

Are High Output Linked Sectors Employment Generating? An Analysis for India under Input-Output Framework

Topic: (7.2) Employment Analysis

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The paper identifies the key employment generating sectors of Indian economy for pre and post liberalization period by way of measuring their employment forward and backward linkage effects using six Input-Output tables for India, which measures the direct and indirect employment creation by these sectors. The paper also examines the output generation capacity of these sectors by calculating their output forward and backward linkages in order to determine whether the key employment generating sectors are also output generating or not. Results show that sectors like agriculture, tobacco products, wood and wood products are key employment generating sectors possessing high employment linkages, although their output linkage is not very high, which reflects the incidence of jobless growth in India. However sectors like, mining and quarrying, food products and beverages, textiles, hotels and restaurants are having a reasonably good output as well as employment linkage for both pre and post liberalization periods.