

# URBAN DEVELOPMENT AND LABOUR

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## ABSTRACT

*Therefore, they produced descriptive, uncertain, and non-cumulative overviews of the development of particular cities or qualities. This study intends to explore the anatomy of urban unemployment. The main cause of urban unemployment in emerging economies is that the growth in effective urban employment opportunities needs to catch up with the rapid expansion of the urban labor force, which is essentially an effect of large-scale rural-urban migration. The migration rate mainly increases with city size because aggregation effects in major cities lead to improved work opportunities. In situations where plans for significant regeneration and expansion are in place and will likely continue to be implemented, it also seeks to investigate how an urban infrastructure development program contributes to urban employment creation. It also includes a few other aspects of a set of policies that focus on developing employment opportunities in cities, with an emphasis on the issue of unemployment. The focus is on how urban labor markets function. Thus, greater access and faster development will increase the labor market's efficacy in a growth strategy that prioritizes equity. It examines how urbanization and rural migration interact—discovering that women's labor force participation is significantly impacted by urbanization, with different effects in urban and rural places. For deprived urban households, employment may be the most valuable asset they have, and it is through labor that they gain the most direct benefits associated with economic expansion.*

*Keywords – Urban development, urban labour markets, employment policy, employment creation, rural migration, developing countries*

### 1. Introduction

Urban development is a broad term that encompasses the many ways cities grow and change. It includes the construction of new buildings and infrastructure, the creation of jobs and businesses, and the development of social and cultural amenities.<sup>1</sup>

- According to Kouamou and Pettang (2008), “Urban development is the act of improving living conditions, which are necessary for rest and labor, for health and education facilities”. Urban development is the development of cities and other urban areas as drivers of economic and social development. The concentration of activities and people

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<sup>1</sup> Author-Randall W. Eberts, Date- June 6, 1994

brings with it environmental and social challenges that can only be tackled through more sustainable and effective ways of living and working.

- James Quinn, in his "Urban Sociology", viewed the city as a "Phenomenon of specialization", as a population aggregate whose occupations are non-agricultural.
- Adna F. Weber, in his "The Growth of Cities", defined the city as "any incorporated place with a minimum of 10,000 inhabitants". It is urban.

### 1.1 Importance of Urban Development <sup>2</sup>

Cities provide opportunities for education, employment, and cultural enrichment. However, urban development can also lead to problems such as poverty, pollution, and congestion. It is important to plan for urban development in a way that promotes sustainability and social equity. Migration takes place and the factors responsible are push (lack of jobs, lack of education) and pull factors (availability of jobs, better healthcare facilities). It leads to changes in the population density of places within the country.

- Urban development also includes capacity building measures.
- Special attention is also paid to slums of large cities.
- Rehabilitation and reconstruction.
- Social Infrastructure.
- Natural disasters or conflicts.

### 1.2 Research Question is :

- Will this remain a chronic problem, or will India rise to the challenge of more strategic urban planning?

Solution: In the newly urbanized India of 2050 and beyond, the tax base for the national economy may grow significantly. This phenomenal GDP growth will in turn provide funds for improved urban planning. By 2050, India is expected to become an urban nation with approximately 900 million people (or nearly 56% of India's population). This will bring India closer to 'developed' nations, where the distribution of population between urban and rural settlements has tended to stabilize at about 70% or more. The proportion of first-generation urban dwellers in 2050 could be similar to the 2011 scenario.

- How does urban development impact labor markets and workers?

Solution: A large share is young and first-time entrants to the labour market. Many of these jobseekers live in cities and lower-middle-income countries. The recent emergence of a rich body of evidence documenting labour market barriers faced by jobseekers and firms.

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<sup>2</sup> Author-David Adams, Date- 10 September, 2012

High levels of search, high rates of exit from employment, long job search spells. The cost of a job search is substantial for the typical job seeker. Employers often report that a lack of skilled workers or the difficulty of identifying a good hire are key constraints to firm growth. Employers regularly hire through social networks. Online platforms to facilitate search are becoming increasingly popular, but their use is far from universal.

## 2. Urban Development and Labour : An Overview

### 2.1 Impacts of Urban Development and Labour <sup>3</sup>

- Economic Growth- Economic growth is the increase in the market value of the goods and services produced by an economy over time. Economic growth does not tell you very much about the actual welfare of the people in a country. The primary economic benefit of urban environments is the potential for increased efficiency brought about by population density, human capital, and resource accessibility. These economies of scale facilitate the expansion of the private sector and raise labor productivity. Jobs are frequently created as a result of urban development. Construction, business establishment, and new infrastructure projects can all lead to various job opportunities. It has the potential to strengthen regional economies and raise living standards.
- Social Impact – Social issues ( Squatter and slums, Pollution, Vandalism and Crime, Unemployment )

-A Squatter is someone who lives in an unused building without having a legal right to do so and without paying any rent or any property tax.

-Pollution is the introduction of contaminants into the natural environment that cause adverse change. Pollution can take the form of chemical substances or energy such as noise, heat or light. Pollutants, the components of pollution, can be either foreign substances/energies or naturally occurring contaminants.

-Vandalism is the action involving deliberate destruction or damage to public or private property. The term includes property damage such as graffiti and defacement directed towards any property without permission of the owner.

-Unemployment occurs when workers who want to work are unable to find jobs, which means lower economic output, while still requiring subsistence. High rates of unemployment are a signal of economic distress, but extremely low rates of unemployment may signal an overheated economy.

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<sup>3</sup> Author-Yangang Xing, Date- November 16, 2020

- Infrastructure and Planning – It entails methodically planning and structuring cities, towns, and other urban regions to improve their sustainability, livability, and functionality. Planning and urban areas effectively take labor needs into account. This compromises facilities that enhance the quality of life, cheap housing to guarantee that employees may live close to their places of employment, and transportation infrastructure to shorten commute times.
- Sustainability and Labour – This compromises facilities that enhance the quality of life, cheap housing to guarantee that employees may live in their places of environment, and transportation infrastructure to shorten commute times. Sustainable development is becoming more popular as cities expand. Experienced workers in renewable energy projects, green technologies, and sustainable building techniques are needed. These changing demands may influence workforce development and training. By considering social, ecological, and technical systems, cities aim to attain sustainability beyond simple government goals. This is known as urban sustainability.
- Policy and Governance – The link between labor and urban growth is significantly shaped by government policies. Urban planning, worker rights, and minimum wage policies can significantly impact city growth and labor market change. There is a need for policymakers, researchers, and administrators for a smooth flow of transitions. There are principles: sustainability, efficiency, and esthetics. Government policies promote urban development through initiatives such as industrial zones, free trade areas, and special economic regions. This encourages population growth in cities as these areas become focal points for business and employment.

## 2.2 Labour Market Dynamics <sup>4</sup>

Supply and demand shape the job market or the fascinating world of labor market dynamics. This intricate dance of various forces and processes influences the interactions between employers and employees, shaping the supply and demand for labor within an economy. Key components that it will explore in subsequent discussions include employment and unemployment, job turnover, job vacancies, wage dynamics, labor force participation, skill mismatches, labor mobility, and the impact of government policies. Each of these elements plays a vital role in understanding how the labor market functions and evolves. So, whether an economist, business leader, policymaker, or just someone curious about the world of work, buckle up. Let's delve deeper into these components to unravel the complexity of labor market dynamics. Let's explore the most straightforward aspect: employment and unemployment. These are the movements of individuals into and out of jobs. Think of it as a dance, with workers and jobs moving in rhythm, sometimes in

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<sup>4</sup> Author-Balwant Singh Mehta, Date- 03 March, 2022

sync, sometimes not. Then we have job turnover, a term that describes the rate at which workers change jobs. It's like a revolving door, with employees entering and exiting. High turnover can indicate a dynamic labor market with opportunities for workers to find better matches with employers.

### 3. Challenges Faced by Labour in Urban Development<sup>5</sup>

Behind the development of a city are the few who toil in the shadows, and their struggles indeed remain indifferent to most people. Even after working long and hard for strenuous hours, the chances of employment being offered are extremely remote. The payments, if any, are so pathetic that it becomes hard to fathom meeting even the most basic human needs, and even more unfortunate is the exponentially growing middle businesses that take advantage of such defenseless individuals. Safety form another grave concern, as huge proportions of laborers are forced to work in risky conditions without even the most basic forms of protection or medical assistance. The conditions are worst for migrant workers who are provided no fundamental benefits including the possibility of healthcare, accommodation or even social protection. Laws are present but enforcement is weak at best, which allows the perpetuation of unjust practices. In building and developing an actual sustainable city, most focus on architecture and business, but it is must not forget the basic human rights of fair payment, safer working conditions, and access to social welfare for these workers, paying them back for the invaluable effort that they have poured into making society better.

### 4. Legal Framework governing labour in urban development

Urban development workers have access to an array of protective laws associated with labor. These include a range of international and local treaties outlining the minimum wage, working environment, and fulfillment of employment benefits.

- International Labour organization's conventions and recommendations:<sup>6</sup>

Among the most very well-known global efforts is the International Labour Organisation (ILO) Conventions and Recommendations. These treaties contain a range of measures whose intent is to promote labor standards in every corner of the globe. The ILO Program focuses on improving work conditions, wages, and safety, which encourages member states to enact laws that deny the infringement of employees' rights. The informal support of legal and welfare rights of urban laborers provided by the ILO is made through the Convention on Occupational Safety and Health and the ILO Recommendation on Social Protection policies that founded urban labor law.

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<sup>5</sup> Author-Faizul Azli Mohd-Rahim, Date- November 08, 2016

<sup>6</sup> International Labour Organization, 1919

- Indian Contract Labour, ( Regulation and Abolition ) Act, 1970<sup>7</sup>

Considered milestone legislation for contract workers, The Contract Labour (Regulation and Abolition) Act of 1970 is one of the primary Acts in India. Contract workers constitute a large proportion of the Urban Workforce. The Act seeks to control the practice of contract labor in certain sectors and to eliminate abusive practices. It is a requirement that working hours, payment of wages, and general welfare are provided to all .

#### 4.1 Labour Rights and Protection <sup>8</sup>

- Workers Rights in Urban Development Projects <sup>9</sup>

Efforts in urban development present numerous obstacles for workers, underscoring the necessity for labor rights, safeguards, and welfare measures to protect their well-being. Fundamental worker rights comprise just compensation, sensible working hours, and safeguarding against exploitation. The 1996 Act on the Regulation of Employment and Conditions of Service for Building and Other Construction Workers provides a wide range of welfare benefits such as medical treatment, housing, and educational assistance for the children of workers. Despite having these rights, numerous workers still do not know about them, resulting in persistent difficulties.

- Occupational health and safety regulations <sup>10</sup>

Regulations regarding health and safety are essential for avoiding frequent accidents that occur in the workplace. In construction, it is crucial to pay attention to the risks that workers encounter, like falls, getting hit by machinery, or coming into contact with dangerous materials. The 1948 Factories Act and the 1996 Building and Other Construction Workers Act require construction sites to supply essential safety measures such as protective equipment, medical care, and accident insurance. Moreover, guidelines such as the ILO Occupational Safety and Health Convention from 1981 promote improved safety in the workplace. Even with such laws in place, numerous workers remain at risk because enforcement and monitoring are inadequate.

#### 4.2 How policies have shaped current urban labour markets?

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<sup>7</sup> Contract Labour (Regulation and Abolition) Act, 1970

<sup>8</sup> Author-Shaza Al Jondi, Date-13 July, 2023

<sup>9</sup> Author-Amit Basole, Date- November 24, 2020

<sup>10</sup> The Factories Act, 1948 and The Building and Other Construction Workers Act, 1996

- Fair Labor Standards Act: <sup>11</sup>

This federal law establishes minimum wage, overtime pay, and child labor standards for most private and public sector employees. The federal minimum wage is currently \$7.25 per hour, and employers must pay overtime wages to eligible employees who work more than 40 hours in a workweek.

- Occupational Safety and Health Act: <sup>12</sup>

It is a federal law that ensures safe and healthy working conditions for employees. It requires employees. It requires employers to provide a workplace free from recognised hazards and comply with specific safety and health standards.

- National Labor Relations Act: <sup>13</sup>

It protects the rights of employees to engage in collective bargaining and form labor unions. It establishes procedures for employees to choose union representation, requires employers to negotiate in good faith with unions, and prohibits unfair labor practices by both employers and unions.

- Family and Medical Leave Act: <sup>14</sup>

It is a federal law that grants eligible employees the right to take unpaid, job-protected leave for specific family and medical reasons. It allows eligible employees to take up to 12 weeks of leave in 12 months for reasons such as the birth or adoption of a child, caring for a seriously ill family member, or their serious health condition.

- Workers Compensation: <sup>15</sup>

Workers' compensation laws vary by state but generally provide benefits to employees who suffer work-related injuries or illnesses. These laws require employers to carry insurance or provide benefits to cover medical expenses, lost wages and rehabilitation services for employees injured on the job.

- Anti-Discrimination Laws:

Various federal and state laws prohibit employment discrimination based on factors such as race, color, national origin, sex, religion, disability, and age. These laws ensure equal opportunity and fair treatment for employees in the hiring process, promotions, and other employment-related decisions. It is crucial to continually evaluate and refine these policies to ensure their effectiveness and adapt to changing economic conditions. While minimum wage laws can provide a safety net for low-wage workers, they should be implemented cautiously to avoid potential negative consequences such as job loss or reduced working hours.

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<sup>11</sup> Author-Will Kenton, Date-January 04, 2025

<sup>12</sup> Author- Laura Green, Date-July 18, 2024

<sup>13</sup> Author-Michael L. Wachter, Date-December 12, 2012

<sup>14</sup> Author-Will Kenton, Date- October 31, 2021

<sup>15</sup> Author-Julia Kagan Date- July 31, 2024

## 5. Case Studies

- M.C. Mehta v. Union of India<sup>16</sup>: This case explored how urban growth affects the environment and established standards for sustainable growth methods.
- Municipal Corporation of Greater Mumbai v. Ankush Shankar Shinde<sup>17</sup>: This case, which focused on the welfare of construction workers, highlighted the significance of labor rights in urban development initiatives.
- Workers' Union v. State of Tamil Nadu<sup>18</sup>: The case dealt with labor rights in relation to urban development projects, guaranteeing workers' fair compensation and working conditions.
- Rajendra Kumar v. State of Delhi<sup>19</sup>: The legitimacy of urban development plans and the rights of the workers involved in those projects were at issue in this case.
- People's Union for Civil Liberties v. Union of India<sup>20</sup>: This case promoted the rights of underrepresented workers in urban environments and brought attention to the relationship between labor rights and urban development.

## 6. Conclusion:

The socio-economic structure of cities is greatly influenced by the intricate relationship between labor dynamics and urban development. This study emphasized how urbanization, better social services, and rural-urban migration drive urban growth. Urbanization generates employment in industry segments like infrastructure and construction, but has drawbacks, such as gender bias in the workforce, impromptu labor standards, and unemployment. Policies based primarily on skill development, housing discrimination, and effective public governance are vital to correct these issues. Labor market regulations including wage laws, unemployment compensation. Urban planning

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<sup>16</sup> M.C Mehta vs Union of India (Supreme Court), 1986

<sup>17</sup> Municipal Corporation of Greater Mumbai vs Ankush Shankar Shinde (Bombay High Court), 2024

<sup>18</sup> Workers Union vs State of Tamilnadu (Madras High Court), 2019

<sup>19</sup> Rajendra Kumar vs State of Delhi (Delhi High Court), 2024

<sup>20</sup> People's Union for Civil Liberties vs Union of India (Supreme Court of India), 1996

should indeed prioritize sustainability, which likes to call for securities in eco-friendly power grid and renewable technologies and also the quality of social collaborations. Adopting inclusive growth in the economy sustainable practices will be critical to achieving lengthy well-being as urban sprawl gains momentum in nations like India.

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