



## Just Job Index

**JustJobs Index (JJI)** is a new data-driven tool to measure the quantity and quality of jobs at the state level. This tool has been developed by the JustJobs Network( a private body), with support from the Azim Premji University.

- The tool draws data exclusively from government sources including the **National Sample Survey Organisation (NSSO)**, the **Labour Bureau** , the **Annual Survey of Industries (ASI)**, the **Reserve Bank of India (RBI)** and the recent [Periodic Labour Force Survey \(PLFS\)](#).
- It covers five dimensions: employment, formality, benefits, income equality and gender equality

### What is a Good Job

- **Employment:** This covers the labour force participation rate, [the unemployment rate](#) and the youth unemployment rate.
- **Formality:** This looks at how many among the total workforce have written job contracts or earn regular wages, compared to those engaged in informal work, which can range from self-employment, unpaid family work to working for informal businesses.
- **Benefits:** State expenditure on pensions, the proportion of workers who are part of a union and the proportion of workers that have pension funds make up this dimension. It is a measure of the social protection afforded to workers, especially vital in an economy where millions are one expensive illness away from poverty.
- **Income equality:** Since credible income data is hard to come by, the authors have used consumption data to calculate consumption-based inequality as one of the indicators of income inequality. The other indicators are the ratio of minimum wages to average real wages and the ratio of informal wages to average wages.
- **Gender equality:** This is quantified by the ratio of female to male employment rates, labour force participation rates and the ratio of their wages.

### Performance of States

- **Quality of the employment:** **Chhattisgarh** and **Andhra Pradesh** topped on employment indicator. Gujrat scored high on the employment dimension but it performed poorly on ensuring quality if the job, despite its highest economic growth rate in India.
- **Formal employment:** **Kerala** performed poorly on the employment dimension but has performed well on the formal employment part, it is attributed to its high youth unemployment rate, with the highest unemployment among those with a university education. **U.P** and **Jharkhand** are the worst performers largely because of the scale of the informal agriculture sector as well as the wholesale and retail sector.
  - Unemployment and informality tend to have an inverse relationship. States like Goa that performed poorly on the employment dimensions manage to keep informality in check, while Chhattisgarh, which had low unemployment also has high informality and so scores badly in the formality dimension.
- **Benefits to the employee:** J&K topped the benefits index with its relatively high state expenditure on pension. All other states performed poorly on providing benefits to workers, it could be partly linked to the large degree of informality in India's employment landscape( Workers who receive wages but have no contracts and no social protections).
- **Income inequality:** **Chattisgarh and Maharashtra** had the best performance on income

inequality. **Kerala recorded the worst score on the income inequality** dimension because it has the highest levels of consumption inequality in the country. This runs counter to the fact that Kerala has the second lowest poverty rate in the country after Goa. However, pockets within the state record a high incidence of poverty, and the gap between rich and poor in the state is wide.

- **Gender equality: Himachal and Chattisgarh** performed the **best on gender equality** with relatively more parity. **Bihar and Uttar Pradesh ranked lowest on gender equality**, which also mirrored their ranking in the overall index. The correlation between performance on gender equality and overall performance on the index shows the significance of women's participation in the economy.

## Suggestions

- The report proposes the establishment of a **National Employment Strategy** with a three-pronged focus:
  - First, generating **labour-intensive jobs** in industry and in agriculture.
  - Second, making **investments in human capital**, especially in quality education and universal healthcare, not just in short-term skill training.
  - Third, **strengthening labour market institutions** through simplifying and rationalising labour regulation and providing a national minimum wage.
- Not just the central government, even the states could make interventions. State level index can be developed for that.

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