

## **Abstract**

The report highlights the contribution of the Wholesale trade in total employment, the problems faced by the sector, and the implications of various Government policies on employment in the sector. On the basis of a countrywide survey of industry associations, various stakeholders, and also from an analysis of secondary data, hypotheses have been tested to know the impact of domestic investment, increased Foreign Direct Investment (FDI) and government initiatives on employment in the sector. It also investigates the fact whether change in production techniques/processes in favour of capital intensive technology replaces labour. Lastly, the report examines whether outsourcing and sub-contracting of certain operations result in employment decline. The survey shows that FDI and other investment policies have varied impact on different sub-sectors of Wholesale Trade. Technological advancement has brought a relative shift of demand from unskilled category to semi-skilled and skilled category. It is also observed that because of stringent labour laws, contractual employment and outsourcing of jobs have increased instead of regular employment. The report brings out certain major issues which have wider implication for policy formulation and implication.