CHAPTER – I
INTRODUCTION AND DESIGN OF THE STUDY

BACKGROUND OF THE STUDY

India is the seventh largest fishing nation of the world with an Exclusive Economic Zone (EEZ) of 2.02 million square kilometers. The 3 million marine fishermen population is living in 7,56,212 fishermen households spread over 3,202 fishing villages. There are 8,89,528 active fishermen of which 7,17,999 have fishing as a fulltime occupation. Indian fisheries sector contributes an annual per capita supply of 3.3 kilograms of animal protein food and about 3 percent of total export earnings (Sudarsan 1991). In India fishing sector is a principal source of livelihood for a large section of the economically underprivileged of the country, especially in the rural coastal population (Mahesh V Joshy, 1996). Fisherfolk are engaged in fishing around the clock, even day and night, in deep sea fishing to meet their basic needs (P.G. Vhankade, 2011). Despite of their sincere hard work, their income is frequently inadequate and disproportionate to strain and suffering mainly because of using non-mechanized crafts. Their income also depends on the games of seasons and vagaries of nature (J. Fredrick, 2011). The infrastructural facilities like health facility, clean drinking water, electricity and education are inadequate among the rural coastal fishing communities. Most of the fishermen have no fishing assets like boats and nets of their own. Housing conditions of the fisherfolk is also not up to the expected level. Literacy rate and education are also low among them (Ali, 1996). According to the survey conducted by two NGOs (CODEC and PDP) working with fishermen, most of the fishermen among the coastal districts borrow money
from local moneylenders in absence of loan facilities from the scheduled banks (Observer, 2000). In order to uplift the socio-economic status of traditional fishermen, the Tamil Nadu State Fisheries Apex Co-operative Federation Limited has implemented Integrated Marine Fisheries Development Project in 78 fishing villages in 6 coastal districts of Tamil Nadu (TAFCOFED). Because of the poor and pathetic condition of fisherfolk, banks are also not ready to provide credit to the fisherfolk because they do not have any collateral security. In the absence of adequate institutional credit, the fisherfolk’s only option is the informal credit system for which the fishermen have to pay an exorbitant interest (K.G. Karmakar, et., al., 2009).

There is an increasing exposure to the vagaries of catch and price fluctuations, they depend for debts to the local moneylenders and the fish trader-financers have multiplied. Due to the low incomes as well as lack of institutional credit systems, fisherfolk are in the grip of middlemen, who provide them loans at high interest rates and bind them to sell their fish caught by them at reduced prices. Resultantly, the fishermen are under debt burden since generations, despite working day and night (Charu Gupta and Mukul Sharma, 2010).

**PROBLEM STATEMENT AND PURPOSE OF THE STUDY**

The fisherfolk along the coastal area are socio-economically backward and they lack various basic amenities like education, drinking water and food. Thus their standard of living is not up to the expected level (M.A. Oladoja and O.A Adeokun, 2009). The housing condition of the fisherfolk is poor. Majority of them live in huts made of mud and only few of them reside in houses made of cement and bricks (Kerala Development Report, 2008). Infrastructure facilities like housing, sanitation health care are major
problems facing the fishing community (Asha Krishna Kumar, 2010). The fisherfolk income level is not enough to meet their expenditure and their daily earnings from fisheries are low, fluctuating and often uncertain which lead to uncertain their livelihood security. As most of the fisherfolk are illiterate, they lack knowledge in improving their fishing activities (R. Mahesh and D. Rajasenan, 2006). Government provides several relief grants and welfare schemes to the fisherfolk viz., relief amount (Rs.2000 p.a) during fishing ban period, special relief amount (Rs.4000 p.a) during fishing lean season, relief amount of Rs.1,00,000 and Rs.50,000 to the deceased or totally disabled and partially disabled fisherfolk respectively. The owners of the mechanized fishing boats who are below poverty line are eligible to get a subsidy of Rs.3.00/liter with a ceiling of 500 liters boat per month during peak season. Subsidy assistance has given at the rate of 25% in the conversion cost, subject to a maximum of Rs.5,00,000/boat for conversion of traditional crafts into mechanized crafts. Subsidy and sales tax exemption is given to the kerosene operated traditional crafts in Thoothukudi, Tirunelveli and Kanyakumari districts of Tamil Nadu (The Department of Fisheries Citizen Charter, 2012-2013).

Nowadays modern and scientific methods have been used for fishing. This increases more fishing than conventional methods. The government provides enormous welfare schemes for the upliftment of fishermen families, though the standard of living of fishermen is still poor and they are often in debt. Hence, the researcher has made an attempt to analyze the reasons for poor standard of living and high indebtedness of fishing community in the costal districts.
RESEARCH OBJECTIVES

The main objective of the study is to analyse the income and expenditure which are main factors for determination of the standard of living of fisherfolk. Based on the main objectives, the following other objectives are analysed:

1. To examine income and expenditure and their impact on the standard of living of fisherfolk.

2. To analyse the savings and indebtedness and their impact on the day to day livelihood of fishermen families.

3. To examine the central and state government’s welfare activities to the fisherfolk and its impact on their standard of living.

HYPOTHESES

Ho1: Type of family and household size of fisherfolk does not have an impact on their income and expenditure pattern.

Ho2: The savings of the fisherfolk do not depend on the possession of crafts and gears.

Ho3: Income during lean and peak seasons of fisherfolk do not influence the facilities available at home and their standard of living.

Ho4: The profiles of fisherfolk do not influence the standard of living, savings and indebtedness.

SCOPE OF THE STUDY

The present study covers all southern rural coastal districts of Tamil Nadu (i.e) the districts Thoothukudi, Tirunelveli, Kanyakumari and Ramanathapuram in the southern part of Tamil Nadu. This study gives importance to income, expenditure, savings and indebtedness and standard of living of fisherfolk. The period of this study is three years, (i.e) January 2010 to April 2013).
SIGNIFICANCE OF THE STUDY

1. This study helps to find out the present economic status and profile of the fishermen.

2. By the analysis of income and expenditure pattern, the fisherfolk and government can be advised to take further steps to improve the day to day livelihood standard of fisherfolk.

3. It helps to know the problem faced by the fisherfolk during lean and ban seasons.

4. The analysis of savings and indebtedness status of fishermen helps to take appropriate steps to uplift their standard of living.

5. This study indicates how fisherfolk struggle under debt burden from money lenders and from other financial institutions.

METHODOLOGY

RESEARCH DESIGN

Since the study has pre-determined objectives and methodology, it is both descriptive and analytical in nature. Apart from this, an attempt has been made to examine the income and expenditure pattern and its impact on standard of living and indebtedness of rural fisherfolk.

SAMPLING FRAME

SAMPLING PROCEDURE OF THE STUDY

Out of 13 coastal districts, all the four southern coastal districts of Tamil Nadu i.e. Thoothukudi, Tirunelveli, Kanyakumari and Ramanathapuram districts were selected for this study in purposive sampling method. In total, 230 respondents per district (approximately) are selected for this study. The total sample size came to 950
respondents. The structured interview schedule has been used to collect the relevant data. Finally, the reusable schedule came to 926.

SOURCE OF DATA

The present study is based on the primary data collected from fisherfolk in rural areas of all southern coastal districts of Tamil Nadu. Literature survey consists of different theses literatures like books, published articles and websites.

FIELD WORK AND COLLECTION OF DATA

A well structured interview schedule was used to collect the primary data from the respondents. The interview schedule consists of three parts. The first part covers the demographic profile of the respondents. The second part of the schedule includes the income and expenditure pattern and standard of living of rural fisherfolk. The third part of the schedule includes the level of savings and indebtedness status of the respondents in the different southern rural coastal villages of Tamil Nadu. A pilot study was conducted among 90 respondents. Based on the feedback of the pilot study, certain modifications, additions and deletions were carried out. The final draft was prepared to collect the data.

FRAMEWORK OF ANALYSIS

Statistical tool SPSS 17.0 has been used to classify and analyse the data collected in the surveys undertaken. The tools used in the study are inferential statistics. ANOVA, t-Test, Chi Square Test, Correlation, Regression and Factor Analysis.

1. CHI-SQUARE ANALYSIS:

The Chi-square analysis has been used to analyse the association of the profile of the respondents and their income and expenditure pattern, standard of living, savings and indebtedness of rural fisherfolk.
2. CORRELATION

The Correlation analysis has been used to identify the relationship between the different income satisfaction levels of fisherfolk.

3. ONE WAY ANALYSIS OF VARIANCE

The One way analysis of variance has been executed to find out the association of demographic characteristics of the respondents and their standard of living.

4. t-Test

The t-Test has been applied to find out the significant difference between fishing methods and income satisfaction level of fisherfolk.

5. FACTOR ANALYSIS

Factor analysis has been used to narrate the key factor indicators of loan availability to fisherfolk on its function rotated into four factors namely, bank loan, loan from fishermen cooperative society, loan from money lenders and loan from self help groups.

6. MULTIPLE REGRESSION

Multiple regression analysis has been used to find out the impact of regular income, income in fishing, demand of fish and price of fish among rural fisherfolk based on their income earned in peak season.

LIMITATIONS OF THE STUDY

1. This is a time-bound micro study of the socio-economic and commercial aspects of a section of the society.

2. Most of the sample respondents are uneducated and do not maintain any accounts in black and white.

3. The data given by the fisherfolk are mostly from their memory only and there is very little documentary evidences.

4. The researcher could bring out the essential information to the optimum level by repeated requests and attempts.

5. It became obvious that some persons delayed deliberately in answering the questions but many did cooperate willingly.
SCHEME OF THE REPORT

For a neat and clear presentation of the study, the report has been divided into seven chapters.

1. The first chapter explains the background of the study, problem statement and purpose of the study, research objectives, hypotheses, scope and significance of the study, methodology, framework of analysis, limitations of the study and scheme of the report.

2. The second chapter reveals the important reviews of previous studies related to the main study.

3. The third chapter examines the standard of living of rural fisherfolk.

4. The fourth chapter analyses the income and expenditure pattern of fisherfolk.

5. The fifth chapter discusses the savings and indebtedness and their impact on the day to day livelihood of fishermen families.

6. The sixth chapter examines the central and state governments’ welfare activities to the fisherfolk and its impact on their standard of living.

7. The seventh chapter discusses the relevant and important findings of the study. Appropriate suggestions and conclusions have been given in this chapter.
REFERENCES


7. Tamil Nadu State Fisheries Apex Co-operative Federation Limited (TAFCOFED), Phase-I.


