



INDIA  
JOBS  
AND  
OCCUPATION  
TRACKER  
(I-JOT)



# Glossary

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**LFPR**

The **Labour Force Participation Rate (LFPR)** is the percentage of people in the working age population (15+ years) who are working, looking for work, or available for work.

**WPR**

The **Worker Population Rate (WPR)** is the percentage of people in the population who are employed.

**UR**

**Unemployment Rate (UR)** is defined as the percentage of people in the labour force, i.e., people in the working age population (15+ years), who are unemployed.

**GG**

**Gender Gap (GG)** is the difference between women and men (or female and male) in terms of their levels of participation, access, rights, remuneration or benefits.

**y/y**

Year-on-year

**q/q**

Quarter-on-quarter

**pp**

Percentage points

## Colour Labels

Overall

Male

Female

Improvement

Deterioration

## Key labour market indicators remain at all-time highs, but there are clear signs of loss in momentum in the labour market conditions

### Urban labour market is showing signs of a slowdown

Key labour market indicators – LFPR, WPR, and UR – remain at all-time high, but the change in LFPR has declined for three consecutive quarters and change in WPR has fallen for four straight quarters

### Gender gap in beginning to widen

One of the positive features of the post-covid labour market conditions is the secular decline in gender gap in LFPR and WPR, which has unfortunately been reversed since Q1:2024.

### A diverse job market, with an increase in LFPR for half of the economy, accompanied with a fall in the rest

Out of the 22 major states and UTs covered in I-JOT, LFPR increased in 12 states, indicating that the improvement, while broad-based, is not universal.

### Spatial disparity in wages across states in Urban India

There is a great degree of spatial heterogeneity in average monthly wages, with western and southern states earning higher than other regions in the country.

### Reduced working hours in Urban India

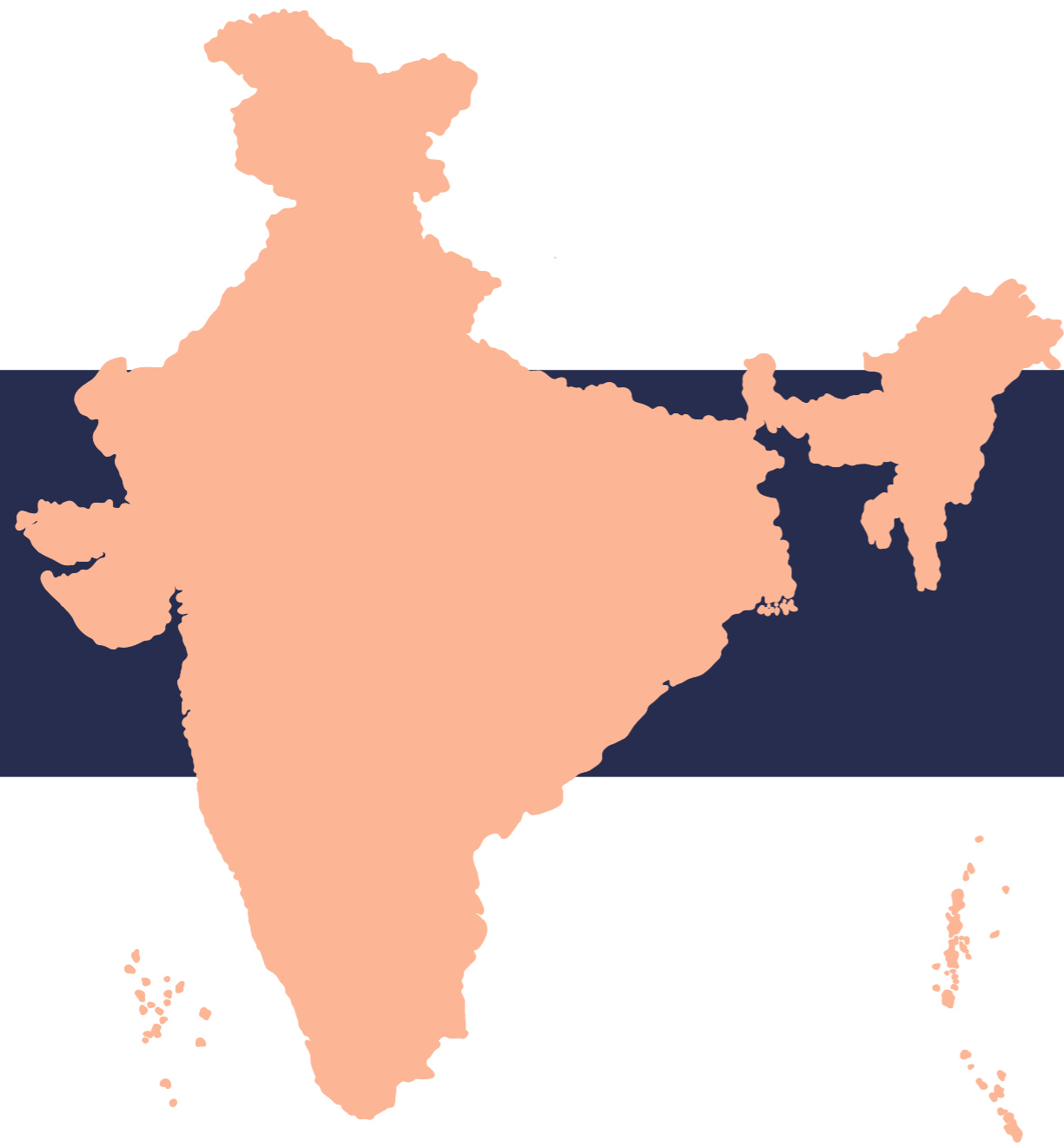
The average weekly working hours of individuals have fallen from approximately 55 hours in 2018 to 50 hours in 2024.

## Key labour market indicators are at an all-time high, but there are signs of a slowdown in the momentum

| Indicator                              | Q4:2024<br>(A) | Q3:2024<br>(B) | Q4:2023<br>(C) | q/q<br>change<br>(A-B) | y/y<br>change<br>(A-C) |
|--|----------------|----------------|----------------|------------------------|------------------------|
| Labour Force Participation Rate (LFPR) | 50.4           | 50.4           | 49.9           | 0.0                    | +0.5                   |
| (o/w) Female                           | 25.2           | 25.5           | 25.0           | -0.3                   | +0.2                   |
| Worker Population Ratio (WPR)          | 47.2           | 47.2           | 46.6           | 0.0                    | +0.6                   |
| (o/w) Female                           | 23.2           | 23.4           | 22.9           | -0.2                   | +0.3                   |
| Unemployment Rate (UR)                 | 6.4            | 6.4            | 6.5            | 0.0                    | -0.1                   |
| (o/w) Female                           | 8.1            | 8.4            | 8.6            | -0.3                   | -0.5                   |
| (o/w) Youth                            | 16.1           | 15.9           | 16.5           | +0.2                   | -0.4                   |

- Key labour market indicators – LFPR, WPR, and UR – remain at all-time highs, though their values remain unchanged between Q3 and Q4 of 2024.
- The female workers seem to be doing less well than their male counterparts, with change in female LFPR and female WPR deteriorating in Q4:2024.
- The changes (y/y) in Q4:2024 are all positive, but when compared to the corresponding numbers in the previous quarters (not shown here), there is a clear sign of loss in momentum in the labour market conditions (see slides 6-9)

|             |               |           |
|-------------|---------------|-----------|
| Improvement | Deterioration | No Change |
|-------------|---------------|-----------|

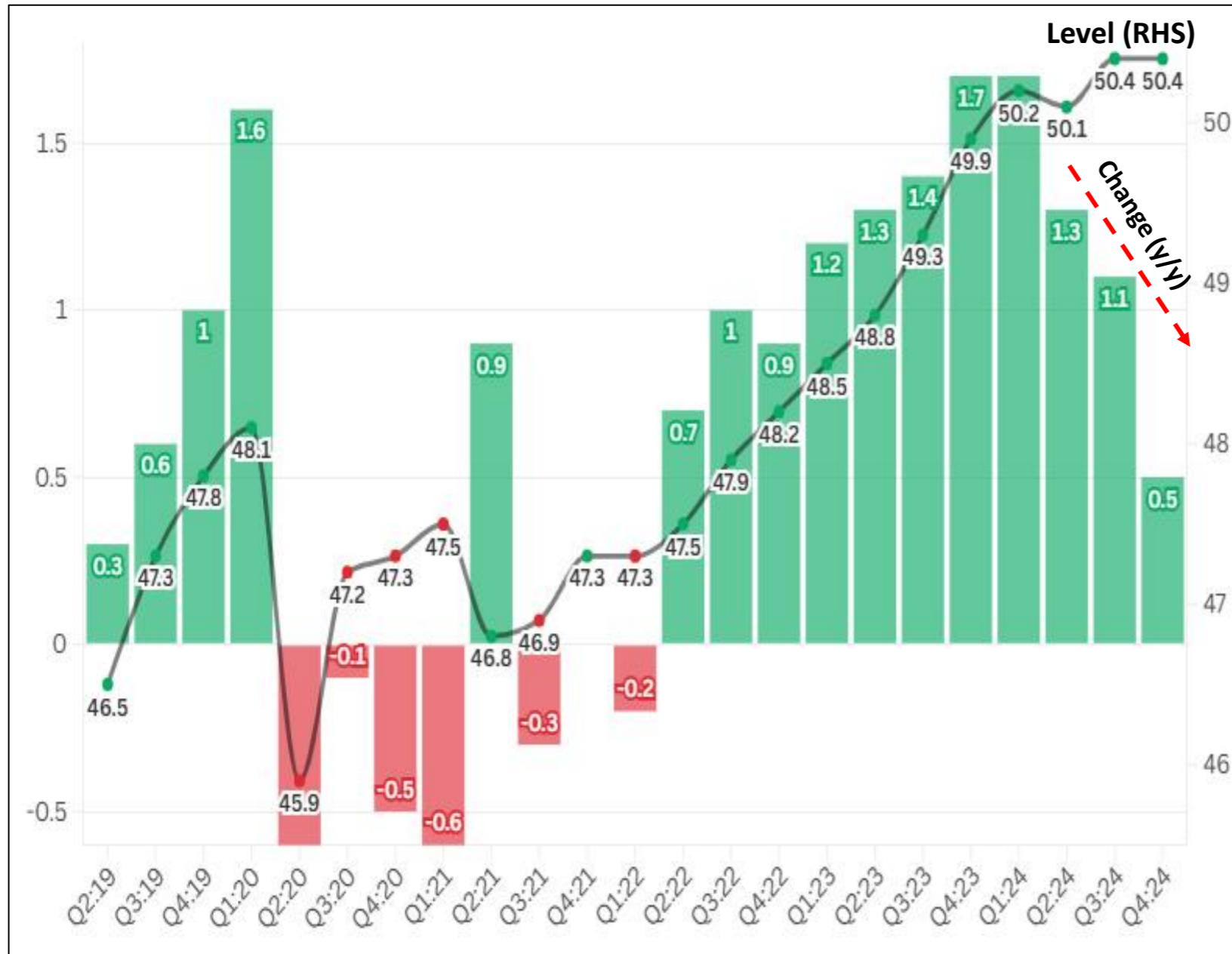


National Trends  
*(Urban India)*

# 1

India's urban labour market shows signs of cooling, with the change in participation rate declining for three consecutive quarters

Labour Force Participation Rate -- Level (in %) and Change (y/y) in percentage points (pp)



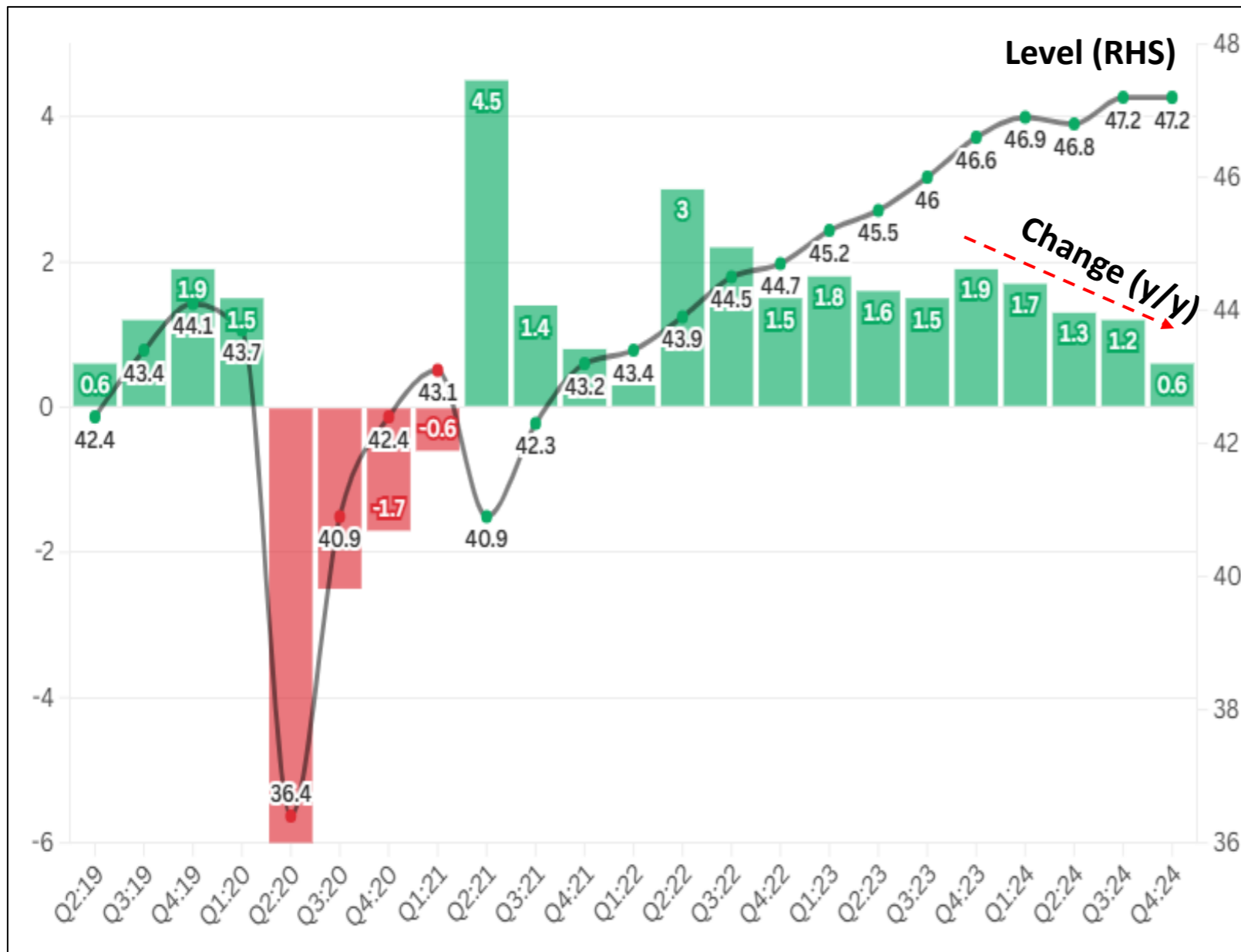
- Urban LFPR remained at an all-time high of 50.4% in Q4:2024, unchanged from Q3:2024.
- The change in LFPR (y/y) however seems to be losing momentum, with three consecutive quarters of decline – from 1.7pp in Q1:2024 to 0.5pp in Q4:2024.
- This slowdown in labour market conditions can be best understood as equivalent to a slowdown in GDP growth rate, because of the following correspondence:
  - LFPR ⇔ GDP (Stock)
  - Change in LFPR ⇔ GDP growth rate (Flow)

Source: ICRIER'S computation of PLFS

# 2

The loss of momentum is also visible in four straight quarterly decline in the change in worker-population rate (WPR)

Worker Population Rate -- Level (in %) and Change (y/y) in percentage points (pp)



Urban WPR remained unchanged at an all time high of 47.2% in Q4:2024.

While the level of WPR is high, the change in WPR (y/y) shows a clear sign of slowdown, with four consecutive quarters of decline – from 1.9pp in Q4:2023 to 0.6pp in Q4:2024.

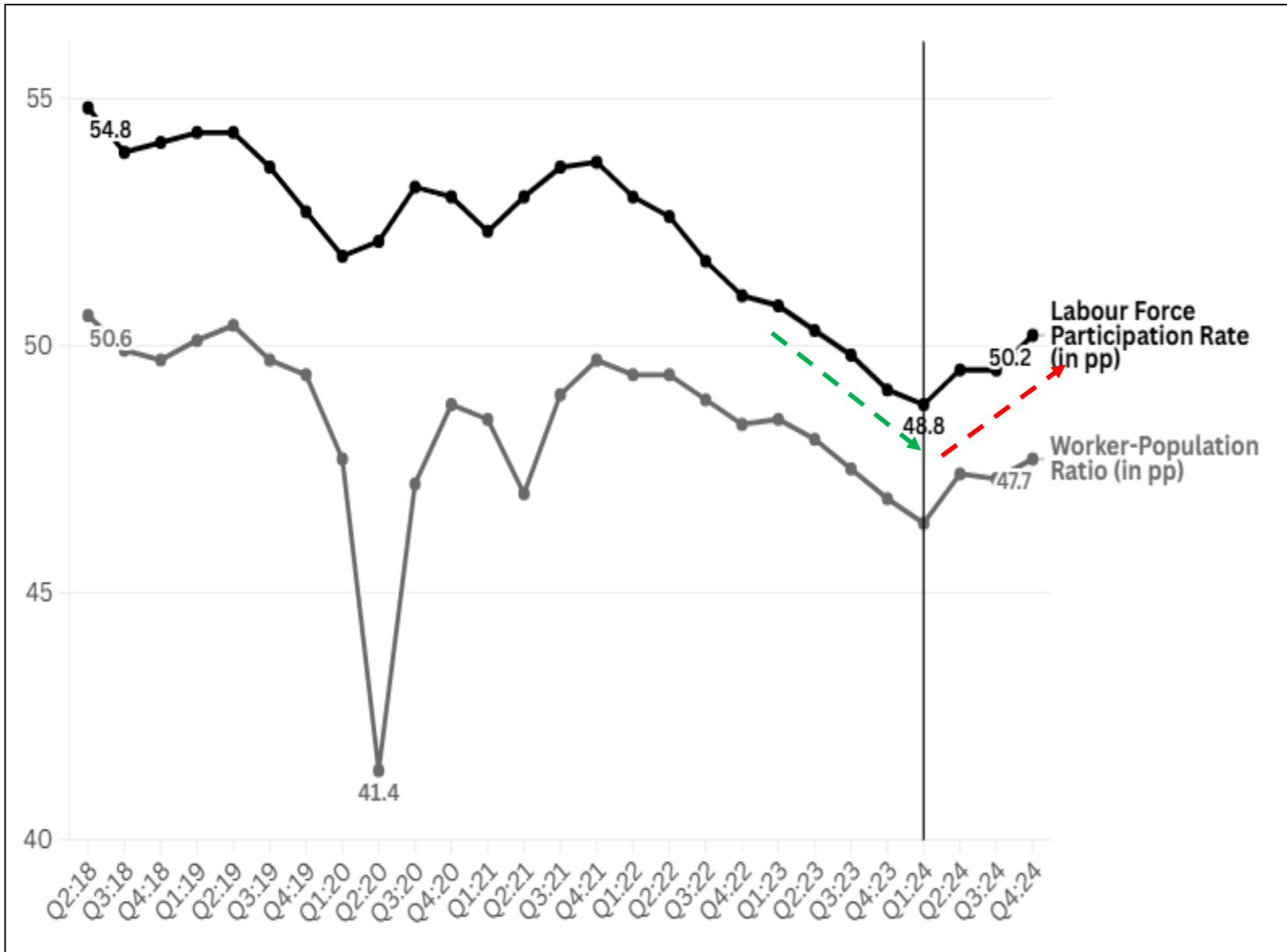
The decline in the change in LFPR and change in WPR imply that both supply and demand sides may be slowing down simultaneously.

Source: ICRIER'S computation of PLFS

# 3

The sluggishness in the labour market seems to have affected female workers more adversely than male, resulting in a widening of gender gap

Gender Gap (male rate minus female rate), in pp



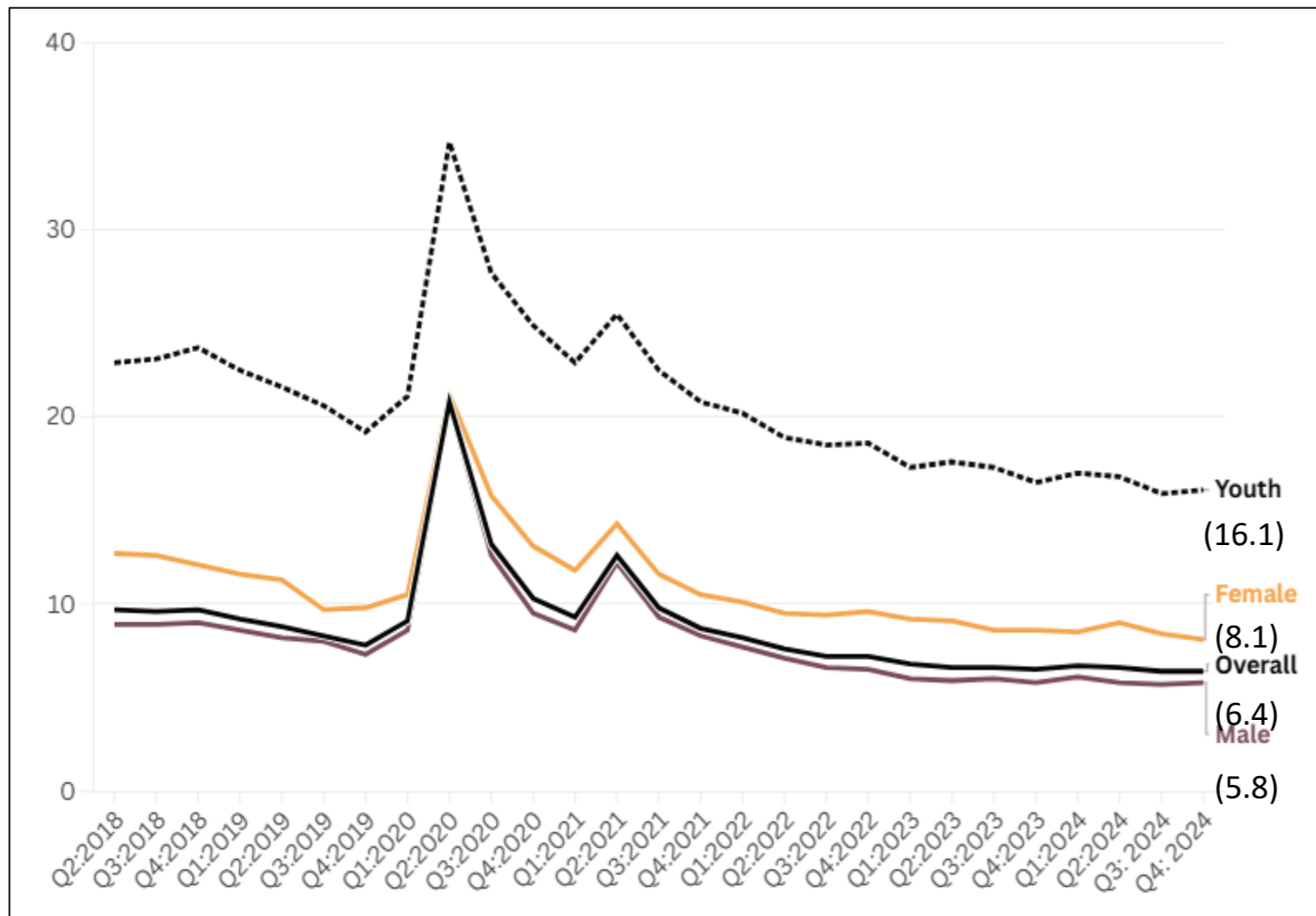
Source: ICRIER'S computation of PLFS

- One of the positive features of the post-covid labour market conditions is the secular decline in gender gap – both for LFPR and WPR -- falling for nine consecutive quarters, from Q4:2021 to Q1:2024.
- This pattern has been reversed in the past three quarters with gender gap in both LFPR and WPR rising between Q1:2024 and Q4:2024.
- The reversal in gender gap is perhaps temporary, as businesses tend to let go the women workers before dismissing male workers during periods of slowdown.

# 4

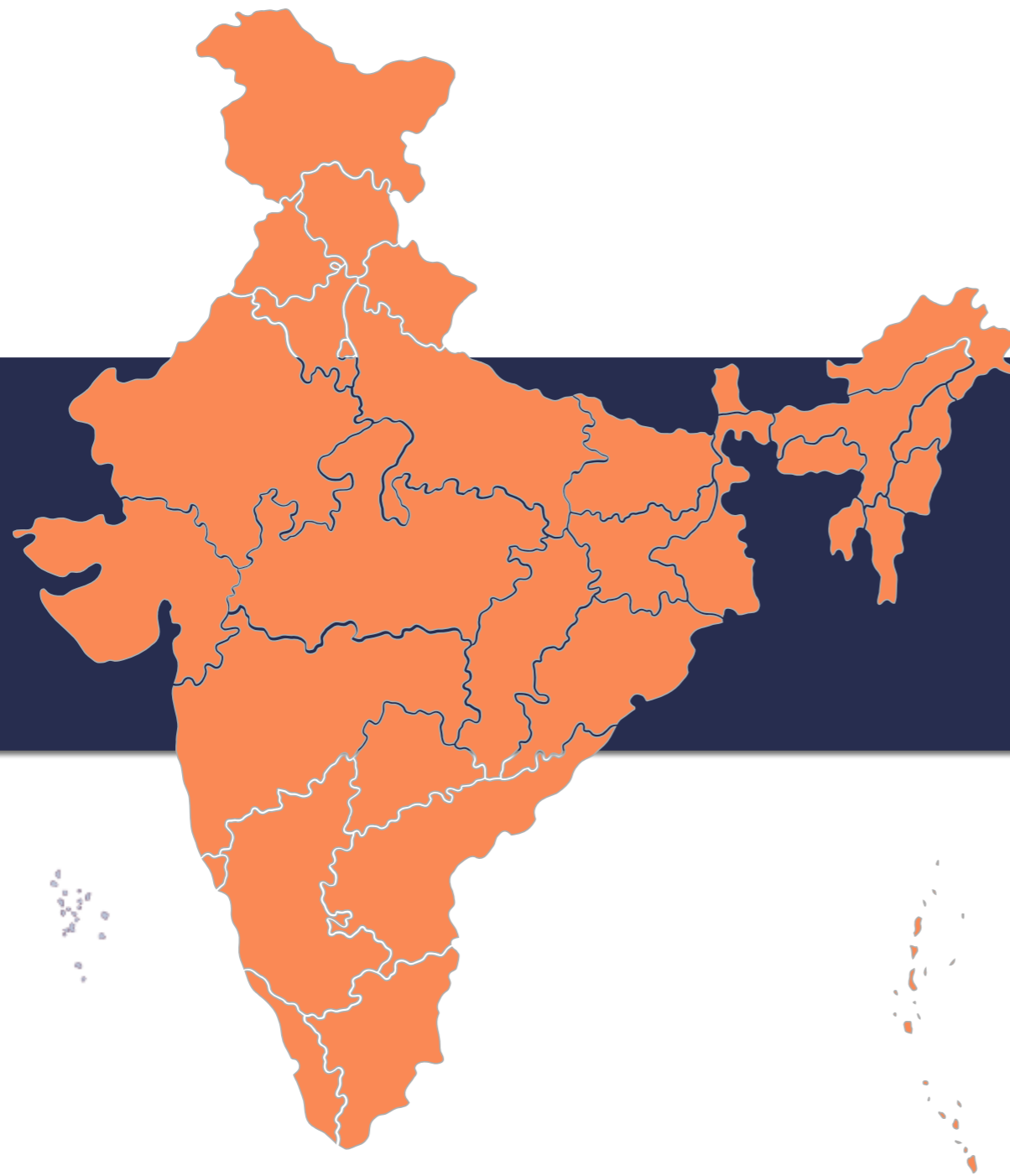
## Unemployment rate continues to decline, though the magnitude of decline for youth and female workers have lagged the overall rate

UR between Q2:2018 & Q4:2024, in %



Source: ICRIER'S computation of PLFS

- The unemployment rate (UR) continues to decline, albeit at a slower rate.
- The biggest decline has been in female UR, which fell to an all-time low of 8.1% in Q4:2024 from 8.6% in Q4:2023.
- Despite the improvement, the UR among youth is 2.5X and that of the among female workers is 1.3X that of the overall UR.

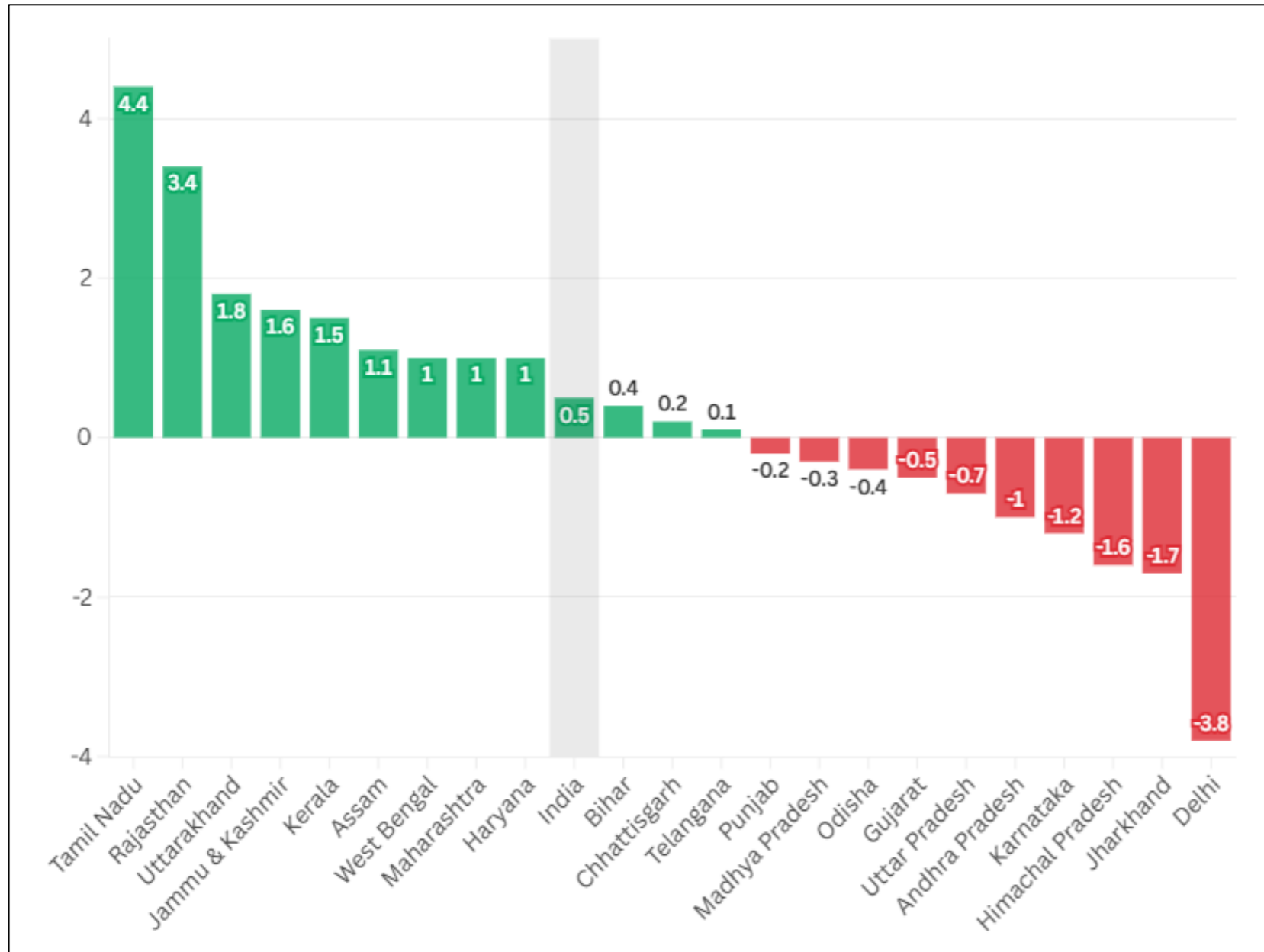


## State-level Trends *(Urban India)*

# 6

While labour force participation increased in 12 states, it declined in ten, pointing to the diverse job market situation in the country

Change in LFPR between Q4:2024 and Q3:2024 in percentage points (pp)



Out of the 22 major states and UTs covered here, LFPR increased in 12 states, indicating that the improvement, while broad-based, is not universal.

The top five states with the largest increase in LFPR in Q4: 2024 (y/y) are: Tamil Nadu (4.4 pp), Rajasthan (3.4 pp), Uttarakhand (1.8 pp), Jammu and Kashmir (1.6 pp), and Kerala (1.5 pp).

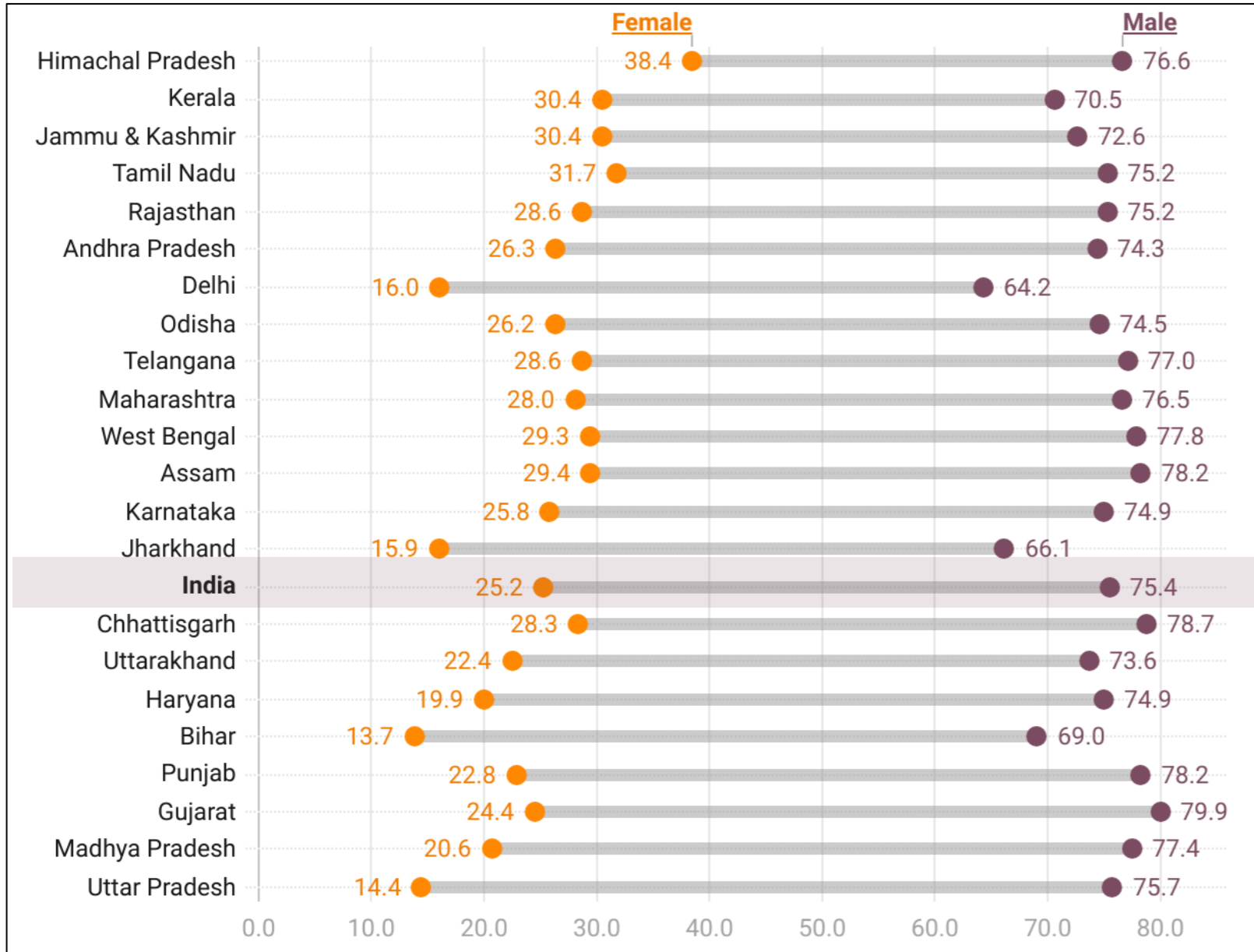
The top five states with the largest decrease in LFPR in Q4: 2024 (y/y) are: Delhi (3.8 pp), Jharkhand (1.7 pp), Himachal Pradesh (1.6 pp) Karnataka (1.2 pp), and Andhra Pradesh (1.0 pp).

Source: ICRIER'S computation of PLFS

# 7

Gender gap in LFPR increased in Q4:2024, compared to the last quarter.

State-wise gender gap in LFPR (%) in Q4:2024



Source: ICRIER'S computation of PLFS

➤ The overall gender gap in LFPR is 50.2 percentage points in Q4:2024, which is higher than 49.5 percentage points recorded in Q3:2024

➤ The states with the largest gender gap in LFPR are: UP (61.3 pp), MP (56.8 pp) and Gujarat (55.1 pp).

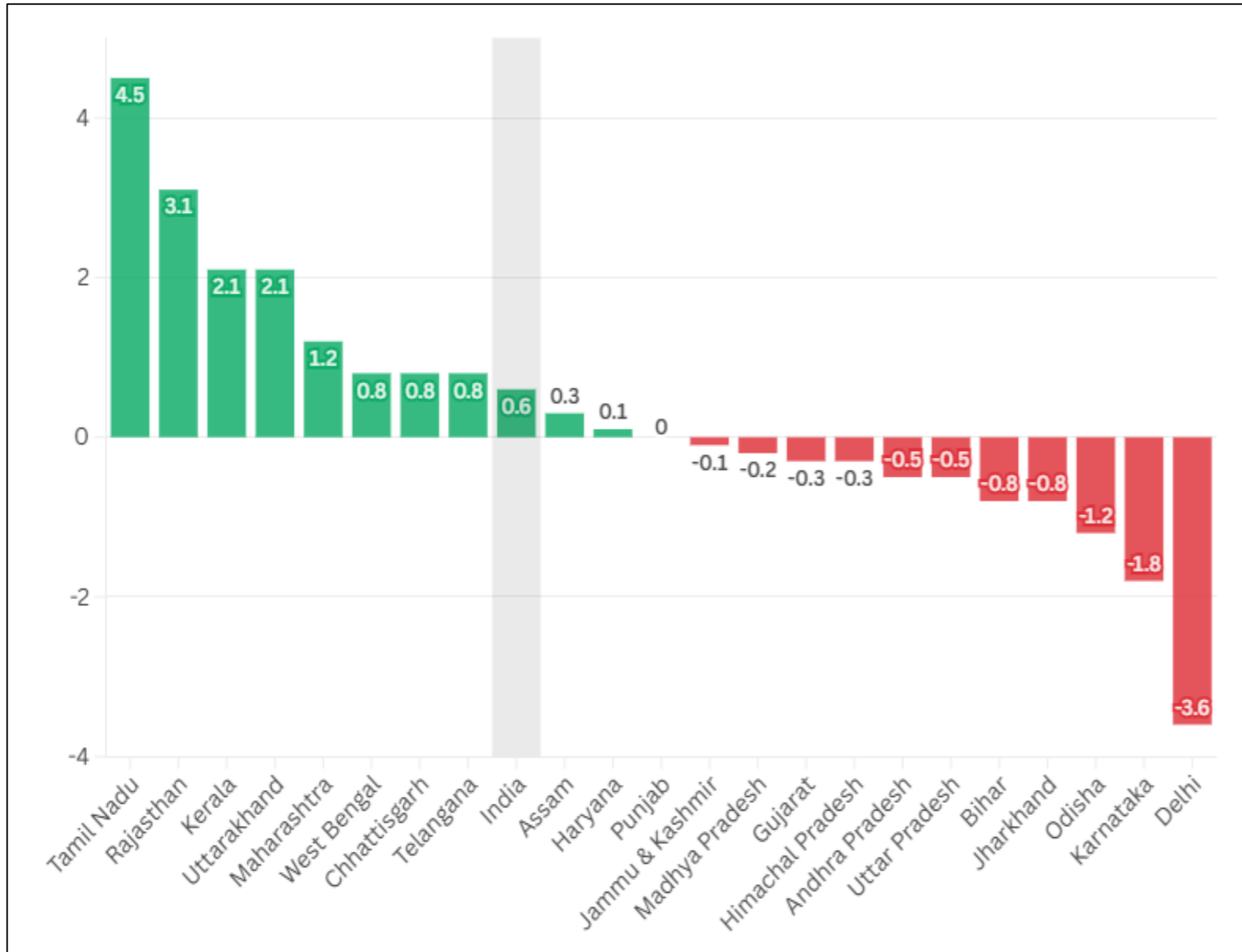
➤ The states with the lowest gender gap are: HP (38.2 pp), Kerala (40.2 pp), J&K (42.2 pp).

➤ The five states with lowest female LFPR in urban areas are: Bihar (13.7%), UP (14.4%), Jharkhand (15.9%), Delhi (16%) and Haryana (19.9%).

# 8

The WPR increased in 11 states, and fell in 11 states in Q4: 2024, indicating the diversity in the job market

Change in WPR between Q4:2024 and Q3:2024 in percentage points (pp)



➤ Out of the 22 major states and UTs covered here, WPR increased in 11 states, indicating that jobs are being created in only one half of the economy

➤ The top five states with the largest increase in WPR in Q4, 2024 (y/y) are: TN (4.5 pp), Rajasthan (3.1 pp), Uttarakhand (2.1 pp), Kerala (2.1 pp) and Maharashtra (1.2 pp).

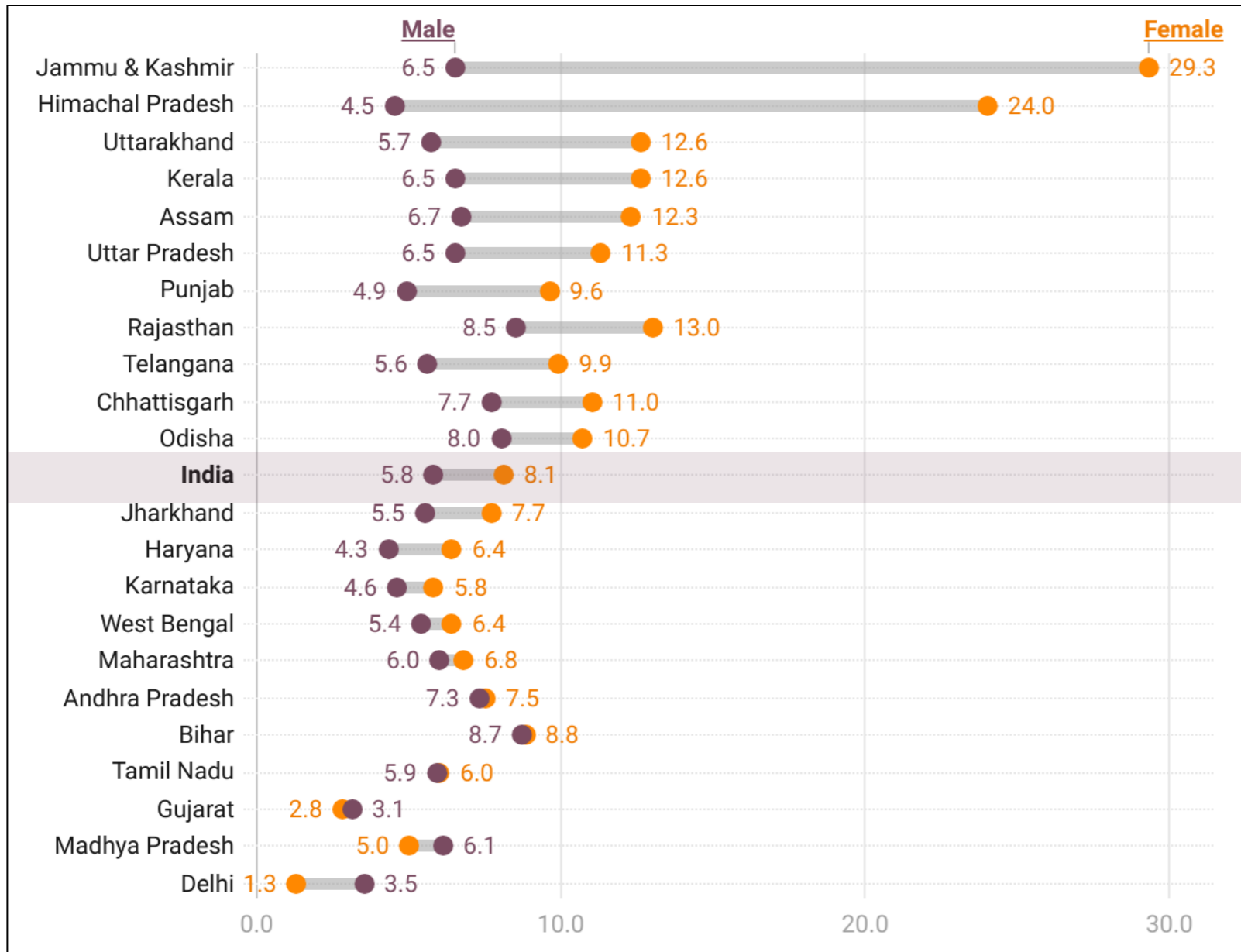
➤ The bottom five states with the highest decrease in WPR are: Delhi (3.6 pp), Karnataka (1.8 pp), Odisha (1.2 pp), Bihar (0.8 pp), and Jharkhand (0.8 pp).

Source: ICRIER'S computation of PLFS

# 10

The gender gap in unemployment has reduced, with unemployment falling for both men and women compared to the last quarter

State-wise gender gap in UR (%) for ages 15 and above: Q4: 2024



Female unemployment rates are higher than male unemployment rates in 19 of the 22 states. The exceptions are Gujarat, Delhi and MP.

The gender gap in unemployment has declined since the last quarter (Q3:2024) from 2.7 pp to 2.3 pp..

Delhi, Gujarat, and MP have the lowest gender gap in UR, while Jammu & Kashmir, Uttarakhand and Himachal Pradesh record the highest.

Source: ICRIER'S computation of PLFS

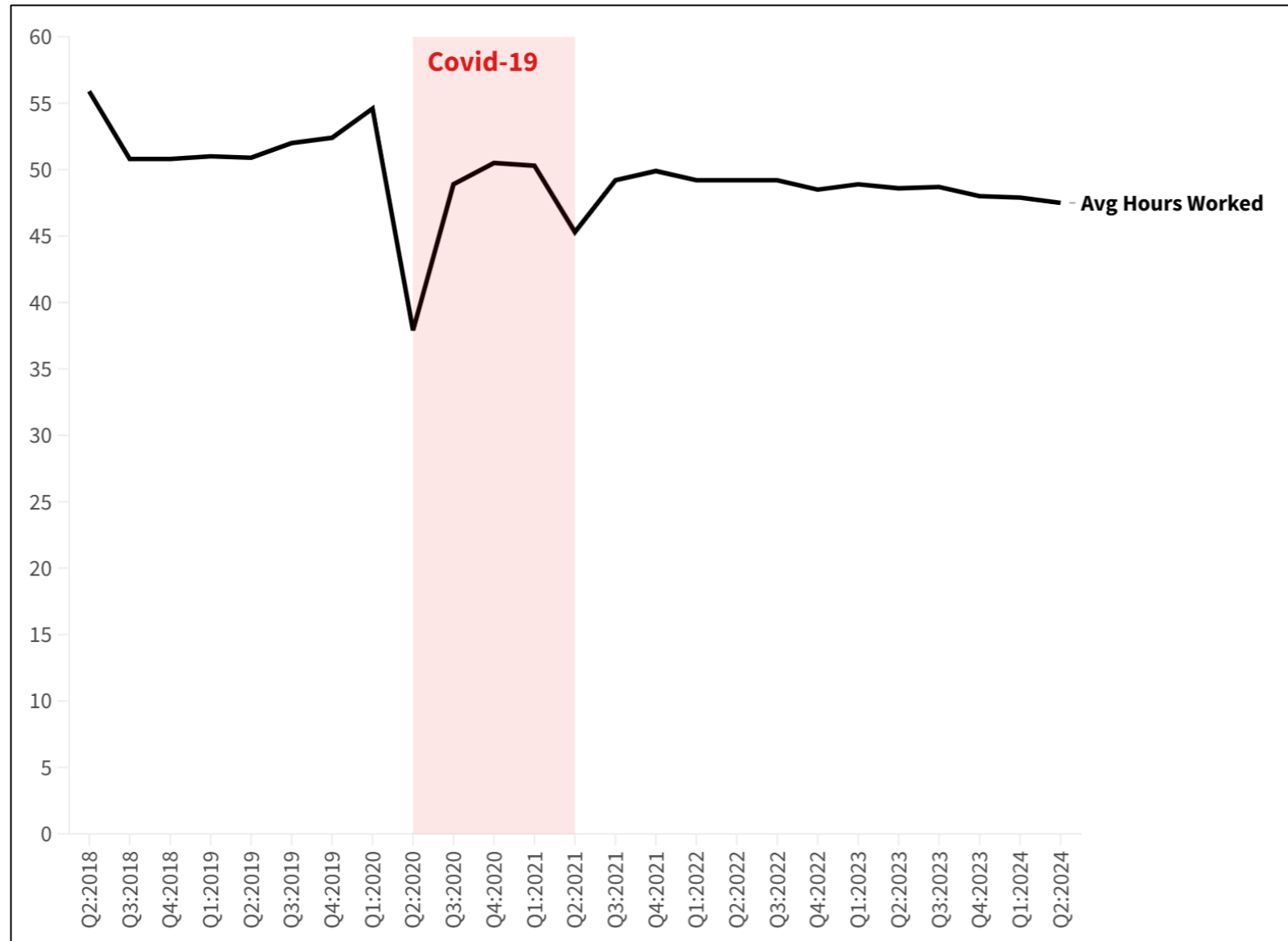


## Hours and Wages in Urban India

# 11

## The average hours worked per week in Urban India is now below 50 hours

Trend in weekly hours worked in urban India from Q2:2018 to Q2:2024



➤ The average hours worked in a week has fallen from 56 hours/week in Q2:2018 to 47 hours/week in Q2: 2024

➤ The average hours worked per week reached its lowest (37 hours/week) in Q2:2020, due to the pandemic

➤ Post Covid, the average hours worked weekly has declined and remained significantly below the pre-covid levels.

Source: ICRIER'S computation of PLFS

# 12

Salaried and self-employer workers are clocking in more hours than casual labourers.

Trend in weekly hours worked by employment type from Q2:2018 to Q2:2024

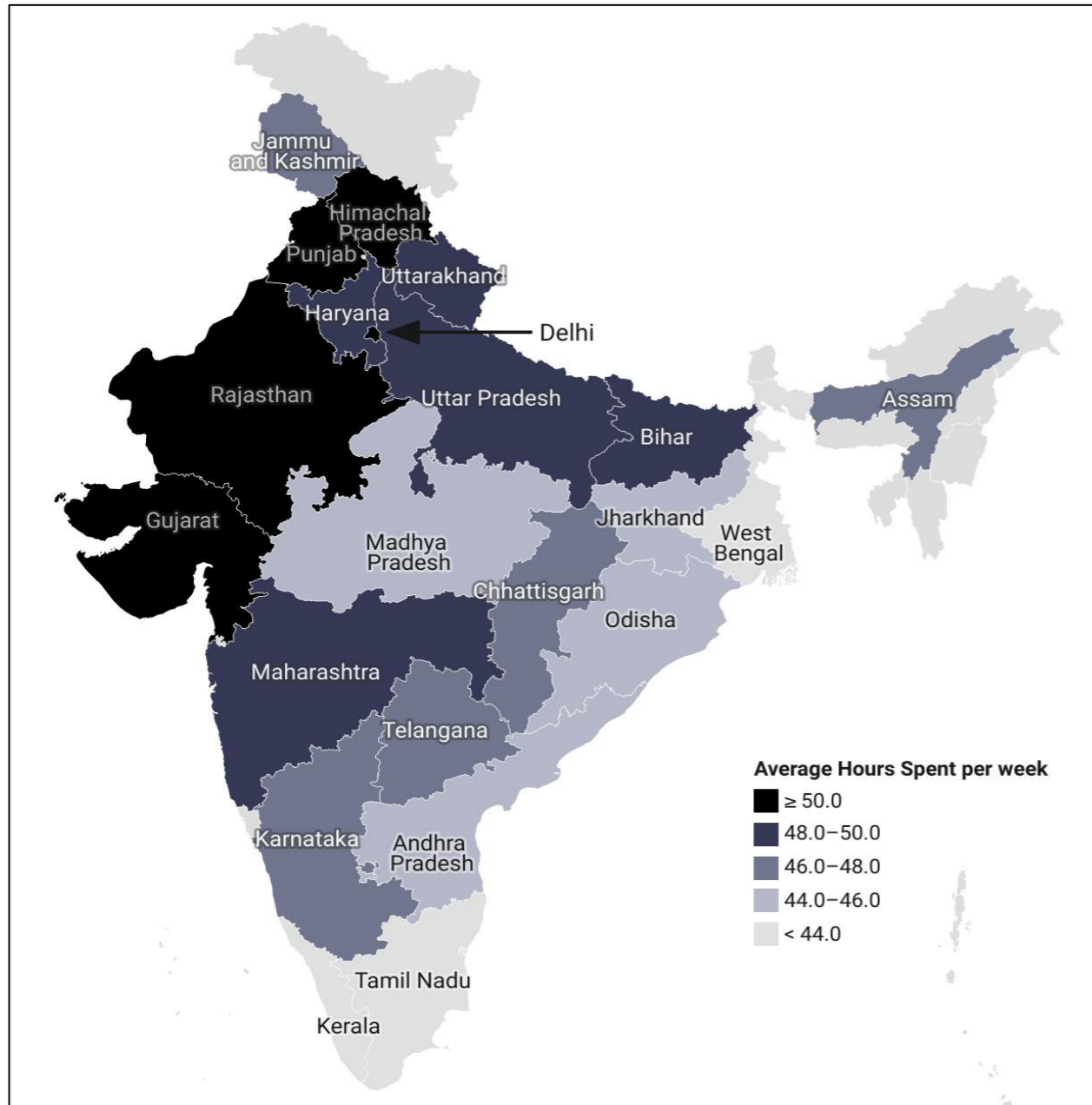


Source: ICRIER'S computation of PLFS

# 13

## Individuals in Northern and Western India work for longer hours than people in other parts of the country

State-Wise weekly hours worked in Urban India (Q2:2024)



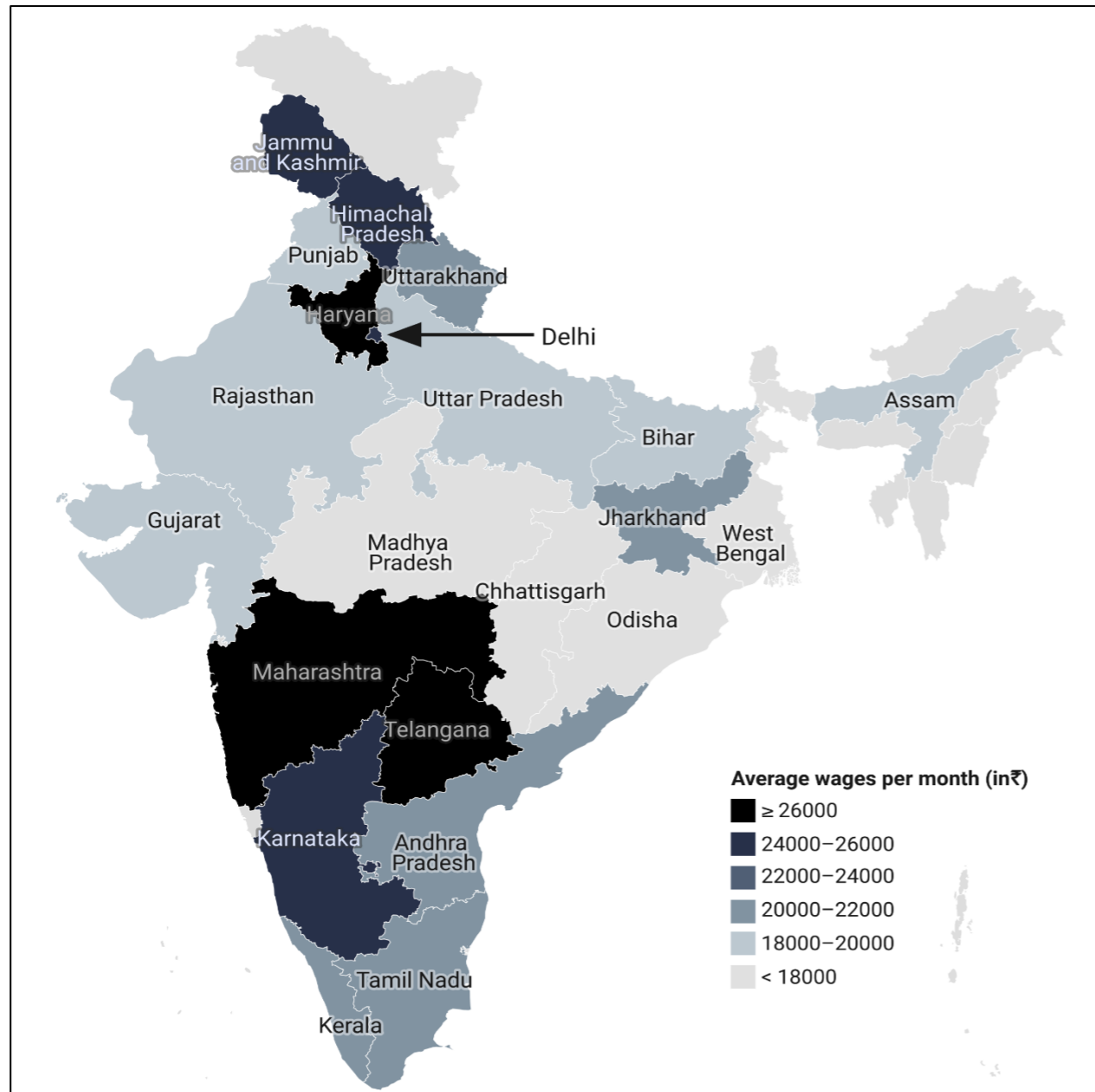
- The average hours worked in a week in Q2: 2024 is higher for states in Northern and Western India.
- The average hours worked in a week in Q2: 2024 is the lowest in Kerala (48 hours/week) and the highest in Delhi (62.3 hours/week)

Source: ICRIER'S computation of PLFS

# 14

## Nominal Monthly Wages are the highest in Southern and Western India, and the lowest in Central and parts of Eastern India

State-Wise Nominal Monthly Wages in Urban India (Q2:2024)



➤ The average nominal monthly wage in Q2: 2024 is higher for states in Southern and Western India, than in other parts of India

➤ The average nominal monthly wage in Q2: 2024 is the lowest in Chhattisgarh (INR 16,561) and the highest in Haryana ( INR 28,509)

Source: ICRIER'S computation of PLFS

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