

# Migration and Employment in Mumbai, India

Dharmendra P Singh

## Abstract

This paper examines the migration and employment situation in Mumbai city, the commercial capital of India. Using the latest available information from the National Sample Survey and the decennial population census, the paper provides information on changing pattern of employment and workforce in the city during the last 20 years. The differences in the industrial and occupational profile of workers in terms of sex, age and migration status have also been analysed. The analysis reveals that the share of the manufacturing sector in the workforce has decreased while that of the trade and commerce sector has increased. Another major change has been the increase in self-employed workers. The data available from the decennial population census reveals decrease in male work participation rate but increase in female work participation rate. The proportion of non-agricultural establishments has increased but employment in non-agricultural establishments has decreased.

## Introduction

The city of Mumbai is popularly known as the commercial capital of India as it is the main centre of finance, trade, and entertainment of the country. At the 2011 population census, the population of the city was enumerated to be 12.4 million. There was no decennial population census in the country in 1921 because of the COVID-19 pandemic so the official estimates of the population of the city for the recent date are not available. It is, however, estimated that the population of the city has now increased to more than 24 million, making it the seventh largest city of the world (United Nations, 2019). In India, Mumbai is the second largest city, next to the national capital of Delhi. It is projected that the population of the city will increase to more than 28 million by the year 2030 (United Nations, 2019).

The growth of the population of Mumbai has largely been due to in-migration from the hinterland in search of better livelihood opportunities. Before the 18<sup>th</sup> century, Mumbai was a small locality on seven small islands on the Arabian sea inhabited mostly by fishermen. In the late 18<sup>th</sup> and early 19<sup>th</sup> centuries, development

activities in terms of the railway network and port city put Mumbai on the road of national and international map. In the early 19<sup>th</sup> century, the city was known as the Manchester of India because of the flourishing textile industry which was ruined by trade union strike in the 1980s. The textile industry which was once the main source of livelihood to thousands of workers coming from all over the country now lies in shambles. In the early eighties, the decline of manufacturing industries, especially downfall of textile industry, led to the emergence of various territory sector activities including real estate and service-oriented industries. The demand for housing in the city is now so high that many textile industries have now turned into housing and commercial centres. The globalisation and the liberalisation policy of the Government of India in the early nineties also contributed to the change in the profile of Mumbai city from manufacturing focussed activities to tertiary sector activities.

The aim of this paper is to analyse the historical and emerging trend in migration and employment in Mumbai and the contribution of Mumbai to the economy of the state of Maharashtra. The paper also analyses differences in the employment pattern of migrants and non-migrants to inform the policy makers and development planners to enhance the vision about the future of Mumbai and to prepare for the migration and employment scenario of the city that is likely to emerge at least in the near future. Such an analysis is important as Mumbai continues to be the rapidly growing cities of India because of its potential of providing employment and generating income.

## Data Source

The paper uses data from decennial population censuses from 1961 through 2011 and different rounds of the national sample survey during 1987-2010. The decennial population census in India has been conducted at every ten years since 1881. The place of birth and place of enumeration data available from the census is the only data source in India to establish patterns of population movement within the country. The national sample survey (NSS) also provides data about the type of work, days of work, wages earned by regular and casual workers and related information which may be used to examine the difference between migrant and non-migrant population in terms of type of work classified by industrial categories and occupational patterns. The 2021 population census could not be carried out in India because of the COVID-19 pandemic. It is not clear till to date when the next round of the population census in the country will be conducted. Moreover, some of the migration tables of the 2011 population census such as industrial classification and occupational classification tables known as D8 and D-9 have not been released. We have, therefore, relied on data from the 64<sup>th</sup> round of NSS for analysing occupational and industrial difference between migrants and non-migrants in Mumbai.

## Population of Mumbai and Its Migration component

According to the 2011 population census, the population of Mumbai was enumerated as 12,442,373 persons, roughly about 1 per cent of the population of the country. From the administrative perspective, the city is divided into two administrative districts - Mumbai and Suburban Mumbai districts – but is governed by one civic body – Municipal Corporation of Greater Mumbai – which is responsible for the welfare of its citizens in term of providing all basic amenities and collecting revenues from city population.

The population of Mumbai has been growing faster than any other city in the country except the decade 2001-2011. In the last fifty years, the population of the city has been increasing, on average, by nearly 2000 thousand persons every 10 years (Table 1). The city is spread over an area of 437.71 square kilometres and is locked by the Arabian sea from three sides. Because of its limited geographical area, the city faces several problems related to housing, infrastructure, civic facilities and so on. Since 1980 the city planners have developed new areas in the adjoining district of Thane to decongest Mumbai and the efforts have been successful in providing housing and other facilities to the ever-increasing population of the city. One of the central ironies of this most prosperous city of India is that more than half of the population of the city (54 per cent) lives in slums which are highly congested and lack basic amenities and civic services.

Migration has always played a significant role in the increase in the population of the city. In the early decades of the 19th century, the population of the city increased mainly because of in-migration of working population (Table 1). The natural increase component of population growth was almost negligible until 1941. During 1951-61, the growth in population due to migration and due to natural increase was nearly the same but the contribution of migration to city population growth started decreasing since 1961 and decreased to around 39 per cent during 1991-2001 because many migrants settled with family in the city and children born to these families were classified as non-migrants. Since 1980 adjoining areas of the city started growing faster in terms of industrial activities and the proximity of these areas to the city resulted in the movement of the population to these newly emerged satellite towns. During 1991-2001, nearly 650 thousand persons moved out of the city to the adjoining Thane district while only 20 thousand moved from Thane to Mumbai district. This movement of the population resulted in weakening of the population pressure in the city. During 2001-2011, the contribution of migration to city population growth is found to be negative, which may again be due to the substantial out-migration of the city population to the adjoining Thane. The data available through the 2011 population census suggest that 11.9 lakh persons from the city migrated out to the Thane district while only about 1.2 lakh persons migrated to the city from the Thane district during the period 2001-2011.

Table 1: Population growth in Mumbai 1901-2011 and components of population growth.

Year	Population (000)	Increase in population (000)			Share of	
		Total	Natural increase	Net migration	Natural increase	Migration
1901						
1911		221	-129	350	-58.37	158.37
1921		231	-168	399	-72.73	172.73
1931		18	-58	76	-322.22	422.22
1941		402	4	398	1.00	99.00
1951		1194	243	951	20.35	79.65
1961	4152	1158	558	600	48.19	51.81
1971	5971	1818	947	871	50.50	49.50
1981	8243	2274	1203	1071	60.42	39.58
1991	9926	1682	1400	282	83.23	16.77
2001	11978	2053	1254	799	61.08	38.92
2011	12442	464	950	-486	205.00	-105.00

Source: Singh (2007). For the period 2001-2011, migration estimates are based on registered births and deaths.

Table 2 shows the distribution of migrants by their place of origin. During the last 60 years, the proportion of lifetime migrants in the city population has decreased from 64 per cent to 43 per cent. The proportion of international migrants decreased consistently during this period. percentage shows a consistent decline from nearly 3 per cent to less than one per cent. The most notable feature of migration in Mumbai is the decrease in the proportion of lifetime migrants from other districts of Maharashtra but the increase in the lifetime migrants from other states of the country. At the 2011 population census, nearly two-third of lifetime migrants in the city were born outside Maharashtra (63.4 per cent) while around one-third (35.2 per cent) were born within the state of Maharashtra.

Table 2: Distribution of lifetime migrants in Mumbai by place of origin 1961-2011.

Type of Migrants	Year					
	1961	1971	1981	1991	2001	2011
Lifetime migrants (000)	2667	3372	4229	3703	5185	5445
Migrants from within Maharashtra	26.75	23.48	21.67	15.34	16.19	15.35
Migrants from other states	34.09	30.70	28.13	21.11	26.48	27.66
International migrants	3.37	2.3	1.51	0.79	0.62	0.62

Source: Singh (2007). Migrants are based on place of birth concept.

Migration in India is mostly due to economic and social reasons. This has been the case in Mumbai also. Nearly 62 per cent of male lifetime migrants in Mumbai reported that came to the city for employment and for business-related activities

while nearly 80 per cent female migrants moved to the city as family member. Employment as the reason for migration was higher among migrants from the rural areas. Similarly, employment was the main factor of migration to the city for the people from other states of the country as compared to people migrated from within the state. The employment opportunities available in the city and in its outgrowth, has always been the main pull factor for the movement of the people from different parts of the country to the city. for migrants from all over the country.

## Employment Scenario

Census of India defines work as participation in any economically productive activity with or without compensation, wages, or profit. Since 1981, workers in the population census in India are divided into main workers, marginal workers and non-workers based on the duration they had worked during the year prior to the census. Main workers are workers who had worked for at least 6 months during the year prior to the census. Marginal workers are those who worked for less than 6 months during the year prior to the census. Finally, non-workers are those who had not worked for even a day during the year prior to the census. Non-workers include, among others, students, persons engaged in household chores like cooking, looking after children, aged, pensioners after retirement and not engaged in any economic activity, beggars, vagrants, and prostitutes. Population aged below 5 years is treated as non-workers. The ratio of the workers to the total population is termed as the work participation rate which measures the extent of participation in productive activities.

The data available from the 2011 population census suggest that the male work participation rate in Mumbai was nearly 56 per cent whereas the female work participation rate was around 16 per cent. Over the years, the female work participation rate increased from 9 per cent in 1961 to nearly 16 per cent in 2011 but the male work participation rate decreased from around 62 per cent to 56 per cent during 1961-2011 (Table 3). The increase in the female work participation rate may be attributed to the increase in the employment opportunities in the tertiary sector such as banking and commerce activities which are more women friendly. As the result, the workers sex ratio in Mumbai increased consistently from around 9 female workers for every 100 male workers in 1961 to more than 26 female workers for every 100 male workers in 2011. Recent data about the work participation rate in the city are not available as the decennial population census scheduled for 2021 could not be carried out. In any case, despite the increase in the workers sex ratio for more than 50 years, the workforce in Mumbai remains heavily biased towards males. There is also little difference in the work participation rate in the slum and non-slum population of the city according to the 2011 population census - 56.3 per cent and 57.4 per cent for male population and 11.4 per cent and 14.9 per cent respectively for female

population – although the proportion of marginal workers to total workers is found to be relatively higher in the slum population as compared to non-slum population of the city.

The national sample survey (NSS) also provides data on workers based on three approaches of work status - usual, weekly, and daily. The usual work status is measured into two parts - principal and subsidiary – depending upon the duration of engagement in economic activity during the reference period of 365 days. Table 4 provides the employment rate by principal and subsidiary status in the last 20 years along with the corresponding figures for urban India available from different rounds of NSS. The employment rate in Mumbai is marginally better than that in urban India rates for both males and females. However, in the early 1990s the employment rate in Mumbai was marginally lower than that in urban India.

Table 3: Work participation rate in Mumbai, 1961-2011.

Year	Number of workers			Work participation rate		
	Male	Female	Total	Male	Female	Total
1961	1540861	145807	1686668	61.73	8.81	40.62
1971	2005728	192370	2198098	57.66	7.72	36.82
1981	2579978	322221	2902199	55.45	8.97	35.21
1991	3007332	492010	3499342	55.08	11.02	35.25
2001	3764550	699698	4464248	56.87	13.06	37.27
2011	3965331	1054086	5019417	56.39	16.38	37.98

Source: Census of India, 1961 to 2011.

Table 4: Number of persons usually employed per 1000 persons aged 15 years and above according to principal and subsidiary status by sex during 1987-88 to 2006-07.

Year	Male		Female	
	Mumbai	Urban India	Mumbai	Urban India
64 <sup>th</sup>	797	761	203	185
61 <sup>st</sup>	786	763	267	227
55 <sup>th</sup>	753	752	174	197
50 <sup>th</sup>	773	768	221	223
43 <sup>rd</sup>	733	769	188	225

Source: Author's calculations based on different rounds of NSS.

Workers, in NSS, are categorised into self-employed, regular salary/wage employees and casual labourers. Self-employed persons are those who are engaged in household enterprise including own account worker, employer, and unpaid family members. Table 5 gives the distribution of workers in three categories. Nearly 60 per cent of the male workers in Mumbai were categorised as regular salaried/wage workers while around one third were self-employed. Among female workers, the proportion of regular/salaried workers was relatively higher than that of males. It may

also be seen from the table that opportunities for regular/salaried employment in Mumbai has been relatively better than in urban India. However, the share of the casual labour in the work force has increased sharply in Mumbai after 2000. This may be due to the increase in real estate activities which demand more casual than regular labour.

Table 5: Proportion usually employed for every 1000 population aged 15 years and above by status of employment in Mumbai and in urban India.

Year	Male			Female		
	Self-employed	Regular Salaried	Casual Labour	Self-employed	Regular Salaried	Casual Labour
Mumbai						
64 <sup>th</sup>	336	589	75	242	663	95
61 <sup>st</sup>	403	517	80	292	689	19
55 <sup>th</sup>	292	679	31	259	690	52
50 <sup>th</sup>	352	654	21	276	692	32
43 <sup>rd</sup>	324	628	48	305	631	64
Urban India						
64 <sup>th</sup>	425	424	152	355	436	209
61 <sup>st</sup>	449	407	144	471	361	167
55 <sup>th</sup>	415	418	166	452	335	213
50 <sup>th</sup>	415	425	160	446	293	261
43 <sup>rd</sup>	415	439	146	467	280	253

Source: Computed by the author from data from different rounds of NSS.

It is possible to estimate the extent of under-employment as the difference in the employment rate based on the weekly status and the employment rate based on the daily status. This exercise using the data available from NSS suggests that the under-employment rate in Mumbai has varied between 5 to 10 per thousand population aged 15 years and above for males and 4 to 14 per thousand population aged 15 years and above for females. The data available from different rounds of NSS also suggest that the under-employment rate in Mumbai has always been lower than the under-employment rate in other class I cities of the country since 1987-88,

## Unemployment Situation

The NSS defines the unemployment rate as the number of persons/person-days unemployed per 1000 persons/person-days in the labour force (which includes both the employed and unemployed). Unemployment rate is computed based on three work status criteria – usual (principal or subsidiary) status, weekly status, and daily status. According to the 64<sup>th</sup> round of NSS, the unemployment rate in India was 81 per thousand population aged 15 years and above based on the daily status; 42 per

1000 population aged 15 years and above; and 22 per 1000 population based on usual status (Government of India, 2010). According to the daily status approach, the unemployment rate in urban areas of the country was 74 per 1000 population aged 15 years and above compared to 84 per 1000 population aged 15 years and above in the rural areas. In Mumbai, the unemployment rate has been found to be lower than that in India (Table 6). The unemployment rate has decreased for the male population after 2000 but the trend in the unemployment rate in females is mixed. Moreover, female unemployment rate is higher than that in females in Mumbai as well as in urban India.

Table 6: Unemployment rate in Mumbai and in urban India according to usual, weekly, and current daily status.

Year	Male			Female		
	Usual (adjusted)	Current Weekly	Current Daily	Usual (adjusted)	Current Weekly	Current Daily
Mumbai						
64 <sup>th</sup>	25	41	62	83	121	116
61 <sup>st</sup>	31	65	75	53	66	69
55 <sup>th</sup>	68	77	85	117	124	136
50 <sup>th</sup>	53	57	60	71	83	93
43 <sup>rd</sup>	81	93	98	96	119	126
Urban India						
64 <sup>th</sup>	37	41	68	53	54	95
61 <sup>st</sup>	38	52	74	70	91	117
55 <sup>th</sup>	44	56	73	57	72	92
50 <sup>th</sup>	40	52	68	63	87	109
43 <sup>rd</sup>	51	66	87	63	93	124

Source: Computed by the author from data from different rounds of NSS. Usual rate is adjusted for principal and subsidiary activity.

## Occupational Distribution of Workers

The occupational distribution of workers in Mumbai shows a clear shift from the manufacturing sector to the trade and commerce sector during the last five decades (Table 4). The share of workers in the manufacturing sector started decreasing whereas the share of workers in trade and commerce sector started increasing after 1981. Similarly, the share of workers in the construction sector increased by nearly 2 times since 1981. On the other hand, there has been only a marginal change in the proportion of workers in transport and storage sector and workers in other industrial sectors. Despite the decrease in its share, the manufacturing sector still remains the main sector providing work opportunities to the population aged 15 years and above in Mumbai.



Table 7: Occupational distribution of workers in Mumbai, 1961 to 2001.

Industrial activity	1961	1971	1981	1991	2001	2011
1. Agricultural	1.89	1.26	1.38	0.84	1.12	1.28
2. Manufacturing - HH industry	1.36	1.33	2.49	1.48	3.12	2.25
3. Manufacturing - other than HH industry	39.46	40.96	38.91	35.31	25.67	21.71
4. Construction	2.66	3.05	3.35	4.24	6.41	6.65
5. Trade and Commerce	18.01	22.36	21.80	24.90	32.9	27.07
6. Transport and storage	11.22	10.78	10.04	11.32	12.11	10.02
7. Other services	25.39	20.27	22.02	21.91	18.65	31.01

Source: Computed by the author from data from different rounds of NSS.

Remarks: Trade and commerce include wholesale-retail trade, hotel-restaurants, and financial-real estate activities

## Migration and Employment

Table 8 gives the distribution of migrant and non-migrant population by employment status. Employment rate in male migrants is higher than that in non-migrants but the employment rate in female non-migrants is higher than that in female migrants. Male migrants come to the city purposely for work and, therefore, they agree to take up any available work while non-migrants start working only after acquiring better education and skills for work. Female migrants usually accompany the male migrants and therefore are not inclined to work. They are usually dependent upon their male counterpart.

Table 8: Employment status of migrant and non-migrant population in Mumbai.

Year	Migrant population				Non-Migrant			
	Employed	Unemployed	Non-Workers	Total	Employed	Unemployed	Non-Workers	Total
Male								
2007-08	87.5	0.9	11.6	100.0	72.4	3.2	24.4	100.0
1999-00	84.5	2.5	13.0	100.0	65.7	8.8	25.5	100.0
1987-88	84.0	2.7	13.3	100.0	62.8	10.2	27.0	100.0
Female								
2007-08	15.5	0.7	83.9	100.0	24.0	2.7	73.3	100.0
1999-00	12.5	0.6	86.9	100.0	21.5	4.0	74.5	100.0
1987-88	12.8	0.5	86.7	100.0	17.9	3.4	78.6	100.0

Source: Author's calculations based on data from different rounds of NSS.

The occupational distribution of migrant and non-migrant population of the city is presented in table 9 separately for males and females. Nearly one-fourth of male migrants in the city are self-employed compared to less than 13 per cent male non-migrants. On the other hand, the proportion of both male and female non-migrants as self-employed employer and unpaid family worker is higher than migrants

as self-employed employer and unpaid family worker. The proportion of male migrants as regular salaried and wage employees is also higher compared to non-migrants. By contrast the proportion of non-migrants attending educational institutions and looking for job is higher than male migrants. Among female regular employees, the percentage exceeds that of migrants' women as well as attending educational institutions whereas the proportion of migrant women involved in domestic work is found be higher compared to non-migrants.

Table 9: Occupational classification of migrant and non-migrant population aged 15 years and above in Mumbai.

Nature of employment	Male			Female		
	Migrant	Non-migrant	Total	Migrant	Non-migrant	Total
Self-employed - working in household enterprise as own account worker	22.66	12.59	17.44	2.83	2.92	2.88
Self-employed - employer	4.79	6.50	5.68	0.32	0.74	0.56
Self-employed - working as helper in household enterprise - unpaid worker	1.39	5.33	3.44	0.75	0.54	0.63
Working as regular salaried/wage employee	49.91	43.30	46.48	6.90	14.38	11.15
Regular employees in other types of work	8.63	3.39	5.91	1.53	1.65	1.60
Seeking work or available for work	0.92	4.12	2.58	0.79	3.48	2.32
Attending educational institution	3.13	18.10	10.89	2.06	15.71	9.81
Attending domestic duties and other free collection of goods	0.25	0.38	0.32	80.56	56.61	66.94
Rentiers, pensioners, remittance recipients etc.	5.81	3.58	4.65	0.55	1.72	1.21
Not able to work due to disability	0.59	0.45	0.52	0.75	0.16	0.42
Others including begging, prostitution, etc	1.92	2.26	2.10	2.96	2.11	2.48
Total	100	100	100	100	100	100

Source: Author's calculations based on data from 2007-2008 round of NSS.

## Industrial Classification and Migration Status

Table 10 gives the distribution of migrant and non-migrant workers aged 15 years and above by industrial classification as revealed through the 2001 population census. There is little difference in the distribution of migrant and non-migrant workers by industrial classification. The proportion of non-migrant workers in financial, real estate and business activities is higher than the proportion of migrant workers. Data from NSS 2007-2008 round also suggests that the distribution of migrant and non-migrant workers by industrial classification is nearly the same. The distribution of migrant and non-migrant workers by industrial classification is not available from the 2011 population census.

Table 10: Distribution of migrant and non-migrant workers aged 15 years and above by industrial classification.

Classification	NSS (2007-2008)				Census (2001)			
	Male		Female		Male		Female	
	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant
Agriculture and mining - A-B-C	0.2	0.2	1.4	0.0	0.98	1.23	1.54	1.19
Manufacturing - D	28.7	21.5	12.3	21.9	31.89	27.25	21.16	22.18
Electricity-Gas-Water- E					0.48	0.58	0.17	0.21
Construction - F	6.4	4.9	7.7	1.8	8.14	5.31	5.24	1.35
Wholesale and retail - G	18.5	21.1	13.9	8.4	19.66	21.71	9.63	8.85
Hotels and restaurants - H	4.1	3.3	5.8	2.8	4.12	2.55	1.31	1.01
Transport, storage, communication - I	19.6	17.3	2.5	9.6	13.74	13.31	3.58	4.71
Financial intermediation - J	2.0	5.7	0.5	6.2	8.08	13.85	10.94	18.5
Real estate, business - K	4.6	13.2	2.6	14.1				
Public administration - L	5.4	5.3	3.8	1.1	12.9	14.22	46.43	42.0
Education - M	1.0	1.7	4.5	13.3				
Health and social work - N	0.9	1.3	7.4	7.2				
Other community activities - O	5.6	3.2	0.9	4.7				
HH with employed persons - P	3.0	1.3	36.8	9.0				
Total	100	100	100	100				

Source: Author's calculations.

Remarks: Census figures are based on total population. The population census does not provide age data for migrants. Migration data by industrial classification from the 2011 population census have not been released till date.

Tables 11 presents the distribution of male and female migrant and non-migrant workers by industrial classification over time. There has been marked decrease in the share of both male and female migrant and non-migrant workers in manufacturing activities over time whereas the share of main migrant workers in construction activities has increased markedly during 1999-2000 compared to that in 1987-1988. Similarly, the share of female migrant workers in wholesale and retail trade and hotels activities has increased sharply in 1999-2000 compared to that in 1987-1988 according to the national sample survey. table shows that there has been little change in the distribution over time. On the other hand, there has been a noticeable decrease in the share of both migrant and non-migrant workers in community, social and personal services over time.

## Occupational Distribution of Main Workers

According to the 2011 population census, around 49 lakh persons in Mumbai were classified as main workers excluding cultivators and agricultural labourers. Table 12 presents the occupational distribution of main workers in the city. Nearly 15 per cent of the main workers were engaged in service, shops, and market sales activities.

Similarly, 16 per cent of the main workers excluding agriculturists and agricultural labourers were engaged in craft and related trade activities. On the other hand, the share of female main workers in elementary occupation including street vendors, domestic helpers, messengers, labourers in manufacturing, construction and transport activities were higher than that of male main workers. The proportion of female main workers is also high in professional-technical and clerical and related services, but their actual number is less than that of male main workers.

Table 11: Industrial Classification of Male Workers aged 15 years and above based on Usual Principal Activity among migrants and non-migrants.

Industrial Classification	1999-2000		1987-1988		1983	
	Migrant	Non-Migrant	Migrant	Non-Migrant	Migrant	Non-Migrant
Male						
Agriculture and mining	0.1	3.0	0.2	1.1	1.4	0.5
Manufacturing	28.1	23.8	37.1	35.8	38.5	34.6
Electricity, gas, and water	0.4	0.3	0.4	0.5	0.4	1.2
Construction	9.2	4.4	2.9	4.8	3.7	3.7
Wholesale and retail trade and hotels	26.6	27.5	22.8	20.3	20.5	22.9
Transport, storage, communication	12.7	14.5	12.0	11.7	14.1	13.2
Financial and business services	6.6	11.7	4.1	8.5	4.3	7.2
Community, social and personal services	16.3	14.9	20.4	17.5	17.1	16.7
Female						
Agriculture and mining		1.6		0.9	0.4	1.1
Manufacturing	17.8	16.2	17.3	22.1	30.1	22.5
Electricity, gas, and water				0.6		1.9
Construction	2.7	1.6	0.3	2.5	4.9	0.7
Wholesale and retail trade and hotels	25.4	14.2	18.5	7.5	9.6	11.6
Transport, storage, communication	4.1	4.4	.3	5.4	3.9	4.0
Financial and business services	2.9	12.5	1.0	9.7	1.1	12.7
Community, social and personal services	47.1	49.4	62.7	51.3	49.9	45.6

Source: Author's calculations based on data from different rounds of NSS.

The occupational distribution of main migrant and non-migrant workers excluding cultivators and agricultural labourers is presented separately for males and females in table 13 for the period 2007-2008. A relatively higher proportion of males, non-migrant main workers were engaged as professional, technicians-associate professionals and clerical and related activities in comparison to male migrant main workers whereas the proportion of male migrant main workers was high in craft-related trade activities and activities related to plant and machine operations. Similarly, half of the female non-migrant main workers were engaged in professional and clerical and related activities while the share of female migrant main workers was high in elementary occupations and in trade and market related activities. The occupational distribution clearly shows that migrant main workers are absorbed in service-related activities, while non-migrants' main workers are in white-collar jobs.

Table 12: Distribution of main workers excluding cultivators and agricultural labourers in Mumbai, 2001 and 2011.

Occupational classification	2001			2011		
	Total	Male	Female	Total	Male	Female
Legislators, senior official, managers	5.34	5.61	3.82	10.17	10.83	7.50
Professionals	5.98	5.08	11.13	7.55	6.50	11.80
Technicians and associated professionals	6.69	5.49	13.59	7.53	6.22	12.84
Clerical and related activities	6.93	5.66	14.22	8.77	7.54	13.76
Service workers, shops, and market sales	19.73	21.16	11.52	15.32	16.27	11.52
Skilled agricultural and fishery workers	0.79	0.81	0.69	0.43	0.45	0.35
Crafts and related trades workers	20.99	23.04	9.21	16.04	18.42	6.44
Plant and machine operators	12.86	14.53	3.25	9.87	11.76	2.22
Elementary occupations	18.08	16.32	28.18	17.15	16.16	21.15
Workers not classified by occupation	2.60	2.29	4.39	7.16	5.86	12.43

Source: Author's calculations based on data from 2001 and 2011 population census.

## Wages and Days of Work

Average wages during a week in Mumbai are higher than that in other cities of India and Maharashtra for both regular salaried/wage employees and casual wage labourers (Table 14). A study done by Lakdawala et al. (1963) has highlighted the difference in the wages of migrants and non-migrants' workers in Mumbai. Another interesting observation that can be made from table 14 is that male migrant workers receive comparatively higher wages than non-migrant workers in Mumbai as well as in urban India while the same is not true for female migrant workers. In some occupations wages of female migrant workers is higher than that of female non-migrant workers.

Table 13: Occupational Distribution of Migrants and Non-migrants based on usual principal activity aged 15 years and above, Mumbai: NSS 2007-08

Occupational classification	Male			Female		
	Migrant	Non-Migrant	All	Migrant	Non-Migrant	All
Legislators, senior official, managers	2.54	4.02	3.23	2.48	6.24	5.05
Professionals	24.31	30.01	26.97	33.34	23.89	26.88
Technicians and associated professionals	3.27	7.72	5.34	4.76	14.45	11.38
Clerical and related activities	6.43	11.42	8.76	4.08	21.35	15.89
Service, shop, market trade	15.37	15.62	15.48	16.78	10.36	12.39
Craft and related trade workers	19.86	9.97	15.24	9.72	4.41	6.09
Plant and machine operators	17.43	11.30	14.57		1.95	1.33
Elementary Occupation	10.80	9.94	10.40	28.84	17.35	20.99
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: Computed by the author from raw data from 2007-08 round of NSS.

Table 14: Average wages of and average number of days work for regular salaried/wage employees and casual labourer, Mumbai 2007-08.

Type of employee	Sex	Migrant/Non-migrant	Average wages per day (Rupees)			Average number of days worked in a week		
			Mumbai	Thane Urban	Urban India	Mumbai	Thane Urban	Urban India
Regular salaried/wage employee	Male	Migrant	465	331	310	6.7	6.8	6.7
		Non-Migrant	316	347	244	6.9	6.9	6.8
		Total	394	335	273	6.8	6.8	6.8
	Female	Migrant	197	306	221	7.0	7.0	6.7
		Non-Migrant	262	290	200	7.0	6.6	6.8
		Total	245	298	211	7.0	6.8	6.7
	Total	Migrant	441	328	292	6.8	6.8	6.7
		Non-Migrant	303	331	237	7.0	6.8	6.8
		Total	369	329	262	6.9	6.8	6.8
Casual wage labour	Male	Migrant	142	126	114	5.8	5.0	5.9
		Non-Migrant	109	134	102	5.1	6.3	5.7
		Total	132	127	105	5.5	5.1	5.7
	Female	Migrant	74	78	60	4.3	5.0	5.3
		Non-Migrant	53	88	59	5.5	3.9	5.3
		Total	61	79	60	5.1	4.8	5.3
	Total	Migrant	130	112	93	5.5	5.0	5.7
		Non-Migrant	85	121	96	5.2	5.6	5.6
		Total	112	113	95	5.4	5.0	5.6
Total	Male	Migrant	425	316	279	6.6	6.7	6.6
		Non-Migrant	302	339	200	6.8	6.9	6.6
		Total	368	321	231	6.7	6.8	6.6
	Female	Migrant	169	257	169	6.1	6.1	5.9
		Non-Migrant	232	282	158	6.6	6.2	6.1
		Total	214	268	164	6.4	6.2	6.0
	Total	Migrant	399	309	253	6.5	6.6	6.4
		Non-Migrant	284	324	193	6.8	6.7	6.5
		Total	341	313	218	6.7	6.6	6.5

Source: Computed by the Author from raw data from 2007-08 round of NSS.

Table 14 also shows that there is difference between regular salaried/wage employees and casual wage labours in terms of the average number of working days in a week. The average number of working days for casual wage labours is nearly 5.5 days per week while that for regular salaried/ wage employees is 6.9 days per week. The regular salaried/wage employees usually get a day or two as compensatory off in a week. As the result, the average wage per day of the regular salaried/wage employees is higher than that of casual wage labours.

## Income and per capita income

Mumbai and the adjoining district Thane have always been a major contributor to the economy of Maharashtra. The two districts account for nearly one-third of state income. The contribution of Mumbai in the state income was much higher than other districts of the state, although the share of Mumbai in state income decreased marginally from 24 per cent during 1993-1994 to 21.5 per cent during 2008-2009. Per capita income in Mumbai has been 1.6 to 2 two times higher than that in the state of Maharashtra, but the growth in the net domestic product per capita (NDDP) in Mumbai has been slower than that in Maharashtra during this period. This may be because of rapid economic growth in the adjoining district of Thane and in Nashik and Pune districts. The relatively slow growth of per capita income in Mumbai may also be attributed to government policies of dispersal of industries to other regions of the state of Maharashtra and the decrease in the traditional textile and manufacturing industries in Mumbai. The near saturated infrastructure and space in the city may also be a factor that may be responsible for the slower growth of the economy of the city.

Table 15: Net district domestic product (NDDP) and per capita NDDP in Mumbai and Maharashtra at current prices.

Year	Total NDDP		Per Capita NDDP		Contribution of Mumbai to State Income %	Ratio of Mumbai NDDP to Maharashtra %
	Mumbai	Maharashtra	Mumbai	Maharashtra		
	Rupees In lakh		Rupees			
1993-94	2516237	10349187	24012	12390	24.31	1.94
1994-95	2834059	11843034	26476	13880	23.93	1.91
1995-96	3460671	14256492	31661	16363	24.27	1.93
1996-97	3803220	16285771	34090	18313	23.35	1.86
1997-98	4377596	17720226	38460	19531	24.70	1.97
1998-99	4780675	19267006	41189	20825	24.81	1.98
1999-2000	4827597	22030412	41907	23340	21.91	1.80
2000-01	4750427	22110904	40105	22992	21.48	1.74
2001-02	5279394	23943170	43369	24450	22.05	1.77
2002-03	5927865	26528972	47575	26697	22.34	1.78
2003-04	6891971	30057582	53960	29770	22.93	1.81
2004-05	7892898	33825401	60304	32979	23.33	1.83
2005-06	8798965	38624067	65625	37081	22.78	1.77
2006-07	8976400	43505500	65382	41444	20.63	1.58
2007-08	10842200	52650000	77145	49058	20.59	1.57
2008-09	12851100	59754200	89343	54867	21.51	1.63

Source: Government of Maharashtra.

It may be emphasised here that the economy of Mumbai may probably much larger than the reported one because of a large population commutes daily to Mumbai from the adjoining areas for work. The economic contribution of these daily commuters is added to the economy of the district of their origin because of the way the size of the economy is estimated. At the same time, there is also evidence of reverse flow of workers from Mumbai to adjoining districts that compensates for some underestimation, but it is not at an equal level.

## Sectoral Shifts, 1993-94 to 2005-06

The sectoral shift in the economy of Mumbai is confined to the secondary and tertiary sector as Mumbai is a totally urban areas and the share of the primary sector accounts for only around 1-2 per cent of the economy of the city. Table 16 shows that the share of the tertiary sector in the economy of the city increased from around 62 per cent during 1993-1994 almost 74 per cent during 2005-2006 so that the share of the secondary sector in the state economy decreased from around 36 per cent to around 25 per cent during this period. The share of the primary sector, although very small has also decreased during this period. The primary sector accounted for less than 1 per cent of the net district domestic product of Mumbai during the period 2005-2006 as compared to more than 2 per cent during the period 1996-1997. The economy of Mumbai is now almost entirely dependent upon the tertiary sector of the economy.

Table 16: Share of the primary, secondary, and tertiary sector in the economy of Mumbai, 1993-94 to 2005-06.

Years	Primary	Secondary	Tertiary	Total	NDDP Rupees in lakh
1993-94	1.25	36.12	62.64	100.00	2516237
1994-95	1.29	33.62	65.09	100.00	2834059
1995-96	1.46	33.54	64.99	100.00	3460671
1996-97	2.07	33.65	64.28	100.00	3803220
1997-98	1.83	34.54	63.62	100.00	4377597
1998-99	1.78	31.51	66.70	100.00	4780675
1999-2000	1.87	31.46	66.67	100.00	4827597
2000-01	1.88	25.85	72.27	100.00	4750427
2001-02	1.63	26.13	72.23	100.00	5279394
2002-03	1.56	26.47	71.97	100.00	5927865
2003-04	1.35	28.59	70.06	100.00	6891971
2004-05	1.49	26.61	71.90	100.00	7892898
2005-06	0.88	25.30	73.82	100.00	8798965

Source: Government of Maharashtra



## Industrial Set-up

The economy of Mumbai is almost entirely based on non-agricultural activities so that the city provides employment opportunities in the non-agricultural sector only. The economic census, 2012 indicates that 99.6 per cent of total economic establishments in Mumbai were non-agricultural establishments as against 74 per cent in Maharashtra. The share of Mumbai in the economic establishments in Maharashtra decreased considerably between 1990 and 2014 in terms of both all establishments and non-agricultural establishments as may be seen from table 17. Non-agricultural economic establishments almost doubled in Mumbai between 1990 and 2014 but the increase in Maharashtra was even more rapid, especially during 2005-2014.

Table 17: Number of establishments and non-agricultural establishment in Mumbai and Maharashtra, 1990-2014.

Year	All establishments		Mumbai as proportion to Maharashtra	Non-agricultural establishments		Mumbai as proportion to Maharashtra
	Mumbai	Maharashtra		Mumbai	Maharashtra (Urban)	
1990	423419	2623594	16.14	421437	1293421	32.58
1998	485492	3234022	15.01	484252	1591830	30.42
2005	572198	4225312	17.69	571309	2091094	27.32
2014	726675	6137342	11.84	723504	4545581	15.92

Source: Government of Maharashtra (1990; 2000; 2008; 2016).

The own account economic establishments account for almost 40 per cent of the total non-agricultural economic establishments in Mumbai (Table 18). Own account economic establishments are establishments without any hired worker on a regular basis. They are generally run by members of the household. Since own account economic establishments hire workers on an irregular basis and that too casually, the number of workers engaged in the own account economic establishments constitute only a small proportion of total workers in the city.

Table 18: Number of Non-Agricultural Establishments and Own Account enterprises and Employment, Mumbai 1990-2005.

Year	Non- agricultural establishments		Workers usually employed in non-agricultural establishments		
	With hired labour	Own account	With hired labour	Own account	Total workers
1990	253759	167678	2165107	250021	2415128
1998	234348	249904	2283697	335293	2618990
2005	335890	235419	1963611	281816	2245427
2014	391030	332474	2274512	424056	2698568

Source: Government of Maharashtra (1990; 2000; 2008; 2016).

## Employment size in Non-Agricultural Establishment

There has been a significant increase in the number of small non-agricultural economic establishments with at the most 5 workers, in both Mumbai and urban Maharashtra (Table 19). The probable reason is that many large size establishments in the city have closed while no large new establishment could be setup in the city because of space and other infrastructure constraints. After 1980, many large manufacturing establishments, especially, textiles industries in the city have been closed while others changed their setup in the real estate business. At the same time, many heavy industries shifted their base out of the city because of cheap land availability and better infrastructure facilities. The shift in the non-agricultural economic establishment by the number of workers hired may be seen in this perspective.

Table 19: Distribution of non-agricultural economic establishment in Mumbai and urban Maharashtra by the number of workers hired.

Number of workers hired	Mumbai			Maharashtra		
	1990	1998	2005	1990	1998	2005
1-5	70.64	72.83	81.74	72.26	75.73	83.57
6-9	16.06	13.40	13.36	13.80	11.64	11.28
10-14	5.80	5.69	1.59	5.68	5.17	1.71
15-19	2.41	2.43	0.93	2.67	2.16	0.99
20-24	1.25	1.41	0.54	1.40	1.31	0.56
25-49	2.19	2.21	0.34	2.41	2.37	0.36
50-99	0.92	1.14	1.08	0.99	0.92	1.17
100-199	0.39	0.45	0.20	0.44	0.37	0.20
200-499	0.23	0.28	0.13	0.23	0.22	0.12
500+	0.11	0.16	0.08	0.11	0.11	0.05
Total	100.00	100.00	100.00	100.00	100.00	100.00
Number of workers	253759	234348	335890	596772	647837	1030996

Source: Government of Maharashtra (1990; 1998; 2008).

## Conclusions

The present paper has attempted to analyse the employment situation in Mumbai during the 20 years between 1990 and 2010 using data from the national sample survey and population census. The population of Mumbai has grown more rapidly as compared to other cities of India. The reason is that Mumbai city and its outgrowth provide ample economic opportunities. Mumbai remains the city of hope and aspiration to the job seekers in all parts of the country. As a result, migrants from different parts of the country constitute a large proportion of the population of the

population of the city. However, non-migrants are generally engaged in regular jobs in the city while migrants are largely engaged in casual jobs in trade and services activities.

The present paper also shows that there has been a decrease in the number of non-agricultural economic establishments and hence in generating employment opportunities in the city since the 1990s. This is a matter of concern for the economy of the city which has an important place in the economy of Maharashtra, the state where the city of Mumbai is located. There is little space and many infrastructure constraints that inhibit new economic establishments in the city which, in turn, has affected the employment generating potential of the city. On the other hand, old economic establishments of the city are moving out which has also dented the employment generating potential of the city. There is a need to introduce innovative approaches for creating additional opportunities of employment in the city considering the space limitation and infrastructure constraints that Mumbai is facing. This is a major challenge to city planners and city administrators. Mumbai has always remained the economic capital of India. Innovative approaches are needed to ensure that Mumbai remains the economic capital of the country in the coming years too.

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SINGH; IJPD 3(2): 337-356

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