

Unemployment and poverty are inextricably linked in that one can't be decoupled from the other. Unemployment is the major cause of poverty. Unemployment leads to loss of income, self-reliance, skill and self-confidence, psychological and physical health, worker motivation and increases in ailment, morbidity and mortality. Poverty is characterized by deprivation of basic capability as well as lowness and inadequacy of income. From the above prospective, the State places the objectives of gainful employment generation and poverty reduction at the centre of the developmental strategy and planning. The incidence of unemployment is being addressed through adoption of coherent sector-specific policies and programmes. By the same token, the incidence of poverty is being addressed by a three pronged approach - accelerating economic growth, according thrust and stimulus to expansion of social infrastructure such as education, health etc., and enhancing the efficiency of implementation of poverty alleviation programmes.

In what follows, a review is made to throw light on the employment situation prevailing in the State with reference to the 2011 Census and NSS data of 66th Round 2009-10 and the extent of incidence of poverty constraining the growth potential in the State.

11.1 Salient Features of Census 2011:

11.1.1 Labour Force:

The State's total population grew from 62.41 million in 2001 to 72.15 million in 2011, the decadal growth being 11.6 percent. The estimated labour force (15-59 years) went up by 1.19 percent per annum from 40.00 million in 2001 to 47.76 million in 2011. Consequently, its share in total population improved from 64.10 to 66.20 percent. Between these two Censuses, the total number of workers in the State increased by 1.18 percent annually from 27.88 million to 32.88 million. Share of the total members of workers in total labour force, however, had witnessed a decline from 69.70 percent to 68.84 percent, indicating that there was a reduction in the employment absorptive capacity of the economy or there was a preference to pursue higher education or both. As a result, the proportion of persons who are not working in the State increased from 30.30 percent to 31.16 percent. All the things considered, the rate of growth of labour force exceeds the rate of growth of work force besides the absolute numbers.

Category	Tamil Nadu	
	2001	2011
Population (millions)	62.41	72.15
Labour force (15 – 59 years) (millions)	40.00	47.76
Workers ¹ (millions)	27.88	32.88
Labour force as % to total population	64.10	66.20
% of workers to labour force	69.70	68.84
% of non-workers ² to labour force	30.30	31.16

Source: Directorate of Census Operation, Tamil Nadu

Census Definition:

¹ Worker – A person who is engaged in some activity.

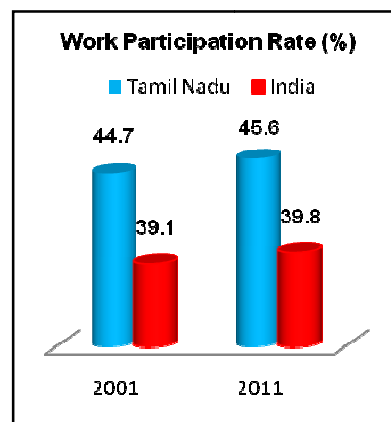
² Non-worker – A person who did not work at all in any economically productive activity.

11.1.2 Work Participation Rate:

Category	Tamil Nadu		All-India	
	2001	2011	2001	2011
WPR - By Demographic Segment (%)				
Rural	50.3	50.7	41.7	41.8
Urban	37.5	40.2	32.3	35.3
Overall	44.7	45.6	39.1	39.8
By Sex (%)				
Males	57.6	59.3	51.7	53.3
Females	31.5	31.8	25.6	25.5
Source: Directorate of Census Operation, Tamil Nadu				

The working population in Tamil Nadu increased from 27.88 millions in 2001 Census to 32.88 millions in 2011 Census witnessing an annual compound growth rate of 1.18 percent. The Work Participation Rate (WPR) i.e., the proportion of workers to total population in Tamil Nadu edged up from 44.7 percent in 2001 to 45.6 percent in 2011. The ratio at the All India level during the corresponding period was lower at 39.1 percent and 39.8 percent

respectively. Across the districts, the work participation rate was found to be the lowest at 36.3 percent in Kanniyakumari despite the fact that the district had the highest literacy level. It was the highest at 53.1 percent in Erode as per 2011 Census. This was the case irrespective of rural and urban segments. The work participation rate in rural areas was higher than that of urban areas. However, with regard to the pace of increase, it was greater in urban than in rural areas. The work participation rate in rural Tamil Nadu marginally increased from 50.3 percent in 2001 to a share of 50.7 percent in 2011, whereas it rose from 37.5 percent to 40.2 percent in urban respectively.



Going by sex, the work participation rate in the case of males was significantly higher than that of females both in rural and urban areas. The pace of increase in WPR of males also was greater than that of females. The overall WPR of males increased from 57.6 percent in 2001 to 59.3 percent in 2011 in Tamil Nadu. The WPR of females improved from 31.5 percent to 31.8 percent. The WPR of males and females in

Category	Overall	Rural	Urban	Males	Females
State	45.6	50.7	40.2	59.3	31.8
Among the Districts					
Highest	Erode (53.1)	Erode (58.1)	Erode (48.4)	Tiruppur (65.8)	Perambalur (48.4)
Lowest	Kanniyakumari (36.3)	Kanniyakumari (37.9)	Thiruvarur (34.6)	Cuddalore (57.1)	Kanniyakumari (16.4)
Source: Directorate of Census Operation, Tamil Nadu					

Tamil Nadu at 59.3 and 31.8 percent in 2011 was higher than that of All India - 53.3 percent and 25.5 percent respectively. The WPR of males among the districts was the highest in Tiruppur (65.8%) and that of females in Perambalur (48.4%). The lower WPR for females than that of males does emphasize the need for more concerted efforts to ensure greater social empowerment of women to enable them to participate in productive economic activities.

11.1.3 Industrial Classification of 2001 and 2011 Census:

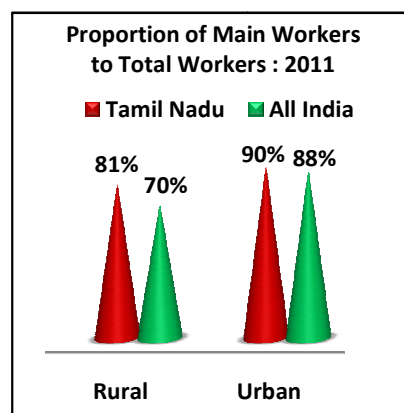
The total number of workers as per 2011 Census in the State was estimated at 32.8 million comprising 27.9 million main workers and 4.9 million marginal workers. The proportion of main workers i.e., those engaged in economically gainful activities during the major part of

the year to total workers was higher at 85.0 percent in Tamil Nadu as compared to that of All India (75.2%). Contrastingly, the ratio in respect of marginal workers was lower in Tamil Nadu (15.0%) as against all India (24.8%).

Table No. 11.4 Main and Marginal Workers in Tamil Nadu and all India – As per 2011 Census (Millions)						
Category	Tamil Nadu			All India		
	Main Workers ³	Marginal workers ⁴	Total	Main Workers ³	Marginal workers ⁴	Total
By Gender						
Male	18.9	2.5	21.4	273.1	58.7	331.8
Female	9.0	2.4	11.4	89.3	60.6	149.9
Total	27.9	4.9	32.8	362.4	119.3	481.7
By demographic segments						
Rural	15.3	3.5	18.8	245.7	102.9	348.6
Urban	12.6	1.4	14.0	116.7	16.4	133.1
Total	27.9	4.9	32.8	362.4	119.3	481.7

Source: Directorate of Census operations, Tamil Nadu

Between 2001 and 2011 Censuses, the net increase in the number of total workers was 5 million in the State. More than four-fifth of this increase mainly came from the main workers. Among the districts, the proportion of main workers to total workers was highest at 93.6 percent in Karur and lowest at 71.6 percent in Cuddalore. As between rural and urban segments, the proportion of main workers to total workers was higher in the latter as compared to that of former. Among the sex, the proportion of main workers to total workers was higher in the case of males at 88.5 percent as against that of females at 78.4 percent. The proportion of main workers to total workers in rural and urban segments as well as among sex was higher in Tamil Nadu as compared to that of all India. It is worth mentioning that the work force is either raw unskilled labour or skilled labour manifesting human capital-varied skills, work habits, attitudes, amount of co-operatant, physical capital and other factors and hence varied productivities and earnings.



The total number of marginal workers increased from 4.12 million in 2001 to 4.94 million in 2011 in the State indicating a higher degree of casualization of labour. For the first time in Census 2011 the marginal workers i.e., who worked for less than six months in the reference year had been sub divided into two categories viz., (i) those working for less than 3 months and (ii) those worked for more than 3 months and less than six months. Among the 4.94 million marginal workers, around 4.22 (85.4%) million workers worked for 3-6 months whereas 0.72 million (14.6%) worked for less than 3 months. The proportion of marginal workers to total workers was the highest at 28.4 percent in Cuddalore and the lowest at 6.4

³ Main Worker – A person who had participated in any economically productive activity for six months or more during the last one year preceding the date of enumeration

⁴ Marginal Worker - A person who had participated in economically productive activity for three months or more but less than six month during the last one year preceding the date of enumeration

percent in Karur. As between rural and urban, the proportion of marginal workers to total workers was higher in the former case as compared to that of latter. Similarly, it was higher in the case of females as compared to that of males.

11.1.4 Four Fold Classification of Workers:

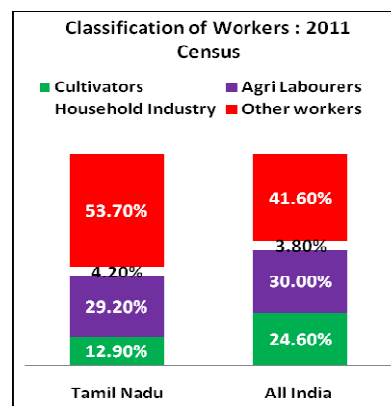
The Census 2011 further classifies the workers (both main and marginal) into four industry groups viz., cultivators, agricultural labourers, household industries and other workers. The four-fold classification revealed that there was a declining share of the

Industry Groups	2001	2011
Cultivators	5.11 (18.4%)	4.25 (12.9%)
Agricultural Labourers	8.67 (31.1%)	9.61 (29.2%)
House hold industry	1.46 (5.3%)	1.36 (4.2%)
Other workers	12.57 (45.2%)	17.66 (53.7%)
Total Workers	27.81 (100%)	32.88 (100%)

Note: Figures in brackets in indicates percentage in total.
Source: Directorate of Census operations, Tamil Nadu

cultivators, agricultural labourers and household industry workers. The proportion of cultivators to total workers came down from 18.4 percent in 2001 to 12.9 percent in 2011. The share of agricultural labourers declined from 31.1 percent to 29.2 percent. It underlines the fact that agricultural activities have

lost their sheen of primacy and centrality. This trend is a trigger for rural-to-urban migration and mushrooming growth of urban slums. The proportion of agriculture workers (cultivators and agricultural labourers) which stood at 42.1 percent in Tamil Nadu was significantly lower as compared to that of all India (54.6%). The proportion of household industry workers fell from 5.3 percent to 4.2 percent. Contrary to this, the share of other workers moved up from 45.2 percent to 53.7 percent. However, at the all India level it was lower at 41.6 percent in 2011. Among the districts, proportion of cultivators to total workers was the highest in Perambalur (39.1%), agricultural labourers in Thiruvavur (54.6%), household workers in Tirunelveli (16.7%) and other workers in Chennai (96.4%). It indicates that Perambalur district is agrarian based and least urbanized.



11.2. Overall Employment:

One of the main sources of information to understand overall employment in the State/Country is the National Sample Survey data. The latest data available for employment and unemployment Quinquennial survey relates to the 66th Round of NSS pertaining to the year 2009-10. The data given in Table presents the employment situation in the State vis-a-vis all-India. According to the NSS Round results (2009-10), the total population in the country was 1182 million, of which Tamil Nadu accounts for 6.10 percent. The State contributes 7.74 percent to the total labour force

Details	Tamil Nadu	All-India
Population (millions)	72.14	1182.00
Usual principal and subsidy status		
Labour force ⁵ (millions)	32.80	424.00
Work force/employed ⁶ (millions)	32.05	384.00
Unemployed ⁷ (millions)	0.75	40.00

Note: In order to estimate the absolute figure for Tamil Nadu, 2011 Population Census data was used.

NSS Definitions:

⁵ Labour force – Persons who are either ‘working’ (or employed) or ‘seeking or available for work’ (or unemployed) during the reference period together constitute the labour force.

⁶ Employed – Working or being engaged in economic activity.

⁷ Unemployed – Not working but seeking or available for work.

in the country and in the work force 8.3 percent. In India, the number of persons unemployed was 40 million of which 1.9 percent were from Tamil Nadu.

11.2.1 Inter-State Comparison:

The key indicators relating to employment and unemployment as per the NSS results (66th Round) in respect of major States are presented in the table. It clearly brought to surface the fact that in the country for every 1000 persons, 359 are in the labour force, 325 in the workforce and 94 are unemployed. In respect of Labour Force Participation Rate and Worker Population Ratio, Tamil Nadu stood at the top among the major 15 States.

11.2.2 Per worker Contribution to GSDP:

Taking into account the number of workers by usual status in 2009-10 and sectoral contribution to GSDP in the same year, the per worker contribution had been arrived at. The Primary sector accounted for a high share of 45 percent of the total workers followed by Service Sector 28 percent and Secondary Sector

Major States	LFPR ⁸	WPR ⁹
Andhra Pradesh	444	410
Assam	341	321
Bihar	282	235
Gujarat	402	361
Haryana	296	270
Karnataka	424	411
Kerala	322	287
Madhya Pradesh	369	340
Maharashtra	434	409
Odisha	341	308
Punjab	326	291
Rajasthan	372	305
Tamil Nadu	446	420
Uttar Pradesh	284	261
West Bengal	374	335
All India	359	325

*Note: LFPR – Labour Force Participation Rate, WPR – Worker Population Ratio, UR – Unemployment Rate.
Source: Report on Employment – Unemployment Survey, 2010, (NSS 66th Round) Labour Bureau, Ministry of Labour and Employment, Government of India.*

Sectors	Share in (%)		Per Worker Contribution in GSDP (Rs.)
	Employment (2009-10)	GSDP (2009-10)	
Primary	45	9.3	22695
Secondary	27	30.7	123646
Tertiary	28	60.0	239627

Source:1. Department of Economics and Statistics, Chennai – 6, 2. 66th NSS Round 2009-10, Labour Bureau Ministry of Labour and Employment, Government of India.

low in the primary sector as compared to the other major sectors. The matter for concern is the wide disparity among per worker contribution.

11.2.3 Unemployment:

As per the National Sample Survey 66th the Round, (2009-10 – the latest) the Unemployment Rate¹⁰ (UR) is defined as the number of persons unemployed per 1000 persons in labour force. According to the usual status of the Survey, the unemployment rate in rural areas at 16 per 1000 persons was lower than that of urban areas at 34 per 1000 persons at all India level. With regard to rural areas, the unemployment rate was lower in nine States as compared to all India. Among them, the lowest was in Rajasthan (4). According to the Economic Survey 2012-13, this may perhaps be due to high absorption under the Mahatma Gandhi National Rural Employment Guarantee Scheme. Tamil Nadu was one among the nine States having unemployment rate lesser than that of all India. The unemployment in rural Tamil Nadu at 15 ranked 8th place among the States. Only nine States had lower unemployment rate in urban areas as compared to that of all India. Among

27 percent. Agriculture continued to remain instrumental in the sense that more than two-fifth of the workers in the State depends on agriculture for their livelihood. However, the contribution of the sector to GSDP is only 9 percent in 2009-10. This indicates that the per worker contribution to GSDP is very

⁸ Labour Force Participation Rate (LFPR) - The Number of persons in labour force per 1000 persons.

⁹ Worker Population Ratio (WPR) - Number of persons employed per 1000 persons.

¹⁰ Unemployment Rate (UR) – Number of persons unemployed per 1000 persons in the labour force.

them, it was the lowest in Gujarat (18 per 1000 persons) and the State occupied the first place. Tamil Nadu with 32 per 1000 persons ranked 8th position and also one among the States having unemployment rate lower than the all India.

Table No. 11.9 Unemployment Rate (UR) by the Major States 2009-10 (per 1000)			
Rural		Urban	
States lower than the all India	States higher than the all India	States Lower than the all India	States Higher than the all India
1. Rajasthan-4, 2. Karnataka-5, 3. Maharashtra-6, 4. Madhya Pradesh-7, 5. Gujarat-8, 6. Uttar Pradesh-10, 7. Andhra Pradesh-12, 8. TamilNadu-15, 9. Himachal Pradesh-16.	1. Haryana-18, 2. West Bengal-19, 3. Bihar-20, 4. Punjab-26, 5. Odisha-30, 6. Assam-39, 7. Kerala-75.	1. Gujarat-18, 2. Rajasthan-22, 3. Haryana-25, 4. Karnataka-27, 5. Uttar Pradesh-29, 6. Madhya Pradesh-29, 7. Andhra Pradesh-31, 8. Tamil Nadu-32, 9. Maharashtra-32	1. West Bengal-40, 2. Odisha-42, 3. Punjab-48, 4. Himachal Pradesh-49, 5. Assam-52, 6. Bihar-73, 7. Kerala-73.
All India – 16		All India – 34	

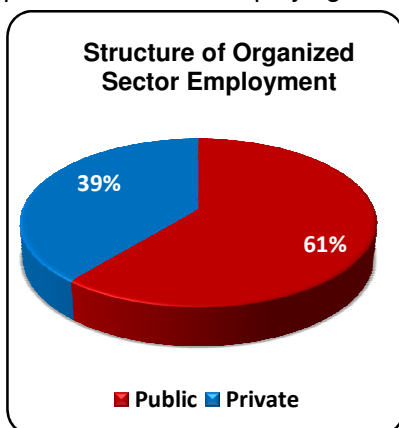
Source: Economic Survey 2012-13 Government of India (p : 276 – 277)

11.3. Organized Sector Employment:

The Employment Market Information Programme is being operated to collect the data relating to the organized sector employment with short intervals from all establishments in public sector and non agricultural establishments in private sector, employing 10 or

Table No. 11.10 Organized Sector Employment in Tamil Nadu (Lakhs)				
Sector	2010-11	2011-12	2012-13	2013-14 (upto June 2013)
Public sector	14.40	14.33	14.42	14.43
Private sector	8.88	9.04	9.20	9.28
Total	23.28	23.37	23.62	23.71

Source: Department of Employment and Training , Chennai - 35



more workers. The share of total organized sector employment to total workers in the State was meagre just 7 percent. The total organized sector employment in the State increased marginally from 23.28 lakh in 2010-11 to 23.37 lakh in 2011-12 and further to 23.62 lakh in 2012-13. In 2013-14 (upto June 2013) it increased to 23.71 lakh. Between 2011-12 and 2012-13, the net addition in organized sector employment was 0.25 lakh. Of this, the contribution of private sector was nearly two-thirds. An analysis of the structure of the organized sector employment indicates the dominance of public sector with about 61 percent of the share of the total employment.

11.3.1 Public Sector Employment in Tamil Nadu:

Among the four constituents of the public sector employment in Tamil Nadu, State Government accounts for a major share of 39 percent, followed by Quasi Government 35 percent, Central Government 14 percent and Local Bodies 12 percent.

Table No. 11.11 Public Sector Employment in Tamil Nadu (Lakhs)				
Category	2010-11	2011-12	2012-13	2013-14 (upto June 2013)
Central Government	2.16	2.14	2.14	2.14
State Government	5.49	5.48	5.54	5.55
Quasi Government	4.99	4.98	5.01	5.01
Local Bodies	1.76	1.74	1.73	1.73
Total	14.40	14.34	14.42	14.43

Source: Department of Employment and Training, Chennai - 35

The total number of persons employed in public sector establishments as on 31st March 2011 declined from 14.40 lakh to 14.33 lakh in 2011-12 (0.07 lakh). The decline in

employment was almost equal in all groups of the public sector. Between 2011-12 and 2012-13, the number of persons employed in public sector establishment rose from 14.34 lakh in 2011-12 to 14.42 lakh in 2012-13, the net addition being 8000. Besides compensating the decline in Local Bodies (0.01 lakh), this increase was mainly contributed by State Government (0.06 lakh) and Quasi Government (0.03 lakh) categories. With the marginal addition of 1000 persons, the number of persons employed in public sector establishments had moved up to 14.43 lakh in 2013-14.

11.3.2 Public Sector Employment: Industry Group-wise:

Normally the concentration of public sector employment in the State was more in the industry groups viz., 'transport storage and Communication' (20.1%), 'public administration defence and social security' (22.3%), health and social work (15.9%) and 'education' (12.9%). These industry groups together accounted for more than 70 percent of public sector

Industry Groups	Share in Total (%)			Change over previous year (Nos)		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Agriculture, Hunting and Forestry	2.1	2.1	2.0	639	-387	-284
Fishing	0.1	0.1	0.1	-22	-35	4
Mining and Quarrying	1.5	1.5	1.5	-1371	-121	-44
Manufacturing	5.1	5.2	5.1	-10419	574	-57
Electricity, Gas and Water Supply	4.6	4.6	4.8	3667	525	3086
Construction	3.0	3.0	2.9	-1845	-875	-260
Wholesale and Retail trade etc.,	2.3	2.3	2.3	1152	628	-847
Hotels and Restaurants	0.1	0.1	0.1	14	-9	14
Transport, Storage & Communications	20.1	20.1	20.1	-4696	-1559	2018
Financial Intermediation	7.6	7.6	7.5	-3064	-906	9
Real Estate, Renting and Business Activities	1.5	1.5	1.5	500	-193	91
Public Administration and Defence, Compulsory Social Security etc.,	22.3	22.4	22.3	-1585	-1822	340
Education	12.8	12.6	12.9	-16460	-3056	5656
Health and Social Work	15.9	16.0	15.9	-6682	445	-644
Other Community, Social and Personal Service activities	1.0	1.0	1.0	-277	-18	54
Total (Numbers)	1439808 (100)	1432999 (100)	1442135 (100)	-40449	-6809	9136

Source: Department of Employment and Training, Chennai - 35

employment. In the total public sector employment in the State, the proportion of females in respect of 'health and social works' (73%) and 'education' (51%) outweighed the ratio of males significantly. Between 2011-12 and 2012-13, the net addition in public sector employment in the State was 9136 of which the females (7289) accounted for a higher share than that of males (1847).

To the overall increase in public sector employment, the net addition in the industry groups 'electricity, gas and water supply' (3086), 'transport, storage and communication' (2018) and 'education' (5656) mainly contributed. There was a fall in employment in industry groups viz., in 'agriculture, hunting forestry (284)', 'construction' (260), health and social work (644) and 'whole sale and retail trade (847) between these two years. In the total employment of the public sector in the State, the ratio of males and females was 70:30.

11.3.3 Private Sector Employment in Tamil Nadu:

The private sector employment in the State witnessed a steady increase from 8.88 lakh in 2010-11 to 9.04 lakh in 2011-12 and further to 9.20 lakh in 2012-13. To the net

addition of 15957 in private sector employment between 2011-12 and 2012-13, the contribution from the net addition in female employment (8755) was higher as compared to that of males (7202). In the total employment under private sector, the share of males and females was in the ratio of 57:43. Among the industry groups, in private sector concentration of employment was higher in manufacturing (45.4%) and education (23.6%). These two combined together accounted for 69 percent of total private sector employment in the State. It was the case in respect of both males and females. Between 2011-12 and 2012-13, there

Industry Groups	Share in Total (%)			Change over previous year (No)		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Agriculture, Hunting and Forestry	5.6	5.5	5.3	2724	411	-1051
Fishing	0.0	0.0	0.0	0	0	0
Mining and Quarrying	0.4	0.4	0.4	-1364	158	58
Manufacturing	45.9	45.7	45.4	-10242	5517	4150
Electricity, Gas and Water Supply	0.2	0.1	0.1	67	-38	-7
Construction	0.4	0.4	0.4	-8	497	-72
Wholesale and Retail trade etc.,	5.3	5.4	5.6	1264	1939	2535
Hotels and Restaurants	2.2	2.2	2.1	857	123	-517
Transport, Storage & Communications	1.0	1.0	1.0	-436	195	116
Financial Intermediation	1.8	1.9	1.8	527	825	-176
Real Estate, Renting and Business Activities	10.1	10.0	9.9	2759	377	407
Public Administration and Defence, Compulsory Social Security etc.,	0.0	0.0	0.2	-4	-2	1471
Education	23.2	23.4	23.6	6400	5571	5203
Health and Social Work	3.3	3.3	3.7	325	487	3736
Other Community, Social and Personal Service activities	0.6	0.6	0.6	-114	32	104
Total (Numbers)	887522 (100)	903614 (100)	919571 (100)	2755	16092	15957

Source: Department of Employment and Training, Chennai - 35

was net additions in the industry groups 'manufacturing' (4150), 'whole sale and retail trade' (2535), 'public administration, defence and social security' (1471), 'education' (5203), 'health and social work' (3736). There was decline in employment in 'agriculture, hunting and forestry' (1051), 'hotel and restaurants' (517) and 'financial services' (176). Among the industry groups, the proportion of females in agriculture, hunting and forestry (57%), education (54%), real estate, renting and business activities (52%) and health and social works (58%) outweighed males.

11.3.4 Organized Sector Employment: By Districts:

Of the total organized sector employment of 23.62 lakh as of 2012-13, about 63 percent was concentrated in 10 districts viz., Chennai (19.9%), Coimbatore (8.6%), Vellore (5.8%), Tiruchirappalli (5.0%), Madurai (4.8%), Tirunelveli (4.0%), Virudhunagar (3.9%), Kancheepuram (3.8%), Krishnagiri (3.6%) and Cuddalore (5.5%). The ratio of employment in private sector in five districts viz., Coimbatore (55%), Kancheepuram (53%), Theni (56%), Kanniyakumari (54%) and Virudhunagar (66%) outweighed the public sector employment. In The Nilgiris and Vellore both private and public sector had equal share in total organized sector employment. In the remaining 23 districts, the proportion of public sector employment was dominant. Between 2011-12 and 2012-13, under organized sector employment, a net addition of 25,093 was made in the State. In as many as 19 districts additional employment was created of which Vellore had the maximum number of net additions (6832). In 11 Districts, the organized sector employment decreased, of which the decline was sharp in Thoothukudi (2629).

District	Share in Total Organized Sector Employment (%)			Change over previous year (Nos)		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Chennai	20.2	20.2	19.9	805	1855	-2159
Coimbatore	8.8	8.7	8.6	-743	-1473	-1346
Cuddalore	3.5	3.5	3.5	40	202	106
Villupuram	1.8	1.8	1.7	-2	0	103
Dindigul	3.0	3.0	3.0	2278	238	1207
Erode	3.2	3.3	3.4	-3073	2251	2942
Krishnagiri	3.6	3.6	3.6	-9917	-121	84
Kancheepuram	3.8	3.7	3.8	2176	-580	2029
Thiruvallur	3.1	3.1	3.1	13	-15	458
Madurai	4.8	4.7	4.8	1517	-1066	2614
Theni	1.1	1.1	1.1	42	453	-737
Kanniyakumari	3.0	2.8	2.9	-4433	-2988	2109
Pudukkottai	1.8	1.8	1.8	786	869	-665
Ramanathapuram	1.5	1.5	1.5	368	158	55
Salem	2.6	2.5	2.5	-39068	-1531	-626
Namakkal	1.1	1.1	1.1	1948	9	-246
Sivagangai	1.8	1.8	1.8	187	-333	150
Tirunelveli	4.0	4.1	4.0	1887	1709	503
Thanjavur	2.9	3.0	2.9	1181	643	-540
Nagapattinam	1.1	1.1	1.1	-155	508	-394
Thiruvarur	0.6	0.6	0.6	155	-96	-251
Tiruchirappalli	4.8	4.9	5.0	-242	4212	3093
Karur	0.7	0.7	0.7	252	138	2208
Perambalur	0.4	0.5	0.5	364	548	1723
Ariyalur	0.5	0.4	0.5	-199	-489	1885
Thoothukudi	2.9	2.9	2.8	1730	871	-2629
The Nilgiris	2.5	2.5	2.4	1834	307	-697
Virudhunagar	4.0	3.9	3.9	-644	-1418	1412
Vellore	5.4	5.6	5.8	2887	3591	6832
Thiruvannamalai	1.5	1.5	1.8	332	831	5870
Total	2327330 (100.0)	2336613 (100.0)	2361706 (100.0)	-37694	9283	25093

Source: Department of Employment and Training, Chennai-35.

11.4. Employment Exchange Statistics:

As on 31st March 2013, the total number of employment exchanges functioning in the State was 37. The number of vacancies notified in the State declined from 4.84 lakh in 2010-11 to 3.55 lakh in 2011-12 (26.7%) and subsequently it rose to 5.29 lakh in 2012-13 (49.0%). As against this, the number of persons placed was also on the decline from 3.31

Head	2010-11	2011-12	2012-13	2013-14 (upto August 2013)
Employment Exchange Offices (Nos)	37	37	37	37
Registration effected	12.54	11.65	15.89	11.41
Vacancies Notified	0.48	0.35	0.52	0.15
Placed in Employment	0.33	0.22	0.28	0.12
Applicant on Live Register	68.05	75.03	82.79	89.40
Placement to Registrations (%)	2.64	1.89	1.77	1.06

Source: Department of Employment and Training, Chennai-32.

lakh to 2.23 lakh between 2010-11 and 2011-12 and it increased to 2.82 lakh in 2012-13. It is pertinent to note that the ratio of placement to registration had steadily come down from 2.64 percent in 2010-11 to 1.77 percent in 2012-13, indicating that the pace of registration was higher than that of placements.

The total number of applicants on live register rose from 68.05 lakh in 2010-11 to 75.03 lakh in 2011-12 (10.3%) and further to 82.79 lakh in 2012-13 (10.3%). As on 31st August 2013 it

stood at 89.40 lakh. Of the total applicants on Live Register, the proportion of persons having SSLC/PUC/HSC accounted for the largest share. This was partly because all students passing SSLC were automatically registered in a tie up between the School Education and Employment Department. Between 2011-12 and 2012-13, this proportion declined from 66 percent to 57 percent. In the recent past persons have the tendency not to stop the study up to HSC but to pursue higher studies viz., degree (B.A, B.Sc, B.Com) and professional courses (engineering, law, agriculture etc.,). It resulted in increase in the number of job seekers those who had completed under graduate degrees. Apart from that, most of the professional degree holders (more particularly engineers) in recent times also have the tendency to pursue higher studies. This had resulted in increase in the number of persons in

Educational Level	2010-11	2011-12	2012-13
SSLC/PUC/HSC	49	66	57
Graduates	16	18	22
Post Graduate	6	6	4
Diploma Holders	7	2	2
Other Categories (below SSLC)	22	8	15
Grand Total (Numbers)	6805248 (100)	7503767 (100)	8278618 (100)

Source: Department of Employment and Training, Chennai-32.

Live Register with post graduate degrees more specifically relating to engineering. It is noted that the extent of unemployment measured through the prism of Employment Exchanges may not be precise because those who have got placements without the intervention of Employment Exchange do not report the same to the exchanges. As a result, there will be over statement of unemployment.

11.5. The Way Forward:

The following measures may be considered for enhancing the employment opportunity in the State.

- The only way to improve female work participation rate is to make the work environment more conducive to women. Schemes like free distribution of fans, mixies and grinders are aimed at reducing domestic drudgery and enabling women to participate in the workforce.
- The realization of full potential of the demographic dividend depends on generation of adequate decent non-farm employment opportunities and upgradation of skills of existing as well as new entrants to the workforce.
- Sector-specific strategies need to be adopted to ensure sustained expansion of employment opportunities in organized sector.
- The employment contribution of labour intensive manufacturing, namely textile and garments, leather and footwear, food processing industries and so on can be greatly enhanced provided the Government puts supportive policies in place.
- Employment oriented education needs to be provided in a manner that ensures the needs of the vulnerable sections of the society are taken care of.
- Skill formation is not a static process and that individual's skill needs to be upgraded continuously for the workforce to remain relevant and employable and to develop a high-quality demand driven skilled workforce/entrepreneur relevant to current and emerging employment market needs.
- The low education levels of the labour force, especially those engaged in agriculture would make transition to non-farm sector difficult. There is a need to ensure basic skill, that is, at least functional literacy and numeracy among these members of the labour force.

- The unorganized sector is dominated by workers in micro enterprises, unpaid family members, casual labourers, home based workers, migrant labourers, out of school youth and in need of skills, farmers and artisans in rural areas. Most of these workers continue to learn on the job informally at their place of work from other low skilled qualified people. These groups form a bottom of skill pyramid who have low skills, poor productivity and low income. Much more needs to be done in terms of up scaling the training capacities, recognition of prior learning, functional literacy and so on. A comprehensive social security must be put into place for workers in unorganized sector, where their own contributions can be supplemented by some support from the Government.
- The gaps in the skill development are to be identified so as to achieve the objectives in terms of quantity, quality, outreach and mobility. The workforce not only needs to be trained to meet the requirement of all sectors and all kinds of jobs but also linking them to job opportunities and market realities. This would facilitate transformation of young population in to a productive workforce engaged in economic activities and not unproductive activity.
- Promotion of self-employment, soft skills and entrepreneurship skills need to be made integral parts of skill development. Developing a cogent and sustainable approach to provide for industry participation in skill development, particularly in the field of developing course content which is aligned to industry requirements.
- Employment prospects of educated youth have worsened during the recent past. Very little employment was generated for the educated youths by the private sector. The failure to find job appears to have led the educated youths towards either inactivity or further involvement in education. Unemployment and skill deficiencies among graduates and other educated youth are the challenges thrown. The deficiencies noted in the areas of technical knowledge, language proficiencies, process orientation and critical thinking abilities are the issues to be addressed. To ensure these qualities, periodical upgradation of syllabi in concurrence with the changing environment along with equitable education may be thought of.

11.6. Poverty:

Rural poverty manifests itself in masses of low income farmers, while urban poverty is a feature in mushrooming growth of slums and development of unorganized or informal sector, which is shelter for millions of migrants. The Union Planning Commission is the nodal agency for estimating the number and proportion of people living below poverty line at the National and State level separately for rural and urban areas based on the recommendations of the experts in the field from the time to time. Poverty line is defined on the basis of monthly percapita consumption expenditure (MPCE). The poverty estimates are arrived using the data from large sample survey carried on household consumption expenditure by the National Sample Survey Organization for every five years. The Planning Commission updated the poverty line and Poverty Head Count Ratio as per the recommendations of the Tendulkar committee using NSS 66th Round data from the Household Consumption Expenditure Survey. Based on these, the percentage of people living below poverty line was arrived at.

A comparison of Poverty Head Count Ratio between 2004-05 and 2011-12 brought to surface the following findings:

- The percentage of people living below the poverty line in Tamil Nadu was lower in both rural and urban areas as compared to all India.

- There was a faster reduction of Poverty Head Count Ratio both in rural and urban areas of Tamil Nadu as against all India during 2011-12 as compared to 2004-05.

The Poverty Head Count Ratio among the 14 major States indicated that it was highest at 33.7 percent in Bihar in 2011-12. The lowest ratio was in Kerala (7.1%). It was followed by Punjab (8.3%), Andhra Pradesh (9.2%), Haryana (11.2%) and Tamil Nadu (11.3%). Among the major States, the ratio in rural was the highest in Bihar (34.1%). Only in four States viz., Bihar, Madhya Pradesh, Odisha and Uttar Pradesh, the

Area	2004-05		2011-12	
	Tamil Nadu	All India	Tamil Nadu	All India
Rural	37.5	42.0	15.8	25.7
Urban	19.7	25.5	6.5	13.7
Overall	29.4	37.2	11.3	21.9

*Source: 1. Press Note on Poverty Estimates, 2009-10, Union Planning Commission, July 2012.
2. Press Note on Poverty Estimates, 2011-12, Union Planning Commission, July 2013.*

State	2004-05			2011-12		
	Rural	Urban	Combined	Rural	Urban	Combined
Andhra Pradesh	32.3	23.4	29.6	11.0	5.8	9.2
Bihar	55.7	43.7	54.4	34.1	31.2	33.7
Gujarat	39.1	20.1	31.6	21.5	10.1	16.6
Haryana	24.8	22.4	24.1	11.6	10.3	11.2
Karnataka	37.5	25.9	33.3	24.5	15.3	20.9
Kerala	20.2	18.4	19.6	9.1	5.0	7.1
Madhya Pradesh	53.6	35.1	48.6	35.7	21.0	31.7
Maharashtra	47.9	25.6	38.2	24.2	9.1	17.4
Odisha	60.8	37.6	57.2	35.7	17.3	32.6
Punjab	22.1	18.7	20.9	7.7	9.2	8.3
Rajasthan	35.8	29.7	34.4	16.1	10.7	14.7
Tamil Nadu	37.5	19.7	29.4	15.8	6.5	11.3
Uttar Pradesh	42.7	34.1	40.9	30.4	26.1	29.4
West Bengal	38.2	24.4	34.2	22.5	14.7	20.0
All India	42.0	25.5	37.2	25.7	13.7	21.9

*Source: 1. Press Note on Poverty Estimates, 2009-10, Union Planning Commission, July 2012.
2. Press Note on Poverty Estimates, 2011-12, Union Planning Commission, July 2013.*

ratio was higher than that of all India (25.7%). In as many as 10 States, the rural poverty ratio was lower than all India. Among these States, it was the lowest in Punjab (7.7%). In Tamil Nadu, it was 15.8 percent and occupied the fifth position. Turning to urban, Bihar with the highest poverty ratio (31.2%) and stood first among the major States. In six States viz., Bihar, Karnataka, Madhya Pradesh, Odisha, Uttar Pradesh and West

Bengal the ratio was higher than the all India (13.7%). The urban poverty ratio was the lowest in Kerala (5.0%) and it is followed by Andhra Pradesh (5.8%) and Tamil Nadu (6.5%). With regard to pace of reduction in overall poverty ratio between 2004-05 and 2011-12, it was much faster in Odisha (24.6 percentage points). The reduction was the lowest in Uttar Pradesh (11.5 percentage points).

11.7. The Way Forward:

To tackle the problem of poverty the following are the priority areas:

- Broad based economic growth and development.
- Enhancing agricultural output and productivity through public investment.
- Improving Education and skill development to harness the demographic dividends.
- Focus on inclusive economic growth and through improved health facilities, education and financial inclusion.
- Effective monitoring and evaluation of poverty alleviation wage/self-employment schemes/programmes on a continuous basis.