

## CHAPTER IX

### ECONOMIC TRENDS

THE economic betterment of any district depends largely on the local natural resources. A systematic and sustained exploitation of these goes to lay a secure and sound foundation for the economic prosperity of the area. The advantages of situation of natural resources, the skill acquired by the people for putting them into productive use, the accumulated savings of the people for being ploughed back, the credit that the people command and a spirit of enterprise are some of the important factors. Constant efforts at improvement of productivity, both collective and individual, are needed.

The economic growth of Kolar district has been now well planned, having regard to its potentialities in the fields of agriculture, irrigation, industries, communications and other spheres. The many programmes carried out under the successive Five-Year Plans have brought about developments of a far-reaching importance in the district. In presenting an account of the economic trends in the district it would be necessary to discuss the livelihood pattern of the population, the price and wage fluctuations with their impact on economic and social conditions, the employment-level and the role of the Community Development Programme. In dealing with these aspects, we have to bear in mind what has been said in some of the earlier chapters of this volume, particularly relating to agriculture, irrigation, industries, banking, trade and commerce.

Kolar district is not dissimilar to other contiguous districts in the main occupational pattern which is, of course, agricultural. According to the 1951 census, out of a total population of 11,29,875, as many as 8,17,298 persons (72.3 per cent) were depending on agriculture. The 1951 census enumeration of the livelihood pattern was divided into eight classes with a broad division, *viz.*, agricultural and non-agricultural. The agricultural classes were divided into four sub-divisions. They were

cultivators of land wholly or mainly owned and their dependents, cultivators of land wholly or mainly unowned and their dependents, cultivating labourers and their dependents and non-cultivating owners of land, agricultural rent-receivers and their dependents. The following statement indicates the actual number of persons in each category as in 1951 :—

*Agricultural*

1. Cultivators of land wholly or mainly owned and their dependents.	6,92,328
2. Cultivators of land wholly or mainly unowned and their dependents.	38,590
3. Cultivating labourers and their dependents.	56,835
4. Non-cultivating owners of land, agricultural rent-receivers and their dependents.	29,545
Total ..	8,17,298

*Non-Agricultural*

Non-agricultural classes were also divided into four categories, viz., those engaged in production other than cultivation, commerce, transport and other services. The following were the number of people in each of these categories :—

(1) Production other than cultivation.	1,40,262
(2) Commerce .. ..	57,108
(3) Transport .. ..	9,392
(4) Other services .. ..	1,05,815

**New  
classification**

In the 1961 census, for the first time, tables of persons engaged in useful economic activity were prepared bringing to bear on them distinct concepts of "industry" and "occupation", i.e., the nature of industry/business/profession/service and the nature of work done by the workers. In order to get a correct number of persons engaged in different occupations, the population of each village in the revenue area and of each enumerator's block in a town was first divided into "workers" and "non-workers". The working population was then classified under the following nine broad categories, viz., (1) as cultivators, (2) as agricultural labourers, (3) in mining, quarrying, livestock, forestry, fishing, hunting and plantations, orchards and allied

activities, (4) in household industry, (5) in manufacturing other than household industries, (6) in construction, (7) in trade and commerce, (8) in transport, storage and communications and (9) in other services. The statement given below indicates the actual number of persons working in each category:—

(1) As cultivators	..	4,26,584
(2) As agricultural labourers	..	51,946
(3) In mining, quarrying, livestock, forestry, fishing, hunting and plantations, orchards and allied activities	..	22,791
(4) In household industry	..	29,995
(5) In manufacturing other than household industry	..	9,868
(6) In construction	..	4,860
(7) In trade and commerce	..	18,142
(8) In transport, storage and communications	..	3,743
(9) In other services	..	40,111
Total number of workers	..	6,08,040
		(3,97,422 males and 2,10,618 females)

The rest, *i.e.*, 6,82,104 (2,58,223 males and 4,23,881 females), who actually constituted a majority of the population of the district, were non-workers who depended on the workers. (A detailed occupational classification of persons at work other than cultivation in the district is given in the Appendix).

Barring the Kolar Gold Fields area, where there is a large labour population employed in the gold mining industry and where now another large-scale industry, the Bharat Earth Movers Limited, also provides employment to a good number of people, the rest of the district, which has the bulk of the population, depends mainly on agriculture for its livelihood. The industrial workers in the Kolar Gold Fields area are now getting considerably more wages than in the past, but much of their increased income goes to meet the high cost of consumer goods. The landless labourers are employed whenever there is need and they are without employment in other periods; this makes their living condition very difficult. The increased prices of agricultural commodities and better productions have helped to improve the position of many of the cultivators. The land-ownership pattern which has had all the ills of fragmentation, the out-moded methods

of cultivation which are still largely followed, insufficient irrigation and periodical failures of rains have stood in the way of getting more from the land. The Mysore Land Reforms Act, 1961, which is being implemented, has envisaged great changes in the pattern of land-ownership; it has prescribed ceiling limits for present holdings and future acquisitions and has also made provisions in respect of tenants' rights and payment of compensation for surplus lands taken over from land-owners. This would greatly help to make the tiller of the soil the owner of the land and to encourage him to put forth his best to get more from the land.

It was estimated that the district produced 1,41,711 metric tons of foodgrains in 1966-67, which fell considerably short of its requirements; consequently, the deficit had to be met from imports from other regions. Sustained efforts are being made to intensify agricultural production and it is expected that the district would be self-sufficient in foodgrains in a short time. A comprehensive programme for increasing the water sources in the district is being executed. However, the number of persons living on land is far more than it can sustain. It has been realised that complete dependence on agriculture by a large number of people for their livelihood retards the progress of agriculture and affects the economic well-being of the people. This problem becomes more acute in the scarcity areas where the yields are poor and the extent of land under cultivation is smaller. Diversification of agriculture and pursuit of activities allied to agriculture can go a long way in remedying this position. Therefore, development of animal husbandry, horticulture, fisheries, sericulture and such other occupations closely allied to agriculture are being now increasingly encouraged. This would give the families of the cultivators enough work all the year round and a good additional source of income to develop the area and to raise their standard of living. Recently, a co-operative sugar mill at Gauribidanur and a factory for the manufacture of earth-moving equipment and crawler tractors in the Kolar Gold Fields area have been established. Now there is ample power supply. A number of new units of small-scale industries and village and cottage industries have also come up in recent years. All these steps have given a new orientation and momentum to economic development of the district with a faster pace.

#### Price trends

*Prices.*—As far back as 1916, the prices of food-stuffs had begun to show an upward trend. The reasons for this were several. It is clear from an analysis of the causes that the price-rise was equated with the rise in population, variation in the quantum of production and the prices of precious metals; the productive resources had become insufficient to satisfy the needs of the people. These factors had contributed to the rise in prices.

The two World Wars activated trade and commercial transactions to a large extent and the rate of economic growth in the commercial sector was indeed significant. The various credit facilities helped the growth of commerce. But the productive resources had become insufficient to satisfy the demand. This disparity engendered a steep rise in prices benefiting the growers and producers to a considerable extent.

It would be desirable here to make an assessment from 1890 to the beginning of the World War I and then again from 1923 to 1945 when the World War II ended. The following table indicates the quantity in *seers* per rupee of the staple food-stuffs in Kolar district from 1890 to 1914 :—

Quantity in seers and decimals per rupee by the standard seer of 80 tolas.

Year	Rice	Ragi
1890	10.51	32.40
1891	8.53	22.83
1892	7.56	18.46
1893	7.99	22.74
1894	8.59	28.34
1895	9.26	30.00
1896	9.18	26.79
1897	9.29	17.96
1898	7.61	17.78
1899	10.24	22.23
1900	2.40	13.44
1901	8.42	13.27
1902	9.59	20.71
1903	9.56	27.60
1904	11.12	30.50
1905	9.85	17.75
1906	7.81	14.17
1907	7.62	13.71
1908	6.55	11.04
1909	7.60	12.49
1910	7.71	15.37
1911	6.71	14.14
1912	5.69	13.47
1913	5.50	12.58
1914	5.96	13.39

(Source : "The Economic Outlook in Mysore" by R. Aravamuthoo Iyengar, 1916, p. 40.)

Thus, the price of rice which was 10½ seers per rupee in 1890 showed an upward trend in 1914 when it was selling at 5½ seers per rupee. The same was true of ragi which has been the principal food of the population of Kolar district. In fact, the price of ragi doubled itself during the course of two decades. So far as the Kolar district is concerned, it may be said that the era of high prices in the case of rice and ragi dates from 1906-1907. In the previous years, the prices varied according to production prospects. But from the year 1906-1907, though there have been

fluctuations in agricultural production, the prices quoted have been uniformly high.

1923-24 to  
1944-45

The table given below indicates the price-levels for rice and ragi quoted for each *palla* of 100 seers during the subsequent period :—

Annual average wholesale prices of principal articles of food in Kolar district from 1923-24 to 1944-45.

Year	Rice		Ragi	
	Rs. a. p.		Rs. a. p.	
1923-24	..	28 0 0	13 1 0	
1924-25	..	30 0 0	12 5 0	
1925-26	..	30 0 0	11 2 0	
1926-27	..	30 0 0	11 0 0	
1927-28	..	28 0 0	10 8 0	
1928-29	..	26 0 0	10 12 0	
1929-30	..	26 0 0	10 6 0	
1930-31	..	16 10 0	5 12 0	
1931-32	..	14 4 0	6 0 0	
1932-33	..	13 8 0	4 8 0	
1933-34	..	12 3 0	3 11 0	
1934-35	..	14 11 0	7 4 0	
1935-36	..	13 10 0	6 8 0	
1936-37	..	14 8 0	6 0 0	
1937-38	..	14 8 0	5 7 0	
1938-39	..	14 0 0	6 10 0	
1939-40	..	16 0 0	6 14 0	
1940-41	..	22 4 0	6 2 0	
1941-42	..	21 8 0	5 14 0	
1942-43	..	24 10 0	8 3 0	
1943-44	..	27 11 0	14 0 0	
1944-45	..	35 4 0	15 9 0	

(Source : " Statistical Abstract of Mysore " by the Commissioner of Economic Development in Mysore, 1951, p. 67)

After 1950

The prices during the 1950's also showed no signs of decline. The prices of principal commodities went on rising as indicated by the following table for the years 1957, 1958 and 1959 :—

Average wholesale prices\* of selected commodities (Prices in Rs. per B.Md.)

Year	Rice		Ragi	
	Rs. nP.		Rs. nP.	
1957	..	19.47	11.92	
1958	..	19.95	11.84	
1959	..	21.59	13.39	

\*The prices are simple averages of a selected number of centres.

(Source : Department of Statistics).

From the figures mentioned above, it is clear that during these periods, there was a constant rise of the foodgrain prices, resulting in inflation. An analysis of price fluctuations is of paramount importance, because it helps to know the economic pattern of the people. The inflationary tendency is due to various factors. It is not always due to the increase in population. Other factors like variations in the price of precious metals, the pattern of production, the aspects of imports and exports have all played their part in the upward trend of prices. It is to be noted that with the outbreak of the Second World War in September 1939, the price-level shot up. The trend was due to several causes including the activities of speculators and hoarders. Several checks were introduced by the State Government to arrest the tendency. The price control measures which were introduced at the outbreak of the war were tightened up. Compulsory procurement of paddy and ragi was ordered and rationing rules were issued in all urban areas. Even after the end of the war, it was not found easy to relax the controls, because the price factor was an impediment.

The supply and demand position did not improve so as to warrant any relaxation of controls. Many people felt the severity of controls and they persisted in the demand that the controls on foodgrains should be lifted as speedily as possible. In 1952, the Government removed all controls on foodgrains, but even then prices did not register a decline. The price of rice went on rising in the district with the result that in 1960, it was being sold at  $1\frac{1}{4}$  seers per rupee and ragi at  $2\frac{1}{2}$  seers per rupee. To ease the difficulty, the State Government took steps to open Fair Price Shops where the second sort of rice was sold at comparatively cheap rates. Rise in wholesale prices of chief commodities naturally affected the retail prices and this had a sharp bearing on the prices of other commodities. Various curbs were initiated to stabilise the price-line. Banks were advised not to lend money on produce. The Central Government advised the States to build up a sizable buffer stock of principal foodgrains as a measure of precaution and also to bring down the prices.

About the end of the year 1964, the prices of food articles **Further rise** began to show a further upward trend, as a result of which the **in prices** consumers were put to much hardship. During the last months of 1964, and throughout 1965 and 1966, the market prices for rice, ragi, edible oils, pulses and chillies were abnormally high. The State Government took several measures to alleviate the difficulties of the consumers. A series of regulatory orders were issued from time to time with a view to holding the price-line. The wholesale and retail sale of foodgrains came under controls. Fixation of the purchase and selling prices was attempted to check the spiralling prices. The dealers who handled the grain trade were asked to declare their stocks periodically. They were also

required to exhibit the prices of commodities. The Food Corporation of India was established to build up buffer stocks. Controlled distribution of foodgrains was resorted to in urban areas. The cultivators were asked to part with a portion of their production under the levy system. Distribution of foodgrains through consumers' co-operative societies at fair prices helped the people to a certain extent.

Informal rationing was introduced in the Kolar Gold Fields area from 1st May 1965. A fixed quantity of the rationed articles is issued at reasonable prices, on production of a card issued to the head of the family. The foodgrains shown in the card are supplied through Fair Price Shops and Consumers' Co-operative Societies. The scale of foodgrains issued per head per month is 2 kilograms of wheat, 3 kilograms of rice and 3 kilograms of other grains, making in all 8 kilograms. In other parts of the district, controlled distribution of foodgrains is resorted to at the scale prescribed. Issues in these areas are made on an ad-hoc basis, depending on the availability of foodgrains in the district. The issue is not more than 5 kilograms per person per month.

**Foodgrains  
procurement**

Procurement of foodgrains has been resorted to in order to supply them to the Fair Price Shops and Consumers' Co-operative Societies. Under this scheme, several regulations have been issued, *viz.*, the Mysore Paddy Procurement (Levy) Order, 1966, the Mysore Jowar Procurement (Levy) Order, 1966, the Mysore Bajra Procurement (Levy) Order, 1966, and the Mysore Ragi Procurement (Levy) Order, 1966. During 1966-67, the procurement work in the district was entrusted to the co-operative institutions, which acted as purchasing agents. The levy orders which were in force during 1966-67 were continued in 1967-68 also. The distribution of foodgrains, on a control basis, to the consumers was done by Fair Price Shops organised by individual merchants, village panchayats and co-operative societies. According to the Kolar Food Supplies Office, 335 co-operative societies, 243 village panchayats, 3 municipalities and 243 individual merchants undertook this task of providing foodgrains at reasonable prices in the district.

The approximate prices of several food-stuffs as sold in the open market in the district during the year 1966-67 were as follows :—

	Rs.
Rice—	
Fine	.. 1.50 per kilogram
Medium	.. 1.30 per kilogram
Coarse	.. 1.25 per kilogram



Wheat	..	0.65 per kilogram
Jowar	0.73 to	1.10 per kilogram
Milo	..	0.50 per kilogram
Bajra	..	0.73 per kilogram
Ragi	..	1.10 per kilogram
Maize	1.10 to	1.15 per kilogram
Barley	..	3.00 per kilogram
Pulses	..	2.25 per kilogram

*Urban Wages.*—The wage index of any area is closely linked **Wages** to the price-line and when the commodity prices increase, the wages paid have also to be raised. This trend is particularly significant in an inflationary period. Only averages are noted though the wages paid may vary from place to place depending on the economy of the place. The average wage for casual labour varies from Rs. 1.50 to Rs. 2.00 a day. Of course, this category of wages is higher than that of ordinary agricultural labour in rural areas. In the Chikballapur urban area, the casual labourer gets Rs. 1.50 a day. But the same is not the case in the Kolar Gold Fields area. The wages paid to casual labour in this mining area is ordinarily Rs. 2.00 a day. Labourers who are employed for carrying loads, are paid 0.50 paise to 0.75 paise per load. In areas with a large population, the rates paid are high since the demand for them is more. If they are in short supply, the portage demanded will be correspondingly high.

The wages paid to domestic servants are not based on any precise standard type. There are variations from place to place. In some areas, there are whole-time domestic servants getting a monthly wage with or without food. In some places, servants are employed part-time or according to hours of work. But in all these cases, the wages paid have no standard basis. For example, a domestic servant in a mining officer's house in the Kolar Gold Fields gets a monthly wage of Rs. 50, whereas in Kolar town, the same servant will be paid Rs. 40. Part-time domestic servants are employed on a monthly wage of Rs. 15 to Rs. 20 according to the type of work given to them. A common feature in the urban areas is that domestic maid servants cover three to four houses where they work from morning to evening. The work of these servants is anything from dish washing to washing of clothes, sweeping of the houses, watering the flower gardens and escorting children to schools and back to their homes.

Office-boys in private establishments, who do mostly menial work, are given Rs. 60 to Rs. 75 a month, whereas a Government Class IV servant is paid a basic pay of Rs. 50 a month *plus* dearness and other allowances as in force from time to time; his

dearness allowance at present (1968) is Rs. 65 and those working in the Kolar Gold Fields area and at Kolar are entitled to get also a house rent allowance of Rs. 7 and Rs. 2 respectively.

Drivers of motor vehicles are important in the category of urban wage-earners. Towns like Kolar, Robertsonpet, Chintamani and Chikballapur have grown considerably in recent years. There are a number of merchants and officers in these areas. Most of these well-to-do persons have their own cars for which they keep paid drivers. These car-drivers are paid Rs. 75 to Rs. 85 a month. From the several urban areas of the district, the drivers are migrating to Bangalore for better pay and prospects. Availability of paid motor-drivers was not so difficult a decade ago. But now as the vehicle-strength has increased in the urban areas, there is a greater demand for trained motor-drivers. The wages paid to drivers of heavy vehicles like lorries and trucks are considerably higher. It is difficult to get a lorry driver for anything less than Rs. 100 or Rs. 125 a month. Bus-drivers in private enterprises are paid between Rs. 100 to Rs. 115 a month with an additional high price allowance. Likewise, skilled workmen like carpenters, blacksmiths, tailors, washermen and barbers earn easily twice as much as the unskilled labour. (See also Chapter VIII).

*Rural Wages.*—Being mainly an agricultural district, vast numbers depend entirely on land for their livelihood. In this connection, a reference to the views of the Prices Enquiry Committee would be pertinent. The views of the Committee are the nearest approach to the general proposition that prices determine income. It is said in the report that “In some tracts, the cultivators are much better off than before. The ryot population in the better class areas have greatly benefited by the rise in prices and their material condition is very much better than it was before.”\* However, this statement would not be fully applicable to the *maidan* district of Kolar, because of the capricious nature of the rainfall which often causes anxiety to the agriculturists. Tanks under which wet cultivation is conducted do not fill regularly each year. Many of the raiyats in the past experienced a great deal of difficulty and being dismayed in their pursuit of agriculture, migrated to the urban areas and sought jobs in the industrial and other establishments and in Government and other offices. This is not peculiar to this district, but this has been the position in other *raiayatwari* areas also in India. As the yield from land was insufficient for their daily needs, they were attracted towards other employment opportunities. This being so, it cannot be said that the entire body of the cultivating class has become prosperous by the rise in prices.

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\*Report of the Prices Enquiry Committee by K. R. Dutta, 1914, p. 390.

In the district, a large number of persons are engaged in agricultural operations such as ploughing, sowing, weeding, transplanting, irrigation, harvesting and threshing. Each large village has been economically self-sufficient to some extent with the result that many of them have their own carpenters, blacksmiths, well-sinkers, spinners and weavers. A common feature of most of these occupations is the casual nature of employment offered as against permanent employment obtaining in urban areas. The method of paying wages in the rural parts is varied, wages being paid daily or monthly in cash or kind or during seasons in regular instalments. In some places, cash is paid and in other places, in addition to the cash, grains are also distributed.

Women labourers are paid from Re. 1.00 to Rs. 1.50 daily depending upon the season. Agricultural labourers are available in sufficient numbers, but during peak seasons, there is a perceptible scarcity. Most of the heavy work is done by men who get better wages than women. They work for about eight hours a day. The agricultural labour is not well organised in the district.

Under the Minimum Wages Act, 1948 (Central Act XI of 1948), the State Government had fixed the minimum rates of wages in respect of several categories of employment in agriculture, in 1959. These rates were revised in 1968. The statement given below shows the old and the revised rates of wages of the several categories :—

Class of employment	All-inclusive minimum daily rates					
	Dry areas		Irrigated areas		Perennial garden areas	
	1959 Rs.	1968 Rs.	1959 Rs.	1968 Rs.	1959 Rs.	1968 Rs.
<b>Class A :</b>						
1. Ploughing ..	1.25	1.85	1.50	2.20	1.75	2.55
2. Digging ..						
3. Harrowing ..						
4. Sowing ..						
5. Inter-culturing ..						
6. Irrigating or watering ..						
7. Uprooting ..						
<b>Class B :</b>						
1. Manuring ..	1.00	1.45	1.12	1.65	1.37	2.00
2. Transplanting ..						
3. Weeding ..						
4. Reaping—						
(a) Harvesting						
(b) Threshing						
(c) Winnowing						
5. Picking in the case of cotton.						
<b>Class C :</b>						
1. Cattle, Sheep and Goat grazing.	0.50	0.75	0.50	0.75	0.50	0.75

The monthly minimum rates fixed in 1968 for youths and children employed permanently under Class A are Rs. 22.05 with food and clothing and Rs. 44.05 without food and clothing. The corresponding rates under Class B were Rs. 14.70 with food and clothing and Rs. 22.05 without food and clothing and under C Rs. 7.35 with food and clothing and Rs. 22.05 without food and clothing.

In summing up, it may be said that the agricultural wages do not compare well with the industrial wages. The wages paid in the industrial area of Kolar Gold Fields and in the City of Bangalore are much higher than what are obtained by the labourers in the fields. The migration to industrial areas is noticeable in the district. The skilled artisans of the rural areas are also slowly migrating to urban areas because the wages paid in the rural areas are low.

**Standard of living**

Rising prices invariably affect the standard of living of the community and those belonging to fixed income groups suffer most. The consumer price index for Kolar Gold Fields area is available as it is wholly an industrial area. The cost of living index for other areas as a whole is not available. The following table indicates the consumer price index numbers for the years 1965, 1966 and 1967 pertaining to the Kolar Gold Fields, the base year being 1960 for which the index number was 100.

<i>Year and Month</i>	<i>Food</i>	<i>General</i>
<b>1965 :</b>		
April .. ..	134	129
May .. ..	133	129
June .. ..	135	130
July .. ..	136	132
August .. ..	143	136
September .. ..	143	136
October .. ..	144	137
November .. ..	144	137
December .. ..	153	142
<b>1966 :</b>		
January .. ..	156	145
February .. ..	155	145
March .. ..	154	145
April .. ..	157	147
May .. ..	157	147
June .. ..	157	146
July .. ..	158	147
August .. ..	170	155
September .. ..	173	157
October .. ..	174	158

<i>Year and Month</i>	<i>Food</i>	<i>General</i>
November .. ..	170	158
December .. ..	171	156
<b>1967 :</b>		
January .. ..	177	160
February .. ..	179	162
March .. ..	176	161
April .. ..	173	160
May .. ..	173	160
June .. ..	178	163
July .. ..	202	178
August .. ..	202	178
September .. ..	201	178
October .. ..	205	180
November .. ..	206	181
December .. ..	(Not available)	

It is clear from the above table that the index has constantly risen since the base year 1960 affecting the purchasing power of the wage-earning class. It is also noticed that while the general index has gradually risen, there were some sudden jumps in the food index.

Looking back to the past, it may be said that the era of **Era of prosperity** began to set in for the middle classes in 1880. A **prosperity** policy of internal development, expansion of education and training of the people in self-government became firmly established in various parts of India. This movement had its effect in Mysore State also. Several sections of the people achieved much progress in modern education and the educated classes began to seek employment in Government departments, learned professions and the like. The hereditary literate class and the commercial communities and the like began to acquire much wealth. The result was an increasing desire for the adoption of a better standard of living. This was manifest in marriages and other festive occasions when ostentation became the order of the day. The economic consequences of spending much on marriages and festive occasions have been immense. For parents of moderate resources, the marriages of several daughters meant indebtedness or monetary difficulties for the rest of their life. The era of prosperity continued when prices were low and the purchasing power of the rupee was at its highest.

But this phase did not last long. Due to the steep rise of prices, the cost of living went up in recent years with the result that it became increasingly difficult for many of the people to make both ends meet. The standard of living of the wealthy, who

are classified under the higher income group, is no doubt high, because they can afford to lead a life of comfort. They have enough surplus money to buy articles of luxury. To this category belong the rich merchant class, wealthy contractors, large-sized agricultural land-owners and the hereditary rich class. The number of people in these high income groups is small. The State in pursuit of its policy of lessening the disparities in society is attempting to mop up the surplus wealth of the rich by recourse to various taxation measures. The Estate Duty Act is also a measure in levelling up, to a certain extent, the disparities of wealth and penury. With the results achieved under the successive Five-Year Plans and the appreciable increases in the *per capita* income, it is expected that the standard of living would gradually go up. The *per capita* income of the district was estimated at Rs. 289 in 1960-61. This figure was, however, less than the Mysore State's average figure of Rs. 305 and the National average of Rs. 334. It has been visualised that by 1976, the State's *per capita* income would rise to Rs. 524 or by 3.7 per cent per year.

#### High cost of living

The standard of living of the middle-class and the lower-middle class in the urban areas is lower when compared to those living in the rural areas. This is attributed to housing difficulties, high rent for residential houses and increased cost of living. Other items of expenditure like education, medicine, conveyance, entertainment, food and the like take away a good portion of their income. After meeting all these expenses, very little is left to meet the demands in times of adversity. In fact, often many have to live on borrowed income.

A salary-earner with an average income of Rs. 200 a month and with a family of five persons, can maintain himself only with difficulty. He has to deny himself a lot so as to balance his budget. If some extra expenditure is necessary, he has to depend upon a loan which leaves him indebted. It is only in cases where there is an extra income from property or other sources that a better standard of living is secured.

The position of menial servants in Government offices and other industrial establishments is now better with the recent revisions in wage structure including allowances. In some cases, other supplemental income from milk-vending, gardening and the like fetches them an additional income. Their spending also is less than that of the average lower middle class man. When this group of Class IV personnel is compared with the clerical group, a fair assessment of their living standard could be obtained.

The standard of living of the average rural wage-earner is low. Many of the rural wage-earners eke out their livelihood by

recourse to agricultural labour as they have no land of their own. In the agricultural seasons, they easily get work for which they are paid in cash or kind. The wages paid to these labourers have, of course, increased to some extent, but the value of money has depreciated with the result that its purchasing power is very low.

In the rural areas, except for a few big land-owners, the bulk of the population is made up of cultivators. They are the backbone of the rural area. The cultivators have their own houses, cattle, carts and implements and, to a certain extent, assistance by way of labour. The family budgets of the agricultural middle classes reveal that nearly 70 per cent of their income is spent on domestic needs. They do not spend much on clothing. They go on pilgrimages to nearby shrines or occasionally visit cattle fairs. Some occupational groups, *viz.*, skilled workers and artisans, are earning better and they are in a position to meet the rising prices. There is no difficulty in employment opportunities for this class of people.

Expenditure on the bare necessities of life takes away the bulk of the income of the middle classes in both urban and rural areas. It is only the affluent who are able to maintain a high standard of living. A modern standard of comfortable living connotes adequate amenities like good residential accommodation, a balanced diet and adequate clothing of a superior kind, recreational comforts, modern means of transport like cars, a fair amount of savings for educating the children and for special occasions, all of which cumulatively make life happier. Only a small number at present can afford to have all these amenities in a good measure.

**Condition of  
middle  
classes**

Ownership of houses by the middle and lower-middle classes of urban areas in the circumstances of to-day is rather difficult, because of the appreciation in site values and the high cost of construction. A majority of the people belonging to the middle and lower-middle classes have no houses of their own. They are paying rents which take away a substantial portion of their income. In recent years, the housing schemes have eased the situation to a certain extent. But those, who benefit from the housing schemes, have to go on paying instalments for some years, necessitating a corresponding reduction in day-to-day comforts.

The increase in commodity prices, the fall in the purchasing power of the rupee and the change in social habits have affected the orderly growth of living standards. The position of the salaried middle class is particularly difficult because their income is fixed and they have generally no other means to fall back upon.

In the rural sphere, uneconomic holdings and low agricultural wages induce the people to borrow money. This hampers the growth of their living standard.

The influence of urban areas, helped by the easy means of communication, is increasingly changing the way and the standard of living in the rural areas. The food habits in the villages have undergone a change after the starting of hotels and restaurants. Many of the villagers have also taken to modern apparel. The touring cinemas, which go from place to place, give the rural people modern entertainment at cheap rates.

**Employment  
Exchange**

For purposes of securing employment in different categories, the District Employment Exchange, started in June 1959 and located in the Kolar Gold Fields mining area, is the central clearing house. The jurisdiction of this Exchange extends to the whole of the district. The main function of the Employment Exchange is to bring together employers needing workers and workers seeking employment in such a manner that the employers find suitable workers and the workers find the jobs best suited to them as quickly as possible. The Exchange sorts out the vacancies notified to it by employers and classifies the employment-seekers registered with it according to their qualifications, degree of skill and previous experience. Particulars are noted on cards and the latter are arranged in such a manner that they could be picked out quickly whenever a candidate has to be matched against a vacancy. When the vacancy is notified, the Exchange examines the cards of persons of the appropriate category on its register and matches the vacancies with men most suitable for filling them.

It is a common feature in the Employment Exchange that surpluses exist throughout the year in unskilled category of labour as also in the categories of untrained teachers and clerks. A table showing the numbers of applicants (by broad groups) registered and placements effected by the District Employment Exchange from 1961 to 1967 is appended at the end of the chapter.

As per the Compulsory Notification of Vacancies Act, 1959, a statutory obligation is now cast on private employers employing more than 25 workers to notify all vacancies carrying a salary of Rs. 60 and above per month to the Exchanges. However, there is no binding on them to fill up the vacancies through the Exchanges.

**Community  
development  
programme**

The Community Development Programme aims at all-round betterment of rural life at a rapid pace by an integrated and comprehensive approach to the problems. It includes, within its



scope, activities relating to the development of agriculture, village industries, animal husbandry, minor irrigation and communications, and promotion of co-operation, health and sanitation, social education and the like. The rural people are encouraged to put forth their best efforts through village institutions organised on the basis of self-help and co-operation. With the introduction of re-oriented Panchayat Raj institutions, a new dynamism has been infused into the movement. The various development agencies of the Government work together as a team for execution of the programmes. The essence of the approach is that the villagers co-operate with the Government agencies for bringing about the desired results. Under this programme, community projects, each covering about 300 villages and a population of two lakhs, were inaugurated in 1952. This generated a great deal of enthusiasm among the rural people as they felt that they too were partners in this nation-building programme.

The demand to extend the programme to other areas also increased. The Government, noting the great interest evinced by the people about the efficacy of this revolutionary trend in rural uplift, decided to introduce the National Extension Service (N.E.S.). This new scheme was less intensive in character. After the introduction of this scheme, the programme was implemented in three stages, *viz.*, the National Extension Service Stage, the Community Development Stage and the Post-intensive Stage. The National Extension Service Stage extended over three years during which a relatively less comprehensive programme was executed within a budget ceiling of Rs. 4 lakhs and with a limited staff strength. This was followed by another three years of intensive community development with a larger staff and a budget of Rs. 8 lakhs. Thereafter, the block entered the post-intensive stage, when a sum of Rs. 30,000 was ear-marked.

In the revised pattern, which came into force from 1st April 1958, the entire programme was rephased. The new programme envisaged an intensive development over a longer period divided into two stages, *viz.*, stage I and stage II of five years' duration. The new arrangement implied an automatic conversion of the National Extension Service Blocks into Community Development Blocks with an increased budget allotment. The funds provided for the first and second stages were Rs. 12 lakhs and Rs. 5 lakhs respectively for each block. Stage I was the intensive development phase. The achievements of stage I were taken as the guide-lines to prepare for stage II, which is the post-intensive phase. Kolar district had 15 blocks as on 1st April 1967. The following

**Revised  
pattern**

table indicates the names of the blocks and the dates of their inauguration :—

<i>Sl. No.</i>	<i>Name of Block</i>	<i>Date of Inauguration</i>
(1)	Kolar, Stage I	2-10-1960
(2)	Vemagal, Stage II	1-10-1961
(3)	Malur, Stage II	2-10-1961
(4)	Bangarpet, Stage I	1-4-1962
(5)	Bethamangala, Stage I	5-4-1956
(6)	Mulbagal, Stage II	2-10-1954
(7)	Srinivaspur, Post-Stage II	2-10-1954
(8)	Chintamani, Stage II	2-10-1956
(9)	Iragampalli, Stage II	1-10-1962
(10)	Sidlaghatta, Post-Stage II	2-10-1953
(11)	Chikballapur, Stage I	25-4-1959
(12)	Gauribidanur, Stage I	15-12-1962
(13)	Vatadahosahalli, Stage I	9-2-1964
(14)	Gudibanda, Stage II	15-11-1958
(15)	Bagepalli, Stage II	1-4-1958

The whole district is covered by the scheme. The people showed considerable enthusiasm for the scheme and co-operated in its execution and have immensely benefited by it. It is through this development scheme that the Five-Year Plans have sought to initiate a process of transformation in the social and economic life of the rural people.

The statement given below shows the amounts of expenditure incurred by each block during 1966-67 :—

<i>Sl. No.</i>	<i>Name of Block</i>	<i>Expenditure</i>
		Rs.
(1)	Kolar	4,59,923
(2)	Vemagal	2,30,104
(3)	Malur	1,11,337
(4)	Bangarpet	3,68,615
(5)	Bethamangala	2,64,239
(6)	Mulbagal	1,28,378
(7)	Srinivaspur	2,92,333
(8)	Chintamani	1,06,546
(9)	Iragampalli	1,42,130
(10)	Sidlaghatta	1,56,293
(11)	Chikballapur	4,19,130
(12)	Gauribidanur	2,83,442
(13)	Vatadahosahalli	1,31,744
(14)	Gudibanda	1,58,329
(15)	Bagepalli	2,32,533

During the First Five-Year Plan, there were only 4 blocks in the district which increased to 9 in the Second Plan. During the First Five-Year Plan, 33 per cent of the population was covered by the scheme. This figure increased to 68 per cent by the close of the Second Five-Year Plan. During the Third Plan, the whole of the district was covered by the scheme.

In the implementation of the Block Development Programme in the district, Sidlaghatta and Srinivaspur Blocks stand out prominent, as these two blocks were the earliest to be started, and the progress achieved in these two blocks is dealt with here by way of illustration. The Sidlaghatta Block was started in 1953 and the Srinivaspur Block in 1954. The former was converted into a Community Development Block on 1st April 1956. The first stage period continued upto 1st April 1960, when the second stage was launched. The latter phase continued till 1st April 1965. Afterwards, the post-stage came into force and was still in operation. During the first stage, *i.e.*, upto the end of 31st March 1960, the schematic budget provision in respect of block headquarters, animal husbandry and agricultural extension and irrigation, health and sanitation, education, social education, communication, rural arts, crafts and industry and housing was about Rs. 12 lakhs. Of this, the expenditure incurred during the period was Rs. 9,91,584. Drinking water wells were dug in 55 villages as there were no drinking water wells in those villages before. In 38 villages, the existing wells were deepened. In 4 villages, additional wells were taken up for construction. The expenditure incurred during the 2nd stage, *i.e.*, upto 1964-65 was as follows :—

Year		Expenditure
		Rs.
1960-61	.. ..	1,00,000
1961-62	.. ..	83,500
1962-63	.. ..	68,800
1963-64	.. ..	44,900
1964-65	.. ..	38,650

The number of works taken up and completed under different heads under the Block budget and the amounts of expenditure incurred during the period were as follows :—

Stage	No. of Works	Expenditure incurred
		Rs.
I	167	3,42,911
II	48	1,05,014
Post-Stage II	7	9,156

**Srinivaspur  
Block**

The Srinivaspur Development Block with one unit was started on 2nd October 1954, and it has completed the stage I and stage II phases. At present, the Block is in the post-stage II period. The following is the expenditure incurred by the Block since its inception upto 1965-66 :—

<i>Year</i>		<i>Expenditure</i>
		<b>Rs.</b>
1954-55	.. ..	18,669
1955-56	.. ..	1,09,141
1956-57	.. ..	1,52,038
1957-58	.. ..	2,17,054
1958-59	.. ..	2,30,172
1959-60	.. ..	1,75,107
1960-61	.. ..	90,795
1961-62	.. ..	86,305
1962-63	.. ..	70,861
1963-64	.. ..	55,751
1964-65	.. ..	51,945
1965-66	.. ..	60,792

The expenditure incurred was under nine different heads, *viz.*, block headquarters, agriculture, irrigation, health and sanitation, education, social education, communication, rural arts and crafts and housing. The agriculture and animal husbandry programmes are the major development work in the Block and all other activities are closely allied to it. The Taluk Development Board came into being during 1961-62 and ever since, the programmes under agriculture and animal husbandry are being formulated and executed by the Board. Under education, 27 new school buildings were constructed in the Block. Community centre buildings were put up in 14 places under social education. Particular attention was paid to development of communications in the area. In all, 267 works were taken up and completed in the Block since its inception.

**Number of Applicants (by broad groups) registered and number of placements effected by the District Employment Exchange,  
Kolar Gold Fields, from 1961 to 1967.**

<i>Years as on 31st March</i>	<i>Number of applicants registered</i>							<i>Placements effected</i>		
	<i>Industrial supervisory workers</i>	<i>Skilled and semi-skilled workmen</i>	<i>Educational workers</i>	<i>Domestic workers</i>	<i>Un-skilled persons</i>	<i>Others (S.S.L.C. passed and failed candidates —freshers)</i>	<i>Total</i>	<i>Men</i>	<i>Women</i>	<i>Total</i>
1	2	3	4	5	6	7	8	9	10	11
1961	74	129	263	12	1,123	2,241	3,842	1,142	153	1,295
1962	96	268	295	17	4,453	2,628	7,757	2,158	207	2,365
1963	149	331	328	11	2,723	3,219	6,761	966	185	1,151
1964	117	301	212	7	3,065	3,981	7,683	683	175	858
1965	146	306	278	3	2,750	3,173	6,656	863	87	950
1966	137	563	217	41	3,641	3,409	8,008	691	82	773
1967	216	958	88	48	4,438	7,765	13,513	676	82	758

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