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**Labour Bureau
Ministry of Labour & Employment
Government of India**

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Sector 38-W, Chandigarh

Subject: Report on the Third Round of Quarterly Employment Survey (QES)

Executive Summary

Introduction

The role of establishment-based employment surveys in providing the much-needed estimates of workforce engaged in different sectors of the economy has always been appreciated. Findings of such surveys, carried out at relatively frequent intervals, in terms of economic and operational variables associated with establishments are useful inputs for developing as also evaluating sector-specific policies for improving the employment situation. In this context, the All-India Quarterly Establishment-based Employment Survey (AQEES) taken up by the Labour Bureau stands out as a unique and useful exercise to help policy-planners as well as others concerned with a data-based picture of the dynamic behavior of the labour market with authenticated data on various facets.

To begin with, one component of AQEES, (referred to as QES) was taken up nearly a year back with a somewhat restricted coverage of establishments belonging to nine selected non-farm sectors (types of economic activities) operating with at least 10 workers. A properly designed sample of establishments selected from a frame

based on the 6th Economic Census has been being followed up on a quarterly basis. The second component of AQEES viz. an Area Frame Establishment Survey (AFES) has already been initiated to provide a current frame for smaller establishments with less than 10 workers. A consolidated picture covering both large and small establishments will emerge on completion of AFES.

Reports on the first two quarterly rounds of QES were released in the public domain earlier and the present report presents estimates based on the third round, with a reference date of 1st October, 2021. Estimates of some important parameters for the third round have been compared with corresponding estimates reported in earlier rounds. It may be noted that we are essentially following up a sample of establishments and only minor variations in the number of establishments, from which relevant data could be collected during different rounds, arise because of closure of some units or absence of some informed respondents.

Key findings

- Out of 12038 establishments selected in the sample, 11612 units could be surveyed in the third quarter. An estimated 5.31 lakh establishments engaged 3.14 crore (3.145 crore, more precisely) workers. It may be recalled that the total estimated number of workers stood at 3.10 crore in the second quarter and 3.08 crore in the first quarter.
- The estimated distribution of workers across sectors has not changed much, with 'manufacturing' absorbing around 39% of the estimated total number of workers in all the nine selected sectors taken together. The sector 'IT/ BPO' has been claiming a larger share in total employment, from 7% in the first quarter to 10.7% in the second round and 11% in the third round.
- 97.3% of the establishments were operating prennially. The percentage of Seasonal establishments in Health sector was negligible.

- Share of Proprietary establishments at combined level was the highest with 30% establishments, closely followed by Private Limited Company (21.5%) and Government/PSU (20.5%) respectively. Also, majority of IT/BPO establishments were Private Limited Companies (83.5%).
- 62.6% of all establishments operated with 10-39 workers, only 8.3% engaged 100 or more workers. Of course, IT / BPO establishments were usually engaging a larger workforce.
- Almost all (99.4%) establishments were registered, 58.6% registered under GST Act, 2017, 15.2% of the establishments registered under MSME Act.
- Workers were mainly concentrated in establishments belonging to two size classes: 500 or more workers (39.2%) and 10-39 workers (20.7%). 92.5% workers of IT/BPO establishments were from units having 500 or more workers.
- Only 2.1% of 3.14 crore workers were self-employed and remaining 97.9% workers were from 'employees' category. Within 'employees' category, 85.3% of the workers were Regular workers and 8.9% of the total workforce was contract workers, prominently present in two sectors-Construction and Manufacturing. 92.2% workers from Transport sector were Regular employees.
- The overall percentage of female workers stood at 31.6%. A highest 51.1% workers from Health sector were females followed by 44% in Education and 39% in IT / BPO sector.
- An estimated 78.9 lakh workers were having Graduate and higher level of education. 51.8 lakh in IT/ BPO establishments and in the Manufacturing sector.
- Accommodation & Restaurants units provided skill training to 85.8% to its staff. whereas, 34.9% of Health sector units provided On-the-Job (OJT) Training.
- A total of 1.85 lakh vacancies were reported by 3.3% of the establishments. Of these, 44% were due to Resignation and 12.1% due to Retirement.

Manufacturing, Health and Education accounted for 90.6% of the reported vacancies.

Summing it up

The over-all picture emerging during the three rounds of QES is quite expected. A growth in the estimated total number of workers engaged in the nine non-farm sectors taken together has been steady. However, in some sectors a decline has been observed, while in certain others a marked increase has been revealed.
