

Non Farm Sector of Rural India

Kuldeep Khullar

Assisrtaant Professor, DAV College, Jalandhar (India)

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ABSTRACT

In recent past years, the economic contribution of agriculture to India's GDP is continuously declining with the country's broad-based economic growth. As per the Tenth Agriculture Census, the average size of agriculture landholding declined to 1.08 hectare in 2015-16 from 1.15 hectare in 2010-11. This explains the rise of employment in Non-Farm sector. It is observed that 64 percent of rural employment is in the agriculture sector, while the share of agriculture in rural output is 39 per cent. Hence, reducing the dependence of rural masses on agricultures as a source of income will help improve the overall income of the rural population. This has necessitated the involvement of the rural workers into the dynamic rural non-farm opportunities.

1. Introduction

In India, nearly 70 percent population lives in country side areas. India has always been remained traditionally agrarian country. Thus, India's rural sides have always been centre of attraction of both national and international level. Beside agricultural activities, many Non-farm sector activities such as handmade items like basket making, spinning yarn, pottery, weaving etc. have been nourishing in modern India in making it the cradle of modern Indian civilisation.

2. Meaning of Non Farm Sector in Rural India

It includes all economic activities e.g. household activities, handicrafts, processing, repairing, construction, mining, transport, trade, communication, and personal services etc. (whereas farm activities include activities related to agriculture). Non-farm employment includes regular employment, self-employment and casual employment. Activities somehow related to agriculture itself, like fishing, forestry, animal husbandry etc, are commonly included in the non-farm activities sector.

Rural Non-farm Sector provides a cover from the instability of the agriculture sector. Since many of the activities in non-farm sector are related to agriculture, it helps in forming backward and forward linkage with the agricultural mainstream. Non-farm sector helps rural household in diversification of their income sources and reduce migration to urban areas by providing enough employment opportunities and improved standards of living in their own surroundings. The flow of steady income results in enhanced quality of life and a thriving rural economy that can contribute significantly to the nation growth. Increase in income and employment opportunities in rural areas not only helps in equalizing the income divide but also helps in decreasing the rural-urban divide.

3. Increasing demand for Non Farm Sector in Rural India

In recent past years, the economic contribution of agriculture to India's GDP is continuously declining with the country's broad-based economic growth. As per the Tenth Agriculture Census, the average size of agriculture landholding declined to 1.08 hectare in 2015-16 from 1.15 hectare in 2010-

11. This explains the rise of employment in Non-Farm sector. It is observed that 64 percent of rural employment is in the agriculture sector, while the share of agriculture in rural output is 39 per cent. Hence, reducing the dependence of rural masses on agricultures as a source of income will help improve the overall income of the rural population. This has necessitated the involvement of the rural workers into the dynamic rural non-farm opportunities.

Between 2011 and 2015, the number of agriculture jobs fell by 26 million while non-farm rose by 33 million, according to different international studies on India's labour market. Some of these reports highlight the structural shift from agriculture to the non-farm sector. The top four sectors that contribute to the non-farm job between financial years 2011 and 2015 are trade and hospitality (15.6%), Construction (14.3%), Transport (5.7%), and Education and Health (1.6%).

4. Different Rural Non-Farm sectors:

Handlooms and Handicrafts

Indian Economy comprises three vital sectors of production that are Agriculture & agro based activities, manufacturing, and services as tertiary. Manufacturing i.e. secondary sector of production has a sub-sector called non-Farm sector. It is huge in itself covering both rural and urban areas ranging from traditional occupations like pottery and carpentry to small scale industries to contemporary services like shops, masonry and unskilled labour as well. Handlooms and Handicrafts may be named among such skills of non-farm sector of rural areas. Passed on from generation to generation as a legacy, these activities took an economic form and went on to become an alternative livelihood for the farmers and rural people in off seasons.

Handloom sector has equally made its presence felt in the fashion industry. Reputed fashion designers of the country have created a luxury brand handloom with an inclusion of dyeing-printing techniques, traditional embroidery and global patterns. This modern version of handloom has managed to reach Fashion-centric upper strata of the society.

'National Handloom Development Programme' is an umbrella scheme consisting of two major components. These

are overall development of the handloom sector and welfare of the handloom weaver. 'Weaver Mudra Scheme', a concessional credit scheme for the weavers was launched in the year 2015 as one of the major components of this umbrella. Under this scheme, loans are provided at a concessional rate of 6% for a period of three years. It also provides an amount of Rs. 10,000 per weaver and credit guarantee.

The 'India Handloom' Brand is an initiative to create market for premium handloom products. Launch of this event in the year 2015 by the Prime Minister marked the first 'Handloom Day' on 7 of August 2015. The IHB includes measures like widespread awareness and brand building activities, e-marketing and partnership with well known retail stores.

Rural Tourism as Assets

15 Rural Economy constitutes 46% of national economy. Despite the rise of urbanisation, population projection indicate that India will continue to be predominantly rural till the year 2050 and after which urban population is estimated to overtake rural population (United Nations 2012). Thus, growth and development of rural economy is a key to overall development.

NITI Aayog published a paper in 2017 and states that contrary to the common perception about predominance of agriculture in rural economy, about two third of rural income is now generated in non-agricultural activities. Share of agriculture in rural output is merely 39%, rest is contributed by the manufacturing, construction and service sectors.

Kalap is a village located in Garwal region of Uttarakhand, which offers marvellous scenic beauty and ideal for the new age tourist who wants to experiment and experience, looks at being a responsible traveller and wants to give back to the community and wants an interaction with host community.

Purhwadi is a tribal village, located at Western Ghats, in Maharashtra. It has been adopted by an NGO dedicated towards promoting eco-friendly tourism in villages and providing livelihood to the villagers. This village plays host to a fireflies festival every year, when the monsoon are about to hit India. Visitors can enjoy traditional village life, home stays and camping tents that are well equipped with all the necessary amenities.

Raghurajpur is a heritage crafts village located in Puri district of Odisha. It has a long lineage of artists specialising in a unique painting style known as 'patachitra'. They specialize in palm leaf paintings, stone carvings, masks and wood carving. Tourists can be encouraged to purchase directly from local artists. By doing this, tourists can be responsible and community oriented also as they encourage a unique local art

form, give confidence to a struggling artisan community and walk away with a beautiful painting as souvenir.

In tribal tourism, tourists visit tribal villages in order to be exposed to a culture completely different from theirs. One such example is village of Bishnoi tribe near Jodpur in Rajasthan. Bishnoi tribe follows a set of principal related to the protection of animals and conservation of trees. It is to be noted that social and psychological outcomes of tribal tourism are often more detrimental than beneficial for the tribal therefore proper management is needed.

Non-Farm Sector as Employment Generator

Non-farm sector helps variously by providing jobs opportunities in different sectors that has been proved as boon for the community which is solely reliable on agriculture and its allied jobs. As there is huge crisis noticed in agriculture based jobs in the recent past years. Jobs in mining and quarrying, manufacturing, utilities, construction, trade, hotels, transportation, services etc. are new hope seen among the people of backward areas. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is centre government initiative started in 2005, this scheme intended to provide at least 100 days of guaranteed wage employment in a financial year to every rural family whose adult member volunteers to do unskilled manual work.

The ministry of Rural Development implements Deendayal Upadhyay Grameen Kaushal Yojna to drive national agenda for inclusive growth, by developing skills and productive capacity of the rural youth from poor household as world expected to face a shortage of 57 million workers by 2020 and India has 55 million potential workers between the age 15 and 35 according to Census 2011.

5. Conclusion

With the increased urbanization and decrease in the agricultural land, Non-Farm Sector in rural India is gradually gathering momentum. This is supported by the implementation of different schemes of Union Government like Skill India, Make in India, Digital India etc. more livelihood and poverty alleviation programmes will bring in more participation in the non-farm activities, thus reducing the dependence on agriculture. Agriculture needs to be inspiration in its own way along with the development of non-farm activities to improve the economic situation of rural India. This can be more facilitated by providing more by providing more financial facilities, research and development and increase women's participation to make non-farm activities self-sustainable in the days to come.

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