



# Employment News



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## DIMENSIONS OF WAGE INEQUALITY IN INDIA

Sona Mitra

Increasing wage inequality in the last decade or so has been pervasive for most of the emerging economies including India. In India, in the absence of income data, inequality is estimated based on the consumption data for households, collected by the Government of India (GOI) every five years through the National Sample Surveys (NSS). This data suggests increasing inequality of consumption, in both horizontal and vertical terms. The inequality in consumption, measured by the Gini coefficient (a statistical measure of inequality on a scale of 0 to 1, where 0 means no inequality), increased to 0.28 in 2011-12 from 0.26 in 2004-05 in rural areas and to 0.37 from 0.35 in urban areas. The consumption of the top 20 percent of households grew at almost 3 percent per year in the 2000s as compared to 2 percent in the 1990s, while it remained unchanged at 1 percent per year for the bottom 20 percent of households. In terms of horizontal inequality, which means inequality across regions, the overall ratio of urban to rural consumption went up from 1.62 to 1.96 over the same period. Such increase in consumption inequalities among the households in both rural and urban areas could be used as a proxy for increasing income inequality in India as discrepancies in consumption among the rural and urban as well as the top and bottom consumption classes of population do reflect improper redistribution of national income.

Increasing inequality in incomes gets corroborated by the movement of wages and its growth. According to UNCTAD in its recent report, growth of real wages in India between 2001 and 2005 was a mere 2.6 percent annually. In 2006 and 2007, real wages grew at abysmal rates of 0.4 percent and -0.6 percent respectively, far lower than the 6.5 percent GDP growth rate. The International Labour Organization (ILO)'s Global Wage Report, 2012-13, show real wages in India fell in 2008-11. Given such discrepancy in growth of real wages compared to GDP growth rates, it is evident that large sections of the population have not been able to reap the benefits of high growth. The government estimates itself reveal that the share of wages in national income fell from 40 per cent at the start of the 1990s to only 34 per cent by 2009-10, and much sharply in the organised sector, from 69 per cent to 51 per cent in the same period (Calculated from estimates provided by National Accounts Statistics, National Sample Survey Organisation and Annual Survey of Industries, GOI). Also while the unorganised sector continues to account for the overwhelming majority of workers in India, its share in national income fell from 64 per cent to 57 per cent signifying diminishing share of earnings to majority of workers. The figure below shows the declining share of wages to net value added compared to the share of profit in same within the organised factory sector, specifically after 2001-02.

The increased gaps in earnings are visible even among the wage earners. According to the Employment Unemployment Survey estimates for 2011-12, conducted by the NSSO, the top 10 percent of wage workers now receive almost 12 times more wages than the bottom 10 percent. This ratio was a mere 6 in the 1990s. The distribution of wages is also tilted towards the top 10 percent of the population, which earns almost 5 times more than the average wages, however this average wage is only 0.4 times higher than the wages of the bottom 10 percent. These figures do clearly indicate that those at the higher classes of consumption also earn disproportionately higher wages, compared to the bottom 10 percent of wage workers. One of the major drivers of such wage disparities in India has been the wage gaps existing between rural and urban areas as well as between the regular workers (workers having a stable monthly income) and the contractual wage earners (piece rate, time rate workers, daily wage earners with no fixed monthly income also categorised as casual workers). There is also a substantial gender wage gap existing across rural and urban areas in India. Wages for casual workers as percentage of regular wage workers increased from 37 percent in early 1990s to 40 percent in 2011-12. While the increase does mark a closing of wage gap for casual and regular workers by 3 percent, it still remains

substantial. The discrepancy between regular and casual work is also evident across rural and urban areas. By the latest available data, the wages for casual work in urban areas is 1.2 times higher than casual work in rural areas and wages for regular jobs is around 1.7 times higher in urban areas, compared to rural areas. In terms of male-female earning gaps in India, while it is a lot lesser in regular employment for women; female wages as percent of male wages are estimated at 74 percent in 2011-12, it has been around 82 percent in the 1990s. In casual employment for women the gender differentials are higher. In 2011-12, female wages for casual work constituted on an average only 65 percent of male wages which has not changed substantially over the last two decades. However, the gender pay differences are also observed across rural urban areas. The male-female wage gaps are lesser in rural areas compared to urban areas. This does not necessarily mean that women workers are better off in rural areas in terms of their earnings. This is due to the fact that as more women are engaged in economic activities in rural areas, compared to urban areas, cheaper female labour can substitute male labour for a lower wage, thus bringing down the overall rural wages and also closing the male-female wage gap. Thus such closing of wage gaps does not necessarily

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### JOB HIGHLIGHTS

#### PSC, UP

- Public Service Commission, Uttar Pradesh notifies Combined State/ Upper Subordinate Services Examination-2014. Approx number of Vacancies : 300  
**Last Date : 26.05.2014**

#### INDIAN ARMY

- Indian Army invites applications from Married/Unmarried male Engineering Graduates for grant of Permanent Commission. Vacancies- 60  
**Last Date : 18.06.2014**
- Indian Army invites applications from Married/Unmarried male Post Graduates for grant of Permanent Commission in the Army Education Corps. Vacancies- 20  
**Last Date : 18.06.2014**

#### 462 Coy, ASC (Sup) Type A

- 462 Coy ASC (Sup) Type A, Pin 905462, C/o 56 APO requires 25 Labourer, Chowkidar, Fireman and Fire Engine Driver.  
**Last Date : 30 days after publication**

Turn over the pages for other vacancies in Banks, Armed Forces, Railways, PSUs and other Govt. Depts

### WEB EXCLUSIVES

- Following item is available in the Web Exclusives section on [www.employmentnews.gov.in](http://www.employmentnews.gov.in) :
- Gist of Rakesh Mohan Committee Report on Transport Development Policy
- For Informative articles on current affairs you can also visit :**  
[www.facebook.com/yojanaJournal](http://www.facebook.com/yojanaJournal)  
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## CAREER IN POWER SECTOR

Siyaram Yadav

Power sector plays a pivotal role for economic development. In India, power sector includes hydroelectric power, thermal power and Nuclear power. Power plants essentially generate electrical energy. Demand of work force is growing day by day. Power as a stream includes subjects related to Electrical sciences e.g. power generation, transmission and distribution etc. Electrical science is a branch of science and engineering which deals with the study of electricity and various phenomena related to electricity, electric devices and electrical systems. Since Electrical Science is a broad area ranging from design and development of domestic/home appliances to installation and commissioning of plants for power generation. It is considered as "evergreen" branch of engineering. As far as employment opportunities are concerned ample number of jobs are available in this field.

#### History of Power Sector in India

In India power generation commenced at the end of 19th century with the commissioning of a plant in Darjeeling (1897), followed by hydro power station at Sivasamundram in Karnataka (1902). In the pre-independence era, distribution of electricity was restricted to urban areas only. After the independence Ministry of Power was made responsible for the development of electrical energy in the country. India consumes 3.4% of global energy. Annual demand has been increasing by approx. 3.6% for last 30

years. In 2003-04, government launched 50,000 MW initiatives spread in 16 states. This included 162 hydroelectric projects. In the year 2006-07, the industrial sector and domestic sectors has shown a demand of 35.5% and 25.87% respectively. Installed power generation capacity in the country has increased from 1400 Mega Watt in 1947 to approx. 228721.73 Mega Watt till Sept-2013 comprising hydro, thermal (including gas and diesel), nuclear based power plants and renewable energy sources (including wind).

#### Power Generation

For meeting the growing needs of the economy, generation capacity needs to be increased till the requirements are met. For that, Ultra Mega Power Projects (UMPPs) were developed. These are very large size projects, approximately 4000 MW each involving an estimated investment of about ₹ 17000 crore. The projects will substantially reduce power shortages in the country. The Central Government has accordingly taken the initiative for facilitating the development of a few ultra-mega power projects of about 4,000 MW capacity each under tariff based competitive bidding route using super critical technology on build, own and operate basis. eg : - Tata Power at Mundra.

#### Opportunities

Almost all organisation need trained professionals to look after daily electricity needs of the organisation. Anyone with a diploma or degree in any branch of sci-

ence or Engineering related to power possesses can join organizations as per their qualification, competency level and experience. Professionals from electrical and power fields are always in demand.

#### Opportunities in Public Sector

Professionals having electrical as background are mostly placed with core electrical and power companies such as

- National Thermal Power Corporation (NTPC)
- Bharat Heavy Electricals Limited (BHEL)
- NTPC-BHEL Power Projects Private Limited (NBPPPL)
- Sutlej Jal Vidyut Nigam (SJVN)
- Tehri Hydro Development Corporation (THDC)
- Damodar Valley Corporation (DVC)

In above companies candidates may find a job on various capacities ranging from an electrical fitter to engineer and manager depending upon candidate's proficiency, qualification, capability, strength, experience and get a pay package commensurate to one's qualification and experience.

#### Opportunities in Research and Development

After completing B.E/B.Tech, M.E/M.Tech and Ph.D., candidates desirous of doing research in power sector may join any one of the research organizations as Scientists, Research Assistants, Research Scientists, Engineer Scientists, Junior Research Fellows, Sr. Research Fellows, etc.

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## CAREER IN POWER...

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### Some of the research centers are

- Central Water and Power Research Station (CW & PRS, Pune)
- Central Power Research Institute (CPRI)
- National Power Training Institutes such as (NPTI Badarpur, New Delhi, NPTI, Durgapur, NPTI Nagpur, NPTI, Neyveli, Power systems Training Institute, Bengaluru)
- The Energy and Resource Institute (TERI)

### Opportunities in Government Organizations and Navratnas

The power sector is considered evergreen because a lots of government jobs are available, throughout the year recruitment process remain on for various posts. Indian Railway, Bharat Sanchar Nigam Limited (BSNL), Bharat Electronics Limited (BEL), Delhi Metro Rail Corporation (DMRC), Bharat Heavy Electricals Limited (BHEL) and National Thermal Power Corporation (NTPC) are major recruiters. Maharatnas offer the graduate engineers in positions such as GETs (Graduate Engineer Trainees), or Executive Trainees.

### Opportunities in Defence

Professionals with spirit to extend their services to mother land may join any wing of defence like Indian Air Force, Indian Navy, Indian Army, Military Engineering Services, and can secure a perfect career. Permanent Commissions and Short Service Commissions (SSC) are offered to Male and female Candidates respectively.

### Opportunities in Private Sector

Professionals in this field always look for an opportunity to enter into private sector. This trend is found due to the fact that private companies especially MNCs offer candidates very lucrative pay packages. Some of the MNCs in this field include JP Hydro Power, Cairn India Limited, Reliance Energy, Reliance Power, Advanced Power Tech., Air Creations India, Neyveli Lignite Corp. Ltd, and Power Generation Corp.etc.

### Opportunities in Education and Administration

Qualified, Eligible and Experienced candidates from this field may secure a good job in teaching and administration too. In teaching one may join as Assistant Professor, Associate Professor, Professor in academic institutions and may get salary as per the norms of statutory bodies (regulatory bodies). Power professionals may join projects on solar energy, energy conversion, Renewable energy attached to department of various colleges and Universities. Since academic institutions are considered best for the research. Hence dynamic researchers join laboratories to contribute through innovative methods.

### Opportunities in Aviation Sector

In aviation sector graduate engineers are absorbed as Junior Executives, Engineer / Manager (Electrical). Employers in this sector generally offer attractive pay package according to candidate's qualification and experience.

### Nature of Power Sector

Power sector is a broad domain; it includes various disciplines / allied disciplines like:

- Power Engineering
- Power System Engineering
- Electrical Engineering
- Electrical and Electronics Engineering
- Power and Water Resources Engineering

### Formal Education and Training and Further Studies

Formal Education may be obtained through Polytechnic and Engineering Institutes. For admissions in those institutes, candidates are required to visit websites on regular basis.

After completing formal education of diploma and degree level, candidates may undergo specialized training. For better employment prospects candidates may undergo training from National Power Training Institute (NPTI) and Hydro Power Training Institute. For further studies post-graduation courses and integrated courses leading to Ph.D. are offered by IITs, NITs, Central Universities, Centrally Funded Technical Institutions (CFTIs). These institutions invite applications separately for their courses. Hence candidates are advised to read local dailies and other newspapers on regular basis during the preparation period. Courses are available as per the following table:

S. No.	Courses	Available Trades/Specializations
1.	Certificate Courses	Electrician, Wireman, Fitter
2.	Diploma Courses	Electrical and Electronics, Water Resources
3.	Degree Courses 3 Year B.Sc.	Energy Studies, Physics, Electronics
4.	Degree Courses 4 Year B.E./B.Tech.	Electrical and Electronics Engineering, Power System Engineering, Instrumentation Engineering, Energy studies
5.	5 Year Integrated Courses Leading to M.Sc/M.Sc (Technology)/ M.Tech./M.S	Electrical Engineering, Electrical and Electronics Engineering, Hydrology and Water Resources Analysis, Water Engineering and Management

Above certificates, diplomas and degrees are awarded by either AICTE (All India Council for Technical Education) approved or UGC (University Grants Commission) approved Institutions on full time regular mode.

There are some professional organizations which award certificate, diploma, degrees equivalent to above and are recognized by Government of India for the purpose of employment. In-service motivated candidates from different backgrounds get the associate membership of one of the following professional organizations for fulfilling their desired career objective.

### Some of professional organizations are:

- Institute of Electronics and Telecommunication Engineers (IETE), New Delhi
  - Institute of Engineers India, (IEI) Kolkata.
- Above organizations provide memberships/fellowships, Graduate examinations of these organizations are equivalent to AICTE approved B.E/B.Tech/ B.Sc. (Engineering) and after passing such examinations, Candidates become eligible for appearing in examinations conducted by UPSC, Central Government, PSUs etc. For verification of equivalency of courses; guidelines of University Grants Commission (UGC), All India Council for Technical Education (AICTE), Union Public Service Commission (UPSC), and Ministry of Human Resource Development (MHRD) are considered to be final. Above organizations circulate their message and guidelines through National Dailies and Employment News.

### Salary and Remuneration

There is no specific limit one can grow up to. A fresh technician may get from ₹ 15,000 per month to ₹ 45,000 per month Fresh Graduate Engineers are offered from as low as ₹ 3 lac per annum to ₹ 6 - ₹ 8 lacs per annum in MNCs. M.E/M. Tech. and Ph.D. holders get higher pay packages. In MNCs they generally get ₹ 4 to ₹ 8 lacs per annum. Experienced fellows of IITs and reputed institutions generally get ₹ 8 lacs per annum to ₹ 20 lacs in power sector MNCs. In teaching also there is attractive pay packages on par with UGC scales and moreover one gets a chance to learn and continue their higher studies and research.

(The author is Lecturer Department of Electronics and Communication Engineering Mewar University, Dist: Chittorgarh(Rajasthan). Email:er.siyaramyadav@gmail.com)

## DIMENSIONS OF WAGE...

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mean improvement of existing situation.

Apart from reduced share of wages in national income, the above wage differences across regions, contract of employment and across gender play a major role in determining the extent of wage inequality in India. There also exist sectoral wage differences, primarily across the agricultural and non-agricultural occupations as well as between the private formal and informal enterprises. Given these gaps in wages across these several dimensions, it is evident that closing these gaps by increasing real wages would

go a long way towards improving wage inequality in India. It would also lead to increasing the share of wages, which would then work towards reducing the overall inequality, both wage and consumption, by meting out a better redistribution of national income. However, it is also equally important to improve the rate of growth of wages, adjusted to inflation, over the next few years, in order to take care of these discrepancies.

(The author works with the Centre for Budget and Governance Accountability, New Delhi. E-mail : sona@cbgaindia.org)

## NOTICE REGARDING WINDOW ADVERTISEMENT

Employment News is mandated to provide detailed information related to jobs/training/educational opportunities to the unemployed youth from all parts including the remotest areas of the country.

In accordance with the government guidelines, advertisers are requested to send detailed advertisement which includes information on the number of posts, age, educational qualification, experience and mode of submission of application etc. for publication in EN/RS to help applicants get a full picture of the concerned vacancy. Incomplete, sketchy or ambiguous advertisements will not be accepted by Employment News for publication.

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## NEWS DIGEST

- India successfully test-fires Astra missile. Astra is the first indigenously-developed Beyond Visual Range (BVR) air to air missile. After the test India joins a select group of countries such as the US, France, Russia and Israel that developed this capability.
- The Indian Air Force conducted the maiden launch of the Astra air-to-air missile from a Sukhoi-30 fighter. The Mk-I variant of the missile can engage a target from a distance of more than 40 km. An extended-range version being developed by the Defence Research and Development Organisation is likely to have a range of more than 100 km.
- India has displaced Japan to become the world's third biggest economy in terms of Purchasing Power Parity (PPP), according to a World Bank report. The 2011 round of the bank's International Comparison Program (ICP) ranked India after the US and China. The last survey in 2005 had placed the country on 10th place PPP is used to compare economies and incomes of people by adjusting for differences in prices in different countries to make a meaningful comparison.
- The existence of element 117- "Ununseptium (Uus)" has been confirmed by the scientists at the GSI accelerator laboratory in Germany, including those from India, who have created atoms of the element. This confirmation succeeds the original discovery, made in 2010 by a joint US-Russian team. The atoms were similar to the heaviest atoms ever observed, 40% heavier than an atom of lead. The discovery marks a significant advancement towards the capability to observe still more long-lived super-heavy nuclei, as expected to exist on the 'Island of Stability' of super-heavy elements.
- Nobel Laureate Gary Becker passes away. American economist who received Nobel prize in economics in 1992 for using economics to analyze human behavior and interaction topics such as crime, discrimination against minorities and family life. Becker realized that economics was really about tradeoffs, and that there are a lot of tradeoffs in the world that don't involve money or don't only involve money.
- Centre clears the proposal for constituting the Polavaram Project Authority (PPA) for the execution of the Polavaram irrigation project. Centre will fund and execute the project and obtain all the requisite clearances including environmental, forests and rehabilitation. The dam is across Godavari river. The constitution of the centrally funded PPA and its governing body was in accordance with the section 90 of AP Reorganization Act, 2014.
- Supreme Court creates a 'Third Gender' for transgender. Transgender are no longer forced to write male or female against their name as the Supreme Court has given them the status of the "third gender". This is for the first time that the third gender has a formal recognition. The apex court passed the judgment on a PIL filed by National Legal Services Authority (NALSA) requesting the court to give separate identity to transgender by recognizing them as third category of gender.
- RBI allowed the minors of age above 10 years to open savings bank accounts the minors of age above 10 years to independently open and operate savings bank accounts and use other facilities like ATM and cheque books. Till now, banks allowed minors to operate bank accounts only along with a parent or a guardian. All children and teenagers below the age of 18 are considered minors under current rules. RBI took this initiative to promote the objective of financial inclusion and to bring uniformity among banks in opening and operating minors' accounts.
- India dropped to 78 in the latest Freedom of the Press 2014. Press freedom score of India declined by a point to 39 and dropped it in the list of countries with partially free media. In 2013 Index, the rank of India was 20 with 38 points. Sweden topped the list and belongs to the world's most independent press. The world's eight worst rated countries remain Belarus, Cuba, Equatorial Guinea, Eritrea, Iran, North Korea, Turkmenistan, and Uzbekistan.
- Antibiotic resistance is a serious threat to public health with cases being reported from every region of the world and having the potential to affect anyone, the World Health Organization has said. Antimicrobial Resistance (AMR), as antibiotic resistance is also known as, is a technical term that means resistance to medicines used against microorganisms, thereby making the drugs ineffective. In India, the easy availability and higher consumption of antibiotics have contributed to the inappropriate use of the drugs, creating a situation where resistant microorganisms are becoming more common.