

# Changing Pattern of Rural Non-Farm Employment: A Case Study of Uttar Pradesh at Regional Level

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**Abstract** *The increasing fragmentation of land holdings due to increasing population has put doubt on agriculture to provide employment to growing rural labour force. This has led to migration of rural people towards urban areas in search of employment which cannot be considered as a solution as it creates several other problems. Rural non-farm employment (RNFL) can be an alternate option as it provides productive employment in the rural areas itself. Its share has been increasing very fast particularly in 2000s and this increase is more pronounced for male workers than female workers throughout the period. The growth of RNFL has been relatively higher in Uttar Pradesh than all India level. At sub-sectoral level secondary sector led by construction has contributed substantially in the increased share of non-farm employment. At regional level, southern and western regions have relatively higher non-farm employment. In case of status of non-farm employment, the share of casual workers has been significantly higher than regular and self-employed workers. And the roles of push factors were more apparent than pull factors for employment diversification particularly for southern region.*

**Key words** Rural Non-farm Employment, Push factors, Pull factors, Construction sector, manufacturing sector

**JEL Codes:** Q12

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## 1. Introduction

The increasing population pressures on land along with fragmentation of land holdings have put doubt on agriculture to absorb the growing labour force in rural areas. This has led to migration of rural people towards cities and towns in search of employment. This migration is neither good from the laborer point of view nor from the limited infrastructure of the towns. It is because majority of the rural labour do not possess the required skill to get good paying jobs in urban areas and therefore they end up in low paying economic activities and get frustrated which further pushes them into destitute. And when majority of the rural people migrate to urban areas, it puts pressure on limited infrastructure and take it from bad to worse condition (Mehta, 2003). Consequently, problems of crowding, congestion, crime, beggary etc. come up. In such a scenario the rural non-farm sector (RNFS) can be considered as an alternate option which can stop migration of unemployed rural people to urban areas and can provide them productive employment in the rural areas itself (Chadha, 2003; Ranjan, 2010).

This (provision of productive employment) has been the main driving factors behind growing non-farm employment particularly after 1990. The percentage increase in non-farm employment in India during 1972-73 to 1993-94 was only 7.3 per cent (from 14.3 per cent in 1972-73 to 21.6 per cent in 1993-94), while it was 10.5 per cent during 1993-94 to 2009-10 (from 21.6 per cent in 1993-94 to 32.1 per cent in 2009-10) (NSSO). And this growth of non-farm has been higher for Uttar Pradesh than India as a whole; during 1993-94 to 2009-10 the increase was by 13.1 per cent and 10.5 per cent respectively in Uttar Pradesh and in all India.

Uttar Pradesh is divided into four well defined economic regions viz., western, central, eastern and southern regions. Western region of the state is relatively more developed in terms of economic prosperity. Next to western region, is the central region, while rests of the two regions, namely eastern and southern regions are the backward regions of the state? Given wide variations in the level of development among different regions, factors driving non-farm employment in the rural areas may also vary (Singh, 2005). Therefore analysing whole state as a single unit will not give the exact picture of the nature of non-farm employment of the state. It is in this context, it is important to analyse the emerging trends of RNFS in the state along with its regions.

As far as the definition of RNFS is concerned, there has not been consensus among scholars regarding what constitutes non-farm. However, broadly, non-farm sector includes all the economic activities in rural areas except agriculture, hunting, forestry and fishing. Thus non-farm is composed of activities like mining and quarrying, manufacturing, construction, electricity, gas and water and all kind of services in the rural areas.

The objective of the present study is to analyse the changing pattern and characteristics along with the nature of RNFS in Uttar Pradesh at regional level. Data for the present study has been taken from National Sample Survey Organisation (NSSO) on employment/unemployment for 50<sup>th</sup>, 55<sup>th</sup>, 61<sup>st</sup> and 66<sup>th</sup> rounds. To examine the level and patterns of rural non-farm employment (RNFL) simply percentages along with comparative analysis have been used. This study is organised into seven broad sections. Section 2 examines the level and trends of RNFL in Uttar Pradesh. In section 3, the same level and trends have been analysed at the sub-sectoral level. Next section 4 deals with the status distribution of rural workers in Uttar Pradesh. In section 5 trends of RNFL in four regions namely Eastern, Western, Southern and central have been mentioned for the period 1999-00 to 2009-10. Region wise sectoral distribution of RNFL has been included in section 6. Finally, section 7 presents summary of the study.

## **2. Rural Non-farm Employment at State Level**

The diversification of employment from agriculture to non-agricultural sector has been a general phenomenon in India. It is growing very fast and now providing almost one third

of total employment in rural areas. Here, we begin by analysing the level and trends of rural RNFL in India and Uttar Pradesh. Data presented in table 1 clearly shows that there was continuous increase in the RNFL, both in India as well as in Uttar Pradesh. The increase was more noticeable in the state than all India; during 1993-94 to 2009-10 the increase was by 13.1 per cent and 10.5 per cent respectively in Uttar Pradesh and in all India. The percentage increase in RNFL was largest during 2004-05 to 2009-10 than any other period taken here. The increase was mainly for casual non-farm workers in this period, which tells us about casualization of non-farm workers in the state (Table 3).

However, if we examine RNFL separately for males and females, it was found more impressive for male workers through the period 1993-94 to 2009-10 for both Uttar Pradesh and all India. The increase in male non-farm workers was 15.4 per cent and 11.3 per cent for Uttar Pradesh and all India respectively; while it was only 4.6 per cent and 6.8 per cent in case of female.

*Table 1. Percentage of Rural Non-farm workers to total workers in Uttar Pradesh and all India (US- PS+SS Basis):*

NSS Rounds/Year	Percentage of rural non-farm employment					
	Uttar Pradesh			India		
	Male	Female	Person	Male	Female	Person
50 <sup>th</sup> (1993-94)	23.7	10.0	20.0	25.9	13.8	21.6
55 <sup>th</sup> (1999-00)	28.2	12.5	23.8	28.6	14.6	23.7
61 <sup>st</sup> (2004-05)	33.7	13.5	27.2	33.5	16.7	27.3
66 <sup>th</sup> (2009-10)	39.1	14.6	33.1	37.2	20.6	32.1

**Source:** Computed by the Author using various National Sample Survey Reports (50<sup>th</sup>, 55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup> Rounds) on 'Employment and Unemployment situation in India'.

### 3. Sectoral distribution of Rural Non-farm Workers: in Uttar Pradesh

It would be good to see the industrial composition of rural workers in the state. Data given in table 2 shows that there is continuous decline in the share of primary sector throughout the period, as it came down by 13.1 per cent during 1993-94 to 2009-10 and reached to the level of 66.9 per cent in 2009-10. A perusal look at the table displays that the decline in the level of employment in the primary sector was largely because of fall in the proportion of male workers rather than female workers. The proportion of female workers in the primary sector remained 85.4 per cent even in 2009-10. The increased share of non-farm is being divided in both the sectors namely secondary and tertiary but it is more evident for the secondary sector.

In the secondary sector, the share of Mining & Quarrying and Electricity, Gas & Water for both male and female remained marginal and static throughout the period.

Manufacturing sector has a good share of 6.4 per cent in 1993-94 but increased only by a nominal proportion over the period. However, rise in the share of secondary sector employment attributed to the rise in proportion of construction sector only and the rise in it was by 10.3 per cent during 1993-94 to 2009-10. The growth in construction sector was almost 92 per cent of the increase in secondary sector employment during same period. Since construction sector basically depends on casual workers and seasonal employment, so increment in it appears to be because of distressed induced factors.

In the tertiary sector, trade, hotels & restaurant remained at the forefront in terms of providing non-farm employment, as its proportion increased from 4.3 per cent in 1993-94 to 6.7 per cent in 2009-10. Other services from tertiary sector also employed a significant proportion of workers but it witnessed continuous decline in its share; it reduced from 5.5 per cent in 1993-94 to 4.2 per cent in 2009-10. Transport & communication experienced continuous increase in its share, but by a marginal amount that is 1 per cent over the period.

However, if we examine the sectoral distribution of non-farm employment separately for males and females, the analysis revealed that in the secondary sector, males were essentially employed in the construction and manufacturing sector. As far as trend is concerned, only construction sector recorded a noticeable growth of 13 per cent during 1993-94 to 2009-10. In case of female workers for secondary sector, manufacturing plays an important role, since employment in this sector was almost 76 per cent of the total secondary sector employment. At the same time employment in the remaining two sub-sectors namely mining & quarrying and electricity, gas & water remained minimal and stagnant throughout the period.

Table 2. Sectoral distribution of Usual Status (PS+SS) Rural workers in Uttar Pradesh  
Rural person

Sectors	1993-94	1999-00	2004-05	2009-10
<b>Primary sector</b>	80.0	76.2	72.8	66.9
<b>Secondary sector</b>	8.7	11.3	14.5	19.9
Mining and quarrying	0.2	0.1	0.2	0.3
Manufacturing	6.4	7.8	8.9	7.3
Electricity, gas and water	0.1	0.1	0.1	0.0
Construction	2.0	3.3	5.3	12.3
<b>Tertiary sector</b>	11.3	12.4	12.8	13.4
Trade, hotels and restaurants	4.3	5.4	6.2	6.7
Transport and Communication	1.5	2.1	2.1	2.5
Other services	5.5	4.9	4.5	4.2
<b>Total non-farm</b>	20.0	23.7	27.3	33.3

Rural Male

Sectors	1993-94	1999-00	2004-05	2009-10
<b>Primary sector</b>	76.3	71.8	66.3	60.9
<b>Secondary sector</b>	10.0	13.1	17.3	23.7

Mining and quarrying	0.2	0.2	0.2	0.4
Manufacturing	7.0	8.3	9.6	7.7
Electricity, gas and water	0.2	0.2	0.1	0.0
Construction	2.6	4.4	7.4	15.6
<b>Tertiary sector</b>	<b>13.7</b>	<b>15.1</b>	<b>16.3</b>	<b>15.3</b>
Trade, hotels and restaurants	5.1	6.7	8.2	8.0
Transport and Communication	2.1	2.9	3.0	3.2
Other services	6.5	5.5	5.1	4.1
<b>Total non-farm</b>	<b>23.7</b>	<b>28.2</b>	<b>33.6</b>	<b>39.0</b>

<b>Rural Female</b>				
Sectors	1993-94	1999-00	2004-05	2009-10
<b>Primary sector</b>	90.0	87.5	86.5	85.4
<b>Secondary sector</b>	<b>4.9</b>	<b>6.9</b>	<b>8.2</b>	<b>8.3</b>
Mining and quarrying	0.0	0.0	0.2	0.0
Manufacturing	4.7	6.4	7.4	6.3
Electricity, gas and water	0.0	0.0	0.0	0.0
Construction	0.2	0.5	0.6	2.0
<b>Tertiary sector</b>	<b>4.9</b>	<b>5.5</b>	<b>5.1</b>	<b>6.1</b>
Trade, hotels and restaurants	2.1	1.9	1.8	2.6
Transport and Communication	0.0	0.0	0.1	0.1
Other services	2.8	3.6	3.2	3.4
<b>Total non-farm</b>	<b>9.8</b>	<b>12.4</b>	<b>13.3</b>	<b>14.4</b>

**Source:** Computed by the Author using various National Sample Survey Reports (50<sup>th</sup>, 55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup> Rounds) on 'Employment and Unemployment situation in India'.

In the tertiary sector, males are basically employed in the trade, hotels and restaurant, the proportionate share of this sector was 8 per cent in 2009-10. This sector also observed an increase of almost 3 per cent during 1993-94 to 2009-10. The other two sub-sectors namely transport and communication and other services have 3.2 per cent and 4.1 per cent share respectively. In these two sub-sectors, transport and communication shows marginal increase of 1.1 per cent during the period, while other services experienced a sign of decline in the same period. However, majority of the female workers, are employed in trade, hotels and restaurant and other services, in which only other services has sign of increment during the period.

#### 4. Status distribution of Rural Non-farm Workers: Uttar Pradesh

An analysis of the employment by status during 1999-00 to 2009-10 reveals that it is composed of self-employed and casual employed workers. The proportion of regular salaried employees is very small in total workforce, specifically in rural areas. The share of self-employed and casual employed workers was 66.5 per cent and 28.0 per cent respectively, whereas it was only 5.5 per cent for regular salaried employees in the state in 2009-10. Table 3 reveals that there is continuous decline in the regular salaried workers; as its percentage in total employment came down from 6.3 per cent

to 5.5 per cent during 1999-00 to 2009-10. The share of self-employed workers first increased slightly and then came down to a level of 66.5 per cent in 2009-10. The casualization of workforce was being reflected in the state as there was significant increase in the proportionate share of casual employment during 2004-05 to 2009-10; the increase was by 7.3 per cent. However, male workers displayed more or less similar trend that of rural person<sup>1</sup>, but this trend was not so in case of their female counterpart. There was sharp increase and then decline in female self-employed workers respectively during 1999-00 to 2004-05 and 2004-05 to 2009-10. Casualization of female workforce is also being reflected from the table.

The pattern of status distribution of non-farm workers differed from the pattern of status distribution of farm and non-farm workers taking together in the rural economy of the state. In non-farm sector the share of self-employed workers was 42.4 per cent in 2009-10, but it was almost 67 per cent; when we take farm and non-farm workers together. The proportion of regular and casual employed workers was higher in non-farm sector than farm and non-farm sector taking together. In the non-farm sector continuous increase in casual employment was observed, but the increase was more pronounced for 2004-05 to 2009-10, where it was by 18.1 per cent. Secular decline in the proportion of regular and self-employed workers was observed during 1999-00 to 2009-10 in Uttar Pradesh. This indicates the casualization of workforce in general and for non-farm workers in particular; that had started after economic reforms became faster in 2000s. Casualization of workforce can be believed to be a sign for the presence of distress-led employment diversification towards non-farm sector in the state. However, when we considered status of non-farm workers separately for males and females, it was perceived that casualization in case of male workers were taking place from 1999-00 and continued till present. But for female workers it started only after 2004-05 and during 2004-05 to 2009-10, it became more than double in terms of percentage. Male workers are losing their share in both self as well as in regular employment, but for female workers there is increase in regular employment.

Table 3. Percentage distribution of rural workers by status and sector of Employment in Uttar Pradesh (UPS)

Status/Sector of Employment	55 <sup>th</sup> (1999-00)			61 <sup>st</sup> (2004-05)			66 <sup>th</sup> (2009-10)		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
Self-employed	70.1	70.0	70.1	71.6	77.9	72.8	65.7	71.0	66.5
Regularly employed	7.3	2.3	6.3	7.3	3.1	6.5	5.5	4.9	5.5
Casually employed	22.6	27.6	23.6	21.1	19.0	20.7	28.7	24.0	28.0
Total	100	100	100	100	100	100	100	100	100
Non-farm sector									

<sup>1</sup> This is because of the fact that the proportionate share of rural male non-farm workers is very high in the state.

Status/Sector of Employment	55 <sup>th</sup> (1999-00)			61 <sup>st</sup> (2004-05)			66 <sup>th</sup> (2009-10)		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
Self-employed	53.7	74.2	56.2	52.4	73.5	54.9	41.1	54.7	42.4
Regularly employed	22.9	13.3	21.7	20.1	14.8	19.4	13.1	22.0	13.9
Casually employed	23.4	12.5	22.1	27.5	11.6	25.6	45.7	23.4	43.7
Total	100	100	100	100	100	100	100	100	100

**Source:** Computed by the Author using unit level records of National Sample Survey of various Rounds (55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup>) on 'Employment and Unemployment situation in India'

## 5. Rural Non-farm Employment at the Regional Level

As per 61<sup>st</sup> round of National Sample Survey, Uttar Pradesh is divided into four economic regions namely western, central, eastern and southern. An analysis at the regional level shows somewhat higher proportion of non-farm employment in western and southern regions than central and eastern regions (Table 4). Of the total rural workers, western and southern regions have 35.9 per cent and 36.1 per cent of non-farm workers respectively. On the other side remaining two regions namely central and eastern regions have only 32.8 per cent and 30.8 per cent non-farm workers respectively. The trends of non-farm employment also appeared to be dissimilar among these regions. Western region shows continuous increase in its proportion of non-farm workers, from 25.7 per cent in 1999-00 to 31.2 per cent in 2004-05 and then 35.9 per cent in 2009-10. Almost similar trend was also found in eastern region of the state, where it was 23.6 per cent, 27.4 per cent and 30.8 per cent in 1999-00, 2004-05 and 2009-10 respectively. Other two regions namely central and southern could get fillip in the proportion of non-farm employment only after 2004-05. As between 1999-00 to 2004-05 there was only marginal increase in the proportion of non-farm employment in central region, while southern region witnessed decline in its proportion. The increase was noticeable during 2004-05 to 2009-10 in both these two regions, which was by 10.1 per cent and 16.5 per cent in central and southern regions respectively.

*Table 4.* Percentage of Rural Non-farm workers to total workers in Uttar Pradesh at regional level

	55 <sup>th</sup> (1999-00)			61 <sup>st</sup> (2004-05)			66 <sup>th</sup> (2009-10)		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
Western <sup>2</sup>	28.5	13.9	25.7	36.4	16.3	31.2	39.6	14.4	35.9
Central <sup>3</sup>	22.4	12.4	20.0	26.0	15.4	22.7	37.3	13.8	32.8

<sup>2</sup>Western region Includes Saharanpur, Muzaffarnagar, Bijnor, Moradabad, Rampur, JyotibaPhule Nagar, Meerut, Baghpat, Ghaziabad, GautamBudhha Nagar, Bulandshahr, Aligarh, Hathras, Mathura, Agra, Firozabad, Etah, Mainpuri, Budaun, Bareilly, Pilibhit, Shahjahanpur, Farrukhabad, Kannauj, Etawah and Auraiya (26).

<sup>3</sup>Central region includes Kheri, Sitapur, Hardoi, Unnao, Lucknow, Rae Bareli, Kanpur Dehat, Kanpur Nagar, Fatehpur and Barabanki (10).

Eastern <sup>4</sup>	29.8	12.5	23.6	35.7	11.9	27.4	38.9	13.9	30.8
Southern <sup>5</sup>	25.5	12.3	21.9	27.5	7.7	19.6	42.8	21.3	36.1
U. P.	28.2	12.5	23.6	33.7	13.4	27.3	39.1	14.6	33.1

**Source:** Computed by the Author using unit level records of National Sample Survey of various Rounds (55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup>) on 'Employment and Unemployment situation in India'

A comparison of the non-farm employment separately for males and females brings out interesting results; which can be summarized in the following points.

1. There were not considerable differences in the proportion of male non-farm workers among the regions. But this did not hold true when we compared female non-farm workers in these regions. Southern region has 21.3 per cent of female workers engaged in non-farm activities. While this proportion was between 13-15 per cent in rest of the regions. The higher proportion of female non-farm workers in the southern region shows distress diversification of employment towards non-farm sector. It has been argued so since female workers go for non-farm employment particularly in the construction sector to support the family income in destitute conditions only. As it is shown by table 7 that construction sector employ 13.1 per cent of female workers which is more than 82 per cent of secondary sector employment in 2009-10 in the southern region. On this stage it can be argued that in southern region push factors are stronger than pull factor in diversification process.
2. The continuous increase in the percentage share of male non-farm workers during 1999-00 to 2009-10 have been there in all the regions. When we considered female workers, we found that western and central regions showed almost similar trends. In these two regions the proportion of non-farm workers first increases during 1999-00 to 2004-05 and then declines during 2004-05 to 2009-10. Rest of the two regions namely eastern and southern show similar trend. In these two regions the share of female non-farm workers first decline during 1999-00 to 2004-05 and then increases during 2004-05 to 2009-10.

## 6. Region-Wise Sectoral Distribution of Rural Non-farm Employment in Uttar Pradesh

Table 5 gives region-wise percentage distribution of employment by broad industrial categories in Uttar Pradesh. The table reveals that the share of secondary sector is

<sup>4</sup>Eastern region includes Pratapgarh, Kaushambi, Allahabad, Faizabad, Ambedkar Nagar, Sultanpur, Bahraich, Shrawasti, Balrampur, Gonda, Siddharthnagar, Basti, SantKabir Nagar, Maharajganj, Gorakhpur, Kushinagar, Deoria, Azamgarh, Mau, Ballia, Jaunpur, Ghazipur, Chandauli, Varanasi, SantRavidas Nagar (Bhadohi), Mirzapur and Sonbhadra. (27)

<sup>5</sup> Southern region includes Jalaun, Jhansi, Lalitpur, Hamirpur, Mahoba, Banda and Chitrakoot. (7)



higher than tertiary sector in all the four regions. Further southern region has the highest percentage of non-farm workers in the secondary sector followed by central region. The lowest percentage of secondary sector employment was in the eastern region. The higher share of secondary sector in southern and central region is attributed to the construction activities. Southern and central regions have 22.7 per cent and 17.0 per cent employment in construction sector respectively, which is almost 88 per cent and 75 per cent of the total secondary sector employment in these two regions in 2009-10. It is to be noticed here that the higher share of construction activities in central region is due to only participation of male workers, while in case of southern region it is owing to participation of male and female workers both. This clearly reflects the presence of distressed induced push factors for the diversification of employment in the non-farm sector for both regions particularly for southern region. In the remaining two regions namely western and eastern, secondary sector employment is accredited to manufacturing activities. In Electricity, gas and water, all the regions have negligible percentage. But in case of mining and quarrying eastern and southern regions have marginal share while in rest of the two regions its share were almost negligible.

In tertiary sector, it was observed that the western region has the highest percentage of non-farm workers among all regions and it was followed by eastern region. Remaining two regions namely central and southern have almost similar percentage; and it was 10.1 per cent and 10.4 per cent respectively. There were not considerable differences in the composition of tertiary sector among the regions. Trade, hotels and restaurant were the prime contributor of non-farm employment in the tertiary sector in all regions followed by other services.

In order to get gender disparities in the industrial distribution of non-farm workers among regions; data for male and female workers as per industrial category is also given in tables 6 and 7 respectively. A perusal look at the table shows that, in secondary sector, the male workers were mostly employed in manufacturing and construction activities in all the regions, except southern region in 2009-10. In southern region male workers are mainly employed in construction activities, where its share in employment was 27.0 per cent in the same period. Female workers, on the other hand, are principally employed only in manufacturing activities in two regions namely western and eastern. In rest of the regions, share of manufacturing was small. It is interesting to examine the female's share of construction activities among the regions. Female's participation in the construction activities was marginal in all the regions except the southern region, where its percentage was 13.1 per cent in 2009-10. It was perceived that employment of both male and female workers in electricity, gas and water is negligible in all the regions. However share of female workers is negligible again in case of mining and quarrying in all the regions, but male workers have marginal proportion in all the regions except western region.

In the tertiary sector, male workers essentially work in trade, hotels & restaurant in all the regions followed by other services. Contrary to this, female workers were largely

employed in other services followed by trade, hotels and restaurant. Transport and communication has negligible share of female workers, but this do not hold true in case of male workers where it is 3.5 per cent, 2.7 per cent, 3.5 per cent and 1.6 per cent share respectively in western, central, eastern and southern region in 2009-10.

Table 5. Region-wise sectoral distribution of Usual Status (PS+SS) workers in Uttar Pradesh: Rural Person

1999-00

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	74.3	80.0	76.4	78.1
<b>Secondary sector</b>	<b>12.3</b>	<b>8.9</b>	<b>11.1</b>	<b>13.3</b>
Mining and quarrying	0.1	0.0	0.1	1.1
Manufacturing	8.4	6.3	9.0	2.6
Electricity, gas and water	0.2	0.2	0.0	0.0
Construction	3.5	2.4	2.0	9.6
<b>Tertiary sector</b>	<b>13.4</b>	<b>11.1</b>	<b>12.5</b>	<b>8.6</b>
Trade, hotels and restaurants	5.3	5.6	5.4	4.8
Transport and Communication	3.1	1.7	1.7	1.1
Other services	5.0	3.8	5.4	2.8
<b>Total non-farm</b>	<b>25.7</b>	<b>20.0</b>	<b>23.6</b>	<b>21.9</b>

2004-05

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	68.8	77.3	72.6	80.4
<b>Secondary sector</b>	<b>16.2</b>	<b>12.5</b>	<b>14.1</b>	<b>14.5</b>
Mining and quarrying	0.2	0.1	0.3	0.0
Manufacturing	10.6	8.4	8.5	4.0
Electricity, gas and water	0.1	0.0	0.1	0.0
Construction	5.2	3.9	5.3	10.5
<b>Tertiary sector</b>	<b>15.0</b>	<b>10.2</b>	<b>13.2</b>	<b>5.1</b>
Trade, hotels and restaurants	7.0	4.5	6.9	2.5
Transport and Communication	3.0	1.6	1.8	1.2
Other services	5.0	4.1	4.6	1.4
<b>Total non-farm</b>	<b>31.2</b>	<b>22.7</b>	<b>27.4</b>	<b>19.6</b>

2009-10

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	64.1	67.2	69.2	63.9
<b>Secondary sector</b>	<b>20.6</b>	<b>22.7</b>	<b>17.5</b>	<b>25.7</b>
Mining and quarrying	0.0	0.3	0.5	0.5
Manufacturing	8.3	5.4	8.2	2.4
Electricity, gas and water	0.1	0.0	0.0	0.0
Construction	12.3	17.0	8.8	22.7
<b>Tertiary sector</b>	<b>15.3</b>	<b>10.1</b>	<b>13.3</b>	<b>10.4</b>

Trade, hotels and restaurants	7.8	4.9	6.8	5.4
Transport and Communication	3.0	2.2	2.4	1.1
Other services	4.5	3.0	4.1	3.9
<b>Total non-farm</b>	<b>35.9</b>	<b>32.8</b>	<b>30.8</b>	<b>36.1</b>

**Source:** Computed by the Author using unit level records of National Sample Survey of various Rounds (55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup>) on 'Employment and Unemployment situation in India'

Table 6. Region-wise sectoral distribution of Usual Status (PS + SS) workers in Uttar Pradesh: Rural Male

1999-00

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	71.5	77.6	70.2	74.5
<b>Secondary sector</b>	<b>13.8</b>	<b>9.2</b>	<b>13.2</b>	<b>15.7</b>
Mining and quarrying	0.1	0.0	0.1	1.5
Manufacturing	9.0	5.8	9.9	2.8
Electricity, gas and water	0.3	0.2	0.0	0.0
Construction	4.3	3.1	3.1	11.3
<b>Tertiary sector</b>	<b>14.8</b>	<b>13.2</b>	<b>16.6</b>	<b>9.8</b>
Trade, hotels and restaurants	6.1	6.9	7.2	5.8
Transport and Communication	3.8	2.2	2.6	1.5
Other services	4.8	4.1	6.8	2.5
<b>Total non-farm</b>	<b>28.5</b>	<b>22.4</b>	<b>29.8</b>	<b>25.5</b>

2004-05

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	63.6	74.0	64.3	72.5
<b>Secondary sector</b>	<b>18.4</b>	<b>13.3</b>	<b>18.1</b>	<b>19.5</b>
Mining and quarrying	0.3	0.1	0.2	0.0
Manufacturing	10.9	8.0	9.9	4.1
Electricity, gas and water	0.2	0.1	0.1	0.0
Construction	7.0	5.2	7.9	15.4
<b>Tertiary sector</b>	<b>18.0</b>	<b>12.7</b>	<b>17.6</b>	<b>8.0</b>
Trade, hotels and restaurants	8.9	5.8	9.4	4.0
Transport and Communication	4.0	2.2	2.7	2.0
Other services	5.1	4.6	5.4	2.0
<b>Total non-farm</b>	<b>36.4</b>	<b>26.0</b>	<b>35.7</b>	<b>27.5</b>

2009-10

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	60.4	62.7	61.1	57.2
<b>Secondary sector</b>	<b>22.8</b>	<b>26.9</b>	<b>21.9</b>	<b>30.1</b>
Mining and quarrying	0.0	0.4	0.7	0.8
Manufacturing	8.6	6.0	8.5	2.3
Electricity, gas and water	0.0	0.0	0.0	0.0

Sectors	Western Region	Central Region	Eastern Region	Southern Region
Construction	14.2	20.6	12.7	27.0
<b>Tertiary sector</b>	<b>16.8</b>	<b>10.4</b>	<b>17.0</b>	<b>12.6</b>
Trade, hotels and restaurants	8.8	5.3	8.7	6.8
Transport and Communication	3.5	2.7	3.5	1.6
Other services	4.5	2.4	4.8	4.2
<b>Total non-farm</b>	<b>39.6</b>	<b>37.3</b>	<b>38.9</b>	<b>42.8</b>

**Source:** Computed by the Author using unit level records of National Sample Survey of various Rounds (55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup>) on 'Employment and Unemployment situation in India'

Table 7. Region-wise sectoral distribution of Usual Status (PS + SS) workers in Uttar Pradesh: Rural Female

1999-00				
Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	86.1	87.6	87.5	87.7
<b>Secondary sector</b>	<b>6.3</b>	<b>7.8</b>	<b>7.3</b>	<b>7.0</b>
Mining and quarrying	0.1	0.0	0.0	0.0
Manufacturing	6.0	7.6	7.3	2.2
Electricity, gas and water	0.0	0.0	0.0	0.0
Construction	0.2	0.2	0.0	4.8
<b>Tertiary sector</b>	<b>7.6</b>	<b>4.7</b>	<b>5.2</b>	<b>5.3</b>
Trade, hotels and restaurants	1.7	1.6	2.2	1.9
Transport and Communication	0.0	0.0	0.0	0.0
Other services	5.8	3.0	3.0	3.4
<b>Total non-farm</b>	<b>13.9</b>	<b>12.4</b>	<b>12.5</b>	<b>12.3</b>
2004-05				
Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	83.7	84.6	88.1	92.3
<b>Secondary sector</b>	<b>9.7</b>	<b>10.6</b>	<b>6.7</b>	<b>6.9</b>
Mining and quarrying	0.0	0.1	0.4	0.0
Manufacturing	9.7	9.5	5.9	3.9
Electricity, gas and water	0.0	0.0	0.0	0.0
Construction	0.0	1.1	0.4	3.0
<b>Tertiary sector</b>	<b>6.6</b>	<b>4.7</b>	<b>5.2</b>	<b>0.8</b>
Trade, hotels and restaurants	1.6	1.7	2.2	0.3
Transport and Communication	0.2	0.2	0.1	0.0
Other services	4.8	2.9	3.0	0.5
<b>Total non-farm</b>	<b>16.3</b>	<b>15.4</b>	<b>11.9</b>	<b>7.7</b>
2009-10				
Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Primary sector</b>	85.6	86.2	86.1	78.7

Sectors	Western Region	Central Region	Eastern Region	Southern Region
<b>Secondary sector</b>	<b>7.7</b>	<b>5.2</b>	<b>8.3</b>	<b>15.8</b>
Mining and quarrying	0.0	0.0	0.0	0.0
Manufacturing	6.8	2.8	7.6	2.7
Electricity, gas and water	0.1	0.0	0.0	0.0
Construction	0.8	2.4	0.8	13.1
<b>Tertiary sector</b>	<b>6.7</b>	<b>8.6</b>	<b>5.6</b>	<b>5.6</b>
Trade, hotels and restaurants	2.1	3.3	2.7	2.3
Transport and Communication	0.4	0.0	0.0	0.0
Other services	4.2	5.3	2.9	3.2
<b>Total non-farm</b>	<b>14.4</b>	<b>13.8</b>	<b>13.9</b>	<b>21.3</b>

**Source:** Computed by the Author using unit level records of National Sample Survey of various Rounds (55<sup>th</sup>, 61<sup>st</sup>, and 66<sup>th</sup>) on 'Employment and Unemployment situation in India'

To see the temporal change of industrial distribution of RNFL, data have also been given for the industrial distribution of non-farm employment from 1999-00 to 2009-10. There was continuous decline in the share of manufacturing sector in the eastern region during 1999-00 to 2009-10, while in rest of the regions, it first increased between 1999-00 to 2004-05 and then declined in the next period. In all the regions, construction sector experienced sustained increase in its share by substantial amount, but it was more pronounced for central and southern regions. In these two regions the increase in the share of construction sector are 14.6 and 13.1 per cent respectively during 1999-0 to 2009-10. There was not significant change in rest of the two sub-sectors namely mining and quarrying and electricity, gas & water. In tertiary sector trade, hotels and restaurants continuously increased in only western region during 1999-00 to 2000-10; which can be inferred to the presence of pull factors in this region. In rest of the three regions, in two regions viz. central and southern it first declined during 1999-00 to 2004-05 and then increased in the next period. In eastern region it first increased during 1999-00 to 2004-05 and then stabilized in the next period. Western and eastern region showed continuous decline in their share of other services during 1999-00 to 2009-10. In central region it first increases during 1999-00 to 2004-05 and then declines in the next period, southern region has the just opposite trend as it is in case of central region. In case of transport and communication, western and southern regions after some changes during 1999-00 to 2004-05 stabilizes in the next period. Eastern region has continuous increase in its share, while in central region first there was small fall during 1999-00 to 2004-05, and then increased in the next period.

There were little differences in the trends for the composition of RNFL between males and females. During 1999-00 to 2009-10, male workers in the construction sector observed continuous increase in their share, but it was more marked for central and southern region. While in case of female workers the continuous increase is only for two regions namely central and eastern. In rest of the two regions, it first declined

during 1999-00 to 2004-05 and then increased through 2004-05 to 2009-10. Again, the increased share was more noticeable for southern region only, which tells us about working of push factor in southern region. In similar way for the manufacturing sector, there was first increase and then decline in the share for male workers for all the regions, but for female workers, it was so only in three regions, namely western, central and southern. In the eastern region, it declined during 1999-00 to 2004-05 and then rose in the next period. The trend of mining & quarrying and electricity, gas & water appeared to be almost similar for both male and female.

Employment of female workers in the transport and communication is almost negligible in all the regions at each point of time. But, for male workers it increased in all the regions during 1999-00 to 2004-05 and then declined in the next period in all the regions except the central region. In case of other services it increased during 1999-00 to 2004-05 in all regions for female workers and then declined in the next period for western and eastern regions. For male workers, there was increase in the share of other services for two regions namely eastern and southern and for rest of the regions it declined. But, during 2004-05 to 2009-10, the increase was only for southern region, while in remaining regions it declined. For trade, hotels and restaurant, in case of male workers, there was an increase in its share for western and eastern regions only during 1999-00 to 2004-05 and in the next period the increase was only for southern region. While, for female workers trade, hotels & restaurant declined in western and southern regions for 1999-00 to 2004-05 and then increased in all the regions in the next period.

## 7. Conclusions

India and Uttar Pradesh both observed continuous increase in the share of non-farm employment, but it was more evident in the Uttar Pradesh over the period 1993-94 to 2009-10. The increase in non-farm employment was largest during 2004-05 to 2009-10 than any other period in the study. Though the increase in non-farm employment was witnessed for both male and female during 1993-94 to 2009-10, but it was more noticeable in case of male workers. In terms of sectoral composition, the increase in non-farm employment was witnessed for both the sectors namely secondary and tertiary, but the increase was more apparent for the secondary sector. Employment in the secondary sector was mainly composed of manufacturing and construction activities; however increased share in the secondary sector was basically attributed to construction sector only. In tertiary sector, trade, hotels and restaurant and other services had considerable share, however other services experienced decline in its share continuously over the period. Male workers are found to employ in manufacturing and construction both, whereas females were mainly engaged in manufacturing sector only. Employment in non-farm sector was mainly of self and casual employed type and the proportion of regular employment was very small. Casualization of non-farm

workers was visible in Uttar Pradesh. Further, role of push factors were more apparent than pull factors for employment diversification towards non-farm sector.

As far as situation of non-farm at regional level is concerned, proportionately higher non-farm employment is found in western and southern regions than central and eastern regions. One of the unique finding is that central and southern regions witnessed huge increase in the non-farm employment only after 2004-05. Male and female both show continuous increase in the share of non-farm workers in all the regions, but it was more evident in case of male workers. Employment in the secondary sector was higher than tertiary sector for all the four regions. Higher share of secondary sector employment was attributed to construction activities in all the regions, but it was more apparent in southern and central regions. Higher share of the construction activities in central region was on account of only male workers, whereas in southern region it was due to participation of both male and female workers. In western and eastern regions employment in the secondary sector was mainly contributed by manufacturing activities. Contribution of electricity, gas and water for both male and female were negligible in all the regions. Tertiary sector employment was highest in the western region followed by eastern region. Trade, hotels and restaurant was the prime contribution in the tertiary sector employment and it was followed by other services. All the regions of the state observed distress diversification, but it is more apparent for southern and central regions.

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