CHAPTER IX

ECONOMIC TRENDS

141. General level of prices

Prices of foodgrains generally run higher in Rayagada subdivision as the markets in the plains are less remote from there compared to other parts of the district and are also accessible by railway. At Gunupur price of rice in the pre-war years, that is, before 1940, ranged between 11 to 12½ seers per rupee and at Rayagada between 9½ to 10 seers a rupee, whereas at Jeypore it varied from 14 to 16 seers to the rupee (1 seer = 0.93310 kilogram). In Nowrangpur, rice could be obtained in between 17 to 20 seers a rupee and in Malkangiri the price fell as low as 26 seers. On the other hand, the prices of imported commodities varied in inverse ratio to those of the home-grown foodstuffs. sold at Gunupur at the rate of Rs. 2.31 P. to Rs. 2.37 P. per maund. In Jeypore the price was Rs. 2.88 P. to Rs. 3.00 and in Malkangiri it rose as high as Rs. 5 per maund (1 maund=37.324 kilograms). Thus whereas at Gunupur a measure of rice could be sold for 50 per cent more than a measure of salt, in Malkangiri a measure of salt could be exchanged for more than three measures of rice.

With the outbreak of the Second World War the general level of prices shot up very high which was a phenomenon resulting from too much money increased without being accompanied by an increase in the flow of goods. Inflationary spiral was set in motion and the price level recorded a steep rise. This was further aggravated by the speculative hoarding activities of the war profiteers, the transport bottle-necks and ineffective enforcement of control measures. The wartime inflation brought in its wake economic distress.

The harvest prices of certain important crops as shown below* indicates how there was a great rise in prices during the war years and after:

(Per maund of 40 standard seers)

Years	Rice	Wheat	Ragi	Gram	Maize	Rape ar mustar	d Tobacc	o Sugar- cane
1	2	3	4	5	6	7	8	9
	Rs. P.	Rs. P.	Rs. P.		Rs. P.		Rs. P.	Rs. P.
1936-37	1.47	3.93	1.62	3.25	1.31	4.06	19.12	3.00
1937-38	2.88	2.50	1.44	3.44	1.37	4.06	18.94	3.00
1938-39	2.72	2.50	1.62	2.88	1.37	3.69	19.20	3.00
1939-40	2.78	2.69	1.62	3-12	1.62	3.68	17:37	4.00

^{*}Statistical Abstract of Orissa Vol. I, Page 203

^{[70} B. of R.-33]

(Per maund of 40 standard seers)

Years	Rice	Wheat	Ragi	Gram	Maize	Rape and mustard	Tobacco	Sugar can
1	2	3	4	5	6	. 7	8	9
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs,	P. Rs. P.	Rs. P.	Rs. P
1940-41	2.88	2.50	2.42	2.94	1.6	2 4.05	13.57	3.2
1941-42	3.57	3.06		2.81	0.6	2 3.37	10.37	10.6
1942-43	6.25	1.65	2.62	4.60	1.8	4 4.93	11.31	4.9
1943-44	7.19	11.25	4.19	7.33	2.8	1 7.88	17:00	18:1
1944-45	6.52	8.50	6.06	5.83		7.25	41.00	20.9
1945-46	6.50	7.00	4.50	7.25	2.12	2 11-25	33.19	20.0
1946-47	6.69	8.00	5.69	10.25	5.0	6 11.57	45.00	16.8
1947-48	9.00	9.00		4.00	5.0	6 12.00	45.00	23.0
1948-49	13.00	22.00	6.69	20.00	9.5	0 12.00	20.00	25.0
1949-50	13.00	20.00	6.59	20.00	9.50	12·C0	20.00	25:00
1950-51	13.00	20.00	6.50	20.00	9.00	12.00	120.00	25.0
1951-52	13.00	20.00	6.20	20.00	9.0	0 12.00	120.00	25.0

These figures reveal a number of interesting features. The general level of prices recorded an upward trend from the year 1943-44. Prices moved crazily in 1942, 1943 and 1944 and did not come down even after the war. Price control broke down completely defying all economic laws.

It was expected that with the termination of the war the general prices for foodgrains would ease. But it was found otherwise and the wartime rise in the price level was further aggravated. Prices were, however, steady from the years 1948-49 to 1951-52. This was followed by a phase of ups and downs in the general level of prices. According to the decision of the National Development Council to introduce State trading in foodgrains, the prices of common paddy, common rice and wheat were fixed at Rs. 10, Rs. 18 and Rs. 14, respectively per maund, since 1st January 1959. But this endeavour on the part of the Government was neutralised by the good harvests of the succeeding years. Further, due to the transport bottle-necks the products of the district could not be carried outside and the prices came down considerably. In order to check the wide fluctuation in prices, the Government set up regulated markets at Nowrangpur and Gunupur for classification and fixation of prices of different commodities. However, with the formation of the Composite Food Zone between Orissa and West Bengal the surplus foodstuffs were allowed to flow towards West Bengal and the people found good market for their produce.

The following table shows the retail prices of some important commodities in the district of Koraput from 1959 to 1963 in rupees:

Yea	rs	Rice per Kg.	Wheat per Kg.	Ragi per Kg.	Mung per Kg.	Gram per Kg.	Biri per Kg.	per	r Salt per Quinta	Kero- sene al per Litre	
1959		0.48	0.63	0.28	0.63	0.37	0.55	0.71	8.75	0.31	1.19
1960	••	0.45	0.63	0.30	0.63	0.37	0.55	0.75	8.81	0.31	1.25
1961	••	0.43	0.50	0.30	0.54	N. A.	0.50	N. A.	9·12	0.31	1.25
1962	••	0.47	0.62	0.28	0.75	0.75	0.75	0.94	8.75	0.31	1.50
1963		0.72	0.50	0.56	0.68	0.62	0.88	1.00	9.68	0.37	1.55

142. General level of wages

In the rural economy of the district 25.8 per cent of the families derives its chief source of livelihood by earning wages in farm and nonfarm occupations. It would be rather arbitrary to make a water-tight division between agricultural labour and non-agricultural labour, because many of the labourers engage themselves in farm and non-farm work at different parts of the year. During summer particularly, labourers find employment in various miscellaneous types of work not connected with agriculture, in and around the village.

It is very often alleged that employment of rural labour is uncertain and precarious in character. The following table will bring out the distribution of rural labour according to their mode of employment. The sample figures consist of labourers who depend for their subsistence primarily on wages:

	Samples	Percentage
Male labourer (casual)	175	67.57
Female labourer (casual)	22	8.49
Male labourer (weekly)	2	0.77
Male labourer (monthly)	3.00	1.16
Female labourer (monthly)	4	1.54
Male labourer (annual)	52	20.08
Female labourer (annual)	1	0.39

It would be seen from the table that vast majority of labourers, consisting of 76.06 per cent of the total labour population, is employed on casual basis. That is to say, these labourers are employed from day to day without any contract for employment over a long period. Due to this uncertainty of employment the ryots bind themselves to serve for a period of years in return of a lump-sum money as debt-servants or

Gothis. Prior to 1948 the Gothis were being paid at the rate of Rs. 10 per month with food. Gothis were being exploited by the Sahukars who hailed from plains. But with the enactment of the Orissa Debt Bondage Abolition Regulation in 1948 the Sahukars are paying Rs. 22 per month to their Gothis.

The next important mode of employment is on the basis of annual contract. About one-fifth of the total number of labourers is employed on annual terms. Such labourers are usually farm servants who are also commonly known as *Gothis* or *Khambaris*. A few of them may be domestic servants or are in some similar employment. It is noticed that there are very few female workers employed on such annual basis, obviously for the reason that they cannot look after farming operations. These few female labourers who are employed on annual terms are mostly domestic servants.

Labourers engaged on weekly or monthly basis form a very small proportion of the total rural labour. It is found that the majority of rural labour is consisting of men and the proportion of women is exceedingly small. This is obviously due to the fact that they are not considered suitable for heavy fieldwork and only in particular seasons, such as transplantation and sowing, they are employed in considerable number.

In the existing agrarian pattern and the nature of agriculture, there are uncertainties and inadequacy of employment. The extent of underemployment or disguised unemployment, can be visualized from the number of days for which the labourers find employment either in farm or in non-farm work.

The following table shows the number of days during which a labourer is employed during the year:

Number of labourers .. 259

Farm workers

A. Number of man-days worked ... 30,918 (68:57 per cent)

B. Number of days worked per labourer .. 119.37

Non-farm workers

A. Number of man-days worked ... 14,172 (31.43 per cent)

B. Number of days worked per labourer .. 54.72

Number of days worked per labourer .. 174.09

Total number of days unemployed .. 190.91

It is noticed from the above figures that a labourer gets work on the average for 174 days in the year. This is an average for men and women workers taken together. A labourer on the average does not get work for more than six months in the year. This is an indication of the magnitude of underemployment that exists among the rural working population.

In considering the conditions of employment in rural areas, it is of interest to analyse the problem with reference to the places of work. The proportion of workers going outside the village for purposes of employment would indicate the extent of adjustment that is taking place in the labour market.

The following figures indicate the annual employment in days per worker according to the place of work:

Farm work			
Inside village		114.01	(95.51 per cent)
Outside village		5.36	(4.49 per cent)
Non-farm work			
Inside village		45.72	(83.55 per cent)
Outside village		9.00	(16.45 per cent)
Total days worked inside village	٠	159.73	(91.75 per cent)
Total days worked outside village		14.36	(8.25 per cent)

The above data reveal that more than 91 per cent of the days worked is in the workers' own villages while only about 8 per cent of the days worked is outside the villages. So far as farm work is concerned, more than 95 per cent of the days worked is inside the villages.

On the whole, the picture emerges that mobility of labour is relatively small in the rural areas. Movements of workers to urban centres, industrial regions and project works in and outside the district are only limited.

The following sample figures indicate the distribution of rural labour according to the number of days employed in the year:

Number of days		Number of persor	
Below 30 days		2	0 ·77
30—59 days		8	3.09
60-89 days	• .•	" 9	3.48
90—119 days		17	6.56
120-149 days		23	8.88
150—179 days		25	9.65
180—209 days		30	11.58
210—239 days		20	7.72
240269 days		22	8·49
270—299 days	• •	22	8.49
300—330 days	•.•	9	3.48
331-—365 days	• •	69	26.65
Total		259	100.00

It would be reasonable to state that anyone who is employed for more than 11 months in the year is in continuous employment. If this be the criterion, it will be seen from the table that about 26 per cent of the labourers is in full employment either in farm or non-farm work. Out of the sample of 259 labourers only 69 labourers have employment throughout the year. Labourers who get work for about two to four months in the year constitute 13·13 per cent of the total labourers. Similarly, those who get work for about five to eight months in the year constitute 37·85 per cent of the total labour force. Only 21·62 per cent of the labourers are able to get work varying from nine months to eleven months. All this is a clear indication of the volume of under employment in the rural sector.

Agricultural labourer constitutes the lowest income-group in the community. It has been indicated earlier that for a considerable part of the year the rural labour does not find any employment. As such, the daily wage which he earns is not a proper indication of his total earnings. In the district, wage-rates are not only low but the system of payment of wages is also largely primitive in character. In many places wages are paid in kind. As revealed from the statistical data, 28:46 per cent of the total income earned by rural labour is obtained in cash and the rest 71:54 per cent in kind. Payment in kind is usually made in terms of paddy. If such wages remain unchanged on account of tradition, in spite of rise in prices, they would be beneficial to the worker-Wages in kind do remain unchanged but for very short period and since the Second World War with the rise in prices, wage-rates in kind have also been frequently changed.

In the pre-war years the daily labourers were usually paid in grain at the rate of $1\frac{1}{2}$ Kunchams of paddy, which is equivalent to $2\frac{1}{4}$ kilograms. The cash wage was 12 paise per day. In unskilled nonagricultural work, such as earthwork and work on roads and buildings, the daily wage for a male labourer varied between 19 paise to 25 paise and for a female between 12 paise to 19 paise. The same applied to labour in factories. Blacksmiths were paid an annual remuneration in grain for each plough used by a ryot. The amount varied between 15 kilograms to 30 kilograms. The practice of paying annual remuneration to village artisans is not common in the district. In general each village has its own carpenter, barber and washerman.

In the recent years a man engaged in agricultural works gets Re. 1, a woman Re. 0.75 P. and a boy Re. 0.62 P. per day. Those who are skilled workers get a better wage and remain employed throughout the year. Thus a carpenter gets Rs. 3, a cobbler Rs. 2.50 P. and a blacksmith Rs. 2.50 P. per day.

The district is gradually advancing in the sphere of industry and other development projects and people now find employment in these sectors. They are being increasingly employed in the rice mills situated at Nowrangpur, Kotpad, Borigumma and Jeypore and in the Sugar Mill, Ferromanganese Plant, J. K. Paper Mills and Indian Metals and Ferro-Alloys Plant near Rayagada. Earthwork for the D. B. K. Railway has also given temporary employment. With the concentration of industries around the Rayagada belt, Balimela Hydro-electric Scheme and Aero-engine Factory and Panchayat Industries, more employment opportunities have been opened for the people of the district.

143. Standard of living

The district is practically a mass of hills and forests with wild beasts and aboriginal tribes scattered here and there. It had no system of communications till about 1863, when the earliest attempts to lay out a cart-track were made. The cultivation of hill tribes usually meets their annual requirements. They easily get into the hands of speculative persons to meet their drinks and dances readily and are not accusto med to make any savings or adopt any prudential course to store and guard against famine or abnormal years. Sales and purchases of foodgrains are usually made by the merchant class only to export to the plains and not to maintain any stores for local consumption in adverse seasons. Their annual income does not vary remarkably and any rise in prices entails hardship on them to the obvious detriment of their standard of living. Their tendency of borrowing is very great and they are born in debt, live in debt passing on their burden to the progeny.

Thus it is evident that an Adivasi is a peculiar economic man whose activities are most uneconomic in character. He earns an income, spends in excess of it, and thus incurs a debt which lies hanging on his head like a sword of Damocles. A man may marry more than one wife and expenses on marriage constitute a large drain on his income.

The foodstuffs generally consumed are rice, ragi, Same, Cholan, pith of the sago-palm, pounded mango-kernel, dried Mohua flower, jowar, bajra, wheat, redgram, greengram, sugar, mustard, salt and niger. Other articles of consumption are cloth, kerosene, match-sticks and castor oil.

Major development projects mentioned above are being worked out in the district. The economic benefits flowing from these major works largely go to the non-Adivasis who are giving response to the advantages created by these projects. The Adivasis are employed as unskilled labourers and a few as skilled labourers. However, they get more work now and their standard of wage is also high. This consequently increases their standard of living and purchasing power. The impact of urbanization is also increasingly found on the people.

144. Employment Exchange

The District Employment Exchange in the beginning was started at Rayagana in the year 1957 to meet the needs of the unemployed people as well as to cope with the man-power demands of the various Government offices and that of the private industrial establishments of the district. With the inception of Dandakaranya Project with its headquarters at Koraput the Office was shifted from Rayagada to Koraput in the month of November 1959. A Sub-Office has been started since 1st February 1961 at Rayagada to cater to the needs of J. K. Paper Mills, Sugar Factory, Ferro-manganese Plant and other employers of Rayagada and Gunupur subdivisions. One Employment Information and Assistance Bureau has been started in the Borigumma Blocksince November 1961.

The registration work of the Exchange has a great bearing on the availability of job opportunities in the area.

The statistical table given below shows a steadfast increase in the registration as well as placement and submissions made by the Exchange:

				Years			
Items	1957	1958	1959	1960	1961	1962	1963
1	2	3	4	5	6	7	8
Number of registration	1,759	2,606	2,088	3,299	7,550	9,139	9,683
Number of vacancies notified		.,		3,033	4,683	4,062	3,964
Number of applicants placed in employment.	437	356	902	400	1,691	1,962	2,332
Number of applicants on the Live register at the end of the period.			٠.	1,261	2,961	2,857	331
Number of employees using Employment Exchange.				210	261	403	438
Number of vacancies outstanding at the end of the period.	••			2,419	1,284	2,114	2,979
							_

The figures also show that both the employers and the job-seekers are quite conscious about the functions of Employment Organisation and are utilising the same to their best advantage.

Vocational guidance

A vocational guidance sub-unit has been started in the district since 1961. Individual guidance is given regularly to the candidates who come to the Exchange. The scope of group guidance is limited as job-seekers do not visit in numbers at a time or during any period of the day.

APPENDIX

The following tables showing monthly consumption of house-holds in Koraput district are taken from the Orissa Taxaticn Enquiry Committee Report, 1961. The design of the survey is one of stratified systematic sampling of 152 households from rural area and 87 house-holds from urban area of the district.

TABLE I

Monthly consumption of Cereals per household in Rural/Urban areas classified by expenditure-groups

Eugan dia.			Rural Urban				
Expenditu group in R		Cash	Non-cash	Total	Cash	Non-cash	Total
150		Rs. P. 12·13	Rs. P. 8:29	Rs. P. 20.42	Rs. P. 14·19	Rs. P.	Rs. P. 14·19
51100	••	13.91	20.48	34.39	25.11	·· 0·15	25.26
101—150		10.08	40.32	50.40	37.83	1.18	39.01
151300		24.99	35.91	60.90	46.35	11:00	57-35
301—500		2.28	119·19	121:47	67.88	5.11	72.99
5011,000		••	••	••	71:16	20.25	91:41
1,001 and ab	ove	••		••	67:41	36.12	103-53
All expendit groups.	ture-	13.87	26.23	40·10	4 1·60	5.73	47.33

TABLE II

Monthly consumption of Milk and Milk-products per household in Rural/Urban areas classified by expenditure-groups

Expenditure-			Rural		Urban			
group in I		Cash	Non-cash	Total	Cash	Non-cash	Total	
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	
150		0.17	1.79	1.96		••	••	
51100		1.76	2.06	3.83	8.64		8.64	
101150		3.75	1.15	4.90	7.30	1.00	8.30	
151300		4.94	3.99	8.93	12.26	3.55	15.81	
301-500		6.69	4.94	11.63	48.20		48.20	
5011,000			• •	••	75.75		75-75	
1,001 and abo	ove				30.00	6.00	36.00	
All expendit groups.	ure-	3.45	2.52	5.97	20.12	1.71	21.83	

[70 B. of R.—34]

TABLE III

Monthly consumption of other Food items per household in Rural/
Urban areas classified by expenditure-groups

		Rural		Urban			
Expenditure-group in Rs.	Cash	Non-cash	Total	Cash	Non-cash	Total	
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	
150	6.51	2-42	8.93	8.27	0.22	8.49	
51100	12.46	6.04	18.50	22.29	0.11	22.40	
101—150	23.15	7.73	30.88	34.59	0.11	34.70	
151—300	48.12	6.41	54.53	55.96	0.36	56.32	
301—500	65.82	15.87	81.69	124.86	• •	124.86	
501—1,000				262.07		262:07	
1,001 and above	18.92	5.97	24.89	61.91	0.17	62.08	
All expenditure- groups.	••		••	271.17		271-17	

TABLE IV.

Monthly consumption of Fuel, Light and Intoxicants per household in Rural/Urban areas classified by expenditure-groups

Expenditure-group		Rural			Urban			
in Rs.	in R ₈ ,		Non-cash	Total	Cash	Non-cash	Total	
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	
150		2.18	2.01	4.19	4.03	0.44	4.47	
51100		4.19	2.12	6.31	8.86	0.05	8-91	
101—150		8.14	2.93	11.07	12.34	0-13	12.47	
151300		22.01	1.46	23.55	18.28	0.13	18.41	
301—500		10.63	5.86	16.49	27.61		27.61	
5011,000			• •		39.99		39.99	
1,001 and abo	ve		• •		134.56	••	134.56	
All expenditugroups.	ire-	6.83	2.27	9·10	17.45	0.11	17.56	

Monthly consumption of Toilets and Sundry Goods per household in Rural/Urban areas classified by expenditure-groups

Expanditure-group in Rs.			Rural			Urban			
		Cash	Non-cash	Total	Cash	Non-cash	Total		
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.		
150		0.64	0.05	0.69	0.85		0.85		
51-100		1.54	0.11	1.65	3.31		3.31		
101150		3.71	0.30	4.01	4.98		4.98		
151300		9·74	0.11	9.85	9.33		9.33		
301—500		13.07	0.80	13.87	21.12		21.12		
5011,000			••		38.55		38.55		
1,001 and ab	ove		••	• •	86.50		86.20		
All expendit	ture-	3·11	0.16	3.27	10.21		10.21		

TABLE VI

Monthly consumption of Clothing, etc., per household in Rural/Urban areas classified by expenditure-groups

Expnditure-group		Rural			Urban		
in R	s.	Cash	Non-cash	Total	Cash	Non-cash	Total
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
150		2.37	••	2.37	1.76	••	1.76
51100		4.46		4.46	5.33		5.33
101—150		8.03	• • •	8.03	8.22	0.21	8.43
151300		.11-79		11.79	12.20	•• .	12.20
301—500		26.48		26.48	22.37		22.37
5011,000				•	63.07		63.07
1,001 and ab	ove		• •		5•27	••	5.27
All expendit	ure-	6·17		6.17	12.94	0.05	12 99

TABLE VII

Monthly consumption of Miscellaneous Goods and Services per household in Rural/Urban areas classified by expenditure-groups

Expenditure-group		Rural			Urban		
	in Rs.		Non-cash	Total	Cash	Non-cash	Total
gare Militariah angalanggangganggang		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
150	• •	0.79	0-15	0•94	2.47	0.05	2.52
51—100		2.35	0.23	2.58	8.31		8:31
101-150		9.86	0.17	10.03	16.95	0.11	17.06
151-300		13.51		13.51	38.57	0.34	38-91
301—500		63·9 2		3.92	70.19	••	70 ·19
501—1,000					182.57	••	182.57
1,001 and above				• •	308.81	16.67	325.48
All expenditure- groups.		6•56	0.17	6.73	39.07	0.32	3 9·39

TABLE VIII

Monthly consumption of Durable and Semi-durable Goods per household in Rural/Urban areas classified by expenditure-groups

Expenditure-group		5	Rural			Urban		
in Rs		Cash	Non-cash	Total	Cash	Non-cash	Total	
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	
150		0.30	0.22	0.52	•.•		••	
51—100	• •	0.63	0.14	0.17	0.67	• •	0•67	
101—150		1.75	0.09	1.84	1.57	••	1.57	
151-300	••	2.99	0.04	3.03	5.59		5·5 9	
301→500	••	10.47	• •	10.47	5.68		5.68	
501—1,000			••		4.75		4.75	
1,001 and abo	ove	• •	••		2.92		2.92	
All expenditure- groups.		1.43	0.13	1.56	3.73		3·73	

TABLE IX

Consumers' expenditure per household per month in Rural/Urban areas classified by expenditure-groups

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Expenditure-group		Rural			Urban		
	in Rs.		Non-cash	Total	Cash	Non-cash	Total
		Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
150		24.64	13.25	37.89	31.57	0.71	32.28
51100		39.91	29.69	69.60	77.05	0.31	77:36
101—150		66.75	52.27	119.02	120.45	2.41	122.86
151300		138.02	47.91	185-93	192.53	14.82	207-35
301—500		199-37	146.66	346.03	381-93	5.11	386.44
501—1,000					709-19	20.25	729.44
1,000 and ab	ove				951-63	58.79	1,010.42