INDIAN ECONOMY 02 November 2026

Decline in Unemployment Rate alongside Quality Job Deficit in India

A recent study highlighted that while India's headline unemployment rate has fallen significantly, the generated jobs suffer from a critical lack of quality, security, and social protection.

An analysis of India's labour market dynamics focusing on the paradox of falling unemployment rates coupled with poor-quality, informal, and insecure employment.

KEY EXAM POINTS

- India's unemployment rate fell significantly from **6.1%** in 2017-18 to **3.2%** in 2023-24.
- **Female workforce participation** showed an increase for the first time in decades, according to government documents.
- Despite quantitative improvements in employment numbers, the newly generated jobs suffer from a critical lack of quality and security.
- Access to **social security** remains severely limited even in sectors where general employment conditions have shown improvement.
- Poor-quality employment generation adversely affects **economic growth**, as vulnerable workers with low savings spend less and face economic shocks.

DID YOU KNOW..!?

Periodic Labour Force Survey (PLFS) is released annually by the **National Statistical Office** (NSO) under the Ministry of Statistics and Programme Implementation.

Article 41 of the Constitution of India directs the State to secure the right to work, to education, and to public assistance in cases of unemployment.

The **Code on Social Security, 2020** aims to extend social security to all employees and workers in both organized and unorganized sectors.

Mahatma Gandhi National Rural Employment Guarantee Act (**MGNREGA**) was enacted in **2005** to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment.

Unemployment in developing economies primarily manifests as **underemployment** and **informal sector** dominance rather than outright joblessness.

The **International Labour Organization** (ILO) defines '**decent work**' as productive work that delivers a fair income, security in the workplace, and social protection for families.

REVISION FLASHCARD

India's unemployment rate fell from 6.1% in 2017-18 to 3.2% in 2023-24, though job quality and social security remain major concerns.

Syllabus Relevance: Directly relevant for Unit 6 (Indian Economy - Employment generation, poverty, and economic policies) in TNPSC Group 1 and 2 exams.

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