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CAUSES OF YOUTH UNEMPLOYMENT: EMERGING ISSUE IN INDIAN ECONOMY

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Abstract:

India is developing largest democratic country in a world. Also India is one of the fastest growing economies in the world today. In India, 63% population in the working age group (15-59years) and is projected than in 2026, this will increase to 68.4%. Such a big labour force, if properly utilized can be proof as demographic dividend. But in India cannot properly utilize a big labour force so youth unemployment is going to be a challenge for the current economy in India. There are more than 6 crores well educated youth in India who are unemployed. Unemployment rate in India is reported by the India ministry of labour, they mention that in India the data of employment has first fallen, then risen and then fallen again. The present paper has focused on causes of youth unemployment, various types of unemployment present scenario and some possible measures have been suggested.

Key Words: Youth, Unemployment, Jobless, Labour force, Population.

Introduction: According to labour Bureau "Third Annual Employment & Unemployment Survey 2012-13" unemployment rate amongst illiterate youth is lower than educated youth. A comparison with the earlier report by labour bureau shows that the unemployment level has increased during 2012-2013 over 2011-2012. While unemployment rate among illiterate youth is lowest with 3.7 per cent for the age group 15-29 years at all India. Level in 2012-2013, the unemployment rate in the same category was reported at 1.2 per cent in the same category was reported at 1.2 per cent in 2011-2012 report.

Similarly, the unemployment amongst the graduate youth that happened to be at 19.4 per cent in 2011-2012 increased to 32 per cent during 2012-2013. International Labour Organization (ILO) has estimated that nearly 75 million youth were unemployed around the world and global youth unemployment rate is projected at 12-6 per cent. ILO has said in its recent report that the unemployment scenario in India over the last two years has been showing a rising trend. Going by ILOs latest estimates jobless rate could be 3.8 per cent this year. Every 6th person in the

world is an Indian and every 3rd poor person in the world is also an Indian. The statistics speak about the gravity of the problem of unemployment and poverty with demand and immediate. Keeping in view this fact, removal of unemployment has been mentioned as one of the objectives of all five year plans.

Meaning of Unemployment:

Unemployment is defined as by the bureau of labour statistics “as people who do not have job, have actively looked for the work in last four weeks and are currently.” Generally a person who is “willing and able to work” but is not getting the work is said to be unemployment.

Important Facts of Unemployment in India:

- If we consider the nature, most of the unemployment is structural.
- Unemployment is much higher in urban area than in rural area.
- In urban areas, male unemployment is lower than female unemployment rate.
- In rural areas female unemployment is lower than male unemployment rate.
- The youth age group of 18 to 25 is in largest number in total unemployment.
- Educated unemployment is much higher than overall other unemployment.

Objective of Study:

- To study the meaning and facts of unemployment in India.
- To study the various types of unemployment seen in India.
- To know the causes of youth unemployment in India.
- To suggest remedies on such problem

of unemployment.

Research Methodology:

The present paper is mainly based on secondary data. The information has to be collected by me from the books, internet, reference book, published data of World Bank report, Labour Bureaus and ILOs report on employment and unemployment survey is used for the analysis. Unemployment and rural unemployment. Apart from the above main categories, there are various types of unemployment which are prevailing in the country are discussed in following all these types are today challenging for Indian economy.

1) Voluntary Unemployment: When a person is not willing to work at the prevailing wage rate.

2) Frictional Unemployment: When a person is temporarily out of work while changing jobs.

3) Casual Unemployment: In industries, such as construction, catering, agriculture where worker are employed on a day-to-day basis, there are chances of casual unemployment due to short-term contracts.

4) Seasonal Unemployment: when a person engaged in an occupation does not get the work round the year, he is said to be seasonally unemployed.

5) Technological Unemployment: Due to introduction of new machines improvement in method of production of ten men threw out of the job. Such unemployment is called technological unemployment.

6) Cyclical Unemployment:

Unemployment which is associated with the movements of trade cycle i.e. boom and slump, inflation and deflation is called cyclical unemployment.

7) **Structural Unemployment:**

Unemployment which is associated with economic growth and development is called structural unemployment. It is caused by decline in demand due to change in taste & preference or due to any other reason.

8) **Disguised Unemployment:** When more than the required number of persons are engaged in a work, then the extra number of people so employed are said to be disguisedly unemployed.

Causes of Youth Unemployment in India:

1) **Inappropriate Educational System:** - India's education system does not develop human resources properly. It fails to train the people for the job consistent with present economic environment. As a result, even the highly educated people in India fail to get appropriate job. There is no correlation between education and employment as for as Indian planning is concerned.

2) **Lack of Human Resources planning:** - The employment planning of the government is not adequate in comparison to population growth. In India near about two lakh peoples are added yearly to our exiting population, but the employment opportunities did not increase according to the proportionate rate of population growth.

3) **Unawareness of Opportunities:** - There are several opportunities in various fields like pharmacy, retail

telecoms, service sectors and hotel management, hospitality etc. But people are not thinking broadly while they are choosing their degrees to study and while they are searching for the jobs. We need to grow out network in order to know the various opportunities around us and we need to diversify our skill, set to cope up with any kind of situation.

4) **Lack of Training Centers:** - The problem of unemployment's is due to lack of training centers for which everyone depends on other person for job. A person after completing 15 years of education can find a job, with clearly indicates education is the main reason if students involve in vocational studies like. T.V, mobiles, etc. repairing then will find own employments.

5) **Increase in Labour Force:** - Since independence India was witnessed a rapid increase in population. As a consequence labour force has also increased at a rapid pace.

6) **Shortage of Jobs:-** Limited jobs workers especially youth found themselves without jobs. The prevailing situation forced them either to option for unskilled or casual work in the informal sector. Many who could not afford to go for further education opted for self employment with extremely low returns

7) **Excessive Foreign Technology:-** In India there has been a pronounced liking for foreign collaborations, mostly package deals comprising technical services, consultancy, design and also equipment. This has brought technological unemployment in the economy which aggravated the problem.

8) Lack of Entrepreneurship:-In India most of the youth are schooled for taking up jobs and their mind set is turned mostly on getting a job. The pre-graduate level and graduate level do not focus on self employment. Added is the redtops which is stumbling block in the regulating bodies and government establishments.

9) Emphasis on Capital Intensive projects:- An increasing importance has been given to capital-intensive projects during the process of planning. In labour surplus economy use of automatic machines and other sophisticated equipment is not very justified as it has resulted in large scale unemployment in the country.

10) Slow Growth Process:- When a country grows, its production expands employment also expands. In India production has expanded and the economy has grown. As a result of this employment opportunities have expanded. But these opportunities were not adequate enough to solve the problem of unemployment. This has happened because the trend rate of economic growth was quite less the target.

Suggestions on Youth Unemployment:

- Appropriate macro policies are important for generating employment.
- Investments are important for higher growth which can improve employment if invested in labour intensive sectors.
- Improvements in skills and vocational training are needed.
- To reduce or control the growth rate of population.

- To adopt the modern methods of Agriculture.
- To arrange special employment programme.
- To well planning of Human resources.

Conclusion:

India is developing country the problem of unemployment is affecting day-by-day. Also above various reasons we can say that not only population explosion in the main factor of unemployment but also others factors too have its effects on unemployment .India ranks 24th and the jobless rate is 9.9 per cent. Therefore the above major steps should be taken in providing the job opportunities. Soon the dream of being a developed country will come true !

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