### **CBSE Test Paper-03**

# **Chapter 12 Employment Growth Informalisation and other Issues**

- 1. Female worker participation rate in rural areas is (1)
  - a. Higher in urban areas
  - b. Higher in rural areas
  - c. Lower in both the areas
  - d. Lower in rural areas
- 2. Person who are engaged in their own farm or non-farm enterprises are called as (1)
  - a. None
  - b. Employees
  - c. Self-employed
  - d. Workers
- 3. Which of the following types of activities are covered in the secondary sector? (1)
  - a. Natural products are changed through manufacturing
  - b. It includes agriculture, forestry and dairy
  - c. It generates services rather than goods
  - d. Goods are produced by exploiting natural resources
- 4. Those activities which contribute to the gross national product are termed as (1)
  - a. production activity
  - b. Economic activity
  - c. Both (a) and (b)
  - d. None of the above
- 5. State the meaning of cyclical unemployment. (1)
- 6. 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?

**(1)** 

- 7. Mention two forms of rural unemployment in India. (1)
- 8. Who is casual wage labourer? (1)
- 9. How will you know whether a worker is working in the informal sector or not? (3)
- 10. Why are children not included in working population? (3)
- 11. Raj is going to school. When he is not in school, you will find him working in his farm. Can you consider him a worker? Why? (3)
- 12. Why are less women found in regular salaried employment? (4)
- 13. What do you mean by unemployment? What types of unemployment are found in rural and urban areas of India? Briefly explain. **(6)**
- 14. Explain occupational structure of workforce? (6)
- 15. What are the various types of unemployment? (6)

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#### **Answers**

1. b. Higher in rural areas

**Explanation:** Because in rural areas, poverty compels women to avoid education and seek employment

2. c. Self-employed

**Explanation:** Self employed are those who are engaged in their own business or own profession.

3. d. Goods are produced by exploiting natural resources

**Explanation:** The secondary sector include industries that produce a finished, usable product or are involved in construction. This sector generally takes the output of the primary sector and manufactures finished goods or where they are suitable for used by other businesses, for export, or sale to domestic consumers.

4. b. Economic activity

**Explanation:** Economic activity adds goods and services to the market and whatever is produced for market is included in gross national product.

- 5. Unemployment which arises as a result of different phases of trade cycle is termed as Cyclical unemployment.
- 6. Victor is employed. He is able to work for only two hours a day and is looking for work for the remaining period of the day. He is a casual wage labourer.

Victor might be doing jobs on a casual basis, such as working as an electrician, distributing newspaper, milk, painting a house, plumbing work etc.

- 7. The two forms of rural unemployment in India are:
  - i. Seasonal unemployment
  - ii. Disguised unemployment

- 8. Workers who are not hired by their employers on a regular or permanent basis and do not get social security benefits, are termed as casual wage labours.
- 9. We can know whether a worker is working in the informal sector from the following points:
  - i. The number of workers employed is less than 10.
  - ii. The workers are not allowed to form trade unions and are not protected by labour laws.
  - iii. The workers are not entitled to social security schemes.
- 10. Working population refers to the number of people who are willing and eligible to work. Those who are above 15 years of age and willing to work are considered in this bracket. Thus it includes able-bodied persons and adults.

Children are not included in the working population because of the following reasons:

- Children are unable to perform productive activities.
- Children's right to playing and schooling should be respected. Use of children in work is equivalent to denying them a childhood.
- It is crime to turn them into dull adults and old persons.
- In every civilised society, children's rightful place in school and playground.
- 11. It is not mentioned in the question that in return of working on the farm, Raj is getting something or not. Thus, it is difficult to consider him as a worker but Raj can be considered as a worker because when he is working in the farm, his work is contributing to the total output of the farm. His work comes under casual work which is contributing to the GDP and it is also economic activity. So, we can say Raj is a worker.
- 12. Fewer women are found in regular salaried employment due to the following reasons:
  - i. Discouragement from Family: In India, families still do not want the female members to step out from the house for work especially if it is for long hours, as in regular salaried employment.
  - ii. Family Responsibilities: Household work and responsibility of children and

- other family members do not allow the women to devote time and energy in regular employment.
- iii. **Wage Discrimination:** Gender based wage discrimination is prevalent in India which demotivates the women in regular salaried employment and they prefer being at home or opt for self-employment opportunities.
- iv. Lack of Education Facilities: Female education is not given due importance in India and hence, the majority of the women in India do not have the educational qualification and professional skills required for regular salaried employment.
- v. **Security Issues:** Rise in crime against women has also been a reason for women withdrawing from regular employment due to security concerns. Late working hours in private sector firms and MNCs are not found suitable by most of the women.
- 13. Unemployment is a situation under which those who are willing and capable to work, do not get work through which they can earn their livelihood. Thus, unemployment means the state of being unemployed.

Following are the types of unemployment found in rural and urban areas of India:

- i. **Open Unemployment:** It refers to that situation wherein the worker is willing to work and he has the necessary ability to work, yet he does not get work. Thus, he remains unemployed.
- ii. **Seasonal Unemployment:** It occurs in case of agriculture, ice-cream factories, woollen factories, etc which are a seasonal occupation. Seasonal unemployment caused by the fact that certain activities can be pursued only during specified periods, e.g., The demand for agricultural labour increases at the time of sowing and harvesting. During the interval between sowing and harvesting, there is a fall in employment. They have busy and slack seasons. In the offseason, there is no work. The result is seasonal unemployment
- iii. **Disguised Unemployment:** A situation in which more persons are employed on a job that is optimally required. If a part of the labour force is withdrawn and the total production remains unchanged, this withdrawn labour will be known as disguised unemployed labour. In this type of unemployment, marginal physical productivity of labour is zero or sometimes it becomes negative. An individual is working but he is unable to add to the productivity or to the output.

- iv. Industrial Unemployment: It includes those illiterate persons who are willing to work in industries, mining, transport, trade and construction activities, etc.
  Problem of unemployment in industrial sector has become acute because of increasing migration of rural people to urban industrial areas in search of employment.
- v. **Educated Unemployment:** In India, the problem of unemployment among educated people is also quite grave. It is a problem spread across all parts of the country because of massive expansion in the education facilities. These facilities have contributed to the growth of educated persons who are on the lookout for white collar jobs.
- vi. **Technological Unemployment:** Technological upgradation is taking place in all spheres of activity. People who have not updated their skills as per the latest technology become technologically unemployed.
- vii. **Structural Unemployment:** Unemployment caused by the fact that the economy fails to generate enough jobs. It is the result of the backwardness and low rate of economic development of a country. It is generally witnessed in the underdeveloped countries, e.g., A change of energy use from coal to electric power is bound to curtail coal mining activity and cause unemployment there.
- 14. The distribution of the population according to the different types of occupations is referred to as the occupational structure. Occupations are generally classified into three categories, viz., primary, secondary and tertiary. The primary occupations include all those essential activities such as agriculture and allied activities like animal husbandry, forestry, fishery, poultry farming etc.

Secondary activities include manufacturing industries composed of both large and small scale and mining. Tertiary activities include all other activities like transport, communication, banking, insurance, trade etc. The occupational structure indicated the distribution as well as absorption of population into these various types of occupations.

During the first half of the present century, occupational distribution of population in India did not report any appreciable change. Agriculture occupied the dominant position and its absorption capacity had increased marginally from 66.9 per cent in 1901 to 69.7 per cent in 1951. During this period, industrial activity was very much restricted to the plantation and textile industry and was also supported by imported

machinery resulting in limited backward linkage effects and lack of diffusion of the spread effect of industrialisation. Thus this process of industrialisation had created a very little impact on the generation of employment opportunities.

After independence and especially after the introduction of planning in India, an attempt was made by the planning to accelerate the process of industrialisation and also to change the occupational structure by transferring a section of working force from agriculture to secondary and tertiary sectors.

Accordingly, the Second Plan observed, "By 1975-76, the proportion of agricultural labour force to the total should come down to 60 per cent or so. But for this to happen something like a fourfold increase in the numbers engaged in mining and factory establishment has to be brought about, and the investment pattern in the plans has to be adjusted to these requirements."

Just to fulfil these requirements it was necessary to increase the agricultural productivity through adoption of modern technology for meeting food and raw material requirements of the developing economy. It was also necessary to reduce the dependence on agriculture by generating alternative employment opportunities in rural areas.

All these technological changes in agriculture along with land reforms measures were introduced in India in order to increase agricultural production and productivity and to transfer surplus labour force from agricultural sector to secondary and tertiary sector.

On the other hand, to change the occupational structure in India, the importance of designing a suitable employment policy was felt. With the introduction of planning, a considerable increase in employment opportunities was expected.

The planned economic development anticipated rapid progress in the expansion of irrigation, power, basic industries, other manufacturing and household industries and the expansion of tertiary activities in the service sector like the expansion of trade, banking, insurance, transportation and communication etc. But after two decades of planning occupational structure in India could not show any remarkable change. Although both secondary and tertiary sector expanded and their absorption capacity also increased substantially but the rate of increase in employment opportunities fell far short of rate of increase in the labour force.

Moreover, another important condition for realising the change in occupational

structure, viz., a significant increase in agricultural productivity could not be fulfilled. Again the allied activities of the primary sector and development of village industries could not make much headway in engaging the surplus population from the agricultural sector. All these led to the growing pressure of population on the agricultural sector and resulted in widespread disguised unemployment in rural areas. Recent data also shows that a huge number of people are engaged with the primary sector. Today al Primary sector is the main source of employment with over 53.2% of total workforce. The Secondary sector provides employment to only about 21.5 % and service sector employs about 25.3% of the workforce.

- 15. i. **Disguised Unemployment.** A situation in which more persons are employed on a job than are optimally required. If a part of the labour force is withdrawn and the total production remains unchanged, this withdrawn labour will be known as disguised unemployed labour.
  - ii. **Seasonal Unemployment:** Unemployment caused by the fact that certain activities can be pursued only during specified periods, e.g., The demand for agricultural labour increases at the time of sowing and harvesting. During the interval between sowing and harvesting, there is a fall in employment. It is also found in seasonal industries like ice factories.
  - iii. **Structural Unemployment:** Unemployment caused by the fact that the economy fails to generate enough jobs. It is the result of the backwardness and low rate of economic development of a country. It is generally witnessed in the underdeveloped countries, e.g., A change of energy use from coal to electric power is bound to curtail coal mining activity and cause unemployment there.