

Rural Employment, Income and Poverty Situation in Eastern India: Insights from VDSA Household Surveys

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Outline of the presentation

1. Objectives of the study
2. Data sources and Sample households
3. Employment, Wage and Labor Supply
4. Income, Sources of Income and Income Inequality
5. Poverty Situation
6. Conclusions

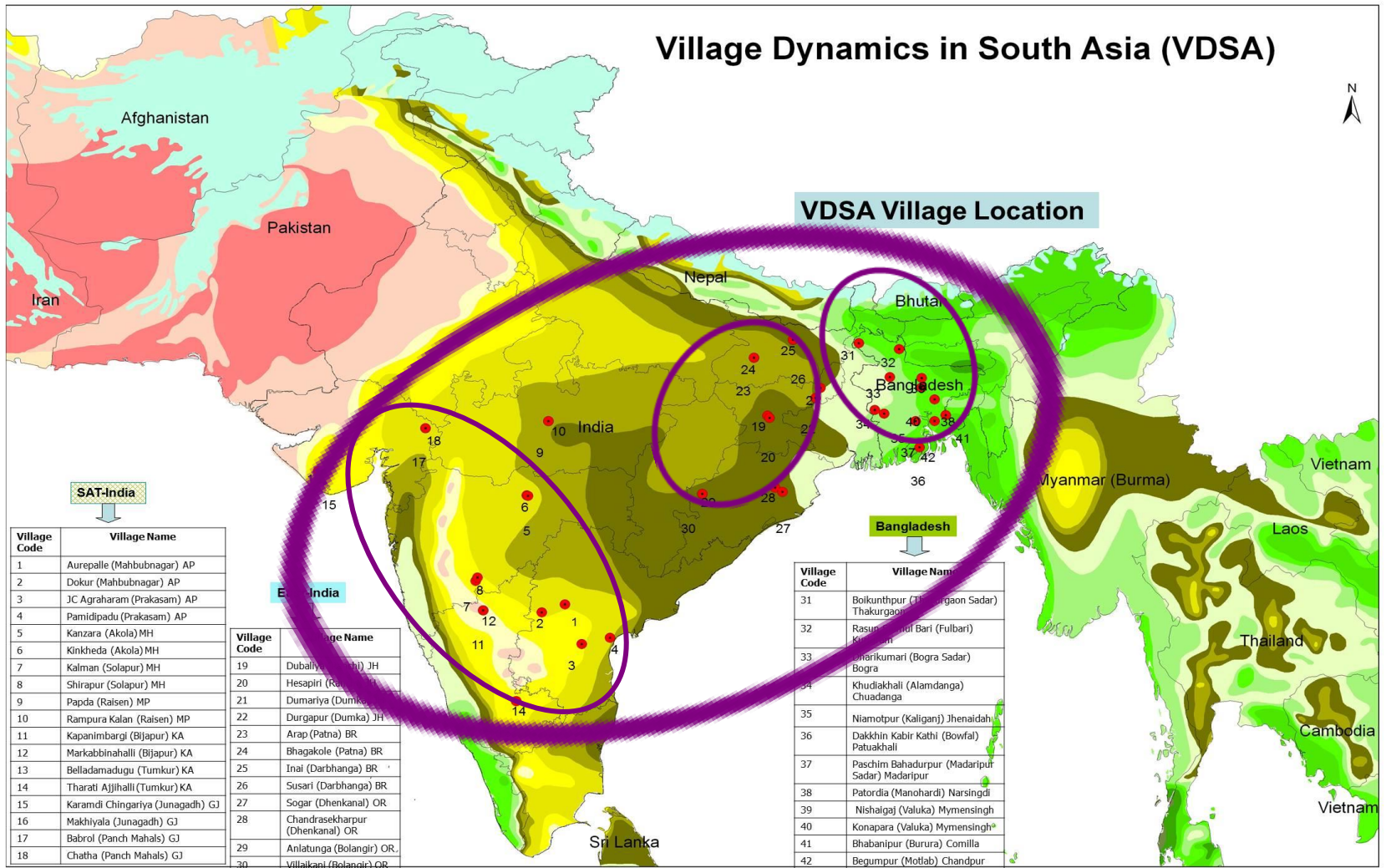
Study Focus

- **This study focuses on rural employment, labor productivity, occupational mobility, income and poverty among rural households in three states of eastern India**
 - **Bihar**
 - **Jharkhand**
 - **Odisha**

Objectives of the Study

- **To understand and compare the occupational patterns and employment situation among rural households in Bihar, Jharkhand and Odisha**
- **To analyse income and income inequality situation in eastern India**
- **To quantify contribution of different farm and nonfarm sources to the total income of the households**
- **To assess the poverty situation among sample households**

VDSA Study Locations: India and Bangladesh



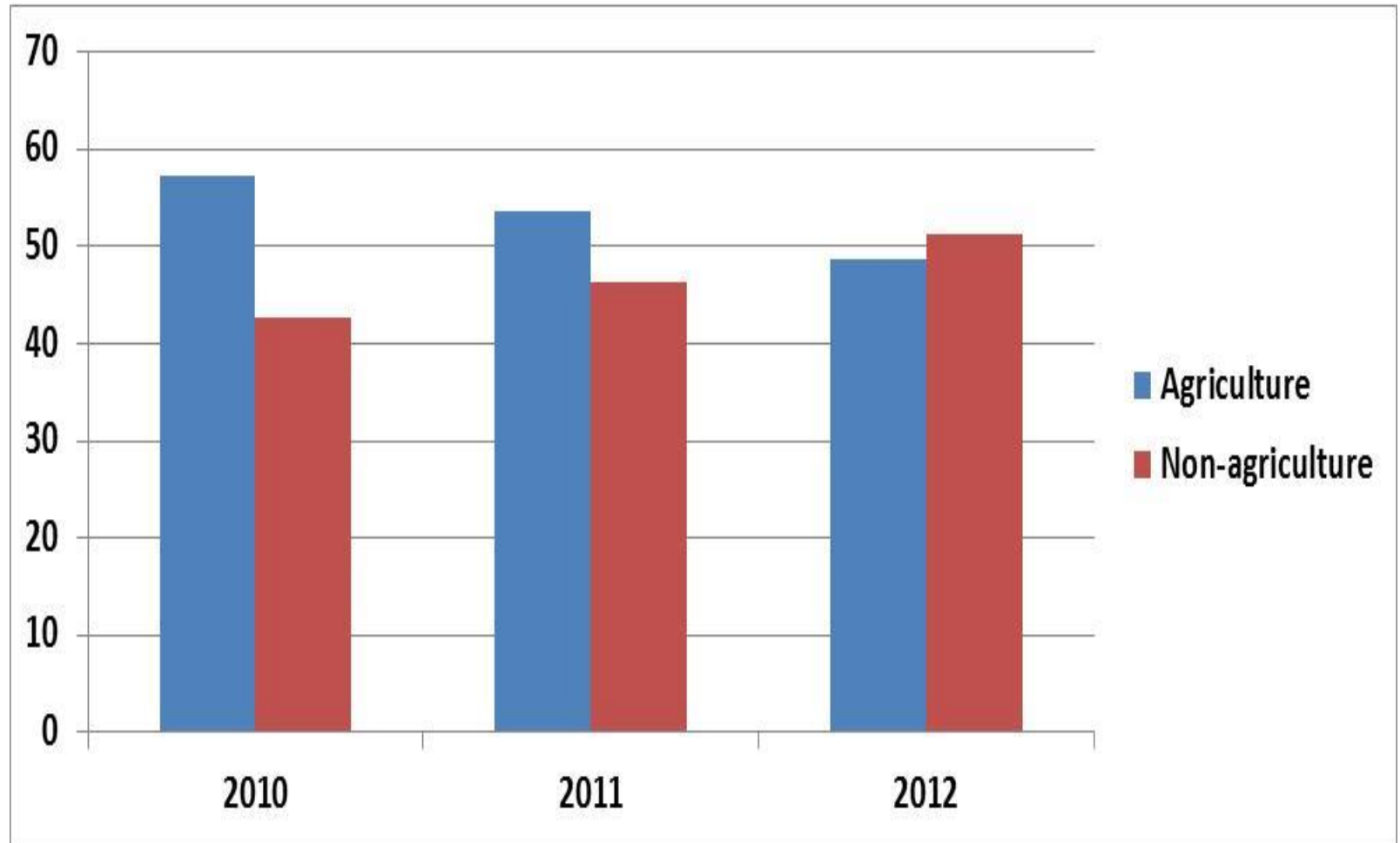
Note: AP-Andhra Pradesh, GJ-Gujarat, JH-Jharkhand, KA-Karnataka, BR-Bihar, MH-Maharashtra, MP-Madhya Pradesh and OR-Orissa

Distribution of Sample Households: 2010/11-2012/13

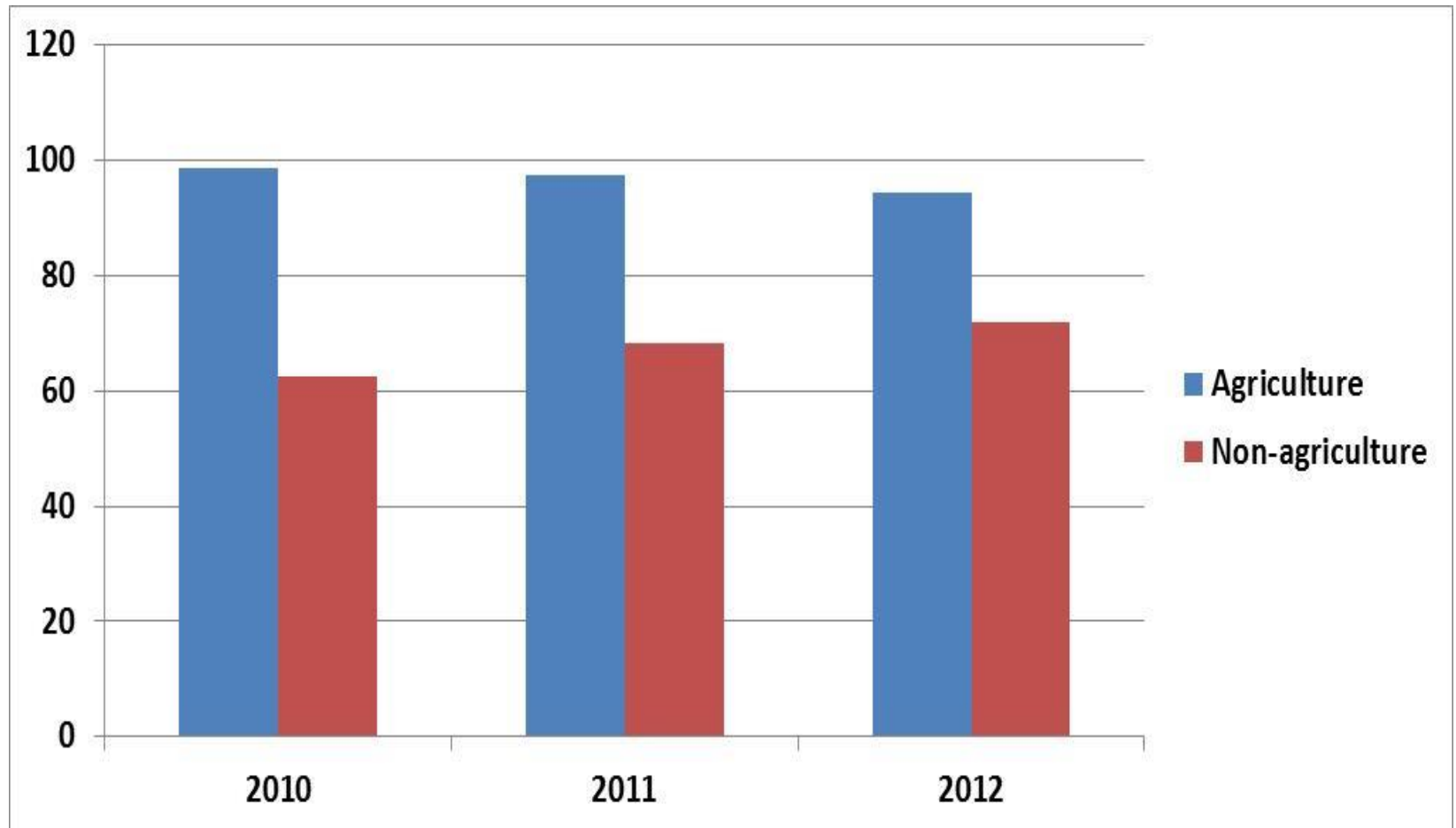
State(s)	2010	2011	2012	Total
Bihar	160	160	160	480
Jharkhand	160	160	160	480
Odisha	160	163	166	489
All	480	483	486	1649

EMPLOYMENT IN ECONOMIC ACTIVITIES

Distribution of employed population (primary occupation) in Eastern India: 2010-2012



Distribution of employed population (primary and secondary occupation) in Eastern India: 2010-2012



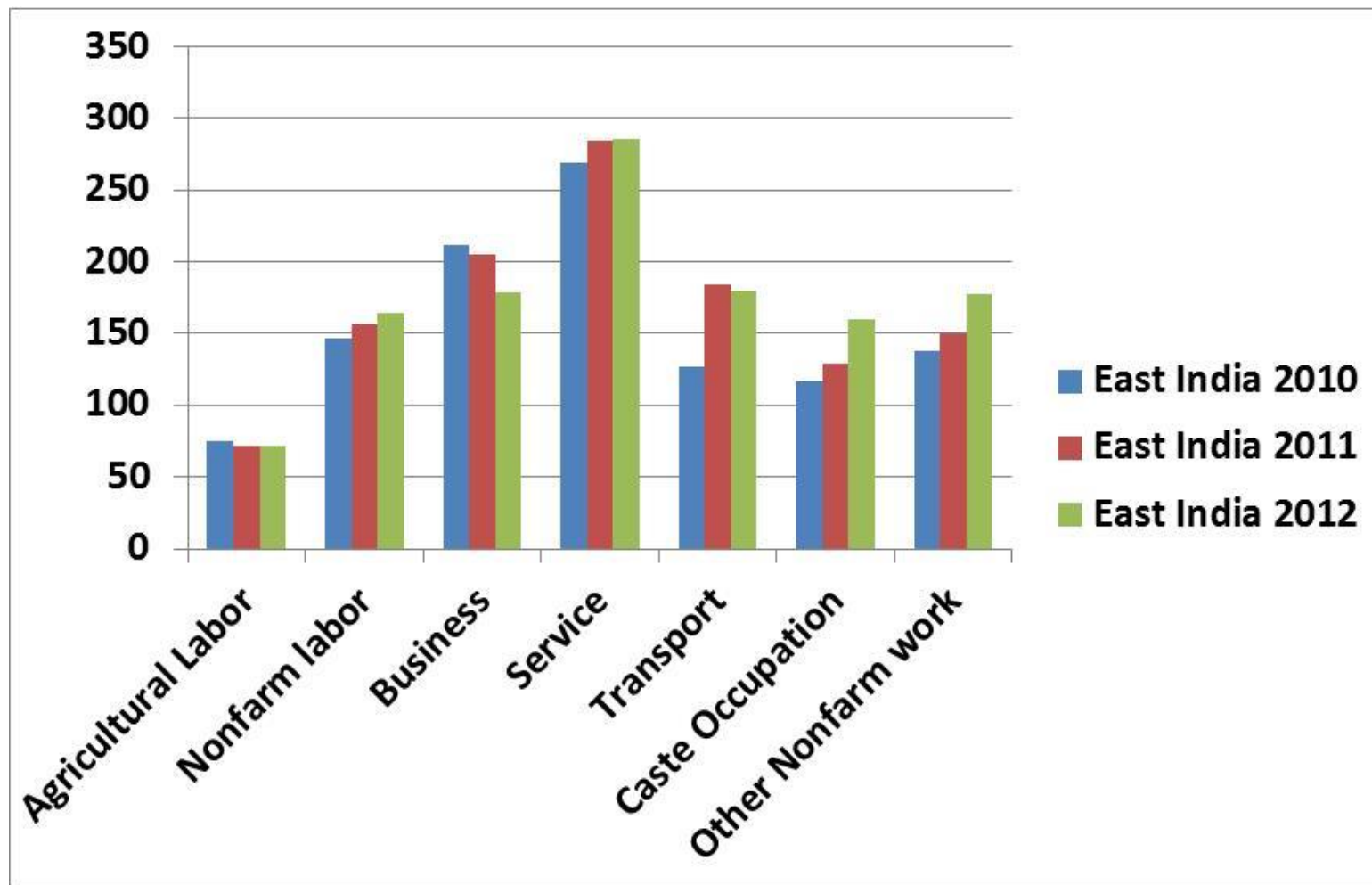
Education and Occupational Pattern in Eastern India: 2010-2012

Education level	Occupational Pattern
No Formal Schooling	Farming (44%) , Nonfarm labor (27%), Farm Labor (17%)
Primary attended	Farming (50%) , Nonfarm labor (25%), Farm labor (10%)
Secondary Attended	Farming (48%) , Nonfarm labor (26%), Service (8%)
SSC or Intermediate Passed	Farming (39%) , Service (23%), Nonfarm labor (17%)
Graduate and Above	Service (52%), Farming (29%) , Business(8%)

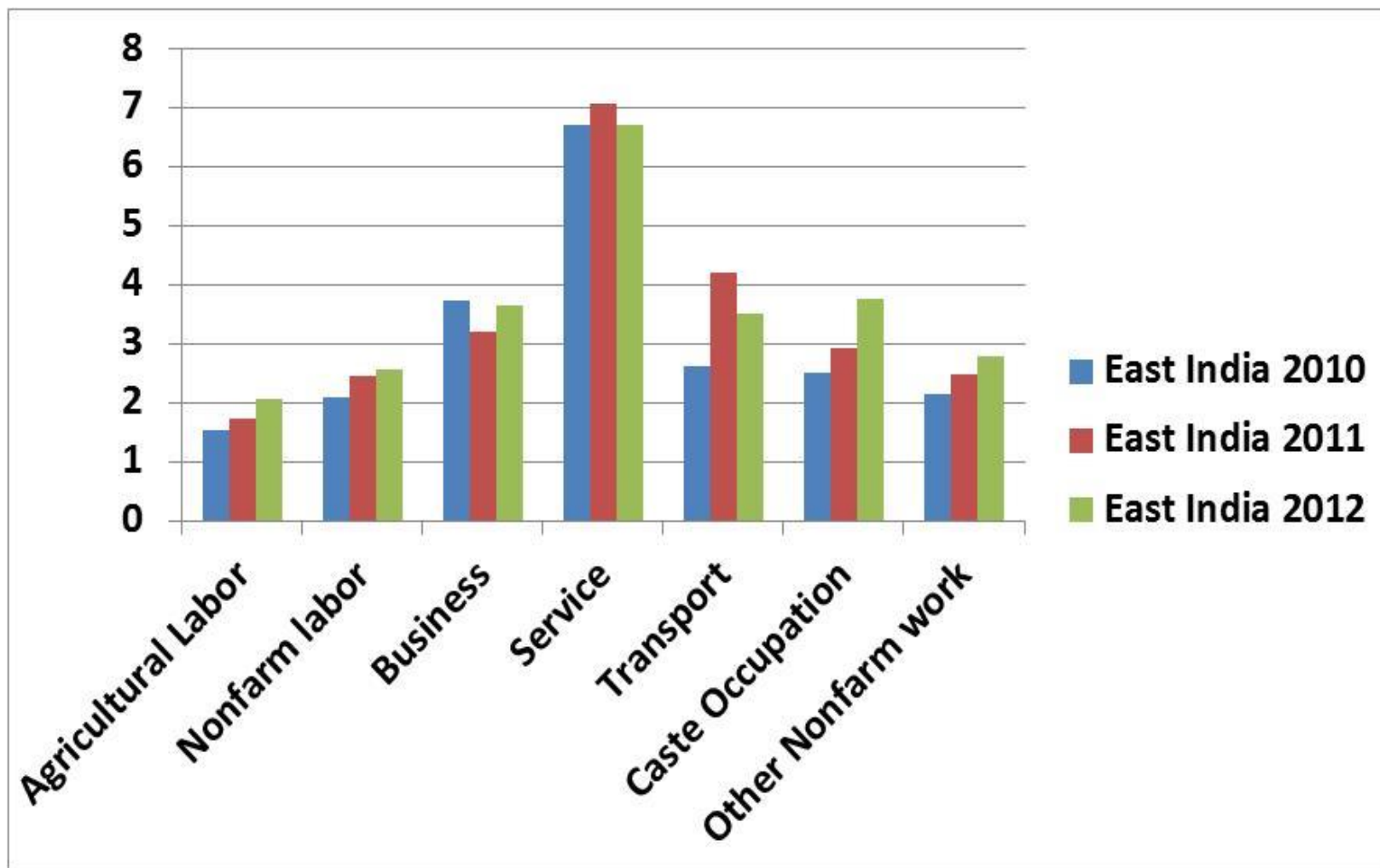
Occupational Mobility Matrix in East INDIA: 2010 Vs 2012

Occupation	N (2010) =100%	Occupation (2012) %							
		Farming	Farm Labor	Business	Service	Caste Occu.	NF Labor	Other NF	
Farming	391	84	2	1	2	1	8	2	
Farm Labor	71	14	51	7	1	0	24	3	
Business	35	6	0	83	6	0	3	3	
Service	124	6	0	4	81	1	4	3	
Caste Occu.	9	11	0	0	0	89	0	0	
NF Labor	163	4	5	4	5	0	81	2	
Other NF	24	8	0	0	21	4	17	50	

Duration of employment (days/year) in East India villages: 2010 to 2012

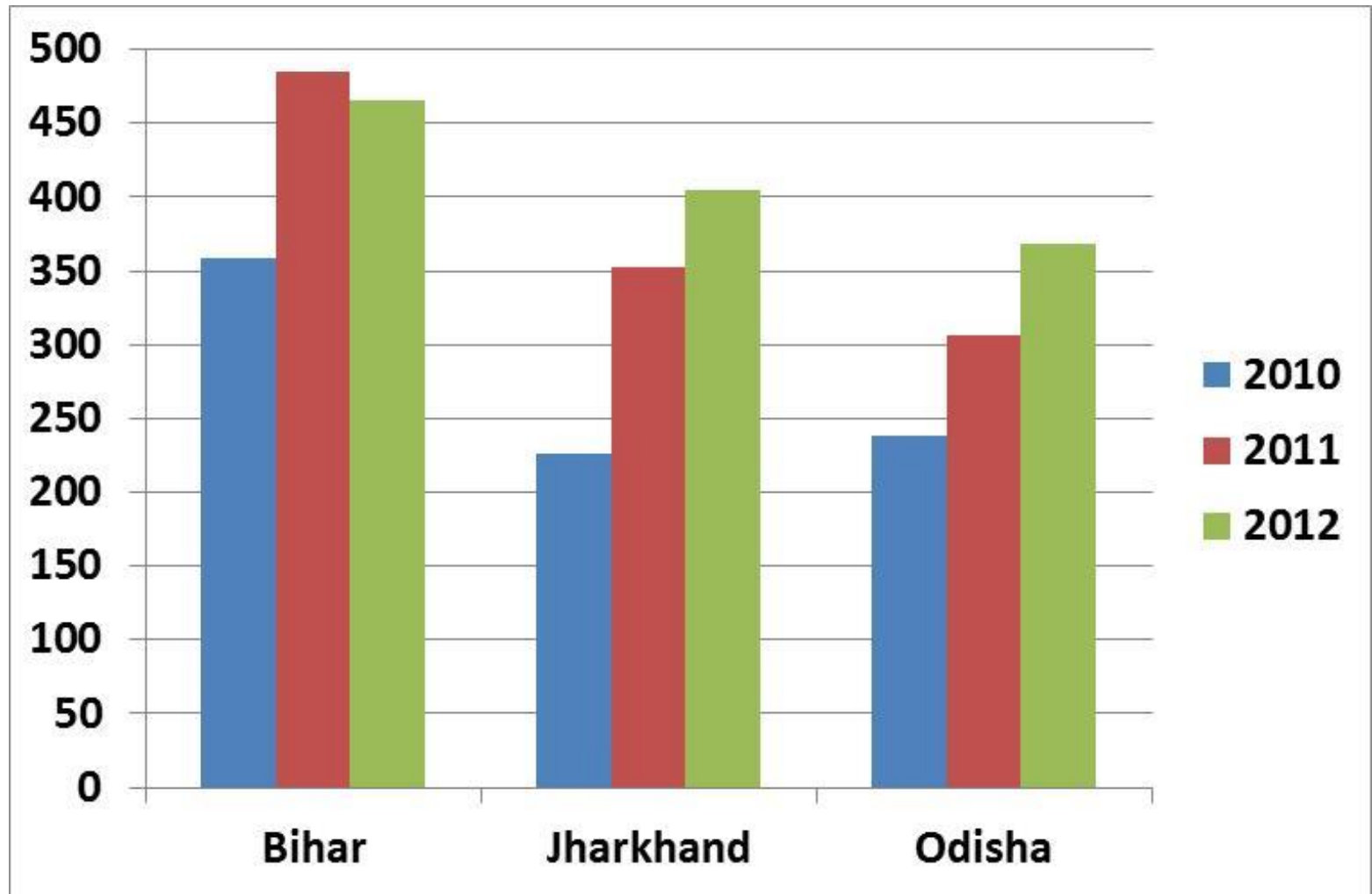


Labor productivity(USD/day) in East India villages: 2010 to 2012

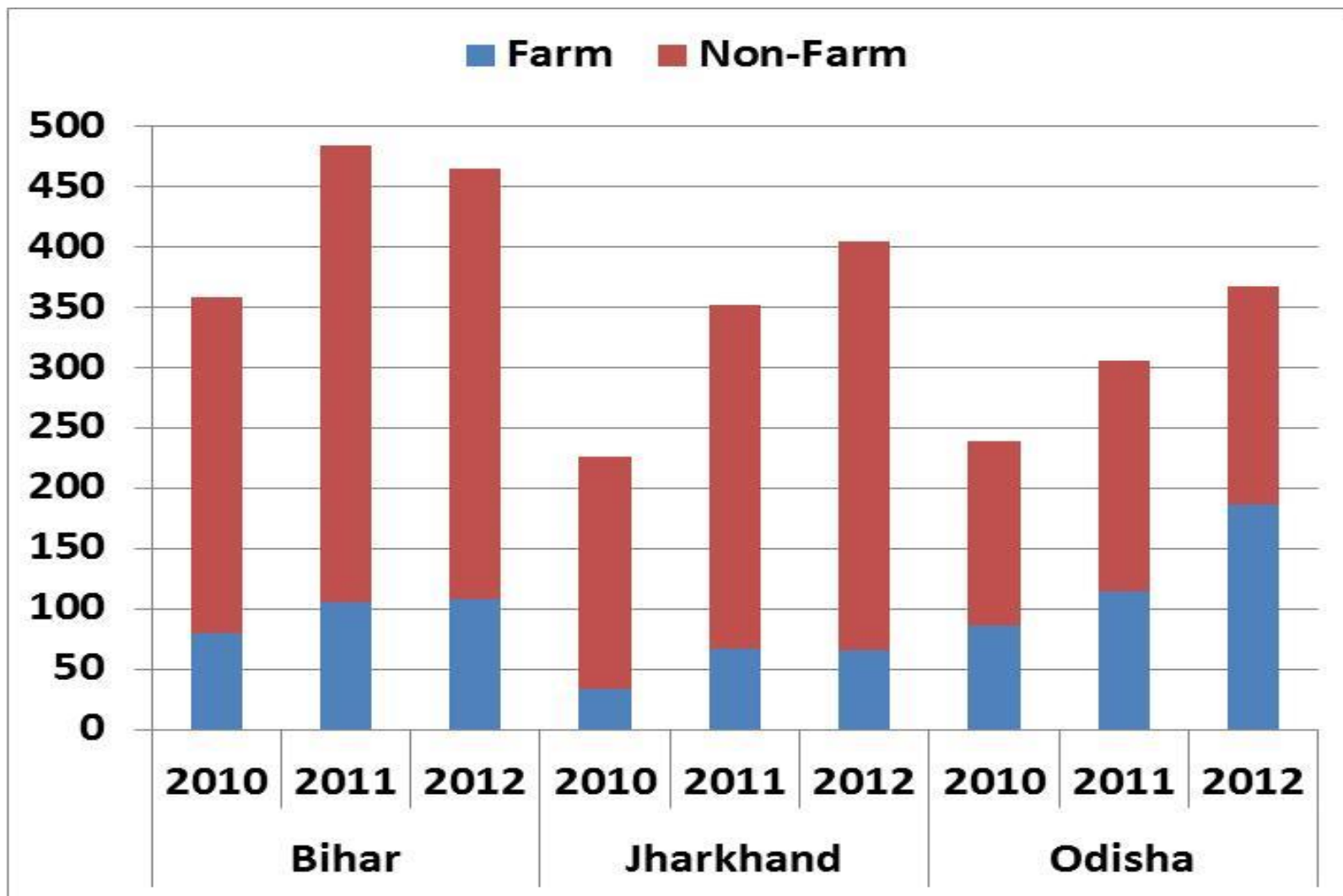


Income Situation

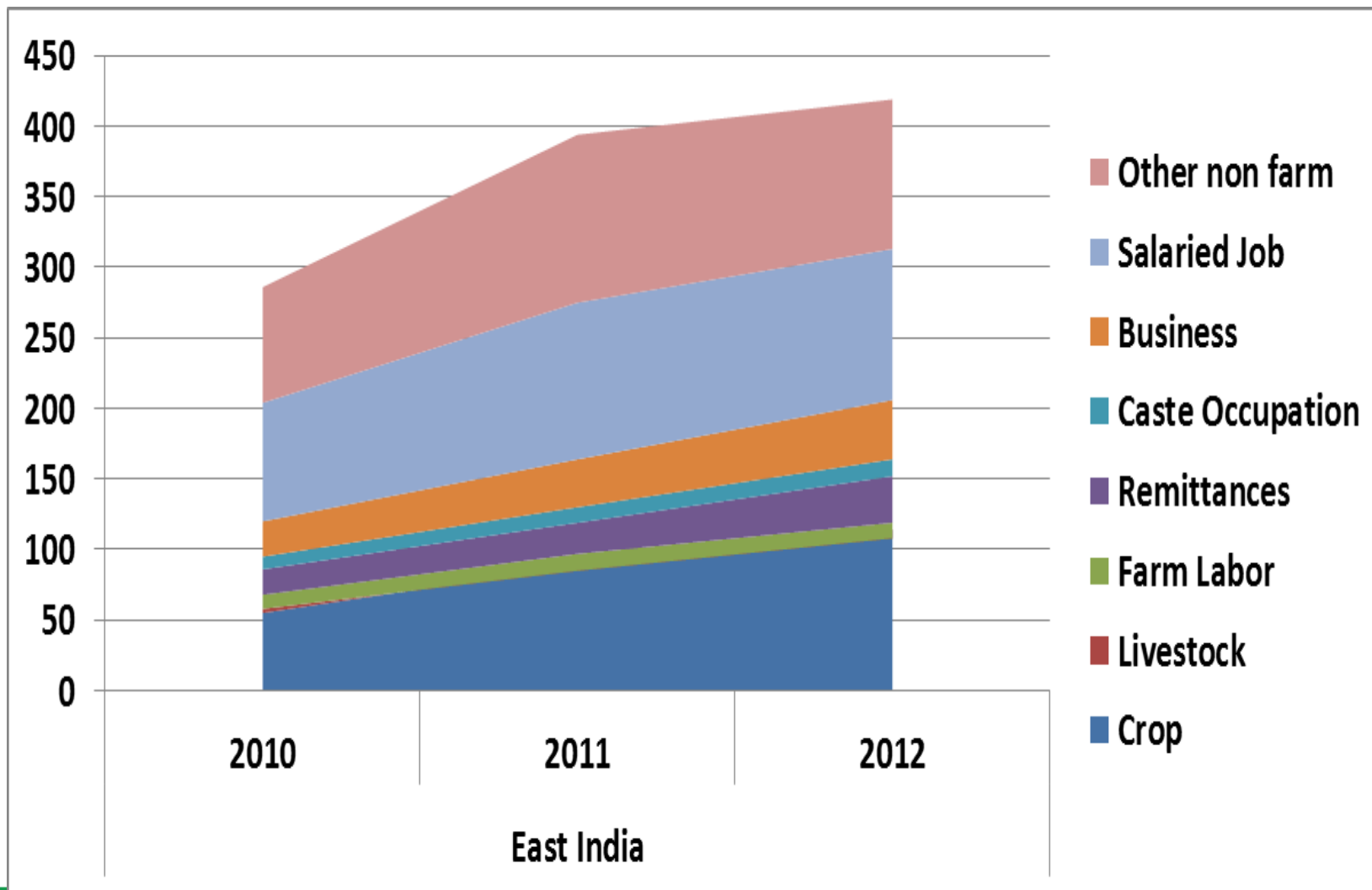
Trends in per capita household income (USD) in East India villages: 2010 to 2012



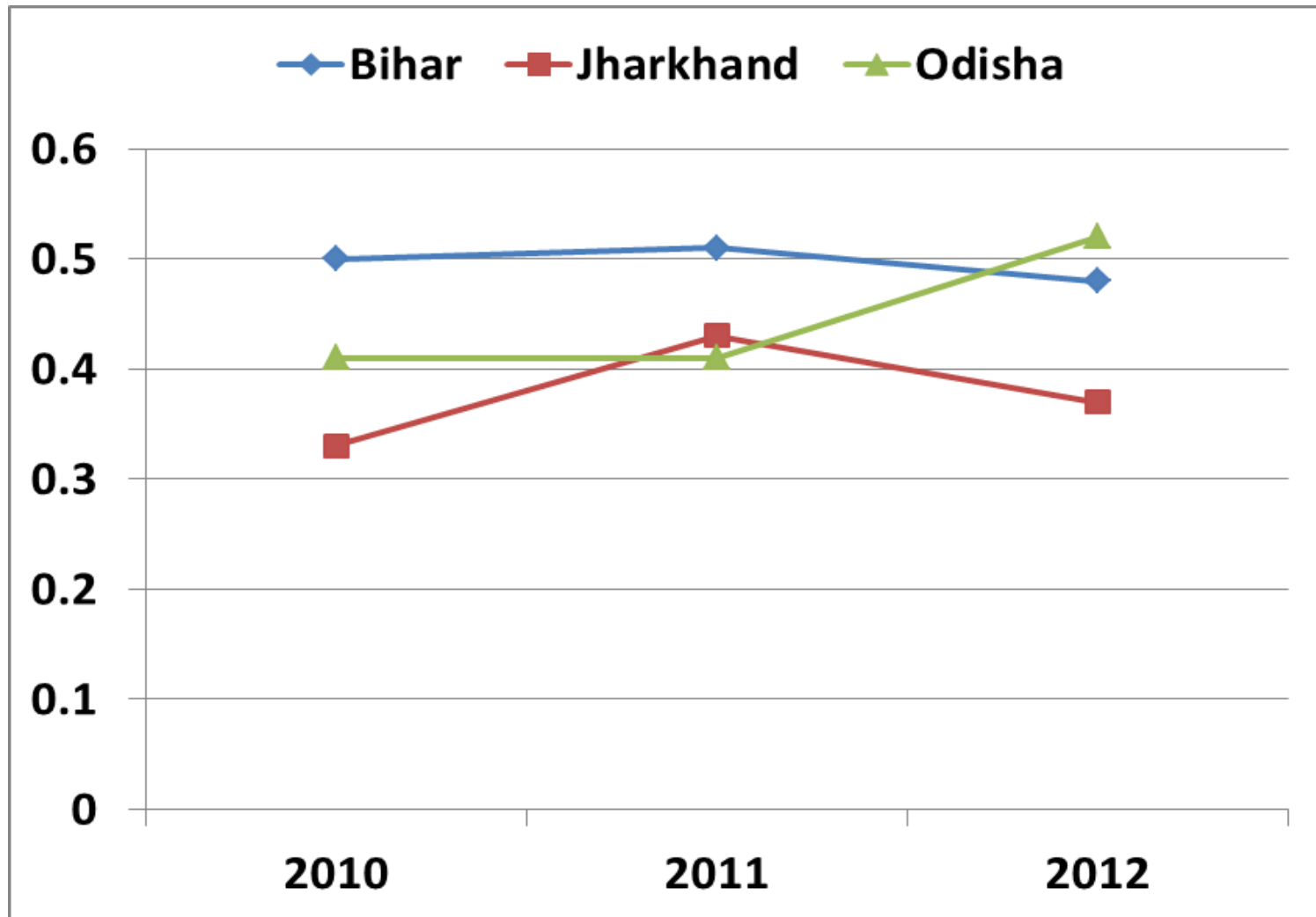
Trends in per capita household income (USD) in East India villages, by income sources: 2010 to 2012



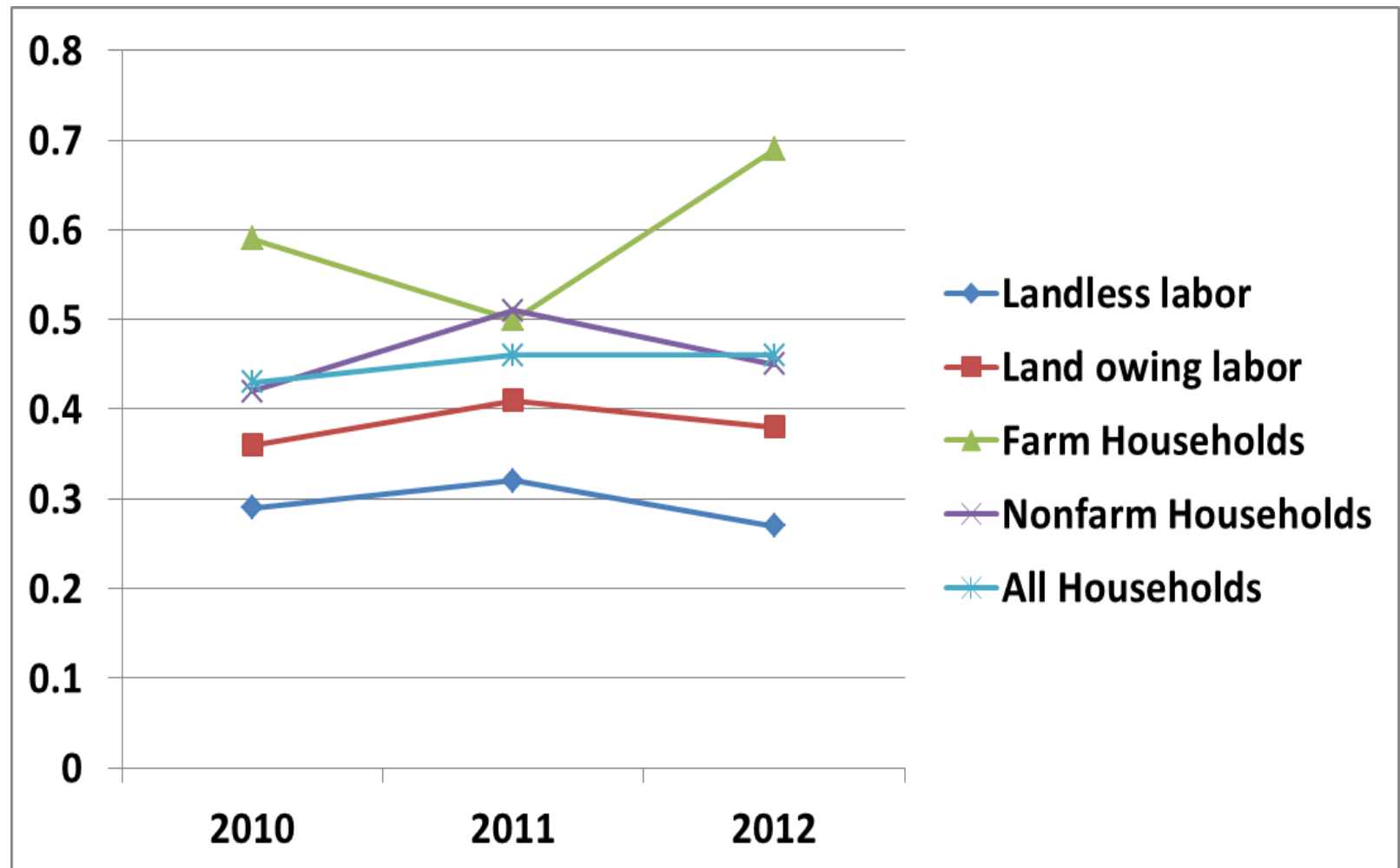
Trends in per capita household income (USD) in East India villages, by income sources: 2010 to 2012



Income inequality (Gini ratio) in East India: 2010 to 2012

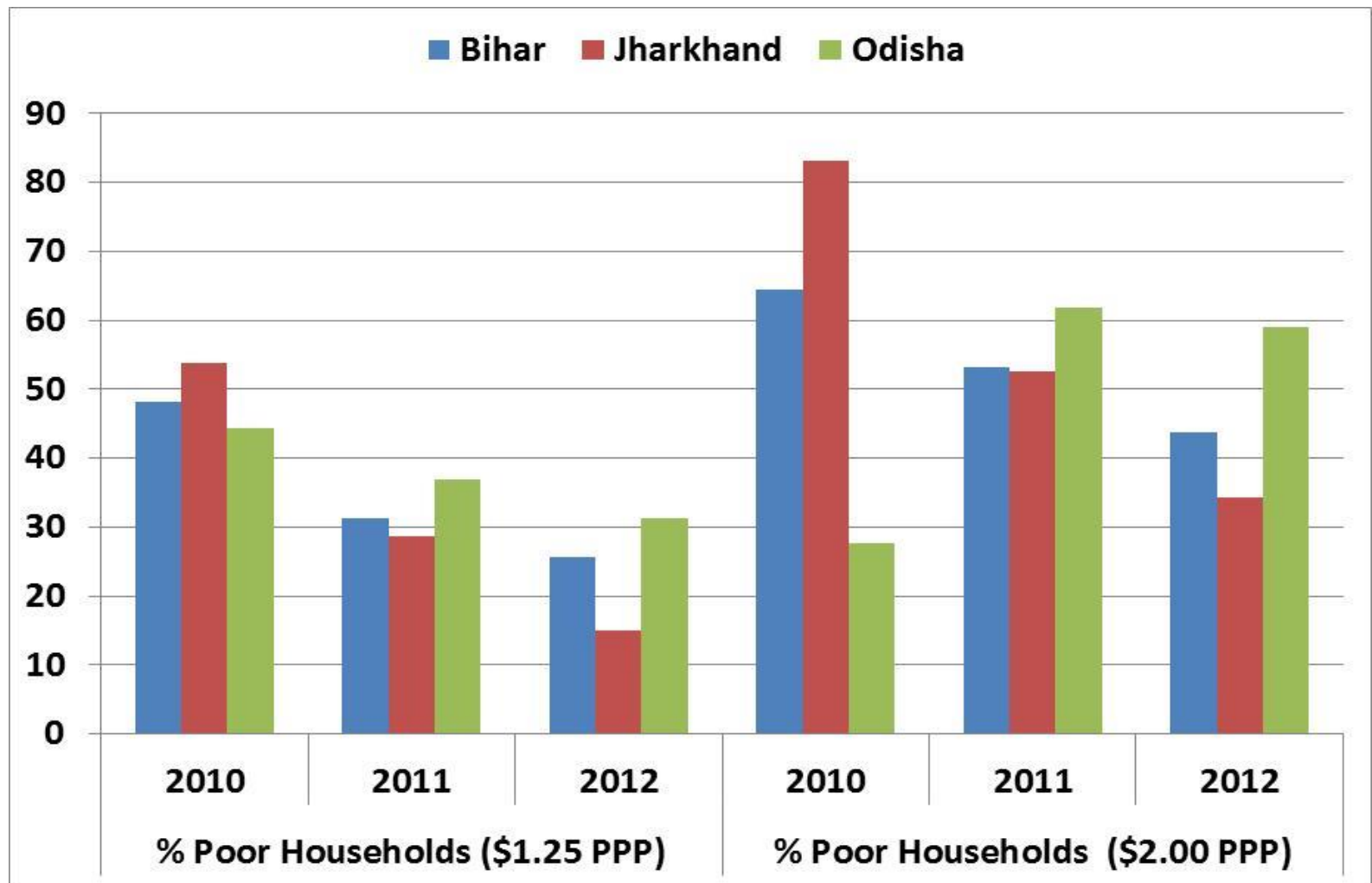


Income inequality (Gini ratio) in East India: 2010 to 2012

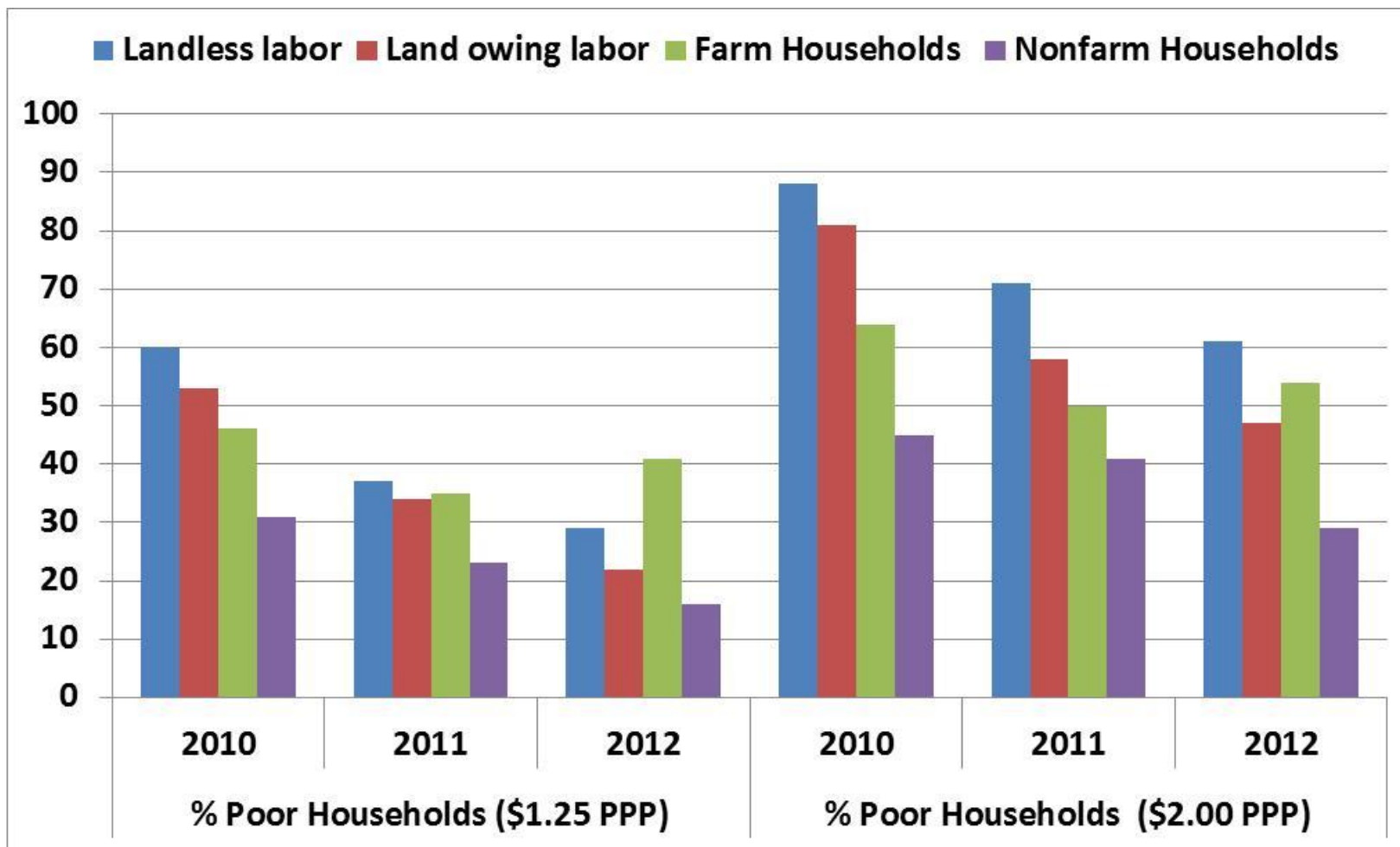


Poverty Situation

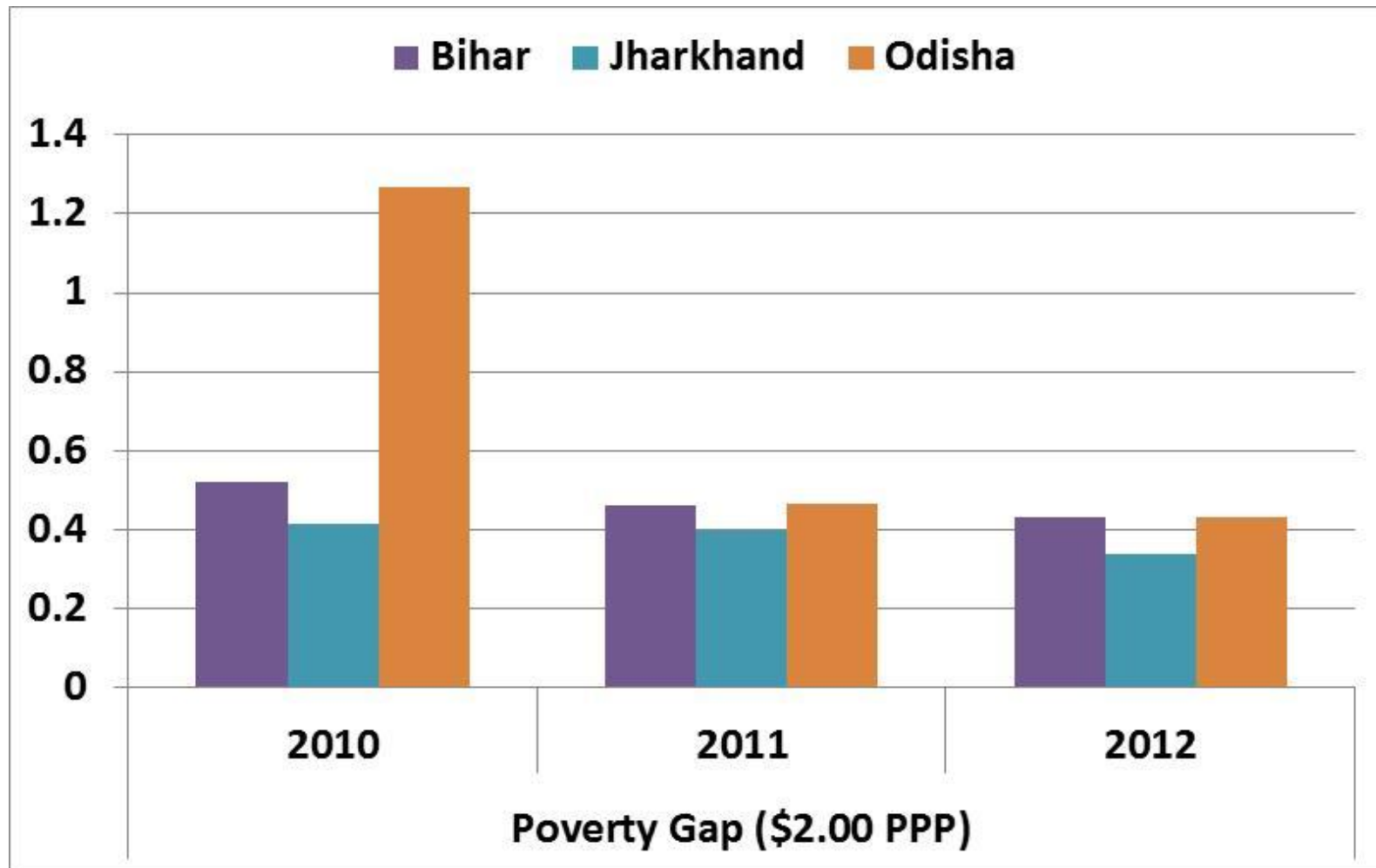
Extent of Poverty (Head Count %) among sample households in Eastern India, 2010-2012



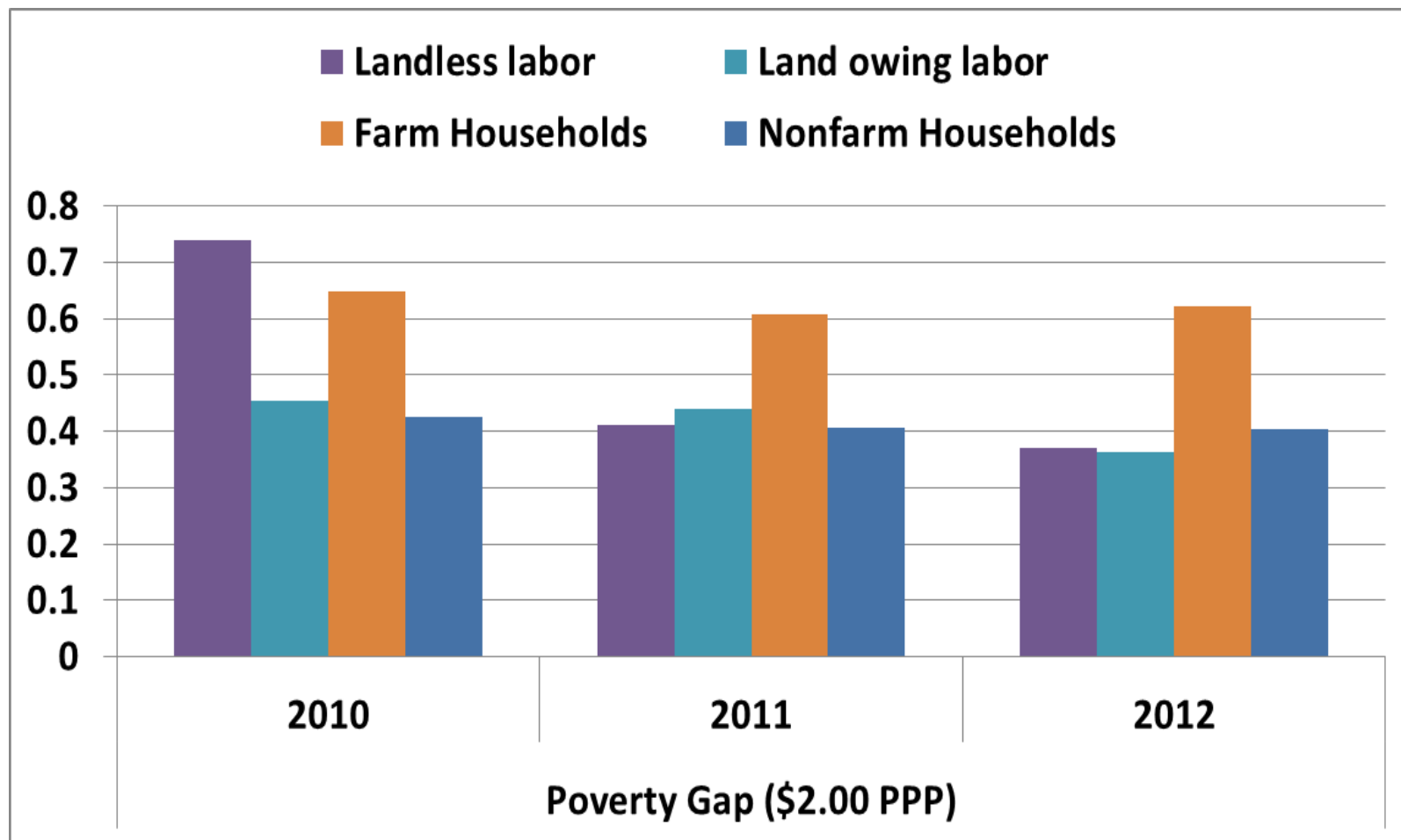
Extent of Poverty (Head Count %) among different occupational categories of sample households in Eastern India, 2010-2012



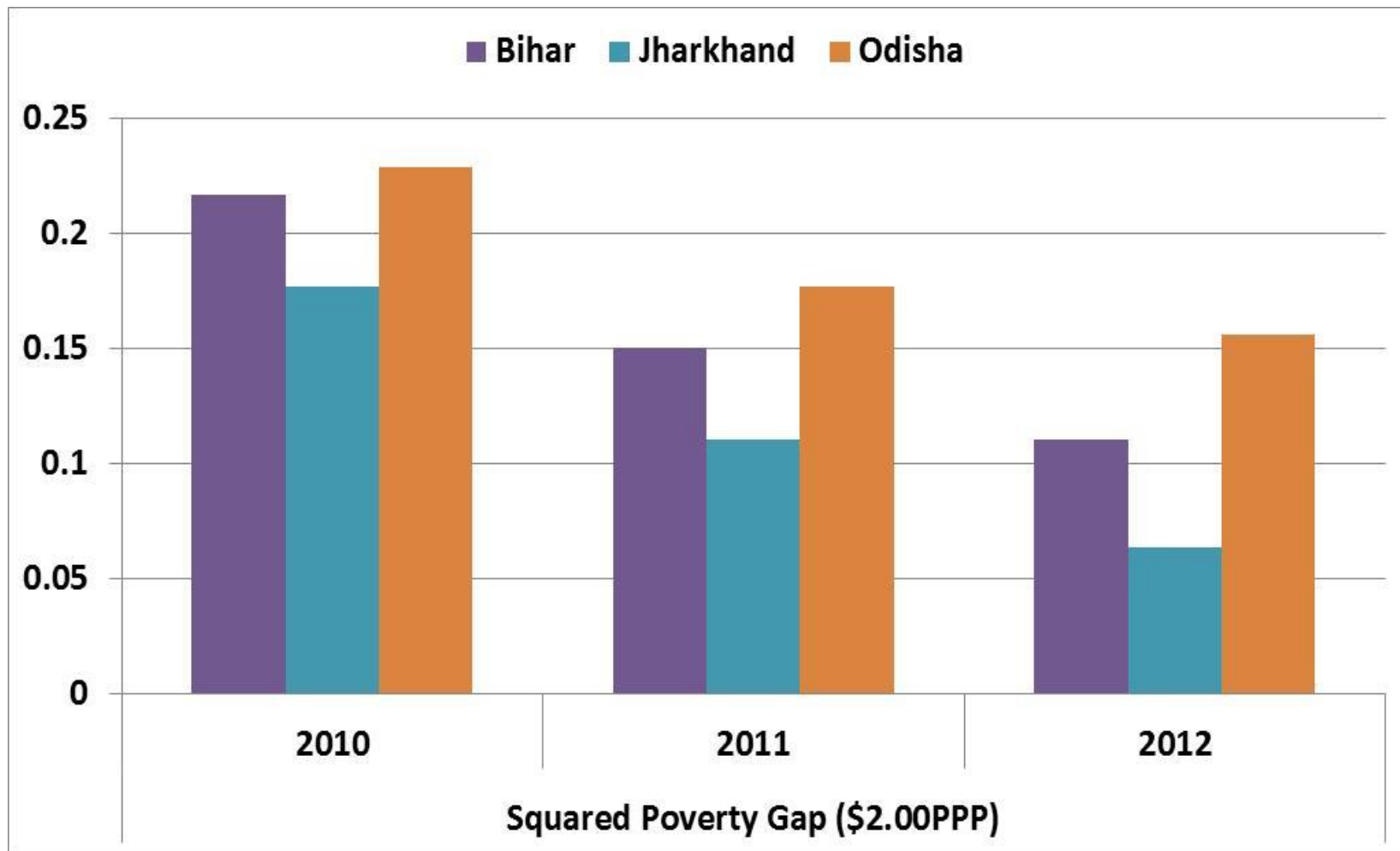
Intensity of Poverty (Poverty Gap) among sample households in Eastern India, 2010-2012



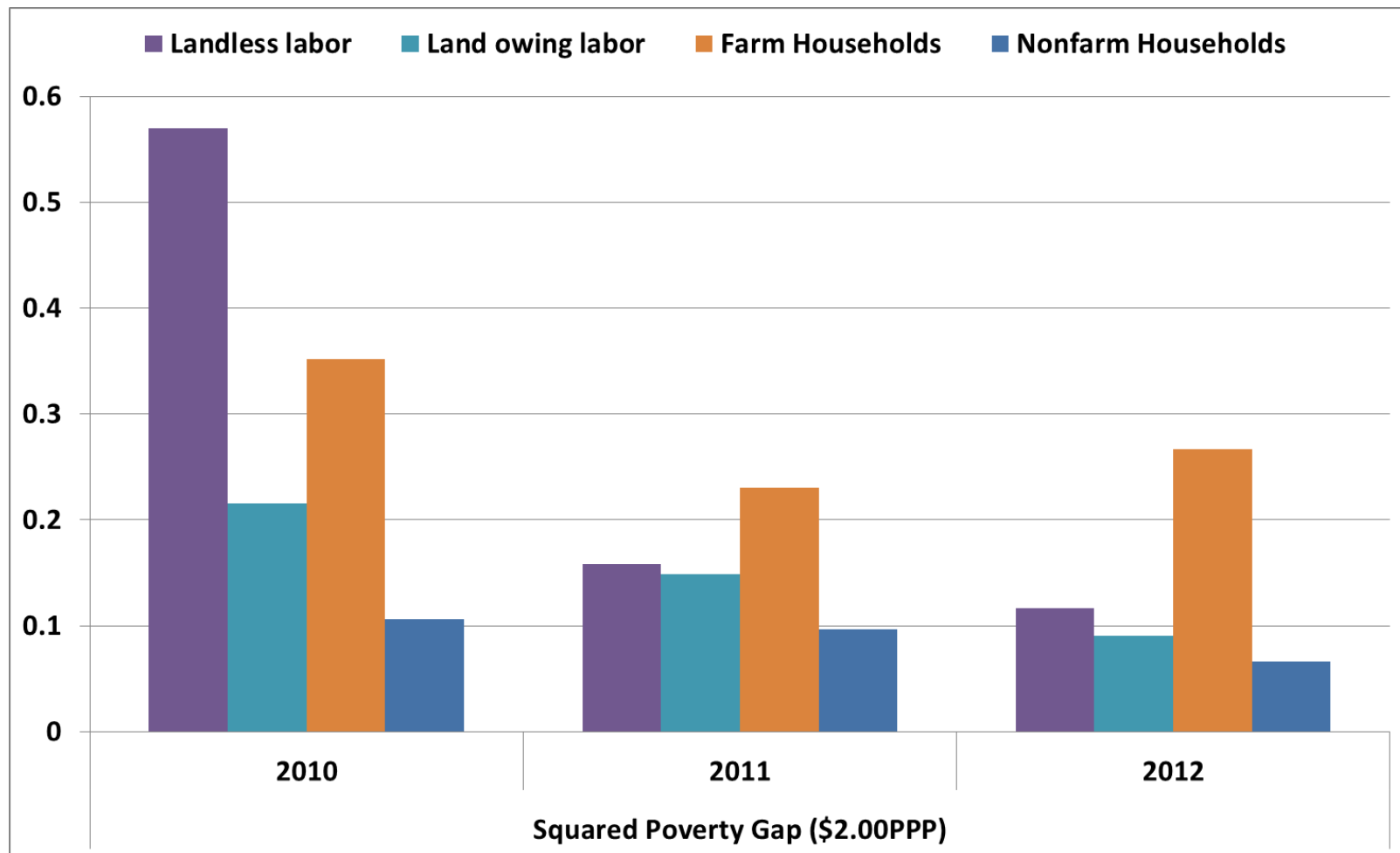
Intensity of Poverty (Poverty Gap) among different occupational categories of sample households in Eastern India, 2010-2012



Severity of Poverty (Squared Poverty Gap) among sample households in Eastern India, 2010-2012



Severity of Poverty (Squared Poverty Gap) among different occupational categories of sample households in Eastern India, 2010-2012



Conclusion

- **Role of non-farm sector has increased as occupation and employment among rural households in Bihar, Jharkhand and Odisha**
- **Employment days and wage rate for agricultural labors are lower than other occupations**
- **Occupational mobility is higher among labors**
- **Part-time farming has increased among rural households in eastern India**
- **Per capita real income of the households have increased over the last three years**
- **Income from both farm and non-farm sources increased**

Conclusion

- **Income inequality has also increased among all households but varied across states**
- **Using lower poverty line, extent of poverty has reduced in all the states**
- **Using upper poverty line, extent of poverty has reduced in Bihar and Jharkhand but increased in Odisha in 2012**
- **Extent of poverty among labor and small households are still high**
- **Intensity of poverty reduced for all but remained almost same level for farm households**
- **Severity of poverty has increased for farm households but decreased for all others**

Thank you!



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