

# Urban Unemployment in Kerala

## The Case of Kochi City

*This study examines the incidence, type and characteristics of urban employment in Kerala's second largest city, and to offer some clues to explain the high rate of joblessness. According to the results of a sample survey, the urbanisation of Kochi has been associated with a process of casualisation of labour, and failure to generate rapid growth of regular employment in the modern organised sector. Besides, joblessness is found to be basically a problem of educated youth, leading to their migration to other parts of India and abroad in search of employment.*

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### I Introduction

Unemployment among a large section of the labour force in urban Kerala has constituted a serious socio-economic problem for the state during the past two decades. Surveys on unemployment conducted at the state and national levels suggest that the incidence of urban unemployment in Kerala is very high. A survey conducted by the Department of Economics and Statistics (DES) in 1987 estimated that 20 per cent of the male and 58 per cent of the female labour force were unemployed in urban areas. The 50th round survey conducted by the National Sample Survey Organisation (NSS) ranks Kerala as a state having the second highest rate of urban unemployment in India. Using the current daily status measure of unemployment, it was estimated that 14 per cent of the male and 28 per cent of the female labour force were unemployed in urban areas.

A review of the studies done in Kerala show that two types of literature are available, namely, unemployment surveys and studies. The surveys conducted by the DES and NSS are major sources that give the unemployment estimates for Kerala [DES 1982, DES 1988]. Though the surveys give an estimate of urban employment, they failed to give a detailed account of the characteristics of urban unemployment. From the NSS surveys we get an overall estimate of urban unemployment [NSS 1988, 1993, 1997, Sarvekshana 1990, 1993]. Though NSS has conducted a survey on unemployment in major cities in India in its 43rd round, it has not

included any city in Kerala. So we lack information about the nature and characteristics of urban unemployment in the cities of Kerala.

An examination of the studies on unemployment reveals that the subject of urban unemployment has not received much attention from scholars. A study by the Centre for Development Studies (CDS) was one of the first to examine the socio-economic characteristics of the educated unemployed, the incidence of unemployment and interrelations between supply and demand for educated labour in Kerala [CDS 1977]. Another study in 1988 examined the socio-economic characteristics, incidence of unemployment and job preferences of the unemployed based on a sample survey at Trivandrum [Prakash 1988]. Subsequent studies have drawn attention to the worsening problem of unemployment, especially among the educated, in Kerala [Thomas 1988, Prakash 1989, Oommen 1992, Mukherjee and Isaac 1994, Mathew 1995, 1997]. But these studies have not addressed the issue of urban unemployment in Kerala. This is the context in which this study is proposed. Its objective is to examine the incidence, type and characteristics of urban unemployment in Kochi city and to offer some explanations for the high incidence of unemployment. To explain the unemployment situation, we present the following hypotheses.

- (1) The high incidence of unemployment in Kochi city is due to the nature of the labour market characterised by informal and casual employment and the low participation of the educated labour force in informal and casual activities;
- (2) The excess supply of educated labour

force on the one side, the small size and low growth of the organised sector leading to a small demand for regular employment on the other, result in high incidence of educated unemployment among youth;

- (3) Due to severe unemployment, the young and educated labour force is forced to migrate to other parts of India and abroad for employment.

The paper is divided into six sections. In sections two and three we present the study area, sources of data and the structure of the labour market. In the subsequent three sections we examine the incidence and characteristics of unemployment, the socio-economic factors of unemployment, and unemployment and migration.

### Conceptual Framework

In this section, we present a review of the labour force framework of International Labour Organisation (ILO) and the NSS. The ILO's labour force framework classifies, at a given moment of time, the population above a specified minimum age for measuring the economically active population into three mutually exclusive and exhaustive categories: employed, unemployed and not in labour force. The employed and unemployed categories

Table 1: Work Participation Rate

Age-wise	Work Participation Rate		
	Male	Female	Total
20-29	63.29	10.20	42.46
30-39	85.94	13.16	58.82
40-49	92.50	16.67	36.36
50-59	79.46	10.40	43.04
60+	19.10	-	12.78
Total	62.57	10.61	39.00

together make up the labour force, or the currently active population, which gives a measure of the number of persons furnishing the supply of labour at a given moment of time. The definition of unemployment covers persons who during the reference period were (a) without work; (b) currently available for work; and (c) seeking work [Husmanns et al 1990]. The NSS has classified the persons into various activity categories on the basis of the activities pursued by them during certain specified reference periods. Three reference periods are used in the survey: one year, one week, and each day of the week. Based on these three periods three different measures are arrived at. These are termed as usual status, current weekly status and the current daily status. In the usual status approach, the status of activity on which a person spent a relatively longer time of the preceding 365 days from the date of the survey is considered as the principal usual status activity of the person. A person is considered as 'seeking or available' for work or 'unemployed' if the person was not working but was either seeking or was available for work for a relatively longer time during the past year. According to current weekly status, a person who had not worked for even one hour on any one day of the week, but had been seeking or had been available for work at any time for at least one hour during weekdays was considered as 'seeking/available for work or unemployed'. The current day status rate of unemployment is the ratio of unemployed days per week (seeking or available for work) to the total labour supply per week (working plus seeking plus available days). In the study we used the NSS definition for defining unemployment.

## II Study Area and Source of Data

The Kochi Municipal Corporation in its present form was formulated on November 1, 1967. It comprises an area of 95 sq km coming under the municipalities of Fort Kochi, Mattancherry and Ernakulam, and panchayats Palluruthi, Vyttila, Vennala and Edapally. Kochi city is a commercial, industrial and port city that has witnessed rapid changes during the past three decades. As per the 2001 Census, Kochi is the second largest city in Kerala, with a population of 5.96 lakh people. Between 1991 and 2001, the city registered a decadal growth of population of 7.1 per

cent. Kochi has a high literacy rate, with an effective literacy rate of 97 per cent for men and 94 per cent for women. The city authorities identified 231 slums in the city in 1996.

The major source of data is primary data based on a sample survey conducted in Kochi city during the first quarter of 1999. To select the samples, we have used a stratified sampling method. Five divisions were selected out of 50 in Kochi city. To get a list of all households we used the voters' list of the divisions. From each division 60 sample households were selected from the voters' list on the basis of simple random method. Based on a questionnaire, information was collected from the sample households by visiting investigators. The five divisions covered in the survey are Fort Kochi, Mulamkuzhi, Thevara, Palarivattom and Aiyappankavu.

### Population in Sample Households

In this section, we present a profile of the city's population based on the sample survey conducted in 300 households. According to the survey, the total population in 300 sample households was 1,310 persons, comprising 716 males and 594 females. Of the total population, the labour force accounts for 57.2 per cent, migrants 4.8 per cent and persons not in labour force 37.9 per cent. The survey results suggest that nearly half of the population is young, and belongs to the age group of 20-29. Old people aged 60 and above account for 10 per cent of the total population of the sample.

The survey results suggest that there was no substantial migration from other districts of Kerala or other states to Kochi. The data on the place of birth of the head of the household or main earner suggest that of the total persons only 8 per cent had their place of birth in other districts of Kerala. This suggests that there is no substantial migration from other districts of Kerala or other states to Kochi. But there has been considerable migration within the district, especially from rural areas, to the city.

The survey findings suggest that a considerable proportion of the households in Kochi city is poor. Distribution of the households on the basis of monthly per capita income revealed that one-fourth have an income ranging between Rs 200 and Rs 1,000. Another 18 per cent have a monthly per capita income of Rs 1,001-1,800. Most

of these households belonged to the category of casual labour or self-employed.

The survey results show that 21 per cent of the population lives in slum areas. Nearly 55 per cent of these households belong to the category of casual labour.

In order to know about the social background of the sample households, we have grouped the households into three categories on the basis of caste, namely, forward caste, backward communities, and scheduled castes and tribes. A castewise distribution of the households shows that backward communities make up 77 per cent of the total, the share of forward communities is 19 per cent and the scheduled castes and tribes make up 4 per cent. A majority of the heads of households or main earner in the forward caste category are employed in regular jobs. In the case of backward communities only one-fifth are employed in regular jobs. However, no one from scheduled castes or tribes is employed in regular jobs.

The survey results also suggest that the regular employed households have better houses and housing facilities compared with self-employed and casual labour households.

In order to determine the share of economically active population, we have worked out the work participation rate, denoting the percentage of employed to total population. The survey results show that the work participation rate was 39 per cent. There was considerable difference between the work participation rates of men and women. The participation rate of men was 62.57 per cent, and the corresponding rate for women was 10.6 per cent. Table 1 gives the age-wise work participation rate of men and women.

### III

#### Structure of Labour Market

In our survey we have collected information about the workers in sample households based on the NSS definition, usual principal status. Workers are classified into three categories, namely, regular employed, self-employed and casually employed, based on NSS definitions. The workers are further classified into employment classification via the National Industrial Classification (NIC).

Based on this classification, we have prepared a broad outline of the structure of the labour market in Kochi city. Total number of workers in the sample households is estimated at 516, based on the

usual principal status definition. Of the total, regular employed workers make up 19.5 per cent, self-employed 11.24 per cent and casual employed 69.18 per cent (Table 2). This indicates that the labour market in Kochi city is largely composed of a workforce with low level of education and skills, and is engaged in casual labour or is self-employed. Though there has been rapid urbanisation during the past four decades, there has not been much change in the structure of employment.

Classification of workers into men and women shows that the share of female workers was very low, at 12.4 per cent. Except regular employment, the share of female workers in other categories, namely, self-employment and casual employment, is very low. This indicates the lack of interest shown by women in self- and casual-employment.

Classification of employment using National Industrial Classification reveals that the primary sector accounts for 5.32 per cent, secondary sector 28.21 per cent and tertiary sector 66.47 per cent (Table 3). Manufacturing and construction are the two major activities of the secondary sector. In the tertiary sector, the largest employment opportunity is provided by transport, storage and communications. Other

tertiary activities that provide employment are community, social and personal services and wholesale and retail trade. Let us examine the industrial categories in which workers are employed in the regular, self-employed and casual job categories. The survey results suggest that 81 per cent of the regular employment is in tertiary activities such as transport, storage and communications, finance and real estate, community, social and personal services (Table 3). The secondary sector provides employment only to 19 per cent. Manufacturing is the activity in which most of the workers are employed in the secondary sector.

We may also examine the industrial activities in which the self-employed persons work. It is found that nearly half of the self-employed people are engaged in activities related to wholesale and retail trade and restaurants and hotels. (Table 3). The sub-activities in which they were engaged are wholesale trade in food, textiles, live animals, beverages, retail trade in food, food articles, beverages, tobacco and intoxicants, fuel items of household utilities and durables. Only one-tenth of the self-employed are engaged in manufacturing activity. The major activities in which they are engaged

**Table 2: Total Workers in the Sample Households**

Category of Workers	Number of Workers			Per Cent		
	Male	Female	Total	Male	Female	Total
Regular employed	65	36	101	14.38	56.25	19.57
Self-employed	57	1	58	12.61	1.56	11.24
Casual employed	330	27	357	73.00	42.18	69.18
Total	452	64	516	100.00	100.00	100.00

**Table 3: Industrial Classification of Workers**

National Industrial Classification	Percentage of Workers			
	Regular Employed	Self-Employed	Casual Labour	Total
Agriculture, hunting, forestry and fishing	-	8.62	6.36	5.32
Manufacturing	16.83	10.34	10.91	12.06
Electricity, gas and water	-	-	1.51	1.02
Construction	1.98	5.17	20.91	15.13
Wholesale and retail trade and restaurants and hotels	4.95	50.00	5.15	10.43
Transport, storage and communication	11.88	12.07	37.88	29.45
Finance, insurance, real estate and business services	30.69	-	4.54	9.41
Community, social and personal services	33.66	13.79	12.73	17.18
Total	100.00	100.00	100.00	100.00

**Table 4: Unemployment Rate**

Status	Number of Employed			Unemployment Rate (Percentage)		
	Male	Female	Total	Male	Female	Total
Usual principal status	103	141	244	18.69	69.12	32.32
Current week status	88	134	222	16.42	68.02	30.29
Current day status	100	142	242	18.25	69.27	32.14

are the manufacture of paper and paper products, printing and publishing, metal products and parts and other manufacturing items. The major primary activities in which the self-employed are engaged are livestock production and fishing.

The data on casual employment suggest that the urbanisation of Kochi city has been associated with a process of casualisation of labour. Nearly 69 per cent of the workers are engaged as casual labourers. Of the total casual workers, 6 per cent is engaged in primary activities, 33 per cent in secondary activities and 60 per cent in tertiary activities (Table 3). More than one-fifth of the casual labour is employed in construction. Nearly 11 per cent is engaged in casual activities connected with manufacturing. Transport, storage and communications provided the largest share, 38 per cent, of the total casual employment. Community, social and personal services provided employment for another 13 per cent.

From the above analysis, we can conclude that though there has been rapid urbanisation in the city during the past three decades, there was not much change in the structure of the labour market, which is largely composed of a workforce with low educational levels and skills and engaged in casual and self-employment. The urbanisation has accelerated a process of casualisation of labour in the secondary and tertiary sectors and failed to generate rapid growth of regular employment in the modern organised sector.

#### IV Unemployment: Incidence and Characteristics

Based on the sample survey, we have estimated the unemployment rate denoting the percentage of unemployed to total labour force using the three NSS definitions. Using the usual principal status definition, the rate of unemployment is estimated to be 32.32 per cent (Table 4). The rate of unemployment is also the same if we use current-day status. But there is a slight difference in rate if we use the current-week status. As we have conducted only one round of the survey, the usual principal status measure will give a more realistic picture of unemployment than the other two measures. A notable characteristic of unemployment in Kochi is the high rate of unemployment among women, which is estimated at 69 per cent. A comparison of the unemployment rate in Kochi

with major cities in India suggests that the rate of unemployment is very high.

The NSS survey using usual status definition had classified Chennai as the city having the highest rate of unemployment for men (9.2 per cent) and women (10.6 per cent) among the major cities in India for 1987-1988. The unemployment rate in Kochi was also much higher than the all-India average of urban unemployment for 1993-94. This suggests that Kochi city has one of the highest incidences of unemployment among Indian cities.

The higher rate of unemployment in Kochi city may be attributed to many factors, such as low growth of employment opportunities, structure of labour market characterised by informal and casual employment, casualisation of labour, low participation of women in economic activities, preference of educated youth for regular jobs, social factors discouraging participation of unemployed labour in economic activities, and the recession in Kerala since the second half of the 1990s. The structure of the labour market in the city is characterised by informal sector and casual labour, as this accounts for 80 per cent of the total employment. Secondly, urbanisation in Kochi accelerated a process of casualisation of labour in the secondary and tertiary sectors. Another factor is the low participation of the female unemployed labour force in economic activities. The social value system and social practices also discourage employment of women belonging to the middle and lower-middle classes in informal and casual activities. The economic recession, which began in the mid-1990s, soon assumed serious proportions to reach an unprecedented economic crisis by the end of the 1990s. It also contributed to the high incidence of unemployment. The factors contributing to the recession are large-scale return of Keralite emigrants from the Gulf since 1996, the fall in the price of major crops like paddy, coconut, and rubber since the second half of the 1990s, declining private investment, capital flows to other states and the unprecedented fiscal crisis in the state paralysing state-sponsored developmental activities.

#### Unemployment among Youth

In order to study the category of unemployed we have estimated the rate of unemployment for different age groups, using usual principal status definition (Table 5).

Nearly half of the young male labour force belonging to the age group 20 to 24 is found to be unemployed. In the case of women belonging to this age group, nearly 94 per cent of the labour force is unemployed. This indicates that urban unemployment in Kochi is basically the problem of youth. Agewise distribution of the unemployed shows that of the total, 73 per cent belongs to the age group 15 to 24 (Table 6). One of the major causes for the high incidence of unemployment among youth is the lack of regular employment opportunities. As most of the youth are educated, they prefer for regular employment in organised public or private-sector firms.

#### Unemployment among the Educated

The survey has estimated the rate of unemployment among various categories of educated unemployed people. It is found

**Table 5: Agewise Unemployment Rate**

Agewise	Unemployment Rate		
	Male	Female	Total
15-19	100.00	100.00	100.00
20-24	48.08	94.44	65.04
25-29	10.11	68.18	25.20
30-34	4.55	25.0	6.25
Total	18.69	69.12	32.32

Note: UPS 'Usual Principal Status'.

**Table 6: Agewise Distribution of Unemployed Persons (UPS)**

Age Group	Percentage		
	Male	Female	Total
15-19	6.8	7.09	6.97
20-24	72.82	60.28	65.57
25-29	18.45	31.91	26.23
30-34	1.94	0.71	1.23
Total	100.00	100.00	100.00

**Table 7: Education Level-Wise Unemployment Rate (UPS)**

Educational Level	Unemployment Rate		
	Male	Female	Total
Middle	17.91	89.29	33.46
Secondary	22.22	84.48	39.34
Higher secondary	28.79	73.53	44.00
Graduate and above	21.21	30.91	25.62
Total	18.69	69.12	32.32

**Table 8: Distribution of Educational Status of Unemployed (UPS)**

Educational Status	Percentage		
	Male	Female	Total
Middle	34.95	35.46	35.25
Secondary	33.01	34.75	34.02
Higher secondary	18.45	17.73	18.03
Graduate and above	13.59	12.06	12.70
Total	100.00	100.00	100.00

that the unemployment rate is the highest among persons having higher secondary educational status. Using usual principal status definition, it is estimated that the unemployment rate among persons having higher secondary education is 44 per cent (Table 7). The next category with the highest incidence of unemployment consists of having secondary school leaving certificates. More than one-fourth of the labour force having an educational level of graduation and above are reported as unemployed. The survey results also suggest that the incidence of unemployment among educated females having secondary and higher secondary education is very high.

We have also estimated the composition of educated and uneducated unemployed persons in the city. It is found that of the total, 35 per cent are uneducated (Table 8). The educated account for 65 per cent, consisting of secondary, higher secondary, graduates and above. This shows that the major share of unemployed in Kochi are from the educated category. Thus, unemployment in Kochi is basically a problem of educated youth.

To know about the educational and skill level of the educated unemployed, we have collected information about the vocational courses attended by them. It was found that 39 per cent of the unemployed having secondary education had undergone vocational training. In the case of unemployed having higher secondary education, 64 per cent had attended vocational courses. Nearly half of the unemployed graduates also have vocational education. Thus in spite of the vocational education, the educated are not getting gainful employment.

The high incidence of unemployment among educated youth may be attributed to the following factors: (1) There is a large supply of young educated labour force compared with the job vacancies available, resulting in excess supply of labour; (2) The educated unemployed have a strong preference for regular jobs in public and private sectors, which are scarce; (3) Due to the low growth and small size of the organised sector, many employment opportunities are generated in the urban labour market. It may be noted that regular employment account for only 20 per cent; (4) The educated unemployed are not interested in low-paid, low-status casual jobs, which account for about 70 per cent of the total employment in the labour market; (5) Due to the social value system and social practices, educated unemployed

women are not interested in self-employed and casual labour. Thus the large supply of educated young labour force leading to excess supply of labour on the one side, the small size and slow growth of organised sector leading to a low demand for regular employment on the other, result in high incidence of educated unemployed.

## V Socio-Economic Factors and Unemployment.

Studies of unemployment have established a relationship between the incidence of unemployment and the social background of the unemployed persons. In this section, we attempt to examine this relationship by collecting information about the castewise distribution of unemployed. The survey results show that more than three-fourths of the unemployed persons belong to backward communities. (Table 9). This indicates that social background has a role in the determination of employment or otherwise. It may be noted that a good number of households of the backward communities are poor.

The nature of the area of residence is another indicator that gives the social background of the unemployed. In the sample we found that more than one-fifth of the unemployed live in slums (Table 10). The majority of those who live in slums belong to the lowest social and economic strata. This, suggests that there exists a relationship between social background and the incidence of unemployment.

The hypothesis explaining the relation between low income and high incidence of unemployment is widely accepted in the case of developing economies. Based on the survey data, an attempt is made to test the hypothesis in the context of the urban labour market in Kochi. The survey findings suggest that a higher proportion of the unemployed belong to households with a low monthly per capita income. It is found that 23 per cent of the unemployed belong to households having a monthly per capita income of less than Rs 400 (Table 11). Another 15 per cent of the unemployed belong to households having a monthly per capita income of Rs 401-600. From the table it is evident that the majority (58.37 per cent) of the unemployed belong to households having a monthly per capita income up to Rs 800. On the other hand, only 9 per cent of the unemployed belong to households having a monthly per capita income of over

Rs1,400. Thus the hypothesis explaining the relationship between low income and high incidence of unemployment is valid in the case of the urban labour market in Kochi.

## Unemployment and Occupational Background

One major factor that determines the category of employment of the members of the household is the occupational background. We can also establish a relationship between the type of employment of the head of the household and the incidence of unemployment. It is hypothesised that the incidence of unemployment will

**Table 9: Castewise Distribution of Unemployed Persons (UPS)**

Caste	Percentage		
	Male	Female	Total
Forward	18.45	21.99	20.49
Backward community	75.73	75.89	75.82
Scheduled caste/ tribe	4.85	2.13	3.28
Not available	0.97	-	0.41
Total	100.00	100.00	100.00

**Table 10: Distribution of Type of Area of Residence of Unemployed (UPS)**

Type of Area of Residence	Percentage		
	Male	Female	Total
Slum	22.23	20.57	21.31
Residential	76.70	78.72	77.87
Others	0.97	0.71	0.82
Total	100.00	100.00	100.00

**Table 11: Distribution of Household Monthly Per Capita Income of the Unemployed (UPS)**

Household Monthly Per capita income (Rs)	Percentage		
	Male	Female	Total
Below 400	28.16	19.86	23.36
401-600	14.56	15.60	15.16
601- 800	15.53	22.70	19.67
801-1000	9.71	13.48	11.89
1001-1400	6.80	14.89	11.48
1401-1800	4.85	4.26	4.51
1801 and above	7.77	2.84	4.92
Not available	12.62	6.38	9.02
Total	100.00	100.00	100.00

**Table 12: Distribution of the Occupation of the Head of Household of the Unemployed**

Occupation of Head of the Household/Main Earner	Percentage		
	Male	Female	Total
Casual employment	50.49	58.87	55.33
Regular employment	26.21	20.57	22.95
Self-employment	14.56	14.89	14.75
Others	8.74	5.67	6.97
Total	100.00	100.00	100.00

be higher in households where the head of the household is engaged in casual employment. The survey results bear this out, with more than 55 per cent falling in this category (Table 12). On the other hand, a low proportion of the unemployed belong to regular and self-employed households. The casual-employed households are poor compared with other categories. Thus we can establish a strong relationship between incidence of unemployment and the type of employment of the head of the household in Kochi's urban labour market.

## VI Unemployment and Migration

Of central importance in the labour marketing process is the mobility of labour, that is, shifting of human resources into and out of the labour force and among occupations, industries, geographic localities and labour sub-markets. These kinds of movements of workers embrace all processes whereby labour supply adjusts to changes in the level and composition of demand for labour. In an urban labour market characterised by excess supply, the natural process by which supply adjusts to demand is through migration. It is hypothesised that the excess supply of the educated young labour force in the urban labour market is being adjusted through a process of migration. In other words, due to severe unemployment, the educated young people were forced to migrate to other parts of India and abroad for employment.

The study reveals that most of the migrants from Kochi are young men. It is found that 81 per cent of the migrants belong to the age group 20-29. Information collected about their educational status reveals that 91 per cent belong to the educated category. Three categories of educated persons in our sample are those with an S S L C certificate, higher secondary, graduate and other higher qualifications.

We have collected information about the reasons for migration. In our sample, it is employment. In the case of outmigrants, except for one the cause of migration of all of them is employment. Thus the survey results suggest that employment is the cause of migration of almost all emigrants and outmigrants.

In order to study the trends in migration, we have collected yearwise information. The data show that migration during the second half of the 1980s and the first half of the 1990s was lower. On the other hand,

there has been a substantial increase in migration since 1996. It is found that of the total migrants, 63 per cent migrated from Kochi between 1996 and 1998.

Migration from Kochi is of two types, emigration and outmigration. Of the 30 emigrants in our sample households, all except one went to Gulf countries such as, UAE, Saudi Arabia, Kuwait and Qatar. One person went to Hong Kong. Among the 12 outmigrants in our sample, all but two migrated to Bangalore, Mumbai and various places in Tamil Nadu.

## Conclusion

The foregoing analysis may be concluded with the following observations. Kochi city has a high incidence of unemployment compared with other major cities in India. A characteristic of unemployment in the city is the high incidence of female unemployment. The problem of unemployment is basically the problem of youth, as 73 per cent of the unemployed belong to the age group of 15-24. The incidence of unemployment among the educated with secondary and higher secondary education is also very high.

The high rate of unemployment in the city may be attributed to many factors such as low growth of employment, structure of labour market characterised by informal and casual employment, casualisation of labour, low participation of women in economic activities, preference of educated youth for regular jobs, social factors discouraging participation of unemployed labour in economic activities and the recession experienced in Kerala since the second half of the 1990s. The high incidence of unemployment among the educated youth may be due to the large supply of an educated, young labour force leading to excess supply of labour on the one side and the small size and slow growth of the organised sector leading to a low demand for regular employment, on the other. The study results also show a relationship between higher incidence of employment and lower social background of employed persons indicating the caste to which they belong. The study also supports the relationship between low income and high incidence of unemployment. The study found that a high proportion of unemployed belonged to households with a low monthly per capita income. It is also found that a high proportion of unemployed belong to households where the occupation of the head of the household is casual

employment. The study also shows that due to severe unemployment the young and educated are forced to migrate to other parts of India and abroad for employment. [47]

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