



ISSN: 0975-833X

REVIEW ARTICLE

JOBLESS GROWTH IN ODISHA: A SPECIAL REFERENCE TO EDUCATION AND SERVICE SECTOR

***Ratna Biodini Amiya Priyadarsini Das and Ranjan Kumar Nayak**

Economist In Commercial Taxes, Cuttack, Odisha

ARTICLE INFO

Article History:

Received 15th October, 2013
Received in revised form
20th November, 2013
Accepted 18th December, 2013
Published online 26th January, 2014

Key words:

Underemployed,
GSDP,
Joblessness.

ABSTRACT

The term joblessness growth refers to the situation in which there is growth but no jobs. When output measures in terms of GDP and that GDP rises but the growth of employment lags way behind. We say there is joblessness growth. This situation mainly arises in developing countries. When growth is coupled with high unemployment it means that the economy experienced with structural changes. In a jobless growth economy unemployment remains stubbornly high even as the economy grows. This tends to happen when the relatively large no of people have lost their jobs and the ensuring recoveries are insufficient to absorb the unemployed and underemployed. This paper studies the joblessness or unemployed growth in Odisha with respect to service and education sector. In Odisha the contribution of the service sector and GSDP increases day by day but still unemployed people's number also increases. There are many reasons prevails in Odisha for unemployment, among them education and poverty is a major concern. Because of poverty the youth mass does not gets proper education facilities and for that technically they are poor and less skilled. So the services sector of Odisha does not capture that as a result the joblessness arises. Government adopts various programmes and policies to overcome from the joblessness but in some extent the government failed. The basic objective of this paper is to study the present education system in Odisha and to found how it leads to joblessness in Odisha. Secondly study of service sector's contribution on GSDP of Odisha and also the WPR (work participation rate) in service sector in Odisha and lastly compare between education and service sector in Odisha with respect to joblessness in Odisha. This study hypothesized that in Odisha education is a major reason for the joblessness, the service sector contribution increase day by day in odisha's GSDP but contribution of service sector is less in employment pattern of Odisha, there are lacunas prevails in Odisha from the government side to reduce the joblessness in Odisha. The methodology of the study shows that data are collected from the secondary sources from the various developmental books, journals, websites, and from survey books. Then data are presented in a tabular manner and then analyzed of data done properly to show the joblessness in Odisha. This study conclude that the Joblessness in Odisha is due to the lack of education and less contribution of service sector on employment pattern. So as population increases day by day in Odisha in the same manner the joblessness also arises day by day.

Copyright © Ratna Biodini Amiya Priyadarsini Das and Ranjan Kumar Nayak. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

INTRODUCTION

Joblessness (or Unemployment) occurs when people are without work and actively seeking work. The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed individuals by all individuals currently in the labour force. It is obvious that the unemployment situation is grim indeed. It has, therefore, to be tackled with appropriate measures and on an urgent basis. However, before we discussed the ways and means of removing unemployment, it is necessary that we understand the causes that given rise to it. The major causes which have been responsible for the wide spread unemployment are population growth, Inadequate Employment Planning, Lack of transport and communication,

Defective education, lack of contribution of service sector in employment generation. There are many reasons prevails in Odisha for unemployment, among them education and poverty is a major concern. Because of poverty the youth mass does not gets proper education facilities and for that technically they are poor and less skilled. So the services sector of Odisha does not capture that as a result the joblessness arises. Government adopts various programmes and policies to overcome from the joblessness but in some extent the government failed.

Data base and Methodology

The methodology of the study shows that data are collected from the secondary sources from the various developmental books, journals, websites, and from survey books. Then data are presented in a tabular and graphical manner and then analyzed of data done properly to show the joblessness in Odisha. Basically this article focuses on the time period from 2009-2013 and that time period compared with its previous

*Corresponding author: Ratna Biodini Amiya Priyadarsini Das
Economist In Commercial Taxes, Cuttack, Odisha

time period that is (2005-2009) in all aspects of joblessness growth.

Objectives

- To understand on present education system in Odisha from 2009-2013 and found out how it leads to joblessness in Odisha.
- To study the service sector contribution on GSDP of Odisha from 2009-2013 and also to study the work participation rate in service sector in Odisha
- To get Comparative study on both education and service sector with respect to joblessness in Odisha
- To study on the measures which are taken by the Odisha government to reduce unemployment or joblessness in Odisha.

Hypothesis

- It is hypothesized that in Odisha education is a major reason for the joblessness
- It is hypothesized that the service sector contribution increase day by day in odisha's GSDP but contribution of service sector is less in employment pattern of Odisha. The joblessness is more in case of public sector that in private sectors in Odisha.
- Number of educated job seekers (Technical and higher educated) has been decreases from 2005-2009 and it was more in the year 2011-2012 but the rate of unemployment is more in 2005-2009 but less in 2009-2013 in case of Technical and higher educated student's case.
- It is hypothesized that there are lacunas prevails in Odisha from the government side to reduce the joblessness in Odisha.

Literature Survey

Bino Paul. D. & Sony Pellissery (2010) had conducted a study on "jobless growth to inclusive growth: Employability as an alternative planning strategy" and found that inclusive growth could be attained through creation of employable work force, whereby basic education is seen as a starting point for the life-long learning and skill up-gradation. In his paper, through empirical examination of the NSS data pertaining to the state of Karnataka, they show that the dichotomy between symmetric and asymmetric distribution of educational level at disaggregate unit, such as district, points to the need for rethinking about appropriate regional employability strategies, addressing access issues for the regions having high degree of asymmetry in the distribution of human capital, while deepening of human capital by broadening education system for regions with high degree of symmetry of human capital. Anna Swane & Hanna Vistrand had conducted a study on *Jobless Growth in Sweden? - a Descriptive Study*. According to him the buzzword of the 21st century concerning business cycles is the notion of jobless growth. Sweden has experienced growth in GDP without an accompanying increase in employment, causing politicians and other debaters to dub the recent recovery as jobless. The purpose of this thesis is to examine the relationship between employment and GDP and selected macroeconomic variables

for Sweden and makes a cross-country comparison. Two models are developed on the basis of Okun's law. The first model is used to investigate the effect of GDP, population, cost of labour and past employment on total employment. The second model consists of employment-to-population and GDP per capita. This model is used to investigate if employment elasticity has changed over time, to explore the statistical causal relationship between GDP and employment and to make a forecast to compare with actual outcome. The employment elasticity w.r.t. GDP is about 0.7 percent for Sweden and does not change much over time. The relationship between employment and GDP is found to be strongly positive and this, together with the relatively constant employment elasticity over time, suggests that the previous situation in Sweden is due to a temporary discrepancy and not a fundamental change in the relationship.

Ruddar Datt (1994) had conducted a study on *Jobless Growth : Implications of New Economic Policies* and found that During the last one and a half decades or a number of developed as well as developing countries have been experiencing growth in GDP with meagre or even stagnant growth In employment - characterised as the phenomenon of Jobless growth. India too is passing through a phase of Jobless growth as revealed by significant deceleration of employment growth during the eighties. The author feels that the new economic policies may further aggravate this situation Domician Mate (2010) had conducted a study on, A theoretical and growth accounting approaches of jobless growth. In his study he found that In the mid 1980s during the "Great Moderation" major economic variables such as GDP, monthly payroll employment and the unemployment rate etc. began to decline their volatility. This study focuses on the so-called jobless growth phenomenon, in the long run. In this paper it is also emphasised that the main theoretical explanations of this process are labour market imperfections, i.e. the sectoral-shifts and crowding-out effects, the loosening fiscal policy and wage pressure of public employment. Finally, components of economic growth in previous decades are estimated with a simple growth accounting method and the effects of activity, employment, participation and unemployment rates are also taken into account. Analysing the data on OECD countries, this paper concludes that the link between labour and output has changed.

Research Gap

From the above studies we found that a lot of studies have done on India, OECD countries and other countries. Again found that inclusive growth could be attained through creation of employable work force, whereby basic education is seen as a starting point for the life-long learning and skill up -gradation. Further Sweden has experienced growth in GDP without an accompanying increase in employment, causing politicians and other debaters to dub the recent recovery as jobless. In this regard ours is an attempt to study the growth situation what we call the jobless growth in Odisha.

The Causes and Consequences of Joblessness in Odisha

Joblessness situation arises when the economy slows down so that the companies reduce the wages by reducing pay roll expenses. Advanced technology can also be caused by

joblessness. Some of the most important causes for unemployment in **India are-**

- Increasing population is a major problem of joblessness in India. There is lack of employment as regard to the population. The government fails to fulfill the demand of the jobseekers because of they are in huge numbers.
- Technological advancements will lead to some jobs becoming out dated people will be replaced by machines.
- Some time companies over exploited the employee due to the heavy pressure in work also there is joblessness situation arise.

Some of the most important causes for unemployment in

Odisha are-

- In Odisha joblessness situation arises because of poverty. Due to the poverty parents engaged in their children in the work from 5-6 years old. So they have lack of education knowledge and now in globalised world when they grew up elder they face the situation of joblessness.
- Mentality of the people is another important reason of the joblessness in Odisha. In Odisha the mentality of the people shows that they educated their children up to the primary or secondary level which is the insufficient qualification to gain the jobs in the job market outside of the Odisha.
- There is lack of vocational education and training in Odisha so the young people have lack of skilled for the job market
- Inequality and social exclusion is a major reason of the joblessness In Odisha.
- In agriculture sector due to the nature and pattern of agriculture the most of the people in agriculture sector are unemployed these are known as seasonal or disguised unemployment
- In the industry sector also due to hazardous work and other technical problems the joblessness increase day by day in Odisha.
- In the service sector there is need of high skilled man power, for this technically sound peoples are needed who use the technology in proper way. But in Odisha there is maximum students are under graduate. So there is joblessness in service sector also.
- There is lack of valuable education institutions in Odisha .There is large no of engineering colleges in Odisha which produces educated students in quantity but not in quality.
- Lastly mentality of the people creates joblessness in Odisha. Because of BPL rice. Which available in 2-3 Rs only. That reduces the willingness to work of the people.

Consequences of Joblessness in Odisha

The personal and social costs of unemployment include severe financial hardship and poverty, debt, homelessness and housing stress, family tensions and breakdown, boredom, alienation, shame and stigma, increased social isolation, crime, erosion of confidence and self-esteem, the atrophying of work skills and ill-health. There is various consequences of joblessness presents in Odisha. These are explained in below

- Unemployment is the major reason for poverty.
- Joblessness creates mal nutrition and poor health .Because of the jobless growth the poverty increases day by day and so they are not be able to afford good food
- This leads to higher rate of mental problems, stress, anxiety and depression.
- The people have less confidence, loose self esteem and will not have any goals.
- People, who lose jobs, even if they eventually find new ones, suffer lasting damage to their earnings potential, their health and the prospects of their children. And the longer it takes to find a new job, the deeper the damage appears to be.

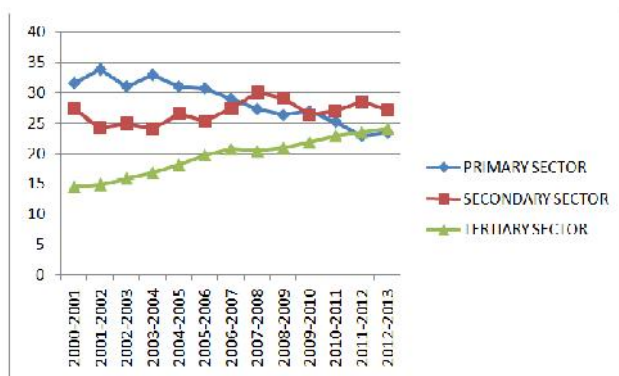
The Growth Performance of Odisha

The State economy of Odisha continues to be on a high growth trajectory. Diversification of economic activities has led to a visible structural shift from an agriculture based economy to an industry-led and service-led economy in Odisha. The State economy has witnessed high growth rates during the last decade. In real terms and at 1999-2000 prices, Odisha reported an average annual growth rate of 9.51 percent for the 10th Five Year Plan against a target of 6.20 percent. The economy grew in real terms at 2004-05 prices at the rate of 8.23 percent during the 11th Five Year Plan. The anticipated growth rate of Odisha is estimated to be 9.14 percent in 2012- 13 as per advance estimates. In terms of real per capita income, the State has lagged behind the national average ever since independence. In 1950-51, Odisha's real per capita income was about 90 percent of the national average. However, it began to slide down thereafter and in 2002-03, it came down to about 61 percent of the national average. This long-term falling trend in real per capita income has not only been arrested, but reversed as well since 2004-05. The State per capita income has started rising and the gap with the average national per capita income is reducing steadily. Odisha's economy shows the sign of an expanding economy with sectoral shift in GSDP. There is transformation of the State's economy from agriculture based to industry and serviceled economy.

As per 2012-13 advance estimates, the service sector is expected to be about 58.3 percent of the Gross State Domestic Product (GSDP) followed by industry (24.2 percent) and agriculture (17.5 percent) in real terms at 2004-05 prices. The high growth rates recorded by the State in the 10th and 11th Five Year Plans are mainly due to high growth registered by the industry sector and the service sector. The agriculture sector has also performed reasonably well though the performance of this sector continues to be highly volatile mainly due to adverse impact of natural shocks such as cyclones, droughts and floods. The service sector has been growing in a comparatively stable manner. As per the NSS data, the rate of unemployment in the State has fallen lately - from the 61st round (July 2004-June 2005) to the 64th round (July 2007-June 2008). This stands true for both rural and urban areas and among casual workers and those who have full time jobs. However, the State's unemployment rate is higher than the national rate of unemployment. The share of employment in the public sector continues to be higher than that in the private sector, although the latter has shown steady increase. It is, however, heartening to note that the share of

women employees in the organised sector has been steadily increasing and stood at 16.2 percent in 2010. The cost of living in rural Odisha is one of the lowest in the country. In the past, the cost of living in urban Odisha also used to be lower than in the rest of India. This is, however, no longer the case. Orissa's real GSDP has grown by an average annual rate of 4.8% on a long term basis during 1980-81 to 2006-07 compared to 6% for the same period for the nation as a whole. GSDP growth rate since 2003-04 driven by several sectors such as agriculture and allied activities, manufacturing, transport-storage communication, trade-hotels- restaurants, real estate-ownership dwellings and business services. All three broad sectors – primary, secondary and services – have contributed to the higher growth. Notable exceptions have been sectors such as construction, banking and insurance and public administration which experienced slow down in the growth rate. The mining and quarrying sector has been the fastest growing sector at above 10% per annum growth since 1980-81 and as such does not indicate any significant acceleration in recent years. Given that acceleration in aggregate income has been for a short period, the estimated long term trend growth rate remains small at 4.2 per cent in total GSDP. As in any developing economy, the economy of Orissa has been going through structural changes away from agriculture in favour of industry and services. Primary sector accounted for most of income generated in the state in 1980-81. It has reduced to 32% in 2006-07. It might be noted that mining and quarrying sector plays a more important role in Orissa and income generated in this sector forms about 8% of total income. About 24% of state income is produced by agriculture and allied sectors. Share of secondary sector has increased from 17% to 23% and that of services from 30% to 44%.

The economy of Orissa has been lagging behind the national economy by several decades. Its per capita net state domestic product, a measure of average income, stood at Rs.20200 for 2006-07 which falls behind the national average by about 35 per cent. Moreover, the gross domestic product of the state grew by a considerable lower rate than many other states for a long time despite its high growth potential. Drawing on the experience of several countries as well as that of India, various studies concluded that economic growth was the most critical factor for reduction of incidence of poverty in the state. It now seems that there has been a turning point in the last few years and the economy of Orissa has witnessed an acceleration in terms of the gross state domestic product (GSDP). The evidence presented here clearly shows that the economy is poised for a take-off to a high growth phase, almost similar to that at the national level. Composition of GSDP Shown in below figure



Leading sector in Odisha

As we all know, the economy of a State or a country consists of various income generating productive activities. These activities taken together constitute the structure of an economy which can be broadly divided into three sectors. These include the primary sector secondary sector and the tertiary sector. In our society most of the people are engaged in farming while some others are employed in the other two sectors. Though the primary sector in India is supporting most of the people for a long period of time, the other two sectors are coming out strongly in recent years. In fact the wheel of progress has turned full-circle and the primary sector has now been relegated to the third spot in terms of relative share of different sectors to our GDP. To have a glimpse of what has happened to the structure of our economy over the years, it may be mentioned that the contribution of the primary sector has declined from 56.5% in 1950- 51 to 19.7% while that of the services sector has gone up to 54.1% in 2005-06. This sector has thus now become the leading sector of the India and Odisha economy. Services sector consists of different kinds of services including banking and insurance, trade and commerce, transport and communication as well as tourism and hotel industry.

The Service Sector Contribution on GSDP of Odisha and the Work Participation Rate in Service Sector in Odisha

Odisha's economy has been classified as agriculture, industry and services sectors as per RBI classification instead of the traditional classification of primary, secondary and tertiary. The agriculture sector includes agriculture and animal husbandry, forestry and fisheries. The industry sector includes mining and quarrying, manufacturing, electricity, gas and water supply. The service sector includes construction, trade, hotels and restaurants, transport, storage, communication, banking and insurance, real estate, other services and public administration. The revised classification is more consistent with international practices. Depending on the context, it should be clear whether agriculture includes allied sectors or refers to the agriculture sub-sector only. Figure 2.4 gives the dynamics of the composition of Odisha's economy from the year 2004-05 to 2012-13. It is clearly becoming less agricultural, more industrial and more service-oriented over time. In 2011-12, agriculture represented only 16.44 percent of Odisha's GSDP. The service sector and the industry sector represented 57.78 percent and 25.78 percent respectively. During the year 2012-13, the share of the service sector is expected to be 58.28 percent, that of the industry sector 24.23 percent and the agriculture sector 17.49 percent in real terms at 2004-05 prices. Sectoral shares of GSDP in 2012-13 are presented in figure 2.5. As is true for the Indian economy, in recent years the service sector dominates the State economy, constituting more than half the State's GSDP.

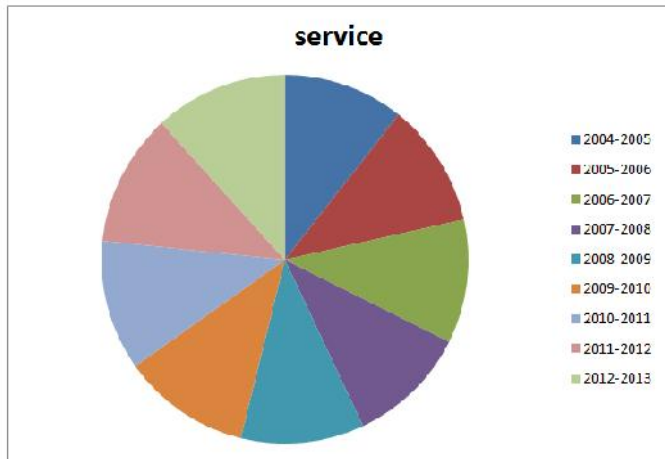
The above Table-1 the composition of GSDP at 2004-2013 prices are shows that the growth rate of agriculture sector in 2005 -2013 has decreased from 30 % to 23 % where as in industry or secondary sector case the growth rate has increased to 25 % to 27% .But incase of the tertiary or service sector and finance sector it has increased to 19% to 24% and 24% to 25% which shows in above table. *If we compare between the

previous years of 2005-2006 and after the year 2009-2013 then we found that in case of primary sector the growth rate has been continuously declined. In 2005-2009 the average growth rate of primary sector is 20.33% where as in 2009-2013 the average growth rate of primary sector is 24.6%. Similarly in 2005-2009 the average growth rate of secondary sector is 27.96% where as in 2009-2013 the average growth rate of secondary sector is 27.21%. Similarly in case of tertiary sector also the gap between 2005-2009 and the gap between 2009-2013 is very marginal.

Table 1. Composition of gsdp (percent) at 2004-2005 prices by broad sectors

Year	Primary sector	Secondary sector	Tertiary sector	Total GSDP
2005-2006	30.72	25.38	19.74	100
2006-2007	28.99	27.40	20.78	100
2007-2008	27.30	30.01	20.43	100
2008-2009	26.31	29.05	21.02	100
2009-2010	26.95	26.44	21.85	100
2010-2011	25.22	26.97	22.94	100
2011-2012	22.87	28.43	23.49	100
2012-2013	23.38	27.01	24.17	100

SOURCE: Economic Survey, Odisha: 2012-13



This above pie chart shows that the composition of the service sector in Odisha's economy from 2004 to 2013, from the above pie chart it is shown that in 2012-2013 the growth rate of service sector is maximum among all years which is around 59%. The most important sub-sector of the service sector is trade, hotel and restaurants (24.06 percent), followed by other services (15.74 percent), construction (14.88 percent), transport including railways (13 percent) and banking and insurance (11.26 percent) sub-sectors, as per advance estimates for the year 2012-13. Though the share of each sub-sector reflects their direct contributions to the service sector, some of them have huge indirect contributions and multiplier effects. Which is shown in below Table -7

The WPR by usual principal status in both rural and urban areas has improved from the 55th round to the 64th round. In the case of rural areas in particular, Odisha levels the national average, while urban WPR continues to lag behind the national average for urban areas. However, irrespective of the categories of workers, (a) the State's unemployment rate has always remained higher than the national rate, (b) the urban unemployment rate is higher than the rural unemployment rate,

and (c) in the 61st and 62nd rounds, the unemployment rate has generally shot up and the difference between that in the State and the country has widened and the same has stepped down in the 64th round. Labour Bureau, Ministry of Labour & Employment, Government of India conducted employment and unemployment survey in all states/Union Territories during 2011-12 and published various labour force parameters viz., labour force participation Rates (LFPR), Workers Population Ratio (WPR), Unemployment Rate (UR) and proportion unemployed by using different approaches viz., Usual Principal Status (UPS), Usual Principal & Subsidiary Status (UPSS), Current Weekly Status (CWS) and Current Daily Status (CDS) for persons of age 15 years and above. It is observed that LFPR, WPR and UR for Odisha are lower than the national average in all approaches except UR using CDS, which is higher than the national level. During 2011-12, the LFPR, WPR and UR for Odisha stood at 50.3, 48.8 and 3.0 respectively by using UPS, while the corresponding figures at the all India level stood at 52.9, 50.8 and 3.8 respectively. Labour force parameters, as estimated by the Labour Bureau, by using various approaches have been shown in the following Table - 4

Table 3. Labour Force Parameters Estimated by Labour Bureau, Government of India

Approaches	Odisha			India		
	Rural	Urban	Combined	Rural	Urban	Combined
Labour Force Participation Rate (LFPR)						
UPS	51	45	50.3	54.8	47.2	52.9
UPSS	54.5	46.7	53.5	57.9	48	55.4
CDS	48.6	43.8	48	53.3	46.3	51.5
CWS	54.7	46.7	53.7	58.2	48.1	55.6
Worker Population Ratio (WPR)						
UPS	49.6	43.1	48.8	52.9	44.9	50.8
UPSS	53.3	44.8	52.2	56.3	45.8	53.6
CDS	45.1	41.5	44.9	49.9	43.4	48.2
CWS	53.1	44.7	52.0	55.7	45.3	53
Unemployment Rate (UR)						
UPS	2.8	4.3	3.0	3.4	5	3.8
UPSS	2.2	4.0	2.4	2.9	4.7	3.3
CDS	6.6	5.4	6.5	6.3	6.3	6.3
CWS	3.0	4.1	3.1	4.2	5.8	4.6

SOURCE: Economic Survey, Odisha: 2012-13

The unemployment rate is more in urban areas than in rural areas in Odisha. The labor force participation rate is more in rural areas than in urban areas of Odisha, similarly the workers population ratio is more in rural areas than in urban areas of Odisha. But if we discuss on the unemployment rate of UPS, UPSS and CWS we found that the unemployment rate in rural areas is less as compared with urban areas but the unemployment rate in CDS case the rural areas unemployment is more than the urban areas.

Table 4. Total employment in organised sector

YEAR	Total employment in thousands
2005-2006	7.45
2006-2007	7.16
2007-2008	6.88
2008-2009	7.0
2009-2010	7.35
2010-2011	7.31
2011-2012	7.22

SOURCE: Economic Survey, Odisha: 2012-13

The above table shows that the total employment (thousands) in organised sector .Which shows that the total employment in organised sector has declined slightly over the period 2000-2011., even if the contribution of service sector marginally increases. *If we compared with 2005-2009 and 2009-2013 we found that total employment in organised sector increases more from 2009 onwards.

Table 5. Organised employment share in the public and private sectors of Odisha

YEAR	Employment in private sector (%)	Employment in public sector(%)
2005-2006	12.1	87.9
2006-2007	12.4	87.6
2007-2008	13.1	86.9
2008-2009	14.6	85.4
2009-2010	15.8	84.2
2010-2011	16.8	83.2
2011-2012	16.2	83.8

SOURCE: *Economic Survey, Odisha: 2012-13*

If we consider the organized sector employment share in the public and private sectors of Odisha we found that the employment in private sector has increases 12.1% to 16.2% in private sector but decreases in public sector by 87.9% to 83.5%. *If we compared with 2005-2009 and 2009-2013 we found that total employment in private sector increases from 2009 onwards where as the total employment in public sector has been decreases from 2009 onwards. So that shows that the joblessness is more in case of public sector than in private sectors in Odisha

Present Education System in Odisha and how it leads to joblessness in Odisha

Present education system in Odisha is not job oriented, government provides facilities for the higher education but this higher education fails to create jobs in Odisha. So year wise year the number of job seekers increases which leads to joblessness.

Education in Odisha

The literacy rate in Odisha (Orissa) as per the 2001 census was 63.09 percent that is quite compatible to the All India percentage of literate people that is 65.38%. As per Census 2011 population of Odisha is 4,19,74,218. The number of literates in Odisha is 2,67,42,595 out of which 2,13,77,915 are recorded in rural areas whereas in urban areas the number of literates recorded is 53,64,680. The literacy rate of Odisha as per 2011 Census is 72.9 per cent. In rural areas the literacy rate is 70.2 per cent whereas in urban areas it is 85.7 per cent. The male rural literacy rate is 79.6 per cent whereas the female literacy rate in rural area is 60.7 per cent. The male literacy rate in urban area is 90.7 per cent and in case of females the literacy rate is 80.4 per cent. Among the districts the highest literacy rate in rural areas noticed is in the district of Jagatsinghpur (86.5%) whereas the highest literacy rate in urban areas recorded is in the district of Khordha (91.0 %). The lowest literacy rate of 43.9 per cent is recorded in the rural areas of Nabarangpur district whereas the lowest urban literacy rate of 74.5 per cent is recorded in the district of Malkangiri. The highest male literacy rate of 92.5 per cent is recorded in the

rural areas of Jagatsinghpur district whereas the highest urban male literacy rate recorded is in the district of Khordha (94.2 %). The lowest rural male literacy rate is recorded in the district of Koraput (54.1 %) whereas the lowest urban male literacy rate is recorded in the district of Malkangiri (83.4 %). The highest female literacy rate in rural areas is noticed in the district of Jagatsinghpur (80.4 %) whereas the lowest rural female literacy rate recorded is in the district of Koraput (31.3 %). The highest urban female literacy rate of 87.5 per cent is recorded in the district of Khordha whereas the lowest urban female literacy rate 64.9 per cent recorded is in the district of Malkangiri.

Table 6. Literacy rate of Odisha

Year	Literacy rate in percentage
1951	15.80
1961	21.66
1971	26.18
1981	33.62
1991	49.09
2001	63.08
2011	73.45

SOURCE: *Economic Survey, Odisha: 2012-13*

The above Table-6 shows the literacy rate of odisha increases from 1951-2011 ,which shows from 1951-2011 the literacy rate increases .Now it is near to 75% and government now tried to achieve 100% achievement in the education growth. It was in 1951 15.80 % where as in 2011 it was 73.45%. The literacy rate of Odisha has increased by 10 percentage points from 63.08 percent in 2001 to 73.45 percent in 2011, while at the national level, it increased by nine percentage points to touch 74.04 percent. Primary and upper primary education has been expanding in the State, especially in rural and backward areas. The State aims at providing primary schools within one km and upper primary schools within three km of habitations which have population of more than 300 and 500 respectively. In 1947-48, there were only 6,814 primary schools with 16,520 teachers and 2.55 lakh students in the State. Efforts in eradication of illiteracy in the last five years resulted in setting up 4,604 new schools and appointing 9,497 more teachers. During 2011-12, there were 55,106 functional primary schools/sections. This includes 51,163 schools of Government and local bodies; 346 aided schools and 3,597 other schools. These schools have 1.33 lakh teachers and 44.33 lakh students. Out of a total 55,106 schools, 49,744 were under the control of School & Mass Education Department, 1,416 were under SC/ST Development Department, and 3,946 others. Growth in the number of schools and teachers from 2000-01 to 2011- 12 has been shown in below table-2. The position of primary school teachers shows a declining trend since last two years. In 2011-12, there was one primary school per 2.8 sq km on an average. The average teacher pupil ratio is 1:30 which is better than the national norm of 1:40. In the above Table- 7 shows that the growth of primary schools and teachers in odisha from the 2005-2013 has increases which indicates that the education level increases to the better level by showing the increasing trend of schools and teachers. Similarly in below table-3 also the number of the upper primary schools and teachers has increased from 33% to 53 % in case of the number of teachers and 15% to 23 % in the school level. *If we compare between the previous years of 2009 and after the year 2009 then we

found that before 2009 both the number of teachers and the number of schools are less in comparison to the year after 2009.

Table-7. Growth of primary schools and teachers in Orissa

Year	Teacher in thousands	School in thousands
2005-2006	115	42
2006-2007	115	46
2007-2008	114	47
2008-2009	124	48
2009-2010	125	50
2010-2011	138	53
2011-2012	136	54
2012-2013	133	55

SOURCE: *Economic Survey, Odisha: 2012-13*

Table-8. Growth of upper- primary schools and teachers in Orissa

YEAR	Teacher in Thousands	School in Thousands
2005-2006	33	15.7
2006-2007	39.8	17.3
2007-2008	49.4	18.2
2008-2009	55.8	19.1
2009-2010	56.8	22.2
2010-2011	54.0	24.4
2011-2012	53.3	23.2

SOURCE: *Economic Survey, Odisha: 2012-13*

The growth of high schools and number of teachers increases but not as like as primary and upper primary schools. It was in 2005 61.9% where as in 2013 it is 64.8% in case of number of teachers in thousand and 15.7% in 2005 to 23.2% in 2013 only. *If we compare between the previous years of 2009 and after the year 2009 then we found that before 2009 both the number of teachers and the number of schools are less in comparison to the year after 2009. Which is shows in below Table 9.

Table 9. Growth of high schools and teachers in Orissa

YEAR	Teacher in thousands	School in thousands
2005-2006	61.9	7.3
2006-2007	62	7.4
2007-2008	62.7	7.4
2008-2009	63.3	7.5
2009-2010	65	7.8
2010-2011	65.3	8.0
2011-2012	64.8	8.3

SOURCE: *Economic Survey, Odisha: 2012-13*

The above tables are showing the increasing growth rate of primary, upper primary and high schools numbers and the number of teachers in thousands. By increasing rate of the number of teachers and the number of schools indirectly shows the betterment of the education levels in Odisha. *If we compare between the previous years of 2009 and after the year 2009 then we found that before 2009 both the number of teachers and the number of schools are less in comparison to the year after 2009. But if we consider the joblessness with the technical and higher education of Odisha we found that still the education rate of the Odisha has increased from year to year in a positive order. Similarly the number of jobseekers or the number of unemployment youth also increase from year to year. The below table -5 shows that the number of job seekers in civil, electrical, mechanical, chemical, computers, medical cases has increased from 2001-2011. The above table -10 shows that the grand total of jobseekers in 2001 was 5115 in number but that increases in 6800 to the 2011. Which is shows that still education level or literacy rate of the Odisha has increased but the jobseekers numbers also increases in the same way. That means the education level has not reduced the unemployment rate. *If we compare between the previous years of 2009 and after the years of 2009 then we found that before 2009 the number of jobseekers is less in comparison to the year after 2009.

Table 10. Live register position of technical graduates and post graduates (in actual numbers)

Category	Job seekers by end of the year										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Technical Graduates											
Engineering											
Civil	364	359	392	396	424	366	332	281	233	283	400
Electrical	938	830	873	912	687	715	654	549	511	790	1156
Mechanical	430	458	672	823	907	881	778	630	472	634	853
Electronic	334	306	373	499	445	474	432	412	507	31	109
Chemical	36	43	42	54	57	51	41	22	14	15	18
Metallurgical	25	19	19	18	15	12	13	7	4	4	12
Agri Engineering	93	73	58	71	80	72	49	72	64	89	87
Computers	52	81	188	281	323	346	278	250	356	531	763
Others	169	229	174	185	162	134	195	157	88	875	1220
Total	2441	2398	2791	3239	3100	3051	2772	2380	2249	3252	4618
Medical	1829	2145	2233	1937	1523	1227	1443	1550	1490	1410	1153
Veterinary	43	47	53	11	19	77	37	77	100	104	114
Agriculture	529	440	393	413	422	515	514	510	409	372	525
Total(1)	4842	5030	5470	5600	5064	4870	4766	4517	4248	5138	6410
Technical post Graduates											
Engineering	12	16	28	30	28	112	19	16	33	42	53
Medical	10	20	20	15	133	150	60	51	47	49	13
Veterinary	4	3	3	3	3	3	2	2	4	237	10
Agriculture	247	303	327	372	323	308	280	250	227	283	314
Total(2)	273	342	378	420	487	573	361	319	311	611	390
Grand Total(1+2)	5115	5372	5848	6020	5551	5443	5127	4836	4559	5749	6800

SOURCE: *Economic Survey, Odisha: 2012-13*

Comparative Study on both Education and Service Sector with Respect to Joblessness in Odisha

The services sector accounted for 53.7 per cent of the state's economy followed by industries at 27.8 per cent and agriculture at 18.4 per cent. The analysis presented in the survey 2010-11 clearly brings out that there is perceptible structural change in Orissa's economy with service sector dominating in this decade. As service sector growth increases day by day likewise the growth of education and need for the jobseekers also increases. Therefore there is an urgent need to take appropriate measures to raise employment opportunity and allied sectors substantially so that the incomes of those who depend upon these sectors are enhanced in a sustained manner".

- Eliminating of child labor-child labor is a crucial problem and it has to be eliminated completely because when the children of underage starts making money they will look for more options to make money. Elimination of child labor can definitely help people to get better opportunities.
- Conducting more job fair- Government must initialize and generate more job fairs which will act as a bridge between companies and people who need employment to create more employment opportunities.
- Vocational training- Every educational institution must give importance to the vocational education so that will help full for the reduction of unemployment rate.
- Reduction in poverty and inequality- The government should give emphasis on the reduction of poverty and

Table-11.

year	Number of educated job seekers (Technical and higher educated)	Contribution of service sector in percentage	Magnitude of unemployment at the end of the year	End of the year Rate of Unemployment (%)
2005-2006	5551	54	NA	NA
2006-2007	5443	53.92	NA	NA
2007-2008	5127	52.82	14.1	9.37
2008-2009	4836	54.25	14.07	9.22
2009-2010	4559	56.19	14.03	9.07
2010-2011	5749	56.86	13.98	8.92
2011-2012	6800	57.78	13.93	8.76
2012-2013	NA	58.28	NA	NA

SOURCE: Economic Survey, Odisha: 2012-13

Above table shows that the number of job seeker from the technical and higher education background has been increases from 2005 to 2012 that is 5551 to 6800. Whereas the contribution of service sector also increases from 54 to 59 percentage. That shows that the growth of service sector in Odisha has no capable to capture the unemployment rate of Odisha. If we compare among the unemployment rate and growth of service sector we found that the magnitude of unemployment rate has decreased but the rate of unemployment rate has decreased from 9 to 8.76, which are very less with regard to the growth of service sector and literacy rate. If we compare with 2005-2009 and 2009-2013 we found that Number of educated job seekers (Technical and higher educated) has been decreases from 2005-2009 and it was more in the year 2011-2012 but the rate of unemployment is more in 2005-2009 but less in 2009-2013 in case of Technical and higher educated student's case.

The Measures which are taken by the Odisha Government to Reduce Unemployment or Joblessness in Odisha

Odisha government has taken some measures to promote self employment. The state and central government has brought many schemes to provide employment opportunities to the unemployment.

- Improvement in the employment exchange- employment exchange is very important and will be very helpful so it is essential that employment exchange offices should coordinate correctly and quickly with private companies to provide maximum job opportunities.
- Providing improved educational facilities- It is the education who creates more jobs .So the government should concentrated on education to reduce unemployment.

inequality so that there will be no barrier in the accumulation of the education.

- Qualitative education not quantitative- Education is the key to social & economic development of any society. It encompasses every sphere of human life. Level of literacy has a profound bearing on the level of human development. There are major issues, which are directly or indirectly concerned with the education in Orissa. First, the dropout rate in primary and upper primary schools is become a major issue of concern. In the same time dropout rate become a major setback in the increasing literacy rate which was at the primary stage 33.6% .Second issue is infrastructure of school buildings, which are in bad conditions. And the old or unsafe school buildings of our state are inadequate to meet the needs of school children. Many of them one-room (or even open-air) operations with poorly paid teachers. So the education system of Odisha is not qualitative in nature. In order to improve the employment situation, various programmes sponsored by the Central Government and the State Government are must need to properly operated.

Political Economic Approach to Jobless growth in Odisha

In this section we will try to argue how the political economic factors such as retail sector growth, corruption, service sector growth, migration, subsidy, structural problem etc lead to unemployment in Odisha. They are as followings. Generally the retail sectors are searching the people who can speak English and literate in computer. This the reason sometimes the rural people are excluded and it leads to unemployment in rural areas in Odisha. Again corruption is another factor which hinders the growth process and also leads to unemployment in all the sectors and in all the areas also. The corruption is the main cause which obstacles the trickledown effect in the

Odish's economy. As a result the benefits from the central and state government are not reaching to the lower or poor section of the people in Odisha. The benefit of Mahatma Gandhi National Employment Guarantee act (MGNREGA) Scheme are not reaching to all the needy people due to the irregularity or corruption in the schemes. Further service sector needs the skilled, semiskilled people for their requirement not only in Odisha but also in entire India. This sector excludes rural youth and people and it causes the slowdown of employment in Odisha. Further, migration is another factor which also slowdown the employment in Odisha. Generally the poor youth or people in India migrate to other states to find the job as they don't have opportunity to work in Odisha. They move to the cloth mills in Gujarat, Medicine industries in Hyderabad, and other places. It became a trend these days the moment the children are attending the teen age are thinking to neighbouring state for the job and it reduces the employment rate in Odisha. The structural problem in Odisha is also another factor for the reduction of employment. In Odisha the income inequality gap is very high. Some are extreme rich and some are extreme poor. The wealth and income is accumulated in the few hands only. The surplus of the economy is appropriated by a few people or industrialist in the society and the productive investment is lacking which is must for the employment generation. It is also argued that the excess subsidy in the case of rice, wheat etc also reduces the incentive to work among the poor people.

Suggestions

Improvement of Human development indicators particularly in field of functional literacy, public health, total sanitation, IT literacy etc. Mobilization of targeted groups for enhancement of their employable skills and productive capacity; Fostering of micro-level entrepreneurship in the field of agro-industries, mechanization of agricultural operations and downstream industries;

Conclusion

Joblessness tends to happen when the relatively large no of people have lost their jobs and the ensuring recoveries are insufficient to absorb the unemployed and underemployed. This paper studies the joblessness or unemployed growth in Odisha with respect to service and education sector. In Odisha the contribution of the service sector and GSDP increases day by day but still unemployed people's number also increases. There are many reasons prevails in Odisha for unemployment, among them education and poverty. The growth of service sector in Odisha has no capable to capture the unemployment rate of Odisha. If we compare among the unemployment rate and growth of service sector we found that the magnitude of unemployment rate has decreased but the rate of unemployment rate has decreased from 9 to 8.76, which are very less with regard to the growth of service sector and literacy rate. Odisha government has taken some measures to promote self employment. The state and central government has brought many schemes to provide employment opportunities to the unemployment. In order to improve the employment situation, various programmes sponsored by the Central Government and the State Government are must need to properly operated.

REFERENCES

- (2001): Employment and Unemployment Situation in India, 1999-2000, NSS 55th Round, Report No 458, Government of India, New Delhi.
- (2002): 'Direct Tax Reform: A Critical Evaluation of the Task Force Paper', Economic and Political Weekly, November 30.
- (2003a): 'Industry Must Assume Leadership in Reforms', Economic and Political Weekly, January 18. (2003b): 'Seven Tests of a Good Budget', Economic and Political Weekly, April 12.
- (2006a): Employment and Unemployment Situation in India, January- June 2004, NSS 61th Round, Report No 515, Parts I and II, Government of India, New Delhi.
- (2006b): Status of Education and Vocational Training in India, 2004-2005, Report No 517, Government of India, New Delhi.
- Besley, Timothy and Robin Burgess 2004. 'Can Labour Regulation Hinder Economic Performance? Evidence from India', The Quarterly Journal of Economics, Vol 119, No 1, pp 91-134.
- Bhattacharya, B B and S Sakthivel 2004a. 'Regional Growth and Disparity in India: Comparison of Pre- and Post-reform Decades', Economic and Political Weekly, Vol 39, No 10, pp 1071-77. 2004b. 'Economic Reforms and Jobless Growth in India', Working Paper Series, No E/245, Institute of Economic Growth. New Delhi.
- Blau, David M. 1992. "An Empirical Analysis of Employed and Unemployed Job Search Behavior." *Industrial and Labor Relations Review* 45:738-752.
- Bridges, William P. and Wayne J. Villemez. 1986. "Informal Hiring and Income in the Labor Market." *American Sociological Review* 51:574-582.
- Burdett, Kenneth. 1978. "A Theory of Employee Job Search and Quit Rates." *American Economic Review* 68:212-220.
- Campbell, Karen E. and Rachel A. Rosenfeld. 1985. "Job Search and Job Mobility: Sex and Race Differences." *Research in the Sociology of Work* 3:147-174.
- Campbell, Karen E., Peter V. Marsden and Jeanne S. Hurlbert. 1986. "Social Resources and Socioeconomic Status." *Social Networks* 8:97-117.
- Coleman, James E. 1986. "Social Theory, Social Research, and a Theory of Action." *American Journal of Sociology* 91:1309-1335.
- Jhaveri, Narendra 1994. 'Do Reforms Need A Push?' *The Times of India*, August 16.
- Jones, Geraint, Joel S Hellman, Mark Schankerman and Daniel Kaufmann 2000. 'Measuring Governance, Corruption and State Capture: How Firms and Bureaucrats Shape the Business Environment in Transit', World Bank working papers.
- Kauffman, D and A Kraay 2002. 'Growth without Governance', *Economia*, Volume 3, the World Bank.
- Kohli, Atul (ed) (2001): *The Success of India's Democracy*, Cambridge University Press.
- Morris, Sebastian 1997. 'Why Not Push for 9 Per Cent Growth?', *Economic and Political Weekly*, April.
- National Sample Survey Organisation 1997. *Employment and Unemployment Situation in India, 1993-1994, NSS 50th Round, Report No 409, Government of India, New Delhi.*

- North, Douglass C 1994. 'Institutions and Productivity in History'. Economic History, Economics working paper archive at WUSTL.
- Prahalad. C K and Stuart L Hart 2002. The Fortune at the Bottom of the Pyramid.
- Quinn, R.P. and M.S. Mandilovitch. 1975. Education and Job Satisfaction: A Questionable Payoff. NIE papers in Education and Work, No. 5. Washington, D.C.: National Institute of Education.
- Srivastava, Sadhana 2003. 'What is the True Level of FDI Flows to India', Economic and Political Weekly, February 15.
- Zoli, Eddar, Hafez Ghanem and Jean-Jacques Dethier 1999. 'Does Democracy Facilitate Economic Transition? An Empirical Study of Central and Eastern Europe and Former Soviet Union', October, World Bank.
