

**EMPLOYMENT GENERATION STRATEGY
IN THE EIGHTH FIVE YEAR PLAN**

**REPORT ON
RUPEES THOUSAND CRORE
EMPLOYMENT PROGRAMME**

**STATE PLANNING BOARD
THIRUVANANTHAPURAM
JUNE, 1992**

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P R E F A C E

In July 1991, the Government of Kerala announced their intention to formulate and implement an employment generation programme with an outlay of Rs. one thousand crores in five years. In end August 1991, the Government asked the State Planning Board to prepare and submit a Report on such an employment generation programme.

The announcement by the State Government coincided with the decision of the Government of India to launch the Eighth Five Year Plan from April 1992. The State Planning Board was, thus, able to take up the preparation of the employment generation programme as part of the Eighth Plan Proposals. This was the proper and appropriate thing to do, as an economic development plan, should have employment generation as one of its principal objectives and should, therefore have projects and schemes for the same. Also, past experience showed that 'special' and 'crash' employment programmes, not linked to the development plan, failed to achieve their objectives and turned out to be mere expenditure programmes. The object is to create sustained employment and that is possible only through a development plan, with 'employment' as an integral part of it.

The various Divisions of the Planning Board have worked hard at the preparation of the Eighth Plan and this Report. The preparation of this Report was co-ordinated by the Perspective Planning Division.

The Planning Board believes that the implementation of the Programme presented in this Report will substantially improve the employment situation in the State. The Report contains a brief but comprehensive and critical review of the unemployment/under employment situation in the State. For the first time, all available data have been brought together in one place.

Thiruvananthapuram
15-6-1992

V. RAMACHANDRAN
VICE-CHAIRMAN

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Chapter 1

Introduction

1.1 Pattern of Development in Kerala

The structure and composition of growth of the State's economy is indeed a matter of serious concern. Despite our commendable achievements in improving the quality of life through investments in the areas of health, literacy, education and physical infrastructure, the growth of the commodity producing sectors, especially agriculture and industry, has always been lack-lustre. The 'development puzzle' of Kerala, characterised by the co-existence of a good quality of life with a stagnating economy, is becoming more and more difficult to solve. There has been no perceptible improvement in generation of employment as a fall out of the growth process especially in the productive sectors of the economy and it has led to mounting unemployment and under-employment in the State. An apparently distorted labour market has also contributed to aggravate the malady.

In a developing economy, heavy investment in human capital has a positive contribution towards improving the quality of life and leading to higher standard of living. Substantial investment in health and education could bring about significant fall in the birth rate, death rate and infant mortality rate. Life expectancy will be on the increase. Child labour force participation rates could be considerably reduced, but along with these, it would also give rise to the problem of unemployment, particularly educated unemployment, unless there is growth in the productive sectors. This is what has happened in Kerala, as development failed to integrate the investment in human capital with that of socio-economic development and improvements in the quality of life did not get reflected in production and productivity and failed to act as a major source of economic growth.

The welfare superstructure of the State has developed major cracks in the absence of a sound production and productivity base. The acute financial crisis faced by the government, the all-

round fall in the quality of social services and the massive unemployment are cracks that have become so alarming that the superstructure may crumble at any time.

The poor economic growth in the State is partly explained by the failure to channelise investible surpluses, especially those available with the household and plantation sectors, to productive purposes. The NRI remittances from mid-seventies, estimated at Rs. 800 crores to 1000 crores per annum, were mostly utilised in conspicuous consumption and unproductive durable assets. The savings with the organised banking system in the State were largely utilised in other states to meet their capital requirements. The savings mopped up by the unorganised private financial institutions were mostly used for speculative and trading purposes. The investment climate in the State was not considered congenial and failed to attract investors from outside the State. The net effect of a large inflow of remittances and the growing surplus in the plantation sector was to develop Kerala into a prime market for consumer goods produced elsewhere.

An analysis of the capital formation in the state through government's spending shows that building and construction works accounted for almost 85 to 90 per cent of gross capital, while equipment and machinery constituted 10 to 15 per cent. In the case of private sector, the machinery and equipment constituted 80 to 85 per cent of the gross capital formation leaving only 15 per cent for construction works. Hence, it is observed that most of the capital invested by the State Government has been in the realm of infrastructure development which remains unfinished and underutilised. A large share of the State investment has been on major irrigation and power projects most of which are seldom completed as per schedule leading to cost escalation. Even when they are completed, the utilisation of irrigation projects is hampered by inadequate supporting infrastructure such as development of their command areas.

A notable feature of development in Kerala is the growing emphasis on transfer payments to various segments of the population. The important social security schemes taken up by the successive governments in the State are Agricultural workers pension, Unemployment assistance, Destitute pension, Pension to handicapped and mentally retarded, Financial assistance to Widows etc. Many of these welfare schemes were conceived and implemented in accordance with the concept of a welfare state, to provide economic and social security to the needy and weaker sections. But schemes such as Unemployment assistance were not formulated in the larger context of an employment policy from a long term point of view, as an insurance against unemployment on a self-financing basis, instead of being a drain on budgetary resources.

During the course of development, the State has set up one of the most effective and widely spread public distribution network in the country, covering all sections of the society. Many of the social services and public utilities are either free or heavily subsidised across all income groups. Such indiscriminate subsidies are neither warranted nor recommended even on welfare criteria, while the State government is having large budgetary deficit. A rational pricing policy is yet to be evolved for all such services to reduce their dependence on the budget and to generate internal resources for strengthening such services and widening their coverage leading to more equitable distribution of income.

The size of the state investment is largely determined by the resources generated by the government. The surpluses generated on revenue and capital accounts are the sources of plan financing. In recent years the deficits in the revenue account have been persistent and growing and are met through the surpluses generated under the capital account. It means that borrowed funds meant for investment are being diverted to meet the State's current expenditure. A reversal of this undesirable trend is absolutely essential for the meaningful implementation of the Eighth Five Year Plan.

1.2 Structure of the State's Economy

An analysis of the sectoral performance of the economy under the past Five year Plans would reveal that, the growth of the primary sector has been either stagnant or negative. Even though the performance of the secondary sector has been moderately good, the annual average growth has been quite tardy being only about 2 per cent. The services sector, however, has maintained a steady growth over the years comparable to the

corresponding growth rate in the national economy. One third of the state income still originates from the primary sector while registered manufacturing contributes about 14 per cent.

Though agriculture got adequate attention in terms of plan allocation in the past, it could not make any appreciable dent on agricultural production and productivity. The inefficiency of public expenditure spread on numerous plan schemes is highlighted by the fact that the crop sector has been virtually stagnating from the seventies with very few exceptions. This is also reflected in the state income estimates of the agricultural sector for the corresponding period. Kerala's share in the total production of rice in the country was about 2.8 per cent in 1975-76 which came down to 1.46 per cent in 1990-91. Similarly, the share of food grain production has gone down from 1.15 per cent to 0.63 per cent during the same period. This further strengthens the fact that despite the heavy expenditure we have not been able to bring in the desired results. Kerala remained a silent spectator to the green revolution achieved by the country.

No serious attempts were made to commercialise the agriculture and to integrate it with industry to maximise value addition. As a result 'cultivation' is not considered as a viable full time occupation especially by the younger generation belonging to marginal and small farming communities.

There was no well laid strategy to industrialise the State either. In fact, up to the Seventh Five Year Plan industry as a sector had not received plan allocation in proportion to its potential to grow. The existing plan schemes being too many in numbers, the scarce budgetary resources got thinly distributed with out making much impact on any category or segment. The functional areas covered under the plan schemes related to strengthening of district industries centre, providing technical and financial assistance to industrial units covering village and cottage industries, small, medium and large scale industries, industrial co-operatives and those promoted by weaker sections and as self employment ventures, developing industrial infrastructure and contributing loan and share capital to state public sector undertakings.

Public sector undertakings, promoted during the last two decades to compensate for the lack of private initiative in setting up industries in the State, have become an example of inefficient use of resources. There is hardly any resource generation internally or returns, on the investment in excess of Rs. 2,900 crores made on fixed capital in these concerns by the Government. In fact, the budgetary

allocation has been frequently used to finance cash losses of most of these units.

The economic impact of such heavy and wasteful investments made by the government needs to be fully worked out. Here, the cost of the inefficient use of public money should include not only the quantum of provision needed to support them from budgetary resources, but the benefits that would have accrued to the economy in terms of output, income and employment had the funds been utilized more efficiently.

The composition of the state economy and the commodity production structure have more or less remained stagnant in the absence of any appreciable growth in the economy. There has been no perceptible growth in employment generation in the organised sector. The creation of organised employment in the past was more or less confined to the public sector and services - a factor which has turned out to be too costly, unviable and unsustainable.

1.3 Demographic Particulars

Kerala which is about 1.8 per cent of the total area of the country, accounts for about 3.4 per cent of the total population. Kerala has shown that, the classical theory of demographic transition could be modified effectively with appropriate modes of intervention. Due to targeted health care, family planning methods, and the improvement in literacy, the birth rate in the State has been steadily declining along with considerable reduction in the mortality rates. However, barring West Bengal, the density of population is highest in Kerala, which is an indicator of the pressure of population on land. Secondly, as a result of the demographic changes, the trend has set in for increasing dependency ratio. Because of the extensive spread of higher education, the composition of the workers and employment seekers is distinctly different from the rest of the country. As the State is having a sex ratio favourable to the female population, and significant reduction in fertility, there exists considerable demand for employment from this segment of the population. Even though, the rate of growth of population is low, the poor performance of the sectors having significant employment intensity and potential has contributed to the increasing backlog of work seekers.

1.4 Economic Classification of the Population

About 46 per cent of the households depend on agricultural sector for their livelihood in the State. Service sector is the second largest one providing gainful employment to almost 15 per cent

of the households. Manufacturing and trade sectors together act as the major source of income to 24 per cent of the households, each accounting for 12 per cent. Construction and transport sectors account for about 6 per cent and 5 per cent of the households respectively. Thus, the structure of the state economy reveals predominance of the primary and tertiary sectors, a large segment of which is unorganised and informal.

The economic structure of the State can also be discerned from distribution of households according to the nature and type of work undertaken by them as their major source of income. In Kerala, about 40 per cent of the rural households are self employed of which 24 per cent are in agriculture as against 65 per cent and 43 per cent respectively for the country as a whole. The relatively small size of farm holdings in the State is largely responsible for such small proportion of rural households depending on agriculture as their main source of income.

Wage earners constitute 48.6 per cent of the rural households in the State of which 30.3 per cent are agricultural labourers as against the corresponding shares of 36 per cent and 28.7 per cent at the national level. This clearly indicates the heavy dependence of the rural households on wage employment and in particular, on non-farm employment in a significant way when compared to the national level.

Among the urban households in the State, 35 per cent mainly depend on self employment as against 39 per cent for the country. Similarly the proportion of salary/regular wage earners is also significantly low in the State, the share of households being 35.2 per cent as against 43.6 per cent for the country.

The share of casual labour households among the urban households in the State is estimated at 23.2 per cent, almost double when compared to the corresponding proportion of 12.1 per cent for the nation.

The predominance of the non-agricultural primary sector and the unorganised industrial and informal sectors in the state economy is reflected in the economic classification of the households. The larger share of wage employment (excluding regular wage/salary employment) is a potential source of additional and alternative employment in the State.

Only about 54 per cent of the rural households depend on agriculture for their livelihood as against 68 per cent in the country. Over 80 per cent of the households in the State possess less than 0.4 h.a. of cultivated land and the share of households

cultivating more than one ha. is as low as 7 per cent as against the corresponding shares of 45 per cent and 28.2 per cent for the country.

The more equitable distribution of land in the State, while giving access to landed properties to a larger share of population has led to the fragmentation of holdings bringing a structural shift in the agricultural employment in the State. Though 78.4 per cent of the rural households in Kerala as against 73 per cent in the country are growing crops, about half of them do not employ any paid labour, not even on a casual basis, as the area cultivated by them is too small even to provide gainful self employment. This explains the relatively low share of self employment and agricultural wage employment in the State.

1.5 Distribution of Population by Educational Level

Level of education is an important factor determining the structure and pattern of employment and the labour force. Hence, the distribution of population according to their educational attainment is quite important in analysing the problems and prospects for employment generation. The literacy rate in the State as per the 1991 census and the latest survey on employment and unemployment undertaken by the NSSO is estimated to be about 80 per cent. About 39 per cent of the population come under the category 'literate and up to primary', 19 per cent under 'middle' and 10 per cent under 'secondary'. About 6 per cent of the population are graduates or above. There is considerable variation in the educational attainment of population in terms of sex and place of residence in the State as can be seen from the following table.

Table 1.1

Distribution of population (above the age 5) by general education.

| Category | (Per cent) | | | | Total |
|--------------------------|------------|-------|-------|--------|-------|
| | Rural | Urban | Male | Female | |
| Not literate | 23.18 | 17.40 | 17.9 | 25.25 | 19.43 |
| Literate & up to primary | 45.84 | 37.59 | 45.82 | 41.58 | 39.22 |
| Middle | 19.89 | 22.93 | 21.49 | 19.93 | 18.62 |
| Secondary | 9.34 | 16.20 | 11.52 | 10.81 | 9.99 |
| Graduate & above | 1.64 | 5.74 | 3.15 | 2.33 | 5.78 |

The spatial differences in the education levels increase from lower to higher categories reflecting the disparity in the availability and accessibility of educational facilities in rural and urban areas. However, the progressive social outlook in the State is reflected in the relatively more equitable distribution of educational attainment among the male and female population.

Currently, the State is expected to have achieved near total literacy rate due to the efforts made by the government and voluntary organisations under the 'total literacy drive'.

1.6 Equitable Distribution of Employment Opportunities

Removal of poverty is likely to remain a distant goal for some more time even though alleviation of poverty has been a major objective of the five year plans. The strategy followed to tackle this problem in the earlier plan periods was more in terms of redistribution of productive assets, especially land through the vigorous implementation of land reforms. Later, particularly from the Sixth Five Year Plan onwards, the approach followed is to identify the target group and to formulate appropriate plan schemes aimed at increasing their purchasing power by providing gainful wage employment and self-employment opportunities.

Given the asset and wage structure, the income of a household is determined by the nature of employment and the number of people employed in the household. Broadly speaking, the distribution of employment may be taken as a tentative indicator of the income distribution. Thus, while creating additional employment, it is of utmost importance that such employment opportunities are available and accessible on a priority basis to the most needy ones such as households who do not have even a single person who is usually employed. The latest available estimates show that 7.9 per cent of the households in the State do not have even a single member who is earning regularly (usually employed status). About 49 per cent of the households have one earning member and about 44 per cent of them have two or more earning members. About 25 per cent of the households in the State are headed by women (female households) and the distribution of employment in such households is highly skewed. For example, about 20 per cent of the female households do not have a member earning on a regular basis, 46 per cent have one member and 35 per cent have at least two members (usually employed). Even then, the distribution of employment is more equitable in the State as it is estimated that 27 per cent of the female households in the country do not have any person with more or less regular employment.

Chapter 2

Macro-dimensions of Employment and Labour Supply

2.1 Concept and Measurement of Employment

The NSSO generates three different estimates of 'employed' (or work-force) from the data collected through its quinquennial employment-unemployment surveys. They are:

- (i) number of persons usually employed (i.e., those who worked for a relatively longer period of a reference period of 365 days preceding the date of survey);
- (ii) average number of persons employed in a week (i.e. those who worked at any time during a reference period of 7 days preceding the date of survey) and
- (iii) average number of person-days employed per day (i.e., working person-days in the week of those worked at any time during the reference period of 7 days preceding the date of survey)

Of the three estimates mentioned above, the first one gives the magnitude of the usually 'employed' or the 'usual status work-force'.

2.2 Age-specific Worker Population Ratio (WPR)

Tables 2.1, 2.2 and 2.3 give a comparative picture of the age structure of the usually employed persons under the category of principal status (ps) workers, subsidiary status (ss) workers and all workers (ps and ss) in the State and the country. As can be seen from the tables, child labour participation rates (children less than 15 years) are almost absent in the State whereas for the country it is significant and varies from 6 per cent in the urban to 13 per cent in rural areas for the age group: 10 to 14. In fact, the employment population ratio of ps workers for Kerala is

significantly low for all age groups when compared to the corresponding rates for All India. Even in the case of ss workers, the relative difference in WPRs is very prominent in the early groups, it narrows down as it approaches the higher age groups and the ratios become marginally higher for upper age groups starting from ss. The relatively high enrolment rates of school and college going population is the major factor for the low employment-population ratio in primary age groups. However, the low WPR in the age groups from 20 is a reflection of the high unemployment rate in the age groups, as there is hardly any difference in the labour force participation rate (the employed and unemployed person to total population) estimated for Kerala and India under all the three approaches viz. usual status, current weekly status and current daily status. The relatively high magnitude of unemployment/underemployment in the State explains the low overall worker population ratio in the State (31.7 per cent) as against 36.8 for the country.

The age-wise distribution of ratio of usually employed workers under ss category also throws light on the magnitude of the problem of unemployment/underemployment in the State. For almost all age groups the ratio is higher in the State than for the country. This may be due to the fact that in the early age groups the usually employed person may be pursuing certain non-gainful activities as their principal occupation. In the subsequent age groups the proportion of usually employed ss workers is highest among the females. It is likely that many of such workers may have more socially compelling preoccupation to relegate their economic activity to the secondary position. But it appears that gainful employment opportunities sufficiently attractive in terms of earnings to undertake as principal activity are not available and accessible to most of them.

Table 2.1

Worker population ratio in different age groups for usually employed principal status
(ps) workers in Kerala and India

(Per cent)

| Age group | Kerala | | | | | India | | | | |
|-----------|--------|-------|------|--------|-------|-------|-------|------|--------|-------|
| | Rural | Urban | Male | Female | All | Rural | Urban | Male | Female | All |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 5-9 | 0.1 | 0.0 | 0.0 | 0.1 | 0.04 | 0.7 | 0.4 | 0.6 | 0.5 | 0.59 |
| 10-14 | 1.5 | 1.5 | 1.8 | 1.2 | 1.53 | 13.6 | 6.0 | 12.6 | 10.6 | 11.63 |
| 15-19 | 19.5 | 14.3 | 25.8 | 10.8 | 18.12 | 41.9 | 22.2 | 47.6 | 25.3 | 36.86 |
| 20-24 | 42.4 | 36.2 | 64.4 | 18.0 | 40.74 | 59.9 | 40.6 | 78.2 | 29.9 | 54.99 |
| 25-29 | 53.2 | 51.8 | 81.7 | 25.1 | 52.80 | 68.0 | 55.9 | 93.3 | 34.3 | 64.92 |
| 30-34 | 60.1 | 58.3 | 91.1 | 29.4 | 59.60 | 71.8 | 60.9 | 97.4 | 38.3 | 69.00 |
| 35-39 | 68.1 | 58.9 | 94.6 | 37.9 | 65.60 | 73.4 | 62.9 | 98.2 | 41.2 | 70.75 |
| 40-44 | 66.2 | 60.3 | 94.8 | 35.5 | 64.57 | 73.6 | 63.6 | 97.6 | 42.6 | 71.11 |
| 45-49 | 63.8 | 60.0 | 92.9 | 33.8 | 62.71 | 72.4 | 62.6 | 97.4 | 40.3 | 69.90 |
| 50-54 | 61.2 | 57.1 | 89.6 | 31.7 | 60.05 | 69.2 | 59.9 | 94.7 | 36.7 | 66.81 |
| 55-59 | 57.1 | 49.4 | 85.1 | 26.1 | 54.97 | 64.0 | 53.0 | 89.6 | 30.5 | 61.17 |
| 60 + | 35.5 | 29.7 | 55.0 | 13.7 | 33.93 | 41.0 | 28.7 | 59.8 | 14.3 | 37.90 |
| All | 32.0 | 31.1 | 47.5 | 16.6 | 31.74 | 38.5 | 31.8 | 51.1 | 21.3 | 36.79 |

Table 2.2

Worker population ratio in different age groups for usually employed principal status
(ps) workers in Kerala and India

(Per cent)

| Age group | Kerala | | | | | India | | | | |
|-----------|--------|-------|------|--------|-------|-------|-------|------|--------|------|
| | Rural | Urban | Male | Female | All | Rural | Urban | Male | Female | All |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 5-9 | 2.0 | 0.0 | 1.8 | 1.2 | 1.50 | 1.6 | 0.0 | 1.2 | 1.4 | 1.26 |
| 10-14 | 3.1 | 2.9 | 3.5 | 2.7 | 3.04 | 5.0 | 1.6 | 3.6 | 4.7 | 4.14 |
| 15-19 | 8.4 | 4.3 | 6.9 | 7.6 | 7.26 | 8.4 | 3.4 | 6.0 | 8.2 | 7.08 |
| 20-24 | 8.0 | 6.4 | 6.4 | 8.7 | 7.54 | 7.6 | 3.7 | 3.8 | 9.5 | 6.55 |
| 25-29 | 9.5 | 5.2 | 4.1 | 12.4 | 8.34 | 6.8 | 2.9 | 1.4 | 10.4 | 5.77 |
| 30-34 | 10.9 | 5.6 | 2.0 | 16.6 | 9.46 | 6.8 | 3.1 | 0.5 | 11.7 | 5.85 |
| 35-39 | 8.8 | 7.9 | 1.3 | 15.5 | 8.57 | 6.3 | 3.5 | 0.3 | 11.2 | 5.55 |
| 40-44 | 13.4 | 6.5 | 1.9 | 21.0 | 11.57 | 6.4 | 2.8 | 0.4 | 10.8 | 5.44 |
| 45-49 | 11.1 | 8.2 | 2.3 | 18.0 | 10.31 | 6.1 | 3.2 | 0.3 | 10.8 | 5.37 |
| 50-54 | 10.6 | 7.1 | 2.8 | 16.3 | 9.67 | 5.6 | 2.3 | 0.6 | 9.2 | 4.75 |
| 55-59 | 14.9 | 9.6 | 7.3 | 19.5 | 13.49 | 6.1 | 2.7 | 1.0 | 9.7 | 5.22 |
| 60 + | 10.6 | 9.1 | 8.1 | 12.2 | 10.18 | 4.0 | 2.4 | 2.1 | 5.1 | 3.55 |
| All | 7.4 | 5.0 | 3.7 | 9.7 | 6.74 | 4.9 | 2.1 | 1.9 | 6.7 | 4.20 |

Table 2.3

Worker population ratio in different age groups for usually employed principal status (ps) workers in Kerala and India

(Per cent)

| Age group | Kerala | | | | | India | | | | |
|-----------|--------|-------|------|--------|-------|-------|-------|------|--------|-------|
| | Rural | Urban | Male | Female | All | Rural | Urban | Male | Female | All |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 5-9 | 2.1 | 0.0 | 1.8 | 1.3 | 1.54 | 2.3 | 0.4 | 1.8 | 1.9 | 1.85 |
| 10-14 | 4.6 | 4.4 | 5.3 | 3.9 | 4.57 | 18.6 | 7.6 | 16.2 | 15.3 | 15.77 |
| 15-19 | 27.9 | 18.6 | 32.7 | 18.4 | 25.38 | 50.3 | 25.6 | 53.6 | 33.5 | 43.94 |
| 20-24 | 50.4 | 42.6 | 70.8 | 26.7 | 48.28 | 67.5 | 44.3 | 82.0 | 39.4 | 61.54 |
| 25-29 | 62.7 | 57.0 | 85.8 | 37.5 | 61.14 | 74.8 | 58.8 | 94.7 | 44.7 | 70.69 |
| 30-34 | 71.0 | 63.9 | 93.1 | 46.0 | 69.06 | 78.6 | 64.0 | 97.9 | 50.0 | 74.85 |
| 35-39 | 76.9 | 66.8 | 95.9 | 53.4 | 74.17 | 79.7 | 66.4 | 98.5 | 52.4 | 76.30 |
| 40-44 | 79.6 | 66.8 | 96.7 | 56.5 | 76.14 | 80.0 | 66.4 | 98.0 | 53.4 | 76.55 |
| 45-49 | 74.9 | 68.2 | 95.2 | 51.8 | 73.02 | 78.5 | 65.8 | 97.7 | 51.1 | 75.27 |
| 50-54 | 71.8 | 64.2 | 92.4 | 48.0 | 69.72 | 74.8 | 62.2 | 95.3 | 45.9 | 71.56 |
| 55-59 | 72.0 | 59.0 | 92.4 | 45.6 | 68.46 | 70.1 | 55.7 | 90.6 | 40.2 | 66.39 |
| 60 + | 46.1 | 38.8 | 63.1 | 25.9 | 44.11 | 45.0 | 31.1 | 61.9 | 19.4 | 41.45 |
| All | 39.4 | 36.1 | 51.2 | 26.3 | 38.48 | 43.4 | 33.9 | 53.0 | 28.0 | 40.99 |

The variation in the worker population ratios of principal status workers, subsidiary status workers and the total workers in different age groups of Kerala from the corresponding age groups of India are given in tables 2.4, 2.5 and 2.6.

Self employment and regular wage/salaried employment opportunities are needed to bring the involuntary subsidiary status workers in specific age groups to the category of principal status workers to ensure more regular and stable employment.

Table 2.4

Difference in the worker population ratio (per cent) of usually employed ps workers in different age groups between Kerala and India

| Age group | Rural | Urban | Male | Female | All |
|-----------|-------|-------|------|--------|-------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 5-9 | 0.6 | 0.4 | 0.6 | 0.4 | 0.55 |
| 10-14 | 12.1 | 4.5 | 10.8 | 9.4 | 10.10 |
| 15-19 | 22.4 | 7.9 | 21.8 | 14.5 | 18.74 |
| 20-24 | 17.5 | 4.4 | 13.8 | 11.9 | 14.25 |
| 25-29 | 14.8 | 4.1 | 11.6 | 9.2 | 12.12 |
| 30-34 | 11.7 | 2.6 | 6.3 | 8.9 | 9.40 |
| 35-39 | 5.3 | 4.0 | 3.6 | 3.3 | 5.15 |
| 40-44 | 7.4 | 3.3 | 2.8 | 7.1 | 6.54 |
| 45-49 | 8.6 | 2.6 | 4.5 | 6.5 | 7.19 |
| 50-54 | 8.0 | 2.8 | 5.1 | 5.0 | 6.76 |
| 55-59 | 6.9 | 3.6 | 4.5 | 4.4 | 6.20 |
| 60 + | 5.5 | -1.0 | 4.8 | 0.6 | 3.97 |
| All | 6.5 | 0.7 | 3.6 | 4.7 | 5.05 |

Table 2.5

Difference in the worker population ratio (per cent) of usually employed ss workers in different age groups between Kerala and India

| Age group | Rural | Urban | Male | Female | All |
|-----------|-------|-------|------|--------|-------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 5-9 | -0.4 | 0.0 | -0.6 | 0.2 | -0.24 |
| 10-14 | 1.9 | -1.3 | 0.1 | 2.0 | 1.10 |
| 15-19 | 0.0 | -0.9 | -0.9 | 0.6 | -0.18 |
| 20-24 | -0.4 | -2.7 | -2.6 | 0.8 | -0.99 |
| 25-29 | -2.7 | -2.3 | -2.7 | -2.0 | -2.57 |
| 30-34 | -4.1 | -2.5 | -1.5 | -4.9 | -3.61 |
| 35-39 | -2.5 | -4.4 | -1.0 | -4.3 | -3.02 |
| 40-44 | -7.0 | -3.7 | -1.5 | -10.2 | -6.13 |
| 45-49 | -5.0 | -5.0 | -2.0 | -7.2 | -4.94 |
| 50-54 | -5.0 | -4.8 | -2.2 | -7.1 | -4.92 |
| 55-59 | -8.8 | -6.9 | -6.3 | -9.8 | -8.27 |
| 60 + | -6.6 | -6.7 | -6.0 | -7.1 | -6.63 |
| All | -2.5 | -2.9 | -1.8 | -3.0 | -2.54 |

Table 2.6

Difference in the worker population ratio (per cent) of usually employed ps and ss workers in different age groups between Kerala and India

| Age group | Rural | Urban | Male | Female | All |
|-----------|-------|-------|------|--------|-------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 5-9 | 0.2 | 0.4 | 0.0 | 0.6 | 0.31 |
| 10-14 | 14.0 | 3.2 | 10.9 | 11.4 | 11.20 |
| 15-19 | 22.4 | 7.0 | 20.9 | 15.1 | 18.56 |
| 20-24 | 17.1 | 1.7 | 11.2 | 12.7 | 13.26 |
| 25-29 | 12.1 | 1.8 | 8.9 | 7.2 | 9.55 |
| 30-34 | 7.6 | 0.1 | 4.8 | 4.0 | 5.79 |
| 35-39 | 2.8 | -0.4 | 2.6 | -1.0 | 2.13 |
| 40-44 | 0.4 | -0.4 | 1.3 | -3.1 | 0.41 |
| 45-49 | 3.6 | -2.4 | 2.5 | -0.7 | 2.25 |
| 50-54 | 3.0 | -2.0 | 2.9 | -2.1 | 1.84 |
| 55-59 | -1.9 | -3.3 | -1.8 | -5.4 | -2.07 |
| 60 + | -1.1 | -7.7 | -1.2 | -6.5 | -2.66 |
| All | 4.0 | -2.2 | 1.8 | 1.7 | 2.51 |

2.3 Education-specific Worker Population Ratio

Tables 2.7 and 2.8 do not provide any specific trend between different levels of education and work participation rates either in terms of place of

residence or by sex. For a more meaningful analysis, age-specific data on work participation rate under the various educational levels are needed.

Table 2.7

Education-specific worker population ratio for persons of age 15 years and above according to usual principal status

| Gen. edn. level | Rural | Urban | Male | Female | Total |
|------------------|--------------|--------------|--------------|--------------|--------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| Not literate | 51.65 | 43.78 | 71.20 | 28.79 | 49.55 |
| Literate & | | | | | |
| Up to primary | 54.48 | 46.30 | 80.21 | 25.52 | 51.85 |
| Middle | 41.53 | 40.22 | 67.84 | 15.59 | 41.18 |
| Secondary | 33.49 | 34.48 | 50.65 | 17.53 | 33.74 |
| Graduate & above | 53.75 | 65.63 | 73.39 | 41.07 | 56.85 |
| All | 48.04 | 43.25 | 70.93 | 23.57 | 46.76 |

Table 2.8

Education-specific worker population ratio for persons of age 15 years and above according to usual principal and subsidiary status (All workers)

| Gen. edn. level | Rural | Urban | Male | Female | Total |
|------------------|--------------|--------------|--------------|--------------|--------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| Not literate | 61.06 | 50.77 | 75.58 | 41.77 | 58.30 |
| Literate & | | | | | |
| Up to primary | 65.22 | 52.78 | 84.38 | 40.34 | 61.90 |
| Middle | 51.55 | 47.39 | 72.54 | 29.24 | 50.43 |
| Secondary | 42.43 | 41.63 | 57.54 | 27.51 | 42.20 |
| Graduate & above | 59.97 | 67.49 | 77.53 | 47.02 | 61.92 |
| All | 58.00 | 49.87 | 75.71 | 36.77 | 55.83 |

2.4 Employment at the Beginning of the Eighth Plan

The number of persons usually employed and working in the principal status (ps) is estimated at 69.15 lakh in rural and 23.45 lakh in urban 1991.92. Others who are usually employed but pursuing only a subsidiary status (ss) work come to 15.93 lakhs in rural and 5.21 lakhs in urban area. Thus there are about 114 lakh employed person (under the usual status) in the State, of which about 21 lakhs persons, though usually employed are working in a subsidiary status at the commencement of the Eighth Plan. In other words, 85.08 lakh persons are having more or less stable employment, but a major segment of the 21 lakh ss workers are potential sources of unemployment and even underemployment as they enter the labour market for alternative work or even additional work.

2.5 Addition to Labour Force during the Eighth Plan Period

The employed and unemployed together constitute the 'economically active population' or the available labour supply in the State. We have estimated the size of labour force using

participation rates given by the 43rd round of NSSO survey results on the basis of all the three approaches adopted for classification of the population usual status; current weekly status and current daily status. Under the usual status approach, labour supply has been worked out for population based on the principal status only and also considering both the principal as well as the subsidiary statuses.

The labour force participation rates (LFPR) or the proportion of economically active population is taken as the percentage number of persons in the labour force per thousand persons. The overall LFPRs for the State and the country do not differ significantly as the marginally low rates for the rural areas in the State are more than offset by the relatively higher rates in the urban areas. The overall LFPR in the State is estimated at 38.4 per cent under usual status (ps), 37.2 per cent under current weekly status and 36.6 per cent under current daily status as against 38.3 per cent, 37.2 per cent and 36.8 per cent respectively for the country. However, if the subsidiary status is also included, the LFPR under usual status comes to 43.9 per cent for Kerala as against 42.2 per cent for the country. The estimated labour supply at the beginning of the Eighth Plan is given in the following table 2.9

Table 2.9

| Estimated additional supply of labour force during the Eighth Plan period (Lakhs) | | | | | | | | | |
|--|-------|--------|-------|-------|--------|-------|-------|--------|--------------|
| Status | Rural | | | Urban | | | Total | Total | Total |
| | Male | Female | Total | Male | Female | Total | male | female | labour force |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Usual status (ps) | 3.63 | 1.66 | 5.39 | 1.40 | 0.51 | 1.91 | 5.03 | 2.17 | 7.23 |
| Usual status (ps&ss) | 3.78 | 2.37 | 6.15 | 1.45 | 0.65 | 2.10 | 5.23 | 3.02 | 8.27 |
| Weekly status | 3.56 | 1.54 | 5.10 | 1.40 | 0.50 | 1.90 | 4.96 | 2.04 | 7.01 |
| Daily status | 3.53 | 1.49 | 5.02 | 1.37 | 0.47 | 1.84 | 4.90 | 1.96 | 6.89 |

It is estimated that about 8 lakh persons will be added to the labour force additionally during the Eighth Plan period of which about 7 lakhs will be looking for regular employment as their principal activity. Rural areas account for about 75 per cent

of the additional labour supply. About forty per cent of the new entrants to the labour market will be females. Thus, employment opportunities have to be found for the new entrants in addition to the backlog of unemployment in the State.

Chapter 3

Unemployment and Underemployment

3.1 Reasons for unemployment and Underemployment

Unemployment may be voluntary or involuntary. The major reasons for involuntary unemployment are the following:

- a. **Unemployability** - This is caused due to a mismatch between demand and supply of labour. Mismatch mostly occurs between skills held and demanded as the educational system is not oriented towards manpower requirements. Expectations, and preferences, social and economic outlook and attitudes are other major causes for such mismatch. For example, the undue preference for white collar employment among the educated youth acts as a block against their availing various productive employment avenues otherwise available in the economy
- b. **A deficiency in the aggregate demand for labour** - This arises as the production of goods and services may not be going up significantly to employ more labour. It may also happen that even when the production of goods and services are going up the mode of production may be becoming relatively more capital intensive or labour saving.
- c. **Seasonal factors** - This is quite important in economies predominantly dependent on agriculture and agro-based and traditional industries. Agricultural activities and agriculture based industries are the mainstay of the Keralites. Workers employed in these activities, particularly the self-employed, though employed during the major part of the year, may not find enough work during the lean seasons. Some of them may find alternate work and others either remain unemployed or even withdraw from the labour force. Thus, a section of the population categorised as usually employed do not have work throughout the year and in that sense is underemployed (or their labour time is under utilised). While some of them may not have work during some weeks of the year, there may be others among them who, though they

have some work during those weeks remain without work on some days within the week. Thus they are underemployed during those weeks. Such underemployment is referred to as visible underemployment and can be directly measured.

- d. **Low productivity/earnings** - Many of the economically active population, particularly the self-employed, may be working for most part of the year. But either due to low productivity or wage rates the work they pursue may be hardly sufficient for their sustenance and as such they are compelled to look for additional gainful employment even though they may appear to be employed for most part of the year. Such underemployment is termed invisible and therefore, not directly measurable. Many belonging to the first category of underemployed may also want to take up additional/alternate work to augment their income.

- e. **Lack of mobility** - Social, economic and political/ organisational factors may hinder the mobility of labour. Disputes as to who should be employed - when new employment opportunities arise - and the lack of institutional arrangements to quickly resolve such disputes, aggravate the problem.

3.2 Concept and Measurement of Unemployment and Underemployment

As in the case of 'employment', three different estimates have been made for unemployment based on the latest survey results of the NSSO. The three estimates are based on:

- a. number of persons usually unemployed based on 'usual status' classification (i.e., those who were unemployed for a relatively longer period of a reference period of 365 days preceding the date of survey);
- b. number of persons unemployed on an average in a week based on 'weekly status' classification

(i.e. those who remained unemployed at any time during a reference period of 7 days preceding the date of survey) and

c. number of person-days unemployed on an average on a day based on 'daily status' classification, (i.e., person days unemployed in the week of those worked at any time during the reference period of 7 days preceding the date survey).

Of the three estimates mentioned above, the first one gives the magnitude of the usually 'employed' or the 'usual status work-force'.

The first estimate reflects the magnitude of persons unemployed for relatively longer period during the year and indicates the extent of chronic unemployment. Some of the unemployed persons so classified on the basis of this criterion, might be working in a subsidiary capacity. Therefore, separate estimates are needed for the usually unemployed persons coming under the category of principal status workers and subsidiary status workers so that necessary corrections can be

applied to exclude the employed persons pursuing some subsidiary activity.

The second estimate gives the average weekly picture. It includes both chronic unemployment and also the intermittent unemployment caused by seasonal fluctuations in employment of those categorised as usually employed. The third estimate, based on the classification of population according to current daily status, indicates the average volume of unemployment on a day during the year. It is the most inclusive rate of 'unemployment' capturing the unemployed days of the chronologically unemployed, the unemployed days of the usually employed who become intermittently unemployed during the reference week and unemployed days of those classified as employed according to the current weekly status.

3.3 Estimates of Unemployment

Unemployment rate (UR) is defined as the proportion of persons unemployed in the labour force. Magnitude of unemployment at the commencement of the Eighth Plan estimated as per the above mentioned three criteria are given below.

Table 3.1

Estimated number of persons unemployed at the beginning of the Eighth Plan period
(lakhs)

| Status | Rural | | | Urban | | | Total | Total | Total no. of persons |
|-------------------------|-------|--------|-------|-------|--------|-------|-------|--------|----------------------|
| | Male | Female | Total | Male | Female | Total | male | female | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Usual status (us) | 7.09 | 6.50 | 13.59 | 3.09 | 2.76 | 5.85 | 10.18 | 9.26 | 19.44 |
| Usual status (adjusted) | 5.49 | 5.52 | 11.01 | 2.30 | 2.48 | 4.78 | 7.79 | 8.00 | 15.79 |
| Weekly status | 8.07 | 5.62 | 13.64 | 3.16 | 2.60 | 5.76 | 11.18 | 8.22 | 19.40 |
| Daily status | 9.23 | 6.40 | 15.63 | 4.80 | 3.03 | 7.83 | 14.03 | 9.43 | 23.46 |

Under all the four different measures, unemployment rate is highest among urban females, followed by rural females, urban males and urban females. Chronic unemployment measured by the usual status (adjusted) is as high as 24 per cent among urban females, 15 per cent among rural females, 9 per cent each among urban and rural males. However, as per the current daily status which is the most inclusive measure of unemployment, the unemployment among urban females is about 40 per cent, rural females 27 per cent, and is about 14 per cent among the urban and

rural males.

The overall unemployment rate in the State is estimated as 13.5 per cent according to usual status (adjusted), 20.2 per cent as per the unadjusted usual status and current weekly status, and 24.6 per cent as per the current daily status. The severity of the problem in the State is shown by the fact that under all the four different measures, the rate of unemployment is more than twice the corresponding rates for the country.

3.4 Estimates of Underemployment

Agricultural activities and agriculture based industries continue to be major source of employment in the State. Workers employed in these activities, the self-employed as well as the employees, may not find enough work during the lean seasons. In the case of traditional agro-based industries like coir and cashew, workers are seen not employed for a major part of the year due to raw material shortages. Some of them may find alternate work and others either remain unemployed or even withdraw from the labour force. Thus, a section of the population categorised as usually employed do not have work throughout the year and in that sense is underemployed.

The proportion of persons available for additional work to the total number of usually employed persons (under the principal status) may be taken as a measure of underemployment. This, in fact, measures the extent of underemployment among those whose employment is considered to be more stable. It is seen that, as per this measure, the underemployment rate estimated at 14.8 per cent is highest among urban females, followed by 11.7 per cent for rural females, 11.5 per cent for rural males and 10.5 per cent for urban males. The overall underemployment rate for the State is estimated as 11.9 per cent.

However, if under utilisation of labour is broadly defined to include 'usually employed persons' who report themselves as available for 'work', 'additional work' and 'alternative work', the underemployment rates sharply rise to 27.8 per cent for urban females, 23.1 per cent for urban males, 21.2 per cent for rural males and 19.6 per cent for rural females. The overall rate for the State is about 22.6 per cent. If we take the average of the estimates based on the two concepts, then the number of underemployed persons comes to about 11 lakhs for rural and 4.3 lakhs in urban. This amounts to 11.3 lakh males and 4 lakh females.

3.5 Educated Unemployment

The employment exchange statistics provide the number of educated job seekers in the State. It gives a useful insight in to the nature and extent of educated unemployment in the State, but a major drawback of the data is the inclusion of persons who are either employed or not in the labour market. A recent pilot inquiry conducted by the Department of Economics and Statistics (DES) has shown that only about 32 per cent of the total registrants (educated and non-educated) were truly unemployed. About 10 per cent of the registrants

had regular jobs, 33 per cent were employed partially and about 25 per cent were outside the labour force. Though the sample size is too small to generalise the findings, it does point out the upward bias in using the number of registrants as a measure of unemployment.

The preliminary findings of another study conducted recently by the Centre for Development Studies (CDS) for the Planning Commission, Government of India, to analyse the structure and pattern of unemployment/employment among the educated registrants in the employment exchanges in the State show that 28 per cent of the registrants are, in fact, fully employed and another 9 per cent partially employed. Full time students consisted of 17 per cent of the registrants, part time students 8 per cent, part time students who are also part time employed accounted for 6 per cent. The rate of unemployment among the educated registrants, as estimated by the survey, is 32 per cent and underemployment 9 per cent. Another major finding is that the educational qualifications of the registrants, as given in the employment exchange registers, are quite an under estimation of the actual level of education possibly due to the delay in updating the qualifications acquired by the registrants, subsequent to their registration. The educational levels of the registrants as given by the employment exchange statistics and the same estimated by us based on the CDS study, are given in table 3.2.

Table 3.2

Distribution of Work Seekers in Kerala by Educational Levels as on Dec. 1991

| (lakhs) | | |
|-------------------|----------------------------|-------------------------------|
| Educational Level | As per emp. ex. statistics | Estimates based on CDS survey |
| (1) | (2) | (3) |
| S.S.L.C. Plus | 19.56 | 13.64 |
| Pre-Degree Plus | 2.77 | 5.69 |
| Graduates | 1.50 | 3.77 |
| Post Graduates | 0.28 | 0.84 |
| Engineering | 0.07 | 0.20 |
| Medical | 0.02 | 0.04 |
| M.Phil/Ph.D. | ... | 0.02 |
| Total | 24.20 | 24.20 |

(*) - includes I.T.I. etc.;

(@) - includes Dip. in Engg. etc.

The undue preference for white collar jobs among the educated job seekers is amply demonstrated by the some of the findings of the study. About 90 per cent of the educated registrants chose white collar jobs as their first preference (73.7 per cent clerical and related grade, 15 per cent managerial and professional) and only 3 per cent preferred to set up self-employment ventures. In fact, even as the minimum acceptable job only 14 per cent were willing to undertake unskilled manual work, 15 per cent wanted blue collar work, 42 per cent opted for last grade office work (peons etc.) and 17 per cent preferred white collar work (clerical and related). Only 9 per cent of the educated unemployed were willing to undertake self employment ventures even as the last resort.

The estimated number of unemployed and underemployed registrants under different educational levels are given in table 3.3.

Table 3.3

Estimated number of educated Unemployed

| Educational Level | (Lakhs) | | |
|-------------------|-------------|----------------|------------------|
| | Unemployed | Under-employed | Total unemployed |
| (1) | (2) | (3) | (4) |
| S.S.L.C. plus | 4.69 | 1.23 | 5.92 |
| Pre-Degree plus | 1.32 | 0.39 | 1.71 |
| Graduates | 1.20 | 0.33 | 1.53 |
| Post Graduates | 0.27 | 0.11 | 0.38 |
| Engineering) | 0.09 | 0.02 | 0.11 |
| Medical) | | | |
| M.Phil/Ph.D.) | | | |
| Total | 7.57 | 2.08 | 9.65 |

3.6 Estimated Level of Unemployment and Underemployment in the Eighth Plan

The level of unemployment at the commencement of the Eighth Plan is estimated at 31 lakhs consisting of 16 lakhs persons totally unemployed and 15 lakhs underemployed. About 50 per cent of the fully employed are educated comprising of 4.7 lakh matriculates, 1.3 lakh PDCs, 1.2 lakh graduates, 27 thousand post graduates and 9 thousand professional degree holders.

At the present trend, the level of unemployment is likely to go up to 39 lakhs by the end of Eighth Plan as another 8 lakh persons are expected to enter into the labour force during the Plan period. Of the estimated 39 lakhs of unemployed persons, about 20 lakhs will be facing open unemployment. This will include around 11 lakh educated persons consisting of 6.2 lakh matriculates, 2.2 lakh PDCs, 1.7 lakh graduates, 53 thousand post graduates and 20 thousand professional degree holders. Among the 19 lakh underemployed persons, 3 lakh may come under the category of educated involving 1.6 lakh matriculates, 65 thousand PDCs, 45 thousand graduates, 22 thousand post graduates and 5 thousand professionals.

Chapter 4

Rupees One Thousand Crore Employment Programme as an Employment Generation Strategy in the Eighth Plan

4.1 - The Eighth Plan Approach

Kerala continues to face the most severe unemployment problem in the country, especially among the educated youth. Almost all comparable estimates based on standard concepts of employment/unemployment show that the degree of unemployment and underemployment in the State is two to three times higher than that of the country. The problem has accentuated over the years if one is to go by the findings of the quinquennial surveys on employment and unemployment conducted by the NSSO.

Even though a number of programmes were taken up in the past for creation of gainful employment opportunities and also for promotion of self-employment ventures they could not bring about any perceptible improvement in the unemployment situation. The sluggish growth of the Kerala economy, particularly in the commodity producing sectors during the last two decades, had made it almost impossible to absorb the increasing number of unemployed. With the spread of education and increase in unemployment in other states, employment opportunities are no longer freely accessible to Keralites, in other states. Likewise, the Gulf labour market which attracted substantial migration of skilled and semi-skilled labour from Kerala from the mid-seventies is also getting narrowed down. The growing divergence of the labour skills demanded and the ones supplied is acting as a deterrent factor to taking advantage of the emerging opportunities of manpower export.

The incremental approach towards employment generation followed in the Five Year Plans can at

best be considered as a partial solution to this problem. The problem of unemployment needs to be tackled in the over-all context of manpower planning and human resources development from the medium/long term point of view. The growing mismatch between the skills generated and those demanded should be minimised and a rational and dynamic policy on human resources development in the context of the changing needs and growth potentials has to be pursued. It is necessary to revamp the school and college curricula to make them relevant, responsive and pertinent to the emerging economic trends in general and labour market in particular rather than merely churning out certificate, diploma and degree holders. In fact, the present educational system needs thorough restructuring to integrate it with a general strategy to develop the human resources in the State. The employability of the potential entrants into the labour market from the educational institutions needs to be ensured by industry-oriented training and regular interaction between educational institutions and industry, an aspect totally neglected under the present system. The so called higher education in the State has more or less become a waiting place for many of the entrants to the labour market inculcating the aspirations for white collar employment.

It is imperative to develop a perspective plan for a period of 10 to 15 years chalking out the growth path of the State economy capable of absorbing the educated unemployed in productive sectors and providing a sustainable solution to the problem of unemployment. In order to arrest the growing mismatch between the demand and supply of educated labour force, a manpower plan should be dovetailed to the State's perspective plan. The

programmes proposed under the perspective plan should be made operational by phasing them out and translating into manageable plan schemes to be included under the corresponding Five Year and Annual Plans.

4.2 The New Industrial and Agricultural Policy

The Government of India has initiated a package of measures (collectively called the 'New Economic Policy') in the realm of fiscal, financial and monetary policy, industry, trade and capital market to de-shelter and de-regulate the national economy plagued by rising fiscal deficits, trade deficits and indebtedness, structural imbalances and relative stagnation and inflation. These policies are mainly having a macro-economic dimension addressed towards correcting structural imbalances at the macro level leaving the states to formulate their own strategy for growth within the framework of the New Economic Policy. Even though the instruments at the disposal of the State, as compared to the Central Government, to stimulate economic growth in consonance with the national strategy are limited, the State level financial institutions, developmental agencies and administrative departments can help in the strategic reorientation of the State economy, more particularly in the area of agricultural and industrial transformation.

In the wake of the liberalisation policies being pursued by the central government, fresh investments guided more by market forces rather than regulatory measures and irrational subsidies as in the past, are likely to concentrate in already well developed regions at the cost of industrially backward states like Kerala unless the state level agencies comprising financial institutions, administrative departments and developmental agencies reorient their goals, strategies and activities at the shortest possible time taking advantage of the policy directives and promotional schemes at the national level. The New Industrial Policy and the Agricultural Development Policy announced by the State Government are significant steps in this direction and have to be followed up speedily in implementation.

One of the major objectives of the New Industrial Policy is to create massive employment opportunities through substantial step up in the rate of growth of industry by establishing the necessary infrastructure facilities and a favourable environment for industrialisation. The proposed strategy for industrial growth is to attract private

and institutional investment to the State in local resource based and other high-tech and sunrise industries by offering an appropriate mix of incentives, tax and duty concessions, and simplified and rationalised procedures. The strategy also aims to promote harmonious industrial relations through controlling restrictive labour practices, strict enforcement of existing rules and bringing up comprehensive legislation to control proliferation of unions while giving due emphasis to the rights of the management and workers. The Policy recognises the need to deviate from the approach pursued in the past by re-orienting the priorities and confining the role of the State to that of a facilitator instead of an investor.

According to the Policy directives, the public sector investment in industries will be limited to strategic areas where private or joint investment may be inadequate. In order to streamline the working of the public sector units, professional management will be introduced with a high degree of autonomy and accountability. Disinvestment and liquidation may be taken up on a case-to-case basis if found necessary. Traditional industries will be revamped mainly through strengthening their capital base. Efforts to attract central investment will also be strengthened.

Thus, the New Industrial Policy announced by the State government is in line with the New Economic Policy in general and the National Industrial Policy in particular. Substantial employment opportunities will be created in the industrial sector during the Eight Plan period if the policy options under the New Industrial Policy are translated into operational programmes and implemented effectively. Under the Policy, industrial scenario in the State may undergo a weeding process to build up a healthy, sound and sustainable industrial structure as inefficient units which cannot be made commercially viable may have to follow the exit route, the resources including labour being re-employed in new ventures.

"Failure to formulate a policy and strategy suitable for Kerala agriculture and to design and develop appropriate technology and infrastructure to meet the special requirements of small farmers" has been identified as the major cause of stagnation in the agricultural sector by the New Agricultural Development Policy. It recognises the need to develop agriculture as a worthwhile and viable occupation with dignity and social status. The strategy is to promote community action and group farming, develop an integrated approach to collection, storage, processing and marketing of

agricultural products and to generate appropriate linkages between agriculture and industry so as to maximise value addition. Ensuring a regular and satisfactory level of income through innovative schemes in agriculture including horticulture and floriculture and allied sectors may encourage young and educated persons to take up self-employment in agriculture-oriented activities reducing the mounting pressure on salaried employment in the organised sector.

The approach followed in the Eighth Plan is consistent with the New Industrial and Agricultural Policies of the State and the New Economic Policy of the Centre.

4.3 The Eighth Plan Strategy for Employment Generation - Rupees One Thousand Crore Employment Generation Programme

The Rupees One Thousand Crore Employment Programme announced by the government has been built into the Eighth Five Year Plan, as an integral part of it. This is because:

Firstly, an economic development plan should have an employment generation objective and component;

Secondly, past experience shows that autonomous and 'crash' employment programmes which are not part of a development plan, turn out to be mere expenditure programmes with out sustainable employment or the multiplier effect on employment; and

Thirdly the present time is luckily one during which the Eighth Plan is being formulated and finalised and that makes the integrated exercise possible, so that government investment along with private investment and institutional finance can make a significant impact on the employment situation.

The level of unemployment at the commencement of the Eighth Plan is estimated at 31 lakhs consisting of 16 lakhs persons totally unemployed and 15 lakhs underemployed. About 50 per cent of the fully unemployed are educated comprising of 4.7 lakh matriculates, 1.3 lakh PDCs, 12 lakh graduates, 27 thousand post graduates and 9 thousand professional degree holders.

At the present trend, the level of unemployment is likely to go up to 39 lakhs by the end of Eighth Plan as another 8 lakh persons are

expected to enter into the labour force during the Plan period. Of the estimated 39 lakhs of unemployed persons, about 20 lakhs will be facing open unemployment. This will include around 11 lakh educated persons consisting of about 6.2 lakh matriculates, 2.2 lakh PDCs, 1.7 lakh graduates, 53 thousand post graduates and 20 thousand professional degree holders. Among the 19 lakh underemployed persons, 3 lakh may come under the category of educated involving 1.6 lakh matriculates, 65 thousand PDCs, 45 thousand graduates, 22 thousand post graduates and 5 thousand professionals.

It is against this dimension of unemployment that the Rupees Thousand Crore Employment Programme (here after referred to as the Employment Programme) has been formulated as part of the Eighth Plan with the objective of creating maximum employment opportunities. Considering the magnitude of the level of unemployment and underemployment, it is unrealistic to assume that the problem can be solved during the Plan period. The employment generation strategy followed under the Employment Programme can be broadly outlined as follows.

1. Employment generation in the Eighth Plan is integrated with the economic growth process with the exception of certain poverty alleviation programmes or their components which are essentially transfer payments to selected target groups. Unlike in the past, the employment generation programmes do not envisage addition of direct employment under government, either for administrative support or for expanding the well developed social infrastructure so as not to perpetuate the resource constraint faced by the State government. Even in government undertakings and corporations, the policy is to promote and sustain productive employment linked to economically viable and bankable expansion and modernisation projects so that government budgetary support is confined to the initial plan investment with out future commitments.

3. Instead of partial approach to employment generation, the strategy followed in the Eighth Plan is to formulate major employment oriented schemes taking into account their total employment content.

4. The employment programmes in different sectors have been formulated after carefully analysing the nature and extent of underemployment and unemployment in terms of available skills, residential status by rural and urban and sex.

5. While drawing up employment oriented schemes in different sectors, care has been taken to select a judicious mix of schemes generating temporary wage employment, regular wage/salary employment and self-employment.

6. In sectors where the mode of production in terms of factor proportions is unlikely to change, the emphasis is on augmenting the earnings of the labour through provision for additional gainful employment.

7. Sectoral allocation of plan investments has been made taking into account the potential for generation of employment.

8. While promoting investment in the industrial sector, utmost care will be taken to encourage industries with sizeable forward and backward linkages and consistent with the local resource endowments. Such an approach is expected to accelerate and sustain the industrial growth.

9. All production-oriented schemes have been drawn up as bankable projects. The State plan investments in such projects have been limited to the minimum required to attract private capital and institutional finance.

10. All Centrally Sponsored and Externally Aided Schemes have been formulated in accordance with the local resource endowments and the State's priorities. Schemes such as IRDP and JRY will be implemented more realistically taking into account the educational levels of the work force, prevailing market wage rates etc.

The basic premise of the Employment Programme is the creation of a work atmosphere conducive to private investment and for the promotion of self-employment ventures for generating additional employment opportunities on a massive scale. The strategy followed is one of identifying areas with high employment generation capacity in each sector and concentrating efforts in such areas through adequate budgetary support from State plan to facilitate enhanced flow of the needed bank credit. Accordingly, the Employment Programme has been formulated with the target of providing about 9.3 lakh regular and stable employment thereby reducing the estimated open unemployment at the end of the Eighth Plan period to half. The programme also envisages creation of 14 lakh standard person years of gainful wage employment opportunities in order to bring down substantially the extent of underemployment.

The thrust areas identified for the Employment Programme consist of direct employment programmes for poverty alleviation, agriculture and agro-processing, livestock and fisheries development, sericulture, small scale industries, medium and large industries, micro-electronics and computers, tourism and housing for weaker sections. The details of sectoral strategy for employment generation and the schemes undertaken under the thrust areas, estimated employment potential, investment requirements, pattern of financing etc. are given in Chapters 5

4.4 Structure and Magnitude of Employment created.

It is estimated that as a result of the implementation of the Employment Programme about 9.3 lakh regular wage/salaried employment and another 14 lakh standard person years of non-continuing employment opportunities will be generated during the Eighth Plan period. It may be noted that the total employment generated in the economy during the Plan period will be much higher due to the following reasons.

(i) The Employment Programme includes only direct employment generation schemes and other major employment-oriented production schemes, the exception being State supported housing projects under the Rajiv One Million Housing Scheme. However, a large number of traditional construction oriented schemes such as land and water management, command area development, irrigation and power development projects, construction of roads, bridges and buildings etc. are being executed as part of the Eighth Plan. Many of these schemes generate a large number of construction-oriented wage employment.

(ii) Under the Employment Programme only the direct employment generated by the programmes has been taken into account. For many of the programmes, the indirect employment generated as a result of their implementation will be significant due to inter sectoral linkages and complementarities.

(iii) There will also be the autonomous growth of employment in the economy, not considered under the Employment Programme.

The sectoral distribution of regular wage/salaried (continuing) employment and non-continuing employment is given in table 4.1

Table 4.1

**Sectoral Distribution of Continuing Employment and
Non-continuing Wage Employment**

| (1) | Continuing | | Non-continuing wage | |
|---|---------------|---------------|---------------------|---------------|
| | Employment | Per cent | Employment | Per cent |
| (1) | (2) | (3) | (4) | (5) |
| 1. Poverty Alleviation Programmes | 295800 | 31.91 | 572800 | 40.58 |
| 2. Agriculture and Allied | | | | |
| a. Agriculture and Agro-processing | 8800 | 0.95 | 113600 | 8.05 |
| b. Livestock Development | 1000 | 0.10 | 9650 | 0.64 |
| c. Fisheries Development | 28200 | 3.03 | 4450 | 0.32 |
| Total - Agriculture and Allied | 38000 | 4.10 | 127700 | 9.05 |
| 3. Sericulture | 207100 | 22.34 | 43500 | 3.08 |
| 4. Industries (SSIs and MLIs) | | | | |
| a. Small Scale Industries | 300000 | 32.36 | 63000 | 4.44 |
| b. Medium & Large Industries | 56700 | 6.22 | 160700 | 11.38 |
| c. Micro-electronics&Computers | 15000 | 1.61 | 6000 | 0.39 |
| Total-Industries (SSIs and MLIs) | 371700 | 40.09 | 229700 | 16.39 |
| 5. Tourism | 14400 | 1.55 | 92800 | 6.57 |
| 6. Rajiv One Million Housing Scheme | .. | .. | 345000 | 24.44 |
| Grand Total | 927000 | 100.00 | 1411500 | 100.00 |

The distinct bias of the Employment Programme for commodity producing sectors may be seen from the fact that about 69 per cent of the continuing employment and 35 per cent of the wage employment are generated under the productive sectors. Small scale industries provide the maximum continuing employment (3 lakhs) followed by sericulture (2.07 lakhs). Together, they account for 55 per cent of the regular employment even though their share in total investment is only about 18 per cent. The emphasis given to rural areas in the creation of wage employment and continuing employment is amply reflected in the sectoral distribution of employment as given in table 4.1

Self-employment accounts for about 55 per cent of the regular employment. About 2.96 lakh self employment opportunities amounting to 57.5 per cent of the total are provided by the poverty alleviation programmes, 1.93 lakhs (37.6%) by sericulture and 20,000 (3.9%) by small scale industries. As for regular wage/salaried employment, about 3.52 lakh employment opportunities constituting 85 per cent of the total are provided by industries, followed by agriculture (8%) tourism (3.5%) and sericulture (3.4%). The sectoral distribution of regular wage/salaried employment and self-employment is given in table 4.1

Table - 4.2

**Sectoral Distribution of Continuing Employment
for the Educated and Non-educated Categories**

| (No.) | | | | |
|---|--|---------------|-------------------------------------|---------------|
| (1) | Regular wage Salaried Employment | (3) | Per cent Self Employ- ment | (5) |
| 1. Poverty Alleviation Programmes | 200 | 0.05 | 295600 | 57.54 |
| 2. Agriculture and Allied | | | | |
| a. Agriculture and Agro-processing | 6800 | 1.64 | 2000 | 0.38 |
| b. Livestock Development | .. | .. | 1000 | 0.19 |
| c. Fisheries Development | 26200 | 6.34 | 2000 | 0.38 |
| Total - Agriculture and Allied | 33000 | 7.98 | 5000 | 0.98 |
| 3. Sericulture | 14100 | 3.45 | 193000 | 37.59 |
| 4. Industries (SSIs and MLIs) | | | | |
| a. Small Scale Industries | 280000 | 67.73 | 20000 | 3.89 |
| b. Medium & Large Industries | 56700 | 13.72 | .. | .. |
| c. Micro-electronics&Computers | 15000 | 3.63 | .. | .. |
| Total - Industries (SSIs and MLIs) | 351700 | 85.07 | 20000 | 3.89 |
| 5. Tourism | 14400 | 3.48 | .. | .. |
| 6. Rajiv One Million Housing Scheme | .. | .. | .. | .. |
| Grand Total | 413400 | 100.00 | 513600 | 100.00 |

The selection of thrust areas and the schemes to be implemented have been so made as to provide substantial sustainable employment to educated persons as can be seen from table 4.3.

About half of the total continuing employment generated under the Employment Programme estimated at 4.66 lakhs will be for the educated category. The accent on providing employment opportunities to educated man-power is seen by the fact that even under the traditional poverty alleviation schemes about 30 per cent of the self-employment ventures are expected to be by the educated class. The industrial sector together with sericulture is expected to provide 3.53 lakhs of

regular employment opportunities for educated persons of which the small scale sector accounts for 1.8 lakhs (38.6%) followed by sericulture, 1.14 lakhs (24.4%); poverty alleviation programmes 0.89 lakh (19%) and medium and large industries 0.5 lakhs (9.7%).

Table - 4.3

**Sectoral Distribution of Continuing Employment for
the Educated and Non-educated Categories**

| Thrust Areas/Programmes | (No.) | | | |
|---|-----------------------|---------------|--------------------------|---------------|
| | Continuing Employment | | | |
| | Educated Category | Per cent | Non-educated Category | Per cent |
| (1) | (2) | (3) | (4) | (5) |
| 1. Direct Employment Programmes | 88740 | 19.03 | 207060 | 44.94 |
| 2. Agriculture and Allied | | | | |
| a. Agriculture and Agro-processing | 4400 | 0.94 | 4400 | 0.96 |
| b. Livestock Development | 400 | 0.09 | 600 | 0.13 |
| c. Fisheries Development | 8460 | 1.81 | 19740 | 4.28 |
| Total - Agriculture and Allied | 13260 | 2.84 | 24740 | 5.37 |
| 3. Sericulture | 113905 | 24.43 | 93195 | 20.23 |
| 4. Industries (SSIs and MLIs) | | | | |
| a. Small Scale Industries | 180000 | 38.60 | 120000 | 26.05 |
| b. Medium & Large Industries | 45360 | 9.73 | 11340 | 2.45 |
| c. Micro-electronics&Computers | 13500 | 2.90 | 1500 | 0.33 |
| Total - Industries (SSIs and MLIs) | 238860 | 51.23 | 132840 | 28.83 |
| 5. Tourism | 11520 | 2.47 | 2880 | 0.63 |
| 6. Rajiv One Million Housing Scheme | .. | .. | .. | .. |
| Grand Total | 466285 | 100.00 | 460715 | 100.00 |

It may be noted that the employment generation categorised under different sectors are not independent of each other. They are rather conceived as the outcome of the integrated and over-all growth of the economy as different sectors will be reinforcing each other in their growth process.

4.5 Sectoral Distribution of Investment

The sectoral distribution of investment under the Employment Programme is given in table 4.4. The State plan investment in industry including sericulture is Rs. 523 crores constituting 52.3 per cent of the total State investment followed by an amount of Rs. 239.7 crores for poverty alleviation programmes, Rs. 95 crores for Rajiv One Million Housing Scheme and Rs. 28.7 crores for tourism development. In terms of gross plan the corresponding allocations are Rs. 533 crores for industry Rs. 629 crores for poverty alleviation

programmes, Rs. 265.5 crores for agriculture and allied, Rs. 95 crores for Rajiv housing scheme and Rs. 71.8 crores for tourism.

The total investment under the programme is estimated at Rs. 9,487 crores of which the state plan component is Rs. 1000 crores. About 61.6 per cent of the total investment is under the industrial sector and another 16.5 per cent under housing followed by 11 per cent for poverty alleviation programmes. The sectoral distribution of plan and non-plan components indicates a judicious distribution of plan funds to facilitate the flow of private and institutional capital to the thrust areas as can be seen from table 4.5. Sectors with substantial scope to tap private investment have been given the needed resources to realise the potential. The approach to attract private and institutional capital as a general strategy to implement the Employment Programme is amply demonstrated by the sectoral pattern of plan invest and gross investment.

Table - 4.4

Sectoral Distribution of Plan and Non-plan(*) Investment

| (Rs. crores) | | | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Sectors/Thrust Areas | State Component of Plan | Gross Plan Size | Total Invest- ment |
| (1) | (2) | (3) | (4) |
| 1. Direct Employment Programmes | 239.70 (23.97) | 629.85 (39.48) | 1049.05 (11.06) |
| 2. Agriculture and Allied | | | |
| a. Agriculture and Agro-processing | 94.00 (9.4) | 177.59 (11.13) | 327.46 (3.45) |
| b. Livestock Development | 6.90 (0.69) | 8.90 (0.55) | 37.10 (0.39) |
| c. Fisheries Development | 12.50 (1.25) | 79.00 (4.95) | 182.30 (1.92) |
| Total - Agriculture and Allied | 113.40 (11.34) | 265.49 (16.64) | 546.86 (5.76) |
| 3. Sericulture | 45.00 (4.50) | 45.00 (2.82) | 141.96 (1.50) |
| 4. Industries (SSIs and MLIs) | | | |
| a. Small Scale Industries | 180.00 (18.00) | 190.00 (11.90) | 1530.00 (16.13) |
| b. Medium & Large Industries | 229.20 (22.92) | 229.20 (14.36) | 3944.40 (41.58) |
| c. Micro-electronics&Computers | 69.00 (0.90) | 69.00 (4.32) | 369.00 (3.89) |
| Total - Industries (SSIs and MLIs) | 478.20 (47.82) | 488.20 (30.60) | 5843.40 (61.59) |
| 5. Tourism | 28.70 (2.87) | 71.79 (4.50) | 341.79 (3.60) |
| 6. Rajiv One Million Housing Scheme | 95.00 (9.5) | 95.00 (5.95) | 1565.00 (16.50) |
| Grand Total | 1000.00 (100.00) | 1595.33 (100.00) | 9488.06 (100.00) |

(*) - Investment outside Plan.

Table 4.5

Sectoral Distribution of Plan and Non-plan Investment

| (Rs. Crores) | | | | | | |
|--|-----------------|--------------|-----------------|--------------|------------------|--------------|
| Sectors/Thrust Areas | State Component | Per cent | Gross Plan size | Per cent | Total Investment | Per cent |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 1. Direct Employment Programmes | 239.70 | 22.83 | 629.85 | 60.04 | 1049.05 | 100.0 |
| 2. Agriculture and Allied | | | | | | |
| a. Agriculture & Agro-processing | 94.00 | 28.70 | 177.59 | 54.23 | 327.46 | 100.0 |
| b. Livestock Development | 6.90 | 18.59 | 8.90 | 23.98 | 37.10 | 100.0 |
| c. Fisheries Development | 12.50 | 6.85 | 79.00 | 43.33 | 182.30 | 100.0 |
| Total - Agriculture and Allied | 113.40 | 20.73 | 265.49 | 48.54 | 546.86 | 100.0 |
| 3. Sericulture | 45.00 | 31.69 | 45.00 | 31.69 | 141.96 | 100.0 |
| 4. Industries (SSIs and MLIs) | | | | | | |
| a. Small Scale Industries | 180.00 | 11.76 | 190.00 | 12.41 | 1530.00 | 100.0 |
| b. Medium & Large Industries | 229.20 | 5.81 | 229.20 | 5.81 | 3944.40 | 100.0 |
| c. Micro-electronics & Computers | 69.00 | 18.69 | 69.00 | 18.69 | 369.00 | 100.0 |
| Total - Industries (SSI & MLIs) | 478.20 | 8.18 | 488.20 | 8.35 | 5843.40 | 100.0 |
| 5. Tourism | 28.70 | 8.39 | 71.79 | 21.0 | 341.79 | 100.0 |
| 6. Rajiv One Million Housing Scheme | 95.00 | 6.07 | 95.00 | 6.07 | 1565.00 | 100.0 |
| Grand Total | 1000.00 | 10.54 | 1595.33 | 16.81 | 9488.06 | 100.0 |

4.6 Pattern of Financing the Gross Investment

The total investment envisaged under the programme is Rs 9,488 crores. The

source-wise distribution of the investment is given in table 4.3.

Table 4.6

**Financing of Rupees Thousand Crore
Employment Programme**

| (Rs. Crores) | | |
|--|-------------------|--------------|
| Source | Amount | Per cent |
| A. Public Investment | | |
| (i). State plan | | |
| State component | 1000.00 | 10.54 |
| Externally aided | 150.09 | 1.58 |
| Total State Plan | 1150.09 | 12.12 |
| (ii). Central Assistance | 445.24 | 4.69 |
| Gross Plan Investment | 1595.33(a) | 16.81 |
| B. Non-Plan Investment (*) | | |
| (i). Promoters Investment/ Beneficiary contribution | 1808.59 | 19.06 |
| (ii). Institutional Finance | 6084.14 | 64.13 |
| Total Non-plan Investment (i+ii) | 7892.736 | 83.19 |
| Gross Investment (A+B) | 9488.06(b) | 100.0 |

Note : (*) Investment outside the Plan

(a) This is a component of the overall State plan size of Rs. 5460 crores as approved by the Planning Commission.

(b) This is in relation to the overall investment of Rs. 23,000 crores envisaged in the Eighth Plan

The state component of the Eighth Plan for the Employment Programme is Rs. 1000 crores. With the external aid of Rs. 150.09 and the Central assistance of Rs. 445.24 crores, the gross plan size of the Programme is estimated at Rs. 1595.33 crores. As can be seen from the table 4.6 the Rupees Thousand Crore Employment Programme depends heavily on private and institutional investment. About 64 per cent of the total investment estimated at Rs. 6,084 crores are to be financed through institutional sources. Promoters' contribution is estimated at Rs. 1,808 crores accounting for about 19 per cent of the total investment. Thus, the attainment of the projections of the Employment Programme will largely depend on the steps taken for the flow of private capital and institutional credit.

Chapter 5

Thrust Areas and Programmes for Employment Generation

5.1 Direct Employment Generation Programmes

Rationale of Poverty Alleviation Programmes

Despite planned development for over four decades, a sizeable section of the population in Kerala, especially in rural areas, continues to live in poverty. A survey conducted by the Rural Development Department has estimated the number of households having an annual income of less than Rs. 3,500 per month, an amount not sufficient even to have one square meal a day, as 13.6 lakhs in 1990-91.

There is no simple way to tackle this problem in the short run other than raising their purchasing power by providing gainful employment opportunities. The solution to alleviation of rural poverty lies essentially in expanding and strengthening farm employment and other non-farm employment opportunities integrated with agriculture since a large section of such households depends on agriculture for their livelihood. Such employment opportunities not being readily available in the normal course, government intervention becomes essential. This necessitates formulation and implementation of beneficiary oriented direct employment generation programmes and self-employment ventures suitable for rural labour households. The schemes implemented through Integrated Rural Development Programmes (IRDP) and Jawahar Rozgar Yojana (JRY) should achieve this purpose.

The beneficiaries of such programmes in the past were people with low level of educational profile and skill formation. Since there exists considerable level of educated unemployment even among such households in rural areas, there is need and scope for promoting self-employment ventures by suitably scaling up the norms and reformulating the projects accordingly as against the norms and formats fixed at the national level. Instead of standard schemes, a basket of locally relevant

schemes will be formulated and implemented in the Eighth Plan.

(a) Integrated Rural Development Programme

The solution to rural poverty lies essentially in expanding and strengthening non-farm employment opportunities integrated with agriculture. Integrated Rural Development Programmes (IRDP) help in providing assistance in the form of loan and subsidy to the families below poverty line to enable them to engage in self-employment ventures. It also aims at providing opportunities for self employment to educated rural poor through productive activities.

(b) Jawahar Rozgar Yojana

Jawahar Rozgar Yojana (JRY) is another rural development programme for poverty alleviation through generation of wage employment. Under JRY the resources are to be shared between the Centre and the State in the ratio of 80:20. The programme is implemented through the panchayats for organising public works like roads, irrigation, housing, social forestry etc.

(c) Nehru Rozgar Yojana

Nehru Rozgar Yojana is designed to provide wage employment to the urban poor through creation of socially and economically useful public assets. Here also institutional finance is substantially envisaged particularly under the micro enterprises and shelter upgradation programmes.

(d) Panchayat Level Programmes

Under this scheme untied funds are provided to panchayats for taking up need based local level employment generation schemes like drinking water, sanitation, environmental improvement and infrastructure development programmes to support agricultural development. One-third of the total outlay provided for the scheme in the Eighth Plan is expected to be utilised for employment oriented programmes.

(e) Special Employment Programme

At the instance of the State Planning Board, a new scheme for generation of rural employment in the agricultural sector was introduced during 1989-90 with an outlay of Rs.10 Crores. The programme was conceived as a community effort with the active involvement of agencies like Krishi Bhavans, panchayats, credit institutions and participating farmers and workers. The basic objectives of the programme are generation of additional gainful employment for the unemployed and underemployed persons in the rural areas, creation of assets that can provide benefits to the participating farmers and also strengthening the infrastructure facilities in the farm holdings and augmenting the flow of the bank credit for the development of agriculture. The scheme provides for 25 per cent subsidy on the labour component of the investment. Though the scheme as conceived originally was a credit linked one, there were many operational problems in mobilising the required finance from credit institutions.

The implementation during 1989-90 and 1990-91 was not strictly in accordance with the original concept of linking with credit. These difficulties have been overcome now and NABARD has already approved the scheme for refinance support on a state-wide basis.

(f) Women Co-operatives for employment promotion

Activities like marketing of vegetables, copra processing, processing of fruits and vegetables, tailoring, garment making, running of creches and nursery schools etc, if organised on co-operative lines, can provide considerable employment opportunities to rural women.

A comprehensive programme for providing employment opportunities to women through informal groups and co-operatives will be implemented during the Eighth Plan period. Women co-operatives will be organised with the objective of providing employment opportunities to the unemployed women and to supplement the income of their family. Likewise women's wing will be opened in selected Primary Agricultural Credit Societies during the Plan period. Each society can provide employment to about 15 to 20 members. It is proposed to organise 100 such societies during the Plan period.

(g) Promotion of Employment and Self-employment through Co-operatives

Employment oriented co-operatives are organised to generate employment to skilled and unskilled workers. Assistance by way of subsidy, share capital contribution and loan is provided to such co-operatives for expansion of their activities. During the Plan period, assistance will be provided to 40 auto-rickshaw societies, 10 literary writers' societies, 10 printing societies, 5 taxi driver's societies, 20 tailoring societies and 20 educational societies to promote employment opportunities.

(h) Training of Paramedical Personnel

At present there are 14 co-operative hospitals and 61 co-operative dispensaries in Kerala. The demand for technical personnel in areas like nursing, lab-technician, X-ray technician etc, is on the increase both within and outside the country. The infrastructure facilities available with co-operative hospitals can be utilized for training para-medical personnel on a regular basis. Some additional facilities have to be provided in the co-operative hospitals for the purpose. It is proposed to introduce a new scheme for the purpose in the Eighth Plan for creation of facilities for training 1,500 personnel.

Activity-wise details of flow of funds and employment generation anticipated during the Eighth Plan period are given in Chapter &

Agricultural and Allied Sectors**Employment Opportunities in Agriculture - Problems and Prospects**

There is a general belief that agricultural sector in Kerala has reached a saturation point and there is not much scope for generating additional employment opportunities in this sector. It is pointed out that the basic structure of agriculture in the State is not the one demanding high degree of labour input due to the following reasons.

There has been considerable shift in the cropping pattern in favour of perennial crops which are, in general, less labour intensive. Currently over 70 per cent of the cropped area are under perennial crops. Nearly 95 per cent of the holdings being marginal and small, large investments for land based activities are difficult to materialise. The vigorous implementation of land reforms does not appear to have led to the intensive use of farm land

through better participation of family labour. Area under irrigation is also meagre, less than 14 per cent of the total net cropped area of 22.52 lakh hectares. Area covered under HYV seeds has also been on the decline in recent years. Productivity of most of the crops is either stagnating or even declining. The relatively faster growth of agricultural wages and farm inputs in comparison to output prices makes farming less remunerative. The small size of over 90 per cent of the holdings accentuates the problem. Above all, the social outlook towards farming as a worthwhile occupation has not been very encouraging.

However, the prospects to step up agricultural production and productivity are even more convincing. The traditional industries in the State, which provide livelihood to a large segment of both rural and urban workers, mostly depends on agriculture in the State for their raw material supply. The consumption demand for the food crops cultivated in the state far exceeds the current supply from the State. Most of the perennial crops offer substantial value addition during subsequent processing with great potential for large scale income and employment generation with in the State. The smallness of holdings coupled with higher educational level of rural youth is ideal for growing high value crops on a commercial basis. The state is ideally suited for the application of modern technology (including bio-technology) in agriculture.

The approach followed to raise production and productivity in agriculture during the Eighth Plan period has explicitly taken into account the positive factors and the basic constraints in crop production viz. smallness of holdings, unscientific land and water management, stagnation in productivity and rising wage costs in relation to farm prices. Therefore, any development strategy in agriculture, to be successful, should lead to higher productivity and lower unit costs reversing the terms of trade in favour of agriculture. This necessitates cultivating high value crops, increasing cropping intensity, organised farming to reap scale economies, better marketing and processing infrastructure. Hence, the major employment oriented programmes in agriculture have been drawn up in the area of group farming, intercropping in garden lands, horticulture, integrated land and water management and utilization of cultivable waste giving special emphasis to the cultivation of crops in order to meet the raw material requirements of some of the traditional and modern industries.

The Small Farmers' Agri-Business Consortium, recently announced by Government of India as an

autonomous entity, aims at strengthening the employment and income generation from crop husbandry, animal husbandry, agro-forestry, fisheries, agro-processing and agro-based industries. This is sought to be achieved through decentralised production supported by few key centralised services, operated preferably by educated youth belonging to landless rural families. The proposed Consortium will have participation of national and state agencies, private sector companies, banks, non-governmental and research organisations contributing the required financial and technical resources. To begin with, the Consortium will identify about 15 small farmers agri-business programme areas for a mix of enterprises each based on a contiguous agro-ecological area surrounding a designated district. In Kerala the areas adjoining Ernakulam district have been tentatively identified. The programme has considerable potential to generate self employment and additional employment opportunities by commercialising agriculture through floriculture, horticulture and aquaculture.

A brief description of the major employment oriented programmes in agriculture is given below.

5.2 Crop Husbandry

(a) Expansion Programmes for Cashew Cultivation

According to the land use statistics nearly 1.25 lakh ha. of land suitable for agriculture classified under 'cultivable wastes' and 'fallow other than current fallow' remain unutilised in Kerala. More than 50 per cent of these lands are in the districts of Kasaragod, Malappuram and Palakkad. A substantial proportion of the land could be utilised for cashew cultivation and the balance for farm forestry. By taking up a programme for identifying suitable areas and promoting cashew cultivation additional wage employment opportunities can be created in these districts.

(b) Group Farming for Rice and Other Crops

The net area under rice cultivation in Kerala is around 3.5 lakh ha. which include around 2.5 lakh ha. of double cropped lands spread all over the State and around 0.75 lakh ha. of single cropped lands in Kuttanad and Kole areas. Almost the entire double cropped lands remain unutilised during summer season. Cultivation of vegetables and pulses, presently done in small areas confining to certain pockets, can be extended further. There is scope for taking up cultivation of water saving crops like groundnut, sesamum, sunflower, maize,

ragi etc. in sizable areas through organised efforts by evolving and popularising suitable cropping systems particularly in the command areas of major irrigation projects. The Group Farming Programmes now largely confined to rice cultivation has to be enlarged to support other cropping system. Such an approach covering better land and water management would not only generate additional employment opportunities but also help augmenting the income of the farmers. There is scope for bringing at least 50,000 ha. under additional cropping through these measures.

(c) Irrigation Support for Coconut and Promotion of Inter-cropping in Coconut Gardens

Out of a net cropped area of 22.5 lakh ha. coconut occupies nearly 8.6 lakh hectares. According to the research findings of the CPCRI it is possible to generate a net income of Rs.57,000 from one ha. through a high density multi-species mixed farming system with proper irrigation management. In the process substantial employment opportunities are also generated. Irrigation is considered to be the key input under such a management system. Expansion of irrigation facilities in coconut gardens, therefore, assumes paramount importance. The current area irrigated under coconut is only around 1 lakh ha. Investigations of the Ground Water Department indicate that there is vast potential for irrigating coconut in Kerala by tapping ground water resources. Creation of irrigation infrastructure like open dug wells, filter point bore wells etc. is also capable of generating wage employment during lean agricultural seasons. Hence, this is a thrust area for agricultural development in the Eighth Plan. Under the major rehabilitation programme for coconut in the Eighth Plan it is proposed to organise construction of 50000 wells. Likewise there is scope for lift irrigation from streams, rivulets, lagoons and back waters. All these would help widening the scope for inter-cropping in coconut gardens generating sustainable employment. Investment required for the purpose will be largely mobilised from institutional finance.

(d) Horticulture Development

The agro-climatic features of Kerala are highly favourable for raising a variety of vegetables and fruits. However, adequate attention was not given to develop this important segment of agricultural production. A substantial share of the fruits and vegetables needed by the State is imported from neighbouring states. The internal production of vegetables, estimated at 1.50 lakh tonnes, is hardly sufficient to meet even half of the current

requirement. Vegetables as a group are high value crops demanding more labour inputs almost on a daily basis. Providing irrigation facilities and ensuring adequate market are critical for sustaining this activity.

Traditional fruits of Kerala like banana, pineapple, jack, papaya and mango offer tremendous potential for further development. The production of vegetables and fruits has to be concentrated in selected clusters of villages more or less on a homestead basis so as to ensure the supply of adequate produce to the supporting processing industries to make them economically viable. A major project drawn up on these lines for establishing 200 vegetable and fruit villages with buy back arrangements linking it with processing units has already been cleared by EEC for implementation with their assistance. A vegetable and fruits marketing project on modern lines is under discussion with the NDDDB.

The Horticultural Products Development Corporation has been entrusted with the responsibility of implementing the project. The Corporation will identify potential areas for horticultural development and organise the production on commercial lines besides providing the needed marketing support by procuring the surplus produce from production centres and selling them in the consuming regions.

(e) Approved Nurseries in Private Sector

Seed industry has not developed in Kerala to the extent desired. Consequently, bulk of the demand for seed and planting materials is met from departmental sources. There is considerable strain on State budget for the production of seedlings of coconut and other horticultural crops. In view of the centralised nature of production, transportation cost involved is also substantial. It is proposed to decentralise this activity through promotion of approved nurseries in the private sector in all the panchayats. Parent materials of the desired types will be made available from the departmental farms to these nurseries for further multiplication and distribution. The initial investment required for organising the nurseries will be subsidised through one time grant. The quality of the seedlings produced in these nurseries as well as their sale prices will be regulated through appropriate measures. It is proposed to establish 2000 such nurseries during the Plan period. This will also provide self employment opportunities to educated youths.

(f) Agro-processing units in the Co-operative sector

As already stated agro-processing is one of the weakest links in the commodity production structure of Kerala. Even though Kerala is the homeland of many of the export oriented cash crops in the country the State has not yet developed adequate infrastructure facilities for processing these commodities within the State. Cashew is perhaps the only exception. Even commodities like rubber and coconut which constitute the raw material base for a number of industries are traded mostly in their raw form in Kerala. As the industrial units are located outside the State the benefit of value addition does not percolate down to the producers. This is an area if properly developed can generate substantial employment opportunities. Even though co-operative marketing organisations like Kerala State Marketing Federation, Kerala State Rubber Marketing Federation, RAIDCO etc. are operating in the marketing front, they are yet to make any appreciable impact. Recognising this as a thrust area for development during the Eighth Plan, NCDC has already evinced keen interest in providing financial assistance for setting up co-operative processing units for the manufacture of food and fruit products on a regional basis under RAIDCO. The project report prepared by the Tata Economic Consultancy Services visualizes setting up of processing facilities in support of a wide variety of indigenous fruits and food materials covering, cashew apple, tamarind, ginger etc. The Co-operative Rubber Marketing Federation has also proposed an integrated project for processing of natural rubber. The products identified are procured thread, solid tyre, cycle tyre, industrial belts, specially dipped goods, catheters, latex threads, speciality rubber, industrial hoses, precision moulded products, general moulded products, engineering rubber products, etc. The NCDC has already accepted the project identification report prepared by M/s. Polymer Consultancy Services for financing. Detailed project report is under formulation. The projects proposed to be implemented during the Eighth Plan with a tentative outlay of Rs. 54 crores is expected to generate additional employment opportunities both skilled and otherwise through its backward and forward linkages.

5.3 Livestock Sector

Animal Husbandry is emerging as an important avenue for self employment in rural areas. As per the survey conducted by the Centre for Development Studies more than 46 per cent of the households in Kerala possess dairy cattle.

Backyard system of dairying and poultry rearing is ideally suited for promotion as a home based economic activity involving farm women. Even though Kerala has gone ahead of other states in the country in the area of herd improvement through cross breeding the productivity of dairy cattle in Kerala including the cross breeds is far below its potential. New breeding techniques will be introduced to increase production and employment.

(a) Fodder Development Programme

Non-availability of adequate fodder to support the dairy cattle has been a major constraint faced by the State in enhancing the productivity. The internal production is only around 45 lakh tonnes against the estimated requirement of 65 lakh tonnes. In view of the limited availability of land for fresh cultivation the fodder cultivation has to be largely organised in homesteads as inter crop. Fodder is an ideal intercrop in the irrigated coconut gardens. Likewise there is scope for promoting the cultivation of fodder legumes and maize in the summer rice fallow. All these activities will be effective in improving the supply position of fodder only if they are organised on commercial lines under the aegis of the milk co-operatives with arrangements for procurement and distribution. A programme on these lines will be taken up during the Eighth Plan involving 200 societies to cover 50,000 hectares. Inputs required for the purpose will be arranged at nominal cost and the marketing support covering procurement, preservation and distribution of fodder will be rendered by the society. The programme would generate self employment as well as wage employment on a sustainable basis.

(b) Broiler Production

Kerala, once a surplus State in egg production, now depends heavily on the neighbouring states for meeting the internal demand for eggs. The economics of commercial poultry rearing for egg production is not very attractive in Kerala compared to other states in view of the high wages and exorbitant cost of feeds. However, this is an activity which could be promoted as a part-time supplementary avocation for rural women. Backyard system of poultry could therefore be popularised as a measure for augmenting the income of the rural households. On the other hand there is potential for promoting broiler production on commercial lines. Marketing support on a sustained basis is critical in stabilizing the production. Kerala State Poultry Development Corporation can take up both these activities organising the production on group or co-operative

lines. The Corporation has already drawn up a scheme for organising commercial production of broiler in selected pockets for implementation with assistance from N.C.D.C. To begin with the Corporation will be equipped with hatcheries to support this activity on a large scale. During the first phase 1,200 broiler units will be established by extending term loans. The Corporation will be providing the required marketing support.

5.4 Inland Fisheries

The growth of the fisheries sector in Kerala is lopsided. While there is considerable growth in the inshore fisheries the inland fisheries and deep sea fisheries largely remain unexploited. The inland water spread available in Kerala is estimated to be around 3.60 lakh ha. offering lot of scope for commercial culture fisheries. Unlike other parts in the country the inland water resources of Kerala show wide variation in respect of depth and chemical composition making it necessary to evolve appropriate technology in a location specific manner. Pilot studies are also necessary for operationalising and standardising such technologies before large scale adoption. Once these technological barriers are surmounted inland fisheries can provide a sustainable employment for a large segment of our rural workforce.

The State government have already taken up a project for inland fisheries development with assistance from Kuwait Fund for Arab Economic Development. The project aims at identifying potential water spreads for inland fisheries development, organising pilot studies in representative sample of varying inland waters in Kerala for evolving appropriate technology. The technologies thus perfected will be transferred to 1,500 ha. for prawn culture development. The project also envisages creation of infrastructure facilities covering 44 model hatcheries and 4 feed mills. The project will be implemented from 1992-93 onwards over a period of 5 years at a total cost of Rs.133.80 crores. The project would generate wage employment as well as self employment on a large scale and is also expected to promote and utilise the immense potential for the development of inland fisheries in Kerala.

The State has 30 reservoirs having a total water spread of about 30,000 hectares ranging from 33 ha to 6160 ha in size. Though the reservoirs form a good source for fish production, scientific and modern culture practices have not been adopted so far. A pilot project for scientific fish culture with German financial and technical assistance has been approved for implementation during the

Eighth Plan. Government of Germany will be providing an assistance of Rs.4.50 crores for implementing a pilot project in the reservoirs of Malampuzha, Vazhani, Peechi, Pothundi and Chulliar covering an area of 4353 hectares.

The Kerala State Co-operative Federation for Fisheries Development (Matsyafed) is the nodal agency for implementing the Integrated Fisheries Development Project under implementation in Kerala with NCDC assistance. The Federation operates through the primary societies. The first and second phases of the project thrust was mainly on production enhancement activities in the marine sector covering supply of inputs like boats, fishing nets etc.

The Second phase which is scheduled for implementation from 1992-93 onwards lay emphasis on market development linking all the 81 fisheries villages with the urban wholesale markets and suburban retail outlets with adequate cold storage facilities at the wholesale markets. The project also envisages supply of modern motorised crafts to groups of fishermen.

Linked to this market development activity, the State government also intend to introduce a new scheme for providing financial assistance to unemployed youth among fishermen for establishing retail bunks in all the important consuming centres with necessary cold storage facilities. They will function as licensed outlets for fish, meat and egg and the units will be recognised as agents of the public sector units operating in the livestock sector. This will be a credit linked scheme with 25 per cent assistance on the initial investment from government. The proposal is to establish 1,000 such units as self employment ventures.

5.5 Sericulture

India is presently the world's second biggest silk producing country with an annual output of around 9000 tonnes, providing employment to over 50 lakh people. The launching of new technology in mulberry cultivation and cocoon rearing since 1979 was in fact the turning point in sericulture development in southern states. Sericulture development in Kerala, though confined to a small area, gathered momentum from the year 1986-87. In view of the encouraging results obtained so far in terms of income generation and the vast employment potential and the enthusiasm shown by the farmers, Government of Kerala have decided to extend mulberry cultivation and allied activities all over the State during Eighth Plan period. In order to study the scope, coverage, strategy for

implementation, financial requirements etc. and to recommend various policy measures required for its fruitful launching, a Special Task Force was set up by the State Planning Board in September 1989.

In order to achieve the twin objectives of generation of income and employment with comparatively low investment and short gestation period, sericulture development has been considered as a major promotional area during the Eighth Plan period. Thus, the Eighth Plan visualises to expand the area under Sericulture to 50,000 acres during the Plan period as against 28,000 acres recommended by the Task Force. The employment generated in this sector would be mostly self-employment. It is estimated that mulberry cultivation in 50,000 acres, establishment of the technical infrastructure facilities associated in the programme and related activities like reeling, silk weaving etc. would generate employment opportunities to about 2.5 lakh persons, on a regular basis, within a period of five years and the State plan commitment is estimated at Rs. 45 crores. Details of the programme are given below:

Components of the Programme:

(a) Mulberry Cultivation and Silk Worm Rearing

The single major factor determining productivity and hence profitability in sericulture is yield and quality of mulberry crop. As more than 70 per cent of the land holdings (Operational holdings) in Kerala are less than one acre, utilisation of hired labour would push up unit cost and reduce profit. Mulberry cultivation, cocoon rearing and allied activities in small holdings could be undertaken as a household economic activity, mostly by women.

Mulberry cultivation in 50,000 acres would generate self-employment facilities to about one lakh persons at the rate of 2 persons per acre. In addition to the self-employment facilities, wage employment is calculated to be 22,610 person years for 50,000 acres.

Mulberry cultivation will, as far as possible, be an intercrop in suitable coconut plantations and as mono-crop wherever suitable fallow lands are available. Hence, there would not be any significant change in cropping pattern as a result of the introduction of the programme. Preference will be given to areas where irrigation facilities are available as irrigation will substantially enhance leaf yield all round the year.

An amount of Rs.5 crores has been set apart for mulberry cultivation under the Eighth Plan. This would be utilised for supplying quality planting materials to the farmers free of cost. Average cost of planting materials per acre is estimated at Rs.1000. Total investment required for 50,000 acres is nearly Rs.14 crores. Hence an amount of Rs.9 crores has to be raised by beneficiaries themselves through bank loan or other sources.

Silk worm rearing would provide self employment facilities for two persons per acre of mulberry cultivation. It is estimated that self employment opportunities can be provided to 93,000 persons during the five year period, making allowance for the initial period during which mulberry plants should be matured to give yield before rearing is initiated.

Rearing of the superior variety viz. Bivoltine Silk Worm would be encouraged among the farmers. For rearing in an acre of mulberry, hired manpower requirement is 75 man days in an year. Total manpower for 50,000 acres is 37,50,000 man-days which works out to 13,786 person years.

An amount of Rs.10 crores under Eighth Plan has been set apart as incentive to farmers for acquiring rearing equipment at the rate of Rs.2000 per acre, subject to a maximum of Rs.2000 per farmer. The balance amount required for acquiring rearing equipment has to be met by the farmers from their own resources or by raising loan from financial institutions.

(b) Training, Extension and Publicity

Covering the period of hatching of eggs to harvesting of cocoons, practical training for one month will be given to all the sericulture farmers on mulberry cultivation, crop maintenance practices and silk worm rearing. An amount of Rs. 2.40 crores has been allocated for the Five Year Period (1992-97) for the purpose.

For starting sericulture complexes in all the districts, an outlay of Rs.2 crores has been provided for the Eighth Plan period. This is meant for establishing the infrastructure facilities for sericulture under the same roof as far as possible in each district. The minimum infrastructure requirement for Sericulture Complex in each district is as follows.

- i) Area - 900 acres irrigated mono-crop + 2700 rainfed inter-crop
- ii) Seed area - about 50 acres irrigated
- iii) P2 Farms - 2 per district
- iv) Grainages - 2 per district
- v) Extension Centres - 15 in each district
- vi) Chawki Farms - 5 in each district
- vii) Filature-cum-cocoon purchase centres - 4 in each district

(c) Chawki Rearing Farms, Grainages and P2 Farms

In order to have high quality cocoon, it is desirable to set up chawki farms. without any financial commitment on the part of government, private/ Co- operative sector may be encouraged to establish such farms. It is proposed to start 70 Chawki rearing centres during Eighth Plan period at the rate of 5 centres per district. At a cost of Rs.20 lakh per centre the total cost would be of the order of Rs.14 crores, of which Rs.10 crores could be expected as assistance from financial institutions. The total employment from chawki rearing centres is expected to be 539 person years, consisting of 469 salaried employment and 70 self employment. It is proposed to establish one grainage farm in each district by the end of the third year of the Eighth Plan including the two units undertaken during 1991-92. Each centre will have a production capacity of 15 lakh disease free layings (DFLs) with built in provision for increasing the capacity. An amount of Rs.5.20 crores has been provided for implementing the scheme during the Plan period.

As per the Report of the Special Task Force on Sericulture, 14 more grainage farms are needed for covering the targeted 50,000 acres. These additional units may be started in the private/co-operative sector. An amount of Rs.3.36 crores is necessary for establishing these 14 farms. As two more units (one in the private sector and another in central sector) have already been established during 1991-92, only 12 farms need be established at a cost of Rs.2.88 crores during 1992-97. Institutional finance expected to be tapped for this purpose is estimated at Rs.2 crores and the balance Rs.0.88 crore is beneficiary's contribution.

It is proposed to establish two P2 farm, one under government and another under private/co-operative, in each district during the Eighth Plan period. The Eighth Plan provision for this is Rs.4.64 crores.

(d) Silk Reeling Unit

It has been planned to establish one silk reeling unit with a capacity to reel 100 kg. of silk per day in each district in public sector during the first year of Eighth Plan period. Along with each filature one cocoon purchasing centre will also be functioning. The Eighth Plan provision for this purpose is Rs. 4.37 crores.

As per the suggestions of the Task Force, 42 more reeling units are necessary. Since the private sector has established 2 units and co-operative sector one unit, 39 more reeling units have to be established in the co-operative and private sector at the total cost of Rs.15.60 crores of which Rs.12 crores are expected to be mobilised through institutional finance.

(e) Sericulture Co-operative Societies

Panchayat Sericulture Co-operative Societies formed to co-ordinate and promote all activities under sericulture will be strengthened further. District level co-operative society will be started to take up technical infrastructure facility unit. An Apex Co-operative Society at the State level will be formed so as to make available institutional finance for the programmes and co-ordinate all the activities. An amount of Rs.2.64 crores has been provided as assistance to sericulture co-operative societies and other institutions during 1992-97. The Khadi & Village Industries Board has organised 588 sericulture co-operative societies from April 1990 to December 1991.

(f) Role of Voluntary Agencies

Voluntary agencies working in rural areas will be encouraged to get involved in the Sericulture Programme for more intimate local contacts, less cost on staff and for informal organisation of the people, as formal institutions like co-operatives do not function efficiently at all places.

(g) Institutional Finance

Action plan with the assistance of NABARD for the above scheme during the Eight Plan period is being finalised. A financial target of Rs. 44.72 crores, consisting of Rs. 38.01 crores loan and Rs. 6.71 crores margin money, has been tentatively fixed for the purpose. Area target for mulberry cultivation is 6,794 hectare (16,787 acres) for the period. For disbursement of loan to sericulture farmers they have been classified into model 'A' (1 acre irrigated 200 DFL's/batch), Model 'B'(0.5 acre irrigated 100 DFL'/batch) unit costs for the

models A, B & C are Rs. 29,000, Rs. 14,600 and Rs. 22,400 respectively.

During the Eighth Plan period the main emphasis of the schemes of NABARD would be on mulberry cultivation and cocoon rearing. These two components together cost Rs. 31.28 crores. Farmers may avail at least Rs. 10.32 crores from banks as loan for the above two items. On an average, a farmer needs to raise only Rs. 4200 towards beneficiary contribution for mulberry cultivation and silk worm rearing per acre.

NABARD's scheme also envisages to finance other sericulture activities such as silk reeling, grainage and P2 farms, chawki farms etc. during the Plan period. The total beneficiary contribution is estimated at Rs. 32.45 crores during Eighth Plan. Expected institutional finance is Rs. 64.51 crores, excluding the margin money of Rs. 6.71 crores to be met by beneficiary.

Industry

5.6 Small Scale Industries

Small scale industrial sector (SSIs) has been playing a significant role in mitigating the unemployment problem of the State. Kerala's high density of population and excessive pressure on land make it ideal for the State to promote SSIs as a major strategy to tackle the problem of growing unemployment in the State. A disquieting feature of the SSI units in the State is their tiny size as most of them have an investment less than Rs. 1 lakh making them susceptible to market fluctuations and preventing them from reaping the scale economies as reflected in the growing sickness in this sector.

Government of India have recently announced a package of policy measures for the growth of small scale industries. The innovative features of the policy consist of strengthening of tiny enterprises, removal of locational constraints, broad-basing of the concept of small industry by including industry related services and small business etc. The investment limit for the small scale industry has been raised from Rs.35 lakhs to Rs.60 lakhs, that of ancillary units from Rs.45 lakhs to Rs.75 lakhs and that of tiny units from Rs.2 lakhs to Rs. 5 lakhs. The new industrial policy has allowed equity participation up to 24 per cent by other industrial undertakings including foreign companies. Also, it provides support from National Equity Fund for projects up to Rs.20 lakhs. It has been proposed to establish an Export Development Centre in the Small Industries

Development Organisation and to market mass consumption items under common brand name by National Small Industries Corporation. Besides, the policy measures envisage easier access to institutional finance and factoring services to overcome the problem of delayed payments and also legislation to ensure prompt recovery of outstandings.

The New Industrial Policy of the State government gives special emphasis to the development of SSI sector. In addition to the enhanced incentives and tax concessions, the small scale industries have the additional option of depositing the tax with the government in the "Tax for Growth Fund". Small scale industries with capital investment below Rs.10 lakhs will be exempted from all clearances, as far as possible. For other small scale unit, a "Green Channel Scheme" will be introduced for expediting clearance for complete processing of applications within a period for 45 days. The functioning of SIDCO will be streamlined for timely supply of essential raw material required for small scale industries. Kerala State Financial Corporation and the Directorate of Industries and Commerce will jointly launch a massive programme for rehabilitation of sick industries by providing higher rates of margin money.

These policy packages, incentives and infrastructure facilities combined with the congenial atmosphere for industrial investments are expected to facilitate the speedy growth of small, tiny and village industries in the State.

A massive employment generation programme has been conceived under the SSI sector in the Eighth Plan. A sum of Rs.150 crores has been provided under state sector in the Eighth Plan as against Rs. 40 crores in the Seventh Plan for the promotion of Small Scale Industries. The strategy is to rehabilitate sick units and to promote new and bigger units taking advantages of the extended investment limits. The total investment in these units is estimated to be of the order of Rs.1500 crores, consisting of state investment of Rs.150 crores (10%), central share of centrally sponsored schemes Rs.10 crores (0.67%), beneficiary contribution of about Rs.200 crores (13.3%) and institutional finance of Rs.1140 crores (76%). It is anticipated that about 3 lakhs of additional job opportunities would be created by the setting up of these 50,000 industrial units. Of this, about 20,000 will be under self employment scheme and the balance 2,80,000 wage employment. With such a magnitude of investment, these units are estimated to generate goods and services worth Rs.2500

crores per annum at 1991-92 prices by the terminal year of the Eighth Plan.

Employment Generation under Medium and Large Scale Industries

The type of employment envisaged under the major employment oriented schemes in the agriculture and allied sectors, village and small industries, sericulture, tourism, housing etc. is largely unorganised demanding low level of education and technical skills. Growth of employment opportunities in the organised sector utilizing educated and skilled manpower entails for expansion of the medium and large industrial and service sectors. Expanding public utilities, social and administrative services, and infrastructure under the state has been the major source of growth in the organised sector employment in the past. However, the scope for their further expansion under the state sector is limited as most of them are well developed and the emphasis now is on their maintenance and quality improvements.

The public sector enterprises (PSEs) started by the State in the seventies and early eighties to foster and promote industrialisation in the State in the wake of private investment shying away from the State, could not sustain the initial success and have become a drain on the public exchequer. The organised sector employment in many of the PSEs is maintained and sustained through budgetary support. Nevertheless, the role of large scale industries in accelerating, reinforcing and sustaining the industrial growth through scale economies and, backward and forward linkages can not be undermined. Large and medium industries are also capable of generating a network of ancillary industries in the small scale sector. However, the general feeling is that Kerala could not take much advantage of such linkage effects as the large scale industries here, both in the public and private sectors, do not promote ancillary industries in the State; but depend on industries outside the State for their requirements of components, spares etc. for reasons best known to them. There should be an earnest and concerted effort on the part of the promoters and financiers to develop ancillary industries around the large industrial units, as these small scale units are capable of generating employment with much less capital investment per employment compared to the mother industries. Attention will be given in the Eighth Plan to adequate forward and backward linkages to create more employment. The public sector industries will also be restructured, where necessary with private participation, in order to make them financially viable and to enable them to undertake

modernisation/expansion to generate more employment.

It is against this background that the State government have enunciated its Industrial Policy in September, 1991 which encompasses a number of measures aimed at accelerating industrial development activities and providing massive employment opportunities in the State.

5.7 Manufacturing Industrial Enterprises Under the State Sector

A major departure from the approach to industrial investment followed in the past by the State is in the area of budgetary support to public sector manufacturing units. In consistent with the State's New Industrial Policy, budgetary supports are no more made available to finance cash losses. Instead, a rational and judicious criteria giving prime importance to allocative efficiency has been followed in the Eighth Plan. Accordingly, the PSUs were classified into four groups based on their economic performance, employment potential and viability. The six profit making units viz. Travancore Titanium Products, Travancore Cochin Chemicals, Kerala Electrical and Allied Engineering Company, Forest Industries (Travancore), Kerala Clays and Ceramic Products and Traco Cable Company have been grouped together for expansion and diversification.

The total cost of the new projects proposed by these units for implementation during Eighth Plan period has been estimated at Rs.199 crores, including the assistance of Rs. 51.80 crores under the State Plan. It is estimated that the expansion programmes are likely to create about 3,000 regular employment opportunities, mostly for educated persons.

The next important category with potential for employment generation is the fourth group consisting of the two public sector units viz. Kerala Hitech Industries Limited and Kerala Special Refractories Limited. The implementation of the Aerospace Industries Project taken up by the Kerala Hitech Industries Limited is nearing completion. On stabilisation of the operations, the Company will take up the expansion of this project at a total cost of Rs.45 crores. The Kerala Special Refractories Limited could not set up the project as per schedule though it was initiated in 1986. Now the Company proposes to set up a small project costing Rs.8.5 crores for the manufacture of few items of refractories.

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An outlay of Rs. 21.40 crores is earmarked for the two units in the Eighth Plan. It is expected that about 1000 additional employment opportunities will be generated by the two units when they become fully operational.

The strategy being followed to promote new industrial units in the medium and large sector to promote industrialisation in the State is to utilise the limited budgetary allocation to attract as much investible resources as possible from within the State as well as from outside. The State government's effort is to create a good climate to attract as much private investment as possible into the State through appropriate incentives and concessions, simplified formats and procedures and a peaceful atmosphere in the labour front.

A new Green Channel Scheme will be introduced for expediting clearances. All unnecessary licences and clearances will be abolished and a unified format for all applications prepared. A multi-pronged marketing campaign will be initiated to promote Kerala as an ideal investment location for entrepreneurs from India and abroad. 'Open House' sessions with industrialists will be conducted periodically, presided over by the Chief Minister and attended by all concerned Ministers. The State government will take all necessary measures to ensure a peaceful atmosphere in the labour front in order to create confidence among the industrialists starting industrial units in Kerala. Existing institutional arrangements for solving labour disputes will be strengthened and innovations introduced to see that disputes are resolved quickly without any disruption to production activities.

The State government have decided to expand infrastructure facilities best suited for the growth of industries in the State, for which an Infrastructure Development Authority is proposed to be set up. This Authority would mobilise private resources including those of NRIs for speedy development of various facilities. Government will take over land in various parts of the State suitable for industrial purposes. These lands will be provided with all necessary infrastructure facilities required for establishing industrial units.

Thus, the strategy envisaged in the Eighth Plan to generate organised employment is to consolidate and streamline the PSEs that could be made commercially viable so as to generate a reasonable return on the investment made by the State in the past. Besides, instead of the role of an investor as in the past, the State would assume functions more of a promotional agency by providing all necessary infrastructure, supporting services, congenial industrial climate and incentives to attract investment from within and outside the

State. The Kerala State Industrial Development Corporation (KSIDC) is the State level agency responsible for the promotion of medium and large scale industries in the State and has a significant role to play in the speedy industrialisation of the State.

The Corporation is taking aggressive promotional efforts to attract private entrepreneurs into the State. In the changed circumstances, even with the limited budgetary support from the State government, it is hoped that the Corporation will be able to finance a large number of projects in the coming years mobilising resources from various sources including NRIs and big industrial houses in the private sector including foreign firms. The Corporation is likely to find out promoters for all the projects identified by it, through various promotional efforts being drawn up in line with the directives contained in the new Industrial Policy Statement.

It is worth mentioning at this juncture, that the KSIDC has to put in strenuous efforts in the years to come for fulfilling the commitment towards speedy industrialisation of the State. It is expected that a large number of entrepreneurs from within and outside the country may take advantage of the favourable climate created by the new industrial policies of both Central and State government and the New Economic Policy leading to a spurt in the industrial sector of the country in the near future. A considerable inflow of NRI investment in the country is anticipated. The challenge is to attract a good part of such investments to the State.

The average amount of investment per employment in these industries is estimated to be Rs.6.29 lakhs. The investment per employment in the large and medium industries varies from 2.01 lakhs in Electrical Industry to Rs.13.09 lakhs in rubber based industries. Even within each type of industry there is wide variations in the amount of investment required to generate a unit of employment depending on the choice of technology. It may seem that industries with such huge amount of investment per employment and long gestation period may not be suitable for solving the unemployment problem of the State. But these large and medium industries are also required for the balanced economic growth of the State along with programmes under agriculture and allied activities and small industries. These medium and large industries would help in creating permanent assets in the economy for self-sustained growth besides generating employment of a permanent nature. These industries also help for technological advancement and promotion of foreign trade. In the context of globalisation of the economy, sustained economic growth can be achieved only by giving due importance for the development of large medium industries.

KSIDC has drawn up a business plan for the Eighth Plan period. The projects are identified for promotion in the private and joint sectors by attracting private investments from within and outside the Country. The Corporation has identified these projects by deploying its expertise, taking into consideration different aspects including availability of raw materials, market potentials, locational aspects, forward and backward linkages etc.

The proposed industries with substantial investment would create a strong base for the balanced growth of industries in the State and find answer to the ever increasing unemployment among the educated youth in the State, to a great extent. The corporation proposes to extend financial assistance to about 418 industrial projects falling under different categories such as food processing, textiles, rubber-based, chemical, mineral-based, electronic and electrical. These projects would involve a total investment of Rs.5,289 crores. The direct organised employment opportunities that would be created on completion of these projects have been estimated at over 84,000.

Out of the 418 projects identified, 267 projects involving a total investment of Rs.3,523 crores are scheduled to be completed during the Eighth Plan period itself. On completion, these projects would provide employment to about 52,700 persons directly (The project-wise details are shown in Appendix A). The remaining 151 projects are likely to be spilled over to the Ninth Five Year Plan. However, the Corporation will try to extend all possible support to commence the work relating to the remaining 151 projects also during the Eighth

Plan period itself. These projects involve a total investment of Rs.1,666 crores. When completed, they will provide employment to 31,440 persons directly.

The Corporation's investment in these 418 projects by way of loan assistance and equity contribution is estimated at Rs. 353 crores. The balance will be mobilised by way of promoters' contribution from private industrialists, financial assistance from national financing institutions etc. The State support to this programme is estimated at Rs 156 crores including Rs. 30 crores for promoting industrial development areas and growth centres. The Corporation will mobilise the funds required for its share of investment in these projects through share capital assistance from State government, refinance loan from IDBI, market borrowing etc.

The summary details of the project proposals drawn up by the Corporation in line with the Industrial Policy Statement, the needed investment and the estimated direct employment are given in table 5.1.

Table 5.1

**Summary of Details of Projects Identified by KSIDC for
Implementation during Eighth Plan Period**

| Industrial Category | No. of projects | Total cost Rs. crores | Investment by KSIDC Rs. crores | Direct employment (no) |
|--|-----------------|-----------------------|--------------------------------|------------------------|
| (1) | (2) | (3) | (4) | (5) |
| 1. Food Processing | 32 | 189.87 | 25.68 | 5036 |
| 2. Textiles | 15 | 303.04 | 19.94 | 5419 |
| 3. Paper and Paper products | 7 | 124.22 | 7.59 | 2088 |
| 4. Rubber Products | 31 | 783.57 | 26.68 | 5987 |
| 5. Basic Industrial Chemicals and other Miscellaneous Chemicals (Including Plastics) | 115 | 2752.76 | 104.54 | 23785 |
| 6. Drugs and Pharmaceutical | 15 | 41.82 | 13.30 | 1412 |
| 7. Mineral based Industries | 29 | 232.55 | 19.72 | 8988 |
| 8. Metal and Metal Products | 58 | 336.37 | 49.41 | 11878 |
| 9. Electrical Industries | 32 | 112.32 | 23.59 | 5585 |
| 10. Electronics | 42 | 283.70 | 32.59 | 8465 |
| 11. Miscellaneous Industries | 43 | 129.09 | 29.94 | 5452 |
| Total | 418 | 5289.31 | 352.98 | 84095 |
| Projects to be completed in the Eighth Plan | 267 | 3523.00 | 126.00 | 52,700 |

Note: In addition to the regular employment about 1.5 lakh non-continuing wage employment will also be generated by these projects in the Eighth Plan.

The State's financial commitments to the projects proposed would be around Rs. 150 crores. This will be met from the Industrial Employment Generation Fund, that is being formed by law, so that budgetary constraints do not come in the way of industrialisation. The quantum of financial resources to be mobilised for financing these projects by way of promoters' share and assistance from national financial institutions would be more than Rs 5000 crores. Considering the high liquidity position in the country and also the existence of major national industrial financial institutions and commercial banks with adequate funds, financing of industries in such magnitudes may not be difficult, provided the projects are technically feasible and economically viable.

5.8 Micro-electronics and Computers

Micro-electronics and computers are one of the fastest growing sectors in the country. The current world demand for computer software alone is estimated at about Rs. 4,00,000 crores and is expected to cross Rs. 30,00,000 by 2000 A.D. The growing national and world demand for micro-electronics and computer software in particular, is of special interest to Kerala due to the strategic advantages of developing this industry in the state as given below.

(i) Micro-electronics and computer software development are primarily a skill based labour intensive industry. Though the pace of automation is growing at a faster rate, both in the production of hardware and software, it has not resulted in any reduction in the demand for labour. On the contrary, the demand for labour and labour productivity have been continuously growing, thanks to the ever expanding market for this industry due to the continuous fall in the price-performance ratio of the products of this industry as a result of the constant upgradation of the technology.

(ii) Kerala's factor endowments, the abundance of human capital with high level of skills and mobility, provide a competitive edge for the state over other states in India in the field of micro-electronics and computer software. Even if additional investment in terms of relevant training and supplementary skill development is to be made, the prevailing low wage rates would be a sufficient attraction to promote software development especially for the export market.

(iii) Kerala was ahead of many other states in the development of electronics and information technology industry, but the momentum was not kept up in the eighties.

Currently, the state has a number of premier institutions involved in industry related education, training, research and production holding great promises for the growth and development of this industry in the state.

Thus, considering the vast potential of this industry in the context of the state's resource endowments, the government have decided to establish three Electronic Technology Parks during the Eighth Plan Period, one each at Thiruvananthapuram, Kochi and Kozhikode for providing the infrastructure and environment required for starting high technology electronics/computer units in the private and joint sectors with NRI participation. The total expenditure for setting up the Technology Parks has been estimated at Rs.69 crores. About 300 units in the small, medium and large scale sector directly employing about 15,000 persons are targeted to be set up during the Plan period.

It is proposed to implement this programme in a phased manner. Accordingly, the Technology Park at Thiruvananthapuram will be set up first. The successful implementation of this project is expected to pave the way for Kerala becoming one of the major exporter of computer software from the country. It is estimated that export of computer software from the state may cross Rs. 400 crores by the terminal year of the Eighth Plan.

The State Government is setting up an Electronics Development Commission to promote and co-ordinate all activities in the field of electronics.

5.9 Tourism

The employment generation potential of tourism is much higher when compared to other general industries. Apart from the direct employment, opportunities for indirect employment are much in tourism industry. The areas like tourist transportation, tourist guide service, tour operation, establishment of travel agencies, etc. are more labour intensive and the capital investment is relatively less. In the case of tourist accommodation it has been estimated that every hotel room creates on an average direct employment for three persons and indirect employment for 9 persons. During the Eighth Plan an investment of Rs.341.79 crores is expected from various source for the employment generation programmes under tourism. The major

components of the programmes considered for employment generation during the Eighth Plan are given below.

(i) **Tourist Centres** - Creation of infrastructure facilities - construction of shopping complex, garden parks etc.,

(ii) **Wild Life Tourism** Development of waterfalls, natural parks, zoos, introduction of boat services, trekking through forest etc,

(iii) **District Tourism Promotion Council** - Promotion of tourism activities with the association of private sector and financial institutions.

(iv) **Other Schemes** - Tourist accommodation, K.T.D.C, Tourist Resorts (Kerala), development of waterways, development and maintenance of beaches, life guard service, assistance to travel and tour operators, publicity etc.

It is estimated that about 92,800 person years of wage employment in construction side and 14,400 regular wage/salaried employment in general tourism sector will be created during the Eighth Plan period. In the case of regular employment only direct employment is taken. Recently Government of India have announced a major scheme to develop "BAKEL" as a tourist complex. An investment of Rs.100 crores for this scheme during the Eighth Plan is assumed.

5.10 Housing for Economically Weaker Sections - Rajiv One Million Housing Scheme

The Rajiv Gandhi Housing Scheme has been formulated as a part of the strategy to achieve "Shelter for all by 2000 A.D.". The implementation of this comprehensive scheme is expected to accelerate the growth of industries and create employment opportunities. The massive mobilisation of local resources including manpower is expected to result in substantial income generation and rapid economic development. The major objectives of the scheme are:

- (i) To provide shelter for houseless in the State
- (ii) To provide a boost to the industrial development in housing related activities.
- (iii) To create employment for skilled and unskilled persons.

(iv) To make use of low cost technology.

(v) To facilitate community development through new housing.

The Scheme covers all income groups across the society. However, the emphasis is on providing financial assistance to the weaker sections of society to enable them to occupy own houses. The scheme also covers such vulnerable sections like landless households residing in uninhabitable settlements in public lands. The major categories of people covered by the scheme are economically weaker sections, low Income groups, middle income groups, higher income groups, government servants and non-resident Keralites.

Although housing programmes will be implemented for all the above mentioned categories, the Plan provision is intended only for meeting the subsidy portion of the housing scheme for economically weaker sections and housing for government employees. Only four of the major items under the Rajiv One Million Housing Scheme viz. Housing scheme for the landless/shelterless, Housing scheme for economically weaker section, Housing for low income group and Rental housing scheme for government employees are included under the Rupees Thousand Crore Employment Programme. The schemes will be implemented either as a group housing or as a cluster housing adopting the cost effective technology developed by the Nirmiti Movement in the State utilising available local resources. The low cost technology being more labour intensive the employment potential of these housing schemes will be much higher compared to the normal construction.

(a) Housing Scheme for the Landless/Shelterless

The scheme is intended to house the weakest of the weaker section who are settled at road/thodu poramboke having no repayment capacity. The scheme envisages construction of small housing complex comprising of 50 houses on public land in 200 panchayats in each year thereby providing house to 50,000 landless/shelterless households during the Eighth Plan period. The unit cost of the house is estimated as Rs. 15,000.

(b) Cash Loan Housing Scheme For Economically Weaker Section(EWS)

The scheme envisages providing cash loan assistance to EWS category (monthly income up to Rs. 1050) in both urban and rural areas for construction of a house costing Rs.15,000 in the

land owned by them. It is proposed to construct about 4.5 lakh houses during the Eighth Plan period. The total investment is estimated at Rs. 675 crores.

(c) Housing Scheme For Low Income Group

The scheme envisages provisions of loan assistance of Rs.30,000 to persons having a monthly income over Rs.1,050 and up to Rs.2,200 for construction of a house costing Rs.40,000 in the lands owned by the beneficiary. The loan required for the implementation of the scheme is proposed to be borrowed from financial institutions like HUDCO etc. The proposal is to provide loan assistance for 1,50,000 beneficiaries in an year.

(d) Scheme for Rental Housing for Government Employees

As regards rental housing scheme the proposal is to construct 6000 units during the Eighth Plan period.

The total investment for the four components being implemented under the Rajiv One Million Housing Scheme is estimated at Rs. 1,470 crores. The state support to the programme is Rs. 95 crores and the remaining cost is to be met through institutional finance and beneficiary contribution. The state investment under this scheme is mostly in the form of subsidy to weaker sections. In the Eighth Plan it is estimated that direct employment opportunities of about 3.45 lakh person years will be generated as a result of the implementation of this scheme.

Chapter 6

An Outline of the Strategy to Implement the Rupees Thousand Crore Employment Programme.

6.1 Industrial Climate

Investment decisions are to a large extent guided by expectations based on experience. The prevailing climate in the state in terms of good labour relations may not attract a large quantum of investment unless it is perceived to be stable. The time is most ripe to attract a large quantum of private capital to Kerala in view of the ideal socio-political stability enjoyed by the state compared to many other regions in the country. Industrialisation has a major role to play in tackling the problem of unemployment in the long run. The preservation of industrial harmony and promotion of a work-ethic conducive to increase in productivity will largely determine the quantum of institutional investment and the success of the Employment Programmes.

6.2 Administrative Reforms

The administrative rules, regulations, procedures and other control mechanisms relating to developmental activities need to be thoroughly overhauled so as to make them more development-friendly. The social and economic cost of delays at all levels, though not quantified, may turn out to be the 'single largest factor' in slowing down the progress of the economy.

The decision-making and administrative procedures in the state need to be heavily simplified in consonance with the new policies. The procedures related to development should be made more transparent and time-bound. A suggestion worth considering to minimise delays is to fix time limits for processing specified categories of applications and to lay down that in the event of non-communication of decisions within the prescribed time limit, it will be deemed that the decision has been taken in favour of the applicant, at the risk and cost of the concerned public servants.

6.3 Need to strengthen Plan Implementation

Formulation and implementation of plan schemes are integral parts of development administration. Given their relevance to local conditions, the basic success of plan schemes is determined by their technical feasibility and commercial viability. However, the quality of implementation also plays a major role in determining the success and failure of even the best conceived schemes. Plan schemes were executed in the past in a routine way with out any in-built corrective mechanism during the implementation stage presumably due to inept monitoring and concurrent evaluation. The implementation of the Employment Programme may not be undertaken in the conventional way as failure of the programme in meeting the targets may bring adverse and far reaching consequences both on the economic and social fronts.

6.4 Monitoring and Concurrent Evaluation.

Monitoring and concurrent evaluation have to form an integral part of implementation ensuring beneficiary participation. Concurrent evaluation may help to streamline the progress of implementation and to intervene effectively so as to take corrective measures during the course of their implementation as and when needed. In exceptional cases, even the schemes can be reformulated to suit the local conditions if so needed to ensure successful implementation.

Currently, monitoring of the plan schemes are largely confined to financial side alone. If at all targets are set, they are mostly in terms of expenditure to be incurred and the corresponding progress on the physical side is often ignored. Even on the expenditure side phasing of the outlay is often overlooked and most of the expenditure is met during the last quarter of the financial year.

Monitoring the share of institutional credit for the credit linked schemes is also extremely important to ensure effective intervention to secure uninterrupted flow of institutional credit as planned. For a large number of schemes physical progress is measured by merely counting the number of beneficiaries at present. This is quite unacceptable. For all relevant schemes physical progress has to be measured in terms of income, output and employment if plan schemes are to serve the real purpose for which they are being implemented.

6.5 Administrative Vigilance

Administrative monitoring of employment programmes susceptible to misutilisation and leakages of plan funds is practically non-existent at present. The Plan Monitoring cell being set up under the Vigilance Commission for administrative vigilance of plan schemes can study the progress of earmarked programmes at every stage to ensure their effective implementation.

6.6 Formulation of Action Plans

The list of agencies entrusted with the task of implementing the employment programmes is given in Appendix B. The implementing agencies of all major employment-oriented programmes may prepare action plans involving concerned officers of related departments and State Planning Board.

The action plan may clearly earmark the monthly/quarterly/half-yearly or yearly investment and corresponding activities and physical achievements depending on the nature and content of the programme. Most of the schemes are to be financed through institutional borrowings. In such cases, phasing of the plan outlay alone may not be useful. Instead, such outlays have to be linked to institutional borrowings and beneficiary contributions. Thus, the scope and coverage of the action plans may encompass the entire gamut of financing rather than the conventional budgeted outlay traditionally considered as 'the investment'. Monitoring of physical achievements may be difficult for some of the schemes as their physical performance may not be amenable to direct measurement. In such cases, appropriate indicators of physical achievements have to be developed to assess the progress.

6.7 Sectoral Task Forces and State Level Co-ordination Committee

To review the progress of implementation of the employment oriented schemes and to ensure

timely intervention as and when needed, sectoral task forces consisting of representatives of implementing departments, State Planning Board and Financial Institutions in relevant cases have to be constituted. Review meetings should be conducted regularly at district and state headquarters ensuring adequate flow of information both horizontally and vertically.

A High Level State Co-ordination Committee may be constituted to supervise and guide the task forces constituted to review and monitor the progress of the major employment generation schemes. Alternatively, the State Planning Board may undertake the needed supervision and provide guidance.

6.8 Role of State Level Financial Institutions

The successful implementation of the employment programmes also depends to a large extent on the effectiveness of the two state level financial institutions (SLFIs) viz, Kerala Financial Corporation (KFC) and Kerala State Industrial Development Corporation (KSIDC). These two institutions form an integral part of the structure of development financing institutions in the State. They act as catalysts for promoting small, medium and large enterprises by meeting essentially the term loan requirements and equity support for industrial projects. The Employment Programmes place heavy emphasis on industrialising the state during the Eighth Plan period by promoting private and joint sector investment.

The key to the successful industrialisation is the competence, commitment and dynamism of the SLFIs. The success of these institutions depends up on the capability of identifying the most favourable sub-sectors for promotion and proper design of the schemes and projects relevant to the State's resources with sufficient demand potential. It also depends on the accurate assessment of the demand for credit and technical assistance and the effective design of the credit delivery system and how well they calibrate the existing operations to cope up with the changing economic environment in which they operate.

Under the New Economic Policy, the SLFIs are likely to face the resource crunch as the concessional finances from national promotional agencies may not be readily available as in the past. The Industrial Employment Generation Fund will, no doubt, help. Yet, the SLFIs may have to tap alternate sources of funds and may be compelled to enter into the capital market and compete for investible funds. There will be

growing competition among the promotional agencies in different states to woo the investors. Reversing the past trend, market forces rather than the institutional factors are likely to play a major role in directing the flow of such investments and states with better industrial and investment climate are the likely beneficiaries. The SLFIs need to streamline their activities to meet the challenges by drastic simplification of lending procedures, regular scanning of environment to identify emerging opportunities and to update the information base to strengthen their decision support system and aggressive and effective promotional activities.

6.9 Role of Finance Department

In recent years, due to acute financial stringency faced by the government, plan funds have been increasingly diverted to non-plan purposes, and release of funds to plan schemes has been delayed through various mechanisms including 'treasury payment restrictions'. Through suitable action on the resources and expenditure fronts, the Finance Department has to ensure that the funds from various sources for the Programme are released in time in accordance with the requirements of the Action Plan.

Chapter 7

Summary of Schemes, Employment Generation and Investment

Major Employment Generation Programmes During Eighth Plan

Estimated Employment

(No.)

| Thrust Areas/Schemes | Regular wage Salaried Employment | Self Employment | Total Continuing Employment | Non-continuing Wage Employment |
|---|----------------------------------|-----------------|-----------------------------|--------------------------------|
| (1) | (3) | (4) | (6) | (5) |
| A. Direct Employment Programmes | | | | |
| Rural Development | | | | |
| 1. Integrated Rural Development Programme | .. | 280000 | 280000 | .. |
| 2. Jawahar Rozgar Yojana | .. | .. | .. | 355000 |
| 3. Untied Funds to Panchayats | .. | .. | .. | 81000 |
| 4. Special Employment Programme | .. | .. | .. | 86800 |
| Urban Development | | | | |
| 5. Nehru Rozgar Yojana | .. | 10000 | 10000 | 50000 |
| Training and Employment | | | | |
| 6. Women's Co-operatives | 200 | 1500 | 1700 | .. |
| 7. Training of Paramedical Personnel | .. | 1500 | 1500 | .. |
| 8. Promotion of Employment and Self-Employment through Co-operatives | .. | 2600 | 2600 | .. |
| Total: Direct Employment Programmes | 200 | 295600 | 295800 | 572800 |
| B. Agriculture and Agro-processing | | | | |
| 1. Area Expansion Programme for Cashew | .. | .. | .. | 1800 |
| 2. Group Farming for Crop Production | .. | .. | .. | 18500 |
| 3. Comprehensive Coconut Development and Inter-cropping of Garden Lands | .. | .. | .. | 52000 |
| 4. Rainfed Farming with OPEC Assistance | .. | .. | .. | 5000 |
| 5. Horticulture Development Project | 600 | .. | 600 | 23350 |
| 6. Approved Nurseries in Private Sector | .. | 2000 | 2000 | .. |
| 7. NCDC-IV Storage Project | 2500 | .. | 2500 | 12950 |
| 8. RAIDCO - Food and fruit processing units | 2700 | .. | 2700 | .. |
| 9. Integrated Rubber Development Project | 1000 | .. | 1000 | .. |
| Total : Agriculture and Agro-processing | 6800 | 2000 | 8800 | 113600 |
| C. Livestock Development | | | | |
| 1. Fodder Development Programme | .. | .. | .. | 9650 |
| 2. Broiler Production | .. | 1000 | 1000 | .. |
| Total : Livestock Development | .. | 1000 | 1000 | 9650 |

Major Employment Generation Programmes During Eighth Plan - Estimated Employment

| Thrust Areas/Schemes | (No.) | | | |
|---|-----------------------------|----------------------|-----------------------------|--------------------------------|
| | Regular Salaried Employment | wage Self Employment | Total Continuing Employment | Non-continuing Wage Employment |
| (1) | (3) | (4) | (6) | (5) |
| D. Fisheries Development | | | | |
| 1. Kuwait Fund Assisted Prawn Development Project | 4750 | .. | 4750 | 4450 |
| 2. Reservoir Fisheries Development with German Assistance | 4350 | .. | 4350 | .. |
| 3. Integrated Fisheries Development Project | 17100 | .. | 17100 | .. |
| 4. Installation of fish/meat selling booths | .. | 2000 | 2000 | .. |
| Total : Fisheries Development | 26200 | 2000 | 28200 | 4450 |
| Total : Agriculture and Allied (B+C+D) | 33000 | 5000 | 38000 | 127700 |
| E. Sericulture Development | | | | |
| 1. Cultivation of Mulberry (50,000 acres) | .. | 100000 | 100000 | 22600 |
| 2. Rearing of Silk worm (50,000 acres) | .. | 93000 | 93000 | 13800 |
| 3. Training/Extension/Publicity | 400 | .. | 400 | .. |
| 4. Setting up Sericulture Complexes (14 Nos) | 500 | .. | 500 | .. |
| 5. Setting up Chawki Rearing Farms (70 Nos) | 750 | .. | 750 | 900 |
| 6. Setting up Grainage Farms (28 Nos) | 500 | .. | 500 | .. |
| 7. Setting up P2-Farms (28 Nos) | 1250 | .. | 1250 | 6200 |
| 8. Setting up Silk Reeling Units (56 Nos) | .. | .. | .. | .. |
| 9. Sericulture Research & Development | 10700 | .. | 10700 | .. |
| 10. Assistance to Sericulture Co-operatives | .. | .. | .. | .. |
| Total - Sericulture | 14100 | 193000 | 207000 | 43500 |
| F. Small, Medium and Large Industries | | | | |
| 1. Promotion of Small Scale Industries | 280000 | 20000 | 300000 | 63000 |
| 2. Promotion of Medium & Large Industries | | | | |
| a. Expansion of Profit Making SPU's | 3000 | .. | 3000 | 8000 |
| b. State PSUs under Implementation | 1000 | .. | 1000 | 2700 |
| c. New Units including KSIDC | 52700 | .. | 52700 | 150000 |
| 3. Promotion of Micro-electronics&Computers | 15000 | .. | 15000 | 6000 |
| Total - Industries (SSIs and MLIs) | 351700 | 20000 | 371700 | 229700 |
| G. Tourism | | | | |
| 1. Preservation and Restoration of Tourism Centres and Bakel Beach Resort | 5980 | .. | 5980 | 27700 |
| 2. Wild Life Tourism | 200 | .. | 200 | .. |
| 3. Tourism Accommodation | 320 | .. | 320 | 3000 |
| 4. Tourist Transport Service | 140 | .. | 140 | .. |
| 5. Kerala Tourism Development Corporation Ltd. | 3110 | .. | 3110 | 28800 |
| 6. Tourism Resource (Kerala) Limited. | 3600 | .. | 3600 | 33300 |
| 7. State & District Tourism Promotion Council | 360 | .. | 360 | .. |
| 8. Other Expenditure | 300 | .. | 300 | .. |
| 9. Training | .. | .. | .. | .. |
| 10. Promotion and Publicity | 390 | .. | 390 | .. |
| Total - Tourism | 14400 | .. | 14400 | 92800 |
| H. Housing | | | | |
| 1. Rajiv One Million Housing Scheme | .. | .. | .. | 345000 |
| Grand Total | 413400 | 513600 | 927000 | 1411500 |

Major Employment Generation Programmes During Eighth Plan - Investment and Pattern of Financing
(Rs. crores)

| Thrust Area/Programme | State Plan | | | Centrally Sponsored Plan | Gross Plan | Investment outside the Plan | | Total investment | |
|---|-----------------|--------------|------------------|--------------------------|---------------|-----------------------------|--------------|------------------|----------------|
| | State Component | External Aid | Total State Plan | | | Institutional | Beneficiary | | Total |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| A. Direct Employment Generation Programmes | | | | | | | | | |
| Rural Development | | | | | | | | | |
| 1. Integrated Rural Development Programme | 60.65 | .. | 60.65 | 60.65 | 121.30 | 203.00 | 3.00 | 206.00 | 327.30 |
| 2. Jawahar Rozgar Yojana | 80.00 | .. | 80.00 | 320.00 | 400.00 | .. | .. | .. | 400.00 |
| 3. Untied Funds to Panchayats | 35.00 | .. | 35.00 | .. | 35.00 | .. | .. | .. | 35.00 |
| 4. Special Employment Programme | 50.00 | .. | 50.00 | .. | 50.00 | 150.00 | .. | 150.00 | 200.00 |
| Urban Development | | | | | | | | | |
| 5. Nehru Rozgar Yojana | 9.50 | .. | 9.50 | 9.50 | 19.00 | 50.00 | .. | 50.00 | 69.00 |
| Training and Employment | | | | | | | | | |
| 6. Women's Co-operatives | 1.60 | .. | 1.60 | .. | 1.60 | 2.25 | .. | 2.25 | 3.85 |
| 8. Training of Paramedical Personnel | 0.25 | .. | 0.25 | .. | 0.25 | 0.75 | .. | 0.75 | 1.00 |
| 8. Promotion of Employment and Self-Employment through Co-operatives | 2.70 | .. | 2.70 | .. | 2.70 | 10.20 | .. | 10.20 | 12.90 |
| Total: Direct Employment Programmes | 239.70 | .. | 239.70 | 390.15 | 629.85 | 416.20 | 3.00 | 419.20 | 1049.05 |
| B. Agriculture and Agro-processing | | | | | | | | | |
| 1. Area Expansion programme for Cashew | 0.50 | .. | 0.50 | .. | 0.50 | .. | 2.00 | .. | 2.50 |
| 2. Group Farming for Rice Production | 30.00 | .. | 30.00 | .. | 30.00 | .. | .. | .. | 30.00 |
| 3. Comprehensive Coconut Development and Inter-cropping of Garden Lands | 18.00 | .. | 18.00 | .. | 18.00 | 50.00 | .. | 50.00 | 68.00 |
| 4. Rainfed Farming with OPEC Assistance | 10.00 | 22.75 | 32.75 | .. | 32.75 | .. | .. | .. | 32.75 |
| 5. Horticulture Development Project | 16.76 | 60.84 | 77.60 | .. | 77.60 | .. | 0.36 | .. | 77.96 |
| 6. Approved Nurseries in Private Sector | 5.00 | .. | 5.00 | .. | 5.00 | .. | 12.74 | .. | 17.74 |
| 7. NCDC-IV Storage Project | 3.49 | .. | 3.49 | .. | 3.49 | 29.70 | 1.75 | 31.45 | 34.94 |
| 8. RAIDCO - Food and fruit processing units | 2.15 | .. | 2.15 | .. | 2.15 | 6.70 | 0.72 | 7.42 | 9.57 |
| 9. Integrated Rubber Development Project | 8.10 | .. | 8.10 | .. | 8.10 | 43.20 | 2.70 | 45.90 | 54.00 |
| Total Agriculture and Agro-processing | 94.00 | 83.59 | 177.59 | .. | 177.59 | 129.60 | 20.27 | 134.77 | 327.46 |

Major Employment Generation Programmes During Eighth Plan - Investment and Pattern of Financing
(Rs. crores)

| Thrust Area/Programme | State Plan | | | Centrally Sponsored Plan | Gross Plan | Investment outside the Plan | | Total investment | |
|---|-----------------|---------------|------------------|--------------------------|---------------|-----------------------------|---------------|------------------|---------------|
| | State Component | External Aid | Total State Plan | | | Institutional | Beneficiary | Total | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| C. Livestock Development | | | | | | | | | |
| 1. Fodder Development Programme | 5.50 | .. | 5.50 | 2.00 | 7.50 | .. | .. | .. | 7.50 |
| 2. Broiler Production | 1.40 | .. | 1.40 | .. | 1.40 | 28.20 | .. | 28.20 | 29.60 |
| Total Livestock Development | 6.90 | .. | 6.90 | 2.00 | 8.90 | 28.20 | .. | 28.20 | 37.10 |
| D. Fisheries Development | | | | | | | | | |
| 1. Kuwait Fund Assisted Prawn Development Project | 7.00 | 63.00 | 70.00 | .. | 70.00 | 27.53 | 36.27 | 63.80 | 133.80 |
| 2. Reservoir Fisheries Development with German Assistance | .. | 3.50 | 3.50 | .. | 3.50 | .. | .. | .. | 3.50 |
| 3. Integrated Fisheries Development Project | 5.00 | .. | 5.00 | .. | 5.00 | 34.50 | .. | 34.50 | 39.50 |
| 4. Installation of fish/meat selling booths | 0.50 | .. | 0.50 | .. | 0.50 | 5.00 | .. | 5.00 | 5.50 |
| Total Fisheries Development | 12.50 | 66.50 | 79.00 | .. | 79.00 | 67.03 | 36.27 | 103.30 | 182.30 |
| Total : Agriculture and Allied (B+C+D) | 113.40 | 150.09 | 263.49 | 2.00 | 265.49 | 224.83 | 56.54 | 281.37 | 546.86 |
| E. Sericulture Development | | | | | | | | | |
| 1. Cultivation of Mulberry (50,000 acres) | 5.00 | .. | 5.00 | .. | 5.00 | 38.01 | 22.99 | 61.00 | 76.00 |
| 2. Rearing of Silk worm (50,000 acres) | 10.00 | .. | 10.00 | .. | 10.00 | | | | |
| 3. Training of Farmers | 2.40 | .. | 2.40 | .. | 2.40 | .. | .. | .. | 2.40 |
| 4. Extension/Publicity | 1.25 | .. | 1.25 | .. | 1.25 | .. | .. | .. | 1.25 |
| 5. Setting up Sericulture Complexes (14 Nos) | 2.00 | .. | 2.00 | .. | 2.00 | .. | .. | .. | 2.00 |
| 6. Setting up Chawki Rearing Farms (70 Nos) | .. | .. | .. | .. | .. | 10.00 | 4.00 | 14.00 | 14.00 |
| 7. Setting up Grainage Farms (28 Nos) | 5.20 | .. | 5.20 | .. | 5.20 | 2.00 | 0.88 | 4.88 | 8.08 |
| 8. Setting up P2-Farms (28 Nos) | 4.64 | .. | 4.64 | .. | 4.64 | 2.50 | 0.98 | 3.48 | 8.12 |
| 9. Setting up Silk Reeling Units (56 Nos) | 4.37 | .. | 4.37 | .. | 4.37 | 12.00 | 3.60 | 15.60 | 19.97 |
| 10. Sericulture Research & Development | 0.50 | .. | 0.50 | .. | 0.50 | .. | .. | .. | 0.50 |
| 11. Assistance to Sericulture Co-operatives | 2.64 | .. | 2.64 | .. | 2.64 | .. | .. | .. | 2.64 |
| 12. Administration | 7.00 | .. | 7.00 | .. | 7.00 | .. | .. | .. | 7.00 |
| Total - Sericulture | 45.00 | .. | 45.00 | .. | 45.00 | 64.51 | 32.45* | 98.96 | 141.96 |

Major Employment Generation Programmes During Eighth Plan - Investment and Pattern of Financing
(Rs. crores)

| Thrust Area/Programme | State Plan | | | Centrally Sponsored Plan | Gross Plan | Investment outside the Plan | | Total investment | |
|--|-----------------|---------------|------------------|--------------------------|----------------|-----------------------------|----------------|------------------|----------------|
| | State Component | External Aid | Total State Plan | | | Institutional | Beneficiary | | Total |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| F. Small, Medium and Large Industries | | | | | | | | | |
| 1. Promotion of Small Scale Industries | 180.00 \$ | .. | 180.00 | 10.00 | 190.00 | 1140.00 | 200.00 | 1340.00 | 1530.00 |
| 2. Promotion of Medium & Large Industries | | | | | | | | | |
| a. Expansion of Profit Making SPUs | 51.80 | .. | 51.80 | .. | 51.80 | 147.20 | .. | 147.20 | 199.00 |
| b. State PSUs under Implementation | 21.40 | .. | 21.40 | .. | 21.40 | 22.50 | 22.50 | 45.00 | 66.40 |
| c. New Units including KSIDC | 156.00 # | .. | 156.00 | .. | 156.00 | 2360.00 | 1163.00 | 3523.00 | 3679.00 |
| 3. Promotion of Micro-electronics&Computers | 69.00 | .. | 69.00 | .. | 69.00 | 250.00 | 50.00 | 300.00 | 369.00 |
| Total - Industries (SSIs and MLIs) | 478.20 | .. | 478.20 | 10.00 | 488.20 | 3919.70 | 1435.50 | 5355.20 | 5843.40 |
| G. Tourism | | | | | | | | | |
| 1. Preservation and Restoration of Tourism Centres | 5.70 | .. | 5.70 | 33.78 | 39.48 | 10.00 | 100.00 | 110.00 | 149.48 |
| 2. Wild Life Tourism | 2.00 | .. | 2.00 | .. | 2.00 | .. | .. | .. | 2.00 |
| 3. Tourism Accommodation | 1.55 | .. | 1.55 | 6.55 | 8.10 | .. | .. | .. | 8.10 |
| 4. Tourist Transport Service | 0.20 | .. | 0.20 | 2.16 | 2.36 | 1.00 | 2.00 | 3.00 | 5.36 |
| 5. Kerala Tourism Development Corporation Ltd. | 8.75 | .. | 8.75 | .. | 8.75 | 38.50 | 30.50 | 69.00 | 77.75 |
| 6. Tourism Resource (Kerala) Limited. | 5.00 | .. | 5.00 | .. | 5.00 | 35.00 | 50.00 | 85.00 | 90.00 |
| 7. State & District Tourism Promotion Council | 0.58 | .. | 0.58 | .. | 0.58 | 1.00 | 2.00 | 3.00 | 3.58 |
| 8. Other Expenditure | 0.92 | .. | 0.92 | 0.60 | 1.52 | .. | .. | .. | 1.52 |
| 9. Training | 0.10 | .. | 0.10 | .. | 0.10 | .. | .. | .. | 0.10 |
| 10. Promotion and Publicity | 3.90 | .. | 3.90 | .. | 3.90 | .. | .. | .. | 3.90 |
| Total - Tourism | 28.70 | .. | 28.70 | 43.09 | 71.79 | 85.50 | 184.50 | 270.00 | 341.79 |
| H. Housing | | | | | | | | | |
| 1. Rajiv One Million Housing Scheme | 95.00 | .. | 95.00 | .. | 95.00 | 1373.40 | 96.60 | 1470.00 | 1565.00 |
| Grand Total | 1000.00 | 150.09 | 1150.09 | 445.24 | 1595.33 | 6084.14 | 1808.59 | 7891.73 | 9488.06 |

@ - Only one-third of the total allocation of Rs. 105 crores is taken for employment oriented programmes.

\$ - Including Rs. 30 crores as assistance to KFC

- Including Rs. 30 crores for Industrial Development Areas and Growth Centres

Appendix - A

Details of Projects Likely to be Completed during Eighth Plan Period

2.1 Project Proposals Under Food Processing

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|--|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Parrisons Roller Flour Mills Pvt.Ltd. | Wheat Flour: 24000 MT | Kozhikode | 135 | 90 | 65 |
| 2. Integrated Poultry Project | Processed Meat: 10 tpd | Kozhikode | 9500 | 317 | 1250 |
| 3. Integrated Marine Products Ltd. | IQF Shrimps : 100 tpd | Alappuzha | 720 | 70 | 150 |
| 4. Euromarine Products Ltd. | Frozen Marine Foods: 1600 MT | Thiruvananthapuram | 106 | 70 | 68 |
| 5. Gold Farm Foods Ltd. | Frozen Marine Foods: 1600 MT | Ernakulam | 65 | 40 | 68 |
| 6. Harmony Spices Ltd. | Processed/Sterilised Black Pepper: 35 tpd | Ernakulam | 170 | 74 | 51 |
| 7. Koyenco Expellers (Kerala)Ltd. | Edible Coconut Oil:15 tpd | Kozhikode | 171 | 90 | 40 |
| 8. Maruthi Oil Mills Ltd. | Coconut Oil: 15 tpd | Kollam | 93 | 62 | 34 |
| 9. Integrated Rubian Exports Ltd. | IQF Shrimps : 5760 MT | Alappuzha | 595 | 30 | 250 |
| 10. Rectified Spirit | 75 Lakhs Lts. | Thrissur | 921 | 79 | 158 |
| 11. IQF Shrimps | 1000 MT | Ernakulam | 143 | 65 | 50 |
| 12. Wheat Flour Mill | Wheat Products: 20,000 MT | Palakkad | 130 | 85 | 60 |
| 13. Coco Processing Unit | Malted Foods, Extracts, Chocolates etc.20100 MT | Idukki | 600 | 52 | 250 |
| 14. Silver Star Sea Foods Ltd. | IQF Shrimps: 400 MT | Alappuzha | 100 | 65 | 62 |
| 15. Coconut Processing Complex | Frozen Sea Foods: 700 MT Coconut Cream: 300 MT Coconut Milk Powder: 300 MT | Kottayam | 1000 | 34 | 360 |
| 16. Spices Complex | Oleoresins: 300 MT | Alappuzha | 128 | 66 | 30 |
| 17. Anand Oil Extractions Ltd. | Extracted Oil: 12000 MT | Ernakulam | 185 | 84 | 56 |
| 18. Soluble Tea | 150 MT | Idukki | 300 | 168 | 100 |
| 19. Geo Sea Foods Ltd. | 1200 MT | Ernakulam | 137 | 89 | 82 |
| 20. Frozen Meat | 2500 MT | Palakkad | 120 | 86 | 130 |
| 21. TSK Roller Flour Mills (P) Ltd. | Wheat Flour:24000 MT | Malappuram | 133 | 10 | 57 |
| 22. Hydrolysed Lactose | 1200 MT | Kottayam | 200 | 103 | 125 |
| 23. Cashew Foods | 300 MT | Ernakulam | 125 | 64 | 75 |
| Sub Total | | | 15777 | 1893 | 3621 |

2.2 Project Proposals Under Textile Industry

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|--------------------------------------|-----------------------------------|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Garment Project | Ready-made Garments: 2.8 lakh Pcs | Kozhikode | 101 | 70 | 100 |
| 2. Poly propylene Yarn | 2000 MT | Alappuzha | 980 | 90 | 500 |
| 3. Export Oriented Spinning Project | 25,000 Spindles | Palakkad | 2800 | 93 | 700 |
| 4. Sewing Thread and Industrial Yarn | 12,500 Spindles | Kollam | 1350 | 135 | 1000 |
| 5. Fibre Dyeing Plant | 900 MT | Thrissur | 120 | 66 | 90 |
| 6. Trend Setters Instyl (India) Ltd. | -- | Ernakulam | 149 | 70 | 180 |
| 7. Textile Processing Unit | 6.5 Million Metres | Thiruvananthapuram | 235 | 98 | 300 |
| 8. Mode Creazone India Pvt. Ltd. | -- | Ernakulam | 252 | 90 | 494 |
| 9. Health Care Apparel | Baby Diapers:5 lakh pieces | Ernakulam | 150 | 65 | 60 |
| 10. Entex International Pvt. Ltd. | Gray Cloth:8.96 lakh meters | Ernakulam | 267 | 10 | 150 |
| Sub Total | | | 6404 | 787 | 3574 |

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2.3 Project Proposals Under Paper and Paper Products Industries

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|--|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Kerala Paper and Board Mill Ltd. | Duplex Board: 5300 MT | Alappuzha | 285 | 86 | 129 |
| 2. Newsprint and Glazed Magazine Paper | Newsprint : 20,000 MT Magazine Paper: 20,000 MT | Kasaragod | 7500 | 250 | 750 |
| 3. Sri Sai Maharaj Pulp and Paper Mills Ltd. | -- | Palakkad | 285 | 88 | 129 |
| 4. Sri. Sakthi Paper Mills Ltd. | -- | Ernakulam | 290 | 90 | 190 |
| 5. Carbonless Paper | 2500 MT | Kozhikode | 462 | 105 | 250 |
| Sub Total | | | 8822 | 619 | 1448 |

2.4 Project Proposals Under Rubber based Industries

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---|-------------------------------------|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Auric Brown Crumb Rubber Pvt. Ltd. | Crumb Rubber: 15 MT/day | Ernakulam | 145 | 45 | 65 |
| 2. Malanadu Latex (India) Pvt. Ltd. | 60% DRC Centrifuged Latex : 900 MT | Thrissur | 75 | 45 | 33 |
| 3. Rubber Bungs for Electrolytic Capacitors | 500 Million Pieces | Ernakulam | 350 | 12 | 75 |
| 4. Centrifuged Latex | 1000 MT | Malappuram | 80 | 53 | 40 |
| 5. Parquet Tiles | 480000 sq. mtrs. | Ernakulam | 1400 | 47 | 140 |
| 6. EPDM Rubber Products | | Kottayam | 150 | 56 | 80 |
| 7. Impregnated Wood | 300 Cu.Mtrs/month | Ernakulam | 700 | 23 | 120 |
| 8. Rubber-bonded Metal/Components | 80,000 nos. | Thrissur | 141 | 69 | 75 |
| 9. Rubber Components of Electronics Industry | 100 MT | Idukki | 100 | 70 | 50 |
| 10. Speciality Hoses | 500 MT | Pathanamthitta | 462 | 105 | 250 |
| 11. Heat Resistant Latex Threads | 1200 MT | Palakkad | 120 | 64 | 70 |
| 12. Fan-belts and V-belts | Nine lakh nos. | Kottayam | 471 | 122 | 300 |
| 13. Chlorinated Rubber | 650 MT | Ernakulam | 415 | 74 | 80 |
| 14. Rubber and Canvass Footwear | Three lakh nos. | Pathanamthitta | 100 | 63 | 225 |
| 15. Rubber Products for Offshore Applications | 1000 MT | Alappuzha | 300 | 110 | 185 |
| 16. Hospital and Paediatric Sheeting | 600 MT | Thiruvananthapuram | 276 | 99 | 130 |
| 17. Injection Moulded Rubber Components | 450 MT | Pathanamthitta | 295 | 120 | 120 |
| 18. Elastic Threads | 500 MT | Palakkad | 200 | 97 | 75 |
| 19. Radial Tyres for Automobiles | 10 lakh nos. | Kollam | 40,000 | 133 | 1000 |
| 20. Oil Seal and Oil Rings | Items worth Rs.two crores | Alappuzha | 165 | 101 | 80 |
| 21. Rubberised Coir Products | 1500 MT | Kollam | 105 | 64 | 75 |
| 22. Chemical Impregnation for Rubber wood | 2000 MT | Ernakulam | 150 | 70 | 80 |
| 23. KTC Tyres (India)Ltd:Rehabilitation | Scooter Tyres and Tubes 5 Lakh nos. | Malappuram | 150 | 20 | 374 |
| Sub Total | | | 46350 | 1662 | 3722 |

2.5 Project Proposals under Chemical Industries including Plastics

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|--|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Jyotish Dyes and Pigments Private Ltd. | Alpha Blue: 360 MT | Palakkad | 124 | 82 | 50 |
| 2. Optima Polymers Ltd. | Phenol Formaldehyde, Sodium Sulphate, concentrated Nitric Acid | Ernakulam | 135 | 90 | 65 |
| 3. Hydrogen Peroxide | 10,000 MT | Ernakulam | 4000 | 133 | 200 |
| 4. Combustible Cartridge Cases | 12000 Nos | Palakkad | 108 | 76 | 50 |
| 5. Adipic Acid | 1000 MT | Ernakulam | 7000 | 233 | 150 |
| 6. Rubber Chemicals | 300 MT | Ernakulam | 200 | 97 | 80 |
| 7. PVC Pipes and Fittings | 240 MT | Ernakulam | 60 | 42 | 60 |
| 8. Pure Terephthalic Acid | 1.50 lakh MT | Ernakulam | 85,000 | 283 | 500 |
| 9. Gemini Solvents Pvt Ltd. | | Kannur | 75 | 47 | 35 |
| 10. Synthetic Filament Yarn | 2000 MT | Alappuzha | 980 | 33 | 120 |
| 11. Disposable Food Containers | 360 MT | Ernakulam | 193 | 66 | 50 |
| 12. Polyphenylene Oxide | 5000 MT | Ernakulam | 2500 | 83 | 80 |
| 13. Butyle Rubber | 25000 MT | Ernakulam | 16800 | 56 | 200 |
| 14. Carboxyl Methyl Cellulose | 20,000 MT | Ernakulam | 350 | 12 | 75 |
| 15. Synthetic Camphor | 600 MT | Thiruvananthapuram | 270 | 113 | 1235 |
| 16. Decorative and Industrial Points | 2500 MT | Alappuzha | 360 | 121 | 75 |
| 17. Zelcron Fact Ltd. | Activated Carbon: 6700 MT | Ernakulam | 2700 | 90 | 170 |
| 18. Epoxy Resins | 2000 MT | Ernakulam | 1200 | 44 | 75 |
| 19. Bisphenol A | 15000MT | Ernakulam | 3500 | 117 | 150 |
| 20. Cyclo Hexanone | 6000 MT | Ernakulam | 500 | 33 | 120 |
| 21. Synthetic Heat Transfer Fluids | SHT Fluids: 2000 MT Disphenyl Oxide:1000 MT | Ernakulam | 2500 | 83 | 150 |
| 22. Poly Vinyl Alcohol/Poly Vinyl Acetate | 2000 MT | Palakkad | 300 | 116 | 120 |
| 23. Nylon Monofilament Fishing Nets/ Stitching Thread | 6000 MT | Ernakulam | 720 | 85 | 170 |
| 24. Polypropylene Filament Yarn | 2000 MT | Ernakulam | 980 | 90 | 200 |
| 25. Premier Morarji Chemicals Ltd. | Diversification- Sulphuric Acid: 15000 MT | Alappuzha | 130 | 50 | 78 |
| 26. Profitcor Pipes Ltd. | Rigid PVC Pipes:4000 MT | Ernakulam | 161 | 71 | 42 |
| 27. Insoluble Sulphur | 1500 MT | Pathanamthitta | 350 | 102 | 150 |
| 28. Sulphonated Alkylates | 4000 MT | Kannur | 470 | 121 | 200 |
| 29. Nylon Filter Cloth | Five lakh units | Pathanamthitta | 205 | 97 | 90 |
| 30. Redbud Plastic Corrugated Sheet | 200 MT | Pathanamthitta | 215 | 101 | 100 |
| 31. Ultra Marine Blue | 1000 MT | Kottayam | 111 | 64 | 55 |
| 32. Peninsula Polymers Ltd.(Expn) | | Thiruvananthapuram | 121 | 60 | -- |

2.5 Project Proposals under Chemical Industries including Plastics

(Continued)

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 33.-PVC Doors and Window Profiles | 675 MT | Kottayam | 400 | 103 | 250 |
| 34. VAM Products | PVC Alcohol: 1000 MT PVC Acetate: 1500 MT | Ernakulam | 300 | 105 | 100 |
| 35. Pressure Sensitive Adhesive Tapes | 8.4 Million mtrs. | Pathanamthitta | 120 | 68 | 80 |
| 36. PET Multilayer Bottles | 600 MT | Palakkad | 300 | 105 | 100 |
| 37. Gallic Acid | 100 MT | Wayanad | 120 | 66 | 50 |
| 38. Trimethyl Propane | 20,000 MT | Kottayam | 300 | 105 | 75 |
| 39. Polyurethane Foam Cloth | Three Million sq.mtrs. | Palakkad | 350 | 102 | 100 |
| 40. Hydroquinone | 500 MT | Kannur | 100 | 67 | 45 |
| 41. Epichlorohydrine | 6000 MT | Ernakulam | 8000 | 250 | 800 |
| 42. Chemical Intermediates | 100 MT | Palakkad | 600 | 30 | 200 |
| 43. Alkyl Phenol | Nonyl Phenol: 2000 MT Dedecyl Phenol: 2000 MT | Ernakulam | 675 | 45 | 300 |
| 44. Oxo Alcohol | 600 MT | Ernakulam | 2000 | 65 | 400 |
| 45. Novaldyamine | 300 MT | Ernakulam | 500 | 123 | 200 |
| 46. Industrial Alcohol | Six million litres | Kollam | 300 | 110 | 85 |
| 47. Vinyl Acetate Monomer | 5000 MT | Palakkad | 810 | 27 | 230 |
| 48. Copper Clad Laminates | Two lakh Sq.mtrs. | Idukki | 600 | 20 | 230 |
| 49. Benzyl Compound | 300 MT | Malappuram | 120 | 66 | 110 |
| 50. Potassium Nitrate | 1000 MT | Kasaragod | 90 | 64 | 100 |
| 51. Phthalic Anhydride | 40,000 MT | Ernakulam | 6000 | 300 | 600 |
| 52. Toluene Di-isocyanate | 1000 MT | Alappuzha | 2000 | 66 | 500 |
| 53. Rigid PVC Pipes | 400 MT | Ernakulam | 162 | 101 | 55 |
| 54. Polynide | Five MT | Thiruvananthapuram | 706 | 47 | 250 |
| 55. Plast wood | Synthetic Wood: 1500 MT | Kasaragode | 300 | 100 | 175 |
| 56. Electronic Grade Biaxially Oriented Polypropylene (BOPP) Film | 1000 MT | Thrissur | 1400 | 47 | 120 |
| 57. Plastic Tanks | 3000 MT | Kozhikode | 200 | 103 | 75 |
| 58. PVC Separators | 40 million members | Palakkad | 200 | 104 | 80 |
| 59. Sheet Moulding Compounds | 1000 MT | Kasaragod | 250 | 107 | 120 |
| 60. Picolines | 30,000 MT | Ernakulam | 3000 | 100 | 300 |
| 61. Moulded Plastic Furniture | 3.06 lakh chairs | Thrissur | 218 | 97 | 80 |
| 62. Benzoate Plasticizers | 3600 MT | Kollam | 369 | 102 | 125 |
| 63. Benzaldehyde and Benzoic Acid | 800 MT | Ernakulam | 262 | 100 | 130 |
| 64. Decorative Laminates | one million Sq.mtrs. | Pathanamthitta | 500 | 107 | 300 |
| 65. Methyl Methacrylate | 3000 MT | Ernakulam | 2500 | 83 | 1000 |
| 66. MTBE (Methyl Tetra Butyl Ether) and Butyle Rubber | MTBE: 45000 MT | Ernakulam | 50000 | 167 | 500 |
| 67. Dye Intermediates | 300 MT | Alappuzha | 261 | 99 | 100 |
| 68. Poly Acetal | 1000 MT | Ernakulam | 2000 | 67 | 800 |
| Sub Total | | | 218325 | 6209 | 13660 |

2.6 Project Proposals under Drugs and Pharmaceuticals

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---------------------------------|---|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. TRIGLOB pharmaceuticals Ltd. | Drug formulations | Kozhikode | 119 | 82 | 75 |
| 2. Malabar Organics Ltd. | Methyl Dopa : 15 MT | Kozhikode | 258 | 90 | 100 |
| 3. Bulk Drugs(1) | Pyrazinamide: 9 MT ISO Sorbitol: 3.75 MT Salbutamol: 0.75 MT Nifedipine: 3.00 MT | Ernakulam | 141 | 59 | 105 |
| 4. Anhydrous Dextrose | 3750 MT | Thiruvananthapuram | 156 | 80 | 62 |
| 5. Enzymes | 10 MT | Idukki | 400 | 110 | 120 |
| 6. Hepatitis - B - Vaccine | One million Doses | Idiukki | 141 | 95 | 70 |
| 7. Melenic Esters | 425 MT | Kottayam | 600 | 20 | 150 |
| 8. Empty Hard Gelatine Capsules | 600 million nos. | Thrissur | 450 | 120 | 120 |
| 9. Parazine Salts | 150 MT | Alappuzha | 180 | 84 | 50 |
| 10. Ibuprofane | 30 MT | Palakkad | 195 | 96 | 75 |
| 11. Gujrat Inject Kerala Ltd. | I.V.Fluids: 70 ml Bottles | Palakkad | 795 | 90 | 150 |
| Sub Total | | | 3435 | 926 | 1077 |

2.7 Project Proposals under Mineral-based Industries

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---------------------------------------|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Zeolite | 50,000 MT Granite Tile | Thiruvananthapuram | 4700 | 157 | 500 |
| 3. Thrissur Sand and Gravel Pvt. Ltd. | 75000 Sq.mtrs. Granite Metal products: 4000 c.f.t./day | Ernakulam | 1255 | 50 | 1180 |
| 4. Cochin Mineral and Rutile Ltd. | Synthetic Rutile: 10000 MT | Thrissur | 86 | 55 | 48 |
| 5. Wired, figured and U-Glass | 4.65 lakh sq.mtrs. | Ernakulam | 750 | 45 | 200 |
| 6. Glazed Wall and Flooring Tiles | 10000 MT | Alappuzha | 1650 | 82 | 280 |
| 7. Sanitary wares | 1200 MT | Thrissur | 1350 | 68 | 500 |
| 8. White cement | 3000 MT | Thrissur | 245 | 16 | 75 |
| 9. East West Granites Ltd. | Granite Slabs:4000 sq.mtrs. | Kannur | 450 | 105 | 250 |
| 10. Bone China Ware | 200 MT | Ernakulam | 300 | 105 | 200 |
| 11. Ceramic Fibre | 6000 MT | Kollam | 312 | 100 | 180 |
| 12. Graphite Mining and Beneficiation | 2000 MT | Thiruvananthapuram | 600 | 30 | 550 |
| 13. Hollow Perforated Bricks | 35 Millions Nos. | Idukki | 200 | 103 | 100 |
| 14. Ditrteous Sanitary wares | 6000 MT | Thrissur | 375 | 115 | 200 |
| 15. Silicon Metal and Calcium Cilicod | 2500 MT | Thrissur | 1350 | 135 | 750 |
| 16. Injection Glass Vials | 3000 MT | Alappuzha | 1320 | 44 | 650 |
| 17. Toughened Safety Glass | ... | Alappuzha | 250 | 102 | 275 |
| 18. Fly Ash Bricks | 6 Million Nos. | Alappuzha | 1500 | 50 | 750 |
| 19. Ernad Granite Pvt. Ltd. | ... | Alappuzha | 81 | 57 | 35 |
| | | Malappuram | 142 | 90 | 50 |
| Sub Total | | | 16916 | 1509 | 6773 |

2.8 Project Proposals under Metal and Metal Products

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Mahalekhmi Jewellery Ltd. | Plain and studded Gold Jewellery : 600Kg | Ernakulam | 98 | 39 | 84 |
| 2. Aluminium Powder | 1000 MT | Kasaragod | 105 | 45 | 60 |
| 3. Aluminium Extrusions | 5000 MT | Alappuzha | 900 | 45 | 136 |
| 4. Stainless steel sinks | 30000 Nos. | Kozhikode | 81 | 37 | 50 |
| 5. Aluminium Cans for Electrolytic Capacitors | 50 Million Nos. | Thrissur | 251 | 90 | 140 |
| 6. Venkal Jewellery | Gold Jewellery:1200 Kg. | Ernakulam | 135 | 54 | 45 |
| 7. Sponge Iron | 60000 MT | Kasaragod | 1500 | 100 | 220 |
| 8. Domestic Refrigerators | 50000 Nos. | Kollam | 720 | 48 | 270 |
| 9. Domestic Sewing Machines | 50000 Nos. | Pathanamthitta | 400 | 115 | 180 |
| 10. Roller Bearings (Cylindrical & Others) | 2.3 lakhs Nos. | Palakkad | 2100 | 210 | 1000 |
| 11. Mopeds | 5000 Nos. | Kottayam | 700 | 35 | 850 |
| 12. Scissors | 1 Million Nos. | Pathanamthitta | 315 | 100 | 150 |
| 13. Cylinder Liners | 2400 MT | Kasaragod | 105 | 67 | 100 |
| 14. Industrial Link Chains | 1500 MT | Palakkad | 300 | 110 | 150 |
| 15. MT Fasteners | 2000 MT | Thiruvananthapuram | 335 | 112 | 200 |
| 16. Parabolic Leaf Springs | 1200 MT | Thrissur | 1200 | 40 | 360 |
| 17. High Pressure Pumps | 1000 Nos. | Palakkad | 150 | 100 | 80 |
| 18. Flexible Pipe Joints | 1000 MT | Kozhikode | 600 | 40 | 400 |
| 19. Portable Electric Tools | 24000 Nos | Wayanad | 175 | 96 | 80 |
| 20. Sub Structural for ships | 5000 MT | Ernakulam | 300 | 105 | 200 |
| 21. Non-ferrous Foundry | 400 MT | Thrissur | 117 | 63 | 75 |
| 22. Sophisticated Process Equipment | 2500 MT | Ernakulam | 200 | 103 | 350 |
| 23. Shock Absorbers | 7.5 lakh nos. | Kollam | 468 | 105 | 210 |
| 24. Construction-repair Yard for Barges, Bridges, Trawlers etc. | | Ernakulam | 250 | 99 | 200 |
| 25. Ancillary to Shipyard | | Ernakulam | 200 | 87 | 120 |
| 26. Marine Pump Valves and Accessories | | Ernakulam | 150 | 95 | 100 |
| 27. Machinery Centre | | Ernakulam | 200 | 103 | 120 |
| 28. Peekay Steel Castings Pvt. Ltd. | | Kozhikode | 225 | 20 | 49 |
| 29. Stainless Steel Flexible Hoses | One million Running Mtrs. | Kollam | 500 | 125 | 300 |
| 30. Steel Complex Ltd. Expansion | | Kozhikode | 700 | 275 | 124 |
| Sub Total | | | 13480 | 2663 | 6403 |

2.9 Project Proposals under Electrical Industries

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|--|--|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Electric Motors | Induction Motors, Capacitors etc. 3.5 lakh Nos. | Idukki | 310 | 100 | 180 |
| 2. Electric Fans | 8 lakh Nos. | Wayanad | 117 | 68 | 110 |
| 3. Electric Resistance Wire | 60 MT | Thrissur | 190 | 99 | 120 |
| 4. Special Purpose Transformers | 50000 Nos. | Pathanamthitta | 200 | 97 | 100 |
| 5. Electric Switch Gears | 5000 Nos. | Kollam | 100 | 63 | 100 |
| 6. Rotating Electric Machinery | ... | Kollam | 100 | 64 | 100 |
| 7. Flat Cable Connectors | 500000 pieces | Kasaragod | 250 | 107 | 200 |
| 8. Flame Retardant Low Fibre Cable | 20000 KM | Thiruvananthapuram | 600 | 20 | 150 |
| 9. Dash Board Instruments | Five lakh Nos. | Alappuzha | 300 | 105 | 195 |
| 10. Mini Micro Hydel sets | 100 MW | Kottayam | 810 | 40 | 300 |
| 11. Equipment for Railway Electrification | ... | Palakkad | 720 | 24 | 300 |
| 12. Condensers for Ships and Railways | ... | Alappuzha | 500 | 103 | 250 |
| 13. Products required for Railways & Defence | ... | Kannur | 1000 | 67 | 350 |
| 14. Pressure Transducers | ... | Kollam | 200 | 67 | 150 |
| 15. Energy Saving Lamps | ... | Kasaragod | 700 | 23 | 300 |
| 16. Electric/Electronic Tape Recorders | 100000 Nos. | Thiruvananthapuram | 810 | 54 | 500 |
| 17. Power conditioning Equipment | 500 Nos. | Thiruvananthapuram | 120 | 68 | 85 |
| 18. Halogen Lamps | One Million Nos. | Ernekulam | 200 | 97 | 120 |
| 19. Switched Mode Power Supplies | 75000 Nos. | Ernekulam | 340 | 15 | 70 |
| Sub Total | | | 7567 | 1281 | 3490 |

2.10 Project Proposals under Electronics Industry

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost ^a | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---|---|----------------------------|-----------------------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Carbographics Pvt. Ltd | 1.3 lakh Impressions/day | Ernakulam | 75 | 50 | 35 |
| 2. Adtech Power Systems Ltd. | Power Systems, Computer Peripherals etc. 35600 Nos. | Thiruvananthapuram | 86 | 58 | 85 |
| 3. BPL Systems & Projects Ltd. | Power line Carrier Communication Equipment etc. | Palakkad | 112 | 80 | 80 |
| 4. Transmatics Systems Ltd. | High speed dot matrix Printer/OTC:850;XL; 1000 Nos. | Thiruvananthapuram | 73 | 39 | 40 |
| 5. Hard Ferrite magnets | 100 MT | Kollam | 405 | 110 | 379 |
| 6. Vedio Cassetts | 1200 Million Nos. | Kozhikode | 1450 | 48 | 345 |
| 7. Multilayer Ceramics Capacitors | 100 Million pieces | Wayanad | 612 | 20 | 200 |
| 8. Miniature Relays | 3 Million Nos. | Kasaragod | 300 | 105 | 120 |
| 9. DC Micro Motors | 6 lakh Nos. | Kasaragod | 300 | 106 | 350 |
| 10. Colour TV Deflection components | 2 Million pieces | Thiruvananthapuram | 200 | 103 | 120 |
| 11. Electronic TV Tuners | 2 Million pieces | Kollam | 185 | 96 | 110 |
| 12. Magnetic Head | 2 Million Nos. | Wayanad | 180 | 87 | 100 |
| 13. Non linear resistors | 10 Million pieces | Idukki | 230 | 105 | 150 |
| 14. HV Aluminium Electrolytic Capacitors | 5 Million pieces | Pathanamthitta | 170 | 96 | 85 |
| 15. Electro Mechanical Magnetos | 2 lakh Nos. | Kottayam | 180 | 99 | 100 |
| 16. Continuous Computers Stationery | 120 Million Forms | Thiruvanthapuram | 175 | 96 | 50 |
| 17. Jelly Filled Telephone Cables | 12 LKM | Alappuzha | 2000 | 67 | 400 |
| 18. Nickel Cadmium Batteries | Sealed type and vented type: 2 Million Nos. 1 Million Nos. | Pathanamthitta | 700 | 47 | 250 |
| 20. Multi Access Radio Relay Systems | 100 Nos. | Alappuzha | 6000 | 200 | 600 |
| 21. Chelur Satellite Communication Systems Ltd. | ... | Kozhikode | 250 | 98 | 200 |
| 22. Electronic Energy Meters | 15000 Nos. | Ernakulam | 171 | 68 | 119 |
| 23. Special Integrated Circuits | 5 lakhs Nos. | Kasaragod | 300 | 105 | 150 |
| 24. Vedio Play Heads | 3 lakhs | Idukki | 1000 | 33 | 300 |
| 25. Jayvee Graphics & Exports Pvt. Ltd. | ... | Kollam | 2000 | 66 | 400 |
| 26. Line Jack Unit | 1.5 lakhs Nos. | Thiruvananthapuram | 40 | 26 | 22 |
| 27. Micro processor Computer | 50000 Nos. | Ernakulam | 250 | 105 | 150 |
| 28. Printed Circuit Boards | 2.4 Lakhs sq.ft. | Thiruvananthapuram | 200 | 97 | 120 |
| | | Ernakulam | 260 | 99 | 100 |
| Sub Total | | | 17902 | 2309 | 5160 |

2.11 Project Proposals under Miscellaneous Industries Group

(Amount in Rs.lakhs)

| Name of Project | Product and Annual Capacity | Location (Final/Tentative) | Estimated Cost | Likely Investment by KSIDC | Employment Potential (Nos.) |
|---|---|----------------------------|----------------|----------------------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. Moored Leathers Ltd. | Wet Blue Leather;1000 hides/day | Kozhikode | 135 | 94 | 65 |
| 2. Hitech Animal Feeds | 60000 MT | Thrissur | 675 | 25 | 125 |
| 3. Escapade Resorts Pvt.Ltd | Tourist Resort:37 rooms | Idukki | 140 | 84 | 60 |
| 4. Higashimara Feeds(India) Ltd. | Feeds : 7500 MT | Alappuzha | 435 | 38 | 66 |
| 5. Environmental Control Equipment | Pollution Control Equipment : 2000 MT | Ernakulam | 500 | 107 | 300 |
| 6. Programme Logic Control Equipment | 50 Nos. | Kasaragod | 400 | 117 | 150 |
| 7. Scientific Instruments | Electro Optical Instruments, Analytical Instruments etc. Products worth Rs.3 crores | Wayanad | 225 | 97 | 300 |
| 8. Medical Instruments | Portable X-ray Equipment: 2.5 lakh Nos. | Idukki | 580 | 19 | 375 |
| 9. Printing Machinery | Offset printing Presses: 70 Nos. | Pathanamthitta | 350 | 102 | 175 |
| 10. Syngens (India) Pvt. Ltd. | ... | Palakkad | 345 | 100 | 63 |
| 11. Chika Ltd. | ... | Alappuzha | 82 | 35 | 66 |
| 12. Room Air Conditioners | 3600 Nos. | Kottayam | 120 | 66 | 170 |
| 13. Leather Products | 3 Million Pairs | Malappuram | 150 | 97 | 100 |
| 14. Business Forms | 15 Million Nos. | Thiruvananthapuram | 125 | 64 | 80 |
| 15. Boat & Trawler Building | 100 Nos. | Ernakulam | 200 | 97 | 100 |
| 16. Solar Energy Systems and Cells | 1 Million Nos. | Palakkad | 700 | 23 | 250 |
| 17. Southern Refineries Ltd. | Re-refining of Waste Lubricating Oil;6000 MT | Thiruvananthapuram | 556 | 19 | 200 |
| 18. Moidu's Medicare | Super Speciality Hospital- 200 beds | Kozhikode | 100 | 50 | 120 |
| 19. Phototype Setting Unit | 1 lakh Pages | Thiruvananthapuram | 85 | 34 | 50 |
| 20. Solar Solvent Extractions Ltd. | Rice Bran Oil 12000 MT | Palakkad | 34 | 10 | 6 |
| 21. Taj Hotels(Kerala) & Resorts Ltd. | ... | Kozhikode | 225 | 71 | 49 |
| 22. Domestic Microwave Ovens | 10000 Nos. | Thiruvananthapuram | 150 | 95 | 80 |
| 23. Ganam Hotels Ltd. | ... | Ernakulam | 150 | 95 | 80 |
| 24. KMB Memorial Hospital | ... | Malappuram | 120 | 89 | 15 |
| 25. Metro Security Tickets | 50000 mtrs. | Thiruvananthapuram | 150 | 95 | 90 |
| 26. Electric Welding Electrodes | 100 MT | Kollam | 120 | 66 | 80 |
| 27. Solvent Extraction Plant | Coconut oil from cake: 10000 MT | Ernakulam | 195 | 100 | 110 |
| 28. Veneers and Laminations(India) Ltd. | Rehabilitation - Decorative veneers | Pathanamthitta | 60 | 13 | 68 |
| 29. Wood House Ltd. | Rehabilitation - Decorative veneers | Thrissur | 30 | 25 | 70 |
| 30. Indian Express (Madurai) Pvt. Ltd. | ... | Kozhikode | 120 | 90 | 57 |
| 31. Mediscan & Diagnostic Research Centre Pvt. Ltd. | ... | Ernakulam | 111 | 66 | 17 |
| Sub Total | | | 7368 | 2083 | 3537 |

Appendix - B

List of Schemes and Implementing Agencies

| Thrust Areas / Schemes | Implementing Dept. |
|---|---|
| A. Direct Employment Programmes | |
| Rural Development | |
| 1. Integrated Rural Development Programme | Dept. of Rural Development |
| 2. Jawahar Rozgar Yojana | .. |
| 3. Untied Funds to Panchayats | Dept. of Panchayats |
| 4. Special Employment Programme | Dept. of Agriculture Dept. of Dairy Development Khadi & Village Industries Board |
| Urban Development | |
| 5. Nehru Rozgar Yojana | Director of Municipal Administration |
| 6. Women's Co-operatives | Dept. of Co-operation Primary Agricultural Credit Societies |
| 7. Training of Paramedical Personnel | Dept. of Co-operation District Co-operative Hospitals |
| 8. Promotion of Employment and Self-Employment through Co-operatives | Dept. of Co-operation |
| B. Agriculture and Agro-processing | |
| 1. Area Expansion Programme for Cashew | Dept. of Agriculture |
| 2. Group Farming for Crop Production | Dept. of Agriculture |
| 3. Comprehensive Coconut Development and Inter-cropping of Garden Lands | Dept. of Agriculture |
| 4. Rainfed Farming with OPEC Assistance | .. |
| 5. Horticulture Development Project | Kerala State Horticulture Products Development Corporation, Dept. of Agriculture |
| 6. Approved Nurseries in Private Sector | Dept. of Agriculture |
| 7. NCDC-IV Storage Project | Dept. of Co-operation |
| 8. RAIDCO - Food and fruit processing units | Dept. of Co-operation & RAIDCO |
| 9. Integrated Rubber Development Project | Dept. of Co-operation Kerala State Rubber Marketing Federation |
| C. Livestock Development | |
| 1. Fodder Development Programme | Diary Development Dept. Kerala Live Stock Development Board Kerala Co-operative Milk Marketing Federation Limited Dept. of Agriculture |

Appendix - B (Continued)

List of Schemes and Implementing Agencies

| Thrust Areas / Schemes | Implementing Dept. |
|---|--|
| 2. Broiler Production | Animal Husbandry Dept. Kerala State Poultry Development Corporation |
| D. Fisheries Development | |
| 1. Kuwait Fund Assisted Prawn Development Project | Dept. of Fisheries & ADAK |
| 2. Reservoir Fisheries Development with German Assistance | Dept. of Fisheries |
| 3. Integrated Fisheries Development Project | Matsyafed |
| 4. Installation of fish/meat selling booths | Dept. of Fisheries |
| E. Sericulture Development | Khadi & Village Industries Board |
| F. Small, Medium and Large Industries | |
| 1. Promotion of Small Scale Industries | Directorate of Industries & Commerce |
| 2. Promotion of Medium & Large Industries | Concerned Industrial Units |
| a. Expansion of Profit Making SPUs | |
| | 1. Travancore titanium Products Limited |
| | 2. Travancore Cochin Chemicals Limited |
| | 3. Kerala Electrical and Allied Engineering Company Limited |
| | 4. Forest and Industries |
| | 5. Kerala Clays and Ceramic Products Limited |
| | 6. Traco Cable Company Limited |
| b. State PSUs under Implementation | |
| | 1. Kerala Hitech Industries Limited |
| | 2. Kerala Special Refractories Limited |
| c. New Units including KSIDC | |
| 3. Promotion of Micro-electronics & Computers | Electronic Techno Park, Kerala |
| G. Tourism | |
| 1. Preservation and Restoration of Tourism Centres and Bakel Beach Resort | Directorate of Tourism |
| 2. Wild Life Tourism | Dept. of Forest |
| 3. Tourism Accommodation | Dept. of Tourism |
| 4. Tourist Transport Service | Kerala Tourism Development Corporation |
| 5. Other Expenditure | Dept. of Tourism |
| 6. Training | Kerala Institute of Tourism & Travel studies |
| 7. Promotion and Publicity | Dept. of Tourism |
| H. Housing | |
| 1. Rajiv One Million Housing Scheme | Housing/Revenue Dept. |

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