



#### **Odisha**

Odisha lies on the eastern coastline of India and is a state known for its rich natural resources, with forests covering 33.2 per cent¹ of the total geographical area. The state has dense forest cover and its economy is mostly agro-based. Agricultural, forestry and fishing sectors are the source of major employment. Almost 50 per cent² of employment is generated within these sectors.

Being a coastal state, Odisha is prone to frequent cyclones and floods that affect agricultural production, damages lives, livelihoods and property, including forests, on an annual basis, impoverishing a large section of the population. Odisha is considered to be one of the low-income states in the country. One of the exceptions about the state, however, is that the service sector and industrial and mining sector almost equally contribute around 80 per cent to the Gross State Domestic Product (GSDP). In recent times though, both mining and manufacturing have experienced a growth slump, in line with the all India trends of low manufacturing growth rates in the past few years<sup>3</sup>.

Odisha also has a large tribal population. Almost 9 per cent of India's tribal population resides in the state, making it the third largest tribal population in any state (Census, 2011). The Scheduled Tribes account for 22.8 per cent<sup>4</sup> of the state's total population. The tribal community in Odisha has been dependent, historically, on its vast forests with tribal women mostly working in the collection forest produce. Tendu leaves collection is one of the primary activities of tribal women in Odisha. Apart from this, handicraft and textile industries are also major contributors to tribal women's employment in the state

Female labourforce participate rates (FLPRs) in Odisha have been low historically, both in rural and urban areas. According to the Periodic Labour Force Survey (PLFS) 2017-18 round, rural FLPR is 15.2 per cent, which is lower than the all India figure of 18.2 per cent. Urban FLPR is 13.4 per cent and is lower than the national average by 2.5 percentage points.



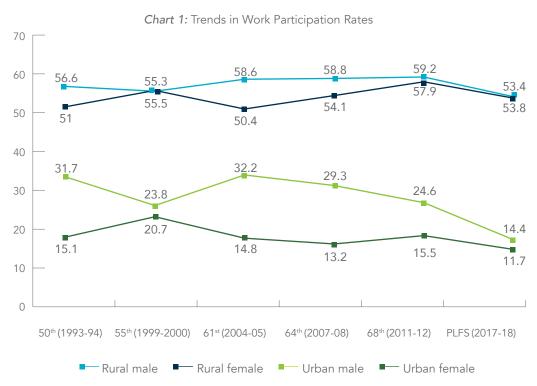
- <sup>1</sup> Source: India State of Forest Report 2019. Published by Forest Survey of India, Ministry of Environment Forest and Climate Change.
- <sup>2</sup> Source: Odisha Economic Survey, 2019-20.
- ³ https://www.thehindubusinessline.com/opinion/columns/c-p-chandrasekhar/whats-brought-about-the-deep-crisis-in-manufacturing/article30321942.ece
- <sup>4</sup> Source: Scheduled Tribes in India as revealed in Census 2011, Ministry of Tribal Affairs.



## Trends in Female Workforce Participation Rates (FWPR) (Chart 1)

The FWPR measures the ratio of employed to total female population. Some interesting trends for Odisha for this indicator are as follows:

- From PLFS 2017-18 and earlier rounds of National Sample Survey (NSS), it is evident that the difference between rural and urban FWPRs has narrowed considerably over time, mainly due to a decline in the rural FWPRs (Chart 1). At 14.4 per cent, rural FWPR is only 2.7 percentage points higher than urban FWPR.
- The decline in work participation rates since 2011-12 was observed even for men, but was more severe for rural women. Rural FWPR reduced by over 10 percentage points in the period between 2011-12 and 2017-18, compared to a 6 percentage points decline for men. Interestingly, the decline in male WPRs in urban areas was marginally higher than the decline observed in urban female WPRs. This indicates that there has been a loss of employment for both men and women in Odisha but the nature of decline differs across geographies. This creates space for interesting research questions on overall employment creation within the state, with a special focus on women.



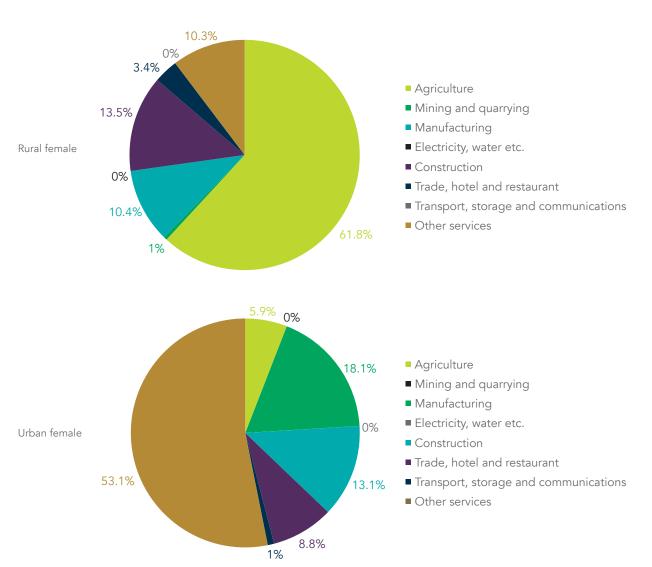
Source: EUS 1993-94, 1999-00, 2004-05, 2007-08, 2011-12 and PLFS 2017-18, NSSO, MoSPI, GOI. The WPR figures are calculated for men and women of all age groups.



# Distribution of women workers by broad industry divisions (Chart 2)

- In rural Odisha, barely any change was seen between 2011-12 and 2017-18 in the distribution of women workers by broad industry divisions. Agriculture continued to be the most important source of employment for rural women. The share of women workers in agriculture in 2017-18 was about 62 per cent, with non-farm sectors including construction, manufacturing and services contributing 13.5 per cent, 10.4 per cent and 10.3 per cent respectively. A small share of women in rural Odisha was also employed in trade, hotels and restaurants (3.4 per cent).
- In urban Odisha, the vast majority of women seemed to be employed in the services sector (53.1 per cent) which includes education, health and social work activities, administrative services, financial and insurance activities etc., followed by manufacturing (18.1 per cent), construction (13.1 per cent), and trade, hotels and restaurants (8.8 per cent).

Chart 2: Distribution of women workers by broad industry divisions





#### Distribution of women workers by status of employment (Chart 3)

- While a majority of women workers in rural Odisha are self-employed (52.6 per cent), there is also a high incidence of casual wage labour (38 per cent).
- In urban Odisha, in comparison, regular wage or salaried employment is dominant; 46.5 per cent women work as regular employees. There is also considerable self-employment (34.8 per cent), while casual employment accounts for about 18.7 per cent of the total.
- There has been a remarkable increase in regular wage work among women in the state between 2011-12 and 2017-18, both in the rural and the urban sector. The proportion of regular women employees almost tripled in rural Odisha, from 3.3 per cent in 2011-12 to 9.5 per cent in 2017-18 as a proportion of the total female workforce. In urban areas, the increase in the share of regular wage work observed during this period was even more dramatic: the share of regular workers increased by 19.4 percentage points, from 27.1 per cent in 2011-12 to 46.5 per cent in 2017-18.
- While an increase in regular wage work bears good news, there has also been an increase seen in casual wage work for women during the same period: the share of casual wage workers increased in rural areas by almost 8 percentage points and in urban areas by 4 percentage points.
- In contrast, self-employment suffered a decline in both rural and urban areas; the share of women in self-employment fell by 13.3 percentage points in rural Odisha, and even more drastically by 23.3 percentage points in urban Odisha. This trend seems confounding especially given the investments Odisha has made in women led enterprises under its SHG, programme called Mission Shakti, since 2001. By the government of Odisha's own estimate, the state has organised 70 lakh women into six lakh SHGs covering all habitations. These SHGs are involved in diverse activities from producing and packaging spices, pickles and ready to eat food to manufacturing utensils, craft and appliances to manufacturing LED bulbs, running supplying take home ration (THR) under the Integrated Child Development Services (ICDS) programme, electricity metre reading, and are engaged in civil construction and managing public utilities. 5 That self-employment numbers register a decline despite these initiatives bears further research and investigation.

14.8 18.7 26.9 30.5 35.9 38 61.9 65.9 58.1 52.6 37.9 34.8 Rural female Urban female Rural female Urban female Rural female Urban female 61st (2004-05) 68th (2011-12) PLFS (2017-18)

Chart 3: Distribution of women workers by status of employment in Odisha

Source: EUS 2004-05, 2011-12 and PLFS 2017-18, NSSO, MoSPI, GOI

■ Casual labour

■ Self employment ■ Regular employment

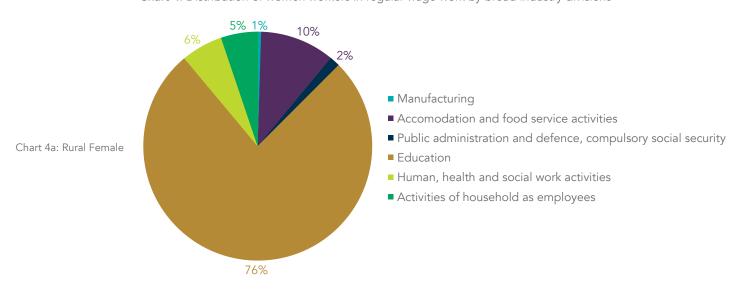
<sup>&</sup>lt;sup>5</sup> https://www.newindianexpress.com/cities/bhubaneswar/2019/dec/29/odisha-women-mean-biq-business-2082329.html

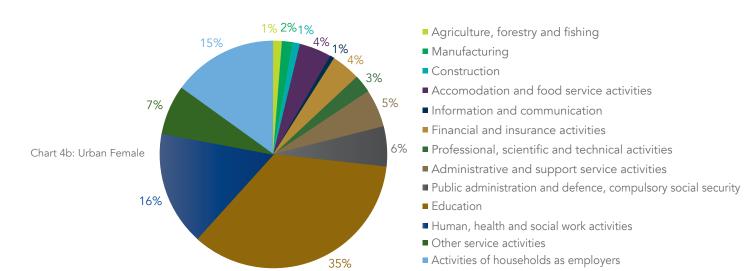


# Distribution of women workers in regular wage work by broad industry divisions

- In rural Odisha, most of the regular wage work for women exists in female dominated sectors. Majority of women are concentrated in the education sector (76 per cent), followed by accommodation and food services (10 per cent) and health and social work (6 per cent), within services (Chart 4a).
- Urban areas show a similar concentration of women in education (35 per cent), health and social work (16 per cent). However, women are additionally employed as domestic workers, and in public services, financial and insurance activities and other services within regular employment (Chart 4b).

Chart 4: Distribution of women workers in regular wage work by broad industry divisions





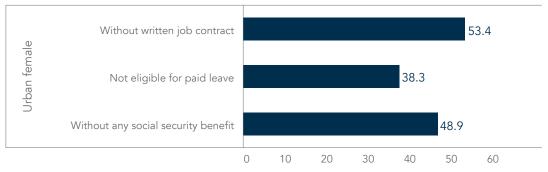
Source: Author's calculations based on unit level data from PLFS 2017-18



#### Working conditions in regular employment (Chart 5)

- The urban sector has the highest share of its women workers employed as regular employees. Despite the phenomenal increase in the share of those in regular employment in recent times, PLFS 2017-18 shows that non-wage benefits are less than satisfactory (Chart 5).
- A majority of urban women working in regular employment do not have a written job contract (53.4 per cent). A significant number are without social security benefits (48.9 per cent) and 38.3 per cent are also not eligible for paid leave.

Chart 5: Share of regular women workers in urban Odisha without non-wage remunerations (PLFS 2017-18)



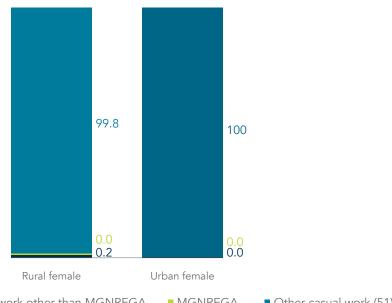
Source: Annual Report, PLFS 2017-18

#### Women workers in casual employment (Chart 6)

- Public works and MGNREGA work (work available under the Mahatma Gandhi National Rural Employment Guarantee Scheme) are both insignificant sources of employment for women in the state. Non-public casual work dominates entirely in both urban and rural areas. Casual employment in public works accounts for a meagre 0.2 per cent of all casual employment in rural areas.
- The fact that MGNREGA work does not feature in rural areas is a cause for concern. This may be the case since the state's performance in providing women employment under MGNREGA has been poor as compared to other states. In Odisha, only 41.9 per cent of the total person-days were taken up by women; this is much lower than the all-India figure of 53.1 per cent (Chart 7).



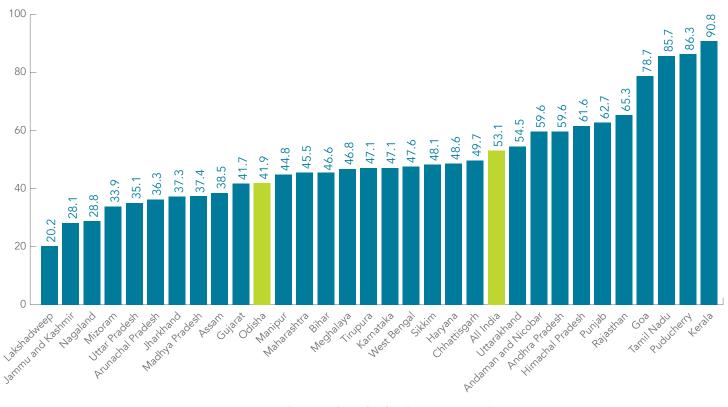
Chart 6: Distribution of women workers in casual employment



■ Casual labour in public work other than MGNREGA ■ MGNREGA ■ Other casual work (51)

Source: Author's calculations based on unit level data from PLFS 2017-18

Chart 7: Women person-days out of total in MGNREGA, 2017-18 (per centage)



Source: MGNREGA data (www.nrega.nic.in)



#### Women workers in self-employment (Chart 8)

- A vast majority of the rural female population in self-employment works as unpaid helpers in household enterprises (72.7 per cent), with the remaining working as own account workers (27.2 per cent).
- The urban sector shows two encouraging statistics in PLFS 2017-18 as far as women in self-employment is concerned. First, 4.8 per cent of urban women in Odisha work as employers, which is nearly 3.8 percentage points higher than the national average. Second, the share of unpaid family workers is 44.5 per cent, which is significant, but still smaller than what is observed in rural parts of the state. Also, about half of the urban self-employed work as own account workers.
- It is interesting to note that while the overall share of self-employed women declined in the state, there has been an increase in own account enterprises (OAEs) of women. This is a possible impact of the emphasis on SHG led enterprises and the Odisha chapter of the Start-up India programme under which subsidies were provided to encourage micro-entrepreneurship among women in Odisha since 2016. Nearly one-third of the funds allocated towards the start-up mission were reserved for women entrepreneurs. How Odisha managed to increase OAEs for women requires further research.

44.5 72.7 50.7 27.2 Rural female Urban female ■ Own account worker ■ Employer ■ Worked as helper in HH enterprise

Chart 8: Distribution of women workers across self-employed categories

Source: Author's calculations based on unit level data from PLFS 2017-18

In sum, one can conclude that while the share of women workers in regular wage work has been increasing all across India, Odisha has shown exceptional growth in this regard, particularly in urban areas. But as in other states, this has not translated into improved working conditions for women. Regular wage work remains concentrated in traditionally female dominated sectors such as in domestic work which might be indicative of poor inter-sectoral mobility for women. MGNREGA's performance in generating publicly provided casual wage work for women is relatively weak in Odisha compared to other states. It would be useful to explore the problems with the programme viz. generating work for women in the state.

Women's self-employment on the other hand, especially their OAEs, shows an encouraging trend. Further analysis would be required to understand how Odisha has scaled up OAEs of women so far, and what mechanisms are further needed to augment women's incomes as accruing from these enterprises.

The factsheet is prepared by Nidhi Gyan Pandey, IWWAGE – Lead at KREA University. Copyright @2020



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