



## IMPACT OF RURAL NON-FARM EMPLOYMENT AND FACTORS BEHIND THE GROWTH OF RURAL NON-FARM EMPLOYMENT- EVIDENCE FROM THE HOUSEHOLD SURVEY IN WEST GODAVARI DISTRICT OF ANDHRA PRADESH

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### Abstract

*The present paper is an attempt to study the impact of rural non-farm employment on the standard of living of the sample rural non-farm workers from eight villages of West Godavari district. It also attempts to find out the factors behind the growth of non-farm employment in the study villages. A sample of 845 respondents were administered a structured schedule, and the data was collected, quantified, analyzed and interpreted. The study reveals the fact that level of income, expenditure and standard of living of rural non-farm workers increased after entering into non-farm employment as the non-farm sector is capable of providing gainful employment and regular income. The study also signifies that the growth of rural non-farm employment in the district is mainly distress oriented or push effect*

### Introduction:

It is a universally accepted fact that agricultural sector is by itself, incapable of creating additional opportunities of gainful employment in the wake of increasing population. In most developing countries like India, the rural labour force is growing rapidly, but employment opportunities are not keeping pace with it. Rural non-farm sector (RNFS) is being given wide recognition in recent years as an instrument for alleviating rural poverty and providing gainful employment to the growing rural workforce. The significance of the Rural Non-Farm Sector can hardly be denied when seen in relation with the increasing saturation in growth of agricultural employment and the growing rural-urban divide in a globalizing

India. The sector helps in creating “insight jobs” associated with higher wages, which can also create opportunities especially for women and can act as the vehicle for reduction of gender gaps in the rural India.(M.Jatav and S,Sen, 2013).

### Definition of Rural Non-Farm Activities:

It is very difficult to identify non-farm activities in rural areas due to variations in definitions. The World Bank (1978) in its publication also mentioned the difficulties in presenting a clear cut classification of farm and non-farm activities due to lack of well-established and consistent set of definitions. Several research scholars have defined the non-farm sector from different point of views.

According to Kumar Manoj (2004), Rural Non-Farm sector takes into account the activities carried on by the rural people. The term 'non-farm' encompasses all the non-crop agricultural activities; it includes manufacturing activities, mining and quarrying, transport, trade and services in rural areas or we can say that 'non-farm' refers to those activities that are not primarily agriculture or forestry or fisheries. However, 'non-farm' does include trade or processing of agricultural products.

According to Mukhopadhyay, Gangopadhyay and Nayas (2008), farm activity means agricultural activity and non-farm activity is used synonymously with non-agricultural activity.

The Census of India categorizes all rural workers into nine 'industrial' categories. Farm workers are those who engages mainly only for 183 days in a year in categories I to III. (I) being cultivators, (II) agricultural labour and (III) is agricultural allied activities i.e. livestock rearing, forestry, fishing, plantation, orchards and allied activities. Non-farming activities consists of: (IV) mining and quarrying; (V) manufacturing, processing, servicing and repairs in household (HH) industry and other than household industry; (VI) construction; (VII) trade and commerce; (VIII) transport, storage and communication and (IX) other services.

According to Mahajan and Fisher (1997), Rural Non-Farm Sector comprises all non-agricultural activities, mining and quarrying, household and non-household manufacturing, processing, repairs, construction, trade, transport and other services undertaking in village and rural towns up to 50000 population undertaken by enterprises varying in size from household own account enterprises all the way to factories.

For our study, we shall define a RNF worker as: 'engaged in non-farm activities', any worker within a household who has, as a primary occupation one or several of the activities covered by the Census of India 1991 occupational categories (IV-IX). In other words, all those who work in a primary occupation in any field of economic activity, other than cultivation or agricultural labour who, in turn, are deemed as 'non-farm workers'.

#### Context of the study:

Agriculture has been a way of life and continues to be the single most important livelihood of the masses in India. It is the main stay of the Indian economy, as it constitutes the backbone of rural India which inhabitants around 70% of total Indian population. But in recent times the share of agriculture in national income has been on the decline. During the post independent period, the share of primary sector in the national income varied from the maximum of 57.20% in 1951 to the minimum of 15.11% in 2011. On the other hand the share of manufacturing sector increased from 8.90% to 31.21% and that of tertiary sector increased from 28.00% to 53.77% during the same period. In Andhra Pradesh also the share of agricultural sector in GSDP is decreasing while that of secondary and tertiary sectors is increasing. The share of primary sector has come down from 63.49% to 34.00% during the period 1960-61 and 2014-15. But in the case of manufacturing and service sectors, it was showing an increasing trend from 11.50% to 22.00% and 25.00% to 44.00% respectively. A significant fact is that the share of agricultural sector in employment generation is also decreasing over the years. During the post independent period, the share of primary sector in employment generation varied between 74.005 to 48.80% during 1972-73 to 2011-12. The share of manufacturing sector in employment increased from 11.2% to 23.45% and that of service

sector increased from 14.65% to 27.75% during the same period. The declining share of agriculture in GNP and employment generation has aggravated the unemployment and under employment situation in India. At this juncture, non-farm sector in terms of increasing shares of manufacturing and service sectors both in national income and employment generation plays a prominent role in rural Indian economy.

The present study is an attempt to find out the impact of non-farm employment on the household income and living standards of Rural Non-Farm Workers in West Godavari District of Andhra Pradesh. It also pays a special attention to find out the factors responsible to access the non-farm employment in the study area.

## Methodology

### Data Base

For the present study, the researcher concentrated only on Rural Non-Farm Employment. The data for the research study were collected from both primary and secondary sources as per the details given below.

### Secondary data sources:

Census data is used for estimating trends in aggregate and sub-sector RNFE at state and district level. The data refers to main workers only, i.e those who had worked for the major part of the year (183 days) or more. The most important secondary data sources are the Census of Andhra Pradesh published by the Census of India (1991, 2001 and 2011), Series-2. NSSO data is also used to some extent. Other data sources are from the Directorate of Economics Statistics, Government of A.P, Hyderabad, from the Centre for Economic and Social Studies (CESS), Hand Book of Statistics, Chief Planning Officer, West Godavari District, Records and Registers maintained by the

DRDA and village panchayats.

### Primary data source:

After identifying the key sectors of the rural non-farm economy and the relative position of the West Godavari district in terms of share of rural non-farm employment in the rural area, a primary survey has been conducted to find out the household level determinants of participation in rural non-farm employment. The researcher has adopted multiple random sampling techniques. West Godavari district consists of four revenue divisions namely Eluru, Narsapuram, Kovvur and Jangareddy Gudem. The researcher purposively selected one mandal from each revenue division where there is more number of non-farm employment. Thus four mandals namely Akividu, Pedapadu, Koyyalagudem and Attili mandals were randomly selected for the study. After selecting the mandals, two villages from each mandal were randomly selected for the field survey. Thus eight villages namely Ajjamuru and Chinakapavaram from Akividu mandal, Kothuru and Koniki villages from Pedapadu mandal, Kommara and Gummampudi from Attili mandal and Vedentapuram and Chopparamannagudem from Koyyalagudem mandal were selected for the survey. 30 per cent of the rural non-farm workers from each village are selected as sample. Total sample respondents from the 8 villages are 845. The data were collected by personally interviewing the selected respondents from the villages with the help of a structured schedule. The schedule was prepared after consultation and discussion with experts. It contains all the objectives and dimensions of the study. The field study has covered both male and female respondents without any discrimination of age, sex, caste and religion.

### Profile of the respondents:

The sample respondents include casual labour (54.67%, permanent labour (8.40%) and self-employed (36.92%). Among the sample respondents, about 32.66% were land owners while 67.34% are landless. The sample covers both genders with 75.38% men and 24.62% women. They belong to different age groups: 20-30(32.67%), 30-40(44.85%), 40-50(14.67%), 50-60(5.91%) and above 60(1.90%). 91% of the respondents are educated but their level of education varies: Illiterates(9.00%), Primary(20.47%), Upper Primary(27.46%), Secondary(24.61%), Inter(12.31%), Degree and above(5.44%) and technical education(0.71%).

### Objectives of the study:

- To find out the impact of non-farm employment on the income and expenditure levels of non-farm workers.
- To find out the factors behind the growth of non-farm employment.
- To find out the impact of push and pull factors on the growth of rural non-farm employment.

### Hypothesis Statements:

- There is a positive correlation between non-farm employment and household income and standard of living
- Poverty and unemployment are the push factors significantly contribution to non-farm employment

### Research Tools:

Research tools are standardized instruments that are necessary to collect data for interpretation and analysis. The present study used both conventional and statistical research tools in the process of gathering data, analyzing the results and finally achieving the stated objectives. In differential analysis, K-S

(Kolmogorov-Smirnov) Statistic was used to test whether there is any significant difference between income of the respondents before and after entering non-farm employment.

### IMPACT OF NON-FARM EMPLOYMENT

Impact of non-farm employment is explained in terms of earning levels and expenditure levels of the non-farm workers in the study area.

### Earning levels of non-farm workers

Level of income is undoubtedly an important determinant of standard of living of the workers. Earning levels decide the level of living of a family. There is a greater scope to maintain a better standard of living if the income levels are optimum. It is also viewed that low levels of income are responsible for poverty and low standard of living.

**Table 1**  
**Earning levels of Casual Labour (462)**

Income per month in Rupees	Before Entering Non-Farm Employment	After Entering Non-Farm Employment
<b>Below 5000</b>	257 (55.62)	84 (18.18)
<b>5000-10000</b>	155 (33.55)	209 (45.24)
<b>10000-15000</b>	42 (9.09)	137 (29.65)
<b>Above 15000</b>	8 (1.73)	32 (6.93)
<b>Total</b>	462 (100)	462 (100)

Table 1 gives the information regarding the monthly income of the casual labour. The table shows that before entering non-farm employment 257 respondents come under the low income category of Rs. Below 5000. Maximum number of respondents i.e., about 55.62% are in this category. 155 respondents (33.55%) come under the income category of Rs.5000-10000. 42 respondents (9.09%) earn

Rs.10000-15000. Only 8 respondents (1.73%) earn above Rs. 15000. It is evident from the fact that most of the respondents (89.17%) earn below Rs. 10000 per month. The reason is that majority of the respondents are daily wage workers and they do not get employment throughout the month. They remain unemployed for two to three days per week.

After entering non-farm employment, the number of respondents come under the low income category of below Rs.5000 is reduced to 18.18 %. The number of respondents in the category of Rs.5000-10000 is increased to 45.24 %. The number of respondents in the category of Rs.10000-15000 is increased to 29.65% and the respondents in the income group of above Rs.15000 are increased to 6.93%. It is evident from the table that the earning levels casual non-farm workers are increased after entering non-farm employment. The reason is that the respondents are able to get employment for 20-25 days per month after entering non-farm employment.

To test whether there is any significant difference between income of the casual non-farm workers before and after entering non-farm employment, **Kolmogorov-Smirnov** test was used.

**H<sub>0</sub>: There is no significant difference between the income of the casual non-farm workers before and after entering non-farm employment.**

(A)

Income per month in Rupees	Before entering Non-Farm employment	C.F	F <sub>B</sub>
Below 5000	257	257	0.162
5000-10000	155	412	0.260
10000-15000	42	454	0.286
Above 15000	8	462	0.292
Total	462	1568	1.000

(B)

Income per month in Rupees	After Entering Non-Farm Employment	C.F	F <sub>A</sub>	D <sub>n</sub>
Below 5000	84	84	0.066	0.096
5000 to 10000	209	293	0.231	0.029
10000 to 15000	137	430	0.339	0.053
Above 15000	32	462	0.364	0.072
Total	462	1269	1.000	0

K-S Statistic :  $D_n = \max |F_A - F_B| = 0.096$ .

The table value for D<sub>n</sub> for n=4 and  $\alpha = 0.05$  is 0.624. Since the table value of D<sub>n</sub> (0.624) is greater than the calculated value of D<sub>n</sub> (0.096), the null hypothesis is accepted. This implies that regarding the income of casual non-farm workers, there is no significant difference between before entering non-farm employment and after entering non-farm employment.

**Table 2**  
**Earning levels of Permanent Labour**

Income per month in Rupees	Before entering Non-Farm Employment	After entering Non-Farm Employment
Below 5000	37 (52.11)	7 (9.86)
5000-10000	19 (26.76)	26 (36.62)
10000-15000	14 (19.72)	34 (47.89)
Above 15000	1(1.41)	4 (5.63)
Total	71 (100)	71 (100)

Table 2 shows the monthly income of the permanent non-farm workers. The table shows that before entering non-farm employment 37 respondents (52.11%) come under the low income category of below Rs.5000. 19 respondents (26.76%) come under the income category of Rs.5000-10000. 14 respondents (19.72%) earn Rs.10000-15000. Only 1 respondent (1.41%) earn above Rs.15000. It is evident from the fact that most of the respondents (78.87%) earn below Rs.10000 per month.

After entering non-farm employment, the number of respondents come under the low income category of below Rs.5000 is reduced to 9.86 %. The number of respondents in the category of Rs.5000-10000 is increased to 36.62 %. The number of respondents in the category of Rs.10000-15000 is increased to 47.89% and the respondents in the income group of above Rs.15000 are increased to 5.63%. The earning levels of permanent non-farm workers increased after entering non-farm employment. It is evident from the table that 84.51% of the respondents earn between Rs.5000- Rs.15000 per month after entering non-farm employment where as it was only 46.48% before entering non-farm employment. The reason is that permanent non-farm workers come under regular employment and they are able to get employment throughout the month and throughout the year.

To test whether there is any significant difference between income of the permanent non-farm workers before and after entering non-farm employment, **Kolmogorov-Smirnov** test was used.

**H<sub>0</sub>: There is no significant difference between the income of the permanent non-farm workers before and after entering non-farm employment.**

(A)

Income per month in Rupees	Before Entering Non-Farm Employment	C.F	F <sub>B</sub>
Below 5000	37	37	0.158
5000-10000	19	56	0.239
10000-15000	14	70	0.299
Above 15000	1	71	0.303
Total	71	234	1.000

(B)

Income per month in Rupees	After Entering Non-Farm Employment	C.F	F <sub>A</sub>	D <sub>n</sub>
Below 5000	7	7	0.039	0.119
5000-10000	26	33	0.185	0.054
10000-15000	34	67	0.376	0.077
Above 15000	4	71	0.399	0.096
Total	71	178	1.000	0

K-S Statistic :  $D_n = \max |F_A - F_B| = 0.119$ .

The table value for D<sub>n</sub> for n=4 and  $\alpha = 0.05$  is 0.624. Since the table value of D<sub>n</sub> (0.624) is greater than the calculated value of D<sub>n</sub> (0.119), the null hypothesis is accepted. This implies that regarding the income of permanent non-farm workers, there is no significant difference between before entering non-farm employment and after entering non-farm employment.

**Table 3**  
**Earning levels of Self- Employed (312)**

Before Entering Income per month in Rupees	Non-Farm Employment	After Entering Non-Farm Employment
<b>Below 5000</b>	153 (49.09)	31 (9.94)
<b>5000-10000</b>	110 (35.26)	41 (13.14)
<b>10000-15000</b>	35 (11.22)	188 (60.26)
<b>Above 15000</b>	14 (4.48)	52 (16.66)
<b>Total</b>	312 (100)	312 (100)

Table- 3 gives the information regarding the earning levels of self-employed non-farm workers. Before entering non-farm employment 153 respondents (49.04%) come under the low income category of below Rs.5000. 110 respondents (35.26%) come under the income category of Rs.5000-10000. 35 respondents (11.22%) fall under the category of Rs.10000-15000. Only 14 respondents (4.48%) earned above Rs.15000 per month. It is evident from the table that 84.30 % of the respondents earn below Rs.10000 per month before entering non-farm employment.

After entering non-farm employment, the number respondents in the low income category of below Rs.5000 is reduced to 9.94 % and that of Rs.5000-10000 category also reduced to 13.14%. The number of respondents in high income categories of Rs, 10000-15000 and above Rs.15000 is increased to 60.26% and 16.66 % respectively. It is evident from the table that the earning levels of self-employed workers increased considerably after entering non-farm employment. Among the earning levels of

three types of labour i.e. casual labour, permanent labour and self-employed, the number of respondents in the low income category of below Rs.5000 is high before entering non-farm employment. After entering non-farm employment, the number of respondents in the low income category of below Rs.5000 is reduced and the number of respondents in the second and third categories is increased.it is evident from the table that in these two categories i.e. of Rs.5000-10000 and Rs.10000-15000, there is a significant change in the earning levels. A slight increase in the earning level is observed in the last category of above Rs.15000.

To test whether there is any significant difference between income of the self-employed non-farm workers before and after entering non-farm employment, Kolmogorov-Smirnov test was used.

**H<sub>0</sub>: There is no significant difference between the income of the self-employed non-farm workers before and after entering non-farm employment.**

(A)

Income per month in Rupees	Before Entering Non-Farm employment	C.F	F <sub>B</sub>
<b>Below 5000</b>	153	153	0.149
<b>5000-10000</b>	110	263	0.256
<b>10000-15000</b>	35	298	0.291
<b>Above 15000</b>	14	312	0.304
<b>Total</b>	312	1026	1.000

(B)

Income per month in Rupees	After Entering Non-Farm Employment	C.F	F <sub>A</sub>	D <sub>n</sub>
Below 5000	31	31	0.046	0.103
5000-10000	41	72	0.107	0.149
10000-15000	188	260	0.385	0.094
Above 15000	52	312	0.462	0.158
Total	312	675	1.000	0

K-S Statistic:  $D_n = \max |F_A - F_B| = 0.158$ .

The table value for  $D_n$  for  $n=4$  and  $\alpha = 0.05$  is 0.624. Since the table value of  $D_n$  (0.624) is greater than the calculated value of  $D_n$  (0.158), the null hypothesis is accepted. This implies that regarding the income of self-employed non-farm workers, there is no significant difference between before entering non-farm employment and after entering non-farm employment.

In general, it is inferred that due to prevailing severe unemployment situation in farm sector, people are shifting from farm to non-farm employment. Even though people are getting employment in the non-farm sector, their income is more or less the same as they get in farm sector because majority of them are belonging to casual labour force. But people are able to get regular income in non-farm sector when compared to farm sector. Therefore it can be concluded that there exists a positive correlation between non-farm employment and the household income and standard of living.

#### Expenditure Levels of Non-Farm Workers

Level of expenditure is an important indicator of wealth status and standard of living of the workers. Earning levels decide the level of living of a family. The average amount spent per month on various goods

and services by the households shows the wellbeing of the household members. There is a greater scope to maintain a better standard of living if the expenditure levels are optimum. It is also viewed that low levels of expenditure are the indicators of poverty and low standard of living.

**Table 4**  
**Expenditure levels of Casual Labour**

Expenditure per month in Rupees	Before entering Non-Farm employment	After entering Non-Farm Employment
Below 2000	302 (65.37)	175 (37.88)
2000-4000	138 (29.87)	220 (47.62)
4000-6000	16 (3.46)	47 (10.17)
Above 6000	6 (1.30)	20 (4.33)
Total	462 (100)	462 (100)

The amount of expenditure on various food and non-food items differs depending on size and nature of the family. Table 4 shows the total monthly expenditure of casual labour on various food and non-food items. Before entering non-farm employment, 65.37% of the respondents (302 persons) spend merely below Rs.2000 per month, 29.87% of the respondents (138 persons) spend Rs.2000-4000 and 3.46% of the respondents (16 persons) spend Rs.4000-6000 per month. Only 1.30% of the respondents spend above Rs.6000 per month. It is evident from the table that the expenditure level of casual labour is low before entering non-farm employment. This is because of the low level of employment and low level of income of the casual labour.

After entering non-farm employment the respondents spend below Rs.2000 per month is decreased to 37.88% as against 65.37% before entering non-farm

employment. The number of respondents spending Rs.2000-4000 per month increased to 47.62% as compared to 29.87% before entering non-farm employment. The table shows that the number of respondents spending Rs. 4000-6000 and above Rs.6000 increased to 10.17% and 4.33% respectively as against 3.46% and 1.30% before entering non-farm employment. It is evident from the table that the spending capacity of the respondents is increased after entering into non-farm employment. The increase is high in the category of Rs.2000-Rs.4000. The spending capacity of the respondents is also high in the category of Rs.4000-Rs.6000. the reason is that they can get more employment days in non-farm employment when compared to farm employment. High level of employment and high level of income leads to high level of purchasing power of the workers.

**Table 5**

**Expenditure levels of permanent Labour**

Expenditure per month in Rupees	Before entering Non-Farm Employment	After entering Non-Farm Employment
<b>Below 2000</b>	32 (45.07)	12 (16.90)
<b>2000-4000</b>	27 (38.03)	21 (29.58)
<b>4000-6000</b>	11 (15.49)	33 (46.48)
<b>Above 6000</b>	1 (1.41)	5 (7.04)
<b>Total</b>	71 (100)	71 (100)

The information regarding the expenditure levels of permanent non-farm workers is given in table 5. The table shows that before entering non-farm employment, 45.07% of the respondents spend below Rs.2000 per month, 38.03% of the respondents spend Rs.2000-4000 and about 15.49% of the respondents spend Rs.4000-6000 per month. It is observed from the table that only 1.41% of the respondents spend above Rs.6000 per month. The table shows that maximum number of

respondents i.e. about 83.10% are in the categories of below Rs.2000 and Rs.2000-4000 per month. Low level of income is responsible for low level of expenditure in these categories.

After entering non-farm employment, only 16.90% of the respondents fall under the category of below Rs.2000 per month. The number of respondents in the category of Rs.2000-4000 is reduced from 38.03% to 29.58%. The number of respondents in the category of Rs.4000-6000 is increased to 46.48% as against 15.49% before entering non-farm employment. It is observed that about 7.04% of the respondents spend above Rs.6000 per month. It is evident from the table that significant percent of the respondents i.e. about 76.06% spend between Rs2000-6000 per month. This indicates that after entering non-farm employment the spending capacity of the respondents is increased considerably. The reason is that the permanent labour is able to get regular employment and income in non-farm sector.

**Table -6**

**Expenditure levels of Self-employed**

Expenditure per month in Rupees	Before Entering Non-Farm Employment	After Entering Non-Farm Employment
<b>Below 2000</b>	124 (39.78)	90 (28.85)
<b>2000-4000</b>	159 (50.96)	109 (34.94)
<b>4000-6000</b>	25 (8.01)	98 (31.41)
<b>Above 6000</b>	4 (1.28)	15 (4.80)
<b>Total</b>	312 (100)	312 (100)

Table 6 gives the information regarding the expenditure levels of self-employed labour. The table shows that before entering non-farm employment 39.75% of the respondents spend below Rs.2000 per month,

50.96% of the respondents spend Rs.2000-4000 and about 8.01% of the respondents spend Rs.4000-6000 per month. It is evident from the table that the number of respondents spending more than Rs.6000 per month is only about 1.28%. the table shows that about two thirds of the respondents' spending capacity is low.

The purchasing power of the respondents is increased after entering non-farm employment. The number of respondents spending below Rs.2000 per month is reduced to 28.85% as against 39.75% before entering non-farm employment. The number of respondents spending Rs.2000-4000 per month is also reduced to 34.94%. as against 50.96% before entering non-farm employment. It is observed from the table that the number of respondents spending Rs.4000-6000 per month is increased from 8.01% to 31.41% after entering non-farm employment. The number of respondents spending above Rs.6000 per month is also increased to 4.80% as against 1.28%.

Level of income and expenditure levels are considered to be the main determinants of standard of living. In this study, it is found that the standard of living of the sample non-farm workers increased slightly as compared to before entering non-farm employment. No vast differences are found in the standard of living of the non-farm workers.

#### FACTORS BEHIND THE GROWTH OF RURAL NON-FARM EMPLOYMENT IN THE STUDY AREA

Non-farm employment is gaining prominence in rural areas of Andhra Pradesh as well as in India in recent times. The factors behind the growth of rural non-farm employment can be divided into two. They are push factors like poverty, unemployment etc., and pull factors like education, urbanization etc. The study proposes to pursue the research

question whether the growth of Rural Non-Farm employment in West Godavari district is caused by push factors or pull factors. In the field study information has been collected for the contemporary growth of non-farm employment in the rural areas.

**Table- 7**  
**Factors led to Rural Non-Farm Employment**

Activity	Factors led to Non-farm Employment		Total
	Pull Effect	Push Effect	
Manufacturing and Processing	78	158	236
	33.05	66.95	100
	29.55	27.19	27.93
Trade and Commerce	113	221	334
	33.83	66.17	100
	42.80	38.04	39.53
Manual And Mechanized transport	18	49	67
	26.87	73.13	100
	6.82	8.43	7.93
Repair Services	21	71	92
	22.83	77.17	100
	7.95	12.22	10.88
Other Services	34	82	116
	29.31	70.69	100
	12.88	14.11	13.73
Total	264	581	845
	31.24	68.76	100
	100	100	100

The data pertaining to the factors behind the growth of rural non-farm employment is provided in table 7. The data shows that 68.76 per cent of respondents' entry into non-farm activities was the stress induced or push affect oriented and 31.24 per cent of respondents' entry was pull effect oriented. The data reveals the fact that in almost all categories of rural non-farm activities in the study area, employment growth is mainly push effect oriented. Factors like poverty, low wages in the farm sector, non-availability of employment in the farm sector etc., mainly induced the respondents to

join in the non- farm activities. Pull factors like growing urbanization, education, welfare policies of the Government and certainty of income also inducing the respondents to go for non- farm activities.

**Table-8**  
**Effect of Pull Factors**

Activity	Pull Factor				Total
	Urbanization	Education	Welfare policies of the Govt.	Certainty of Income	
Manufacturing and Processing	8	25	3	42	78
	10.26	32.05	3.85	53.84	100
	27.59	30.86	30.00	29.17	29.55
Trade and Commerce	11	37	5	60	113
	9.73	32.74	4.42	53.11	100
	37.93	45.68	50.00	41.66	42.80
Manual and Mechanized transport	3	5	1	9	18
	16.67	27.78	5.55	50.00	100
	10.34	6.17	10.00	6.25	6.82
Repair Services	2	4	0	15	21
	9.52	19.05	0.00	71.43	100
	6.90	4.94	0.00	10.42	7.95
Other Services	5	10	1	18	34
	14.70	29.41	2.94	52.94	100
	17.24	12.35	10.00	12.50	12.88
Total	29	81	10	144	264
	10.98	30.68	3.79	54.55	100

Information regarding the contribution of various pull factors for the growth of rural non-farm employment is furnished in Table 8. It is observed that among the pull factors inducing the growth of non- farm employment in the study area, certainty of income contributes about 55 per cent, education contributes about 30 per cent, urbanization contributes about 10 per cent and government policies contribute about 4 per cent. This phenomenon is observed for almost

all categories of non-farm activities in the study area.

**Table-9**  
**Effect of Push Factors**

Activity	Push Factor				Total
	Poverty	Unemployment	Under Employment	Natural Calamities	
Manufacturing and Processing	87	41	26	4	158
	55.06	25.95	16.45	2.54	100
	27.19	26.97	27.66	26.66	27.19
	120	59	33	9	221
Trade and Commerce	54.30	26.70	14.93	4.07	100
	37.50	38.81	35.11	60.00	38.04
	25	14	9	1	49
Manual and Mechanized transport	51.02	28.57	18.37	2.04	100
	7.81	9.22	9.57	6.67	8.43
	41	17	13	0	71
Repair Services	57.75	23.94	18.31	0.00	100
	12.81	11.18	13.83	0.00	12.22
	47	21	13	1	82
Other Services	57.32	25.62	15.84	1.21	100
	14.69	13.82	13.83	6.67	14.11
	320	152	94	15	581
Total	55.08	26.16	16.18	2.58	100
	100	100	100	100	100

Information regarding the contribution of various push factors for the growth of rural non-farm employment in the study area is furnished in Table 9. As far as the push factors behind the growth of non-farm employment are concerned poverty contributes about 55 per cent followed by unemployment with 26.16 per cent, under employment with 16.18 per cent and natural calamities with 2.58 per cent.

Thus the analysis signifies that the growth of rural non-farm employment in the district is mainly distress oriented or pushes effect oriented.

#### Findings and suggestions

The findings from the current study in regard to first objective reveals that even though people are getting employment in non-farm sector, their level of income and expenditure is slightly increased as majority of them are belonging to casual labour force. But people are able to get regular income in non-farm sector when compared to farm sector. Pertaining to second and third objectives, the study reveals that the growth of rural non-farm employment in the district is mainly distress oriented or push effect oriented. Poverty, unemployment and under employment are the major push factors and certainty of income and level of education are the major pull factors for the growth of rural non-farm employment. Under these circumstances, it is suggested that the government intervention is urgently required to sustain the growth of rural non-farm employment which in turn can reduce the severity of poverty and unemployment in rural areas.

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