

Original Research Article

Employment Pattern for Livelihood of the Rural and Urban Village Households

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ABSTRACT

The present study aimed at analyzing the employment pattern of the rural and urban village households in Hajipur block of Vaishali district of Bihar. The study is based on primary data collected from 30 rural village households and 30 urban village households from four villages (2 rural- 2 urban) namely, Daulatpur Chandi and Chak Shama which were rural villages and Dhobghati and Kutubpur which were urban villages. Out of that total employment for 292 human days in a year, 24.49 per cent was generated by on-farm activities and remaining 75.51 per cent of employment was generated by non-farm activities in case of rural village households. On the other hand, urban village households had a total of 254.60 human days of employment in a year. Out of that non-farm activities and on-farm activities generated 75.46 per cent and 24.54 per cent respectively. The per worker employment was estimated at 139.04 human days per annum in case of rural village households and 122.90 human days in case of urban village households. Strengthening agriculture and allied activities opening new non-farm employment opportunities, development of infra-structural facilities, establishment of agro-based and small cottage industries, establishment of educational and training institute, formation of self-help groups and producers' cooperatives and proper implementation of poverty alleviation programmes etc, are some of the ways to bring improvement in the existing situation.

Keywords

Employment Pattern, Livelihood, Rural and Urban Village Households

Introduction

Agriculture has been the backbone of Indian economy. Around 65 per cent of the rural and 8 percent of the urban households still depend on it for employment and livelihood. In spite of several important technological advances made in the field of agriculture, the fact remains that this sector is dominated by small land holders and there have been large fluctuations in agricultural production over years. But this sector has not been able to provide employment and income to the

labour force belonging to farm and non-farm households throughout the year and several non-agricultural activities provide employment opportunities to these people (Bhakar *et al.*, 2007).

Studies also suggest that with the process of development, the share of non-farm income and employment in the total income and total employment, respectively, of the rural households increased in the developing

countries. A combination of farm and non-farm income at the household level provides resilience against adverse situations in either of the sectors, though agriculture is known for more frequent adversity. There are also evidences to show that productivity and profitability in the non-farm sector is generally higher than in the farm sector, as are the average wage and working conditions that obtain in the non-farm sector (Fisher *et al.*, 1998). A greater reliance on the non-farm sector would, therefore, provide a demand-pull to rural economy and also ensure welfare for rural workers.

The small base of the rural non-farm sector located within a large rural population is infect indicative of the employment potential in the rural non-farm sector (RNFS). Achievement of employment growth as per its potential may require a more favorable policy environment and the present study attempts to search for these policy options. The study of rural diversification with the objective of ensuring a proper policy match requires first an understanding of the pattern of farm and non-farm employment in the rural sector. The rural non-farm sector encompasses all non-agricultural activities, mining and quarrying, households and non-households, manufacturing, processing, repair, construction, trade and commerce, transport, and other services in villages and rural towns undertaken by enterprises varying in size from household own account enterprises to factories.

The growth rate in agriculture decelerated to 0.1% in 2008-09 and continued to remain in area of concern in 2009-10 as well. The advance estimates of national income brought out by CSO on 7thFeb2011, indicates higher growth for agricultural sector at 5.4% during 2010-11. (Jha, Brajessh. 2011)

In the light of the above, non-farm employment has assumed added importance in economic development (Rao, 1995). This sector can play a positive role in the removal of poverty, generation of employment and decentralization of urbanization. It also facilitates structural transformation and provides non-food goods and services to rural people. Thus as a long term strategy, non-farm avenues of employment and earnings are an important for rural households (Chadda, 1993), so as to relieve agriculture from the pressure of excess labour and arrest any further decline in land-man ratio (Pandey and Singh, 2003). Hence promotion of non-farm employment in rural areas itself seem to be the last option for enhancing the level of the rural people (Pandey and Singh 2003).

The importance of non-farm employment is increasing in India on account of diversification of rural economy and its extension well beyond agriculture. The labour absorptive capacity of agriculture has reached its plateau and is not able to provide employment to rural work force round the year. The rural workers are forced to seek employment opportunities outside agriculture to tide over the inter year and intra-year variations in agricultural income.

Materials and Methods

The present study is based predominantly on primary data collected in a survey of the sample area. Secondary data is however, also used to discuss agro economic features of the block under study.

The main sources of secondary data are different Govt. publications, the district officer, <http://en.wikipedia.org/wiki/Hajipur> and various study reports published by individual researchers and research organizations.

Selection of the area (sample design)

Multistage sampling technique was adopted for selection of sample. The District of Vaishali was selected purposively as it is situated near the state capital Patna and a large number of employment opportunities and transport facilities are available in and around Hajipur as main city of Vaishali District. Hence, Hajipur block was selected purposively.

A list of villages located within a radius of 10 km from the heart of Hajipur town as urban villages and another list of villages located beyond 10 km but within 20 km from the heart of the town as rural villages was prepared.

Two villages from amongst the urban villages and two villages from amongst the rural villages were selected randomly. The selection of villages was made from the list of the villages with a large proportion of the people dependent on agriculture and a significant proportion of people earning their livelihood from non-farm activities.

The households of the selected villages were categorized into two major groups rural and urban village households. The farm households were further categorized in four groups viz, landless marginal, small, medium and large households. A representative sample of 15 households from each of the two urban villages and two rural villages was finally selected by using probability proportional to size technique for detailed investigation. Altogether 60 households were selected randomly from these selected villages.

The next step was the selection of respondents. A complete list of all the farmers of selected villages with their size of holdings was obtained with the help of

Kishan Salahakar, village level workers and local leaders of the villages. The distribution of selected households has been shown in Table- 1 The number of households in case of rural villages was landless 3 (10.00percent), marginal 16(53.33 percent), small 07 (23.34 percent), medium 02 (6.67 percent) and large 02 (6.66 percent). The number of households in urban villages was landless 10 (33.63 percent), marginal 11(33.67 percent), small 06 (20.00 percent) and medium 03 (10.00 percent).

Employment pattern of the rural and urban village

Employment pattern of the households depicts the various activities in which they depend for livelihood. It also indicates the amount of time the household devotes to the activities.

The employment pattern of rural and urban village sample households has been shown in the table 2. The table revealed that the sample rural village households had a total of 292.00 human days of employment in a year. Out of that, on-farm activities generated employment for 71.50 human days per year (24.49 per cent) and non-farm activities provided employment for 220.50 human days annually accounting for 75.51 per cent of the total annual employment. It was observed that members from not even a single household whether landless or landed, got employment from off-farm activities i.e. not even a single person worked as agricultural labour on other's fields.

The employment pattern of different farm size households did not show any definite trend. Farm size wise analysis of employment pattern pointed that landless labour had a total employment of 282 human days per year. Out of which non-farm activities provided larger share of the

annual employment (201 human days) i.e 71.28 per cent of total annual employment. These landless labour got employment from on- farm activities for 81 human days per year accounting for 28.72 per cent of annual employment. In remaining all other farm size classes, it was found that major portion of the employment came from non-farm activities. On-farm activities contributed minor share of the total annual employment. The on-farm activities provided employment for 72 human days (23.07 per cent), 48 human days (26.86 per cent), 77 human days (39.08 per cent) and 130 human days (39.87 per cent) in case of marginal, small, medium and large households.

Large households were cent- per cent dependent on-farm activities for their employment as they had sufficient land of their own. Smaller portion of on-farm employment in case of marginal, small and medium households was probably because most of their households were forward caste households which were more dependent on services for their livelihoods.

The overall annual employment generated per worker was 139.04 human days, it was higher in case of landless households (211.5 human days), 170.54 human days in case of small households and 134.91 days per year in case of marginal households. On an average, each worker was employed for 78.4 human days per annum in case of medium households and 108.66 human days in case of large households.

The employment pattern of urban village households as indicated in the Table 5.17 revealed that the sample households had a total of 254.60 human days of employment in a year. Out of which non-farm activities generated around three- fourths (75.46 per cent) of total annual employment and on-farm activities generated around one-fourth

(24.54 per cent) of the total annual employment.

Farm size wise analysis of employment pattern of the households revealed that on an average employment for 304 human days per year was estimated on land less households. Out of which, larger proportion of employment was through non-farm activities (89.23 per cent) and on-farm activities generated employment for landless households for 32.75 human days annually accounting for 10.77 per cent of the total annual employment. But they did not get any employment from off- farm activities. In case of marginal and small households, major portion of annual employment was from non-farm activities (73.44 per cent and 56.40 per cent respectively) per annum and on-farm activities provided a smaller portion of their total annual employment (26.56 per cent and 43.60 per cent) respectively. However, in case of medium households the annual employment generated from non-farm and on- farm activities was almost equal i.e. 49.42 per cent from non – farm activities and 50.58 per cent from on - farm activities. It was observed that as the farm size increased, the proportion of farm employment also increased. On the other hand, the reverse was true in case of non-farm employment of these households per as non-farm employment decreased with increase in the farm – size.

The per worker employment was found to be 112.59 days per annum in case of landless households, 112.64 human days in a year in case of marginal households, 180.85 human days in case of small households, 103.20 days per year in case of medium households, overall employment per worker was 146.88 human days a year.

Proportion of on-farm employment (13.89 per cent).

Table.1 The distribution of selected households

Farm size ↓	Number of households selected		
	Rural Village	Urban Village	Total
Landless	3 (10.00)	10 (33.63)	13 (21.66)
Marginal	16 (53.33)	11 (33.67)	27 (45.00)
Small	07 (23.34)	06 (20.00)	13 (21.66)
Medium	02 (6.67)	03 (10.00)	05 (8.33)
Large	02 (6.66)	-	02 (3.35)
Pooled	30 (100.00)	30 (100.00)	60 (100.00)

(Figures in the parentheses indicate percentage to the total)

Table.2 Employment pattern of the rural and urban village households

(Human-days/year)

Farm size ↓	Rural village				Employment per worker	Urban village				Employment per worker
	Employment generated (per household)					Employment generated (per household)				
	On-farm	Off-farm	Non-farm	Total		On-farm	Off-farm	Non-farm	Total	
Landless	81 (28.72)	-	201 (71.28)	282 (100.00)	211.50	32.75 (10.77)	-	271.25 (89.23)	304 (100.00)	112.59
Marginal	72 (23.07)	-	240 (76.93)	312 (100.00)	134.91	68 (26.56)	-	188 (73.44)	256 (100.00)	112.64
Small	48 (26.86)	-	220 (82.14)	268 (100.00)	170.54	92 (43.60)	-	119 (56.40)	211 (100.00)	180.85
Medium	77 (39.08)	-	120 (60.92)	197 (100.00)	78.40	87 (50.58)	-	85 (49.42)	172 (100.00)	103.20
Large	130 (39.87)	-	196 (60.13)	326 (100.00)	108.66	-	-	-	-	-
Pooled	71.50 (24.49)	-	220.5 (75.51)	292.0 (100.00)	139.04	62.95 (24.54)	-	191.6 (75.46)	254.6 (100.00)	122.90

(Figures in the parentheses indicate percentage to the total)

Non – farm activities included (Service, Business and Other Non -farm)

On – farm activities included (Farming, Dairy, Poultry and Goatry)

Table.3 Components of employment of sample households

(Human-days/household/year)

On- farm activities							Off- farm activiti es	Non-farm activities			
Farm size ↓	Farmin g	Diary	Poultr y	Goatr y	Sub total	Service		Busine ss	Other Non- farm	Sub total	
Rural village	Landless	69.75 (86.11)	-	-	11.25 (13.89)	81 (100.00)	-	180 (89.56)		21 (10.44)	201 (100.00)
	Marginal	12.00 (16.66)	15.00 (20.84)	45.00 (62.50)	-	72 (100.00)	-	225 (93.75)	-	15 (625)	240 (100.00)
	Small	25.5 (52.08)	22.5 (47.92)	-	-	48 (100.00)	-	135 (61.36)	85 (38.64)	-	220 (100.00)
	Medium	60.00 (77.92)	17.00 (22.08)	-	-	77 (100.00)	-	83.22 (69.35)	36.78 (30.65)	-	120 (100.00)
	Large	67.5 (51.92)	62.50 (48.08)	-	-	130 (100.00)	-	141.82 (72.35)	54.18 (27.65)	-	196 (100.00)
	Pooled	27.82 (38.90)	18.55 (26.50)	24.00 (33.04)	1.12 (1.56)	71.50 (100.00)	-	184.00 (83.66)	25.09 (11.75)	10.1 (4.59)	219.99 (100.00)
Urban village	Landless	-	-	-	32.75 (100.00)	32.75	-	82.11 (30.27)	189.14 (67.73)	-	271.25 (100.00)
	Marginal	50.00 (73.52)	18 (26.48)	-	-	68 (100.00)	-	112.8 (60.00)	75.2 (40.00)	-	188 (100.00)
	Small	61.00 (66.30)	31.00 (33.70)	-	-	92 (100.00)	-	86.87 (73.00)	32.13 (27.00)	-	119 (100.00)
	Medium	63.50 (72.99)	23.50 (27.01)	-	-	87 (100.00)	-	85 (100.00)	-	-	85 (100.00)
	Large	-	-	-	-	-	-	-	-	-	-
	Pooled	36.88 (58.58)	15.13 (24.09)	-	10.91 (17.33)	62.95 (100.00)	-	94.60 (49.36)	97.04 (50.64)	-	191.64 (100.00)

(Figures in the parentheses indicate percentage to the total)

Although these people were landless, they were engaged in farming activities by leasing- in land form those who had land but did not cultivate their land these land less people got 201 human-days of employment from non-farm activities, out of that around 90 per cent of employment was generated by service alone. Marginal farmers were employed for 72 human-days in a year in on- farm activities out of which major

portion was from poultry as one- fourth (4 out of 60) households were running poultry farms. More than 90 per cent of non- farm employment was generated by service alone in the case of marginal farmers. In case of small, medium and large farmers, major portion of on- farm employment was generated by farming activities as they had landed property of their own and they were engaged in farming activities. Major portion

of non-farm activities in case of small households, was generated by service (61.36 per cent). Some members of these households were found to be service holders. It was interesting to note that large farm households depended on farming and dairy activities for their livelihoods as they had sufficient amount of land of their own, and they had not to depend on other activities for earning out their livelihoods.

In case of urban village households, it was found that on-farm activities provided employment for 62.95 human days per year. Out of that 36.88 human days (58.58 per cent) was generated by farming activities followed by dairy (24.09 per cent) and goatry (17.33 per cent). Similar pattern of annual employment was noticed in case of marginal, small and medium households. In all these cases major portion of on-farm employment was provided by farming activities and a minor portion from dairy activities, none of these households were found to be engaged in goatry. However, in case of landless households, the households raised goats on their door steps and were found to be engaged in goatry related activities for 32.75 human days in a year. This was mainly because they had no land of their own to cultivate and they depended on goat raising as it required small amount of resources on the part of the raise.

The urban village households were employed in nonfarm activities for 191.64 human days a year. It was observed that they got almost equal employment annually from business and service amounting to 97.04 human days and 94.60 human days. i.e 50.64 per cent and 49.36 per cent respectively. All households of various farm sizes were found to be getting non-farm employment from business and service activities. The landless households were employed in non-farm activities for 271.25

human days per annum out of that major portion (67.73 per cent) of employment was in business activities and remaining 30.27 per cent employment from service. In case of marginal, small and medium households it was observed that majority of employment they got from service and minor portion of their employment was from other activities. As many members of these households were found to be service holders. It was observed that the portion of employment from service increased with increasing size of farm and on the contrary, employment from business decreased with increasing size of farm.

The employment pattern of rural village households indicated that the sample rural village households had a total of 292 human days of employment in a year. Out of that on-farm activities generated employment for 71.50 human days per year (24.49 per cent) and non-farm activities provided employment for 222.50 human days annually accounting for 75.51 per cent of the total employment. It was observed that members from not even a single household whether landless or landed, got employment in off-farm activities either in case of rural village households or in case of urban village households. It was revealed that the sample households had a total of 254.60 human days of employment in a year in case of urban village households. Out of that non-farm activities generated around three-fourths (75.46 per cent) of total annual employment and on-farm activities generated around one-fourth (24.54 per cent) of the total annual employment. The per worker employment was found to be 112.59 days per annum in case of landless households, 112.64 human days in a year in case of marginal households, 180.85 human days in case of small households, 103.20 days per year in case of medium households and overall employment per worker was 122.90 human days a year.

An analysis of components of employment of sample households indicated that in case of rural village households on-farm activities generated employment for 71.50 human days per year. Out of that farming activities accounted for larger proportion and generated 27.82 human days of employment (38.90 per cent).

Poultry generated employment for 24 human days (33.04 per cent) dairy generated employment for 18.55 human days (26.50 per cent) and goatry generated 1.12 human days (1.56 per cent) of employment. It was estimated that non-farm activities gave employment for 219.99 human days Out of that, service accounted for larger proportion (83.66 per cent) followed by business (11.75 per cent) and other non-farm activities generated 4.59 per cent of annual employment.

Urban village households got employment for 62.95 human days in on-farm activities per annum. Out of that major proportion (58.58 per cent) was generated by farming activities followed by dairy (24.09 per cent) and goatry (17.33 per cent). The urban village households were employed in non-farm activities for 191.69 human days a year. Out of that 97.60 human days was generated by business and 94.60 human days was generated by service accounting for 50.64 per cent and 49.36 per cent respectively. It was observed that the proportion of employment from service increased with increasing size of farm and employment from business decreased with increasing size of farm. The various sources of Income to the sample households were categorized as on-farm, off-farm and non-farm sources. The overall income earned by rural sample households was estimated to be ₹ 5,14,899.18 per year. Out of this, 38.09 percent was generated from on-farm and 61.91 percent was generated from non-farm

sources amounting to ₹ 1,96,020.99 and ₹ 3,18,878.19 respectively. The total income of urban households was estimated at ₹ 9,95,130.06 per annum. Out of that 87.65 per cent was earned from non-farm sources and remaining 12.35 per cent was obtained from on-farm sources amounting to ₹ 8,72,260.20 and ₹ 1,22,869.86 respectively. Major portion of income of landless and marginal households was from non-farm sources and major portion of annual income in case of small and medium farm households was from on-farm sources. It was revealed that as the farm-size increased, the proportion of income from on-farm sources increased and that from non-farm sources decreased.

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