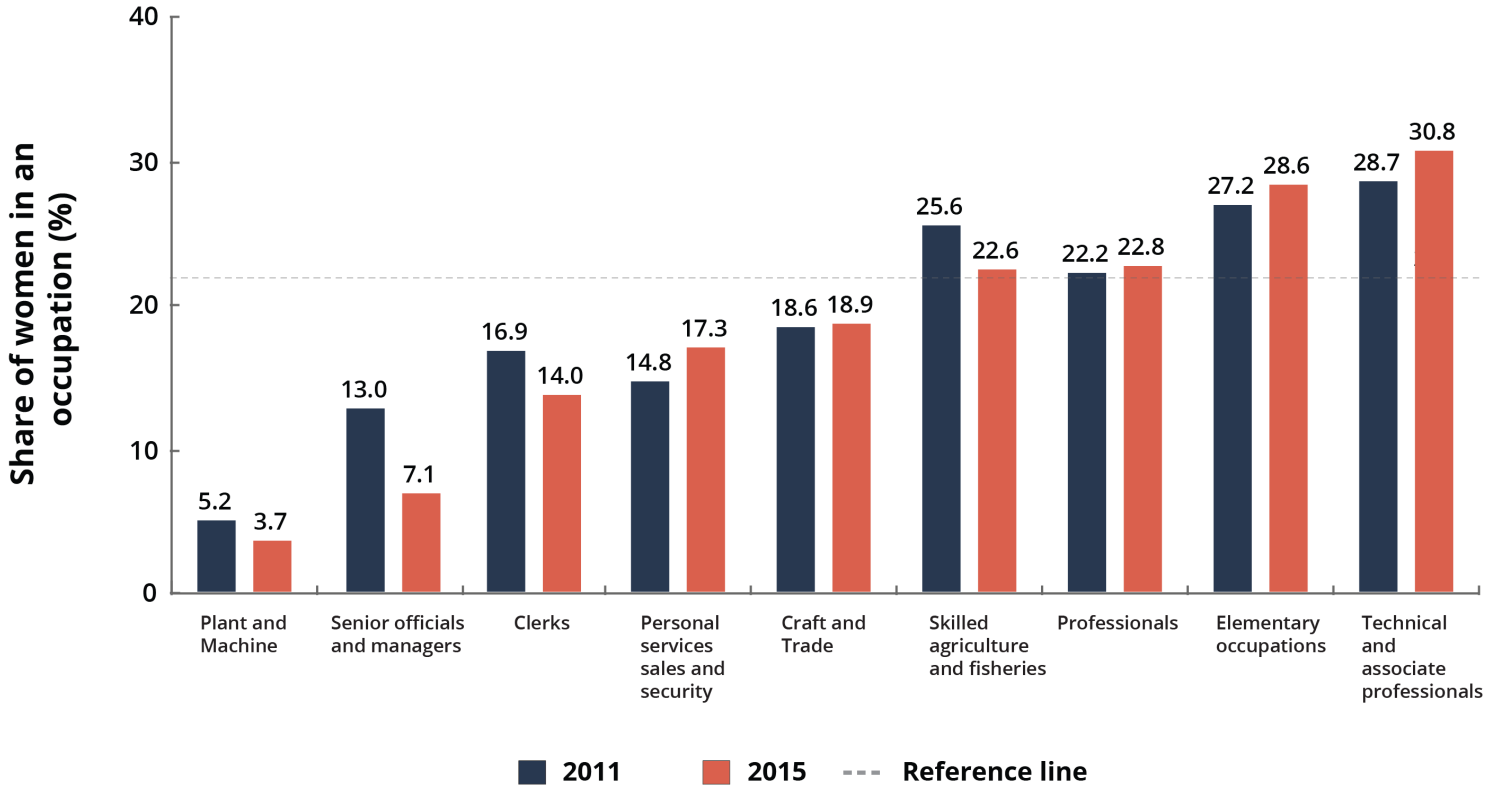
Fig 4.14: Wage-productivity divergence in the unorganised manufacturing sector



State of Working India 2018, Azim Premji University

Sources and notes: NSS informal and unincorporated enterprise surveys, various rounds (see Methods for details). Nominal values deflated by CPI-IW (base 2015).

Fig 5.1: Share of women in various occupations



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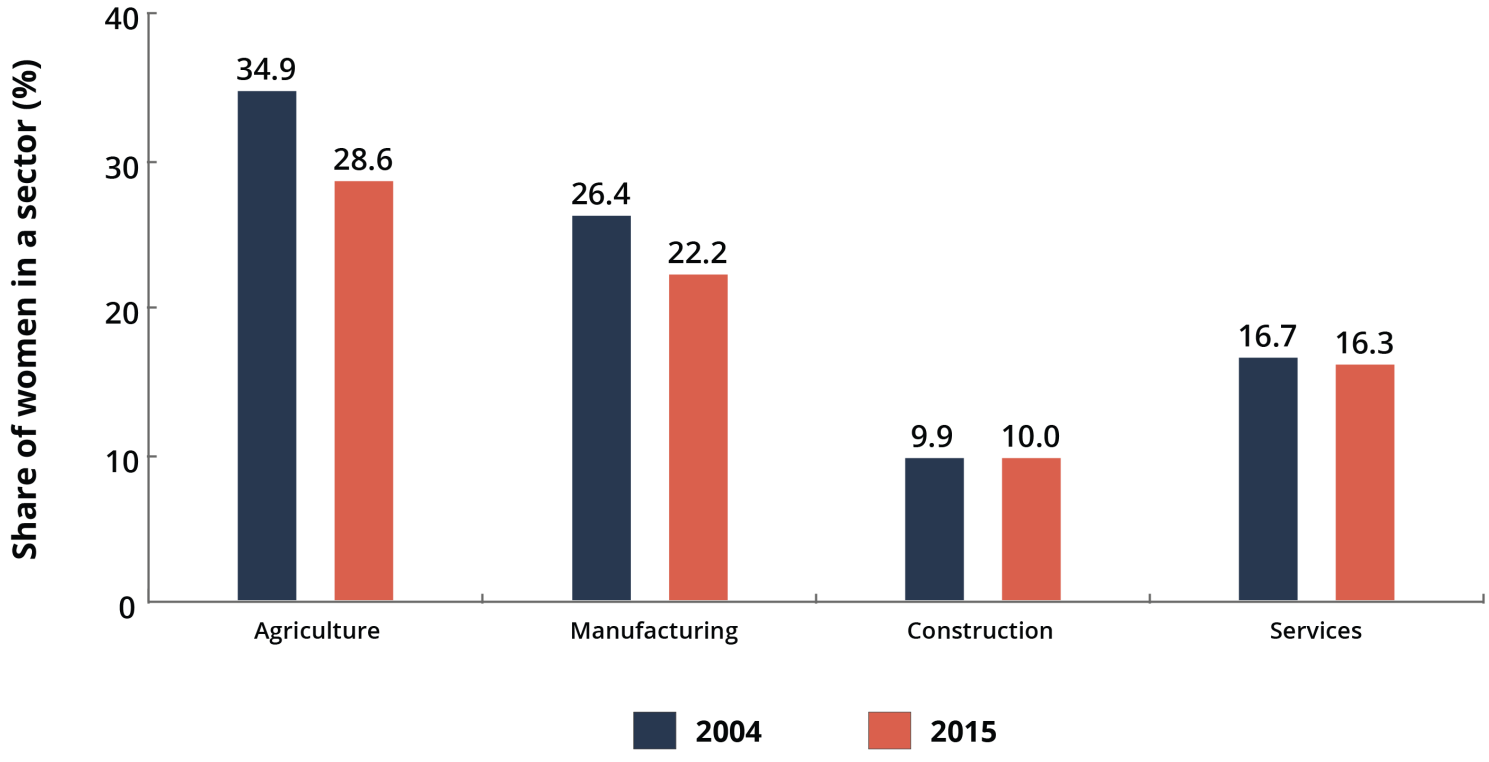
Sources and notes: NSS-EUS 2011, LB-EUS 2015. Reference line indicates overall share of women in the workforce in 2015.

Fig 5.2: Share of women in various sectors

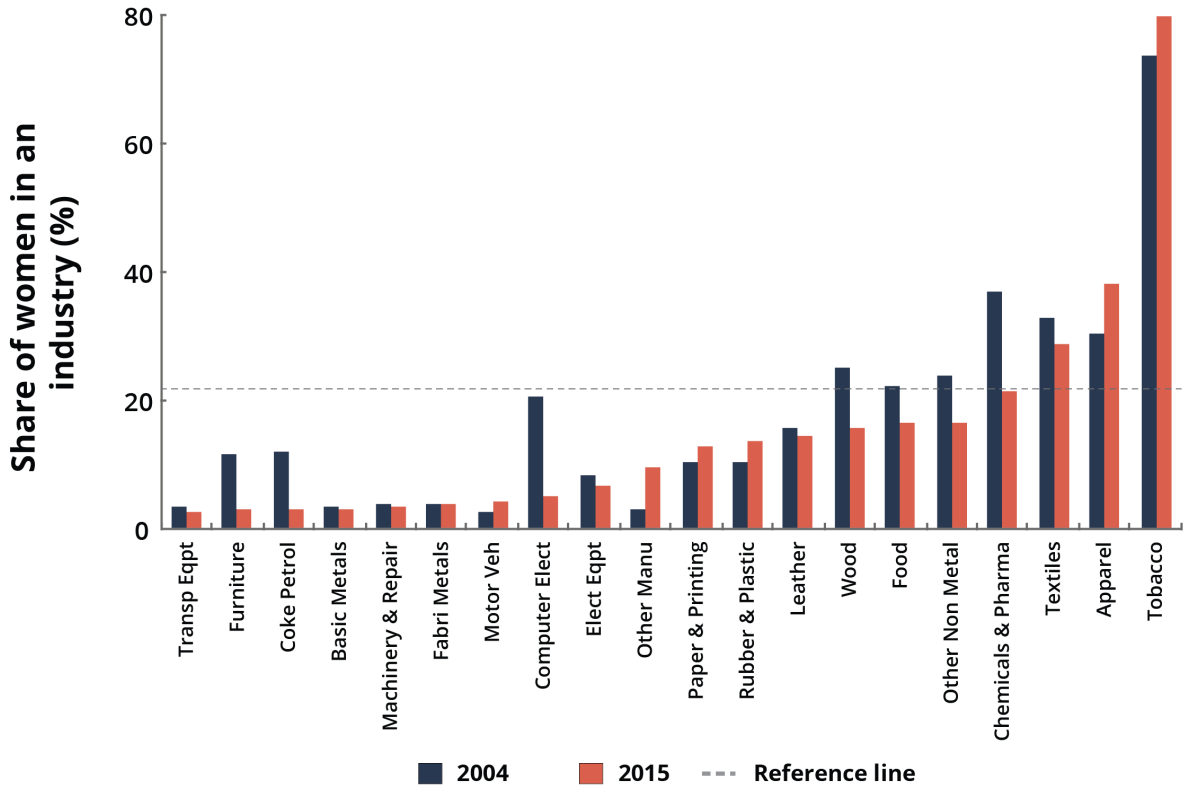


State of Working India 2018, Azim Premji University

Sources and notes: NSS-EUS 2004, LB-EUS 2015.

Fig 5.3: Share of women in various industries

a) Manufacturing



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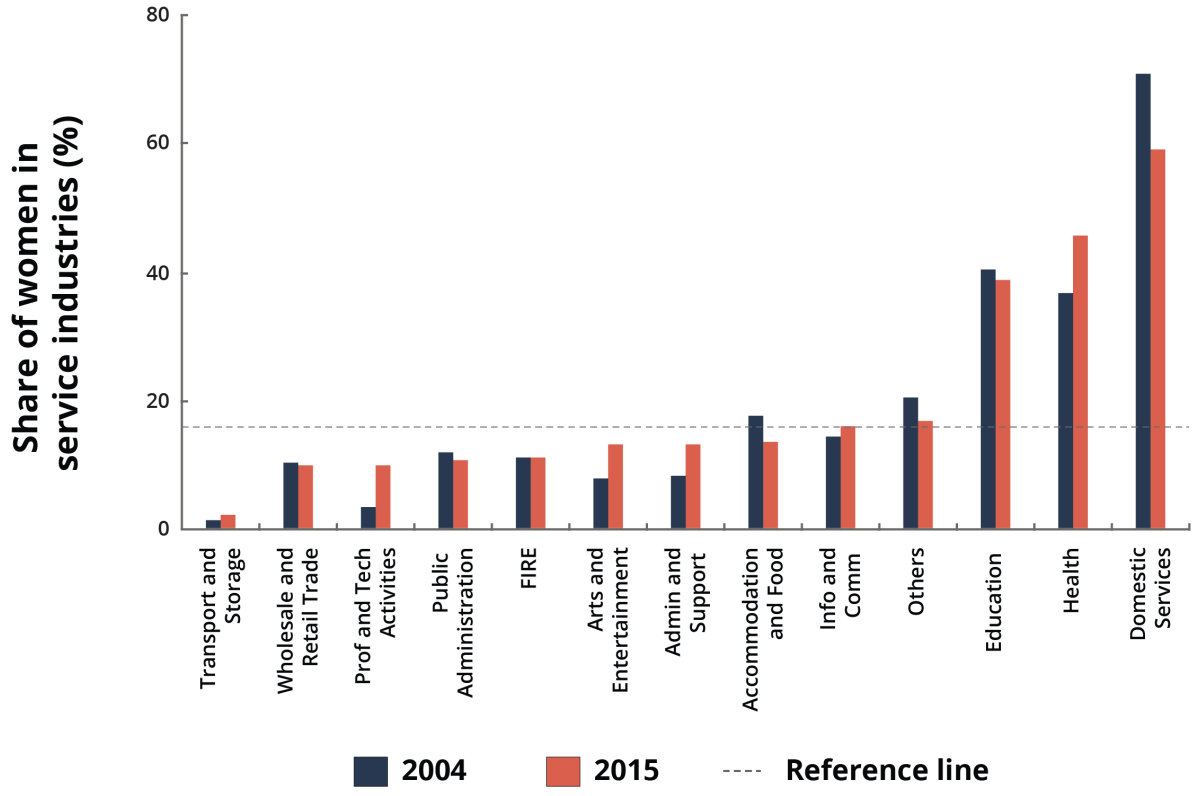
Sources and notes: NSS-EUS 2004, LB-EUS 2015. Reference line indicates overall share of women in the manufacturing workforce in 2015.

Fig 5.3: Share of women in various industries

b) Services



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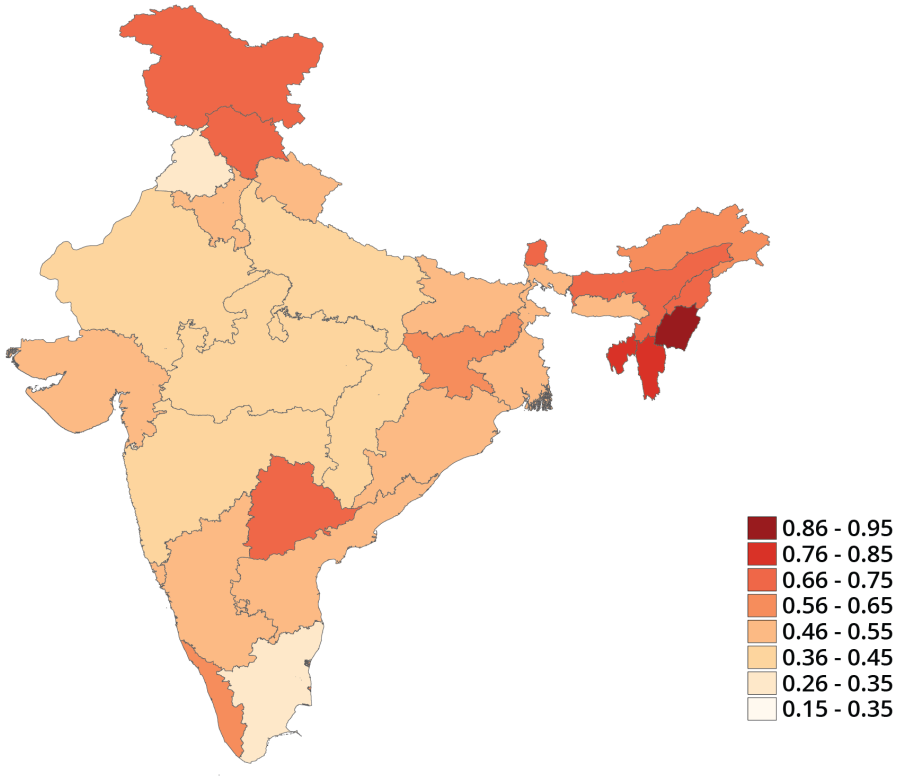
Sources and notes: NSS-EUS 2004, LB-EUS 2015. Reference line indicates overall share of women in the services workforce in 2015.

Fig 5.4: Gender-based segregation across states

a) Manufacturing



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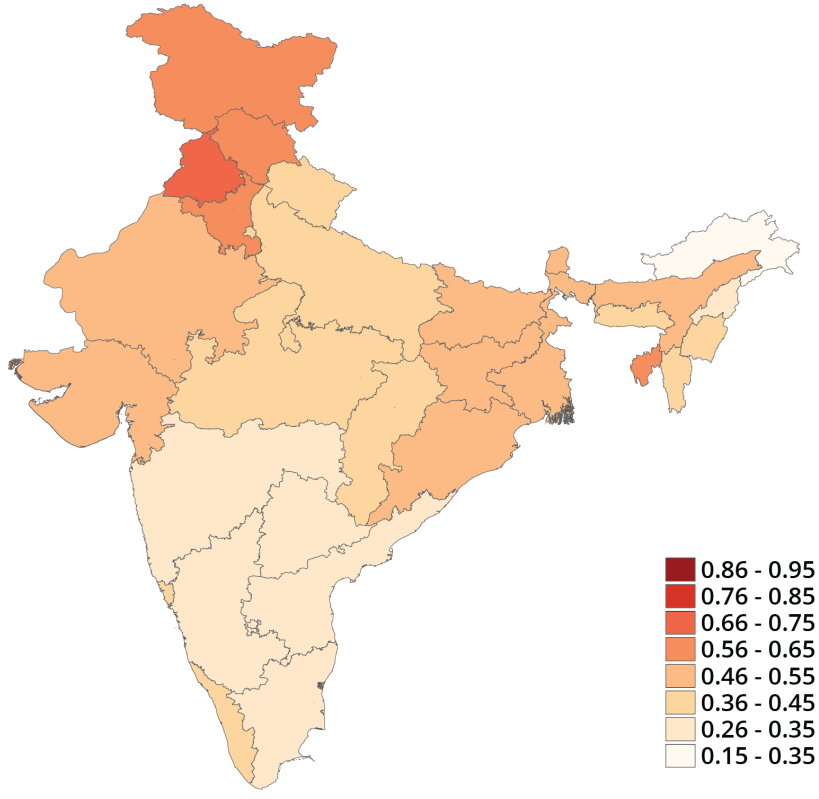
Sources and notes: LB-EUS 2015. Scale indicates the Duncan index of segregation. See the report for description. See Appendix Table A5.4 online for data.

Fig 5.4: Gender-based segregation across states

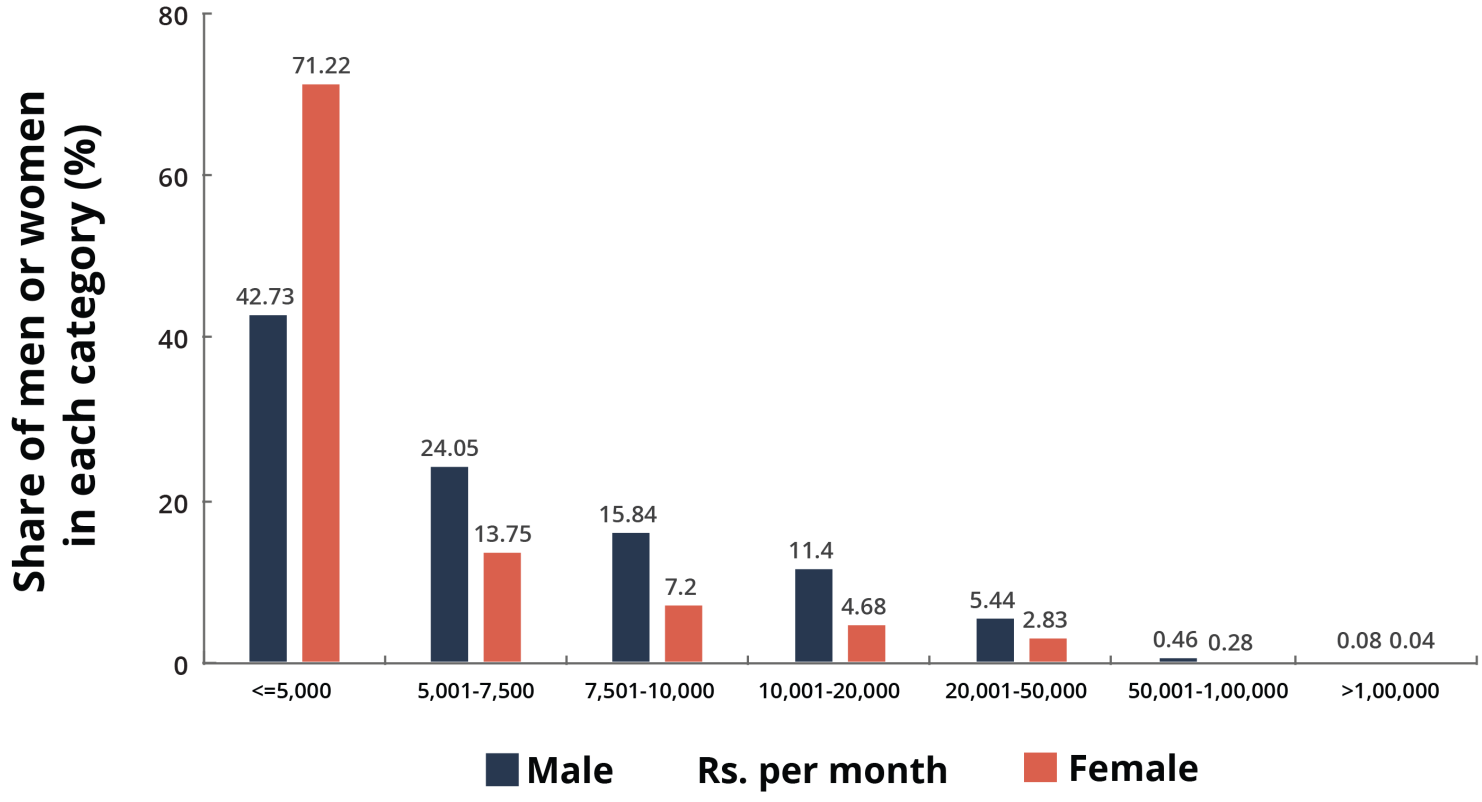
b) Services



State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. Scale indicates the Duncan index of segregation. See the report for description. See Appendix Table A5.4 online for data.

Fig 5.5: 82 percent of male and 92 percent of female workers earn less than Rs. 10,000 a month



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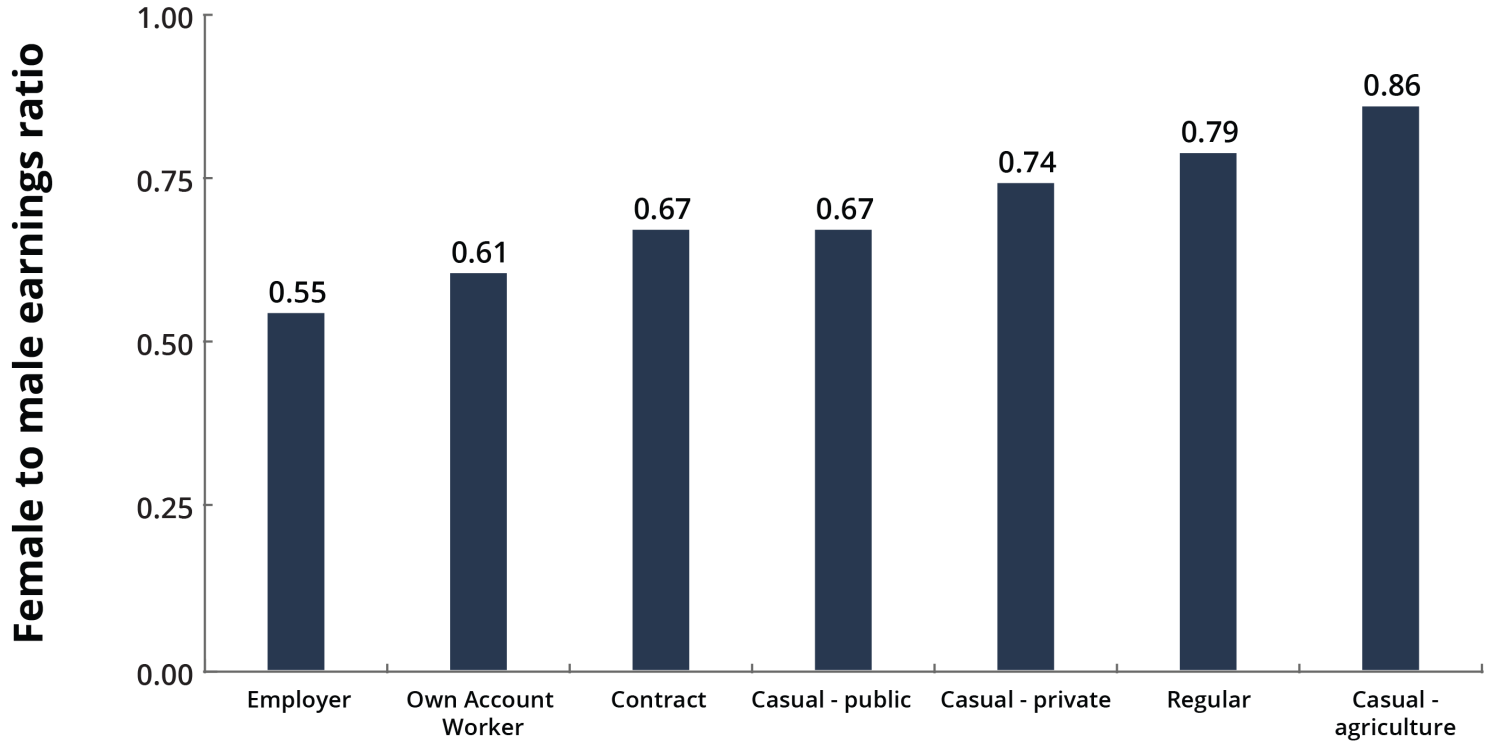
Sources and notes: LB-EUS 2015.

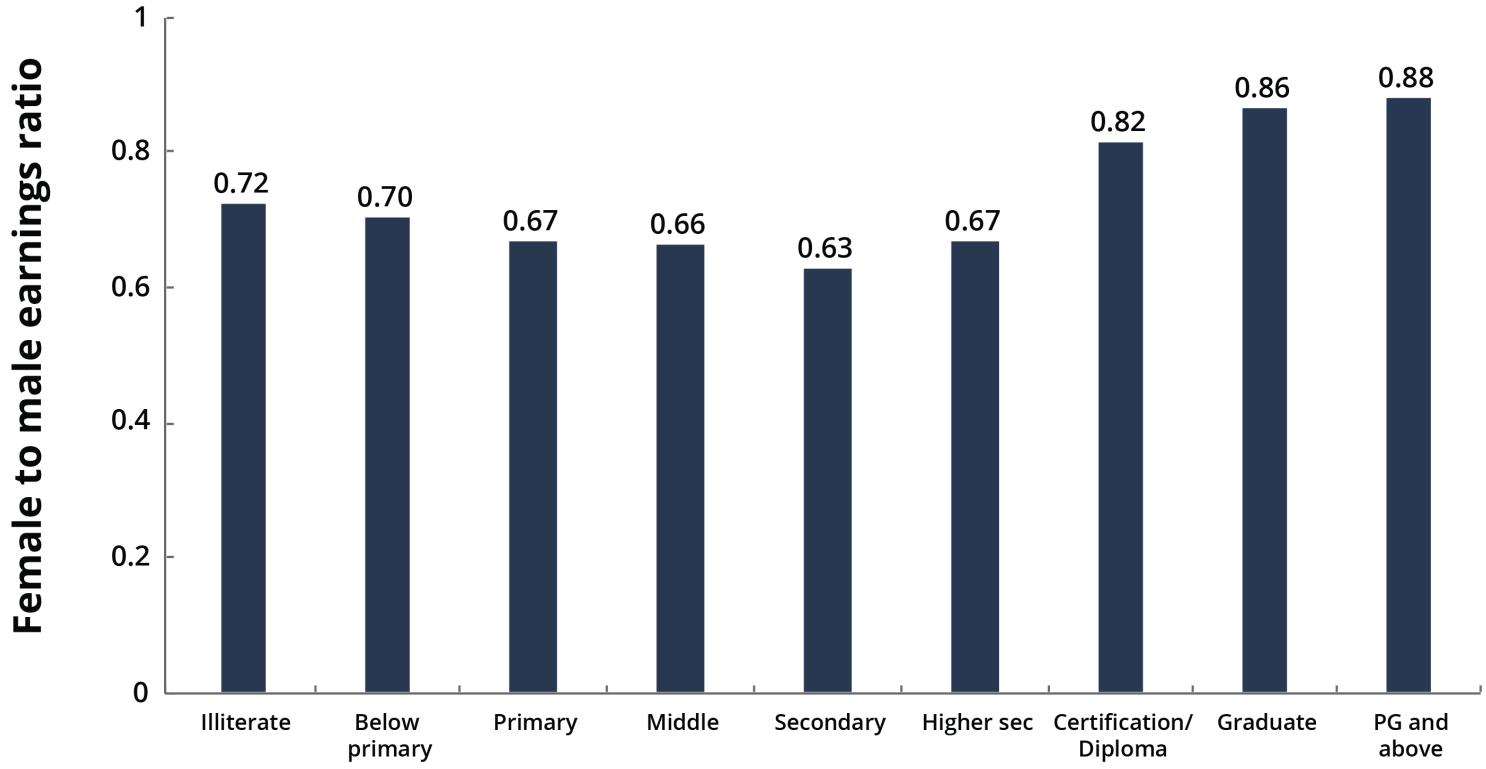
Fig 5.6: Women earn 50 to 80 per cent of men's earnings across employment types



State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. The earnings gap is defined as the ratio of female to male earnings. A higher ratio indicates a smaller gap.

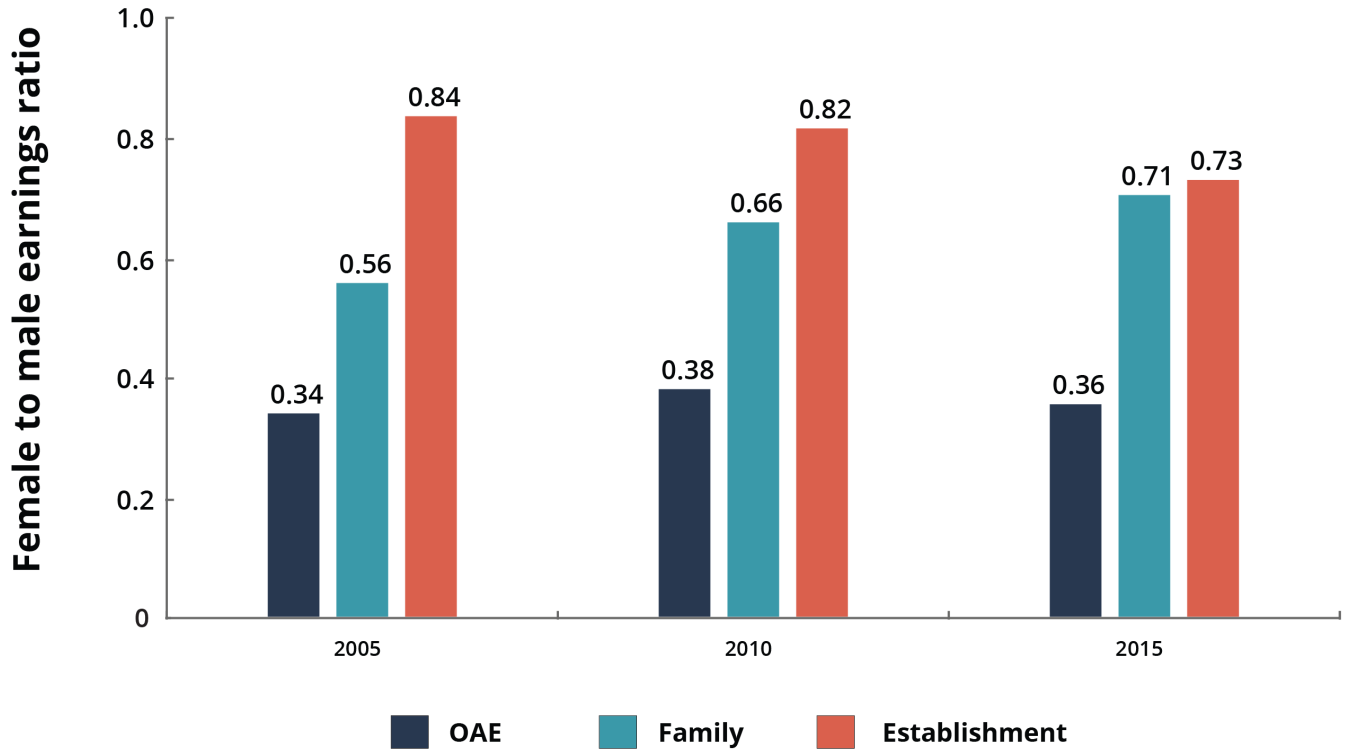
Fig 5.7: The gender earnings gap narrows significantly with education beyond the higher secondary level



State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. The earnings gap is defined as the ratio of female to male earnings. A higher ratio indicates a smaller gap.

Fig 5.8: Own account women workers earn 30 per cent of their male counterparts but the gap narrows significantly to 80 percent for employers



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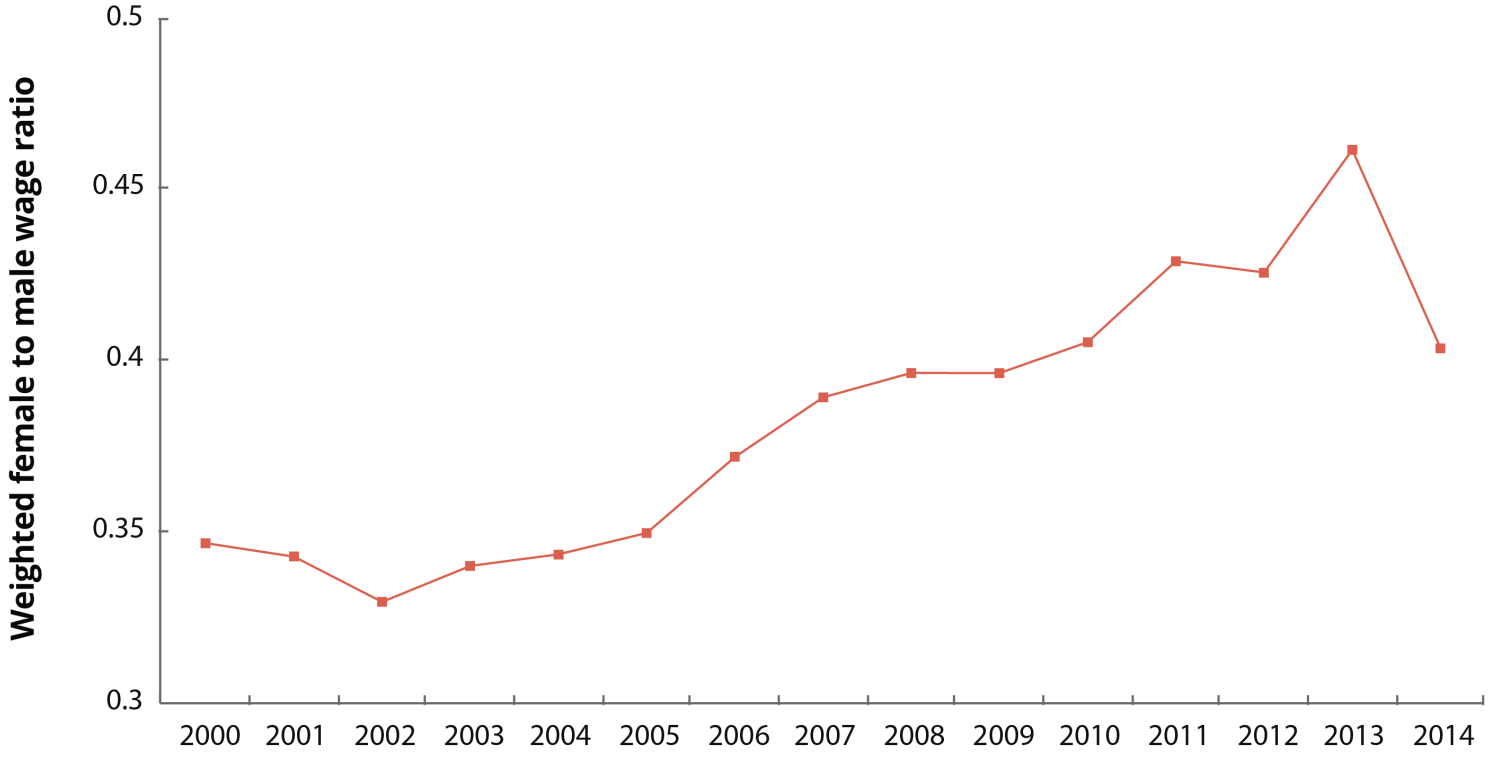
Sources and notes: NSS informal and unincorporated enterprise surveys, various rounds (see Methods for details). Nominal values deflated by CPI-IW (base 2015). OAE - own account enterprise or single person firm. Family - enterprises operating only with unpaid labour. Establishment - enterprises hiring at least one wage worker. The earnings gap is defined as the ratio of female to male earnings. Earnings are defined as GVA/worker for male and female owned firms.

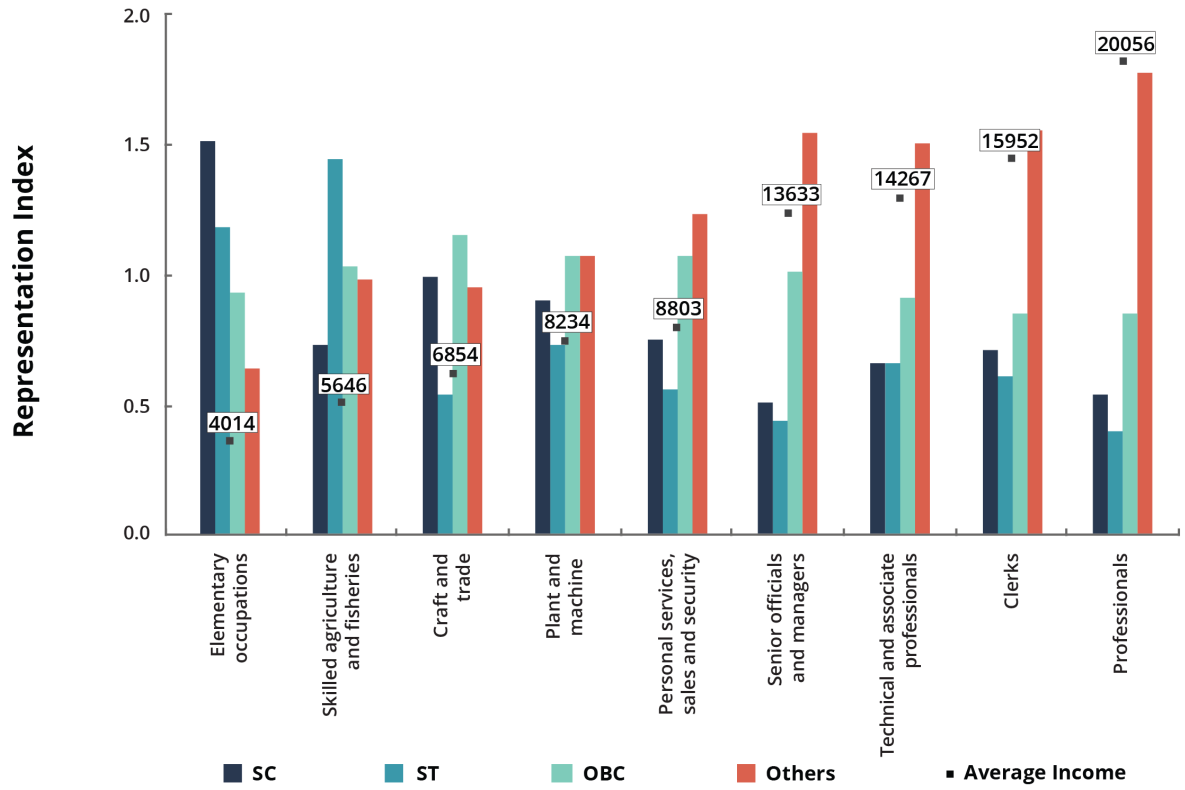
Fig 5.9: Gender wage gap in organised manufacturing is high but has been declining



State of Working India 2018, Azim Premji University

Sources and notes: ASI factory level data, various years. Wage gap is defined as the ratio of female to male wage rates weighted by size of the factory. See report for weighting details.

Fig 5.10: SC and ST groups are over-represented in poorly paid occupations while upper castes are over-represented in well-paid ones



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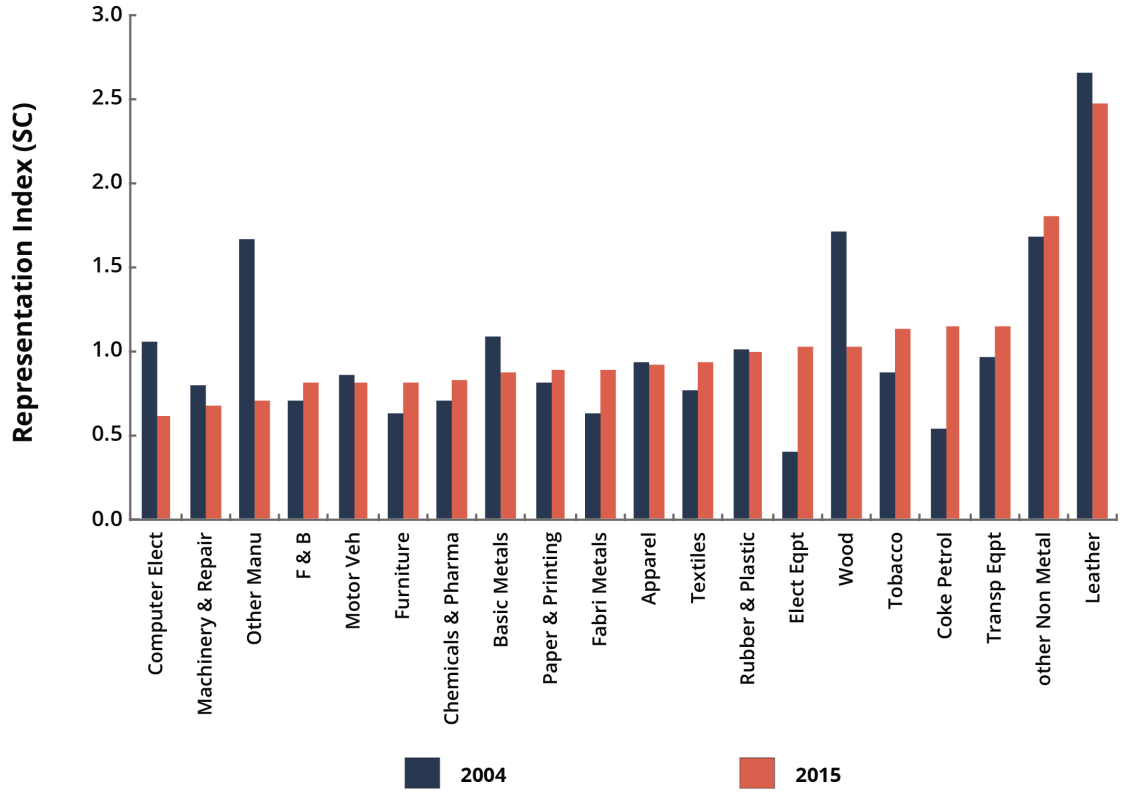
Sources and notes: LB-EUS 2015. Representation Index = (% in occupation/% in workforce). Numbers indicate average monthly earnings for a given occupation.

Fig 5.11: Caste representation across manufacturing industries:

a) SC



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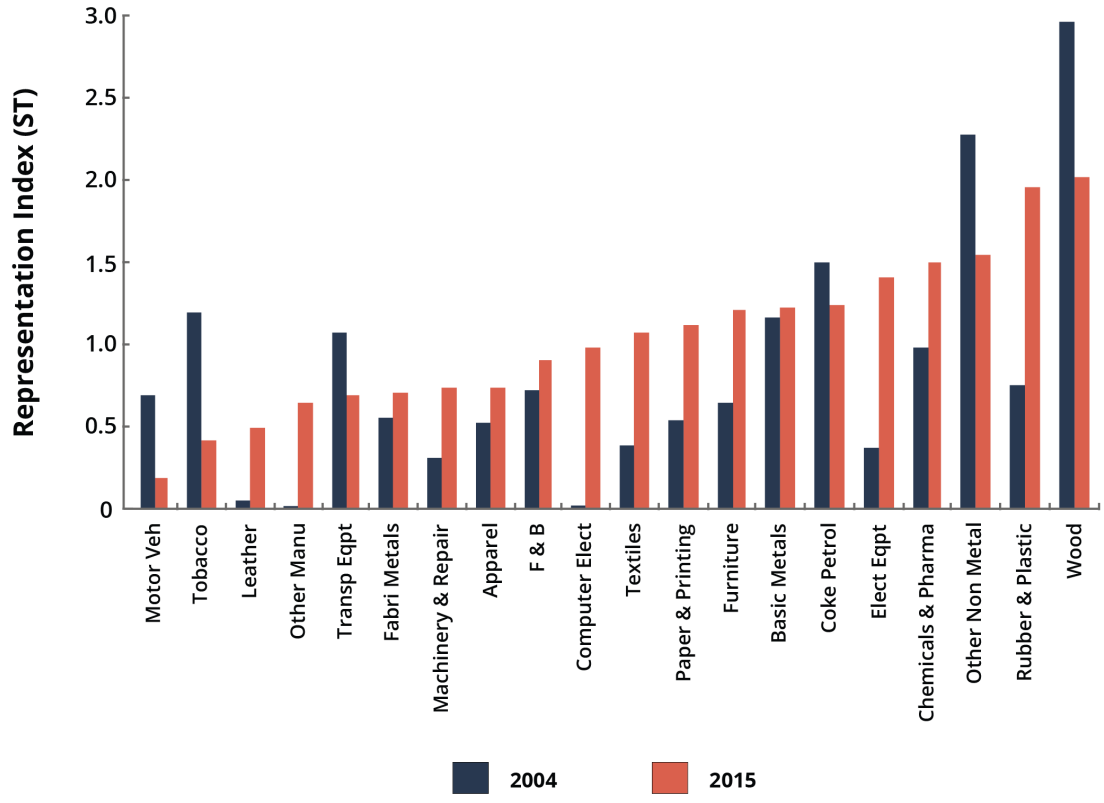
Sources and notes: NSS-EUS 2004, LB-EUS 2015. Representation Index = (% in industry/% in workforce). Bars are ordered by increasing SC representation in 2015.

Fig 5.11: Caste representation across manufacturing industries:

b) ST

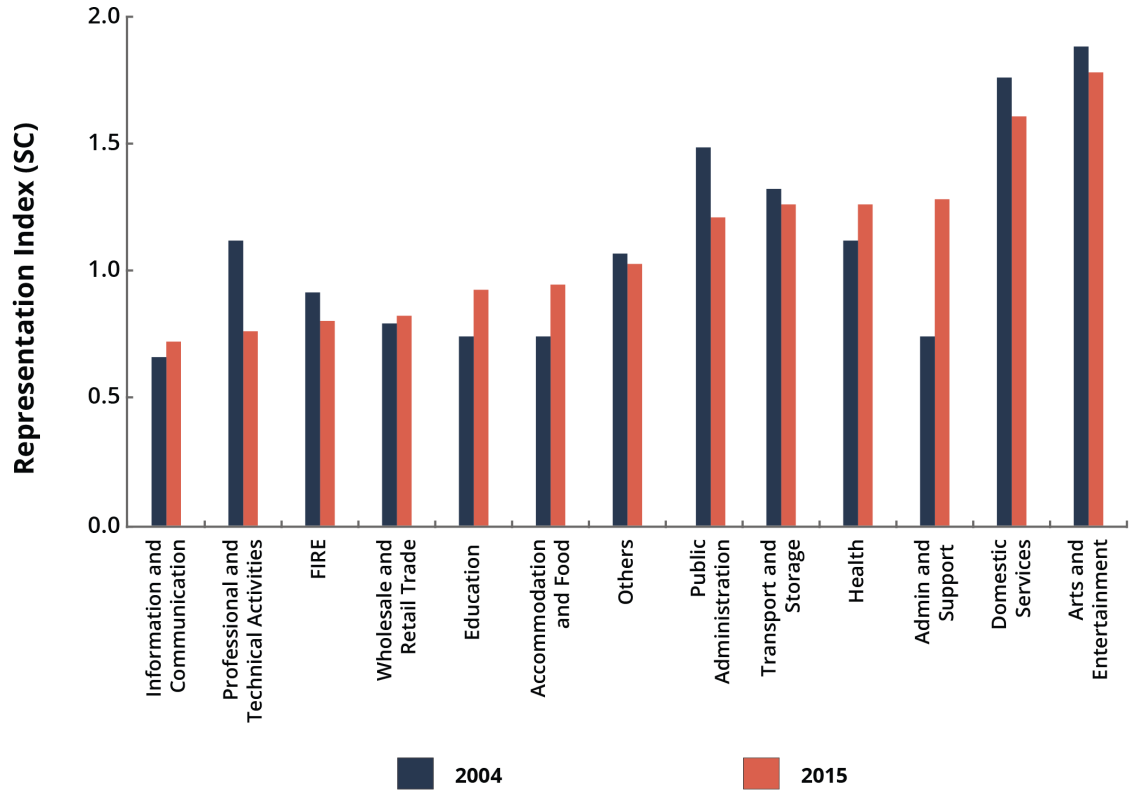


State of Working India 2018, Azim Premji University

Sources and Notes: NSS-EUS 2004, LB-EUS 2015. Representation Index = (% in industry/% in workforce). Bars are ordered by increasing ST representation in 2015.

Fig 5.12: Caste representation across service industries:

a) SC

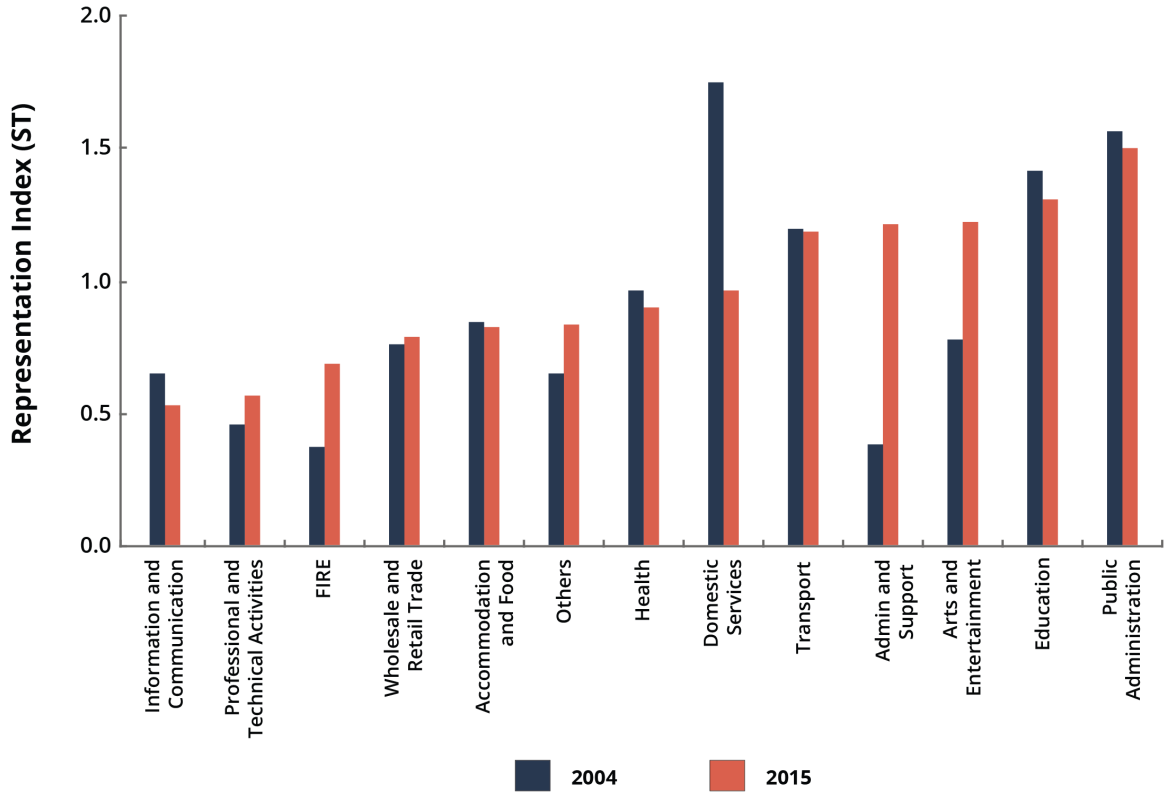


State of Working India 2018, Azim Premji University

Sources and notes: NSS-EUS 2004, LB-EUS 2015. Representation Index = (% in industry/% in workforce). Bars are ordered in increasing order of SC representation in 2015.

Fig 5.12: Caste representation across service industries:

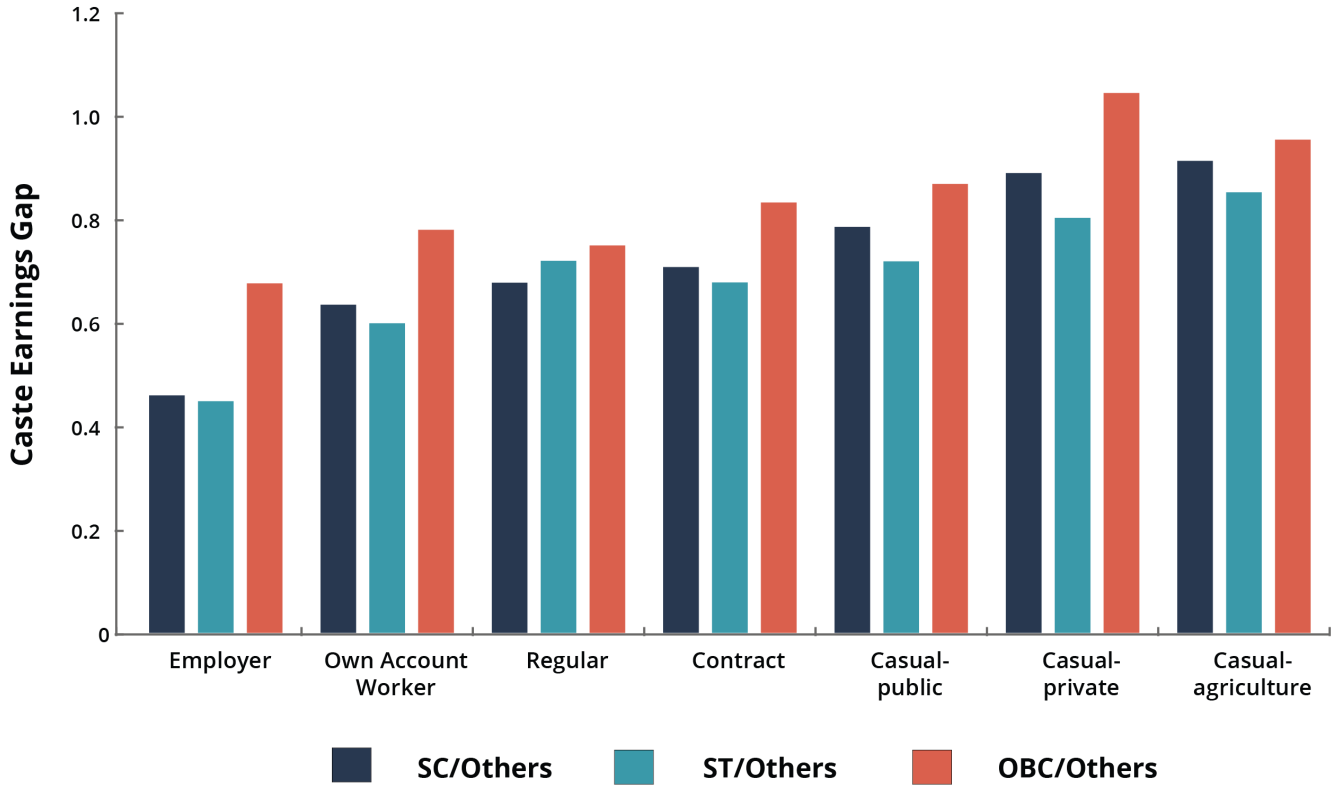
b) ST



State of Working India 2018, Azim Premji University

Sources and notes: NSS-EUS 2004, LB-EUS 2015. Representation Index = (% in industry/% in workforce). Bars are ordered in increasing order of ST representation in 2015.

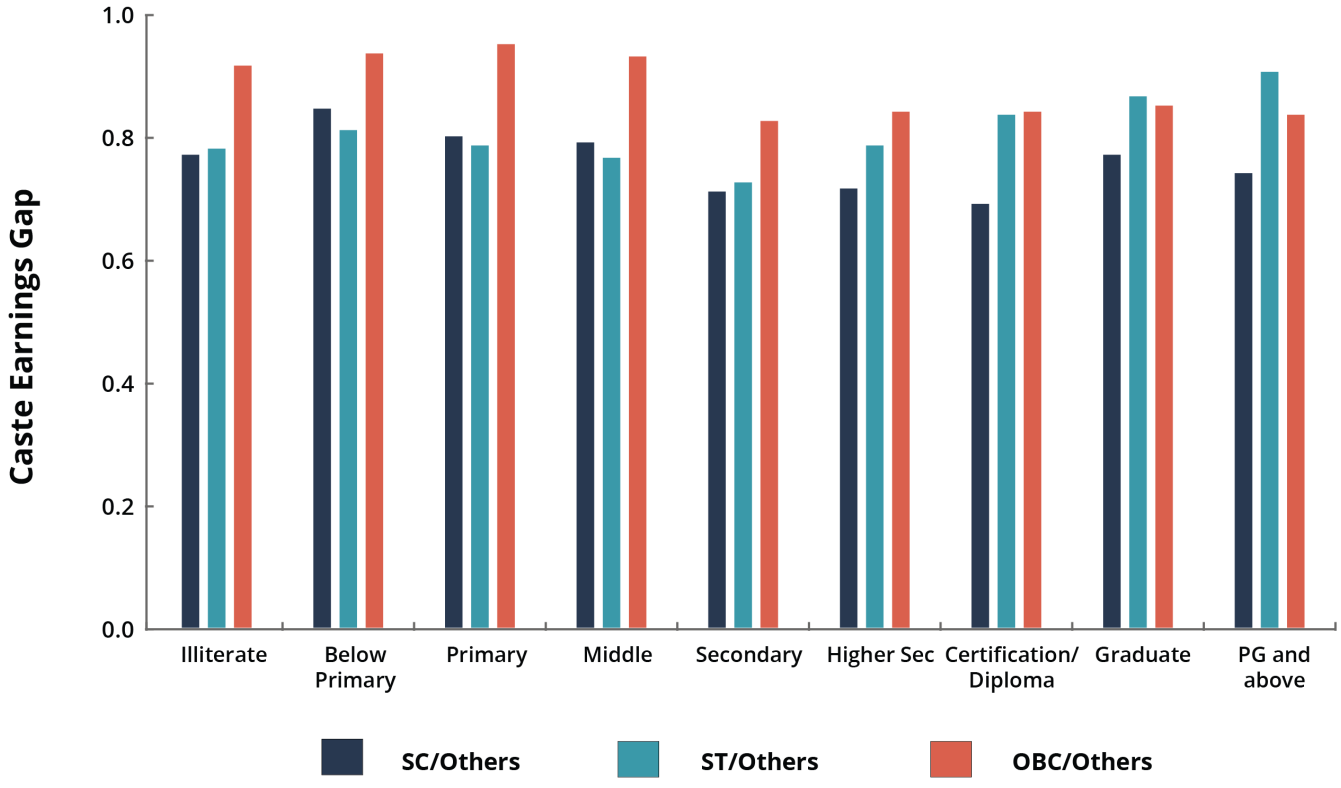
Fig 5.13: Caste earnings gap across employment status



State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. Earnings gap = Ratio of SC, ST or OBC earnings to Other earnings. A larger ratio indicates a smaller gap. Bars are ordered by increasing SC to Other ratio.

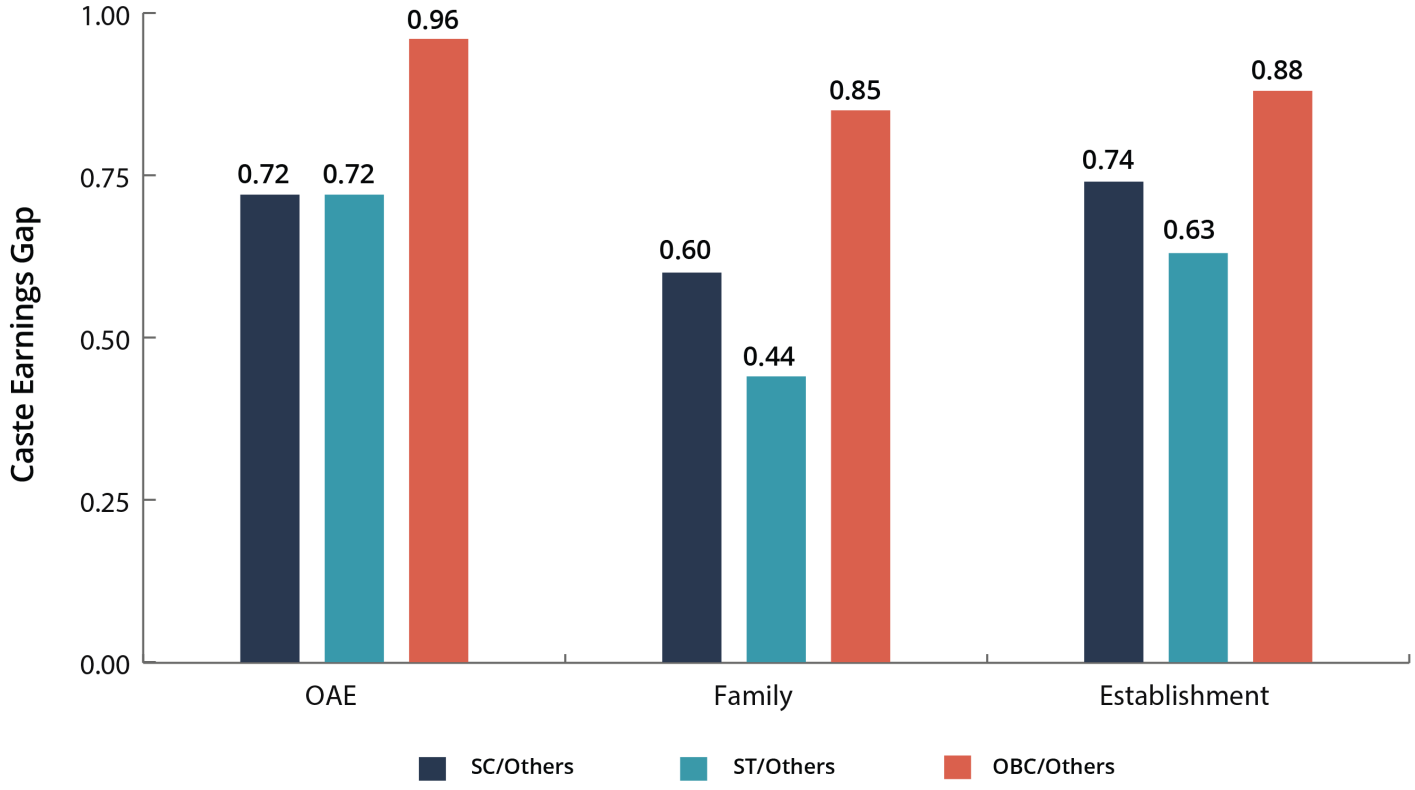
Fig 5.14: Taking education level into account reduces the caste earnings gap



State of Working India 2018, Azim Premji University

Sources and notes: LB-EUS 2015. Earnings gap = Ratio of SC, ST or OBC earnings to Other earnings. Larger ratio indicates a smaller gap. Bars are ordered by increasing SC to Other ratio.

Fig 5.15: Caste earnings gap across firm types in the unorganised manufacturing sector



State of Working India 2018, Azim Premji University

Sources and notes: NSS informal and unincorporated enterprise surveys, various rounds (see Methods for details). OAE - own account enterprise or single person firm. Family - enterprises operating only with unpaid labour. Establishment - enterprises hiring at least one wage worker. The earnings gap is defined as the ratio of lower caste to 'other' earnings. Earnings are defined as GVA/worker.