



Over-time change and socio-economic variation in employment of rural youths

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DOI: <https://doi.org/10.66856/ijssh.2026.8.2.8098>

Abstract

As we all know that youth are the future of the nation, they need employment opportunity for overall development. But the demand of employment sector has changed over the period due to change in education. To enter in to the changing job market youths have also changed their educational sector. So, the main objective of this study is to find out the over-time change in employment and its variation due to socio-economic change among rural youths. This study is based on secondary data obtained from NSSO 38th and 68th round. Statistical analysis i.e. overtime change and odd ratio are applied to draw the required inferences. It was found that there is a huge gap in proportion of youth workforce at early age which decreased with increase in age. The results of logistic regression analysis reveal that there has been overtime reduction in workforce participation among youths.

Keywords: Youth, over-time change, socio-economic variation

Introduction

Youth being the backbone of any nation, efforts have always been to strengthen the quality of youth in terms of aspects like education, skill development, and employment opportunities, providing required health care and other social development. This is more apt for India in the context of emerging opportunities to harness demographic dividend given the age structure transition which took place in the last few decades. In this aspect, all round development of a youth is important to supply quality workforce as an important input to reap fruits of demographic dividend.

The concern for youth is reflected through the formation of a separate Department of Youth Affairs & Sports in the year 1985. And the department came up with a comprehensive National Youth Policy in 1988 (GoI, 1988) [5]. The main focus of the policy has been creating opportunities so as to grow youth to their full capacity. Besides programmes and events through the Department of Youth Affairs & Sports, efforts have been from all ministries towards enhancing youth capabilities. In particular, main responsibility has been upon the ministry of education and it has been the top most priority since the time of independence. Another aspect to mention is employment opportunities. While availability of jobs is an urgent need for smooth transition from youth-hood to adulthood, early entry into the job market is considered to be a sign of inefficient use of youth power/resources. Early entry into the job market indicates the possibility of compromising a youth with getting proper education, skills, and underutilization of resources.

It is expected that there have been many forms of changes in youth's educational and employment status given the changes in socio-economic status and many policy initiatives taken in India. The country witnessed rapid economic progress along with reasonably impressive improvement in educational attainment. But the lesser known issue is how socio-economic development percolates into youth. In particular, what has been the form of changes in youth education and employment? The issues are immensely important to know in the context of future

development of the nation. It is also important, to assess what has been the change for the missing youth as identified in the foregoing chapter. This group is important for the development of youth in particular and development of the whole nation in general.

Literature Review

According to the World Youth Report (2003) [12], nearly 40 percent of youths were without work, and the rate of unemployment tends to two to three times higher than the adult population. Many young people find low paying temporary jobs. In almost all countries, youths are more prone to unemployment. In this matter females are more vulnerable as compared to males. Young people with advanced qualification, suitable education and vocational skills are likely to experience less vulnerability in terms of unemployment and can maintain their employability. In developing countries lack of skills, insufficient demand for skilled labour and other social factors remain underlying factors behind youth unemployment.

According to Geneva (ILO, 2016), the volume of unemployed youth was 71.0 million or 13.1 percent of total youths in 2017. This volume was found higher among the emerging countries with 53.5 million. Out of working youths around 38 percent were living in extreme poverty which is an alarming situation for the globe in particular for developing and underdeveloped countries. A wide gender gap also existed in labour force participation where the labour force participation rate for males and females were 53.9 percent and 37.3 percent respectively.

According to Mitra & Verick (2013) [8], poverty, and poor human capital endowment add to the indictments of youth transition to gainful employment. This led them to low-paid and indecent jobs. Youth unemployment is basically associated with complexity of the labour market and long duration unemployment resulted in poor job prospects, less out-put and income resulting in worse health outcomes, greater unhappiness and less contribution to the society (O'Higgins, 2015).

Youth unemployment is factored with individual and institutional factors. It has various socio-economic and individual factors like gender, education, nationality and region of living. Individual level of education along with institutional structure such as education system, labour market structure and aspect of demand-supply have a direct impact over employment and labour market output (Isengard, 2002)^[7].

A study was conducted to identify the determining variables of youth unemployment in Uganda (Egessa *et al.*, 2021)^[4]. It was found using a binomial logistic regression model that education, gender, place of residence and age are important variables to determine youth unemployment. Among these variables, education is the top most important variable.

Following the rise of youth unemployment in Turkey during the period 1991 to 2016, it was found that economic crisis, adult labour employment, level of openness and foreign direct investment were underlying factors for the youth unemployment. Other enlisted factors were lack of expertise and skill deficit (Sever & Igdeli, 2018)^[10].

A study conducted among urban youths in Guder town, Ethiopia found that sex, education level, marital status, skill deficiency and access to credit were significant factors for the youth unemployment. It was also found that there was a mismatch between the present education system and demand in the job market (Duguma & Tolcha, 2019)^[3]. Similarly, a study in Tanzania concluded that gender, geographical area, education, skill and marital status were significant to determine youth employment (Msigwa & Kipsha, 2013)^[9].

In India unemployment is a major challenge faced by youths. A large proportion of educated youths are found to be either unemployed or underemployed. Lack of social vocational training or quality of education are the major reasons in this country (Sinha, 2013)^[11]. This is embedded upon the institutional structure and policy frameworks which influence school education and different forms of vocational and training from the supply side (Biavaschi *et al.*, 2012)^[2].

Relationships between education and employment were found to be different across developed, developing and

underdeveloped countries. In developed countries youth with higher levels of education are more likely to get employed whereas in developing countries, youths with higher level of education are likely to be unemployed. In India, unemployment amongst educated youth accounts higher as compared to less educated youth. It is also found that technical education does not guarantee employment because a large number of technically educated youths are found to be unemployed (Bairagya, 2015)^[11].

Objective

To find out the over-time change in employment and its variation due to socio-economic change among rural youths.

Research Question

- What are the factors influencing in overtime change in employment of rural youths?

Methodology

Data source

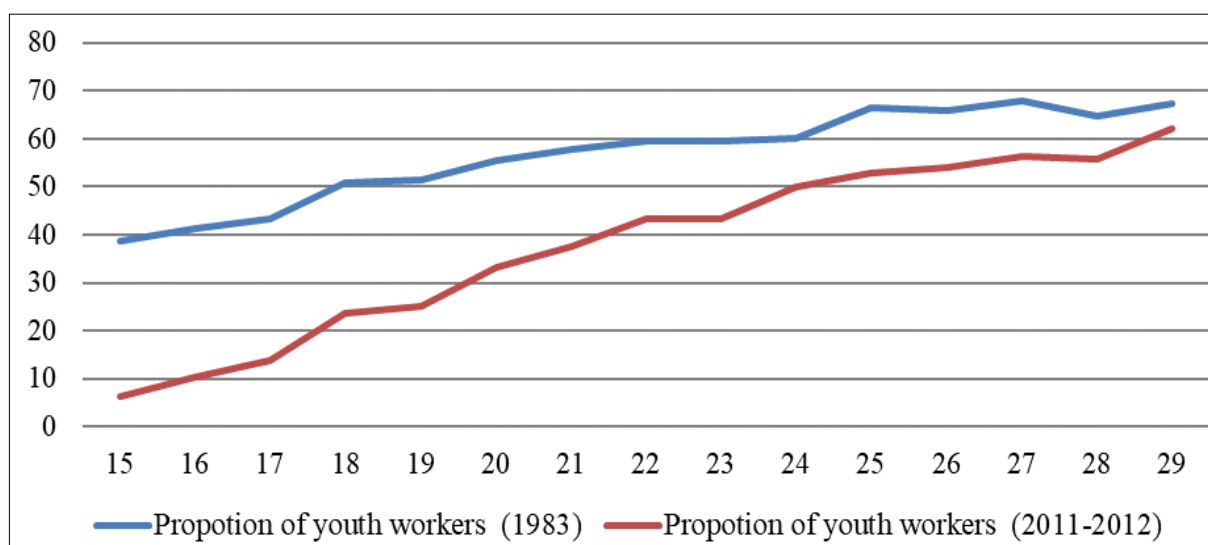
Data from NSSO 38th and 68th round are used for analyse the overtime change in employment of youth.

Statistical methods

Overtime change is computed and logistic regression model is applied to find out the influencing factors for overtime change.

Employment: Over-Time Change and Socio-Economic Variation

The overtime change in workforce participation has been marked for youths in rural India. The statistics for proportion of youths in the workforce accounts to 55.6 and 35.6 percent for the years 1983 and 2011-12 respectively. This change is observed for each age of youth. It, however, has been greater amongst the younger groups. It can be seen from the figure-1 that the gaps between the lines representing the proportion of youth workers for the years 1983 and 2011-12 reduces as one moves from age 15 to 29. As far as percentage change is concerned, the rate varies from 83.97 for age 15 to 7.87 percent for age 29 (Table-1).



Source: NSSO 38th (1983) and 68th round (2011-12)

Fig 1: Age-wise proportion of youth workers in the 38th and 68th rounds

Table 1: Proportion of rural working youths in 38th and 68th round and percent change over the period

Age of Youths	Proportion of youth workers (1983)	Proportion of youth workers (2011-2012)	Percent Change
15	38.7	6.2	-83.9793
16	41.4	10.5	-74.6377
17	43.3	13.7	-68.3603
18	50.9	23.7	-53.4381
19	51.5	25	-51.4563
20	55.5	33.2	-40.1802
21	57.7	37.6	-34.8354
22	59.5	43.4	-27.0588
23	59.6	43.4	-27.1812
24	60	50.1	-16.5
25	66.5	53	-20.3008
26	66	53.9	-18.3333
27	67.9	56.2	-17.2312
28	64.6	55.7	-13.7771
29	67.3	62	-7.87519

Source: NSSO 38th (1983) and 68th round (2011-12)

It is seen that the extent of change in youth workforce participation is associated with socio-economic status of a youth. In general, the change has been greater amongst lower socio-economic groups. It also has been greater among females as compared to males. It can be observed from Table-2 that the changes have been -43.9 percent, -36.6 percent and 34.2 percent for ST, SC and others correspondingly. The changes account to -33.9 percent for youths belonging to the household activity category of casual labour against -10.9 percent for the category of regular wage/salaried group. It accounts for -29 percent and -38.9 percent for literate and illiterates respectively. The percentage change accounts for -29.1 percent and -52.2

percent for males and females respectively. The workforce participation rate is found to have been reduced by the educational level of youths and head of the households. A greater percentage point decrease is found amongst the 'above secondary' level educated youths as compared to illiterate counterparts. The percentage for above secondary youths is -39.9 percent and -25.9 percent for illiterates. Similarly, the share of working youths has decreased by greater extent for above secondary educated household heads as compared to others. The percentage accounts to -35.8 percent for above secondary and -28.5 for 'up to secondary' level education of household heads.

Table 2: Proportion of rural youth workers in 38th and 68th round and percent change over the period by socio-economic indicators

Characteristics of youths	38 th round (1983)	68 th round (2011-12)	Percent change
Gender			
Male	77.0	54.6	-29.1
Female	34.3	16.4	-52.2
Education of youths			
Illiterate	59.7	44.2	-25.9
Up to secondary	51.3	36.3	-29.2
Above secondary	50.1	30.1	-39.9
Religion			
Hindu	57.2	36.7	-35.8
Muslim	45.6	32.0	-29.8
Christian	54.9	31.6	-42.4
Others	51.4	35.9	-30.2
Social Group			
ST	71.4	40.0	-43.9
SC	59.6	37.8	-36.6
Others	51.7	34.0	-34.2
HH Economic activities			
Self employed	49.4	35.7	-27.7
Regular wage/salaried	34.6	30.8	-10.9
Casual labour	64.6	42.7	-33.9
Other	54.7	12.1	-77.9
Education of HH Head			
Illiterate	61.8	43.2	-30.1
Up to secondary	48.8	34.9	-28.5
Above secondary	34.4	22.1	-35.8
HH Land holding			
Land less	60.4	40.2	-33.4
Marginal	54.5	35.3	-35.2
Others	57.4	35.6	-37.9
Total	55.6	35.6	-35.9
N	104776	74219	

Source: NSSO 38th (1983) and 68th round (2011-12)

Some change is also observed between the two time periods in the distribution of work patterns (Tables-3). The most important point is that there has been substantial increase for the proportion of work in regular salaried jobs. It has increased from the proportion of 8.3 percent to 14.9 percent

between the time periods. Again, there has been a marginal reduction from 33.7 to 29.1 percent for casual labour. The reduction has been from the percentage of 28.7 to 21.0 percent. On the other hand, the proportion for unpaid family work has increased from 28.6 to 33.2 percent.

Table 3: Percentage distribution of rural working youths by type of work in 38th and 68th round and percent change over the period

Type of work	38 th round (1983)	68 th round (2011-12)	Percent change
Worked in HH enterprise (Self-employed)	28.7	21.0	-26.8
Employer	--	0.4	--
Worked as helper in HH enterprise (unpaid family worker)	28.6	33.2	16.1
Worked as regular salaried/wage earner	8.3	14.9	79.5
Worked as casual labour	34.5	30.5	-11.6
N	58233	26445	

Source: NSSO 38th (1983) and 68th round (2011-12)

Result of Logistic Regression

The results of logistic regression analysis reveal that there has been overtime reduction in workforce participation among youths (Table-4). The odd of being in the workforce accounts for 0.78 for the year 2011-12 against the odd of 1 for the year 1983. The workforce participation and socio-economic status remained negatively associated for both rounds of data. For example, the odds of being in the workforce account for .76 for the marginal land holding

group, as compared to 1 for the landless group (based on pooled regression). Similarly, odds account to .73 and .63 for the household head's education level of 'secondary' and 'above secondary' respectively. As far as overtime change in socio-economic gradient is concerned, it has become steeper. In other words, the chance of not being in the workforce has increased overtime with the increase of education as well as economic status.

Table 4: Odds Ratio of being employed youths by age, sex, youth education, HH economic activities, household head education and land holding

Variables	38 th round	68 th round	Pooled data
Age of youths			
15-19	1.00	1.00	1.00
20-24	1.13***	1.34***	1.17***
25-29	1.610***	1.89***	1.66***
Sex			
Male	1.00	1.00	1.00
Female	.03	.04***	.04***
Youth education			
Illiterate	1.00	1.00	1.00
Up to secondary	.66***	1.10***	.73***
Above secondary	.65***	.87***	.68***
HH economic activities			
Self-employed	1.00	1.00	1.00
Regular wage/salaried	.49***	.98	.75***
Casual labour	1.76***	1.13***	1.51***
Other	1.09***	.17***	1.10***
HH Head education			
Illiterate	1.00	1.00	1.00
Up to secondary	.71***	.80***	.73***
Above secondary	.69***	.62***	.63***
HH land holding			
Land less	1.00	1.00	1.00
Marginal	.79***	.75***	.76***
Other	1.09***	.89***	.98
Round			.78***

Source: NSSO 38th (1983) and 68th round (2011-12)

(Note: Religion and social group variables are taken as controlled. ***Significant at P<0.01 level, **Significant at P<0.05 level and *Significant at P<0.10 level).

Conclusion

In conclusion it can be said that the proportion of rural youth in employment has definitely change over the period of time. This change is observed for each age of youth. It, however, has been greater amongst the younger groups. The

proportion of youth workers for the years 1983 and 2011-12 reduces as one moves from age 15 to 29. It is seen that the extent of change in youth workforce participation is associated with socio-economic status of a youth. In general, the change has been greater amongst lower socio-economic groups. It also has been greater among females as compared to males. Similarly, the share of working youths has decreased by greater extent for above secondary educated household heads as compared to others. The

results of logistic regression analysis reveal that there has been overtime reduction in workforce participation among youths. The workforce participation and socio-economic status remained negatively associated for both rounds of data. As far as overtime change in socio-economic gradient is concerned, it has become steeper. In other words, the chance of not being in the workforce has increased overtime with the increase of education as well as economic status.

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