

Call for Papers

The State of India's Labour Market: Challenges and Opportunities

**First Collaborative National Conference of Goa Institute of Management
with the Department of Economics, Jadavpur University**

Date: 28.03.2025

Venue: Jadavpur University, Kolkata, West Bengal, India

Interested scholars/researchers/academics, faculty members and others may kindly **email an extended 1000-word abstract and brief CV** to chaircppg@gim.ac.in, bernice@gim.ac.in or labourconference2025.gimju@gmail.com .by **28.02.2025**

Selected papers will be notified by **15th March 2025**.

There is no Registration Charge of the Conference. Due to the small budget of the Conference, no Travelling Allowance and Daily Allowance can be arranged for the participants.

Outstation participants will have to arrange their accommodation.

The Conference will cover 3 **core sub-themes** – (i) **Trends in Employment**, (ii) **Quality of Employment and Decent Work Deficit**, (iii) **Gender Disparities in Accessing Work**

In the subject line kindly write “*GIM-JU / Labour Market Conference 2025 / Your Name / Title of Paper*”.

The full ‘Call for Papers’ advertisement is available at the Institute’s websites:

For further details, you may kindly write to kingshuk@gim.ac.in (+91 9007704524) or Ms. Bernice de Souza at bernice@gim.ac.in (+91 9923693329) or labourconference2025.gimju@gmail.com

Concept Notes:

The Indian economy entered a process of trade liberalization, domestic deregulation, and privatization of public sector units in 1991. Since then, per capita output has increased significantly, while the overall unemployment rate has remained low. However, labour force participation rates have fallen sharply, especially for women. In addition, youth unemployment

remains stubbornly high, an overwhelming proportion of the labour force continues to work in the informal sector, and there is little evidence of a sustained rise in wages for either unskilled rural or skilled factory workers.

At present, real GDP per capita and real GDP per person employed are about 4 times their respective 1991 levels. The overall unemployment rate has remained essentially below 5% since 1991 except for a few years. Average labour productivity in organized manufacturing is now almost 3.5 higher than in 1990. After a period of stagnation, unskilled rural wages increased by around 35% in the period 2007–2013; wages also rose in the organized manufacturing sector, though to a much lesser extent.

For young workers (aged 15–24), unemployment has remained steady at around 10%. Since 2005, the labour force participation rate has fallen sharply for both women and younger men; the female participation rate fell relative to the male rate by around ten percentage points. Labour productivity in agriculture and related sectors has fallen to about 30% of the economy-wide average, even though almost half the labour force remains in these sectors. Over 90% of the labour force continues to be in the informal sector, with no job security or protective labour legislation.

The Indian economy has performed well in terms of GDP growth and increases in output per worker over the last 25 years. The fact that labour productivity increased more or less in proportion to the increase in per capita output immediately suggests a limited impact of growth on employment. There has been significant structural change during this time, with the importance of agriculture relative to total output falling sharply. However, occupational distribution did not keep pace with the change in sectoral distribution.

Output per person employed in the agricultural sector amounted to about 70% of the total economy's average output per person employed in 1951. This proportion had fallen to 47% by 1994 and 30% by 2012. Output per person employed in the industry fell only slightly from 173% of the economy's average in 1951 to about 169% in 1994, and then steeply to about 108% in 2012. For services, the change was from 176% in 1951 to 188% in 1994 and 211% in 2012. It follows that, while there was indeed a significant (almost 15 percentage points) transfer of labour away from the agricultural sector, this transfer was insufficient to compensate for the relative stagnation of agricultural output in the post-1991 period, leading to a sharp relative immiseration of those trapped in that sector.

As of 2016, almost half of the labour force was self-employed, while nearly a third was employed as casual labour. Only about one-sixth received regular wages or salary payments. The proliferation of unorganized jobs within the formal sector typically implies that workers are not given long-term contracts; do not get the benefit of wage negotiations between labour unions and governments; are not entitled to mandated working hour regulations; and are generally not covered by labour legislation prevailing in the country, except perhaps the enforcement of minimum wages.

The average real daily wages for regular wage employees between the ages of 15 and 59 increased by about 23% for rural workers between 2004–2005 and 2011–2012 and by about 29% for urban workers between 2004–2005 and 2009–2010.

Given the continuing preponderance of self-employment in India, especially in agriculture, movements in wage rates provide a rather partial picture of returns to work in the country. Furthermore, the overwhelmingly informal nature of employment makes any estimate of wage movements suspect.

Unlike in Southeast Asia, GDP growth in India has not been associated with any sharp increase in wage rates of workers in large-scale (i.e. organized) manufacturing units. Productivity growth started outpacing wage growth around 1990. Large-scale manufacturing productivity appears to have almost tripled on average during 1990–2013. Strikingly, however, workers' average real wages seem to have completely stagnated.

The long-term stagnation in wages can reasonably be ascribed to a combination of the weakening of trade unions, a structural shift toward capital-intensive industries, increasing automation within labour-intensive industries, outsourcing, and greater use of poorly paid casual and contract labour.

The focus should be on the following:

Increasing the impact of output growth on employment outside agriculture,

Formalizing the informal sector

Without the first, substantial labour transfers from the overcrowded agricultural sector cannot be realized. Without the second, even a modest system of worker protection and a universal social safety net would both remain almost impossible propositions.

Sub-Themes

1. **Trends in Employment: Structural Shifts and High Levels of Informality:** Discuss the structural shifts observed in the labour market, focusing on changes in the share of manufacturing, construction, and other industries in total employment. Delve deeper into the concept of disguised unemployment, its prevalence in various sectors, and the implications for both individuals and the overall economy.
2. **Quality of the Jobs: Decent Work Deficit:** Explore the dual challenge of not just declining job numbers but also a reduction in the quality of employment, including the shift towards self-employment and its implications.
3. **Gender Disparities in Accessing Work: Declining Female Labour Force Participation:** Explore specific gender-related issues in the labour market, including wage gaps, access to formal employment, and the impact of the pandemic on women's employment.