CHAPTER - I

INTRODUCTION
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It is usually viewed that the stage of economic development of a country is related to the proportion of workforce engaged in different productive activities. It is also widely held that the economic progress is generally associated with distinct, necessary, and predictable change in occupational distribution, in particular, with a relative increase in the numbers engaged in non-agricultural tertiary activities. The transition from a traditional to a modern industrial society is accompanied by a relative and absolute decrease in the agricultural labour force, the concomitant growth of industrial sector and the rise of a modern highly skilled services sector.

The distribution of labour force among different sectors of the economy and the magnitude of domestic product on the one hand and economic development on the other are inter-related. Economic development and a changing industrial structure of labour force are synonymous. In contrast, a rigid and unchanging industrial structure is an indicator of stagnation. The relationship has been based on an empirical evidence derived from historical experience. Its account requires a clear analysis of the process of economic growth.
The statistical relationship between the industrial distribution of the labour force and economic development is precisely stated by A.G.B. Fisher and Colin Clark. It is expressed in the form of a generalisation that as an economy develops, "the numbers engaged in agriculture tend to decline relative to the numbers in manufacturing, which in their turn decline relative to the numbers engaged in services." In the words of Fisher, "In every progressive economy, there has been a steady shift of employment and investment from the essential 'primary activities' .... to secondary activities of all kinds and to a still greater extent into tertiary production." More clearly Colin Clark points out that "A high average level of real income per head is always associated with a high proportion of the working population engaged in tertiary industries .... low real income per head is always associated with a low proportion of the working population engaged in tertiary production." Though it was contradicted

1 In their analysis, attention is laid more on the structures of employment and they affirmed that a change in the occupational structure is a concomitant of economic growth. The thesis was empirically tested on the basis of statistics of occupational distribution in different countries.


by Fauer and Yamey, it is upheld on the basis of the propositions that as income of the people increases the desire for manufactured goods increases and motivates a change in the distribution of labour force. In its broad outline, the analysis received an elaborate endorsement from Arthur Lewis and Simon Kuznets.

**IMPORTANCE OF THE STUDY**

The need for comprehensive study of distribution of work force among different industrial categories and changes in the work force distribution in a backward district like Anantapur cannot be neglected. In view of the fact that more than 75 per cent of the population has been depending for its livelihood on Primary Sector, this study has become important to analyse the distribution of working population among different sectors of the economy.

Though different problems of labour force are studied and highlighted, the importance of the industrial distribution of labour force in economic development of backward district has not been fully analysed. As it is indisputable that change

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in the labour force distribution is a prerequisite for economic development, the subject of distribution of labour force among different industrial categories has come in for detailed study by different researchers.

The present study is an attempt to understand and analyse the importance of the distribution of labour force in economic development of a backward district like Anantapur in Andhra Pradesh.

OBJECTIVES OF THE STUDY

To clearly understand the industrial distribution of labour force in Anantapur district, the objectives of the study are precisely defined.

The specific objectives of the study are:

1. To examine the importance of labour force distribution in economic development.
2. To analyse the trends and characteristics of the working population in India and
3. To analyse the distribution of labour force among industrial categories in a backward district like Anantapur.

METHODOLOGY

Keeping in view the distribution of working population and its relationship with economic development, the area of
the study was confined to a certain geographical periphery. Anantapur district in Andhra Pradesh is selected for the study since it has been one of the economically backward districts in the country.

Since the present study is one of the exploratory types to provide clear analysis, the following information and data were collected.

1. Data relating to the population growth, size of labour force, growth of workers and non workers, distribution of labour force etc.

2. Information relating to the growth of labour force, Taluk-wise trends in labour force, proportion of workers and non workers etc., was also collected.

Necessary data for the study were collected from Census of India Reports, Employment Exchanges, Five Year Plan Documents, District Statistics Department and relevant published literature of Government of Andhra Pradesh and Anantapur district.

Data collected were processed and analysed manually. Since the data collected were secondary in nature, it was tabulated item-wise to bring out systematic analysis of the distribution of labour force among industrial categories in Anantapur district.
LIMITATIONS OF THE STUDY

As it is difficult to cover all the inter-relationship among different industries, emphasis has mainly been laid on the broad distribution of labour force among major economic activities in terms of quantitative attributes of the working population.

One of the main limitations of the Census data relating to work force concerns itself with the ambiguous definition of 'work' and 'workers' adopted in 1951, 1961, 1971 and 1981 censuses. The 1951 census did not enumerate the workers clearly. However, the details of workers for this census year were obtained from the trichotomy classification based on criteria of Income. In the 1961 census the concept of 'work' was introduced classifying the total population into 'workers' and 'non workers' and considering a person as a 'worker' according to his/her participation in any economically productive work. Hence the definition of 'work' in the 1961 census was said to be liberal. As it could not specify the duration of work to consider person as a 'worker', the definition of the 'worker' in 1971 census had undergone a meaningful change declaring him or her as a worker according to his or her main activity. In this census 'work' involved not only 'physical work' but effective supervision or direction of work.
According to 1981 census the total population has been classified into three main categories i.e., main workers, marginal workers and non-workers. The main workers include cultivators, Agricultural labourers, household industry and other works. Other workers include categories of Mining, Quarrying, Livestock, forestry, fishing, hunting, plantations, orchards and allied activities (Third category), Manufacturing other than household industry (Fifth category), Construction (Sixth Category), Trade and Commerce (Seventh category), Transport and Communications (eighth category) and other services (Ninth category). So the increase or decrease in the size of workers was partly due to different definitions of work-force adopted in different censuses.

For the purpose of comparison of size of working population in different census years at district level, the newly formed taluks such as Singanamala, Kanakal, Kambadur, Chennakeottapalli and Sree Sathya Sai in Amantapur district were not taken into account separately. Their respective figures were clubbed in taluks from which they were separated to have clear analysis.

CHAPTER SCHEME

The first chapter covers the introductory part of the study giving the details of the importance and the
objectives of the study, methodology and limitations.

Second chapter stresses the significance of labour force distribution in economic development of the country. The broad coverage of the distribution of labour force among industrial categories was covered.

Chapter three was devoted to give a detailed account of the trends in the labour force in between census years, with all details of workers and non workers and distribution of workers among broad economic categories.

Distribution of working population among Industrial categories in India was analysed in chapter four. A critical analysis was attempted with necessary details.

Fifth chapter presents the details of distribution of working population in Jharsuguda district. The district was divided into three zones and changes in the distribution of labour force in these zones were analysed.

The last chapter gives the summary and conclusions.