Pattern of the Employment and Unemployment in the Rural Area of Himachal Pradesh: A Case Study of Mandi District

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The paper analyses the pattern of employment and unemployment situation in the agricultural- based rural economy of Mandi district of Himachal Pradesh. The data collected from 300 sample households reveals that the batter-off households are engaged in gainful activities on their own farms and orchards, whereas, the poorer ones suffering from involuntary unemployment and underemployment, the ratio of which is very high among the marginal and small size of holdings. Thus, it can be suggested that to increase the employment opportunities, the planning strategy for rural development should be judicious mix of beneficiary oriented programmes, human resource development and infrastructure development.

The problem of chronic underutilization of vast human potential has been with us for a very long time and is widely recognized as our most pressing problem. There has been a general notion for a long time that the traditional agriculture provides employment to many more person than is necessary to provide a given level of output and hence suffers from large scale unemployment and underemployment. Unemployment is a condition of joblessness. Various development programmes based on target group oriented approach, area approach and beneficiary oriented approach have been launched all over the country for the upliftment of the weaker section of the rural areas.

Keywords:　　Strategy, Underemployment, Opportunity and approach

Objectives

The present study has been undertaken with a view to achieve the following objectives:-

i)　　to study the socio-economic profile of sample households;
ii)　　to study the pattern of employment among the sample households; and
iii)　　to work out the extent of unemployment among the sample households;

Methodology

Sampling

For the empirical investigation, district Mandi has been selected purposely. The required information has been collected from 300 sample households of twelve villages selected randomly from the two development blocks of the district.

Nature of Data Collected

With the help of pre-tested schedule information pertaining to age and sex-wise family composition, educational status, occupation of all sample households were recorded from 300 sample households, as it existed at the time

of the survey.The data pertaining to the family human labour time utilized in agricultural activities, non-agricultural activities (i.e., services, business, household industries wage works and others: as well as necessary activities were collected for the month preceding the survey.

Eight working hours in a day had been considered equal to one working day. The working hours of children and old persons had been converted into standard Mandays(MDs) by attaching proper co-efficient of efficiency. One Women Day (WD) was presumed to be equivalent to 0.75 Mandays(MD) and one Child Day (CD) and one Oldman Day(OD) were considered equivalent to 0.50 MD. In this study 8 hours a day, 25 MDs in a month, 300 MDs in a year were considered as the full employment norm. The extent of unemployment had been worked out with the help of different criterian- time, income and willingness.

Results and Discussion

This analysis is important because it brings out the different facet of the nature of economic activities as well as the level of living. Population in any area plays an important role in affecting the income and consumption level and thereby the living standard. In the present empirical study, there are 300 sample households consisting of 778 males, 718 females and 622 children. Out of the total 300 households, 181 households fall in the category of marginal size of holding having land less than one hectare, 88 households fall in the category of small size of holdings having land between 1 to 2 hectares, 19 households are of the medium size of holding having land 2 to 4 hectares and the remaining 12 households fall in the category of large size of holdings having land more than 4 hectares.

Average Family Size, Percentage of Labour Force and Percentage of Dependents

The average size of family, percentage of labour force and the percentage of dependents have been presented in table 1. The average size of family is the highest on the small holdings (i.e. 7.14) as compared to 7.13, 6.84 and 5.83 on the marginal, medium and large size of holding groups respectively. Among all the holding groups together the average size of family came out 7.06 as compared to the average size of family of Mandi district (i.e. 4.56 according to 2011 census) and Himachal Pradesh as a whole (i.e. 4.63 percent).[3] Average size of family is the highest on the small and marginal holding groups mainly due to the prevalence of the joint family system, whereas, in case of medium and large holding groups they have adopted the nuclear family system. The percentage of Labour force has been worked out 47.67, 50.32, 53.08 and 60.00 percent on marginal, small, medium and large size of holdings respectively. The percentage of labour force among all the holding groups together came out to 49.20.

Pattern of Employment in all the Activities

The percentage distribution of mandays utilized in different activities i.e. agricultural, non-agricultural and necessary activities have been presented in table 2. This table clearly reveals that the percentage of mandays spent in crop production to the total mandays utilized in different activities is the highest on the large size of holding (i.e. 17.25 percent). The percentage of mandays spent in crop production to the total mandays utilized in different activities shows an increasing trend with an increase in the size of holdings. This happened mainly due to the reason that male members of the family falling under smaller size of holding groups are not required to work in their own uneconomic holdings even during the peak agricultural seasons and hence, they try to find some employment outside agriculture, whereas, the household falling on the large holding groups due to gainful employment on their own field as well as sufficient income possibilities from agricultural devote maximum of their time in agriculture activities. The percentage of mandays spent in livestock activities to the total mandays utilized in different activities has been worked out 34.87, 34.94, 35.47 and 29.44 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together this percentage came out 34.45. It happened mainly due to the reason that sheep and goats play an important role in the sample household. The smaller household cannot afford to feed the cattle at cowshed and leave them for grazing for most of the time during day time. In any case livestock rearing is often a residual activity in rural area[3].

The percentage of mandays spent in forestry to the total mandays utilized in different activities is the highest on the medium (i.e. 2.50 percent) as compared to the small (i.e 2.29 percent), marginal (i.e. 1.99 percent) and large size of holding (i.e.1.73 percent). Among all the holding groups together this percentage came out 2.39. The

percentage of mandays spent in the activities (i.e. poultry, fishing and looking after crops) to the total mandays utilized in different activities is the highest on the large size of holding (i.e. 2.58 percent) as compared to medium (i.e. 2.52 percent), small (i.e. 2.31 percent) and marginal size of holding (i.e. 1.95 percent). The percentage of mandays spent in all the agricultural activities to the total mandays utilized in different activities has been worked out 46.06, 48.09, 54.12 and 51.01 percent on the marginal small, medium and large size of holdings respectively. Among all the holding groups together this percentage came out 47.76. The percentage of mandays spent in services and business activities shows an increasing trend with an increase in the size of holdings. This happened mainly due to the high literacy percentage and sound and regular sources of household income among the household falling on the large size of holdings as compared to the smaller size of holdings. The share of mandays spent in household industries has been worked out 4.31 percent for the entire sample and is the highest on the marginal size of holdings i.e. 5.25 percent and gradually decreases with an increase in the size of holdings, due to loans advanced to them by banks at low rate of interest under self employment schemes to start their own household cottage industries as well as with the fact that many of artisans households are also land poor. The percentage of mandays spent in wage work is the highest on the marginal size of holdings (i.e. 15.83 percent) and it steadily decreased to 3.18 percent on the large size of holdings. Among all the holdings together this percentage came out 13.22. It happened mainly due to the reason that small farmers being poor are ready to get work irrespective to the nature of work as well as wage rate due to the higher dependency ratio, uneconomic size of holdings, meagre household income etc. They cannot afford to remain unemployed during the peak agricultural season, when they are not necessarily required on their own farm. Contrary to it, large farmers due to high literacy percentage, better income and social status consider wage work below status. The percentage of mandays spent in other non agricultural activities came out 6.62, 6.89, 6.24 and 7.22 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together this percentage came out 6.67. The percentage of mandays spent in all the non-agricultural activities to the total mandays spent in the different activities has been worked out 38.69, 36.31, 32.60 and 35.92 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together this percentage came out 37.17. Among all the necessary activities the percentage of mandays spent in family affairs to the total mandays utilized in different activities is the highest on the marginal size of holdings, i.e. 11.31 percent and shows a decreasing trend with an increase in the size of holdings. Among all the holding groups this percentage came out 10.72, whereas, the percentage of mandays spent in social affairs as well as sickness to the total mandays utilized in different activities shows an increasing trend with minor variations in between with an increase in the size of holdings. The percentage of mandays spent in 'necessary activities' to the total mandays spent in all the activities has been worked out 15.25, 15.60, 13.28 and 13.07 percent on the marginal, small, medium and large size of holding respectively. Among all the holding groups together this percentage came out 15.06. Hence, the percentage distribution of mandays spent in different activities by the households shows that these tribes have spent the major proportion of mandays in agricultural activities followed by non- agricultural and necessary activities.

Extent of Unemployment

The per household unemployment mandays, percentage of mandays willing for additional work, percentage of voluntarily unemployed mandays as well as the extent of unemployment according to Time, Willingness and Income Criterion has been presented in Table 3.

Time Criterion

According to 'Time Criterion' a person may be termed unemployed or underemployed, if he is gainfully occupied during the year for a number of days less than some normal or optional days defined as full employment days[4]. It is clear from the table 3 that the total number of available mandays per household has been worked out 1109, 1192, 1194 and 1293 on the marginal, small, medium and large size of holdings respectively. Among all the holdings together the total available mandays came out 1166. The percentage of mandays utilized in agricultural activities has been worked out 35.76, 37.60, 43.66 and 41.39 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together this percentage came out 36.95. The percentage of mandays utilized in agricultural activities, shows an increasing trend with an increase in the size of holdings. The percentage of mandays utilized in non-agricultural activities viz; services, business activities, household industries, wage work etc. to the total available mandays has been worked out 30.04, 28.40, 26.31 and 29.15 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding

together this percentage came out 28.76. The percentage of mandays utilized in 'necessary activities' i.e. mandays utilized in family and social affairs as well as sickness to the total available mandays, has been worked out 11.84, 12.20, 10.71 and 10.60 percent on the marginal, small, medium and large size of holdings respectively. Among all the holdings groups together this percentage came out 11.65. The percentage of mandays utilized in all the agricultural, non-agricultural and necessary activities (i.e. both in productive and necessary activities) during the year has been worked out 77.64, 78.20, 80.68 and 81.14 percent on the marginal, small, medium and large size of holdings respectively. Among all the holdings groups together this percentage mandays utilized in all these activities came out 77.36. Hence, the percentage of unemployed mandays to the full employment norms, i.e. of 8 hours a day, 25 days in a month or 300 days in a year has been worked out 22.36, 21.80, 19.32 and 18.86 percent on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together the percentage of unemployed mandays came out 22.64 percent according to Time Criterion.

Willingness Criterion

A person may be called unemployed or underemployed according to willingness criterion, if he is willing to do more work than he is doing at present, he may either be actively searching for more work or be available for more work, if it is offered on terms to which he is accustomed[5]. The percentage of mandays available / willing for additional work to the total available mandays has been worked out 24.72, 22.62, 15.53 and 12.17 percent on the marginal, small, medium and large size of holdings respectively. The percentage of mandays willing for additional work shows a decreasing trend with an increase in the size of holdings. Among all the holding groups together the percentage of mandays willing for additional work to the total available mandays came out 22.52 and quite close to the estimate of 'time criterion' willingness for additional work, shows a decreasing trend with an increase in the size of holdings. Not all those unemployed, however, are ready to accept any form of employment. Some are ready enough to go for casual or seasonal work, if available; but others have declared their preference for regular services only, by which they usually mean a white collar job. The percentage of available mandays willing for wage work i.e. casual and / or seasonal wage work to the total mandays willing for additional work has been worked out 58.62 and 20.38 percent on the marginal and small size of holdings respectively. Among all the holding groups together this percentage came out 41.35. The percentage of mandays willing for services (i.e. white collar jobs) to the total mandays willing for additional work has been worked out 41.38, 79.62, 100.00 and 100.00 present on the marginal, small, medium and large size of holdings respectively. Among all the holding groups together the percentage of mandays willing for services came out 58.65. Thus, it is clear from the table that readiness for wage work shows a decreasing trend with an increase in the size of holdings. Alternatively, the preference for services is more among workers with large holdings. It happened mainly due to the higher illiteracy, higher dependency percentage and uneconomic size of holdings on the marginal, small, medium and large size of holdings, where all the family workers are not necessarily required on their own farm throughout the year, and even during the peak agricultural seasons. Whereas, in the larger size holdings, the family workers are gainfully employed on their own farms. The percentage of mandays willing for services is the highest on larger holdings mainly due to higher literacy percentage as compared to the smaller size of holdings. Due to higher literacy percentage and regular and better sources of income, larger holdings are interested only to get government jobs and consider wage work below status. The difference between the unemployment rates according to 'time criterion' and 'Willingness Criterion'. Thus, gives an estimate of voluntary unemployment among different category among workers. As a result of it the percentage of voluntarily unemployed mandays has been worked out 3.79 and 6.69 percent on the medium and large size of holdings respectively. Whereas it is nil in case of marginal and small farmers, whereas, contrary to it, the percentage of mandays willing for over employment came out 2.36 and 0.82 percent on the marginal and small size of holdings respectively. The workers falling on the smaller size of holdings are willing to work for longer hours mainly due to higher dependency ratio, meagre household income and higher burden of debt repayment. Among all the holding groups together the percentage of mandays willing for over-employment came out 1.60 percent. Thus, the table clearly conforms the fact that the smallest suffers the most and the least small suffer the least from involuntary unemployment according to 'Willingness Criterion'.

Income Criterion

The workers are inadequately employed not because they devote less time to work but because their earnings from the existing work are not sufficient to meet out the basic needs of their family members. This point of view is strongly stated by Dandeker and Rath " That an inadequate level of employment be defined in terms of its capacity to provide minimum living to the population."[6] In the context of employment, under-nutrition is of crucial importance or it effects the ability to work and the efficiency to work. According to Raj Krishna, a person may be called unemployed and / or underemployed if he earns an income per year / month less than some desirable minimum[7]. The number of underemployed workers earning less than the minimum desirable monthly income, has been shown in Table 3. In the present study the minimum desirable level of per month income in order to meet out the minimum food and non-food requirements of a person at 2013-14 prices has been worked out Rs. 1766.44 (Table 7.11). The percentage of unemployed workers who are earning less than the minimum desirable income is the highest on the marginal size of holdings (i.e. 53.99 percent) as compared to the small size of holdings (i.e. 26.69 percent). Among all the holdings together this percentage came out 41.54. Thus, the percentage of underemployed on the smaller holdings exists mainly due to their uneconomic size of holdings, higher dependency rate, low literacy percentage and higher burden of debt repayments etc. Whereas, the households falling on the larger holding groups due to their sound and regular sources of household income, higher literacy percentage as well as availability of gainful employment on their own farms do not suffer from underemployment according to the 'Income Criterion'.

Table 1   Average Family Sizes, Percentage of Family Labour Force, Percentage of Dependents, Number of Consumer Units and Literacy Percentage of the Sample Households.

Sr. No (A)	Size of Holding Categories / Particulars	Marginal Household	Small Household	Medium Household	Large Household	Total Holding
1	Total No of Household	181	88	19	12	300
2	Total No of Family Members	1290	628	130	70	2118
3	Average Size of Family	7.13	7.14	6.84	5.83	7.06
4	Percentage of Labour Force	47.67	50.32	53.08	60.00	49.20
5	Percentage of Dependents	49.46	47.13	46.15	38.57	43.20
6	No of Consumer Units	1488.7	660.1	136.6	73.5	2358.9
7	Literacy					
	Percentage Male	88.65	90.58	92.96	94.87	89.70
	Female	84.25	85.95	90.00	96.77	85.50
	Total	86.59	88.38	92.31	95.71	87.77

Note: Figures in parenthesis indicate percentages

Table 2 Pattern of Human Labour Days Utilization in Agricultural, Non-Agricultural and Necessary Activities among the sample Households

Sr. No.	Activities	Marginal Holdings	Small Holdings	Medium Holdings	Large Holdings	All Holdings
1	Agricultural Activities					
i	Crop Production	62.42	79.75	131.34	181.00	76.61
		(7.25)	(8.55)	(13.62)	(17.25)	(8.49)
ii	Livestock	300.28	325.81	342.00	308.92	310.76
		(34.87)	(34.94)	(35.47)	(29.44)	(34.45)
iii	Forestry	17.16	21.32	24.08	18.13	21.54
		(1.99)	(2.29)	(2.50)	(1.73)	(2.39)
iv	Others*	16.78	21.51	24.34	27.10	21.99

		Marginal	Small	Medium	Large	All
		(1.95)	(2.31)	(2.52)	(2.58)	(2.44)
	Sub Total	396.64	448.39	521.76	535.15	430.90
		(46.06)	(48.09)	(54.12)	(51.01)	(47.76)
2	Non-Agricultural Activities					
i	Service	62.17	73.53	89.89	131.00	70.01
		(7.22)	(7.89)	(9.32)	(12.49)	(7.76)
ii	Business	32.44	57.93	86.36	124.33	47.01
		(3.77)	(6.21)	(8.96)	(11.85)	(5.21)
iii	Household Industries	45.17	34.20	17.58	12.50	38.90
		(5.25)	(3.67)	(1.82)	(1.19)	(4.31)
iv	Wage Work	136.33	108.68	60.37	33.33	119.29
		(15.83)	(11.66)	(6.26)	(3.18)	(13.22)
v	Others**	57.04	64.25	60.14	75.75	60.17
		(6.62)	(6.89)	(6.24)	(7.22)	(6.67)
	Sub Total	333.15	338.60	314.34	376.92	335.38
		(38.69)	(36.31)	(32.60)	(35.92)	(37.17)
3	Necessary Activities					
i	Family Affairs	97.36	99.26	86.64	73.75	96.68
		(11.31)	(10.65)	(8.99)	(7.03)	(10.72)
ii	Social Affairs	17.90	21.32	19.08	30.13	19.46
		(2.08)	(2.29)	(1.98)	(2.87)	(2.16)
iii	Sickness	16.08	24.90	22.28	33.25	19.74
		(1.87)	(2.67)	(2.31)	(3.17)	(2.19)
	Sub Total	131.34	145.47	128.00	137.13	135.88
		(15.25)	(15.60)	(13.28)	(13.07)	(15.06)
4	Grand Total (1+2+3)	861.12	932.46	964.11	1049.19	902.16
		(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Note: Figures in parenthesis shows the percentages to column total
*   others includes poultry, looking after crops, grass collection etc.
**   others time spent mainly in religious work etc.

Table 3 Extent of Unemployment and the number of Man-days willing for Additional Work: A Multi-Dimensional Approach

(Standard Mandays)

Sr. No.	Activities	Marginal Holdings	Small Holdings	Medium Holdings	Large Holdings	All Holdings
1	Total Available Man-days (Annual)	1109.00 (100.00)	1192.00 (100.00)	1194.00 (100.00)	1293.00 (100.00)	1166.00 (100.00)
2	Total Man-days Utilized in Agricultural Activities	396.64 (35.76)	448.39 (37.60)	521.76 (43.66)	535.15 (41.39)	430.90 (36.95)
3	Total Man-days Utilized in Non-Agricultural Activities	333.15 (30.04)	338.60 (28.40)	314.34 (26.31)	376.92 (29.15)	335.38 (28.76)
4	Total Man-days Utilized in Necessary Activities	131.34 (11.84)	145.47 (12.20)	128.00 (10.71)	137.13 (10.60)	135.88 (11.65)
5	Grand Total of Man-days Utilized	861.12 (77.64)	932.46 (78.20)	964.11 (80.68)	1049.19 (81.14)	902.16 (77.36)
6	No of Unemployed man-days (Time Criterion) (1-5)	248.00 (22.36)	259.92 (21.80)	230.83 (19.32)	243.90 (18.86)	264.06 (22.64)
7	No of Man-days Available for	274.16	269.73	185.55	157.37	262.58

	Additional Work (Willingness Criterion)	(24.72)	(22.62)	(15.53)	(12.17)	(22.52)
8	Type of Work Required by Household (%)					
i	Wage Work	58.62	20.38	0.00	0.00	41.35
ii	Service / Govt. Jobs	41.38	79.62	100.00	100.00	58.65
9	No of Voluntary Unemployed (6-7)	- -	- -	45.28 (3.79)	86.53 (6.69)	6.33 (0.54)
10	Willingness for over Employment (6+7)	26.16 (2.36)	9.81 (0.82)	- -	- -	18.66 (1.60)
11	Unemployment (Income or Poverty Criterion)	803.80 (53.99)	176.20 (26.69)	- -	- -	980.00 (41.54)

Note: Figures in parenthesis denote percentages to the column total.

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