

Research Article

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Human Capital and Poverty in Informal Sector in Urban Odisha: Regional Perspective

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Abstract

Keywords

Employment,
Informality,
Human capital,
Poverty,
Region,
Odisha

Informalisation in Indian labour market seems perpetual and persistently higher in last couple of years. Interestingly, informal workers in formal sector gradually increases from 20.5 percent in 1990, 29.1 percent in 2004-5 and 36.7 percent in 2011-12. This indicates that formal sector dependency of the informal worker seems increases due to multiple reasons. For instance, hiring the temporary employee favours to deflate the wage of formal permanent workers. However, the share of informal worker in informal sectors remain higher throughout the period of 1990 to 2011.

The present paper has two major objectives. Firstly, analyse the educational attainment of informal sector workers in urban Odisha at regional and industries, and across different employment status such as self-employed, casual and regular workers. Secondly, analyse the economic status through MPCE level. Methodologically, the research draws upon secondary database with the help of NSSO 68th round Employment and unemployment survey, 2011-12. This study found that in both informal and formal sector, among the different categories of segregation in both men and women have huge gap in work participation. The conclusion that emerges from this study is that unless all constituent regions of the country or the state actively participate in the growth process, the attainable growth will remain suboptimal. Despite tremendous resource potential, Odisha continues to be backward and underdeveloped.

1. Introduction

The word “Informal Economy” denotes the both the informal sector and informal employment. NCEUS (2008) recommends to use the word ‘Informal sector’ and ‘Informal employment’ instead of using ‘unorganised’ sector and employment. The term ‘Informal Sector’ denotes the conglomerate of small and tiny enterprises engaged in the production of goods and services as a means for survival (NCEUSa, 2008). Human capital is a measure of the economic value of education and skill acquired by any human being (R. Srivastav, 2016). Within informal sector, if all worker can be segmented by employment status, casual labourers and unpaid family labourer are most vulnerable segment. Beside regular wag or salaried worker are least vulnerable and secure job. From studies by Kundu (1989,1992,2003a,2003b), Kundu, A., & Gupta, S. (1996),Unni and Rani (2001,2009) remarked on the own account worker are most vulnerable

group who exposure to economic insecurity at every stage.

1.1 Concepts and Definitions used in Present Research

Informal Employment (IE):

-) Own-account workers and employers means self-employed in their own informal sector enterprises.
-) Contributing family workers, irrespective of workplace, they work in formal or informal sector enterprises.
-) The employees holding informal jobs in formal sector or informal sector enterprises or as paid worker by households, who have not availed any social security schemes.
-) Own-account workers engaged in the production of goods exclusively for own final use by their households.

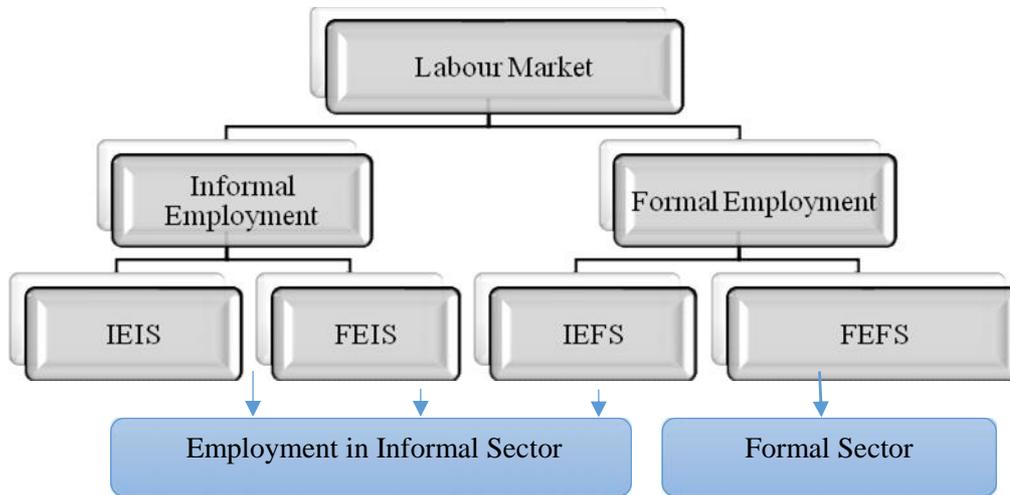


Fig. 1. Schematic View of Labour Market

Source: Developed by Author based on NSSO Report on ‘Employment and Unemployment’, 68thRound.

Employment in Informal Economy: It refers to the combination of informal sector employment and informal employment. Thus, it comprises of

-) Informal employment in informal sector not covered by any social security or not employed permanently or working part-time = IEIS.

-) Informal employment in formal sector not covered by any social security scheme or not employed permanently or working part time = IEFS.
-) Formal employment in informal sector having permanent fulltime employment covered by social security = FEIS.

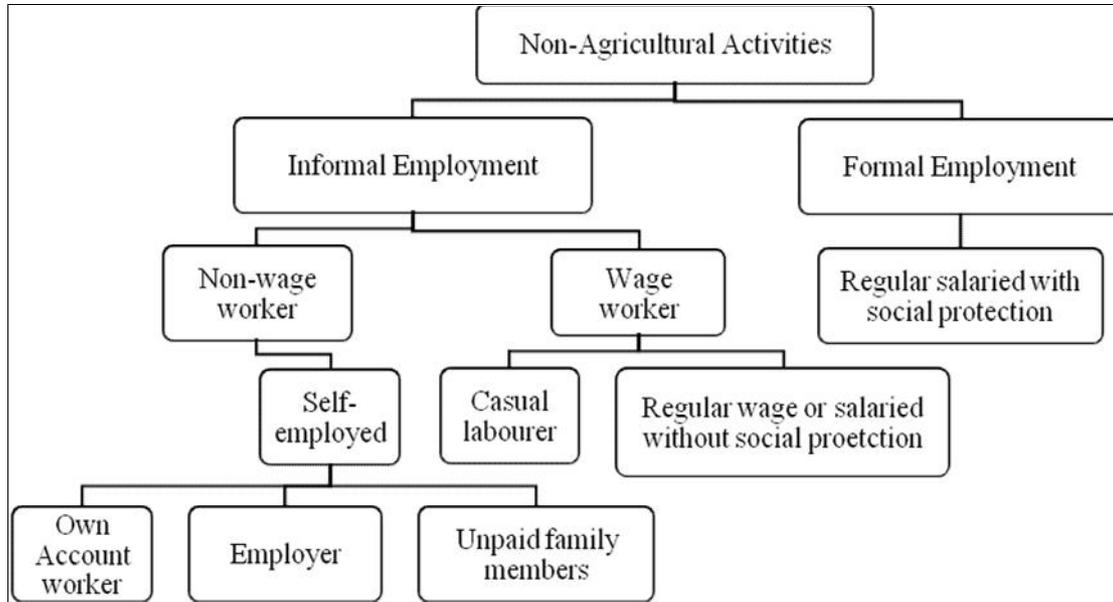


Fig. 2. Categorisation of Formal and Informal Employment

Source: Developed by Author.

2. Literature survey:

Keith Hart coined the term *‘formal’ and ‘informal’* economy in 1973 (Bacchetta & Bustamante, 2009). Hart observed that the economic activities of the low-economic section of the labour force, called urban sub-proletariat with unskilled and illiterate migrant. During the anthropological fieldwork in Accra, Ghana observed the employment outside of the formal sector. He named this employment as informal opportunity. This definition remained within the development framework established by Lewis and his successors. Later on, after Hart’s work published, ILO started to concerns about the informal employment. In 1972, the ILO attempts to systematise the definition of the informal activity for national statistical purposes.

There are two possible causes of growing informalization: (1) labour market rigidities and (2) increasing competition through globalisation. However, there is not much econometric evidence available in support of the view that labour market rigidities are the main cause of increasing employment of contract and temporary workers. Therefore, competition is considered as the important reason of informalisation of industrial labour as the lower wages of informal workers and saving of expenditure on workers' benefits help in reducing cost and thus improving competitiveness (Gupta, 2009; Haan, 1999).

The major school of thoughts on “Informal Economy” categorized into four major groups. The following are discussed below.

Table. 1. Conceptualised Four Schools of Thought Regarding Informal Economy

Schools	Year	Supporters	Perspectives
Dualistic School	1950 and 1960s	ILO World Employment Mission Kenya, 1972	Exclusion from modern economic opportunities due to two imbalances – between two economic sectors.
Structuralist School	1970s` and 1980s`	Manuel Castells and Alejandro Portes, 1989	specific form of relationships of production + unregulated by the institutions of society
The Legalist view	After 1990	Hernando De Soto, 1989	avoidance of fees and penalties and avoidance of taxes and labour laws
Voluntarist School	In 2000s	William Maloney, 2004	way to earn income while avoiding costs of formality

Source: Derived from literature.

2.1. The Dualistic School

In 1950 and 1960s, Dualistic nature of developing economies was emphasized. The Dualistic school perceive the informal sector of the economy as comprising marginal activities, which is distinct from and not related to the formal sector. The informal sector provide income from the poor and safety net in times of crisis. (Hart 1973; ILO 1972; Sethuram 1976; Tokman 1978).

2.2 Structuralist School

This school considered the informal economic activities are as subsidiary economic units. The perception towards informal workers as negative input as low productivity and reduces the labour costs as resulting increases the competition. The supporters of this school are Moser (1978), Castells and Portes (1989). In 1980s, Structuralist tradition view towards informal sector developed. Existence of informal sector was not merely a bad state-policy but dynamic nature constraints and opportunities for capital accumulation (Portes et.al, 1989).

2.3. The Legalist views

The legalist schools view the informal sector as compromised of “plucky” micro-entrepreneurs who choose to operate informally in order to avoid the costs, time and effort of formal

registration and who need property rights to convert their assets into legally recognised assets (De Soto 1989, 2000).

2.4. The Voluntarist School

In 2000s onward, this school of thought is more or less similar to the Legalist school. Voluntarist school perceives the informal entrepreneurs are deliberately try to avoid regulations and taxation but, unlike the legalist school, does not blame the cumbersome registration processes. Main supporter of this school is William Maloney (2004). Here, prime focus is on self-employed, plus micro-entrepreneurship. They can operate informally and easy to avoid taxes.

3. Objectives

The present study seeks to examine the labour quality in informal sector at regional level by classifying the educational attainment levels of the workers into three major groups. First group denoted as basic education in this study that comprise illiterates, literate without formal school and literates below primary education, second group constituents those with primary and middle education are denoted as average or medium educated workers; and last group termed as educated workers those with secondary and above level of education. Second objective is to analyse the economic level of workers by MPCE level.

4. Materials and methods

4.1. Study Area

On India's east coast, the coastal state of Odisha extends from 17.31N latitude to 22.31N latitude and from 81.31E longitude to 87.29E longitude. There are three states that surrounding it: Madhya Pradesh to the west, Bihar to the north, West Bengal to the east, and Andhra Pradesh, which is located to the southeast. The Bay of Bengal is located along its eastern border. The entire state belongs to the Tropical Zone which is grouped into four distinct agroclimatic zones: the Northern plateau (Mayurbhanja, Keonjhar, and Sundargarh districts), the Central Table Land (Bolangir, Sambalpur, and Dhenkanal districts), the Eastern Ghats (South Western districts of Koraput, Phulbani, and Kalahandi), and the Coastal Plain (the most productive and richest agricultural districts of Cuttack, Puri, Ganjam, and Balasore). Odisha is divided into 30 districts and the capital of this state situated in Khordha district (Odisha.gov.in). According to the 2011 census, Odisha's population is roughly 4,19,47,358. The total population in Cuttack and Puri is the highest, while Phulbani is the lowest. And 16 percent of the state's population lives in urban areas.

4.2. Data

The study totally based on secondary database such as unit Level data. These data have been collected from the NSS 68th Round EUS, 2011.

4.3 Method

This study used simple statistical method cartographic technique for the data analysis. In this study, Herfindahl's Index has been used for see the concentration of worker in particular industry. The following formula has been used.

$$H = \sum S_i^2$$

Where, S_i is the share of Worker A in occupation A.

This also applied Coefficient of Variation (%) to find variation of various parameters.

5. Result and Discussion

5.1. Informal Employment in Formal Sector in Urban Odisha

About 10.8 percent of worker in formal sector in Odisha are informal jobholders who are not protected under any employment and social security from employers or organisation, or working not permanent or working part time. In urban areas of Odisha among regions, coastal regions share higher proportion in IEFS around 11 percent, northern region shows 9.5 percent. Besides, southern region of Odisha reporting higher shares informal workers in Formal sector around 14 percent. Because of casual nature of jobs show, around 75 percent and rest are concentrated in regular workers without any employment and social security. Whereas in coastal region, regular worker around 64.5 percent and casual worker is around 35.1 percent. In northern region, share between regular worker and casual worker share nearly equal level.

In urban Odisha, informal employment in formal sector spread out in districts of coastal region. As in earlier chapter provides overview of urbanisation and informal settlement in state which is unequally distributed across state. Coastal belt regions represent higher number of urban population and percentage of slums proportionally higher in Khordha and Cuttack districts. This evidence lead to state that proportion of formal sector must be higher than other regions. 17.8 percent of worker engaged in formal sector in coastal regions does not avail any of social security and exclude from employment security too.

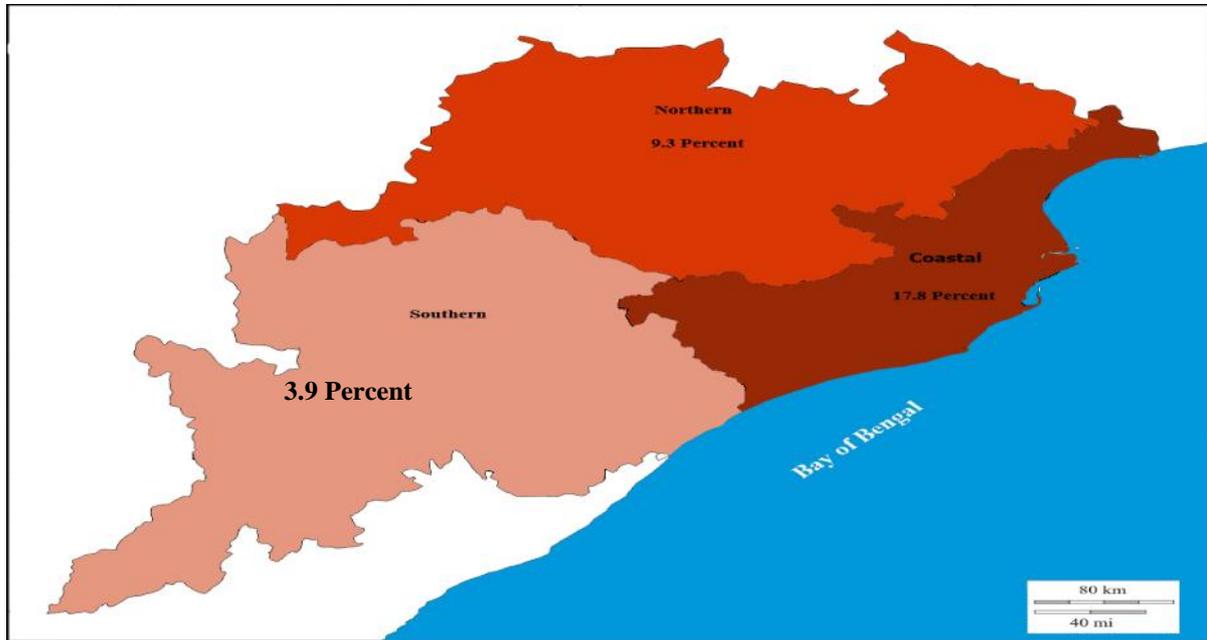


Fig. 3. Informal Employment in Formal Sector in Urban Odisha: 2011-12

Source: Unit Level data, NSS 68th Round EUS, 2011.

5.2. Technical Education and Quality of Worker in ISE:

Marxist to neo-classical theorist emphasis the formal education to technical skill is as the form of concealed labour as capital leads to economic growth (Ravi srivastav, 2008). Human capital drive to diversify the occupations and wage and income level differential (Becker, 1962). The section seeks to examine the technical knowledge of workers in informal sector in Odisha. It is clear that for wage or income uplift and upward mobility of occupation, the formal education and skill play a vital medium or instrument. Generally, Indian labour market characterised by low education and deficit in skill deficit especially in informal sector.

The National Sample Survey on Employment and Unemployment, 68th Round, 2011-12, reveal the technical or formal skill of worker engaged in informal and formal sector. However, these skills are related to the social and economic status of individual. The technical degree of worker is categories into three major group. firstly, those do not any of formal skill or degree are termed as no technical degree, secondly, those have technical

degree termed as technical degree and lastly, those have diploma or certificate course termed as other technical degree.

Informal sector is overflow and bloated with low formal education and skill deficit. It is clearly showing majority of workers does not have any of technical education. Around 97.7 percent of worker fall in this group who acquire no technical degree. Among male, around 97.5 percent and 98.9 percent of female worker have no formal technical education in informal sector in urban Odisha.

In coastal region, among technical degree concentrated around 35.6 percent in urban informal sector as regular worker and 64 percent in formal sector. Within informal sector, self-employment worker has higher technical degree around 75 percent and rest are in regular worker. In southern region, all the technical degree holders working in urban informal sector. If worker with technical degree categorised by employment category, around 82 percent of self-employment with technical degree and only 18 percent of worker those work as regular wage or salaried in informal sector in southern urban

Odisha. in case of northern urban Odisha, the technical knowledge person is completely absent. Those have degree skewed in formal sector work as regular worker in formal sector. However, their condition of employment may be different such informal or formal worker is different issue.

The ‘other technical degree’ term indicates those have diploma or certificate degree on certain subjects. It is easy to demarcate the worker into technical knowledge degree. It is observed from 68th EUS data, majority of worker have diploma or certificate course are fall in the group of unpaid family labour in coastal region around 86.3 percent and only 31.7 percent stand as self-employment category. It can be argued that the coastal region is mushrooming with vocational training institutions than rest of region in Odisha. Hence, the rate of worker with diploma education is surplus than the demand of the labour. This indicate that the requirement of labour with diploma holders in local labour is surplus. Moreover, these surplus labours help the family

business as unpaid family worker, though the rate of self-employment in coastal region is high. In southern and northern region of urban Odisha, worker with other technical education is in better place than coastal region. Because, self-employment is the absorbent of majority of worker those have other technical education (diploma or certificate course).

Gender wise variation in vocational education is persist across the region. Intuitively, male share shows dominance over female in term of technical education and related. Like among worker those have technical degree, male shares 92.7 percent and only 7.3 percent of female worker in urban informal sector. In formal sector, the percentage share of female shows little high around 13 percent. It is also observed that the choice of subject for diploma or technical education vary between gender. Among female worker have technical education from medicine. Among male, the preference of subject for vocational education is in technical or engineering around 53 percent.

Table. 2.Informal and Formal sector Worker with Technical Education in Regional level in Urban Odisha, 2011-12.

	Within Group				Within Region			
	TD		OTD		TD		OTD	
	IS	FS	IS	FS	IS	FS	IS	FS
Coastal	28.5	5.5	13.9	35.7	68.31	31.69	8.86	91.14
Southern	71.5	15.7	50.1	21.0	65.21	34.79	37.36	62.64
Northern	0.0	78.8	36.1	43.3	0.00	100.00	17.23	82.77

Source: Unit level NSS 68th Round EUS, 2011-12.[IS- Informal Sector , FS-Formal Sector ,TD-Technical Degree , OTD-other technical degree]

5.3 Self-employed and Labour Quality:

Self-employment is the largest segment at state level that shares around 37 percent. If the unpaid worker is incorporated into this category, the share rise to 53.7 percent of workforce participation. There is spatial variation between rural-urban self-employment shares. Nearly 86.3 percent of workforce engaged in self-employment

in rural areas of Odisha. However, the pattern of self-employment concentration shows higher in non-agricultural industry in Odisha. Around 52.3 percent of workforce engaged in self-employment at state level. If unpaid family labour is incorporated in this category, more than 60 percent of total workforce are self-employed in informal sector in non-agricultural industry.

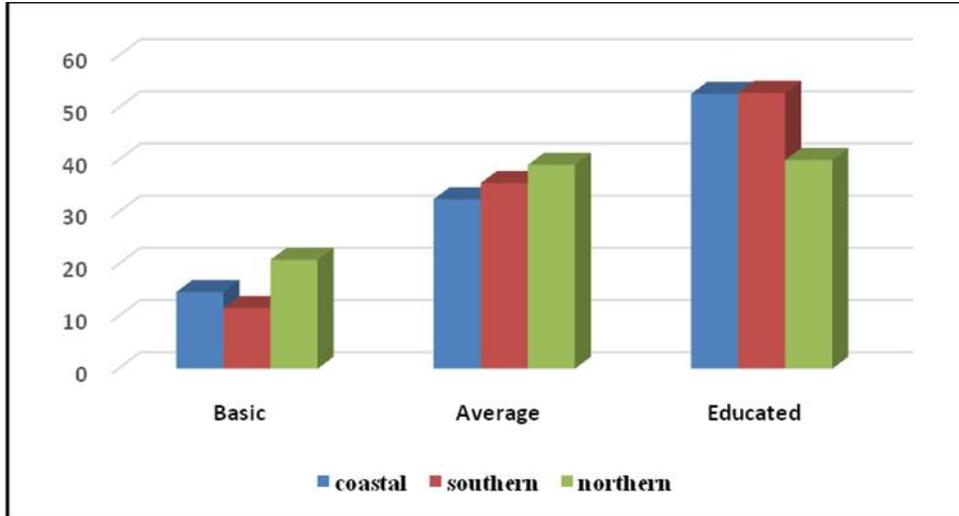


Fig. 4. Labour Quality among Self-employed male worker in Urban Odisha, 2011-12

Source: Unit level NSS 68th Round EUS, 2011-12.

Among self-employed male worker, the pattern is nearly identical in three regions in term of educational level. In other words, majority of male worker have secondary and above level of education that is around more than 50 percent except northern region (40 percent). Similarly, majority of female those involved in self-employed work (more than 70 percent) have very low education i.e. illiterate or literate without formal school or literate below primary educational level. That shows a clear gender gap

in self-employed occupation across region, though there is no clear explanation. It can be argued that the female those have low education engaged in self-employed work reflect many of issues derive associated from their socio-economic set up. Firstly, women enter as compulsion rather than their choice due to the poverty, deprivation, lower strata of the society, or women as single bread winner of the family etc.

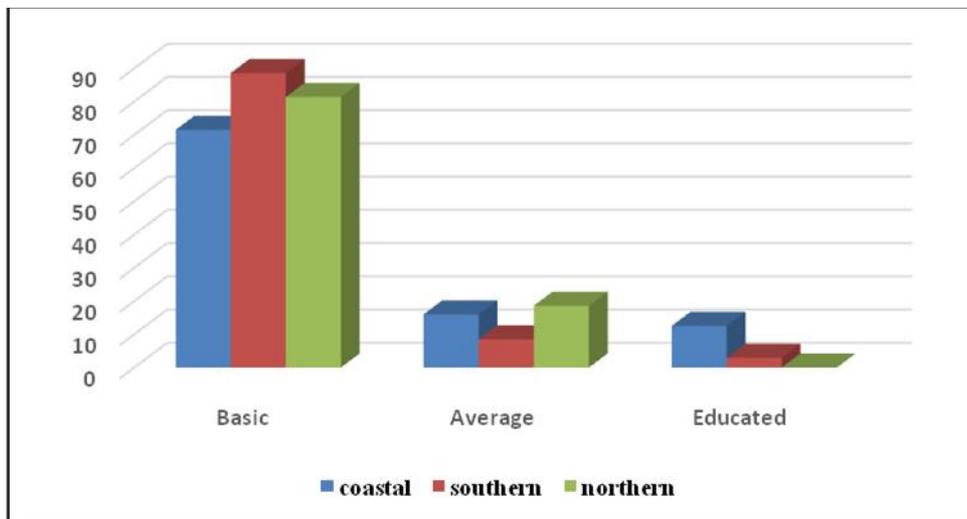


Fig. 5. Labour Quality among Self-employed female worker in Urban Odisha, 2011-12

Source: Unit level NSS 68th Round EUS, 2011-12.

5.4 Unpaid family labour

This segment of worker is considered as non-economic labour and invisible in labour market. Unpaid family labour are completely fall in the group of informal sector. The share of unpaid family labour is around 11.7 percent at state level (non-agricultural activity). Around 12.8 percent of workforce in rural area and 8.9 percent in urban area of Odisha are engaged in unpaid worker. However, the regional variation in unpaid worker is not much difference. In urban areas, coastal region shares 11.5 percent, followed by southern region (8.4 percent) and northern region (5.6 percent). The higher share of UFL is segregate in coastal belts of Odisha. The reason may be related to the surplus labour in local market.

The quality of UFP can be analysed by educational attainment and technical education holder. However, the gender variation in labour quality is marked. Among total UFL, the educated worker shares around 25.3 percent. Majority of workers is in middle level of education. Among

female, three fourth of worker have no formal education or literate below primary education. Educated female employed as UFL is around 1.5 percent. While educated male percentage share higher than two third of total male UFL. The pattern of quality of unpaid labour is remarked clearly. Unpaid women worker with low education worked as compulsion to make family earning differential.

The gender composition in each educational level reveal the quality of labour involved. Among basic education, the percentage share skewed in women side. In other words, more than 90 percent of women across region have very low education. The women concentration in unpaid family labour with basic education is common universal issue. Besides, among middle educational level gender composition indicate biasness. Nearly 95 percent of male in coastal region have middle education, followed by northern region that shares 67 percent. Nevertheless, in southern region shows different pattern among male and female share.

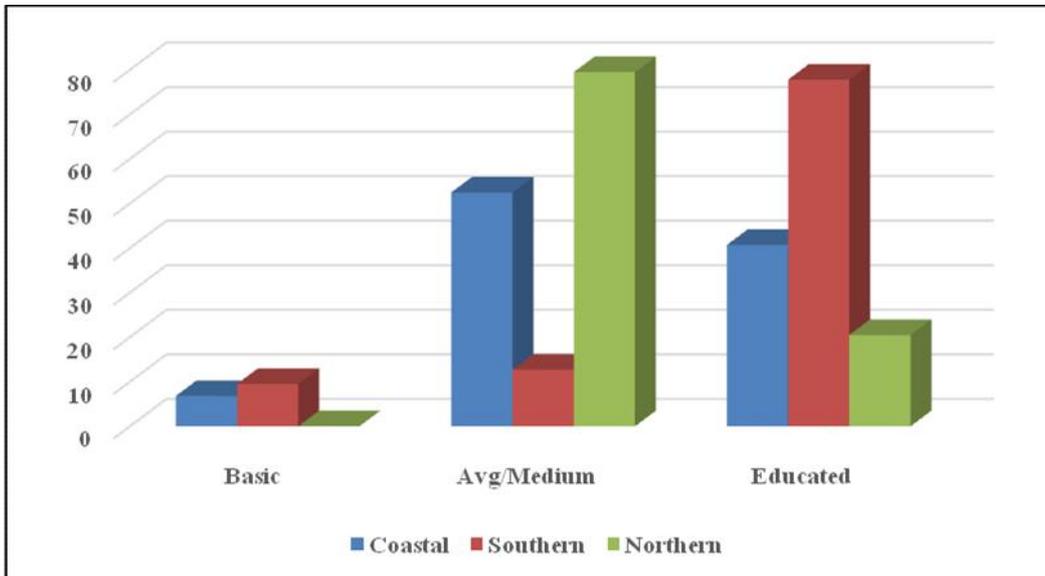


Fig. 6. Labour Quality among Unpaid Male worker in Urban Odisha, 2011

Source: Ibid.

Among ULF with middle education, female worker has middle education as compare to male. Educated worker among ULF shows the heterogeneity persist in informal sector. In all three regions of Odisha shows dominance of educated male worker over female worker. That reflect the nature of job market and the demand of local labour. Besides, the degree of vulnerability is not associated to the educational qualification rather occupation.

If the educational level of unpaid worker categorises by social group, then picture become clear. The coastal region dominated by SC population across all educational level. Similarly, majority of unpaid worker in southern and northern region in urban Odisha belong to other backward caste and schedule caste.

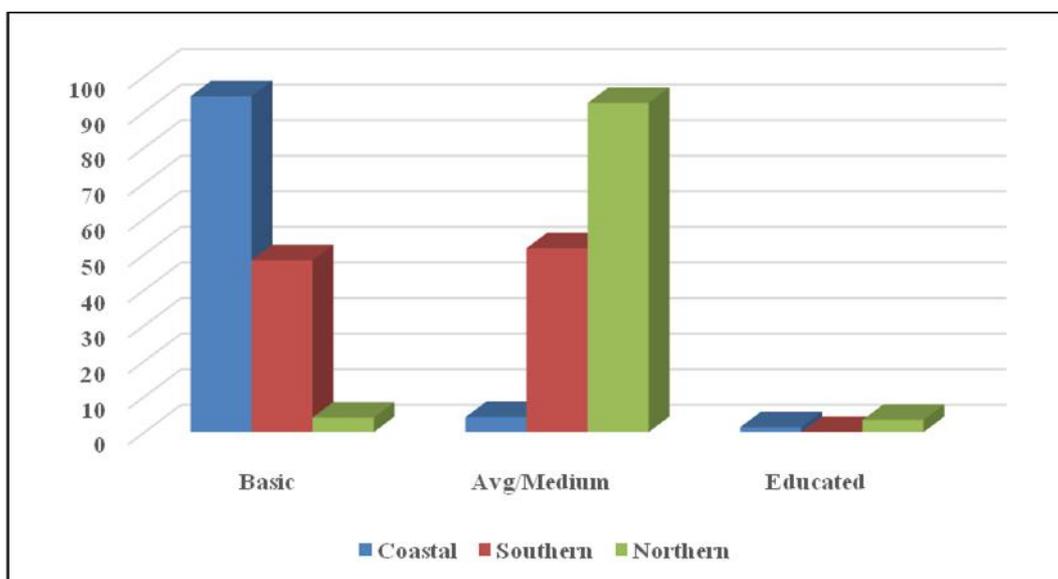


Fig.7.Labour Quality among Unpaid Female Worker in Urban Odisha, 2011

Source: Ibid.

Table. 3.Unpaid Family Labour in Urban Odisha by Gender, Social group and Region: 2011-12.

Region		Basic			Avg/Medium			Educated		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
coastal	ST	-	-	-	-	-	-	-	-	-
	SC	82.50	75.40	76.10	85.90	100.00	86.70	14.70	-	14.40
	OBC	-	0.50	0.40	-	-	-	7.80	-	7.60
	Others	17.50	24.10	23.50	14.10	-	13.30	77.50	100.00	78.10
Southern	ST	-	-	-	-	33.50	24.30	-	-	-
	SC	-	73.00	64.40	-	18.80	13.70	-	-	-
	OBC	100.00	27.00	35.60	89.80	35.50	50.40	27.80	-	27.80
	Others	-	-	-	10.20	12.20	11.60	72.20	-	72.20
Northern	ST	-	-	-	-	-	-	-	-	-
	SC	-	-	-	0.70	32.80	11.50	11.60	-	10.90
	OBC	-	100.00	100.00	51.80	37.50	47.00	16.00	100.00	21.30
	Others	-	-	-	47.50	29.80	41.50	72.30	-	67.80

Source: Unit level NSS 68th Round EUS, 2011-12.

5.5. Regular Wage/Salaried

In modern capital system, the job market becoming more competitive and due to changes in technology has influenced the nature of global job market, result of the need of technical knowledge of worker increases. However, among total worker, regular work are the particular segment of worker who are secure and less vulnerable. Regular worker refers to those employed as regular wage period or salary. Human capital in labour provide better place in the job market.

Skill and formal education always become an instrument for upward occupational mobility of human being. Among all technical degree holders, 29.2 percent of workforce are in informal sector at state level. Around 70.8 percent of technical worker are in formal sector in urban (non-agricultural) formal sector in Odisha. 7.3 percent of worker are in regular wage or salaried person in IS out of total technical workforce in informal sector.

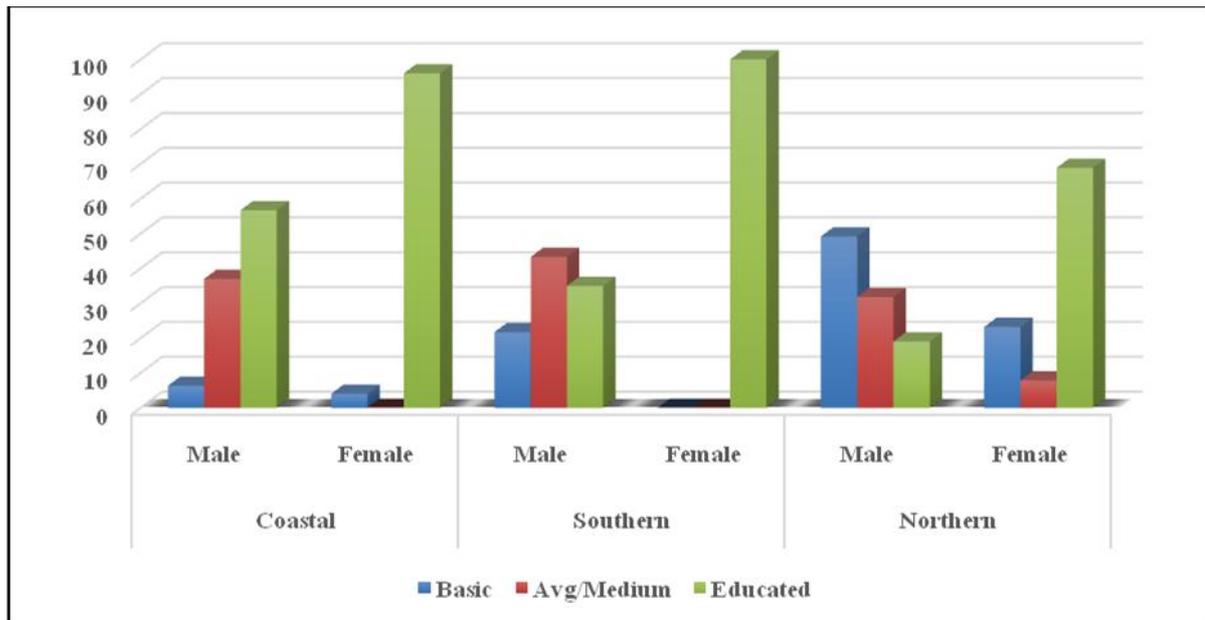


Fig. 8. Educational attainment of Regular Worker in Urban Odisha by Sex and Regions, 2011

Source: Unit level NSS 68th Round EUS, 2011-12.

In coastal region, majority of worker belong to other caste engaged in informalsector. Gender wise, no female from ST, SC and OBC are engaged in informal sector. This indicates that work participation of female worker is relatively

lower across regions. Whereas, male from different caste is participated in economic sector. Southern regions is experiencing higher share from SC and OBC.

Table 4. Occupational Distribution (NCO Categories) among Regular Salaried in Informal Sector in Urban Odisha by Men & Women and Regions, 2011-12

NCO Categories	Total		Coastal		Southern		Northern	
	Male	Female	Male	Female	Male	Female	Male	Female
Legislators, Senior Officials, and Managers	0.7	-	-	-	1.8	-	0.8	-
Professionals	2.3	10.1	5.9	15.9	2.0	-	-	6.7
Technicians and associate professionals	1.2	4.7	-	8.1	6.8	37.2	0.6	-
Clerks	1.0	46.6	-	72.0	-	16.5	1.9	30.4
Service workers and shop & market sales workers	44.9	31.8	39.5	-	40.7	46.3	49.5	53.6
Skilled Agricultural and Fishery workers	-	-	-	-	-	-	-	-
Craft and Related Trades Workers	29.5	5.2	48.8	-	8.4	-	21.8	9.2
Plant and Machine Operators and Assemblers	20.5	-	5.8	-	40.4	-	25.4	-
Elementary Occupations	-	1.6	-	4.0	-	-	-	-
Total	100	100	100	100	100	100	100	100

Source: Unit level NSS 68th Round EUS, 2011-12

Table 5. Distribution of Sectors of Work (NIC Categories) among Regular Salaried in Informal Sector in Urban Odisha by Men and Women and Regions: 2011-12

NIC Category	Total		Coastal		Southern		Northern	
	Male	Female	Male	Female	Male	Female	Male	Female
Manufacturing	8.5	4.4	17.1	-	5.7	-	3.6	7.8
Electricity, gas supply	1.8	3.8	-	7.8	-	16.5	3.3	-
Construction	7.3	.8	18	-	-	-	2.1	1.4
Wholesale	34.8	48.5	39.8	72	29.4	46.3	32.9	31.8
Transport	28.1	-	5.8	-	43.4	-	39.2	-
Accommodation and Food service	10.4	12.2	19.2	-	11.8	-	4.3	21.9
Professional, Scientific activities	.1	3.8	-	-	.9	-	-	6.7
Education	.6	21.7	-	8.1	4.8	37.2	-	30.4
Human Health and Social work	.8	3.3	-	8.1	2.0	-	1.0	-
Arts, entertainment	7.2	-	-	-	-	-	13.7	-
other service activities	.3	1.6	-	4.0	2.0	-	-	-
	100	100	100	100	100	100	100	100

Source: Unit level NSS 68th Round EUS, 2011-12.

Table 5 show the regular workers employed in formal sector work as informal employee. Among male worker, majority of them work in service workers in shops and market sales worker. Technical professional in formal sector is second largest share those are informal job holders. Regional distribution of these informal regular workers shows that there heterogeneous of occupations seems among male than female

worker. Female worker are concentrated in servicing works in shops and sale workers in coastal region. While regular female worker in southern and northern regions have engaged in technician professions. That indicates that employment opportunity is much higher from various economic sectors, as resulting occupational diversity seems complex in coastal regions than other regions in urban Odisha.

Table. 6.Occupational Distribution (NCO Categories) among Informal Employment in Formal Sector in Urban Odisha by Men & Women and Regions, 2011-12.

NCO	Total		Coastal		Southern		Northern	
	Male	Female	Male	Female	Male	Female	Male	Female
Legislators, Senior Officials, and Managers	4.9	-	8.7	-	-	-	-	-
Professionals	8.5	1.4	10.6	1.7	11.9	-	4.7	-
Technicians and associate professionals	15.6	34.8	21.7	22.1	35.9	100	3.0	100
Clerks	3.6	-	1.6	-	14.9	-	4.7	-
Service workers and shop & market sales workers	21.2	61.2	25.0	73.1	-	-	18.8	-
Craft and Related Trades Workers	14.3	-	11.4	-	-	-	21.1	-
Plant and Machine Operators and Assemblers	9.3	-	-	-	2.9	-	24.4	-
Elementary Occupations	22.7	2.6	21.1	3.1	34.3	-	23.2	-

Source: Ibid.

[Note: Regular wage/salaried worker in Formal Sector without any employment and social security]

5.6. Casual Worker

Casual workers are the segment of worker who always expose all type of vulnerabilities not only in workplace but also in living condition. The term casual labour refer to the employees work for part of the wage period or daily wage basis. This section of worker exemption from all sort of facilities provided by organisation or employer. The economic insecurity is higher among casual worker because the spell of working days is not fixed. The section seeks to examine the human capital among casual worker in informal sector in urban Odisha.

Each region has characterised by specific socio-economic structure. If all casual labour categorises by educational level analysed by social group, the picture become clear to understand the quality of labour in regional settings. There is substantial evidence that quality of casual worker by educational attainment in region wise. From spatial point of view, the quality of causal worker is varied across gender and educational attainment. Around 54 percent of male belong to OBC share in casual labour with basic educational level casual.

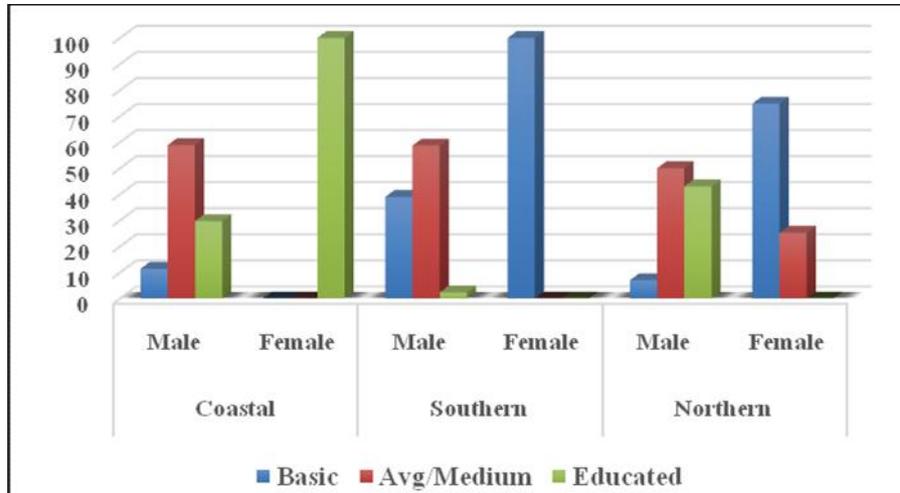


Fig. 9.Quality of Casual Worker in Urban Odisha by Sex and Regions, 2011

Source: Unit level NSS 68th Round EUS, 2011-12

Table 7 and **8** shows the occupational distributions of casual worker in urban Odisha from different economic sectors during the period of 2011. Region wise analysis of casual worker as per NCO, male worker are concentrated in construction sectors in urban Odisha, 59 percent

of male worker in coastal regions, 87.5 percent in southern regions and 21.8 percent in northern region. While among women, less variation of occupational distribution. construction sectors are major economic sector that provides employment to all.

Table. 7.Occupational Distribution (NCO Categories) among Casual worker in Urban Odisha by Men & Women and Regions, 2011-12

NIC	Casual Worker							
	Total		Coastal		Southern		Northern	
	Male	Female	Male	Female	Male	Female	Male	Female
Mining	1.7	-	-	-	-	-	5.6	-
Manufacturing	8.8	1.9	2.9	-	3.1	3.5	22.5	-
Water Supply	.1	-	-	-	-	-	.4	-
Construction	54.4	94.9	59.8	100	87.5	91.6	21.8	98.6
Wholesale	7.4	-	12.9	-	5.0	-	-	-
Transport	16.2	-	20.9	-	2.5	-	18.5	-
Accommodation And Food Service	2.4	-	1.2	-	1.6	-	5.0	-
Finance And Insurance	.4	-	-	-	-	-	1.4	-
Public Administrative and Defence	.4	-	.7	-	-	-	-	-
Arts, Entertainment	7.7	-	.5	-	.3	-	24.8	-
Other Service Activities	.6	3.0	1.2	-	-	4.5	-	1.4
Household Activities and Domestic Jobs	-	.2	-	-	-	.4	-	-

Source: Unit level NSS 68th Round EUS, 2011-12

Table. 8.Occupational Distribution (NCO Categories) among Casual worker in Urban Odisha by Men & Women and Regions, 2011-12

NCO	Casual Worker							
	Total		Coastal		Southern		Northern	
	Male	Female	Male	Female	Male	Female	Male	Female
Technicians and associate professionals	0.4	0.2	-	-	0.2	0.4	1.4	-
Service workers and shop & market sales workers	2.2	1.9	2.1	-	5.5	3.4	-	-
Craft and Related Trades Workers	73.1	96.8	68.0	100.0	92.5	95.0	67.8	98.6
Plant and Machine Operators and Assemblers	2.4	-	-	-	1.3	-	7.0	-
Elementary Occupations	21.9	1.1	29.9	-	0.4	1.1	23.9	1.4

Source: Unit level NSS 68th Round EUS, 2011-12.

Table 8 indicates the occupational distribution of casual workers in urban Odisha. Craft and related trades sector provides employment to all casual workers in urban areas.

5.7. Economic Conditions among Informal Sector Worker in Urban Odisha

The monthly per capita expenditure explains the economic status of work. Here the MPCE value of worker (up+ss) is categorised into five major groups that ranging from low to very high to analyse the level of economic status and compare the worker employed in different sector and occupation. Intuitively, the worker in coastal region have been better off in economic condition compare to other region in urban region. The MPCE value of worker in informal sector is vary from formal sector worker. When this variation is

analysed spatially, the picture of economic status of worker become clear. From the below table (tab no 5.1.) indicate the MPCE value of 1st quintile is lowest value and 5th quintile value is of highest value. Spatially. If the condition of worker analyses in lowest value, southern region experience lowest consumption value per capita. The pattern of economic status of worker in informal sector seems gradually decreasing by increasing MPCE value. Other side of informal sector, the pattern of MPCE vale increasing gradually by increasing the quintile value in formal sector. This indicate that the condition of worker in formal sector is better off. However, fifth quintile among formal sectoral is high in coastal region around 46.6 percent. Regional economic development plays vital in job opportunity.

Table. 9.Economic Status (MPCE) of worker in Informal Sector and Formal Sector

MPCE	Coastal		Southern		Northern	
	IS	FS	IS	FS	IS	FS
1st Quintile	16.6	13.0	48.2	6.2	24.2	10.5
2nd Quintile	21.4	12.1	26.7	10.1	20.1	19.9
3rd Quintile	25.4	17.7	13.4	30.7	28.0	16.2
4th Quintile	23.8	10.6	9.8	20.5	21.0	23.3
5th Quintile	12.7	46.6	1.8	32.5	6.7	30.0

Source: Unit level NSS 68th Round EUS, 2011-12

5.8 Sectoral Concentration by MPCE level:

Table 10 presents the share of workers fall in the group of various level of MPCE wise. Herfindahl index provides a knowledge of the concentration of worker into particular industry or level wise. We understood that magnitude of poverty seems higher among the workers in the informal sectors. However, table presents the concentration of

worker into MPCE by industry wise. In coastal region, highest share of informal workers fall in 2nd quintile, followed by 4th. While in southern region, maximum workers is in 3rd quintile, 2nd quintile in northern region. On the counterpart, MPCE level in formal sector worker shows low level of consumption value. Both coastal and southern regions have share highest proportion of worker in below poverty line.

Table. 10. Herfindahl’s Index of Concentration of Sector of Work (NIC Categories At 1-Digit Level) of Informal and Formal Sector by Region in Urban Odisha, 2011.

	Coastal	Southern	Northern	Coastal	Southern	Northern
MPCE wise						
1st quintile	0.222	0.204	0.185	0.642	0.688	0.273
2nd Quintile	0.671	0.181	0.476	0.534	0.323	0.223
3rd Quintile	0.369	0.600	0.189	0.263	0.301	0.193
4th Quintile	0.571	0.336	0.586	0.358	0.297	0.145
5th Quintile	0.280	0.386	0.376	0.175	0.339	0.396

Source: Unit level NSS 68th Round EUS, 2011-12

Table. 11. Incidence of working poor and Non-poor in Informal Sector in Urban Odisha by regions and Industries (NIC):2011

Industry (NIC)	Coastal		Southern		Northern	
	Poor	Non-poor	Poor	Non-poor	Poor	Non-poor
Manufacturing	4.9	95.1	38.0	62.0	16.6	83.4
Construction	27.6	72.4	63.6	36.4	56.9	43.1
Wholesale	3.6	96.4	20.8	79.2	4.4	95.6
Transport	32.6	67.4	77.0	23.0	18.6	81.4
Accommodation and Food service	2.9	97.1	69.8	30.2	36.8	63.2
Education	24.4	75.6	18.8	81.2	0.0	0.0
Human Health and Social work	0.0	100.0	0.0	100.0	0.0	100.0
Arts, entertainment	4.5	95.5	100.0	0.0	0.0	100.0
other service activities	44.6	55.4	26.4	73.6	51.6	48.4
C.V (%)	101.34	19.48	71.59	61.09	110.15	48.74

Source: Unit level NSS 68th Round EUS, 2011-12

From figure 5.1 observed that, the incidence of poverty seems higher among the agricultural worker in Odisha. If we see the level of poverty among worker in industry wise, findings derived

that highest poverty found among the construction sector workers, secondly manufacturing sector in rural areas. In urban areas, lowest poverty found in domestic workers.

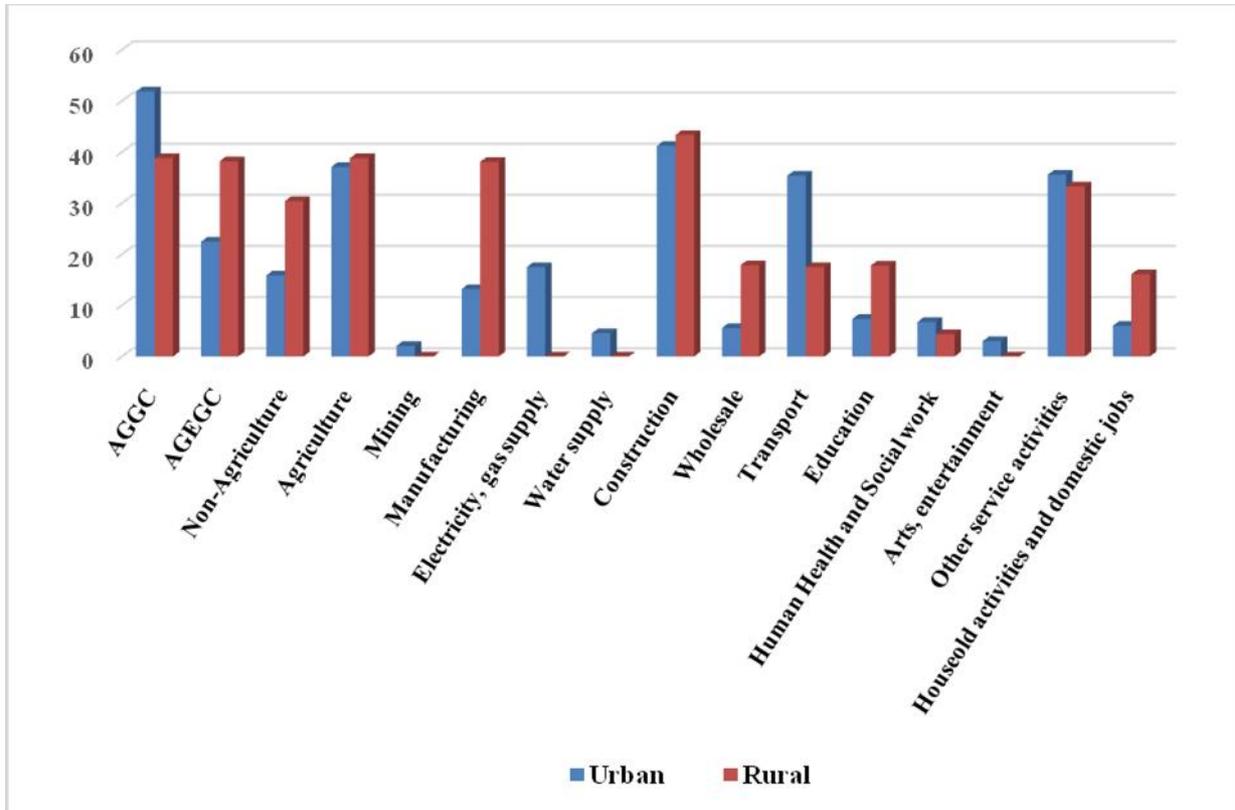


Fig. 10. Rural-Urban Differential in Working Poor in Industries (NIC) in Odisha, 2011

Source: Unit level NSS 68th Round EUS, 2011-12.

6. Conclusion:

The secondary survey findings validate the NSSO and NCEUS reports which indicate that a high proportion of workforce in informal sector belongs to socially and economically underprivileged sections of society. Almost 80 percent of the informal sector workers belong to households who could be characterized as poor and vulnerable. Besides low wages, conditions of employment are very bad due to lack of basic amenities, exposure to hazardous materials among others. The absence of a labour contract, the implementation of basic labour law (such as minimum wages), and their conditions of poverty shows the weak bargaining power among the informal workers. The incidence of informal sector work is much higher among women in comparison to men workers as well as among the scheduled castes (SCs) and scheduled tribes (STs), as they have the high level of illiteracy and low level of skill. The discrimination of formal

and informal sector across social groups shows an interesting pattern. The total women of other backward classes (OBC) are highest followed by others, schedule caste and schedule tribe class.

In case of urban Odisha, it is observed that the informal sector is predominated by own account enterprise engaged in production of goods in rural areas as well in urban areas. In terms of educational level of workers, illiterate is concentrated in informal sector which is more than 27 percent. Informal sector employment is analysed by the employment status. Among self-employment workers, coastal regions show higher proportion of worker have completed secondary education. While, the pattern of educational attainment among female shows inverse. In other words, more than 80 percent of female self-employed worker are unable to complete primary education. In case of unpaid worker, female members of households share higher sin coastal regions with higher educational level.

As per NIC industrial classification, informal sector is concentrated in few industries like wholesale (more than 47 percent) and followed by manufacturing and transport sector. Vice versa, formal sector concentrated in public administration sector. In both informal and formal sector, among the different categories of segregation in both men and women have huge gap in work participation.

The conclusion that emerges from this study is that unless all constituent regions of the country or the state actively participate in the growth process, the attainable growth will remain suboptimal. Despite tremendous resource potential, Odisha continues to be backward and underdeveloped. All the major instruments of regional policies have failed to arrest trend in regional disparities in or reverse the widening Odisha. They seem to be competing with each other to prove the Biblical saying, "To the rich shall be given; from the poor shall be taken away." The policies only responding to the pressures from the already developed region. The plans should include adequate programmes of human resource development with economic growth for reducing the socio-spatial inequality. This poses a great challenge to the planners in preparing specific planning for the backward districts/regions as to enable them to come into the mainstream within a short time period. Failing which growth will pass sizeable chunk of the state's population keeping them perpetually in the backside of development.

Declaration of conflict of interest

The authors declare that there is no conflict of interest.

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