

Employment Situation in Mumbai: An analysis

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Abstract

The liberalization and globalization policies of the Indian government since 1991 have resulted in many changes in the Indian economic scenario. This paper examines the employment situation in the city of Mumbai, the commercial and financial capital of India. The migration into the city has always been one of the main factors for the city's population growth, a pattern that sustains despite the city shifting its activity from the manufacturing sector to the services sector. Using the Census of India data relating to the period 1961-2001 (the next decadal headcount is now underway; in that sense, the Census data is 'dated'. This is also a constraint profiling a precise contemporary picture), and the latest available information from National Sample Survey of 2007-08 the changing pattern of employment and workforce in the city during last 20 years is sought to be presented. The differences in industrial and occupational profile of workers in terms of their gender, age and migration are analyzed.

Over a period of time, there has been a notable loss of employment, of nearly fifty per cent of the workers who were unemployed reported lack of work in enterprises or area, with closure as main reason for their being unemployed. The proportion of employment in the manufacturing sector declined from 41 per cent in 1961 to 20 per cent in 2001 but increased in the trade and commerce sector by 18 per cent and 33 per cent respectively. Another major change observed is the increase in the self-employed workers as compared to regular wage and salaried jobs. The census data reveals that work participation rate of males declined by 5 per cent while the women work participation rate was more than double that at nearly 12 per cent during 1961-2001. As per the Economic Census (2005) the number of non-agricultural establishments increased by 18 per cent but employment in such establishments declined considerably by 17 per cent.

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INTRODUCTION

Mumbai, prior to 1995 known as Bombay, is the country's pulsating, economic, cosmopolitan, prosperous cities and the administrative centre of one of the Indian states, Maharashtra. Mumbai is spread over 438 sq km, and is the most populous city with 11.9 million people enumerated in 2001 though the census currently underway, it is estimated, could indicate a population of between 14 million to 15 million. Mumbai, being the commercial and economic nerve centre as opposed to New Delhi, the political and national capital of the country, is also host to the entertainment industry. The people of Mumbai are mostly recognized as being hard working.

The rise of Mumbai is remarkable in the sense that it was once a set of seven small islands inhabited by mostly traditional fisherman. In the late 18th and by the middle of the 19th century, introduction of the railway network put the city at the centre of the country's trade and commerce and the consequent emergence of the port as a pivotal activity, rendered it truly the first Indian city to go international. In early 19th century, due to the flourishing textile industry led it to be likened to Manchester, as textile and textile-related employment a major sustainer of its economy. But this ceased to be so by the 1980s because of a notoriously long strike by a militant trade union. Textile industry which was once main source of livelihood to thousands of workers coming from all over country now a thing of the past, the shambles have now been reclaimed as real estate underpinning the growth of the services sector. In the early eighties, the decline of manufacturing industries, especially the downfall of the textile industry, triggered the emergence of various territory sector activities. It is a major component of the city's economy now. The globalization and liberalization policies of the Indian government in the early nineties also helped to secure this changed profile of the city.

The main purpose of this paper is to analyze the emerging trends in the employment-unemployment situation in Mumbai, economic contribution to the state's economy and differences in employment pattern of migrants and non-migrants.

Data Sources

In India, the Census and the National Sample Survey (NSS) provide detailed information relating to employment and unemployment in the country. The present paper uses the data from the decennial censuses of India from 1961 to 2001, and the various NSS rounds conducted since 1987. It includes the latest data from the 64th round conducted during 2007-08. Indian census is conducted every ten years since 1881 and includes information on every individual's demographic details and information on the work, type of work, whether industrial, and occupational details of their work. Similarly NSS provides much more detailed data collected from sample households about their type of work, days of work, wages earned by regular employees and the casual workers. NSS data can also be used to examine difference between the

migrant and the non-migrants in terms of type work performed, their categories and occupational patterns.

Mumbai Population and Migration component

According to the Census, 2001, the population of the city¹ was enumerated to be 11,978,450 persons, roughly about 1 per cent of the total Indian population. The population of Mumbai is growing much faster than any other city in the country. Since 1961, the population has been growing at the rate of between 1.8 million to 2 million every decade (Table 1). As per projected population estimates for 2011, the city might provide residence to nearly 14 to 15 million persons. The constraint of non-availability of land, of being hemmed in by sea on its three sides, has limited its geography and imposed severe strain on the city which are seen in inadequate to poor housing, its infrastructure's inability to keep pace with the demand, etc. World Bank actually sees the city as having reached the inflection point for decline. Since the 1980's planners have developed newer areas in the areas adjoining it in Thane District in a bid to decongest Mumbai but they continue to add daytime loads on it, rendering the new cities more or less into dormitories. One of the main ironies of this most prosperous of the country's cities is that it houses more than half of its population (54 per cent) in slum areas which are highly congested, devoid of basic civic services and more importantly, absence of tenure to their dwellings. This population is mostly excluded from planning. They find it hard even to open a savings bank account.

Migration has always played a significant role in population growth of Mumbai city since beginning of century though their share as a proportion has declined now. In the early decades of the 19th century, Mumbai was mainly growing due to migration (Table 1). The 'natural increase' component (the difference in birth minus death data) was almost negligible till 1941. The decade of 1951-61 recorded a nearly neat balance between migration and natural increase. Since 1961 migration's contribution started declining but given the base effect, the absolute number continue to be higher. Migration's contribution in the intercensal decade of 1991-2001 to the total population was around 39 per cent while the contribution by natural increase was 61 per cent. It may be remembered that many migrants in the later decade started settling with their families and their children born in the city were categorized as the non migrants. Since the 1980's, adjoining areas started growing faster for, being in close proximity to Mumbai, many settled there and commuted to work in Mumbai though some areas of late do provide jobs. In 1991-2001, nearly 650,000 persons moved from Mumbai to Thane District while only 20,000 moved

¹ Mumbai is a complete urban area and divided into two administrative areas known as Mumbai and suburban Mumbai district from 2001 and its political, economic life is governed by one civic body – Municipal Corporation of Greater Mumbai, to work for welfare of its population in term of providing all basic amenities and collecting revenues from city population.

from Thane to Mumbai district. The population growth of adjoining areas thus eased the population on Mumbai.

Table 1: Components of Population Growth in Greater Bombay by decades; 1901-2001 (in '000)

Decade	Total Population Growth (in '000)	Natural Increase	Net-Migration	Percentage share of	
				Natural Increase	Migration
1901-11	221	-129	350	-58.37	158.37
1911-21	231	-168	399	-72.73	172.73
1921-31	18	-58	76	-322.22	422.22
1931-41	402	4	398	1.00	99.00
1941-51	1194	243	951	20.35	79.65
1951-61	1158	558	600	48.19	51.81
1961-71	1818	947	871	50.50	49.50
1971-81	2274	1203	1071	60.42	39.58
1981-91	1682	1400	282	83.23	16.77
1991-2001	2053	1254	799	61.08	38.92

Source: Singh (2007), p. 317

Table 2 shows the distribution of migrants who came from the other areas from within Maharashtra, of which Mumbai is the capital, areas outside Maharashtra and from outside the country. During last fifty years, the level of migration has declined from 64 per cent to 43 per cent of the population. The immigrants' percentage shows consistent decline from nearly 3 per cent to less than one per cent. The most notable feature of migration is the decline in percentage of migrant coming from other areas of Maharashtra and the increase among migrants from other distant states due to better transport and communications. In 2001, nearly two third of the population reported as being born outside the state and one-third as within state.

Table 2: Percentage of Lifetime Migrants in Greater Mumbai District 1961-2001

Type of Migrants	Census year				
	1961	1971	1981	1991	2001
Total Population (in '000)	4152	5971	8243	9926	11978
Migrants percentage	64.24	56.48	51.3	37.31	43.29
A. Within state migrants percentage	26.75	23.48	21.67	15.34	16.19
B. Others States within country migrants percentage	34.09	30.70	28.13	21.11	26.48
C. International Migrants percentage	3.37	2.3	1.51	0.79	0.62

Source: Source: Singh (2007), p. 318. Migrants are based on place of birth concept.

Migration in India is triggered by mostly economic and social reasons. Nearly 62 per cent of male migrants to Mumbai reported employment and business-related reasons while nearly 80 per cent females said they moved because of marriage and / or that they accompanied their family members. Employment as being the main reason was reported much higher among migrants of rural origin as compared to those coming from other urban areas. Similarly people from other states reported higher percentage of employment as the pull than from within state. The

economic opportunities provided in Mumbai and its outgrowth areas have always acted as the pull factor for migrants from all over country. The other main urban cities/centre of Maharashtra state such as Pune, Nashik and Nagpur also attracted sizeable migrants from within as well other states.

Employment Scenario

Census of India defines work as participation in any economically productive activity with or without compensation, wages or profit. From 1981 onwards, the census the workers are divided into two categories as 'main workers'² and 'marginal workers'³. The reference period to determine a person as worker or non-worker is one year and population in the age group 0-4 years is treated as non-workers⁴. In 2001, nearly 57 per cent male population was determined to be workers while female participation rate was merely 13 per cent. Examining the trend in work participation it can be observed that the female participation has increased from 9 per cent in 1961 to nearly 13 per cent in 2001 while for male it has declined from 62 per cent to 57 per cent.

Table 3: Work Participation Rate in Mumbai, 1961-2001

Census Years	Total Workers			Work Participation Rate		
	Male	Female	Total	Male	Female	Total
1961	1540861	145807	1686668	61.73	8.81	40.62
1971	2005728	192370	2198098	57.66	7.72	36.82
1981*	2579978	322221	2902199	55.45 (0.59)	8.97 (0.41)	35.21 (0.51)
1991*	3007332	492010	3499342	55.08 (0.76)	11.02 (0.52)	35.25 (0.65)
2001*	3764550	699698	4464248	56.87 (2.59)	13.06 (01.32)	37.27 (2.02)

* *Main and Marginal Workers, figure in bracket shows per centage of Marginal Workers to total population. Persons in the age-group 0-4 years have been treated as 'Non-workers'*

Source: Census of India, 1961 to 2001.

Another interesting facet seen in Table 3 is that the proportion of marginal workers has increased significantly in the Census 2001 compared to less than half in 1981 and 1991 for both male and female in Mumbai. The increase in female participation rate could be due to generation of employment opportunities in the tertiary sector such as banking and commerce activities which are more women-friendly. The work participation rate in slum and non-slum areas was found

² Main workers are those workers who had worked for the major part of the reference period (i.e. 6 months or more)

³ Marginal workers are those workers who had not worked for the major part of the reference period (i.e. 6 months or more)

⁴ non workers category includes students, persons engaged in household chores like cooking, looking after children, aged, pensioners after retirement and not engaged in any economic activity and beggars, vagrants, prostitutes, etc.

very similar at 56.3 and 57.4 for male and 11.4 and 14.9 for female, respectively. The marginal worker rate was higher among slum dwellers than non-slum dwellers.

In India, NSS generates three different estimates of employed (or workforce) based on three approaches - usual⁵, weekly and daily status. Table 4 indicates the employment rate based on principal and subsidiary status in the last 20 years with corresponding figure for urban India. In Mumbai, employment rate is little better than urban India rates for both male and female. However, in early 1990's the rate in employment rate in Mumbai was little lower than urban India.

Table 4: Number of persons usually employed per 1000 persons aged 15 years and above according to principal and subsidiary status by sex during 1987-88 to 2006-07

NSS rounds	Male		Female	
	Mumbai	Urban India	Mumbai	Urban India
64 th	797	761	203	185
61 st	786	763	267	227
55 th	753	752	174	197
50 th	773	768	221	223
43 rd	733	769	188	225

Source: Computed from respective NSS rounds

The workers are categorized into three broad groups as self employed⁶, regular salary/wage employees and casual labourers (Table 5). Out of total male workers, nearly 60 per cent reported being regular salaried/wage workers in Mumbai while self-employed workers were around one third. The female workers' proportion was much higher among regular employees during last 20 years as per data from various NSS rounds. The trend in employment pattern in Mumbai seems better in terms of providing regular and wage/salaried employment as compared to other urban areas in the country. The casual labourer percentage was much lower in Mumbai as compared to urban areas in the country. However, it may be important to note that the casual labour percentage in Mumbai increased significantly after 2000. This change implies that regular job opportunities have declined in the last 10 years and more and more people are getting employment as casual workers. One should remember that increase in casual wage labour employment also might be due to increase in real estate activities which demands more and more casual labour.

Based on data from NSS rounds in 2004-05, the other cities in the state such as Pune and Thane reported higher percentage of regular wage/salary male workers as compared to Mumbai while for female regular employment rate remain high in Mumbai compared to other cities of state.

⁵ Usual status is measured into two parts - principal and subsidiary status. Principal status is determined based on longer time spent in the activity while subsidiary status relates to economic activity performed with shorter time during the reference period of 365 days.

⁶ Self employed persons are those engaged in household enterprise as own account worker, employer and unpaid family members.

The difference in employment rate based on weekly and daily status it is possible to estimate underemployment. In Mumbai during 2004-05 the underemployment was much less as compared to other Class I cities. The trend in underemployment indicates that Mumbai situation remains better than in the other cities during since 1987-88, the underemployment rate varied between 5 to 10 per thousand for males and 4 to 14 per thousand for females. This probably shows that Mumbai is always able to provide some employment to people.

Table 5: Usually Employed (per 1000) aged 15 years and above by status of employment

NSS Round	Male			Female		
	Self-employed	Regular Salaried	Casual Labour	Self-employed	Regular Salaried	Casual Labour
Mumbai						
64 th	336	589	75	242	663	95
61 st	403	517	80	292	689	19
55 th	292	679	31	259	690	52
50 th	352	654	21	276	692	32
43 rd	324	628	48	305	631	64
Urban India						
64 th	425	424	152	355	436	209
61 st	449	407	144	471	361	167
55 th	415	418	166	452	335	213
50 th	415	425	160	446	293	261
43 rd	415	439	146	467	280	253

Source: Computed from unit records data of respective NSS round

Unemployment Situation

At the all-India level, according to NSS 64th round, unemployment rate⁷ was found to be 81 per thousand based on current daily status. On the basis of principal usual and weekly status it was much lower at 22 and 42 (NSS, 2010). Unemployment rate in urban areas on the basis of CDS approach was a little lower (74 per thousand) as compared to rural areas rate of 84 per thousand. In Mumbai, unemployment rate for persons of age 15 years and above was found lower than urban India (Table 6). The trend in unemployment rate based on last 20 years shows that the situation has improved for male population after the year 2000 as compared to before that. However, it may be noted that female unemployment rate was higher in Mumbai in comparison to male as well in urban India.

⁷defined as the number of persons/person-days unemployed per 1000 persons/person-days in the labour force (which includes both the employed and unemployed). Unemployment rate are computed based on three criterion – Usual principal and subsidiary status, weekly status and current daily status.

Table 6: Unemployment rates aged 15 years and according to usual, weekly and current daily statuses

	Male			Female		
	Usual (adjusted) ⁸	Current Weekly	Current Daily	Usual (adjusted)	Current Weekly	Current Daily
Mumbai						
64 th	25	41	62	83	121	116
61 st	31	65	75	53	66	69
55 th	68	77	85	117	124	136
50 th	53	57	60	71	83	93
43 rd	81	93	98	96	119	126
Urban India						
64 th	37	41	68	53	54	95
61 st	38	52	74	70	91	117
55 th	44	56	73	57	72	92
50 th	40	52	68	63	87	109
43 rd	51	66	87	63	93	124

Source: Computed from unit records of respective NSS round

In 2004-05, the unemployment rate in other Class I cities was found to be highest for males in Patna (11 per cent), followed by Pune, Vadodara and Bhopal (6 per cent each). For females, unemployment rate was highest in Patna (18 per cent), followed by Bangalore (14 per cent) and Kolkata (10 per cent). The unemployment rate in adjoining Thane District had fallen sharply in 2004-05 compared to 1999-2000 for both males and females.

Industrial Distribution of Workers

Workers' occupational distribution shows clear shift from manufacturing industry to trade and commerce during last five decades, 1961-2001 (Table 4). Their share in the manufacturing sector started declining since 1981 from 41 per cent to 36 per cent in 1991 and 29 per cent in 2001. Workers in trade and commerce increased from 18 per cent in 1961 to nearly 33 per cent in 2001. The decade 1991-2001 recorded the highest increase of 8 percentage points in trade and commerce industry. Similarly, construction industry workers increased nearly two times from nearly 3 per cent to 6.5 per cent in 2001. The fifty years' trend show clear shift to service sector. The gender-wise difference is also clearly visible; men dominate in manufacturing industry other than the household industry, trade and commerce and transport and storage while female were over-represented in other services such as education, medical care, etc., and household industry.

Table 7: Trend in the distribution of workers by Industrial in Greater Mumbai, 1961 to 2001

⁸ Usual adjusted rate includes principal usual and subsidiary activity

Industrial activity	1961	1971	1981	1991	2001
1. Agricultural	1.89	1.26	1.38	0.84	1.12
2. Manufacturing - HH industry	1.36	1.33	2.49	1.48	3.12
3. Manufacturing - other than HH industry	39.46	40.96	38.91	35.31	25.67
4. Construction	2.66	3.05	3.35	4.24	6.41
5. Trade and Commerce	18.01	22.36	21.80	24.90	32.9
6. Transport and storage	11.22	10.78	10.04	11.32	12.11
7. Other services	25.39	20.27	22.02	21.91	18.65

Note: Trade and commerce include wholesale-retail trade, hotel-restaurants and financial-real estate activities

Migration and Employment situation

As mentioned earlier, migration has always played significant role in Mumbai's economic growth. The emergence of port and railway activities in Mumbai attracted hoards of migrants to city. Table 8 indicates the distribution of migrants and non-migrants according to the employment status. Among males, the percentage of the migrant employed was nearly 15 per cent higher than the non-migrants while among the females, non-migrants exceed female migrants. Usually higher male migrants employed rate is due to the fact that they come in search of work and agree to take any available work while non-migrants delay starting to work to acquire better education and skill for work. Similarly many non-migrant women either did not want to work or do not find suitable work.

Table 8: Distribution usual principal activity of migrant and non-migrant population aged 15 and above years by sex

NSS years	Migrant				Non-Migrant			
	Employed	Unemployed	Non-Workers	Total	Employed	Unemployed	Non-Workers	Total
Male								
2007-08	87.5	0.9	11.6	100.0	72.4	3.2	24.4	100.0
1999-00	84.5	2.5	13.0	100.0	65.7	8.8	25.5	100.0
1987-88	84.0	2.7	13.3	100.0	62.8	10.2	27.0	100.0
Female								
2007-08	15.5	0.7	83.9	100.0	24.0	2.7	73.3	100.0
1999-00	12.5	0.6	86.9	100.0	21.5	4.0	74.5	100.0
1987-88	12.8	0.5	86.7	100.0	17.9	3.4	78.6	100.0

Note: Computed from raw data of various NSS rounds

The details of working population and non-workers are shown in Table 9 separately for male and female and migrants *versus* non-migrants in Mumbai. It clearly emerges that nearly one-fourth of male migrants are involved in self-employment working in household industries as own account

workers as compared to non-migrants (12.6 per cent). Male non-migrants exceed by about twice the migrants among self-employed employer and the unpaid family workers. Male migrant workers as regular salaried and wage-employee also exceed non-migrants by about six per cent. Among non-migrants males above 15 years of age, higher percentage reported attending educational institutions and also little higher percentage as looking for jobs. Among females, regular employees' percentage exceeds that of migrant women as well as attending educational institutions. This explains the reported higher percentage of non-workers among non-migrants. Nearly 81 per cent migrant and only 57 non-migrant women are found in domestic work – which is generally housekeeping chores for a wage in employers' homes. NSS data of 1987-88 shows a similar pattern among migrants and non-migrants as well as difference by gender except that a little higher percentage of male migrants were working as regular salaried employees declined and among non-migrants increased over years.

Table 9: Distribution of Employed, unemployed and Non workers based on Usual Principal Activity status of Migrant and Non Migrant aged 15 years and above, Mumbai

	Male			Female		
	Migrant	Non Migrant	Total	Migrant	Non Migrant	Total
1. Self Employed - Worked in H.H. enterprise as own account worker	22.66	12.59	17.44	2.83	2.92	2.88
2. Self Employed - Employer	4.79	6.50	5.68	0.32	0.74	0.56
3. Self Employed - Worked as helper in H.H. enterprise - unpaid family worker	1.39	5.33	3.44	0.75	0.54	0.63
4. Worked as regular salaried-wage employee	49.91	43.30	46.48	6.90	14.38	11.15
5. Regular employees - in other types of work	8.63	3.39	5.91	1.53	1.65	1.60
6. Did not work but was seeking and/or available for work	0.92	4.12	2.58	0.79	3.48	2.32
7. Attended educational institution	3.13	18.10	10.89	2.06	15.71	9.81
8. Attended domestic duties and other free collection of goods	0.25	0.38	0.32	80.56	56.61	66.94
9. Rentiers, Pensioners, Remittance recipients etc.	5.81	3.58	4.65	0.55	1.72	1.21
10. Not able to work due to disability	0.59	0.45	0.52	0.75	0.16	0.42
11. Others -including begging,	1.92	2.26	2.10	2.96	2.11	2.48

prostitution, etc						
Total	100	100	100	100	100	100

Source: computed from raw data NSS, 2007-08

Industrial classification and Migration Status

Table 10 provides details regarding industrial classification of workers aged 15 years and above and the migration status. According to Census, not much is difference in industrial classification is observed between migrants and non-migrants. Except in financial, real estate and business activities, non-migrants show a higher involvement as compared to migrants. A similar observation can be made from NSS data of 2007-08. This shows that both groups find equal opportunities in all industrial sectors.

Table 10: Industrial Classification of Workers aged 15 years and above based on Usual Principal Activity and main workers in 2001 census among migrants and non-migrants by sex

NSS/ Census	2007-08				Census 2001*			
	Male		Female		Male		Female	
Migration status	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant
1. Agriculture-Mining A-B-C	0.2	0.2	1.4	-	0.98	1.23	1.54	1.19
2. Manufacturing - D	28.7	21.5	12.3	21.9	31.89	27.25	21.16	22.18
3. Elect-Gas-Water- E					0.48	0.58	0.17	0.21
4. Construct - F	6.4	4.9	7.7	1.8	8.14	5.31	5.24	1.35
5. Wholesale-retail-G	18.5	21.1	13.9	8.4	19.66	21.71	9.63	8.85
6. Hotels-restaurent-H	4.1	3.3	5.8	2.8	4.12	2.55	1.31	1.01
7. Transport-storage-communication-I	19.6	17.3	2.5	9.6	13.74	13.31	3.58	4.71
8. Financial intermediation -J	2.0	5.7	0.5	6.2	8.08	13.85	10.94	18.5
9. Real estate-business-K	4.6	13.2	2.6	14.1				
10. Pub adminis - L	5.4	5.3	3.8	1.1	12.9	14.22	46.43	42.0
11. Education - M	1.0	1.7	4.5	13.3				
12. Health social work-N	0.9	1.3	7.4	7.2				
13. Other communities activities - O	5.6	3.2	0.9	4.7				
14. Pvt HH with	3.0	1.3	36.8	9.0				

employed persons - P								
Total	100	100	100	100				

Note : Census figure are based on total population. For migrants, age data is not provided.

Trend in industrial classification and migration status

Tables 11 and 12 present the industrial distribution of migrants and non-migrants for males and females in the previous NSS rounds. The trend shows that similar differences existed among male migrants and migrants as observed in 2007-08. A little higher percentage of male migrants are in manufacturing, community and social services while non-migrants are in financial, insurance and banking sectors. The other industrial sector shows similar percentage of workers.

Table 11: Industrial Classification of Male Workers aged 15 years and above based on Usual Principal Activity and main workers in 2001 census among migrants and non-migrants

Industrial Classification	1999-2000		1987-88		1983	
	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant
1. Agr-Mining	0.1	3.0	0.2	1.1	1.4	0.5
2. Manufacturing	28.1	23.8	37.1	35.8	38.5	34.6
3. Elec-Gas-Water	0.4	0.3	0.4	0.5	0.4	1.2
4. Construction	9.2	4.4	2.9	4.8	3.7	3.7
5. Whole sale and Retail trade and hotel	26.6	27.5	22.8	20.3	20.5	22.9
6. Transport Storage Communication	12.7	14.5	12.0	11.7	14.1	13.2
7. Financial, Insu, Busin Services	6.6	11.7	4.1	8.5	4.3	7.2
8. Community Social Personal Services	16.3	14.9	20.4	17.5	17.1	16.7

Source: Computed from raw data from respective NSS rounds

The female migrants and non-migrants industrial classification of workers is again similar to that of 2007-08 distribution. In 1999-2000, the female workers difference in manufacturing sector as observed in 1983 has reduced from 30 per cent to 18 per cent among migrants and from 22 per cent to 16 per cent for non-migrants. Nearly half of women workers among migrants and non-migrants found jobs in community and social service. As observed in case of male, female non-migrants reported higher percentage in financial and business occupation as compared to female migrants.

Table 12: Industrial Classification of Female Workers aged 15 years and above based on Usual Principal Activity and main workers in 2001 census among migrants and non-migrants

Industrial Classification	1999-2000		1987-88		1983	
	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant
1. Agr-Mining		1.6		0.9	0.4	1.1
2. Manufacturing	17.8	16.2	17.3	22.1	30.1	22.5
3. Elec-Gas-Water				0.6		1.9
4. Construction	2.7	1.6	0.3	2.5	4.9	0.7
5. Whole sale and Retail trade and hotel	25.4	14.2	18.5	7.5	9.6	11.6
6. Transport, Storage, Communication	4.1	4.4	.3	5.4	3.9	4.0
7. Financial, Insu, Busin Services	2.9	12.5	1.0	9.7	1.1	12.7
8. Community Social Personal Services	47.1	49.4	62.7	51.3	49.9	45.6

Source: Computed from raw data from respective NSS rounds

Occupational Distribution of Workers

According to census 2001, 4,080,424 persons reported being main workers excluding cultivators and agricultural labourers. Table 13 presents their occupational distribution. Nearly 20 per cent of workers reported that they were service, shops and market sales workers. The percentage of male workers exceed by nearly two times than female workers. Similarly 21 per cent workers in crafts and related trade occupations were dominated by male workers. Female workers exceed males in elementary occupation including street vending, domestic help, messengers, and labourers in manufacturing, construction and transport occupations.

Table 13: Main Worker in Mumbai Excluding cultivators and Agricultural Labourers, 2001

Occupational classification	Total	Male	Female
1. Legislators-Senior Official-Managers	5.34	5.61	3.82
2. Professionals	5.98	5.08	11.13
3. Technicians-Assoc Professionals	6.69	5.49	13.59
4. Clerical & related	6.93	5.66	14.22
4. Service Workers and Shop & Market sales	19.73	21.16	11.52
5. Skilled Agricultural & Fishery workers	0.79	0.81	0.69
6. Craft and Related Trades Workers	20.99	23.04	9.21
7. Plant & Machine Operators and Assemblers	12.86	14.53	3.25
8. Elementary Occupations	18.08	16.32	28.18
9. Workers not classified by Occupation	2.60	2.29	4.39

Source: Census of India, 2001, Soft copy Table B-25

The occupational variation among migrants and non-migrants are presented separately for male and female categories in 2007-08 in Table 14. Among males, non-migrants reported higher percentage, working as professional, technicians-associate professionals and clerical related occupations in comparison to migrants while male migrants exceed their percentage in craft related trade and plant and machine operations. Similarly half the female non-migrants were in professional-clerical related jobs while migrants women are in higher percentage in elementary occupations and trade and market type of occupations. The occupational distribution clearly shows that migrants are absorbed in service related occupation whereas non-migrants in white collar occupations.

Table 14: Occupational Distribution of Migrants and Non-migrants based on usual principal activity aged 15 years and above, Mumbai: NSS 2007-08

Occupational classification	Male			Female		
	Migrant	Non Migrant	All	Migrant	Non Migrant	All
1. Legislators-Senior Official-Managers	2.54	4.02	3.23	2.48	6.24	5.05
2. Professionals	24.31	30.01	26.97	33.34	23.89	26.88
3. Technicians-Assoc Professionals	3.27	7.72	5.34	4.76	14.45	11.38
4. Clerical & reled	6.43	11.42	8.76	4.08	21.35	15.89
5. Service shop market trade	15.37	15.62	15.48	16.78	10.36	12.39
6. Craft related trade worker	19.86	9.97	15.24	9.72	4.41	6.09
7. Plant machine operator	17.43	11.30	14.57		1.95	1.33
8. Elementary Occupation	10.80	9.94	10.40	28.84	17.35	20.99
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: Computed from raw data NSS, 2007-08

Wages and Days of Work

In Mumbai, average wages during a week are higher as compared to urban India for both regular salaried/wage employees as well as casual wage labourers. The male migrants reported receiving higher wages than non-migrants in Mumbai as well urban India while female migrants reported mixed results for regular and casual workers.

Table 15: Average wages of and average number of days work for regular salaried/wage employees and casual labourer, Mumbai 2007-08

Regular and Casual wage	Sex	Migrant/Non-Migrant	Average per day			Average number days worked in a week		
			Mumbai	Thane Urban	Urban India	Mumbai	Thane Urban	Urban India
Regular Salaried-wage employee	Male	Migrant	465	331	310	6.7	6.8	6.7
		Non Migrant	316	347	244	6.9	6.9	6.8
		Total	394	335	273	6.8	6.8	6.8
	Female	Migrant	197	306	221	7.0	7.0	6.7
		Non Migrant	262	290	200	7.0	6.6	6.8
		Total	245	298	211	7.0	6.8	6.7
	Total	Migrant	441	328	292	6.8	6.8	6.7
		Non Migrant	303	331	237	7.0	6.8	6.8
		Total	369	329	262	6.9	6.8	6.8
Casual Wage Labour	Male	Migrant	142	126	114	5.8	5.0	5.9
		Non Migrant	109	134	102	5.1	6.3	5.7
		Total	132	127	105	5.5	5.1	5.7
	Female	Migrant	74	78	60	4.3	5.0	5.3
		Non Migrant	53	88	59	5.5	3.9	5.3
		Total	61	79	60	5.1	4.8	5.3
	Total	Migrant	130	112	93	5.5	5.0	5.7
		Non Migrant	85	121	96	5.2	5.6	5.6
		Total	112	113	95	5.4	5.0	5.6
Total	Male	Migrant	425	316	279	6.6	6.7	6.6
		Non Migrant	302	339	200	6.8	6.9	6.6
		Total	368	321	231	6.7	6.8	6.6
	Female	Migrant	169	257	169	6.1	6.1	5.9
		Non Migrant	232	282	158	6.6	6.2	6.1
		Total	214	268	164	6.4	6.2	6.0
	Total	Migrant	399	309	253	6.5	6.6	6.4
		Non Migrant	284	324	193	6.8	6.7	6.5
		Total	341	313	218	6.7	6.6	6.5

Source: Computed from raw data NSS, 2007-08

No significant difference is seen in terms of average number of working days for regular and casual workers. Casual workers reported nearly 5.5 days while regular salaries and wage employees had 6.9 days work. As regular salaried workers get a day or two off as compensation from their week's work reported higher wages than daily wage workers.

Income and per capita income

Mumbai and adjoining Thane District has always played remarkable role in state economy. The contribution of Mumbai in the state income was much higher than other districts of state of Maharashtra. During the period of 1993-94 to 2008-09, Mumbai's contribution to state income slightly declined from 24 per cent to 21.5 per cent. Mumbai and Thane District account for nearly one third of state income. The per capita income in Mumbai varied between 1.6 to 2 times higher than the state of Maharashtra. It is likely that the rapid growth in other cities such as adjoining Thane District, the other two cities of the state - Nashik and Pune, helped push the growth rates of the state's NDDP. The lower growth in Mumbai income might be attributable to government policies of dispersal of industries to other regions and decline of traditional textile and manufacturing industries in the district. The city's inadequate and poor infrastructure and space issues could be additional constraints to the city's economic growth.

Table 16: Mumbai Net District Product Income : 1993-94 to 2005-06 at Current Prices as per 1999-2000 series

Years	Total NDDP		Per Capita NDDP		Contribution of Mumbai to State Income.	Ratio of Mumbai NDDP to Maharashtra
	Mumbai	Maharashtra	Mumbai	Maharashtra		
	Rs. In Lakh.		Rs.	Rs.		
1993-94	2516237	10349187	24012	12390	24.31	1.94
1994-95	2834059	11843034	26476	13880	23.93	1.91
1995-96	3460671	14256492	31661	16363	24.27	1.93
1996-97	3803220	16285771	34090	18313	23.35	1.86
1997-98	4377596	17720226	38460	19531	24.70	1.97
1998-99	4780675	19267006	41189	20825	24.81	1.98
1999-2000	4827597	22030412	41907	23340	21.91	1.80
2000-01	4750427	22110904	40105	22992	21.48	1.74
2001-02	5279394	23943170	43369	24450	22.05	1.77
2002-03	5927865	26528972	47575	26697	22.34	1.78
2003-04	6891971	30057582	53960	29770	22.93	1.81
2004-05	7892898	33825401	60304	32979	23.33	1.83
2005-06	8798965	38624067	65625	37081	22.78	1.77
2006-07	8976400	43505500	65382	41444	20.63	1.58
2007-08	10842200	52650000	77145	49058	20.59	1.57
2008-09	12851100	59754200	89343	54867	21.51	1.63

Source: Directorate of Economics and Statistics, Mumbai

It may be noted that Mumbai's economy is probably much higher than the reported because very high percentage of population commutes daily from adjoining areas such as Navi Mumbai, Thane City, Dombivali, Kalyan, Mira Road, Vasai, Virar and even distant places like Nashik, Surat, Pune, etc. Due to this, the contribution of such people is always added to the district of their place of residence during estimating. It may be said that due to reverse flow of workers to and from Mumbai to adjoining areas might compensate some underestimation but it may not neutralise it.

Sectoral Shifts during 1993-94 to 2005-06

As Mumbai is completely urban, the contribution of primary sector to its economy remained merely around 1 per cent during 1993-94 to 2005-06. The main shift can be seen in the secondary and tertiary sectors. The contribution of the tertiary sector has increased from 62.64 per cent to 73.82 per cent while secondary sector's contribution declined from 36.12 per cent to 25.30 per cent during the period (Table 15).

Table 17: Contribution of primary, secondary and tertiary sector in net district domestic product from 1993-94 to 2005-06

Years	Primary	Secondary	Tertiary	Total	Total NDDP
1993-94	1.25	36.12	62.64	100.00	2516237
1994-95	1.29	33.62	65.09	100.00	2834059
1995-96	1.46	33.54	64.99	100.00	3460671
1996-97	2.07	33.65	64.28	100.00	3803220
1997-98	1.83	34.54	63.62	100.00	4377597
1998-99	1.78	31.51	66.70	100.00	4780675
1999-2000	1.87	31.46	66.67	100.00	4827597
2000-01	1.88	25.85	72.27	100.00	4750427
2001-02	1.63	26.13	72.23	100.00	5279394
2002-03	1.56	26.47	71.97	100.00	5927865
2003-04	1.35	28.59	70.06	100.00	6891971
2004-05	1.49	26.61	71.90	100.00	7892898
2005-06	0.88	25.30	73.82	100.00	8798965

Source: Directorate of Economic and Statistics, Government of Maharashtra, Mumbai

Mumbai's Industrial Set-up

Being primarily non-agricultural, Mumbai provides most of the economic opportunities in non-agricultural sector. The economic census conducted during 2005 indicates that 98.8 per cent of total establishments in the district are non-agricultural as against 49 per cent in the state. In 2005, out total non-agricultural establishments in urban areas of state, Mumbai alone accounted for 27.3 per cent. The contribution of non-agricultural establishments has slightly declined from 1998 (Table 18). However, the non-agricultural establishments have increased in Mumbai by 17 per cent which was much lower than 31.4 per cent increase in the state.

Table 18: Number of establishments and non agricultural establishment in Mumbai and Maharashtra, 1990-2005

Year	All establishment-	Mumbai Per centage to Maharashtra	Non-Agricultural Establishment	Mumbai Per centage to Maharashtra

	Mumbai	Maharashtra		Mumbai	Maharashtra (Urban)	
1990	423,419	2,623,594	16.14	421,437	1,293,421	32.58
1998	485,492	3,234,022	15.01	484,252	1,591,830	30.42
2005	572,198	4,225,312	17.69	571,309	2,091,094	27.32

Source: Economic Census, 1990, 1998 and 2005

Out of non-agricultural establishments in Mumbai, the own account establishments⁹ constitute about 40 per cent while those with hired workers account for 60 per cent. The economic census recorded a significant decline in non agricultural establishment with hired workers from 60 per cent in 1990 to 48.5 per cent while the own account establishments increased to 51 per cent from 40 per cent in 1990. Those with hired workers showed a nearly 43 per cent increase over previous such census of 1998 while own account establishment declined by nearly 6 per cent. In terms of workers employed in non agricultural establishments, it was consistently at around 87 per cent in establishment with hired workers while 13 per cent in own account establishments. Total employment growth shows a nearly 14 per cent decline in 2005 over the census of 1998 among both type of establishments - own account and hired workers. It may be pertinent to note that even though the number of non agricultural establishments using hired workers has increased the employment provided has declined.

Table 19: Number of Non-Agricultural Establishments and Own Account enterprises and Employment, Mumbai 1990-2005

Year	Non- Agricultural Establishments		Workers Usually Employed		
	Non- Agricultural Establishment with hired Labour	Own Account Establishment	Non- Agricultural Establishment with hired Labour	Own Account Establishments	Total Employment
1990	253759	167678	2165107	250021	2415128
1998	234348	249904	2283697	335293	2618990
2005	335890	235419	1963611	281816	2245427

Source: Economic Census, 1990, 1998 and 2005

The data from the 2005 economic census shows that adjoining districts of Thane and beyond that, Pune recorded nearly 22 and 32 per cent increases in non agricultural employment over the 1998 situation. The total employment provided in Mumbai was 22 per cent of the total employment in the state, out of 35 districts, followed by nearly 11 per cent for Thane and 10 per cent for Pune. Thus, these three districts together provide nearly 40 per cent of total employment and 29 per cent of all establishments in the state. Employment provided in non-agricultural establishments in urban areas of these three districts is around 56 per cent of state total.

Employment size in Non-Agricultural Establishment

⁹ Own account Establishments are establishment without any hired worker on a fairly regular basis and generally run by members of households

The economic census of 2005 and 1998 indicate significant increases in establishments providing employment to up to 5 workers in Mumbai as well in the whole state. The establishment which were earlier hiring more than five workers show a continuous decline. The probable reason for this could be that many large-sized establishments have either closed down or no new establishments were setup, mainly due to space and real estate pricing. Since the early 1980s, many large manufacturing units in the textile sector closed down and moved to other functions including exploiting the fixed land asset as real estate, creating new centres of residences as well as skilled employment. At the same time, other heavy industries started shifting to other places as a part of the policy of decongestion of the city, enforcement of an industrial relocation policy and cheaper land availability and infrastructure facilities in locations like Navi Mumbai. Some moved to neighbouring Gujarat state. This resulted in shift to establishments that employed lower number of workers. Technological advancements enabled many industries to reduce their employed labour force.

Table 20: Per centage Distribution of Non-agricultural Establishment in urban areas having hired workers by Employment Size

Employment size Class	Mumbai			Maharashtra		
	1990	1998	2005	1990	1998	2005
1-5	70.64	72.83	81.74	72.26	75.73	83.57
6-9	16.06	13.40	13.36	13.80	11.64	11.28
10-14	5.80	5.69	1.59	5.68	5.17	1.71
15-19	2.41	2.43	0.93	2.67	2.16	0.99
20-24	1.25	1.41	0.54	1.40	1.31	0.56
25-49	2.19	2.21	0.34	2.41	2.37	0.36
50-99	0.92	1.14	1.08	0.99	0.92	1.17
100-199	0.39	0.45	0.20	0.44	0.37	0.20
200-499	0.23	0.28	0.13	0.23	0.22	0.12
500+	0.11	0.16	0.08	0.11	0.11	0.05
Total	253759	234348	335890	596772	647837	1030996

Source: Third, Fourth and Fifth Economic Census of Maharashtra state, 1990, 1998 and 2005.

Conclusions

The population of Mumbai has grown much mainly because of the livelihood opportunities it offers and the possibility of residing in neighbouring satellite cities and working in Mumbai. The city population has grown at alarming rate leading to huge swaths of slums. The government's efforts to improve the condition of people in slums in terms of providing better housing facility with minimal basic facility through slum rehabilitation scheme over the years is yet to reach a stage of consolidation and remains at the experimental level.

As far as employment is considered, Mumbai remains a city of hope and aspiration. The rate of employment did not change much as expected due to global economic recession in western countries. Even after 2000, rate of unemployment declined significantly in Mumbai and its adjoining areas. The purpose of developing new areas like New Mumbai to reduce the population congestion in Mumbai was not very successful as it turned out more a dormitory town

for Mumbai in relative terms. More people in these satellite cities, except perhaps Navi Mumbai which has 60 per cent of its population working within its limits, depend on Mumbai for their livelihoods than on the places where they live. Every day people commute in harrowing conditions to Mumbai for their jobs and other economic activities, stretching the infrastructure.

The information presented on the economic activities of the migrants and non-migrants show clearly that city provides ample opportunity to both. While non-migrants dominate in regular jobs, migrants are involved mostly in trade and services activities.

However, the policy-makers should be concerned at the decline in the number of establishments and the number of jobs they create and offer. New industries are not finding space in Mumbai to operate from, which in turn adversely impact newer employment generation. Newer areas need to be developed within city to establish industries to sustain the employment on offer to match at least the present population's demand for livelihoods. The economic potential in Mumbai metropolitan region also needs to be fully utilised by developing and interlinking neighbouring cities to absorb ever growing migrants from within the state and other states and population increases in Mumbai itself which might need to chase jobs elsewhere.

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