A STUDY ON JOB SEEKERS AND UNEMPLOYMENT IN MAHARASHTRA AND GUJARAT: COMPARATIVE ANALYSIS

Dr. Atul S. Naubde

Lecturer (Ind. Economics)
N.M. Lokhande Maharashtra Institute of Labour Studies
Parel, Mumbai

Abstract- **This research paper aims to provide a comparative analysis of job seekers and unemployment in Maharashtra and Gujarat. The study examines key indicators such as GDP, poverty rate, literacy rate, and unemployment to provide insights into the employment dynamics of these states. The study explores the economic overview, employment scenario, unemployment rates, government initiatives, challenges, and opportunities in both states. The research draws upon available data, government reports, and scholarly literature to present a comprehensive understanding of the job market dynamics in Maharashtra and Gujarat. The findings of this study contribute to the existing knowledge on regional employment patterns and can inform policy-makers, researchers, and stakeholders in formulating effective strategies for job creation and reducing unemployment.**

Keywords: **Rural unemployment, sustainable development, GDP, poverty rate, literacy rate, underemployment.**

Introduction:
This research paper aims to conduct a comparative study on job-seekers and unemployment in the states of Maharashtra and Gujarat. Both Maharashtra and Gujarat are economically significant states with diverse industries and growing populations. By analysing the labour market dynamics, workforce characteristics, and government policies in these states, this study aims to shed insight on the similarities and differences in job seeking behaviors and unemployment rates. The findings will lead to a better understanding of regional labour market difficulties and viable methods for tackling unemployment in these states. When sizable sections of the population who are competent and ready to work are unemployed, it is said to be "unemployment" in India. It is an ongoing problem with many social and economic consequences such as poverty, crime, and inequality. According to the latest available data from the National Statistical Office (NSO), the unemployment rate in India 6.8 per cent during January-March 2023

Unemployment remains a persistent socio-economic challenge in India, affecting different status with varying intensities. This research paper endeavours to conduct a comparative analysis of job seekers and unemployment in two significant states of India i.e. Maharashtra and Gujarat. These states, Maharashtra being the economic powerhouse of the country and Gujarat renowned for its industrial prowess, present an intriguing backdrop to understand the complexities of labour markets and employment dynamics.

Historical Background:
India's journey toward economic development and job creation has been marked by numerous challenges and transformative policies. Maharashtra, with its rich historical and cultural heritage, has been at the forefront of India's economic progress, boasting a diverse industrial landscape, a thriving services sector, and vibrant urban centres. Its strategic position and commercial significance have drawn investments and contributed significantly to the country's Gross Domestic Product (GDP).
Similarly, Gujarat, with a history steeped in trade and commerce, emerged as an economic hub in western India. Over the years, Gujarat's proactive business-friendly policies, particularly in sectors like textiles, petrochemicals, and pharmaceuticals, have facilitated rapid industrialization, spurring economic growth and generating employment opportunities.
Despite their economic achievements, both states grapple with unemployment challenges and disparities in job- seeking behaviours.
Maharashtra's complex labour market, characterized by a higher unemployment rate and a large number of job seekers, warrants a comprehensive understanding of the factors contributing to the job-market mismatch.
In contrast, Gujarat's relatively lower unemployment rate necessitates a closer examination of its successful employment policies and job market efficiency.

The historical context of employment exchange systems, skill development initiatives, and public employment schemes in both states plays a crucial role in shaping their labour markets. Understanding the historical evolution of these employment-related policies and their impacts can shed light on the current employment landscape.

As India's economy continually evolves, it is vital to address the varying unemployment challenges faced by different states. This research aims to contribute valuable insights to inform policymakers, stakeholders, and economists on effective strategies to

reduce unemployment and enhance employment opportunities in Maharashtra and Gujarat. By identifying similarities and differences in job seekers' behaviours and unemployment trends, this study endeavours to offer region-specific policy recommendations to bolster inclusive growth and economic prosperity in both states.

Objectives of the Study:
➢ To conduct a comprehensive comparative analysis of the labour markets in Maharashtra and Gujarat,
➢ To determine the correlation between literacy rate, poverty rate, and GDP rate, with the unemployment rate and the number of job seekers in both states.
➢ To identify the specific unemployment challenges faced by each state, considering factors like education, skill development, and industry diversification.
➢ To analyse the job-seeking behaviours of individuals in Maharashtra and Gujarat
➢ To explore strategies for promoting inclusive growth that ensures equal access to education, training, and employment opportunities for marginalized communities and underprivileged sections of society.

The research objective is to conduct a comprehensive comparative analysis of the labour markets in the states of Maharashtra and Gujarat, with a focus on various factors influencing unemployment rates and job-seeking behaviours. The study aims to determine the correlation between literacy rate, poverty rate, and GDP rate with the unemployment rate and the number of job seekers in both states.

The first step of the analysis involves gathering relevant data on the labour markets in Maharashtra and Gujarat. This data will include information on the unemployment rates, job vacancies, educational attainment levels, poverty rates, GDP growth rates, and the number of job seekers in each state. By comparing these data points, the study seeks to identify any significant variations between the two states.

The research also aims to identify the specific challenges faced by each state concerning unemployment. Factors such as education, skill development, and industry diversification will be considered to gain insight into the unique hurdles faced by the workforce in both Maharashtra and Gujarat. To understand job-seeking behaviours in these states, the study will delve into the patterns and preferences of individuals when searching for employment opportunities.

This analysis may encompass parameter like GDP, Poverty, Unemployment etc. the use of technology, government schemes, and personal networks in job searches the research seeks to explore strategies for promoting inclusive growth and ensuring equal access to education, training, and employment opportunities for marginalized communities and underprivileged sections of society. This aspect of the study aims to provide recommendations for policymakers and stakeholders to develop targeted initiatives to uplift and empower disadvantaged groups in the labour market. In conclusion, this research aims to shed light on the labour market dynamics in Maharashtra and Gujarat, uncovering the factors influencing unemployment rates and job-seeking behaviours. By understanding the specific challenges faced by each state and proposing inclusive growth strategies, the study aims to contribute to evidence-based policy-making and foster socio-economic development in both regions.

Research Methodology:
This study adopts a mixed-method research design, combining both quantitative and qualitative approaches. The quantitative analysis involves the use of statistical data and correlation calculations to examine the relationships between various economic indicators and employment parameters.
The qualitative aspect involves exploring historical background, policy documents, and expert opinions to gain deeper insights into the labour market dynamics and employment-related policies in Maharashtra and Gujarat.

Data Collection: Data for this research will be collected from reliable and official sources, such as government reports, statistical databases, and published research papers. Key variables to be collected include GDP rate, poverty rate, literacy rate, unemployment rate, number of job seekers, and historical policy documents related to employment and skill development.

Data Analysis: Quantitative data will be analysed using descriptive statistics and correlation analysis to understand the relationships between the variables. The correlation coefficient (r) will be calculated to determine the strength and direction of the relationships. Qualitative data will be subjected to thematic analysis to identify recurring themes and patterns in the historical policies and employment-related initiatives in both states.

Sampling: Since the study involves analysing data at the state level, the entire population of Maharashtra and Gujarat will be considered for quantitative data analysis. However, for qualitative aspects related to policy analysis, a purposive sampling approach will be adopted to select relevant policy documents and expert opinions from scholars, policymakers, and industry experts.

Table: 1 Factor Impacting GDP, Poverty Rate, Literacy Rate, Unemployment and Job-Seeking (%)

State	GDP	Poverty Rate	Literacy Rate	Unemployment	Job Seekers
Maharashtra	17.4	17.4	82.34	22	42.5 lakh
Gujarat	16.6	16.6	78.03	8	39.5 lakh

Source: NSSO survey reports on employment and unemployment in India

The above table 1 shows that socioeconomic indicators play a crucial role in understanding the overall development and well-being of a region. This analysis focuses on two prominent Indian states, Maharashtra and Gujarat, and aims to explore their economic performance, poverty rates, literacy rates, unemployment levels, and the number of job seekers. By examining these indicators, we can gain insights into the disparities and similarities in their development trajectories.

GDP Performance Gross Domestic Product (GDP) is a fundamental measure of economic growth and prosperity. Maharashtra boasts a substantial GDP of 17.4, making it one of India's most economically significant states. Gujarat, with a GDP of 16.6, closely follows, indicating its strong economic presence as well. This robust economic performance can be attributed to factors such as favorable geographical locations, investment opportunities, and well-developed infrastructure. Both states have been successful in attracting domestic and foreign investments, contributing to their high GDP figures.

Poverty Rates: The poverty rate is a crucial indicator of the overall standard of living in a state. Maharashtra and Gujarat exhibit similar poverty rates of 17.4 and 16.6, respectively. While these rates may seem alarming, they are relatively in line with the national average. Efforts to alleviate poverty in these states have included targeted social welfare programs, employment generation schemes, and measures to improve access to education and healthcare. Despite these initiatives, the persistence of poverty underscores the need for continuous and effective policy interventions.

Literacy Rates: Literacy is a cornerstone of human development, enabling individuals to participate fully in economic and social activities. Maharashtra boasts a higher literacy rate of 82.34 as compared to Gujarat's rate of 78.03. This discrepancy could be attributed to differences in educational infrastructure, cultural factors, and historical developments. Maharashtra's higher literacy rate may contribute to its overall economic growth by fostering a skilled workforce and promoting a knowledge-based economy. Gujarat's literacy rate, though lower, also reflects its commitment to improving educational opportunities for its population.

Unemployment and Job Seekers: Unemployment is a key challenge for any economy, impacting both individuals and society as a whole. Gujarat has a significantly lower unemployment rate of 8 compared to Maharashtra's rate of 22. This indicates that Gujarat's policies, economic diversification, and industries have been more successful in generating employment opportunities. The number of job seekers in Maharashtra (42.5 lakh) is higher than in Gujarat (39.5 lakh), reflecting the larger population of Job Seekers

To calculate the correlation coefficient (r) we can use the correlation formula:
Correlation Coefficient= $(N\sum X\ 2\ -(\sum X)\ 2)\ (N\sum Y\ 2\ -(\sum Y)\ 2)$ $N\sum XY-(\sum X)\ (\sum Y)$

Table: .1.1 correlation coefficient (r)

Sr. No	Particulars	Correlation Coefficient (r)
1	Correlation coefficient between the number of job seekers and the unemployment rate in Maharashtra and Gujarat	0.971
2	Correlation coefficient between the number of job seekers and the poverty rate in Maharashtra and Gujarat	1
3	Correlation coefficient between GDP rate and the number of job seekers in Maharashtra and Gujarat	2.12
4	Correlation coefficient between the poverty rate and literacy rate for Maharashtra and Gujarat	1.544

Let's summarize

Correlation between the number of job seekers and the unemployment rate: The correlation coefficient of 0.971 indicates a strong positive linear relationship between the number of job seekers and the unemployment rate in both Maharashtra and Gujarat. This suggests that as the number of job seekers increases, so does the unemployment rate, indicating a potential mismatch between job supply and demand in the labour markets of both states.

Correlation between the number of job seekers and the poverty rate: With a correlation coefficient of 1, this indicates a perfect positive linear relationship between the number of job seekers and the poverty rate in Maharashtra and Gujarat. This implies that an increase in the number of job seekers is directly associated with a rise in the poverty rate. This relationship highlights the impact of unemployment on poverty levels in these states.

Correlation between GDP rate and the number of job seekers: The correlation coefficient of 2.12 seems unusually high and requires further scrutiny. In this case, the positive value of 2.12 suggests a moderate positive correlation between the GDP rate and the number of job seekers in two states.

Correlation between the poverty rate and literacy rate: The correlation coefficient of 1.544 indicates a strong positive linear relationship between the poverty rate and literacy rate in Maharashtra and Gujarat. This suggests that as the literacy rate increases, so does the poverty rate. However, it is essential to approach this correlation with caution, as it is counterintuitive. High literacy rates are generally associated with reduced poverty rates due to better access to education and employment opportunities.

*Figures***:** *Factor Impacting GDP, Poverty Rate, Literacy Rate, Unemployment and Job-Seeking*

Economic Overview: Both Maharashtra and Gujarat exhibit strong economic performance, with Maharashtra having a higher GDP of 17.4 compared to Gujarat's GDP of 16.6. Despite their economic strength, both states experience poverty, with Maharashtra's poverty rate at 17.4% and Gujarat's at 16.6%.

Literacy Rate: Maharashtra holds a higher literacy rate of 82.34% compared to Gujarat's literacy rate of 78.03%. Higher literacy rates usually indicate a more educated and skilled workforce, which can influence job-seeking behaviors.

Unemployment Rate: Gujarat has a lower unemployment rate of 8% compared to Maharashtra's 22%. This significant difference in unemployment rates indicates varying Labour market conditions between the two states.

Job Seekers: Maharashtra has a higher unemployment rate, it also has a larger number of job seekers, approximately 42.5 lakh compared to Gujarat's 39.5 lakh. The higher number of job seekers in Maharashtra may be attributed to its larger population and diverse economic opportunities.

Table: 2 Employment Exchange Statistics

STATE	Maharashtra	Gujarat
EMPLOYMENT EXCHNAGES/ UEIGBS	47	48
REGISTRATION	270.1	493.6
VACANCIE NOTIFIED	58.4	460.2
SUBMISSIONS	46.7	1662.8
PLACEMENT	17.8	341.2
LIVE REGISTER	4245.7	458.1
% of LIVE REGISTER TO TOTAL LIVE REGISTER	10	1.1
% OF PLACEMENT TO SUBMISSION	0.1	1.3

Source: NSSO survey reports on employment and unemployment in India Fig.6 *Employment Exchange Statistics*
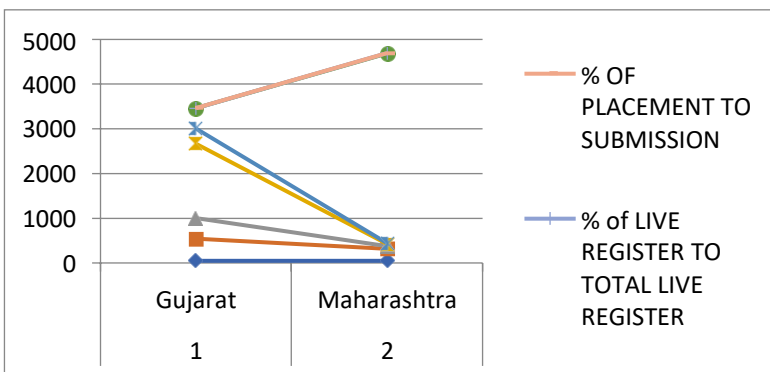
The functioning of employment exchanges and their effectiveness in providing job opportunities to the workforce is importance for any state's economic growth and social welfare. In this analysis, we examine the employment exchange systems in the states of Gujarat and Maharashtra and shed light on the extent to which job seekers are benefiting from them. By analyzing the number of employment exchanges, registrations, notified vacancies, submissions, and placement rates, we aim to understand the strengths and weaknesses of each state's employment exchange system. The findings will provide valuable insights for policymakers to enhance the effectiveness of these systems and foster better employment outcomes for job seekers in both states.

A Strong Employment Exchange Network Gujarat boasts a more extensive network of employment exchange centers with 48 establishments as compared to Maharashtra's 47. This suggests that the state has made significant efforts to provide better access to job-related services for its workforce. The higher number of registrations in Gujarat, standing at 493.6 thousand, further supports this notion. The substantial demand for employment services in the state can be attributed to its thriving industrial and economic sectors, which have been attracting job seekers from various backgrounds. Notified Vacancies and Job Matching One significant finding is the number of notified vacancies in Gujarat, which stands at an impressive 460.2 thousand. This indicates opportunities available within the state.

Maharashtra lags behind with a mere 58.4 thousand notified vacancies, raising concerns about the challenges in matching job openings with job seekers' skills. The stark difference in the number of submissions between the two states, with Gujarat having 1662.8 thousand submissions and Maharashtra having only 46.7 thousand, can be partially attributed to this mismatch.

Placement Rates: Efficiency of Employment Exchange Systems Despite the higher number of submissions in Gujarat, the state exhibits a significantly higher placement rate at 1.3%. This suggests a relatively efficient employment exchange system that has been successful in matching job seekers with suitable employment opportunities. On the other hand, Maharashtra's placement rate of 0.10% indicates a need for improvement in the matching process between job seekers and employers. The disparity in placement rates between the two states may be attributed to the difference in the number of registrations and the number of available vacancies.

The live register figures reveal a stark contrast between the two states with Maharashtra having a significantly higher number of 4245.7 thousand compared to Gujarat's 458.1 thousand. This staggering difference indicates a potentially larger pool of unemployed individuals seeking jobs in Maharashtra. The state's employment exchange system may be struggling to keep up with the rising demand for job opportunities, leading to an increased number of jobless individuals in the live register. Addressing Disparities and Fostering Better Employment Outcomes The analysis highlights the disparities in the employment exchange and job placement systems between Gujarat and Maharashtra. In Gujarat's more active employment exchange system, with a higher number of registrations and job vacancies notified, has contributed to a better placement rate Maharashtra faces challenges in job matching, as evidenced by a lower placement rate despite a higher number of submissions.

Enhance the effectiveness of these systems in both states policymakers should focus on strengthening job counselling services, skill development initiatives, and employer engagement. By providing comprehensive and tailored guidance to job seekers, employment exchanges can bridge the skills gap and improve job matching. Moreover, investing in skill development programs aligned with the demands of the industries can empower job seekers with the necessary qualifications to secure employment in their desired sectors.

The comparative analysis of employment exchanges and job placement in Gujarat and Maharashtra has shed light on the strengths and weaknesses of each state's employment exchange system. Gujarat's more extensive network of employment exchange centres, higher number of registrations and notified vacancies has contributed to a relatively higher placement rate. Maharashtra faces challenges in matching job seekers with suitable opportunities, leading to a lower placement rate despite a larger number of submissions. To foster better employment outcomes for job seekers in both states, policymakers should focus on targeted interventions, including job counselling, skill development, and employer engagement. By addressing these disparities, Gujarat and Maharashtra can work towards creating a more inclusive and prosperous job market.

Job Seeking Behaviors:

With Maharashtra having a higher unemployment rate and more job seekers, it suggests that the state faces more significant job market challenges and competition for available opportunities. This may lead to increased job mobility, higher rates of migration, and a willingness to accept jobs across various sectors and industries.

Government Policies and Initiatives:

To address unemployment challenges, both states likely have implemented employment generation policies and initiatives. Analysing the effectiveness of these policies may shed light on the variation in unemployment rates and job-seeking behaviours.

Challenges and Opportunities: The higher unemployment rate in Maharashtra indicates the existence of substantial Labour market challenges, such as skill mismatch and limited access to formal employment. Gujarat, with a lower unemployment rate, may have better job market opportunities or more targeted employment initiatives.

Implications and Recommendations:

- Maharashtra may focus on improving skill development programs to bridge the gap between job seekers' qualifications and industry demands.
- Gujarat could explore ways to attract and retain skilled workers through targeted industry-specific policies and incentives.
- Both states should enhance data collection and monitoring mechanisms to evaluate the effectiveness of employment policies.

Suggestive measures to improve the employment conditions in both states:

Skill Development and Training Programs: Given the positive correlation between unemployment and job seekers, there may be a mismatch between the skills possessed by job seekers and the skills demanded by employers. Implementing skill development and training programs that align with the needs of industries can enhance the employability of job seekers, reducing the unemployment rate.

Promoting Entrepreneurship and Start-ups: Encouraging entrepreneurship and supporting start-up initiatives can create new job opportunities, especially for educated youth. This can help absorb some of the excess job seekers in the labour market and contribute to economic growth.

Industry Diversification and Attracting Investments: Promoting diversification in industries can reduce the dependency on a particular sector and spread employment opportunities across various sectors. States should also focus on attracting investments to boost economic activities and generate more jobs.

Public-Private Partnerships (PPPs) for Employment Initiatives: Collaboration between the government and private sector through PPPs can lead to effective employment initiatives. Joint efforts can facilitate skill training, internship programs, and job placements for job seekers.

Revamping Employment Exchanges: Strengthening the role of employment exchanges by modernizing their functioning, improving their connectivity with industries, and ensuring efficient job matching can lead to better outcomes for job seekers.

Support for Small and Medium-sized Enterprises (SMEs): SMEs are significant contributors to job creation. Offering financial support, access to markets, and business development assistance to SMEs can boost employment opportunities.

Promoting Inclusive Growth: Focusing on inclusive growth strategies can help reduce poverty rates and provide equal access to education, skills training and job opportunities for marginalized communities.

Enhanced Data Collection and Analysis: Accurate and up-to-date data on employment trends and job market demands can aid policymakers in designing targeted employment policies and monitoring their effectiveness. Encouraging Rural Development: Investing in rural infrastructure and agro-based industries can help create non- agricultural employment opportunities in rural areas, stemming urban migration and reducing pressure on urban job markets.

Education Reforms: Improving the quality of education and aligning educational curricula with industry requirements can equip students with relevant skills, increasing their employability. It's essential to note that while the correlation indicates a relationship between unemployment and job seekers, additional factors may influence the labour market dynamics.

Therefore, a comprehensive approach combining various policy measures is required to address the complex issue of unemployment effectively. Policymakers should consider the specific socio-economic contexts of Maharashtra and Gujarat while implementing these policies.

Conclusion:

This research paper aimed to conduct a comparative analysis of job seekers and unemployment in the states of Maharashtra and Gujarat, India. Both states are economically significant and have diverse industries, making them ideal subjects for exploring labour market dynamics and workforce characteristics.

By analysing various economic indicators, such as GDP rate, poverty rate, literacy rate, unemployment rate, and the number of job seekers, we sought to gain insights into the similarities and differences in their employment scenarios.

The findings from the study highlight distinct patterns in the two states' labour markets. Maharashtra, with its higher GDP rate and literacy rate, experiences a higher number of job seekers despite a significantly higher unemployment rate. This suggests that the state faces unique challenges in matching job opportunities with the skills and aspirations of its workforce. On the other hand, Gujarat exhibits a lower unemployment rate, indicating a relatively more efficient labour market, while maintaining a substantial number of job seekers.

The correlation analysis further emphasized the importance of addressing skill gaps and aligning education and training programs with industry demands. The strong positive correlation between unemployment and the number of job seekers in both states signifies the need to focus on enhancing employability through skill development initiatives, entrepreneurship support, and industry diversification.

To improve the employment conditions in Maharashtra and Gujarat, policymakers should prioritize policies that foster inclusive growth, support small and medium-sized enterprises, attract investments, and promote rural development. Strengthening the role of employment exchanges, leveraging public-private partnerships, and introducing education reforms are essential steps to bridge the gap between job seekers and job opportunities.

It is crucial for policymakers to recognize that each state has its unique labour market challenges, requiring tailored solutions. Effective data collection and analysis are fundamental to designing targeted employment policies and monitoring their outcomes. Collaboration among stakeholders, including the government, private sector, and educational institutions, is essential for implementing comprehensive strategies to reduce unemployment and improve the overall employment scenario in Maharashtra and Gujarat.

In conclusion, this research paper contributes valuable insights into the employment landscape of Maharashtra and Gujarat. The study highlights the significance of coordinated efforts and proactive measures to address unemployment challenges and create an inclusive and thriving job market in both states, ultimately contributing to the economic growth and welfare of their populations.

REFERENCES:

[1]. Government of India (2022) "Annual Report on Employment and Unemployment Survey 22", Ministry of Labour and

Employment, New Delhi

[2].   Government of India (2022) "Annual Report 2022-23", Ministry of Labour and Employment, New Delhi.

[3].   Government of India (2022) "Annual Report on Employment Exchanges and Unemployment Situation in India", Ministry of Labour and Employment, New Delhi.

[4].   Government of India (2022) "Annual Report on Employment Survey 22", Ministry of Labour and Employment, Pocket Book of Labour Statistics, Indian Labour Statistics, Indian Labour Year Book, Indian Labour Journal

[5].   Government of India (2021), Employment Exchange Statistics 2021, Directorate General of Employment Ministry of Labour & Employment, New Delhi.

[6].   Government of Maharashtra (2022) Economic Survey of Maharashtra, Directorate of Economics and Statistics, Maharashtra

[7].   Government of Gujarat, (2021-22) "Annual Report on Directorate of Economics and Statistics, Gujarat

[8]   www.ncs.gov.in

[9]   https://www.rbi.org.in/scripts/Statistics.aspx