

NCERT SOLUTIONS

CLASS - 11th



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Class : 11th

Subject : Economics

Chapter : 7

Chapter Name : Employment : Growth, Informalisation and Other Issues

Q1 Who is a worker?

Answer. All those who are engaged in economic activities, in whatever capacity- high or low, are workers. Economic activities are those activities which contribute to the gross national product. Even if some temporarily abstain from work due to illness, injury, or physical disability, bad weather, festivals, social or religious functions, they are also workers. Workers also include all those who help the main workers in these activities. Those who are self-employed are also workers.

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Q2 Define worker-population ratio.

Answer. Worker-population ratio is an indicator which is used for analyzing the employment situation in the country. This ratio is useful in knowing the proportion of the population that is actively contributing to the production of goods and services of a country. If the ratio is higher, it means that the engagement of people is greater; if the ratio for a country is medium or low, it means a very high proportion of its population is not involved directly in economic activities.

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Q3 Are the following workers- a beggar, a thief, a smuggler, a gambler? Why?

Answer. All those who are engaged in economic activities, in whatever capacity- high or low, are workers. Economic activities include all those activities that contribute to the gross national

product. A beggar, a thief, a smuggler, a gambler are not workers because they do not contribute to the gross national product of the country.

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Q4 Find the odd man out (i) owner of a saloon (ii) a cobbler (iii) a cashier in mother dairy (iv) a tuition master (v) transport operator (vi) construction worker.

Answer. A cashier in mother dairy is the odd one because it has a regular salaried job among the others. A transport operator and a construction worker are casual wage labourers while owner of saloon, a cobbler and a tuition master are self-employed.

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Q5 The newly emerging jobs are found mostly in the _____ sector (service/manufacturing).

Answer. The newly emerging jobs are found mostly in the service sector.

Service sector includes trade, commerce, banking, insurance, health and other services. It is taking lead over manufacturing sector as a source of employment. The services are developing at a faster pace than the manufacturing and other production activities, this is due to the globalization of the economy.

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Q6 An establishment with four hired workers is known as _____(formal/informal) sector establishment.

Answer. An establishment with four hired workers is known as informal sector establishment.

All the sectors which employ less than 10 workers are informal sector. It includes millions of farmers, agricultural labourers, owners of small enterprises and people working in those enterprises as also self employed who do not have any hired workers.

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Q7 Raj is going to school. When he is not in school, you will find him working on his farm. Can you consider him as a worker? Why?

Answer. All those who are engaged in economic activities, in whatever capacity- high or low, are workers. Economic activities include all those activities contribute to the gross national product. Workers also include those who help the main workers in these activities. Those who are self-employed are also called workers. Hence, Raj can be considered as workers because work on farm is an economic activity.

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Q8 Compared to urban women, more rural women are found working. Why?

Answer. The nature of employment in India is multi-faceted. Since a majority of our people reside in rural areas, the proportion of the workforce residing there is higher. The rural workers constitute about three fourths of the population. Women workers account for one-third of the rural workforce whereas in urban areas, they are just one fifth of the workforce. For every 100 urban females, only about 15 are engaged in economic activities. In rural areas, for every 100 rural women about 25 participate in the economic market .

It is easy to find that where men are able to earn high incomes, families discourage female members from taking up jobs. Many activities for the household engaged in by women are not recognized as productive work.

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Q9 Meena is a housewife. Besides taking care of household chores, she works in the cloth shop which is owned and operated by her husband. Can she be considered a worker? Why?

Answer. All those who are engaged in economic activities, in whatever capacity- high or low, are workers. Economic activities include all those activities contribute to the gross national product. Workers also include those who help the main workers in these activities. Those who are self-employed are also called workers. Thus Meena can be considered as a worker as she contributes in economic and activities and also she is helping her husband, the owner of the shop.

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Q10 Find the odd man out (i) rickshaw puller who works under a rickshaw owner (ii) mason (iii) mechanic shop worker (iv)shoeshine boy.

Answer. Shoeshine boy is the odd man. This is because all other are hired workers and work under a head and receive wages or salaries. A shoeshine boy is self-employed and nobody pays him wages/salaries.

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Q11 The following tables shows distribution of workforce in India for the year 1972-73. Analyse it and give reasons for the nature of workforce distribution. You will notice that the data is pertaining to the situation in India 30 years ago!

Place of Residence	Workforce (in millions)		
	Male	Female	Total
Rural	125	69	195
Urban	32	7	39

Answer.

- Total workforce population in 1972-73 was 234 millions which included 195 million of rural workforce population and 39 million of urban population. There is greater involvement of rural workforce as compared to urban workforce. Since the majority of our people reside in rural areas, the proportion workforce residing there is higher.
- The number of female workers in rural areas is 69 million whereas, male workers is 125 million. Similarly, the number of female workers in urban areas is 7 million and male workers is 32 million. The participation of males is higher than female workers in both rural and urban areas. Women carry out works like cooking, fetching water and fuel wood, etc. This is why, these women are not categorized as workers. Also the families discourage female members from taking up jobs.
- The number of female workforce in rural areas is 69 million whereas in urban areas is 7 million only. Despite the engagement of the majority of the population in agriculture and allied activities, it had low productivity leading to low earnings and widespread poverty.

Analyzing the above data, it can be concluded that Indian economy suffered from low productivity, unemployment, disguised unemployment and widespread poverty in the agricultural sector and low female participation rate 30 years ago.

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Q12 The following table shows the population and worker population ratio for India in 1999-2000. Can you estimate the workforce (urban and total) for India?

Region	Estimates of Population(in crores)	Worker Population Ratio	Estimated No. of Workers (in crores)
Rural	71.88	41.9	$(71.88/100)*41.9 = 30.12$
Urban	28.52	33.7	
Total	100.40	39.5	

Answer. Estimated no. of workers in urban areas = $(28.52/100)*33.7 = 9.61$

Estimated no. of workers in both rural and urban area = $(100.40/100)*39.5 = 39.65$

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Q13 Why are regular salaried employees more in urban areas than in rural areas?

Answer. Self-employed and casual wage labourers are found more in rural areas than urban areas. This is because the majority of the population depends on farming own plots of land and cultivate independently. People in rural areas have limited resources to earn a higher income and participate more in the employment market. Many do not go to schools, colleges, and other training institutions, whereas in urban areas, a considerable section is able to study in various educational institutions. Urban people have a variety of employment opportunities, they look for appropriate to suit their qualifications and skills.

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Q14 Why are less women found in regular salaried employment?

Answer. When it comes to regular salaried employment, men are found to be engaged in greater proportion. They form 20 per cent whereas women form only 13 per cent. One of the reasons for this could be skill requirement. Since regular salaried jobs require skills and a higher level of literacy, women might not have been engaged to a great extent. There are restrictions imposed by the family members on women for working outside, they also have to look after the family. There exist gender based wage discrimination which demotivates women to go ahead for salaried jobs.

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Q15 Analyse the recent trends in sectoral distribution of workforce in India.

Answer. India is an agrarian nation; a major section of the population lives in rural areas and is dependent on agriculture as their main livelihood. Developmental strategies have aimed at reducing the proportion of people depending on agriculture.

- Distribution of workforce by industrial sector shows substantial shift from farm work to non-farm work. In 1972-73, about 74% of the workforce was engaged in primary sector and in 2011-12, this proportion has declined to 50%.
- Secondary and service sectors are showing a promising future for the Indian workforce , the share of these sectors have increased from 11 to 24 percent and 15-27 per cent, respectively.

The distribution of workforce in different status indicates that over the years people have moved from self-employed and regular salaried employment to casual wage work.

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Q16 Compared to the 1970s, there has been hardly any change in the distribution of workforce across various industries. Comment.

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- Secondary and service sectors are showing a promising future for the Indian workforce , the share of these sectors have increased from 11 to 24 percent and 15-27 per cent, respectively.

Analysing the given data, it can be concluded that compared to the 1970s, there has been hardly any change in the distribution of workforce.

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Q17 Do you think that in the last 50 years, employment generated in the country is commensurate with the growth of GDP in India? How?

Answer.

- 60 years of planned development have been aimed at expansion of the economy through increase in national output and employment.

- During the period 1950-2010, Gross Domestic Product (GDP) of India grew positively and was higher than the employment growth. However, there was always fluctuations in the growth of GDP, during this period, employment grew at a rate of not less than 2 percent.
- In the late 1990s, employment growth started declining and reached the level of growth that India had in the early stages of planning.
- During these years, we also find a widening gap between the growth of GDP and employment. This means that in the economy, without generating employment, we have been able to produce more goods and services.

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Q18 Is it necessary to generate employment in the formal sector rather than in the informal sector? Why?

Answer. Workers in the informal sector do not get regular income, they do not have protection or regulation from government. Workers are dismissed without compensation, technology used is also outdated. Those working in the formal sector enjoy social security benefits, they earn more than those in the informal sector.

Development planning envisaged that as the economy grows, more and more workers would become formal workers and the proportion of informal sector would dwindle. The Indian government has initiated the modernization of informal sector enterprises and provision of social security measures to informal sector workers.

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Q19 Victor is able to get work only for two hours in a day. Rest of the day he is looking for work. Is he unemployed? Why? What kind of jobs could persons like Victor be doing?

Answer. Economists define unemployed person as one who is not able to get employment of even one hour in half a day. Victor works for two hours in a day, he is unemployed as he is not working to his full capacity and is looking for work for the whole day. This kind of unemployment is known as open unemployment. He could do part time jobs like dropping newspaper, working in a store, delivery couriers, etc.

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Q20 You are residing in a village. If you are asked to advise the village panchayat, what kind of activities would you suggest for the improvement of your village which would also generate employment?

Answer. I would suggest the following measures for employment generation in the village :

- Better implementation of poverty alleviation programmes that provide employment generation opportunities such as construction of roads, bridges, schools, etc.
- Imparting technical knowledge and skills to the rural unemployed, increasing their productivity.
- Basic education and health facilities to be made available for free.
- Easy and cheap credits to be made available to the rural people to encourage them to start small scale industries.

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Q21 Who is casual wage labourer?

Answer. Casual wage labourers are casually engaged in others' farms and in return get a remuneration for the work done. They are usually hired by the hour or the day for performing particular tasks. They do not work throughout the year and are generally unskilled workers. They are unemployed for maximum days in a year. For example, workers at construction sites.

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Q22 How will you know whether a worker is working in the informal sector?

Answer. Following are ways to identify if a worker is working in informal sector :

- Informal sector consists of all such establishments which employ not more than 10 workers in the enterprise.
- Workers in the informal sector do not get regular income, they do not have any protection or regulation from the government. Technology used in informal sector is outdated and they do not maintain accounts. Workers of informal sector live in slums and are squatters.
- They do not enjoy any social security benefits like pension, provident fund, etc.
- Informal sector includes millions of farmers, agricultural labourers, owners of small enterprise. It also includes all non-farm casual wage labourers who work for more than one employer.

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