Periodic Labour Force Survey Annual Report 2022-2023

For Prelims: <u>National Statistical Office (NSO)</u>, Periodic Labour Force Survey, Terms Related to Employment.

For Mains: Government's Initiatives Related to Employment, Issues relating to Growth, Development and Employment.

Source: PIB

Why in News?

Recently, the **National Statistical Office (NSO)** released the **Periodic Labour Force Survey (PLFS)** Annual Report 2022-2023 on the basis of <u>Periodic Labour Force Survey</u> conducted during July 2022-June 2023.

What are the Key Findings of the Report?

Estimates of Key Labor Market Indicators in Usual Status:

Indicator	2017-18	2022-23	Trend
Labour Force Participation Rate (LFPR)			
- Total LFPR	49.8%	57.9%	Increased
- LFPR in Rural Areas	50.7%	60.8%	Increased
- LFPR in Urban Areas	47.6%	50.4%	Increased
- Male LFPR	75.8%	78.5%	Increased
- Female LFPR	23.3%	37.0%	Increased
Worker Population Ratio (WPR)			
- Total WPR	46.8%	56.0%	Increased
- WPR in Rural Areas	48.1%	59.4%	Increased
- WPR in Urban Areas	43.9%	47.7%	Increased
- Male WPR	71.2%	76.0%	Increased
- Female WPR	22.0%	35.9%	Increased
Unemployment Rate (UR)			
- Total UR	6.0%	3.2%	Decreased
- UR in Rural Areas	5.3%	2.4%	Decreased
- UR in Urban Areas	7.7%	5.4%	Decreased
- Male UR	6.1%	3.3%	Decreased
- Female UR	5.6%	2.9%	Decreased

Estimates of Key Labor Market Indicators Current Weekly Status (CWS):

Indicator	2017-18	2022-23	Trend
Labor Force Participation Rate (LFPR)			
- Rural Areas	48.9%	56.7%	Increasing
- Urban Areas	47.1%	49.4%	Increasing
- Male	75.1%	77.4%	Increasing
Female	21.1%	31.6%	Increasing
Fotal LFPR	48.4%	54.6%	Increasing
Workforce Participation Rate (WPR)			
Rural Areas	44.8%	54.2%	Increasing
Urban Areas	42.6%	46.0%	Increasing
Male	68.6%	73.5%	Increasing
Female	19.2%	30.0%	Increasing
Fotal WPR	44.1%	51.8%	Increasing
Inemployment Rate (UR)			
Rural Areas	8.4%	4.4%	Decreasing
Urban Areas	9.5%	7.0%	Decreasing
Male	8.7%	5.1%	Decreasing
Female	9.0%	5.1%	Decreasing Decreasing Decreasing
Total UR	8.7%	5.1%	Decreasing

Key Terms

- Labour Force Participation Rate (LFPR):
 - LFPR is the percentage of the working-age population (aged 15 years and above) that is either employed or unemployed, but willing and looking for employment.

Worker Population Ratio (WPR):

• WPR is defined as the percentage of employed persons in the population.

Unemployment Rate (UR):

• UR is defined as the percentage of persons unemployed among the persons in the labour force.

Activity Status

• The activity status of a person is determined on the basis of the activities pursued by the person during the specified reference period. When the activity status is determined on the basis of the reference period of the last 365 days preceding the date of the survey, it is known as the usual activity status of the person.

• Types of Activity Status:

• Principal Activity Status (PS):

• The activity status on which a person spent a relatively long time (major time criterion) during 365 days preceding the date of the survey, was considered the usual principal activity status of the person.

• Subsidiary Economic Activity Status (SS):

- The activity status in which a person in addition to his/her usual principal status, performs some economic activity for 30 days or more for the reference period of 365 days preceding the date of survey, was considered the subsidiary economic activity status of the person.
- Current Weekly Status (CWS):
 - The activity status determined on the basis of a reference period of the last 7 days preceding the date of the survey is known as the current weekly

What is the Periodic Labour Force Survey?

- About:
 - It is a survey conducted by the NSO under the Ministry of Statistics and Programme Implementation (MoSPI) to measure the employment and unemployment situation in India.
 - The **NSO** launched the PLFS in April 2017.
- Objective of PLFS:
 - To estimate the key employment and unemployment indicators (viz. Worker Population Ratio, Labour Force Participation Rate, Unemployment Rate) in the short time interval of three months for the urban areas only in the 'Current Weekly Status' (CWS).
 - To estimate employment and unemployment indicators in both 'Usual Status' and CWS in both rural and urban areas annually.

What are the Government's Initiatives Related to Employment?

- Support for Marginalized Individuals for Livelihood and Enterprise (SMILE)
- PM-DAKSH (Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi)
- Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Start Up India Scheme
- Rozgar Mela

What are the Types of Unemployment?

 Pradhan Mantri Kaushal Vikas Yojana (PMKVY) Start Up India Scheme Rozgar Mela What are the Types of Unemployment? Type of Une Description 				
mployment	Description			
Disguised U nemploymen t	More people are employed than needed, primarily found in the agricultural and unorganized sectors.			
Seasonal Un employment	Occurs during specific seasons of the year, often affecting agricultural laborers who do not work year-round.			
Structural U nemploymen t	Arises from a mismatch between available jobs and the skills of workers.			
Cyclical Une mployment	Linked to economic cycles, with unemployment rising during recessions and declining in periods of growth.			
Technologic al Unemploy ment	Job losses due to technological changes. India has seen a significant impact from automation.			
Frictional Un employment	Involves a time lag when individuals search for or switch between jobs, often voluntary and not due to job shortages.			
Vulnerable Employment	Informal, contract-less work without legal protection, often leading to unrecorded employment.			

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims

Q. Disguised unemployment generally means (2013)

- (a) large number of people remain unemployed
- (b) alternative employment is not available
- (c) marginal productivity of labour is zero
- (d) productivity of workers is low

Ans: (c)

<u>Mains</u>

Q. Most of the unemployment in India is structural in nature. Examine the methodology adopted to compute unemployment in the country and suggest improvements. **(2023)**

PDF Refernece URL: https://www.drishtiias.com/printpdf/periodic-labour-force-survey-annual-report-2022-2023

The Vision,