

Unemployment Problem Among Youths of Uttarakhand State

A Case Study Couducted in 2009 of New Tehri Distsrict

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<<< Abstract

Unemployment is the basic problem which has given birth to a number of connected problems, such as poverty, social disorder, insecurity, maintenance of law and order etc in the State of Uttarakhand. At the time of establishment of Uttarakhand State though the government en made and announced many policies to recover the problem of unemployment, yet it is also the big truth that the government remained failure to achieve the target of full employment. Various factors are responsible for this phenomenon which includes a large number of old age people, lack of employment among women, lack in mobility, cold weather, natural problems, illiteracy, geographical conditions etc. Moreover, also largely dependence on government organizations, lack of industries, ignorance about small and cottage industries are the big hurdles in the employment generation in this State. This problem can be removed by raising the level of investment in hill areas' small villages and towns in Uttarakhand. Accelerating the process of industrialization can also help to reduce the level of unemployment. Government policies and planning should be employment-oriented so that it may prove meaningful for the masses. Also a long-term population policy along with an effective employment policy can rid of Uttarakhand State from the menace of unemployment in the years to come.

1. INTRODUCTION

Unemployment is a major problem facing both the developed and developing countries. We can say that it is the most important and burning problem of our country. Due to rapid growth of population every year a large army of unemployed (both educated and uneducated) youths come out in search of suitable jobs. According to late president of India, Dr. V.V. Giri, "Unemployment is the problem of problems. Unemployment has made our youths Nexalites. Educated youths are deprived of all deserving comforts and their growing discontentment has given scope for the speedy growth of Nexalism."

It is the basic problem which has given birth to a number of connected problems, such as poverty, social disorder, insecurity, maintenance of law and order etc. As a matter of fact, it is a prime duty of the Planning Commission and the States to provide suitable jobs to all those who are unemployed. But it is a matter of great regret that both of them have entirely failed on this vital front. In a sense it is a colossal waste of human resources which further hurdles the tempo of economic development of a country. Since it is a basic problem of the country, it calls for an immediate remedial action. In developing countries like India, poverty and unemployment are the products of deficiency at the structural level. A high

percentage of population in these countries depends on primary occupation with a low resource base, low income & saving potential, traditional skill and attitudinal patterns. In the language of economics, unemployment is defined as a state of affairs where in a country, there are a large number of able-bodied persons of working age who are willing to work but cannot find work at the current wage levels. People who are either unfit for work for physical or mental reasons or don't want to work e.g. Hermits, are excluded from the category of the unemployment. Uttarakhand is a newly created state. It was separated from Uttar Pradesh State on November 9, 2000. Still it is in its childhood stage. Although the lot of work has been done for the rapid growth of Uttarakhand, yet it is a bare fact that this state could not achieve the target of full employment. Large number of factors are responsible for this phenomenon which includes a large number of old age people, lack of employment among women, lack

in mobility, cold weather, natural problems, illiteracy, geographical conditions etc. Moreover, also largely dependence on government organizations, lack of industries, ignorance about small and cottage industries are the big hurdles in the employment generation in this State.

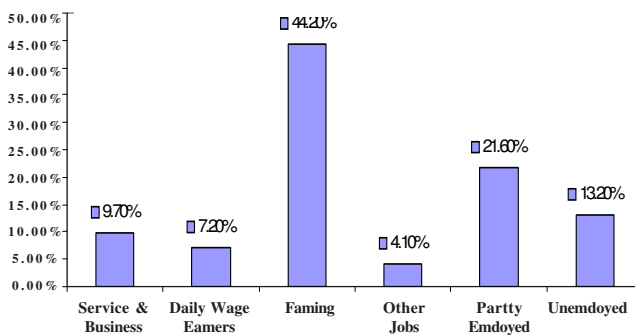
Although at present the whole India is facing the employment problem but the present paper focuses on the unemployment problem, its reasons and consequences in the State of Uttarakhand. There are 13 District Headquarters in this State. For the purpose of this paper the District Headquarter of New Tehri has been selected. Survey of 1000 people working in the different sectors has been conducted to find out the relationship among literate and illiterate employed and unemployed people. These have been selected while considering that they are working in different types of jobs and belong to different areas of Tehri District. It is believed that this survey will help to find out the intensity of

Table - 1
Classification of Youths on the Basis of Their Education/Employment in District New Tehri (Uttarakhand)
During The Year 2009

Nature of Employment	Educated		Uneducated		Total	
	No	%age	No.	%age	No.	%age
Employed Youths:						
Service:						
• Government	21	4.64	-	-	21	2.10
• Private	33	7.28	09	1.65	42	4.20
• Business	21	4.64	13	2.37	34	3.40
Total Youths Engaged in Service Business	75	16.56	22	4.02	97	9.70
Daily Wage Earners	13	2.87	59	10.79	72	7.20
Farming:						
• Foodgrains	89	19.65	218	39.85	307	30.70
• Fruits & Veggies.	41	9.05	74	13.53	115	11.50
• Other Crops	05	1.10	15	2.74	20	2.00
Total Youths Engaged in Farming	135	29.80	307	56.12	442	44.20
Other Jobs	18	3.97	23	4.20	41	4.10
Total of Fully Employed Youths	241	53.20	411	75.14	652	65.20
Partly Employed Youths	128	28.26	88	16.09	216	21.60
Unemployed Youths:						
• Searching Jobs	44	9.71	32	5.85	76	7.60
• Not doing any effort for Job	40	8.83	16	2.93	56	5.60
Total Unemployed Youths	84	18.54	48	8.78	132	13.20
Gross Total	453	100	547	100	1000	100

Source: Personal Survey.

CLASSIFICATION OF YOUTHS ON THE BASIS OF
THEIR EMPLOYMENT DURING THE YEAR 2009



unemployment among educated and uneducated people in the District of Tehri (Uttarakhand).

Following table clears the position of employment of educated and uneducated youths in the district of New Tehri (Uttarakhand): The above table clears that 9.70% of the youths of New Tehri district are engaged in government and private services and different types of businesses and 7.20% are earning their bread from earning daily wages. Moreover, 44.20% youths are engaged in farming which shows the high pressure on land. Only 4.10% youths are engaged in other jobs. Thus only 65.20% youths are fully employed in this district. Besides, 21.60% youths are not getting jobs according their abilities and are only partly employed. It was also found that 13.20% youths are totally unemployed and wandering without any job. Further analysis of the table indicates that the percentage of educated youths is less than the percentage of uneducated youths in this district. Thus it can be concluded that the employment position in this district is not satisfactory and needs more attention of the government of Uttarakhand State.

2. ESTIMATES OF UNEMPLOYMENT

A person working 8 hours a day for 273 days in a year is regarded as employed. On the basis of recommendations of the Committee of Experts on Unemployment Estimates setup by the Planning Commission, the following three estimates of unemployment were generated in the 27th round of N.S.S.

A. USUAL PRINCIPAL STATUS (UPS): Usual Principal Status is measured in number of persons i.e. person who remained unemployed for a major

part of the year. This approach records only those unemployed persons who have no gainful work for a major time during the 365 days preceding the date of survey and are seeking or are available for work. This major is more appropriate to those in search of regular employment e.g. educated and skilled persons, who may not accept casual work. This is also referred to as *Open Employment*.

B. CURRENT WEEKLY STATUS (CWS): Here the reference period is a week i.e. 7 days preceding the interview. A person is counted as employed if he remains engaged in work for at least one hour on any day during the reference week. A person who is not engaged in work even for one hour on any day, but reporting for work is classified as unemployed. Thus Weekly Status Approach would capture not only open chronic unemployment but also seasonal unemployment. Besides, this approach provides weekly average rate of unemployment.

C. CURRENT DAILY STATUS (CDS): It is based on the reported time-disposition of the person on each day of the reference week. According to this approach, if a person works less than four hours, is counted as working for half-a-day and one who works for four or more hours on any day, counted as working for the whole day. If a person does not find work on a day or some days during the survey week called unemployed. CDS is the most comprehensive concept of unemployment and captures fully open unemployment in the country.

3. CAUSES OF UNEMPLOYMENT IN UTTARAKHAND AS WELLAS NEW TEHRI

Uttarakhand has a structural unemployment. The cause of unemployment, therefore, exists due to structural weakness of the economy. State and their politicians are failing to achieve the objective of full employment. If a country is not in a position to utilize its own human resource, it can achieve nothing on the economic front. If the large percentage or workforce remains unemployed, it will not be able to meet even the basic needs for want of necessary purchasing power. Though Uttarakhand is having abundance of labour force yet most of it remains

unutilized. Thus the economy of this state is under developed and it can't absorb its huge and growing labour force. The opportunities of employment have not kept pace with the additions in the labour force of this State. In spite of this, the major cause of unemployment and under-employment in underdeveloped State of Uttarakhand is the deficiency of the stock of capital in relation to the needs of the growing labour force.

Uttarakhand is a State of hill regions. The people of hill regions are facing a serious predicament due to which employment is a question in this state. The State policies have been less conducive towards the development of private sector. It has to be developed under the State's control and regulations which include a rigid and unsuitable licensing policy, heavy taxation, problem of raw materials and sufficient supply of power. The rising wages and industrial disparities have, further, discouraged private sector for starting new venture and expanding the present units. These policies and problems have failed the entire economic system to provide additional opportunities for jobs. As other employment opportunities are not available in sufficient quantity, agriculture is the principal area of employment in Uttarakhand. Thus, pressure on land is high, as about 2/3 of the working labour force is engaged in agriculture. Land is thus overcrowded and a large part of work force is unemployed or what is called disguisedly unemployed.

As it is clear that Uttarakhand government is not given its emphasis on industrialization in remote areas of Uttarakhand, industrial labour finds the limited job opportunities. This is the reason that the agricultural surplus labour force is not absorbed by the industrial sector and this leads to disguised unemployment in agriculture. In spite of it, the main reason of widespread unemployment and disguised unemployment has been backward and traditional farming in Uttarakhand State. Here agriculture is the main task of population but the productivity of agriculture is very low. The method of cultivation has become obsolete and outdated. The lack of additional job facilities like dairy farming, poultry farming, fisheries, rope-weaving, bee-keeping, food processing, industries etc has led to worsening of the

unemployment situation in the Tehri a city and district of Uttarakhand. Another hurdle in generation of more employment opportunities in Uttarakhand is that there are inappropriate means of self-employment in rural and suburban areas. Unfortunately mostly youths go in different parts of the country for searching of paid jobs which are not easily available. It is quite clear that the problem of unemployment in rural areas is quite serious and that of under-employment is still more so. It is an anomaly that in different parts of Uttarakhand during the busy agricultural season, shortage of labour are frequently reported and a proof thereof lies in the fact that most of the employees in government and semi-government organizations having their relatives in rural areas go on leave to help them during agricultural season. But in the large part of the year a large proportion of agricultural labour and other employed in allied activities are without continuous employment.

Non-remunerative nature of agricultural economy, seasonal nature of agriculture, lack of agriculture diversification such as inadequate development of horticulture and new crops, lack of occupational mobility, geographical conditions of hills zones, State Government negligence for rural areas development are some other important factors of rural unemployment.

4. REMEDIAL MEASURES

At the time of establishment of Uttarakhand State though the government made and announced many policies to recover the problem of unemployment, yet it is also the big truth that the government remained failure to achieve the target of full employment. If we peep into the five years plans, employment expansion has been emphasized as an objective of development. Despite the entire pronouncement in the plans the fact of matter is that every plan failed to absorb the new entrants of the labour force. It would be appropriate to shift emphasis to mass consumer goods industries so that on the one side more employment may be generated to absorb the unemployed labour force and on the other side increase in supply of such goods may help in controlling the price level and increasing the economic welfare of the people. Government should

open the path of decentralized development with the emphasis on small scale enterprises. It would help to reorient credit, licensing, raw materials allocation and other policies in such a manner so that both employment and output may be enlarged simultaneously. Uttarakhand is a hill area zone.

People do not feel comfortable to reach from one place to another due to its geographical conditions. So, the development of industrialization should be decentralized or in other words, industrialization should also be approachable in the hill areas. Here industrialization gets such a powerful momentum so that the new entrants may absorb the labour force. During the period of rapid growth in the labour force, it would be advisable to adjust the choice of techniques consistent with the employment objectives. Overcrowded metropolitan centers are the recipients of a large chunk of investment. It is, therefore, suggested that small towns should be developed as new growth centers for the future. The establishment of small industrial complex by providing dispersal of industries can bring about a greater resilience in the economy on one hand and lead to much greater expansion of employment opportunities on the other hand. All schemes of subsidies and incentives to large and small industries should be altered. Creation of more employment should be treated as the basis for the grant of subsidies and incentives. Such a scheme may prove to be revolutionary. In Uttarakhand education system is also responsible for unemployment. Major defect of our education system is that it leads one to take up the M.A., M.Com. and M.Sc. degrees only. The high degree of unemployment among the educated signifies the urgent need to reorient our education system to create greater employment opportunities.

It will be better to adopt the labour utilization approach to solve the problem of unemployment in the State. For this purpose a reorientation of the educational system should be started to establish consonance with the demand of high-level manpower.

Failure of implementation of rural works programmes is also another cause of unemployment. Only underlines the relatively low importance given to the rural sector to provide subsidiary employment to millions to landless labourers and small & marginal farmers. Urgent action is called for in this direction so that work opportunities may be increased in the rural areas. This will raise the level of income and employment in the rural areas. Negligence about small and cottage industries leading to greater pressure of population on land and the low level of investment resulting in lack of expansion of the secondary sectors of the economy are the other major problems of unemployment in Uttarakhand. Failure of State economy to expand at a rate commensurate with the need to absorb the additions to the labour force has a cumulative effect in increasing the backlog of unemployment in the State of Uttarakhand. Unemployment can be removed by raising the level of investment in hill areas' small villages and towns in Uttarakhand. Accelerating the process of industrialization can also help to reduce the level of unemployment. Government policies and planning should be employment-oriented so that it may prove meaningful for the masses. There should not be shortcuts in solving the problem of unemployment. A long-term population policy along with an effective employment policy can rid of Uttarakhand State from the menace of unemployment in the years to come.

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