



International  
Labour  
Office  
Geneva

**Employment Sector  
Employment Working Paper No. 147**

**2013**

# **Role of labour regulation and reforms in India**

## **Country case study on labour market segmentation**

Trilok Singh Papola



Employment  
Analysis and  
Research Unit

Economic and  
Labour Market  
Analysis  
Department



International  
Labour  
Office  
Geneva

**Employment Sector  
Employment Working Paper No. 147**

**2013**

**Role of labour regulation and reforms  
in India**

Country case study on labour market  
segmentation

Trilok Singh Papola

Employment  
Analysis and  
Research Unit

Economic and  
Labour Market  
Analysis  
Department

Copyright © International Labour Organization 2013

First published 2013

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: [pubdroit@ilo.org](mailto:pubdroit@ilo.org). The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with reproduction rights organizations may make copies in accordance with the licences issued to them for this purpose. Visit <http://www.ifrro.org> to find the reproduction rights organization in your country.

---

*ILO Cataloguing in Publication Data*

Papola, Trilok Singh

Role of labour regulation and reforms in India: country case study on labour market segregation / Trilok Singh Papola ; International Labour Office, Employment Sector, Employment Analysis and Research Unit, Economic and Labour Market Analysis Department. - Geneva: ILO, 2013

Employment working paper ; No.147, ISSN 1999-2939 ; 1999-2947 (web pdf)

International Labour Office; Employment Sector

labour market / labour market segmentation / labour flexibility / labour legislation / comment / India

13.01.2

---

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications and electronic products can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: [pubvente@ilo.org](mailto:pubvente@ilo.org)

Visit our website: <http://www.ilo.org/publns>

---

Printed by the International Labour Office, Geneva, Switzerland

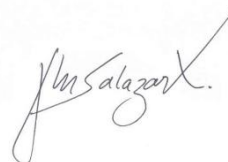
## Preface

The primary goal of the ILO is to contribute, with member States, to achieve full and productive employment and decent work for all, including women and young people, a goal embedded in the ILO Declaration on Social Justice for a Fair Globalization (2008),<sup>1</sup> and which has now been widely adopted by the international community. The integrated approach to do this was further reaffirmed by the 2010 Resolution concerning employment policies for social justice and a fair globalization.<sup>2</sup>

In order to support member States and the social partners to reach this goal, the ILO pursues a Decent Work Agenda which comprises four interrelated areas: Respect for fundamental worker's rights and international labour standards, employment promotion, social protection and social dialogue. Explanations and elaborations of this integrated approach and related challenges are contained in a number of key documents: in those explaining the concept of decent work,<sup>3</sup> in the Employment Policy Convention, 1964 (No. 122), in the Global Employment Agenda and, as applied to crisis response, in the Global Jobs Pact adopted by the 2009 International Labour Conference in the aftermath of the 2008 global economic crisis.

The Employment Sector is fully engaged in supporting countries placing employment at the centre of their economic and social policies, using these complementary frameworks, and is doing so through a large range of technical support and capacity building activities, policy advisory services and policy research. As part of its research and publications programme, the Employment Sector promotes knowledge-generation around key policy issues and topics conforming to the core elements of the Global Employment Agenda and the Decent Work Agenda. The Sector's publications consist of books, monographs, working papers, employment reports and policy briefs.

The Employment Working Papers series is designed to disseminate the main findings of research initiatives undertaken by the various departments and programmes of the Sector. The working papers are intended to encourage exchange of ideas and to stimulate debate. The views expressed are the responsibility of the author(s) and do not necessarily represent those of the ILO.



José Manuel Salazar-Xirinachs  
Executive Director  
Employment Sector

<sup>1</sup> See [http://www.ilo.org/public/english/bureau/dgo/download/dg\\_announce\\_en.pdf](http://www.ilo.org/public/english/bureau/dgo/download/dg_announce_en.pdf).

<sup>2</sup> See [http://www.ilo.org/public/libdoc/ilo/2010/110B09\\_108\\_engl.pdf](http://www.ilo.org/public/libdoc/ilo/2010/110B09_108_engl.pdf).

<sup>3</sup> See the successive Reports of the Director-General to the International Labour Conference: *Decent work* (1999); *Reducing the decent work deficit: A global challenge* (2001); *Working out of poverty* (2003).



## Foreword

One of the key features of the labour market developments observed during the past decades throughout the world relates to a phenomenon of labour market segmentation, e.g. the division of the labour market into separate submarkets or segments, distinguished by different characteristics and behavioural rules. To a large extent, these attributes depend on the specific environment in which workers operate. Segmentation may arise from particularities of labour market institutions, such as contractual arrangements (permanent versus temporary employment), their enforcement (and the resulting informality), as well as types of workers concerned (such as migrant, domestic, or dispatch workers).

While the phenomenon is not new, the job crisis has brought an increasing attention to the segmentation/duality issue. The implications and costs of segmentation are multiple, in both economic and social terms: they include wage gaps between segments, differences in access to training and social security, as well as in working conditions or tenure. Moreover, segmentation implies limited transitions to better jobs. The consequences of segmentation also have macroeconomic implications, such as lower productivity and higher employment volatility.

In this context, and as part of its objective of promoting decent work, the ILO launched, in 2012, a research programme to better understand how labour market institutions affect employment outcomes in both quantitative and qualitative terms. One of the main motivations of the research project is to put job quality at the forefront of the policy debates, informing the main stakeholders in the world of work of the extent of labour market segmentation and its implications for job quality in selected countries. Fourteen country studies on labour market segmentation and job quality were provided by external country experts, as well as thematic papers on job quality in segmented labour markets and the role of labour law, collective bargaining, and improved enforcement. These studies were discussed in a scientific Workshop held at the ILO in December 2012 and used as thematic inputs in a policy-oriented Workshop held at the ILO in April 2013.

The current paper is one in the series of such country studies. It makes an important contribution to the discussion on segmentation of labour markets, the role of labour regulations and reforms. The paper also offers a policy perspective on the ways to alleviate the negative consequences of segmentation.

Sandrine Cazes,  
Chief of  
Employment Analysis and Research Unit  
Economic and Labour Market Analysis  
Department

Corinne Vargha,  
Industrial and Employment  
Relations Department

## Abstract

The Indian labour market is characterized by a high degree and numerous bases of segmentation. Large geographical size and economic and socio-cultural variations, sharp rural-urban divide, and caste and religion based distinctions add to such common bases of segmentation as gender, and occupation. Labour market institutions such as unions and regulatory and welfare regulation also tend to widen rather than reduce segmentation in the Indian labour market. Labour laws with differentiated criteria of application tend to divide workers into several categories with respect to the degree of job and social protection. Size of enterprise can be a basis of segmentation, but is explicitly made so by labour laws in the Indian case. Dualism is the most obvious form of segmentation, but there are several layers of labour market segmentation within and across the formal and informal sectors.

There has been a debate on whether segmentation, especially the one that is created by labour regulation, has adversely affected growth and quality of employment. Most of the regulation, in fact, applies to a relatively small part of the workforce. Employment has grown relatively well but most of it has been of the informal kind. Stagnation and slow growth of employment in the formal sector where most of the labour laws apply has given credence to the contention of its negative impact. Evidence, however, is inconclusive. Yet reforms in the regulatory framework seem necessary both to remove some irrationally restrictive and often antiquated provisions discouraging growth of good quality employment and to ensure a minimum floor of fair employment conditions and social protection to the vast mass of the informal workers.

## Contents

Preface.....	iii
Foreword .....	v
Abstract .....	vi
1. Introduction: The problem, issues, scope and data .....	1
2. The Indian labour market: Size, structure and growth.....	4
3. Structure and segmentation of labour market .....	6
4. Institutional basis of segmentation: A brief account of regulatory legislation .....	10
4.1. Laws relating to conditions of work .....	11
4.2. Laws relating to wages and remuneration .....	11
4.3. Laws on social security.....	12
4.4. Laws of employment security and industrial relation.....	14
5. Regulation, segmentation and growth and quality of jobs.....	17
6. Coping with inflexibility: Reforms without legislative changes.....	21
7. Labour market reforms: A rational and fair agenda.....	22
References .....	24

### List of table

Table 1 Growth of employment (percentage per annum).....	4
Table 2 Structural change in GDP and employment.....	5
Table 3 Unemployment rates: Percentage of labour force.....	6
Table 4 Distribution of workers by their status of employment: Male, female and total.....	8
Table 5 Formal and informal sector and employment.....	9
Table 6 Coverage of major labour laws (percentage of workers).....	16





## 1. Introduction: The problem, issues, scope and data<sup>4</sup>

The Indian labour market is one of the most variegated with numerous bases of differentiation among groups of workers. Segmentation is a result of various factors both on the supply and demand side. Segmentation based on gender is common in most countries and societies; but its extent and breadth is one of the highest in India. Very high inequality in access to education and training among individuals and socio-economic groups leads to sharp segmentation of labour markets on the basis of educational and skill endowments of workers. Segmentation also prevails on the basis of religion, caste and cultural and linguistic identities, a feature that is a rather distinctive characteristic of the Indian labour market. The large size of the country with relatively limited mobility across the regions also leads to segmentation among regional labour markets. Sharp disparities in socio-economic development between the rural and urban areas provide another basis for labour market segmentation by location and space.

Beside the above types of segmentation based on socio-cultural and geographical differentiation among groups of workers the Indian labour market is, of course, segmented on the basis of occupation, industry and institutional mechanism of labour market regulation. These bases of segmentation are common to all countries and regions. Markets for agricultural labour are segmented from those for industrial labour. Labour market for engineers and scientists are different from those for clerical workers and unskilled labour. Labour market gets segmented on the basis of union coverage. And labour markets are segmented as a result of the application or otherwise of the legal framework governing employment conditions.

It is the last of the above types of segmentation that is most commonly in focus in the current discussions on labour market structures and policy. Laws governing employment conditions such as job security and social protection to workers are not necessarily applied uniformly to all workers and different degree of their application results in the segmentation of labour market. Similarly all groups of workers do not have a similar union protection: some are unionized, others are not; and, while some may benefit from union action, others may not. In this context, the labour markets are often seen in a dichotomous framework, using these criteria, and workers are divided into protected and unprotected or organized and unorganized segments. In reality, there may be several layers of segmentation: risks from which the workers are protected and the degree of protection and benefits may vary among different categories of workers. Some may enjoy job security as well as social security covering all risks such as unemployment, sickness, injury, maternity and old age while others may have some of both, or only one, or none of job security and social security. Again the degree of job and social security may also vary among different categories of workers.

The Indian labour market presents a typical case of several layers of differentiation and thus of multiple levels of segmentation. Though most discussion on the subject takes place in a dichotomous framework, using categories of organized and unorganized, or interchangeably, formal and informal sectors, the reality is much more complex. There are 'informal' workers in formal sector and 'formal' workers in informal sector. There are laws and legal provisions that apply to only larger

<sup>4</sup> T.S. Papola is National Fellow of the Indian Council of Social Science Research (ICSSR), and Honorary Professor of the Institute for Studies in Industrial Development (ISID), New Delhi.

establishments, others which apply to all establishments above a minimum size that qualifies them to be part of the 'organized sector'. Some others are meant for establishments in the 'unorganized sector'. Within an enterprise there may be different categories of workers; permanent or regular, temporary, casual and contract; and, laws and legal provisions applying to each of them differ. Situation relating to trade unions is also similarly complex. There are central, regional and plant level unions with obviously different applicability of the outcomes of collective bargaining. In any case, only a small fraction of all workers is covered by the formal membership of the trade unions; and, some workers could be members of more than one union. Trade union membership is extremely limited among those working in the unorganized sector; but even in the organized sector, large proportion of workers is not members of trade unions. Yet, the overall influence of the trade unions is much larger than their coverage in terms of membership.

It would be interesting to study labour market segmentation in India in all its aspects and detail as suggested by observations in preceding paragraphs. Non-availability of data on all these aspects and also limitation of space do not allow us to make such an attempt in the present paper. Our focus in this paper is primarily on the major forms of labour market segmentation that arise out of institutions and instruments of labour market regulation. It attempts to examine the links between institutional setting in the governance of labour and employment and the phenomenon of segmentation. The policy questions that are examined include: why is it necessary to have varying regulatory framework for different groups of workers and thus provide institutional basis for fragmentation of labour market? There could always be socio-economic and technological bases for differentiation in the labour market for different groups of workers, some of which reflect functional differences and provide incentives to workers to improve their endowments of education and skills. But why are laws providing for different treatment of different workers, say, in terms of varying degrees of job and social security required? Does segmentation created by regulations affect quantity and quality of employment, efficiency and production? Has segmentation been a help or hindrance in coping with competition and crises? Is segmentation mainly a result of high degree of protection provided to some workers? How has such protection affected growth and employment? Has there been demand for reforming the labour market towards flexibility and reduction in segmentation, especially the dualism? How have different actors, employers, unions and the state viewed and reacted to the issue of labour market flexibility, segmentation and reforms? Have reforms been carried out? What could be a rational and fair agenda for reforms?

An important aspect of the study of labour market segmentation is the freedom, possibility and incidence of mobility among segments, especially from a qualitatively poor to richer segment. The negative aspect of segmentation consists not only of the disparity among segments, but also of inability of workers to move from a lower to higher segment due to social exclusion, lack of opportunity and institutional barriers.

Workers can move from agriculture to industry and services, but that would depend on the growth of employment in the latter sectors. And workers are free to move from low level to high level occupations but that would require them to acquire necessary education, training and skills. The male-female segmentation of labour market could be reduced with improvement in education and skill endowment of women, on the one hand, and removal of exclusion and discrimination against women, both on the supply and demand side of the labour market, on the other. The same applies to segmentation based on caste and religion. Workers can move from casual to regular category and from the informal to formal sector, but whether they actually move would depend on whether employment is growing fast enough specially in the formal sector to enable such mobility and, to some extent, on the difference in direct and transaction cost created by regulatory frameworks which may

discourage employers to expand employment in formal units and in regular category. Attempt is made in the paper to examine the extent to which mobility of workers from one segment to another has been taking place and, particularly, how labour market regulations have prevented such mobility thus creating and perpetuating segmentation.

Description and discussion in the paper is broadly organized into seven sections. *Section II*, following this introductory section, describes the overall characteristics of the Indian labour market, employment and unemployment, growth and sectoral changes in employment, relationship between economic growth and employment and long term and post-reforms trends in the labour market. *Section III* deals with the structural aspects of employment which define broad bases of segmentation such as sex composition, rural-urban division, employment categories of workers and their distribution between the organized and unorganized and formal and informal sectors, and changes in these aspects over time. *Section IV* describes the provisions of major pieces of labour legislation that tend to provide the institutional basis for labour market segmentation by stipulating differential application of their provisions by size of enterprise. *Section V* examines the issue of the impact of labour market regulation on growth and quality of employment; and more specifically, the specific question of linkage between labour flexibility and employment. *Section VI* describes how the industry has coped with 'inflexibility', in spite of no legislative reforms. And the last section lays down the main contours of labour reform agenda.

Description and discussion in the paper is based mainly on the data available from secondary official sources. For employment, unemployment and labour force, surveys undertaken by the National Sample Survey Organization (NSSO) of the Government of India provide the most comprehensive information. These surveys are generally undertaken with a quinquennial frequency and, therefore, analysis on the subject is possible on a comparative basis static rather than on yearly, time-series basis. These surveys have so far been undertaken in the years 1972-73, 1977-78, 1983, 1987-88, 1993-94, 1999-2000, 2004-05, and 2009-10.

For the organized segment of the economy, data are available from Directorate General of Employment and Training (DGET) of the Ministry of Labour and Employment (MoLE) based on statutory annual returns under certain labour laws, and also from the Central Statistical Organization (CSO) on the basis of the Annual Survey of Industries (ASI) conducted every year on a mixed census and sample basis from manufacturing establishments registered as factories. Data relating to regulatory aspect of labour used in this paper are from the Labour Bureau of the Ministry of Labour and Employment collected through annual statutory returns of various labour Acts and field surveys conducted by the Bureau. Macro-economic data on GDP growth and structure, exports etc. used in this paper are from different sources as reported in a consolidated form in the Economic Survey, a part of the documentation relating to the annual budget of the Government of India.

## 2. The Indian labour market: Size, structure and growth

India currently has an estimated labour force of about 500 million. Of this, 95 percent or about 475 million are employed and about 5 percent or 25 millions are estimated to be unemployed. Employment has been growing at an average annual rate of about 2 percent over the longer period. Its growth rate has fluctuated, often sharply, in the shorter periods, part of which is attributed to the problems of comparability of data. But the secular trend has been one of a deceleration in the growth rate: employment grew at an annual average rate of 2.44 percent during 1972-73/1983, 2.02 percent during 1983/93-94 and 1.84 percent during 1993-94/2004-2005. The period between 1993-94 and 2009-10 has seen sharp fluctuations over shorter periods: the growth rate was 1.04 percent during 1993-94/1999-2000, increased to 2.81, per cent during the next five year period, but declined sharply to 0.22 percent during 2004-05/2009-10. Taking the period of a decade, 1999-2000/2009-10, growth rate of employment works out to be 1.50 percent. The long term trend of a decline in employment growth, however, seems to have continued (Table 1).

**Table 1 Growth of employment (percentage per annum)**

Sector	Periods						
	1972-73/ 1983	1983/ 1993-94	1993-94/ 2004-05	1993-94/ 1999-2000	1999-2000/ 2004-05	2004-05/ 2009-10	1999-2000/ 2009-10
<b>Agriculture</b>	1.70	1.35	0.67	0.05	1.40	-1.63	-0.13
<b>Industry</b>	4.43	2.82	3.97	2.44	5.83	3.46	4.64
<b>Service</b>	4.21	3.77	3.41	2.85	4.08	1.59	2.83
<b>All non-agriculture</b>	4.30	3.36	3.64	2.68	4.81	2.41	3.61
<b>All</b>	2.44	2.02	1.84	1.04	2.81	0.22	1.50
<b>GDP growth rate</b>	4.66	4.98	6.27	6.51	5.98	9.08	7.52
<b>Employment elasticity</b>	0.52	0.41	0.29	0.16	0.47	0.02	0.20

Source: Own estimates based on various rounds of NSSO surveys on "Employment and Unemployment" and Central Statistical Organization (CSO), *National Accounts Statistics* (various years).

What is particularly intriguing is that the deceleration in the growth rate of employment has accompanied acceleration in the rate of growth of GDP. The result is a steep decline in employment elasticity as seen in Table 1. Employment elasticity declined from 0.52 during 1972-73/83, to 0.41 during 1983/1993-94 and further to 0.29, during 1993-94/2004-05. During 1999-2000/2009-10, it is estimated to be 0.29 though in the shorter period, 2004-05/2009-10, it is almost zero. A decline in employment elasticity and the consequent slowdown in employment growth in spite of an acceleration in GDP growth especially in the post-reforms period, is the result of a combination of several factors: structural changes in the economy in favour of more capital intensive and less employment intensive sectors, technological changes in individual sectors and production lines involving increase in capital intensity and institutional factors discouraging increase in employment in individual enterprises. An elaboration and examination of the last will be attempted in later sections of this paper while discussing the relationship between regulation and segmentation of labour market. Here let us briefly look at the broad structural changes in economy and labour market with a view to drawing inferences on their implication for the quantity and quality of employment.

Employment growth has been relatively low, and even negative in recent years in agriculture. It is not expected to generate jobs for an increasingly larger number of persons, as it is already overloaded with people with disguised unemployment. Employment growth has been reasonably fast in the non-agricultural sectors: over the longer period it has, on an average, been around 3.5 per cent per annum. It has, however, not been fast enough to bring about a structural transformation in the Indian workforce as has taken place in the structure of GDP. Agriculture continues to absorb over one-half of workers though it now contributes only about 16 percent of GDP (Table 2). Over the years, the share of agriculture in GDP has sharply declined.

**Table 2 Structural change in GDP and employment**

Sector	Share in							
	GDP				Employment			
	1972-73	1983	1993-94	2009-10	1972-73	1983	1993-94	2009-10
<b>Agriculture</b>	40.92	37.15	30.01	16.23	73.92	68.59	63.98	51.36
<b>Industry</b>	23.32	24.30	25.15	25.93	11.30	13.98	14.96	22.02
of which :								
<b>Manufacturing</b>	13.43	14.52	14.46	15.41	8.87	10.66	10.63	11.50
<b>Service</b>	35.76	38.56	44.84	57.84	14.78	17.63	21.07	26.67
<b>All</b>	100	100	100	100	100	100	100	100

Source: As in Table 1

But the decline in its share in employment has been much slower. As a result, the relativity of per worker income between agriculture and non-agriculture has sharply deteriorated: the ratio between the two was 1:4 in 1972-73; it increased to 1:5.5 in 2009-10. The slow pace of structural changes in workforce that is responsible for this growing disparity is primarily accounted for by a relative inability of the services sector to generate employment at a rate commensurate with its very high GDP growth. Employment growth in industry has been relatively fast in spite of the fact that its GDP growth has been quite slow. With its relatively high employment intensity, a faster growth of industrial sector could have generated much more employment, thus raising the overall employment growth and resulted in faster transformation of work force. 'Industry', no doubt, had the fastest growth in employment but most of it has been in construction, not in manufacturing: for example, during the former recoded employment growth of 9.72 per cent while the latter only of 1.9 per cent 2000-2010

A faster employment growth in non-agricultural sectors which have relatively higher productivity is important with a view to raising the overall quality of employment. Unemployment as such is not a major problem if one goes by the official statistics. According to NSSO data, unemployment rates using different reference periods and criteria are relatively low, ranging between 2.5 (using major time criterion and reference period of one year) and 6.5 percent (using days of unemployment to labour force days of all workers, with a weekly reference period). They have not changed much over the years (Table 3).

**Table 3 Unemployment rates: Percentage of labour force**

	Usual Status*	UPSS**	CWS***	CDS****
1	2	3	4	5
<b>1972-73</b>	3.80	1.61	4.32	8.32
<b>1977-78</b>	4.32	2.58	4.57	8.22
<b>1983</b>	2.77	1.93	4.52	8.27
<b>1987-88</b>	3.80	2.74	4.90	6.15
<b>1993-94</b>	2.78	1.96	3.67	6.03
<b>1999-00</b>	2.75	2.25	4.35	7.28
<b>2004-05</b>	3.19	2.40	4.49	8.23
<b>2009-10</b>	2.51	2.09	3.61	6.52

\***UPS**: Usual Principal Status. A Person is considered unemployed according to this concept if available for but without work for major part of the year. \*\***UPSS**: Usual Principal and Subsidiary Status includes, besides UPS, those available but unable to find work on a subsidiary basis, during a year. \*\*\***CWS**: Current Weekly Status. A person is unemployed if available for but unable to find work even for one hour during the reference week. \*\*\*\***CDS**: Current Daily Status measures unemployment in terms of person days of unemployment of all persons in the labour force during the reference week. *Source*: As in Table 1.

That is because the rates of employment growth have been similar to those of the growth in labour force. Labour force grew at about 2.5 percent per annum during 1970's and so did employment. Labour force growth slightly exceeded the two percent growth in employment during 1983/1993-94. Employment growth has since been less than 2 percent, but labour force has also been growing at a slower rate of 1.7 percent during the past one and the half decade.

India's 'employment problem', is however, not fully reflected in the unemployment rates as measured on the basis of recorded statistics. One, underemployment is of a much higher magnitude than unemployment, as is suggested by a much larger estimates of unemployment on CDS basis than on UPS or CWS basis. Second, a large number of employed earn very low income: about one-fifth of them are estimated to be 'poor' according to relatively modest official definition of 'poverty line'. According to one estimate, about 2.5 percent of the 'employed' persons are severely under-employed getting work not more than three days in a week; about 25 percent of the 'working poor' making about 5 percent of all workers earns less than half the official poverty line income (Papola and Sahu 2012). These persons are in need, as much as those unemployed, of alternative employment. Added together with those estimated as unemployed, about 4 per cent of the work force, the number of workers seeking employment make about 12 per cent of the labour force in 2012 ;and to this, one needs to add 8.5 million annual entrants in the labour force.

### **3. Structure and segmentation of labour market**

As already noted earlier, about 51 percent of Indian workers are engaged in agriculture. Practically all of them are in rural areas. But rural areas employ a much larger proportion of workers: they accounted for 72 percent of employment in 2009-10. Over the years, there has been a distinct movement of workers from rural to the urban areas, so the share of the latter has increased from 20 percent in 1983 and 22 percent in 1993-94 and to 28 percent in 2009-10. Within rural areas about one-third of workers were in non-farm activities in 2009-10, up from about 19 percent in 1983 and 22 percent in 1993-94. A continuous movement of workers takes place between agricultural and non-agricultural activities, depending on the incomes in agriculture that fluctuate with monsoon, as major part of Indian agriculture is rain fed; and employment prospects in non-agricultural activities also fluctuate as they are mostly

construction, which are primarily depended on government expenditure on rural infrastructure and other rural development programmes (e.g. Mahatma Gandhi National Rural Employment Guarantee Programme since 2006). The long term trend is, of course, of permanent movement from agriculture to non-agriculture. It appears that diversification of rural workforce towards non-agricultural sector, is not necessarily distress-driven, it is induced by expanding productive employment opportunities outside agriculture. It may be noted that the non-agricultural activities now contribute over 60 percent of Net Domestic Product (NDP), originating in rural areas and the ratio of agriculture to non-agriculture productivity per worker stands at 1:3.3 (See Papola and Sahu, 2012).

While labour market segmentation based on sector of economic activities and rural-urban location is found to be declining over the years, as workers move from agriculture to non-agricultural activities, in general, and also, within rural areas and from rural to urban areas, the same does not seem to be true in respect of gender. Women constituted about 34 percent of workers in 1983; their share has declined over the years, to 31 percent in 1999-2000 and further to 28 percent in 2009-10. This is largely due to the lower and declining labour force participation rates (LFPR) among women: females LFPR(worker to population ratio) was about 30 percent in 1983, declined to 26 percent in 1999-2000 and further to 23 percent in 2009-10; corresponding rates for men were: 55, 54 and 56 respectively. At the same time, discrimination against women in hiring cannot be ruled out: unemployment rates are significantly higher among women than among men: the two rates were 4 percent and 1.8 percent respectively by UPS criterion in 2009-10. According a later source the two unemployment rates were estimated to be 6.9 and 2.9 percent respectively in 2011-12 (Labour Bureau, 2012). Of those employed, 67 percent of the females as compared to 45 percent of the male workers are in agriculture. A much smaller proportion, 11 percent, of women than of men (19%) are in the category of 'regular' employees; and only 4 percent of females as against 11 percent of male workers work in the organized sector. There has, no doubt, been an improvement in relative position of women in these respects during the past two to three decades, but their disadvantage still continues to be very large.

A major basis of differentiation among different segments of labour market is the employment status of the workers. It could be described in various ways and numerous categories, but in the Indian case, data are collected under three categories: self-employed, regular employee, and casual worker. In terms of quality of employment, the category of regular employees is found to be the best as it is characterized by relatively longer term contract providing security of job and at least a minimum measure of social security, besides a reasonable level of earning. The self-employed come second, with a large population of them without guarantee of stable work and earning and social security. Casual labour is the lowest category which provides neither job nor social security, and most often also carries low levels of earnings. The Indian workforce is dominated by the category of 'self-employed' accounting for over one-half of all workers; casual labour coming next making about one-third and regular employees make the smallest segment accounting for about one-sixth of total workers (Table 4).



**Table 4 Distribution of workers by their status of employment: Male, female and total**

Gender	NSS Year	Self-Employed	Regular Employees	Casual Labour
1	2	3	4	5
<b>Male</b>	1993-94	53.75	16.95	29.29
	1999-00	51.28	17.86	30.86
	2004-05	54.17	18.34	27.49
	2009-10	49.57	18.81	31.52
<b>Female</b>	1993-94	56.65	6.44	36.91
	1999-00	55.53	7.54	36.92
	2004-05	60.99	9.10	29.91
	2009-10	52.95	10.97	36.08
<b>Person</b>	1993-94	54.70	13.53	31.77
	1999-00	52.61	14.65	32.75
	2004-05	56.38	15.35	28.27
	2009-10	50.58	16.63	32.79

Source: As in Table 1.

Shares of three categories have changed to some extent over the years. The change, however, has been primarily in the form of a shift from the self-employed to casual labour category: the share of regular employee category has remained more or less constant. It has seen some improvement in recent years from 14 percent in 1993-94 to 17 percent in 2009-10. Among women workers, the improvement has been significant from 6.4 percent in 1993-94 to 11 percent in 2009-10. The overall relative stickiness of the share of this category suggests a high degree of segmentation it has from other categories while significant movements from the self-employed to the casual category indicates a low degree of segmentation between the two. In fact, a larger part of workers in this pool holds both the status at any point of time, or over the period of a week or year.

The most visible, studied and debated form of labour market segmentation is that between the organized and unorganized or, interchangeably formal and informal sectors. The division is based on the size of establishment with the dividing line generally coinciding with the threshold for application of certain regulatory provisions, particularly in the sphere of labour. Thus the organized sector is defined to consist of the government and the public sector and private sector enterprises employing 10 and more workers and the unorganized sector is generally taken as the residual. Data on the employment in the organized sector are collected by Directorate General of Employment and Training (DGET) of the Ministry of Labour, covering establishments mentioned above; and deducting it from the total employment estimated on the basis of surveys by National Sample Surveys Organization (NSSO), estimates of employment in the unorganized sector are derived. This residual broadly corresponds to independently developed definition of the informal/unorganized sector as consisting of “all unincorporated, private enterprises --- with less than ten total workers”. (NCEUS 2009). A distinction is also made between the ‘informal sector’ and ‘informal employment’: there are some workers in informal sector establishments, with attributes of formal sector workers, such as job security and social security, and there are also some workers in the formal sector enterprises without these attributes. Informal employment is defined to consist of employment in the informal sector minus the former and plus the latter.

According to the estimates made on this basis, informal/unorganized sector accounted for about 84 percent and the formal/organized sector for the rest 16 percent of all workers and 92 percent of all workers were informally employed in 2009-10 (Table 5).

**Table 5 Formal and informal sector and employment**

<b>Years</b>	<b>Informal sector</b>	<b>Formal sector</b>	<b>Total (% workers)</b>
<b>Informal workers</b>			
<b>1999-2000</b>	93.6 (99.5)	6.4 (42.0)	100 (91.5)
<b>2004-2005</b>	93.1 (99.6)	6.9 (46.6)	100 (92.4)
<b>2009-2010</b>	91.2 (99.6)	8.8 (51.1)	100 (91.9)
<b>Formal workers</b>			
<b>1999-2000</b>	5.3 (0.5)	94.7 (58.0)	100 (8.5)
<b>2004-2005</b>	4.1 (0.4)	95.9 (53.4)	100 (7.6)
<b>2009-2010</b>	4.5 (0.4)	95.5 (48.9)	100 (8.1)
<b>Total</b>			
<b>1999-2000</b>	86.2 (100)	13.8 (100)	100 (100)
<b>2004-2005</b>	86.3 (100)	13.7 (100)	100 (100)
<b>2009-2010</b>	84.2 (100)	15.8 (100)	100 (100)

Source: NCEUS (2009), Kannan (2011)

In the informal sector, a small part, 0.5 percent of workers are formally employed with some job and social security while over half (51%) of workers in the formal sector are without such benefits! Over the period 1999-2000 to 2009-10, there has been a decline in the share of the formal workers in the formal sector from 58 percent to 49 percent. In fact, major part (about 78%) of the increase in the employment in the formal/organized sector was in the form of informal employment. The share of informal sector in total employment, however, declined from 86 to 84 percent while that of informal employment, slightly increased from 91.5 to 91.9 percent. Clearly, a process of informalisation of the formal sector has been taking place.

It may be noted in this context that all the increase in employment that has taken place during 1991 to 2010 in the organized/formal sector has been only in the private establishments. Public sector employment, which makes about 65 percent of the organized sector employment, has, in fact, declined in recent years as a result of downsizing of the government, efforts to improve efficiency in public enterprises and privatisation. It started declining since the latter part of 1990's, and from 19.5 million in 1995, declined to 18.2 million in 2004 and further to 17.8 million in 2010. Employment in the organized private sector, on the other hand, has been increasingly steadily from 8.1 million in mid-1990's, 8.6 million in 2000, and, specially, during 2004 -2010 from 8.5 to 10.8 million. Largest contribution to this increase has been made by manufacturing, from 4.5 million to 5.2 million (see MoF, 2011, Appendix Table A-52). And a large majority of this increase has been in the form of contract labour. According to data from Annual Survey of Industries, contract labour constituted only 16% of all workers in organized manufacturing in 1999. It rose to 20 percent in 2000, 27 percent in 2004 and 33 percent in 2009-10, (CSO, various years). Of the new workers employed during 2000-10, about two-thirds are employed through contractors, and are not on the payroll of enterprises either as permanent, temporary or casual workers.

#### **4. Institutional basis of segmentation: A brief account of regulatory legislation**

The type of segmentation in the labour market that has attracted most attention and debate, in fact, has its origin in labour legislation regulating the labour market. Labour laws define various categories of labour which enjoy different degrees of protection and differentiate between establishments to which they apply or do not apply. The typology of workers and thresholds varying among different statutes and sometimes among different provisions of the same statute result in multi-layer segmentation among workers. There are no laws that apply universally to all workers, not even just the hired wage earners. Even when a law, in principle, can be made applicable to all workers, in practice, it is not. We will illustrate these situations while describing the selected important statutes below.

The basic purpose of most, if not all, measures of labour regulation in India, like in any other country, in general, has been to protect labour from exploitation by employers, especially in unfavourable market conditions; for, it was recognized that the balance of power between labour and capital is unequal, labour being the weaker party in a bargaining situation. Yet, most labour laws protected only a segment of the workforce, ironically consisting of workers who have better bargaining position and have already got a relatively better deal. The most exploited and disadvantaged are generally left out of protective provisions of labour laws. The reasons advanced for such a 'regressive' labour legislation lie in difficulties in implementation, on the one hand, and inability of smaller enterprise to comply with them, on the other. Enterprise structure in India is dominated by millions of small, tiny and informal units highly dispersed in location; and, it is argued that the cost of implementation of labour laws universally would, therefore, be exorbitantly high. It is also argued that these enterprises are generally not in a position to meet the cost of compliance of legal provisions.

There is, at the same time, a huge multiplicity of laws, most of them applying to the larger enterprises comprising the organized sector employing only a small fraction of all workers. As a recent government appointed commission observed, "there are too many laws for too few in the organized sector and too few for too many in the unorganized sector" (NCEUS, 2009, p.174). According to official website of the Ministry of Labour and Employment, Government of India, there were 54 central laws concerning different aspects of labour. As labour is a "concurrent" subject in the Indian Constitution and, therefore, both the Union and State governments can pass legislation on it, there are also about 160 other laws enacted by various state governments. The state laws mostly supplement and sometimes address specific local issues, but are not in conflict with central laws. The 54 central laws can broadly be divided into the following six groups on the basis of the broad subject area covered by them: conditions of work and industrial relations, (19), wages and earnings (4), social security and labour welfare (14), gender equity and disadvantage groups, (5), employment and training services (2) and other aspects (10). Here, we briefly describe the main provisions of selected laws from each of the four groups: conditions of work, wages and remuneration, social security, and employment security and industrial relations to illustrate the legal basis of segmentation in the labour market. We mention here only those laws that commonly apply to workers in all sectors and activities and have not referred to ones that relate to workers only in certain sectors and activities (e.g. Mines, Plantation, and Construction).

## 4.1. Laws relating to conditions of work

The need for ensuring safe and healthy conditions of work was realized rather early and the Factories Act providing for these conditions was enacted by British colonial government in 1884. Its revised version was passed in 1948. The Act stipulates standards on aspects like working space, sanitation, drinking water, toilets, temperature and humidity at work place as also provision for regulation of hours of works, recess during work, rest days, leave and holidays and special safeguards for work in dangerous processes. Regular periodical inspection of factory premises is to be made to ensure compliance. The Act applies to all establishments carrying out manufacturing process and employing 10 or more workers with use of power and 20 or more workers without use of power. Such establishments are required to be registered under the Act.

Prescribing only the minimum human conditions of work and welfare of workers as it does, the Act has not attracted any serious criticism. Some details of processes and methods (e.g. of maintaining cleanliness and hygienic and sanitary conditions) of compliance prescribed in the Act are, however, seen as unnecessary and often archaic and also leave room for harassment and extraction of monetary or other favours by unscrupulous inspectors whose frequent visits are in any case resented by employers. There is, no doubt, that howsoever minimal and necessary, compliance (and avoidance) of prescribed conditions entails direct and transaction costs and, as is often argued, the Act, therefore, discourages the smaller enterprises to grow up to the threshold size of a factory. The fact that overwhelming majority of enterprises employs less than 10 workers (e.g. 97 percent employ less than seven workers and 90 per cent less than five workers) is often cited as evidence in favour of this “growth trap” hypothesis. It should, however be noted in this context that the threshold need not deter the 90 per cent enterprises with only 5 workers each to grow up to 9 workers size!

Supplementing the Factories Act prescribing minimum conditions of work and welfare for workers in smaller establishments is the Shops and Commercial Establishment Act, which, in fact is legislated by the state government on the lines of a Central model. It applies to establishments other than factories and government offices, such as shops, restaurants, and hotels, places of entertainment like cinemas, and smaller electrical, mechanical, repair and manufacturing enterprises. All major states have passed versions of this law. It applies to establishments in urban areas, thus leaving the vast number of rural enterprises outside its preview. Establishments are required to register with municipal or other local bodies and to renew registration annually. The Act is implemented in a rather relaxed manner and, as a result, followed more in violation than compliance. Officials in many state governments do not even take it as a law regulating conditions of work of labour, but as a mechanism of collecting revenue for municipal bodies through registration and renewal fees and also an instrument to influence location of activities through licensing, as part of the town planning process (Papola, Pais and Sahu, 2008).

## 4.2. Laws relating to wages and remuneration

Realizing that a large part of Indian workforce works in the unorganized sector with no bargaining power, and with almost “unlimited“ supply of labour, workers are likely to be exploited by employers and paid below subsistence wages, the government soon after Independence passed the Minimum Wages Act in 1948. The Act provides for fixation and implementation of minimum wages. Its potential application is universal. It applies to any person employed for hire or reward to do any work skilled and unskilled, manual, or clerical, including “outworkers.” But it has been limited to the activities ‘Scheduled’ in the Act. Addition to the schedule can

always be made; in 2012, there were 45 scheduled employments in the central, and 1650 in the states spheres, all states put together. Application to schedule activities is also not automatic: the appropriate government has to notify and fix wages for each activity/occupation and often region, as there is no one minimum wages fixed nationally or even state wise, that applies to all activities, occupations and regions. Its application is not barred in the organized sector but its relevance is limited there, as prevailing wages are generally much higher than those fixed under the Act.

Minimum wages Act could have been a major instrument in reducing segmentation in the labour market. It, however, does not seem to have had significant success in this respect. Though the Act itself does not define or lay down the criteria for fixing the minimum wage, it is understood that the ‘subsistence plus’ level of living of a family of standard size, in terms of food and non-food requirements is to be taken into consideration by the wages fixing authorities. Vast differences among the minimum wages fixed in different states and for different activities and occupations, however, do not suggest uniform application of such criteria. For example in 2012, minimum wages fixed for unskilled agricultural worker were Rs. 90 in Orissa, and Rs. 150 in Kerala, and for skilled worker Rs. 129 in former and Rs. 200 in the latter state. Differences become much larger once we consider the effectiveness of implementation: according to data from NSSO, 59 percent of casual workers, 62 percent in rural and 32 percent in urban areas did not get the minimum wages fixed for them. Percentages were 82 percent for women and 49 percent for men. For the states of Orissa and Kerala, percentages were 90 and 14 respectively (NCEUS, 2009). Recent initiative by the Central government to fix a national minimum wage on a statutory basis has not yet borne fruit.

Another widely applicable statute relating to wages is the Payment of Wages Act. Passed long back in 1936, it stipulates regular and timely payment of and prohibits arbitrary and unfair deductions from wages. Initially applicable to workers with earnings up to a ceiling, it has now been made applicable to all workers. Similarly, its coverage has also been extended initially from factories and railways to other industrial establishments including those covered under Shops and Commercial Establishments Act, in some states. Thus any basis for segmentation it had earlier is removed. But large scale violation of the provisions of this Act found in the unorganized sector suggests that in practice the labour market is segmented even in the application of rather unexceptional provision of this Act.

A legislation which appears to have reduced segmentation at least within the organized sector is the Payment of Bonus Act 1965. It provides for compulsory payment of an annual bonus equivalent to one month earnings to all workers earning below a wage ceiling, irrespective of the profit earned by the enterprise. It has been observed that the law is fully complied with, all enterprises required to pay bonus stipulated in the Act, namely, all factories and other establishments employing 20 or more workers, in fact, pay it and some pay higher than the minimum as a result of pressure from workers’ organizations. The provision of bonus under the act, however, makes the distinction between the organized and unorganized sector rather sharper.

### **4.3. Laws on social security**

Provision of any social security for Indian workers started with the enactment of the Workmen’s Compensation Act by the colonial government in 1923. Its scope was, however, limited to providing relief to workers against disability and death resulting from injury and accidents at work. The Act, amended from time to time, is still in operation. It provides for compensation by the employer to the workers for the injury caused to them “by accident, arising out of and in the course of employment, resulting

in death or in total or partial disablement.” Compensation is also given in certain limited cases in disabilities arising out of occupational diseases. All compensation is calculated as multiple of wage earned by the workers, with a prescribed minimum rate. The Act applies to all factories and mines.

The Workmen’s Compensation Act has, however lost its importance with the passage of **Employee’s States Insurance Act 1948** and extension of its coverage over the years, as it does not apply where the new Act applies. The ESI Act is by far the most comprehensive social security legislation covering the risks of sickness, maternity, employment related injuries and disabilities. Medical care is provided through a network of hospitals, and panel clinics and cash reimbursement and benefits are given in case of sickness, maternity disablement, retirement, and funeral expenses on death. The Employees State Insurance Scheme is funded through an insurance mode with the contribution from workers (1.75 percent of wages) and employers (4.75 percent of wages). Medical facilities are provided by the government. The Act applies to all factories and establishments (except government offices) employing 10 or more workers, Initiatives have been taken in recent years to make it applicable to all smaller establishments as well.

**The Employee Provident Fund Act, 1952** in a way supplements ESI act, in so far as it provides for the old age benefits which the former does not adequately take care of. It provides for the institution of a provident fund in all factories and establishments with 20 or more workers (except government which has separate scheme for its employees). Any other establishment can also become a part of the scheme voluntarily. The fund is created out of the contribution of workers and employers (10% of the workers’ wages each) subject to a maximum of Rs. 6500. An employee can, of course, contribute more without expecting any corresponding contribution from the employer. Benefits include lump sum payment of accumulated amount of contributions and interest earned on them on retirement, withdrawal prior to retirement of part of the accumulated funds for housing, treatment of illness and some other specified purposes, pension to retired worker or his nominee on death and disablement benefits and a lump sum insurance pay out.

The two Acts, ESI Act and EPF Act together provide for all the major risks for which security is ordinarily provided to the workers, namely sickness, accident, maternity, and old age. There is also a separate **Maternity Benefit Act (of 1961)** which applies to establishments not covered by ESI Act. Also, gratuity as a superannuation benefit is provided under the **Payment of Gratuity Act (1971)** applicable to all establishments employing 10 or more workers, to regular and permanent workers.

Overall, the social security legislation providing for major contingencies (except unemployment) is generally applicable to establishments employing 10 or more workers. Thus the lack of such covers for the self-employed and employees of the small establishments make the workforce segmented. Recent efforts to extend their coverage to the workers in the unorganized sector workers and initiative to evolve social security schemes for the latter on a statutory basis (e.g. under the Social Security for Unorganized Sector Workers Act, 2008), should lead to a reduction in the sharpness of segmentation in this regard.

#### 4.4. Laws of employment security and industrial relation

Employment conditions including recruitment, discharge, disciplinary action etc. were sought to be regulated through the Industrial Employment (Standing Orders) Act 1946. Any establishment employing 100 or more workers was required to frame and get certified by government official, standing orders containing rules governing classification of workers, shift working, attendance, work time, termination of employment, suspension and dismissal for misconduct and grievance redress procedure etc. It aimed at ensuring orderly conduct of business at workplace and protecting the workers against unfair treatment by employers. Most provisions of this Act were subsequently also made in the Factories Act and Industrial Disputes Act. Some states (e.g. Maharashtra and Gujarat) do not apply it and several states have exempted selected industries and sectors from its application, under the powers given to them under the Act. The law is generally regarded as out-dated making labour adjustment highly rigid for a globalized world. It has not attracted any large scale protest probably because of its limited coverage.

The law that has most comprehensively covered the aspects relating to employment conditions, industrial relations and job security and also has the widest coverage is the Industrial Disputes Act, 1947. Its central objective is to lay down systems and procedures for settlement of industrial disputes. For that purpose, it provides for several institutions and mechanisms. Plant level works committees are expected to minimize disputes. Once a dispute arises, bilateral negotiations, direct and through a conciliator, voluntary arbitration and compulsory arbitration or adjudication with the labour court and tribunals giving decisions binding on the two parties, the workers and management are the various sequential steps and institutions and mechanisms provided under the Act. Though recognizing the value of collective bargaining and insisting on it, before third party judicial intervention, the Act is, in practice tilted in favour of adjudication. Direct action, in the form of strikes and lockouts, is recognized as legitimate, but can be undertaken only after the failure of other routes and after due procedure of notice and completion of conciliation proceedings. The extent to which collective bargaining could become an effective part of the industrial relations system, however, depends on the legislative provisions relating to, and the coverage and strength of, trade unions. The Trade Unions Act (1926) confers legal status to trade unions with the right to raise demands on behalf of the workers and lead them to take industrial action. Union functionaries also enjoy protection against criminal proceedings for any action in furtherance of a trade dispute. Lack of provision for a 'representative' unions (except in the state law in Maharashtra) has, however significantly reduced the scope of collective bargaining in a situation characterized by multiplicity of trade unions, mainly resulting from the multi-party political system where every party finds it necessary to float a trade union. In any case, the trade union coverage of workforce is very low. Only 2 per cent of all workers and 35 per cent of organized sector workers are union members.

The Industrial Disputes Act, in principle, applies to all establishments, but in practice to factories and establishments, employing 10 or more workers. Some provisions apply only to those employing 50 or more workers and still others to those employing 100 or more workers. The specific provisions that have been under intense debate and discussion and which also divide establishments into segments in terms of the application of different conditions for action, relate to employment security or employment protection. An establishment has to fulfil certain conditions before it can lay-off or retrench workers or close down the enterprise. In the case those employing less than 50 workers, workers can be retrenched after giving one month's notice and paying a compensation equivalent to 15 days wages for every completed year of services, and laid-off with payment of allowance equivalent to half of the average wages of the past year. For closure, a sixty days notice to workers and payment of

retrenchment compensation as above are required. Establishments employing 50 - 99 workers are required additionally to notify the appropriate government at least 60 days prior to the intended action. For enterprises employing 100 or more workers, mere 'notice' to appropriate government is not enough, its prior permission is necessary. Notice period to workers has also to be longer, namely three months, for retrenchment. The condition of retrenchment compensation has, of course, to be fulfilled.

While the "restrictive" provisions of ID Act making it difficult for employers to adjust their workforce, through lay-off and retrenchment and to close down enterprises, were motivated by the government's concern about unemployment, they did create a sharp segmentation in the labour market: one set of workers working in small uncovered establishments have no job security, another has no job security but at least some compensation on job loss, another set also with a warning to have time to look for alternative, and still another with the risk of job loss only if government permitted. Side by side another form of employment of workers had emerged on the scene in which worker are not hired directly by an enterprises, nor is work given out to other enterprises or "out workers" as in the system of outsourcing and putting out, but labour hired by contractors is used to carry out production. This form of labour called "contract labour" started becoming important during 1960's, and it was suspected that this was the result of the employers' attempt to reduce labour cost by paying lower wages and with no obligation for social security contribution or compensation on separation, thus denying workers job security and social security which they would be entitled to if they were recruited directly by the enterprises on a regular basis. **The Contract Labour (Regulation and Abolition) Act** was, therefore, passed in 1970, prohibiting use of contract labour in 'core' activities of an enterprise carried out on a perennial basis and regulating its use in other activities.

The Act applies to every establishment or contractor which employed 20 or more workers on any day during the preceding 12 months. While prohibiting employment of contract labour in 'core' activities, it requires payment of same wages for similar work as paid to regular employees of establishment and some minimum social security benefits. Contrary to expectations the proportion of contract labour has significantly increased in the workforce of establishments in the organized sector, in recent years as noted earlier in this paper. And the condition relating to use of contract labour in term of wages and social security are widely violated (Shyam Sundar, 2012). Thus a new segment of workforce, with characteristics distinct from other categories of labour, permanent, regular, temporary, and casual, has emerged in a significant way.

The preceding description of a selected number of important labour laws and the fact of existence of a large number of other laws relating specifically to different aspects of employment and different segments of workforce suggest that India has a comprehensive regulatory framework covering all aspects and all sections of workers. As a result, a view has emerged that the Indian labour market is highly over-regulated, stifling industrial growth and restricting growth of employment. The reality, however, turns out to be different, if not the opposite, if we look at the coverage and effectiveness of the laws.

As noted in the preceding description, most Indian labour laws are limited in their application by size of establishment, type of economic activity, type of employment relationship and/or the type of employment status. In the first instance, all labour regulation apply to hired workers, leaving out over one-half who are self-employed, as the laws apply to 'establishments' not 'workers' directly. Even among the hired workers only those directly hired by establishments (or contractors, in the case of contract workers) are covered leaving out a large number of indirectly employed workers such as home workers. Even among the directly hired workers



most employment security and social protection provisions of laws apply to the category of ‘regular’ employees, leaving out, casual workers, who constitute about one-third of the total and two-third of the hired workers. And within the category of the hired workers, working for wages and salaries, those employed in the enterprises in the so-called unorganized or informal sector are mostly outside the purview of the protective and welfare legislation. As already noted earlier workers in such establishments constitute 85 percent of all workers. And then there are another, 7 percent of those working in the organized sector but not eligible for the benefits of job security and/or social protection under any laws. Thus 92 percent of all the workers are outside the purview of labour legislation on job security and social security. There are few pieces of legislation that are specifically focused on the unorganized sector workers (e.g. Shops and Commercial Establishment Act and Minimum Wages Act) which, as noted earlier, are largely ineffective in implementation. A recently enacted social security law (Social Security for Unorganized Workers Act, 2008) is more an enabling than substantive legislation. Estimates given in Table 6 illustrate the extent to which the workforce is eligible for coverage and is actually covered in relation to the total workforce and wage and salary earning workforce in the case of major selected labour laws.

**Table 6 Coverage of major labour laws (percentage of workers)**

Law	Eligible as per law to		Actually covered to		
	Total Workers	Hired Workers	Eligible	Total Workers	Hired Workers
<b>Factories Act</b>	3.0	6.6	73.5	2.2	4.9
<b>Shops and Commercial Establishment Act</b>	3.9	8.5	44.7	1.7	3.8
<b>Minimum Wages Act</b>	38.1	83.3	9.3	3.6	7.8
<b>Payment of Wages Act</b>	10.5	22.9	50.0	5.1	8.2
<b>Payment of Bonus Act</b>	5.2	11.4	60.0	2.5	5.1
<b>Worker’s Compensation Act</b>	3.3	7.2	20.3	0.7	1.5
<b>Employees State Insurance Act</b>	2.2	4.5	87.5	1.9	4.2
<b>Employees’ Provident Fund Act</b>	3.7	8.1	100.0	6.6	14.5
<b>Industrial Disputes Act</b>	5.5	12.1	47.6	2.6	5.7
<b>Industrial Employment (Standing Orders) Act</b>	2.7	5.9	49.2	5.1	8.2

Source: Adopted from NCEUS (2009), Table 7.1.1 and Pais (2008) and Papola & Pais 2007, Papola, Pais and Sahu, (2008).

n.a. = data not available.

It is clear from the estimates presented in the Table that most of the major laws divide workforce at least into two segments: a minor segment to which the provisions of the law apply and the vastly major segment which is left out of their coverage. The cleavage becomes wider once actual coverage and compliance is brought into consideration. Thus, for example, Minimum Wages Act can be applied to 83 per cent of hired workers, but is made applicable only to 9 per cent. No law except Provident Fund Act covers all those eligible or 10 per cent of all wage and salary earners. The statutes lay down the basis for segmentation and implementation and compliance tends to make it wider and sharper.

## 5. Regulation, segmentation and growth and quality of jobs

It is quite clear that Indian legislation on labour that appears quite comprehensive and well intentioned, has not been able to meet its primary objective, namely that of providing employment security and social security to the majority of workers, both because of limited coverage and ineffective implementation. At the same time, it would appear that it has sharpened rather than reduced the degree of segmentation among different sections of workers. Segmentation already exists on the basis, for example, of location, sectors, education, occupation and size and type of enterprises. Thus employment in rural areas and in agriculture was generally of poorer quality in terms of stability of employment and earnings than in urban areas and non-agricultural activities. Application of most laws only to non-agricultural establishments and in urban areas and poor implementation of applicable laws in agriculture and in rural areas, have led to a wider divide between the two. Similarly the quality of jobs in informal sector and smaller establishments has always been poorer than in the larger ones, because both of the better paying capacity of employers and higher bargaining power of workers due to presence of unions, in the case of larger enterprises. Application of most protective laws to the larger establishments only has not only increased the gap but also led to a sharper segmentation in the labour markets for the organized and the unorganized sector. The Minimum Wages Act, in spite of all the problems in fixation and implementation of minimum wages, described earlier, could be seen as contributing to an improvement in quality of employment and reduce the degree of segmentation among different sectors of workforce, especially between those in the formal and informal sector and between men and women workers. Similarly the laws relating to equal remuneration and other regulations on women's employment can also be seen as effective instruments both for improving the quality of women's works and bringing in gender equality.

A view has, however, emerged over the past decade that the institutional regulation of the Indian labour market has negatively affected both quantity and quality of employment. According to this view, labour laws, especially provisions relating to job security, have discouraged expansion of employment, particularly in the organized sector. Since employment in the organized sector has not expanded, most new employment has been of the poor quality in the informal sector, thus resulting in overall deterioration in the quality of employment. A number of scholars studying the labour and employment trends in India (see Basu, 1995, 2005, Hasan et al 2003; Besely and Burgess, 2004 and Ahsan, 2006) have concluded that "pro-labour" legislation and amendments have had negative effect on growth of output and employment. International financial institutions (See e.g. World Bank, 2010) have also endorsed the view that the part of Indian labour laws that restrict the freedom of employers to reduce work force when required had adversely affected employment in the organized sector, and encouraged employment of inferior quality in the informal sector. Despite a number of studies contesting these findings on both methodological and empirical grounds (See e.g., R. Nagaraj, 2004, Dutta Roy 2004 and Bhattacharjea, 2006), the government also seem to have come round the view that the Indian labour laws have "adversely affected the (organized) sector's long term demand for labour" (GoI-MoF, 2006, p.209).

We have already discussed the trends in employment growth earlier. India has recorded reasonably high growth of employment over the long period. It averaged at two percent per annum over the period 1972-3/2004-05. It has more or less kept pace with the growth of labour force; as a result, unemployment rates have not changed much. Growth rate of employment, however, has decelerated in past two decades,

when the growth of GDP has, in fact, significantly accelerated. This may be result of the global trends of increasing capital intensity of production in all sectors, from which India cannot remain immune as a part of the globalized economy. India's employment challenge, in any case, is not confined to the magnitude of unemployment in the conventional Western sense of the term: unemployment rates measured with different criteria and reference periods are generally low, even though they are relatively high among the young and educated a feature that can be expected with growing labour force and increasing educational enrolment. The challenge is much more qualitative, a major part of which lies in low productivity and earnings, as reflected in much higher incidence of poverty than unemployment and a significantly large proportion of the poor among the employed.

Any relationship that one can postulate between labour market regulation and institutions and quantity of employment is not so much in respect of total employment but of employment in the organized sector where most of the regulations apply. A decline in employment in organized sector starting with mid-1990's, lent credence to the proposition that the institutional setting of the labour market characterized by 'excessive' regulation has adversely affected employment growth in the sector: the employers either did not expand production, or used more capital-intensive technologies and/or outsourced production to smaller informal units where labour laws did not apply. In this connection the following facts need to be noted. *First*, the decline in employment took place not in the organized private sector but in public sector which was caused by factors like need to downsize the government, increase in efficiency in public enterprises and privatization, and not because of labour regulation. Employment in organized private sector went on increasing throughout the period. *Second*, output growth, in fact, accelerated during this period which implies that the enterprises did not stop expanding. *Third*, capital intensity increased as part of the global process of technological change, as mentioned earlier and it was not necessarily due to 'restrictive' labour regulation. *Fourth*, outsourcing of production increased significantly because new technologies, liberalization and globalization, and organizational innovations made decentralized production possible in many lines of production; and, lower cost of production, including labour cost in small enterprises provided the motivation for it. Real and transaction costs of compliance with labour regulation could have also played a part in this process. *Fifth*, employment in the organized sector has increased at a reasonably high rate since 2004, without any changes having taken place in the legislative provisions of labour market regulation.

The fact, however, remains that the major part of increase in employment in recent years has been either in informal sector or in informal category in the formal sector. Of about 6.4 million new employment opportunity recorded during 2000-2010, about 76 percent were in the informal sector. Even out of the 24 percent of the new employments in the formal sector, 81 percent were in 'informal employment'. Of the total new employment opportunities created during this period, about 94 percent thus consisted of informal employments. (See Kannan, 2011.)

Thus, it is not as if employment has not at all grown: it has grown at about 1.8 percent during the period 1994-2010 and 1.6 percent during 2000-2010. But it appears that overall quality of employment has deteriorated as suggested by the faster informalisation of the workforce. There are, however, facts that suggest the opposite trends at the margin. *First*, the trend of a decline in organized sector employment has recently been reversed and employment in this sector, even though most of it is now of irregular and insecure nature, still carries better earnings than in the unorganized sector. *Second*, the long term constancy of the share of 'regular' workers since 1970's at around 14 percent seems to have given way to an increase during the period 2000-2010: it increased from 14.6 in 2000 to 15.4 in 2000-05 and further to 16.6 percent in 2009-10. *Third*, employment has grown faster in sectors like financial services and

information technology services which are known to provide better earnings and greater job security, though their share in total employment is still very small. *Fourth*, earnings of workers have significantly increased in all segments of labour market. For example, the daily wages of casual workers (at constant 1995 prices) grew at about 2.5 percent per annum during 1993-2005 and higher at 3.0 percent during 2005-10, in rural areas. Growth rates in urban areas were slightly lower, yet quite significant at about 2 percent in both the periods (Sources: own estimates based on NSSO Data). It appears that quality of employment is improving in the poorer segments of the labour market, but since the proportion of workers in secure jobs in organized sector is falling, the overall quality of employment is declining rather than improving.

A slow growth of employment in organized sector, especially of the secure type in regular jobs can be attributed to various factors, as suggested earlier. Here our concern is primarily with the question as to whether the legal framework regulating the labour market has been responsible for it. In the debate on labour flexibility and reforms, there has been a focus on the restrictive nature of a regulation as a deterrent in employment expansion in the organized sector enterprises. It is argued that employers do not hire because they are not able to fire, if necessary; later on. As a result, they either do not expand their operation, use technology which involve limited use of labour, employ labour in non-regular categories or outsource production. All these options are possible, but each under certain assumptions. It is unlikely that an enterprise would decide not to start or expand operations just because of the difficulty in adjustment in workforce, if the market for the product is expanding and business is sufficiently profitable. Use of technologies that use less labour is likely. But quite often, it is not possible to alter technologies instantly because such technological options are not available or are not economical (Papola, 1994). Outsourcing again would depend on the available technologies and organization of production in use in the concerned lines of production. It may not be possible as much in basic metal products as in textile garments. And where it is possible, the practice will be adopted irrespective of labour regulation, because it turns out less costly in any case. Use of flexible categories of labour is the most likely choice an enterprise will make if it does not want to expand employment of labour on a regular basis, because of the difficulty in adjustment when needed.

It is difficult to precisely assess the extent to which these different processes have taken place and more difficult to relate them with the labour market regulation. Employment in the organized manufacturing sector has grown at a slower rate than in the unorganized sector. The fact that the output growth has been faster in the former than in the latter implies that more and more productivity enhancing, capital intensive technologies are being used by the organized sector. It is difficult to assess how much of it is a result of the necessity to fall in line with general global trend to remain competitive and how much due to the labour market inflexibility. It has also been accompanied by outsourcing more labour intensive and less productive processes in increasingly more lines of production. As a result, employment has increased both in the organized and unorganized sector, of course, faster in the latter than the former in growing lines of production and has stagnated or declined in both segments in the case of slow growing or declining production lines. Textile products, leather products, chemical products and metal products are examples in the first category and fabric manufacturing textiles, non-metallic mineral products, and food products are in the second category (for growth rates of employment in total and organized sector in different product group during 1993-94/2004-05, (See Papola and Shaun, 2012, Table 31).

As noted earlier, major proportion of new employment in the organized sector in recent years has been in the flexible categories, informal employment or contract labour. A slower growth of employment and increasing use of the flexible categories

of workers in the organized sector are results of various factors, of which rigidity caused by high job security provisions of some labour regulations could certainly be one. Findings of various studies (e.g. Fallon and Lucas 1993, Hasant *et al.*, 2003 and Beslely and Burgess, 2004) have come out with definitive conclusions on the negative impact of such provisions, and have even measured the actual quantum of their impact on output and employment. Some other studies (e.g. Nagraj, 2004, Bhattacharya, 2006) have contested their findings on methodological grounds. Some other studies (e.g. Dutta Roy, 2004, Deakin and Sarkar, 2011) find no connection between the 'pro-worker' labour legislation and unemployment and industrial stagnation.

While certain provisions in several labour laws may be seen as irritants, if not restrictive, as indicated in the description of major legislations earlier, the primary focus of the debate on the subject has been on certain job security provisions in the Industrial Disputes Act. As noted earlier, while a notice and retrenchment compensation are to be given in all cases, the condition that has been found particularly 'excessive' is that of the prior permission of the appropriate government for lay-off, retrenchment and closure in the case of establishments employing 100 or more workers under Chapter V Section B of the Act). Several studies on the subject, referred earlier, have also singled out this provision and changes over time and in different states to bring out a negative effect of 'pro-worker' changes and a positive effect of 'pro-industry' changes. Industry has most vociferously demanded repeal of this provision, as the major item in their labour reform agenda. Government of India finds this provision 'focussing on job protection' as inhibitive of employment creation. Even though it acknowledges that these provisions of the ID Act "have not proved to be a major obstacle in downsizing by several manufacturing enterprises", yet, it "creates a physiological block in entrepreneurs against establishing new enterprises with a large workforce and impede attainment of economies of scale" (GoI-PC, 2008, pp. 149-50).

The other piece of legislation that has proved highly contentious and seen as an obstacle in the operation and expansion of business by industry is the Contract Labour (Regulation and Abolition) Act of 1970. As explained earlier, it was enacted with a view to preventing employers from recruiting workers on a contract basis in regular activities of the enterprises, with the intent of denying them job security. It has come under severe criticism from industry especially in the context of growing practice of production to meet bulk orders from large importers abroad, as part of the expanding trade and global production networks under globalization. It is argued by industry, international financial institutions and investors that disallowing the use of contract labour makes it difficult for enterprises to carry out production on the basis of orders which can fluctuate from season to season and year to year, because of which they cannot afford to employ large workforce on a regular basis. The government finds that the provisions prohibiting use of contract labour, though have not been used widely, yet "constrain seasonal employment because of the fear that the work done by the employees to meet the temporary and seasonal demand would be declared to be the work of 'perennial nature'; and, as a result, the enterprises "are unable to cope with large size orders from the retail market chains in garments and footwear, for instance" (GoI, PC, 2008, pp. 149-50).

## 6. Coping with inflexibility: Reforms without legislative changes

In spite of the recognition of possible negative impact of certain provisions of the regulatory framework, the Government of India has not introduced any change in the concerned legislation, presumably on account of opposition from trade unions and political parties in opposition. Yet industry has, by and large, not found it difficult to expand or reduce workforce whenever required. The state governments have made changes in rules and practices in implementation of labour laws to ensure flexibility, so as to project themselves as “pro-industry” to attract larger investments. Following are some of these changes.

First, the Central government issued guidelines to the state governments as early as 1980's, to reduce frequency of inspections of enterprises by labour officials to ensure compliance of various laws, ostensibly with a view to preventing unnecessary harassment of and cost to employers. Following them, practically all the state governments have done away with the system of compulsory periodical inspection of the factories and establishments for this purpose. A system of self-certification has been adopted in most cases and inspections are held only on the complaints of non-compliance and that too, in some cases, with the specific permission of the chief civil official of the district and jointly with his representative (e.g. in Uttar Pradesh, see Sharma and Kalpana, 2008).

Second, states have made it easier to grant permission to enterprises to lay-off, retrench and close down under Chapter V B of the ID Act. According to a survey carried out by an industry association, in about 60 percent cases permission was granted well within the stipulated time of 60 days; 30 percent cases were pending as additional information was asked for and in only 10 percent cases permission was denied (CII, 2004a and 2004b). This presents a vastly changed situation as compared to 1980's when permission was either rarely granted or inordinately delayed on one pretext or the other. In some states the law has been modified to make the provision of prior permission applicable only to enterprises employing 300 (not 100) or more worker.

Third, enterprises in certain special zones, e.g. Export Processing Zone (EPZ) or Special Economic Zone (SEZ) have been exempted from application of several labour laws. Information Technology (IT) units have been declared “public utilities”, prohibiting strikes and exempting from application, or asking only for self-certification of compliance, of labour laws (e.g. West Bengal-Banerjee, 2008, and Andhra Pradesh-Reddy, 2008). “Export-oriented” units have also been given similar concessions in several states (Papola, Pais and Sahu, 2008).

Fourth, significant changes in the rules and practices under the contract labour law have been made so as to make use of contract labour easier. Several states have exempted a number of industries from the application of the prohibitive clauses of the CL(R&A) Act. In others, the law itself and rules under it have been so changed as to allow greater use of contract labour in all industries. The state of the Andhra Pradesh has been most “progressive” in this respect; it has included most activities in the list of ‘non-core’ activities thus reducing number of ‘core’ activities – in which the use of contract labour is legally prohibited – to the minimum. It has also done away with the institutional mechanism to decide on prohibition of contract labour, thus leaving it to government officials to decide on the matter. Even in ‘core’ activities, contract labour can be used if there is a sudden increase in activity required to be accomplished within a specified time. In other words, use of contract labour has been made permissible in practically all activities and the prohibitive clause is rendered almost

redundant (Reddy, 2008). No wonder the share of contract labour in employment in the organized manufacturing in Andhra Pradesh stood at about 55 percent as against 33 percent in the country as a whole, in 2009-10. Changes, though not of such sweeping nature as in Andhra Pradesh but significant to help make use of contract labour easier, have been made in other states as a well. As a result, the extent of contract labour in organized manufacturing increased from about 20 percent in 2000-2001 to 33 percent in 2009-10.

Fifth, in addition to changes in the law, rules and practices that they have introduced to enhance flexibility in labour use, the state governments have also adopted a generally relaxed approach to the compliance of labour laws. Studies in different states, (e.g. Banerjee, 2008, Reddy, 2008, Sharma and Kalpana, 2008, Shyam Sundar, 2008) have observed that the state officials are encouraged to “look the other way”, if some non-compliance is noticed!

It is probably this change in overall environment that prompted the Prime Minister of India to make the following observation in his address to the apex tripartite meet which is supposed to provide guidelines on labour policy: “This view (that the labour laws are unduly protective of labour) has lost its importance in recent years as more and more state governments have become considerably more flexible in their approach to labour restructuring and rationalization (speech at the 44<sup>th</sup> session of the Indian Labour Conference, New Delhi, 14<sup>th</sup> February 2012).

## **7. Labour market reforms: A rational and fair agenda**

Does the situation as reflected in the Prime Minister’s statement cited above mean that the regulatory system of the labour market needs no legislative reforms? The need for such reforms, especially in respect of certain provisions of job security considered to be too ‘protective’ of labour, has been recognized by the government, as mentioned earlier. It was to these provisions that the Prime Minister implicitly referred when he said further in his speech. “We must periodically take a critical look whether our regulatory framework has some parts which unnecessarily hamper the growth of employment, enterprise, and industry without really contributing significantly to labour welfare.” A more or less exclusive focus on job security provision that supposedly lead to inflexibility in use and adjustment of workforce in enterprises, in the labour reform agenda, is , however, rather misplaced, in so far as it overshadows some other aspects of labour regulation that need equally urgent reforms (Papola and Pais, 2007). The following are the most important areas of labour regulation in India, including the ones relating to job security provisions that need reform so as to develop a rational and equivalent framework.

First, as was mentioned earlier, there are too many laws governing the labour market, often covering the same aspects, such as conditions of work, wages, employment protection industrial relations and social security. It creates problem in implementation for the employers and often also gives them pretext to evade. Workers find it difficult to comprehend the nature and extent of protection and benefits available to them and are, therefore, unable to see whether they receive their entitlements. Operatively important terms such as ‘industry ‘work’, ‘child’, ‘wages’ and ‘establishment’ are defined differently in different statutes. Also, certain provisions in some statutes are too detailed, often focusing on procedure rather than outcomes, and often archaic (Dbroy, 2005). The need for rationalization, simplification and consolidation of labour laws has long been felt. The National Commission on Labour (GOI, MoL, 2002) had made definite recommendations in this regard, which have also been followed up more recently by the National Commission for Enterprises in the Unorganized Sector (NCEUS, 2009). It is

advisable that India develops a Labour Code, like most other countries, wherein all laws are consolidated and codified. Short of that, all statutes should at least be consolidated into a few laws according to subjects: conditions of work, wages and earnings, job security and industrial relations and social security.

Second, irrespective of the arguments and evidence to claim its neutral or negative effects, provision relating to prior government permission to retrench, lay-off and closedown, are blatantly irrational and unfair; and these provisions of Chapter V B of Indian Disputes Act must be removed. At the same time, the retrenchment compensation to workers which stands to be the lowest anywhere, 15 days wages for every completed year of service, must be suitably enhanced to 30 or 45 days of wages, as recommended by various committees and commissions, including the second National Commission on Labour. In the long run, a suitable unemployment insurance scheme should be worked out on the lines of Employees' State Insurance Scheme (NCEUS, 2009).

Third, it is clearly observed that the use of contract labour has become a large scale phenomenon in Indian industry. Part of it may be primarily with the intention of denying job and social security to workers. But given the emerging patterns of production and trade networks, a good part of it seems to be a result of the genuine requirements of industry. Emphasis on 'prohibition', rather than 'regulation' of contract labour appears to be in conflict with this trend. It seems necessary to allow use of contract labour where production requirements justify it, but discourage its use just for denying worker the benefits they would have been entitled to. What is important in this connection is to ensure that the contract labour is paid the same wages as the regular workers for similar work and that a minimum measure of social security, viz. sickness and accident, maternity, and old age benefits are provided to contract workers on a portable basis. Both contractor and the principal employer should be jointly and severally responsible for effectively implementing these provisions. It has been observed in field studies that while the incidence of contract labour has significantly increased in recent years, the provisions of law that exist in respect of equal wages and social security are not ensured (Shay am Sunder, 2012).

Fourth, and perhaps most important from the view point of reducing the sharpness of dualism and segmentation in the labour market, it is necessary to ensure human conditions of work, minimum wages and a 'floor' of social security to all workers in the unorganized sector. In the labour reforms debate focusing on job security and labour market flexibility, it is forgotten that an overwhelming majority of Indian workers work in highly competitive, exploitative and unregulated labour market with very poor condition of work, low earnings, no employment security and no social protection. Proposals to introduce laws to ensure minimum conditions of work and social security to unorganized workers have been made from time to time by various government appointed commissions (Mol, 2002, NCEUS, 2009). A limited initiative has been made in the area of social security, but hardly any attention has been paid in respect of conditions of work. Similarly it is also necessary to have a national statutory minimum wage. With a fast growing economy and prospects of its emerging as a global economic power in near future, India certainly owes these measures to the vast mass of its workers in the unorganized sector.



## References

- Ashan, A. 2006. *Labour Regulation in India: Impact and Policy Reforms Options*, World Bank, New Delhi.
- Banerjee, D. 2008. *Labour Regulation and Industrial Development in West Bengal*, Institute for Studies in Industrial Development, New Delhi.
- Besley, T.; Burgess, R. 2004. "Can Labour Regulations Hinder Economic Performance? Evidence from India", *Quarterly Journal of Economics*, 119(1).
- Basu, K. 1995 *Do India's Labour Laws Hurt Indian Labourers? A Theoretical Investigation*, Working Paper No. 95-12, Centre for Analytical Economics (CAE), Cornell University.
- \_\_\_\_\_; 2005. "Why India Needs Labour Law Reforms?" <http://news.bbc.co.uk/c/world/southasia/4103554> stm.
- Bhattacharjea, A. 2006. "Labour Market Regulation and Industrial Performance in India: A Critical Review of the Empirical Evidence", *Indian Journal of Labour Economics*, 49/2.
- CSO. Various years. *Annual Survey of Industries*, Central Statistical Organisation.
- CII. 2004a. *Labour Reforms in Southern Region States – Issues and Concerns*, Confederation of Indian Industry, New Delhi.
- \_\_\_\_\_; 2004b. *Driving Growth Through Reform: A Comparative Analysis of Labour Practices in Selected North Indian States*, Confederation of Indian Industry, New Delhi.
- Deakin, S.; Sarkar, P. 2011. "Indian Labour Law and its Impact on Unemployment, 1970-2006: A Leximetric Study", *The Indian Journal of Labour Economics*, 54/4.
- Debroy, B. 2005. "Issues in Labour Law Reforms", in Debroy and Kaushik (Eds) 2005, *Reforming the Labour Market*, Academic Foundation, New Delhi.
- Dutta Roy, S. 2004. "Employment Dynamics in Indian Industry Adjustment Lags and the Impact of Job Security Legislation", *Journal of Development Economics*, Vol. 73, pp. 233-256.
- Fallon, P.; Lucas, R.E.B. 1993. "Job Security Regulation and the Dynamic Demand for Labour in India and Zimbabwe", *Journal of Development Economics*, Vol. 40.
- Gol-MoF. 2006. *Economic Survey, 2005-06*, Government of India, Ministry of Finance, New Delhi.
- Gol-MoLE. 2002. *Report of the National Commission on Labour*, Government of India, Ministry of Labour, New Delhi.
- GoI-PC. 2008. *Eleventh Five Year Plan, (2007-2012)*, Government of India, Planning Commission, Volume III, Agriculture Industry Services and Physical Infrastructure, New Delhi.

- Hasan, R. ; Debashish, M. ; Ramaswamy, K.V. 2003. "Trade Reforms, Labour Regulations and Labour Demand Elasticities: Empirical Evidence from India", *Working Paper No. 9879*, National Bureau of Economic Research, Cambridge, Mass.
- Kannan, K.P. 2011. "How Inclusive is Inclusive Growth in India", *The Indian Journal of Labour Economics*, Vol.55, No 1, January-March.
- Labour Bureau. 2012. *Report on Employment and Unemployment 2011-12*, Government of India, Ministry of Labour and Employment, Chandigarh.
- Nagaraj, R. 2004. "Fall in the Unorganised Manufacturing Employment: A Brief Note", *Economic and Political Weekly*, 24 July.
- NCEUS. 2009. *The Challenge of Employment in India: An Informal Economy Perspective*, National Commission for Enterprises in the Unorganised Sector, Vol. 1, Main Report, New Delhi.
- Pais, J. 2008. *Effectiveness of Labour Regulations in Indian Industry*, Institute for Studies in Industrial Development, New Delhi.
- Papola, T.S. 1994. "Structural Adjustment, Labour Market Flexibility and Employment", *The Indian Journal of Labour Economics*, Vol. 37, No.1, January-March.
- \_\_\_\_\_ ; Pais, J. 2007. "Debate on Labour Market Reforms in India: A Case of Misplaced Focus", *The Indian Journal of Labour Economics*, Vol. 50, No.2, April-June.
- \_\_\_\_\_ ; \_\_\_\_\_ ; Pratim Sahu, P. 2008. *Labour Regulation in Indian Industry: Towards a Rational and Equitable Framework*, Institute for Studies in Industrial Development, New Delhi.
- \_\_\_\_\_ ; Pratim Sahu, P. 2012. *Growth and Structure of Employment: Long-Term and Post-Reform Performance and the Emerging Challenge*, Institute for Studies in Industrial Development, Occasional Paper Series 2012/01, New Delhi.
- Reddy, D. N. 2008. *Labour Regulation, Industrial Growth and Employment: A Study of Recent Trends in Andhra Pradesh*, Institute for Studies in Industrial Development, New Delhi.
- Sharma, A.N. ; Kalpana, V. 2008. *Labour Regulation and Industrial Development in Uttar Pradesh*, Institute for Studies in Industrial Development, New Delhi.
- Shyam Sundar, K.R. 2008. *Impact of Labour Regulation on Industrial Development and Employment: A Study of Maharashtra*, Institute for Studies in Industrial Development, New Delhi.
- \_\_\_\_\_ ; (ed.) 2012. *Contract Labour in India: Issues and Perspectives*, Danish Books in collaboration with Indian Society of Labour Economics and Institute for Human Development, New Delhi.
- World Bank. 2010. *India's Employment Challenge: Creating Jobs, Helping Workers*, Oxford University Press and the World Bank, New Delhi.

## Employment Working Papers

2008

- 1 Challenging the myths about learning and training in small and medium-sized enterprises: Implications for public policy;  
ISBN 978-92-2-120555-5 (print); 978-92-2-120556-2 (web pdf)  
*David Ashton, Johnny Sung, Arwen Raddon, Trevor Riordan*
- 2 Integrating mass media in small enterprise development: Current knowledge and good practices;  
ISBN 978-92-2-121142-6 (print); 978-92-2-121143-3 (web pdf)  
*Gavin Anderson. Edited by Karl-Oskar Olming, Nicolas MacFarquhar*
- 3 Recognizing ability: The skills and productivity of persons with disabilities. A literature review;  
ISBN 978-92-2-121271-3 (print); 978-92-2-121272-0 (web pdf)  
*Tony Powers*
- 4 Offshoring and employment in the developing world: The case of Costa Rica;  
ISBN 978-92-2-121259-1 (print); 978-92-2-121260-7 (web pdf)  
*Christoph Ernst, Diego Sanchez-Ancochea*
- 5 Skills and productivity in the informal economy;  
ISBN 978-92-2-121273-7 (print); 978-92-2-121274-4 (web pdf)  
*Robert Palmer*
- 6 Challenges and approaches to connect skills development to productivity and employment growth: India;  
unpublished  
*C. S. Venkata Ratnam, Arvind Chaturvedi*
- 7 Improving skills and productivity of disadvantaged youth;  
ISBN 978-92-2-121277-5 (print); 978-92-2-121278-2 (web pdf)  
*David H. Freedman*
- 8 Skills development for industrial clusters: A preliminary review;  
ISBN 978-92-2-121279-9 (print); 978-92-2-121280-5 (web pdf)  
*Marco Marchese, Akiko Sakamoto*
- 9 The impact of globalization and macroeconomic change on employment in Mauritius: What next in the post-MFA era?;  
ISBN 978-92-2-120235-6 (print); 978-92-2-120236-3 (web pdf)  
*Naoko Otake*
- 10 School-to-work transition: Evidence from Nepal;  
ISBN 978-92-2-121354-3 (print); 978-92-2-121355-0 (web pdf)  
*New Era*

- 11 A perspective from the MNE Declaration to the present: Mistakes, surprises and newly important policy implications;  
ISBN 978-92-2-120606-4 (print); 978-92-2-120607-1 (web pdf)  
*Theodore H. Moran*
- 12 Gobiernos locales, turismo comunitario y sus redes:  
Memoria: V Encuentro consultivo regional (REDTURS);  
ISBN 978-92-2-321430-2 (print); 978-92-2-321431-9 (web pdf)
- 13 Assessing vulnerable employment: The role of status and sector indicators in Pakistan, Namibia and Brazil;  
ISBN 978-92-2-121283-6 (print); 978-92-2-121284-3 (web pdf)  
*Theo Sparreboom, Michael P.F. de Gier*
- 14 School-to-work transitions in Mongolia;  
ISBN 978-92-2-121524-0 (print); 978-92-2-121525-7 (web pdf)  
*Francesco Pastore*
- 15 Are there optimal global configurations of labour market flexibility and security?  
Tackling the “flexicurity” oxymoron;  
ISBN 978-92-2-121536-3 (print); 978-92-2-121537-0 (web pdf)  
*Miriam Abu Sharkh*
- 16 The impact of macroeconomic change on employment in the retail sector in India: Policy implications for growth, sectoral change and employment;  
ISBN 978-92-2-120736-8 (print); 978-92-2-120727-6 (web pdf)  
*Jayati Ghosh, Amitayu Sengupta, Anamitra Roychoudhury*
- 17 From corporate-centred security to flexicurity in Japan;  
ISBN 978-92-2-121776-3 (print); 978-92-2-121777-0 (web pdf)  
*Kazutoshi Chatani*
- 18 A view on international labour standards, labour law and MSEs;  
ISBN 978-92-2-121753-4 (print); 978-92-2-121754-1 (web pdf)  
*Julio Faundez*
- 19 Economic growth, employment and poverty in the Middle East and North Africa;  
ISBN 978-92-2-121782-4 (print); 978-92-2-121783-1 (web pdf)  
*Mahmood Messkoub*
- 20 Global agri-food chains: Employment and social issues in fresh fruit and vegetables;  
ISBN 978-92-2-121941-5 (print); 978-92-2-121942-2 (web pdf)  
*Sarah Best, Ivanka Mamic*
- 21 Trade agreements and employment: Chile 1996-2003;  
ISBN 978-92-121962-0 (print); 978-92-121963-7 (web pdf)

- 22 The employment effects of North-South trade and technological change;  
ISBN 978-92-2-121964-4 (print); 978-92-2-121965-1 (web pdf)  
*Nomaan Majid*
- 23 Voluntary social initiatives in fresh fruit and vegetable value chains;  
ISBN 978-92-2-122007-7 (print); 978-92-2-122008-4 (web pdf)  
*Sarah Best, Ivanka Mamic*
- 24 Crecimiento económico y empleo de jóvenes en Chile: Análisis sectorial y proyecciones;  
ISBN 978-92-2-321599-6 (print); 978-92-2-321600-9 (web pdf)  
*Mario D. Velásquez Pinto*
- 25 The impact of codes and standards on investment flows to developing countries;  
ISBN 978-92-2-122114-2 (print); 978-92-2-122115-9 (web pdf)  
*Dirk Willem te Velde*
- 26 The promotion of respect for workers' rights in the banking sector:  
Current practice and future prospects;  
ISBN 978-92-2-122116-6 (print); 978-2-122117-3 (web pdf)  
*Emily Sims*
- 2009**
- 27 Labour market information and analysis for skills development;  
ISBN 978-92-2-122151-7 (print); 978-92-2-122152-4 (web pdf)  
*Theo Sparreboom, Marcus Powell*
- 28 Global reach - Local relationships: Corporate social responsibility, worker's rights and local  
development;  
ISBN 978-92-2-122222-4 (print); 978-92-2-122212-5 (web pdf)  
*Anne Posthuma, Emily Sims*
- 29 Investing in the workforce: Social investors and international labour standards;  
ISBN 978-92-2-122288-0 (print); 978-92-2-122289-7 (web pdf)  
*Elizabeth Umlas*
- 30 Rising food prices and their implications for employment, decent work and poverty reduction;  
ISBN 978-92-2-122331-3 (print); 978-92-2-122332-0 (web pdf)  
*Rizwanul Islam, Graeme Buckley*
- 31 Economic implications of labour and labour-related laws on MSEs: A quick review of the  
Latin American experience;  
ISBN 978-92-2-122368-9 (print); 978-92-2-122369-6 (web pdf)  
*Juan Chacaltana*

- 32 Understanding informal apprenticeship – Findings from empirical research in Tanzania;  
ISBN 978-92-2-122351-1 (print); 978-92-2-122352-8 (web pdf)  
*Irmgard Nübler, Christine Hofmann, Clemens Greiner*
- 33 Partnerships for youth employment. A review of selected community-based initiatives;  
ISBN 978-92-2-122468-6 (print); 978-92-2-122469-3 (web pdf)  
*Peter Kenyon*
- 34 The effects of fiscal stimulus packages on employment;  
ISBN 978-92-2-122489-1 (print); 978-92-2-122490-7 (web pdf)  
*Veena Jha*
- 35 Labour market policies in times of crisis;  
ISBN 978-92-2-122510-2 (print); 978-92-2-122511-9 (web pdf)  
*Sandrine Cazes, Sher Verick, Caroline Heuer*
- 36 The global economic crisis and developing countries: Transmission channels, fiscal and  
policy space and the design of national responses;  
ISBN 978-92-2-122544-7 (print); 978-92-2-122545-4 (web pdf)  
*Iyanatul Islam*
- 37 Rethinking monetary and financial policy:  
Practical suggestions for monitoring financial stability while generating employment and  
poverty reduction;  
ISBN 978-92-2-122514-0 (print); 978-92-2-122515-7 (web pdf)  
*Gerald Epstein*
- 38 Promoting employment-intensive growth in Bangladesh: Policy analysis of the manufacturing  
and service sectors;  
ISBN 978-92-2-122540-9 (print); 978-92-2-122541-6 (web pdf)  
*Nazneen Ahmed, Mohammad Yunus, Harunur Rashid Bhuyan*
- 39 The well-being of labour in contemporary Indian economy: What's active labour market  
policy got to do with it?;  
ISBN 978-92-2-122622-2 (print); 978-92-2-122623-9 (web pdf)  
*Praveen Jha*
- 40 The global recession and developing countries;  
ISBN 978-92-2-122847-9 (print); 978-92-2-122848-6 (web pdf)  
*Nomaan Majid*
- 41 Offshoring and employment in the developing world: Business process outsourcing in the  
Philippines;  
ISBN 978-92-2-122845-5 (print); 978-92-2-122846-2 (web pdf)  
*Miriam Bird, Christoph Ernst*

- 42 A survey of the Great Depression as recorded in the International Labour Review, 1931-1939;  
ISBN 978-92-2-122843-1 (print); 978-92-2-122844-8 (web pdf)  
*Rod Mamudi*
- 43 The price of exclusion: The economic consequences of excluding people with disabilities  
from the world or work;  
ISBN 978-92-2-122921-6 (print); 978-92-2-122922-3 (web pdf)  
*Sebastian Buckup*
- 44 Researching NQFs: Some conceptual issues;  
ISBN 978-92-2-123066-3 (print), 978-92-2-123067-0 (web pdf)  
*Stephanie Allais, David Raffé, Michael Young*
- 45 Learning from the first qualifications frameworks;  
ISBN 978-92-2-123068-7 (print), 978-92-2-123069-4 (web pdf)  
*Stephanie Allais, David Raffé, Rob Strathdee, Leesa Wheelahan, Michael Young*
- 46 International framework agreements and global social dialogue:  
Lessons from the Daimler case;  
ISBN 978-92-2-122353-5 (print); 978-92-2-122354-2 (web pdf)  
*Dimitris Stevis*
- 2010**
- 47 International framework agreements and global social dialogue:  
Parameters and prospects;  
ISBN 978-92-2-123298-8 (print); 978-92-2-122299-5 (web pdf)  
*Dimitris Stevis*
- 48 Unravelling the impact of the global financial crisis on the South African labour market;  
ISBN 978-92-2-123296-4 (print); 978-92-2-123297-1 (web pdf)  
*Sher Verick*
- 49 Guiding structural change: The role of government in development;  
ISBN 978-92-2-123340-4 (print); 978-92-2-123341-1 (web pdf)  
*Matthew Carson*
- 50 Les politiques du marché du travail et de l'emploi au Burkina Faso;  
ISBN 978-92-2-223394-6 (print); 978-92-2-223395-3 (web pdf)  
*Lassané Ouedraogo, Adama Zerbo*
- 51 Characterizing the school-to-work transitions of young men and women:  
Evidence from the ILO school-to-work transition surveys;  
ISBN 978-92-2-122990-2 (print); 978-92-2-122991-9 (web pdf)  
*Makiko Matsumoto, Sara Elder*

- 52 Exploring the linkages between investment and employment in Moldova:  
A time-series analysis  
ISBN 978-92-2-122990-2 (print); 978-92-2-122991-9 (web pdf)  
*Stefania Villa*
- 53 The crisis of orthodox macroeconomic policy: The case for a renewed commitment to full  
employment;  
ISBN 978-92-2-123512-5 (print); 978-92-2-123513-2 (web pdf)  
*Muhammed Muqtada*
- 54 Trade contraction in the global crisis: Employment and inequality effects in India and South  
Africa;  
ISBN 978-92-2124037-2 (print); 978-92-2124038-9 (web pdf)  
*David Kucera, Leanne Roncolato, Erik von Uexkull*
- 55 The impact of crisis-related changes in trade flows on employment: Incomes, regional and  
sectoral development in Brazil;  
ISBN 978-92-2-  
*Scott McDonald, Marion Janse, Erik von Uexkull*
- 56 Envejecimiento y Empleo en América Latina y el Caribe;  
ISBN 978-92-2-323631-1 (print); 978-92-2-323632-8 (web pdf)  
*Jorge A. Paz*
- 57 Demographic ageing and employment in China;  
ISBN 978-92-2-123580-4 (print); 978-92-2-123581-1 (web pdf)  
*Du Yang, Wrang Meiyang*
- 58 Employment, poverty and economic development in Madagascar: A macroeconomic  
framework;  
ISBN 978-92-2-123398-5 (print); 978-92-2-123399-2 (web pdf)  
*Gerald Epstein, James Heintz, Léonce Ndikumana, Grace Chang*
- 59 The Korean labour market: Some historical macroeconomic perspectives;  
ISBN 978-92-2-123675-7 (print); 978-92-2-123676-4 (web pdf)  
*Anne Zooyob*
- 60 Les Accords de Partenariat Economique et le travail décent:  
Quels enjeux pour l'Afrique de l'ouest et l'Afrique centrale?;  
ISBN 978-92-2-223727-2 (print); 978-92-2-223728-9 (web pdf)  
*Eléonore d'Achon; Nicolas Gérard*
- 61 The great recession of 2008-2009: Causes, consequences and policy responses;  
ISBN 978-92-2-123729-7 (print); 978-92-2-123730-3 (web pdf)  
*Iyanatul Islam, Sher Verick*



- 62 Rwanda forging ahead: The challenge of getting everybody on board;  
ISBN 978-92-2-123771-6 (print); 978-92-2-123772-3 (web pdf)  
*Per Ronnås (ILO), Karl Backéus (Sida); Elina Scheja (Sida)*
- 63 Growth, economic policies and employment linkages in Mediterranean countries:  
The cases of Egypt, Israel, Morocco and Turkey;  
ISBN 978-92-2-123779-2 (print); 978-92-2-123780-8 (web pdf)  
*Gouda Abdel-Khalek*
- 64 Labour market policies and institutions with a focus on inclusion, equal opportunities and the  
informal economy;  
ISBN 978-92-2-123787-7 (print); 978-92-2-123788-4 (web pdf)  
*Mariangels Fortuny, Jalal Al Hussein*
- 65 Les institutions du marché du travail face aux défis du développement:  
Le cas du Mali;  
ISBN 978-92-2- 223833-0 (print); 978-92-2-223834-7 (web pdf)  
*Modibo Traore, Youssouf Sissoko*
- 66 Les institutions du marché du travail face aux défis du développement:  
Le cas du Bénin;  
ISBN 978-92-2-223913-9 (print); 978-92-2-223914-6 (web pdf)  
*Albert Honlonkou, Dominique Odjo Ogoudele*
- 67 What role for labour market policies and institutions in development? Enhancing security in  
developing countries and emerging economies;  
ISBN 978-92-2-124033-4 (print); 978-92-2-124034-1 (web pdf)  
*Sandrine Cazes, Sher Verick*
- 68 The role of openness and labour market institutions for employment dynamics during  
economic crises;  
*Elisa Geronzi, Erik von Uexkull, Sebastian Weber*
- 69 Towards the right to work:  
Innovations in Public Employment programmes (IPEP);  
ISBN 978-92-2-124236-9 (print); 978-92-2-1244237-6 (web pdf)  
*Maikel Lieuw-Kie-Song, Kate Philip, Mito Tsukamoto, Marc van Imschoot*
- 70 The impact of the economic and financial crisis on youth employment: Measures for labour  
market recovery in the European Union, Canada and the United States;  
ISBN 978-92-2-124378-6 (print); 978-92-2-124379-3 (web pdf)  
*Niall O'Higgins*
- 71 El impacto de la crisis económica y financiera sobre el empleo juvenil en América Latina:  
Medidas del mercado laboral para promover la recuperación del empleo juvenil;  
ISBN 978-92-2-324384-5 (print); 978-92-2-324385-2 (web pdf)  
*Federio Tong*

72 On the income dimension of employment in developing countries;  
ISBN: 978-92-2-124429-5 (print);978-92-2-124430-1 (web pdf)  
*Nomaan Majid*

73 Employment diagnostic analysis: Malawi;  
ISBN 978-92-2-123101-0 (print); 978-92-2-124102-7 (web pdf)  
*Per Ronnas*

74 Global economic crisis, gender and employment:  
The impact and policy response;  
ISBN 978-92-2-14169-0 (print); 978-92-2-124170-6 (web pdf)  
*Naoko Otake*

## 2011

75 Mainstreaming environmental issues in sustainable enterprises: An exploration of issues,  
experiences and options;  
ISBN 978-92-2-124557-5 (print); 978-92-2-124558-2 (web pdf)  
*Maria Sabrina De Gobbi*

76 The dynamics of employment, the labour market and the economy in Nepal  
ISBN 978-92-2-123605-3 (print); 978-92-2-124606-0 (web pdf)  
*Shagun Khare , Anja Slany*

77 Industrial policies and capabilities for catching-up:  
Frameworks and paradigms  
*Irmgard Nuebler*

78 Economic growth, employment and poverty reduction:  
A comparative analysis of Chile and Mexico  
ISBN 978-92-2-124783-8 (print); 978-92-2-124784-5 (web pdf)  
*Alicia Puyana*

79 Macroeconomy for decent work in Latin America and the Caribbean  
ISBN 978-92-2-024821-8 (print); 978-92-2-024822-5 (web pdf)  
*Ricardo French-Davis*

80 Evaluation des emplois générés dans le cadre du DSCR au Gabon  
ISBN 978-92-2-223789-0 (print) ; 978-92-2-223790-6 (web pdf)  
*Mohammed Bensid, Aomar Ibourk and Ayache Khallaf*

81 The Great Recession of 2008-2009: Causes, consequences and policy responses  
ISBN 978-92-2-123729-7 (print); 978-92-2-123730-3 (web pdf)  
*Iyanatul Islam and Sher Verick*

- 82 Le modèle de croissance katangais face à la crise financière mondiale : Enjeux en termes d'emplois  
ISBN 978-92-2-225236-7 (print) ; 978-92-2- 225237-4 (web pdf)  
*Frédéric Lapeyre, Philippe Lebailly, Laki Musewa M'Bayo, Modeste Mutombo Kyamakosa*
- 83 Growth, economic policies and employment linkages: Israel  
ISBN 978-92-2-123775-4 (print); 978-92-2-123778-5 (web pdf)  
*Roby Nathanson*
- 84 Growth, economic policies and employment linkages: Turkey  
ISBN 978-92-2-123781-5 (print); 978-92-2-123782-2 (web pdf)  
*Erinc Yeldan and Hakan Ercan*
- 85 Growth, economic policies and employment linkages: Egypt  
ISBN 978-92-2-123773-0 (print); 978-92-2-123774-7 (web pdf)  
*Heba Nassar*
- 86 Employment diagnostic analysis: Bosnia and Herzegovina  
ISBN 978-92-2-125043-2 (print); 978-92-2-2125044-9 (web pdf)  
*Shagun Khare, Per Ronnas and Leyla Shamchiyeva*
- 87 Should developing countries target low, single digit inflation to promote growth and employment  
ISBN 978-92-2-125050-0 (print); 978-92-2-125051-7 (web pdf )  
*Sarah Anwar, Iyanatul Islam*
- 88 Dynamic Social Accounting matrix (DySAM): concept, methodology and simulation outcomes: The case of Indonesia and Mozambique  
ISBN 978-92-2-1250418 (print); 978-92-2-1250425 (web pdf)  
*Jorge Alarcon, Christoph Ernst, Bazlul Khondker, P.D. Sharma*
- 89 Microfinance and child labour  
ISBN 978-92-2-125106-4 (print)  
*Jonal Blume and Julika Breyer*
- 90 Walking on a tightrope: Balancing MF financial sustainability and poverty orientation in Mali  
ISBN 978-92-2-124906-1 (print); 978-92-2-124907-8 (web pdf)  
*Renata Serra and Fabrizio Botti*
- 91 Macroeconomic policy “Full and productive employment and decent work for all”:  
Uganda country study  
ISBN 978-92-2-125400-3 (print); 978-92-2-125401-0 (web pdf)  
*Elisa van Waeyenberge and Hannah Bargawi*
- 92 Fiscal and political space for crisis response with a focus on employment and labour market:  
Study of Bangladesh  
ISBN 978-92-2-125402-7 (print); 978-92-2-125403-4 (web pdf)  
*Rizwanul Islam, Mustafa K. Mukeri and Zlfiqar Ali*

- 93      Macroeconomic policy for employment creation: The case of Malawi  
ISBN 978-92-2-125404-1 (print); 978-92-2-125405-8 (web pdf)  
*Sonali Deraniyagala and Ben Kaluwa*
- 94      Challenges for achieving job-rich and inclusive growth in Mongolia  
ISBN 978-92-2-125399-0 (print); 978-92-2-125398-3 (web pdf)  
*Per Ronnas*
- 95      Employment diagnostic analysis: Nusa Tenggara Timur  
ISBN 978-92-2-125412-6 (print); 978-92-2-125413-3 (web pdf)  
*Miranda Kwong and Per Ronnas*
- 96      What has really happened to poverty and inequality during the growth process in developing countries?  
ISBN 978-92-2-125432-4 (print); 978-92-2-125433-1 (web pdf)  
*Nomaan Majid*
- 97      ROKIN Bank: The story of workers' organizations that successfully promote financial inclusion  
ISBN 978-92-2-125408-9 (print); 978-92-2-125409-6 (web pdf)  
*Shoko Ikezaki*
- 98      Employment diagnostic analysis: Maluku, Indonesia  
ISBN 978-92-2-12554690 (print); 978-92-2-1254706 (web pdf)  
*Per Ronnas and Leyla Shamchiyeva*
- 99      Employment trends in Indonesia over 1996-2009: Casualization of the labour market during an ear of crises, reforms and recovery  
ISBN 978-92-2-125467-6 (print); 978-92-2-125468-3 (web pdf)  
*Makiko Matsumoto and Sher Verick*
- 100     The impact of the financial and economic crisis on ten African economies and labour markets in 2008-2010: Findings from the ILO/WB policy inventory (forthcoming)  
ISBN 978-92-2-125595-6 (print); 978-92-2-125596-3 (web pdf)  
*Catherine Saget and Jean-Francois Yao*
- 101     Rights at work in times of crisis: Trends at the country-level in terms of compliance with International Labour Standards (forthcoming)  
ISBN 978-92-2-125560-4 (print); 978-92-2-125561-1 (web pdf)  
*David Tajgman, Catherine Saget, Natan Elkin and Eric Gravel*
- 102     Social dialogue during the financial and economic crisis: Results from the ILO/World Bank Inventory using a Boolean analysis on 44 countries (forthcoming)  
ISBN 978-92-2-125617-5 (print); 978-92-2-125618-2 (web pdf)  
*Lucio Baccaro and Stefan Heeb*

- 103 Promoting training and employment opportunities for people with intellectual disabilities: International experience  
ISBN 978-92-2-1254973 (print); 978-92-2-125498-0 (web pdf)  
*Trevor R. Parmenter*
- 104 Towards an ILO approach to climate change adaptation  
ISBN 978-92-2-125625-0 (print); 978-92-2-125626-7 (web pdf)  
*Marek Harsdorff, Maikel Lieuw-Kie-Song, Mito Tsukamoto*
- 105 Addressing the employment challenge:  
India's MGNREGA  
ISBN 978-92-2-125687-8 (print); 978-92-2-125688-5 (web pdf)  
*Ajit Ghose*
- 106 Diverging trends in unemployment in the United States and Europe: Evidence from Okun's law and the global financial crisis  
ISBN 978-92-2-125711-0 (print); 978-92-2-125712-7 (web pdf)  
*Sandrine Cazes, Sher Verick and Fares Al Hussami*
- 107 Macroeconomic policy for full and productive and decent employment for all:  
The case of Nigeria  
ISBN 978-92-2-125693-5 (print); 978-92-2-125696-0 (web pdf)  
*Ugochukwu Agu, Chijioke J. Evoh*
- 108 Macroeconomics of growth and employment:  
The case of Turkey  
ISBN 978-92-1-125732-5 (print); 978-92-2-125733-2 (web pdf)  
*Erinc Yeldan*
- 109 Macroeconomic policy for full and productive employment and decent work for all:  
An analysis of the Argentine experience  
ISBN 978-92-2-125827-8 (print); 978-92-2-125828-5 (web pdf)  
*Mario Damill, Roberto Frenkel and Roxana Maurizio*
- 110 Macroeconomic policy for full and productive employment and decent work for all:  
Sri Lanka country study  
ISBN 978-92-2-125845-2 (print); 978-92-2-12584-6 (web pdf)  
*Dushni Weerakoon and Nisha Arunatilake*

## 2012

- 111 Promotion of cluster development for enterprise growth and job creation  
ISBN 978-92-2 - unpublished
- 112 Employment dimension of trade liberalization with China:  
Analysis of the case of Indonesia with dynamic social accounting matrix  
ISBN 978-92-2-125766-0 (print); 978-92-2-125767-7 (web pdf)  
*Christoph Ernst and Ralph Peters*
- 113 Social protection and minimum wages responses to the 2008 financial and economic  
crisis: Findings from the International Labour Office (ILO) /World Bank (WB)  
Inventory  
ISBN 978-92-2-126041-7 (print); 978-92-2-126042-4 (web pdf)  
*Florence Bonnet, Catherine Saget and Axel Weber*
- 114 Mapping and analysis of growth-oriented industrial sub-sectors and their skill  
requirements in Bangladesh  
ISBN 978-92-2-126028-8 (print); 978-92-2-126029-5 (web pdf)  
*Rushidan Islam Rahman, Abdul Hye MondaL and Rizwanul Islam*
- 115 Gender and the environment:  
A survey in the manufacturing in the machine-parts sector in Indonesia and China  
ISBN 978-92-2-126165-0 (print); 978-92-2-126166-7 (web pdf)  
*Maria Sabrina de Gobbi – unpublished*
- 116 Employment implications of the “Five – Hubs Strategy” of Sri Lanka  
*Sirimal Abeyrathne*
- 117 Preferential trade agreements and the labour market  
*Emanuel Ornelas*
- 118 Macroeconomic policies and employment in Jordan:  
Tackling the paradox of job-poor growth  
*Sahar Taghdisi-Rad*
- 119 Globalization, trade unions and labour standards in the North  
*Alejandro Donado and Klaus Walde*
- 120 Regional trade agreements and domestic labour market regulation  
*Christian Häbberli, Marion Jansen, José-Antonio Monteiro*
- 121 Strategies for unions to provide benefits and financial services to workers:  
Experiences in the United States  
*Richard C. Koven*

- 122 Preliminary assessment of training and retraining programmes implemented in response of the Great Recession  
*Ellen Hansen and Zulum Avila*
- 123 Contribution of labour market policies and institutions to inclusion through employment, equal opportunities and the formalisation of the informal economy: Morocco  
*Aomar Ibourk*
- 124 Tackling the youth employment crisis: A macroeconomic perspective  
*Makiko Matsumoto, Martina Hengge, Iyanatul Islam*
- 125 Well-being and the non material dimension of work  
*Duncan Campbell*
- 126 Labour related provisions in international investment agreements  
*Bertram Boie*
- 127 An examination of approaches to employment in two South African case study cities  
Cities with jobs: Confronting the employment challenge  
*Glen Robbins and Sarah Hobbs*
- 128 Sao Paulo – Brazil – The case of Osasco  
Cities with jobs: Confronting the employment challenge  
*Jeroen Klink*
- 129 Promoting employment in Marikana and Quezon City, Philippines  
Cities with jobs: Confronting the employment challenge  
*Eugenio M. Gonzales*
- 130 Cities with jobs: Confronting the employment challenge  
A policy paper  
*Adrian Atkinson*
- 131 Cities with jobs: Confronting the employment challenge  
A research report  
*Adrian Atkinson*
- 132 Trade and employment in services: The case of Indonesia  
*Chris Manning and Haryo Aswicahyono*

- 133 Employment protection and collective bargaining:  
Beyond the deregulation agenda  
*Sandrine Cazes, Sameer Khatiwada and Miguel Malo*
- 134 Implications of the recent macroeconomic policies on employment and labour market  
outcomes in Peru  
*Sandrine cazes, Sameer Khatiwada, Miguel Malo*
- 135 Local governance and the informal economy: Experiences in promoting decent work in the  
Philippines  
*Reginald M. Indon, Sandra O. Yu*
- 136 How not to count the employed in developing countries  
*Nomaan Majid*
- 2013**
- 137 Towards more inclusive employment policy making: Process and role of stakeholders in four  
selected countries  
*Claire Harasty*
- 138 Globalization, employment and gender in the open economy of Sri Lanka  
*Naoko Otake*
- 139 Promoting employment intensive growth in Sri Lanka  
*Sunil Chandrasiri*
- 140 The Philippines employment projections model: Employment targeting and scenarios  
*Souleima El Achkar Hilal, Theo Sparreboom, Douglas Meade*
- 141 Disabled beggars in Addis Ababa, Ethiopia  
*Nora Groce, Barbara Murray*
- 142 An anatomy of the French labour market  
Country case study on labour market segmentation  
*Thomas Le Barbanchon, Franck Malherbet*
- 143 Beyond the contract type segmentation in Spain  
Country case study on labour market segmentation  
*Carlos Garcá-Serrano, Miguel A. Malo*
- 144 Italy: A dual labour market in transition  
Country case study on labour market segmentation  
*Pietro Garibaldi, Filippo Taddei*



- 145 Has atypical work become typical in Germany?  
Country case study on labour market segmentation  
*Werner Eichhorst, Verena Tobsch*
- 146 The formal and informal sectors in Colombia  
Country case study on labour market segmentation  
*Ximena Peña*

# Employment Sector

**For more information visit our site:  
<http://www.ilo.org/employment>**

International Labour Office  
Employment Sector  
4, route des Morillons  
CH-1211 Geneva 22

Email: [edempdoc@ilo.org](mailto:edempdoc@ilo.org)