JustJobs NETWORK

Decoding the Data

A DATA SERIES BY JUSTJOBS NETWORK

Analysis of India's Annual Periodic Labour Force Survey (PLFS)

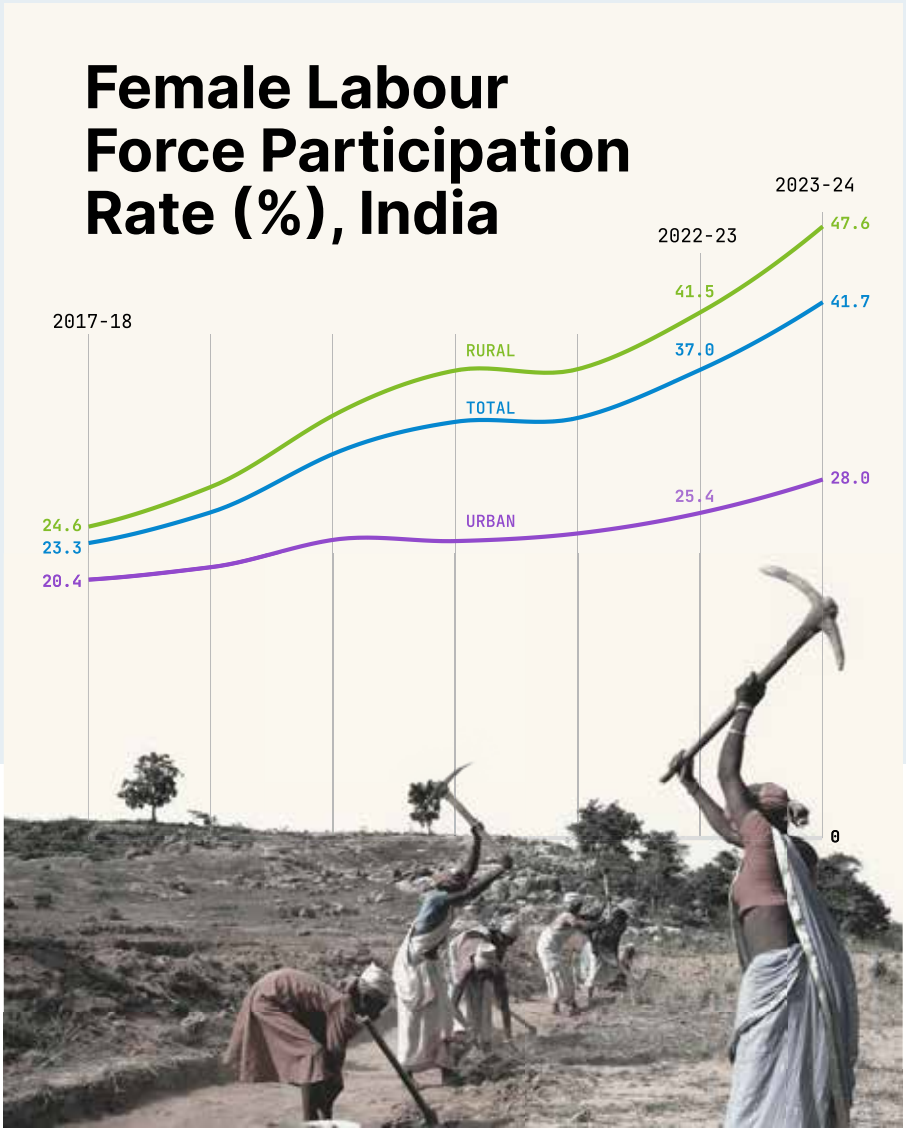
July 2023 – June 2024

Labour market insights from key PLFS indicators



In this series, JustJobs Network explores the PLFS to draw insights from some key indicators.

1 **Female Labour Force Participation Rate** increased from 37% in 2022-23 to 41.7% in 2023-24. In a short 7 years, the FLFPR has increased by 18% from 23.3% in 2017-18.



Definitions & Facts:

- Labour Force Participation Rate is the percentage of population that is employed as well as those who are unemployed and looking for employment.
- This trend is driven primarily by an increase in rural female labour force participation.
- There is a rise in share of self-employed rural women. (57.7% in 2017-18 vs 73.5% in 2023-24)

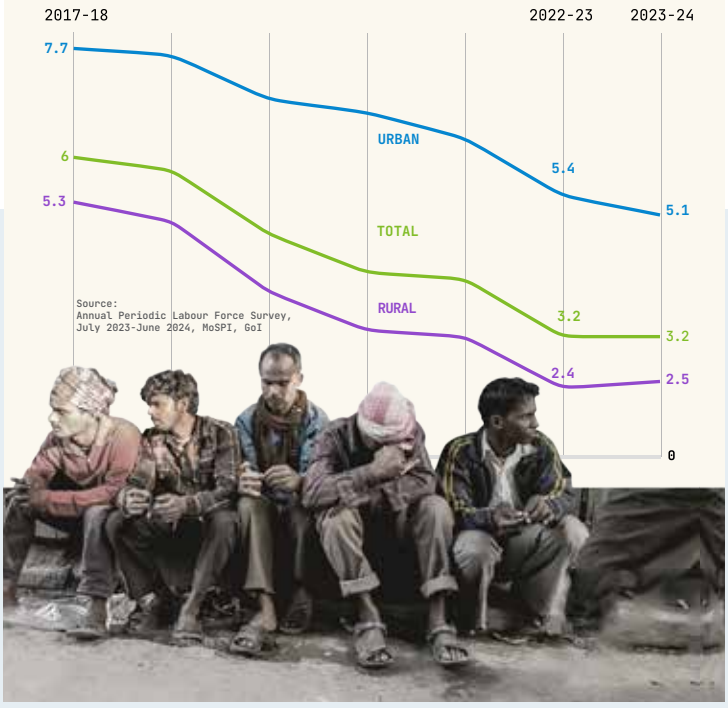
What are some possible reasons for the increase?

1. Women respondents report being self-employed, which in the rural context could mean being engaged in work in family farms, unpaid family labour, or as home-based production workers, and is a household phenomenon.
2. There is potentially an improvement in data collection. Better trained enumerators are now capturing women's work better. Women's work on family farms or as home-based production workers, for instance, is not always reported or counted as work. It is possible that enumerators are getting better at counting and categorizing this as work.

2 **Unemployment Rate, by region:** Overall unemployment rate was recorded at 3.2%, same as last year, and lower than 6% in 2017-18. Youth unemployment stands at 10.2%.

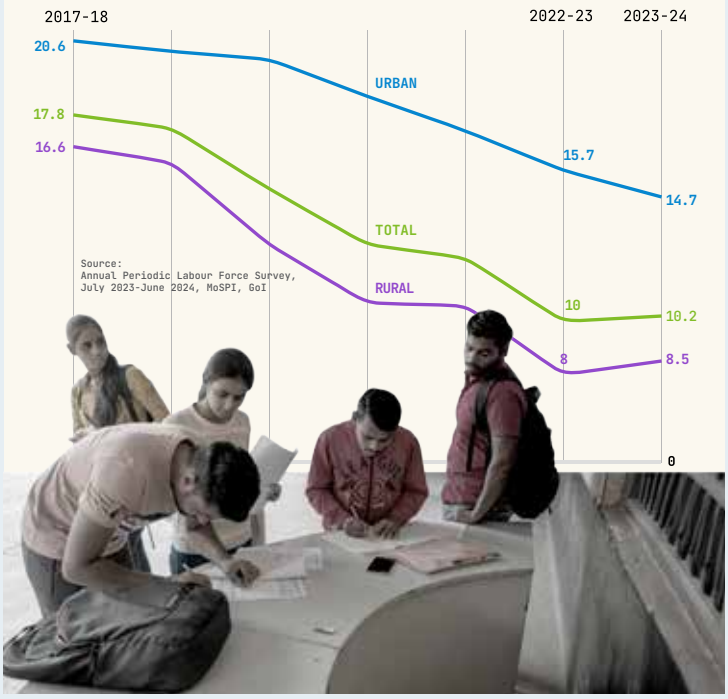
Unemployment Rate (%), India

15 years & above



Youth Unemployment Rate (%), India

15-29 years



Definitions & Facts:

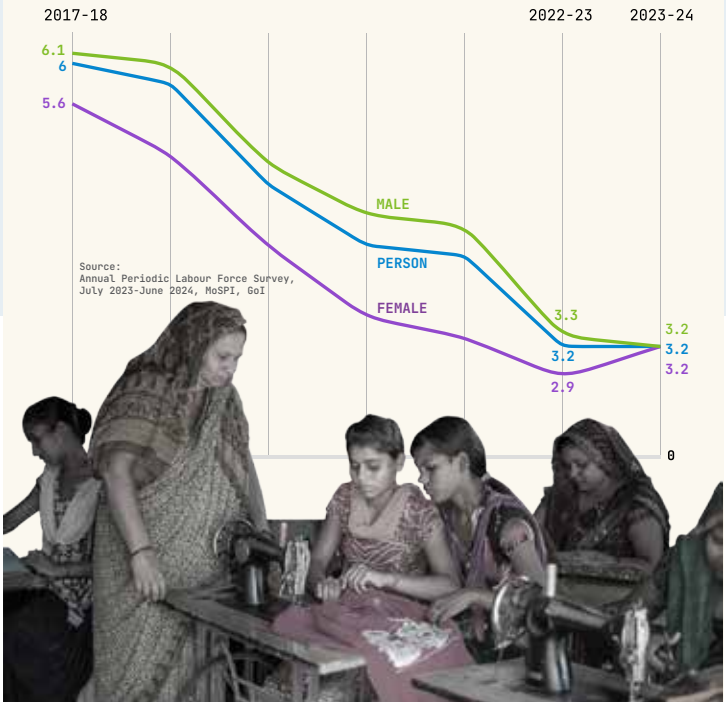
- Unemployment Rate is the percentage of people in the labour force who are unemployed and looking for work.
- Urban areas typically have higher unemployment rates than rural areas.
- Share of informal workers in India has increased from 68.2% to 73.2%.

Is this low unemployment rate an indicator of labour market health?

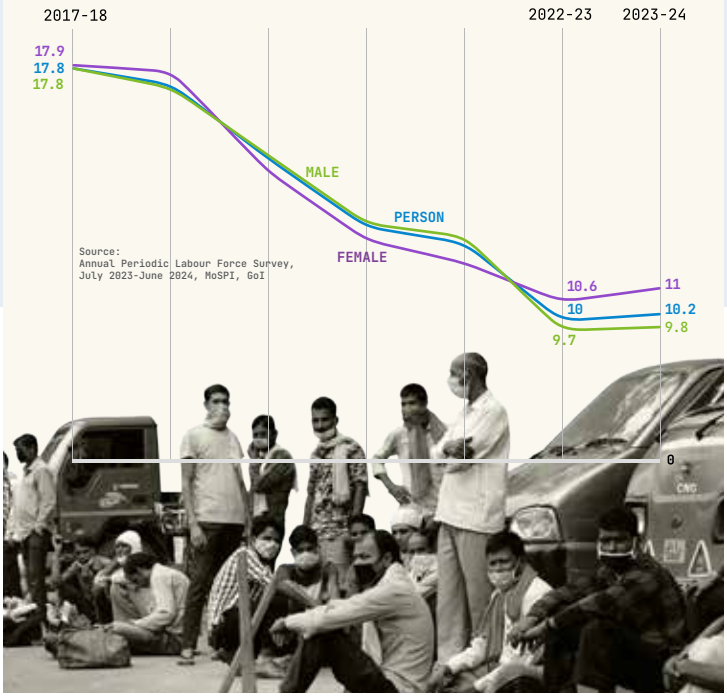
1. In general, an unemployment rate of 3.2% (5% or lower) is considered full employment. This means that all labour resources are being used efficiently in the economy, and people looking for full-time work can find it.
2. In developing economies like India, Unemployment Rate alone is not indicative of the quality of labour markets. This is because:
    a. People have no option but to work even if the work is poor quality and poorly remunerated leading to a predominant and rising informal sector.
    b. Almost half of those employed formally do not have paid leave, job contracts, or any social security benefits.

3 **Unemployment Rate, by gender:** In 2023-24, unemployment rate is highest for urban females at 7.1% and lowest for rural females at 2.1%. Male unemployment closely follows the trend of overall unemployment.

Unemployment Rate (%), India
15 years & above



Youth Unemployment Rate (%), India
15-29 years



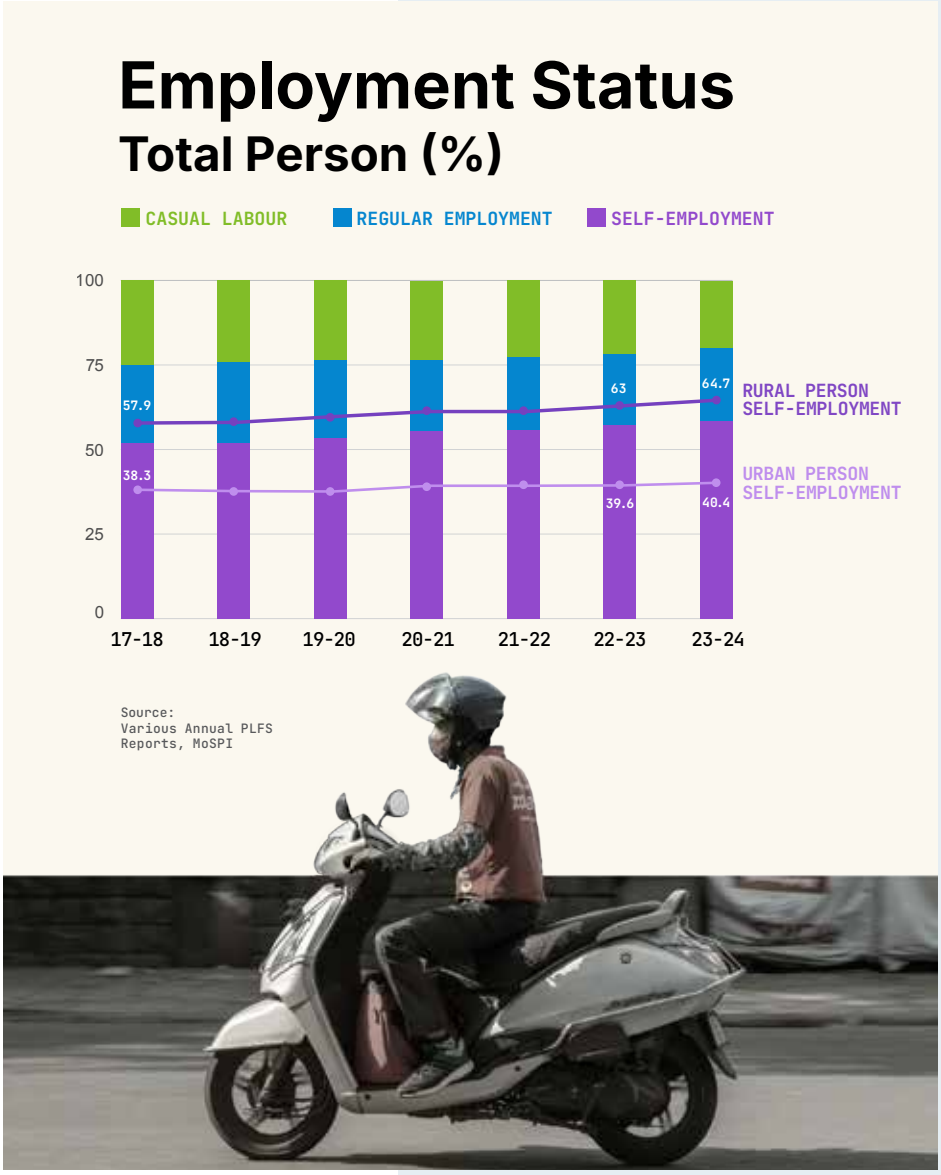
What do we learn about gender and labour market trends from these data?

1. Female unemployment when read with increase in Female LFPR indicates that more women in the labour force are looking for work.
2. When compared with men, even though fewer women participate in the labour force in urban areas, unemployment rate among women is higher.
3. Most of the unemployed people are young (15-29 y.o.) and educated - having studied till secondary level or above.
4. In urban areas, 1 in 5 (20.1%) young females and 1 in 8 (12.8%) young males are unemployed.
5. Individuals with higher education continue to comprise a greater share of unemployment. Female graduates have higher unemployment rates than their male counterparts.

Note: These trends also show that education alone is no longer a guaranteed path to decent employment. Read more about how education contributes to employability in Indian labour markets in our reports below:

- Reimagining Employability for the 21st century
- Pathways to work: Mapping education, skills and employability to labour market demand

4. **Employment Status:** The share of people engaged in self-employment increased from 52.2% in 2017-18 to 58.4% in 2023-24, while those engaged in casual labour reduced from 24.9% to 19.8%. People engaged in regular employment has also reduced from 22.8% to 21.7%.



Definitions & Facts:

- Self-employment comprises of own-account workers – those who work of their own and do not employ other people, unpaid helpers in household enterprises, and employers – those who run their own enterprises and employ other people.
- Casual labour means to be engaged in work in other people's enterprises and receiving wages on a daily or periodic basis.
- Regular employment means to be engaged in work in other people's enterprises and receiving salaries on a regular basis – not based on time or period of contract.

What are the key trends?

1. Self-employment in rural areas increased from 63% in 2022-23 to 64.7% in 2023-24. In the 7 years from 2017-18, it increased by 6.8%, while the share of regular and causal employment reduced.
2. Within self-employment, unpaid helpers in household enterprises have seen the most increase.
3. In urban areas, share of self-employment increased slightly from 39.6% in 2022-23 to 40.4% in 2023-24.

Examining the data:

1. Increase in share of self-employment is likely due to 'gigification' of the economy.
2. There is potentially an improvement in data collection. Better trained enumerators are now capturing women's work better, including their work on family farms or as home-based production workers.

5 **Employment Status, by gender:** The share of women engaged in self-employment increased from 51.9% in 2017-18 to 67.4% in 2023-24, while those engaged in casual labour reduced from 27% to 16.7%. For men, distribution of employment status has not seen significant change.

Employment Status
By Gender (%)



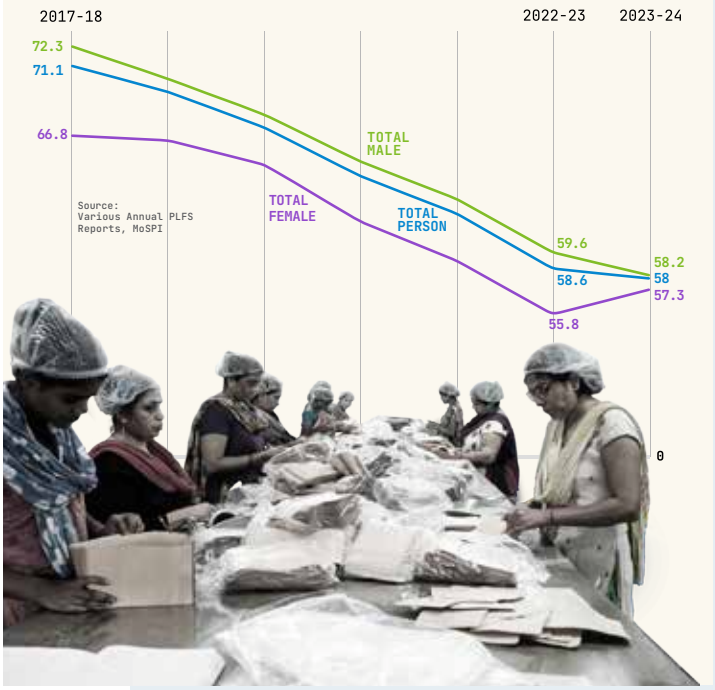
What are the key trends?

1. In 2023-24, almost 3 out of every 4 employed women in rural areas is engaged in self-employment. Most of these are either own account workers or unpaid helpers in household enterprises.
2. Share of women employed in casual work in rural areas nearly halved from 31.8% in 2017-18 to 18.7% in 2023-24.
3. Share of rural women in regular employment reduced from 10.5% in 2017-18 to 7.8% in 2023-24.
4. Share of men engaged in self-employment has stayed the same in the last two years, only marginally increasing from 52.3% in 2017-18 to 53.6% in 2023-24. Their share in casual labour reduced from 24.3% in 2017-18 to 21.5% in 2023-24.

6 **Employment Condition:** The share of regular wage / salaried employees without written contracts has reduced overall from 71.1% in 2017-18 to 58% in 2023-24, and those not eligible for paid leave also reduced from 54.2% in 2017-18 to 47.3% in 2023-24. The share of people in regular employment who are not eligible for any social security benefit increased from 49.6% in 2017-18 to 53.4% in 2023-24.

Employment Condition

Regular wage/salaried employees who had no written job contract (%)



Employment Condition

Regular wage/salaried employees not eligible for paid leave (%)

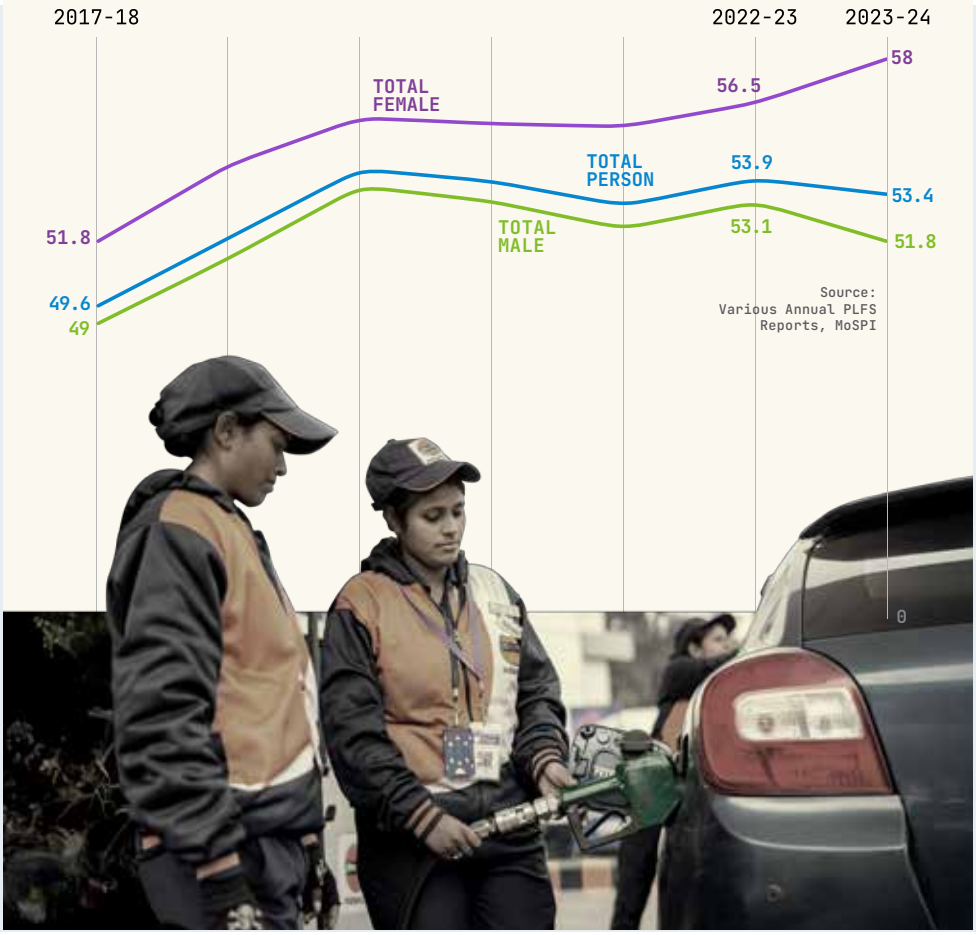


Definitions & Facts:

- Employment conditions are the agreed-upon rules, requirements and policies between an employer and employee. These include fair wages, workplace safety, adequate social security, working hours (including rest periods and paid annual leaves), and opportunities for personal development.
- PLFS measures employment conditions of regular wage / salaried employees on three factors: not having written contracts, not being eligible for paid leaves, and not being eligible for any social security benefits.
- These factors are indicators of the extent to which workers in the formal sector are secured and included.
- Of the total number of people that are employed, the share of those engaged in regular wage / salaried work declined from 22.8% in 2017-18 to 20.9% in 2022-23. In the last year, this share has shown an increase to 21.7%.

Employment Condition

Regular wage/salaried employees not eligible for any social security benefit (%)



What are the key trends?

1. In the last year, share of women in regular wage employment without written contracts increased from 55.8% in 2022-23 to 57.3% in 2023-24.
2. Share of regularly employed women not eligible for paid leaves has also seen an increase in the last year. For urban women it went from 44.6% in 2022-23 to 45.2% in 2023-24 and for rural women, from 41.9% to 47.1% in the same period.
3. In case of regularly employed workers without social security benefits, the share of urban women went from 53.6% in 2022-23 to 55.7% in 2023-24, and that of rural women increase by 1% in the same period to 61.9%. This share among men has reduced overall from 53.1% to 51.8%.

7 **Workers Engaged in Proprietary and Partnership Enterprises in Non-agriculture Sector:** This share increased from 68.2% in 2017-18 to 73.2% in 2023-24. In the 7 years from 2017-18 to 2023-24, in urban areas this share increased by 2.1%, and in rural areas it increased by 6.8%.

Definitions & Facts:

- This indicator measures the share of people engaged in proprietary and partnership enterprises in non-agriculture sector. These include solely owned enterprises (by a male or female owner) and those run in partnerships with two or more members (belonging to the same or different household).
- Based on the 15th International Conference of Labour Statisticians (ICLS)conceptual framework, unincorporated household-owned enterprises—including proprietary and partnership enterprises, along with informal producers' cooperatives—are classified as informal sector enterprises. In the PLFS, proprietary and partnership enterprises fall under the informal sector category.
- The share of workers engaged in such enterprises is an indicator of the extent of informal employment in the economy.

Informality

Workers engaged in proprietary and partnership enterprises in non-agriculture sector (%)



What are the key trends?

1. A significantly high proportion of people are engaged in the informal sector.
2. 61.2% of women and 76.8% of men work with either proprietary or partnership enterprises in non-agriculture sector. In the last year, this share for men decreased from 77.9%, for women it has increased from 60.8%.
3. In 2023-24, this share is highest among rural males at 82.7% and lowest among urban females at 56.5%.

Note: Employment Condition and Informality are important indicators of the health and quality of labour markets. In 2019, JJN developed a comprehensive data-driven tool – Just Jobs Index – to capture the relative health of the labour market across Indian states. See the report here.

JustJobs NETWORK

JustJobs Network is an applied research organisation finding evidence-based solutions to one of the most pressing challenges of our time: how to promote better work in a rapidly changing 21st-century economy. We produce research on good job creation and workforce development, focusing our work on the critical knowledge gaps in the employment landscape.

JustJobs convenes a global network of diverse stakeholders—including policy shapers, academics, and grassroots leaders—to deepen the practical implications of our research endeavours and amplify their impact. Through the combination of cutting-edge research and global knowledge sharing, we aim to forge a fresh, dynamic channel for policy dialogue on employment at national, regional and international levels. Our team members are based in New Delhi and Washington, D.C.

For more information visit
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