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Self Employed Women's Role in Odisha's Employment Scenario

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ABSTRACT:
This study focuses on Odisha's employment scenario with a special reference to participation of self-employed women. How the self-employed women are improving the overall employment have been portrayed through secondary data from Periodic labour force survey through various bar diagrams. The government's welfare schemes, improved literacy, financial inclusions have played key roles in bringing the women workforce into the mainstream. As the sex ratio of female to male is improving from time to time, the self-employment of women will not only create engagement of her own but for many others who will get associated with the women workforce.

Keywords: Self-employment, Labour force participation rate (LFPR), Periodic Labour force Survey (PLFS), Center for monitoring Indian Economy (CMIE), "ps+ss" (refers to the Usual Status (Principal Status + Subsidiary Status)), International Labour Organisation (ILO), OECD, Odisha Economic Survey

1. INTRODUCTION:

1.1 Background:

As per International Labour Organisation, persons in employment or the employed population comprise all those of working age who, in a short reference period, were engaged in any activity to produce goods or provide services for pay or profit. [1]. As per CMIE, India's unemployment problem is due to the low employment rate and its discouraged young female labour force. The World Bank reports that in 2023, the female population in India was 48.41% of the total population which is slightly less than half of the total population. India's population also is going to be more feminine as we see an improved sex ratio. As per National Family Health Survey Report 5 (2019-21), Ministry of Health & Family Welfare, India's sex ratio is 1020 females per 1000 males & Odisha's sex ratio is 1063 females per 1000 males which clearly shows a positive trend and more scope for women to come to the forefront as an active economic player.[2] Therefore it is high time to emphasize on female employment to improve the overall employment scenario of the state and for economic growth.

In a populous country like India, it is an arduous job for the Govt. to offer employment to all its job-seeking citizens. With such a backdrop, self-employment becomes the way in between where citizens can contribute to Country's employment scenario by creating opportunities for themselves & others. As the sex ratio is improving, the women will play major role in improvising the employment scenario. Govt. is also implementing various developmental programmes & giving subsidies in businesses for upliftment of women.

Organization for Economic Co-operation and Development (OECD) has defined Labour force participation rate (LFPR) as the ratio between the total labour forces divided by the total working-age

population. Labour force participation is affected by numerous social, economic, and demographic factors. As these factors change, labour force participation goes up or down. Largely seen as a boon for industrial society, women in the workforce contribute to a higher national economic output as measure in GDP as well as decreasing labour costs by increasing the labour supply in a society. Currently, Odisha has experienced a surge in the overall employment rate due to higher participation of women in the labour force.

Odisha the rising land of India is endowed with natural resources and a robust workforce has been experiencing a rise in the growth rate of the economy in the recent past years. The female LFPR in Odisha has increased by two times from 2017-18 to 2023-24. The major rise in the self-employed female workers among the female LFPR and the recent surge in the economic growth rate shows a positive correlation between the two. [3]

1.2 Research objective:

This study aims to:

1. Analyse the trend in the self-employed female LFPR over the years of Odisha
2. Identify the determinants of rise in the self-employment of women in Odisha
3. Recommend some policies to augment self-employment of women in Odisha

2. Literature Review:

2.1 Ingredients/Determinants of rise in the self-employment:

a) Requires less fund-

A report of the National Commission on Self-Employed Women and Women in the Informal Sector (Government of India, 1988) named 'Shrama Shakti' describes about self-employed as "largely small producers and home-based workers, who either supply their produce to middle men through informal contractual arrangements and retailing establishments or have their own small vending businesses". With little fund women can start their own home-based business.

b) Upliftment of economic and social status –

The self-employed women not only get engaged in economic activities but also create employment opportunities for others. Traditionally women do not have much say in the household decisions. But due to self-employment they are empowered to manage, organise, run business on their own and tackle every day business problems. All in all, they are contributing to the nation building and uplifting the socio-economic status of the state and nation. [4] They are taking their own decisions and share opinion on household decisions since they are contributing to the family financially.

c) Low literacy level-

According to the 2011 census data women literacy of Odisha is only 64.01%. lack of education and training with increased competition for job opportunities does not leave much room for women to get into formal employment. Here self-employment is a ray of hope where women can bootstrap and utilize their existing resources and skills to their fuller extent.

d) Augmentation of Family income-

It has been observed that much of women's earnings go to basic family maintenance. Thus, increased disposable income in the hands of women means increased spending on child health, education, nutrition, and family well-being.[4]

e) Non-pecuniary benefits-

Besides monetary benefits women can enjoy other benefits which are non-pecuniary in nature. Self-empl

oyment provides them flexible hours of work thus they don't have to pay opportunity cost of sacrificing their family time or household duties. They are their own boss and have other lifestyle conveniences. [5] In-fact some studies also reveal that self-employed people have higher levels of job satisfaction than wage and salary workers do.[6]

2.2: Data Analysis:

From the periodic Labour force Survey (PLFS) published by National Statistical Office, Ministry of Statistics & programme implementation, the following data is collected from various years. We can clearly see here that there is a declining trend in both the cases of Rural & Urban Female unemployment and the total unemployment i.e. Male unemployment and female unemployment has reduced drastically.

Year	Rural Female unemployment	Urban Female unemployment	Total Female unemployment	Total unemployment (Male+Female)
2017-18	5.3	12.7	6.3	7.1
2018-19	4.2	21.9	6.6	7
2019-20	3.6	8	4.1	6.2
2020-21	2.4	8.6	3.1	5.3
2021-22	3	17.2	4.4	6
2022-23	2	6	2.4	3.9
2023-24	2	9.7	2.7	3.1

Table 1: Unemployment rate in % according to usual status (ps+ss)
age group 15 years and above in Odisha [7]

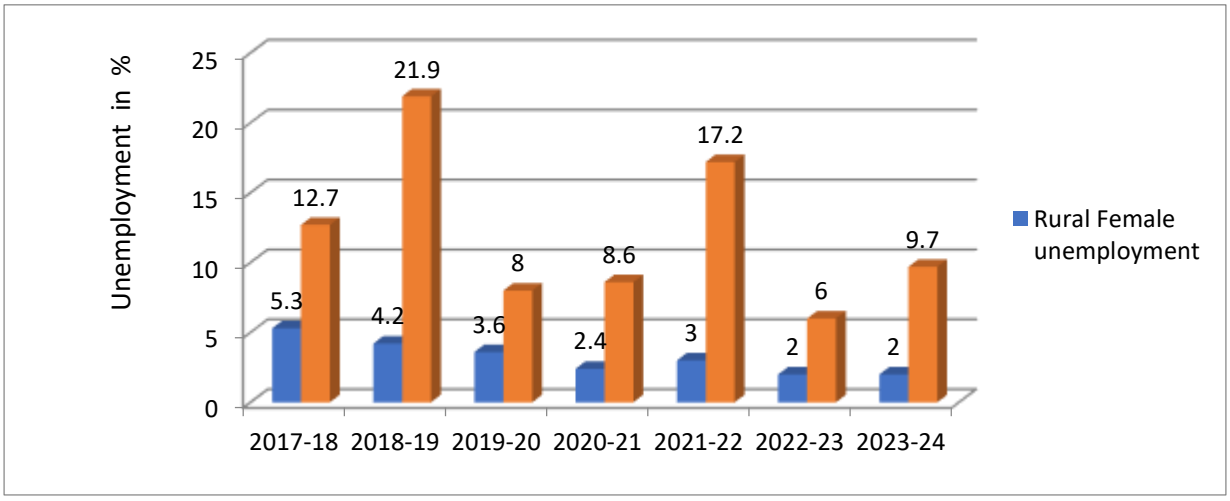


Fig 1: Unemployment rate in % according to usual status (ps+ss)
age group 15 years and above in Odisha [7]

The tabulated data (Table 1) is shown through bar diagram (Fig.1) for better understanding which is as above. The below line diagram (Fig.2) suggests that the total unemployment is almost parallel with the total female unemployment & the declining trend is almost same. This line diagram is made from the data of Table 1. So we can draw a conclusion that the female employment has huge impact on Total employment in Odisha.

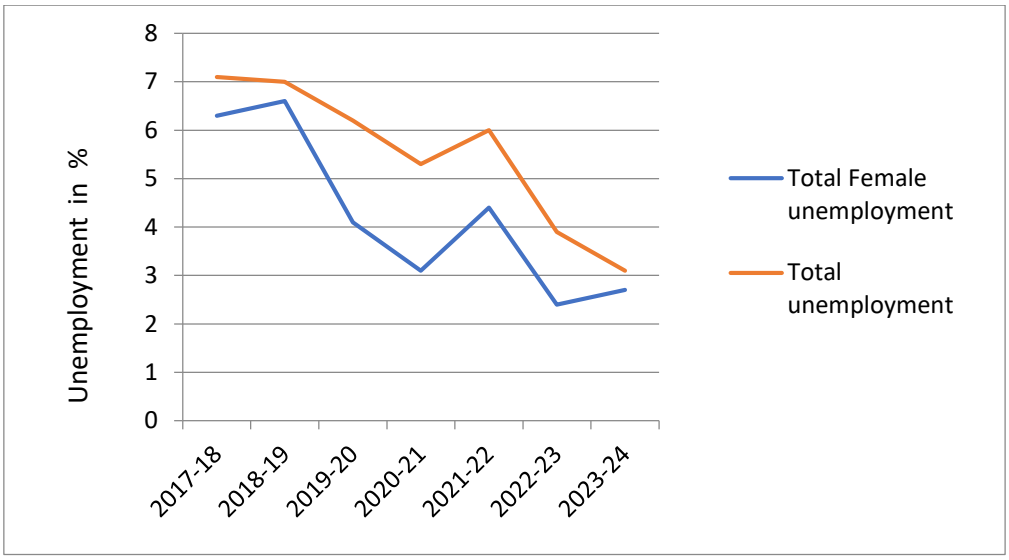


Fig. 2: Comparison between Total female unemployment % & Total unemployment % in Odisha [7]

The female unemployment rate of Odisha has been decreasing over the years as we see in 2017 it was 6.3%, then it turned 3.1% in 2020-21 and currently in 2023-24 it is 2.7%. There was a slight rise in the unemployment rate during the pandemic period as there was a decline in share of casual workers, regular wage earners and salaried people during this time. [8] A similar pattern can be observed in the total unemployment rate of Odisha. Thus, the female unemployment rate is a major determinant along with the male unemployment rate and can't be ruled out while considering the state total unemployment rate of the state.

The following Table no. 2 is compiled from Periodic Labour force survey of various years. This table comprises of data relating to the Labour force participation rate (LFPR) in percentage with reference to the Rural Female & Urban Female of Odisha.

Year	Rural Female	Urban Female	Rural + Urban Female
2017-18	20	16.9	19.5
2018-19	25.2	20.3	24.4
2019-20	34.8	23.5	33.1
2020-21	34.8	24.9	33.2
2021-22	34.7	22.2	32.9
2022-23	47.5	27.8	44.7
2023-24	52.6	30.8	49.4

Table 2: LFPR in percentage [7]

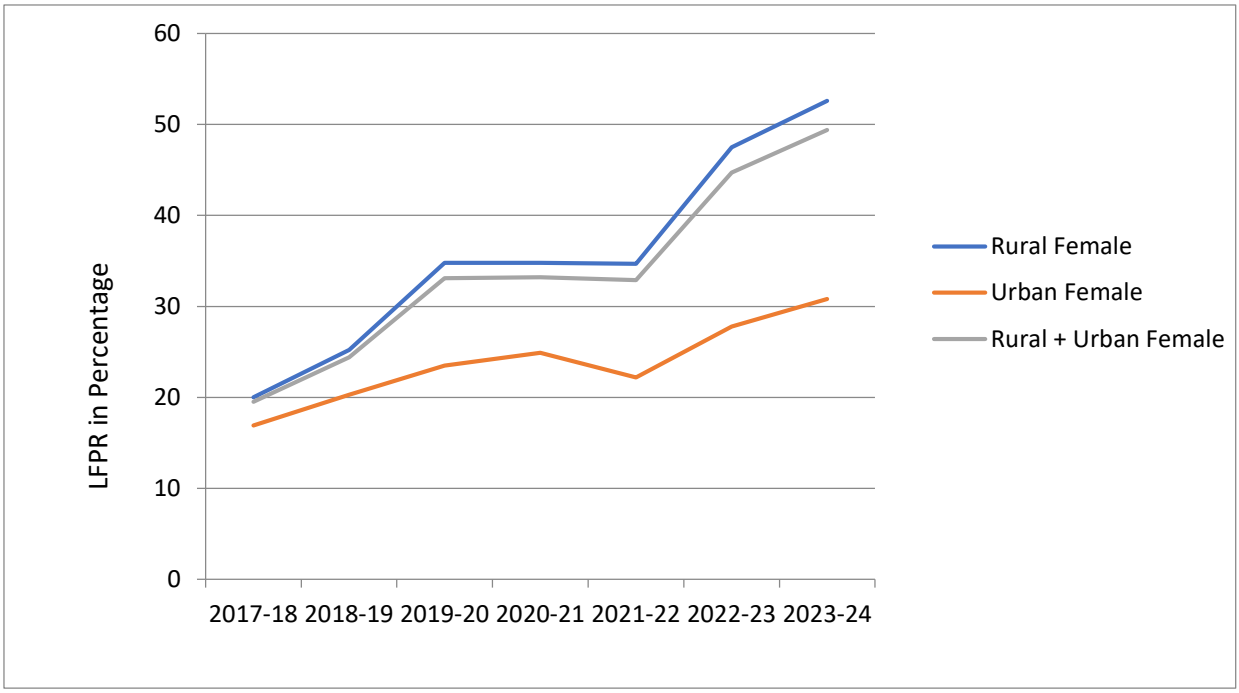


Fig. 3: LFPR in percentage [7]

Clearly the labour force participation rate is increasing over the years in Odisha be it rural or urban and the female labour force is expanding and branching out.

Year	Self-employed Female	Regular wage/Salary (Female)	Casual Labour (Female)
2017-18	50.3	14.2	35.5
2018-19	56.3	14.2	29.5
2019-20	62.3	11.1	26.7
2020-21	63.6	11.3	25.2
2021-22	66.2	10.4	23.4
2022-23	75.5	8.9	15.6
2023-24	72.8	8.8	18.5

Table 3: % distribution of female workers in usual status (ps+ss) by broad status in employment (Rural + Urban) [7]

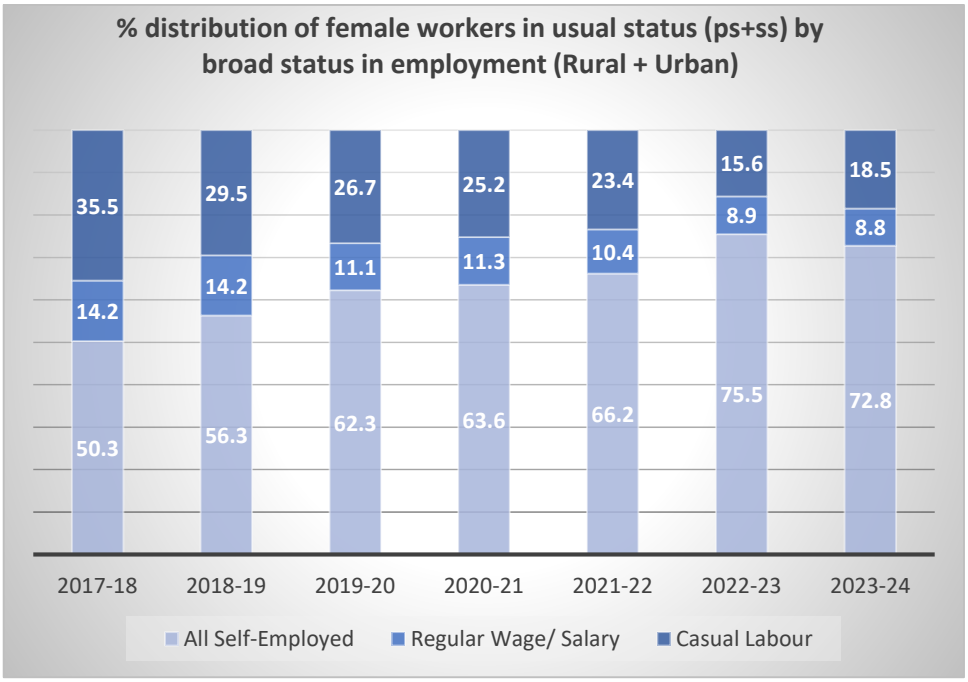


Fig 4: % distribution of female workers in usual status (ps+ss) by broad status in employment (Rural + Urban) [7]

One of the major components of percentage distribution of workers in usual status (ps+ss) by broad status in employment is the percentage of self-employed people in Odisha. Among women the percentage share of self-employed people to the total employed people is higher than the regular wage/salaried people and casual labour. Thus, self-employment emerges as a way that offers a lot of scope to women where it enables women to be self-dependent and provide themselves with enough employment opportunities. Moreover, Self-employment is acting as a safety net for workers who don't have access to stable wage employment and it is usually significant in countries that have lower labour productivity. [9]

2.3: Challenges to women self employment:

Women of India face multifarious problems while venturing into their entrepreneurial dream, be it a woman of urban area or rural area. We can discuss them under the following heads.

1. Squeeze of own-care-

A woman worker may juggle between care work and market work and fail to strike a right balance between the two. Their unpaid care for the family and personal care helps in boosting their own as well as family's productivity. It takes toll on their sleep, rest, leisure time and even their own skill building. [10]

2. Social barriers-

A woman taking up a job that is laced with risk is often discouraged in our society. Especially in rural areas cultural inhibitions, casteism, shyness, conservatism etc restricts their growth as entrepreneurs. As per a study by NIESBUD (1986), 81% of women had faced challenges in managing workers in their respective trade.

3. Education and training-

Female literacy of Odisha is lower than that of India's. lack of education gets in the way when the technology is evolving day by day. It becomes harder to cope up with this rapid change. Sometimes, the

training period is not taken seriously by women and sometimes government fails to reach women to impart adequate training.

4. Financial constraint-

The major problem while carrying out a business plan is the financial constraint. Their inability to mortgage security fails them to procure large fund. They turn to banks, other financial institutions, or community-based funds usually a chit fund. Absence of financial inclusion and an urge for hassle- free transaction drives them to raise fund from community-based funds. For any business proposal financial support as well as financial viability are inevitable. [11]

5. Marketing bottleneck-

Usually, they are unaware of how the markets work. They face heavy competitions from their male counterparts as well as from macro enterprises. Be it raw material or finished product lack of market research, information gap and awareness push them one step backward. Advertisement requires heavy funding and R&D is a distant dream for such a small start-up. Absence of guidance on consumer demand and market mechanism leads women to give up their entrepreneurial dream. [12]

3. Methodology:

Government policies–

Currently there are many government policies that are being carried out in the state Odisha to boost self employment among women.

a. **Subhadra Yojana** – it intends to benefit over 1 crore women aged 21 to 60 years by empowering them financially. Under this scheme eligible women will receive ₹50,000 over a five-year period. It can have multiplier effect as not only it will increase the consumption expenditure but also it can fund woman pursuing entrepreneurial activities.
b. **Mukhyamantri Mahila Sasakti karana Jojana (2017)** guarantees financial assistance for women's self-help groups.
c. **Skilled in Odisha** The main focus is to skill girls and have at least one third of the ITI graduates as women by 2020. For this women centric scheme has been launched named Sudakhya. a pilot initiative-Nano Unicorn have given entrepreneurship training, access to philanthropic risk capital and mentoring with a special attention to women.
d. Odisha Start Up policy of 2016 envisions 33% of start ups with women as the founder or co-founder.
e. A separate Department of **Mission Shakti** has been created in2021 to bolster women SHG. In 2001 the programme “Mission Shakti” was introduced to empower women to take up various socio-economic activities. It provides credit and market linkages to women to carry out gainful activities. Through **women SHGs** under Mission Shakti the Government envisages to empower women and include more women under this flagship programme to have an income multiplier effect in the economy. So far, approximately 70 lakh women have been organized into 6 lakh groups in all blocks and urban local bodies of the State.

4. Conclusion:

According to International Labour Organization 2020, globally self-employment constitutes about 45 percent of women’s employment. It acts as an important source of livelihood for women in low-income households in developing countries across Latin America, Asia, and Africa. This increases discretionary income of women which increases their bargaining power as well as the aggregate savings rate also

rises. This also implies the role of women on aggregate savings rate. [13] Usually, the self-employed women start with household micro enterprise and its nature is such that they are able to carry out their job during their flexible hours as per their convenience. It has helped them to become financially independent and confident decision maker socially as well as economically. This also is helping women to break stereotypes of the society. All in all it is boosting the economic growth of Odisha by empowering women to get themselves employed as well as creating more employment opportunities through them.

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