

UNEMPLOYMENT RISES IN INDIA

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[Joblessness](#) rose across urban and rural India in the week ended 25 July, data from the Centre for Monitoring Indian Economy (CMIE) showed, reversing the gains made just a week earlier.

While the national [joblessness](#) rate climbed to 7.14% from the previous week's 5.98%, rural unemployment took a sharp upward turn to 6.75% from 5.1%. In urban India, where economic activity has largely opened up, unemployment climbed marginally to 8.01% from 7.94%, staying above both national and rural figures.

To be sure, the unemployment scenario in July is relatively better than the previous three months when India battled the second wave of the coronavirus pandemic. Since the beginning of July, unemployment in urban India has stayed below 9%, and at the national level, it has remained under 8%.

In June, the monthly unemployment rate was 9.17% at the national level, 10.07% in urban India, and 8.75% in rural India. The progress of monsoon and the reopening of economic activity across formal and informal sectors have contributed to a comparatively better situation in July.

However, a 7% to 8% unemployment rate in the Indian labour market context is high, showing the stress in the job market.

During the second wave in April and May, India lost around 23 million jobs across formal and informal sectors as states and Union territories imposed strict lockdowns. But as the situation improved, June saw some rebound in work, especially in the informal space, and CMIE data had showed earlier this month that June saw the return of almost eight million jobs.

By the end of June, the number of people employed in salaried and non-salaried jobs in India went up to 383.28 million, up from 375.48 million recorded in May, showed the monthly data for June, released by the CMIE on 1 July.

The weekly CMIE data indicates that like June, July may also see addition of people to the labour market due to the improvement on the pandemic front.

However, a slower progress in kharif crop cultivation due to uneven rainfall in July has impacted the agriculture sector and its capacity to absorb people.

Total area under kharif crops stood at 72.14 million hectares so far, as against 79.18 million hectares in the corresponding period of kharif season 2020, reported PTI.

The government, however, does not use CMIE data nor has any official data to show the latest ground situation.

Experts and economists have been arguing that decent jobs are still missing, and their return will depend on the revival in economy, growth in consumption, and the pandemic situation.

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