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Sarthak Pattnaik
BBA, LLB, National Law
University, Odisha.

Business Economics: The Review of labour Market in India

Sarthak Pattnaik

Abstract

The idea of economic development seems to have an increasing speed in monetary development with accompanying development in job open doors for poor people. This can be accomplished when profitability development, business development, and ascend in genuine wages occur at the same time at a fast pace. India's monetary development throughout the most recent two decades has been very powerful - extending at more than 5 percent for annum. Lately, the development rate has come to 7-8 percent for annum. Occupation, then again, has not developed so quickly. The business development rate decelerated from 2.04 for every penny for every annum somewhere around 1983 and 1993-94 to 0.98 for each penny for every annum between 1993-94 and 1999-2000.

Keywords: Economic, Monetary, Profitability.

1. Introduction

Unemployment is one of the most noticeably bad social wrongs. It has a detrimental effect on those who are affected by it and it also impacts their place in the society. When there is unemployment, there is significant underutilization of a nation's resources as a result of which there is a hurdle in achieving economic growth and financial prosperity whenever resources are underutilized. In a nutshell unemployment leads to lesser economic growth considering the fact that there can be much more economic growth that can be achieved if there is no unemployment. Unemployment is one of the most fundamental issues of concern all over the world. For instance in the European Union alone there is unemployment in excess of 18 million individuals. This issue has been much prioritized and in the European Council at Amsterdam in the Treaty on Resolution on Growth and Employment has agreed upon to create more occupations and put a significant stride forward in eradicating unemployment by creating more no. of occupations and different kinds of jobs. In a specific sense, it keeps tabs on a particular government budgetary measure, the "New Deal", as a method by virtue of which governments are to adopt an approach by which a more effective work market and increment employability can be provided. The "New Deal" is a work market activity developed by the European Union jointly in order to enhance the job prospects of a particular individual by decreasing the frequency of long haul unemployment by guaranteeing a proceeded connection to the work market. The forces of supply and demand govern labour markets, like other markets in the economy in the economy. Labour markets are different from most other markets because labour demand is a derived demand. Most labour services, rather than being final goods ready to be enjoyed by consumers, are inputs into production of other goods. To understand labour demand, we need to focus on the how goods are produced by the labour and used to produce goods for sale. By examining the link between the production of goods and demand for labour to make those goods, we gain insight into the determination of equilibrium wages.

1.1. The Nature of Labour Market

In the work market managers need to rival one another for human assets. Specialists "supply" some of their time and exertion to associations for a pay while the associations "interest" work to handle products and administrations. The work business assumes an exceptionally critical part in asset distribution. The collaboration of interest and supply decides the cost of work which is known as the compensation rate. Wages are destined to be high in those commercial ventures and occupations where the interest for work is high and where the supply of work is moderately constrained. The last value (pay rate) is situated at a point where the interest for work is matched by the supply. Indeed in flawlessly working markets, there might in any case be some unemployment as new and more proficient manifestations of financial movement relocated old and less effective ones and as individuals changed employments.

Correspondence:
Sarthak Pattnaik
BBA, LLB, National Law
University, Odisha.

2. Concepts of Labour

2.1. Basic Definitions of Values and Labour

When speaking in terms of a labour theory of value, **value**, without any qualifying adjective should theoretically refer to the amount of labour necessary to the production of a marketable commodity, including the labour necessary to the development of any real capital employed in the production. Both **David Ricardo** and **Karl Marx** attempted to quantify and embody all labour components in order to set the real price, or natural price of a commodity. The labour theory of value, as presented by **Adam Smith**, however, did not require the quantification of all past labour, nor did it deal with the labour needed to create the tools (capital) that might be employed in the production of a commodity. The Smith theory of value was very similar to the later utility theories in that Smith proclaimed that a commodity was worth whatever labour it would command in others (value in trade) or whatever labour it would "save" the self (value in use), or both. But this "value" is subject to supply and demand at a particular time.

The real price of everything, what everything really costs to the man who wants to acquire it, is the toil and trouble of acquiring it. What everything is really worth to the man who has acquired it, and who wants to dispose of it or exchange it for something else, is the toil and trouble which it can save to himself, and which it can impose upon other people. (*Wealth of Nations* Book 1, chapter V)

Smith's theory of price (which for many is the same as value) has nothing to do with the past labor spent in the production of a commodity. It speaks only of the labour that can be "commanded" or "saved" at present. If there is no use for a buggy whip then the item is economically worthless in trade or in use, regardless of all the labour spent in its creation. Duncan (1995, 2000, 2004) has provided remarkable insights into how Smith's theory of value accounts for role of nature in generation of value.

2.2. A Brief Account of the Keynesian and Classical Theories of Employment and Their Points of Contrast

Classical theory of employment works on the principle that full-employment is the employment level that the economy would return to, and it tends to remain at in the long run. The pure classical theorists advocate the fact that vertical, AS curve would graphically show the same GDP associated with full employment, at each price- level in the economy.

In this kind of situation, like cyclical unemployment, number of people seeking jobs exceeds number of available jobs or vacancies. But this does not happen because of failure of aggregate demand, but because of the fact the real wage are higher than the market equilibrium wages. In other words, concepts such as "the minimum wages" deters the employers from hiring all the available workers, because in that case the cost would exceed marginal product of labour i.e it would exceed technologically determined benefit of hiring the specified workers. It has been suggested by many economists that in order to reduce such kind of unemployment there is a need to increase the flexibility of wages by abolishing the minimum wages or employee protection, in order to make labour market more like a financial market. In contrast, by making wages more flexible would allow the employers who are adequately staffed to pay lesser wages with no corresponding benefit to the job seekers. If it is accepted that people having low incomes are spending their money out of necessity, then there is possibility that the more flexible wages would lead to an increase in unemployment in the shorter term.

Keynesian Theory holds that unemployment is the normal state of the economy and significant government intervention is required if the employment/output targets are to be reached. The AS curve is horizontally shaped.

During the time of the Great economic depression in the 1920's and 30's due to the two world wars, the classical theory defined the collapses of the economy simply like a lost incentive to produce. And furthermore according to the classical theory the mass unemployment was caused only by the high and the rigid real wages. Cutting down the wages was the only proper solution according to classical economists.

But, according to Keynes, wage determination is more of a complicated proves. The first argument given by him was that, nominal not the real wages are set in the negotiations between the employers and the workers, compared to a barter relationship. Firstly, the nominal wage cuts would actually be difficult to put into effect because of the existing laws and the wage contracts. Classical economists advocated the establishment of minimum wages, trade unions and long-term contracts, in order to increase the labor-market flexibility. But Keynes argued that there would be resistance showed to nominal wage reductions, even in the absence of such unions until it is observed by them that other wages are falling and also there is a general fall of prices. His second argument was that in order to increase the employment, the real wages had to be reduced, and the so- called nominal wages were to fall more than the given market prices. However, this would lead to reduction in consumer demand, which would lead to reduction in aggregate demand for goods. This would further lead to reduction in the business sales revenues and the expected profits. Investment in the new plants and machinery- would be discouraged, as it would become more risky. Instead of raising the business expectations, wage reductions could even worsen matters.

2.3. Important Points of Contrast between the Keynesian and Classical Theories of Employment and Labour

1. Underemployment Equilibrium: Classical economists have advocated Say's Law, which states the fact that, the economy is in a state of stable equilibrium at full employment and that for a short period of time can depart from full employment but equilibrium was to be restored through wage adjustments. Whereas Keynes establishes the point that except periods like wars, the equilibrium was always at less than full employment and seldom it was at full employment.

2. Macro conception vs Micro conception: The Keynesian theory is more of a macro-economic representation of the concept of unemployment which studies the economy as a whole and classical economic theory depicts the individual characteristics of the economy and gives more of a micro-economic dimension to theory. Classical economists have studied individual concepts such as consumer's equilibrium, producer's equilibrium, equilibrium of a particular firm. In contrast, Keynes dealt with the general price level instead of individual price of a commodity. The theory of Keynes concerns itself with the level of unemployment in the community instead of unemployment of any particular class of labour.

3. Opposition to General Cut in Wages: The classical economists have stated that there could be anticipation of a condition of full employment through reduction in money wages, and whatever be the state of demand, there would be through adjustments, a tendency towards full employment.

But the Keynesian theory on the other hand contended that reduction in wages in a particular industry might increase the employment in it. But the reduction of wages all round would lead to a reduction in income and this would subsequently lead to a reduction in income and effective demand and volume of employment. In the present days of democracy and trade unionism, an irrational government would allow the reduction of wages.

4. Rate of Interest Determination. The classical economists have stated that the rate of interest is determined by the intersection of the saving and investment schedules- by disclosure of the relation of investment and saving to the rate of interest. The Keynesian Theory talks about a set of liquidity preference schedules at various levels of income.

5. Dynamic vs Static: The classical theory functions on the conception of a static economy, whereas Keynes theory is dynamic. The classical theory concentrated on equilibrium at a certain point of time, but the theory of Keynes led to the introduction of future expectation into the economic analysis and thus analyzed a dynamic economy. So in a nutshell, the theory of Keynes is a realistic one compared to the classical theory based on mainly assumptions, which do not provide a realistic picture.

6. General vs Special Theory: The theory of Keynes's functions on a broader perspective and talks extensively about all relevant situations such as unemployment, frictional employment, and complete employment. Classical economics based on wage flexibility theory that was to provide a self-adjusting mechanism, which made possible full employment. So all theories of classical economists are based on assumption of full employment, which is narrow as well as unrealistic in nature.

2.4. Demand for Labour and Wage Determination

Work interest is an inferred request; that is, contracting work is not sought for its purpose but instead in light of the fact that it helps in preparing yield, which helps a manager's income and consequently benefits. The interest for an extra measure of work relies on upon the Marginal Revenue Product (MRP) and the Marginal Cost (MC) of the specialist. The MRP is computed by increasing the cost of the deciding item or administration by the Marginal Physical Product of the labourer. On the off chance that the MRP is more terrific than a company's Marginal Cost, then the firm will utilize the specialist since completing so will build benefit. The firm just utilizes however up to the point where $Mrp=mc$, and not past, in investment hypothesis.

Wage contrasts exist, especially in blended and fully/partly adaptable work markets. For instance, the wages of a specialist and a port cleaner, both utilized by the NHS, contrast incredibly. There are different elements concerning this sensation. This incorporates the MRP (see above) of the labourer. A specialist's MRP is far more stupendous than that of the port cleaner. Likewise, the obstructions to turning into a specialist are far more amazing than that of turning into a port cleaner. To turn into a specialist takes a considerable measure of instruction and preparing which is unreasonable, and just the individuals who exceed expectations in the scholarly world can succeed in getting to be specialists. The port cleaner however requires generally less preparing. The supply of specialists is subsequently essentially less flexible than that of port cleaners. Interest is additionally inelastic as there is

popularity for specialists and medicinal forethought is a need, so the NHS will pay higher pay rates to draw in the calling.

The MRP of the specialist is influenced by different inputs to handling with which the labourer can work (e.g. hardware), regularly amassed under the expression "capital". It is normal in budgetary models for more excellent accessibility of capital for a firm to build the MRP of the labourer, all else approach. The training and preparing noted in the last section are considered "human capital". Since the measure of physical capital influences MRP, and since budgetary capital streams can influence the measure of physical capital accessible, MRP and accordingly wages might be influenced by monetary capital streams inside and between nations, and the level of capital versatility inside and between countries.

2.5. Global Labour Market Scenario

In 1997, a collaborative effort involving the ILO, experts from the Organization for Economic Cooperation and Development (OECD) and several national statistical offices was undertaken to complete the selection and refinement of the KILM (Key Indicators of the Labour Market) indicators. The indicators were chosen based on three criteria: conceptual relevance, data availability and comparability across countries and region. The resulting set of 18 indicators was designed to satisfy the ever-increasing demands of governments and the social partners for timely, accurate and accessible information on the world's labour markets. As the next step in the meeting the requirements of constitution need for information, the ILO produced world and regional estimates for the following five of its 18 indicators:

- Labour force participation rate
- Employment to population ratio
- Employment by sector
- Unemployment
- Youth unemployment

Labour Force Participation rate expresses the share of employed plus unemployed people in comparison to the working age population. It gives an indication of how many people of working age are actively participating in the labour market.

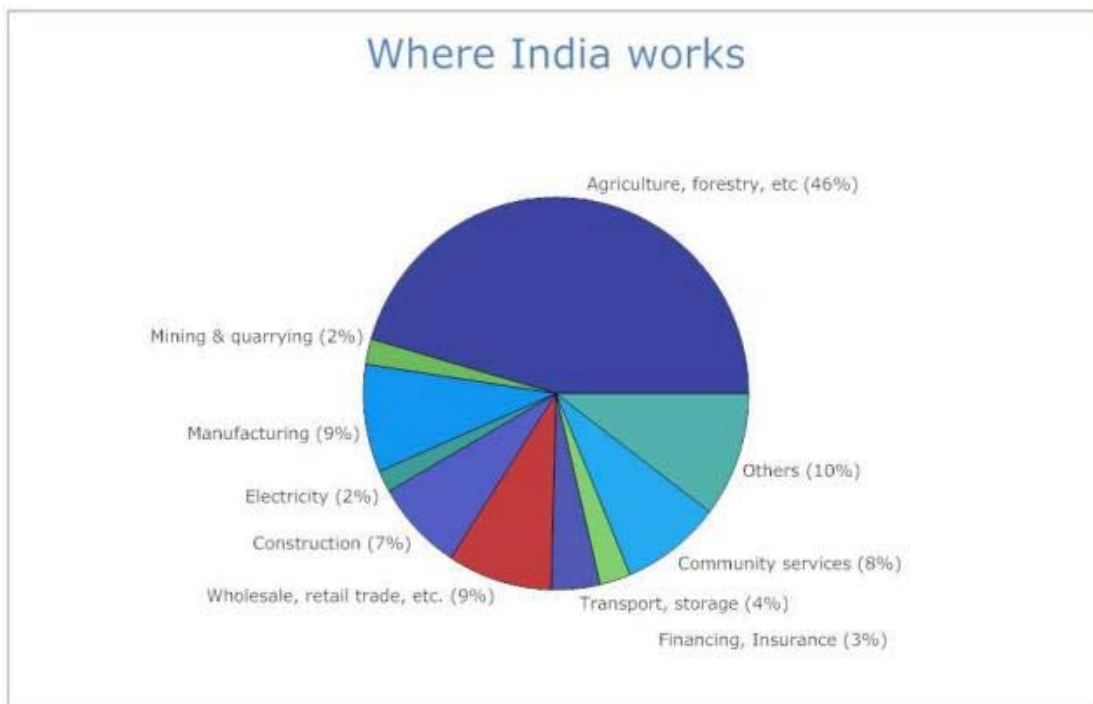
2.6. Indian Labour Market Scenario

The level of employment, its composition and the growth in employment opportunities are a critical indicator of the process of development in any economy. Its is also an indicator that, in most cases, directly captures the economic attainments and hence the level of well- being of individuals. A majority of women workers in India are employed in the rural areas, primarily as cultivators and contract labourers. In the urban areas the majority of women workers are employed in the unorganized sector, in the household industries, petty trades and services, building and construction, etc. The labour sector of the Indian economy consists of roughly 487 million workers the second after China. In the year 2008, around 27.5 million workers were employed by the organized sector, which consisted of 17.3 million workers from government or government owned entities.

Female work participation rate (FWPR) exhibited a moderate rise in the 2001 census reaching 25.6 percent, up from 22.3 percent in 1991. In 2001, the gender gap in work participation ranged between 41-48 percent across various Indian states. The community, social and personal sectors employed 55.6 percent of women workers, followed manufacturing, agriculture and allied occupations and finance, insurance, real estate and business at 4.7 percent.

The distribution of women across nature of employment has shown that women account for the flexible labour category with high proportions of contract and casual women workers. The employment of women and young girls are always a strategy to reduce cost when there exist a comparable difference in the wages between male and female workers. However, with the swelling rates of unemployment among males, combined with the high insecurity in employment, the reservation prices of males workers seems to have gone down, making them as cheap as that of women counterparts.

Agriculture has been regarded as the most important sector not just in terms of employment or productivity but also as a source of livelihood. Before the 1990's most of the population of the country i.e. around 60-70% of was engaged in agriculture, but after the liberalization of economic reforms and also after the advent of BPO's (Business Process Outsourcing) units, there has been change in the trend and a considerable amount of the workforce of India's population is employed in the service and telecom sector, but agriculture still employs a considerable part of India's workforce.



The above graph shows that in 2012-13 the percentage of people employed in agricultural sector was around 46% and the rest of the sectors are shown below. This clearly underlines the point mentioned in the previous page regarding the decrease in workforce employed in the agricultural sector due to increase in the jobs or occupations mainly in the telecom and the service sectors. Though agriculture is still the major occupation and the major source of income for 46% of the population of our country, yet the no. of people employed in it have reduced significantly, which is a positive sign as it has to a considerable extent reduced the dependence on agriculture for providing employment opportunities.

Percent of Population in the Labour-Force (In %, Ages 15-59)

	1983	1993/94	1999/00	2004/05	2007/08
All India	68.3	71.2	62.8	62.5	58.7
Females	40	46.5	38.9	38.6	32
Males	90.5	90.2	85.6	85.5	84.6
Rural India	70.5	75.5	66.3	65.9	61.7
Females	45.1	53.1	45.2	44.7	37.6
Males	91.1	92	87	86.9	85.6
Urban India	61.8	54.3	54.2	55	52.2
Females	23	23	22.5	24.3	19.7
Males	88.6	82.4	82.4	82.7	82.5

Statistical Data as To Show the Projected and the Existing Population Unemployed and Indulged In Labour

Parameters	1993-04	2004-05	2006-07	2011-12	2016-17
Population (age 15-59)	501760	652940	687120	760110	820570
Labour Force	334197	419647	438948	483659	524057
Employment Opportunities	313931	384909	402238	460310	501820
Unemployed	6710023	5389507	3048581	3473839	2026605
Unemployment Rate	6.06	8.28	8.36	4.83	1.12

2.7. Labour Structure in India

A major chunk of India's working population is employed in the unorganized sector i.e. around 94% of our population is employed in unorganized sector. Organized sector includes the licensed and registered organizations, which pay sales tax, income tax and are registered entities, corporations, hotels and large businesses etc. Whereas the unorganized sector, known as informal sector or own account enterprise, refers to unlicensed, or unregistered or unrecognized economic activities like general stores, handicrafts and handloom workers, rural traders, farmers etc.

The Ministry of labour has classified unorganized labour into four important groups.

- **On basis of Occupation:** This includes small and marginal farmers, landless agricultural labourers,

sharecroppers, fishermen, leather workers, artisans, weavers etc.

- **On basis of Nature of Employment:** This includes attached agricultural labourers, bonded labourers, migrant workers and casual or seasonal workers.
- **On basis of Distress:** This includes scavengers, carriers of head loads, drivers of animal driven vehicles, loaders and unloaders.
- **On basis of services:** This includes midwives, domestic workers, barbers, vegetable and fruit vendors, newspaper vendors, pavement vendors, hand cart operators etc.

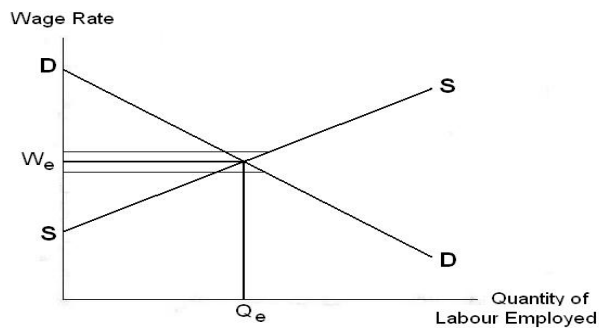
Low wages and productivity is offered by the unorganized sector. Though it includes around 94% of the total workforce of our country, yet it has created only 57% of the India's National Domestic Product in 2006. The gap regarding productivity generally widens and sharply worsens when there is a comparison made between the rural and urban unorganized sector. The rural unorganized sectors have some of the lowest income jobs. It has also been observed that the rates of poverty have been significantly higher in the families wherein all the working age members have worked only in the unorganized sector throughout their lives. Migrant workers constitute about 30 million of the working population and they are found mostly in agriculture wherein local stable employment is unavailable for them. The National Sample Survey Organisation (NSSO) has reported in its 67th report that there were about 58 million unrecognized or unlicensed agricultural enterprises in 2010-11. The organized private sector, which had companies with more than 10 employees per company, employed about 5.5 million women and around 22 million men.

India is adding 13 million new workers every year to labour availability and it is able to provide 8 million jobs. The rest 5 million youth join the partial paid employment works or the casual labour pool for temporary infrastructure, and in real estates or they are unemployed.

2.8. Demand and Supply Curves for Labour With Respect To the Wage Rates

The fundamental principle of economics is that, the price of a particular commodity like wheat, rice etc. or the value of a resource like labour, is determined taking into consideration the demand and supply for that particular commodity or resource, labour in this case.

Figure 1. The Labour Market

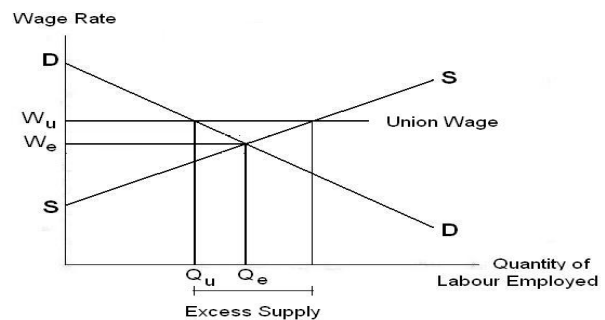


The above diagram talks about the demand and supply for labour in the production of a particular commodity. SS denotes supply curve and the demand curve is denoted by DD curve. Quantity of labour is depicted on the horizontal axis and the vertical axis depicts the nominal wage per unit of

labour under the assumption that the general price level is constant. The demand curve for labour would be negatively sloped in all kinds of production primarily because of two reasons. Firstly, because the increase in the wage rate increases the cost of production of a firm, thereby forcing them to raise the prices of the goods produced by them. Secondly, because of the fact that rise in wages increases the cost of labour with relation to capital, and the firms in that case would substitute capital for labour. This implies that in order to produce the output to be sold by the firm, there would be utilization of less amount of labour.

When the existing wage rates are free to adjust itself in response to the market forces, then it would move on to W_e , where demand for labour equals the supply. When the wage is above W_e , there would be more availability for labour that would be presented before industries employing labour than the actual amount they can employ during a particular period of time. In such cases, the industry would pay lesser wages to the given workers in order to offer them employment in the said industry. If the wages are below W_e , the firms would find it more profitable in order to hire more labour than is actually presenting itself for employment. As the firms are having capacity to pay more wages, they would pay higher wages in order to obtain or hire additional workers.

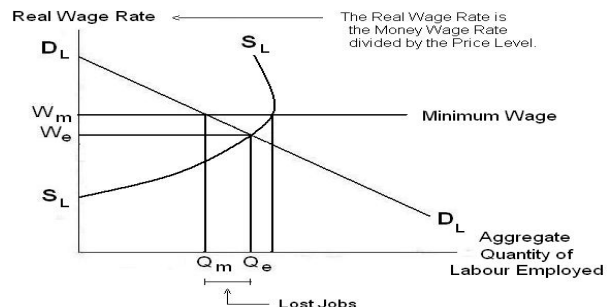
Figure 2. The Effects of Unionization



Here, SS depicts the supply curve, DD depicts the demand curve, W_u depicts the union wages curve, W_e depicts the market wages curve. This figure enlists the relation between supply and unemployment of labour.

Unemployment results in an industry in cases wherein the wages are above market equilibrium and an institutional force, for ex, a union- industry agreement may fix the wages at W_u in the 2nd figure. This means that the workers willing to work in the industry at wage, which is above W_e but below W_u , will not find employment there. But this does not lead to unemployment in the economy, as a whole because of the fact that the workers displaced from the industry would accept employment in the non-unionized sector for lesser wages.

Figure 3. The Aggregate Labour Market and Effects of Minimum Wages



Unemployment in the economy as a whole can be measured only by taking demand and supply of labour as a whole with respect to the existing real wage rate, which is the Real Wage Rate is the Money Wage Rate divided by the Price Level. There is a need to take into consideration the aggregate labour market and the effects of Minimum Wages into consideration. There is inverse or negative relation between the real wage rate and the aggregate demand for labour as at lower wages less expensive labour would be used by firms in place of capital and such costs would be lower in order to enable them to produce and sell more output.

The aggregate supply curve for labour however, may not be positively sloped throughout its range. The primary reason being the wealth effect of increased wages. When the level of wages are low, the higher wages encourage people in order to work more because in that way they make leisure more costly in terms of the income that has to be given up at the margin to obtain it. Workers substitute leisure for leisure. When the income and wage levels are higher, however, when there is an increase in income, which can be obtained by doing more amount of work in response to a higher wage normally, becomes less valuable than the leisure, which is foregone. There will be a point wherein a wage level would be attained beyond which the workers would work less being paid higher wages because they can maintain the same satisfaction as before, or even increase it, with less work effort.

2.9. International Labour Organisation’s Analysis on Labour Market in India

The International Labour Organisation in its recent report has stated that India’s growth in employment (2001-10) has been 1.5% and in South-East Asia there has been steady growth of employment in such said period, which is 2.4%, and India has had a major contribution in that.

Though there has been a significant growth of employment in India but that has not increased in proportion to the fast increase in the labour force. Furthermore there are some disconcerting features of employment growth in the recent years. There has been firstly deceleration of employment growth. Secondly, there has been a decline in growth of employment. Thirdly, sectors, which have potential to provide higher employment, have registered relatively slower growth. Fourthly, agriculture, which still is a major source of livelihood for the majority of India’s population has observed a significant decrease in its significance to the contribution it makes in GDP of a country. Agriculture still continues to employ a major part of the workforce of India because the rise of other sectors has not lead to a greater employment of labour force in those sectors. Fifthly, the unorganized, informal sector has contributed to much of the employment growth which has been characterized by poor incomes and work conditions. And finally, it is true that in the organized sector, there has been an increase in employment, but such employment has been characterized by the categories of casual and contract labour.

Though the ILO has stated that there has been much growth achieved by India in employment sector, but the disappointing fact is that there has not been much participation by the women and also the disappointing fact is there is rampant child labour in India. And the biggest point of disappointment is that there is considerable amount of population in India, which is still employed. It is quite true that after the turn of the 21st century along with China India has been one of the fastest economically growing countries of the world but in order to provide employment to a major chunk of the

unemployed population there has to be creation of more jobs in order to provide the unemployed with employment.

2.10. An Analysis of the Minimum Wages Act 1948 in India

The government to provide for statutory minimum amount of wages to skilled and unskilled workers introduced the Minimum Wages Act. The Constitution of India as the wage that is to ensure a basic standard of living, which includes good health, dignity, comfort, education and providing contingency, has defined a “living wage”. Fair wages is that level of wages which speaks about not only to provide for a basic standard of living but also to ensure good health, dignity, comfort, education and providing for any contingency. Minimum wages are wages are wages, which guarantee not only bare subsistence and preservation of efficiency, but it also provides for education, medical requirements and also a particular level of comfort. The right to minimum wages has been recognized as a legal right and payment of wages below such minimum wages amounts to forced labour. **The Minimum Wages Act 1948:**

STATE	LOWEST MINIMUM WAGE	HIGHEST MINIMUM WAGES
Andaman and Nicobar	212	322
Arunanchal Pradesh	80	100
Assam	208	208
Bihar	151	234
Chandigarh	245	285
Chhattisgarh	173	190
Dadra and Nagar Haveli	166.8	179.80
Daman & Diu	115	128
Delhi	270	328
Goa	150	179
Gujarat	55	210.7
Haryana	186.42	211.42
Himachal Pradesh	130	209.94
Jharkhand	127	222
Karnataka	126	226.69
Kerala	109.04	271.32
Lakshadweep	200	275
Madhya Pradesh	103.66	435
Maharashtra	103.67	478.57
Manipur	112.30	132.60
Meghalaya	100	140
Mizoram	132	235
Nagaland	80	100
Orissa	90	129
Pondicherry	55	177.88
Punjab	154.62	209.18
Rajasthan	147	217
Sikkim	130	190
Tamil Nadu	85	273
Tripura	38	251.54
West Bengal	127	196.31
Uttarakhand	82	253
Uttar Pradesh	100	220.35
Central Sphere	162	1120.93

3. Criticism of This Act

3.1. This Act has been criticized on the following grounds:

- **Large Unemployment:** Payment of minimum wage rate does not lead to employability to a willing worker. Out of desperation, many workers accept work below minimum wages. After liberalization, the right of workers to demand

wages has reduced with the decrease in the power of the trade unions. Because of these reasons even in Government funded projects workers are paid wage below the minimum wage rate.

• **Less protection against inflation:** Due to the acceleration or rapid increase in inflation there could be a decline in real minimum wage rates primarily because of 3 reasons. Wages are not frequently revised i.e. in every 5 years. Dearness allowance is not provided by many states which acts as a safeguard against inflation and also the minimum wages are not linked to a cost of living index.

• **Lack of awareness:** there is lack of awareness as to the presence of any statutory provision of a minimum wage rates which is the primary reason why 80% workers earn less than Rs 20/day. Certain officials have even denied presence of such legislation.

4. Conclusion

Though there has been an increase in the employment in India, and many labour legislations enacted yet there persists large scale of unemployment. And besides that there is also not sufficient amount of jobs in order to provide employment to the workforce of our country. So, the need of the hour is to increase the availability of jobs and employment opportunities in order to provide employment to a large section of the society in India.

In order to increase the productive efficiency and improve employment following steps has to be taken:

- There needs to be an improvement in the governance and there should be proper implementation of economic policies in order to provide employment to unemployed sections of society.
- Vocational training is to be given in order to increase work efficiency.
- Strict implementation of regulations have to be done in order to provide adequate wages to the labourers
- There has to be an improvement in the work conditions of said labourers.
- Methods have to be adopted to increase the self-sufficiency of the workers through various programmes.

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