

## CHAPTER-3

### Average Daily Employment

3.1 The statistics collected under the Factories Act, 1948 relate to workers as defined under the Act, i.e. persons employed directly or through any agency, whether for wages or not in any manufacturing process or in cleaning any part of machinery or premises used for manufacturing process or any other kind of work incidental to or connected with manufacturing process. The definition covers not only workers but also those supervisory and clerical personnel who are connected with manufacturing process. Further, the coverage is limited to factories as defined in the Factories Act, 1948, viz., (a) factories using power and employing 10 or more workers on any working day (Section 2m (i)), (b) factories not using power and employing 20 or more workers on any working day (Section 2m(ii)) and (c) factories specially notified under Section 85 of the Factories Act by State Government.

3.2 The employment data which represent average daily employment are furnished by each factory by dividing total attendance (mandays worked) in a year by the total number of working days during the year. The estimated employment for factories not submitting returns is obtained by the State authorities on the basis of following in order of their preference:-

- i) recent factory inspection reports
- ii) last year's employment data
- iii) employment figures reported in the application for registration or grant or renewal of license.

3.3 The average daily employment for an industry group or a State is obtained by summing up the reported and estimated figures of average daily employment for all factories belonging to an industry or a State.

3.4 Table 2.1 depicts estimated average daily employment in all the working factories by States/U.T.s in the responding states during 2004. The total estimated average daily employment was 6.80 million in 2004. The factories submitting returns accounted for 52.25 per cent of the total estimated average daily employment. The average daily employment per working factory worked out to 42.78 at all India level. It was the highest in Karnataka (88.49) and the lowest was reported in Tripura (21.39).

3.5 Estimated average daily employment by Industry Groups at two digit level and by States/Industry Groups at three-digit level of National Industrial Classification, 1998 has been presented in Tables 2.2 and 2.3 respectively. Out of 15 States for which data has been compiled, nine States viz Maharashtra, Andhra Pradesh, Karnataka, Punjab, Haryana, Rajasthan, Madhya Pradesh, Kerala and Tamil Nadu together accounted for 95.99 per cent of the total working factories and the bulk of employment i.e., 95.26 per cent of total employment. Amongst the industry groups at two digit level, the average daily employment per working factory was the highest i.e 398.50 in the 'Mining of Metal

Ores'. (Industry Code 13) and the lowest i.e 5.00 was in 'Forestry, Logging and Related Service Activities' (Industry Code 02) .

3.6 State-wise number of working factories and estimated average daily employment covered under Section 2m (i), 2m (ii) and notified under Section 85 of the Factories Act, 1948 have been shown in Table 2.4. It may be seen from this Table that major proportion of working factories i.e. 69.61 per cent as well as employment i.e. 91.94 per cent was reported under Section 2m(i) of the Factories Act, 1948. Further, under this Section the share of Andhra Pradesh, Haryana, Karnataka, Maharashtra, Punjab and Tamil Nadu states together constituted about 81 per cent of total working factories whereas in case of estimated average daily employment these states together accounted for 78.75 per cent.

3.7 The number of working factories and estimated average daily employment by States and Industries in Public and Private Sector has been presented in Tables 2.5 and 2.6. It may be seen from these Tables that Public Sector factories accounted for 3.57 per cent of total working factories and 14.98 per cent of the total estimated average daily employment. The private Sector accounted for the remaining 96.43 per cent of total working factories and 85.02 per cent of the total estimated employment. In Public sector, average daily employment was the highest (11.93 per cent) in the industry group 'Sale, Maintenance and Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel' (Industry Code 50)'. In case of Private Sector the highest average daily employment was reported in 'Manufacture of Food Products and Beverages' (Industry Code-15)

3.8 The distribution of working factories submitting returns according to average daily number of workers employed therein classified by States/Union Territories and by Major Industry Groups is given in Tables 2.7 and 2.8.

3.9 The number of factories submitting returns and average daily number of workers employed therein in various employment size-groups have been presented in the Table 3(i)

**TABLE 3(i)**  
**Number of Working Factories submitting Returns and Average Daily Employment therein by Employment Size-groups for the year 2004**

<b>Employment Size</b>	<b>No. of Factories</b>	<b>Employment</b>
5000 & above	44	134985
1000 to 4999	416	606831
500 to 999	692	480038
100 to 499	5228	1058477
50 to 99	6727	484920
20 to 49	13894	453571
10 to 19	16236	238860
9 and below	16671	96339
<b>Total</b>	<b>59908</b>	<b>3554021</b>

3.10 The table 3 ( i) presents details of industry groups in which the bigger-sized units employing 1,000 or more workers were reported.

**TABLE 3(ii)**

**Total number of units employing 1000 or more workers and percentage of employment in such units to the total employment in each selected industry group for the year 2004**

<b>Industry Code (NIC-1998)</b>	<b>Industry group</b>	<b>No. of units employing 1000 or more workers</b>	<b>Total employment in units in Co.(3) and percentage to total employment in each selected industry</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
15	Manufacture of Food Products and Beverages	13	13536 (2.92)
16	Manufacture of tobacco products	4	5166 (22.34)
17	Manufacture of textiles	69	81922 (16.77)
18	Manufacture of Wearing Apparel; Dressing and Dyeing of Fur	25	35239 (14.33)
19	Tanning and Dressing of Leather; Manufacture of Luggage, Handbags, Saddlery, Harness and Footwear	2	2010 (2.55)
20	Manufacture of paper and paper products	12	21635 (29.45)
21	Publishing, Printing And Reproduction of Recorded Media	4	11386 (15.56)
23	Manufacture of Coke, Refined Petroleum Products and Nuclear Fuel.	5	9245 (34.27)
24	Manufacture of chemical and chemical products	64	97160 (24.10)
25	Manufacture of rubber and plastic products	31	38851 (29.25)
26	Manufacture of Other non-metallic mineral products.	42	20433 (11.87)
27	Manufacture of Basic Metals	23	62963 (31.29)
28	Manufacture of Fabricated metal products except machinery and equipment	22	39968 (22.29)
29	Manufacture of machinery and equipment N.E.C.	24	49655 (26.22)

31	Manufacture of Electrical Machinery and Apparatus	8	11724 (13.32)
32	Manufacture of Radio, Television and Communication Equipment and Apparatus.	6	15254 (28.08)
33	Manufacture of Medical, Precision and Optical Instruments, watches & clocks	1	2014 (9.59)
34	Manufacture of Motor Vehicles, Trailers and Semi-Trailers	19	38492 (35.79)
35	Manufacture of other transport equipment	34	96984 (61.67)
36	Manufacture of furniture ; Manufacturing NEC	6	10285 (23.11)
37	Recycling	1	2765 (80.99)
40	Electricity, Gas and Steam and Hot Water Supply	29	49947 (67.26)
50	Sale, Maintenance and Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel	6	9121 (7.84)
52	Retail Trade, Except of Motor Vehicles and Motorcycles, Repair of Personal and Household Goods	2	3754 (49.81)
63	Supporting and Auxiliary Transport Activities, Activities of Travel Agencies	8	12307 (49.25)

Note: (i) Figures in brackets indicate percentages to total employment in the industry shown in Col. (2).

(ii)N.E.C.= Not Elsewhere Classified

3.11 The distribution of working factories submitting returns classified according to number of days worked and average daily employment therein by States and Major Industry Groups is given in Tables 2.9 and 2.10. The number of working factories submitting returns in various groups of working days and employment therein are given in the Table (iii).

**TABLE 3 (iii)**  
**Number of working Factories submitting returns and employment therein classified according to the number of days actually worked for the year 2004**

No. of working days	Number of Factories	Average Daily Employment
1	2	3
More than 300 days	31079	2229857
More than 240 days but not more than 300 days	15225	858190
More than 180 days but not more than 240 days	50176	223857
More than 120 days but not more than 180 days	5168	150699
More than 60 days but not more than 120 days	2557	66971
60 days or less	862	24447
Total	59908	3554021

Data presented in the above Table reveal that 77.29 per cent of total number of working factories submitting returns worked for more than 240 days during 2004. Only a very small fraction of such factories (1.44 per cent) worked for upto 60 days during the year 2004.

3.12 The number of mandays worked in working factories submitting returns by Industry groups and by States has been presented in Table 2.11. Taking all States combined together, the industry group 'Manufacture of Textile (Industry Code-17)', accounted for maximum number of mandays worked (14.70 per cent).

3.13 Under the Factories Act, 1948 adult, adolescent and child have been clearly defined. The States-wise and Industries-wise Average daily employment by age and sex has been presented in Tables 2.12 & 2.13 respectively. It may be seen that adult men, adult women adolescent (men & women) and children for boys girls constituted 81.86 per cent, 17.87 per cent, 0.24 per cent and 0.03 per cent of the total average daily employment respectively. Among the States, Tamil Nadu reported the highest number of workers i.e. 33.76 per cent of total average daily employment as well as highest number of women workers in the year 2004. Amongst industry groups, the maximum number of women workers ie 19.71 per cent were employed in the industry group 'Manufacture of Wearing Apparel, Dressing and Dying of Fur' (Industry Code- 18 ).