



STRUCTURAL CHANGES IN RURAL LABOUR MARKET AND EMPLOYMENT IN POST REFORM INDIA

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ABSTRACT

KEYWORDS:

Labour Market, Employment, Rural India, NREGA and Reforms

Provision of gainful employment has been one of the major concerns of development planning in India. The last two decades witnessed some significant changes in development paradigm such as introduction of new economic reforms and National Rural Employment Guarantee Act. The purpose of this paper is to examine the growth of employment opportunities in the rural areas and also some of the major changes in the structure and quality of employment in rural areas in the post reforms era. The labour market changes have been studied period-wise i.e pre- NREGA Period i.e Period-I (1993/94 to 2004/05) and post NREGA Period i.e Period-II (2004/05 to 2009/10). The database for the study is mainly the National Sample Survey Organisation's (NSSO) data on "Employment and Unemployment".

During the post reforms era, India has experienced significant growth of GDP (about 10 per cent per annum) and decline in poverty at the rate of one per cent per annum; these improvements are more rapid in post NREGA period. The labour market has also undergone several changes. The labour force participation rates which were hovering in a narrow band but the participation rates of female labour declined during Period-II.

INTRODUCTION

Provision of gainful employment has been one of the major concerns of development planning in India. The decade of 90s witnessed some significant shifts in development paradigm such as introduction of new economic reforms. There has been an apprehension that these reforms would affect the livelihoods of the poor adversely. It was also contended that the market led growth process would not be inclusive and even might result in jobless growth. The tenth five year plan aimed at creation of 10 million jobs every year during the plan period (2002-07). Another landmark intervention in the rural labour market during this period is the National Rural Employment Guarantee Act (NREGA) of 2005. However, the unemployment levels have been steadily increasing during 9th, 10th and 11th plan periods (Bhalla GS: 2008).

Almost 90 per cent of the labour force are engaged in the unorganized sector contributing about half of the country's GDP in 2004-05 and the employment growth in the unorganized sector during 1999/00 to 2004/05, was 2.88 per cent per annum (GoI, 2008). The committee on unorganized sector in its report presented the deplorable work and livelihood conditions of the workforce engaged in the unorganized sector (GoI, 2007). Most of the workers of the

unorganised sector are inhabited in rural areas and nearly 60 per cent of the rural labour force are engaged in agriculture sector. It is disheartening to note that agriculture has been growing well below the targeted four per cent and so one can expect its impact on the employment. Since livelihoods of the rural poor are strongly interlinked with the changes in the labour market, it is imperative that these changes need to be analysed systematically.

The purport of this paper is to examine the growth of employment opportunities in the rural areas and also some of the major changes in the structure and quality of employment in rural areas in the post reforms era. Since the NREGA provides substantial employment opportunities at stipulated minimum wages, it has potential to contribute to these changes significantly. Accordingly, the labour market changes in post NREGA period are also analysed.

OBJECTIVES, DATABASE AND METHODOLOGY

The main objective of the paper is to study the structural changes in the rural labour market in the post reforms period with reference to:

- i. Trends in worker participation rates and employment opportunities;
- ii. Structural and qualitative changes in labour market;

iii. Trends in unemployment and under employment

The database for the study is mainly the National Sample Survey Organisation's (NSSO) data on "Employment and Unemployment" relating to 50th (1993/94), 55th (1999/00), 61st (2004/05) and 66th (2009/10) rounds. The unit record data of these rounds are also used for generating information on some selected parameters.

The labour market changes have been studied period-wise i.e pre-NREGA Period i.e Period-I (1993/94 to 2004/05) and post NREGA Period i.e Period-II (2004/05 to 2009/10) and this periodisation helps to trace the initial effects of NREGA on the rural labour market. Since gender is an important issue, on all the key variables the data analysis has been carried out sex-wise. As far as employment opportunities are concerned, the status of Scheduled Castes (SCs) and Scheduled Tribes (STs) has been examined to ascertain whether the development administration has become over time more sensitive to the needs of the socially disadvantaged.

The trends in labour force and work force participation rates and growth rates per annum based on the usual status approach (both principal and subsidiary status) are considered to examine the impact of reforms on employment. The fluctuations in subsidiary status employment are reviewed to see whether economic reforms and NREGA type of interventions have facilitated mobility of workers more so female workers from subsidiary to principal status work. The employment elasticity of growth has been worked out period wise and sex wise to ascertain whether economic growth is accompanied by expansion of employment opportunities or not.

The structural and qualitative changes in rural labour market are assessed using simple indicators such as the shifts in work force distribution, changes in size of workers across major industries and occupational mobility of usually employed in terms of nature of work and establishment over time. The other indicators include extent of casualisation, persons with more or less regular work, percentage of single woman worker households, households with no worker and more number of workers, incidence of child labour and changes in wage earnings of casual labour in 'public' and 'other' works, sex-wise.

The current daily status (CDS) approach has been adopted to study the trends in unemployment. The underemployment among workers of 15 years and above age is ascertained by the percentage of these workers seeking or available for additional / alternative work.

DISCUSSION ON THE RESULTS

The Planning Commission desired to achieve higher economic and employment growth since early 90s. It is heartening to note that during the post reform era, the economy grew at an impressive rate and details can be seen in Table 1. The agriculture GDP has been taken as proxy for GDP for rural sector since as per Central Statistical Organisation data, agriculture accounts for about 94 per cent of rural GDP¹ (RDS, NIRD : 2012). The growth rate of rural GDP has been less by 5-6 percentage points than the overall GDP and it grew faster in Period-II. In the post reform period the rural economy grew at 4.74 per cent per annum but in pre NREGA period it was just 2.84 per cent per annum.

**Table 1: Growth of Gross Domestic Product (GDP)
(1999-2000 Prices)**

	1993-94	1999-2000	2004-05	2008-09
All-India	1223816	1786526 (9.20)	2388384 (6.74) [8.65]	3339375 (9.95) [11.52]
GDP- Agriculture	336136	409660 (4.37)	441183 (1.54) [2.84]	511274 (3.97) [4.74]

Figures in () are growth rate per annum over the previous period.

Figures in [] are growth rate per annum over 1993-94

The rural poverty has declined during the reforms era as per the official statistics. For instance, the incidence of rural poverty was 50 per cent in 1993-94 and reduced to 41.8 by 2004-05 and then to 34 per cent in 2009-10 based on estimates derived using Tendulkar Committee approach (GoI, 2012). It is evident that the rate of decline was higher in the post NREGA period. Thus, one could probably infer that the labour market has played an important role in the poverty reduction.

The NSSO data on the quinquennial surveys on 'Employment and Unemployment' point out that labour force participation rates of males in rural areas have been oscillating in a narrow band of 53 to 56 per cent during the

reference period based on usual status (Table 2). But, the female labour participation rates (FLFPRs) have been lower by about 20 percentage points than that of males. Further, the FLFPRs experienced more fluctuations and increased by 5 to 11 percent when subsidiary status is included. It is to be noticed that the FLFPRs have declined by 4 to 6 percentage points in Period-II. As per official statistics, an estimated 6.77 billion person days of work has been generated in NREGA during 2006-07 to 2009-10 and 45 per cent of this has been availed by the women. This implies that despite introduction of women friendly NREGS, there has been withdrawal of females from the labour market in the post NREGA period.

Table 2: Labour Force Participation Rates (LFPR) by Sex - Rural
(%)

	1993-94	1999-2000	2004-05	2009-10
Usual Status (PS)				
Male	54.9	53.3	54.6	54.8
Female	23.7	23.5	24.9	20.8
Usual Status (PS+SS)				
Male	56.1	54.0	55.5	55.6
Female	33.0	30.2	33.3	26.5

PS: Principal Status SS: Subsidiary Status

The data on work force participation rates (WFPRs) are presented in Table 3 and the trends are similar to those of LFPRs and the gap indicates the extent of open unemployment; it is more for females. It is clear from Table 3 that in the later part of 90s, the rural labour markets experienced a decline in participation levels of the workers by 2-3 percentage points largely on account of variations in subsidiary

status workers. The initial period of last decade (i.e from 1993-94 to 1999-00) witnessed a moderate rise in WFPRs, more so for female workers suggesting that the economic growth in rural areas during that period was favourable to the females in terms of employment opportunities. However, employment growth in the subsequent period was adverse to females to such an extent that the WFPR of females had declined well below the 1993-94 level.

Table 3: Workforce Participation Rates in Rural Areas
(Usual Status approach)

Indicators	1993-94		1999-2000		2004-05		2009-10	
	Male	Female	Male	Female	Male	Female	Male	Female
Workforce Participation Rate (%) (PS)	53.8	23.4	52.2	23.1	53.5	24.2	53.7	20.2
Workforce Participation Rate (%) (SS)	1.5	9.4	0.9	6.8	1.1	8.5	1.0	5.9
Workforce Participation Rate (%) (PS +SS)	55.3	32.8	53.1	29.9	54.6	32.7	54.7	26.1

PS: Principal Status SS: Subsidiary Status

Source: NSSO, 1993-94, 1999-2000, 2004-05 and 2009-10.

Table 4 provides data on the magnitude of workers sex wise, work status wise and period wise. The number of workers had increased from about 260 million in 1993-94 to over 300 million by 2009-10 indicating an addition of 40 million workers over span of 16 years i.e addition of 2.5

million per annum. During pre NREGA period the employed persons grew at the rate of 2.2 per annum and subsequently it registered a significant decline (-1.0 per cent per annum). Thus, in the post-NREGA regime the employment opportunities shrank and in particular for females (-3.8 % pa).

Table 4: Estimated Number of Workers in Rural Areas
(in Millions)

Category	1993-94			1999-00			2004-05			2009-10		
	Male	Female	Persons	Male	Female	Persons	Male	Female	Persons	Male	Female	Persons
US (PS)	162.0	66.3	228.3	183.0 (2.59)	77.7 (3.44)	260.7 (2.84)	197.3 (1.56) [1.98]	85.7 (2.06) [2.66]	283.0 (1.71)	204.7 (0.75)	73.0 (-2.96)	277.7 (-0.37)
US (SS)	4.4	26.8	31.2	3.0 (-6.36)	22.7 (-3.06)	25.7 (-3.53)	4.3 (8.67) [-0.2]	30.4 (6.78) [1.22]	34.7 (7.00)	3.7 (-2.79)	21.0 (-6.18)	24.7 (-5.76)
US(All)	166.4	93.1	259.5	186.0 (2.36)	100.4 (1.57)	286.4 (2.07)	201.6 (1.68) [1.92]	116.1 (3.13) [2.24]	317.7 (2.19)	208.4 (0.67)	94.0 (-3.81)	302.4 (-0.96)

Figures in () are changes in percentage points over the previous period
Figures in [] are changes in percentage points over 1993-94

The subsidiary status workers account for 8 to 11 per cent of the total workers and nearly 85-88 per cent of them are female workers. In the Period-I, the subsidiary status workers increased by over 3.5 millions but in subsequent period the number dwindled by 10 million. The

reduction in the number could be attributable to either withdrawal from labour market or elevation of workers from subsidiary status to principal status.

The employment elasticity of growth has been computed for different periods and are shown in Table 5.

Table 5: Employment Elasticity of Growth in Rural Areas - Sex-wise

S.No	Sex	A	B	C
1	Male	0.45	1.09	0.17
2	Female	0.30	2.03	-0.96
3	All	0.40	1.45	-0.24

A : 1999/00 over 1993/94; B : 2004/05 over 1999/00 C: 2009/10 over 2004/05

It is evident that the employment elasticity has registered an impressive growth during period B. It experienced a sharp decline during period C pointing out that growth is not only jobless but job replacing as well. This needs detailed

probing since employment intensive NREGA has been introduced during this period and an estimated 6.77 billion days of employment has been generated during 2006-07 to 2009-10. Despite apprehension about leakages (for which

there are no accurate estimates) under this programme, it is clear that development sectors have failed in producing more number of employment opportunities in this period.

One of the key indicator of progressive rural labour markets is magnitude of employment opportunities created and the distribution of the same among the social groups and also between males and females. Further, the growth of employment opportunities during different periods help us in understanding whether economic growth is jobless growth or otherwise. The relevant data based on Current Daily Status (CDS) approach in this regard are shown in Table 6.

At the beginning of reforms period, about 75 billion person days of work was generated in 1993/94 for 260 million workers which works out to an employment of 291 days per worker per annum and 231 days per woman worker. By 1999-2000, an estimated 10 billion days of employment was additionally generated and the per worker employment

increased by another 8.5 days over 1993/94. During Period-I (pre NREGA), the increase in employment days was almost 18 billion days. i.e., employment days have been growing at the rate of 2.17 per cent per annum. Of the additional employment generated, the share of females was 5.86 billion days (32.5 per cent). During the last five years (Period-II), the total estimated employment days had reduced from 93.56 billion to 93.40 billion, i.e., less by 0.16 billion. However, the employment days per worker which was hovering around 291-294 days has shot up to 309 in 2009/10 which can be construed as a positive outcome of rural development. Nearly 29 per cent of this opportunity was availed of by the female workers in this first three reference years but it dipped to 25.5 per cent in 2009/10. The gender bias in sharing of these opportunities is evident as the female workers had lost about 4.09 billion days of work in Period-II. While the male workers' gain was to the extent of 3.93 billion days of additional employment.

Table 6: Estimates of Employment Generation in Post Reform Period (Rural Areas)

State \ Year	1993-94			1999-2000			2004-05			2009-10		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
All-India	53.46	22.08	75.55	60.96	24.81	85.77	65.62	27.94	93.56	69.55	23.85	93.40
ST	5.80 (10.85)	3.54 (16.03)	9.34 (12.36)	6.77 (11.11)	4.19 (16.89)	10.97 (12.79)	6.91 (10.53)	4.22 (15.10)	11.13 (11.90)	7.79 (11.20)	3.89 (16.31)	11.68 (12.51)
SC	10.50 (19.64)	4.47 (20.24)	14.97 (19.81)	12.63 (20.72)	5.48 (22.09)	18.11 (21.11)	13.25 (20.19)	5.71 (20.44)	18.97 (20.28)	14.68 (21.11)	5.08 (21.30)	19.75 (21.15)

The shares of SC and ST workers were fluctuating in narrow band and these were marginally higher than their corresponding shares in population and labour force. Interestingly, the share of ST females in employment among females has been impressively higher (15-18 per cent).

STRUCTURAL AND QUALITATIVE CHANGES IN RURAL LABOUR MARKET

During the reference period of the study, the distribution of workers across main industrial categories reveal that the rural labour force have been shifting away from agriculture though at a slow pace initially and moving towards construction, trade, hotel & restaurants (see Table 7). This is a welcome sign since Indian agriculture has been experiencing the problem of 'disguised unemployment', for long.

Table 7: Distribution of Working Persons in the Principal Status by Industry

	1993-94			1999-2000			2004-05			2009-10		
	M	F	P	M	F	P	M	F	P	M	F	P
Agriculture	73.7	84.7	76.9	71.2	84.1	75.1	66.2	81.4	70.8	62.5	78.9	66.8
Mining & Quarrying	0.7	0.5	0.7	0.6	0.4	0.5	0.6	0.4	0.6	0.8	0.3	0.7
Manufacturing	7.0	7.5	7.1	7.3	7.7	7.4	8.0	8.7	8.2	7.1	7.6	7.2
Electricity, Water etc.	0.3	--	0.2	0.2	--	0.2	0.2	--	0.2	0.2	--	0.2
Construction	3.3	1.1	2.6	4.5	1.2	3.5	6.9	1.7	5.4	11.4	4.2	9.5
Trade, Hotel & Restaurant	5.5	2.2	4.6	6.8	2.3	5.4	8.3	2.8	6.7	8.2	3.1	6.8
Transport etc	2.2	0.1	1.6	3.2	0.1	2.3	3.9	0.2	2.7	4.2	0.3	3.2
Other Services	7.1	4.0	0.3	6.1	4.3	5.6	5.9	4.6	5.4	5.6	5.7	5.7

M: Male F: Female P: Persons

The size of work force by type of principal occupation of the household in the post reform period is shown in table 8. It is evident that the number of workers had been fluctuating in all the household types. These indicate the vulnerability of these occupations and high mobility of the workers across these occupation types. The number of

self employed workers in agriculture and non-agriculture has gone up by 16.3 million and 19.7 million respectively. But in Period-II, the number dwindled by 19.1 million and 3.47 million respectively. The factors responsible for these trends need to be investigated. The 'other labour' has been steadily growing.

Table 8: Estimated Number of Rural Workers by Household Type

Household type	(Number in Millions)			
	1993-94	1999-00	2004-05	2009-10
SE in Agriculture	110.03	106.25	126.44	107.35
SE in Non-Agriculture	33.99	39.81	53.06	49.59
Agriculture Labour	71.36	86.21	76.57	71.97
Other Labour	19.46	21.77	33.68	44.76
Others	24.65	32.65	27.96	28.43

The quality of employment has been studied in terms of percentage of casual workers, percentage of workers with more or less regular employment, percentage of households with more number of workers, growth rate of

wage earnings of casual workers in 'public' and 'other works' and incidence of child labour. These details are presented in Table 9 to 15.

Table 9: Usually Employed Persons by Status of Employment in Rural Areas

Year	Usual Status	Males			Females		
		SE	RE	CL	SE	RE	CL
1993-94	PS	56.7	8.7	34.6	51.3	3.4	45.3
	All	57.7	8.5	33.8	58.6	2.7	38.7
1999-2000	PS	54.4	9.0	36.6	50.0	3.9	46.1
	All	55.0	8.8	36.2	57.3	3.1	39.6
2004-05	PS	57.6	9.1	33.3	56.4	4.8	38.9
	All	58.1	9.0	32.9	63.7	3.7	32.6
2009-10	PS	53.0	8.7	38.3	50.3	5.5	44.2
	All	53.5	8.5	38.0	55.7	4.4	39.9

Prevalence of high levels of 'casualisation' is another feature of the Indian rural labour markets. It is clear from Table 9 that there has been a dip in the levels of casualisation to the extent of 0.9 percentage points among male workers and 6.1 percentage points among female workers during Period-I (1999-00 to 2004-05). But the trend got reversed during Period – II with steep increase in percentage of casual workers (by 5.1 per cent for males and 7.3 per cent for females) hinting at increased vulnerability levels of the working classes. The share of 'regular wage / salaried employed' among males

and females has shown marginal increase except in 2009-10 when it registered a moderate decrease.

The percentage of workers reporting not having more or less regular work was 12 and 17.4 for males and females respectively in 1993-94 and these had gone down by one percentage point for males in the subsequent two periods; while the corresponding improvement for females was more (3 to 4 points) (see Table 10). However, the workers reporting irregular work has again increased in 2009-10 which is an indication of unfavourable change in work conditions.

Table 10: Percentage of Rural Workers who did not Work More or Less Regularly Usual Status (PS)

	1993-94	1999-00	2004-05	2009-10
Male	12.0	10.5	11.0	14.5
Female	17.4	13.3	13.9	17.6

Occupational mobility of usually working persons (15 years and above) indicates the scope/presence for the work force to move across the work and establishment categories. These details are provided in the table 11A and 11B. It is evident that the mobility itself was low and such percentage of workers was reducing from 4.0 (4.7) per cent for male (female) workers in 1993/94 to 0.5 (0.4) by 2009/10

respectively. Among the workers, the casual labour have greater propensity to move. While change of establishment was major phenomenon in 1993/94, the subsequent periods witnessed change of both work and establishment. These capture succinctly the dynamic changes taking place in the post reform era in rural India.

Table 11A: Percentage of Usually Working (15 years & above) who had Changed Nature of Work and /or Establishment during Last two years Preceding Survey

Usual Status	1993-94		2004-05		2009-10	
	Male	Female	Male	Female	Male	Female
Self employed	1.3	1.1	0.5	0.2	0.4	0.1
Regular wage/ Salaried	3.6	3.3	1.9	1.1	1.1	0.8
Casual labour	8.4	9.0	0.7	0.4	0.5	0.6
All	4.0	4.7	0.7	0.3	0.5	0.4

Table 11B: Occupational Mobility of Rural Workers (15 years and above) during Last Two Years Preceding Survey (Usual Principal Status)

Change in nature of work and / or establishment	1993-94		2004-05		2009-10	
	Male	Female	Male	Female	Male	Female
Nature of work only	8.2	8.6	0.7	0.3	0.5	0.4
Establishment only	60.5	63.4	7.4	8.7	4.5	5.5
Both	31.3	28.0	91.9	91.0	95.0	94.1

From the livelihood security view point, single women households and households with only worker are more vulnerable to the unfavourable changes in the labour conditions and external shocks. From Table 12, it is clear that percentage

of households who are out of labour market is minimal (less than 5%). The single woman worker households participating in labour market in percentage terms constitute is very small but these households should be given preference in work.

Table 12: Distribution of Households by Number of Usually Employed Persons (15 yrs +) in Rural Areas

Year	None	Only 1 male	Only 1 female	Only 1 male & 1 female	Others
1993-94	3.1	26.3	5.0	29.0	36.6
1999-00	4.6	27.7	4.9	27.8	35.1
2004-05	4.4	19.8	4.4	28.0	43.5
2009-10	4.8	29.0	4.2	23.4	38.6

Table 13 reveals that child labour phenomenon is on decline in rural areas which is a positive development. Some of the factors influencing it are mid-day meal programme,

growth of self help group and movements promoting child rights.

Table 13: Incidence of Child Labour (5-14 yrs) in Rural Areas

	1993-94	1999-00	2004-05	2009-10
Male	7.24	4.21	2.95	1.48
Female	7.23	3.82	2.42	1.12

Increase in real wages is a crucial indicator to capture the qualitative improvements in the functioning of labour markets. From Table 14, one can notice that the wage earnings of casual workers have shown marked improvement both in 'public' and 'other works'. The rate of increase of wages was higher in the case of 'public works' than in 'other works' during Period- I (1993-94 to 2004-05) and the subsequent period has witnessed deceleration in respect of wages earnings of male casual workers. The increase of wage earnings during Period-II (2004-05 to 2009-10) and in particular for females

(over 15 per cent per annum) is a welcome sign from the viewpoint of reduction in gender disparities. The contribution of 'rights' based NREGS to this impressive growth of the market wages of casual workers is significant². In the backdrop of inflation of the order of 5.75 per cent per annum during Period-I and about 9.53 per cent per annum during Period-II³, one can infer that the quality of employment has improved, more so for the females. However, one cannot solely attribute these improvements to the (rural) growth process.

Table 14: Average Wage Earnings of Casual Labour (CL) in Rural Areas

Indicators	1993-94		1999-2000		2004-05		2009-10	
	Male	Female	Male	Female	Male	Female	Male	Female
Average wage earnings of CL in public works (Rs./day)	24.65	18.52	49.04 (19.79)	39.48 (22.63)	65.33 (6.64) [15.01]	49.19 (4.92) [15.05]	98.33 (10.10)	86.11 (15.01)
Average wage earnings of CL in other works (Rs.)	23.18	15.33	45.48 (19.24)	29.39 (18.34)	55.03 (4.2)	34.94 (3.8)	101.53 (16.9)	68.94 (19.5)

Source: NSSO, 1993-94, 1999-2000, 2004-05 and 2009-10.
Figures in () are percentage changes over the previous period.
Figures in [] are percentage changes over the 1993-94 period.

UNEMPLOYMENT AND UNDER-EMPLOYMENT

The unemployment rates based on the Current Daily Status (CDS) approach have been shown in Table 15. The unemployment levels have gone up in the first period but declined in the second period and more so for males. Though labour force participation rates have reduced over the years (due to withdrawal of youth to some extent), the fall in unemployment levels can be construed as a positive outcome, i.e., availability of more employment opportunities to the participating workers. This phenomenon is noteworthy

and in the absence of special employment programmes (e.g. NREGS, SGSY,...), the employment scenario might have been discouraging (i.e. a steep rise in unemployment levels).

It is a known fact that under employment is more common phenomenon in rural areas and particularly among the poor. The NSSO collects information on the usual status workers (15 years & above) who were seeking or available for additional and alternative work. These two indicators help to get a measure of under employment prevailing in the rural societies. One can conclude from Table 15 that irrespective of the measure adopted, under employment has been steadily

increasing while the incidence was more or less same during 1999/00 to 2004/05. The percentage of workers seeking / available for additional work was higher than that of alternative

work. Since these may not be mutually exclusive, one can safely infer that under employment is higher and a serious issue in rural areas than open unemployment.

Table 15: Percentage of Rural Workers who Sought or were Available for Additional / Alternative Work (15 yrs +)

	(%)			
	1993-94	1999-00	2004-05	2009-10
Unemployment (CDS)				
Male	5.6	7.2	8.0	6.4
Female	5.6	7.0	8.7	8.0
Underemployment (US(PS))				
a. For additional work				
Male	6.9	10.5	10.7	11.4
Female	6.0	8.3	7.4	8.3
b. For alternative work				
Male	5.5	9.1	9.2	10.2
Female	4.3	6.0	5.9	7.2

CONCLUSIONS

The post reforms period in India has witnessed significant growth of GDP and decline in poverty; these improvements are more rapid in post NREGA period. The labour market has undergone several changes. The labour force participation rates, more so that of females declined during Period-II. The female workers account for 85-87 per cent of subsidiary status workers and during Period-II there was sharp decline of 10 million of such workers (withdrawal from labour market) over the value corresponding to 2004-05 workers and 94 per cent of them are females. The Period-I was found to be more favourable to workers in terms of opportunities as evident from the growth of workers and females benefitted more; partly in terms of subsidiary status work. The link between economic growth and employment has become stronger between 1999-00 and 2004-05 rewarding female workers significantly. The Period-II, not only the employment elasticities have declined but were negative for female workers. Thus, it can be described as female labour displacing growth which points out the gender bias of the labour market. Such outcomes have taken place despite launching of gender sensitive interventions such as the NREGA in which women workers have reaped considerable benefit in employment. What would have been the employment scenario without NREGA is a moot question.

Some of the positive outcomes observed during post reforms period include reduction in child labour, rise in real wages of casual workers, reduction in wage and shift of workers towards construction, trade, hotel, transport sectors disparities between men and women. Some of the disturbing outcomes are increased levels of casualisation of workers, fluctuations in the open unemployment levels and workers not able to get regular work, decline in percentage of

households with more number of workers and increase in under-employment levels. The negative impact has been found to be more in post NREGA period. The number of self employed workers in agriculture and non-agriculture has gone down significantly in the Period-II; a matter of serious concern.

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Notes

1. The share of agriculture in total Rural NDP was about 94 per cent from 1980-81 to 2004-05 (CSO).
2. NIRD (2011), "Impact of MGNREGS on Rural Labour Markets and Agriculture: study in Karnataka, West Bengal and Madhya Pradesh" (mimeo).
3. Computed using consumer price Index for Agriculture Labour (CPIAL).

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