STRUCTURAL CHANGES IN RURAL LABOUR MARKET AND EMPLOYMENT IN POST REFORM INDIA

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ABSTRACT

Provision of gainful employment has been one of the major concerns of development planning in India. The last two decades witnessed some significant changes in development paradigm such as introduction of new economic reforms and National Rural Employment Guarantee Act. The purport of this paper is to examine the growth of employment opportunities in the rural areas and also some of the major changes in the structure and quality of employment in rural areas in the post reforms era. The labour market changes have been studied period-wise i.e pre-NREGA Period i.e Period-I (1993/94 to 2004/05) and post NREGA Period i.e Period-II (2004/05 to 2009/10). The database for the study is mainly the National Sample Survey Organisation's (NSSO) data on "Employment and Unemployment".

During the post reforms era, India has experienced significant growth of GDP (about 10 per cent per annum) and decline in poverty at the rate of one per cent per annum; these improvements are more rapid in post NREGA period. The labour market has also undergone several changes. The labour force participation rates which were hovering in a narrow band but the participation rates of female labour declined during Period–II.

KEY WORDS: Labour Market, Employment, Rural India, NREGA and Reforms