

NATURE AND EXTENT OF UNEMPLOYMENT AMONG THE WEAKER SECTIONS IN RURAL AREAS OF HARYANA: a multi-dimensional approach⁺

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ABSTRACT

The magnitude of unemployment and underemployment is generally assessed using uni-dimensional approach, mainly the time criterion. In this paper, an attempt has been made to work out the magnitude of unemployment among weaker sections in rural areas using a multi-dimensional approach, with three criteria, namely, time, income and willingness. In Yamunanagar district of Haryana, from two developmental blocks, a sample of 300 households has been selected for field study. The households consist of 108 landless, 102 marginal, 75 small and 45 medium size holding farmers. Field study was carried out during 2003-04. Unemployment has been worked out as being the highest among the landless labourers, and shows decreasing tendency with an increase in the size of the holdings. Most of the households in the category of landless persons, have experienced high degree of unemployment / underemployment. For poverty alleviation in rural areas, multi-pronged strategy covering farm and allied sector, non-farm small enterprise sector, and tertiary sector needs to be adopted consistently over a long period.

Introduction

Unemployment and underemployment among the weaker sections in rural areas comprising largely landless labour, marginal and small farmers has been a major policy concern in most of the developing countries. In the ultimate analysis, the income level, consumption standard and the incidence of poverty all depend on the question of productive employment available to these households throughout the year. It is true that everyone who does not have a job is not necessarily poor; conversely, all those who have full time work are not well off. Some people remain 'voluntarily' unemployed because they consider the available work too inferior to their skills and qualifications. Such people are unemployed only by definition, and are invariably not poor. On the other hand, many individuals may work full time in terms of number of hours per

day and yet earn very little in net terms; many among such people are poor although they are employed. Growth analysis stresses that an enduring solution to the problem of unemployment/underemployment in the developing world must be sought as part of the overall strategy of socio-economic development. Ad hoc and short-term measures only compound the problem, as time passes. Bulk of the poor in developing countries are located in rural areas; employment for rural poor must become an essential feature of any poverty focussed development strategy. During the last five decades, planners, policy makers, administrators, economists and legislators have found the problems of unemployment and underemployment in India quite intractable and insurmountable. The problem of unemployment throws a major challenge to the Government of India. A large number of policies

+ This is based on the primary data collected by the author** for her Ph.D Thesis from the rural areas of Haryana State during the year 2003-04.

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and programmes have been launched in order to tackle the problem of rural unemployment. But the problem is so complicated that the nature and magnitude of unemployment have eluded all assessment. The magnitude of unemployment has been worked out by the individual scholars as well as by the Government agencies with the help of uni-dimensional approach *i.e.*, mainly by using the 'time criterion'. In this paper, an attempt has been made to work out the extent of unemployment among the weaker sections with the help of a multi-dimensional approach *i.e.*, by using 'time', 'income' and 'willingness' criteria.

Objective and Methodology

The specific objective of the study is:

To work out the nature and magnitude of unemployment with the help of multi-dimensional approach *i.e.*, 'time', 'income' and 'willingness' criteria among the selected households in the State of Haryana.

For the present empirical investigation, district Yamunanagar has been selected purposely mainly due to the reason that the area of the district like that of the State as a whole partly falls in the Shiwalik Hills and partly in the plain areas, due to which the farm and non-farm activities as well as the socio-economic conditions of the weaker sections in the district are more or less the same to that of the State as a whole. Further, the district-wise percentage of poor varies between 23 and 43 whereas in district Yamunanagar, this works out to 32. Therefore, both from the topography as well as the percentage of poor point of view, the selected district can represent the economic activities as well as the living conditions of the poor in the State of Haryana as a whole. The district has six developmental blocks *viz.*, Bilaspur, Chhachharauli, Jagadhri, Radaur, Sadhaura and Mustafabad. With the help of multi-stage random sampling, a sample of 300 households has been selected from Bilaspur and Sadhaura developmental blocks. Out of the total 300 sample households, 108 landless, 102 marginal, 75 small and 15 fall in the category of medium size of holding group. The required information in or-

der to achieve the objective of the present study, has been collected from the above 300 households with the help of a schedule by conducting personal interviews of the informants during the year 2003-04.

The magnitude of unemployment is measured with the help of 'time', 'income' and 'willingness' criteria. According to time criterion, "a person may be considered unemployed or underemployed, if he is gainfully occupied during the year for certain number of hours or days less than some normal or optimal hours defined as full employment hours". In the present study, 8 hours a day, 25 days in a month or 300 days in a year has been adopted as full employment norm to the workers in rural areas of the study. "Persons are inadequately employed not because they devote less time to work but because the earnings from the existing work are not sufficient to meet out their basic requirements." All those household workers have been considered unemployed and/or underemployed who earn less income than the value of poverty index, *i.e.*, Rs.413.01 at 2003-2004 prices (*i.e.*, Rs.263.10 on food and Rs.149.91 on non-food items). According to Raj Krishna, 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 the terms to which he is accustomed". It happened either due to a large number of dependants, indebtedness or due to some other economic and social liabilities. Due to differences in the work efficiency of male, female, children and old persons, in the present study, the family human labour days have been converted into 'standard mandays' by attaching the proper 'co-efficient of efficiency', *i.e.*, one woman day (WD) has been treated equal to 0.75 manday (MD) and one child day (CD) has been considered equal to one old person day (OD) and both have been considered equal to 0.50 mandays.

Thus,

$$1 \text{ CD} = 1 \text{ OD} = 0.50 \text{ MD} \quad \text{and}$$

$$1 \text{ WD} = 0.75 \text{ MD}$$

Results

The per household unemployed mandays, percentage of mandays willing for additional work, percentage of voluntary unem-

ployed mandays as well as the extent of unemployment according to 'time', 'willingness' and 'income' criteria has been presented in Table 1.

Table 1: Unemployed mandays according to time, willingness and income criteria in Yamunanagar district (Haryana)

(Standard Mandays)

S.No.	Activities	Landless	Marginal Holdings	Small holdings	Medium holdings	All households
1	2	3	4	5	6	7
1.	Total Annual Available Mandays	1209.00 (100.00)	1224.00 (100.00)	1413.00 (100.00)	1614.00 (100.00)	1365.00 (100.00)
2.	Total Annual Employed Mandays	797.91 (66.00)	904.11 (73.87)	1236.13 (87.48)	1482.45 (91.85)	1105.11 (80.96)
3.	No. of Annual Unemployed Mandays (Time Criterion)	411.09 (34.00)	319.89 (26.13)	176.87 (12.52)	131.55 (8.27)	259.89 (19.04)
4.	No. of Annual Mandays available for additional work (Willingness Criterion)	464.49 (38.42)	355.39 (28.30)	201.17 (14.23)	109.65 (6.79)	282.67 (20.70)
5.	Type of work required by households (%)					
	(i) Farm work	46.18	43.74	22.66	6.66	29.8
	(ii) Non-farm work	53.82	56.26	77.34	93.34	70.19
6.	Wage rate acceptable (Rs. per day)					
	(i) Within the village	50	60	75	100	63.75
	(ii) Outside the village	70	80	90	150	90.00
7.	No. of voluntary unemployed mandays	—	—	—	21.9 (1.35)	5.47 (0.40)
8.	Willingness for over-employment (4-3)	53.4 (4.41)	35.5 (2.90)	24.3 (1.71)	-	22.8 (1.67)
9.	Unemployed mandays (Income or Poverty Criterion)	276.8 (42.24)	230.5 (36.36)	145.4 (26.50)	-	652.3 (33.29)

Note: Figures in the parentheses denote percentage to the column total.

Time Criterion

The Table clearly indicates that the total number of available mandays per household has been worked out at 1209, 1224, 1413 and 1614 among the landless, marginal, small, and

medium size of holdings, respectively. Among all households together, the total available mandays work out as 1365. The percentage of mandays utilised in all the agricultural, non-agricultural and necessary activities (*i.e.*, in both pro-



ductive and necessary activities) during the year has been worked out as 66.00, 73.87, 87.48 and 91.85 among the landless, marginal, small and medium size of holdings, respectively. Among all the households together, the percentage of mandays utilised in all these activities works out to 80.96. Hence the percentage of unemployed mandays as per the full employment norms *i.e.*, 8 hours a day, 25 days in a month or 300 days in a year according to Time Criterion, has been worked out as 34.00, 26.13, 12.52 and 8.27 among the landless, marginal, small and medium size of holdings, respectively. Among all the households together, this percentage of unemployed mandays according to Time Criterion results in 19.04.

Willingness Criterion

The percentage of mandays available/willing for additional work to the total available mandays, has been worked out as 38.42, 28.30, 14.23 and 6.79 per cent among the landless, marginal, small and medium size of holdings, respectively. Among all the households together, this percentage of mandays willing for additional work to the total available mandays works out to 20.70. Thus, the percentage of mandays willing for additional work shows a decreasing tendency with an increase in the size of holdings.

The percentage of available mandays willing for farm work (casual and/or seasonal farm work) has been worked out as 46.18, 43.74, 22.66 and 6.66 among the landless, marginal, small and medium size of holdings, respectively. The percentage of mandays willing for non-farm work to the total available mandays has been worked out as 53.82, 56.26, 77.34 and 93.34 among the landless, marginal, small and medium size of holdings, respectively. The landless households are willing to work at a daily wage rate of Rs. 50 within the village and at a daily wage rate of Rs. 70 outside the village. The marginal farmers are willing to work at a daily wage rate of Rs. 60 within the village and Rs. 80 outside the village. Similarly, small farmers are ready to work at a daily wage rate of Rs. 75 within the village and at Rs. 90 per day outside the village, whereas,

the medium farmers are willing to work at a daily wage rate of Rs. 100 within the village and Rs. 150 outside the village.

Thus, it is clear from the Table that the percentage of mandays willing for farm work shows a decreasing tendency with an increase in the size of holdings, whereas, the percentage of mandays willing for non-farm work shows an increasing tendency with an increase in the size of holdings. It happened mainly on account of higher illiteracy and higher dependency percentage, uneconomic size of holdings, where all the family workers are not required on their farm throughout the year and even during the peak agricultural season. On the medium size of holdings, where all family members are gainfully employed on their farm, the percentage of mandays willing for non-farm work, particularly services, is the highest. This is mainly due to higher literacy percentage. Due to the higher literacy percentage and regular sources of income, the households falling on the medium size of holdings are interested to get white-collar jobs. As a result of it, the percentage of voluntary unemployed mandays has been worked out as 1.35 on the medium size of holdings. Contrary to it, the percentage of mandays willing for additional employment works out as 4.41, 2.90 and 1.71 among the landless, marginal and small size of holdings, respectively. The landless workers and those falling on the smaller size of holdings are willing to work for longer hours, mainly due to the higher dependency rate, meagre household income and higher burden of debt repayment. Among all the households together, the percentage of mandays willing for additional-employment works out as 1.67. This clearly confirms the fact that the smallest suffer 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 the basic needs of the

family members. This point of view was forcefully stated by Dandekar and Rath in their study 'Poverty in India' (1971). They stated that an inadequate level of employment be defined in terms of its inability to provide minimum living to the population. In the context of employment, undernutrition is of crucial importance as it affects the ability to work and efficiency of 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. The number of underemployed workers earning less than the minimum desirable monthly income has been presented in the Table. In the present study, the minimum desirable level of per month income in order to meet the minimum food and non-food requirements of a person at 2003-04 local prices prevailing in the study area has been worked out as Rs. 413.01.

The number of underemployed workers who are earning less than the minimum desirable income, is the highest among the landless households (42.24 per cent) as compared to marginal (36.36 per cent) and small size of holdings (26.50 per cent). Thus, underemployment among the landless and on smaller size of holding groups is acute mainly due to high ratio of dependency, low literacy percentage, uneconomic size of holdings, higher burden of debt repayments etc. The households falling on the medium size of holding groups do not suffer from underemployment according to the income criterion due to their sound and regular sources of household income, higher literacy percentage as well as the availability of gainful employment on their own farms.

Conclusion and Suggestions

The extent of unemployment according to Time, Income and Willingness criteria has been worked out in Yamunanagar district of Haryana to be the highest among the landless and shows

decreasing tendency with an increase in the size of holdings. Thus, the empirical study on the extent of unemployment/underemployment in rural areas according to Time, Income and Willingness criteria has established the fact that the high ratio of dependency, low literacy percentage, high burden of debt repayment, uneconomic size of holding, lack of regular and seasonal gainful employment opportunities, lack of irrigation facilities, uncertainty of rainfall etc., are the various causes of unemployment and/or underemployment in the study region. The better-off households are engaged in gainful activities on their own farms, whereas most of the households are suffering from involuntary unemployment and underemployment, the magnitude of which is very high among the landless households and shows a decreasing tendency with an increase in the size of holdings. Poverty alleviation programmes have fallen short of expectations in rural areas of the district Yamunanagar because the empirical results of the present study clearly established the fact that through these programmes, the better-off benefited the most and the least better-off benefited the least. Any programme of action for enabling the country to move away from the unemployment and underemployment problem should consequently be multi-pronged with emphasis on agriculture and other rural-works-programmes. If increasing demand for labour can be created in the countryside, the streams of population migrating in search of jobs and work to urban areas and bigger cities can be arrested and the tendency of the hardcore of unemployment getting still harder can be stopped. Thus, in order to reduce the extent of unemployment, emphasis should be laid on general education, technical and vocational education in the social service sector, horticulture, animal husbandry, dairy development and forestry in the agricultural sector and small scale and cottage industries in the industrial sector etc.

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