CHAPTER SIX

INCOME AND EXPENDITURE

INTRODUCTION

An attempt is being made to estimate and analyse income and expenditure of the sampled ex-tea garden labour households. Both income and expenditure are regarded as important indicators of economic condition of a country or a society. They are also used as measure of welfare of a society and as basis of comparison of economic development or economic progress.

But, the concept of income (be it personal income or national income aggregate) has been causing concern to economists due precisely to the problem of inclusion or exclusion of particular items from the social accounts. Further, the concept of income had also eluded many economists of the past.¹ These

¹ Schumpeter (1954) traced the evolution of the concept of income in his 'History of Economic Analysis'. Keynes (1936) found it necessary to define income in his 'General Theory'.
conceptual and technical difficulties and the absence of a uniform standard of measurement all over the world had rendered comparison of income difficult over time and space.\(^2\) A uniform standard for all countries and different situations is difficult because the market economy is not uniformly spread all over the world. Differences also exist between different sectors (urban, rural, industrial and agricultural) and different regions even within the country. The conceptual and statistical difficulties of income and expenditure estimation in underdeveloped countries were recognised by many authors.\(^3\)

Frankel (1959:29-55) made an elaborate discussion on the concept of income in relation to underdeveloped countries.\(^4\) Desai (1970 : 68) and

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\(^2\) Hicks (1960:193) found that national income data of U.K., was not comparable over time. Clark (1952) devised 'oriental units' or real products with the object of satisfactory comparability of income (in Haslewood 1959). Clark and Haswell (1967) used 'grain equivalent' to compare income over space.


\(^4\) "To anyone who has had experience of economically less advanced communities, in which fundamental social factors often reveal themselves more directly and forcefully than they do in more complex societies, it is clear that at all times the attempt by the individual to obtain what we call 'income' is an attempt to achieve a social purpose and or not an isolated activity" and further "What income is, and how it is valued, is determined by the society in which the individual finds himself".
Sarma (1972 : 2) reported that estimation of household income in rural areas in India led to confusions among research workers. Experiences of several All-India studies also indicate that a simple accounting method is to be adopted in conformity with the broad objective of the study and empirical conditions. The difficulties of adopting a proper concept of income and a method of its estimation in underdeveloped countries were elaborately discussed by Mukherjee (1960 : 122-141). Panikar (1970:13) also discussed the limitations of income data in India in his study on rural saving. Dantwala (1975 : 2) pointed out that estimation of income of the poor households is a 'tricky problem' because the households reported multiple occupations etc.

HOUSEHOLD INCOME

The method of estimation of household income is, by and large, determined by (i) the method of field investigation adopted for the study, (ii) the

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5 Desai and Sarna referred to papers contributed to the Annual Conferences of the Indian Society of Agricultural Economics of 1970 (Pattern of Income Distribution, Saving and Expenditure) and of 1972 (Income, Saving and Investment).

6 The All-India studies are All-India Rural Credit Survey (1954), First Agricultural Labour Enquiry (1954) and Second Agricultural Labour Enquiry (1960).
presence or absence of household enterprises like cultivation of crops, livestock and poultry etc. and the levels of these enterprises and their relation to the markets (degree of subsistence) and (iii) educational levels of the respondents. There is no need to elaborate these points because one who is connected with the study of rural economy is aware of the facts. The concept of household income to be adopted for the present study had to be formulated in conformity with the objectives of the study and the limitations imposed by availability of data.7

Desai (1970:68) mentioned that the standard concept of household income in case of cultivating families (for that matter all other types of families having household enterprises based on family labour which is generally found in case of rural households)

7 Data on family labour and owned bullock labour used in household cultivation can be obtained with special types of investigation or if the respondents have fairly educated persons to maintain daily farm records in the family. The present study adopted a survey method based on personal interview after the lapse of the reference year. To collect data on use of family labour and owned bullocks methods adopted in Farm Management Investigation need to be adopted (F.A.O:1958). This is not practicable for any individual research worker. This is possible for research organisations which can engage field investigators to collect day to day information from limited number of households.
is the concept of 'Farm Business Income'. To be precise, it is 'Gross Farm Income' minus cost $A_2$.

This concept of farm business income is similar to the one mentioned by Warriner (1964: 80) which said:

"Family farm earnings, or family income is the income which remains after the costs other than the labour of the farmer and his family been deducted, it represents 'the sum which the farmer could have spent on his need with decreasing the farm capital'."

This concept of income renders estimation of household income comparatively easier because family labour engaged in cultivation (or any household enterprise based on family labour) need not be accounted for. The present study estimates only the residual income available to the households after providing for all outlays on production. This residual income can be said to be the return to family labour.

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8 Cost $A_2$ is Cost $A_1$ plus rent paid on leased in land. Cost $A_1$ includes: hired human labour, owned and hired bullock labour, seeds both farm produced and purchased, cost of manures, fertilisers and pesticides, irrigation charges, interest on working capital etc. The imputed value of family labour used in farms is considered in Cost $A_3$ which is not deducted from Cost $A_2$. The gross value of output is estimated at farm harvest prices for the part consumed in the household and actual sale prices of quantity sold.

9 National Council of Applied Economic Research (NCAER) also adopted this concept in its study on Pattern of Income and Expenditure in India (1967: 12-13).
Household residual income is the total income of the household earned during the reference year either jointly or severally by members of the households from family based enterprises or paid employment whatever the case might be, in cash or kind. For the purpose of the study the income is converted to money terms.  

In Chapter V, the area under crops, input structure in crop production were indicated. Further, inputs in livestock, poultry, horticulture, fishing, firewood collection, carpentry and rice processing etc. were mentioned. These costs were deducted to arrive at the household residual income. It is also necessary to state that some outlays were of joint nature and it was not possible to ascertain income separately from each of these sources in a very accurate manner. An attempt is only made to ascertain income approximately to these sources separately. Total household residual income, is however, not affected by such approximation of income by sources.

Depreciation on bullocks owned, implements used were deducted from gross income (estimated at farm harvest prices). It was however, not possible to deduct
depreciation on fishing nets, tools used in carpentry because life of such assets could not be ascertained.

Total household residual income from different sources are provided in Table 6.1 below.

Table 6.1
Household Residual Income by Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Gross Income (Rs)</th>
<th>Residual Income (Rs)</th>
<th>Number of Income Earning Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Crop Production</td>
<td>1,23,155.50</td>
<td>91,304.00</td>
<td>79</td>
</tr>
<tr>
<td>Horticulture</td>
<td>8,582.00</td>
<td>8,420.00</td>
<td>54</td>
</tr>
<tr>
<td>Livestock and Poultry</td>
<td>15,768.00</td>
<td>13,667.00</td>
<td>50</td>
</tr>
<tr>
<td>Fishing</td>
<td>3,890.00</td>
<td>3,340.00</td>
<td>36</td>
</tr>
<tr>
<td>Firewood collection</td>
<td>1,890.00</td>
<td>1,240.00</td>
<td>11</td>
</tr>
<tr>
<td>Carpentry</td>
<td>5,992.00</td>
<td>1,100.00</td>
<td>1</td>
</tr>
<tr>
<td>Rice Processing</td>
<td>656.00</td>
<td>600.00</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>1,64933.50</td>
<td>19,671.00</td>
<td>-</td>
</tr>
</tbody>
</table>

INCOME FROM WAGE-PAID EMPLOYMENT

In this section, it is proposed to discuss income from wage-paid employment of the workers engaged as such. In doing so, it is also proposed to discuss the type of employment of the workers.
There were 168 workers, 84 males and 84 females, who were employed as wage earners on a daily basis. This means that 47.2 per cent of the workers was engaged in wage earning activities. These workers or labourers could be broadly classified into agricultural and non-agricultural. Table 6.2 shows that out of 168 workers 135 or 80.3 per cent of them were non-agricultural labour. Such high proportion of non-agricultural labour is found only in the ex-tea garden labour population.\textsuperscript{11} Agricultural Labour Enquiry also found such high proportion of non-agricultural labour in Tea Zones of Assam.\textsuperscript{12} It may be mentioned here that such high proportion of non-agricultural labour is not a usual situation in the rural areas of Assam. Further, in Assamese villages agricultural labour households are not entirely detached from land and cultivation of crops. A class of purely agricultural labour had not emerged. It is also difficult to distinguish between agricultural labour and non-agricultural labour because of the fact that the same labour is engaged as agricultural labour in the peak season and as non-agricultural labour in

\begin{footnotesize}
\begin{enumerate}
  \item A reference to this was made earlier in Chapter IV in connection with household occupations.
  \item Agricultural Labour Enquiry (1954:39) analysed data on the basis of zones and found that in Tea Zones higher proportion of non-agricultural labour were present compared to the non Tea Zones.
\end{enumerate}
\end{footnotesize}
in slack agricultural season. But in case of the non-agricultural labour in the present sample there were no such changes in the type of employment within the reference year. The labourers engaged in plywood factory, workshops, construction works etc. were found to be steady on their employment.

Agricultural Labourers:

There were two types of agricultural labourers - the attached and the casual. The casuals were engaged on daily basis and the attached were engaged for a contracted period of 3 to 6 months. Most of the attached agricultural labourers did not stay with the employers. The terms of employment of the attached labourers were not uniform. The payment was made partly in cash and partly in kind. A few received perquisites also. This included a half-pant and a ganji. Bidis and chewing tobacco (for Khaini) were also supplied. A few reported that the day time meal was also provided by the employer.

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13 Phukan (1973) found this aspect in case of the agricultural labourers in Nowgong district.

14 'Fluidity of labour between occupations' in underdeveloped countries as pointed out by Bauer & Yamey (1959:37) cannot be upheld in this case.

15 It was observed that agricultural attached labourers in rural agricultural households in the neighbourhood of the sample villages were mostly drawn from the ex-tea garden villages.
during the peak period of cultivation. In few other cases, the produce of 2 bighas (0.67 acres) of land were given besides a fixed amount in cash. In such cases, the labour cultivates the entire land of the employer out of which he is given only 2 bighas as his share. The labour in cultivation and harvesting of the plots thus fall on the attached labour who is responsible for the entire cultivation from sowing to harvesting (in transplanting and harvesting extra labour including family labour of the employer are also engaged). The labour can take his time off in the growing period of the crop. But the earning of such labour is lower than even the tenants. Obviously, such labour has to harvest his share with the help of his family labour.

There were 7 male agricultural attached labourers in the sample households who were employed on an average for 137 days during the reference year. The average daily earnings of them for the days of employment was Rs. 4.06. Their total earnings per year, per worker was Rs. 566.22. But these attached labourers did not have much cash income for day to day spending and it was observed that they would not prefer such employment if other alternative employment was available. There were several reasons for this. The employment was
for only a part of the year, the nature of work was
much strenuous than the usual work in the tea estates
and the employment did not provide the attached labour
with any freedom during the period of employment. The
hours of work, specially during the peak season
was also unlimited. In fact, the employment as
attached labour was a contractual period of employment
which bound them to the employer.

It was found that the attached agricultural
labour had higher per day earning for the days of
employment because of the fact that their earnings
had greater kind components than the other types of
labour. It is needless to point out that the kind
components were valued at farm harvest prices (for
the produce of land) and market prices for the
perquisites. Thus their earnings had some relations
with the market of the wage goods. It may be mentioned
here that wages of agricultural labour in the
neighbourhood of the sample villages was between
Rs. 2.00 to Rs. 3.00 during the reference year. The
aspects of seasonality of wages(also of employment)

16 It was observed that the ex-tea garden labour
expressed a preference to cash earnings and a day
off on Sunday. This might be due to their past and
also present association with work in tea gardens.
17 The variations in the wage rate depended upon type
of actual work, sex, season of the year (peak or
slack) and availability of labour.
The wage rate of the agricultural labour in Assam did not appreciably rise in conformity with the rise in prices of the agricultural produce. This stagnation in the wage rate had prompted many employers of attached agricultural labour to adopt the practices of payment of cash in place of kind and employment of casual labour if possible.

The casual agricultural labour included 4 females and 22 males. The average mandays of employment was 154 for males and 152 for females during the reference year. The average earnings for the days of employment were Rs. 2.82 for males and Rs. 2.31 for females per day. Compared to the attached labourers their employment was for longer period but average earnings were much lower. Mention may be made

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18 The aspect of seasonality of the wage rates of agricultural labour in India was discussed by several authors. Gupta (1974:67) found inter-seasonal variations in the wage rate in Punjab to be considerable. It was also found that non-agricultural wage did not vary much. Singh and Kunwar (1974:66) found less seasonability in wages in areas of new agricultural technology area due to spread of the cropping pattern. Ghosh (1974:76) found that wage rate for agricultural labour in Bankura, a backward district had the same wage rate with the Burdwan district in West Bengal (progressive district).


20 Bandyopadhyay (1974:75) found that in Birbhum district (West Bengal) the modes of employment of attached labour had changed. The employment of labour is now done on contractual basis and paid daily.
of the fact that these labourers were employed
during agricultural season only. In slack season
they were mostly unemployed and took recourse to
fishing or firewood collection.

Non-Agricultural Labour:

The non-agricultural labour was of several
types - (i) the casual labourers in the tea gardens
known as the outside labourers or Basti labourers
or Basti Faltus, \(^21\) (ii) casual labourers in other
than tea gardens i.e. either in the villages or in
urban areas (in case of villages near urban areas),
(iii) casual labourers in Public Works Department's
road works, (iv) labourers in factories (plywood)
and other workshops (including driver and helper
in transport trucks) and (v) miscellaneous workers
such as works in tea stalls.

It appears from the Table 6.3 that greater
proportions of the non-agricultural labourers were
engaged as outside labourers in the neighbouring
tea estates of the sample villages.\(^22\)

\(^21\) Those labourers not in regular employment in the
tea estate were known as Faltus (meaning extra).
Apparently, there were Faltus in the tea estates
and in the villages. The Faltus from ex-tea garden
labourers were known as Basti Faltus.

\(^22\) In three sample villages a few ex-tea garden labour
expressed their dislike for employment in tea gardens
as labourers.
Table 6.2

Employment and Earnings of Workers in Wage-paid Employment

<table>
<thead>
<tr>
<th>Type of Employment</th>
<th>Number of Workers</th>
<th>Employment and Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td></td>
<td>T</td>
<td>M</td>
</tr>
<tr>
<td>Agricultural</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attached</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Casual</td>
<td>22</td>
<td>4</td>
</tr>
<tr>
<td>Non-Agricultural</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside tea labour</td>
<td>24</td>
<td>70</td>
</tr>
<tr>
<td>Casual (non-tea)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F. W. D's</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Plywood factory</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Other workshops</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Transport workers</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th></th>
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<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>T</td>
<td>M</td>
<td>T</td>
<td>T</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>84</td>
<td>84</td>
<td>168</td>
<td>17230</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>51609.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16175</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>38275.00</td>
</tr>
</tbody>
</table>

Note: Figures within brackets are average mandays of employment (col.6 and 7) per worker and average per day earnings for the days of employment (col.6 and 8).
The employment in tea gardens for the ex-tea garden labour population living in the villages was of seasonal nature as they were employed only during the peak plucking season. A very few of the outside labourers were employed more than 200 days. Some males were reported to be in regular employment on temporary basis but these labourers were not considered as permanent labour (as resident labour) in the gardens. The average mandays of employment was found to be 253 days for males and 193 days for the females. It was found that there were greater proportion of female in the outside labour in tea gardens. It might be due to the tradition in the tea industry to engage females for plucking tea and males for other works such as hoeing, pruning etc. But the females are also seen to have been engaged in other works. This again might be due to the fact that wages of females are traditionally lower. Situation might change if wage rates for males and females are made equal.

Report of the Plantation Inquiry Commission (1956:113) discussed this aspect of temporary labourers in tea gardens. It opined that employment of temporary labourers from the gardens and also from the Restia provided the employers with a safeguard against withdrawal of labour by the permanent labour force. The existence of peak season in the industry made them fall in this source. The temporary labour would hardly demand better working condition as they were obliged to the employer for what little they got. It was reported that Trade Unions believe that outside recruits result in a corresponding reduction of organised labour.
The wage rates for labourers in tea gardens were reported to be different in different gardens. The outside labourers (i.e. ex-tea garden labour) in most cases did not receive the wage rate at the prevailing minimum wage in the tea gardens. In case of privately owned gardens the prevailing wage rate was lower than the company (Private Ltd. & Public Ltd.) owned gardens. The outside labourers or the Basit Faltus, by and large, received lower wage rates than the permanent labourers in the gardens. This was also reported by the Plantation Inquiry Commission (1956:113). But contrary to this practice, it was observed that a few company owned gardens extended foodstuffs at concessional rates to the outside labour at the same rates as was given to the permanent labour in the gardens.

Another important aspect of the wage system that needs to be mentioned is the fact that the tea gardens insist labour completing a standard task to earn the specific wage. If the labour completes the standard task and wishes to do additional work he is paid extra for the excess work done. Thus, the wage system combines the 'piece rate' and 'time rate' which they call Hazira and Thikka respectively. This additional payment is like payment for overtime work.
but in practice it is not overtime but payment for additional work. However, there are variations in the wage system from garden to garden. It may be mentioned that some labourers reported additional earnings in excess of their wages during peak plucking season due to plucking in excess of the standard task. This causes variation in earnings per labour. The average earning of the ex-tea garden labour engaged as outside labourers in the tea gardens was Rs. 2.80 per day per male and Rs. 2.41 per day per female for the days of employment. It appears that average earnings of these non-agricultural labourers was almost identical to the average earnings of the casual agricultural labourers.

It was reported by few respondents that the employment situation in the tea gardens had become very tight and it had become difficult for new labourers to enter in employment in the gardens even as temporary casual labourers. There were surplus labourers in these gardens in the resident section of labour. It was already pointed out that the tea gardens have to give various benefits to its permanent

24 Additional work is available to outside labour only after allotting the work to permanent labour.
25 Harlalka(1975:165-169) discussed this aspect of wage system in tea gardens.
labour under statutory welfare rules and the employment of casual or temporary labourers from outside the gardens i.e. from the ex-tea garden labour section helps in frustrating many of the welfare provisions. This might be the only reason for employment of ex-tea garden labour as temporary labour in the prevailing circumstances.

Among the non-agricultural labourers there were 19 casual labourers. These labourers, most of them, were engaged by contractors in building constructions, road repairs and other miscellaneous works outside agriculture. Most of them were unskilled labourers working as helpers to masons for carrying bricks, breaking stones and carrying earth in earthworks. A few of them were engaged as miscellaneous daily workers in urban and semi-urban households. It is interesting to note that they commuted long distances on foot to urban and semi-urban areas for such employment.

A casual observer may notice males and females from ex-tea garden labour and tea garden labour population (i.e. surplus tea garden labour) working in building constructions, road building, repairs of P.W.D. roads and stone breaking. One cannot avoid seeing of ex-tea garden labour population coming to urban areas for work as daily labourers, for splitting firewood, cleaning compounds, in hotels, urban households and other establishments. Some labourers from distant areas camp in ex-tea garden village near urban areas when much work in building construction etc. are available.
But opportunities of such employment are available only to those who live near such construction works. The employment in such construction is of temporary nature. There are labour contractors for supply of labour to the building contractors and these labour contractors find it easy to bring labour from the surplus section of the tea garden labourers by contracting the garden sardars because the required labourers are usually available in one place i.e. in one garden. Thus, the ex-tea garden labour do not easily find employment in such temporary construction works unless they happen to be favourably situated. Nevertheless, both the ex-tea garden labour and the surplus section in the tea gardens supply useful labour to the construction works and they had greatly discouraged the flow of seasonal labour from Bihar and Orissa, at least in these areas where the tea garden labour class is employed.27

It was also found that there were few labourers, both male and female, attached to P.W.D. labour gangs in a sample village where a P.W.D. road Supervisor is located. One sample village had a plywood factory and many ex-tea garden labourers were employed from the

27 It may be pointed out that there is competition for such type of employment among ex-tea garden labour and surplus section of the resident tea garden labour.
sample village. There were one driver and one helper of a truck belonging to the plywood factory from this village. In another village, which was situated near a semi-urban area had an engineering workshop and 2 labourers were found to be employed in unskilled jobs. Two other workers were employed in tea stalls as attendants. The earnings and employment of the different types of workers are already shown in Table 6.2.

It is evident that the ex-tea garden labour population had shown greater occupational mobility within the limitations imposed upon by lack of skill and lack of education. They had moved into variety of occupations which are not generally envied upon by the local Assamese people. A few educated had also come to middle class occupations as Office Assistants, Teachers and others. There were only 2 salaried persons in the sample and these two in reality could not be said to be in very good position due to their lower educational standard. The few educated among the ex-tea garden labour population had become urban settlers and thus did not come in the sample.

Total income of the labourers engaged in wage-paid employment was Rs. 51,609.00 among 84 males (in 17,320 mandays)

Assamese labourers are not available for work in the tea gardens as labourers. In construction works also they do not like to be employed as unskilled labourers. The ex-tea garden labour have come to urban areas as rickshaw-pullers even.
and Rs. 38,275.00 among 84 females (in 16176 mandays).

The average earnings were Rs. 3.00 per male per day and Rs. 2.36 per female per day on the basis of number of days employed. The average mandays of employment was 205 for males and 192 for females. Both the employment and earnings can be said to be low. The average earning converted for the year irrespective of days of employment was nearly Rs. 615.00 per male and Rs. 435.00 per female. It was Rs. 535.00 for males and females taken together.

SOURCES OF INCOME

The sources of income were agricultural and non-agricultural. Out of total income of Rs.2,25,420.00 share of agricultural income was Rs. 1,42,531.00 i.e. 63.23 per cent of the total. This income was mainly from cultivation of crops, allied sources like horticulture, livestock, poultry, fishing, firewood collection and agricultural labour. Excluding agricultural labour income from agricultural sources was Rs. 1,27,596.00 or 56.60 per cent of the total income.

Residual income per worker engaged in self-employment might be roughly estimated to be Rs.643.00 for males and females taken together. Reference to total residual income estimated in Table 6.1 may be made. This shows that agriculture and allied pursuits gives more income per person. It may be pointed out that this might include share of some of the workers engaged in wage-paid employment who had worked in the family cultivation in peak season for few hours or full-time for a few days.
This shows that agricultural income contributed much to the household income of the ex-tea garden labour population.  

Table 6.3 shows the distribution of total income by sources. The proportion of wage income was (both agricultural and non-agricultural taken together) appears to be 39.88 per cent of the total income. This points to the fact that wage income was also important to the ex-tea garden labour households.

The table also shows the number of households earning the income from each of these sources and the average earnings from the sources by the income earning households. It may be pointed out that only 79 households or 69.2 per cent had income from cultivation of crops and 74 households had income from non-agricultural labour. These two were the main sources of income of the households.

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30 For comparison of income by these major sources in the rural areas of Assam, Table VI.1 in the Appendix may be seen. It will be evident from the table that the proportion of non-agricultural income is much lower in other villages than that is found in the sample of ex-tea garden labour.

31 This aspect was mentioned earlier in the discussion in relation to associations of occupations of the households in Chapter IV. This aspect of association of income by occupations and sources would be clear from Table VI.2 in the Appendix.
Table 6.3

Distribution of Total Household Income by Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Total Income (m)</th>
<th>Percentage of Total</th>
<th>No. of households earning the income household</th>
<th>Average per income (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agricultural:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crop Production</td>
<td>91,304.00</td>
<td>40.50</td>
<td>79</td>
<td>1155.75</td>
</tr>
<tr>
<td>Horticulture</td>
<td>8,420.00</td>
<td>3.74</td>
<td>54</td>
<td>1555.93</td>
</tr>
<tr>
<td>Livestock and Poultry</td>
<td>13,667.00</td>
<td>6.06</td>
<td>50</td>
<td>273.34</td>
</tr>
<tr>
<td>Fishing</td>
<td>3,340.00</td>
<td>1.48</td>
<td>36</td>
<td>92.78</td>
</tr>
<tr>
<td>Firewood Collection</td>
<td>1,240.00</td>
<td>0.55</td>
<td>11</td>
<td>112.72</td>
</tr>
<tr>
<td>Agricultural rent</td>
<td>9,625.00</td>
<td>4.27</td>
<td>7</td>
<td>1375.00</td>
</tr>
<tr>
<td><strong>Agricultural Labour</strong></td>
<td>14,935.00</td>
<td>6.63</td>
<td>25</td>
<td>597.40</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>142,531.00</td>
<td>63.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-Agricultural:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Casual Labour</td>
<td>74,949.00</td>
<td>33.25</td>
<td>74</td>
<td>1012.83</td>
</tr>
<tr>
<td>Salary</td>
<td>3,240.00</td>
<td>1.44</td>
<td>2</td>
<td>1620.00</td>
</tr>
<tr>
<td>Carpentry</td>
<td>1,100.00</td>
<td>0.49</td>
<td>1</td>
<td>1100.00</td>
</tr>
<tr>
<td>Rice Processing</td>
<td>600.00</td>
<td>0.26</td>
<td>1</td>
<td>600.00</td>
</tr>
<tr>
<td>Small Trade</td>
<td>1,400.00</td>
<td>0.64</td>
<td>2</td>
<td>720.00</td>
</tr>
<tr>
<td>Non-Agricultural Rent</td>
<td>800.00</td>
<td>0.16</td>
<td>3</td>
<td>120.00</td>
</tr>
<tr>
<td>Remittances</td>
<td>1,200.00</td>
<td>0.53</td>
<td>6</td>
<td>200.00</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>82,889.00</td>
<td>36.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,25,420.00</td>
<td>100.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The distribution of income by occupational groups is shown in Table 6.4 (the detailed distribution by sources and occupations is provided in Table VI.2 in the Appendix).

The average per household income of the sample households was N. 1977.36. It was found that the tenant cultivators, agricultural labourers and the small traders earned below the average household income. Only the agricultural rent receivers (they were only a small proportion being 1.76 per cent of the households) were comparatively in much higher level of household income earning N. 4600.00 per household. The salaried job households were almost at equal level with that of the owner cultivators.

The average per household income of the agricultural labour and the non-agricultural labour was almost similar but the agricultural labour households were in a bit lower position. If the agricultural rent receivers are left out from the picture, the salaried job households would be highest in the rank of per household average income (N. 2355.00 for them) followed by owner cultivators (N. 2292.76), the tenant cultivators (N. 1859.31), non-agricultural labour (N. 1727.00), the agricultural labour (N. 1417.91) and small trader (N. 1076.00).
Table 6.4

Distribution of Household Income by Sources and Occupational Groups (income in ₹)

<table>
<thead>
<tr>
<th>Occupational Groups by Major Sources</th>
<th>Agricultural</th>
<th>Non-Agricultural</th>
<th>Total Income</th>
<th>Per Capita Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Owner</td>
<td>84,342.00</td>
<td>11,954.00</td>
<td>96,296.00</td>
<td>(2292.76)</td>
</tr>
<tr>
<td>Cultivators</td>
<td></td>
<td></td>
<td>(2898.76)</td>
<td>(368.96)</td>
</tr>
<tr>
<td>Tenant</td>
<td>22,343.00</td>
<td>7,406.00</td>
<td>29,749.00</td>
<td>(1359.31)</td>
</tr>
<tr>
<td>Cultivators</td>
<td></td>
<td></td>
<td>(1859.31)</td>
<td>(338.05)</td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>6,180.00</td>
<td>3,020.00</td>
<td>9,200.00</td>
<td>(4600.00)</td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>12,907.00</td>
<td>4,208.00</td>
<td>17,115.00</td>
<td>(1417.91)</td>
</tr>
<tr>
<td>Non-Agricultural Labour</td>
<td>16,073.00</td>
<td>51,301.00</td>
<td>67,374.00</td>
<td>(1727.53)</td>
</tr>
<tr>
<td>Salaried Job</td>
<td>750.00</td>
<td>3,960.00</td>
<td>4,710.00</td>
<td>(2355.00)</td>
</tr>
<tr>
<td>Small Trader</td>
<td>36.00</td>
<td>1,040.00</td>
<td>1,076.00</td>
<td>(1076.00)</td>
</tr>
<tr>
<td>Total</td>
<td>1,42,631.00</td>
<td>52,889.00</td>
<td>2,25,420.00</td>
<td>(1977.36)</td>
</tr>
</tbody>
</table>

Note: Figures within brackets in col.4 are per household income and in col.5 are number of households in the groups.
Thus this ranking indicates the economic position of the households following different primary household occupations. It is indicative of the fact that the ex-tea garden labour population has not been able to root firmly as agrarian classes. 32

Per household income according to operational holding groups is shown in Table 6.5. It may be said that the households which had no cultivation had income from sources allied to agriculture and this was supplemented by wage income. The average per household total income (including non-agricultural sources) of the groups having no cultivation and the groups having cultivation less than 2.5 acres were almost similar. But, agricultural source contributed more of household income to the group having cultivation. On the other hand non-agricultural incomes to them were lower. It also suggests that cultivating very small holding diverts labour to self-employment but in practice do not give adequate return. There is a difficulty in passing any opinion on it because self-cultivation (irrespective of the size) gives the labour some form of satisfaction in being independent. 32

32 The aspect of classes in the ex-tea garden labour society is discussed separately in Chapter VIII.
Table 6.5

<table>
<thead>
<tr>
<th>Operational Holding Groups (acres)</th>
<th>Number of Households</th>
<th>Income From Agriculture</th>
<th>Income From Non-Agriculture</th>
<th>Total Income (in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Cultivation</td>
<td>35</td>
<td>12,695.00</td>
<td>41,734.00</td>
<td>54,429.00</td>
</tr>
<tr>
<td>0.01 - 2.50</td>
<td>34</td>
<td>33,387.00</td>
<td>19,410.00</td>
<td>52,797.00</td>
</tr>
<tr>
<td>2.50 - 5.00</td>
<td>28</td>
<td>62,914.00</td>
<td>14,480.00</td>
<td>77,394.00</td>
</tr>
<tr>
<td>5.00 - 7.50</td>
<td>13</td>
<td>27,805.00</td>
<td>6,392.00</td>
<td>36,274.00</td>
</tr>
<tr>
<td>7.50 - 10.00</td>
<td>2</td>
<td>6,405.00</td>
<td>873.00</td>
<td>7,278.00</td>
</tr>
<tr>
<td>10.00 - 12.50</td>
<td>1</td>
<td>3,825.00</td>
<td>-</td>
<td>3,825.00</td>
</tr>
<tr>
<td>12.50 - 15.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>15.00 - 17.50</td>
<td>1</td>
<td>3,423.00</td>
<td>-</td>
<td>3,423.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>114</strong></td>
<td><strong>1,42,531.00</strong></td>
<td><strong>82,889.00</strong></td>
<td><strong>2,25,420.00</strong></td>
</tr>
</tbody>
</table>

*Figures within brackets are per household income.*

*Income from livestock, poultry, horticulture etc. but not from cultivation of crops.*
of others. The aspect of such subjective valuations of income is difficult but it might also be the fact that these ignorant people never thought of optimal use of labour and land. In fact, it was observed that such calculations on their part was not possible. The circumstances prevailing in the rural areas compelled them to adhere to the tiny plots of land. If alternative avenues of employment was available they would have availed these opportunities. It was observed that they were not averse to any kind of labour.

Per Capita Income:

Per household (or per family) income is in fact more relevant because it is generally pooled for household expenses. Such pooling leads to economy of expenses. This is one of the reasons for people living at low level of per capita income. But per household income is not a proper index for comparison of income. It may be noted that the household size of the different groups were not equal and therefore per capita income is an important index.

They would have leased out the land like the agricultural rent receivers and would have engaged themselves as wage earners. It was seen that even owner cultivator households had persons engaged as wage earners. Females were also sent to tea gardens to work as labourers. Only a few households indicated that they would not allow their females to work in the tea gardens.
The overall per capita income of the sample households was found to be Rs. 337.45 (per capita income of the occupational groups is given in Table 6.4). It is evident that the agricultural rent receivers, the salaried job group and the owner cultivators had higher than the overall per capita income. The rank that was mentioned in case of per household income had not altered excepting the fact that the agricultural labour fell to the lowest rank in order of per capita income.

Per capita income of Rs. 920.00 which was found in case of 2 households in agricultural rent receiver group was higher in comparison to the State per capita income of Rs. 523.10 at current prices in 1970-71. Similarly, the salaried group also earned Rs. 523.33 per capita which was higher than other occupational groups. But these higher per capita income groups consisted of only 3.52 per cent of the total households. The rest of the households were in levels below the State per capita income.

There are no comparable data in respect of income of different occupational groups for the general villages in Assam. Certain village studies provide income data on occupational groups but these studies are not comparable because they were conducted in different years. They require adjustments for comparison. However, per capita

34 The Mean income per capita was found to be Rs. 319.50.
income in respect of different occupational groups in 4 villages of Assam are presented in Table VI.3 in the Appendix. 35

The data presented from the village studies indicate that the agricultural labour households were in the lowest per capita income. They were in fact the poorest group of people and were mostly drawn from dwarf land holding groups and landless section of the population. They also belonged to lower social strata. The condition of the ex-tea garden labour population, by and large, can be compared to them. Another striking difference is the fact that agricultural rent receivers had also lower per capita income. It was lower than the per capita income of the agricultural rent receivers in the sample ex-tea garden labour population. These agricultural rent receivers in the general villages did not engage themselves in the wage-paid employment like the rent receivers of the ex-tea garden labour households. The village Habrubari was a tribal village and overall per capita income in that village was higher than the overall per capita income of the ex-tea garden labour.

35 These villages were of different nature and surveys were conducted in different years. Since prices are rising, the per capita income in 1970-71 would be higher than those indicated.
All other villages had higher average per capita income. It may also be mentioned that the owner cultivators, by and large, had higher per capita income in the general villages of Assam.

Dandekar and Rath (1971) considered ₹40.00 (monthly per capita expenditure) as the poverty line. If monthly income of ₹40.00 is taken as the poverty line approximately 97.16 per cent of the sample ex-tea garden labour would be below the poverty line. There is no denying the fact that the ex-tea garden labour population in general was poorer than the general rural population. It was already indicated that they could be equated with the agricultural labour and the tenants i.e. the lowest income group people in the rural areas of Assam.

LEVELS OF INCOME

It is proposed to study the levels of income of the sample households. This would also indicate the nature of income distribution. Mention may be

Dantwalla (1975:4) took ₹30.00 (income per month per capita) as the poverty line. However, it was said that this was arbitrarily selected for his study on poverty of the backward households in Bihar. Dandekar and Rath (1971) used N.S.S. expenditure data. The concept of poverty line is relative and in 1970-71 it would be much above ₹40.00 per month.

Titmuss (1963:37) discussed the various methods of comparing income distribution of which Pareto and Lorenz Curves are the best known. Gini coefficients are also used to study concentration of income.
made of the fact that inequality of income distribution is of general interest and had attracted attention from various quarters. Table 6.6 shows the distribution of the households by different levels of income. It is evident that the ex-tea garden labour households were by and large, in very low level of income. There were 76.32 per cent of the households below an income level of Rs. 2,500.00. These 76.32 per cent households shared 59.19 per cent of the total income indicating the fact that their share almost reached up to their proportions. Another 21.92 per cent of the households was in the income group of Rs. 2,500.00 to Rs. 5,000.00 and they shared 35.34 per cent of the total income. This middle income group had higher share of total income. Only 1.76 per cent of the households were above the income level of Rs. 5,000.00 but their income did not exceed Rs. 7,499.00.

Thus the income ranges in the ex-tea garden labour population was not very high.

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Adelman and Morris (1973:149) stated that public concern over income inequality had heightened by both Marxian and radical stress on forces in capitalist societies that tend to increase concentration of wealth and income. Orthodox studies on the other hand stress on distributional justices and economic efficiency. This aspect of income distribution has been attracting attention of many economists.

In rural areas of Assam big farmers are found to have higher income e.g. income of over Rs. 30,000.00 per household. The average income of the agricultural households in Nowgong district was found to be Rs. 4,829.00 (Phukan 1976:24).
Table 6.6
Distribution of Households and Total Income by Income Groups (in $)

<table>
<thead>
<tr>
<th>Income Groups</th>
<th>Households</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>1.75</td>
</tr>
<tr>
<td>500.00-1000.00</td>
<td>14</td>
<td>12.28</td>
</tr>
<tr>
<td>1000.00-1500.00</td>
<td>25</td>
<td>21.93</td>
</tr>
<tr>
<td>1500.00-2000.00</td>
<td>25</td>
<td>21.93</td>
</tr>
<tr>
<td>2000.00-2500.00</td>
<td>21</td>
<td>18.43</td>
</tr>
<tr>
<td>2500.00-3000.00</td>
<td>12</td>
<td>10.53</td>
</tr>
<tr>
<td>3000.00-3500.00</td>
<td>5</td>
<td>4.38</td>
</tr>
<tr>
<td>3500.00-4000.00</td>
<td>5</td>
<td>4.38</td>
</tr>
<tr>
<td>4000.00-4500.00</td>
<td>2</td>
<td>1.75</td>
</tr>
<tr>
<td>4500.00-5000.00</td>
<td>1</td>
<td>0.88</td>
</tr>
<tr>
<td>5000.00-5500.00</td>
<td>1</td>
<td>0.88</td>
</tr>
<tr>
<td>5500.00-6000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6000.00-6500.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6500.00-7000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7000.00-7500.00</td>
<td>1</td>
<td>0.88</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>100.00</td>
</tr>
</tbody>
</table>
The income inequality among the ex-tea
garden labour population cannot be of higher magnitude
because of the fact that earnings of workers both in
self-employment and wage-paid employment were almost
similar. The economic resource at their disposal
was also low. The Lorenz Curve (Fig. 6.1) indicates
that the income distribution among the ex-tea garden
labour households is above the line representing
income distribution of a village inhabited by
predominantly Assamese households. Further, the
line was nearer to line of equality indicating lower
inequality among the ex-tea garden labour households.

Adelman and Morris (1973:188) stated that
both extreme economic underdevelopment and high
level of economic development are associated with
greater economic equality and between these two
extremes a more equal income distribution is
associated with lower level of development. This might
be due to low capital formation in the households
resulting in lower possession of income earning assets.

40 The average per worker income of the section
employed in wage-paid employment was Rs. 535.02 while
that of self-employed was nearly Rs. 643.39. It may
be taken note of the fact that average income per
worker in self-employment cannot be precisely
measured because income generated in self-employment
have share of a few workers engaged in wage-paid
employment also.

41 Data is taken from a village resurvey by Phukan(1972).
Fig. 6.1

Lorenz Curve: Showing income distribution in Ex-tea garden labour and a Village in Assam.
When the income disparity as prevailing among the ex-tea garden labour population is considered, the disparity is not very high in case of about 80.00 per cent of the households. When it is compared with the general population or separately for the Assamese section of the population the gap between the two would be evident.42

The distribution of per household income and per capita income according to levels of income is shown in Table VI.4 in the Appendix. The distribution of the total population is shown in Table VI.5 in the Appendix. Much discussion on this aspect is not necessary because per household income and per capita income are obviously interrelated excepting the fact that income groups having lower size of household had higher per capita income.

Relation between level of income and occupation is shown in Table 6.7. It is evident that only one household of the agricultural rent receiver group had reached an income level of Rs. 7,000.00 to Rs. 7,500.00. Another of the same occupational group was also in an income level of above Rs. 5,000.00. None other

42 Unfortunately much comparable data is not available to substantiate the fact empirically.
Table 6.7
Income Levels and its Association with Different Primary Occupations of the Households

<table>
<thead>
<tr>
<th>Income Levels (N.)</th>
<th>Owner Cultivators</th>
<th>Tenant Cultivators</th>
<th>Agricultural Rent Receivers</th>
<th>Agricultural Labour</th>
<th>Non-Agricultural Cultural Job</th>
<th>Small Trader</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.01 - 500.00</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>500.00 - 1000.00</td>
<td>3</td>
<td>2</td>
<td>-</td>
<td>3</td>
<td>6</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>1000.00 - 1500.00</td>
<td>5</td>
<td>4</td>
<td>-</td>
<td>4</td>
<td>11</td>
<td>-</td>
<td>25</td>
</tr>
<tr>
<td>1500.00 - 2000.00</td>
<td>7</td>
<td>3</td>
<td>-</td>
<td>5</td>
<td>10</td>
<td>-</td>
<td>25</td>
</tr>
<tr>
<td>2000.00 - 2500.00</td>
<td>12</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>2500.00 - 3000.00</td>
<td>7</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>3000.00 - 3500.00</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>3500.00 - 4000.00</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>4000.00 - 4500.00</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>4500.00 - 5000.00</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>5000.00 - 5500.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>5500.00 - 7000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7000.00 - 7500.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>42</td>
<td>16</td>
<td>2</td>
<td>12</td>
<td>39</td>
<td>2</td>
<td>114</td>
</tr>
</tbody>
</table>
occupational groups had crossed the level of Rs. 5,000.00. This means that 1.76 per cent of the households belonging to the class of agricultural rent receivers had income much higher than the other occupational groups. The level of income of the ex-tea garden labour households would not have crossed Rs. 5,000.00 had these agricultural rent receivers were absent in the sample. The owner cultivators were not in the higher level of income. The position of the agricultural labour households was the worst. This again points to the fact that the occupations that were open to the ex-tea garden labour households did not give higher level of income. This was in fact due to their low level of technology in agricultural production, lower wages and lower level of employment.

EXPENDITURE ON CONSUMPTION

The study is presently interested in the estimation of household current consumption expenditure in order to see if the expenditure of the households corresponded to the estimates of income. The study of household current expenditure would broadly confirm the fact that the

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43 It also provides the base for examining the surplus or deficit in current income of the households.
estimate of income was by and large, realistic. In this estimate, expenditure on dress, education, repair of houses, land revenue and interest on loan borrowed for purposes other than productive purposes were included besides expenses on food, simple comforts (soaps and hair oil etc.) fuel and lighting, intoxicants and entertainments. Inclusion of land revenue in current expenditure was made because it was difficult to allocate it precisely to crop production, other use and homestead land.

An important point that needs to be mentioned is the fact that the households which had cultivation of crops, livestock, poultry and horticulture consumed most of the produce in their households. Such consumption was valued at farm harvest prices and were included both as income and expenditure.

The data were collected by direct household budget surveys. It is needless to mention that the households had no written records of expenditure.  

There were considerable difficulty on this account because the respondents could not tell precisely the consumption of certain items like the home produced chicken, eggs and milk etc. Further, mention may be made of the fact that some items might have been omitted from the consumption estimates. These items were mostly collected food which are wildly growing edible plants taken as vegetables. It was also observed that the ex-tea garden labour, at least some of them like hunting animals and birds (with bows and arrows). Although the avenues for hunting has decreased in the present time some might have had collected such food. This points to the fact that it is not possible to have accurate information about the total income and total expenditure of the households. But such approach will not affect the accuracy about the surplus or deficit per household.
It was necessary to verify the statements made by the respondents by observations and checks on total production, disposals and balances. Data collected at the time of the first visit was for 1 month preceding the date of investigation and had to be modified by making subsequent visits at different period of the year.

Table 6.8 shows the total household expenditure and percentage distribution of the expenditure on each item. It is also evident from the table that all households had no expenditure on all the listed items. The number of households having the expenditure and average per expense incurring household for each of the items also indicated in the table.

Food items i.e. cereals, tea, milk, other food (which include pulses, mustard oil, salt and vegetables etc.) constituted 66.47 per cent of the total expenditure.

Experience indicates that estimation of expenditure on consumption from data collected for a month at one visit to the household and then obtaining consumption for the year by multiplying by 12 often leads to distortion of facts. Dandekar (1954:4) also observed that seasonality in consumption might be present and data collected for a short reference period and subsequent inflation to arrive at annual figures might affect the data. It was observed that there were seasons for particular items. For instance fish, milk and eggs have seasons. Further, it was found that the consumption was of higher order after harvest in cultivating households and of lower order in the pre-harvest period. In case of households depending upon daily wages the rate of consumption depended on availability of employment. During peak employment season consumption was of higher order (at least it included a few more items). On the other hand, when employment is not available consumption is restricted to a minimum possible extent. The daily workers lived entirely on day to day basis.
Table 6.8
Expenditure Pattern of the Households
(in ₹)

<table>
<thead>
<tr>
<th>Items</th>
<th>Total Expenditure</th>
<th>Percentage</th>
<th>Average percurring households</th>
<th>Number of households having no expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cereals</td>
<td>91,077.00</td>
<td>42.57</td>
<td>798.92</td>
<td>-</td>
</tr>
<tr>
<td>Drink (milk &amp; tea)</td>
<td>8,930.00</td>
<td>4.17</td>
<td>88.41</td>
<td>13</td>
</tr>
<tr>
<td>Other food</td>
<td>42,195.00</td>
<td>19.73</td>
<td>370.13</td>
<td>-</td>
</tr>
<tr>
<td>Fuel and Lighting</td>
<td>7,000.00</td>
<td>3.27</td>
<td>61.40</td>
<td>-</td>
</tr>
<tr>
<td>Intoxicants</td>
<td>17,761.00</td>
<td>8.30</td>
<td>170.77</td>
<td>10</td>
</tr>
<tr>
<td>Simple comforts</td>
<td>3,151.00</td>
<td>1.47</td>
<td>28.38</td>
<td>3</td>
</tr>
<tr>
<td>Dress (current)</td>
<td>18,975.00</td>
<td>8.87</td>
<td>170.94</td>
<td>3</td>
</tr>
<tr>
<td>Education</td>
<td>4,321.00</td>
<td>2.02</td>
<td>102.88</td>
<td>72</td>
</tr>
<tr>
<td>Medical</td>
<td>3,380.00</td>
<td>1.58</td>
<td>36.73</td>
<td>22</td>
</tr>
<tr>
<td>Entertainments and Amusements</td>
<td>5,397.00</td>
<td>2.52</td>
<td>88.47</td>
<td>53</td>
</tr>
<tr>
<td>Travelling</td>
<td>2,608.00</td>
<td>1.22</td>
<td>46.57</td>
<td>58</td>
</tr>
<tr>
<td>Services</td>
<td>1,720.00</td>
<td>0.80</td>
<td>15.63</td>
<td>4</td>
</tr>
<tr>
<td>House Repairs</td>
<td>5,016.00</td>
<td>2.35</td>
<td>152.00</td>
<td>81</td>
</tr>
<tr>
<td>Rent on House-sites</td>
<td>73.00</td>
<td>0.04</td>
<td>48.25</td>
<td>110</td>
</tr>
<tr>
<td>Interest on loan</td>
<td>657.00</td>
<td>0.31</td>
<td>93.85</td>
<td>107</td>
</tr>
<tr>
<td>Remittances</td>
<td>150.00</td>
<td>0.07</td>
<td>150.00</td>
<td>113</td>
</tr>
<tr>
<td>Land Revenue</td>
<td>1,331.00</td>
<td>0.62</td>
<td>27.72</td>
<td>66</td>
</tr>
<tr>
<td>Others</td>
<td>185.00</td>
<td>0.09</td>
<td>185.00</td>
<td>113</td>
</tr>
<tr>
<td>Total</td>
<td>2,13,927.00</td>
<td>100.00</td>
<td>1,876.55</td>
<td>-</td>
</tr>
</tbody>
</table>
This is the bare minimum for subsistence. But it appears that some households did not even drink tea and milk in the household.

Cereals constituted 42.57 per cent of the total expenditure. Per capita expenditure on cereals was Rs. 136.34. It included rice and rice products (chira and muri, chira is rice flakes and muri is fried rice). Some households also reported consumption of atta (wheat flour). In terms of rice it was equivalent to about 460 grams per day. This average quantity was high considering the fact that at times of distress some reported to have taken only rice-gruel (mar-bhat) with salt. There are also grounds to doubt that some quantity of rice was used for preparation of rice-beer (haria or laopani as it is called in the local language) which was not reported. It is also evident that intoxicants occupied 8.30 per cent of the total expenditure. Only 10 households reported to have no expenditure on this head. Intoxicants include rice-beer, liquor sold in Government licensed shops (known as sarab of fuli and dokani brand) and illicitly distilled liquor (from gur, known as sulai). Items like pan-tamol, (arecanut and betel leaf taken together) tobacco (for khaini or sukhia) were also reported. Expenditure on
intoxicants might be still higher on account of the tendency to hide the expenditure on rice-beer and liquor.

Expenditure on education was incurred only by 42 households. The average per household expenditure among them was Rs. 102.88. But 2 households out of the 42 expense incurring households under the head had spent Rs. 3,290.00 leaving a reminder of Rs. 1,031.00 which was spent by 40 households. The average expenditure on education of these 40 households was Rs. 25.77 per household. These 2 households had sent their sons for higher education. One had sent his son to a college and the other had sent his son to study Nursing at a Christian Mission Hospital. Both the households are Christians. The outlay on education of the sampled households excepting these two households were nominal. Further, only about 36.8 per cent households had spent on education while others had no expenditure on this head.

Expenditures on entertainments and amusements were reported by 61 households which had an average expenditure of Rs. 88.47 per household. These expenses were incurred in connection with fairs and festivals and visiting cinema shows. It may be mentioned that younger section of the ex-tea garden labour reported
visiting cinema in towns and also in tea gardens where the managements provide for shows at regular intervals under the recreational programme for tea garden labour.

It needs to be mentioned that expenditure on ceremonies other than wedding i.e. in connection with birth and death ceremonies, were comparably nominal. In case of birth not much expenses on ceremonies were reported. In case of death 2 households reported expenditure of Rs. 80.00 and Rs. 120.00 respectively. These expenditure were not of regular nature and therefore not included in the household current expenditure. The expenses on marriages are not also included.

In case of marriage ceremony it was found that 1 household spent Rs. 2,200.00 in marrying out 2 daughters. Another household reported spending Rs. 500.00 in getting his son married. Some informal marriages were performed by spending not even Rs. 50.00 prior to the reference year.

The distribution of average per household and per capita expenditure according to occupational groups is given in Table 6.9 (Table VI.6 in the Appendix gives the distribution of per household and per capita expenditure by income groups). It is evident that per household and per capita expenditure, by and large, follow the pattern of per household and per capita income.
Table 6.9

Per Household and Per Capita Expenditure by Occupational Groups

<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>Current Expenditure (in £)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per household</td>
<td>Per Capita</td>
<td></td>
</tr>
<tr>
<td>1  2  3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner Cultivators</td>
<td>2,116.55</td>
<td>340.43</td>
<td></td>
</tr>
<tr>
<td>Tenant Cultivators</td>
<td>1,789.87</td>
<td>325.43</td>
<td></td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>3,949.50</td>
<td>789.90</td>
<td></td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>1,439.50</td>
<td>246.77</td>
<td></td>
</tr>
<tr>
<td>Non-Agricultural Labour</td>
<td>1,700.17</td>
<td>293.39</td>
<td></td>
</tr>
<tr>
<td>Salaried Jobs</td>
<td>1,915.50</td>
<td>425.66</td>
<td></td>
</tr>
<tr>
<td>Small Trader</td>
<td>1,125.00</td>
<td>281.25</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,876.55</td>
<td>320.25</td>
<td></td>
</tr>
</tbody>
</table>

It may be mentioned that the ex-tea garden labour households had not much opportunities for borrowing and majority of them was forced to restrict their consumption as and when circumstances compelled them. It was found that some households had to live on mar-bhat for lack of income (consequent on lack of employment) at certain period of the year. Thus the tendency to limit the expenditure to income was imposed by circumstances. The expenditure on current consumption goods depended on various considerations such as need for medical treatment of family members, the need for household utensils, need for beddings or warm
clothes (whatever minimum might be) or propensity to acquire some consumer durables i.e. mainly watches, transistor radios etc. may inspire cutting down of important items of consumption. During slack employment season or during lean period expenditure on food items was found to have been drastically cut down. There were phases of relative scarcity in some of the ex-tea garden labour households particularly in the lower income groups. The ex-tea garden labour households had no habit of saving for the bad days. Their income is so low that most of them cannot even save. The non-agricultural labour and the agricultural labour households appear to have been living on day to day basis.

One point which needs to be mentioned that the income of the households, in case of several households, were not effectively pooled. Some younger members of the households did not like that their income be handed over to the head of the households. Thus, the economy of the households were not achieved. These younger members preferred to spend their income either in going to cinema shows, drinks or sometimes unnecessary trips to urban areas. Thus some expenditure on travelling was noticed.

The expenditure pattern on the whole revealed very low level of living. The food habit, by and large, was of regular nature consisting of cereals. The consumption
of *haria* and liquor took away considerable part of their income. Mention may be made of the fact that *haria*, which is made of rice also serves as food. The gradual replacement by distilled liquor (from Government licensed shops and illicitly distilled) is doing harm because the liquor does not provide the nutrition of the *haria* but on the other hand it intoxicates much.

**SURPLUS AND DEFICIT**

Surplus or deficit on current household income and current household expenditure is shown in Table 6.10 and Table 6.11. The study reveals that 44 households (38.6 per cent) were surplus, 44 households (38.6 per cent) were deficit and 26 households (22.8 per cent) were neither deficit nor surplus. The tables reveal an overall surplus of Rs. 11,493.00. But, actual surplus was with 44 households to the tune of Rs. 16,655.00 and the deficit was to the extent of Rs. 5,162.00 in 44 households. Thus, per household surplus in the surplus households was Rs. 378.52 and per household deficit in the deficit households was Rs. 117.31. It may be seen from the table (Table 6.10) that half of the surplus households belonged to the owner cultivator group. The agricultural labour and the non-agricultural labour were mostly deficit households.
### Table 6.10

**Distribution of Current Income and Current Expenditure According to Occupational Groups**

<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>No. of Households</th>
<th>Total Income (₹)</th>
<th>Total Expenditure (₹)</th>
<th>Surplus/Deficit (+) or (-)</th>
<th>Number of Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Cultivators</td>
<td>42</td>
<td>96,296.00</td>
<td>88,853.00</td>
<td>+7,443</td>
<td>22 13 7</td>
</tr>
<tr>
<td>Tenant Cultivators</td>
<td>16</td>
<td>29,749.00</td>
<td>28,638.00</td>
<td>+1,111</td>
<td>7 5 4</td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>2</td>
<td>9,200.00</td>
<td>7,899.00</td>
<td>+1,301</td>
<td>1 1 -</td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>12</td>
<td>17,016.00</td>
<td>17,274.00</td>
<td>-259</td>
<td>4 4 4</td>
</tr>
<tr>
<td>Non-agricultural Labour</td>
<td>39</td>
<td>67,374.00</td>
<td>66,307.00</td>
<td>+1,067</td>
<td>8 20 11</td>
</tr>
<tr>
<td>Salaried Jobs</td>
<td>2</td>
<td>4,710.00</td>
<td>3,831.00</td>
<td>+879</td>
<td>2 - -</td>
</tr>
<tr>
<td>Small Trade</td>
<td>1</td>
<td>1,076.00</td>
<td>1,125.00</td>
<td>-49</td>
<td>- 1 -</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>114</td>
<td>2,25,420.00</td>
<td>2,13,927.00</td>
<td>+11,443</td>
<td>44 44 26</td>
</tr>
</tbody>
</table>

(38.6)(38.6)(22.8)

**Note:** Figures within brackets are percentages to total households.
Table 6.11
Distribution of Current Income and Current Expenditure According to Income Groups

<table>
<thead>
<tr>
<th>Income Groups (kn)</th>
<th>No. of Households</th>
<th>Current Income (kn)</th>
<th>Current Expenditure (kn)</th>
<th>Surplus or Deficit (kn)</th>
<th>Number of Households</th>
<th>Deficiency Balance (kn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 500</td>
<td>2</td>
<td>850</td>
<td>931</td>
<td>-81</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>500-1000</td>
<td>14</td>
<td>11537</td>
<td>12334</td>
<td>-771</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>1000-1500</td>
<td>25</td>
<td>32208</td>
<td>33924</td>
<td>-1716</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>1500-2000</td>
<td>25</td>
<td>42993</td>
<td>41997</td>
<td>-996</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>2000-2500</td>
<td>21</td>
<td>45765</td>
<td>44123</td>
<td>+1642</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>2500-3000</td>
<td>12</td>
<td>31470</td>
<td>29606</td>
<td>+1864</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>3000-3500</td>
<td>5</td>
<td>16118</td>
<td>13748</td>
<td>+2370</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3500-4000</td>
<td>5</td>
<td>18671</td>
<td>15148</td>
<td>+3523</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>4000-4500</td>
<td>2</td>
<td>8657</td>
<td>7576</td>
<td>+1081</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>4500-5000</td>
<td>1</td>
<td>4775</td>
<td>3314</td>
<td>+1462</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>5000-5500</td>
<td>1</td>
<td>5190</td>
<td>5361</td>
<td>-191</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>5500 and above</td>
<td>1</td>
<td>7150</td>
<td>5836</td>
<td>+1314</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>114</strong></td>
<td><strong>225420</strong></td>
<td><strong>213927</strong></td>
<td><strong>+11493</strong></td>
<td><strong>44</strong></td>
<td><strong>44</strong></td>
</tr>
</tbody>
</table>

Note: Figures within brackets indicate percentages to total households.
It is evident from Table 6.11 that the deficit households mostly belonged to lower income groups. Further, income group above R. 3,500.00 had no deficit households excepting the one in income group of R.5,000.00 to R. 5,500.00.

The data also points to the fact that the ex-tea garden labour households, by and large, seem to try to balance their family budgets. This was imposed on majority of the households which had no source of borrowing for consumption expenditure excepting for very short periods.

PURCHASE AND SALE OF ASSETS

The receipts and payments not in the nature of current income and current expenditure of the households were studied. It was found that assets worth R.3,120.00 were sold (bullocks and cows only) and assets worth R. 13,144.00 were purchased (bullocks, cows, consumer durables, ornaments and agricultural implements). Thus, total addition to assets was to the tune of R. 10,024.00 during the year.

Table 6.12 shows the distribution of assets sold and value realised by occupational groups and Table 6.13 shows the value of assets purchased by occupational

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46 Phukan and Buragohain (1970:129) found that 51.6 per cent rural households in Assam were deficit households.
Table 6.12
Sale of Assets by Occupational Groups

<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>Bullocks</th>
<th></th>
<th>Cows</th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Numbers</td>
<td>Value (₹)</td>
<td>Numbers</td>
<td>Value (₹)</td>
<td>Value (₹)</td>
</tr>
<tr>
<td>Owner Cultivators</td>
<td>5</td>
<td>1,800.00 (3)</td>
<td>7</td>
<td>510.00 (7)</td>
<td>2,310.00</td>
</tr>
<tr>
<td>Tenant Cultivators</td>
<td>2</td>
<td>300.00 (1)</td>
<td>3</td>
<td>190.00 (3)</td>
<td>490.00</td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-agricultural Labour</td>
<td>2</td>
<td>320.00 (1)</td>
<td>-</td>
<td>-</td>
<td>320.00</td>
</tr>
<tr>
<td>Salaried Jobs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Small Trader</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>2,420.00 (5)</td>
<td>10</td>
<td>700.00 (10)</td>
<td>3,120.00</td>
</tr>
</tbody>
</table>

Note: Figures within brackets indicate number of households involved.

Groups. Sale of bullocks was mainly to replace new pairs and the sale of cows was to meet current expenditure and also expenditure of capital nature. It was reported that 2 households sold cows to meet medical expenses. The purchase and sale of bullocks and cows were reported to
Table 6.13
Purchase of Assets and Consumer Durables by Occupational Groups

<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>Bullocks</th>
<th>Cows</th>
<th>Agril. Implements</th>
<th>Consumer Ornaments</th>
<th>Total Durables</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>7240</td>
<td>720</td>
<td>548</td>
<td>835</td>
<td>138</td>
<td>9,481.00</td>
</tr>
<tr>
<td>Cultivators (11)</td>
<td>(24)</td>
<td>(13)</td>
<td>(8)</td>
<td>(1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tenant</td>
<td>350</td>
<td></td>
<td>122</td>
<td>120</td>
<td>-</td>
<td>592.00</td>
</tr>
<tr>
<td>Cultivators (1)</td>
<td>-</td>
<td>(8)</td>
<td>(5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>400</td>
<td>1</td>
<td>960.00</td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>-</td>
<td>-</td>
<td>56</td>
<td>62</td>
<td>-</td>
<td>118.00</td>
</tr>
<tr>
<td>Labour (1)</td>
<td>(8)</td>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-agricultural Labour</td>
<td>400</td>
<td>152</td>
<td>150</td>
<td>610</td>
<td>125</td>
<td>1,448.00</td>
</tr>
<tr>
<td>Labour (1)</td>
<td>(2)</td>
<td>(8)</td>
<td>(12)</td>
<td>(2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaried Jobs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>360</td>
<td>125</td>
<td>485.00</td>
</tr>
<tr>
<td>Small Trader</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>60</td>
<td>-</td>
<td>60.00</td>
</tr>
<tr>
<td>Total</td>
<td>7990</td>
<td>872</td>
<td>876</td>
<td>2447</td>
<td>959</td>
<td>13,144.00</td>
</tr>
<tr>
<td></td>
<td>(13)</td>
<td>(10)</td>
<td>(48)</td>
<td>(36)</td>
<td>(6)</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures within brackets indicate number of households.

be a regular feature in the rural households. The sample households however did not report sale of land during the reference year. Some households reported sale of land a few years back but none reported purchase of land.
It is evident (Table 6.13) that assets worth Rs. 13,144.00 were purchased during the reference year and these consisted of different items like bullocks, cows, agricultural implements, consumer durables and ornaments. The agricultural implements purchased were of traditional type ploughs, plough-shares, hoes, sickles and bamboo ladders for replacing their old ones. The consumer durables consisted of household utensils, mostly for cooking purposes, 2 wrist watches, and one bicycle. Ornaments purchased were mostly silver ornaments and only 6 households had an expenditure of Rs. 959.00. Besides these ornaments the sample households had also purchased glass and plastic bangles, metal earing and other cheap ornaments found in the garden markets. Such cheap ornaments are sold in fairs and festivals also. These ornaments were very cheap and did not last long. Therefore, expenditure on these items were included in current household expenditure under the head entertainments. The ex-tea garden labour females had shown great liking for such ornaments.

RECEIPTS AND PAYMENTS

The receipts and payments account of the households for the reference year is shown in Table 6.14. It is evident from the table that receipts and payments account includes current income and receipts on account of sale
Table 6.14
Receipts and Payments Account

<table>
<thead>
<tr>
<th>Occupational Groups</th>
<th>Receipts</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Income</td>
<td>Sale of Total Assets</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Owner Cultivators</td>
<td>96296</td>
<td>2310</td>
</tr>
<tr>
<td>Tenant Cultivators</td>
<td>29749</td>
<td>490</td>
</tr>
<tr>
<td>Agricultural Rent Receivers</td>
<td>9200</td>
<td>-</td>
</tr>
<tr>
<td>Agricultural Labour</td>
<td>17015</td>
<td>-</td>
</tr>
<tr>
<td>Non-agricultural Labour</td>
<td>67374</td>
<td>320</td>
</tr>
<tr>
<td>Salaried Jobs</td>
<td>4710</td>
<td>-</td>
</tr>
<tr>
<td>Small Trader</td>
<td>1076</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>225420</strong></td>
<td><strong>3120</strong></td>
</tr>
</tbody>
</table>

of assets and current expenditure and payments on account of purchase of assets. The account shows an overall surplus of ₹ 1,469.00. But this does not signify that the households had met their expenditure or payments (both capital and current) from their total receipts.
They had borrowed for different purposes. The total receipts as such do not include the borrowings. Similarly, payments are exclusive of repayment of debts. But interest on loan are included in payments. The aspect of borrowing of the households are discussed later in this chapter. But it is evident that the households had used up their surpluses in purchase of assets (including consumer durables). It is difficult to say whether some surplus in the form of grains did not remain in some of the cultivating households. But it is evident that the households could not save anything out of their receipts. The study also reveals that the households did not invest significantly for the purpose of agriculture or any other productive household enterprises.

BORROWINGS OF THE HOUSEHOLDS

It was already stated that scope for borrowing by the households was very much limited as lenders did not want to take risk by lending to people without any substantial income. It was reported that some village shop-keepers gave them consumption goods on credit for limited amount and for limited period depending upon earning capacity of the persons. Such credit for the households depending entirely on income from wage-paid employment was limited to 15 days but in many cases some amount always remained as arrear to be paid by the

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households to the shop-keepers. Thus the village grocers were the main source of borrowings of the sample households. A few households also reported borrowing paddy from neighbours, relatives and friends to tide over difficult period. Some employers of attached agricultural labour also lent paddy in small quantity to the prospective employees. Only 2 household reported that they had borrowed cash from relatives to meet educational expenses of their children.

It may be noted here that 14 households reported to have borrowed from the Kabliwallas (the money lenders from Afghanistan). They had purchased warm blankets and pullovers from the Kabliwallas. It was also found that the Kabliwallas charged much higher prices for these items and were extracting repayments at intervals. Most of the borrowers did not know how much they had paid and what remain unpaid.

Thus the main sources of borrowings were the village grocers, friends, relatives, employers of attached agricultural labour and Kabliwallas.

The purposes of borrowings of the households are shown in Table 6.15. It is evident from the table that 39.99 per cent of the borrowings of the households was for consumption expenditure, 13.85 per cent for
Table 6.15

Total Borrowings of the Households

(in Rs.)

| Occupational Groups | Purposes for which Borrowed | | | | | |
|---------------------|----------------------------|---|---|---|---|
|                     | Consumption Expenditure    | Education | Agril. Capital | Ceremonial Expenses | Consumer Durables |
| Owner Cultivators   | 2746                       | 1800      | 500            | 3500               | -                |
| Tenant Cultivators  | (13)                       | (2)       | (2)            | (4)                | -                |
| Agricultural Rent Receivers | 13                | -         | -              | -                  | -                |
| Agricultural Labour | 357                        | -         | 300            | 200                | 120              |
| Non-agricultural Labour | 630              | -         | -              | 700                | 400              |
| Salaried Jobs       | -                          | -         | -              | -                  | -                |
| Small Trader        | 49                         | -         | -              | -                  | 60               |
| **Total**           | **4289**                   | **1800**  | **1600**       | **4700**           | **610**          |
| **Percentage to total borrowings** | 32.99 | 13.85 | 12.31 | 36.16 | 4.69 |

Note: Figures within brackets are number of households.
educational expenses, 4.69 per cent for consumer durables, 36.16 per cent for ceremonies and only 12.31 per cent was for investment in agriculture.

The rate of interest on borrowings was not uniform in all cases. The borrowings from the grocers for current consumption expenditure did not bear any interest (they might have charged higher prices or given shortweights). Some borrowed paddy and reported to have paid half maund of paddy for each maund of paddy borrowed (1 maund = 37.5 kg.). Thus a 50.00 per cent rate of interest was charged. In other cases the rates varied from 30.00 to 60.00 per cent. It was reported that borrowings from friends and relatives did not bear any interest.

An enquiry into the past debts of the households revealed that only 4 households had Rs. 1,900.00 borrowed from relatives. Another 5 households reported that they received crop-loan from Government at the rate of Rs. 200.00 each a few years back and had not repaid the loan. They did not know the rate of interest and the total interest to be paid.