

Unemployment rate lowest since 2019, workforce participation largely unchanged

Among States, unemployment rate is highest in Rajasthan and Kerala at 12.8% and 12.5% respectively, data shows

DATA FOCUS

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According to the latest Periodic Labour Force Survey quarterly bulletin released by the Ministry of Statistics Planning and Implementation, urban unemployment rate in the country between April and June 2022 was 7.6 per cent, 0.6 per cent lower than the last quarter of FY22. This was also lower than the pre-Covid times.

In the October-December 2019 quarter, urban unemployment rate was 7.9 per cent, which subsequently rose to 9.1 per cent and then 20.9 per cent during the beginning of the first wave of the pandemic. According to the government numbers, it has been falling since July 2021. While the unemployment among men is 5.7 per cent, it is 9.5 per cent for women.

This also corresponds with the Centre for Monitoring Economics data, which said that the average urban unemployment rate between April and June 2022 was 7.37 per cent.

Among the States, the unemployment rate is highest in Rajasthan and Kerala — 12.8 per cent and 12.5 per cent respectively — followed

by Uttarakhand and Odisha, where the urban unemployment rate is at 11.5 per cent each.

Labour force participation

As of June 2022, urban India's labour force participation rate (LFPR) was 37.2 per cent. This means of the people in the working age population; residing in urban areas, only 37.2 per cent are in the labour force. This number has been stagnant since October 2021.

However, it remained pretty much unchanged during the pandemic too. For instance, between April and June 2020, it was 35.9 per cent, but in the next quarter, it shot up to 37 per cent.

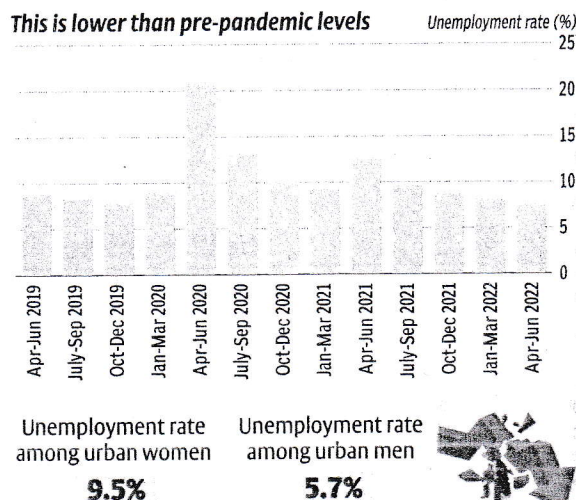
A closer look at the LFPR also shows a stark gender divide. While 57.2 per cent of urban men in the working age population are in the labour force, the proportion is a mere 16.4 per cent among women between April and June 2022.

Of the employed people in urban India, almost half of them have salaried jobs. At the same time, 39.2 per cent of them are self-employed. Among them, the proportion of employers dipped massively during the beginning of the pan-

Urban unemployment rate dipped between April and June

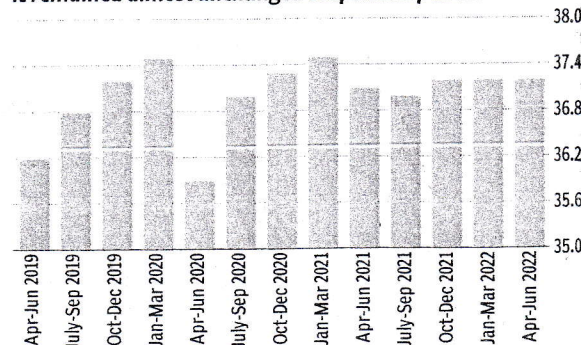
The urban unemployment rate in Q1 FY 23: **7.60%**

This is lower than pre-pandemic levels



India's urban labour force participation rate (LFPR): **37.2%**

It remained almost unchanged despite the pandemic



Source: PLFS Quarterly bulletins

demic, but then started picking up. From 20.9 per cent in the first quarter of

FY21, it rose to 32.9 per cent in the first quarter of the ongoing financial year.