

## Different type of Unemployment

### Unemployment

- It is a situation in which people are ready and willing to work at the existing rate of wages but still, they cannot get work.
- Measurement unemployment and employment are done by NSSO (National Sample Survey Organization) in India.
- NSSO divide people into the following three categories -
  - (a) Working people (engaged in an economic activity)
  - (b) Not working (looking for work)
  - (c) Neither working nor looking for workPeople in category (a) are called **workforce**.  
People in category (b) are called **unemployed**.  
People in categories (a) and (b) are called **Labour force**.  
People in category (c) are called **not in the Labour force**.  
**Number of unemployed = Labour force – Workforce**
- Unemployment data in India are kept under the Ministry of Labour and Employment.

### Types of Unemployment

#### 1. Structural Unemployment

- Caused by structural change.
- Example- technological change, growing population etc.

#### 2. Frictional Unemployment

- When people shift from one job to another and remain unemployed during this interval period.

#### 3. Cyclical Unemployment (Demand Deficiency Unemployment)

- When people are thrown out from the job due to a decrease in demand.
- Example- recession

#### 4. Disguised Unemployment

- In this type of employment, people are employed but their marginal productivity is zero.

- Example- One man is engaged in some agriculture work, his friend joins him but the productivity of both remains same. His friends come under disguised unemployment.

#### 5. **Educated Unemployment**

- If one educated person not able to get a suitable job suited to his qualification.
- Example- Engineering graduate is getting clerk post instead of engineer post.

#### 6. **Open Unemployment**

- A condition in which people do not find any work to do.
- It includes both skilled and non-skilled people.

#### 7. **Under Unemployment**

- When people obtain work but their efficiency and capability are not utilized at their optimum and they contribute to the production up-to a limited level.

#### 8. **Voluntary Unemployment**

- In this type of unemployment, jobs are available but individual wants to remain idle.
- Example- lazy people, people who have ancestor property do not want to earn.

#### 9. **Natural Unemployment**

- 2 to 3 % unemployment considered natural and cannot be eliminated.

#### 10. **Chronic Unemployment**

- Caused due to the long-term unemployment present in the economy.

#### 11. **Seasonal Unemployment**

- In this type of unemployment, people are unemployed for a few months of the year.
- Example- Farmers