

TWO ESSAYS ON EMPLOYMENT IN INDIA

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Abstract

India has the second largest labour force in the world and inevitably, understanding the employment dynamics of a demographically diverse working population is a complex undertaking. Using micro-data from several rounds of employment surveys, I analyse the overall dynamics of employment in India as well as develop a framework to understand structural composition of the working age population with significant policy implications.

The first chapter characterizes employment trends in India from 2004-2018 by abstracting away from the canonical lifecycle model of labour supply and disaggregating the working age population (20-59) to unpack labour market heterogeneities. While most of the existing evidence only looks at either the employed population or labour force participation, this chapter simultaneously explores both aspects of the labour market: changes in the overall structure of employment as well as the demographic composition. This adds a new dimension to the contemporary discourse on job creation and labour force participation, which have gained critical importance as the Indian economy recovers from the devastating effects of COVID-19.

The second chapter is focused on developing a person-centric latent class approach to classify females out of the labour force into homogeneous clusters that account for the vast heterogeneities in female characteristics. 6 latent classes are created to characterize female exclusion from labour markets and analyse the within-class as well as between-class variations across location, household consumption patterns and social groups. Findings indicate that despite the vast diversity, it may be easier to reintegrate women of specific typologies due to their particular labour market characteristics.