

## CHAPTER IX

### ECONOMIC TRENDS

#### LIVELIHOOD PATTERN

The people of the district have, from time immemorial, depended on agriculture for their livelihood. In 1891, 57.6 per cent were engaged in or dependent on pasturage or agriculture. In 1901, the population depending on pasturage and agriculture was 61.09 per cent and thus showed an increase of about 3.5 per cent and this was a significant result of the opening of new *rajbahas* during 1891-1901. To this increase we can add another 0.85 per cent, if partially agricultural population is added. Blacksmiths, carpenters and leather workers who accounted for about 8 per cent of the total population were largely subservient to agriculture. Taking all these elements of the rural population together, more than two-third of the population was dependent on agriculture and the economy of the district was centred in the rural areas where it revolved round the agriculturist.

The economy of the villages was largely governed by conditions in which barter prevailed. The village carpenters, blacksmiths, potters, weavers and other artisans received remuneration in the form of a share of the harvested grains. Money, as a medium of exchange was not very current; being used only for the purchase of elementary consumer goods imported from towns.

The only form of capital the cultivators could raise was invested in some jewellery which generally remained out of use, being safely buried. The limited monetary requirements were easily met by selling surplus food grains in a near-by market. Village shopkeepers, who supplied the necessities of life, were mainly paid in kind. Cattle for which the district was known all over the country, also stood the people in good stead in times of need, as they could be sold without difficulty in the innumerable cattle fairs. In the case of more 'well-to-do' land-owners also, the insecurity of the times strongly discouraged the possession of capital in a fluid form. For various reasons land deals were limited in number, and such as resulted from excessive fragmentation

of families and indebtedness of farmers were sponsored by somewhat more affluent land-owners for status rather than prospect of gain. Large-scale mechanised industries, as we know them today, were conspicuous by their absence.

The livelihood pattern in the district did not undergo much change during the opening years of this century. Though the First World War attracted quite a large number of recruits, yet agriculture remained the primary occupation of the district and involved more than two-third of the population. This proportion, becoming numerically greater with the increase in population, exerted greater pressure on the land. The cultivated area increased only by 12 per cent with the addition of 1,56,454 acres during 1931-51. The rural population increased by 35.96 per cent during this period.

The position registered a slight change after 1951. Of the total population of 11,22,046 only about 65 per cent were dependent on agriculture. The distribution of the population in agricultural and non-agricultural pursuits given below shows that production, trade and commerce and other services accounted for the remaining 35 per cent of people :

	Percentage of urban population	Percentage of rural population	Percentage of total population
1. Agricultural classes	14	74	65
2. Non-agricultural classes			
(i) Production	13	9	10
(ii) Trade and commerce	29	5	9
(iii) Transport	3	1	1
(iv) Other services	41	11	15
Total	100	100	100



The total number of people who earned their livelihood was 47.4 per cent of the population. This included 21.8 per cent earning dependents among whom the female earning dependents predominated on the strength of their work, in the various agricultural operations.

The remaining 52.6 per cent were classified as non-earning dependents. This category included women who performed household duties and rendered personal services for the members of individual families without any remuneration in cash or kind. The male non-earning dependents consisted mainly of minor children and students.

The category of self-supporting persons formed 25.6 per cent. The proportion of self-supporting females was higher among the non-agricultural classes than among the agricultural classes due to better opportunities for employment.

The agriculturists living in rural area of the district were 74 per cent; peasant proprietors 57 per cent, tenants 8 per cent, agricultural labourers 8 per cent and rent-receiving landlords 1 per cent.

Agricultural classes formed only 14 per cent of the urban population, trade and commerce 29 per cent, other services 41 per cent, production 13 per cent, and transport 3 per cent respectively. Of the rural population, 74 per cent were engaged in agriculture, 5 per cent in trade and commerce, 11 per cent in other services, 9 per cent in production and 1 per cent in transport.

The nature of occupations of those engaged in production in urban and rural areas differed. In addition to the producers of rural area like artisans, shoemakers, carpenters, blacksmiths and potters, the urban producers included manufacturers of textiles, sugar and machinery.

Trade and commerce, the life blood of towns, formed a very distinguishing feature of urban life. The urban population with its higher income spent a large part of their income on a large variety of consumer goods produced in the factories. The pattern of rural living was much simpler with the greatest emphasis on agriculture, production, trade and commerce and other services, being confined to the barest needs.

The census of 1961 classified the population into workers and non-workers. The workers were further sub-divided in the following industrial categories:—

Industrial Category	Males (percentage of male popula- tion)	Females (percen- tage of female popula- tion)	Persons (percent- age of total popula- tion)	Percent- age of the work- ing force
Cultivators and agricultural labourers	30.5	24.6	27.7	71.13
Mining, quarrying, etc.	0.3	0.1	0.2	0.54
Household industry and manufacturing	6.6	2.0	4.4	11.37
Construction	0.7	—	0.4	0.90
Trade and commerce	3.0	0.1	1.6	4.15
Transport	0.9	—	0.5	1.26
Other services	6.1	1.9	4.2	10.65
Total	48.1	28.7	39.0	100.00

The chief activity of the people was agriculture and about 27.7 per cent of the population (71 per cent of the working force) were involved in this sector. Land-holders just receiving rent were classed among non-workers in this census. With the attainment of Independence in 1947 certain essential land reforms were carried out. The intermediaries like Ala Maliks were abolished, all occupancy tenants were declared as proprietors and the tenants in general were given security of tenure. One very important result of these land reforms was that many such landlords whose only interest in the land was to receive rents took up cultivation with their own hands in order to escape the provisions of various legislative measures of land reforms. This resulted in the increase of agricultural labourers.

During the last two decades the district has made a rapid progress in the field of industries. These include light engineering, pottery, rubber goods, food processing, paints and varnishes and cotton textile. This industrial expansion has provided employment



avenues in industrial areas and attracted landless persons from villages. About 4.4 per cent of the population is engaged in household industry or in manufacturing.

The steep rise of prices since 1956 has brought general prosperity to the agricultural classes and the manufacturers and this in turn has led to a steady increase in the demand for consumer goods, thus boosting the development of trade and commerce. Trade, along with transport has formed an important sector of the economy of the district.

Most of the employment opportunities for rendering other services of various kinds were in the urban areas and 4.2 per cent of the people were engaged in this sector.

Despite the general progress of industries and other non-agricultural vocations described above, the economy of the district has primarily remained agricultural.

### **Prices, Wages and Standard of Living**

The outbreak of war in 1914 caused a sudden rise in prices owing to imports being in short supply and the production being adversely affected by poor monsoon and bad harvests of 1915-16. In 1917 commenced a period of distress and hardship in which prices rose too rapidly to allow the economic system to adjust itself. The strain on the railways resulting from the war caused dislocation of communications so that goods from an area of plenty could not be transported to areas of scarcity. The disastrous harvest of 1918 was closely followed by an unparallel loss of life caused by the epidemic of influenza in the later part of 1918. These hardships brought matters to a climax and even good harvests in 1920 proved insufficient to stay the upward trend of prices.

Up to about 1907, the purchasing power of the wages had risen steadily. During the following decade, particularly during the First World War years, there was increase in wages of skilled labour to the extent of 62 per cent as compared to 37 per cent rise in wheat prices. The wages of unskilled labour increased less (14 per cent). The non-working landlords who got high prices for their yields benefited more than the industrialists who paid enhanced wages to their skilled labour. The unskilled labourers in non-agricultural avocations whose wages did not rise proportionately were hit hard; those engaged in agricultural operations fared better owing to the custom of payment in kind.

After the twenties, the wages increased to Rs.  $1\frac{1}{2}$  per day for skilled labour in 1922 (200 per cent over 1909 level). This rise in wages was commensurate with the rise in prices, so the skilled labourers were not ill off. The position of unskilled labourers was not as satisfactory as their wages rose to Re.  $\frac{1}{2}$  per day (129 per cent over 1909 level). After 1927-28 there was a general trade depression in which prices fell and wages gradually followed suit but this fall was not of the same magnitude as before so that labourers were comparatively better-off during this decade.

The general depression of the thirties brought a slump in the market accompanied by unemployment. The resulting downward trend in the prices of agricultural produce created misery for the farmer.

The World War II broke out in September 1939. It created scarcity conditions in the district. The misery of the agricultural classes was aggravated because of the damage to the crops caused by natural calamities such as rust, gram blight and hailstorm. They got famine stricken. In 1941 with the entry of Japan in the war, the scene of hostilities shifted near India which in turn imparted a fillip to speculation in food grain prices. The Bengal Famine of 1943 and the general transport difficulties all over the country accelerated the upward movement of the price level. There was a slight recession of prices during the following two years due to tightening up of controls and rationing measures. However the general scarcity of food grains and the inflationary factors made the price level to rise enormously. The prices of consumer goods also rose. The trend of prices of food articles was almost similar to that of food grains but the price index of cloth articles registered a greater rise than that of food articles. During the war years there was a fall in domestic expenditure but it was not due to any pressure of high prices but because of general scarcity conditions of consumer goods.

After the Partition the economy of the district was put out of gear; prices rose manifold due to abolition of control and rationing in 1948. Price control had to be reintroduced in 1949. The imposition, removal and reimposition of control over the prices of food grains and consumer goods during the short period of 5 years between 1944 and 1949 reflects uncertain conditions.

In 1950-51 prices rose and the wage increase tended to equalise although the wage increase in the case of unskilled labour was much higher (10 times as compared to 3 times increase in the case of skilled



labour and the wheat prices). Table XXIX of Appendix throws valuable light on the relative increase in wages and prices since the beginning of the twentieth century.

After 1950 the prices fluctuated widely and at the end of 1955 there was a decline of about 20 per cent as compared to the prices of 1950. Prices rose again in the Second Five-Year Plan. There was a relative price stability during the first two years of the Third Five-Year Plan; thereafter prices rose steeply. The position was further aggravated by the drought conditions caused by the failure of monsoon in 1966.<sup>1</sup> The prices of food grains in the beginning of 1966 were as follows :—

Retail Prices in Rupees per Quintal in Rohtak Town

		(Rs.)
Wheat	(i) Dara	52.50 to 57.50
	(ii) Farm	60.00 to 65.75
Barley		55.00
Gram		52.50 to 58.00
Jowar		55.00

The wages of skilled labour during the period have doubled since 1950 and have more than balanced the increase in prices. The normal rates of wages of persons employed in urban area prevalent in 1966 were as follows:—

Particulars of labour	Whole-Time		Part-time	Daily wages
	Pay	Dearness allowance		
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Gardener	30.00	52.50	30.00	3.00
Sweeper	30.00	52.50	30.00	3.00
Water carrier	30.00	52.50	30.00	3.00

1. The price fluctuations in the whole country applied almost everywhere with small differences.

Particulars of labour	Whole-Time		Part-time	Daily wages
	Pay	Dearness allowance		
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Carpenter	100.00	50.00	50.00	6.00
Mason	100.00	50.00	50.00	6.00
Tailor	100.00	50.00	50.00	8.00
Cobbler	60.00	—	50.00	5.00
Labourer	—	—	—	3.00
Washerman	82.00	—	30.00	3.25
Grass cutter	82.00	—	30.00	3.00
Barber	60.00	40.00	50.00	5.00
Blacksmith	100.00	—	50.00	5.00
Mason (2nd class)	—	—	—	5.00

There are very few domestic servants and their wages range from 30 to 40 rupees per month in addition to food and clothing. The scavengers are not employed whole-time but they serve many houses and are normally paid two rupees per house in addition to a *chapati* per day. For grazing cattle, a herdsman gets one to three rupees per head per month. The rate is different for buffaloes which are charged higher than cows. Skilled labourers like carpenters, blacksmiths and masons are employed on daily wages. They usually get wages varying between Rs. 4 and Rs. 6 per day. In some professions workers are paid on piece-job basis.

The rural labourers who were paid in kind during this period did not feel the pinch of rising prices so much. The skilled labour in villages and labour in specific agricultural operations which had to be completed by a fixed time, insisted on payment in kind, so as to avail of the benefit of the high cost of food grains. Their standard of living was affected by the price rise only to the extent to which they had to buy consumer articles not produced on the land.

The method of payment in the rural areas varies from occupation to occupation and sometimes from village to village. Occupations such as carpentry, blacksmithery are paid for at piece rates. These are



subsidiary agricultural professions and are intimately linked with agriculture. Though industrial units of the district have attracted many of these workers but due to the conservative nature of village folk, many stick to their traditional professions. Competitive factors have not entered in these professions and the wages in kind are not strictly according to the services rendered to the agriculturists but are largely governed by convention. The carpenter who is responsible for mending wood work of all agricultural implements and also domestic articles like *charkhas* and bed-steads is paid in kind at the time of *kharif* and *rabi*. The blacksmith who is responsible for repairs of all iron agricultural implements is also paid in the same form. Customary duties of supplying shoes, cloth and earthenwares are now no more attended to by *chamars*, *dhanaks* and *kumhars*. They have shifted to casual labour and also resort to seasonal employment in various agricultural operations. In addition to them, other classes with insufficient land or with no land also do casual labour in agricultural operations. Since this is not a permanent employment and is of a seasonal nature more than one occupation is followed by the same person or class of persons. Thus weeding, reaping, ploughing, irrigation, etc., are done by the same person. The method and period of payment and normal working hours in various agricultural occupations are given below:—

Occupation	Method of payment	Period of payment	Normal working hours
Weeding	Cash	Daily	9 hours
Irrigation	Cash	Daily	8 hours
Ploughing	Cash	Daily	8 hours
Reaping	Cash or kind	Daily	9 hours
Herdsmen	Cash (per head of cattle)	Monthly	7 hours

Thus it will be seen that the wages in the agricultural occupations are mostly paid daily except in the case of the herdsman who is paid monthly and per head of cattle. In addition to the cash payments, daily meals in the form of butter-milk, parched grains, one or two full meals and other refreshment are also provided to casual labourers doing weeding, reaping, ploughing and irrigation. The normal working hours are from sunrise to sunset with a break of an

hour or two. The big landlords employ regular labourers who work with them throughout the year. Such labourers are paid in kind and they get a fixed share of the total produce. Labourers like *pakava*, *jhoka* and *muthia* and labourers for harvesting of wheat are paid in kind and get a share of the produce. Twentieth part of the crop of wheat harvested is given to the labourer as his wages and the system is known as *lai*.

Barbers who render traditional services and also do shaving are paid in kind as arrived at through mutual agreement. Some *ad hoc* payment in cash and kind is also made at occasions like marriages and births according to the services rendered by him.

The common rates of unskilled labour are higher than those prevailing in the district of Gurgaon and Mahendragarh but are equal to those in Ambala.

### GENERAL LEVEL OF EMPLOYMENT

#### Employment Situation

The main profession of the district is agriculture which provides only seasonal employment. Considerable avenues in private sector have been provided with industrial development.

Although new development schemes have created sufficient employment opportunities, increase in employment is not keeping pace with the growth of population. In December 1965, 5,630 persons were available on the live register of the Employment Exchange, Rohtak.

For an idea of unemployment, the census of 1961 gives the details of unemployed persons aged 15 and above by sex and educational levels, both in urban and rural areas which may be seen in Table XXX of Appendix.

The problem of the unemployed in the district is varied and complex. Certain trades lack suitable personnel while others have surplus manpower. There was shortage of language, science and mathematics teachers, stenographers, accountants, experienced turners and fitters. The surplus category included ex-trainees of different trades, fresh graduates and people with lower qualifications. The problem of the unemployed can be tackled with the right sort of occupational information and guidance, and provision of sufficient training facilities in occupations in which vacancies exist.



### **Employment Exchanges**

A sub-regional employment exchange was started at Rohtak in May 1946. A sub-office of the employment exchange was established at Sonapat in May 1948. The working of employment exchanges in the district during 1956 to 1965 is given in Table XXXI of Appendix.

### **Employment Market Information**

The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, came into force on June 1, 1960. It makes a statutory obligation on the part of all establishments in public as well as private sector to notify all vacancies.<sup>1</sup> Simultaneously, the scheme for collection of employment market information was initiated in Rohtak Employment Exchange with a view to making the National Employment Service more effective and useful. The scheme envisages the study of employment conditions and co-ordination of all existing sources of information regarding employment. It also aims at improving the methods of obtaining employment data.

### **Vocational Guidance**

The vocational guidance unit in the Employment Exchange, Rohtak, started functioning in December 1960. The unit provides vocational guidance and employment counselling to youth and adults. It assists in finding suitable institutional training and apprenticeship facilities and disseminating occupational information to youth, teachers, apprentices and other group of persons. Vocational guidance talks in schools and colleges and at the employment exchange are delivered by the Vocational Guidance Officer.

## **PLANNING AND COMMUNITY DEVELOPMENT**

Haryana has some claim to be one of the originators of community development, and Rohtak is one of the pioneer districts to which the Community Development Blocks at Sonapat, Ganaur and Kharkhauda were allotted in 1952.

It is difficult to analyse and evaluate the results of community projects since no perfect methods for testing performance have been developed. Nevertheless, the object of community development is to improve the whole texture of rural life by originating a self-generating process of change and growth.

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1. In private sector, provisions of the Act apply only to those establishments which employ 25 or more persons.

In 1966-67 there were 15 Blocks as below :

<u>Stage I</u>	<u>Stage II</u>	<u>Post-Stage II</u>
Mundlana	Jhajjar	Ganaur
Beri	Kalanaur	Rai
Salhawas	Bahadurgarh	Sonepat
Kathura	Nahar	Rohtak
	Maham	Gohana
	Kharkhauda	

The programme of community development at the initiation of the Government of India is executed in two stages of 5 years each. Preceding stage I, every Block which has been recognised as a unit of planning and development undergoes a pre-extension phase of one year during which work is confined to preliminary surveys and planning and agricultural development. After the two stages of 5 years each the Block enters the post stage II where the expenditure is the entire responsibility of the State Government. A stage I Block has a budget provision of Rs. 12 lakhs for 5 years while a stage II Block has Rs. 5 lakhs and in these two stages the major portion of expenditure is shared by the Government of India. In addition, funds from the various departments of the State flow through the Block. The Block budget is not rigid and is intended to serve more as a guide for chalking out the programmes based on the desires and aspirations of the local people and their requirements. Considerable measures of flexibility exist in the budget and discretion is given to the Panchayat Samitis to reappropriate funds between different heads to suit the needs of the different areas within certain limitations. The idea behind these stages is to help the villages covered by the Block in making their basic developmental schemes successful during the first 10 years and in motivating the people to implement their other schemes of common benefit by their own efforts.

The number of *panchayats*, villages and population covered by each Block is given in Table XXXII of Appendix.