



GOVERNMENT OF KERALA

KERALA 1960

AN ECONOMIC REVIEW

PRINTED BY THE S.G.P. AT THE GOVERNMENT PRESS,
TRIVANDRUM, 1961.



GOVERNMENT OF KERALA

KERALA 1960

AN ECONOMIC REVIEW

**PRINTED BY THE S.G.P. AT THE GOVERNMENT PRESS,
TRIVANDRUM, 1961.**

KERALA 1960

AN ECONOMIC REVIEW

Government of Kerala

INTRODUCTION

An economic review of the year 1960 highlighting the broad trends of development in Kerala economy is attempted in the following pages. The review is circulated to the Members of the Legislative Assembly as recommended by the Estimates Committee in its report for 1958-59.

2. At the present level of our statistical knowledge, there is many a gap in our picture of the working of our economy. Very often statistics pertaining to the current period become available only after a lag of a number of years. This makes it difficult to make any precise and objective assessment of the economic developments of the year at the end of the year itself.

3. Chapter I attempts to provide a synoptic picture of the economy and Chapter II poses a few problems of growth arising out of the peculiar developments at home. The remaining chapters discuss, in some detail, developments in the different sectors of our economy.

4. The review is prepared in the Bureau of Economic Studies.

CONTENTS

		PAGE
	INTRODUCTION	..
CHAPTER	I. ECONOMIC STRUCTURE	.. 1
„	II. PROBLEMS OF GROWTH	.. 8
„	III. DEMOGRAPHIC FEATURES	.. 20
„	IV. AGRICULTURE AND ALLIED ACTIVITIES	.. 25
„	V. PLANTATIONS	.. 53
„	VI. INDUSTRY AND MINING	.. 66
„	VII. COMPANY ENTERPRISES	.. 91
„	VIII. TRANSPORT	.. 102
„	IX. EXPORT-IMPORT TRADE	.. 105
„	X. PRICES AND COST OF LIVING	.. 127
„	XI. SOCIAL SERVICES	.. 134
„	XII. EMPLOYMENT SITUATION	.. 143

CHAPTER I

ECONOMIC STRUCTURE

Measured by the extent of territory, Kerala is the smallest State in India with only 15000 sq. miles which accounts for 1.2 per cent of the total area of India. The geographical location of Kerala, at the lands' end of the subcontinent, has determined to a very considerable degree the economic structure of the country. This, along with the scarcity of the basic raw materials and minerals, has contributed to the fact that the economic activities in the State bear to an important extent the stamp of what can best be described as the provision of services. This is particularly discernible in the high levels reached by trade, commerce and certain forms of social services, such as health, education and transportation. In 1951, her population was 13.5 millions which was 4 per cent of the population of India. Thus Kerala has the highest population density in India. While India had an average density of 312 per sq. mile in 1951, Kerala had a population density of 907 per sq. mile. The estimated population for 1961 in Kerala is 17.16 millions with a density of 1144 per sq. mile.

1.2. Population is increasing at the rate of over 2.3 per cent per year, i.e., with an annual net addition of about 3.98 lakhs. Compared to population, the land area is pitifully small and the share of land is only about 30 cents per head where as it is about 2 acres per head in India. 66.72 per cent of the total number of holdings in Travancore-Cochin area and 28.91 per cent in Malabar area are less than one acre in extent. This is the measure of extreme pressure on land resulting in excessive subdivision and fragmentation of holdings.

1.3. Agriculture is the chief economic activity of the people engaging a little above 53 per cent of the total working population. The following table gives a sector-wise distribution of the total population and their respective shares of the regional income.

TABLE 1.1
Sectoral Distribution of Population and Income

Sl. No.	Sectors	Percentage of the total population	Percentage share of each sector of the total regional income
1	Agriculture	53.1	53.0
2	Industry and mining	20.1	10.2
3	Transport and Commerce	10.3	18.0
4	Services	16.5	18.8

20 per cent of the population is engaged in production other than cultivation; 6.8 per cent in commerce; 3.5 per cent in

transport and 16.5 per cent in other services. The relative share of agriculture in the regional income is the lowest for any State in India while the relative share of services is the highest. The share of agricultural products forms nearly 53% of the net regional product. Besides supplying raw materials to the small scale industries like Coir and Cashew, it provides the bulk of the State's export. Of the total geographical area of 94,12,000 acres, about 54,66,000 acres are cultivated annually in Kerala which is about 58.1 per cent of the total area. Besides this, there exists about 4,06,000 acres of cultivable land (5%) and 4,97,000 acres of uncultivable land (5.3%). The main feature of the agricultural production in Kerala is the size of non-food crops which occupy 32.7 per cent of the area sown in 1957-58. Rice forms the staple food. Kerala grows coffee, tea, rubber, cocoanuts, oil seeds, pepper etc. Tea, Coffee, pepper and Cashewnuts are important export items. The cattle population in the State is large in comparison but of poorer quality and the supply of milk is one of the poorest. The average yield of milk per cow per annum is only 924 lbs. which, though compares favourably with all-India average yield of 897 lbs. is much lower than the average yield in other countries which varies from 2000 lbs. to 6000 lbs. Kerala's forests cover 24,33,000 acres which is nearly 25.8 per cent of the total geographical area yielding a revenue worth nearly 3 crores annually to the Government. There is, however, large shortage of food for the last so many decades which made it necessary to import food grains to the extent of 5 lakh tons per year for a number of years with 7.5 lakh tons imports in 1960. There is always a very precarious balance between the production of food and the requirements of the growing population.

1.4. About a quarter of the gross area is under some kind of cultivation. There is generally a liberal amount of rainfall but certain parts of the land area are in need of irrigation. Even a partial failure of the monsoons results in crop failures. Of the total area under cultivation, about 23 per cent is under major and minor irrigation and the rest is dependent on rainfall. There is a large difference between the yield per acre on irrigated and unirrigated lands and irrigation normally raises production by about 50% of the original yield. At present 12.67 lakh acres of the total cultivated area is under different types of irrigation. Kerala has a large number of big and small rivers and the quantity of water that annually flows along these rivers is estimated at nearly 24,56,830 million cft. Of this volume of water, only 5.6 per cent is used for major, minor and medium irrigation works and power generation and the rest runs to waste. Irrigation schemes are being developed during the Third Plan period on a big scale and on completion these are expected to irrigate about 3.16 lakh acres of new land. At this stage Kerala will begin to use 10.0 per cent of her total river flow. There are still large possibilities of developing irrigation

schemes. Moreover, there is much scope and need of developing minor irrigation works and water-lifting devices for areas unsuitable for flow irrigation. At the end of the Second Five Year Plan period when all the major irrigation schemes are completed, nearly 25 per cent of the total cultivable land in Kerala would have irrigation facilities.

1.5. Some valuable minerals occur in many parts of the State. In Quilon district, minerals like monazite, ilmenite, rutile, zircon and sillimanite are found in sizeable quantities. There are also extensive clay deposits and lime-shells. The forests of Kerala have a rich variety of timber, bamboos, reeds and fibre plants apart from a wide variety of minor products. Some of the commercial crops like tapioca, sugarcane, cashew and rubber are valuable industrial raw materials. Based on these resources, a large number of small scale, medium and large scale industries could be started in the State.

1.6. The net output of the organised factories is comparatively small and accounts for less than 5.7 per cent of the net material production. The number of factory workers is only about 3.3 per cent of the total working force in 1957 and about 1.0 per cent of the total population. The number of factories is about 2273 in 1959 of which about 1968 are small and employ less than 100 persons; and only about 9 are really big which employ above 1000 workers and of them 6 are in cashew industry. Most of these industries produce consumer goods and the production of basic investment goods or of power is extremely low compared to the population. Output of producer goods including minerals is only a negligible portion of the total industrial output. During the First and Second Five Year Plans, the increase in production of consumer goods was a good deal more than that of producer goods. Excess capacity exists in several of the consumer good industries.

1.7. A rough idea about the general pattern of utilisation of the total value produced is provided in tables 1.2 and 1.3.

TABLE 1.2
Relation between the National Income and Net Investment
1957-58

Sl. No.		Kerala	India
1	Percentage of net investment to total national income ..	6.0	10.0
2	Percentage share of private net investment to total net investment ..	33.2	39.1
3	Percentage share of public net investment to total net investment ..	66.8	60.9
4	Percentage of net investment from domestic resources ..	57.3	64.9
5	Percentage of net investment from domestic resources to total national income ..	3.4	6.5

Investment during 1957-58 in Kerala is estimated at about 6 per cent of the net regional product whereas it is 10 per cent for India as a whole. The share of private net investment in Kerala is 33.2 per cent of the total net investment whereas it is 39.1 per cent for India. The net investment from domestic resources in Kerala is only 3.4 per cent of the total regional income whereas domestic investment in India is to the tune of 6.5 per cent. Table 1.3 shows the disposable income and regional expenditure of Kerala for 1957-58.

TABLE 1.3
Disposable Income and Regional Expenditure of Kerala
1957-58

Sl. No.	Income	Sl. No.	Expenditure
1	Net regional product at factor cost .. 368.0	1	Private consumption (5-4-3-2) 351.1
2	Indirect taxes and miscellaneous fees less subsidies † .. 11.4	2	Public consumption .. 19.6
3	Net regional product at market price (1+2) .. 379.4	3	Private net † † investment 7.3
4	Net * grants from the Government of India .. 3.7	4	Public net ** investment 14.7
5	Net disposable income(3+4) 383.1	5	Total domestic expenditure (6+7) .. 392.7
		6	Loans from the Government of India 9.6
		7	Net regional expenditure 383.1

† In the case of Union excise and tax on railway fares, the share received by the State has been taken.

* Net grants = Total grants received from the Government of India—Share of Income tax and Estate duty taken by the Government of India.

** The amount spent for maintenance is taken as the provision for depreciation.

† † The relation between the public and private net investment in India has been used in conjunction with a ratio of the per capita income in Kerala and India to derive the net investment in the private Sector.

Public consumption is about 5 per cent of the total domestic expenditure and private consumption is about 89 per cent of the same.

1.8. Kerala is a state of small scale industries and only recently, some attention is being given to the development of large scale industries. Our economy basically is one of small house-hold units of production and most of the enterprises are run by self-employed persons. Small scale and cottage industries offer alternative employment to people and are estimated to engage nearly 7.3 lakhs of workers. There is very little barter but a part of the economy is non-monetary with a large volume of home consumption of self-produced goods and

services. The regional income is about 368 crores of rupees in 1957-58 with an average income of about Rs. 20 per month and an expenditure in cash, on an average of Rs. 19 per month per person. Table 1.4 gives the per capita income for 1957-58 by industrial origin for Kerala and India.

TABLE 1.4
Per Capita Income—1957-58

		(Rs.)	
<i>Sl. No.</i>	<i>Industrial Origin.</i>	<i>India</i>	<i>Kerala</i>
I.	Agriculture	188	243
II.	Industry and Mining	544	124
III.	Trade and Transport	714	426
IV.	Services	457	277
ALL		291	244

In agriculture, the per capita income in Kerala is Rs. 243 whereas it is only Rs. 188 for India. In industry and mining Kerala's per capita income is only Rs. 124 whereas the all-India figure is Rs. 544, which high-lights our industrial backwardness in relation to the rest of India. Even within Kerala itself, the per capita income in industry is Rs. 124 whereas the per capita income in agriculture is Rs. 243 which goes to show that our industry is only half as productive as our agriculture. The position is corroborated by a study of the annual income per earner by industrial origin for 1957-58.

TABLE 1.5
Annual Income per earner—1957-58

		(Rs.)	
<i>Sl. No.</i>	<i>Industrial Origin</i>	<i>India</i>	<i>Kerala</i>
I.	Agriculture	460	796
II.	Industry and Mining	1325	400
III.	Trade and Transport	1725	1375
IV.	Services	1129	912
ALL		713	795

In agriculture alone, the annual income per earner is higher in Kerala than the rest of India. In all other sectors, Kerala has a large gap to cover in order to catch up with the rest of India.

1.9 A very small number of households is really very rich. Only about 10,256 persons pay income tax with an exemption limit of Rs. 3000 per year at the end of March 1958. There are 135 Hindu undivided families, 670 unregistered firms and associations, 187 registered firms and 485 companies assessed to income tax in Kerala in that year. There is a large number of very poor families. About 32 per cent of the total families earn a per capita income of less than Rs. 8 per month. 55 per cent of the total families earn a per capita income of less than Rs. 12 per month. 72 per cent of the families earn a per capita income of less than Rs. 16 per month and nearly 82 per cent of the families earn a per capita income of less than Rs. 20 per month.

1.10 There are about 551.92 miles of railways and roughly about 10,739 miles of roads of which a major part is surfaced road. The total length of the navigable waterways is over 1200 miles which is more than 20 per cent of India's total length of inland waterways. A large number of big and small country boats and steam and motor vessels carry transport within the country. Kerala has a 360 mile long coast-line. There is an old and well established system of posts and telegraphs. The total number of post-offices in Kerala is 2496. The average number of people served by a post office is about 6000 whereas the all India average is 13000 people per post office. The expansion of the postal net work has kept pace with the growth of population in recent years.

1.11 Educational facilities in Kerala are by far the best in India compared to the population. There is provision of schools for 80% of the children of age-group 6-11 and 40% of the children of 11-17. About 47% of the population is literate. Annual turnover of Science graduates is about 2451 in 1959, Arts graduates 2382. The annual turnover of Engineering graduates is 110 and medical graduates 50.

1.12. The average expectation of life is only about 40 years compared to 75 years in U.S.A. and 70 in U.K. Infantile mortality per thousand is as high as 61 in Kerala in 1957 against 30 in U.S.A. and U.K. and 37 in West Germany. Deaths caused by epidemic diseases form nearly 0.4% of the total mortality. The prevalence of the diseases malaria and tuberculosis is very high and cause deaths to more than 3,000 persons every year. The number of medical personnel is very low. There are only about 1,600 fully qualified doctors with an overall share of one doctor for about 8,600 persons against one per 700 persons in Switzerland, 760 in U.S.A. and 1,000 in U.K. Nurses, Health Visitors and other auxiliary health and medical personnel are proportionately even fewer in number. Medical institutions are few-one for every 26,316 persons. The availability of bed is only one per 1,377 persons.

1.13. The problem of land reform has received considerable attention in recent years. Measures of land reform passed recently will soon eliminate intermediate rights on land in the State. The maximum rent to be charged as well as the maximum size of holdings have been prescribed. Some attention is being paid to prevent further fragmentation of holdings due to the operation of law of inheritance and also to consolidate the holdings on a voluntary and co-operative basis. The average size of ownership holdings is very small and less than 3 acres. About 61.8% of the agricultural population have no land. About 78% of the agricultural population either have no land or own less than two and a half acres and their total share is only about 20 per cent of the total area cultivated by agricultural population. At the upper end about 3 per cent of the agricultural population have more than 10 acres and own about 51 per cent of the cultivable area.

1.14. There is a good deal of unemployment. Many persons are without jobs and many self-employed persons do not have enough gainful work in hand. During the last 2 or 3 years unemployment in the urban areas has been increasing. The visible unemployment in the State may have reached about 9 lakhs in 1959. There are also fresh additions to the labour force every year. The age structure of the population is fairly stable and as the proportion of the labour force is about 45% and as the population is growing by something like 4 lakhs every year, it follows that about 1.8 lakh persons would enter the labour force every year. There are conceptual difficulties in giving definite figures for unemployment. Various estimates have been made, ranging from 7 lakhs to over 10 lakhs in terms of equivalent man years. It is beyond dispute that a very large number of people are often obliged to remain idle for lack of work. For both social and political reasons, unemployment is the most pressing problem in Kerala today.

1.15. On the credit side, Kerala now can claim to have a fairly good government machinery for law and order and for routine administration; the State has a number of institutions of higher learning, scientific institutions and a nucleus of experienced scientists and technologists in various fields.

1.16. There has been some notable progress during the First and Second Five Year Plans. Some large river valley multi-purpose schemes for irrigation and power and some modern factories have come into operation. A big scheme of community projects and National Extension Service Blocks has been initiated in the rural areas which may develop into an important movement to revolutionise rural economy. In one sense, the greatest achievement of the two five year plans has been that they have made the whole country plan conscious. Increasing interest is being taken by the general public in economic conditions and problems and great expectations have been roused about the Third Plan.

CHAPTER II

PROBLEMS OF GROWTH

In view of the fact that there is a general speeding up of economic development, a correct assessment of the economic progress achieved by a state requires that the tempo of its development be compared with the tempo of development achieved by other states, and with that of the Indian economy as a whole. It is impossible to evaluate the economic potential of a given state without comparing the level of economic development in India as a whole. Here inter-
 tudes peristical comparisons concerning the tempo and magni-
 of development are especially useful.

2.2
 and or Economic co-efficients worked on data similar in quality
 the content provide the necessary yardstick for resource alloca-
 mon and help to bring about a least-cost factor-combination
 , achieve maximum marginal returns, consistent with a given
 pattern of factor endowment. But, here, as in other spheres,
 data are lacking for different segments of our economy. The
 unorganised sector is naturally the worst affected by this
 handicap. Further, the available data are limited in many
 respects so that one has to be very cautious in making any
 meaningful comparisons and generalisations on the basis of
 these data. Such limitations are partly the result of regional
 variations involved in methods and collection of the relevant
 data. This can be attributed mostly to a general lack of
 uniformity in approach and the concept employed by the
 regional studies. In the context of planning, these short-com-
 ings could well be reduced to the minimum, if not eliminated
 completely.

2.3. The chief problem of Kerala is the high density of working population and the consequent poverty and disguised unemployment. The density of population is the highest in India with 904 per sq. mile in 1951 as against the average of 313 for the whole of India. The Lowlands is the most thickly populated area in the State with a density rising upto 2500 per sq. mile in some parts. The rate of population growth in Kerala is very high. During the decade ending 1951, the population of Kerala increased by 23 per cent whereas for the whole of India the corresponding figure was only 13 per cent. Evidently, the number of people in agriculture surpasses the absolute maximum that can efficiently be occupied at the existing surface of land with the existing methods of production. In order to raise the standard of life the un- employed will have to become productive members of the com- munity which, however, will require investments. It will require investments in industrial plant if they are to be diverted towards industry; it will require investments in irrigation and other land improvements, if they are to be employed in agricul- ture, or it will require spreading of better agricultural methods, which again represents a form of investment, if they are to

be employed on the same surface of land. Probably all three directions will have to be followed at a time, in an optimal combination. Development will not, however, automatically be obtained only a heavy influx of capital be made available. The process of capital investment in agriculture as well as in other industries has to go hand in hand with numerous changes in production methods and the general attitudes of the people.

2.4. The main problem of development planning for Kerala is the distribution of its investments—and consequently of its production as well as its man power over broad sectors of the economy, before all, over agriculture and manufacturing industry. It may be said that, as in all economic matters, it is a question of an optimum—whatever that may imply—and that one-sided solutions are suspicious. This applies to the old colonial tendency only to develop agriculture and extractive industries. All over the world the trend now is towards raw material scarcity and it may be in our interest not to neglect this aspect of our agricultural production. For densely populated Kerala, there is, however, an a priori argument not to neglect industrial development either and the problem of what the optimum is, remains urgent. The main point of test should, therefore, be productivity in the widest sense of this word. The main problem being considered, we may state a second problem of choice, also of great importance, namely the choice of the type of industry desired. There is a choice between centralised and decentralised or urban and rural industries. Industrialisation must be an important and integral feature of a programme of development; and growth of modern industry is bound to exert pressure on domestic industry. To counteract this pressure, domestic industry must increase efficiency by making, among other things, improvement in its technique.

2.5. The decision about the correct interpretation of the optimum can only be taken on the basis of very extensive and careful investigations for which two conditions must be fulfilled. On the one hand, the inter-relations of demand have to be taken account of and on the other hand those of supply. In substance this comes to two main points. The composition of production in any stage of development should correspond with the composition of demand exerted by the expanding national income; and the marginal labour productivities of the various sectors should be in balance with the wage rates for each other.

2.6. The pressure of population on employment opportunities in Kerala is a significant feature of our economy. The occupational pattern of Kerala is quite different from the rest of India. 70% of the population in India is dependent on agriculture; 10% on production other than agriculture and 20 per cent on services and other sources. In Kerala, only 54% of the population is dependent on agriculture; nearly 20% on production other than agriculture and nearly 26% are dependent on services. The relative share of agriculture in the

regional income is the lowest for any state in India while the relative share of services is the highest in India. The share of agriculture in the national income tends to fall and the shares of industries and of services rise with economic development. This situation normally would have signified economic development but in the case of Kerala, this is only a superficial similarity with developed countries. The fact will be clearly borne out on a closer examination of the relative levels of productivity in different occupational groups. In India, 10 per cent of the population, dependent on production other than agriculture, earn 20 per cent of the total national income. 20 per cent of the population is dependent on services which go to make 36 per cent of the total national income. Whereas 70 per cent of the population dependent on agriculture, contribute only 44 per cent of the total national income. Industry and services are, therefore, sectors in which productivity is significantly higher than in agriculture. This is as it should be. Whereas in Kerala, 20% of the population is engaged in production other than agriculture and contribute only 10 per cent of the total regional income, 54 per cent of the population, dependent on agriculture, earn 52 per cent of the total regional income. This would mean that productivity in factory and small enterprises is only half of that in agriculture. A large part of those employed in this sector is occupied in extremely low productivity occupations such as coir and cashewnut industries at one of the lowest wages in India.

2.7. In agriculture, the average per capita productivity is higher largely because of the production of commercial crops like coconut. The proportion of the agricultural labour to the total population dependent on agriculture is above 40 per cent and Kerala has therefore, the highest proportion of agricultural labour in India. If employment opportunities are not created in sufficient numbers, this class of workers will experience a reduction in their number of working days in an year leading to a lowering of their per capita income. The per capita income of the class of agricultural labour has gone down in India as a whole, as the preliminary results of the Second Agricultural Labour Enquiry (1956) have brought out. In Kerala, the reduction in per capita income of the agricultural labour class is greater and more serious, because the rate of growth of production has been significantly lower. Moreover, our population continues to grow rapidly and as a result, the percentage of agricultural labour to total agricultural population is bound to grow. Since our agriculture cannot absorb any more people, a large part of the additional numbers will spill over into other sectors and the balance into the class of agricultural labourers. This presents a very serious problem for the economy of the State with its implications for social and political stability.

2.8. The per capita productivity in the services sector is not so low as in the secondary sector. But there is a qualifying condition that employment in this sector is wholly dependent on commodity production. Kerala economy is highly

commercialised and the holding capacity of this sector has almost reached its breaking point; larger numbers cannot squeeze themselves into this sector without bringing down the per capita income. Moreover, the rate of growth of this sector cannot be expected to be much higher than the other sectors. The pattern and internal structure of our trade and commerce is such that there is wide margin between the prices of the marketed products outside Kerala and the prices which growers of these products are given at home. The production of these goods is decentralised and spread over a wide area in small units which affect adversely the bargaining power of these small producers. The result is that the class of actual producers is placed at the mercy of the intermediaries who share among themselves the available price surpluses. A large portion of these margins is in the nature of unearned incomes. This large element of unearned incomes in this sector attract larger numbers into this sector. Any scheme, therefore, which ensures fair prices to the actual producers is likely to upset the livelihood basis of large numbers of sterile middlemen. Development of any healthy co-operative movement in this sector is sure to be up against a serious unemployment problem and lose its momentum in the process. In such a situation, it is essential that a large part of the expanding labour force is found employment in industry. Usually small scale industries are proposed as the solution in the context of our limited supply of investible resources. The argument is that such industries require only relatively small amounts of capital per unit of labour. As a general proposition one may not necessarily disagree with it. But in the context of Kerala's capital endowment and productivity pattern, this problem needs to be reviewed in detail.

2.9. In our economy the stock of capital goods available is not sufficient to employ the total available labour force on the basis of modern techniques of production. In consequence, two alternatives are open to such an economy. One alternative is employment of the available labour force on the basis of a backward and low income yielding technique of production. This implies low productivity of labour and low per capita real income. The other alternative is the adoption of more advanced techniques of production and higher productivity of labour. This implies however unemployment or underemployment of part of the labour force because the capital goods available, do not suffice to employ the whole labour force on the basis of modern technique of production. The failure to utilise fully the labour force leads to low per capita regional income. Both situations are found in our economy. The first prevails in our indigenous industries where the capitalist mode of production has not yet entered. The second exists in all our modern factory production as well as in agriculture where individual peasant production is replaced by the capitalist plantation system. The latter situation

where capital outfit must increase sufficiently to make possible full employment with a value corresponding to modern techniques of production has to be preferred. This requires capital accumulation. Only the road of capital accumulation leads the economy out of its state of under development. The essential problem for us, therefore, consists in capital formation being insufficient to make the capital outfit increase to the required level within a reasonably short-time. In consequence of the low productivity of labour, the surplus of national income over what is needed for the production of the labour force is small. This, however, is not the most important obstacle to capital accumulation. The fundamental obstacle is the fact that such economic surplus as is available is not fully utilised for capital accumulation in our economy. The feudal and commercial upper class who should have developed into our nation-building entrepreneurial class of savers unfortunately tied up in the false values of a decaying social order, use the small surplus produced for conspicuous consumption, i.e., for unproductive purposes.

2.10. It is possible to take either a static or dynamic point of view regarding employment technology. The static point of view treats the ratio of the working force in different sectors of employment as unalterable and distributes the net annual addition to the labour force according to the existing ratios. This freezes the existing balances in society and views employment mainly in terms of bread alone. The dynamic view, on the other hand, posits continuous planning in a wide time horizon which views employment as shifting workers from low material output to higher outputs. An analysis of investment per person in Kerala's small scale industries has helped to high-light some significant problems. The theory of factor-costing seems to be holding its ground with us still. In Kerala, with large scale disguised unemployment, the theory would hold that the opportunity cost of labour is nil, though the wages have to be equal at least to the level of subsistence. According to this theory there is even a case for valuing labour at less than its wages cost in an economy with surplus labour. "It is then (when there is surplus labour) arguable that the real cost of using labour in cottage industry is zero whereas factory production uses scarce capital and supervisory skills". There is a concealed confusion in the whole controversy which has to be cleared up. The confusion is between the rate of surplus and the rate of net income flow. The concept of opportunity cost is valid for income measurements but not for estimating the rate of growth. What is legitimate for considerations of economic growth is the rate of surplus of production over immediate consumption.

2.11. We desire the highest possible long-term rate of growth of our economy, consistent with certain minimum requirements of consumption. The rate of growth depends on the magnitude of the additional investible surplus which

depends on the difference between the value created by the worker and his consumption. Given the investible fund and also the standard wage rate for a desirable level of consumption, proper utilisation of the scarce investible resources means that investments should be so channelled as to create maximum possible economic surplus. Investments are broadly of two kinds: (1) that employs a technique that yields higher surplus per worker but less employment; (2) that employs a technique that yields lower surplus per worker but greater employment. Thus if the concept of surplus effect of investment is accepted, obviously the techniques having negative surplus effect are wasteful and hence become indefensible.

2.12. Small scale industries are those of a less capital intensive nature. The average co-efficient of capital employed per worker in small scale industries in India is Rs. 4,800 according to the Perspective Planning Division of the Planning Commission. It is Rs. 5,600 according to the Small Industries Division of the Planning Commission. The working group on small scale industries in its Evaluation Report has given a still higher estimate of Rs. 7,500 of capital employed per worker. In Kerala, this ratio seems to be very much lower. The following table gives the ratio for different sets of industries in Kerala:—

TABLE: 2.1
Small Scale Industries—Kerala

Sl. No.	Name of Industry	No. of units averaged out	Total fixed capital Rs.	No. of persons employed	Fixed capital per worker Rs.
1	Match Industry ..	22	1,31,490	947	139
2	Leather, Footwear and Leather goods ..	17	44,100	105	420
3	Carpentry ..	20	2,37,091	283	838
4	Soap Manufacture ..	14	1,26,215	103	1,225
5	Smithy ..	13	1,82,702	148	1,235
6	Printing Presses ..	45	4,99,000	330	1,512
7	Tile Industry ..	32	45,75,000	2,868	1,595
8	Light Engineering Industry	36	16,10,211	903	1,848
9	Tin Containers Production	6	5,98,000	252	2,373
10	Timber Sawing Industry ..	6	5,52,000	176	3,136
11	Hosiery and Weaving ..	5	2,84,100	87	3,266
12	Oil Mills ..	41	10,35,425	278	3,725
	Total ..	257	98,80,334	6,480	1,525

Even if the average co-efficient is taken roughly as Rs. 6,000, it will be seen that the units in Kerala have much less capital intensity than units in the rest of India. In other words, the

co-efficient of capital employed per worker is very much less in our State than elsewhere. This conclusion is based on the reports of the surveys conducted in Kerala State by the Small Industries Service Institute and the State Bank of India during the years 1957 and 1958. Most of the units considered here are new units started not earlier than five or six years.

In the foregoing analysis of a plan of industrial development we have seen that we have not only to make decisions on the type of product to be produced but also on the method of producing them or the "technology" to be applied. Have we to construct roads with the help of bull dozers or with the help of spades? Have we to produce textiles with the help of hand-looms, power-looms or automatic-looms? Are we to have taxies or bicycle rickshaws? It is well known that in certain industries, there is hardly a choice to be made; but in others there is. What is sought to be emphasised here is that it is by no means certain before hand that the most advanced technology is also the optimum technology and that figures should be collected and analysed which may help to take the right decisions.

2.13. An allied question which needs stress in this connection is the great possibilities that will be released by the land reform measures which the government has thoughtfully put forward. When fully and properly implemented, these measures will remove the built in depressor in the agricultural sector in the shape of rent and share-earning interests who take the cream of the land and leave the actual tillers with little sustenance. The removal of the depressor layer from our economy will result in a sudden and extensive expansion of the area of operation of consumer goods and increased absorption of agricultural produce. Thus a big consumption area which has so long been artificially depressed will operate freely and absorb quite a wide variety of manufactured articles. The Government's timely measures of land reform will help to prevent any descending price spiral which would have had the effect of retarding agricultural production which, in turn, would have meant a restriction in the use of consumer goods. It was this serious gap in the economic policies of the previous decades that led to the freezing of our consumption goods industries at the out-moded techniques of production. The moment the potential consumer market is released both within and outside Kerala, the need for increased productivity of labour and hence adoption of progressive methods of production will be felt keenly and responded to. This situation clearly does not demand of us any downward regulation of the technical progress in our industrial sector.

2.14. A tentative study which is purely notional in character is presented here with an object of indicating the type of estimates and the nature of analysis necessary for getting an idea of the overall investible surpluses available in the State. An attempt is made to give a breakdown of the regional income by factor shares so as to indicate ways of utilising the available

information to arrive at an estimate of the overall economic surplus in our economy. Attention may be drawn to certain very serious limitations of the attempt. The statistical information available is very sketchy and not sufficient for the purpose. We do not have any size distribution of a particular type of factor income. A very large aggregate of property income like rent is difficult to be mobilised for investment purposes since it is largely composed of a large number of very small income flows. Moreover, a considerable percentage of such flows constitutes the sole or a predominant source of income of the households concerned and therefore, this part of the property derived income may not represent economic surpluses in full measure. In view of the present level of our statistical knowledge in this field, our conclusions are, in their very nature, instructed guesses than actual estimates. Yet the orders of magnitude involved may not be too far from correct in a number of cases. In spite of this acknowledged inaccuracy, we may not be very wrong in our estimate that the potential resources are much larger than what are commonly considered as possible.

2.15. The distribution of the regional income of Kerala based on certain tentative projections is shown in table 2.2.

TABLE 2.2
Distribution of Regional Income of Kerala
(Rs. in crores)

<i>Sectors</i>		<i>Contribution to net regional product at factor cost</i>	<i>Wages and Salaries</i>	<i>Income of self-employed persons</i>	<i>Profit, interest, rent, etc.</i>
I.	1. Mining ..	2.3	0.9	0.4	1.0
	2. Factory Establishments ..	13.2	8.2	..	5.0
	3. Small enterprises ..	22.1	7.7	12.8	1.6
	Sub-Total ..	37.6	16.8	13.2	7.6
II.	1. Railways and Communications	3.5	2.9	..	0.6
	2. Banks and Insurance ..	4.7	3.5	..	1.2
	3. Commerce ..	41.6	7.6	27.2	6.8
	4. Transport ..	16.2	10.5	4.6	1.1
	Sub-Total ..	66.0	24.5	31.8	9.7
III.	1. Profession ..	31.7	17.1	12.1	2.5
	2. Government Service ..	16.2	16.2	..	..
	3. Domestic Service ..	2.8	2.8	..	..
	4. House property ..	18.6	..	..	18.6
	Sub-Total ..	69.3	36.1	12.1	21.1
	Total (I+II+III)	172.9	77.4	57.1	38.4
IV.	Agriculture and Allied Activities ..	195.1	31.8	104.81	58.5
	Grand Total ..	368.0	109.2	161.91	96.9

Some conclusions may be drawn from the estimated distribution of Kerala's regional income.

(1) More than 44% of the regional income is accounted for by the income of the self-employed in the State.

(2) Wages and salaries represent nearly 30% of the total. The share of income going to the wage and salary earners in Kerala is very small mainly because of the predominance of small scale agriculture and household industries.

(3) Gross income accruing to property owners in Kerala amounted to Rs. 96.9 crores or a little more than 26 per cent of the total. As far as the proportion of income from property is concerned, our pattern of distribution is of the same order as some developed countries like U.S.A. and Great Britain where the income from property varied between 20 to 25 per cent over the last decade. This is a very significant economic fact which opens up a vast vista of possibilities.

(1) These figures would suggest that the usual argument that the low level of per capita income in economically backward countries, leading to the vicious circle of low rate of savings and hence to low rate of investment and income needs to be reviewed and seriously altered to suit the actual realities.

(2) Recent studies on saving have brought to light the significant fact that most of the savings take place in the upper income brackets corresponding to incomes from property. This would suggest that the rate of savings is better deduced from the effective income of the sector in which savings in most part originate, than from the general averages of income. The structure of property income, split up into its components, would show that feudal incomes (i.e., rent on land and interest on cultivators' borrowings) form the major share (80%) of the total ownership income and only a small portion (20%) is derived from the ownership of the industrial and commercial enterprise. It may be safely asserted that only a very small portion of this large feudal incomes is channelised into productive investment; a very large share of these incomes is locked up in hoarding or is used up in conspicuous consumption. Hence the obstacle to a higher rate of productive investment in Kerala, should, thus, be ascribed not to a fond theory of low capacity to save but to a built in social and organisational inability to mop up the actual and potential surpluses.

2.16. In view of the existing situation in the economy, the performance of the state in regard to tax effort requires to be assessed from a larger point of view. An expansion of our financial resources through a more vigorous use of tax powers is indicated. The operation of psychological and political factors is hindering the use of tax policy. Table 2.2 clearly indicates the necessity for a planned approach to utilise the inflated tax potentials in the rural sector arising as a result of the inflationary rise of prices in the post-war periods.

2.17. The progressive monetisation of our economy, the development of internal transport, and the higher degree of commercialisation of our agriculture and the general evolution of a world market for our produce, have tended to lighten appreciably the burden of land revenue. In terms of aggregate agricultural output, the total burden is very much reduced. Land revenue forms only less than 1 per cent of the gross value of agricultural output. Income from property ownership accruing in agricultural sector is about 58.5 crores in 1956-57 which is nearly 30 per cent of the agricultural income. Therefore, there is a strong case to mobilise an additional volume of development finance through land revenue. The rental value of land has continued to expand as a result of rise in prices thus creating an additional tax potential in this sector. The existing land revenue assessments have become completely out of date in the context of the new level of prices.

2.18. Concerning the fiscal policy problems, it must be pointed out that if certain incentives are necessary in order to increase private investments along specific lines, these incentives must not be of such a nature that they would reduce the amount of resources at the disposal of the Government because these resources are absolutely necessary if large scale economic development is aimed at.

2.19. The banking situation in Kerala has to be compared with the rest of India. Table 2.3 gives the Statewise distribution of Indian Commercial Banks in 1959. There are in all 107 banks in Kerala, out of which 6 are scheduled ones. Thus Kerala which is the smallest State has the largest number of banks. The average capital per bank in Kerala is Rs. 3.1 lakhs while it ranges from Rs. 4.0 lakhs to Rs. 61.7 lakhs in other States except in Orissa where there is a low level of banking facility and the all-India average is Rs. 20.4 lakhs. Similar is the case with the average reserve per bank in Kerala which is Rs. 1.2 lakhs whereas it ranges from Rs. 1.6 lakhs to Rs. 57.7 lakhs in other States and the all-India average is Rs. 16.9 lakhs. The capital reserve ratio of the Kerala banks is also one of the lowest. Table 2.4 gives the Statewise figures of the Indian Commercial Banks which have ceased to function during 1959. It is again in Kerala that the largest number of banks have stopped functioning. These go to show that the banking system in Kerala is not on a sound base. But it cannot be forgotten that these banks in Kerala have an extremely vital role to play in the State's economy.

2.20. The repeated bank failures culminating in the Palai Bank crash and the consequent uncertainty and insecurity felt by the general public have seriously affected the economic activities of the people. This has resulted in a drastic credit squeeze affecting many banks which would have otherwise normally functioned. Time and demand deposits in the banks are showing a downward trend. Credit for trade and commerce, small industries, plantations and other miscellaneous investments are now on the lowest ebb.

TABLE—2.3
Statewise Distribution of Indian Commercial Banks—1959
(Rs. Lakhs).

STATE	Indian Scheduled Banks				Total Indian Commercial Banks (Scheduled Banks and Non-Scheduled Banks)				
	No. of Banks (1)	No. of Banks (2)	Paid up capital (3)	Reserves (4)	Capital reserve ratio Col. 4 —x100 Co. 3	No. of Banks (6)	Paid up capital (7)	Reserves (8)	Capital reserve ratio Col. 8 —x100 Col. 7
Andhra	..	3	98.5	47.9	48.6	6	113.5	48.1	42.4
Assam	2	8.0	3.1	38.8
Bihar	..	2	55.1	34.6	62.8	5	56.8	35.9	63.2
Bombay	..	17	1081.0	1023.8	94.7	32	1123.2	1036.7	82.3
Kerala	..	6	172.0	64.1	37.3	107	331.3	130.5	39.4
Madhya Pradesh	..	2	40.3	87.3	216.6	5	51.8	92.0	177.6
Madras	..	10	223.0	184.5	82.7	94	331.4	248.9	75.1
Mysore	..	9	210.1	221.9	105.1	30	254.7	235.1	92.3
Orissa	2	0.3	4.8	1600.0
Punjab	..	3	28.9	60.8	210.4	7	39.6	74.7	188.6
Rajasthan	..	4	159.2	50.7	31.8	5	179.2	78.2	43.6
Uttar Pradesh	..	4	143.8	23.6	16.4	15	161.4	34.3	21.3
West Bengal	..	9	1204.9	1146.5	95.2	20	1234.9	1153.4	93.4
Jammu & Kashmir	1	7.9	2.8	35.4
Union Territories—									
Andaman & Nicobar
Delhi	..	9	197.9	185.2	93.6	11	224.7	185.6	82.6
Himachal Pradesh
Manipur
Pondicherry
Tripura
All India—Total	..	78	3614.7	3130.9	86.6	342	4118.7	3564.1	86.3

TABLE—2.4

Indian Commercial Banks which have gone into Liquidation or have otherwise ceased to function during 1959

States during 1959	No. of Banks	Capital			Deposits
		Authorised	Subscribed	Paid up	
Andhra Pradesh ..	2	1.99	0.55	0.40	..
Bombay ..	1	20.00	1.08	..	..
Kerala ..	10	32.20	9.86	4.27	3.51 (a)
Madras ..	7	10.10	5.85	4.94	1.40 (b)
Mysore ..	4	12.40	2.20	2.04	0.01 (c)
Tripura ..	1	50.00	32.68	19.85	3.45
Uttar Pradesh ..	7	35.30	22.02	11.45 (d)	128.33 (e)
West Bengal ..	11	43.00	7.20 (f)	6.18 (f)	14.56 (a)
Total ..	43	204.99 (g)	81.44 (g)	49.13 (h)	151.26 (i)

(a) Relates to 7 banks only
 (b) Relates to 5 banks only
 (c) Relates to 1 bank only
 (d) Relates to 6 banks only
 (e) Relates to 3 banks only
 (f) Relates to 8 banks only
 (g) Relates to 40 banks only
 (h) Relates to 38 banks only
 (i) Relates to 24 banks only

2.21. The contents of this chapter are more in the nature of a series of related problems with a central theme of development. The general problem before us is so broad and the possible elements so numerous that clearly a choice has to be made and to that extent the choice is arbitrary.

2.22. Theorizing on the subject of a plan for economic development for Kerala is still in a sufficiently early stage so that nothing very much has emerged. A number of possible pitfalls seem to face us when we work on concrete aspects of Kerala's development. There is the danger of being so slavishly attached to what Prof: Galbraith has called the "conventional wisdom" in these matters. Some of our hypotheses and concepts are acting as blinders to aspects of the problem that may turn out to be of importance if seen in the light of a different conceptual frame work.

2.23. The accumulation of the means for the development of industry is a fundamental problem which has to be solved in order to ensure rapid progress of the economy. The possibility of increasing the means in the traditional way, of changing the division of the regional income in order to attain higher savings and thus to increase the accumulation fund, is of necessity limited in the situation of the low level of regional income.

CHAPTER III

DEMOGRAPHIC FEATURES

When the last Census was taken, in 1951, Kerala had 135.5 lakh inhabitants in a geographical area of about 15,000 square miles. Thus for 1.2% of the total area of India, Kerala had about 4% of the Indian population. The density of population of the State, according to the 1951 Census, was 907 per square mile as against 287 for the whole of India. Table 3.1 gives the density per square mile of the various States in India as on 1951.

TABLE 3.1
Density of population—Statewise (1951)

<i>Sl. No.</i>	<i>State</i>	<i>Density per square mile</i>
1	Andhra Pradesh	296
2	Assam	106
3	Bihar	578
4	Bombay	252
5	Kerala	907
6	Madras	598
7	Madhya Pradesh	153
8	Mysore	262
9	Orissa	244
10	Punjab	340
11	Rajasthan	121
12	Uttar Pradesh	557
13	West Bengal	776
	All-India	287

3.2. On the basis of the population projections worked out by the Planning Commission the population density in the State was 1,091 in 1959 while the average density for the whole of India was only 329. The population density in the State is expected to reach 1,144 by 1961 and 1,300 by 1966. Kerala

has perhaps the highest density of population when compared with other highly populated countries.

TABLE 3.2
Density of population in different countries

Sl. No.	Country	Population density per square mile	Year of reference
1	United States	57	1957
2	U. S. S. R.	23	1957
3	United Kingdom	547	1959
4	China	171	1957
5	France	207	1957
6	Federal Republic of Germany	539	1957
7	Denmark	268	1955
8	Belgium	754	1958
9	Poland	241	1960
10	Japan	655	1960
11	Egypt	62	1957
12	Pakistan	240	1959
13	India	329	1959
14	Kerala	1091	1959

3.3. The rate of population growth is also very high in Kerala. During the decade ending 1951 Kerala's population increased by 23%. The State's population is expected to reach 171.16 lakhs by 1961. This would mean that during the decade ending 1961 the State's population would increase by about 27%. The rate of growth for the whole of India during the decade ending 1951 was only 13% as against 23% for Kerala. The rates of growth for India and Kerala during the decade ending 1961 are expected to be about 21% and 27% respectively.

3.4. Table 3.3 gives data on population growth and sex ratio for the principal Indian States during the quinquennium 1956-61. Kerala has the highest percentage increase of its population among the different States during this period. The sex-ratio for Kerala according to the 1951 Census is 947 females per 1,000 males. The Sex-ratio in 1956 shows that Kerala, Madras and Orissa the number of females exceeded or remained the same as the number of males. It is expected that Kerala and Orissa will have the same religious classes and females in 1961 and in the other States and 17% Muslim females will be less than the number of males.

TABLE—3 3
Population Growth—1956-61

State	Population in Million—1956			Population in Million—1961			Percentage increase of total population 1961 over 1956		No. of females per 1000 males	
	Males	Females	Total	Males	Females	Total	(8)	(9)	1956	1961
	(2)	(3)	(4)	(5)	(6)	(7)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1. Andhra Pradesh	17.10	16.71	33.81	18.86	18.35	37.21	10.06	980	970	
2. Assam	5.25	4.63	9.88	5.78	5.18	10.96	10.93	880	900	
3. Bihar	20.88	20.50	41.38	22.77	22.22	44.99	8.72	980	980	
4. Bombay	27.33	25.78	53.11	30.50	28.84	59.34	11.73	940	950	
5. Kerala	7.53	7.64	15.17	8.58	8.58	17.16	13.12	1010	1000	
6. Madhya Pradesh	14.09	13.55	27.64	15.21	14.65	29.86	8.03	960	960	
7. Madras	16.33	16.25	32.58	18.10	17.88	35.98	10.44	1000	990	
8. Mysore	11.00	10.54	21.54	12.28	11.76	24.04	11.61	960	960	
9. Orissa	7.64	7.72	15.36	8.28	8.25	16.53	7.62	1010	1000	
10. Punjab	9.50	8.26	17.76	10.49	9.31	19.80	11.49	870	890	
11. Rajasthan	9.15	8.41	17.56	10.15	9.48	19.63	11.79	920	930	
12. Uttar Pradesh	35.43	32.39	67.82	38.61	35.65	74.26	9.50	910	920	
West Bengal	14.63	13.01	27.64	15.59	14.10	29.69	7.42	890	900	
Jammu and Kashmir	2.48	2.30	4.78	2.75	2.56	5.31	11.09	930	930	
Union Territories	2.86	2.51	5.37	3.19	2.86	6.05	12.66	880	890	
All-India	201.20	190.20	391.40	221.14	209.67	430.81	10.07	950	950	

3.5. The birth rate in Kerala is about the same as in the rest of India. The rate in 1957 was 23.8 per thousand for Kerala and 21.5 for India. The death rate was 7.40 in Kerala in 1956 as against 13.0 for the whole of India in 1954. In 1957 the death rate in Kerala rose to 9.6 while the All-India rate fell to 11.0. Thus the gap between the birth and the death rates for the State and the country as a whole has narrowed down very much. The table 3.4 gives the birth and death rates for the principal States of India. There is a considerable degree of variation among the States.

TABLE: 3.4
Birth and Death rates (1957)

<i>State</i>	<i>Birth rate per 1000 population</i>	<i>No. of deaths per 1000 population</i>
Andhra	28.8	15.7
Assam	10.7	4.7
Bihar	14.1	7.8
Bombay	28.8	15.0
Kerala	23.8	9.6
Madras	26.7	14.2
Mysore	20.4	9.5
Orissa	26.0	19.0
Punjab	42.6	14.8
Rajasthan	6.3	3.5
Uttar Pradesh	14.9	8.5
West Bengal	22.5	10.0
All-India	21.5	11.0

The population when analysed into the different religious classes reveal that about 62% are Hindus, 21% Christians and 17% Muslims. (Table 3.5)

TABLE: 3.5
Distribution of Population according to Religion
(1951 Census)

<i>Sl.No.</i>	<i>Religious Class</i>	<i>Number</i>	<i>Percentage to total</i>
1.	Hindus	8,349,855	61.62
2.	Christians	2,827,747	20.87
3.	Muslims	2,369,338	17.48
4.	Others	4,589	0.03
	ALL	13,551,529	100.00

3.6. The important characteristics of Kerala's population are the high rate of growth, high density and a comparatively high birth rate and low death rate. Thus everything points to a higher growth of population in this State. Even with the existing population the standard of living in the State is one of the lowest among the different States of India. The rate of growth of output must be higher than the rate of growth of population in order to keep the living standards from falling. It will therefore be a very hard task for the State to raise the standard of living with the present rate of growth of population.

CHAPTER IV
AGRICULTURE AND ALLIED ACTIVITIES

AGRICULTURE

Special Features:

Kerala occupies a unique position among the Indian States in many aspects of her agricultural economy such as the large variety of crops grown, her monopoly in a number of export crops which bring in valuable foreign exchange, the lowest per capita area of cultivable land and the greatest deficit in food grains. These peculiar aspects have their origin in her geographic and other features such as heavy rainfall, high fertility of the soil, thick forest growth covering nearly 30% of the total area and comparatively high birth rate leading to increasing pressure of population on land. The State gets rainfall almost through out the year but it is of course heavier during the two monsoon periods. Though the annual rainfall is abundant the success of the crops depends on its timely occurrence. The monthly rainfall during 1958-59 and 1959-60 in a few selected places is given in table 4.1.

TABLE 4.1

Monthly Rainfall at a few centres in Kerala during 1958-59 and 1959-60

(in mms.)

<i>Month</i>	<i>Year</i>	<i>Trivandrum</i>	<i>Alleppey</i>	<i>Kottayam</i>	<i>Ernakulam</i>	<i>Palghat</i>	<i>Kozhikode</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
July	1958	126.9	352.8	329.2	403.1	636.8	764.8
,,	1959	497.7	713.7	565.3	994.0	981.3	1617.4
August	1958	243.8	457.2	485.7	438.2	401.7	338.2
,,	1959	122.3	365.2	284.6	499.4	237.1	401.7
September	1958	13.5	79.0	55.0	31.0	68.7	56.7
,,	1959	134.1	266.8	341.6	334.3	337.3	411.5
October	1958	224.4	297.0	314.3	122.5	177.8	40.5
,,	1959	148.5	199.9	215.3	240.3	319.4	118.5

<i>Month</i>	<i>Year</i>	<i>Trivandrum</i>	<i>Alleppey</i>	<i>Kottayam</i>	<i>Ernakulam</i>	<i>Palghat</i>	<i>Kozhikode</i>
1	2	3	4	5	6	7	8
November	1958	87.3	203.6	174.4	164.2	213.1	134.2
„	1959	160.6	95.4	269.0	..	207.8	96.0
December	1958	10.3	35.0	7.6	..	..	29.0
„	1959	75.2	19.6	56.6	..	39.6	62.0
January	1959	..	..	..	..	..	..
„	1960	46.7	8.6	23.2	..	..	..
February	1959	39.8	69.2	33.8	..	..	1.2
„	1960	12.3	2.4	38.1	..	..	..
March	1959	6.2	35.8	18.8	..	..	..
„	1960	21.5	56.2	29.1	..	51.8	69.6
April	1959	134.4	156.0	189.0	35.8	121.3	32.6
„	1960	173.3	152.4	259.3	144.7	153.9	160.2
May	1959	431.9	483.4	660.0	354.8	82.1	513.6
„	1960	592.8	859.2	751.7	699.3	284.4	190.0
June	1959	456.6	901.8	1055.3	822.8	570.9	1052.8
„	1960	199.5	424.8	432.8	626.0	351.4	768.2
Total	1958-1959	1775.1	3000.8	3323.1	2372.4	2262.4	2963.6
„	1959-1960	2187.5	3164.2	3266.6	3538.0	2964.0	3895.1

Land

4.2. The geographical area of the State according to village papers is 95.35 lakh acres. The district-wise classification of the area for the year ending 30th June 1958 according to mode of utilisation is given in table 4.2.

TABLE 4.2

Classification of the land area according to mode of utilisation (1957-58)

(lakh acres)

Classification of Area (1)	State (2)	Trivandrum (3)	Quilon (4)	Alleppey (5)	Kottayam (6)	Ernakulam (7)	Trichur (8)	Palghat (9)	Kozhikode (10)	Cannanore (11)
Total area	95.35	5.34	11.59	4.62	15.48	7.84	7.27	12.61	16.35	14.25
Forests	25.15	1.10	5.23	0.01	5.92	1.37	3.29	2.46	3.92	1.85
Land put to non-agricultural uses	4.97	0.31	0.29	0.25	0.32	0.36	0.30	1.51	0.65	0.98
Barren and unculturable land	4.92	0.06	0.42	0.12	0.70	0.49	0.17	0.71	1.26	0.99
Permanent pastures and other grazing lands	1.19	..	0.07	0.02	0.13	0.11	0.08	0.16	0.09	0.55
Land under miscellaneous tree crops	5.41	0.02	0.14	0.13	0.54	0.26	0.04	1.08	1.18	2.02
Culturable waste	4.71	0.07	0.19	0.10	0.93	0.31	0.13	0.60	1.10	1.28
Fallow lands other than current fallows	2.06	0.07	0.09	0.04	0.05	0.08	0.03	0.36	0.31	1.02
Current fallows	1.49	0.07	0.06	0.04	0.12	0.22	0.06	0.22	0.43	0.27
Net area sown	45.45	3.64	5.09	3.90	6.78	4.64	3.19	5.50	7.42	5.29
Total cropped area	54.63	4.82	5.88	4.87	7.20	5.28	4.63	7.39	8.37	6.21
Area sown more than once	9.18	1.18	0.79	0.97	0.42	0.64	1.44	1.88	0.94	0.92

The revised figures of net area sown and gross area sown in 1956 were 45.25 lakh acres and 53.83 lakh acres respectively. The net and gross areas sown increased to 45.45 lakh acres and 54.63 lakh acres respectively in 1957-58 and to 45.87 lakh acres and 55.37 lakh acres respectively in 1958-59. Thus there seems to have been a steady increase in the gross as well as net area sown. Here again the increase in gross area is found to be more than proportionate to the increase in the net area sown. This signifies, on the one hand, the limited scope of bringing fresh area under cultivation and on the other, the fact that additional crops were raised in the area already under cultivation. The latter was presumably made possible by the expanding irrigation facilities. Net irrigated area increased from 8.11 lakh acres in 1955-56 to 8.79 lakh acres in 1958-59 and gross irrigated area increased from 11.31 lakh acres to 12.68 lakh acres over the same period.

4.3. The per capita cultivated area in Kerala is the lowest obtaining in any State. The present per capita cultivated area in Kerala is only 29 cents. Table 4.3 shows the comparative positions of Kerala and other States in 1955-56 with regard to availability of land for cultivation.

TABLE 4.3

The comparative positions of Kerala and the other States with regard to the availability of land for cultivation. (1955-56)

(Area in '000 acres)

Sl. No.	States	Percentage of cultivated area to geographical area	Percentage of fallow land to cultivated area	Percentage of area sown more than once to net area sown	Percentage of culturable waste to net area sown	Per capita cultivated area
1	2	3	4	5	6	7
1	Andhra Pradesh	50.94	19.04	8.96	14.77	1.00
2	Assam	11.03	14.80	17.29	5.37	0.62
3	Bihar	58.39	25.80	31.64	13.39	0.61
4	Bombay	61.18	10.14	4.20	6.89	1.41
5	Kerala	52.10	10.12	22.34	9.07	0.33
6	Madhya Pradesh	40.56	13.22	12.46	27.76	1.61
7	Madras	57.23	22.88	19.73	14.86	0.56
8	Mysore	58.35	12.80	3.41	6.38	1.30
9	Orissa	43.73	17.84	7.97	25.29	1.10
10	Punjab	64.03	7.73	32.07	10.76	1.09
11	Rajasthan	50.91	34.24	9.55	63.92	2.45
12	Uttar Pradesh	62.42	8.03	24.61	10.82	0.67
13	West Bengal	62.95	3.88	16.73	14.56	0.49
14	Jammu & Kashmir	4.00	30.25	20.03	17.03	0.46
15	Union Territories	9.70	5.00	34.53	17.14	0.32
	All India	46.89	15.82	13.93	17.29	0.97

The comparative position of Kerala in this respect must have worsened since 1955-56 owing to the higher rate of population growth and the lower availability of culturable waste lands in the State.

Agricultural population.

4.4. The percentage of agricultural population to the total population in Kerala is about 54% which is lower than that of any other State. This low figure simply indicates the scarcity of land and the great pressure of population on land in the State rather than any reduced importance of the agricultural sector or predominance of the industrial sector in the economy. The above view is testified by the fact that about 53% of the regional income of the State is generated in the agricultural sector.

4.5. As much as 62% of the agricultural population in Kerala is landless. The percentage of self-supporting persons in the total agricultural population is 26%. The estimated number of agricultural labourers in Kerala in 1956 was 31.59 lakhs which formed about 21% of the total population of the State and about 39% of the agricultural population. The agricultural labourers of Kerala as a class are one of the most backward classes, socially as well as economically.

4.6. The report on the agricultural labour enquiry conducted in 1950-51 throws some light on the problem of unemployment and underemployment among the agricultural labourers. Separate figures are available only for the Travancore-Cochin area. These figures show that casual men workers were unemployed for 108 days and women workers for 218 days in the year. The corresponding figures for India as a whole were 90 days and 231 days respectively in the year. The agricultural wages were higher in Travancore-Cochin area than in most other parts of India. The average annual family income was consequently Rs. 541 in Travancore-Cochin as compared to Rs. 447 in India as a whole. Percentage of indebted families in Travancore-Cochin was 54.3 and the average debt per indebted family was Rs. 39; the corresponding figures for India as a whole were 44.5% and Rs. 105 respectively.

4.7. The recently published Second Agricultural Labour Enquiry Committee Report reveals that there has been all-round deterioration in the economic condition of the agricultural labour class in India since 1950-51. It indicates a fall in the average income of the agricultural labour household and in the per capita income of the average agricultural labourer. The household income shows a fall from Rs. 447 in 1950 to Rs. 437 in 1956 and per capita income from Rs. 104 to Rs. 99.4. The number of days of unemployment of casual male workers is seen to have risen from 90 in 1950-51 to 111 in 1956-57 and the average daily wage of male worker reduced from 109 nP. to 96 nP. The total volume of

of agricultural labour households has increased to Rs. 88 from Rs. 47. As against the average income of Rs. 437 per household in 1956 the average consumption expenditure was Rs. 617. The deficit must have been largely covered by past savings, sale of stocks and loans. The above trends will only be more true of Kerala where agricultural labourers form a large chunk of the total population dependent on agriculture. In the context of a more rapid growth of population and insufficient employment opportunities in the agricultural sector the ranks of agricultural labour will only be swelling further with consequent reduction in the income and productivity of agricultural labour. The solution to this problem lies in providing employment opportunities outside the agricultural sector to the surplus labour in agriculture.

Agricultural Production.

4.8. As Kerala produces a number of export crops the proportionate area under food crops is smaller in Kerala than in any other State. While for India as a whole 77% of the total area sown is under food grains the corresponding figure for Kerala is only 38%. This is one of the reasons why Kerala has to depend on external supplies for her food requirements. In spite of the continued food shortage in the State the acreage of rice which is the chief food grain in the State has not gone up considerably as is evident from the following table.

<i>Year.</i>	<i>Acreage of rice in lakh acres.</i>
1955-56	18.76
1956-57	18.83
1957-58	18.95
1958-59	18.99
1959-60	19.00

4.9. This proves the impossibility of replacing the commercial crops with rice and the absence of suitable new areas to be brought under rice. The distribution of the total cultivated area in the State over the various crops is given in table 4.4.

TABLE 4.4
Distribution of the cultivated area over the various
crops (1957-58)

Sl. No.	Crops	Area (acres)	Production (Tons)
(1)	(2)	(3)	(4)
FOOD CROPS.			
1	Rice	1894701	910000
2	Jowar	4019	730
3	Ragi	12418	7107
4	Other cereals & Millets	14600	2895
5	Pulses	111444	16509
6	Sugarcane	21570	34840
7	Pepper	224658	26020
8	Chillies	8340	..
9	Ginger	22907	9198
10	Turmeric	15093	5391
11	Cardamom	69658	1242
12	Betel nut	22827	6754
13	Mangoes	140645	..
14	Citrus fruits	1593	..
15	Bananas & other plantains	100245	292863
16	Cashewnut	108815	68010
17	Tapioca	528708	1487100
18	Sweet Potato	20905	..
19	Other vegetables	57064	..
20	Other food crops	194481	..
Total food crops		3674691 (67.26 per cent)	

Sl No.	Crops.	Area (acres)	Production (Tons)
(1)	(2)	(3)	(4)
NON-FOOD CROPS.			
1	Ground nut	33800	10980
2	Castor	223	..
3	Sesamum	50300	6419
4	Coconut	1144766	3199 Million nuts.
5	Cotton	21490	9630 (Bales of 392 lb. each)
6	Tobacco	1293	689
7	Tea	98640	34175
8	Coffee	41123	7101
9	Rubber	246793	21496
10	Other non-food crops	150069	..
	Total non-food crops.	1788497 per cent)	..
	1955 50		
	Total area sown	5463188	..

4.10. The all India classification of crops into food crops and non-food crops is followed in this table. According to this classification food crops occupy 67% of the total cultivated area of Kerala. The corresponding figure for India as a whole is nearly 80%.

The acreage, production and average yield per acre of the important crops of Kerala for the last few years are given in table 4.5.

4.11. In the case of almost all the commercial crops produced in Kerala the major portion of the all India production contributed by the State. Many of them are valuable foreign exchange earners. Their importance as foreign exchange is enhanced by the fact that their export markets are hard currency areas like the U. S. A. and U. K.

TABLE—4.5

Area under, Production and Average yield per acre of the Principal Crops of Kerala

Sl. No.	Crop	1956-57			1957-58			1958-59			1959-60 *		
		Area (thousand acres) (1)	Production (thousand tons) (2)	Average yield per acre in lbs. (3)	Area (thousand acres) (4)	Production (thousand tons) (5)	Average yield per acre in lbs. (6)	Area (thousand acres) (7)	Production (thousand tons) (8)	Average yield per acre in lbs. (9)	Area (thousand acres) (10)	Production (thousand tons) (11)	Average yield per acre in lbs. (12)
1.	Rice	1883.00	873.20	1039	1894.70	910.00	1076	1898.70	939.40	1108	1900.00	1022.00	1205
2.	Pulses	118.75	18.36	346	111.44	17.51	352	109.68	17.38	355	108.51	17.22	355
3.	Tapioca	515.00	1426.00	6200	528.71	1487.10	6300	..	..	..	..	..	..
4.	Coconut (a)	1136.00	3132	2800	114.48	3199.00	2794	1175.00	3248.00	2764	..	..	..
5.	Arecanut (a)	121.41	6617	54500	122.83	6754.00	54988	124.00	6795.00	54800	..	..	..
6.	Cashewnut	87.00	54.35	1400	108.82	68.01	1400	114.00	71.00	1395	..	..	..
7.	Bananas	82.00	213.50	5832	100.25	292.87	6544	..	..	..	..	..	..
8.	Cardamom	70.00	1.24	40	69.66	1.24	40	74.00	1.30	39	..	..	..
9.	Pepper	214.90	26.80	279	224.66	26.02	259	223.94	25.04	250	226.08	24.88	247
10.	Ginger	25.04	10.70	957	22.91	9.20	899	22.04	7.66	779	22.94	8.14	795
11.	Sugar Cane	19.15	352.50	41200	21.57	348.40	36180	21.76	350.30	36050	22.01	357.80	36414
12.	Coconut	..	..	..	..	..	..	..	..	..	..	..	..
13.	Arecanut	..	..	..	..	..	..	..	..	..	..	..	..

11. Coconuts

12. Rubber production of coconut and arecanut is given in million nuts and the average yield per acre in number of nuts.

13. Rubber production of coconut and arecanut is given in million nuts and the average yield per acre in number of nuts.

* Coconuts and arecanut excluded.

4.12. The table 4.6 gives Kerala's contribution in the all India production of her important crops. The table throws light on the vital role that Kerala is destined to play in the agricultural economy of the country. Kerala has more or less a monopoly in the case of crops like rubber, pepper, tapioca and coconut while she contributes the lion's share of the country's production of cashewnut, arecanut, ginger, cardamom, etc. The virtual monopoly that Kerala retains in the production of certain crops is the result of the State being specially favoured by nature (soil, climate, topography etc.) to grow such crops. This points to the eventuality that the State shall continue to develop these crops in the national interest both to cater to the needs of the rest of India and to fetch the much needed foreign exchange. Their development is inevitable for the economic progress of the state as well. The exports of agricultural commodities from the ports of Kerala in 1958-'59 were valued at Rs. 93.3 crores.

4.13. Indices of agricultural production show that Kerala has lagged behind in agricultural production during the years of planned development in the country. The general indices of agricultural production of Kerala and India for seven years ended 1958-59 are given below:

(Base: 1952-53=100)

	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Kerala	106.6	109.9	114.3	115.3	117.3	119.7
India	111.1	114.7	114.6	121.6	112.4	129.7

The indices exhibit somewhat regular increasing trend in the case of Kerala. But in the case of India the indices exhibit no definite trend at all. In fact they do not enable us to make any inference whatsoever as to the progress achieved in this field. The index is found to have returned in 1957-58 very nearly to the level of 1953-54 falling past the higher levels reached in the intervening years. Then there is a sudden rise of 17 points in one year. In 1959-60 the index for India recorded a fall of 5 points from the previous year's level. This kind of erratic change in production makes one feel skeptic about the effect of planning in the field of agriculture. The erratic movement may be attributed to vagaries of nature resulting in unusual success or failure of crops. But planned development in agriculture presupposes greater control over capricious forces of nature. The position of Kerala in this respect is however different. It is common knowledge that fertilizers and manures and pesticides are getting increasingly with the peasant here and that this cannot but have its effect on production. This effect is truly brought out by the indices. The indices clearly indicate steady and increasing level in the field of agriculture.

TABLE—4.6

Kerala's contribution in the Indian Output of the Principal Crops of the State.

Sl.No.	CROPS	Year	Area (thousand acres)			Production			Average yield per acre				
			India	Kerala	per cent 5 —X100 4	Unit	India	Kerala	per cent 9 —X100 8	Unit	India	Kerala	Kerala —India 13-12
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1.	Rice	1957-58	79027.00	1894.70	2.40	Tons (000)	24821.00	910.00	3.68	lbs.	704	1076	+372
2.	Pulses	"	26652.00	1111.44	0.42	"	3066.00	17.51	0.57	"	258	352	+94
3.	Tapioca	1956-57	609.00	515.00	84.56	"	1759.00	1426.00	81.07	"	6470	6202	-268
4.	Coconut	"	1582.00	1136.00	71.81	Million	4217.00	3132.00	74.27	Nos.	2665	2757	+92
5.	Arecanut	1956	261.50	149.40	57.13	Mds. (000)	2176.00	1006.00	46.23	lbs.	685	554	-131
6.	Bananas & other Plantations	1956-57	364.00	82.00	22.52	(Tons) (000)	1691.00	213.50	12.63	"	10406	5832	-4574
7.	Pepper*	1957-58	229.00	223.00	97.39	"	26.00	25.40	97.69	"	254	255	+1
8.	Ginger	"	39.00	22.91	58.74	"	14.00	9.20	65.71	"	804	899	+95
9.	Sugarcane	"	5021.00	21.57	0.43	"	64142.00	348.40	0.55	"	28615	36180	+7565
10.	Cardamom	1951-52	111.37	55.74	50.05	"	1.43	0.80	55.94	"	29	32	+3
11.	Tea	1957	803.97	98.64	12.27	"	685.20	34.18	4.99	"	1909	776	-1133
12.	Coffee	1956-57	260.40	46.06	17.69	"	42.00	4.34	10.33	"	361	211	-150
13.	Rubber	1959	305.45	288.45	94.43	"	23.40	21.26	90.85	"	172	165	-7

* According to the Department of Statistics, the area under pepper in the State is 224.66 thousand acres and production 26.01 thousand tons.

Food situation

4.14. As production of commercial crops, production of food crops is also vital to the State's economy. Under the existing economic organisation of India it is highly desirable for any state to be self sufficient in food. In the case of such an essential commodity like food grains the smallest friction in its mobilisation or the slightest uncertainty about supplies is apt to have untoward repercussions, social as well as economic. The fact that the existing organisation is not without such defects has been made out by past experience. More important than this, the procurement of vast quantities of food grains from outside is a constant drain on the limited economic resources of the State and the State exchequer suffers a loss to the tune of Rs. 1 crore per year in selling food grains at a subsidised rate.

4.15. The minimum requirement of cereals for a balanced diet is 14 oz. per adult per day. The total requirement of rice for Kerala at this rate will be 19.57 lakh tons in 1961 and 22.23 lakh tons in 1966. A diet survey conducted in 1957 in the labourers, households of a rural area of Trivandrum showed that the average rice consumption per adult was 11.3 oz. per day which was supplemented by 3.6 oz. of root vegetables (mainly tapioca) per day. This more or less reflects the consumption pattern of the common masses. Therefore the effective demand for rice can be put at 12 oz. per adult per day. Considering the fact that tapioca is widely used to supplement rice in the diet, 12 oz. of rice may be considered as sufficient for a satisfactory diet. The requirement of rice on the basis of 12 oz. per adult per day for 1961 and 1966 will be 16.78 lakh tons and 19.05 lakh tons respectively. As against this the production expected to be reached by 1965-66 is 15.5 lakh tons.

4.16. The following table reveals the highly disadvantageous position of Kerala in the matter of food production when compared to the other States:

		(1955-56)
State		Per capita gross production of cereals per day(oz.)
1	Andhra Pradesh	14.1
2	Assam	16.2
3	Bihar	10.4
4	Bombay	11.0
5	Kerala	5.6
6	Madhya Pradesh	20.1
7	Madras	12.2
8	Mysore	14.2
9	Orissa	14.0
10	Punjab	17.0
11	Rajasthan	17.6
12	Uttar Pradesh	12.9
13	West Bengal	14.9
	India	13.3

As is evident from the foregoing analysis the food situation in the State is controlled largely by external supplies. The arrivals from outside as well as the central allotment of food-grains to the State during 1960 were much more than those during 1959. Table 4.7 gives the arrivals by rails and road and the central allotment of food grains during 1959 and 1960.

TABLE 4.7
Arrivals by Rail and Road and the Central Allotment of
food grains

Month	1960		1959	
	Arrivals by rail and road	Central allotment	arrivals by rail and road	Central allotment
January	44294	10,000	47779*	Nil
February	42736	10,000	33629*	Nil
March	40674	10,000	46353	Nil
April	39564	10,000	43360	Nil
May	59316	15,000	43334	11496
June	51934	20,000	49479	15957
July	55966	30,000	61638	32960
August	41293	38,000	43110	6962
September	43711	12,000	44032	25500
October	56829	12,000	34842	12000
November	27571*	12,000	44636	6000
December	47641*	27,000	56234	10000
Total	551529	206,000	548426	120875

* Does not include arrivals by road.

4.17. Rice prices at Cochin which stood at a low of about Rs. 39 per bag in February 1959 rose slowly but steadily to about Rs. 45 in May 1959 and then shot up to reach Rs. 54 by the middle of July 1959. After that there was a sudden fall and the prices fluctuated between Rs. 50 and 45 till November 1959. From December 1959 onwards a falling trend was noticed which lasted upto April 1960. Prices rose again and fluctuated around Rs. 45 till October 1960. Then there was an abrupt rise in November followed by a slow rising trend which continued to the end of the year. There has been considerable fall in the price level during January 1961.

ANIMAL HUSBANDRY

Livestock Population

The number of livestock in the State according to 1s livestock census is categorised below:

TABLE 4.8

Number of Livestock and Poultry as in 1956 Census

1. <i>Cattle</i>		
Males over 3 years		
(a) Breeding		11,026
(b) Working		553,155
(c) Others		37,718
	Total	601,899
Females over 3 years		
(a) Breeding		
(i) In milk		396,375
(ii) Dry		454,233
(iii) Not calved		120,976
(b) Working		7,083
(c) Others		19,223
	Total	997,950
Young stock		
Males		352,214
Females		558,313
	Total	910,527
Total Cattle		
Males		954,113
Females		1556,263
	Total	2510,376
2. <i>Buffaloes:</i>		
Males over 3 years		
(a) Breeding		4,046
(b) Working		247,313
(c) Others		5,895
	Total	257,254

Females over 3 years

(a) Breeding	
(i) In Milk	61,336
(ii) Dry	52,128
(iii) Not calved	11,624
(b) Working	10,109
(c) Others	3,288
Total	<u>138,485</u>

Young Stock

Males	45,033
Females	46,881
Total	<u>91,914</u>

Total Buffaloes

Males	302,287
Females	185,366
Total	<u>487,653</u>

3. Sheep 97,820

4. Goats 955,570

5. Horses and Ponies 1,690

6. Donkeys 1,415

7. Pigs 113,711

Total Live Stock 4,168,237

8. Poultry

(a) Fowls	6462,799
(b) Ducks	332,085
(c) Others	161

Total Poultry 6,795,045

Milk Production

4.18. Kerala is very poor in the matter of cattle wealth. The position of the State is bad both in the number and productivity of the cattle. As for milk production, the daily per capita availability of milk in the State is the lowest next only to Assam. The minimum per capita requirement of milk is 10 oz, per day. As against this the daily per capita consumption of milk in Kerala is less than 2 oz.

Comparative information regarding the number and productivity of cows and buffaloes in the different states of India is furnished in table 4.9.

4.19. It can be seen that the Punjab cow is almost twice as productive as the Kerala cow. It will be interesting to compare the cows of Kerala with those of a few foreign countries in respect of milk yield.

<i>Country</i>	<i>Average annual milk yield per cow over 3 years of age (lbs)</i>
United Kingdom (1945)	7658
U. S. A. (1946)	3218
Canada (1945)	4408
Switzerland (1945)	5806
Denmark (1942)	5291
Sweden (1945)	5742
Belgium (1945)	6362
India (1945)	413
(Kerala) (1956)	(366)

4.20. This comparison, while revealing the deplorable position of Kerala and India in this respect, points to the vast possibilities of increasing the production of milk without increasing the number of cows. It is needless to say that the keeping of low yielding cows is uneconomic as the basic quota of feed for the upkeep of the cow is almost the same for high as well as low yielding cows. The she-buffaloes of Kerala are, however, more productive. The number of cows and she-buffaloes in milk in relation to population is also the lowest in Kerala.

TABLE—4.9

The Number and Productivity of Cows and She Buffaloes in Different States

STATES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Cows in milk (in thousands)	Production of cow milk (lakh lbs.)	Average annual pro- duction per cow in milk (lbs.)	Buffaloes in milk (in thousands)	Production of Buffaloe milk (lakh lbs)	Average annual pro- duction per buffaloe in milk (lbs.)	Number of cows and buffaloes in milk per 1000 persons	
Andhra Pradesh	1431.35	16205.69	1133	1585.95	27155.71	1712	89	
Assam	931.68	2190.00	235	81.28	537.42	664	103	
Bihar	1792.74	26214.20	1462	800.17	21616.10	2702	63	
Bombay	2559.77	12468.45	487	1718.04	24881.76	1448	81	
Jammu and Kashmir	231.03	1733.24	750	87.07	1172.78	1348	666	
Kerala	396.38	3659.06	924	61.34	808.19	1325	30	
Madhya Pradesh	3045.38	11848.73	389	1042.48	15984.31	1534	148	
Madras	1161.66	12130.20	1044	555.00	6161.80	1110	53	
Mysore	1183.23	6212.83	525	767.56	10064.47	1310	91	
Orissa	627.02	4992.32	726	67.62	1024.64	1507	45	
Punjab	975.77	16776.03	1719	1199.36	36119.00	3012	123	
Rajasthan	1748.74	14044.50	803	885.21	11890.70	1344	150	
Uttar Pradesh	2374.77	37053.11	1560	2774.58	80754.41	2910	76	
West Bengal	1361.07	13205.04	970	67.33	1520.90	2237	52	
Centrally administered Territories	274.74	1626.25	592	117.25	1321.68	1130	73	
India	20095.33	180359.65	13389	11810.84	241013.87	25293	82	

The estimated production of milk in 1956 and the daily per capita availability of milk in the different States is given in table 4.10

TABLE 4.10
Daily per capita availability of Milk in different States (1956)

States	Total production of milk (thousand Mds.)	Projected population (lakhs)	Daily per capita availability of milk (ounces)
Andhra Pradesh	53236	338.1	5.66
Assam	3432	98.8	5.07
Bihar	58290	531.1	5.07
Bombay	47684	531.1	3.23
Jammu and Kashmir	3711	47.8	2.79
Kerala	5491	151.7	1.30
Madhya Pradesh	35127	276.4	4.57
Madras	22488	325.8	2.48
Mysore	20132	215.4	3.36
Or.ssa	7479	153.6	1.75
Punj. b	65979	177.6	13.37
Rajasthan	36046	175.6	7.39
Uttar Pradesh	144582	678.2	7.67
West Bengal	19435	276.4	2.53
O thers	5143	53.7	3.45
India	528255	3914.0	4.86

4.21. It is important to note in this connection that the problem of low availability of milk in the State cannot be solved simply by improving the quality of the cattle and buffaloes. Eventhough much can be done in this direction the State will have to increase the number of milch animals if the problem is to be solved. If we are to provide our population with a daily supply of 10 oz. of milk per head with the existing number of cows and she-buffaloes we have to produce milk at the rate of 7000 lbs. per animal in milk which is impracticable. It seems, therefore, that the problem will have to be solved both by improving the quality and by increasing the number of animals. A very rough estimate made in the Bureau of Economic Studies has shown that the fodder resources of the State will permit of sizeable increase in the number of cattle and buffaloes.

4.22. As for improvement of quality the main way of achieving it is to subject the milch cows and buffaloes to artificial insemination. If we make a hypothetical calculation it will be seen that a trifle 200 pedigree bulls and 30 buffaloes if fully utilised will suffice to provide artificial insemination to all the milk bovine in the State. There will of course re-organisational difficulties, but this calculation indicates the wieldiness of the problem.

Draught Animals

4.23. Kerala's position is not so bad in the matter of draught cattle power. Kerala has a pair of working bullocks or buffaloes

for every 12 acres of cultivated land. The corresponding figure for India as a whole is 10 acres. But our draught bullocks and buffaloes are comparatively weak and of poor quality.

Feeding of Animals:

4.24. Providing balanced feed to the animals can go a long way towards increasing the productivity of cattle and buffaloes. There is little land set apart for grazing in Kerala. Therefore the traditional method of feeding the cattle and buffaloes on grass and water is no longer practicable. Rice straw which is the main fodder available in the State is deficient in nutrition. Nutritious feeds have to be provided to make up this deficiency. Fish which is plentiful in Kerala can be used for this purpose in the form of fish meal. Tapioca can also be used as a cattle feed. Another solution to the problem is to grow special fodder plants extensively in the forests. This will also reduce considerably the hovocs of soil erosion. It is estimated that proper feeding of the cattle can by itself increase the productivity of our cattle by about 50%.

Milk Prices.

4.25. The very low productivity of the cattle and the resultant high cost of production have raised price of milk in Kerala to prohibitive proportions. It is indeed one of the highest in the world. Milk is costlier in India than in any other country in the world and it is costlier in Kerala than in most other parts of India. Table 4.11 gives the price of milk in a few countries of the world including India and in the different parts of India.

TABLE 4.11
Comparison of World and Indian prices of Fluid Milk (1947)

Country/ States.	Price per litre in local currency	Indian equivalent in annas per seer
United Kingdom	8.0 pence	6.4
Ir land	6.0 pence	4.8
Netherlands	19.2 cents	7.6
Switzerland	0.44 franc	5.3
Sweden	33.5 Krone	4.5
Denmark	46.0 Krone	4.7
U. S. A.	17.5 cents	6.9
Canada	13.6 cents	5.3
Newzealand	6.25 pence	4.1
Indian Union	..	10.0
Punjab	..	8.4
U. P.	..	8.7
C. P. and Berar	..	10.3
West Bengal	..	9.0
Assam	..	8.4
B. h. r and Orissa	..	11.0
Cochin	..	13.0
Travancore	..	12.3

The current prices of milk in a few centres of Kerala State are given in table 4.12.

TABLE 4.12
Prices of Milk in different centres of Kerala

Centres.	Price per scer in the week ending 18-11-1960 (nP.)
1. Trivandrum	77
2. Quilon	53
3. Alleppey	69
4. Alwaye	50
5. Ernakulam	50
6. Palghat	60
7. Kozhikode	62
8. Cannanore	93

Poultry.

4.26. Poultry keeping is an important cottage industry in the State. Almost all rural households keep fowls. If fowl keeping is popular through the length and breadth of the state, duck rearing is concentrated in certain parts only. This is because the latter requires watery areas for the feeding of the birds. Unlike fowls, ducks are kept in large flocks. Kerala has a poultry population of 6.8 million birds out of the all India total of 95 million birds. This industry has special importance in a state like Kerala where land and capital are scarce.

4.27. In productivity the birds of Kerala are comparable with those of the other States. But the average egg production per bird can be considerably increased by upgrading the birds, at the same time increasing the size of the eggs. The average egg production per hen is only 53 per year in India whereas it is 120 per hen for the world as a whole. Correct figures of annual production of eggs in the State are not available. The all India production of eggs in 1956 was 2206 millions. Assuming the all India yield rate of 53 eggs per bird for Kerala the production of eggs in the State in 1956 can be estimated at 168 millions.

Disease control.

4.28. Disease control has an important role to play in the development of livestock. If epidemics are not prevented and other diseases afflicting the cattle are not effectively controlled all the energy and funds expended for livestock development will be in vain. The Government has therefore given due importance to this phase of development. The dearth of trained hands has long since been a limiting factor in the expansion of disease control facilities in the State. With a view to overcoming this defect the Government started a Veterinary College at Ollukara which has produced its first

batch of graduates in veterinary science last year. The numbers of veterinary institutions of different categories functioning in the State in 1960 are furnished below:—

Veterinary College	..	1
Veterinary Hospitals	..	65
Veterinary Dispensaries	..	153
Key Village Centres	..	14
Artificial Insemination Centres	..	9
Regional Clinical Laboratories	..	3
Livestock Farms	..	3
Poultry Extension Centres	..	18
Poultry Units	..	3
Dry Stock Farms	..	3
Calf Rearing Station	..	1

FISHERIES

4.29. Kerala has an important place in the fishing industry in India. Out of the total Indian coast line of 3000 miles, Kerala's share is about 330 miles. Nearly a lakh fishermen are actively engaged in this industry in Kerala out of an estimated total of 5 lakh active fishermen in India. There are 1,000 fishing crafts in Kerala as against 75,000 for the whole of India.

4.30. In the survey conducted by the Fisheries Department in 1957, it was found that in Kerala there were 236 fishing villages with an average 178 households in each of them. Each village has an average 1140 inhabitants. The average income of the fishing household was found from the same survey to be as Rs. 542 per annum. The per capita income of the fishing population is less than half of the per capita income for the State. Many of the households follow coir spinning as a subsidiary occupation to subsist the family income and the income from this source does not exceed 10% of the total income.

4.31. The fishery resources of Kerala are very rich, possessing a wide variety of fishes, the most important of which are Mackerel, Prawns and Sardine.

The table below shows the fish landings in Kerala and other fishing states in India during 1958.

State.	Quantity (lakh metric tons)
West Bengal	0.02
Orissa	0.04
Andhra	0.29
Madras	1.18
Kerala	2.95
Mysore	0.80
Bombay	2.27
India	<u>7.55</u>

4.32. The total fish landings in India during 1958 viz. 7.55 lakh metric tons show a decrease of about 14% as compared with that in 1957. This was mainly due to the decline in the landings in Bombay and the reduction in catches in West Bengal, Orissa, and Andhra. In Kerala, Madras and Mysore there was an increase in the total landings in 1958.

4.33. During 1959-60 (April to March) the landings in Kerala was only half of that during 1958-59. This was due to the occurrence of exceptionally large shoals of fish along the Kerala coast during 1958-59 which as a matter of fact should not be taken as a common feature. The landings during January to August 1960 increased by 4.7% compared to that during the same period in the previous year.

TABLE 4.13

Fish landings in Kerala

<i>Year|Period.</i>	<i>Fish landing (in lakh metric tons.)</i>
1958-59*	2.90
1959-60	1.55
1959 (January to August)	1.06
1960 (do)	1.11

* revised

4.34. The following table shows the average price per ton paid to coastal fishermen in Kerala and other in India during 1958.

<i>State.</i>	<i>Price per metric Rs.</i>
West Bengal	292
Orissa	500
Andhra	500
Madras	844
Kerala	360
Mysore	319
Bombay	225

4.35. The above prices do not represent the value of the fish when it finally reaches the consumer. The catches, after landing, are disposed by auctioning. The auctioning is done by the 'financiers' i.e. those who spend money for the fishing operation. The 'financiers' represent one of the four groups into which the fishfolk in Kerala can broadly be classified; the other groups being fishing labourers, boat owners and merchants. Of these four groups the fishing labourers form the majority of the community. It is they who are most directly involved in fish catching than anybody else. But as they do not have the requisite funds and implements, they work

as labourers for the boat owners and financiers. The remuneration they get is low compared to their hard and strenuous work. Their standard of living is much below that enjoyed by the other three classes of people.

4.36. After the auction the merchants sell the catches either to the retailers who sell it to the consumers or to the secondary wholesale dealers or retailers. Thus the fish, before it reaches the ultimate consumer passes through the hands of many middlemen, the price being raised at each stage of transition. The result is that the fishermen get a comparatively low price for their produce even when the consumers pay very high prices for it. In certain regions the fish market is controlled by powerful rings of businessmen with the result that the fishermen get a very low price for their produce when there is a high price in the consumer market. Co-operative marketing is the only alternative in these regions to help the fishermen. In Kerala there are 164 fishermen co-operative societies with a total membership of 27,492. These societies issue loans for the purchase of fishing implements to those who do not own any implements and also arrange for the marketing of catches. Compared to Kerala, there are 196 fishermen co-operatives in Madras with a membership of 23,858 and 101 co-operatives in Bombay with a membership of 25,484. The number of fishermen co-operatives is estimated to be about 800 for India.

4.37. It is estimated that in Kerala out of the total marine fish caught about 50% is consumed fresh, 49% is cured and 1% is iced for consumption in the interior places. In the neighbouring state of Madras 64% is consumed fresh while 34% is cured and 2% is iced. Taking India as a whole 43% is consumed fresh, 50% is cured and 7 per cent used for fish manure, fish oil etc.

4.38. During 1958-59, the export of fish and fish products through the ports of Kerala amounted to Rs. 1.52 crores as against the export value of Rs. 1.50 crores and 1.30 crores during 1957-58 and 1956-57 respectively.

FORESTS

4.39. The national forest policy for India has laid down that an average of about 35% of the land area has to be forest land for the well being of a nation. On this count only two States, viz., Assam and Madhya Pradesh approach the above specified norm. Forest area for India as a whole is only less than 20% of the total land area. State-wise figures of forest area in 1955-56 show that Kerala with 25.8% of its geographical area under forests has a higher percentage of forest land than all the other States in India except Assam and Madhya Pradesh.

TABLE 4.14
Forest area—State-wise 1955-56

State	Total land area ('000 acres)	Forest area ('000 acres)	Percentage of forest area to total land area
(1)	(2)	(3)	(4)
Andhra ..	66,681	13,992	20.98
Assam ..	35,764	12,042	33.67
Bihar ..	42,823	9,676	22.60
Bombay ..	120,907	15,946	13.19
Jammu & Kashmir ..	5,923	1,398	23.60
Kerala ..	9,412	2,433	25.85
Madhya Pradesh ..	107,551	33,489	31.14
Madras ..	32,021	4,488	14.02
Mysore ..	45,274	6,288	13.89
Orissa ..	38,401	8,799	22.91
Punjab ..	30,289	836	2.76
Rajasthan ..	84,406	3,478	4.12
Uttar Pradesh ..	72,543	8,713	12.01
West Bengal ..	21,815	1,916	8.78
All-India ..	719,555	125,554	17.45

4.40. The annual contribution of Kerala's forests to the State's revenue is of the order of Rs. 3 crores. Thus about 1/14th of the State's revenue yield is contributed by forests. The yield from forests is only about Rs. 3 per acre for the whole of India while it is about Rs. 13 in Kerala. That Kerala's forests are much more valuable compared to forests in other States can be seen from the table.

TABLE 4.15
State-wise figures of yield from forest.

State	Yield from forests in 1958-59 (Rs. lakhs)	Percentage of forest area in the State to total Indian forest area	Revenue yield from one acre of forest (Rs.)
Andhra Pradesh ..	182	11.14	0.70
Assam ..	34	9.59	1.50
Bihar ..	53	7.71	1.50
Bombay ..	382	12.70	2.25
Kerala ..	222	1.94	13.00
Madhya Pradesh ..	569	26.67	1.50
Madras ..	69	3.57	3.50
Mysore ..	364	5.01	4.75
Orissa ..	203	7.01	1.00
Punjab ..	24	0.67	2.25
Rajasthan ..	(—) 1	2.77	0.20
Uttar Pradesh ..	317	6.94	3.00
West Bengal ..	54	1.53	2.00

4.41. Madhya Pradesh with 27% and Bombay with 13% of the total Indian forest area were able to get an yield of Rs. 5.69 crores and 3.82 crores respectively from their forests while Kerala with only 2% of total Indian forest area was able to get an yield of Rs. 222 lakhs in 1958-'59. Forests in Orissa and Assam yield less than those in Kerala though they possess 7% and 11% respectively of the total forest area in India.

4.42. Table 4.16 shows the yield of timber and fire-wood from Kerala's forests during the years 1957-58, 1958-59 and 1959-60. It can be seen that the yield is steadily increasing. The out-turn of firewood has increased sharply during 1959-60 compared to the previous years.

TABLE 4.16
Out-turn of Timber & Fire-wood

Items	Unit	1957-58	1958-59	1959-60
A. Rough Logs				
(i) Teak	.. Cft.	665,709	1,186,772	897,685
(ii) Others	.. Cft.	1,930,069	3,269,874	3,448,706
B. Squared Timber				
(i) Teak	.. Cft.	415	377	216
(ii) Others	.. Cft.	46,126	144,425	9,656
C. Rough Poles	.. Nos.	461,563	411,290	300,930
D. Fire-wood	.. Tons	24,070	52,293	165,866

IRRIGATION

4.43. The gross area under irrigation in the State is 12.68 lakh acres (1958-59) and this forms about 23% of the gross area sown. In addition to the traditional sources like tanks, wells etc., irrigation facilities in the State are also provided by the completed major, medium and minor irrigation projects. Various major, medium and minor projects are also in different stages of execution. It is expected that by the end of the Second Plan period about 3.4 lakh net acres of land will have been provided with irrigation facilities by these projects.

4.44. Table 4.17 gives the figures of net and gross area irrigated in the various States of India in 1955-56. From the table it can be seen that 35% of the irrigated area has been converted into double crop land in Kerala. Of the various States only Madras is ahead of Kerala in this respect.

TABLE 4.17
Irrigated area--State-wise. (1955-56)

States	Net area irrigated	Gross area irrigated	Percentage to total	Gross area
	(thousand acres)	(thousand acres)	gross area irrigated	Net area
(1)	(1)	(3)	(4)	(5)
Andhra Pradesh ..	6,788	7,897	12.48	1.16
Assam ..	1,533	1,533	2.42	1.00
West Bengal ..	2,970	3,045	4.81	1.03
Bihar ..	4,405	4,405	6.97	1.00
Bombay ..	3,593	4,054	6.41	1.13
Jammu & Kashmir ..	716	738	1.17	1.03
Kerala ..	811	1,097	1.73	1.35
Madhya Pradesh ..	2,038	2,069	3.27	1.02
Madras ..	5,306	7,309	11.55	1.38
Mysore ..	1,634	1,671	2.64	1.02
Orissa ..	2,414	2,820	4.46	1.17
Punjab ..	8,062	9,041	14.29	1.12
Rajasthan ..	3,336	3,937	6.22	1.18
Uttar Pradesh ..	12,235	13,260	20.96	1.08
Union Territories ..	322	389	0.62	1.21
All-India ..	56,163	63,265	100.00	1.13

4.45. Table 4.18 shows the total cropped area and the gross area irrigated in 1955-56, State-wise. Only about one-fifth of the cropped area had been brought under irrigation in Kerala in 1955-56 while about two-fifths of the cropped area had been brought under irrigation in Madras and Punjab. A huge leeway has to be made by Kerala State in order to reach the level of irrigation facilities as obtaining in States such as Madras and Punjab. However, the percentage of irrigated area to the total cropped area in Kerala is larger than that of India as a whole.

TABLE 4.18
Total Cropped area and area irrigated State-wise
(1955-56)

<i>States</i>	<i>Total area cropped (‘000 acres)</i>	<i>Gross area irrigated (‘000 acres)</i>	<i>Percentage of gross area irrigated to cropped area</i>
Andhra	30399	7897	25.98
Assam	6003	1533	25.54
Bengal	15317	3045	19.88
Bihar	24498	4405	17.98
Bombay	69910	4054	5.80
Jammu & Kashmir	1840	738	40.11
Kerala	5466	1097	20.07
Madhya Pradesh	43392	2069	4.77
Madras	16967	7309	43.08
Mysore	25208	1671	6.63
Orissa	14958	2820	18.85
Punjab	23500	9041	38.48
Rajasthan	31006	3937	12.70
Uttar Pradesh	51925	13260	25.54
Union Territories	2174	389	17.90
India	360389	63265	17.55

4.46. Out of the seven major irrigation schemes taken up during the First Plan period only Malampuzha, Chalakudy and Peechi schemes yielded any benefit at the end of the Plan period. Thus at the end of the First Plan, major irrigation schemes helped to irrigate about 78,000 acres of paddy land. All the schemes included in the First Plan were carried over to the Second Plan and six new schemes were also included in the Second Plan. The area irrigated by major irrigation schemes at the end of 1960 is about 1,58,400 acres. The following table gives the details regarding the benefit that will accrue at the end of the Second Plan period as a result of the various major irrigation schemes included in the Second Plan.

TABLE 4.19
Major Irrigation Schemes

<i>Scheme.</i>	<i>Net area under irrigation anticipated on 31-3-1961 (‘000 acres)</i>
<i>I. Plan Schemes:</i>	
Malampuzha ..	47.60
Neyyar I ..	10.00
Chalakydy ..	28.40
Peechi ..	43.38
Vazhani ..	8.81
Mangalam ..	8.00
Walayar ..	8.00
<i>II...Plan Schemes:</i>	
Neyyar II ..	2.50
Periyar Valley ..	..
Chalakydy II ..	20.25
Cherakuzhy ..	4.00
Foothundy ..	..
Meenkara ..	6.50
Kattampally ..	..
Total ..	<u>187.44</u>

4.47. The target for the area to be irrigated by medium, minor and lift irrigation schemes by the end of the Second Plan period is 1.52 lakh acres as shown below:

	Net area (‘000 acres)
1. Medium Irrigation	76.00
2. Special Minor Irrigation	15.00
3. Lift Irrigation	19.00
4. Minor Irrigation	42.00
	<u>152.00</u>

4.48. The recommendations of the Minor Irrigation Team appointed by the Committee on Plan Projects are well worth considering. In view of the long periods taken by the Major Projects in Kerala for completion, minor irrigation works assume a special importance in Kerala's economy. Minor irrigation works are mainly meant for supplementing water supply from the monsoon rainfall during the first and second paddy seasons. The existing types of minor irrigation works in Kerala include springfed tanks, diversion weirs with channels, lift irrigation works, salinity control works, drainage schemes and surface reservoirs. The Minor Irrigation Team has recommended the construction of small storages to back up canal irrigation on minor works. They also have stressed the importance of lift irrigation in view of the topographical features of the State and easy availability of hydro-electric power.

CHAPTER V

PLANTATIONS

The only industry which has developed in Kerala in the private sector is the plantation industry. The notorious shyness of private capital in Kerala is not so evident in this sector. It is perhaps because of the agricultural bias of this industry. The three main plantation crops of Kerala are tea, coffee and rubber. In 1959 there were 55,271 plantations in the State covering an area of 4.22 lakh acres. The area under tea, coffee and rubber plantations in Kerala is more than 33% of that in India as a whole. The plantation industry employed 193,832 persons in 1959.

Tea

5.2. India occupies the first place among the tea producing countries of the world. Indian output during 1958 was nearly 38% of the world output. The four important States producing tea in India are Assam, West Bengal, Kerala and Madras in that order. The annual production of Kerala is only about 11% of the Indian output. Still tea occupies the first place among the export crops of Kerala. In 1958-59 Kerala exported tea worth Rs. 23.74 crores which formed about 30% of the value of her export crops for the year. In 1959 Kerala accounted for 12% of the acreage and 11% of the production of tea in India. The average yield per acre in Kerala in the same year was 812 lbs. as against the all India average of 889 lbs. Table 5.1 contains the state-wise acreage, production and yield rate of tea for the four years from 1956 to 1959.

5.3. Kerala also exhibits the all India trend of only slight increase in the area under tea during the period from 1956 to 1959. Production showed a fall in 1959 and the average yield per acre fell from 841 lbs. in 1958 to 812 lbs. in 1959.

5.4. Tea is grown only in the districts of Trivandrum, Quilon, Kottayam, Trichur, Palghat, Kozhikode and Cannanore. The district-wise distribution of tea estates in 1958 is given in table 5.2.

TABLE 5.1
Area under cultivation, Total production and average yield per acre of Tea
in each State of India for 1956 to 1959.

States	1956			1957			1958			1959		
	Area in acre ('000 units)	Produc- tion ('000 lbs.)	Average yield per acre in lbs.	Area in acre ('000 units)	Produc- tion ('000 lbs.)	Average yield per acre in lbs.	Area in acre ('000 units)	Produc- tion ('000 lbs.)	Average yield per acre in lbs.	Area in acre ('000 units)	Produc- tion ('000 lbs.)	Average yield per acre in lbs.
2	3	4	5	6	7	8	9	10	11	12	13	
Assam	390.86	369770	946	393.52	355738	904	396.31	377345	952	396.31	377230	952
West Bengal	200.93	166559	829	201.73	166222	824	202.37	167977	830	202.37	177241	875
Bihar	1.79	2051	121	1.79	217	121	1.79	150	84	1.79	125	70
Tripura	12.26	4730	386	12.45	4617	371	12.66	5318	420	12.66	5513	435
Uttar Pradesh	5.90	1865	316	5.90	1626	276	5.90	1785	303	5.90	2106	357
Punjab	9.61	2426	253	9.61	2434	253	9.61	2263	236	9.61	2263	236
Himachal Pradesh	1.05	237	227	1.05	181	173	1.05	257	246	1.05	321	306
Madras	74.97	62164	829	76.46	72346	946	78.39	76611	977	78.39	72757	928
Mysore	4.58	3047	665	4.47	3420	766	4.45	3655	821	4.45	3370	757
Kerala	96.91	67761	699	97.00	78402	808	97.03	81639	841	97.03	78755	812
Total	798.85	680610	851	803.97	685203	852	809.56	717000	886	809.56	719681	889

TABLE—5.2

**District-wise area under and Production of tea in Kerala
during the Calendar year 1958**

<i>District</i>	<i>Area (Acres)</i>	<i>Production in lbs.</i>
Trivandrum ..	2790.84	2252100
Quilon ..	7471.51	4942884
Alleppey ..	Nil	Nil.
Kottayam ..	66456.01	65202240
Ernakulam ..	333.04	154491
Trichur ..	990.73	1506792
Palghat ..	1459.42	1562579
Kozhikode ..	9801.12	10846738
Cannanore ..	3684.70	2546678
Kerala ..	92987.37	89014702

The number, area, production and average yield per acre of tea estates in Kerala according to different size groups are furnished in table 5.3.

TABLE—5.3

**Area and Production of tea according to the sizes of
Estates in Kerala for 1958-1959.**

<i>Size of Estates (acres)</i>	<i>No. of Estates</i>	<i>Acreage</i>	<i>Production (‘000 lbs) yield per acre (lbs.)</i>	<i>Average yield per acre (lbs.)</i>
(1)	(2)	(3)	(4)	(5)
up to 10 ..	1243	1580.65	354.90	225.00
above 10 and upto 150 ..	111	4627.43	1615.00	349.00
„ 150 „ 300 ..	37	8374.83	5423.54	648.00
„ 300 „ 500 ..	25	10113.01	8423.40	833.00
„ 500 ..	89	72332.51	65916.89	911.00
Total ..	1505	97028.43	81733.74	842.00

Note.—Number of estates and acreage relate to those on 31st March 1959.

5.5. More than 75% of the total number of tea estates in the State are of size upto 10 acres. But they together account for less than 2% of the total area and less than 1% of the total production of all the estates. As against this the number of estates of size above 500 acres is hardly 6% of the total number of estates but they together make up about

75% of the total area and are responsible for more than 80% of the production of all the estates. The figures of average yield per acre clearly shows the highly uneconomic character of small holdings as at present. The average yield per acre of estates of area 10 acres and below is just one fourth that of estates having area above 500 acres. There is steep rise in the yield rate as the size of the estates increases. If all the estates in the State attained the efficiency of the big estates with area above 500 acres the tea production of the State would increase by about 67 lakh lbs.

Table 5.4 shows the share of the different tea producing states in the total area under and production of tea in India.

TABLE—5.4

**Distribution of Indian Production of and area under tea
Among the States—1959.**

Sl. No.	State	Production ('000 lbs.)	Percentage	Area ('000 acres)	Percentage
1	Assam	377230	52.43	396.31	48.95
2	West Bengal	177241	24.64	202.37	25.00
3	Bihar	125	0.02	1.79	0.22
4	Tripura	5513	0.78	12.66	1.57
5	Uttar Pradesh	2106	0.30	5.90	0.73
6	Punjab	2263	0.33	9.61	1.19
7	Himachal Pradesh	321	0.06	1.05	0.13
8	Madras	72757	10.04	78.39	9.68
9	Mysore	3370	0.48	4.45	0.55
10	Kerala	78755	10.92	97.03	11.98
Total		719681	100.00	809.56	100.00

5.6. The States of Assam, West Bengal, Kerala and Madras together account for about 98% of the total acreage and production of tea in India.

The disposal of Indian tea during the four years from 1955-56 to 1958-59 is summarised in table 5.5.

TABLE—5.5

**Disposal of Indian tea during the four years 1955-56
to 1958-59**

(Figures in thousand lbs.)

Year	Opening Stock at the beginning of the financial year	Production during the calendar year	Import during the calendar year	Export during the financial year	Closing stock at the end of the financial year	Estimated consumption (2 + 3 + 4 - 5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1955-'56	87417	678371	489	405134	139701	221442
1956-'57	139701	680610	1022	513863	113658	193812
1957-'58	113658	685137	531	422740	128097	248489
1958-'59	128097	719947	26	479106	125954	243010

5.7. While production shows an increasing trend over the four year period, neither export nor consumption shows any definite tendency to increase. Consumption during the fourth year is, however, higher than that during the first year. The consumption level in Kerala is lower than that in the country as a whole. Consumption of tea in Kerala in 1957-58 was 8033,810 lbs. out of a total production of 7,65,52,000 lbs. Per capita consumption of tea is very low in India as a whole and more so in Kerala. The per capita consumption in India and Kerala in 1957-58 was 0.63 lb. and 0.52 lb respectively. These may be compared with per capita consumption of 9.28 lbs. in U.K. 0.61 lb. in the U.S.A. and 2.56 lbs in Canada in 1959 and 1.47 lbs. in Japan, 0.25 lb. in Indonesia and 1.93 lbs. in Malaya in 1955. As can be seen from the table above the consumption in India during 1956-57 was abnormally low while that during 1957-58 was quite high. This was probably due to greater demand from importing countries resulting in greater exports and higher prices. Table 5.6 substantiates this view.

TABLE—5.6

Volume and Value of Export of tea from India

Year	Quantity (Million lbs.)	Value (Rs. million)	Average price Per lb. (Rs.)
1955-56	.. 405.134	1096.448	2.71
1956-57	.. 513.863	1451.347	2.82
1957-58	.. 422.740	1136.435	2.69
1958-59	.. 479.106	1296.953	2.71

5.8. The total labour employed in tea industry in India in 1956 was 10.05 lakhs of which 0.98 lakh was in Kerala. The number of persons employed (daily average) in the tea plantations in Kerala was 87,422 in 1958. Table 5.7 shows the minimum rates of daily wages for tea plantation labour in force during 1959 in the important tea producing States of India.

TABLE—5.7

Minimum Rates of Daily wages for tea Plantation Labour
1959.

State	Total daily wages according to category of Workers (Rs.)			
	Male.	Female	Adolescents.	Children
1 Assam	.. 1.82	1.72	..	0.89
2 West Bengal	.. 1.69	1.60	1.60	0.93
3 Kerala	.. 1.53	1.31	1.00	0.76
4 Madras	.. 1.36	..	0.94	0.72

Note:—Wherever there are different rates for different regions in a particular State, the simple average of the rates is taken.

5.9. The daily wages are higher in the Travancore-Cochin area than in the Malabar area. In the Malabar area male workers are classified into Grade I and Grade II according to efficiency and skill. The daily wages of a Grade I worker is Rs. 1.72 in plantations of area above 200 acres and Rs. 1.56 in plantations of area upto 200 acres. The wages of a Grade II worker in the two categories of plantations are Rs. 1.31 and Rs. 1.16 respectively. In the Travancore-Cochin area male workers are not classified into two grades and the wage rate is uniform for all plantations. The minimum daily wage for a male worker in the Travancore-Cochin area is Rs. 1.72.

Coffee:

5.10. India's contribution to the world output of Coffee is quite small. India's output of coffee in 1955 was only a little over 1% of the world output. But India occupies the first place among the Asian countries as producer of coffee. She contributed about 33% of the Asian production of coffee in 1955. Table 5.8 gives the production of coffee in the different regions of the world in 1955.

TABLE—5.8
The Production of Coffee in the different Regions of the
World in 1955

Region	Production (‘000 tons)	Production as percentage
North and Central America	453	16.03
South America	1816	64.26
Asia	98	3.47
Africa	453	16.03
Oceania	6	0.21
World Total	2826	100.00

5.11. The states which produce coffee in India are Mysore, Madras and Kerala. The State-wise area under and production of Coffee are given in table 5.9.

TABLE—5.9

**Statewise area, Production and average yield per
acre of coffee in India**

States	1954-55			1955-56	
	Area in acre	Production in tons	Average yield per acre (Cwt.)	Area in acre	Production in tons
(1)	(2)	(3)	(4)	(5)	(6)
Madras ..	63974	2632	0.82	63625	6530
Mysore ..	145515	18872	2.59	145934	24203
Kerala ..	42902	3348	1.56	44606	3433
Other States ..	295	173	..	284	309
Total ..	252686	25025	1.98	254449	34475

States	1956-57			
	Average yield per- acre (Cwt.)	Area in acre	Production in Tons	Average yield per acre (Cwt.)
	(7)	(8)	(9)	(10)
Madras ..	2.05	61504	5545	1.80
Mysore ..	3.32	152543	32085	4.21
Kerala ..	1.54	46057	4340	1.88
Other States ..	..	297	30	..
Total	2.71	260401	42000	3.23

5.12. Coffee is grown in six out of the nine districts in the State. Table 5.10 gives the area under and production of coffee in each of these six districts:

TABLE—5.10

**District-wise Area under and Production of Coffee in
Kerala 1958-59.**

<i>District</i>	<i>Area under Coffee (in acres)</i>	<i>Production of Coffee (Bushels)</i>
Quilon	575	239
Kottayam	4453	55003
Ernakulam	170	3548
Palghat	4909	133076
Kozhikode	26787	471959
Cannanore	3166	70482
State	40060	734367

NOTE:—There is no coffee cultivation in Trivandrum, Alleppey and Trichur.

5.13. There are two types of coffee viz., Arabica and Robusta. It is the latter type that is chiefly produced in Kerala. Of the total production of 4,340 tons in 1956-57 as much as 3,970 tons was robusta coffee.

5.14. There were 18,477 coffee estates in Kerala as on 31st July 1957. Out of these 13,199 were registered and the remaining 5,278 were unregistered. Table 5.11 shows the planted area under coffee according to size of holdings for the registered estates in Kerala.

TABLE—5.11

**Area and Number of Registered coffee estates in Kerala
in 1956-57 Classified According to size.**

<i>Size in acres</i>	<i>No. of Registered</i>	<i>Percentage</i>	<i>Area (acres)</i>	<i>Percentage</i>
0— 5	11299	85.65	16100	36.27
5— 10	1194	9.05	4944	11.14
10— 25	496	3.76	4790	10.76
25— 50	90	0.68	2692	6.07
50—100	65	0.49	3735	8.41
100—150	15	0.11	1688	3.80
150—200	11	0.08	1876	4.23
200—250	5	..	1030	2.32
250 and above	24	0.18	7530	16.97
Total	13199	100.00	44385	100.00

5.15. Small holdings predominate in number as well as area. Holdings of area below 10 acres constitute about 95% of the total number of holdings and about 47% of the total area while more than 98% of the holdings covering 58% of the area are of size less than 25 acres each. The average size of a holding in Kerala is lower than that in any of the other coffee producing States. The average size of holding in Kerala is only 3.36 acres as compared to 10.08 acres in Mysore and 5.70 acres in Madras. The smallness of the size of holdings in plantations as a whole is perhaps a reflection of the extreme sub-division of agricultural holdings in general in this State consequent on the very high density of population.

5.16. The quantity of coffee consumed in Kerala during 1956-57 was 789 tons, leaving a surplus of 3,551 tons for exports to other parts of India and to foreign countries. The All India consumption of coffee during the same year was 24,527 tons out of a total production of 42,000 tons. The future of coffee industry in the State, as also in India, depends on the expansion of the domestic market. The *per capita* consumption of coffee in India in 1956-57 was only 0.14 lb. and that in Kerala was still less at 0.12 lb. The world production and estimated consumption of coffee during 1955-56 were 28.26 lakh tons and 21.95 lakh tons respectively which indicates that there is overproduction of coffee in the world. Hence the necessity for expansion of internal market. The fact that there is considerable scope for expanding the domestic market will be clear from a comparison of the consumption rates of some foreign countries with India's consumption rate.

TABLE—5.12

**Per Capita Consumption of Coffee in Certain Countries
of the World..**

<i>Countries</i>	<i>Estimated per capita consumption of coffee in 1956 (lbs.)</i>
1 France	8.32
2 West Germany	5.00
3 Italy	2.92
4 Sweden	14.73
5 United Kingdom	1.63
6 Canada	5.80
7 United States	14.04
8 Japan	0.08
9 Iraq	0.21
10 Turkey	0.27
11 Egypt	0.37
12 Union of South Africa	1.47
13 Australia	1.39
14 India	0.14
(Kerala)	(0.12)

5.17. The total number of persons employed (daily average) in the coffee plantations in Kerala was 20,986 in 1958-59. In 1954-55 the coffee plantations employed 202,859 persons all over India and 13,179 persons in Kerala. The minimum daily wages for coffee plantation labour in the Travancore-Cochin area is Rs. 1.59 for men, Rs. 1.20 for women and Re. 0.79 for children.

Rubber:

5.18. Kerala has almost a monopoly in the supply of natural rubber in India, the State's production being about 90% of the Indian output. India's production comes to less than 60% of her annual consumption of natural rubber. Consequently the country is a net importer of natural rubber. Thus the whims of external markets will not affect the demand for or price of rubber as is not the case with the other plantation crops, viz., tea and coffee which depend to a great extent on external markets for demand. The gap, wide that it is, between demand for and supply of rubber will continue for a long time to come. In fact, the gap is likely to widen as a result of the rapid pace of industrialisation of the country aimed at in the third and subsequent Five Year Plans. Rubber production, therefore, provides a field for safe investment of land and capital. Kerala being the chief producer of the commodity can make the fullest use of this advantage. It is the realisation of this situation that has prompted the Government to launch an ambitious programme for bringing thousands of acres of new land under rubber. Table 5.13 shows the trend of the consumption of natural and synthetic rubber in India from 1952 to 1959.

TABLE—5.13

Consumption of Rubber in India from 1952 to 1959.

Year	Consumption of natural rubber (in tons)	Consumption of Synthetic rubber (in tons)	Total consumption (in tons)
1952	21,061	15	21,076
1953	22,373	23	22,396
1954	25,487	17	25,504
1955	27,543	614	28,157
1956	29,996	2,806	32,802
1957	31,765	3,534	35,299
1958	34,756	3,523	38,279
1959	38,663	4,673	43,336

5.19. The total consumption of rubber has increased by more than a hundred per cent over the seven year period. This increasing trend in consumption will, in all probability, be accelerated in the future years. The production of rubber in the country in 1959 was only about 56% of the total consumption.

5.20. The States which produce rubber in India are Kerala, Madras, Mysore and Andamans. The area under rubber and production of rubber in each of these States are given in table 5.14.

TABLE 5.14
State-wise Acreage Production and Average yield Per Acre of Rubber.

States	1958			1959		
	Area in acres	Production in tons	Average yield per acre in cwt.	Area in acres	Production in tons	Average yield per acre in cwt.
Kerala ..	270,625	22,159	1.64	288,450	21,263	1.49
Madras ..	11,581	1,724	2.97	12,631	1,677	2.65
Mysore ..	3,939	430	2.18	3,949	430	2.18
Andamans ..	422	15	0.71	422	28	1.33
Total ..	286,567	24,328	1.69	305,452	23,398	1.53

5.21. The shares of Kerala, Madras, Mysore and Andmans in the total output of natural rubber in 1959 were 90.87, 7.18, 1.83 and 0.12 respectively. The distribution of percentage area among the above States in that order as 94.44, 4.13, 1.29 and 0.14 respectively in 1959. As is clear from the table above the average yield per acre in Kerala is very low compared to that in Madras and Mysore. This seems rather paradoxical since Kerala is considered the best suited area for growing rubber. The main thing that may explain this is the fact that a large percentage of plantations in Kerala is newly planted and has not started yielding rubber. Out of the 2.88 lakh acres of plantations only 1.66 lakh acres were tapped during 1959. Another reason for the low figure of yield rate is the existence of a larger number of small holdings in Kerala than in the other States. The classification of holdings in Kerala according to area is not readily available. Table 5.15 gives the number and area of the holdings and the estates in each of the States producing rubber.

TABLE 5.15
State-wise distribution of rubber holdings and estates as at the end of 1959.

States	Holdings			Estates			Total		
	No. of units	Area	Average area of a holding	No. of units	Area	Average area of a estate	No. of units	Area	Average area of a unit
1. Kerala	..	175526	3.23	471	112924	239.75	54822	288450	5.26
2. Madras	..	3103	9.40	31	9528	307.35	361	12631	35.00
3. Mysore	..	232	17.85	10	3717	371.70	23	3949	170.89
4. Andamans	1	422	422.00	1	422	422.00
TOTAL	54694	178861	3.27	513	126591	246.77	55207	305452	5.53

5.22. The holdings are, by definition, of size 50 acres and less and the estates of size above 50 acres. The proportion of area under holdings to the total area is about 61% in Kerala while it is less than 25% in Madras and only about 6% in Mysore. The average size of a holding as well as of an estate is the smallest in Kerala. The classification of area into holdings and estates of different size groups is given in table 5.16 below.

TABLE 5.16

Classification of the area under rubber in India into holdings and estates of different size groups as at the end of 1959

Acreage Group (Acres)	Holdings		Estates		Total	
	No. of units	Area acres	No. of units	Area acres	No. of units	Area acres
1	2	3	4	5	6	7
Upto 5	47436	88826	..	..	47436	88826
Above 5 and upto 10	4529	33306	..	..	4529	33306
„ 10 „ 50	2729	56729	..	..	2729	56729
„ 50 „ 100	..	..	251	19918	251	19918
„ 100 „ 500	..	..	203	40392	203	40392
„ 500 „ 1000	..	..	31	21286	31	21286
„ 1000 „ 1500	..	..	16	19382	16	19382
„ 1500 „ 2000	..	..	5	8493	5	8493
„ 2000	..	..	7	17120	7	17120
Total	54694	178861	513	126591	55207	103452

5.23. The all India picture more or less represents the position of Kerala in this respect, the main feature being the predominance of every small holdings. This fact, though it causes the yield rate to be low, makes the industry a small man's concern. Any improvement in this field will, therefore, benefit a very large number of small proprietors rather than a few big estate owners.

5.24. The average daily labour in rubber plantations in 1959 was 85,424 which works out to about 1 worker for every two acres tapped. The area that was not tapped during 1959 was 1.23 lakh acres. When all the area at present under rubber will be tapped the employment newly generated will be about 65,000 and the total employment in rubber plantations will become 1.5 lakhs. The programme for large scale expansion of rubber plantations now undertaken by the Government will, besides adding considerably to the State's output and income, create a lot of new employment both at the planting stage and the tapping stage.

CHAPTER VI

INDUSTRY AND MINING

INDUSTRIES

Industrial Structure.

(Kerala is one of the most industrially backward States in India. Nearly 20% of the total population dependent on "production other than cultivation" contributed only 10.2% of the State income in 1957-58. This when compared to the all India figure of about 10% of the total population dependent on "production other than cultivation" contributing 18.6% of the national income gives an idea of the backwardness of industrial productivity of the State. Again, out of the total regional income of the State only 3.6% is contributed by factory industries against the all India figure of 8.6%. This is an indicator of the industrial backwardness of the State in regard to organised industries. The statistics of income per earner in Kerala indicates that the industrial sector of the State's economy is the least productive. The income per earner of the industrial sector of the State is only Rs. 400 per annum as against Rs. 1,325 per annum for India.)

6.2. (The low productivity of the industrial sector is due to the preponderance of small industries in the industrial pattern of the State.) (It is estimated that out of the State's total industrial working force of 8.9 lakhs in 1957 only 18% is engaged in factories and the rest in small and cottage industries. But as no statistics of production in small and cottage industries are available no definite conclusions could be drawn as to the progress achieved in this sector.) The most important industry in this sector is the coir industry which is the largest employment giving industry in the State. According to the statistics of Coir Board the employment in this industry is estimated to be about 3.47 lakhs. This industry supports a population of 6.42 lakhs. Handloom is the next important industry in this sector for which not even exact employment is known. But it is estimated that there are about 1.2 lakh handlooms in the State with an employment potential of 2.5 lakh weavers. Statistics pertaining to other miscellaneous cottage industries which are numerous are not available. The total employment in these industries can be put roughly at 1.5 lakhs. The important industries in this group are village pottery, hand pounding of paddy, village oil industry, bee-keeping, arecanut curing, manufacture of tapioca starch, arrow root flour manufacture, extraction of lemongrass oil, pappadam making, cutting of artificial stone, crayon manufacture, fish net making, bamboo, reed, cane and rattan industry ivory, horn and wood carving, toy making etc. (Most of the cottage and small industries are organised on co-operative basis as a result of the plan schemes in the First and Second Five Year Plans.)

6.3. The total of factory workers in Kerala during 1957 was 1.55 lakhs. Towards the middle of 1959 it increased to 1.65 lakhs registering an increase of about 6.5%. In India the corresponding increase was only 2.1% i.e. an increase from 34.80 lakhs in 1957 to 35.54 lakhs in 1959. The following table gives the factory employment in the different states in India.

TABLE 6.1
Employment in registered factories—
Average daily No. of workers employed

(in lakhs)

State	1957	1959* (1st half)	Percentage change in employment during 1957-58
Andhra ..	1.97	2.06	+4.57
Assam ..	0.72	0.61	-15.42
Bihar ..	1.80	1.82	+1.11
Bombay ..	10.76	10.72	-0.37
Kerala ..	1.55	1.65	+6.45
Madhya Pradesh ..	1.55	1.62	+4.52
Madras ..	3.25	3.26	+0.31
Mysore ..	1.13	1.86	+64.60
Orissa ..	0.25	0.28	+12.00
Punjab ..	0.99	1.06	+7.07
Rajasthan ..	0.48	0.52	+8.33
Uttar Pradesh ..	2.83	2.74	-3.18
West Bengal ..	6.88	6.67	-3.05

* Provisional.

6.4. A spectacular increase in factory employment is noticed in the case of Mysore State. The heaviest fall in employment occurred in Assam State. In all other states the changes were moderate.

6.5. Taking population as a criterion for comparing the development of industries in the different regions, it is found that the Kerala the proportion of factory employment to the

total factory employment in India is greater than the proportion of population in the State. Hence considering the factory employment in the State compares favourably with the rest of India. But this does not mean that the State has acquired a high degree of industrialisation as nearly 48% of the total factory employment in Kerala is engaged in less production food processing industries while in India the percentage is only 14. In more industrially advanced States like Bombay, West Bengal and Madras, the proportion of factory employment in food processing industries to the total factory employment in the State is small compared to all India as will be seen from the following table.

TABLE 6.2

State	Percentage of factory employment in food processing industries to the total factory employment
Bombay ..	6
West Bengal ..	9
Madras ..	11
Kerala ..	48
India ..	14

6.6. A closer examination of the industrial structure of Kerala will reveal its extreme backwardness in the all India picture. Again taking population as a criterion for measuring the relative development of industries in different States compared to all India, indicators (ratio of the industrial workers of the State to the total industrial workers in India divided by the ratio of the population of the State to the all India population) of industrial development could be worked out for different industries in different States. The indicators in the following table compare the position of Kerala in the all India picture with that of other more industrially advanced States like Madras, Bombay and West Bengal in regard to non-food industries. When the value of the indicator is more than unity, it indicates that the level of development is higher than the all India level and when it is less than unity it indicates lesser development than the all India level. When it is equal to unity the level of development is equal to that of India.

TABLE 6.3

Indicators of industrial development—non-food industries
1957-58

Industry	Kerala	Madras	Bombay	W. Bengal
1. Transport equipment	0.3		1.7	3.3
2. Electrical appliances and supplies		1.6	1.6	5.1
3. Machinery (except electrical)		1.1	1.7	3.4
4. Metal products (except machinery)		0.7	2.3	4.5
5. Basic metal industries		0.2	0.7	6.0
6. Non-metallic mineral ducts (except paper)		0.4	1.7	1.5
7. Petroleum and engineering pump	1.2	1.0	2.8	2.6
8. Chemicals products	1.1	2.1	2.3	2.9
9. Rubber and leather products	1.8	0.2	1.6	8.9
10. Paper products (except printing)	0.7	5.4	0.5	0.7
11. Footwear and other wearing apparel	0.7	0.1	1.3	4.7
12. Wood furniture	1.8	1.3	0.9	0.8
13. Printing, etc.	4.7	0.6	1.6	1.8
14. Tobacco etc.	0.9	1.8	2.3	2.1
15. Textiles (including coir and other factories)	0.4	0.9	1.8	0.3
16. Textiles (including coir and other factories)	0.7	1.2	3.2	3.3

6.7
 engir
 in r
 prod
 infe
 nee
 acc
 of t
 of t
 prod
 Fow
 devel
 du

red to India, Kerala is very much backward in (and mineral based industries). In other words, industries which require higher techniques of and big capital investment Kerala's position is far at of the rest of India. It is this dearth of eng mineral based industries in the State which mai the industrial backwardness and low producti of the industrial sector of the State. Even in the case of consumer goods industries like textiles, paper and acts, etc. Kerala has not developed as the rest ver, compared to India, there has been some pment in Kerala in the case of rubber and r , foot-wear and other wearing apparel, wood

furniture, chemical and chemical products, non-metallic mineral products including bricks and tiles, (except petroleum) pumping and storing of petroleum and storing of coal. But even in the case of these industries with the exception of wood works and furniture and foot wear and other wearing apparel and non-metallic mineral products like bricks and tiles the development in the State is much less than that in other industrially advanced States of Bombay, Madras and West Bengal. The most striking example of this is the rubber and rubber products industry of the State. Though Kerala accounts for 90% of the total rubber production in India, the rubber and rubber products industry in the State has reached only a level of development which is 1/5th of that attained by West Bengal. Hence there is considerable scope for further development of this industry. Similarly in respect of chemical and chemical products and paper and paper products industries the differences between the indicators in Kerala and other industrially advanced States show that there is possibility for a further development of these industries in view of the availability of raw material and market within the State. At present there is no well organised tanning industry in the State. The raw material for this industry is available in plenty within the State. Now the raw material available here is taken to tanneries outside the State, mainly in Madras, for being processed and brought back as finished product to be sold at high prices. Hence the development of leather and leather products industry (except foot wear) by establishing a tannery in the State will have very bright prospects from the commercial point of view.

6.8. The per capita daily earning in the factories in Kerala is one of the lowest in India. The following table gives the daily earnings in factories in some of the States in India.

TABLE 6.4

*Earnings of factory employees drawing less than
Rs. 200 per month—1957*

<i>State.</i>	<i>Average per capita daily earnings.</i>
	<i>Rs.</i>
Andhra	1.82
Assam	2.84
Bihar	4.07
Bombay	4.54
Kerala	2.11
Madras	2.61
West Bengal	2.78
Less than unity	2.72
Unity	4.89

TABLE 6.5

Distribution of factories according to employment—Kerala 1959

Si. No.	Industry	No. of workers employed							All
		Less than 50	50-100	100-500	500-1000	1000 and above			
1	Textiles and Knitting Mills	230	36	18	5	2		291	
2	Printing	167	7	5	1			180	
3	Cashew	23	6	94	48	6		177	
4	Coir	95	33	35	2	..		165	
5	Saw Mills and Wooden Furniture	144	11	7	..	..		162
6	Bricks and Tiles	70	62	25	2	..		159	
7	Tea	72	45	6	..			123	
8	Repair of Motor Vehicles	83	12	5		..		100	
9	Beedi and Cigar	80	16	1				97	
10	Rubber	62	4	4				70	
11	General Engineering	45	3	4				52	
12	Plywood	4	5	6				15	
13	Soap	3	2		1			6	
	Others	612	36	23	4	1		676	
	Total	1690	278	233	63	9		2273	

6.9. (The main reason for the low per capita earnings in the factories in Kerala is the existence of a comparatively larger number of small industrial units as well as big units of low techniques of production.) The majority of such bigger units is in a single industry viz. cashew which is the largest employment giving factory industry in the State. Table 6.5 gives the distribution of factories according to employment. In the cashew industry, the processing of nuts requires a special type of skilled labour. From the employment point of view it may be worthwhile to have a number of such factories in view of the growing unemployment problem of the State. But in view of the ultimate aim of increasing the productivity of the industrial sector of the State, it is not advisable to further expand this industry because of its low investment and low techniques of production. Instead, attempt should be made to start heavy industries including engineering industries. From the workers' point of view too, further development of cashew industry is not very much preferable as the average per capita earnings is found to be the lowest in this industry. The average per capita daily earnings for the different industries in the State are given below for comparison.

TABLE 6.6
Earnings of factory employees—1959(*)

Industry	Average daily earnings per worker	
	Men	Women
1. Rice Mills	1.82	1.08
2. Oil mills	2.37	1.19
3. Tea factories	2.08	1.51
4. Cashew factories	1.64	0.87
5. Beedi and Cigar	2.12	..
6. Cotton textiles and knitting mills	2.92	2.66
7. Coir factories	2.68	1.65
8. Rayon	6.56	5.67
9. Timber industry	3.03	1.05
10. Paper mills	2.86	2.41
11. Printing Press	3.39	1.53
12. Rubber plantation factories	2.22	1.80
13. Soap	8.89	5.93
14. Bricks and textiles	2.40	1.62
15. Glass	3.68	2.46
16. Cement	4.81	2.97
17. General and Electrical Engineering	3.68	2.82
18. Automobile repairing	2.40	..

(*) Provisional.

6.10. The highest per capita earnings is in modern industries like Rayon, Soap, Electrical and General Engineering etc. The increase in the earnings is also found to be highest in the above industries during 1958-59 as is revealed by the following table.

TABLE 6.7
Changes in the per capita average daily earnings in
factories—Kerala

		June 1958—June 1959	(Rs.)	
<i>Industry</i>		<i>Men</i>	<i>Women</i>	
1.	Rice Mills	..	—0.07	—0.04
2.	Oil mills	..	+0.18	+0.28
3.	Tea factories	..	+0.12	—0.03
4.	Cashew factories	..	+0.08	—0.13
5.	Beedi and Cigar	..	—0.47	..
6.	Cotton textiles and knitting mills	..	—0.14	+0.22
7.	Coir factories	..	+0.24	+0.16
8.	Rayon	..	+0.88	+1.46
9.	Timber industry	..	—0.22	+0.06
10.	Paper mill	..	—0.03	—0.10
11.	Printing Press	..	—0.06	+0.37
12.	Rubber plantation factories	..	—0.12	+0.27
13.	Soap	..	+2.53	+0.76
14.	Bricks and Tiles	..	—0.01	—0.30
15.	Glass	..	+0.98	+0.01
16.	Cement	..	—0.35	—0.11
17.	General and Electrical Engineering	..	+0.09	+1.57
18.	Automobile repairing	..	—1.34	..

6.11. (The industrial backwardness of Kerala coupled with the low earnings and low productivity in the industrial sector is due to the absence of heavy industries in the State.)

6.12. (The dearth of heavy industries including Engineering industries in the State is keenly felt and it should be removed for setting up a proper base for the industrial development of the State. Once the heavy industries are started the light industries will automatically come up, thus increasing the overall industrial employment, earnings and productivity.)

6.13. A long term plan of industrial development should be drawn up for a balanced growth of heavy and light industries in the State which will give more employment opportunities as well as increased earnings and higher production.

6.14. (One of the main reasons put forward for the lack of heavy industries in the State is the shortage of raw materials like coal, iron etc.) It may be true that Kerala has no coal or iron. In the absence of a detailed geological survey of the State this fact has to be accepted. But it need not have prevented the development of heavy industries including engineering industries in the State as it could very well get the required raw material from other parts of India. (The availability of cheap labour and power is a factor which should

compensate for any loss incurred on any other account. It is a mistake to think that industries could be started only in those regions where raw materials are available.)

6.15. (Another reason put forward for Kerala's industrial backwardness is its labour trouble.) There is no objective evidence that it has been very acute in Kerala. Often a dark picture of the predominance of labour troubles in Kerala is presented. (If ratio of mandays lost to the total number of factory workers is taken as an indicator of industrial unrest it is seen that in Kerala the industrial relations between labour and management has not been so bad as in some of the industrially advanced States in India.) In 1959, the above ratio was 1.6 for India while it was 1.8 for Kerala. Obviously this difference is not very significant. States like Madras and West Bengal which are industrially more advanced than Kerala, had higher ratios viz. 3.2 and 2.5 respectively.

6.16. The following table gives the statistics of industrial disputes in Kerala and other States during 1958 and 1959. The figures relate to only those work stoppages which involve 10 or more workers whether directly or indirectly. Political strikes, sympathetic demonstrations and the like are not included and so are industrial disputes as a result of closure due to shortage of raw materials, break-down of machinery, financial reasons etc., sponsored by employers.

TABLE 6.8
Industrial disputes resulting in work stoppages

State	1958			1959		
	No. of disputes	No. of workers involved (lakhs)	No. of mandays lost (lakhs)	No. of disputes	No. of workers involved (lakhs)	No. of mandays lost (lakhs)
1	2	3	4	5	6	7
1. Andhra ..	59	0.25	1.00	90	0.42	3.35
2. Assam ..	24	0.18	0.67	27	0.15	0.40
3. Bihar ..	138	0.86	9.77	127	0.47	3.24
4. Bombay ..	254	2.26	13.25	299	2.00	6.64
5. Kerala ..	209	1.09	10.74	128	0.35	2.93
6. Madhya Pradesh	60	0.18	1.51	67	0.16	1.00
7. Madras ..	237	0.91	7.43	200	0.87	10.53
8. Mysore ..	72	0.42	4.16	78	0.56	3.11
9. Orissa ..	12	0.08	1.56	10	0.14	4.55
10. Punjab ..	14	0.04	0.10	21	0.04	0.11
11. Rajasthan ..	25	0.06	0.79	29	0.07	1.03
12. Uttar Pradesh ..	101	0.16	1.15	80	0.15	1.53
13. West Bengal ..	269	2.65	25.36	330	1.43	16.43
India (including union territories)	1524	9.29	77.98	1531	6.94	56.33

6.17. It will be seen from the above table that in Kerala the number of disputes decreased considerably in 1959 as compared to 1958, where as in India it increased slightly during the same period. The decrease in Kerala was 38.8% while the increase in India was 0.5%. In other industrially advanced states like Bombay and West Bengal the number of disputes increased to 17.7% and 22.7% respectively during the same period. The increase in disputes was highest in Andhra with a percentage of 52.5. The highest decrease in disputes was found in Kerala. The number of workers involved and the man days lost in Kerala decreased to 67.9% and 72.7% respectively in 1959 as compared to 1958. The corresponding decrease in India was only 25.3% and 27.8% respectively. As in the case of disputes the percentage decrease in the number of workers involved and man days lost in Kerala was the highest in India. The highest increase in the number of workers involved was in Orissa with a percentage increase of 75.0 and in the case of man days lost the highest increase was in Andhra with percentage of 235.

6.18. Table 6.9 gives the average time-loss (man days) per dispute in Kerala and other states during 1958 and 1959.

TABLE—6.9

State	Average time-loss per dispute (man-days)	
	1958	1959
Andhra	1691	3720
Assam	2797	1478
Bihar	7081	2550
Bombay	5216	2222
Kerala	5138	2291
Madhya Pradesh	2522	2990
Madras	3135	5266
Mysore	5781	4119
Orissa	13022	45483
Punjab	725	542
Rajasthan	3140	3566
Uttar Pradesh	1138	1911
West Bengal	9428	4978
INDIA (including Union Territories)	5117	3679

The average time-loss per dispute was highest in Orissa during 1959. In Kerala it was lower compared to most other States including the industrially advanced state of West Bengal. Taking India as a whole there was a fall in the average time-loss during 1959 as compared to 1958. Compared to India, the corresponding fall in the average time-loss in Kerala was much higher indicating thereby the prevalence of a lesser industrial unrest in the State. As compared to 1958, the States of Andhra, Madhya Pradesh, Madras, Orissa, Rajasthan and Uttar Pradesh registered higher time-losses in 1959.

6.19. Table 6.10 gives the statistics of industrial disputes in Kerala by industries for 1958 and 1959. It covers all kinds of disputes unlike that given in table 6.8.

TABLE—6.10

Industrial disputes in Kerala resulting in work stoppages

Industry	1958*			1959		
	No. of disputes	Workers affected ('000)	No. of man days lost ('000)	No. of disputes	Workers affected ('000)	No. of man days lost ('000)
Plantation	148	77	758	45	11	25
Cashew	19	11	57	37	21	114
Coir	14	6	28	18	2	3
Textiles	16	11	111	23	4	28
Tiles	59	7	47	21	2	17
Others	188	13	75	99	14	93
TOTAL	444	125	1076	243	54	282

*Revised

It is seen from the table that only 11 thousand out of 194 thousand plantation workers were affected by industrial disputes during 1959 as against 77 thousand out of 175 thousand workers in 1958. Similarly 43 thousand out of 165 thousand factory workers were affected by disputes during 1959 as against 48 thousand out of 166 thousand factory workers in 1958. Plantation industries accounted for 70% of the total time-loss during 1958. In 1959 the highest time-loss was in the case of cashew industry accounting nearly 40% of the total time loss during the year. As compared to the

TABLE 6.11

Indicators of Industrial Growth in some of the selected industries in Kerala

Sl. No.	Industry	Fixed Capital per Factory (Rs. Lakhs)	Productive Capital per Factory (Rs. Lakhs)	Persons employed per Factory	Per capita average earnings (Rs.)	Value added by manufacture per worker (Rs.)										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
		1958	1957	1956	1958	1957	1956	1958	1957	1956	1958	1957	1956	1958	1957	1956
1	Rice Mills	1.31	1.09	1.55	1.58	1.30	1.99	28	31	40	508	577	520	1591	153	1259
2	Oil Mills	2.05	1.90	1.86	13.56	4.26	3.15	37	34	42	647	646	588	2349	1359	1454
3	Soap	10.65	10.97	10.07	36.93	40.10	39.48	192	180	204	1950	1937	1669	8386	6250	5621
4	Plywood & Tea-Chests	3.54	2.46	3.35	6.02	5.44	4.78	140	149	138	936	786	662	2483	3119	3208
5	Textiles	16.14	18.34	18.45	26.75	34.79	31.42	461	447	572	1066	1343	990	1372	1358	1886
6	Chemicals	53.79	53.66	78.87	84.55	88.45	121.07	309	334	428	2344	2133	2004	5661	4728	5734
7	General Engineering	3.00	4.08	5.99	5.30	7.34	8.69	100	132	97	1261	1192	1157	1709	1872	4168
8	Matches	1.00	..	1.38	1.50	..	2.48	77	..	112	305	..	356	455	..	1686
9	Ceramics	4.03	..	..	7.09	..	..	101	..	..	977	..	..	1211	..	..
10	Miscellaneous	31.03	19.67	23.78	66.58	36.06	36.79	499	305	349	2083	1617	1396	7140	6333	4160
	State	10.14	10.89	12.22	19.08	20.54	20.17	195	198	219	1497	1399	1141	3109	3026	3016

previous year the time-loss during 1959 decreased in the case of all important industries excepting cashew. In the case of cashew industry the time-loss during 1959 had almost doubled compared to 1958. But taking all industries together it is found that the total time-loss in 1959 was only $\frac{1}{4}$ th of that in 1958. Hence it is to be understood that in 1959 there were lesser number of disputes and lesser number of man days lost compared to 1958. In other words the industrial relations between workers and management had improved during 1959 compared to 1958. It has already been pointed out that the labour trouble is comparatively less acute in Kerala compared to States like West Bengal and Madras. Hence labour trouble cannot be considered as a serious obstacle for the industrial development of Kerala.

Industrial Growth

6.20. As no annual statistics are available for small and cottage industries in the State, it is difficult to make a thorough study of the industrial changes in the state. The census of manufacturing industries furnishes some important data on organised industries. But it gives only a partial picture of the industrial growth in the State as it covers only a selected number of industries. Table 6.11 gives some indicators of industrial growth calculated from the data obtained from the census.

6.21. During the period 1956-58, there was a fall in the average capital (productive as well as fixed) utilised for production. The fall in the productive capital was noticed in the case of industries viz., rice mills, soap, textiles, chemicals, general engineering and matches. In the case of soap and chemical industries, there was a rise in the productive capital during 1957, but it fell in 1958 much below the level of capital in 1956. In the case of all other industries, the productive capital increased during the period 1956-58. There was a fall in the fixed capital in general engineering, chemicals, textiles and rice mills. In the case of rice mills, the fall in fixed capital during 1957 was followed by a rise in 1958, but still the 1958 figure was less than that in 1956. In all other industries there was an increase in the fixed capital.

6.22. Taking all industries together it is found that the number of persons employed per factory decreased steadily during the period 1956-58. The industries which accounted for the fall in the employment were rice mills, oil mills, soap, textiles, chemicals and matches. In all other industries the employment position was much better in 1957 and 1958 as compared to 1956, though a fall in 1958 was noticed in the case of plywood and tea-chest, chemical and general engineering industries compared to 1957.

6.23. The average earnings and value added by manufacture per worker registered an increase during the period 1956-58. It is found that there is no relation between the changes in the average earnings and value added by manufacture per worker when each industry is taken separately. For example in the case of plywood and Tea-chests, general engineering and chemical industries a decrease in the value added by manufacture per worker was followed by an increase in the average annual per capita earnings. For all other industries an increase in the value added by manufacture per worker was followed by an increase in the per capita average annual earnings and vice versa with the exception of rice mills and textiles where mixed trends of rise and fall having no relations were noticed. Another peculiar feature noticed is that in 1957 the average per capita annual earnings in rice mills was higher than the value added by manufacture per worker. This was due to the shortage of over all turn over in the rice mills during 1957.

6.24. For purposes of comparing the growth rate in terms of industrial production in Kerala and the rest of India a few industries for which State-wise production figures are available are taken. Table 6.12 contains particulars of these industries.

TABLE 6.12

Share contribution by States as percentage to total all-India production and percentage change in production

States	Sugar		Tea		Coffee		Vegetable Oil products		Yarn		Cloth	
	Percentage share in All-India production (1956-57) to 1956-57	Percentage growth of share in All-India production in 1959 compared to 1957	Percentage share in All-India production (1958) to 1958	Percentage growth of share in All-India production in 1959 compared to 1958	Percentage share in All-India production (1958) to 1958	Percentage growth of share in All-India production in 1959 compared to 1958	Percentage share in All-India production (1957) to 1957	Percentage growth of share in All-India production in 1959 compared to 1957	Percentage share in All-India production (1957) to 1957	Percentage growth of share in All-India production in 1959 compared to 1957	Percentage share in all-India production (1957) to 1957	Percentage growth of production in 1959 compared to 1957
Andhra	7.0	-15.4	..	..	..	4.6	1.6	1.6	+17.9	0.7	0.7	-22.6
Assam	..	..	52.3	+4.5	..	..	..	..	..	..	..	..
Bihar	15.4	-0.5	0.2	-91.0	..	2.7	0.1	0.1	-33.0	0.1	0.1	+15.3
Bombay	11.8	+34.1	..	..	..	36.5	51.0	51.0	-7.4	67.4	67.4	-8.4
Kerala	0.6	-17.2	11.5	-1.8	17.4	0.2	1.2	1.2	+6.3	0.4	0.4	+21.3
Madhya Pradesh	2.4	-56.6	..	..	..	2.3	6.4	6.4	-8.2	8.3	8.3	-6.2
Madras	3.2	+13.0	10.6	-2.7	21.3	3.1	16.2	16.2	+4.7	2.7	2.7	-9.4
Mysore	2.1	+99.4	0.5	-2.3	61.3	1.4	3.6	3.6	+1.6	1.6	1.6	-11.8
Orissa	0.2	-15.0	..	..	..	..	0.6	0.6	-6.4	0.6	0.6	-1.3
Punjab	2.8	+18.7	..	..	..	2.9	1.5	1.5	+19.0	1.1	1.1	+5.5
Rajasthan	0.9	-60.4	..	..	..	..	1.9	1.9	-13.3	1.1	1.1	-10.2
Uttar Pradesh	53.2	-17.7	0.1	+103.9	..	16.3	7.7	7.7	-4.0	7.6	7.6	-14.3
West Bengal	0.4	-12.1	24.1	+7.9	..	17.9	4.2	4.2	+4.5	5.0	5.0	+0.7
Union Territories	..	..	0.7	+16.7	..	12.1	4.0	4.0	+1.2	3.4	3.4	+12.8
India	100.0	-5.5	100.0	+3.7	100.0	+2.4	100.0	100.0	-3.2	100.0	100.0	-7.4
	(2061617 Metric Tons)		(318889 Metric Tons)		(44550 Metric Tons)	(299909 Metric Tons)	(807400 Metric Tons)	(48622 lakh metres)				

(Figures in the brackets indicates total actual production)

6.25. From Table 6.12 it is seen that in Kerala there was a fall in the production of sugar and tea during 1959 compared to 1957. In India a fall in sugar production was noticed while the production of tea marked a rise during the same period. The fall in the all-India production of sugar was mainly due to the decrease in the production of major producing state viz., Uttar Pradesh. Similarly the rise in the all-India production of tea was due to the increased production in Assam and West Bengal, the major producers of tea in India. Coffee production in India increased in 1959 compared to 1958. The only state where where the production of coffee decreased during 1959 was Madras. Kerala recorded the highest increase in coffee production. The production of vegetable oil products in Kerala is very small compared to the total all India production. However, the production in Kerala increased considerably during 1959 as compared to 1958. There was an increase in the all-India production as well mainly contributed by Bombay, West Bengal and Uttar Pradesh. The production of yarn and cloth also recorded a rise in Kerala in 1959, compared to 1958. In India as a whole there was a fall in the production of both these products, mainly due to the decrease in the production in Bombay which accounts for more than 50% of the total yarn production and about 67% of the cloth production.

6.26. The data regarding the number of factories opened, removed and working collected from the annual register of

TABLE—6.13

Growth of Industries in Kerala during 1958, 1959, 1960.

Sl. No.	Industry	No. of factories opened during		No. of factories removed from the factory register during		No. of factories working at the end of		
		1959	1960	1959	1960	1958	1959	1960
1	Canning of fruits and vegetables	1	..	..	..	6	7	7
2	Canning of fish and other sea goods	4	..	..	1	4	8	7
3	Flour mills	2	1	..	..	4	6	7
4	Rice mills	13	3	63	1	145	95	97
5	Sugar	..	..	..	..	1	1	1

Sl. No.	Industry	No. of factories opened during		No. of factories removed from the factory register during		No. of factories working at the end of		
		1959	1960	1959	1960	1958	1959	1960
6	Confectionaries	..	..	..	..	1	1	1
7.	Oil mills	29	6	1	8	200	228	226
8.	Hydrogenated oil	..	..	..	..	1	1	1
9	Tea	1	..	..	1	122	123	122
10	Coffee curing	..	..	..	..	5	5	5
11	Cashew	4	..	1	2	174	177	175
12	Starch	1	..	..	..	4	5	5
13	Salt	..	..	..	..	2	2	2
14	Other food preparations	..	..	..	..	5	5	5
15	Beedi	7	3	6	9	86	87	81
16	Cigar	..	..	5	..	15	10	10
17	Textiles	45	7	2	19	233	276	264
18	Knitting	3	..	..	1	12	15	14
19	Coir	13	16	1	7	153	165	174
20	Rayons	..	..	..	..	1	1	1
21	Umbrellas	..	1	2	..	18	16	17
22	Saw mills	17	13	3	3	123	137	147
23	Plywood Factories	..	..	..	..	15	15	15
24	General wood working	..	2	..	..	3	3	5
25	Packing cases	4	..	..	..	24	28	28
26	Splints & Veneers	2	..	4	5	77	75	70
27	Wooden furniture	..	..	..	1	25	25	24
28	Paper mill	..	..	..	..	1	1	1
29	Printing	19	12	..	7	161	180	185
30	Tyre retreading	15	7	..	1	16	31	37
31	Rubber	2	..	2	1	70	70	69
32	Artificial Manures	..	..	..	..	3	3	3
33	Heavy Chemicals	..	..	..	..	3	3	3
34	Other chemicals	..	..	..	..	6	6	6
35	Pharmaceuticals	..	..	..	..	4	4	4
36	Match	5	..	..	..	21	26	26
37	Soap	..	..	..	..	6	6	6
38	Other Chemical products	..	..	..	..	3	3	3
39	Petroleum	..	..	..	..	8	8	8
40	Bricks and Tiles	4	1	..	2	155	159	158
41	Glass works	..	..	..	..	2	2	2
42	Pottery	..	..	..	1	5	5	4
43	Cement	..	..	..	..	1	1	1
44	Forgings	..	..	..	..	4	4	4
45	Aluminium	..	..	..	..	2	2	2
46	Metal containers	2	..	..	2	15	17	15
47	Cutlery, Locks etc.	2	3	..	..	7	9	12
48	Iron and steel	..	..	..	..	1	1	1
49	Brass vessels, gear case, etc	3	2	..	..	2	5	7

Sl.No.	Industry	No. of factories opened during		No. of factories removed from the factory register during		No. of factories working at the end of		
		1959	1960	1959	1960	1958	1959	1960
50	Agricultural Implements	..	2	..	..	6	6	8
51	Engineering	..	..	..	..	2	2	2
52	General Engineering	10	3	1	2	43	52	53
53	Electrical Engineering	1	2	..	..	2	3	5
54	Ship building and repairing	..	..	..	..	7	7	7
55	Repair of motor vehicles	10	..	2	3	92	100	97
56	Bus body building	..	..	..	..	1	1	1
57	Cycle	2	..	..	..	..	2	2
58	Jewellery	2	..	..	..	4	6	6
59	Mint	..	..	..	..	1	1	1
60	Pencils	..	..	..	..	2	2	2
61	Brushes	..	..	..	1	5	5	4
62	Plastics	1	..	..	..	1	2	2
63	Power	..	..	..	..	3	3	3
64	Dyeing & Printing	2	..	..	..	4	6	6
65	Stamp	..	..	..	..	1	1	1
66	Vegetables, Animal oils and fats	..	..	..	..	1	1	1
67	Pepper carbling	1	..	1	..	..	..	..
68	Manufacturing Mill Boards	1	..	..	..	..	1	1
69	Manufacture of surgical instruments	1	..	..	..	..	1	1
70	Soda factory	8	2	..	..	..	8	10
Total		237	86	94	78	2130	2273	2281

(figures are provisional).

factories have been made use of to get a complete picture of the industrial growth of the factory sector in Kerala. Table 6.13 gives the number of factories belonging to different industries at the end of the calendar years 1958, 1959 and 1960.

6.27. During the period 1958-1960 a steady increase was noticed in the number of factories working in Kerala. It increased from 2130 in 1958 to 2281 in 1960, an increase of 7% in two years. The number of factories opened during 1960 was found to be smaller than in 1959, so also is the number of factories removed. The net increase (opened minus removed) in the number of factories working was comparatively smaller in 1960 as against that in the previous year. It was only 8 in 1960 as against 143 in 1959. Hence, the

State had only a lesser industrial expansion during 1960 compared to 1959. The industries that had some expansion during 1960 were flour mills, rice mills, soda manufacture, umbrella making, coir, saw mills, printing, general wood works, cutlery, locks, etc., manufacturing of brass vessels and agricultural implements, general and electrical engineering and tyre retreading.

6.28. Altogether, the year 1960 saw an increase in the number of factories working. But the increase in the number of factories during 1960 was less, compared to 1959. Besides, though there was a remarkable increase in the number of factories during 1959, the factory employment in that year registered a fall. According to a very tentative estimate, this falling trend in employment continued in 1960 also. The factory employment in 1958 and upto the middle of 1959 was 1.66 lakhs and 1.65 lakhs respectively and the tentative estimate for 1960 stood at 1.63 lakhs. This fall in employment inspite of a rise in the number of factories was due to the closure of large sized factories as against the opening of relatively small sized factories.

MINING

6.29. In the field of mining Kerala is less developed than the rest of India. In 1958 Kerala accounts for about 1.5% of the total value of minerals and ores produced in India. But the share contributed by Kerala is more than that of Uttar Pradesh, Punjab, Madras and Assam. The largest share is contributed by Bihar. State-wise figures of value of production and the share contribution as percentage to all India value of production in 1958 are as follows:

TABLE—6.14

<i>State</i>	<i>Value of production (Rs. crores)</i>	<i>Value of production as percentage to all India value of produc- tion</i>
Bihar	.. 47.0	34.9
West Bengal	.. 28.6	21.2
Madhya Pradesh	.. 15.1	11.2
Bombay	.. 12.7	9.4
Mysore	.. 7.0	5.2
Orissa	.. 6.8	5.1
Andhra	.. 6.3	4.7
Rajasthan	.. 4.6	3.4
Kerala	.. 2.0	1.5
Assam	.. 1.7	1.3
Madras	.. 1.7	1.3
Uttar Pradesh	.. 1.0	0.7
Punjab	.. 0.2	0.1
INDIA	.. 134.7	100.0

6.30. Kerala has a complete monopoly in India in the production of rare earths, viz., Ilmenite, Monazite, Zircon and Rutile. These minerals are very valuable foreign exchange earners for the country. Out of the State's total value of production of Rs. 2 crores, nearly Rs. 1.75 crores is contributed by mineral sands and the rest by China clay and salt. The mineral deposits in Kerala occur intermittently along the entire sea coast of the State. In the beach sands in Quilon district there is a voluminous accumulation of deposits and the mineral industry of the state is mostly confined to this area. From the employment point of view, this industry provides employment to about 0.5 lakh of people in the State. The production and export of mineral sands in Kerala are given below:

TABLE—6.15

<i>Minerals</i>	<i>Production</i> (in metric tons)			
	1958	1959	1959 (Jan. to Sept.)	1960 (Jan. to Sept.)
(1)	(2)	(3)	(4)	(5)
Ilmenite	290333	289232	192431	184069
Monazite	374	192	181	76
Zircon	215	4	4	..
Rutile	459	483	290	637

<i>Minerals</i>	<i>Export</i> (in metric tons)			
	1958	1959	1959 (Jan. to Sept.)	1960 (Jan. to Sept.)
(1)	(6)	(7)	(8)	(9)
Ilmenite	278557	283512	203466	174333'
Monazite	457	194	91	..
Zircon	152	12	12	..
Rutile	368	503	386	748

6.31. The exact production of salt in the State is not known. However it is estimated to be about less than 1 lakh ton. This production does not meet the domestic requirements and so the State is a net importer of salt. During 1958-59 the State imported 35,646 metric tons of salt through the ports of Cochin and Calicut at a cost of Rs. 16.36 lakhs.

The import was mainly from Bombay. There is much scope to start small industries for the manufacture of plaster of paris based on gypsum which is obtained as a by-product at the time of the recovery of salt from the sea water by solar evaporation. Hence the development of salt production will cut the imports as well as promote small industries for the manufacture of plaster of paris, crayons etc. in the State.

6.32. As to the production of China clay, the State produces high quality clay which is now being utilised for the manufacture of china wares in the State. The State also exports refined china clay. At present, there are two major concerns in the State one at Kundara and the other at Pappinisseri engaged in the production of high grade china clay. The production of China clay can be increased considerably as the State has got vast deposits of clay yet to be unearthed.

6.33. In certain localities of the State mica is also found. At Punalur there is a mica mine and it produced 23,094 lbs. of waste rounds and 6,725 lbs. of block Mica during 1957-58. 6,125 lbs. of Block Mica and 13,569 lbs. of waste Mica were exported during the same year.

POWER

6.34. Natural waters are the only source of power in this State as it lacks coal and oil for power generation. Both the industrial and agricultural sectors of the economy are dependent on the water resources of the State and therefore a systematic development of these resources has been planned and taken up. Power plants with a total installed capacity of 117500 K.W. have been installed so far at Pallivasal (37,500 K.W.), Sengulam (48,000 K. W.) and Poringalkuthu (32,000 K.W.) generating stations. The capacity which stood at 109,500 K.W. in 1959 has been increased by an additional 8,000 K.W. as a result of the commissioning of the second stage of the Poringalkuthu Hydro-electric Project in 1960.

6.35. The Neriamangalam Hydro-electric project is now in an advanced stage of construction and is expected to be completed during 1960-61. The present capacity will be increased by 45,000 K.W. as a result of the commissioning of the Neriamangalam Project and thus at the end of the Second Plan the total installed power capacity will be 162,500 K.W. as against 85,500 K.W. at the end of the First Plan.

6.36. In this State industrial growth is lagging behind for want of basic raw materials and financial resources. Availability of cheap power is a major attraction for industrial development and natural conditions of this State make possible power generation at a low cost. But what actually we find

is that power supply is not keeping pace with the growing demand. The present demand for power is about 150 M.W. while the supply is only about 117.6 M.W. and therefore the power demand is being restricted to the available supply. It is estimated that demand will be in excess of the supply till 1965-66. The estimated demand by 1965-66 will be about 365 M.W. of which the lion's share will be for consumption by industries and the supply at the end of the same year will be 446.5 M.W. There are three hydro-electric projects under execution viz., the Panniar, the Sholayar and the Pamba I Stage. It is expected that these three together with certain other projects to be taken up under the Third Plan will be able to meet the shortage of power in the State. The excess power generated will be exported to Madras.

6.37. The pattern of consumption does not show any significant change compared to that of 1959 except that the consumption of high tension energy by heavy and large industries has shown a slight fall.

6.38. Table 6.18 gives data on electricity generation in the different States during the years 1957, 1958 and 1959. While the quantum of electricity generated in relation to the all India production of electricity has steadily increased during these years in States like Andhra Pradesh, U. P., M. P., Orissa, Bihar and Madras, no such trend is discernible as far as Kerala is concerned. Though a falling trend of power production in relation to the Indian production is visible in the case of certain States like Bombay, Mysore, Rajasthan and Bengal the absolute generating capacity is seen to be higher than that of the previous years. But in the case of Kerala even that is not true. There is not much difference between power generation in 1958 and 1959.

6.39. A comparison of the annual per capita consumption of Electricity of the different States and that of India shows that the average per capita consumption of Kerala was just about the same as that of the all India per capita consumption in 1957-58. Those States which have reached some degree of industrialisation show higher per capita consumption as the the largest share of the energy consumed is by the industrial units. Table 6.19 gives the comparative figures for the different States.

TABLE—6.16
Pattern of Consumption of Electrical Energy by various Classes of Consumers

	1956-57		1957-58		1958-59		1959-60	
	M. units	%	M. Units	%	M. units	%	M. units	%
1. Domestic Consumers commercial lights and fans and small power	20.61	6.9	24.50	6.8	29.97	7.0	35.16	8.4
2. Public lighting	2.48	0.8	3.35	0.9	4.43	1.0	5.66	1.3
3. Agricultural operation and water works	17.59	5.9	19.56	5.4	18.78	4.4	19.75	4.7
4. Small and medium industries (Low Tension Supply)	28.03	9.4	27.25	7.5	30.30	7.1	34.13	8.0
5. Large and Heavy Industries (High Tension Supply)	193.01	64.5	248.60	68.4	297.42	70.0	269.04	63.5
6. Bulk supplies to licensees and neighbouring states	37.53	12.5	40.03	11.0	42.05	10.5	59.59	14.1
	299.25	100.0	363.29	100.0	422.95	100.0	423.33	100.0

88

TABLE 6.17
Generation of Electrical energy and Purchase from Madras State
(in Million units)

	1956-57	1957-58	1958-59	1959-60
A. Electricity generated in the State	363.54	411.35	504.58	488.00
B. Purchased from Madras	14.16	33.52	35.43	45.00

TABLE—6.18

Electricity Generated—Statewise

Sl.No.	Name of State	1957 Million K.W.H.	Percentage	1958 Million K.W.H.
(1)	(2)	(3)		(4)
1	Andhra	281.18	2.58	374.28
2	Assam	12.30	0.12	20.61
3	Bihar	951.21	8.75	1233.46
4	Bombay	3319.83	30.54	3556.19
5	Kerala	422.66	3.87	488.39
6	Madhya Pradesh	202.14	1.86	242.94
7	Madras	1336.58	12.30	1421.05
8	Mysore	909.89	8.37	949.98
9	Orissa	24.67	0.24	198.23
10	Punjab	630.58	5.80	689.30
11	Rajasthan	93.77	0.87	96.38
12	Uttar Pradesh	720.37	6.63	842.14
13	West Bengal	1726.11	15.88	1857.43
14	Delhi	199.91	1.84	242.57
15	Jammu & Kashmir	28.64	0.27	42.53
16	Other Union Territories	8.87	0.08	7.94
	ALL-INDIA	10868.70	100.00	12263.42

Sl.No.	Name of State	Percentage	1959 Million K.W.H.	Percentage
(1)	(2)	(5)	(6)	(7)
1	Andhra	3.05	678.64	4.66
2	Assam	0.17	28.19	0.20
3	Bihar	10.07	1362.65	9.38
4	Bombay	29.00	3908.20	26.85
5	Kerala	3.98	489.41	3.37
6	Madhya Pradesh	1.98	332.45	2.30
7	Madras	11.59	1821.69	12.52
8	Mysore	7.75	994.99	6.85
9	Orissa	1.61	485.21	3.36
10	Punjab	5.62	800.61	5.62
11	Rajasthan	0.78	100.68	0.71
12	Uttar Pradesh	6.86	1067.11	7.43
13	West Bengal	15.15	2159.29	14.85
14	Delhi	1.98	277.75	1.53
15	Jammu & Kashmir	0.35	42.64	0.30
16	Other Union Territories	0.06	7.71	0.07
	ALL-INDIA	100.00	14557.212	100.00

TABLE—6.19

Per Capita Consumption of Electric Energy in India (1957-58)

STATE		Domestic use	Commercial use	Industrial including traction & water works
(1)	(2)	(3)	(4)	
1	Andhra Pradesh	1.39	1.30	4.46
2	Assam	0.88	0.27	0.28
3	Bihar	0.84	0.33	9.34
4	Bombay	4.56	3.22	46.87
5	Kerala	2.12	0.30	19.70
6	Madhya Pradesh	0.98	0.50	4.41
7	Madras	4.00	2.24	17.35
8	Mysore	2.93	0.91	31.88
9	Orissa	0.77	0.31	2.85
10	Punjab	2.22	2.46	13.16
11	Rajasthan	0.82	0.66	2.16
12	Uttar Pradesh	1.17	0.93	5.76
13	West Bengal	9.82	3.10	52.12
14	Union Territories:			
	(a) Delhi	33.78	30.82	66.70
	(b) Rest	1.04	0.18	1.54
15	Jammu & Kashmir	3.90	0.05	3.97
	ALL-INDIA	2.78	1.55	17.84

STATE		Public Lighting	Irrigation	Total per capita
(5)	(6)	(7)		
1	Andhra Pradesh	0.36	0.56	8.07
2	Assam	0.17	0.01	1.61
3	Bihar	0.06	0.23	10.80
4	Bombay	0.50	0.49	55.64
5	Kerala	0.29	0.83	23.24
6	Madhya Pradesh	0.20	0.03	6.12
7	Madras	0.79	7.06	31.44
8	Mysore	0.70	1.00	37.42
9	Orissa	0.04	..	3.97
10	Punjab	0.43	1.78	20.05
11	Rajasthan	0.22	0.11	3.97
12	Uttar Pradesh	0.14	2.96	10.96
13	West Bengal	0.62	0.02	65.68
14	Union Territories:			
	(a) Delhi	3.76	2.97	140.03
	(b) Rest	0.19	0.93	3.88
15	Jammu & Kashmir	0.17	0.09	8.18
	ALL-INDIA	0.36	1.44	23.97

(K.W.)

6.40. Under Power transmission schemes for the State Second Five Year Plan 388 circuit miles of 110 K. V. lines, 43 circuit miles of 66 K. V. lines, 4 numbers of 110 K. V. sub-stations and 6 numbers of 66 K. V. sub-stations were included besides spillover works from the first Plan. With the completion of the above works the State will have 658 circuit miles of 110 K. V. lines, 837 circuit miles of 66 K. V. lines, 7 Nos. of 110 K. V. sub-stations and 20 numbers of 66 K. V. sub-stations. During the Second Plan period under rural electrification and distribution, 986 numbers of centres were electrified, 94,526 numbers of consumers connected up and 64,905 numbers of street lights installed till the end of 1960. It is expected that by the end of the Plan period a total of 1988 villages would have been electrified and 1,85,000 consumers and 93,000 street lights connected up in the State.

CHAPTER VII

COMPANY ENTERPRISES

Statistics on joint stock companies in Kerala will indicate how far the State has developed in the field of company enterprise. The position in respect of companies at work at the end of March 1957 in Kerala and India is shown in Table 7.1.

7.2. At the end of March 1957, there were 1,236 companies in Kerala with a total paid-up capital of Rs. 28.43 crores as against 29,357 companies in India with a paid-up capital of Rs. 1,077.58 crores. The figures in Table 7.1 indicate that the average size of the company in terms of paid up capital varies considerably over the different categories of enterprise between India and Kerala. Except in the case of agriculture and allied activities, sugar and chemical industries the average size of the company in different categories is smaller in Kerala than for India. The distribution of enterprises over the different categories is also different in Kerala and India. In relation to the total number of companies working, Kerala has more companies in agriculture and allied activities and commercial enterprises than for all India. Taking the share contributed by the different types of companies in the total paid-up capital it is seen that in the case of agricultural and allied activities and chemical industries the percentage share is greater in Kerala than in India. In the case of commercial and trading activities, despite a larger propor-

TABLE 7.1
Companies at Work at the end of March 1957

Industrial Classification	All India				Kerala				
	No. (as per-centage of total)	Paid-up capital (as percentage of total)	Paid-up capital (average per company) (Rs. lakhs)	No. (as per-centage of total)	Paid-up capital (as percentage of total)	Paid-up capital (average per company) (Rs. lakhs)	No. (as per-centage of total)	Paid-up capital (as percentage of total)	Paid-up capital (average per company) (Rs. lakhs)
1. Agriculture and Allied activities	5.3	3.9	2.7	13.4	29.2	5.0			
2. Mining and Quarrying	3.3	3.6	4.1	0.2	0.2	1.7			
3. Sugar Industries	0.7	3.2	16.3	0.2	1.6	22.5			
4. Textiles	3.7	16.9	16.6	1.7	9.5	12.8			
5. Chemicals	14.4	20.8	5.3	7.4	22.8	7.1			
6. Other Processing and Manufacturing industries	16.5	15.2	3.4	19.4	11.0	1.3			
7. Construction and utilities	2.6	5.1	7.2	0.3	0.5	3.5			
8. Commerce (Trade and Finance)	39.9	24.8	2.3	49.1	22.8	1.0			
9. Transport, Communications and storage	5.3	4.6	3.1	3.5	1.6	1.1			
10. Community and Business Service	2.4	0.6	0.9	1.3	0.1	0.1			
11. Personal and other services	5.9	1.3	0.8	3.5	0.7	0.5			
All Divisions:	100.0	100.0	3.7	100.0	100.0	2.3			

tion of companies, the percentage share is less in Kerala than in India. This is due to the smallness of the commercial units in the State.

7.3. Most of the enterprises in agricultural and allied activities in the State relate to plantation industries which is considered to be the most profitable enterprise in the State. Hence it is quite natural to have a larger proportion of companies in this sector. The heavy clustering of companies in the commercial sector is due to the fact that in Kerala the trade and commerce sector is more productive than the other sectors of national income. The figures of annual income per earner in the different sectors of national income are furnished below:

TABLE—7.2
Annual Income Per Earner—1957-58

<i>Industrial Origin</i>	<i>(Rupees)</i>	
	<i>India</i>	<i>Kerala</i>
I. Agriculture ..	460	796
II. Industry and Mining ..	1325	400
III. Trade and Transport ..	1725	1375*
IV. Services ..	1129	912

* Trade and Commerce Rs. 1447 and Transport and Communications Rs. 1231.

Transport and Communications sector is the second best in productivity. But there is not much possibility to form more companies in this sector in view of the State's policy to nationalise more and more of the transport system in the State and hence the proportion of companies in this sector to the total number of companies will only be less. The industrial sector of the State is the least productive and hence in terms of the total number of companies working percentage share of companies in this sector will in all probability be less in Kerala compared to India where the sector is much more productive.

7.4. To sum up the company enterprise in Kerala has made good progress in agriculture and allied activities and trade and commercial activities. In the case of processing and manufacturing industries the State is definitely backward compared to the rest of India.

7.5. The latest statistical data available in respect of Joint Stock Companies show that at the end of March 1959, there were 1,097 companies in Kerala, with a total paid-up capital of Rs. 29.88 crores while in India the number of companies is estimated to be 27,479 whose paid up capital amounted to Rs. 1,517 crores. Thus during the period 1957-59 there was a net decline of 139 companies in Kerala as against 1,878 in

India. This was due to the removal of defunct companies from the registers. During the same period the paid-up capital of all companies at work has recorded an increase of 1.45 crores in Kerala and 440 crores in India duly accounting the paid-up capital lost in companies which have gone into liquidation during the same period. The increase in the paid-up capital was not very significant in Kerala compared to India. But, however, there was an increase in the strength of the enterprise in both Kerala and India. The paid-up capital per company in India has risen to Rs. 5.5 lakhs whereas in Kerala it has risen only to Rs. 2.7 lakhs. Kerala accounts for 3.99% of all companies and 1.97% of all company capital in India. Taking population as the criterion it is seen that in Kerala the development of company enterprise in terms of the total number of companies at work is on a par with the level in India. But in terms of paid-up capital which shows the actual volume of business transacted, the State has not made much progress, the level of development in the State being only half that in India.

7.6. The new company registration during 1959-60 recorded a rise in the All India Picture while in Kerala a slight fall was noticed when compared to 1958-59. The number of companies registered in India during 1959-60 was 1,452 as against 1,095 in 1958-59. The corresponding figures for Kerala are 32 and 46 respectively. The total authorised capital of new companies formed record a fall in both Kerala and India during 1959-60. But in Andhra, Madhya Pradesh, Madras, Mysore, Uttar Pradesh and West Bengal it marked a rise in 1959-60 over the previous year figures as is revealed by the following table:

TABLE—7.3

Authorised Capital of Companies Registered (Rs. lakhs)

STATE	1958-59			1959-60		
	Public	Private	All	Public	Private	All
Andhra ..	2	57	59	690	79	769
Assam ..	..	5059	5059	150	144	294
Bihar ..	30	5047	5077	20	27	47
Bombay ..	4153	4769	8922	2965	3771	6736
Kerala ..	7	177	184	102	71	173
Madhya Pradesh ..	..	50	50	3	103	106
Madras ..	32	318	350	487	888	1375
Mysore ..	302	67	369	1026	315	1341
Orissa ..	550	543	1093	..	156	156
Punjab ..	5	129	134	22	93	115
Rajasthan ..	100	138	238	7	55	62
Uttar Pradesh ..	55	85	140	11	137	148
West Bengal ..	590	1150	1740	1088	2302	3390
Delhi and other Union Territories ..	41	4979	5020	143	1189	1332
India	5867	22568	28435	6714	9390	16044

7.7. Table 7.4 shows the distribution of new companies registered and the average authorised capital per company in different States. In all the States there are more private than public company formation. The average size of the public companies formed in terms of the authorised capital is much higher in all the States during 1958-59 and 1959-60 with the exception of Bihar and Delhi in 1958-59 and Madhya Pradesh in 1959-60. Of the total companies newly registered during 1959-60, the States of Bombay, Madras, West Bengal and Delhi account for about 80.5% of the All India total. In each of these States the new company registrations in 1959-60 was higher than that in the previous year. In Kerala, though there was a fall in the number of newly registered companies and their total authorised capital during 1959-60 compared to 1958-59, the average size of the companies in terms of the authorised capital was higher in 1959-60 than that in 1958-59. In Uttar Pradesh in spite of a rise in both the number of companies formed and their total authorised capital during 1959-60 the average size of the company in terms of the authorised capital was smaller in 1959-60 than in 1958-59.

7.8. In the case of "giant floatations" i.e., companies with an authorised capital of Rs. 1 crore and above, the year 1959-60 saw a rise in the total number of companies registered in India. During 1959-60, 31 companies were formed as against 22 in 1958-59. In spite of this rise in the number of companies during 1959-60, the total authorised capital of the new floatations registered a heavy fall during the year when compared to 1958-59. It was only Rs. 91.5 crores in 1959-60 as against Rs. 240.2 crores in 1958-59.

7.9. Out of the 53 giant companies formed in India during the period 1958-60, only two were located in Kerala. In terms of authorised capital the share of Kerala in the total All India capital is even less significant. The authorised capital of the new giant floatations in Kerala during the period 1958-60 was only Rs. 2 crores as against the All India figure of Rs. 332 crores. Statewise figures of giant floatations are given in table 7.5.

TABLE 7.4
Distribution of new Companies registered and the average authorised capital
per Company in different States

State	1958-59						1959-60					
	Number of Companies			Paid up capital per Company (Rs. in lakhs)			Number of Companies			Paid up capital per Company (Rs. in lakhs)		
	Public	Private	All	Public	Private	All	Public	Private	All	Public	Private	All
1. Andhra	1	18	19	2.0	3.2	3.1	7	24	31	98.6	3.3	24.8
2. Assam	..	17	17	..	297.6	297.6	2	12	14	75.0	12.0	21.0
3. Bihar	1	21	22	30.0	240.3	230.8	1	10	11	20.0	2.7	4.3
4. Bombay	12	228	240	346.1	20.9	37.2	19	274	293	156.0	13.8	23.0
5. Kerala	3	43	46	2.2	4.1	4.0	2	30	32	51.0	2.3	5.4
6. Madhya Pradesh	..	14	14	..	3.6	3.6	1	24	25	2.5	4.3	4.2
7. Madras	3	108	111	10.7	2.9	3.1	11	331	342	44.3	2.7	4.0
8. Mysore	4	25	29	75.5	2.7	12.7	3	25	28	342.0	12.6	47.9
9. Punjab	1	30	31	5.0	4.3	4.3	3	35	38	7.3	2.6	3.0
10. Orissa	2	19	21	225.0	28.1	52.1	..	35	35	..	4.5	4.5
11. Rajasthan	3	14	17	33.4	9.9	14.0	2	16	18	3.8	3.4	3.4
12. Uttar Pradesh	2	32	34	27.5	2.7	4.1	3	42	45	3.7	3.3	3.3
13. West Bengal	21	342	363	28.1	3.4	4.8	26	373	393	41.8	6.2	8.5
14. Delhi and other Union Territories	5	126	131	8.2	39.5	38.3	7	134	141	20.4	8.9	9.4
India	58	1027	1095	101.2	21.8	26.0	87	1365	1452	77.2	6.8	11.0

TABLE 7.5
Distribution of giant floatations in different States

State	1958-59						1959-60					
	Number of Companies		Paid up capital per Company (Rs. in crores)		Number of Companies		Paid up capital per Company (Rs. in crores)		Number of Companies		Paid up capital per Company (Rs. in crores)	
	Public	Private	All	Public	Private	All	Public	Private	All	Public	Private	All
Andhra	..	..	..	..	..	..	..	..	..	..	..	..
Assam	..	1	1	..	50	50	1	..	1	1	..	1
Bohar	..	1	1	..	50	50	..	..	..	..	..	..
Bombay	4	5	9	41	34	75	8	5	13	27	16	43
Kerala	..	1	1	..	1	1	1	..	1	1	..	1
Madhya Pradesh	..	..	..	..	..	..	..	..	..	..	..	..
Madras	..	..	..	..	..	..	3	2	5	10	2	12
Mysore	1	..	1	3	..	3	1	1	2	10	2	12
Orissa	1	1	2	5	5	10	..	..	..	..	..	..
Punjab	..	..	..	..	..	..	..	..	..	..	..	..
Rajasthan	1	1	2	1	1	2	..	..	..	..	..	..
Uttar Pradesh	..	..	..	..	..	..	..	..	..	..	..	..
West Bengal	2	..	2	3	..	3	4	4	8	8	10	18
Delhi and other Union Territories	..	3	3	..	46	46	..	1	1	..	5	5
India	9	13	22	53	187	240	18	13	31	57	35	92

7.10. During the period 1958-60, the States of Madras, Mysore and West Bengal had made good progress in the flotations of giant companies. The total authorised capital of all giant companies floated in India during the period 1958-60 constitutes 75% of the total authorised capital of all companies registered during the same period. The corresponding figure for Kerala is only 56%. The percentage figures for other States are given below:

Assam	95
Bihar	98
Bombay	75
Madras	71
Mysore	88
Orissa	80
Rajasthan	67
West Bengal	40
Delhi and other Union territories	80

There were no giant flotations in Andhra, Madhya Pradesh, Punjab and Uttar Pradesh during the period 1958-60.

7.11. During the period 1958-60, the number of gaint size companies in India promoted by the private parties is more than that by the Government. Out of the 53 giant companies registered only 13 have been formed by Government and the remaining 40 by the private interests. The figures of authorised capital of giant Government and non-government companies are Rs. 127 crores and Rs. 204 crores respectively. In Kerala, two giant companies were floated during the period 1958-60 and both of them were set up by the State Government.

7.12. The extent of Government participation in the formation of Joint Stock Companies is revealed by the following figures. Out of the total 1452 companies registered during 1959-60, 23 were set up by the Union and state Governments accounting for about 19% of the total authorised capital of all companies. In 1958-59, out of the 1,095 companies, 16 were set up by the Union and State Governments with an authorised capital of about 35% of the total authorised capital of all companies. Thus in India as a whole the government participation in the formation of joint stock companies is less in 1959-60 than in 1958-59. But in Kerala the Government participation in 1958-59 and 1959-60 maintained a steady high level. Out of all company authorised capital of Rs. 1.84 crores in 1958-59 and Rs. 1.73 crores in 1959-60 in Kerala, the share of Government Companies in each year was rupees one crore. The Statewise distribution of government companies is as in Table 7.6.

TABLE 7.6

Distribution of Government Companies in different States

STATE	1958-59						1959-60					
	Number of companies		Authorised capital (Rs.lakhs)			Number of companies			Authorised capital (Rs.lakhs)			
	Public	Private	All	Public	Private	All	Public	Private	All	Public	Private	All
1. Assam	2	2	..	120	120
2. Bombay	2	2	..	1300	1300
3. Bihar	..	1	1	..	5000	5000	..	..	..	..	..	..
4. Kerala	..	1	1	..	100	100	1	..	1	100	..	100
5. Mysore	1	1	..	200	200
6. Orissa	..	9	9	..	18	18	..	14	14	..	44	44
7. Rajasthan	..	1	1	..	100	100	..	..	..	..	..	..
8. Uttar Pradesh	..	1	1	..	13	13	..	..	..	..	..	..
9. West Bengal	2	2	..	750	750
10. Delhi	..	3	3	..	4600	4600	..	1	1	..	500	500
INDIA:	..	16	16	..	9831	9831	1	22	23	100	2914	3014

TABLE 7.7
Company failure in different States

State	1958-59						1959-60					
	Number of Companies			Paid up capital per Company (Rs. in lakhs)			Number of Companies			Paid up capital per Company (Rs. in lakhs)		
	Public	Private	All	Public	Private	All	Public	Private	All	Public	Private	All
Andhra	23	64	87	2.5	0.2	0.8	8	26	34	2.3	0.4	0.8
Assam	9	24	33	0.2	0.3	0.3	2	4	6	0.2	0.3	0.3
Bihar	12	23	37	0.3	0.1	0.2	40	71	111	0.5	0.2	0.3
Bombay	33	140	173	4.1	0.5	1.2	22	192	214	3.2	0.5	0.7
Kerala	44	62	106	0.5	0.2	0.3	36	78	114	0.5	0.3	0.3
Madhya Pradesh	13	55	68	2.2	0.2	0.6	16	67	83	0.6	0.1	0.2
Madras	30	82	112	3.6	0.3	1.2	31	164	195	1.0	0.4	0.5
Mysore	27	53	80	1.9	0.3	0.8	15	39	54	1.6	0.3	0.7
Orissa	10	17	27	1.1	0.1	0.5	8	11	19	0.4	0.3	0.2
Punjab	28	72	100	1.1	0.4	0.6	13	29	42	0.6	0.2	0.3
Rajasthan	17	44	61	3.5	0.4	1.3	7	11	18	14.7	0.8	6.2
Uttar Pradesh	44	118	162	0.3	0.3	0.3	30	126	156	0.9	0.2	0.2
West Bengal	240	472	712	1.2	0.4	0.7	250	468	718	0.4	0.2	0.3
Delhi and other Union Territories	15	72	87	0.5	0.4	0.4	14	92	106	0.8	0.2	0.3
India	545	1300	1845	1.6	0.4	0.4	492	1378	1870	0.9	0.3	0.4

During the period 1958-60, out of the total 39 government companies newly registered, seven were set up by the Government one in West Bengal with an authorised capital of Rs. 5 crores, two in Bombay with an authorised capital of Rs. 13 crores, one in Bihar with an authorised capital of Rs. 50 crores and three in Delhi with an authorised capital of Rs. 46 crores.

7.14. Coming to the aspect of company failures it can be seen from table 7.7 that company failures are high in Kerala and India during 1959-60 compared to 1958-59. This is true in the case of Bihar, Bombay, Madhya Pradesh, Madras, West Bengal and Delhi also.

7.15. Out of the total company failures in India, Kerala's share is 5.7% in 1958-59 and 6.1% in 1959-60. On the whole the average paid-up capital of companies failed is small. The only exception to this is Rajasthan where in 1959-60 the average size of companies failed is about Rs. 6 lakhs in terms of paid-up capital. In Kerala the average size of companies failed in terms of paid up capital is Rs. 0.3 lakh in both the years 1958-59 and 1959-60.

CHAPTER VIII

TRANSPORT

A good and efficient transport system is vitally necessary for the social and economic improvement of the nation. As far as Kerala State is concerned the development of transport is only partially satisfactory as the State has an inadequate railway system while having a comparatively good road transport system. The road mileage in Kerala averaged 72 per 100 sq. miles in 1956, while it was about 25 for the whole of India. The average for Kerala compares even favourably with many of the developed countries of the world, for Kerala is not very much behind U.S.A. with 100 and Germany with 86 miles per 100 sq. miles, though a few other countries like Great Britain (200 miles) and France (304 miles) have still higher averages. The average road mileage per lakh of persons is only 71 in Kerala as against 82 for the whole of India because of the high population pressure in the State. Road mileage per unit of population is an important criterion for deciding the sufficiency of roads. More and more roads are required as the population of a state increases.

8.2 The average number of motor vehicles in Kerala in relation to population is higher than the All-India average. This again is due to the high pressure of population in the state. To cater to the needs of a larger population more vehicles are necessary. When compared to other countries in the world the average number of motor vehicles per lakh of population in Kerala is very much small.

TABLE 8.1

<i>Country</i>	<i>No. of motor vehicles (excluding motor cycles) per lakh of population</i>
U.S.A.	37,998
Canada	25,236
Australia	22,939
U.K.	9,595
France	9,097
Malaya	1,385
Ceylon	903
Spain	808
Iraq	611
Philippines	483
India	89
Kerala	150

8.3. In 1956 Kerala had 10739 miles of major roads comprising 276 miles of national highways, 1156 miles of provincial highways 3873 miles of district roads and 5434 miles

of village roads. At the end of the Second Plan period the position would be better as the Plan aims at constructing 1147 miles of roads, building 85 major bridges and 95 minor bridges and constructing 1,500 miles of village roads. In future plans, emphasis should be laid both on effecting improvements to the existing road system and constructing more roads which can cope with the heavy and fast moving modern traffic.

8.4. Kerala has one of the earliest nationalised transport systems in India. Transport was nationalised in Travancore as early as 1938 and even at present nationalised services are more actively in operation in the Travancore area. In Cochin and Malabar important transport services on trunk road alone are being operated. The Transport Department was started as a public utility concern with a small capital of Rs. 6 lakhs which increased to Rs. 71 lakhs at the end of 1950-51 and to Rs. 332 lakhs at the end of 1959-60. Most States in India have embarked on a policy of nationalisation and some have taken over the entire passenger service operations while others like Kerala are in various stages of nationalised expansion. At present the State Transport Department operates 355 routes covering a route mileage of 6069 miles. The Department possesses 667 passenger buses operating under 440 schedules. The public owned lorries numbering 63 operate under 35 schedules. Only a limited percentage of the passenger transport is catered by the Public Sector services and the Department possesses only 20-25% of the buses in the State. Goods transport is largely under the monopoly of the private sector, except in a few routes operated by the public sector. The annual proceeds of taxes under the Vehicles Taxation Act shows that there is a steady progress in the development of road transport in the State.

TABLE: 8.2

<i>Year</i>	<i>Collection under V. T. Act (Rs. in lakhs)</i>
1956-57	90.17
1957-58	143.34
1958-59	156.81

8.5. The State Transport Department can effect considerable economies by the rationalisation of operations and better utilisation of vehicles and crew. For this purpose, a long term nationalisation programme is being evolved. In keeping with the All-India policy, a Road Transport Corporation will have to be formed to control and guide the developments of the Transport Department in future. Only on this basis can the department develop properly during the Third Plan period as plan expenditure is allowed only for nationalised Transport Corporations.

8.6. Water transport, though the slowest, is the cheapest form of communication in the State. At present inland water transport is confined to Assam, West Bengal, Bihar, Uttar Pradesh, Orissa, Andhra, Madras and Kerala States. There are over 1,200 miles of navigable waters in Kerala and this forms more than 20% of India's total length of 5,760 miles of inland waterways. Water transport links up different commercial centres of the State. About 25,000 country crafts, 500 motor boats and 1,300 rafts are licensed to ply these waters. Water transport provides employment to a very large number of persons both in the actual plying of the crafts and boats and in ancillary services as loading and unloading. Kerala's prominent cottage industry of coir and its products depend for transportation mainly on the inland waterways. The total goods traffic carried by the waterways, is of the order of 23 lakhs tons, Cochin alone accounting for more than 50% of this traffic. There is a continuous waterway for inland navigation from Trivandrum in the South to Hosdurg in the North, a distance of 285 miles. The Kerala Water Transport Corporation which was formed in April 1958 with its headquarters at Alleppey operates 146 self-propelled passenger and cargo boats. They carry about 15,000 passengers and 250 tons of cargo a day.

8.7. The railways constitute the premier State undertaking in India. But in Kerala it is found that railways, which are most essential for the industrial development of the State, are very poorly developed. We have already seen that Kerala is ahead of many States in the matter of road transport. But road transport cannot compensate for railway transport as railways are most vital for economic development. Figures for 1959 show that Kerala has 552 miles of railways as against 35,081 miles for the whole of India. In other words Kerala has only 3.34 miles of railways per lakh of persons as against 8.4 miles for India as a whole.

8.8. Co-ordination and development of the three important modes of transport viz., Road transport, Inland Water Transport, and Railways assume great importance in the economic progress of Kerala. Transport development should aim at linking up each village, where income generating activities are performed, to a highway, or railway station or inland water route. Planned development of the transport system should ensure that there is no duplication of transport services, resulting in unnecessary competition among various modes of transport. Feeder routes for connecting main transport routes of any mode of transport should be opened. For regulating unnecessary competition strict licensing policy should also be introduced.

CHAPTER IX

EXPORT—IMPORT TRADE

Kerala has been enjoying trade relations with foreign countries from very ancient days. The history of this commercial relation is almost the history of the spice trade of India. But with the development of the State's economy, our foreign trade too has developed and today Kerala trades with almost all parts of the world and in wide range of commodities.

9.2. Statistics regarding road, rail and airborne trade of the State is unfortunately lacking. So we have to depend for the purpose of a study of the export import trade of the State on statistics relating to seaborne trade only. Tables 9.1 to 9.5 which give figures relating to this, show that the value of exports are higher than the value of imports during the past many years, and that the total value of exports are annually increasing.

9.3. The year 1959 was on the whole favourable to the State as far as export earnings are concerned. The year under review has made further improvement from the point of view of earnings from cash crops and other export products. Table 9.3 gives the quantity and value of important exports from the State for 1958-59 and 1959-60. Total value of exports have increased in 1959-60 by about Rs. 8 crores. Value of exports from Quilon Port for the period October 1959 to May 1960 is not included. Otherwise the total value would have risen further in 1959-60. Examining individual items, export earnings from most of the important commodities have risen in 1960 when compared to 1959. In 1959, most of the commodities that acquired increased export earnings suffered from a loss in the volume of exports. In 1960, such a reduction in the volume of exports was not pronounced even in the case of commodities whose prices and export earnings went up. Pepper is an important example.

TABLE 9.1

Trade through the principal ports in Kerala

(Rs. in lakhs)

Port	Year	Export			Import		
		External	Internal	Total	External	Internal	Total
Cochin	1952-53	4667	1830	6497	2117	2605	4722
	1953-54	4416	1896	6312	2377	2643	5021
	1954-55	4698	1925	6624	3005	2057	5062
	1955-56	4697	2212	6909	2345	2985	5330
	1956-57	4759	2140	6899	2780	2803	5584
	1957-58	4717	2318	7033	2575	2725	5300
	1958-59	4754	2546	7300	2415	2671	5086
Alleppey	1952-53	442		442	25		25
	1953-54	428		428	19		19
	1954-55	322		322	29		29
	1955-56	288		288	23		23
	1956-57	284		284	29		29
	1957-58	273		273	40		40
	1958-59	303		303	64		64
Calicut	1952-53	318	310	628	89	338	428
	1953-54	391	269	660	31	414	445
	1954-55	292	267	559	62	307	369
	1955-56	384	276	661	109	265	373
	1956-57	300	264	564	223	271	494
	1957-58	277	188	465	117	195	312
	1958-59	355	107	462	23	230	253

TABLE 9.2

Valuation of foreign exports from the ports of Kerala*

(Rs. in lakhs)

Sl. No.	Some important commodities of export	1953-54	1954-55	1955-56	1956-57	1957-58 **	1958-59
1	Cardamom	22.44	32.84	50.17	54.84	55.90	58.40
2	Cashew (Kernels and Liquids)	960.61	1093.48	1340.93	1230.97	1375.84	1607.65
3	Coffee	72.39	82.88	93.69	76.50	90.73	255.17
4	Coir and Coir Products	804.00	731.37	856.86	878.09	704.87	750.91
5	Fish and Prawns	102.69	79.34	31.85	123.86	149.33	147.33
6	Ginger	27.94	33.24	58.71	61.40	39.23	29.46
7	Metals, Minerals, Ores	115.08	171.12	129.12	214.36	212.51	203.62
8	Lemongrass Oil	72.62	104.73	130.65	147.00	138.41	92.75
9	Pepper	962.13	569.81	378.61	341.69	295.67	220.27
10	Tea	1912.96	2196.86	1992.17	1974.75	2434.78	2023.29
11	Others	236.14	443.33	592.24	495.54	495.73	373.15
Total Value of Foreign Exports		5289	5539	5655	5599	5993	5762
Total Value of Coastal Exports		2238	2193	2489	2404	2318	2653
Value of Total Exports		7527	7732	8144	8003	8311	8415

* Value of exports from Tellicherry is not included.

** Value of exports from Calicut includes exports to both foreign and Indian ports.

TABLE 9.3
Exports from the ports of Kerala
1958-59 and 1959-60*

Sl. No.	Commodity	Unit	1958-59		1959-60	
			Quantity	Value Rs. lakhs	Quantity	Value** Rs. lakhs
1	Betelnuts	'000 Cwt.	90.23	203.00	88.83	217.47
2	Cardamom	„	5.13	56.93	4.19	47.33
3	Cashew Kernals	Lakh Cwt.	6.34	1283.58	6.29	1320.95
4	Cashew shell liquid	'000 Cwt.	63.97	28.29	69.26	29.63
5	Coconuts	Lakhs	1022.35	256.25	1309.29	309.11
6	Copra	Lakh Cwt.	4.48	378.81	3.72	317.08
7	Coconut Oil	„	1.65	203.42	2.27	256.04
8	Coconut Oil cake	„	1.30	27.67	0.80	22.94
9	Coffee	'000 Cwt.	87.49	210.62	95.02	190.03
10	Coir and Coir Products	„	1619.27	940.15	1745.16	961.61
11	Fish and Meat	„	112.09	147.22	74.05	125.89
12	Ginger	„	164.85	71.37	132.59	120.68
13	Lemongrass Oil	'000 Gls.	268.25	86.97	308.00	111.95
14	Metals, Minerals, etc.	'000 tons	N.A.	N.A.	224.99	222.59
15	Pepper	'000 Cwt.	309.55	349.02	488.17	1026.18
16	Rubber	„	371.02	633.32	335.36	529.79
17	Tea	Million lbs	81.49	2140.08	77.52	2079.08
18	Wood and Timber	'000 C.T.	79.17	211.95	62.94	230.17
19	Sundries			1116		1063
20	Total			8345		9182

* The figures are provisional and relate to the period July to May in each year.

** Excluding value of exports from Quilon port for the period October 1959 to May 1960.

N.A.—Not available.

TABLE 9.4
Valuation of Export Trade through Cochin Port

Sl. No.	Commodity	1956-57 Rs. lakhs	Percentage to Total	1957-58 Rs. lakhs	Percentage to Total	1958-59 Rs. lakhs	Percentage to to Total	1959-60 Rs. lakhs	Percentage to Total
1	Spices	688.63	9.99	491.76	6.99	551.76	7.56	1171.51	14.05
2	Cashew and Coir Products	1829.68	26.52	1731.30	24.60	1883.88	25.80	2230.43	26.74
3	Plantation Products	2885.89	41.83	3102.91	44.12	2963.26	40.59	2942.79	35.28
4	Copra and Coconuts	136.24	1.97	164.71	2.34	328.24	4.50	306.74	3.68
5	Fish and fish products	124.87	1.81	149.90	2.13	148.15	2.03	122.97	1.47
6	Hides and Skins	3.73	0.05	2.59	0.04	19.15	0.26	21.99	0.26
7	Vegetable Oils	237.88	3.45	263.99	3.76	319.09	4.37	461.87	5.54
8	Important manufactures	184.25	2.67	164.93	2.36	199.04	2.73	244.88	2.93
9	Minerals	166.72	2.42	275.33	3.92	259.23	3.55	226.74	2.72
10	Wood and wood manufactures	48.92	0.71	47.48	0.67	47.88	0.66	89.39	1.07
11	Sundries	591.81	8.58	637.99	9.07	580.44	7.95	521.72	6.26
12	Total	6898.62	100.00	7032.89	100.00	7300.12	100.00	8341.03	100.00

TABLE 9.5
Valuation of Import Trade through Cochin Port

Sl. No.	Commodity	1956-57 Rs. Lakhs	Percentage to Total	1957-58 Rs. Lakhs	Percentage to Total	1958-59 Rs. Lakhs	Percentage to Total	1969-60 Rs. Lakhs	Percentage to Total
1	Cotton	.. 860.91	15.42	935.69	17.65	744.17	14.63	945.02	17.36
2	Building Engineering and manufacturing materials	.. 595.20	10.60	604.70	11.41	676.70	13.30	606.32	11.14
3	Copra and Coconut	.. 243.95	4.37	200.10	3.78	308.84	6.07	298.91	5.49
4	Fruits and Vegetables	.. 387.83	6.95	567.76	10.71	512.76	10.08	751.54	13.81
5	Grains, Pulses, etc.	.. 304.90	5.47	164.95	3.11	101.12	1.99	133.15	2.45
6	Soap	.. 100.39	1.80	76.04	1.44	62.64	1.23	61.17	1.12
7	Sugar	.. 78.72	1.41	146.62	2.77	271.78	5.35	18.92	0.35
8	Drugs and Medicines	.. 138.07	2.48	148.07	2.79	112.64	2.21	164.89	3.03
9	Manures	.. 111.84	2.00	53.73	1.01	63.27	1.25	71.19	1.31
10	Metals, Minerals and Ores	.. 454.14	8.14	446.10	8.41	412.11	8.11	420.96	7.73
11	Mineral Oil	.. 1213.20	21.73	1166.26	22.00	983.27	19.34	1200.46	22.06
12	Vegetable Oil	.. 40.95	0.74	29.92	0.56	31.24	0.62	54.47	1.00
13	Sundries	.. 1053.93	18.89	760.01	14.36	805.82	15.82	715.63	13.15
14	Total	.. 5583.58	100.00	5299.95	100.00	5086.36	100.00	5442.63	100.00

TABLE 9.6

Statement showing the price trends of some selected commodities of Kerala for the year 1960

(In rupees)

Sl. No.	Commodity	Unit	Unit*	Centre	January	February	March	April	May	June
1	2	3	4	5	6	7	8	9	10	11
1	Pepper	.. Candy	Quintal	Cochin	1823.76	1559.06	1558.73	1757.56	1721.35	1777.54
2	Ginger (dry)	.. do.	do.	do.	650.00	577.14	490.18	544.69	479.69	499.38
3	Turmeric	.. do.	do.	Kozhikode	355.00	355.00	355.00	336.25	330.00	330.00
4	Cardamom	.. lb.	k.g.	do.	8.00	8.00	6.74	6.09	6.09	6.09
5	Areca nut	.. Cwt.	1/2 Quintal	do.	175.00	175.00	175.00	175.00	203.75	207.67
6	Coffee	.. do.	do.	do.	175.00	183.12	185.00	185.00	185.00	185.00
7	Tea	.. lb.	k.g.	Cochin	2.48	2.65	2.67	2.60	2.37	2.40
8	Rubber	.. lb.	k.g.	Kottayam	1.58	1.65	1.61	1.62	1.68	1.71
9	Lemongrass oil	.. 12 Bottles	12 Bottles	Cochin	155.62	127.75	123.17	120.99	118.22	111.83
10	Coir yarn:									
	Anjengo	.. Candy	Candy	Alleppey	275.00	275.00	277.00	280.83	280.00	279.17
	Mangadan	.. do.	do.	Cochin	260.00	260.00	260.25	261.00	260.00	260.00
	Beypore	.. do.	do.	Kozhikode	210.00	210.00	210.00	210.00	216.56	214.00
11	Coconut (with husks)	.. 1000 Nos.	1000 Nos.	Cochin	228.00	236.25	223.58	233.71	235.00	233.86
12	Coconut (without husks)	.. do.	do.	do.	198.00	206.25	197.42	204.54	210.24	207.94
13	Copra	.. Candy	Quintal	do.	447.14	452.21	429.67	425.10	417.97	426.99
14	Coconut oil	.. do.	do.	do.	654.32	658.09	630.51	640.18	645.34	670.07
15	Coconut oilcake	.. do.	do.	do.	126.88	134.31	117.12	118.32	113.21	113.15
16	Tapioca	.. do.	do.	Kozhikode	65.16	64.58	63.94	65.31	64.97	63.49
17	Cashew	.. do.	do.	do.	..	203.28	221.33	212.42	206.25	175.00

TABLE 9.6—(contd.)
Statement showing the price trends of some selected commodities of Kerala for the year 1960—(contd.)

Sl.No.	Commodity	Unit	Unit*	Centre	July	August	Sept.	Sept.*	Oct.	Nov.	Dec.
					12	13	14	15	16	17	18
1	Pepper	Candy	Quintal	Cochin	1729.69	1553.42	1453.17	476.91	430.12	414.13	359.03
2	Ginger (dry)	do.	do.	do.	494.09	486.25	479.55	157.44	157.24	152.60	142.87
3	Turmeric	do.	do.	Kozhikode	330.00	360.63	357.00	112.43	113.09	112.50	112.50
4	Cardamom	lb.	k.g.	do.	6.09	6.09	5.91	13.02	11.17	11.42	11.50
5	Areca nut	Cwt.	1/2 Quintal	do.	215.56	218.86	216.12	212.88	202.76	174.17	162.00
6	Coffee	do.	do.	do.	185.00	178.50	166.00	163.42	164.78	165.00	163.07
7	Tea	lb.	k.g.	Cochin	2.62	2.70	2.67	5.89	5.68	5.68	5.01
8	Rubber	lb.	k.g.	Kottayam	1.58	1.54	1.55	3.42	3.44	3.32	3.27
9	Lemongrass oil	12 Bottles	12 Bottles	Cochin	123.21	121.76	116.78	116.78	121.19	133.26	138.10
10	Coir yarn:										
	Anjengo	Candy	Candy	Alleppey	278.56	279.25	283.50	283.50	288.59	296.37	316.00
	Mangadan	do.	do.	Cochin	260.00	260.00	260.00	260.00	260.00	264.75	265.00
	Beypore	do.	do.	Kozhikode	200.00	200.00	205.33	205.33	210.00	217.92	224.40
11	Coconut (with husks)	1000 Nos.	1000 Nos.	Cochin	234.86	230.00	228.17	228.17	232.33	235.00	252.30
12	Coconut (with out husks)	do.	do.	do.	209.85	205.00	203.37	203.37	206.83	210.00	227.20
13	Copra	Candy	Quintal	do.	441.52	456.41	462.70	155.57	161.51	166.75	171.44
14	Coconut oil	do.	do.	do.	695.04	713.47	721.33	242.59	250.90	257.23	261.66
15	Coconut oilcake	do.	do.	do.	109.41	118.02	122.69	41.33	44.36	46.95	52.41
16	Tapioca	do.	do.	Kozhikode	53.20	51.25	50.96	16.53	17.12	17.62	17.56
17.	Cashew	do.	do.	do.	..	..	..	..	..	..	..

* Metric units of measurement are used for most of the commodities from October, 1960. For them, prices corresponding to the old and new units are given for the month of September 1960 also, for the sake of comparison.
1 Quintal—100 kilogram
1 Kilogram—2.2046 lb.

9.4. A very important feature of Kerala's trade is that most of our exports have a prominent place in the country's economy as important foreign exchange earners. For many of these commodities we were till now enjoying something like a monopoly, and so could command a position in the world market. But the production of these commodities in other countries and the development of synthetic substitutes are now compelling us to woo the buyers in the foreign markets. Another problem which demands special attention is the improvement of quality. Suitable schemes of quality control, market surveys and research measures to attend to importers' complaints etc., will have to be enforced if the foreign trade we have built up is to be enduring.

The trend of prices and other problems relating to the export-import trade of some of the important commodities of the state are discussed in the following pages.

Pepper

9.5. Kerala has so far been able to maintain her position as the chief producer of pepper in India. The following figures relate to pepper production in India during the past two years.

TABLE 9.7
All India Estimate of Black Pepper Production

Year	Area (Acres)	Production (Tons)
1959—60	232,000	25,400
1958—59	230,100	25,500

(Partially revised)

The nominal decrease in production of black pepper during 1959-60 is accounted for by Kerala, which may be attributed to unfavourable weather conditions at the time of flowering and growing period of the crop. But during this period India was able to increase her exports considerably as can be seen from the following tables:

TABLE 9.8
Export of Pepper from India

Year (April-March)	Quantity (lakh cwt.)	Value (Rs. crores)	Average price (Rs. per cwt.)
1950—51	3.08	20.40	662
1957—58	2.71	2.84	105
1958—59	2.29	2.46	107
1959—60	4.07	8.20	201

TABLE 9.9

India's export of Pepper during the crop years:

Crop year (November—October)	Quantity exported (Cwt.)
1957-58	261,336
1958-59	244,177
1959-60	388,340

9.6. During 1960 India had been particularly fortunate in having been able to raise her pepper exports at increased price rates. Traditionally the biggest importer of Indian pepper, U.S.A., was the biggest single buyer during this year also. Other countries which increased their import of Indian pepper appreciably were the U.S.S.R., Canada, East Germany, Rumania, Italy, Singapore, Morocco and the U.K. At the same time, countries such as West Germany, Poland, Bulgaria, Czechoslovakia, Yugoslavia etc., decreased their imports.

9.7. The main reason for India faring so well was a fall in production in the major competing countries. From the beginning conflicting reports regarding the size of Sarawak and Indonesian crop were spread by Singapore. But the following table shows that Singapore exports dwindled very much in 1960, which indicates that production in Sarawak and Lampung was definitely small.

TABLE 9.10

Export of Black Pepper from India and Singapore

Year (January-July)	India (Tons)	Singapore (Tons)
1959	4,847.50	12,405.82
1960	12,490.05	5,402.35

9.8. The rising price trend of Malabar black pepper observed from July 1959, reached a climax in January 1960 and the New Year began with the prices of Pepper reaching new heights which had not been reached in recent past. A serious price fall which become imminent during the second week of January, was averted by trade enquiries from Russia and East European countries. Pepper prices on the whole was following a falling trend in 1960. But monthly average prices of pepper nearly doubled in 1960 when compared to 1959. (See Diagram 9.1).

9.9. An important feature of 1960 is that almost the whole of the year's produce was sold out and practically nothing was left when the new season began.

9.10. It will not be correct to predict the trend of pepper prices and trade in the coming year. Russia and East European countries used to place bulk orders previously when steamer facilities were limited. Now with larger outflow of trade, steamer availability has improved. So, instead of giving bulk orders occasionally, they are buying small lots regularly. As a result, orders from these countries cannot be expected to give any boost to prices.

9.11. Scope for speculation is also curtailed substantially by the restrictions imposed on forward trading. Following a recent crisis in the market the Pepper and Spices Trade Association at Cochin, stipulated a condition that the fluctuation in the course of a day should not exceed Rs. 4 per cwt.

cardamom:

9.12. Cardamom market has been exceptionally strong since the end of the war and during the last five years it was ruling at prices varying between Rs. 8 and Rs. 13 per lb.

TABLE 9.11
Export of Cardamom from India

Year	Quantity (Cwt.)	Value (Rs. crores)
1950-51 (April-March)	12,460	1.5
1956 (January-December)	..	3.2
1957 ..	22,000	2.5
1958 ..	34,000	3.6
1959 ..	32,000	3.3

The average price of cardamom which was around Rs. 8 per lb. in 1957 and Rs. 7 per lb. in 1958 fell to Rs. 6 per lb in 1959. But the year on the whole, was good for Indian cardamom. Production was high at over 2,000 tons and exports amounted to about 1,600 tons.

9.13. Prices of cardamom slightly improved during the early part of 1960, but this situation did not last long. Trade circles expected a 50% increase in South India's cardamom crop over the previous season's 2,000 tons. This anticipated increase in production and poor demand from abroad combined to bring about a fall in prices for the commodity. Indian cardamom has also to face competition from Gautemala and from synthetic substitutes.

Ginger:

9.14. The following figures show that there was an increase in area under cultivation and production of ginger during 1959-60.

AVERAGE PRICES

COMMODITY : PEPPER

UNIT : CANDY.

Diagram 9.1

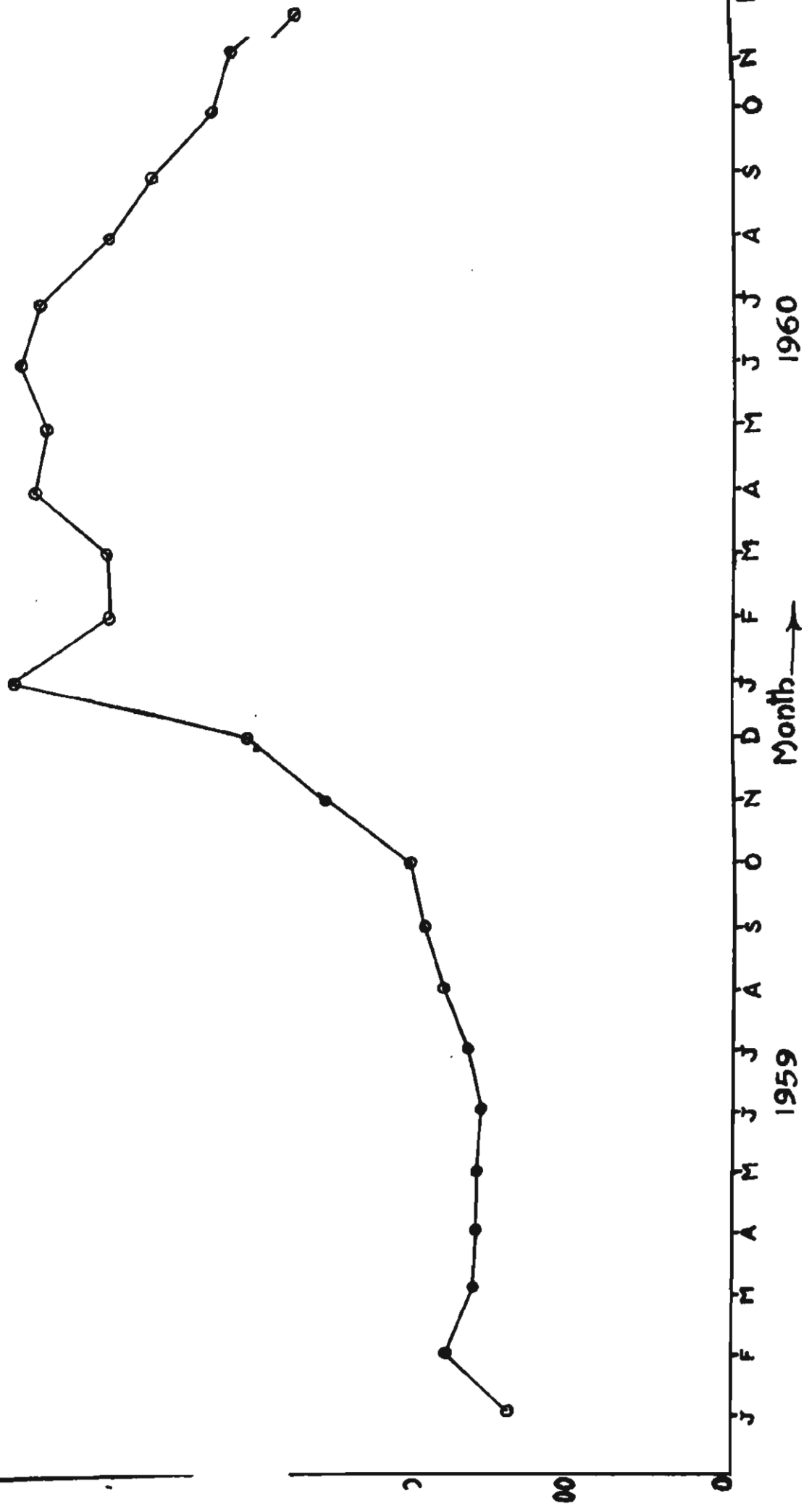


TABLE 9.12
All India estimate of Ginger production

Year	Area (acres)	Production (tons)
1959-60 (Final Estimate)	37,000	13,400
1958-59 (Partially revised)	35,700	12,300

Kerala and Bombay mainly accounted for the increase in area, favourable weather condition being the most important factor. Increase in production was shared mainly by Kerala and Madhya Pradesh.

9.15. Export of ginger is declining since 1957, as can be seen from the following figures. The main reasons for this are import restrictions in West Asian countries, increasing competition from Jamaica, and Sierre Leon and change in consumers' preference.

TABLE—9.13
Export of Ginger from India

Year	Quantity (Tons)	Value (Rs. crores)	Average price (Rs. per ton)
1950-51 (April-March)	2193	0.92	4213
1957 (January-December)	9600	1.20	1250
1958	5750	0.51	869
1959	3594	0.52	1475

TABLE—9.14
Export of Ginger from Kerala

Year (July-June)	Quantity (Lakh cwt.)	Value (Rs. lakhs)
1958-59	1.68	74.00
1959-60	1.53	126.40

9.16. The year 1959 witnessed a drastic rise in ginger prices from the price fall observed during 1957 and 1958. Though the price trend during 1960 was a falling one monthly average prices of ginger till November were higher than the corresponding prices in 1959. (See diagram 9.2). But more important features of ginger trade during the year were fall in demand from traditional buyers, and increased demand for raw ginger.

Lemongrass Oil:

9.17. Kerala's near monopoly in the production of this oil is still preserved. But the fact that she has no control over the market continues to affect her export earnings. Between the years 1950-51 and 1959-60, the volume of the oil exported rose by 166.4% while the export earnings rose only by 9.02%.

TABLE—9.15
Export of Lemongrass Oil from Kerala

Year	Quantity (lakh gallons)	Value (Rs. Crores)	Average price (Rs. per gallon)
1950-51 (April-March)	1.28	1.33	103.90
1956-57 (July-June)	2.67	1.47	55.05
1957-58	3.20	1.38	43.13
1958-59	2.97	0.93	31.31
1959-60	3.41	1.45	42.52

9.18. A reversal of the falling price trend observed earlier was noticed in January 1959 and that trend persisted all through the year, and reached new heights in January 1960. Fall in output was the most important reason for this rising price trend. Unremunerative prices obtained in the past years made the growers produce less. Output during the season 1958-59 was to the tune of 1,000 tons. But 1959-60 crop was estimated to be larger than the previous season's crop and with the arrival of the new crop in the market, lemongrass oil prices began to show a softening tendency. During the last quarter of the year, there was however an upward shift, mainly caused by increased demand brought about by a fear that lemongrass oil will not be coming from the former Belgian Congo areas. (See diagram 9.3.).

9.19. U.S.A., U.K. and Switzerland continue to be the chief importers of the oil. Internal consumption has not made any remarkable progress.

Coffee:

9.20. Coffee production all over the world is passing through a serious crisis, and India is no exception to this. We are faced with a world surplus and a lower price abroad. India produces only about 49,000 tons out of some 4,475,000 tons of world crop and our export is less than 0.5% of world exports.

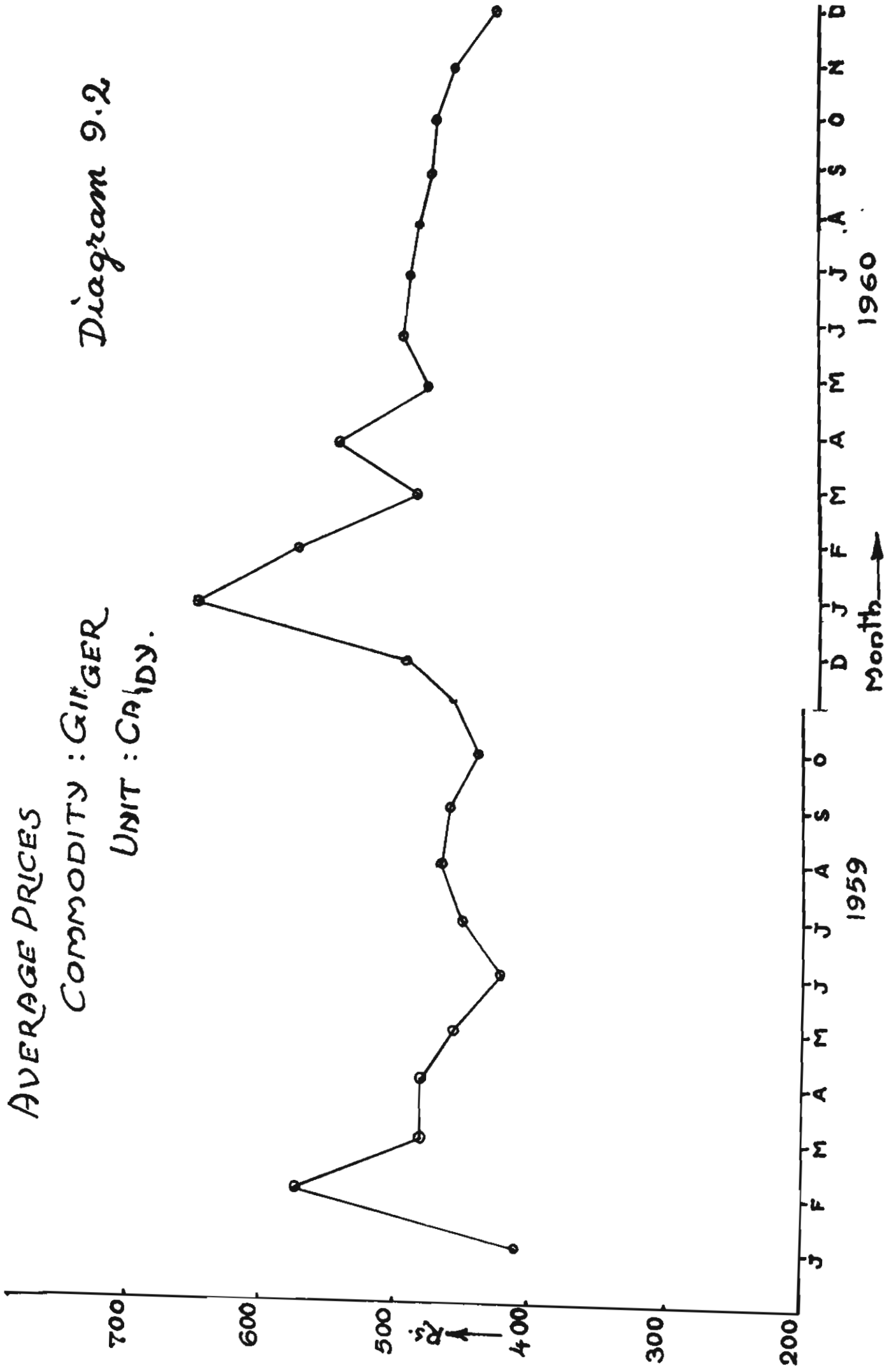
9.21. Despite increasing competition in world markets, India has so far been able to sell the bulk of her exportable surplus of coffee. From an average of 1863 tonnes for the three years ended 1952-53, exports have been stepped up to 14,749 tonnes for the three years ended 1958-59. The position of

AVERAGE PRICES

COMMODITY : GINGER

UNIT : C/100 LB.

Diagram 9.2

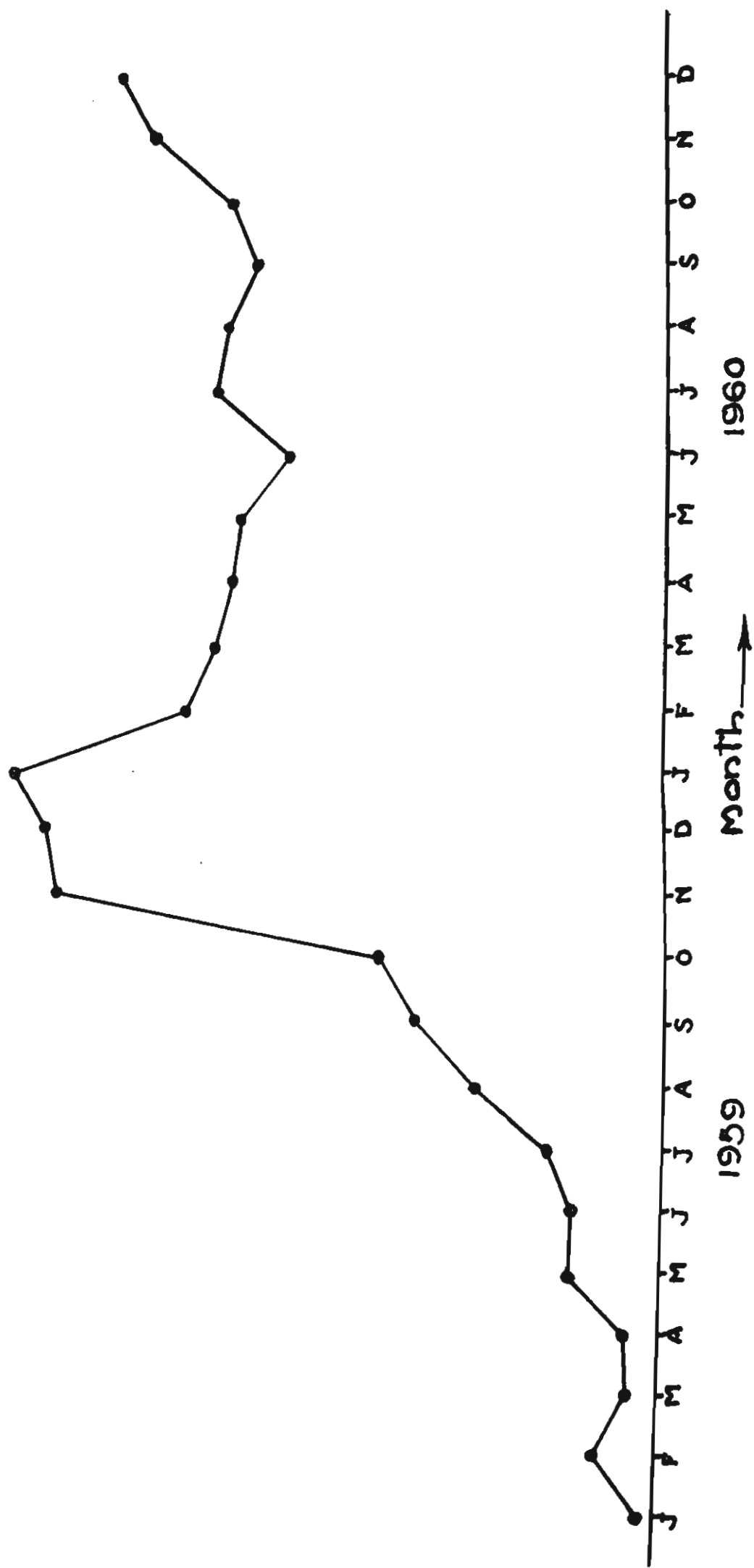


AVERAGE PRICES

Diagram 9.3

COMMODITY : LEMON GRASS OIL

UNIT : 12 BOTTLES.



Indian coffee, so far, has been that whatever be the production of coffee in the world, there has always been a place and price for quality coffee for which there are only a few comparable varieties in the world. But it has to be seen for how long this position will continue.

TABLE 9.16
Coffee receipts into the Pool

<i>Crop year</i>		<i>Quantity (Metric tonnes)</i>
1958-59 (Actual receipts)	..	46,200
1959-60 *	..	49,301
1960-61 (anticipated receipts)	..	53,050

* on 31-12-1960.

TABLE 9.17
Coffee released to the internal market

<i>Year (January-December)</i>		<i>Quantity (Metric tonnes)</i>
1958	..	27,570
1959	..	30,114
1960	..	30,004

9.22. The above figures show that though annual production of Indian coffee is increasing, there is no proportionate increase in domestic demand. As far as coffee exports are concerned, the volume has so far been increasing, but proportionate increase in export earnings is not obtained.

TABLE 9.18
Coffee Exports from India

<i>Crop year</i>		<i>Export (tonnes)</i>	<i>Value (Rs. crores)</i>	<i>Average price (Rs. per tonne)</i>
1950-51	..	305	0.21	6904
1956-57	..	15,472	8.41	5436
1957-58	..	14,281	6.24	4369
1958-59	..	16,400	6.34	3865
1959-60	..	18,542*	4.93**	..

* Upto 31-12-1960.

** Covering only 11,183 Metric tonnes sold for export out of a total allocation of 20,600 metric tonnes.

TABLE 9.19
Average prices secured in Pool sales

Year (January-December)	Plantation A	(Rs. per 50 kgs.)	
		Arabica Cherry flats	Robusta Cherry flats
1956	.. 213.44	186.62	157.25
1957	.. 222.70	185.97	162.11
1958	.. 217.36	182.60	160.87
1959	.. 235.19	186.96	155.64
1960	.. 222.46	180.72	157.54

9.23. Prices of the first two varieties have fallen in 1960, while in the case of Robusta, there is not much difference between the prices obtained in 1960 and 1959.

9.24. A forecast regarding the future of Indian coffee is not possible at present. The U.S. Department of Agriculture in its second estimate of the 1960-61 world coffee crop puts production at about 15% below the 1959-60 record. This may present any deterioration in India's coffee trade in the near future.

Tea:

9.25. India's prominent position as a tea producing country is too well-known to be emphasised.

TABLE 9.20
Production of tea in the world, India & Kerala
(Million lbs.)

Year (January December)	Total world production	Total Indian production	Total South Indian production	Production in Kerala
1951	1411	625	115	57 †
1957	1737	649	150	71
1958	1863	714	158	82
1959*	1355**	717	155	79

* Provisional.

** Does not include production in China, Japan & Formosa.

† Refers to the former T. C. State.

9.26. Total world production of tea in 1959 is not available; but it can safely be said that India's share in the world production is falling. Our competitors in world tea market are increasing. Ceylon, Indonesia, British East Africa and Pakistan have been increasing their tea production. U.S.S.R. has budgeted quite a large sum for the development of tea industry which will enable her to raise her production by 50% over

the present level. Other countries competing in our markets are Argentina, Brazil and China. The latter country was able to enhance considerably her volume of sales to Egypt, one of our best customers in the Middle East during the first half of 1960. The spectacular increase in tea shipments from China to Britain is also of particular significance. During the first five months of 1960 China exported to Britain 5 million lbs. of tea against only 0.8 million lbs. and 0.5 million lbs. during the corresponding period of 1959 and 1958 respectively. While these countries are able to increase their exports and capture new markets, India's position is not very happy.

TABLE 9.21
Tea Exports from India

Year	Quantity (Million lbs.)	Value (Rs. in lakhs)	Average price (Rs. per lb.)
1950-51	442	8041	1.82
1957-58	422	11,365	2.69
1958-59	480	12,968	2.70
1959-60	476	12,950	2.72

9.27. Average price of Indian tea has been rising while it is reported that common teas are produced at cheaper cost in other countries, and hence their ability to sell at lower rates. Anyhow it is satisfying to note that production and sale of South Indian teas have improved in 1960 when compared to 1959.

TABLE 9.22
Production of tea in South India

Year	Quantity (million lbs.)
1959 January-September	113
1960	129

TABLE 9.23
Export of tea from Cochin Port

Year	Quantity (million lbs.)
1959 (January-May)	13
1960	19

9.28. India may not have to face a serious crisis, in the very near future as world tea crop, according to the latest figures available is 13 million lbs. down when compared to last year. The fears of a lower world output is already being felt.

Prices of common teas, have begun to move up and the gap between the prices of common teas, and quality teas is getting narrowed. Programmes to reduce the cost of production and enlarge the field of effective publicity, will help India to maintain her place in the world of tea, at least for some time to come.

Rubber

9.29. India accounts for hardly 1% of world's total production of rubber. But, for Kerala, which comes first among the Indian states in area under cultivation and production and with great possibilities of increasing both, rubber occupies an important position in her economy.

9.30. In February 1955, the statutory price of raw rubber (Group I) was raised to Rs. 150.00 for 100 lbs. from Rs. 138.00 fixed earlier. This was further raised to Rs. 155.75 and that price was prevailing since then. Rubber growers in India were for a long time pressing to raise this statutory price. As a result of several representations received from the growers, the Government asked the Tariff Commission in April 1959 to undertake a fresh enquiry with a view to revise the price of raw rubber. The Commission, in its report submitted in August 1960, suggested a small reduction, but in view of the need for accelerated production of additional quantities of rubber to meet the growing internal demands of the manufacturing industries, Government have decided that there is no need to effect this small reduction.

9.31. Demand for rubber is increasing so fast that production cannot keep pace with it. The result is increased consumption of synthetic rubber.

9.32. The following figures of production and consumption of natural rubber in India during 1950-59 will show clearly the widening gulf between the two.

TABLE 9.24
Natural Rubber Situation in India

I			
(tons)			
Year	Production	Consumption	
1950	.. 15,599	17,735	
1957	.. 23,767	31,765	
1958	.. 24,328	34,756	
1959	.. 23,398	38,663	

II			
(Metric Tonnes)			
Year	Production	Consumption	Imports
1958 January-September	16,456	26,493	8,245
1959 "	15,294	29,110	11,214
1960 "	16,446	33,316	15,233

Cashew

9.33. Kerala's monopoly over the production and sale of cashew kernels in the world market remains unshattered. No other edible nut has so far been able to successfully compete with Indian cashew kernels. African threat to extract kernels locally out of their raw nuts too has not been realised.

9.34. The year 1960 saw a rise in the prices of both raw nuts imported to the country as well as cashew kernels exported from here.

TABLE 9.25
Import of raw nuts into India

Year	Quantity (tons.)	Value (Rs. crores)	Average price (Rs. per ton.)
1951-52 (April-March)	42,000	3.30	810
1957 (January-December)	95,687	7.30	763
1958 ..	129,322	7.47	621
1959 ..	90,318	6.07	672
1960 (January-September)	67,393	5.49	815

TABLE 9.26
Export of cashew kernels from India

Year (April-March)	Quantity (Tons)	Value (Rs. crores)	Average price (Rs. per ton)
1950-51 ..	25,400	8.55	3366
1957-58 ..	36,150	15.16	4194
1958-59 ..	40,350	15.85	3928
1959-60 ..	38,178	16.05	4204

TABLE 9.27
Export of Cashew kernels in 1958, 1959 & 1960

Year (January-September)	Quantity (tons)	Value (Rs. crores)	Average price (Rs. per ton)
1958 ..	28,150	11.11	3947
1959 ..	29,550	11.79	3990
1960 ..	30,014	14.17	4721

9.35. Reviewing the volume of exports for the first nine months of the year with the corresponding period in 1959, we find that Australia, East Germany, Canada, Hongkong, France, Iran, Japan, Netherlands, U. K., New Zealand and U.S.S.R. increased their off-take of cashew kernels, the rate of increase

varying between different countries. U.S.A., Belgium, West-Germany, Sweden, and Singapore are the important markets which made some reduction in their import of cashew kernels.

Coir.

9.36. Kerala, the main producer and exporter of coir yarn and other coir products has to meet competition from substitutes like Sisal, Manila hemp and jute. Indian States like Bombay, Mysore and other countries like Ceylon are also potential competitors to Kerala. But the really serious threat is in the field of manufactured products coming from the continental countries that impart yarn from India for making various products out of it. The following tables give export figures of coir from India.

TABLE 9.28
Export of Coir yarn and other Coir products from India

Year (April-March)	Coir yarn			All Coir products	
	Quantity (’000 cwt)	Value (Rs. lakhs)	Average (Rs. per cwt.)	Quantity (’000 cwt.)	Value (Rs. lakhs)
1950-51	1121	722.84	64.84	1579	1085.96
1957-58	1027	513.72	50.02	1394	793.86
1958-59	1028	494.07	48.06	1469	826.48
1959-60	1099	547.45	49.81	1560	903.67

9.37. Volume of coir exports have nearly reached the level prevailing ten years ago though prices and thereby export earnings have been greatly reduced. But both volume and value of coir exports from Kerala have slightly improved during the past two years. Prices also improved in 1960 (See Table 9.6).

TABLE 9.29
Exports of Coir products through the ports of Kerala

Year (July-June)	Quantity (Lakh cwt)	Value (Rs. crores)
1957-58	.. 13.79	8.02
1958-59	.. 16.61	9.38
1959-60	.. 17.97	9.96

9.38. It has long been known that the economy of this industry depends to a large extent on exports. An enquiry conducted recently by the Labour Bureau in the Central Ministry of Labour and Employment has confirmed that the volume of production and thus the employment of labour in the industry mainly depends on the quantum of exports.

Areca nut

9.39. India has not been able to produce all the areca nut she needs for her use and so has to import large quantities of it every year. The quantity and value of areca nut imported show wide fluctuations over the years, resulting from the periodic changes in the import policy of Government of India.

TABLE 9.30
Import of Areca nut

Year (April-March)	Quantity (lakh mds.)	Value (Rs. crores)	Average price (Rs. per maund)
1951-52	13.55	5.57	41.11
1958-59	4.92	0.84	17.07
1959-60	3.80	0.72	19.00

TABLE 9.31
Import of Areca nut in 1958, 1959 and 1960

Year (January-June)	Quantity (lakh mds.)	Value (Rs. crores)	Average price (Rs. per maund)
1958	2.98	0.67	22.64
1959	1.98	0.31	15.66
1960	1.64	0.35	21.34

The above figures show that prices of imported areca nut have fallen very much from what they were ten years ago.

9.40. Statistics are not available to show what part of India's total consumption of areca nut during the above years was produced in Kerala. But the following figures show that areca nut trade at Kozhikode market has steadily been increasing during the last few years.

TABLE 9.32
Arrival and disposal of areca nut in important South Indian markets

Markets	1958 (Jan-Sept.)	1959 (Jan-Sept.)	1960 (Jan-Sept.)
('000 mds.)			
Arrival			
Mangalore	50.88	263.42	253.77
Shimoga	119.28	129.89	113.46
Kozhikode	12.38	16.40	24.63
Disposal			
Mangalore	65.78	272.69	252.97
Shimoga	130.66	128.01	123.72
Kozhikode	7.99	18.49	20.71

9.41. As far as Mangalore and Shimoga are concerned, both arrival and disposal have dwindled during January-September 1960 when compared to the corresponding period in 1959.

Cocoanut and Cocoanut Products.

TABLE 9.33

Production of Coconut in India and Kerala

(crores of nuts)

Years (July-June)		Production in India	Production in Kerala
1950-51	..	333.2	203.0
1953-54	..	413.1	271.3
1956-57	..	421.7	313.2
1958-59	..	445.5	324.8

9.42. Production of coconut in India has been increasing over the years. But her demand for coconut and coconut products is so high that she imports large volumes of the same every year.

TABLE 9.34

Import of Copra and Coconut oil into India

Year (January-September)		Copra (Tons)	Coconut oil (Tons)
1958	..	76,976	6566
1959	..	65,027	3169
1960	..	71,031	1011

Among the Indian States, Kerala comes first in the production of coconut.

9.43. The table below gives the average price of coconut and coconut products at Cochin over a number of years.

TABLE 9.35

Prices of Coconut and Coconut products 1956-60

Year (January-December)	Coconut (Rs. per '000 nuts)	Copra (Rs. per candy)	Coconut oil (Rs. per candy)	Coconut oil cake Rs. per candy)
1956	151	280	406	90
1957	184	356	521	103
1958	210	433	643	112
1959	211	426	631	119
1960	234	454	695	125

The slight set back observed in the case of coconut products except oil cake in 1959 has been arrested and prices of all items improved in 1960.

9.44. The new import policy of the Central Government of subsidising groundnut oil exports with copra import licences created a stir in the market especially among Kerala millers who feared that they will not get import copra in future. But this had no adverse effect on the prices of copra and oil till the end of the year as can be seen from table 9.6.

9.45. A sudden fall in the near future in the prices of coconut and allied products need not be feared as the demand for these products is on the increase. Coconut oil consumed in the manufacture of Vanaspati during January to September 1959 was 114 metric tonnes. Quantity of the oil consumed during the same period in 1960 rose to 124 metric tonnes.

CHAPTER X

PRICES AND COST OF LIVING

The rising trend in prices and cost of living observed in 1959 continued during 1960 also.

10.2. 1959 was marked by a continuous rise in working class cost of living index numbers in every important town of Kerala and when the year 1960 began, they had reached a level higher than at the corresponding period in 1959 (see Table 10.1.) A rising trend was, on the whole, observed during 1960 also but some slight setbacks were seen in certain months for certain centres. The rise in the index numbers was more pronounced during the last quarter of the year and almost all centres reached the highest points during this period. The time points in which these indices reached their maximum and the percentage of rise show wide variation between different centres. For Trivandrum, it took a full year for the index numbers to reach their maximum. In Quilon, the index numbers rose from 457 in January and reached the maximum 467 in October; (2.19% rise). In Alleppey there was a rise of 8.06% by October, Kottayam 7.71% by November, Trichur 9.46% by December and Kozhikode 6.86% by July. December saw a mild easing of price situation but indices remained, in the majority of cases much higher than 1959 December level.

10.3. This situation in Kerala has to be compared with that of the rest of India. Table 10.2 gives the consumer price index numbers for working class for a few important cities and for the whole of India for selected months. On the whole, the index numbers have gone up when compared to 1959 level. The indices for all-India moved from January (122) and reached the maximum in August (126) having recorded a rise of 3.28%. During the same period, index numbers remained unchanged in Bombay and Delhi. They rose by 6.36% in Calcutta, 6.57% in Madras, 5.21% in Kanpur, 1.52% in Hyderabad and 1.48% in Nagpur. Though the highest point for all-India Consumer Price Indices was reached in August, the maximum points in most of the individual cities were reached during the last quarter of the year. For Madras the index numbers continued to rise and reached the highest point in October having made a rise of 8.3%. In Nagpur a rise of 2.78% was observed by September, and in Kanpur 6.25% in October. In Hyderabad, the maximum was reached earlier in July the rise being 2.27%. It is seen that among the selected cities, Madras recorded the biggest rise (8.03%) during the first ten months of the year and Calcutta came next, having made a rise of 6.36% within the course of the first eight months.

Diagram 9.6

AVERAGE PRICES

COMMODITY : COPRA.

UNIT : CAND.

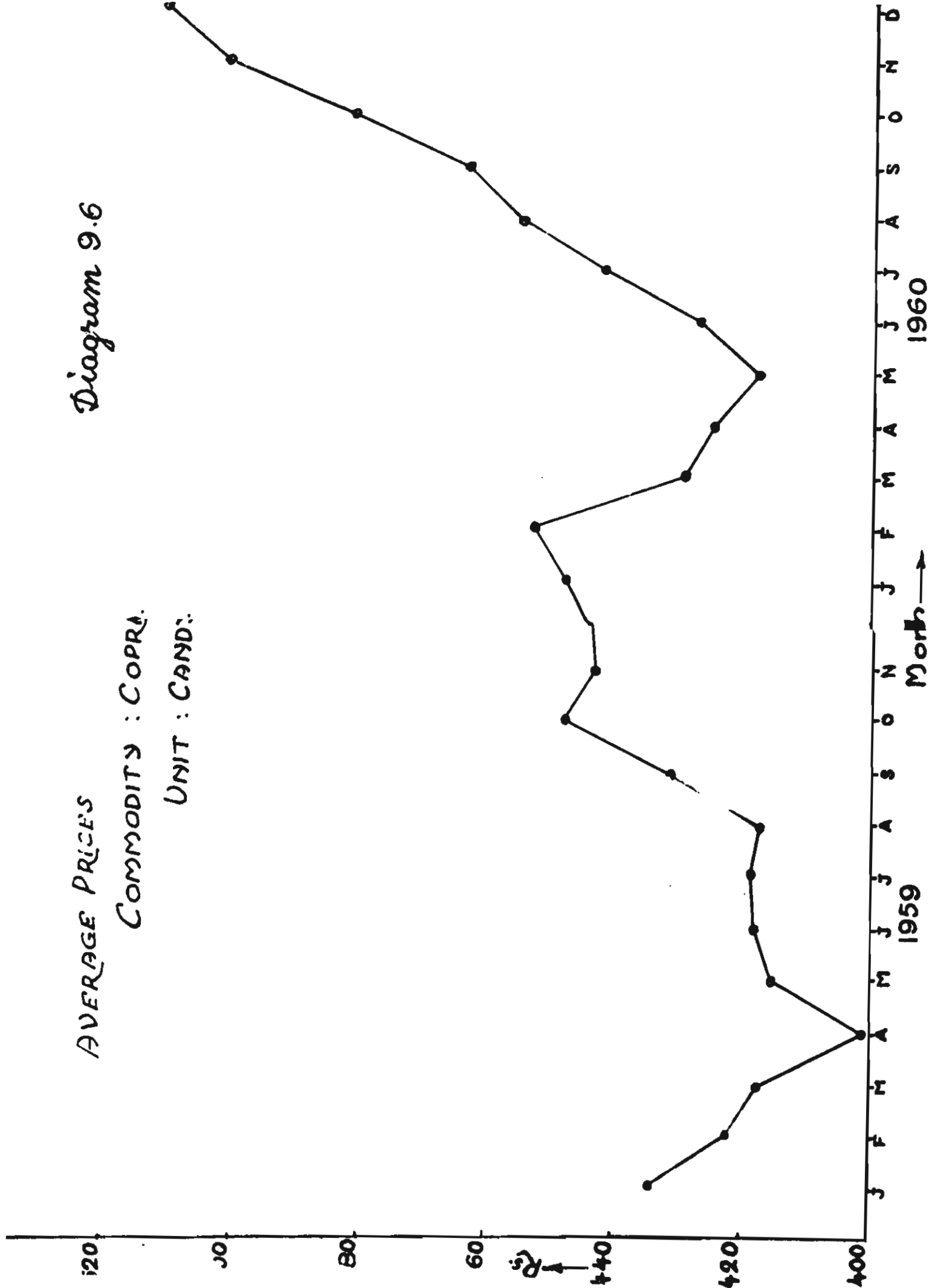
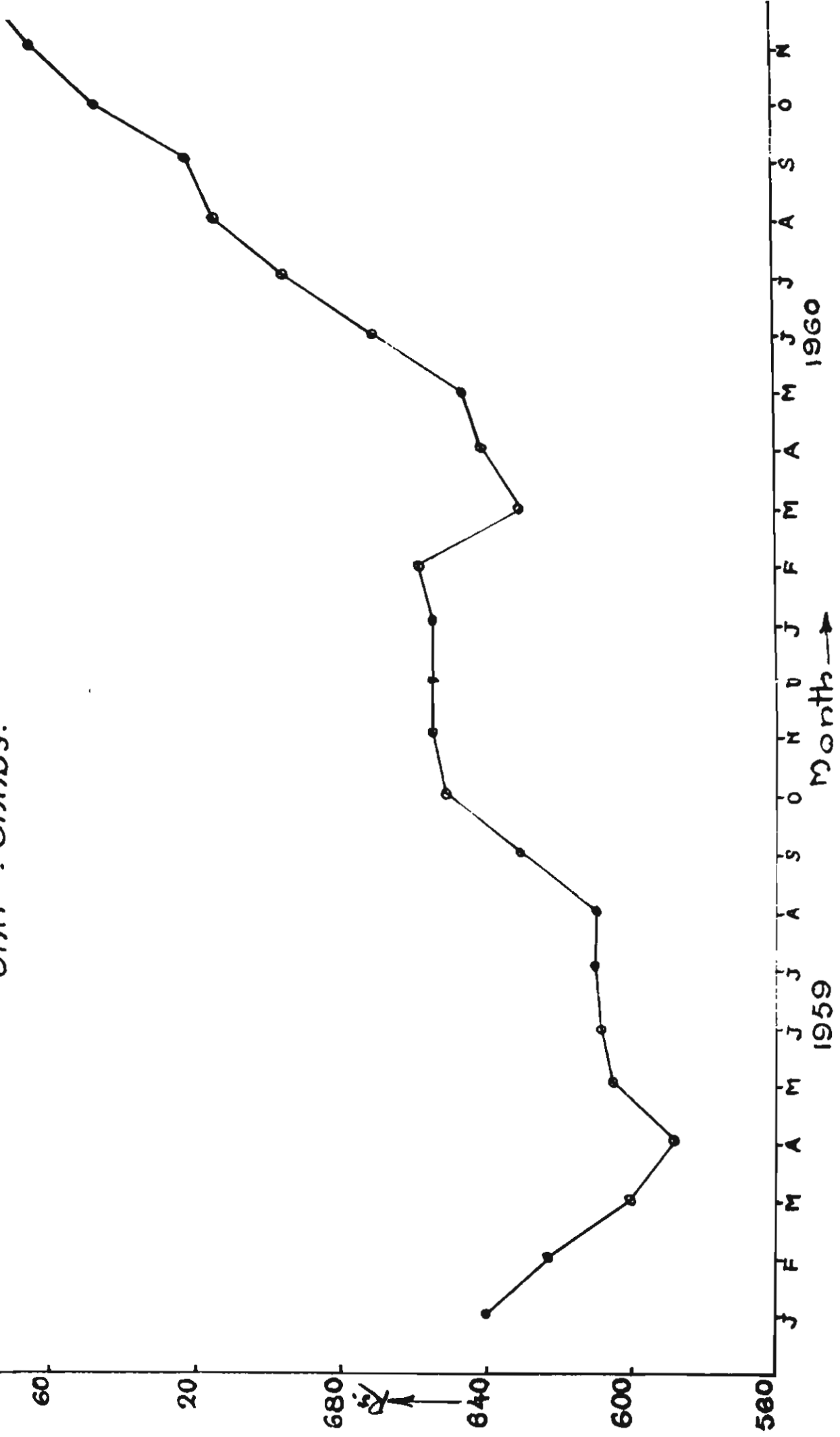


Diagram 9.7.

AVERAGE PRICES

COMMODITY : COCONUT OIL.

UNIT : CANDY.



AVERAGE PRICES

COMMODITY : COCONUT (WITH HUSK)

UNIT : 1000 NOS.

Diagram 9.5

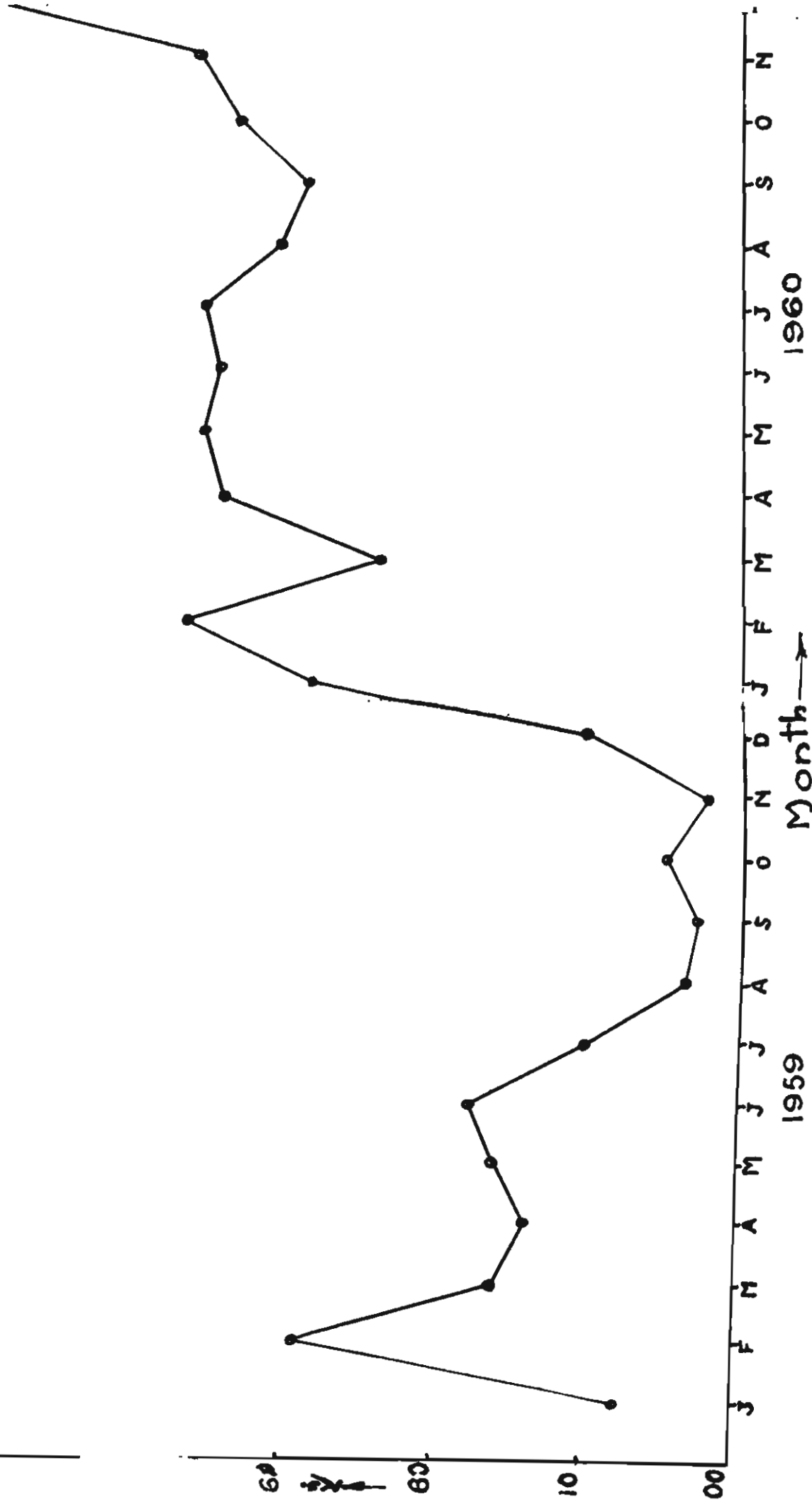


TABLE 10.1
Working class cost of living index for selected towns in Kerala

No.	Centres	1959											
		January	August	October	November	December	January	August	October	November	December		
1	Trivandrum	420	432	450	456	454	448	451	464	474	480		
2	Quilon	439	464	475	479	475	457	457	467	464	460		
3	Punalur	441	486	486	491	470	451	455	465	471	471		
4	Alleppey	425	431	431	434	426	422	447	466	451	443		
5	Changanacherry	425	451	456	457	448	437	454	459	465	459		
6	Kottayam	424	436	445	444	435	428	449	458	461	455		
7	Alwaye	446	503	503	501	480	462	470	476	472	463		
8	Ernakulam	439	451	458	460	449	436	471	485	490	484		
9	Trichur	446	474	477	473	460	444	468	479	483	486		
10	Chelakudy	454	486	485	482	471	465	481	488	490	480		
11	Munnar	428	455	451	453	445	441	469	470	475	480		
12	Kozhikode	456	476	488	489	467	452	477	480	481	474		

Base for Kozhikode—June 1936—100

Base for all other centres—August 1939—100

TABLE 10.2
Consumer price Index Numbers—Working class—for selected cities in India
 BASE: 1945=100

Sl. No.	Centres	1959				1960				
		January	June	August	October	December	January	June	August	October
1	All-India	117	122	125	126	122	122	124	126	125
2	Bangalore	134	140	142	143	144	144	146	148	147
3	Bombay	129	135	137	139	137	137	137	137	137
4	Calcutta	105	110	116	116	111	110	114	117	113
5	Delhi	122	117	118	120	119	121	117	121	122
6	Madras City	130	134	134	137	137	137	143	146	148
7	Nagpur	127	132	134	135	136	135	135	137	137
8	Kanpur	103	97	98	98	96	96	96	101	102
9	Hyderabad City	126	128	132	134	133	132	132	134	134

10.4. The conclusion that can be arrived at from the above data is that price level in Kerala in 1960 was not on the whole higher than the price levels observed in other parts of India though the rise in working class index numbers in certain towns in the State was very high. For example, in Ernakulam the index numbers made a rise of 10.09% during the course of the year. Rise in Trichur, Trivandrum, Kottayam and Kozhikode were also considerable.

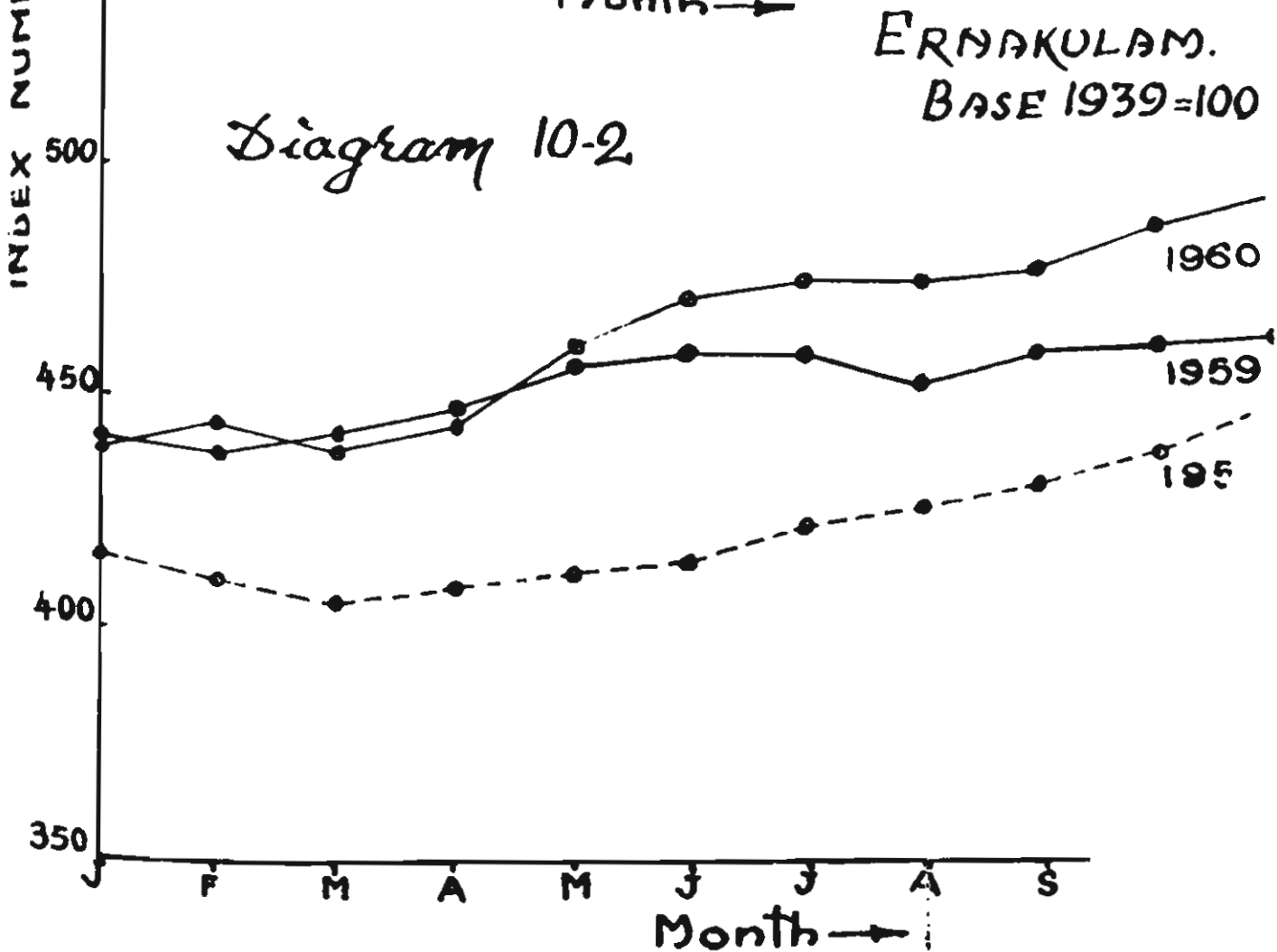
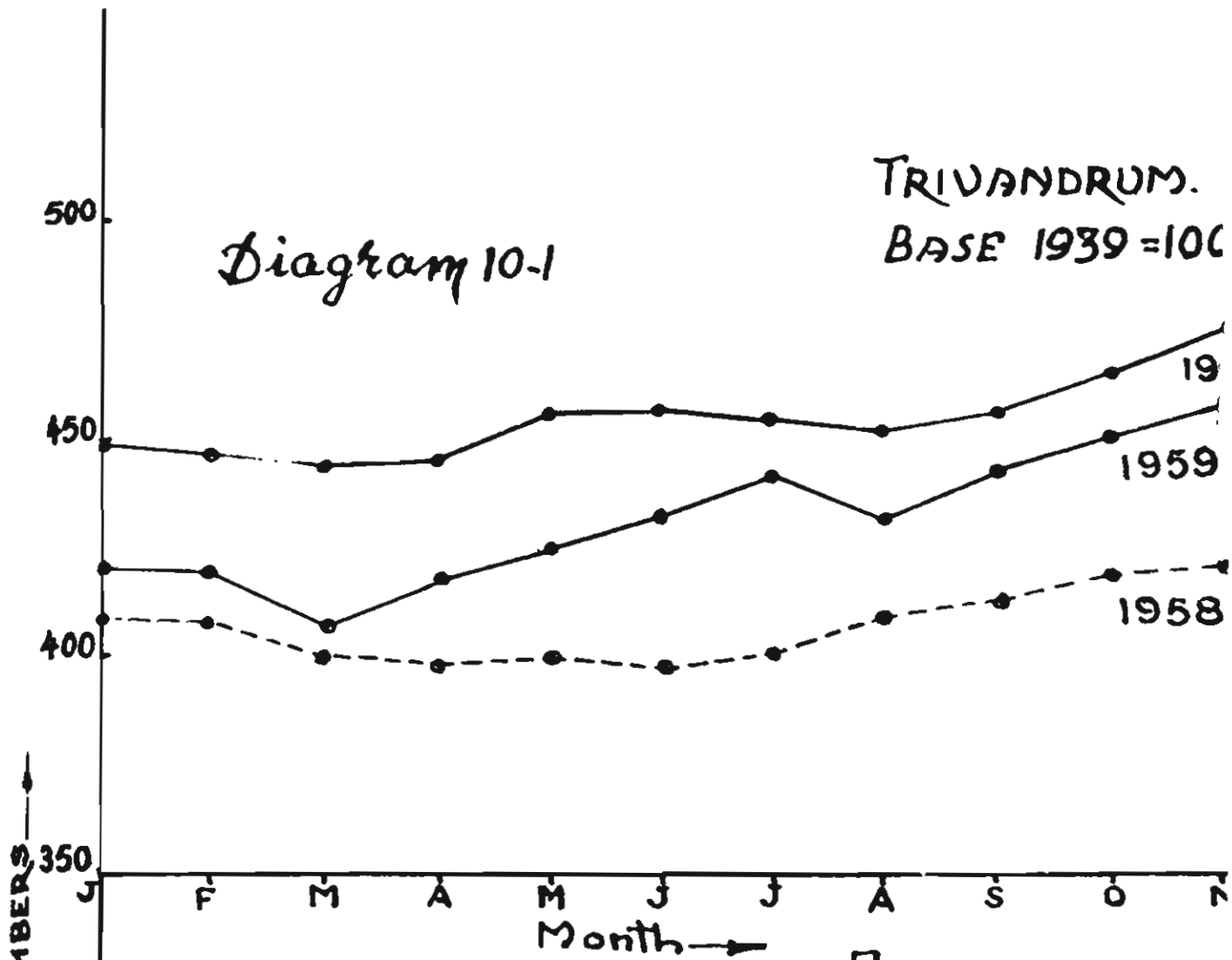
TABLE 10.3
Trend of working class cost of living in Kerala in 1959-1960

Sl. No.	Centres	Maximum rise reached from the beginning of the year	
		1959(%)	1960(%)
1	Trivandrum	8.83	7.14
2	Quilon	9.11	2.19
3	Alleppey	3.53	8.06
4	Kottayam	5.66	7.71
5	Ernakulam	4.78	10.09
6	Trichur	8.74	9.46
7	Kozhikode	11.62	6.86

10.5. We have seen that working class cost of living index numbers in 1960 were in general higher than in 1959, (see Table 10.1 and diagrams 10.1 to 10.4). The above figures show that the percentage of rise within the year 1960 was in no way lower than in the previous year.

10.6. Apart from price levels as measured by index numbers of cost of living, price trends of specific commodities like rice should also be considered. March 1959 saw the start of a steep climb that lasted until July. Since August, the curve turned downwards and followed the seasonal pattern. But prices in December 1959 were higher than at the beginning of the year. By January 1960, they had further come down and reached almost the level in January 1959 (see table 10.4 and diagrams 10.5 to 10.10). Trend of rice prices during the first half of the current year was also more or less following the normal pattern. January and February prices remained comparatively low. The rise observed from March to June did not show any abnormal feature. But after that, the price instead of turning down climbed up, reaching the maximum in November in most cases. A general decline in prices was observed in December was attributed to increase in production from outside, price fall in producing centres and distribution through fair price shops.

WORKING CLASS COST OF LIVING INDEX' NUMBERS.



WORKING CLASS COST OF LIVING INDEX NUMBERS.

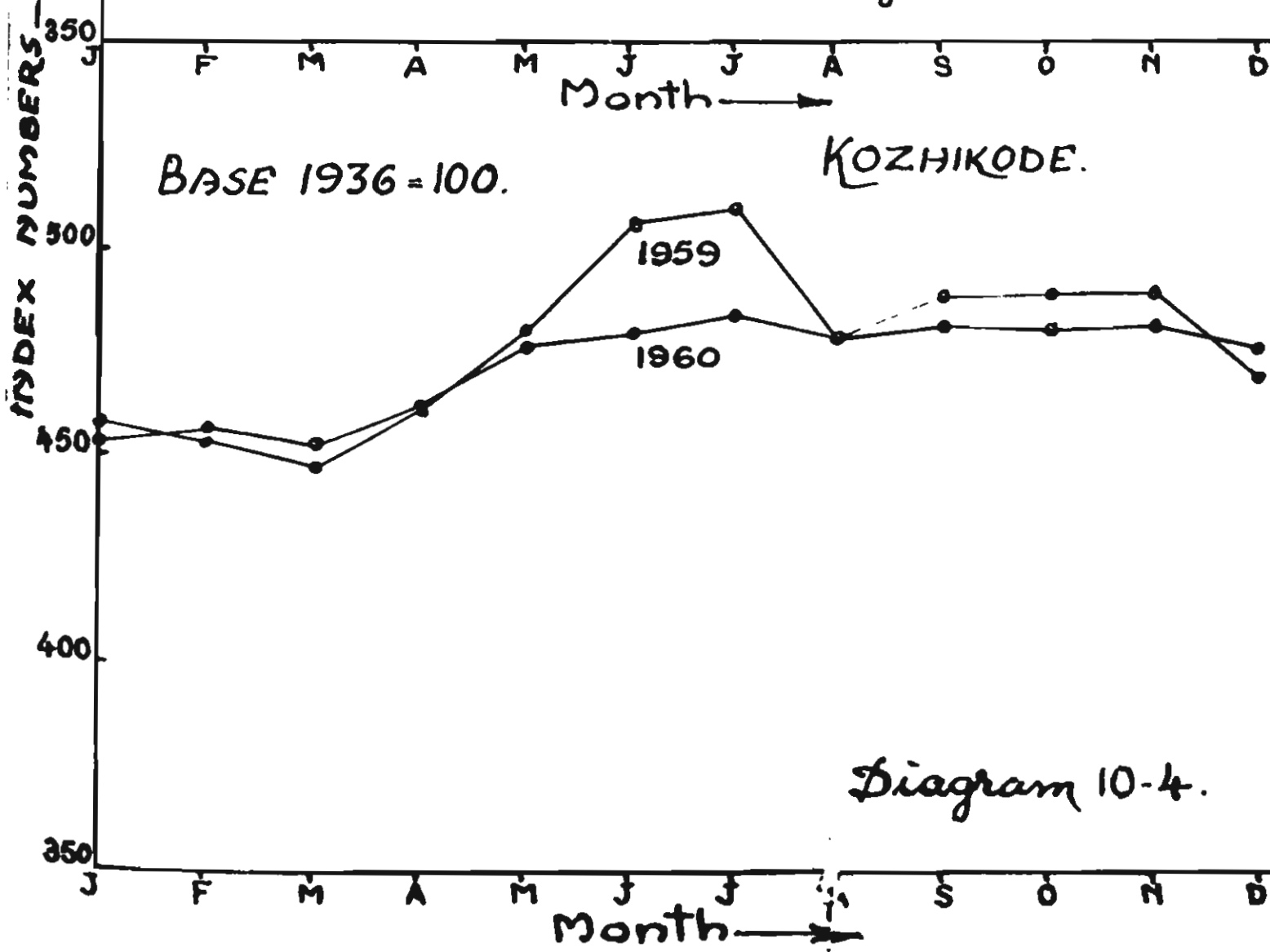
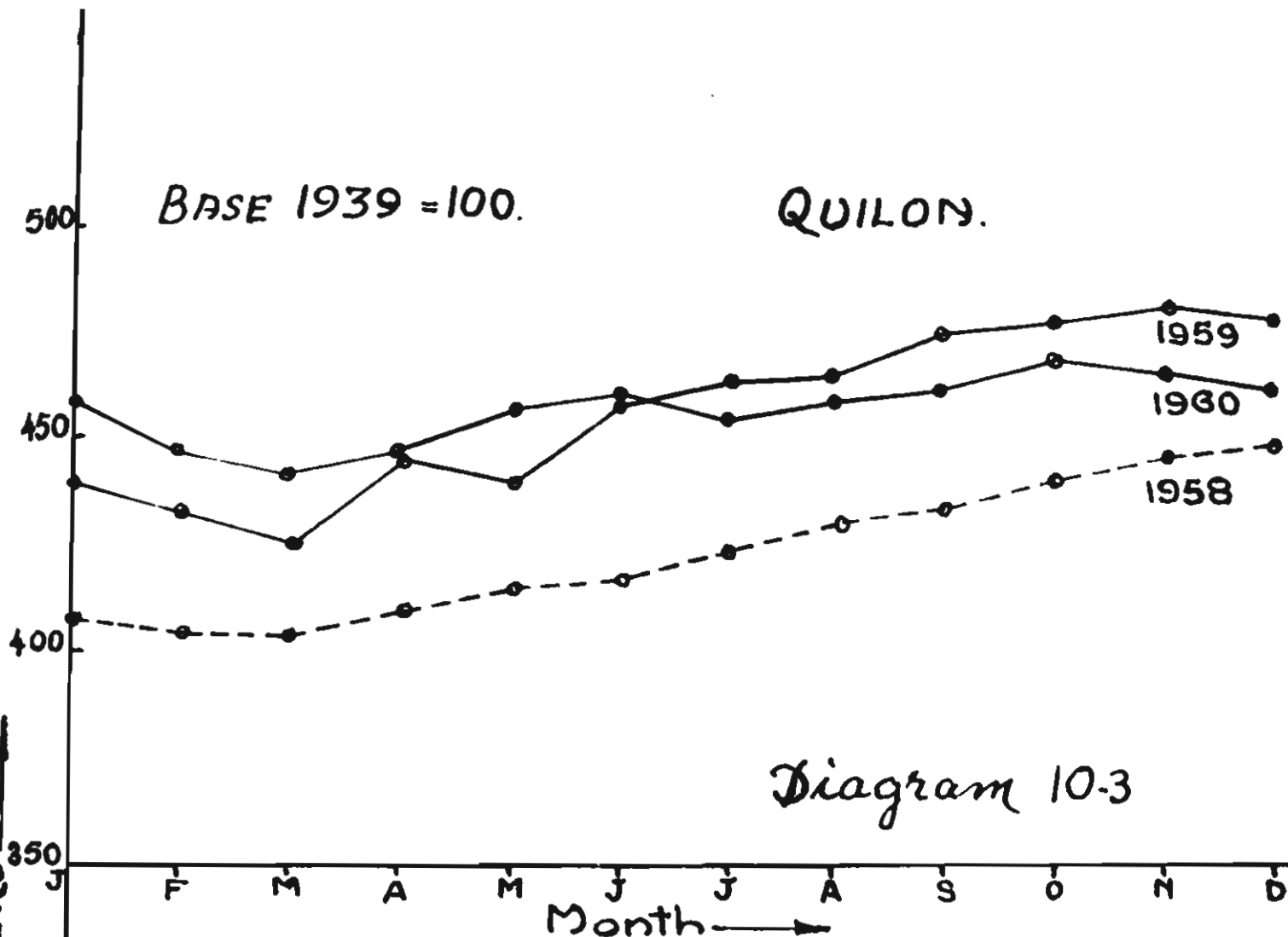


TABLE 10.4

Wholesale price of rice in selected centres in Kerala *

(Rs. per bag)

Sl. No.	Centre	1959					1960						
		January	April	July	October	Nov.	Dec.	January	April	July	October	Nov.	Dec.
1	Trivandrum	44.09	44.16	50.37	46.61	44.46	39.52	38.53	42.45	41.96	43.92	47.47	49.30
2	Quilon	42.60	43.69	50.10	44.75	47.00	46.00	38.50	40.00	43.50	48.49	50.70	48.49
3	Alleppey	42.10	44.38	51.30	45.80	48.00	44.00	41.00	42.50	46.00	48.00	50.00	46.99
4	Changanacherry	41.31	45.75	50.73	42.21	44.04	42.03	40.50	N.Q.	N.Q.	42.03	45.57	44.56
5	Cochin	40.99	43.03	51.25	45.90	46.00	42.50	39.50	42.50	46.00	45.97	46.00	50.84
6	Pa'ghat	37.50	40.75	48.50	38.10	40.00	38.00	35.00	39.00	44.00	38.00	50.35	46.83
7	Kozhikode	41.00	38.50	51.00	45.40	47.00	44.00	41.00	42.00	46.50	46.99	51.00	47.50

* Prices relate to the average for the third week in each month.

N.Q. = Not quoted.

TABLE 10.5
Wholesale price of Rice at Vijayavada and Kumbakonam

	January	February	March	April	May	June	July	August	Sep.	October	Nov.	Dec.	
Vijayavada (Andhra)	1959	16.66	17.25	17.88	18.66	19.41	19.83	20.66	21.25	21.50	21.66	23.33	18.10
	1960	18.50	19.58	20.00	19.92	20.25	20.75	21.58	22.00	22.00	22.25	..	..
Kumbakonam (Madras)	1959	20.00	17.68	17.17	17.00	17.00	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
	1960	N.Q.	N.Q.	19.50	19.00	20.25	21.50	21.50	22.50	23.00	22.00	..	..

TABLE 10.6

All-India Price Index for Rice

Sl. No.	Year	January	February	March	April	May	June	July	August	Sep.	October	Nov.	Dec.
1	1958	..	100	99	102	104	107	112	116	118	113	102	95
2	1959	..	92	91	92	97	99	104	112	111	111	105	98
3	1960	..	104	105	106	110	114	114	115	115	109	106	N.A.

Base: 1952-53—100

N.Q. = Not quoted.

N.A. = Not available.

10.7. As far as rice situation was concerned, the year on the whole, was normal. The State was able to increase her rice production during 1959-60 to 1,022,000 tons from 933,000 tons produced during the previous season. Arrival of rice to the State on private account and allotment from Central Government were also higher this year (see Table 4.7 in Chapter IV). The general level of rice prices in the State remaining at a high level in spite of all this can only be explained by the high level of rice prices prevailing elsewhere in India (see Tables 10.5 and 10.6). Both at Andhra and Madras two important markets from where we purchase rice, prices were higher in 1960 when compared to 1959. The same trend is seen in the All India price index for rice. But unlike this index which showed a downward trend in October and November, prices in South Indian markets went up during this period. This trend naturally was reflected in the markets in Kerala. Heavy rains in the south during this period caused great havoc to crop and dislocation in transport facilities and movement of foodgrains. It was also reported that the rice flowed out from Kerala to neighbouring areas. This was followed by the normal hoarding and speculation.

10.8. Another essential consumer article the price of which had caused great disturbance in the market in 1959 was sugar. A fall in the availability of sugar in India brought about by a fall in production, reduction of stocks and continuance of exports provoked intense speculative activities on the part of sugar merchants and retail dealers. This grave situation was however brought under control in 1960. Sugar production in India was raised to 24 lakh tons during 1959-60 from 19 lakh tons produced during 1958-59. The inflow of sugar to Kerala increased considerably during the year. As a result, the serious fluctuation in prices, which characterised sugar market in 1959 was avoided in 1960.

10.9. Another important feature of the current year is that prices of essential commodities which remained without much fluctuation during the first half of the year began to make sharp rises during the last quarter of the year. Firewood, jaggery, coriander and chillies are examples.

10.10. Thus the general price level of consumer goods judged from cost of living Index Numbers has risen in 1960, from the level reached in 1959. Within the year, the rise was more pronounced during the last quarter. But this feature was not present in the case of Kerala's important cash crops, viz. spices as will be seen in table 9.6 in Chapter IX. The pattern and level of price rise in the State are more or less similar to what has been experienced elsewhere in India.

CHAPTER XI

SOCIAL SERVICES

Kerala holds a high position in the matter of social services. The importance of the State in the fields of education and health is analysed in detail in the following paragraphs.

Education.

Education is the keystone of progress in a democracy. Education in any State should be directed to train people enter diverse fields of activity like the industrial, agricultural, commercial and scientific. Kerala's educational system does not have this quality because the progress achieved so far is only in one branch of education, namely general education and in that branch, no doubt, Kerala is the most advanced State in India. Literacy which was 41% in 1951 touched a new high of 47% in 1959. The following table gives the number and strength of three major categories of schools in the State, viz. Lower Primary, Upper Primary and Secondary in 1958-59.

TABLE 11.1

School	No. of Institutions			No. of students		
	Public	Private	Total	Boys	Girls	Total
Lower Primary	2549	3752	6301*	973733	844582	1818315
Upper Primary	486	1286	1772	294667	227197	521864
Secondary	242	629	871	329298	233876	563174

11.2. Besides the above categories of schools a number of basic training schools and special schools were working in Kerala. In 1958-59 there were 44 colleges for general education with 33,131 students, 23 colleges for professional education with 4,298 students and 1 college for special education with 100 students. All these go to show the importance which has been given to general education in the educational system. There is every possibility of the standard of literacy going still higher. The zeal of the parents in Kerala to send their children to schools will never flag.

11.3. The annual output of S.S.L.C. holders is of the order of 40,000. Out of a total of 80,270 candidates presented in March 1960 for the S.S.L.C. examination successful candidates numbered 28,602 and out of 32,006 candidates presented in September the successful candidates numbered 13,004, thus 41,606 to the already existing number of S.S.L.C. holders in 1960. Table 11.2 gives the faculty-wise distribution of those who passed in either a degree or diploma examination. The maximum number of degree holders turned up in the Arts and Science subjects.

TABLE 11.2
Facultywise distribution of students passed in 1958

Sl. No.	Subject of degree or diploma	1958			1959		
		Male	Female	Total	Male	Female	
1	2	3	4	5	6	7	8
1	Arts	1362	573	1935	1617	765	2382
2	Science	1293	527	1820	1637	814	2451
3	Law	153	9	162	97	10	107
4	Education	809	462	1271	1018	458	1476
5	Engineering Degree	110	..	110	110	—	110
6	Commerce	307	4	311	561	21	582
7	Medicine	58	21	79	37	13	50
8	Ayurveda	12	3	15	31	7	38
9	Agriculture	48	..	48	73	—	73
10	Veterinary Science	—	..	—	37	2	39
11	Oriental Titles	426	404	830	435	650	1085
12	Research degree	..	..	..	1	6	7
13	Diploma in Social Service	..	26	26	25	22	47

11.4. Comparative figures of the number of institutions in the various States of India are given in Table 11.3. The number of institutions per lakh of population in Kerala is smaller than that for India as a whole. It was 66 per lakh of persons in Kerala as against 97 for India in 1956-57. Bombay, Mysore, West Bengal, Madhya Pradesh, Assam and Orissa had averages higher than the all India average. For serving about 4% of the total Indian population, Kerala had in 1956-57 only about 2.6% of the total number of organised educational institutions in India. But this drawback has been more than compensated by the strength of these institutions as can be seen from Table 11.4. The average number of students per institution was more than three times that of the all India average in 1956-57 and the number of students per 1,000 persons was 183 as against 88 for India as a whole. Other States which had more than 100 students per 1,000 persons in that year were West Bengal. A = 2 2 2 2 2

TABLE 11.3
Number of Organised Educational Institutions—State-wise—1956-57

(1)	(2)	Number of Schools			(6)	(7)	(8)
		General Education	Vocational and special education	Total			
1	Andhra	30027	2997	33024	92	33116	98
2	Assam	14547	906	15453	29	15482	157
3	Bihar	34104	6400	40504	93	40597	98
4	Bombay	48190	17866	66056	197	66253	125
5	Kerala	9488	409	9897	57	9954	86
6	Madhya Pradesh	24840	3354	28194	95	28289	102
7	Madras	23995	2153	26148	104	26252	80
8	Mysore	23438	4342	27780	100	27880	125
9	Orissa	16095	3695	19790	23	19813	129
10	Punjab	14565	448	15013	109	15122	85
11	Rajasthan	10689	1484	12173	87	12260	70
12	Uttar Pradesh	38677	1906	40583	128	40711	60
13	West Bengal	28772	5067	33839	150	33989	123
14	Jammu & Kashmir	2455	8	2463	25	2488	52
15	Union Territories	4476	1040	5516	46	5562	104
..	ALL-INDIA	324358	52075	376433	1335	377768	97

TABLE 11.4
Number of Students in Educational Institutions in India—State-wise—1956-57.

	States	Total number of students in schools			Total number of students in colleges (000s)	Total number of students in schools & colleges (000s)	Number of students per 1000 people	Number of students per institution	
		Primary (000s)	Secondary (000s)	Professional (000s)					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Andhra	..	2456	496	20	55	3027	90	91
2	Assam	..	863	238	6	16	1123	114	73
3	Bihar	..	1931	465	14	59	2469	60	61
4	Bombay	..	4421	1485	63	105	6074	113	92
5	Jammu & Kashmir	..	156	50	1	6	213	44	85
6	Kerala	..	2068	664	9	38	2779	183	279
7	Madhya Pradesh	..	1496	290	8	25	1819	66	64
8	Madras	..	2612	682	49	52	3395	104	129
9	Mysore	..	1586	516	24	39	2165	101	78
10	Orissa	..	729	82	5	8	824	54	42
11	Punjab	..	1319	454	16	48	1837	103	122
12	Rajasthan	..	612	175	3	23	813	46	66
13	Uttar Pradesh	..	3007	915	19	186	4127	61	101
14	West Bengal	..	2347	742	33	119	3241	117	65
15	Union Territories	..	461	158	3	19	641	119	115
	All-India	..	26064	7412	273	798	34547	88	92

11.5. For a State which has reached a high level of literacy standards, it is surprising that Kerala is extremely backward in the field of technical education. Only a negligible portion of the population attend the technical schools and colleges. If this is true of India as a whole it is more so in the case of Kerala. Facilities for technical education are being created in the State slowly and during recent years the number of candidates willing to take up technical education has shown a tendency to increase. Still the present position, in so far as technical education in Kerala is concerned, is discouraging. The lopsidedness of the educational system in Kerala has in no small measure contributed to the present poverty of technical skill in the State and, in a way, also to its industrial backwardness. Kerala has at present three engineering colleges, two in the Public Sector and one in the Private. The number of successful engineers coming out annually from these colleges is about 220. There are also ten polytechnics, 5 in the Public Sector and 5 in the Private, having an intake capacity of about 1800. It is estimated that the diploma holders coming out of the polytechnics in 1960-61 will be about 1,200. The following table which gives the outturn of engineers and doctors per million persons in Kerala, India and a few other countries helps to attest the fact that Kerala is extremely backward in the field of technical and other vocational education. The gap between the averages of Kerala and all India will be wider now as the average for India shown in the table relates to the year 1955.

TABLE 11.5
Outturn of Engineers and Doctors per million persons

Country/State	Reference Year	Engineers	Doctors
U. S. A.	1950	158.0	42.5
U. S. S. R.	1956	355.0	100.0
U. K.	1956	55.0	37.3
China	1955	30.9	11.2
India	1955	18.4	8.1
Kerala	1959	7.3	5.3

Health:

11.6. Kerala enjoys comparatively better health than many States in India. The Health Department provides medical and public

people of the State. The number of medical institutions in Kerala rose from 363 to 382 and the number of beds from 11,959 to 12,352 over the period 1958 to 1959. The total number of 382 Medical Institutions in the State at the end of 1959 under the Health Services Department was made up of 66 Government hospitals (9484 beds), 188 Government dispensaries (905 beds), 77 public health centres (938 beds), 28 grant-in-aid institutions (1,025 beds) and 23 subsidised rural dispensaries.

11.7. Per capita facilities available to the people of Kerala in terms of hospitals and beds are greater than those available to most other States of India. The following figures indicate the number of hospitals and dispensaries and beds per million persons for the various States in 1956.

TABLE 11.6
Hospitals and beds per million persons—1956

	State	Hospitals and dispensaries	Beds
1	Assam	.. 56	282
2	Bihar	.. 20	185
3	Bombay	.. 27	448
4	Jammu and Kashmir	.. 32	314
5	Madras	.. 20	494
6	Mysore	.. 36	492
7	Orissa	.. 26	229
8	Punjab	.. 44	653
9	Rajasthan	.. 33	460
10	U. P.	.. 17	248
11	West Bengal	.. 45	795
12	Kerala	.. 38	726
	ALL INDIA	23	360

11.8. Kerala has a lower average number of doctors per unit of population than India as a whole. West Bengal and Delhi had more than 600 doctors per million persons in 1954 while Kerala had only 116. The main reason for this smaller average was the lack of facilities for medical education in Kerala. The position might have improved in Kerala now that there is an annual outturn of doctors from the medical colleges in the State.

TABLE 11.7
Distribution of doctors per million population—1954

Sl. No.	State	Population 1954 (Million)	No. of doctors (Graduates and licentiates)	Doctors per million popula- tion
1	Andhra	32.65	3933	120
2	Assam	9.59	2684	280
3	Bihar	40.07	5064	126
4	Bombay	51.15	12972	253
5	Jammu & Kashmir	4.54	74	16
6	Kerala	14.51	1681	116
7	Madhya Pradesh	26.80	1922	72
8	Madras	31.38	6042	193
9	Mysore	20.58	2946	143
10	Orissa	14.94	1248	84
11	Punjab	16.63	2033	182
12	Rajasthan	16.74	667	40
13	U. P.	65.60	6233	95
14	West Bengal	27.41	16591	605
15	Delhi	1.93	1239	642
16	Himachal Pradesh	1.13	73	65
17	Manipur	0.60	24	40
18	Tripura	0.69	176	255
ALL INDIA		376.94	66602	176

11.9. The availability of physicians in proportion to population in certain important countries, shows that India had 2.1 physicians per 10,000 persons as against 18.0 for U.S.A., 13.6 for Germany and 14.3 for Switzerland. China had only 1.2 physicians per 10,000 persons in 1956, so also had Kerala in 1954. The per capita availability of physicians in Kerala is one of the lowest in the world and that is therefore most important for future planning in the State is to see that the number of doctors in the State increases with the growth of population.

TABLE 11.8
Availability of physicians per 10,000 people

	Country	Reference year	Rate
1	U. S. A.	.. 1959	13.0
2	Switzerland	.. 1956	14.3
3	Germany	.. 1956	13.6
4	Poland	.. 1959	8.9
5	China	.. 1956	1.2
6	India	.. 1960	2.1
7	(Kerala)	.. 1954	1.2

11.10. Death rate in Kerala is lower than that in India as a whole, so also infant mortality. Comparative figures of infant mortality for some of the important cities in India show it is much higher in these cities than in Kerala.

TABLE 11.9
Infant Mortality rate—per 1,000 live births (1956-57)

City	Rate
Ahamedabad	.. 149
Bombay	.. 110
Calcutta	.. 129
Delhi	.. 79
Lucknow	.. 96
Madras	.. 145
Nagpur	.. 73
(Kerala)	.. (61)

11.11. The total number of deaths occurred in Kerala has recorded an increase of 32% in 1957 over 1956. The death rate in the State is slowly mounting. Out of the total number of 1,43,229 deaths in Kerala in 1957, 35% of deaths are of children below 5 years of age and 80% of old people above 60. Statewise figures for deaths in 1957 under certain major causes indicate that the incidence of fatal diseases is greater in States like Orissa, Andhra, Bombay, Punjab and Madras than in Kerala. Average number of deaths due to small pox, fever and respiratory diseases was smaller in Kerala than the all India average in 1957. The epidemics cholera and plague have been completely eliminated in Kerala. In fact the only major epidemic afflicting the State is small-pox. In 1956 about 0.3% of the deaths were caused by small-pox while in 1957, 0.4% of the deaths were caused by this epidemic. Deaths due to epidemics were 3 to 5% in Assam, Rajasthan, West Bengal, Bihar clearly Orissa while they were below 0.5% in Kerala during the recent years.

TABLE 11.10
Death rate by causes (1957)—Statewise—Number per lakh
of population

		Cholera	Small pox	Plague	Fever	Dysentery & Diarrhoea	Respiratory diseases	Other causes	Total
1	Andhra	17	40	..	620	70	100	720	1567
2	Assam	0.5	0.8	..	260	40	50	110	461
3	Bihar	29	10	0.2	620	5	7	100	771
4	Bombay	13	20	..	540	70	230	620	1493
5	Kerala	..	4	..	110	70	100	680	964
6	Madras	9	10	..	230	10	140	920	1419
7	Mysore	..	10	0.4	340	10	90	390	951
8	Orissa	30	40	..	1140	130	80	500	1920
9	Punjab	..	1	..	960	40	230	250	1481
10	Rajasthan	..	22	..	180	32	66	260	560
11	Uttar Pradesh	20	10	0.7	550	40	70	160	851
12	West Bengal	10	40	..	410	60	110	370	1000
	ALL INDIA	20	20	..	500	60	110	400	1110

11.12. The Department of Indigenous Medicine has been in existence in Kerala for the last fifty years or more. Serious attention to this department began to be paid only recently and as a consequence there has been some rapid development in this field. In 1957-58 there were 2 major Ayurveda hospitals, with a bed strength of 30 each, and 21 minor hospitals in the State where 3,978 persons were treated as inpatients and 12,84,410 as out-patients. There were 118 Government Ayurveda dispensaries functioning where 22,71,236 patients were treated and also 7 visha dispensaries where 2,147 patients were treated for snake bites and 14,948 for other bites. The major institution manufacturing and supplying ayurveda medicines required for the departmental hospitals and dispensaries is the S.K.V.G.A. Pharmacy at Trichur. There were 264 grant-in-aid institutions also in Kerala in 1957-58. At present there are 36 hospitals, 168 dispensaries, 253 grant-in-aid dispensaries and 30 subsidised dispensaries functioning under the Department of Indigenous Medicine. Some of the institutions are solely meant for treatment of poison cases. Separate section for treatment of poison cases, eye diseases, fracture and dislocation of bones are also attached to certain hospitals. The present average daily attendance of out-patients in an institution exceeds 1000. The number of grant-in-aid institutions has gone down in future use of the policy of abolishing these institutions gradually and opening Government hospitals and dispensaries in every Taluk Panchayat.

CHAPTER XII

EMPLOYMENT SITUATION

Apart from the figures furnished by the Employment Exchanges there are no reliable official data for gauging the trends in the employment position in the State. These figures can be considered as rough indicators as they are not actually representative of the changes in the employment position in the State.

TABLE 12.1
Employment Exchange Data on Placings and Registrations.

	1960	1959
No. of Placings ..	11,631	9,487
Average number of employers using the exchanges ..	198	223
No. of registrations ..	105,775	106,790

12.2. The Employment Exchange data indicate that employment opportunities were higher during 1960 than during 1959. The number of placings by the exchanges was higher for nine months of 1960 than that for the corresponding months of 1959 even though the average number of employers using the exchange in 1960 was less than that for 1959. The number of registrations was also lower in 1960 than in 1959. The lower registration figure in 1960 finds its reflection in the live-register also as can be seen from Table 12.1. All these indicate that the overall employment position in 1960 was slightly better than in 1959. The increasing tempo of the Second Plan is perhaps the contributory factor for this improvement in the employment situation. The important question to be considered is whether the overall employment opportunities are increasing more than proportionate to the natural annual increase in the labour force. Lack of detailed statistics of employment in the various sectors and occupational classes is the limiting factor in judging this question.

12.3. Table 12.2 gives an analysis of the live-register of employment seekers maintained by the exchange according to the occupations sought by the registrants. Certain interesting facts are revealed by the examination of this table. Not even 1% of the employment seekers belong to the category of industrial supervisory workers. Even admitting that employment-seekers seeking skilled and semi-skilled work belong to the category of highly technical personnel, we find that only about 9% of the total number of registrants wish to get technical work. All the remaining employment-seekers are interested in getting low types of employment. This clearly indicates the poverty of technical skill in the Kerala economy.

TABLE 12.2
Analysis of Live-Register according to Occupational Groups.

Occupational Group	March 1958		March 1959		March 1960	
	No.	%	No.	% ^a	No.	%
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Industrial Supervisory Workers	370	0.53	605	0.45	899	0.70
7. Skilled & Semiskilled	4846	6.93	9315	6.97	10983	8.54
3. Clerical workers	33505	47.92	47536	35.56	47435	36.89
4. Educational	4410	6.31	5533	4.14	6630	5.16
5. Domestic	2367	3.37	3913	2.93	5676	4.42
6. Unskilled	22305	31.91	63558	47.55	52563	40.88
7. Others	2112	3.03	3201	2.40	4385	3.41
Total	69915	100.00	133661	100.00	128571	100.00

12.4. There were about 70,000 employment seekers in the live-register in 1958 of which about 48% were seeking clerical work. The total number of employment seekers in the live-register nearly doubled between March 1958 and March 1959. A notable change in the occupational group was that the persons seeking employment in clerical work fell to 35% during the period while the percentage of persons seeking employment in unskilled labour showed a sharp rise from 32% to 48%. As between 1959 and 1960 there is no considerable change in the pattern except that the number of persons in the live register recorded a slight fall between the period March 1959 and March 1960.

Public Sector Employment:

12.5. The National Employment Service, in addition to its routine business of locating job opportunities in the different sectors of the economy and helping unemployed find suitable jobs, collects employment market information on a quarterly basis from all the public sector establishments in the State. Table 12.3 reveals the growth of public sector employment during the year 1959 and the first two quarters of the year 1960. Employment in the public sector increased from 132,956 at the beginning of 1959 to 1,90,877 at the end of the year and to 196,819 at the end of the second quarter of the year 1960.

TABLE 12.3

Public Sector Employment in 1959 and in the First Half of 1960

Sl.	Quarter ending	No. of establishments covered	No. of employees at the beginning of the quarter	No. of employees at the end of the quarter
1.	31-3-1959	1069	132956	138097
2.	30-6-1959	1206	175935	178034
3.	30-9-1959	1250	182105	182374
4.	31-12-1959	1290	187209	190377
5.	31-3-1960	1295	188773	194126
6.	30-6-1960	1362	195273	196819

12.6. Table 12.4 gives an industry-wise analysis of the data on public sector employment. It is clearly discernible that the largest number of institutions and employees in the public sector are concentrated in the service industries. (Viz. administrative departments of the Government, educational, research and health institutions).

12.7. There was an increase of over 57,400 in the public sector employment during the period January-December 1959. But the increase during the first half of 1960 is seen to be only over 6,400 or roughly 1/9th of the total public sector employment generated during 1959. From Table 12.4 it can be seen that about 40,000 additional hands were employed during the first half of 1960. It can therefore be concluded that employment opportunities in the public sector were much less in 1960 than in 1959. There was also a more rapid growth of public institutions in 1959 than in 1960. Thus employment in the public sector does not show the same trend as the overall employment in Kerala.

TABLE 12.4

Public Sector Employment by Industry Divisions

Industry Code	As on 31-12-1958		As on 30-12-1959		Changes in the employment over the year 1959		As on 30-6-1960		Changes in employments over the half year of 1960	
	No. of reporting establishments	No. of employees	No. of reporting establishments	No. of employees	No. of employees	%	No. of reporting establishments	No. of employees	No. of employees	%
1 Agriculture, Livestock, Fishing & Hunting	3	426	9	541	115	26.99	10	1097	556	502.77
2 & 3 Manufacturing	27	7273	29	9990	2657	36.53	31	10905	775	7.80
4 Construction	64	12754	61	10386	571	4.22	75	15697	1372	9.98
5 Electricity, Gas, Water & Sanitary Service	31	9487	33	12453	3236	33.73	35	12543	120	0.97
6 Trade & Commerce	73	2776	61	2628	352	15.47	84	2974	146	5.56
7 Transport, Storage and Communications	26	6562	47	29440	22918	349.25	47	30667	587	1.99
8 Services	847	93378	1030	121050	27672	29.63	1078	123921	2871	2.37
9 Activities not specified elsewhere	..	..	..	..	..	..	2	15	15	..
All Divisions	1069	132956	1290	190377	57421	43.19	1362	196819	6442	3.38

12.8. The quarterly indices of employment in the public sector for the period 1-1-1958 to 30-6-1960 are shown below:—

<i>Quarter ending.</i>	<i>Index of public sector Employment.</i>
31-3-1958	100.0
30-6-1958	100.9
30-9-1958	101.5
31-12-1958	104.7
31-3-1959	108.8
30-6-1959	110.1
30-9-1959	110.2
31-12-1959	112.1
31-3-1960	115.3
30-6-1960	116.2

12.9. It is clear from the above indices that employment opportunities in the public sector are increasing and there were more employment opportunities in the public sector in 1959 than in 1958. As the indices show a gradually rising tendency absolute employment might have increased in 1960 as well with registering any fall in the indices.

1.13. The problem of land reform has received considerable attention in recent years. Measures of land reform passed recently will soon eliminate intermediate rights on land in the State. The maximum rent to be charged as well as the maximum size of holdings have been prescribed. Some attention is being paid to prevent further fragmentation of holdings due to the operation of law of inheritance and also to consolidate the holdings on a voluntary and co-operative basis. The average size of ownership holdings is very small and less than 3 acres. About 61.8% of the agricultural population have no land. About 78% of the agricultural population either have no land or own less than two and a half acres and their total share is only about 20 per cent of the total area owned by agricultural population. At the upper end about 5 per cent of the agricultural population have more than 10 acres and own about 51 per cent of the cultivable area.

1.14. There is a good deal of unemployment. Many persons are without jobs and many self-employed persons do not have enough gainful work in hand. During the last 2 or 3 years unemployment in the urban areas has been increasing. The visible unemployment in the State may have reached about 9 lakhs in 1959. There are also fresh additions to the labour force every year. The age structure of the population is fairly stable and as the proportion of the labour force is about 45% and as the population is growing by something like 4 lakhs every year, it follows that about 1.8 lakh persons would enter the labour force every year. There are conceptual difficulties in giving definite figures for unemployment. Various estimates have been made, ranging from 7 lakhs to over 10 lakhs in terms of equivalent man years. It is beyond dispute that a very large number of people are often obliged to remain idle for lack of work. For both social and political reasons, unemployment is the most pressing problem in Kerala today.

1.15. On the credit side, Kerala now can claim to have a fairly good government machinery for law and order and for routine administration; the State has a number of institutions of higher learning, scientific institutions and a nucleus of experienced scientists and technologists in various fields.

1.16. There has been some notable progress during the First and Second Five Year Plans. Some large river valley multi-purpose schemes for irrigation and power and some modern factories have come into operation. A big scheme of community projects and National Extension Service Blocks has been initiated in the rural areas which may develop into an important movement to revolutionise rural economy. In one sense, the greatest achievement of the two five year plans has been that they have made the whole country plan conscious. Increasing interest is being taken by the general public in economic conditions and problems and great expectations have been raised about the Third Plan.

has perhaps the highest density of population when compared with other highly populated countries.

TABLE 3.2
Density of population in different countries

<i>S. No.</i>	<i>Country</i>	<i>Population density per square mile</i>	<i>Year of reference</i>
1	United States	57	1957
2	U. S. S. R.	23	1957
3	United Kingdom	547	1959
4	China	171	1957
5	France	207	1957
6	Federal Republic of Germany	539	1957
7	Denmark	268	1955
8	Belgium	754	1958
9	Poland	241	1960
10	Japan	655	1960
11	Egypt	62	1957
12	Pakistan	240	1959
13	India	329	1959
14	Kerala	1091	1959

3.3. The rate of population growth is also very high in Kerala. During the decade ending 1951 Kerala's population increased by 23%. The State's population is expected to reach 71.16 lakhs by 1961. This would mean that during the decade ending 1961 the State's population would increase by about 27%. The rate of growth for the whole of India during the decade ending 1951 was only 13% as against 23% for Kerala. The rates of growth for India and Kerala during the decade ending 1961 are expected to be about 21% and 27% respectively.

3.4. Table 3.3 gives data on population growth and sex ratio for the principal Indian States during the quinquennium 1956-61. Kerala has the highest percentage increase of total population among the different States during this period. The sex-ratio for Kerala according to the 1951 Census is 1,028 females per 1,000 males. The Sex-ratio in 1956 shows that in Kerala, Madras and Orissa the number of females either exceeded or remained the same as the number of males. It is expected that Kerala and Orissa will have the same number of males and females in 1961 and in the other States the number of females will be less than the number of males.

has perhaps the highest density of population when compared with other highly populated countries.

TABLE 3.2
Density of population in different countries

<i>S. No.</i>	<i>Country</i>	<i>Population density per square mile</i>	<i>Year of reference</i>
1	United States	57	1957
2	U. S. S. R.	23	1957
3	United Kingdom	547	1959
4	China	171	1957
5	France	207	1957
6	Federal Republic of Germany	539	1957
7	Denmark	268	1955
8	Belgium	754	1958
9	Poland	241	1960
10	Japan	655	1960
11	Egypt	62	1957
12	Pakistan	240	1959
13	India	329	1959
14	Kerala	1091	1959

3.3. The rate of population growth is also very high in Kerala. During the decade ending 1951 Kerala's population increased by 23%. The State's population is expected to reach 71.16 lakhs by 1961. This would mean that during the decade ending 1961 the State's population would increase by about 27%. The rate of growth for the whole of India during the decade ending 1951 was only 13% as against 23% for Kerala. The rates of growth for India and Kerala during the decade ending 1961 are expected to be about 21% and 27% respectively.

3.4. Table 3.3 gives data on population growth and sex ratio for the principal Indian States during the quinquennium 1956-61. Kerala has the highest percentage increase of total population among the different States during this period. The sex-ratio for Kerala according to the 1951 Census is 1,028 females per 1,000 males. The Sex-ratio in 1956 shows that in Kerala, Madras and Orissa the number of females either exceeded or remained the same as the number of males. It is expected that Kerala and Orissa will have the same number of males and females in 1961 and in the other States the number of females will be less than the number of males.

The comparative position of Kerala in this respect must have worsened since 1955-56 owing to the higher rate of population growth and the lower availability of culturable waste lands in the State.

Agricultural population.

4.4. The percentage of agricultural population to the total population in Kerala is about 54% which is lower than that of any other State. This low figure simply indicates the scarcity of land and the great pressure of population on land in the State rather than any reduced importance of the agricultural sector or predominance of the industrial sector in the economy. The above view is testified by the fact that about 53% of the regional income of the State is generated in the agricultural sector.

4.5. As much as 62% of the agricultural population in Kerala is landless. The percentage of self-supporting persons in the total agricultural population is 26%. The estimated number of agricultural labourers in Kerala in 1956 was 31.59 lakhs which formed about 21% of the total population of the State and about 39% of the agricultural population. The agricultural labourers of Kerala as a class are one of the most backward classes, socially as well as economically.

4.6. The report on the agricultural labour enquiry conducted in 1950-51 throws some light on the problem of unemployment and underemployment among the agricultural labourers. Separate figures are available only for the Travancore-Cochin area. These figures show that casual men workers were unemployed for 108 days and women workers for 218 days in the year. The corresponding figures for India as a whole were 90 days and 231 days respectively in the year. The agricultural wages were higher in Travancore-Cochin area than in most other parts of India. The average annual family income was consequently Rs. 541 in Travancore-Cochin as compared to Rs. 447 in India as a whole. Percentage of indebted families in Travancore-Cochin was 54.3 and the average debt per indebted family was Rs. 39; the corresponding figures for India as a whole were 44.5% and Rs. 105 respectively.

4.7. The recently published Second Agricultural Labour Enquiry Committee Report reveals that there has been all-round deterioration in the economic condition of the agricultural labour class in India since 1950-51. It indicates a fall in the average income of the agricultural labour household and in the per capita income of the average agricultural labourer. The household income shows a fall from Rs. 447 in 1950 to Rs. 437 in 1956 and per capita income from Rs. 104 to Rs. 99.4. The number of days of unemployment of casual male workers is seen to have risen from 90 in 1950-51 to 128 in 1956-57 and the average daily wage of male workers declined from 109 nP. to 96 nP. The total volume of indebtedness

4.12. The table 4.6 gives Kerala's contribution in the all India production of her important crops. The table throws light on the vital role that Kerala is destined to play in the agricultural economy of the country. Kerala has more or less a monopoly in the case of crops like rubber, pepper, tapioca and coconut while she contributes the lion's share of the country's production of cashewnut, arecanut, ginger, cardamom, etc. The virtual monopoly that Kerala retains in the production of certain crops is the result of the State being specially favoured by nature (soil, climate, topography etc.) to grow such crops. This points to the eventuality that the State shall continue to develop these crops in the national interest both to cater to the needs of the rest of India and to fetch the much needed foreign exchange. Their development is inevitable for the economic progress of the state as well. The exports of agricultural commodities from the ports of Kerala in 1958-'59 were valued at Rs. 93.3 crores.

4.13. Indices of agricultural production show that Kerala has lagged behind in agricultural production during the years of planned development in the country. The general indices of agricultural production of Kerala and India for seven years ended 1958-59 are given below:

(Base: 1952-53=100)

	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Kerala	106.6	109.9	114.3	115.3	117.3	119.7
India	111.1	114.7	114.6	121.6	112.4	129.7

The indices exhibit somewhat regular increasing trend in the case of Kerala. But in the case of India the indices exhibit no definite trend at all. In fact they do not enable us to make any inference whatsoever as to the progress achieved in this field. The index is found to have returned in 1957-58 very nearly to the level of 1953-54 falling past the higher levels reached in the intervening years. Then there is a sudden rise of 17 points in one year. In 1959-60 the index for India recorded a fall of 5 points from the previous year's level. This kind of erratic change in production makes one feel skeptic about the effect of planning in the field of agriculture. The erratic movement may be attributed to vagaries of nature resulting in unusual success or failure of crops. But planned development in agriculture presupposes greater control over the capricious forces of nature. The position of Kerala in this respect is however different. It is common knowledge that fertilisers and manures and pesticides are getting increasingly popular with the peasant here and that this cannot but have its salutary effect on production. This effect is truly brought out by the indices also. The indices clearly indicate steady and continued development in the field of agriculture.

batch of graduates in veterinary science last year. The numbers of veterinary institutions of different categories functioning in the State in 1960 are furnished below:—

Veterinary College	..	1
Veterinary Hospitals	..	65
Veterinary Dispensaries	..	153
Key Village Centres	..	14
Artificial Insemination Centres	..	9
Regional Clinical Laboratories	..	3
Livestock Farms	..	3
Poultry Extension Centres	..	18
Poultry Units	..	3
Dry Stock Farms	..	3
Calf Rearing Station	..	1

FISHERIES

4.29. Kerala has an important place in the fishing industry in India. Out of the total Indian coast line of 3000 miles, Kerala's share is about 330 miles. Nearly a lakh fishermen are actively engaged in this industry in Kerala out of an estimated total of 5 lakh active fishermen in India. There are about 21,000 fishing crafts in Kerala as against 75,000 for the whole of India.

4.30. In the survey conducted by the Fisheries Department in 1957, it was found that in Kerala there were 236 fishing villages with an average 178 households in each of them. Each village has an average 1140 inhabitants. The average income of the fishing household was found from the same survey to be as Rs. 542 per annum. The per capita income of the fishing population is less than half of the per capita income for the State. Many of the households follow coir spinning as a subsidiary occupation to subsist the family income and the income from this source does not exceed 10% of the total income.

4.31. The fishery resources of Kerala are very rich, possessing a wide variety of fishes, the most important of which are Mackerel, Prawns and Sardine.

The table below shows the fish landings in Kerala and other fishing states in India during 1958.

<i>State.</i>	<i>Quantity (lakh metric tons)</i>
West Bengal	0.02
Orissa	0.04
Andhra	0.29
Madras	1.18
Kerala	2.95
Mysore	0.80
Bombay	2.27
India	<u>7.55</u>

6.3. The total number of factory workers in Kerala during 1957 was 1.55 lakhs and towards the middle of 1959 it increased to 1.65 lakhs registering an increase of about 6.5%. In India the corresponding increase was only 2.1% i.e. an increase from 34.80 lakhs in 1957 to 35.54 lakhs in 1959. The following table gives the factory employment in the different states in India.

TABLE 6.1
Employment in registered factories—
Average daily No. of workers employed

(in lakhs)

State	1957	1959* (1st half)	Percentage change in employment during 1957-58
Andhra ..	1.97	2.06	+4.57
Assam ..	0.72	0.61	-15.42
Bihar ..	1.80	1.82	+1.11
Bombay ..	10.76	10.72	-0.37
Kerala ..	1.55	1.65	+6.45
Madhya Pradesh ..	1.55	1.62	+4.52
Madras ..	3.25	3.26	+0.31
Mysore ..	1.13	1.86	+64.60
Orissa ..	0.25	0.28	+12.00
Punjab ..	0.99	1.06	+7.07
Rajasthan ..	0.48	0.52	+8.33
Uttar Pradesh ..	2.83	2.74	-3.18
West Bengal ..	6.88	6.67	-3.05

* Provisional.

6.4. A spectacular increase in factory employment is noticed in the case of Mysore State. The heaviest fall in employment occurred in Assam State. In all other states the changes were moderate.

6.5. Taking population as a criterion for comparing the development of industries in the different regions, it is found that in Kerala the proportion of factory employment to the

TABLE 6.3

**Indicators of industrial development—non-food industries
1957-58**

<i>Industry</i>	<i>Kerala</i>	<i>Madras</i>	<i>Bombay</i>	<i>W. Bengal</i>
1. Transport equipment ..	0.3	1.7	1.7	3.3
2. Electrical appliances and supplies ..	0.2	1.0	1.6	5.1
3. Machinery (except electrical)	0.4	1.1	1.7	3.4
4. Metal products (except machinery) ..	0.3	0.7	2.3	4.5
5. Basic metal industries ..	0.2	0.2	0.7	6.0
6. Non-metallic mineral products (except petroleum)	2.2	0.4	1.7	1.5
7. Petroleum and coal (including pumping and storing)	1.2	1.0	2.8	2.6
8. Chemicals and Chemical products ..	1.1	2.1	2.3	2.9
9. Rubber and rubber products ..	1.8	0.2	1.6	8.9
10. Leather and leather products (except footwear) ..	..	5.4	0.5	0.7
11. Paper and paper products ..	0.7	0.1	1.3	4.7
12. Footwear and other wearing apparel ..	1.8	1.3	0.9	0.8
13. Wood works and furniture	4.7	0.6	1.6	1.8
14. Printing, publishing, etc.	0.9	1.8	2.3	2.1
15. Tobacco, Beedi, etc. ..	0.4	0.9	1.8	0.3
16. Textiles (including coir factories, Jute factories, etc.) ..	0.7	1.2	3.2	3.3

6.7. Compared to India, Kerala is very much backward in engineering and mineral based industries. In other words, in respect of industries which require higher techniques of production and big capital investment Kerala's position is far inferior to that of the rest of India. It is this dearth of engineering and mineral based industries in the State which mainly accounts for the industrial backwardness and low productivity of the industrial sector of the State. Even in the case of some of the consumer goods industries like textiles, paper and paper products, etc. Kerala has not developed as the rest of India. However, compared to India, there has been some noticeable development in Kerala in the case of rubber and rubber products, foot-wear and other wearing apparel, wood works and

10.4. The conclusion that can be arrived at from the above data is that price level in Kerala in 1960 was not on the whole higher than the price levels observed in other parts of India though the rise in working class index numbers in certain towns in the State was very high. For example, in Ernakulam the index numbers made a rise of 10.09% during the course of the year. Rise in Trichur, Trivandrum, Kottayam and Kozhikode were also considerable.

TABLE 10.3
Trend of working class cost of living in Kerala in 1959-1960

Sl. No.	Centres	Maximum rise reached from the beginning of the year	
		1959(%)	1960(%)
1	Trivandrum	8.83	7.14
2	Quilon	9.11	2.19
3	Alleppey	3.53	8.06
4	Kottayam	5.66	7.71
5	Ernakulam	4.78	10.09
6	Trichur	8.74	9.46
7	Kozhikode	11.62	6.86

10.5. We have seen that working class cost of living index numbers in 1960 were in general higher than in 1959, (see Table 10.1 and diagrams 10.1 to 10.4). The above figures show that the percentage of rise within the year 1960 was in no way lower than in the previous year.

10.6. Apart from price levels as measured by index numbers of cost of living, price trends of specific commodities like rice should also be considered. March 1959 saw the start of a steep climb that lasted until July. Since August, the curve turned downwards and followed the seasonal pattern. But prices in December 1959 were higher than at the beginning of the year. By January 1960, they had further come down and reached almost the level in January 1959 (see table 10.4 and diagrams 10.5 to 10.10). Trend of rice prices during the first half of the current year was also more or less following the normal pattern. January and February prices remained comparatively low. The rise observed from March to June did not show any abnormal feature. But after that, the prices, instead of turning down climbed up, reaching the maximum in November in most cases. A general decline in rice prices observed in December was attributed to increased arrivals from outside, price fall in producing centres and increased quota of rice distribution through fair price shops.

10.7. As far as rice situation was concerned, the year on the whole, was normal. The State was able to increase her rice production during 1959-60 to 1,022,000 tons from 933,000 tons produced during the previous season. Arrival of rice to the State on private account and allotment from Central Government were also higher this year (see Table 4.7 in Chapter IV). The general level of rice prices in the State remaining at a high level in spite of all this can only be explained by the high level of rice prices prevailing elsewhere in India (see Tables 10.5 and 10.6). Both at Andhra and Madras two important markets from where we purchase rice, prices were higher in 1960 when compared to 1959. The same trend is seen in the All India price index for rice. But unlike this index which showed a downward trend in October and November, prices in South Indian markets went up during this period. This trend naturally was reflected in the markets in Kerala. Heavy rains in the south during this period caused great havoc to crop and dislocation in transport facilities and movement of foodgrains. It was also reported that the rice flowed out from Kerala to neighbouring areas. This was followed by the normal hoarding and speculation.

10.8. Another essential consumer article the price of which had caused great disturbance in the market in 1959 was sugar. A fall in the availability of sugar in India brought about by a fall in production, reduction of stocks and continuance of exports provoked intense speculative activities on the part of sugar merchants and retail dealers. This grave situation was however brought under control in 1960. Sugar production in India was raised to 24 lakh tons during 1959-60 from 19 lakh tons produced during 1958-59. The inflow of sugar to Kerala increased considerably during the year. As a result, the serious fluctuation in prices, which characterised sugar market in 1959 was avoided in 1960.

10.9. Another important feature of the current year is that prices of essential commodities which remained without much fluctuation during the first half of the year began to make sharp rises during the last quarter of the year. Firewood, jaggery, coriander and chillies are examples.

10.10. Thus the general price level of consumer goods judged from cost of living Index Numbers has risen in 1960, from the level reached in 1959. Within the year, the rise was more pronounced during the last quarter. But this feature was not present in the case of Kerala's important cash crops, viz., spices as will be seen in table 9.6 in Chapter IX. The pattern and level of price rise in the State are more or less similar to what has been experienced elsewhere in India.

CHAPTER XI

SOCIAL SERVICES

Kerala holds a high position in the matter of social services. The importance of the State in the fields of education and health is analysed in detail in the following paragraphs.

Education.

Education is the keystone of progress in a democracy. Education in any State should be directed to train people enter diverse fields of activity like the industrial, agricultural, commercial and scientific. Kerala's educational system does not have this quality because the progress achieved so far is only in one branch of education, namely general education and in that branch, no doubt, Kerala is the most advanced State in India. Literacy which was 41% in 1951 touched a new high of 47% in 1959. The following table gives the number and strength of three major categories of schools in the State, viz. Lower Primary, Upper Primary and Secondary in 1958-59.

TABLE 11.1

School	No. of Institutions			No. of students		
	Public	Private	Total	Boys	Girls	Total
Lower Primary	2549	3752	6301	973733	844582	1818315
Upper Primary	486	1286	1772	294667	227197	521864
Secondary	242	629	871	329298	233876	563174

11.2. Besides the above categories of schools a number of basic training schools and special schools were working in Kerala. In 1958-59 there were 44 colleges for general education with 33,131 students, 23 colleges for professional education with 4,298 students and 1 college for special education with 100 students. All these go to show the importance which has been given to general education in the educational system. There is every possibility of the standard of literacy going still higher. The zeal of the parents in Kerala to send their children to schools will never flag.

11.3. The annual output of S.S.L.C. holders is of the order of 40,000. Out of a total of 80,270 candidates presented in March 1960 for the S.S.L.C. examination successful candidates numbered 28,602 and out of 32,006 candidates presented in September the successful candidates numbered 13,004, thus adding 41,606 to the already existing number of S.S.L.C. holders during 1960. Table 11.2 gives the faculty-wise distribution of students who passed in either a degree or diploma examination in 1959. The maximum number of degree holders turned out were in the Arts and Science subjects.

TABLE 11.2
Facultywise distribution of students passed in 1958-59

Sl. No.	Subject of degree or diploma	1958			1959		
		Male	Female	Total	Male	Female	Total
1	2	3	4	5	6	7	8
1	Arts	1362	573	1935	1617	765	2382
2	Science	1293	527	1820	1637	814	2451
3	Law	153	9	162	97	10	107
4	Education	809	462	1271	1018	458	1476
5	Engineering Degree	110	..	110	110	..	110
6	Commerce	307	4	311	561	21	582
7	Medicine	58	21	79	37	13	50
8	Ayurveda	12	3	15	31	7	38
9	Agriculture	48	..	48	73	..	73
10	Veterinary Science	..	..	..	37	2	39
11	Oriental Titles	426	404	830	435	650	1085
12	Research degree	..	..	..	1	6	7
13	Diploma in Social Service	..	26	26	25	22	47

11.4. Comparative figures of the number of institutions in the various States of India are given in Table 11.3. The number of institutions per lakh of population in Kerala is smaller than that for India as a whole. It was 66 per lakh of persons in Kerala as against 97 for India in 1956-57. Bombay, Mysore, West Bengal, Madhya Pradesh, Assam and Orissa had averages higher than the all India average. For serving about 4% of the total Indian population, Kerala had in 1956-57 only about 2.6% of the total number of organised educational institutions in India. But this drawback has been more than compensated by the strength of these institutions as can be seen from Table 11.4. The average number of students per institution was more than three times that of the all India average in 1956-57 and the number of students per 1,000 persons was 183 as against 88 for India as a whole. The other States which had more than 100 students per lakh of persons in that year were West Bengal, Assam, Bombay, Madras, Punjab and Mysore.

TABLE 11.3
Number of Organised Educational Institutions—State-wise—1956-57

Sl. No.	State	Number of Schools				Total Colleges	Total number of Institutions	Number of Institutions per lakh of population
		General Education	Vocational and special education	Total	(6)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Andhra	30027	2997	33024	92	33116	98	
2	Assam	14547	906	15453	29	15482	157	
3	Bihar	34104	6400	40504	93	40597	98	
4	Bombay	48190	17866	66056	197	66253	125	
5	Kerala	9488	409	9897	57	9954	66	
6	Madhya Pradesh	24840	3354	28194	95	28289	102	
7	Madras	23995	2153	26148	104	26252	80	
8	Mysore	23438	4342	27780	100	27880	125	
9	Orissa	16095	3695	19790	23	19813	129	
10	Punjab	14565	448	15013	109	15122	85	
11	Rajasthan	10689	1484	12173	87	12260	70	
12	Uttar Pradesh	38677	1906	40583	128	40711	60	
13	West Bengal	28772	5067	33839	150	33989	123	
14	Jammu & Kashmir	2455	8	2463	25	2488	52	
15	Union Territories	4476	1040	5516	46	5562	104	
	ALL-INDIA	324358	52075	376433	1395	377708	97	

TABLE 11:3
Number of Students in Educational Institutions in India—State-wise—1956-57.

Sl. No.	States	Total number of students in schools			Total number of students in colleges & colleges (000s)	Total number of students in schools & colleges (000s)	Number of students per 1000 people	Number of students per institution
		Primary (000s)	Secondary (000s)	Professional (000s)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Andhra	..	496	20	55	3027	90	91
2	Assam	..	238	6	16	1123	114	73
3	Bihar	..	465	14	59	2469	60	61
4	Bombay	..	4421	63	105	6074	113	92
5	Jammu & Kashmir	..	156	1	6	213	44	85
6	Kerala	..	2068	9	38	2779	183	279
7	Madhya Pradesh	..	1496	8	25	1819	66	64
8	Madras	..	2612	49	52	3395	104	129
9	Mysore	..	1586	24	39	2165	101	78
10	Orissa	..	729	5	8	824	54	42
11	Punjab	..	1319	16	48	1837	103	122
12	Rajasthan	..	612	3	23	813	46	66
13	Uttar Pradesh	..	3007	19	186	4127	61	101
14	West Bengal	..	2347	33	119	3241	117	65
15	Union Territories	..	461	3	19	641	119	115
	ALL-INDIA	..	26064	273	798	34547	88	92

TABLE 11.4
Number of Students in Educational Institutions in India—State-wise—1956-57.

Sl. No.	States	Total number of students in schools			Total number of students in colleges (000s)	Total number of students in schools & colleges (000s)	Number of students per 1000 people	Number of students per institution
		Primary (000s)	Secondary (000s)	Professional (000s)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Andhra	2456	496	20	55	3027	90	91
2	Assam	863	238	6	16	1123	114	73
3	Bihar	1931	465	14	59	2469	60	61
4	Bombay	4421	1485	63	105	6074	113	92
5	Jammu & Kashmir	156	50	1	6	213	44	85
6	Kerala	2068	664	9	38	2779	183	279
7	Madhya Pradesh	1496	290	8	25	1819	66	64
8	Madras	2612	682	49	52	3395	104	129
9	Mysore	1586	516	24	39	2165	101	78
10	Orissa	729	82	5	8	824	54	42
11	Punjab	1319	454	16	48	1837	103	122
12	Rajasthan	612	175	3	23	813	46	66
13	Uttar Pradesh	3007	915	19	186	4127	61	101
14	West Bengal	2347	742	33	119	3241	117	65
15	Union Territories	461	158	3	19	641	119	115
	ALL-INDIA	26064	7412	273	798	34547	88	92

11.5. For a State which has reached a high level of life standards, it is surprising that Kerala is extremely backward in the field of technical education. Only a negligible portion of the population attend the technical schools and colleges. If this is true of India as a whole it is more so in the case of Kerala. Facilities for technical education are being created in the State slowly and during recent years the number of candidates willing to take up technical education has shown a tendency to increase. Still the present position, in so far as technical education in Kerala is concerned, is disconcerting. The lopsidedness of the educational system in Kerala has in no small measure contributed to the present poverty of technical skill in the State and, in a way, also to its industrial backwardness. Kerala has at present three engineering colleges, two in the Public Sector and one in the Private. The number of successful engineers coming out annually from these colleges is about 220. There are also ten polytechnics, 5 in the Public Sector and 5 in the Private, having an intake capacity of about 1800. It is estimated that the diploma holders coming out of the polytechnics in 1960-61 will be about 1,200. The following table which gives the outturn of engineers and doctors per million persons in Kerala, India and a few other countries helps to attest the fact that Kerala is extremely backward in the field of technical and other vocational education. The gap between the averages of Kerala and all India will be wider now as the average for India shown in the table relates to the year 1955.

TABLE 11.5
Outturn of Engineers and Doctors per million persons

Country/State	Reference Year	Engineers	Doctors
U. S. A.	1950	158.0	42.5
U. S. S. R.	1956	355.0	100.0
U. K.	1956	55.0	37.3
China	1955	30.9	11.2
India	1955	18.4	8.1
Kerala	1959	7.3	5.3

Health:

11.6. Kerala enjoys comparatively better health standards than many States in India. The Health Services Department of the State provides medical and public health facilities for

people of the State. The number of medical institutions in Kerala rose from 363 to 382 and the number of beds from 11,959 to 12,352 over the period 1958 to 1959. The total number of 382 Medical Institutions in the State at the end of 1959 under the Health Services Department was made up of 66 Government hospitals (9484 beds), 188 Government dispensaries (905 beds), 77 public health centres (938 beds), 28 grant-in-aid institutions (1,025 beds) and 23 subsidised rural dispensaries.

11.7. Per capita facilities available to the people of Kerala in terms of hospitals and beds are greater than those available to most other States of India. The following figures indicate the number of hospitals and dispensaries and beds per million persons for the various States in 1956.

TABLE 11.6
Hospitals and beds per million persons—1956

State	Hospitals and dispensaries	Beds
1 Assam	56	282
2 Bihar	20	185
3 Bombay	27	448
4 Jammu and Kashmir	32	314
5 Madras	20	494
6 Mysore	36	492
7 Orissa	26	229
8 Punjab	44	653
9 Rajasthan	33	460
10 U. P.	17	248
11 West Bengal	45	795
12 Kerala	38	726
ALL INDIA	23	360

11.8. Kerala has a lower average number of doctors per million of population than India as a whole. West Bengal and Bihar had more than 600 doctors per million persons in 1954 while Kerala had only 116. The main reason for this smaller average was the lack of facilities for medical education in Kerala. The position might have improved in Kerala now that there is an annual outturn of doctors from the medical colleges in the State.

TABLE 11.7
Distribution of doctors per million population—1954

Sl. No.	State	Population 1954 (Million)	No. of doctors (Graduates and licentiates)	Doctors per million popula- tion
1	Andhra	.. 32.65	3933	120
2	Assam	.. 9.59	2684	280
3	Bihar	.. 40.07	5064	126
4	Bombay	.. 51.15	12972	253
5	Jammu & Kashmir	.. 4.54	74	16
6	Kerala	.. 14.51	1681	116
7	Madhya Pradesh	.. 26.80	1922	72
8	Madras	.. 31.38	6042	193
9	Mysore	.. 20.58	2946	143
10	Orissa	.. 14.94	1248	84
11	Punjab	.. 16.63	2033	182
12	Rajasthan	.. 16.74	667	40
13	U. P.	.. 65.60	6233	95
14	West Bengal	.. 27.41	16591	605
15	Delhi	.. 1.93	1239	642
16	Himachal Pradesh	.. 1.13	73	65
17	Manipur	.. 0.60	24	40
18	Tripura	.. 0.69	176	255
ALL INDIA		.. 376.94	66602	176

11.9. The availability of physicians in proportion to population in certain important countries, shows that India had 2.1 physicians per 10,000 persons as against 13.0 for U.S.A., 13.6 for Germany and 14.3 for Switzerland. China had only 1.2 physicians per 10,000 persons in 1956, so also had Kerala in 1954. The per capita availability of physicians in Kerala is one of the lowest in the world and that is therefore most important for future planning in the State is to see that the number of doctors in the State increases with the growth of population,