Insights from Periodic Labour Force Survey (PLFS) 2019-2020


Prepared by:
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• **Objective of the PLFS report:** To estimate key employment and unemployment indicators (i.e. Worker Population Ratio, Labour Force Participation Rate, Unemployment Rate) in rural and urban areas


• **Geographical coverage:** The survey covered the whole of the Indian Union except the villages in Andaman and Nicobar Islands which remained extremely difficult to access throughout the year.

• **Sample size for first visit during July 2019- June 2020 in rural and urban areas:** 12,569 First Stage Units (FSUs) (6,913 villages and 5,656 urban blocks) were surveyed. The number of households surveyed was 1,00,480 (55,291 in rural areas and 45,189 in urban areas) and number of persons surveyed was 4,18,297 (2,40,231 in rural areas and 1,78,066 in urban areas).

• In urban areas a rotational panel sampling design was used. Each selected household in urban areas is visited four times – one with first visit schedule and other with revisit schedule. In **rural areas** there was no revisit.

• The **results of the Annual Report of PLFS 2019-20** are generated from the data collected during the four quarters of the survey period.

• **Estimates** in this report correspond to the data collected in the entire survey period July 2019 to June 2020 or for each of the four quarters of the survey period.
Key Observations

Demography

- Majority (69.6%) rural population – But small decline over last 3 years (70.7% in 2017-18)
- 27±0.4% youth population (15-29 years) over last 3 years
- 52.1% population <29 years in 2019-20, down from 53.5% in 2017-18
- 42% of population (15 years & above) is not literate/ literate & up to primary, 45% is middle / secondary / higher secondary school educated, 12% is graduate & above

Labour Force

- Labour Force Participation Rate (LFPR) 53.5% (pop 15 years & above)
- Female LFPR 30%, up from 24.5% in 2018-19 and 23.3% in 2017-18. Increase driven more by rural female (33% in 2019-20 vs 24.6% in 2017-18) than by urban (up from 20.4% to 23.3%).
- Worker Population Ratio (WPR)* (pop 15 years & above) 50.9% in 2019-20, up from 46.8% in 2017-18, with females seeing a bigger increase than males. Driven more by rural females (up from 23.7% in 2017-18 to 32.2% in 2019-20) than urban (18.2% to 21.3%). For males too, the increase is more in rural regions (rural 72% to 74.4% vs. urban 69.3% to 69.9%)
- Highest WPR (59.5%) in the ‘literate & up to primary’ category, and lowest in ‘secondary & above’ (46%). Male WPR is highest in ‘literate & up to primary’ (pulled by rural (86.5% vs 81.9%)) and female WPR is highest for ‘not literate’ (also pulled up by rural (39.4% vs. 25.2%).

*Percentage of persons employed among the persons in the population
**Key Observations**

<table>
<thead>
<tr>
<th>Employment</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Majority (53.5%) of workers are in self-employment</td>
<td>• Unemployment rate 4.8% in 2019-20, down from 5.8% in 2018-19 and 6.1% in 2017-18</td>
</tr>
<tr>
<td>• 56.3% self-employed females and 52.4% males. Self employment highest among rural females (63%) and lowest among urban females (34.6%).</td>
<td>➢ Decline across all categories: Rural male 5.8% to 4.5%; Rural female 3.8% to 2.6%; Urban male 7.1% to 6.4%; Urban female 10.8% to 8.9%</td>
</tr>
<tr>
<td>• 22.9% regular wage/ salary employed</td>
<td>• Highest unemployment rate among ‘secondary &amp; above’ and lowest among ‘not literate’</td>
</tr>
<tr>
<td>• Regular wage/ salary employment is highest among urban females (54.2%) and urban males (47.2%) and low among rural females (9.5%) and rural males (13.8%).</td>
<td>• Female unemployment rate lower than for males except among secondary &amp; above (14.1% vs. 9% for males)</td>
</tr>
<tr>
<td>• Regular wage/salaried employees in non-agriculture sectors without a written job contract 67.3% in 2019-20, down from 71.1% in 2017-18. Driven by both females and males. Highest percentage point decline is seen by urban males (from 72.7% to 66.3%), followed by urban females (from 71.4% to 68.2%).</td>
<td>• 15% youth unemployment, down from 17.3% in 2018-19 and 17.8% in 2017-18</td>
</tr>
<tr>
<td>• Average wage/ salary for females is lower than that for males by 18-26% in the 4 quarters from Jul-Sep 2019 to Apr-Jun 2020</td>
<td>➢ Decline across gender and region: Male 17.8% in 2017-18 to 15.1% in 2019-20; Female 17.9% to 14.6%; Rural 16.6% to 12.9%; Urban 20.6% to 19.9%</td>
</tr>
<tr>
<td>• Average gross earnings from self-employment for females is lower than that for males by 50-55% in the 4 quarters.</td>
<td>• Urban youth unemployment higher than rural (19.9% vs 12.9%)</td>
</tr>
</tbody>
</table>
Key Observations

Vocational / Technical Training

- 3.2% of working age population (WAP) with formal vocational / technical training - % youth 4.1%
- % of females with formal training lower than that of males (3.8% vs. 4.3% among youth and 2.9% vs. 3.5% among WAP)
- % of WAP with formal training increased from 2% in 2017-18 to 2.4% in 2018-19 to 3.2% in 2019-20. % of youth - 2.5% to 2.8% to 4.1%
- % of formally trained increased YoY for youth and WAP in both rural and urban regions
- Higher % of formally trained among urban youth (6.8% vs. 2.9% rural) and urban WAP (5.8% vs. 2% rural).
- % of WAP that has formal / non formal vocational / technical training is 13.9% - higher % for males (18.8%) vs. females (9%)
- Learning on the job most frequent channel of non-formal training, followed by hereditary
- High LFPR among those with formal vocational / technical training (71.8%) – Female 52.6%; Male 87.2%. 
Demography
69.6% rural population in 2019-20 and 2018-19. Slightly lower than 70.7% in 2017-18

52.1% of population is below 29 years of age, down from 52.7% in 2018-19 and 53.5% in 2017-28
Population

Higher proportion of ‘not literate’ among rural females (39.4%) and of ‘secondary & above’ among urban males (59.5%)

Share of female population is about 49% in both rural and urban areas*

*The PLFS report provides data on number of females / 1000 males. % Female Population is computed as ‘Females per 1000 males/(Females per 1000 males +1000)
Labour Force
Female labour force participation rate (LFPR) (22.8%) remains low but has improved from 18.6% in 2018-19 and 17.5% in 2017-18. Driven more by rural female LFPR (up from 18.2% in 2017-18 to 24.7% in 2019-20) than by urban (up from 15.9% to 18.5%).

Female LFPR among population aged 15 years & above is 30%, up from 24.5% in 2018-19 and 23.3% in 2017-18. Driven more by rural female LFPR (up from 24.6% in 2017-18 to 33% in 2019-20) than by urban (up from 20.4% to 23.3%).
Worker Population Ratio (WPR)*

WPR improved from 34.7% in 2017-18 to 38.2% in 2019-20, with both males and females seeing an increase. For females, driven more by rural females (up from 17.5% in 2017-18 to 24% in 2019-20) than urban (14.2% to 16.8%). For males too, the increase is more in rural regions (rural 51.7% to 53.8% vs. urban 53% to 54.1%)

WPR for population aged 15 years & above improved from 46.8% in 2017-18 to 50.9% in 2019-20, with females seeing a bigger increase than males. Driven more by rural females (up from 23.7% in 2017-18 to 32.2% in 2019-20) than urban (18.2% to 21.3%). For males too, the increase is more in rural regions (rural 72% to 74.4% vs. urban 69.3% to 69.9%)

*Worker Population Ratio (WPR) is the percentage of persons employed among the persons in the population
### Workers Population Ratio (≥15 years) %

<table>
<thead>
<tr>
<th>Category</th>
<th>Male</th>
<th>Female</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not literate</td>
<td>78.9</td>
<td>36.8</td>
<td>51.3</td>
</tr>
<tr>
<td>Literate &amp; up to primary</td>
<td>85.4</td>
<td>32.8</td>
<td>59.5</td>
</tr>
<tr>
<td>Middle</td>
<td>76</td>
<td>24.4</td>
<td>53</td>
</tr>
<tr>
<td>Secondary &amp; above</td>
<td>64.4</td>
<td>20.8</td>
<td>46</td>
</tr>
<tr>
<td>All</td>
<td>73</td>
<td>28.7</td>
<td>50.9</td>
</tr>
</tbody>
</table>

Highest WPR (59.5%) in the ‘literate & up to primary’ category, and lowest in ‘secondary & above’ (46%). Male WPR is highest in ‘literate & up to primary’ (pulled by rural (86.5% vs 81.9%)) and female WPR is highest for ‘not literate’ (also pulled up by rural (39.4% vs. 25.2%).
Employment
Employment

Majority of workers are in self-employment. Larger share of self-employed among females (56.3%) than among males (52.4%). Self employment is highest among rural females (63%) and lowest among urban females (34.6%). Regular wage/salary employment is highest among urban females (54.2%) and urban males (47.2%).

Prevalence of regular wage/salaried employees in non-agriculture sectors without a written job contract has fallen from 71.1% in 2017-18 to 67.3% in 2019-20, driven by both females and males. Highest percentage point decline is seen by urban males (from 72.7% to 66.3%), followed by urban females (from 71.4% to 68.2%).
Earnings

Average wage/salary for females is lower than that for males by 18-26% in the 4 quarters.

Average gross earnings from self-employment for females is lower than that for males by 50-55% in the 4 quarters.
Unemployment
Unemployment Rate

Decline across all categories: Rural male 5.8% to 4.5%; Rural female 3.8% to 2.6%; Urban male 7.1% to 6.4%; Urban female 10.8% to 8.9%

- 15% youth unemployment, compared to 4.8% overall
- Decline in youth unemployment over last 3 years – Male 17.8% in 2017-18 to 15.1% in 2019-20; Female 17.9% to 14.6%; Rural 16.6% to 12.9%; Urban 20.6% to 19.9%
- Urban youth unemployment higher than rural (19.9% vs 12.9%)

[Graph showing unemployment rate by category and year]
Overall highest unemployment rate among ‘secondary & above’ and lowest among ‘not literate’. Female unemployment rate lower than for males except among secondary & above (14.1% vs. 9% for males)
Vocational / Technical Training
Higher % of youth with formal vocational / technical training (4.1%) than working age population (WAP) (3.2%)

% of females with formal training lower than that of males (3.8% vs. 4.3% among youth and 2.9% vs. 3.5% among WAP)

% of youth with formal training has increased from 2.5% in 2017-18 to 4.1% in 2019-20. % of WAP from 2% to 3.2%.

Higher % of formally trained among urban youth (6.8% vs. 2.9% rural) and urban WAP (5.8% vs. 2% rural).

% of formally trained has increased YoY for youth and WAP in both rural and urban regions.
% of WAP that has formal / non formal vocational / technical training is 13.9% - higher % for males (18.8%) vs. females (9%)

Learning on the job most frequent channel of non-formal training, followed by hereditary
Formal Vocational / Technical Training

High LFPR among those with formal vocational / technical training – 71.8%
  Female – 52.6%
  Male – 87.2%