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#### **Abstract:**

This research paper tries to estimates the role of women in cottage industry for the development of economy of Balochistan. The objective of research is to determine that how the efforts of females of Balochistan are contributing in cottage industry that can help them to enhance the economic activities in Balochistan. Random sampling technique was used to collect the data through five-point Likert scale through self-constructed questionnaire. Hypotheses were tested using correlation and regression analysis. Results indicated that women have significant role in the cottage industry of Balochistan. As a matter of fact, a large number of women directly or indirectly involved in cottage sector. The industry is producing employment opportunities all over the province for women. The significance of the industry can be evaluated by the job opportunities on small scale for normal human but it also has potential for handicapped persons. It helps in poverty eluviation in the province and grooming women by means of improvement in managerial, entrepreneurial, ownership skills and decision making power.

#### **Introduction:**

Balochistan is a province of Pakistan in the southwestern region. It is the largest of Pakistan's four other administrative provinces in terms of area, constituting approximately 44% of the country's total land mass, and the smallest in terms of population, being home to less than 5% of the country's population (Geological Survey, 2005). The economy of Balochistan is largely based upon the production of natural gas, coal and other minerals. Other important economic sectors include fisheries, mining,

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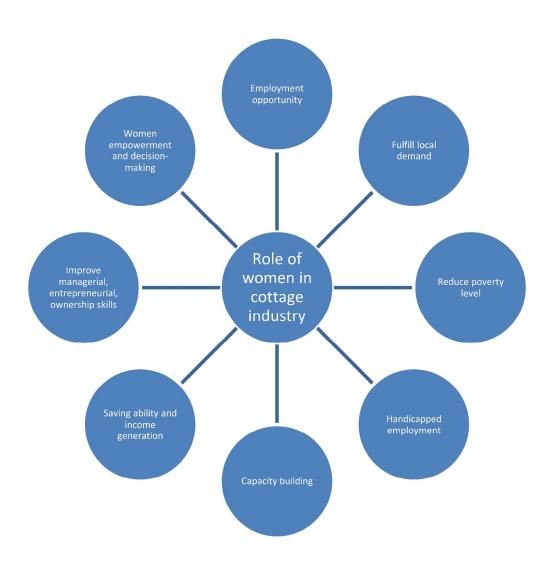
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manufacturing industries, cottage and small-scale industries, trade and other services being rendered by public and private sector organizations. Cottage industry plays an important part of the manufacturing sector in the economy of Pakistan. By cottage industry, we meant the industry, which is generally carried on in the home of artisan. The members of his family usually assist him in his work. The job may be whole time or part time. No power is used in the cottage industry and implements are used are very simple. Cottage industry creates employment opportunities for females as it is a labor-intensive industry. It is estimated that 45% of labor force are directly or indirectly engaged in this sector (Economic Survey of Pakistan, 2012-13) like making of handicrafts, embroidery work, carpeting, candle making etc. these will not only reduce the disguised unemployment in the rural areas but also offer vast opportunities for self-employment. Cottage industry also plays a vital role in capacity building. Mostly women in the province are not allowed to work outside the boundaries of house. Cottage industry contributes to various small skills; such as, carpeting, hosiery and handicrafts within the surrounding of their homes (Khan, 2009). The production of goods in a cottage industry with comparatively cheaper cost helps to meet the local demand of the society. Cottage industry products most suited items to middle and lower-middle class of the society, (Mohammad, 2008) having an impact on the development of the economy. In addition, wool, sugar, iron and steel are used as a raw material. Goods produced in cottage industry also help to raise the foreign exchange of our country and as well, as increases the exports of country. The various kinds of handicrafts produced particularly from wood and metal have international markets and earn the so much needed foreign exchange for the country (Enyinna, 2009).

The production of goods on a cottage industry increases the income of people both in rural and urban areas. The rise in income improves the standard of living and reduces the overall poverty level within the country. It is a good sign for the economic growth of country. The industry also provides employment for handicapped persons. In addition, make them able to an important and productive part of a society. Thus, it helps to reduce their sad feelings and give them emotional securities (Joyce, 2008). Cottage industry provides employments for females thus; it helps to increase their family

income. When these females helps to increase their family earning. Thus, family also gives importance to their thoughts and gives respects to their decisions. It also increases the women empowerment in the province of Balochistan. Cottage industry also helps to save and polish the ability of persons who have no accessibility to do business on a large scale (Toseef et al., 2001). Moreover, it gives them opportunities to generate income for their families. Cottage industry improves managerial, entrepreneur, and ownership skills of females. The females of backward background have the chances to explore their interpersonal skills by taking decision regarding their small businesses. However, they do not get the profit they deserve. Most of the profit is engulf by the intermediaries (Chaudhary, 2010). There are number of cases reported that the goods are sold on cost, it is a discouraging sign and demotivates the women entrepreneurs in cottage industry (SMEDA, 2012). Due to the electricity power supply cutoff and long load shading in Balochistan, the cottage industry is feeling the difficulty to survive. Commercial electricity rate is also high, which increasing the difficulty for cottage industry women entrepreneurs (Roger and Carols, 1998).



#### Literature Review:

Important economic sectors include fisheries, mining, manufacturing industries, cottage and small-scale industries, trade and other services being rendered by public and private sector organizations (Salman, 2013). They produce half of world's food supply and account for 60% of world's working force but comprise only about 30% of the official labor force, receive benefits of only 10% of the world's economy and surprisingly own less than 1% of world's real estate. (S.P Mishra, 1996). In Balochistan

approximately 50% of total population is consisting of women, whereas their participation in economic activities is minimal due lack of facilities in cottage industries (Shakira et al, 2001). Women entrepreneur is only 10% to 15% of total entrepreneurs (Mishra, 1996). Moreover, the percentage is growing gradually. Cottage industry is an integral part of Balochistan economy (Salman, 2013). Cottage industry is flourishing industry in Balochistan with over 500 units employing more over 40000 workers, and produce Varity of handicrafts depicting Balochistan culture (Salman, 2013). Women traditionally play an important role in cottage industry as manager, owner and employee (Sanaullah, 2012). In addition, labor of cottage industry provides approximately 80% of industrial labor (Mohammad and Munir, 2008). Women are not encouraged to work outside their homes. Cottage or small-scale industries like carpet weaving, candle making, handicrafts can be established in houses, and women can be gainfully employed (Parameshwar). Because of gender, discrimination women are more involved in cottage and small-scale industry as compared to men. Therefore, women are considered as important part in small-scale industries. Participation of women in small-scale industry is quite helpful in reducing overall poverty level within the country (Tracy B. Ehlers- 2000). Cottage industry provides a gainful employment for females. However, lack of administrative skills, support and coordination are some major weaknesses of thin industry. Educated women are more involved in economic activities as compare to less educated females. Because they are able to perform in a better way (Toseef, 2001). Women can be an important part of our economy if necessary financial and technological support is provided to them. (Sultana, et al., 1994). Goods produced in cottage industry also help to raise the foreign exchange of our country and as well, as increases the exports of country (2012). Cottage Industry especially started its function in the country sides where unemployment along with underemployment are prevalent. Thus, this industry helps the economy by absorbing a huge amount of surplus labor of the rural economy (Sarvamangala, 2012). Another glaring feature of Cottage Industry is that it is not a mass producer of commodities. The main risk that is being faced by this industry is from the factory based medium or large industries which are again capital intensive in nature. For providing gainful and productive avenues of employment to the

growing labor force and relieve unemployment and employment in rural backward areas, a massive programmed of industrialization in the shape of village and cottage industries would have to be launched. This assumes added significance in the face of limited opportunities in the agricultural pursuits and for putting a check to the large-scale migration to urban areas (Parameshwaran, 2012). The dispersed character of the village and cottage industries facilitate the utilization of scattered resources, of the rural backward area. In our economic situation, with scarcity of capital and abundance of labor, our choice naturally has to be biased towards techniques making use of capital-saving or labor-intensive techniques. (1981). Handicrafts of Pakistan are famous for their uniqueness, assortment and quality standards and therefore have established a mark within and outside the country. There are about eighty different kinds of handicrafts produced in Pakistan, the main ones are: leather goods, brass, copperware and table ware, onyx and marble products, wood crafts, textile and block printing fabrics, embroideries, glass beads, traditional and contemporary jewelry, camel and snake skin products, pottery, hand knotted carpets and rugs, shell and bone products, costume dolls, etc. In Balochistan, there is no such council or organization that looks after the affairs of the handicrafts development. This is one such example that Pakistan may follow in order to develop and promote its handicrafts (Shahnaz, 1991). Handicrafts of beautiful and intricate artisanship are produced in Balochistan; the most typical of the region are mirror work, embroidery, fine quality precious stones and marble work. The crafts of Balochistan are of good quality but are gradually dying due to the following drawbacks for women:

## **Hypotheses:**

 $H_1$  More the women participation in the cottage industry, the more the economy of Balochistan grow.

H<sub>2</sub> Cottage industry is positively related to increase employment opportunitiesH<sub>3</sub> More the training and development for women entrepreneur, the more the developed the cottage industry.

H<sub>4</sub> Local and foreign demand for handicrafts and embroidered cloths can be fulfilled by increase in production capacity.

H<sub>5</sub> Women can help to improve the economy of Balochistan by contributing efforts in cottage industry.

### Sample Size and area of research:

Random sampling was used to collect the data through close-ended interview as the most of women in the cottage industry are illiterate or less educated. Target population were the women who have attain the age of 18 and above. Due to the expectancy of non-response 20% extra samples were chosen for interview. Using SPSS 16.0, statistical tools were employed to test study hypotheses. The research has the practical implication and form the type of data gathering a descriptive and casual. Questionnaire development and results analysis were performed by adopting the due process.

### **Measures:**

Measures planned to gather different related information. Demographic information consists of age, education, Occupation, type of business and their number of employees in the business. Statistical tools were applied in order to analyze the results of the proposed study. Process of data collection started with the self-administered, well-structured self-constructed interview. The response scale had been five point Likert-type scale ranging from one (strongly disagree) to five (strongly agree). Measure was quite significantly revising form the 2 points (Danserreau, et al., 1975), it was also depicted quite significant differences from 4-point (Linden & Graen, 1980) and from five item (Graen, Linden & Hoel, 1982). Before constructing the measure several scales were closely studied. Therefore, 5-point Likert-type scale was borrowed and adopted for the study. Moreover, the Cronbach alphas are consistent in the study. Thus, the 5-item Likert scale ranging from (1) "strongly disagree" to (5) "Strongly Agree" were used in the study. Person correlation and other descriptive statistics is shown the table No.1:

Table:	1	Means.	Stan	dard	D	eviation.	and	<b>Correlations</b>
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Items	Mean	SD	1	2	3	4	5	Beta
1. Employment opportunity (EO)	2.1	0.8	1.00					.851
2. Saving income generation (SIG)	3.1	1.0	.721	1.00				.801
3. Poverty Eluviation(PE)	3.4	1.0	.716	.855	1.00			.904
4. Local and foreign demand (LFD)	3.5	1.5	.911	.801	.819	.1.0		.841
5. Economy Development(ED)	2.8	0.8	.772	.835	.802	.801	.1.0	.814

<sup>\*.</sup> All items are Correlated significant at the 0.05 level (2-tailed).

Cronbach, L. J. (1951)

#### **Results and Discussions**

Results of the study are significant which support the hypotheses. Study verifies the past research study. When H<sub>1</sub> was tested it supported that women participation is cottage industry the economy will grow more. It will have the positive impact on the economy over all. H<sub>2</sub> showed the cottage industry is producing more jobs for the people of Balochistan especially for women. As tested the H<sub>3</sub>, the results were significant and the training and development for women entrepreneur can bring the industrial revolution in the province. H<sub>4</sub> was supported on the data as Local and foreign demand for handicrafts and embroidered cloths can be fulfilled by increase in production capacity. In the same way, H<sub>5</sub> results depicts the significant result relating to women as they can help to improve the economy of Balochistan by contributing efforts in cottage.

Study was significant and overall results were supported. If Balochistan pays attention on small business, it will have significant impact on the progress and development. Those areas where small industry exist to any mean, they are better in livelihood. Those families are more prosper and flourishing rather than those who do not rely on the side business in household setting (Nargis et al., 2012).. According to the results of this research project cottage industry is a useful source of income generation for the women. Especially for the less educated females, they can raise their family income simply by living in their houses. As well as handicapped

<sup>\*.</sup> Correlation is significant at the 0.05 level (2- tailed)

persons can also be a useful part of the society by using their abilities and skills properly.

### Conclusion

The government should pay attention on cottage industry to reduce the unemployment from the province. As well as government should try to enhanced the experts of these products by promoting them on regional countries. The intermediary, who takes most of the profits, exploits the workers of cottage industry should be eliminated. The technical trainings should be provided to the artisans to improve their skills. Women should be encouraged to work. A well-developed small industry is guarantee of a vibrant economy.

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