

UPDAAN

2025

Sectors of the Indian Economy

Economics

Lecture – 03

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Topics

to be covered

- 1 Where are Most People Employed?
- 2 How To Create More Employment
- 3 **Rising Importance of Tertiary Sector**
- 4



Habibi ! Question Wrong Kiya To Desert Me Utha Le Jaigi



Habibi ! Hum Camel Ka Malik Hoti





QUESTION



Look at the graph and identify the share of Tertiary sector in 2017-18 in terms of employment

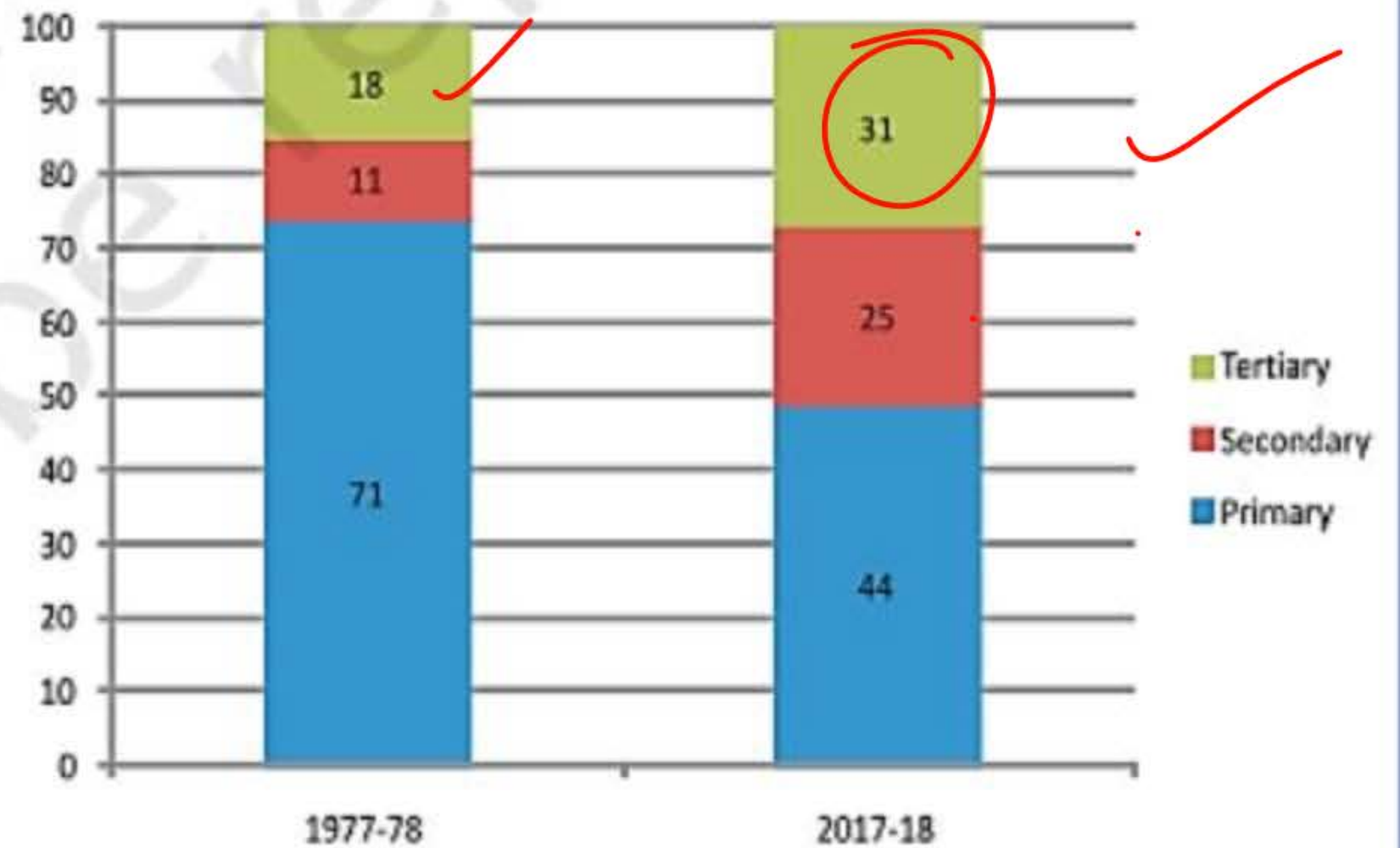
A 18%

B 71%

C 31%

D 25%

Graph 3 : Share of Sectors in Employment (%)





Where are Most People Employed ?

- Enough jobs were not created in the secondary and tertiary sectors.



- Secondary sector : Production of goods increased by 9 times, employment increased by only 3 times

9 times



Where are Most People Employed ?

- Tertiary sector :
- Production increased by 14 times
- Employment increased around 5 times



What Do We Conclude ?

- More than half of the workers in the country are working in the primary sector, mainly in agriculture.



- They produce only about 1/6th of the GDP



What Do We Conclude ?

- Secondary and Tertiary contribute more to GDP but their contribution is less in terms of employment



- There are more people working in the agriculture sector than required

Ques

Which of the following is true?

- (a) Production in Secondary sector increased by 9 times and employment 29 times
- ☒ (b) Primary is still the largest employer
- (c) Tertiary has provided the maximum no. of jobs
- (d) Both a & c

Laxmi –Case Study



- Laxmi, owns about two hectares of unirrigated land dependent only on rain and grows crops, like jowar and arhar.

→ no means of irrigation



- All five members of her family work in the plot throughout the year. They have nowhere else to go for work.



Laxmi – Case Study



- Each one is doing some work but no one is fully employed



- This is underemployment



Underemployment



① A Situation when a person is made to work less than his/her potential

② A person may look to be employed but is actually unemployed

[So → it is also called disguised unemployment]

③ India

↓
Many people are underemployed in agriculture

Situation when a person seems to be employed but is actually unemployed

- a) Overemployed
- ☒ b) Disguised Unemployed
- c) Cyclical Unemployed
- d) None



Laxmi - Case Study

* Suppose Sukhram,
a landowner

↓
Hires one or two members
of the family to work on
his land

* Laxmi's family is now
able to earn more
income

↓
through wages

* Since five
people were
not required on
the plot, 2 of
them moving out
will not affect
production

Laxmi – Case Study



- In the above example, two people may move to work in a factory.



- Once again the earnings of the family would increase and they would also continue to produce as much from their land.

Conclusion



- There are lakhs of small farmers in India.



- If some of them get work in other sectors then also agricultural production will not suffer.



- The incomes of the people who take up other work would increase the total family income.

Which of the following is incorrect ? ✓

- a) Moving some people from primary to other sectors can be useful
- b) Farmers can have some extra income if some of their family members take up other activities
- ✓ c) If some people are shifted from agriculture to other sectors then production will suffer badly
- d) Both a and b



Underemployment In Urban Areas



Casual workers like painters, plumbers, repair persons and others doing odd jobs look for work on a daily basis in urban areas ✓



They may not find work everyday ✓



Underemployment In Urban Areas



→ Street vendors
↓
or Vegetable Sellers



How To Create More Employment ?

→ The government can spend some money or banks can provide a loan

↓
[In case of Lakshmi – if she gets a loan – she can get a well constructed]

↓
[Now Lakshmi can take water from well and irrigate the land – Also she could grow wheat in rabi season]

✓
↳ This will help Lakshmi to get extra
income



→ Govt can construct more dams and canals



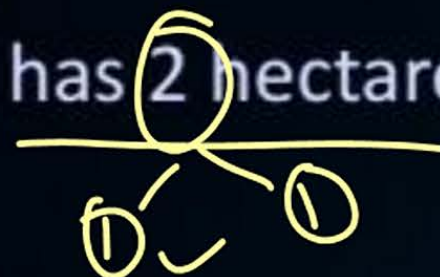
Water from this can be utilised for
irrigation by a large no. of farmers



How To Create More Employment ?



Lakshmi has 2 hectares of Land



(After getting the irrigation facility)

Suppose if 2 people can work on 1 hectare of land for 50 days now



So 2 more people from her family can work on same field)



How To Create More Employment ?



Government can construct more dams and canals to provide irrigation facilities



This will boost agricultural
production



→ If the production will increase → farmers will try to sell their produce in the market. ✓

↓
For this they need → Better roads → To connect to the market
→ Better infrastructure
(Transport Services)

Ques

Assertion (A): Farmers with a better production would like to sell it in the markets.

Reason (R): Good roads and transportation can be a game changer for the sector

- (a) Both A & R true, R explains A
- (b) Both A & R true, R does not explain A
- (c) A is true, R is false
- (d) A is false, R is true



Homework



↓
Ques

Discuss any two ways to create
more employment? (2)



THANK
YOU

