



EMPLOYMENT OPPORTUNITIES IN KARNATAKA: AN OVER VIEW

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The need to ensure adequate growth in employment opportunities for providing productive employment for the continually growing labour force is widely regarded as one of the most important problems facing the state. The expansion of productive employment is also crucial for sustained poverty reduction, as labour is the main asset for a majority of the poor. Karnataka is basically an agrarian economy where a majority of the population depends on the primary sector. Employment is largely unorganized, rural and non-industrial in nature. Karnataka improved its position in labour force with third highest LFPR in the country. Rural males constituted about 47.6 percent of the total labour force at the all India level, where as it is 41.6 percent in Karnataka. The share of rural females at the all India level was 26.8 percent whereas Karnataka which had significantly high percentage of rural females in labour force (30.0%). Urban Females constituted only 5.5% of the total labour force in the country whereas it was as high as 6.5 percent in Karnataka. In the case of Scheduled Caste and Schedule Tribes (STs), Karnataka had the highest LFPR of 52.1 and 55.1 percent respectively compared to all India average. Education up to primary level has been defined to constitute the category of the least educated. Near about 62 percent of the workers falls into least educated category. If acquisition of at least a middle level education (8 years) is taken as a dividing line, then close to two thirds of the labour force is inadequately educated. If a more strict dividing line say, secondary level (10 years) and above is taken, then 78 percent or more than three-quarters of the labour force is inadequately educated to cope with the challenges of a technologically fast growing economy where acquisition of basic educational skills is a *sin qua non* for a knowledge- based economy. In view of the above, the State Government of Karnataka has taken up the Skill Development as a major development policy since 2008-09. The State Government has also initiated many new initiatives in achieving the targeted goals and objectives of ensuring adequate availability of qualitative skilled man power with social and regional justice

Table-01-Work force

SECTORS	WORKFORCE
Agricultural(age group-15 and above)	81%
Trade	27%
Hotels &restaurant	22%
Manufacturing Sectors	22%
Public Administration	17%

The distribution of workers across industry suggests that agriculture is the most important sector wherein 81 per cent of workers in the age-group of 15 years and above are engaged for their livelihoods in rural Karnataka. In urban, 27 percent of workers in Trade, Hotels and restaurant and 22 percent of workers in Manufacturing, and 17 percent Public administration etc. are engaged according to NSS data. Fifth Economic Census data reveals that the total number of persons usually working in establishments comprising of Agricultural and Non-Agricultural activities registered an increase of 20.79% from 52.53 lakh persons in 1998 to 63.46 lakh in 2005. The organized sector employment has increased by 0.26 per cent. Provisional figures under various State government programmes show that 3.90 crore mandays of wage employment have been generated between April 2010 and September 2010. In 2009-10, an estimated 3.74 lakh of additional employment is expected to be generated in the state. The number of job seekers measured by live register figures of employment exchanges has decreased by 6.34 per cent between April 2010 and September 2010. Karnataka's child workforce has been witnessing decline in the last two decades, both in terms of magnitude and workforce participation rates. Both Census and NSS sources show that there has been a decline in the magnitude of child labour in Karnataka. However, it is important to note that the child marginal workers are increasing over a period of time according to census. Child workforce in the age category of 5-9 has recorded a sharp decline as against the 10-14 age groups according to NSS evidence.

1. Population, Labour Force and Participation Rates

The state-wise distribution of population and labour force in 2014-15 along with the LFPR is given in Annexure 1. Karnataka improved its position in labour force with third highest LFPR in the country. The composition of labour forces by location and sex in 2014- 15 is given in Table 3.1 and the percentage distribution is given in Table 3.2. Rural males constituted about 47.6 percent of the total labour force at the all India level, where as it are 41.6 percent in Karnataka. The share of rural females at the all India level was 26.8 percent whereas Karnataka which had significantly high percentage of rural females in labour force (30.0%). Urban Females constituted only 5.5% of the total labour force in the country whereas



it was as high as 6.5 percent in Karnataka. In the case of Scheduled Caste and Schedule Tribes (STs), Karnataka had the highest LFPR of 52.1 and 55.1 percent respectively compared to all India average of 43.75percent (SC) and 50.49 percent (ST) respectively. The above and below state average figure over the period time is given in Table 1to3

Table2.:DIstribution of Labour Force (million) by Sector & Sex 2014-15

Location	Gender	Karnataka	All India
Rural	Males	11.38	221.98
Rural	Female	8.18	125.09
Rural	Persons	19.56	347.07
Urban	Males	5.9	93.96
Urban	Female	1.77	25.25
Urban	Person	7.67	149.71
All	Males	17.28	315.94
All	Females	9.92	150.83
Total	Persons	27.23	466.78

Table 3.Percentage Distribution of Labour Force by Sector & Sex, 2014-15

Location	Gender	Karnataka	Total
Rural	Male	41.79%	47.56%
Rural	Female	30.02%	26.8%
Urban	Male	21.67%	20.13%
Urban	Female	6.51%	5.52%
All	Male	63.46%	67.69%
All	Female	36.54%	32.31%
Total	Person	100%	100

Source:NCEUS-2014.

2. Labour Force by Education

There is no doubt that the problem of illiteracy among the labour force is fairly generalized for the country as a whole. But, the problem needs to be viewed as one of low education indicating a level of education that is adequate for absorption of information, acquisition of some level of formal training and maintaining one's own accounts with respect to wages and other transactions. Accordingly, education up to primary level has been defined to constitute the category of the least educated. Near about 62 percent of the workers falls into least educated category . If acquisition of at least a middle level education (8 years) is taken as a dividing line, then close to two thirds of the labour force is inadequately educated. If a more strict dividing line say, secondary level (10 years) and above is taken, then 78 percent or more than three- quarters of the labour force is inadequately educated to cope with the challenges of a technologically fast growing global economy where acquisition of basic educational skills is a sin qua non for a knowledge-based economy.

According to NSS evidence, between 1983 and 2014-15, the reduction in the percentage of illiterates among rural labour force was 17.1 percentage and 16 percent in urban areas in Karnataka.

3. Sectoral Distribution of Workers

The distribution of workers across industry suggests that agriculture is the most important sector wherein 81 per cent of workers in the age-group of 15 years and above are engaged for their livelihoods (Figure:1) in rural Karnataka. In urban, 27 percent of workers in Trade, Hotels and restaurant and 22 percent of workers in Manufacturing are engaged according to NSS data. Fifth Economic Census 2005 data on employment shows that the number of total establishments comprising of Agricultural and Non-Agricultural activities increased from 19.12 lakh in 1998 (Fourth Economic Census) to 25.39 lakh in 2005 or by 32.81%. Correspondingly, the total number of persons usually working in establishments registered an increase of 20.79% from 52.53 lakh persons to 63.46 lakh persons. During the same period, the number of Own Account Establishments increased by 35.67% and the Establishments with at least one hired worker by 28.07%. The Agricultural employment was increased from 7.22 lakh persons to 8.13 lakh persons or by 12.57% during the period 1998-2005. Corresponding increase in the Non-Agricultural employment was 22.10% i.e., from 45.31 lakh to 55.32 lakh persons. The population of hired workers was increased by 28.86% in Non-Agricultural Establishments with at least one hired worker over a period of seven years from 1998 and it was decreased by -9.11% in the case of Agricultural Establishments with at least one hired worker. The average number of workers per establishments (other than crop production and plantation) was 3 during 1998 and 2005.



With regard to total female employment it is noticed that 30.96% increase between the period 1998 and 2005. In respect of female employment, in Agricultural Establishments the increase was 13.55%, whereas the increase in Non-Agricultural female employment is 35.63%. The share of female employment to the total employment was increased from 24.63% to 26.70% between the period 1998 and 2005. In respect of children working in Establishments, there was a steep shortfall in employment between 1998 and 2005 by as much as 59.53% in Agricultural Establishments and 67.18% in Non-Agricultural Establishments. Overall there is a decline in child labour by 65.54% in seven years (between 1998 and 2005).

Rural and Urban

Among the districts Bangalore Urban District has provided maximum number of employment 12.48 lakhs to an extent of 19.66% of the total, 5.37 lakhs persons have been provided employment in Mysore district 8.46%, followed by Belgaum 4.42 lakh (6.97%) and Dakshina Kannada with 3.52 lakh (5.55%) persons.

The number of employed persons in other districts is as follows. Bellary 2.11 lakh, Shimoga 2.10 lakh, Tumkur 2.90 lakh, Kolar 3.48 lakh, Bangalore Rural 2.96 lakh, Mandya 2.22 lakh, Hassan 2.01 lakh, Koppal 0.90 lakh, Gadag 0.99 lakh, Kodagu 0.43 lakh and Chamarajanagar 0.81 lakh.

So far, as distribution of hired workers by districts is concerned, it is seen that again Bangalore Urban 27.49%, Mysore 8.37%, Belgaum 6.02%, Kolar 4.59% and Dakshina Kannada 4.28% are the major contributory districts of the State. Other six districts viz., Dharwad 1.04 lakh, Bellary 1.05 lakh, Shimoga 1.12 lakh, Tumkur 1.24 lakh, Bangalore Rural 1.36 lakh, Hassan 1.03 lakh each have contributed employment to more than a lakh persons. In the remaining 16 districts, contribution to employment is less than lakh-hired workers each. Hired workers in Agricultural Establishments with atleast one hired worker are maximum in Mysore district 0.53 lakh. Hired workers in Non-Agricultural Establishments with atleast one hired worker is high in the districts of Bangalore Urban 9.41 lakh, Mysore 2.35 lakh and Belgaum 2.01 lakh. Comparison of Economic Census 1998 & 2005.

4. Unemployment: According to NSS data 2014-15,

1. Overall unemployment rates of Karnataka are not high compared to all India Level during 2014-15;
2. The urban rates are higher than the rural rates;
3. The unemployment rates for females are higher than those for males, and highest among urban females.

The number of job seekers as per the live register figures of employment exchanges was 5.28 lakh in September 2010 compared to 5.64 lakh at the end of March 2010, a decrease of 6.34 per cent. During the corresponding period in the previous year the number of job seekers had decreased by 10.64 per cent. As compared to previous year there is slightly increase in post-Graduates and ITI Apprenticeship, Other Certificate holders. There has been a decline in the registrations in Below Matriculation 7.87 percent followed by Matriculation and stenographers 7.73 percent and Graduates 5.00 percent. Registrants on the live registers of Employment exchanges in Karnataka.

5. Placements and Vacancies

Between April 2010 and September 2010, only 3900 placements were made (650 on an average every month). During the corresponding period of the previous year this number was about 214 (36 on an average per month). The number of placements was 0.74 per cent of the total registrations at the end of September 2010. During the year 2009-10, 2990 placements were made (498 on an average every month). 5683 vacancies have been notified during the current year up to September 2010 (947 on an average every month) compared to 1124 during the corresponding period of the previous year (187 on an average every month). The number of vacancies notified has increased to 1.08 per cent of registrations as compared to 0.20 per cent during the corresponding period of the previous year. During the year 2009-10, 6761 vacancies have been notified (563 on an average every month).

6. Additional Employment

Employment generation has been estimated based on three factors viz., income, employment elasticity over a period of years and anticipated estimates of gross state domestic product for the 2009-10. For 2009-10, it is 271.00 lakh compared to 266.58 lakh in the previous year.

7. Child Labour

Karnataka's child workforce has been witnessing decline in the last two decades, both in terms of magnitude and workforce participation rates. According to National Sample survey (NSS), the number of child labour in Karnataka was 12.71 lakhs in 1993-94, 8.31 lakhs in 1999-2000 and 5.71 lakhs in 2004-05. NSS sources show that Karnataka's child workforce has been witnessing a decline over the last two decades, both in terms of magnitude and workforce participation rates.



Both Census and NSS sources show that there has been a decline in the magnitude of child labour in Karnataka. However, it is important to note that the child marginal workers are increasing over a period of time according to census. Child workforce in the age category of 5-9 has recorded a sharp decline as against the 10-14 age group according to NSS evidence .

8. Employment in the Organised Sector

Employment in Public and Private Sector Organised sector employment in the state has increased by 0.98% from 22.85 lakh at the end of March 2010 to 22.91 lakh at the end of June 2010 adding 0.06 lakh additional jobs. Public sector employment accounts for 10.66 lakh (46.51 per cent) and private sector for 12.25 lakh (53.49 per cent), while the former has increased slightly by 0.36 per cent, where as latter has increased 0.17 per cent between April and June 2010.

Branch wise comparison shows that employment in the State Government and State Government (Quasi) has increased from 5.71 to 5.76 lakh and 1.61 to 1.62 respectively from March 2010 to June 2010. Central Government (quasi) and Central Government employment has decreased from 1.645 lakh to 1.637 lakh and 0.974 lakh to 0.966 respectively from March 2010 to June 2010. Employment in local bodies remains constant. Employment in public sector has increased from 10.61lakh in march 2010 to 10.66 in June 2010

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