

Chapter VIII

ECONOMIC TRENDS AND PLANNING

Even before the advent of the British there were slight changes in the cropping pattern in agriculture. The introduction of agricultural crops like potato, chillies, groundnut and tobacco was one factor. The discovery of new sea route by the Portuguese brought new competitors to Arabs, who enjoyed almost a monopoly of Indian's overseas trade. Soon the Dutch and the English appeared on Karnataka's coast and overseas demand for Indian goods like rice, textiles, diamond and spices received a fillip. Production of agarbathi has been initiated by the Adilshahis in North Karnataka area. Tipu introduced sericulture and also started glass and paper industry.

Advent of British

With the advent of the British, an increase in roads, bridges and communication facilities resulted in fostering trade. Railways gave a further fillip to this activity. But Industrial Revolution in England and British colonial policies gave a severe blow to spinning industry which till then provided jobs to lakhs of women engaged in weaving and textiles; besides gunny bag manufacture, iron industry and paper industries also. Salt monopoly threw thousands of salt makers out of job and introduction of kerosene weakened indigenous oil extractors, which resulted in affecting their prosperity. Thus pressure on land and dependence solely on agriculture increased. But coffee plantations and public works gave job to thousands. Famines and epidemics like plague during the later half of the 19th century killed lakhs depleting the labour force. The newly started textile factories in Bangalore had to be closed for some months for want of labour. But famine relief works provided jobs to many. Abolition of Slavery Act (1843) also brought about many changes in labour supply, especially in plantations and public works.

The British, according to their colonial policies, were encouraging the raising of crops which served as raw material, required for their industrial productions. They introduced American long fibre cotton into Karnataka. The Cotton Boom of the 1860's (American Civil War days) had its own impact. In the long run it helped in creating cotton processing units. As a result, Cotton weaving not only received a setback, but its massive foreign market was also lost.

The administrative policies of the British helped the expansion of urban centres like Bangalore, Bangalore Cantonment, Mysore, Mangalore, Davangere, Hubli, Gadag, Hospet, Gulbarga etc., This was due to increased industrial activity and concentration of offices or units like railway workshops. Mangalore

saw tile factories started by Basel Mission. During the first half of the 20th century, new towns like Mandya, Bhadravati, Raichur, Harihar, Chikmagalur, etc., expanded. New towns saw starting of hotels, giving a fillip to demand for milk in bulk. Mysore's economic planners were to start a process of economic activity not seen earlier by raising dams and starting industries and by generating power. The process had been set afoot by Dewan Sheshadri Iyer. In the meanwhile co-operative movement and banking expanded during the first quarter of the 20th century. Beedi rolling, a domestic industry emerged by providing labour to the needy.

Planning in Mysore

The economic conference (between 1911 and 1931) initiated by Sir M. Visveswaraya in princely Mysore introduced through his book 'Planned Economy for India' has suggested schemes for the development of Industries and thus for the improvement of the State economy. 'Industrialise or Perish' was his slogan. Princely Mysore State was the first State in the country to formulate an economic plan which contained a number of schemes in 1946 at an estimated cost of Rs. 48.99 crores. Despite this, the State was largely pre-industrialised and under developed at the commencement of the era of planning. Free India later launched a programme aimed at the Welfare State and at the same time developing basic and key industries. Thus came many Central Government industries to Bangalore and attempts were made to expand irrigation potential by raising the Tungabhadra Dam and other irrigation projects. Even though the State was predominantly agricultural the minimum infra-structure for growth of industries had been created. The economy of the princely State by 1950 was characterised by the following features:

1. Population was not relatively in proportion to the utilisation of resources,
2. Agricultural sector which was not progressive due to low yield and poor credit and marketing facilities and prevalence of uneconomic holdings,
3. Low level of Industrialisation,
4. Low *per capita* income. low rate of capital formation and inadequate infrastructure.

In order to offset these drawbacks in the State Plans, major thrust was on the following facts:

1. Removal of poverty and attainment of self-reliance,
2. Increasing the level of *per capita* income both in real and in money terms,

3. Providing employment opportunities,
4. Optimum utilisation of available resources,
5. Development of Agriculture and Industry.
6. Holding the price line,
7. Meeting the minimum requirements of the people through Minimum Needs Programme,
8. Equitable distribution of wealth and income.

Development under plans

First Five Year Plan (1951-56) : In the first plan the outlay was Rs. 47.58 crores and the expenditure was Rs. 40.51 crores in the erstwhile Mysore State. The major expenditure was Rs. 15.37 crores for irrigation, Rs. 10.39 crores for power, Rs. 4.80 crores for industries and Rs. 3.60 crores for agriculture.

Regarding Physical Progress, 'Grow More Food' campaign was popularised. National Extension Scheme was introduced, 4,100 acres of afforestation was achieved and three major and 11 medium irrigation projects were undertaken.

Second Five Year Plan (1956-61) : The Second plan was revised after State Re-organisation, with an outlay of Rs. 145.13 crores. The expenditure was 142.82 crores. The major expenditure was on irrigation (Rs. 28.27 crores), on power Rs. 28.02 crores and on social services Rs. 32.42 crores. During this plan agriculture production increased. Minor irrigation facility was extended by 3 lakh acres and three major and 12 medium size projects were taken up for construction at an estimated cost of Rs. 78.69 crores. Additional power generation went up to the extent of 269.5 Million KW.

Third Five Year Plan (1961-66) : This was the first comprehensive plan for the economic development of the State, with an outlay of Rs. 246.22 crores and an expenditure of Rs. 264.75 crores. About 41 percent was earmarked for better utilization of water and power development, 18.46 per cent for agricultural and allied activities. The *per capita* expenditure went up to Rs. 106 as against Rs. 64.5 in second plan. The important projects under this plan were the Harangi, the Hemavathi, the upper Krishna and the Malaprabha. During the Annual Plan of 1966-67, the expenditure was Rs. 54.68 crores.

Fourth Five Year Plan (1969-74) : The main emphasis of this plan was on (a) regional development (b) adoption of district plans. The strategy of the plan included the objectives of achieving a growth rate of 5.6 percent in agriculture. The expenditure incurred was Rs. 386.82 crores.

Regarding achievements, total irrigated area increased from 13.15 lakh hectares in 1969-70 to 15.94 lakh hectares in 1973-74. Installed capacity of power increased from 877.5 MW to 966.6 MW at the end of Fourth Plan. Per capita consumption of energy increased from 82 units to 121 unit, area under agriculture from 10,028,000 hectares to 17,504,000 hectares and food production from 56,38,00 tonnes to 66,41,000 tonnes.

Fifth Five Year Plan (1974-79) : The main feature of this plan was removal of poverty and attainment of economic self-reliance. The main objectives were (1) to achieve a growth of 8.5% per annum, to raise the level of per capita income to that of national level, (2) to provide highest priority for power and communication, (3) to maximise productive employment both in rural and urban areas, (4) To bring about enlarged and more diversified and decentralised industrial base in the State.

The outlay was Rs. 1076.33 crores and the expenditure was Rs. 852.39 crores by 1977-78. The plan came to an end by 1977-78, instead of 1978-79. This worked out at cent per cent expenditure. The percentage of average annual growth from 1973-74 to 1977-78 was 7.1 at current prices and 6 at constant prices of 1956-57. The State income at the end of the Plan was Rs. 2,913 crores at current prices and the *per capita* income was Rs. 840 at current prices.

The last year of Fifth plan 1978-79 and the next year 1979-80 were called Annual plans. Total outlay was Rs. 345.27 crores in 1978-79 and Rs. 385.39 crores in 1979-80 and expenditure was Rs. 303 crores respectively.

Sixth Five Year Plan (1980-85) : The main feature was to achieve full employment by 1988, and for the maximum utilisation of the State's resources and to achieve a growth rate of 6.5 per cent and to increase the per capita income from Rs. 1,115 (1979-80 prices) to Rs. 1,500 in 1984-85. The outlay was Rs. 2,400 crores. The physical achievements include, increase of food production from 57.74 lakh tonnes in 1980-81 to 67.37 lakh tonnes in 1981-82; the total number of villages electrified increased to 17,626; the installed capacity in 1981-82 was 1847 MW; 39,927 small scale industrial units were employing 3.25 lakh persons with an investment of Rs. 332 crores; severe draughts causing not only decline in agriculture but also power production giving a blow to industries was also evidenced during the period.

Seventh Five Year Plan (1985-90) : The outlay was Rs. 3,575 crores and the expenditure was Rs. 4,056.4 crores. During the Seventh plan period the annual average growth in the State Domestic Product was placed at five percent compared to 5.6 per cent at the national level (S.D.P reflects the growth of

real output in economy). The annual average growth in agriculture and allied activities in the State during the Seventh plan was only 2.1 per cent (3.4 per cent at all-India level). In Industrial production, the growth was 6.6 per cent (7.5 per cent at all-India level). The growth in the unorganised sector of the industry which accounted for 50 per cent of the industrial output in the State in early 1980s had slackened. The main reasons for this slow growth rate of State's economy are low growth in creation of irrigation potential coupled with frequent draughts and chronic power shortages. Nearly 75 per cent of the net sown area is still depending on rainfall. The State Plan outlay is being considerably increased, the level being nearly 10 times that of the Second Plan even in real terms. During 6th and 7th plans investment on Centrally-sponsored schemes has also increased. There has been marked increase in the private investment also. There were significant shortfalls in the State Plan expenditure. The State's share in the total plan outlay for all states in the country which was 5.5 per cent during Fifth plan has declined to 4.4 per cent in Seventh plan and 5.4 per cent in Annual Plans of 1990-92.

Eighth Five Year Plan (1992-97) : The approved outlay for the Eight five year plan of Rs. 12,300 crores at 1991-92 prices was more than double the Seventh plan level of Rs. 3,500 crores. Against annual approved outlay of Rs. 16,150 crores, expenditure has fallen short by 8.0 percent to Rs. 14,894 crores. In real terms this is 8.3 percent less (Rs. 11,272 crores) than the Eighth plan approved outlay of Rs. 12,300 crores although still almost double than that of the Seventh plan. Major Eighth plan achievements against original targets are labelled below.

1. Annual average growth of 5.6%.
2. Bringing the percentage of people below the poverty line to 25% from 38%.
3. Generating 15 to 20 lakh employment opportunities.
4. Increasing operational efficiency in irrigation and power and
5. Increasing basic facilities such as housing, health education and water supply.

Ninth Five Year Plan (1997-02) : The outlay approved by the planning commission for the Ninth five year plan (1997-2002) was Rs. 23,400 crores at 1996-97 prices. This is almost double (90 percent higher than) the Eighth plan approved outlay of Rs. 12,300 crores at 1991-92 prices and 57 percent higher than the 8th plan expenditure of Rs. 14,894 crores. The Ninth plan has been formulated keeping in view the changed national scenario and the consequent expected role of planning, identified strengths and weakness in the State's

economy, as well as its critical needs. The State's growth performance must keep pace with national growth rates and over strip. Productivity in different sectors must also go up. The growing problem of unemployment needs to be addressed by reserving the observed phenomenon of secondary and tertiary sectors to proportionately absorbing as much of the disguised unemployment in the primary sector as their growth would warrant. The ultimate goal of development efforts is human development with its two prerequisites of reduction of poverty and improvement of the quality of life. Within this overall goal inequalities and injustices must be set right and issues of original and gender equity redressed. Crucial areas requiring attention are basic facilities like education, health, drinking water, sanitation and housing.

Tenth five year plan (2002-07) : The outlay approved by the planning commission for the Tenth five year plan (2002-07) was Rs.43,558 crores at 2001-02 prices. This is 86 percent of the Ninth five year plan approved outlay of Rs.23,400 crores. The outlay for the annual plan 2002-03 is 8616.61 crores and Expenditure is Rs.8163.91 crores. The outlay for the annual plan 2004-05 is Rs.12322.92 crores. This represents an increase of 26 percent over the budgeted outlay of Rs.9779.75 crores in 2003-04 and forms 28 percent of the Tenth plan outlay of Rs.43558 crores. Tenth Five Year Plan outlay and Expenditures are given below.

Outlay and Expenditure during the Tenth Five Year Plan (2002-03 to 2006-07)

(Rs. in crores)

Year	Approved outlay (B.E)	Expenditure
2002-03	8610.61	8163.92
2003-04	9779.75	8619.45
2004-05	12322.92	11888.70
2005-06	13555.00	12852.84*
2006-07	16166.00	16166.00

* Revised Estimates. /B.E: Budget Estimates.

Eleventh Five Year Plan (2007-12) : The outlay for the Eleventh Five Year Plan (2007-12) is Rs. 96703 crores, which represents an increase of 122% over Tenth Five Year Plan (2002-07) outlay of Rs. 43558 crores. The outlay proposed in the Annual Plan 2007-08 is Rs. 17783 crores, which represents an increase of 10% over the budgeted outlay of Rs. 16166 crores in 2006-07 and forms 18.4% of the Eleventh Five Year Plan outlay.

The District Plan size for Eleventh Five Year Plan is Rs. 10,800 crores and for Annual Plan 2007-08 it is Rs. 1980 crores. The outlay proposed for

Externally Aided Projects in Annual Plan 2007-08 is Rs. 3025.51 crores and Rs. 12041.40 crores in Eleventh Five Year Plan. Under the Special Component Plan Rs. 2916.42 crores in Annual Plan 2007-08 and Rs. 15858.36 crores in Eleventh Five Year Plan have been earmarked for the welfare of the Scheduled Castes. Under the Tribal Sub Plan Rs. 1129.12 crores is Annual Plan 2007-08 and Rs.6143.54 crores in Eleventh Five Year Plan have been earmarked for the welfare for the Scheduled Tribes.

Priorities : In the Eleventh Five Year Plan, 38.36% of the outlay has been allocated for the Irrigation and Energy sectors followed by Social Services sector with an allocation of 33.58%, Transport 12.39%, Rural Development 4.74%, Agriculture & Allied sector 4.25%. In the Annual Plan 2007-08, 35.25% of the outlay has been allocated for the Irrigation and Energy sectors followed by Social Services sector with an allocation of 34.41%, Transport 13.36%, Rural Development 5.26%, Agriculture & Allied 4.65%.

Eleventh Plan 2007-12 (Proposed) Outlays of Karnataka State

Sl. No	Heads of Development	Eleventh Plan 2007-2012 Outlay (Rs. in lakhs)
1.	Agriculture and Allied Activities	410662.00
2.	Rural Development	458719.00
3.	Special Area Programmes	65000.00
4.	Irrigation and Flood Control	2476335.00
5.	Energy	1224815.00
6.	Industry and Minerals	119786.00
7.	Transport	1198427.00
8.	Science, Technology and Environment	130336.00
9.	General Economic Services	234130.00
10.	Social Services	3231899.00
11.	General Services	120180.00
	Grand total	9670289.00

Source: Draft Annual Plan of Karnataka State for the year 2007-08 volume-I & II

Economic situation : The performance of the state's economy in terms of growth in Gross State Domestic product has improved over the last three years. During the current year, growth in agriculture is low because of the persistence of drought in 128 taluks in the state. However, the overall improvement in economy is supplemented by secondary and tertiary sectors.

The State achieved a fair rate of growth of the economy during the last three years, consistent with its continued developmental policies and programmes. 2006-07 is the fifth year of the 10th five year plan and the expected achievement of growth is 7.9 percent in the State. The quick estimates of 2005-06 reveal a growth rate of 9.0 percent during 2005-06 and 9.2 percent during 2006-07.

The advance estimate of Gross State Domestic Product growth in the primary sector consisting of agriculture, forestry and logging, fishing mining and quarrying is 2.0 percent during 2006-07. At current prices, growth in the GSDP of Karnataka is estimated at 9.3 percent. The estimated real growth in GSDP (at constant prices) for secondary sector consisting of 'manufacturing, construction and electricity' sector is 9.9 percent during 2006-07. The marginal increase compared to 8.3 percent during 2005-06 is due to a fall in value addition from the electricity sector. At current prices, the growth in this sector would be 14.2 percent. Value addition in manufacturing during 2006-07 grew by 10.7 percent compared to 6.9 percent in 2005-06. The manufacturing industry account for bulk (i.e. 63 percent) of the secondary sector. Under the manufacturing sector, the general index of fourteen industry groups during April to December 2006 has slightly increased to that of the corresponding previous year. In the first three quarters of the current year, all the sixteen groups, show a positive growth rate over the previous year's. Manufacturing of non-metallic minerals registered the highest growth of 61.22 percent, followed by manufacturing of basic metals and alloys (37.3 percent), metal products 15.38 percent, wool and silk 15.02 percent and rubber and plastic 12.89 percent. In absolute terms, according to the latest and observed trends, the tertiary sector is expected to grow from Rs. 73,375 crores in 2005-06 to Rs. 80,100 crores in 2006-07 at constant prices. At current prices, this sector is estimated at Rs. 1,06,040 crores during 2006-07 against Rs. 92,237 crores during 2005-06.

State income and per capita income

At constant (1993-94) prices, the quick estimates of State income i.e., Net State Domestic product (NSDP) at factor cost of Karnataka in 2002-03 was estimated at Rs.63,968 crores as against Rs.61386 crores in 2001-02 registering an increase of 4.2 percent during the year. At current prices, the state income in 2002-03 is estimated at Rs.100406 crores as against Rs.93383 crores showing an increase of 7.5 percent during the year. The corresponding growth rates in Nation Income at current and constant prices are 6.5 percent and 4.2 percent respectively.

The Per capita income (per capita NSDP) at factor cost in real terms, at 1993-94 prices is estimated at Rs.11,799 for 2002-03 as against Rs.11516 for 2001-02, registering an increase of 2.5 percent. The per capita income at current prices is estimated at Rs.18521 in 2002-03 as against Rs.17,518 in 2001-02, showing an increase of 5.7 percent. The corresponding per capita income growth rates at current and constant prices are 4.7 percent and 2.4 percent respectively at national level.

Sectorial shares of State income : The shares of broad sectors Viz., primary, secondary and tertiary sectors in the total State Income at current

prices in 2005-06 were 20.9 percent, 23.0 percent and 56.1 percent. In 1999-2000 (base year), the corresponding shares were 29.9 percent, 21.3 percent and 48.8 percent respectively. Sectorial composition of state income in 2005-06 compared to 1999-2000 indicates a gradual decline in dependence of State economy on agriculture (reduction in the share of 9.0 percent over 1999-2000) is over the years. The Share of the Secondary sector has almost been static during this period. More details see table 8.1 and 8.2

Table.8.1 Net State Domestic Product at Factor Cost by Industry of Origin-at Current Prices

Rs. in Crores

Sl. No.	Industry	1990-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06 Q.E
1.	Agriculture	23,197	24,362	19,916	19,396	17,466	22,729	27,261
2.	Forestry and Logging	1,514	1,590	1,682	1,616	1,719	1,931	2,047
3.	Fishing	543	533	497	600	498	545	736
4.	Mining and Quarrying	405	461	557	629	952	1,625	1,660
	Primary Sector	25,659	26,946	22,652	22,241	20,635	26,830	31,704
5.	Manufacturing	10,382	10,653	12,009	14,714	17,213	19,100	21,051
6.	Registered	6,663	6,595	7,787	9,858	11,973	13,510	14,950
7.	Un-registered	3,719	4,058	4,222	4,856	5,240	5,590	6,101
8.	Construction	6,556	6,261	7,265	7,894	8,825	9,982	11,735
9.	Electricity Gas and Water supply	1,375	1,819	1,794	1,744	1,711	1,683	2,088
	Secondary Sector	18,313	18,733	21,068	24,352	27,749	30,765	34,874
10.	Trade, Hotels, Transport and Communication	15,315	16,879	19,110	21,337	24,868	28,483	33,002
11.	Financing, Insurance, Real Estate & Business Services	14,814	17,079	19,549	22,455	25,477	29,034	33,680
12.	Community, Social & Personal Services	11,777	12,257	13,189	13,981	15,498	16,832	18,479
	Tertiary Sector	41,906	46,215	51,848	57,773	65,843	74,349	85,161
	Total GSDP	85,879	91,895	95,569	1,04,366	1,14,228	1,31,943	1,51,741
	Per Capita GSDP (Rs.)	16,603	17,496	17,923	19,338	20,900	23,848	27,101

Q.E= Quick estimates

Source: Directorate of Economics and Statistics, Bangalore.

Table.8.2 Net State Domestic Product at Factor Cost by Industry of Origin-at Constant (1993-94) Prices

Rs. in Crores

Sl. No.	Industry	1990-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06 Q.E
1.	Agriculture	23,197	24,791	21,521	19,747	16,703	20,983	22,475
2.	Forestry and Logging	1,514	1,509	1,567	1,476	1,454	1,519	1,535
3.	Fishing	543	562	496	526	467	463	568
4.	Mining and Quarrying	405	521	621	722	954	1,112	913
Primary Sector Total		25,659	27,383	24,205	22,471	19,578	24,077	25,491
5.	Manufacturing	10,382	10,263	11,373	13,588	14,980	15,542	16,416
6.	Registered	6,663	6,289	7,275	9,008	10,254	10,693	11,275
7.	Un-registered	3,719	3,974	4,098	4,580	4,726	4,849	5,141
8.	Construction	6,556	6,911	7,508	7,913	7,972	8,676	9,570
9.	Electricity Gas and Water supply	1,375	1,675	1,617	1,488	1,382	1,360	1,628
Secondary Sector Total		18,313	18,849	20,498	22,989	24,334	25,578	27,614
10.	Trade, Hotels, Transport and Communication	15,315	16,974	18,897	20,628	23,096	25,354	27,709
11.	Financing, Insurance, Real Estate and Business Services	14,814	16,265	17,402	19,153	20,447	23,192	25,415
12.	Community, Social and Personal Services	11,777	11,942	12,591	12,890	13,681	14,193	14,877
Tertiary Sector Total		41,906	45,181	48,890	52,671	57,224	62,739	68,001
Total GSDP		85,879	91,414	93,593	98,130	1,01,136	1,12,395	1,21,107
Per Capita GSDP (Rs.)		16,603	17,405	17,553	18,183	18,505	20,315	21,628

Q.E= Quick estimates

Source: Directorate of Economics and Statistics, Bangalore.

Inter State Comparison: It compares the average annual growth rates of State Income and per capita income during 1993-94 to 2004-05 and per capita income at current prices for 2004-05 for the major States in India, except for Karnataka and all India for which the same is worked out from 1999-2000 to 2004-05 (new serious). Among the fifteen major states, Karnataka stands in seventh position in terms of per capita income at current prices. For more details see table 8.3

Table.8.3 Average annual growth rate of State Income and Per Capita Income in real terms for major states.

State	Growth Rates (%)		Per Capita income at current prices 2004-05 (Rs.)	Rank
	State Income	Per Capita Income		
Andhra Pradesh	6.0	4.8	23,153	08
Assam	3.2	1.5	13,633	12
Bihar	5.3	2.8	5,772	15
Gujarat	7.4	5.3	28,355	04
Haryana	6.3	3.9	32,712	01
Karnataka	5.6	4.2	23,848	07
Kerala	5.8	4.8	27,048	05
Madhya Pradesh	4.5	2.3	14,069	11
Maharashtra	5.5	3.6	32,170	02
Orissa	5.2	3.7	13,601	13
Punjab	4.3	2.6	30,701	03
Rajasthan	7.3	4.8	16,212	10
Tamil Nadu	5.3	4.2	25,965	06
Uttar Pradesh	4.1	1.8	11,477	14
West Bangal	7.1	5.6	22,497	09
All India	6.1	4.4	23,222	-

District-wise Income of Karnataka: The District wise details of Net District Income and corresponding per capita Income of all the 27 districts of the state the year 2003-04 at current and constant (1993-94) prices are given in table 8.4 and 8.5

Table 8.4 Sectoral Composition of Net District Income of Karnataka At Current Prices during Year 2005-06

Rs. in lakhs

Sl No.	District	Agriculture including Animal Husbandry	Forestry and Logging	Fishing	Mining and Quarrying	Primary Sector Total
1	2	3	4	5	6	7
1.	Bagalkote	113862	6767	165	4230	125024
2.	Bangalore	51491	11892	780	224	64387
3.	Bangalore (Rural)	116336	14400	1260	720	132716
4.	Belgaum	253561	16041	846	791	271239
5.	Bellary	108650	6749	2393	121344	239136
6.	Bidar	40802	6226	315	102	47445
7.	Bijapur	79931	6315	557	17	86820
8.	Chamarajana-nagar	42385	3599	900	440	47324
9.	Chikmagalur	123068	6109	1077	28740	158994
10.	Chitradurga	78587	5472	944	12161	97164
11.	Dahshina Kannada	82630	6979	24902	38	114549
12.	Davanagere	108098	5948	1481	158	115685
13.	Dharwad	71015	4250	584	130	75979
14.	Gadag	48687	3011	2511	86	52035
15.	Gulbarga	161574	9835	128	6673	179210
16.	Hassan	103865	6933	1551	344	112693
17.	Haveri	71789	5029	1297	215	78330
18.	Kodagu	103053	3643	306	68	107070
19.	Kolar	137795	10496	1837	191	150319
20.	Koppal	73297	4353	613	488	78751
21.	Mandya	104759	7194	2084	114	114151
22.	Mysore	130461	8505	1737	268	140971
23.	Raichur	76615	5619	965	16822	100020
24.	Shimoga	104961	6452	1847	280	113540
25.	Tumkur	127784	9636	4199	3649	145268
26.	Udupi	53509	4326	9991	303	68129
27.	Uttara Kannada	46026	14058	6707	483	67274
	State	2614590	199837	70717	199079	3084224

Table 8.4 Continued

Manufacturing		Constru- ction	Electricity	Secondary Sector Total	Railways	Transport by other menas
Registered	Un _ Registered					
8	9	10	11	12	13	14
5931	28194	26948	3017	64090	1357	11301
746191	118671	271667	57967	1194496	2640	144306
66770	25037	21930	12049	125786	3635	23618
64818	51794	65278	15328	197218	4026	25844
122841	14197	39616	6686	183340	2318	37323
3983	8247	20345	4504	37079	1408	12134
1715	11549	36012	8838	58114	2318	13215
131	10194	9390	2307	22022	356	4093
2254	6007	16398	5957	30616	1690	6942
2082	13970	23127	5926	45105	2940	10412
104843	55308	65695	7682	233528	4048	39353
6968	16339	29687	7817	60811	1052	16368
33140	17920	45440	4648	101148	3760	17566
536	13075	17643	1988	33242	1996	7453
24628	20772	62195	7534	115129	1905	21201
2808	8006	27956	5033	43803	2872	10596
20959	13051	17300	4152	55462	1532	8776
1180	2571	9676	1847	15274	0	2582
3793	19115	39208	12101	74217	2442	20226
59493	10769	17212	4178	91652	978	8977
9620	10255	28636	4459	52970	2516	6973
84190	23876	63923	8339	180328	1820	23674
5472	6740	24094	3930	40236	910	10345
6968	14885	33026	6156	61035	2335	10659
12557	27582	40584	13649	94372	1798	12568
11912	18836	30514	4459	65721	695	7144
15321	11901	34128	4337	65687	3189	9440
1421104	578861	1117628	224888	3342481	56536	523087

Table 8.4 (Continued)

Sl. No.	District	Storage	Comm- unication	Trade, Hotels and Restaurants	Banking and Insurance
1	2	3	4	5	6
1.	Bagalkote	34	6275	35755	14019
2.	Bangalore	1248	91164	931845	430654
3.	Bangalore (Rural)	64	6690	130865	13966
4.	Belgaum	175	19215	120467	38564
5.	Bellary	194	9153	139843	30119
6.	Bidar	106	2092	14761	11031
7.	Bijapur	66	7508	25672	12703
8.	Chamarajanagar	14	2146	12760	8014
9.	Chikamagalur	63	7042	38690	19477
10.	Chitradurga	215	6208	27418	15631
11.	Dahshina Kannada	196	22589	165293	62049
12.	Davanagere	129	4843	39697	23420
13.	Dharwad	125	15024	64251	58618
14.	Gadag	64	4516	18450	11075
15.	Gulbarga	219	11177	55679	27166
16.	Hassan	95	8617	28356	22600
17.	Haveri	55	3556	26423	11917
18.	Kodagu	25	5532	31129	14829
19.	Kolar	113	6365	37204	21130
20.	Koppal	61	3025	32090	7288
21.	Mandya	84	6815	30294	21152
22.	Mysore	240	15450	107234	60821
23.	Raichur	236	3854	31953	16051
24.	Shimoga	211	10940	40692	28272
25.	Tumkur	51	9651	42623	13687
26.	Udupi	40	5938	39076	51515
27.	Uttara Kannada	64	10701	36187	28033
	State	4187	306086	2304707	1073801

Table 8.4 (Continued)

Real estate, Owner-Ship of Dwellings and Business Services	Public Administration	Other Services	Tertiary Sector Total	Net District Domestic Product (NDDP)	Per Capital NDDP (in Rs.)
7	8	9	10	11	12
34849	13714	37046	154350	343464	19625
97798	73053	173812	2846520	4105403	59277
52090	16127	36372	283427	541929	27188
84284	34215	91434	418224	886681	19858
46195	11247	46667	323059	745535	34715
40096	13370	33138	128136	212660	13361
39082	6464	42686	149714	294648	15392
26044	4705	16927	75059	144405	1417
32768	22069	20793	149534	339143	28059
34075	14046	31875	142820	285089	17728
54880	19811	4657	414776	762852	37943
44455	40356	39773	210093	386590	20374
45468	31929	35255	271996	449123	26424
20702	28868	21430	114554	199831	19409
78418	31642	62855	290262	584602	17624
41699	25699	30330	170864	327361	17947
27511	19714	28912	128396	262188	17197
20076	12992	11323	98488	220832	37996
64693	30039	49798	232010	456546	16992
27688	4414	27072	111593	281996	22253
36783	3502	32313	140432	307553	16460
81614	13011	57078	360942	682241	24383
37864	12390	35952	149555	289811	16382
42513	28868	37270	201760	376335	21627
67819	29614	49090	226901	466541	17038
26302	19046	29326	179082	312931	26558
32835	16799	29977	167225	300185	20932
2138601	577704	1155061	8138770	14566475	26015

Table 8.5 Sectoral Composition of Net District Income of Karnataka At Constant (1999-00) Prices during 2005-06

Rs. in Lakhs

Sl No.	District	Agriculture including Animal Husbandry	Forestry and Logging	Fishing	Mining and Quarrying	Primary Sector Total
1	2	3	4	5	6	7
1.	Bagalkote	90999	4728	153	3529	99409
2.	Bangalore	43164	9433	723	179	5349
3.	Bangalore (Rural)	97278	5802	1167	576	104824
4.	Belgaum	193332	13287	784	629	208032
5.	Bellary	86573	5424	2217	63480	157694
6.	Bidar	36051	4819	292	82	41244
7.	Bijapur	66943	5011	516	14	72484
8.	Chamarajana-nagar	39863	2849	834	351	43897
9.	Chikamagalur	102573	5595	998	7261	116427
10.	Chitradurga	63822	4339	875	6026	75062
11.	Dahshina Kannada	82179	5329	15211	37	102757
12.	Davanagere	109008	4724	1372	76	115180
13.	Dharwad	58123	3294	541	104	62062
14.	Gadag	39380	2347	232	68	42027
15.	Gulbarga	134643	8300	1045	5761	149749
16.	Hassan	93856	5819	1437	212	101324
17.	Haveri	61058	3951	1201	182	66392
18.	Kodagu	87595	3073	284	55	91006
19.	Kolar	128231	8874	1702	154	138962
20.	Koppal	64734	3452	568	390	69143
21.	Mandya	87814	5638	1930	92	95474
22.	Mysore	115758	6634	1609	189	124190
23.	Raichur	69112	4450	894	9543	83999
24.	Shimoga	96056	4985	1711	177	102928
25.	Tumkur	106876	7800	3890	2814	121379
26.	Udupi	47550	3277	7549	216	58593
27.	Uttara Kannada	42964	8588	4751	337	56640
	State	2245536	151822	54486	102533	2554377

Table 8.5 Continued

Manufacturing		Constru- ction	Electricity Gas and Water Supply	Secondary Sector Total	Railways	Transport by other means
Registered	Un- registered					
8	9	10	11	12	13	14
4451	24107	21627	2556	52741	1451	8926
559863	9038	221551	49874	930325	2823	113148
50097	21294	17904	10314	9609	3886	18651
48632	44165	52853	13513	159163	4304	20232
92166	12060	31926	5628	141780	2478	29228
2989	7032	16330	3859	30210	1505	9717
1287	900	28756	7577	47520	2478	10462
98	8689	7548	1938	18273	381	3370
1692	5108	13327	4900	25027	1807	5342
1562	11968	18630	5033	37193	3143	8416
78663	46025	53942	6542	185172	4328	28422
5227	13841	24070	6320	49458	1124	13216
24865	15135	35565	3883	80448	4019	13832
402	11167	14056	1692	27317	2134	5864
18478	17726	49567	6259	92030	2037	17041
2107	6798	22388	3803	35096	3071	8492
15727	11152	13934	3367	44180	1638	6964
885	2169	7796	1246	12096	0	2131
2846	16182	31941	10141	61110	2611	16232
44637	9245	13738	3574	71194	1046	7144
7218	8715	22945	3668	42546	2690	5649
63168	20136	51759	6896	141959	1946	18523
4106	5777	19327	3336	32546	973	8227
5229	12618	26787	5004	49638	2496	8689
9421	23579	32761	11160	76921	1922	10187
8938	15811	24974	3799	53522	743	5800
11495	10113	27705	3616	52929	3409	7427
1066249	489550	904707	189498	2650003	60443	411332

Table 8.5 (Continued)

Sl. No.	District	Storage	Communication	Trade, Hotels & Restaurants	Banking and Insurance
1	2	3	4	5	6
1.	Bagalkote	25	8801	29070	11337
2.	Bangalore	985	120886	715906	348291
3.	Bangalore (Rural)	48	8548	100414	11295
4.	Belgaum	136	26952	93677	31389
5.	Bellary	148	12722	89910	24359
6.	Bidar	81	2550	12115	8922
7.	Bijapur	50	10494	21225	10273
8.	Chamarajanagar	11	3011	11144	6481
9.	Chikmagalur	49	9826	25050	15752
10.	Chitradurga	167	8594	20492	12641
11.	Dahshina Kannada	154	31055	126200	50182
12.	Davanagere	98	6339	34706	18941
13.	Dharwad	97	20828	50482	47407
14.	Gadag	49	6413	15034	8957
15.	Gulbarga	168	15654	45807	21970
16.	Hassan	72	12057	24333	18278
17.	Haveri	41	4916	21472	9638
18.	Kodagu	19	7743	25901	11993
19.	Kolar	88	8498	30584	17089
20.	Koppal	46	4069	26034	5894
21.	Mandya	63	9617	24789	17107
22.	Mysore	185	20984	84026	49189
23.	Raichur	178	5223	25147	12981
24.	Shimoga	161	15357	34178	22865
25.	Tumkur	39	13372	34667	11070
26.	Udupi	32	7666	31589	41662
27.	Uttara Kannada	48	14940	28355	22672
	State	3238	417115	178306	868435

Table 8.5 (Continued)

Real estate, Owner Ship of Dwellings & Business Services	Public Administration	Other Services	Tertiary Sector Total	Net District Domestic Product (NDDP)	Per capita NDDP (in Rs)
7	8	9	10	11	12
24146	10909	29927	124592	276743	15813
742356	58108	142097	2244600	3228423	46614
36747	12827	29488	221904	426336	21388
57985	27216	73735	335426	702620	15736
32107	8945	37763	237660	537134	25011
28690	10635	26711	100926	172380	10830
27069	5140	34354	121545	241549	12618
18248	3742	13683	60071	122241	11950
23089	17555	16817	115287	256741	21241
23522	11172	25762	113909	226164	14064
39642	15759	37786	333528	621457	30911
31113	32102	32166	169805	334443	17625
32287	25397	28620	222969	365479	21503
14242	22963	17332	92988	162333	15767
55491	25169	50780	234117	475896	14347
28975	20442	24471	140191	276611	15165
18839	15681	23346	102534	213106	13978
14350	10335	9159	81631	184733	31785
45264	23894	40337	184597	384669	14317
19376	3511	21964	89084	229421	18105
25205	2784	26179	114083	252103	13492
57671	10348	46307	289179	555328	19847
26395	9855	29070	118049	234594	13261
29564	22963	30163	166436	319002	18332
47225	23556	39786	181824	380125	13882
18310	15150	23843	144795	256910	21803
22829	13364	24268	137312	246881	17215
1540737	459522	935914	6479042	11683422	20866

Prices

“Wholesale Price” is defined as that price at which a commodity is sold to other sellers or processors and not for ultimate consumption. This price definition refers to the “Model Price” i.e. the price at which the largest transaction takes place.

The price trends in wholesale prices have been based on the fortnightly returns collected from District Marketing Offices. The movement of wholesale prices in absolute terms from 2001 to 2005 is shown in Table Commodity wise, during the year 2001, while the prices of Cotton lint fell by 1.63%, Paddy fine by (2.38%) and Groundnut pods by (2.40%) respectively. But there was a steep increase in the prices of Potato (53.07%), Gram (whole) (23.43%), Cotton Kapas (15.42%) and Ground nut oil (13.80%). During 2002 the prices of Gram (whole) recorded a fall of 29.0% over that of previous year, where as the fall in the prices of Gur sort II was least i.e. 3.54%. Over a period of one year i.e. 2001 to 2002 the increase in prices of cereals varied between 1.02% in case of wheat white to as high as 13.5% with regard to Bajra. Tur(whole), Maize and Jowar white prices rose by 12.3%, 12.5% and 12.9% respectively.

In the year 2003 the prices of Groundnut Oil, Groundnut seed, Balckgram (whole), coconut oil, Onion, Cotton (Kapas) and Potato moved down beyond 10% compared to the position a year age although there was a moderate rise in the prices of Groundnut pods (17.1%), Gram (whole) 16.7%, Maize (8.9%) Respectively.

The prices of most of the items registered a declining trend during 2004. But Rice (Medium), Wheat (white), Jowar (white)and Blackgram (whole) recorded more than 10% increase over the previous year. During 2005, the declining trend continued.

During the year 2005, there was an increase in the prices of many items. Ragi registered a maximum rise of 10.6%. Again, there was a mixed trend in the year 2005 compared to the level of 2004. The prices of Groundnut oil, (Gur (Sort I) and Arecanut (Cured) recorded less than five percent fall, while the fall with regard to chillies dry (Byadgi) was more than 28%. The minimum rise was recorded for paddy medium (0.2%).

Retail Prices of Agricultural Commodities:

Average retail prices of some essential commodities in Karnataka from 2001 to 2005 are depicted in table no. It is seen from this table that the retail prices of essential commodities totaling 33 showed mixed trend during 2001 compared to the previous year. While there was a moderated increase in the prices of pepper 37.4%, Potato 36.5%, Kerosene 35.9%, Onion 27.3%, Gram split 24.0%, Tamarind 17.4%, while the prices of Cardamom 5.4% and Groundnut oil 5.0% declined considerably. Tobacco raw leaf recorded a maximum fall in

the price (89.1%) during 2001. The prices of almost all the commodities with an exception of Gur (Sort I), Caster oil, Cashewnut, Tamarind and Cardamum, exhibited an upward trend during 2002 compared to the preceding year. Among cereals, the maximum increase was noticed in case of white Jowar (12.3%), whereas among Pulses Black gram split recorded a rise of 13.6%. An upward trend continued during 2003 also. While the increase in the prices was maximum in case of Tobacco raw leaf (33.4%), it was between 10 to 20 percent in case of Maize, Blackgram split, Groundnut oil, Coconut oil and Onion as compared to the previous year. During the same period, the prices declined by more than 20 percent in respect of Garlic.

Table 8.6 Average Wholesale Prices of Important Agricultural Commodities in Karnataka 2001 -2005

Sl. No.	Commodity	2000	2001	2002	2003	2004	2005
1.	Paddy (fine)	654	639.00	713.00	754.00	745.00	755.00
	Paddy (medium)	588	563.00	602.00	648.00	639.00	640.00
	Paddy (coarse)	536	505.00	534.00	566.00	572.00	618.00
2.	Rice(fine)	1061	1474.00	1636.00	1654.00	1593.00	1699.00
	Rice(medium)	1331	1235.00	1343.00	1374.00	1382.00	1464.00
	Rice(coarse)	522	952.00	975.00	952.00	1003.00	1004.00
3.	Wheat (White)	1004	977.00	987.00	1011.00	1124.00	1091.00
4.	Jowar (White)	675	605.00	683.00	722.00	825.00	789.00
5.	Ragi	590	541.00	518.00	599.00	603.00	539.00
6.	Bajra	566	490.00	556.00	547.00	557.00	529.00
7.	Maize	471	448.00	504.00	549.00	550.00	541.00
8.	Arhar (tur whole)	1613	1410.00	1584.00	1605.00	1845.00	1710.00
9.	Mung (Whole)	2194	2443.00	2350.00	2277.00	2187.00	2431.00
10.	Blackgram (Whole)	2592	2437.00	1860.00	1567.00	1806.00	1979.00
11.	Gram(Whole)	1788	2207.00	1567.00	1828.00	1838.00	1984.00
12.	Groundnut (pods)	1375	1342.00	1499.00	1756.00	1719.00	1751.00
13.	Groundnut(seeds)	2197	2213.00	2500.00	2916.00	2912.00	2766.00
14.	Groundnut oil	3622	4093.00	4675.00	5613.00	5584.00	5374.00
15.	Coconut oil	5847	5161.00	5836.00	6649.00	7612.00	7585.00
16.	Gur (sort I)	1228	1250.00	1167.00	1118.00	1610.00	1635.00
17.	Sugar (open market)	1419	1460.00	1398.00	1302.00	1525.00	1716.00
18.	Chillies Dry (Byadgi)	5350	5871.00	5434.00	5649.00	6679.00	4802.00
19.	Coconut (per 1000)	4389	3725.00	4436.00	5466.00	6427.00	6174.00
20.	Areca nut (cured / dry)	13670	12028.00	10645.00	11072.00	11223.00	9980.00
21.	Potato	439	672.00	720.00	615.00	673.00	650.00
22.	Onion	438	549.00	457.00	525.00	572.00	606.00
23.	Cotton (kapas)	1809	2088.00	1815.00	2189.00	2276.00	2074.00
	Cotton (lint)	3744	3683.00	3217.00	3446.00	3138.00	2858.00
24.	Tobacco (raw leaf)	3680	4000.00	-	-	-	-

Source: Directorate of Economics and Statistics, Bangalore

Table 8.7 Average Retail Prices of Essential Commodities in Karnataka, 2001 to 2005

Sl. No.	Commodity	2000	2001	2002	2003	2004	2005
1.	Rice (Fine)	16.66	16.14	17.58	17.77	17.23	18.38
	Rice (medium)	14.15	13.66	14.69	14.94	15.08	16.02
	Rice (coarse)	11.69	10.71	10.93	10.87	11.47	11.84
2.	Wheat (white)	11.44	10.87	11.27	11.52	12.48	12.37
3.	Jowar (white)	8.84	7.43	8.34	8.85	9.91	9.71
4.	Bajra	6.76	6.03	6.60	6.74	7.86	7.39
5.	Maize	6.98	6.40	6.59	7.42	7.86	7.27
6.	Ragi	5.93	5.50	6.04	6.57	6.77	6.73
7.	Gram (Split)	22.63	28.06	26.71	25.29	24.79	25.79
8.	Artar (Tur Split)	29.50	28.66	29.35	30.06	32.42	31.02
9.	Mung (Split)	28.93	32.29	32.37	30.79	28.58	31.75
10.	Blackgram (Split)	37.57	37.36	32.29	27.60	27.53	32.27
11.	Gur (Sort-I)	13.40	14.28	13.83	12.97	18.02	18.89
	Gur (Sort-II)	14.45	14.22	14.25	13.55	18.16	19.43
12.	Sugar (Open Market)	15.21	15.46	14.98	14.01	16.21	18.57
13.	Groundnut oil	41.38	43.44	49.43	58.19	57.87	56.25
14.	Castor oil	43.72	40.25	42.83	49.50	51.74	49.88
15.	Coconut Oil	63.78	59.04	62.48	72.38	83.05	84.07
16.	Potato	6.19	8.45	9.31	8.22	8.78	8.92
17.	Onion	5.65	7.19	6.17	7.14	7.40	8.30
18.	Cashewnut	281.90	252.522	240.56	242.02	253.62	267.12
19.	Areca nut (dry/ curd nut)	179.68	151.40	37.91	139.09	127.78	137.50
20.	Tobacco raw leaf	34.41	59.39	65.23	43.47	66.61	50.42
21.	Ghee (AG mark)	135.21	141.81	143.78	145.91	161.29	156.99
22.	Tamarind	26.51	21.90	20.40	20.52	32.69	32.10
23.	Chillies dry (Byadgi)	59.59	67.10	63.81	64.83	73.72	55.98
24.	Garlic	35.70	36.00	41.62	32.26	29.45	26.60
25.	Pepper	253.98	158.94	139.75	129.83	106.04	98.47
26.	Cardamum	695.17	732.68	786.58	733.05	591.73	568.22
27.	Mutton	96.74	103.25	104.93	108.10	114.36	118.06
28.	Egg 'A' grade (per dozen)	19.43	19.07	18.26	18.91	19.86	20.67
29.	Vanaspathi	43.90	40.58	45.18	49.15	51.76	50.04
30.	Kerosene (per litre)	10.56	14.35	15.31	16.09	17.84	19.61

Source: Directorate of Economics and Statistics, Bangalore.

**Table 8.8 Wholesale Price Index Numbers of
Agricultural Commodities in Karnataka**

(Base:1981-82=100)

Year	Index	Percentage change over previous year/month
1995-96	369	6.65
1996-97	386	4.61
1997-98	408	5.70
1998-99	435	6.62
1999-2000	429	-1.38
2000-2001	401	-6.53
2001-2002	387	-3.49
2002-2003	397	2.58
2003-2004	428	7.81
2004-2005	439	2.57
2005-2006	461	5.01
2006-2007	501	8.68
2007-2008	546	8.98
(April to Sep.2008)		
April 2008	600	4.17
May 2008	604	0.67
June 2008	615	1.82
July 2008	653	6.18
August 2008	681	4.29
September 2008	694	1.91

Source: Directorate of Economics and Statistics, Bangalore.

**Table 8.9 Consumer Price Index Numbers for Industrial Workers in
Karnataka**

(Base:1960=100)

Year	Index	Percentage change over previous year/month
1995-96	1727.63	10.87
1996-97	1881.31	8.90
1997-98	2013.79	7.04
1998-99	2180.96	8.30
1999-2000	2270.21	4.09
2000-2001	2344.56	3.28
2001-2002	2426.75	3.51

2002-2003	2516.00	3.68
2003-2004	2626.50	4.39
2004-2005	2728.50	3.88
2005-2006	2856.00	4.67
2006-2007	3033.08	6.20
2007-2008	3252.67	7.24
(April to Oct.2008)		
(Base:1987-88=100)		
April 2008	401	1.26
May 2008	401	-
June 2008	405	1.00
July 2008	414	2.22
August 2008	422	1.93
September 2008	432	2.37
October 2008	438	1.39

Note: The above index is the average of 16 centres (11 State series + Central series)

Source: Directorate of Economics and Statistics, Bangalore.

Table 8.10 Consumer Price index numbers for Industrial Workers in India and Karnataka

Month	India		Karnataka	
	Base:2001=100		Base:1987-88=100	
	2007-2008	2008-2009	2007-2008	2008-2009
April	128	138	369	401
May	129	139	372	401
June	130	140	375	405
July	132	143	381	414
August	133	145	381	422
September	133	146	380	432
October	134	148	382	438
November	134	-	384	-
December	134	-	387	-
January	134	-	392	-
February	135	-	393	-
March	137	-	396	-

Note:*Average of 16 centres (11 State series + Central Series)

Source: 1) Labour Bureau, Shimla

2) Directorate of Economics and Statistics, Bangalore.

Table 8.11 Consumer Price index for agricultural labourers

Year/Month	All India		Karnataka	
	Food	General	Food	General
1995-96	1507	1381	1548	1440
Base 1986-87=100				
1996-97	260	256	273	263
1997-98	264	264	276	271
1998-99	299	293	315	301
1999-2000	312	306	331	314
2000-2001	303	305	311	306
2001-2002	302	309	303	306
2002-2003	312	319	319	320
2003-2004	325	331	340	338
2004-2005	333	340	343	343
2005-2006	345	353	332	339
2006-2007	370	375	342	352
2007-2008	436	435	426	425
April 2008	429	429	416	418
May 2008	430	431	420	421
June 2008	434	434	425	425
July 2008	444	442	433	429
August 2008	453	450	444	437
September 2008	458	455	454	446
October 2008	463	459	462	454

Source: Labour bureau, Shimla

During the year 2004 the prices continued to rise with an exception of Gur sort _II (34.01%), Pepper (18.3%), Sugar (open market) 15.7%), Coconut Oil (14.7%) and Chillies dry (13.7%) which showed a declining trend. Similarly, the year 2005 also registered an increase in the prices of all pulses except Arhar split, and mung split (*hesaru bele*) which fell by 4.3% and 11.1% respectively. But there was a substantial rise in the prices of Tobacco raw leaf (24.3%), Chillies (byadgi) 24.1%), Blackgram split 17.21%, and Kerosene 9.9% respectively. On the whole the retail prices showed a moderate increase in most of the commodities between 2001 to 2005. Similarly during the same period the prices of certain commodities fell moderately expect during 2001 when the price of Tobacco raw leaf fell sharply (89.1%).

Financial Resources

The State's resource management is claimed to be reasonably good. As in 1989-90, the tax effort (*per capita* state's own Tax Reserve as per cent of *per capita* income) was 17.44 as compared to 12.44 in respect of all states, and 18.68 in Tamil Nadu. The resource picture for the eighth plan was based on a much better initial position. The State has taken various measures to augment internal resources. The economy of the State experienced a recovery in 1991-92 with a growth rate of 7.4 per cent. The growth rate observed in the Net State Domestic Product and *per capita* NSDP of the state which generally measures the growth rate in State's economy, showed an increase in 1991-92, compared to previous years. The NSDP and *per capita* income (PCI) at current prices increased by 22 per cent and 20 per cent respectively. On the price front there has been a perceptible improvement in the country during 1993-94. The rate of inflation is 8.5 per cent compared to 10 per cent in 1992-93. The state in GSDP is expected to be 5.0 percent as against 5.9 percent at the all-India level. The wholesale price index for agricultural commodities increased from 424 in March 1999 to 436 in October 1999 (A rise of 3.70 percent compared to a rise of 4.95 percent during the corresponding period of the previous year) inflation measured in terms of the consumer price index for the industrial workers on point to point basis is lower than in the previous year at about 4.62 percent against 5.80 at the national level.

Other Trends

The State is endowed with rich natural resources. The hydro electric potential in the State has been assessed at 4,347 MW at 60 per cent load factor. The actual installed capacity was 3002 MW as in March 1992. An additional capacity of 156.21 MW raising the total capacity was 3,265 MW by the end of 1993-94 was envisaged. The energy generated in 1993-94 was of the level of 12.8 per cent over the level in 1992-93. However the generation of power in 1993-94 was about 14,385 MWs. Energy generated in 1999-2000 was 20,688 MW an increase of 20% over the 1998-99 level of 7245 MW (0.6%). Hydel power generation is expected to show an increase of 14% in 1999-2000 over the 97-98 level of 10,356 MUs (Million Units). Power generation in 2006-07 by K.P.T.C.L. at 24,478.15 MUs. is expected to show an increase of 23.1 percent over the 2005-06 level of 19,899Mus. Hydel Generation in 2006-07 at 14,147 MUs. is expected to show an increase of 32.10 percent over the 2005-06 level 10,709 MUs. Good Monsoon this year is also certainly a contributory factor. Thermal Generation in 2006-07 at 10,318MUs is expected to show an increase of 12.58 percent over level of 9,164.73 MUs in 2005-06. The power generation from private sector is expected to be 2,249 MUs. in 2006-07 and total is estimated at

40,049.32MUs including imports from Central Generating Stations and other states 12,459.71MUs. Availability of power is estimated at 40,049.32MUs in 2006-07.

Power reform is a predominant and conspicuous component in the revised Medium Term Fiscal Plan (MTFP) of the state (2006-07). A ten year Financial restructuring Plan (FRP) was announced, with a deep commitment to extend financial support of Rs. 12,141 crore to the power sector over a ten year period. The Government of India have now launched an unique scheme called Rajiv Gandhi Grameem Vidyudeekaran Yojana (RGGVY) for strengthening Rural Electricity Infrastructure and for electrification of rural households. The electrification of Dalit Bastis is also included under this scheme. All the five ESCOMs have prepared the schemes covering 26 districts in the state. An amount of Rs.613.40 crore has been sanctioned by Government of India for the scheme covering all the 26 districts in the state. It is planned to create infrastructure to access the electricity for over 20.03 lakhs rural households in the state and to electrify 9.02 lakhs rural BPL households under Kutir Jyothi norms. To implement this secheme a Triparite agreement has already been signed by the RECL Government of Karnataka and the concerned ESCOMs on 25th July 2005.

In Industry, iron, iron ingots, steel, sugar, soap, silver, iron ore, cement, cigarettes and aluminium have shown an increase while the production of sandalwood, oil, paper, fertilisers, silk fabrics, wrist watches, and gold have declined in the year 1999-2000 compared to the previous year. Under special employment programme an additional 25 lakh man-days was generated during 1999-2000 compared to the previous year. There is an increase of 2.88% in the number of registrants in employment exchange which is a matter of concern.

The annual rate of inflation was 3% in 1999. It had recorded an increase of 8.88% during 1998-99. The annual rate of inflation fell to 2.9% which was due to fall in the price of essential commodities. There has been an increase in the price index of edible oils, rubber and plastic products, non-food articles and textiles and significant low increase of other items was noticed in 1999-2000. The wholesale price index (base of 1981-82) rose to 6.56% compared to 4.10% of 1998.

The price of all the essential commodities moved up during 1992 as compared to previous year and in previous decade. The index numbers of working class moved up in all the 10 centres of the State. The index moved up by more than 15 per cent in Madikeri, Bhadravathi, Davanagere, Mysore and Mangalore centres. In 1987-88, 32 per cent of the population in the state lived below the poverty line. In order to alleviate the problem, several schemes like Jawahar

Rozgar Yojana, Indira Awas Yojana, Million Wells Programme, Drought Prone Area Programme, Western Ghat Development Programme, Integrated Rural Development Programme, Assistance to Surplus Land Grantees, Assistance to Marginal Farmers for increasing agricultural production, Development of Women and Children in Rural areas, Rehabilitation of released bonded labourers, Border Area Development Programme, and National Scheme of Training of Rural Youths for Self-Employment were implemented. Hyderabad Karnataka Development Board, Malnad Area Development Board etc., have also been constituted.

Economic Census: The economic census was conducted in 1990 and the final results revealed that there were 16.94 lakh enterprises in the State forming 7.8 per cent of all-India total. The highest was in West Bengal (27.95 lakhs) and the State occupied sixth position. The number of persons usually working in these enterprises was 50.04 lakhs, whereas it was 87.03 lakhs in Maharashtra. Karnataka occupied 5th place. The average number of workers per enterprise was 3 (3 in rural, 4 in urban). Out of 16.95 lakh enterprises, 14.86 lakhs (87.7 per cent) were non-agricultural enterprises. Agricultural enterprises were 4.3 lakhs in Andhra Pradesh with West Bengal standing first (25.33 lakhs).

As per the 1998 Economic Census, there were 19.12 lakh enterprises in Karnataka, engaged in different economic activities other than crop production and plantation, with 52.53 lakh persons usually working in them. Karnataka accounted for 8.01 percent of all India enterprises (23.8 million) contributing 8.15 percent of persons usually working in all enterprises of the country as compared to the provisional figures of all India 1998. The Economic Census 1998 reveals that there has been an increase in number of enterprises as well as in total employment over the corresponding figures of 1990. Number of enterprises in Karnataka increased from 16.94 lakhs in 1990 to 19.12 lakhs in 1998 or by (12.87%) with increase in the number of persons usually working in these enterprises from 50.83 lakhs to 52.53 lakhs (or by 3.35 percent). In the hired workers category, there was a decrease from 28.72 lakhs in 1990 to 27.28 lakhs in 1998, or by +5.01%.

Out of 19.12 lakh enterprises operated in Karnataka in 1998, 16.52 lakh enterprises accounting for 86.4% were engaged in non-agricultural activities and the rest 2.60 lakh enterprises accounting for 13.6% were engaged in agricultural activities other than crop production and plantation. As against this, the corresponding shares of non-agricultural activities and agricultural activities in terms of percentages were 87.7 and 12.3, respectively, during 1990. Of the total number of enterprises in 1998, 11.52 lakh enterprises (60.3%) were located in rural areas and the remaining 7.60 lakh enterprises

(39.7%) were in urban areas. As against this, it was 61.0 percent in rural areas, and 39.0 percent in urban areas, in 1990. Own Account Enterprises (OAE) i.e., enterprises which are owned and operated with the help of household labour only, numbering 11.93 lakhs constituted about 62.40 percent of the total number of enterprises. Establishments (i.e., enterprises which employed at least one hired worker on a regular basis) numbering 7.19 lakhs constituted 37.6 percent of the total enterprises. The increase during 1990-98 in Own Account Enterprises and Establishments was observed to be 11.1 percent and 16.2 percent, respectively. The detailed picture with regard to the number of enterprises and employment therein with rural and urban breaks up are given in the table 8.12

Table 8.12 Distribution of Enterprises and Employment by Rural - Urban Location during 1998

Sl. No.	Type of Enterprises and Employment	Rural		Urban		Combined Number
		Number	Percentage %	Number	Percentage %	
Agricultural activity						
1.	All Enterprises	246690	95.18	12488	4.82	259178
	a) Own Account Enterprises	172236	95.02	9029	4.98	181265
	b) Establishment	74454	95.56	3459	4.44	77913
2.	Persons usually working in enterprises					
	a) Own Account Enterprises	379039	95.57	17582	4.43	396621
	b) Establishment					
	i) Total	311498	95.54	14527	4.46	326025
	ii) Hired	202334	95.15	10310	4.85	212644
Non-Agricultural activity						
1.	All Enterprises	905402	54.79	747051	45.21	1652453
	a) Own Account Enterprises	595175	58.86	416060	41.14	1011235
	b) Establishment	310227	48.38	330991	51.62	641218
2.	Persons usually working in enterprises					
	a) Own Account Enterprises	882603	57.27	658403	42.73	1541006

	b) Establish-ments					
	i) Total	1184243	39.61	1805544	60.39	2989787
	ii) Hired	996493	39.61	1519235	60.39	2515728
Agricultural and Non-Agricultural activity						
1.	All Enterprises	1152092	60.27	759539	39.73	1911631
	a) Own Account Enterprises	767411	64.35	425089	35.65	1192500
	b) Establishment	384681	53.49	334450	46.51	719131
2.	Persons usually working in enterprises					
	a) Own Account Enterprises	1261642	65.11	675985	34.89	1937627
	b) Establish-ments					
	i) Total	1495741	45.11	1820071	54.89	3315812
	ii) Hired	1198827	43.94	1529545	56.06	2728372

Source: Fourth Economic Census 1998, Page 20.

Tax structure: The Tax structure in Karnataka was fairly elastic. State Tax Revenue, share in Central Taxes, and total non-tax receipts are given in the table 8.13

Table 8.13 Trends in revenue and capital receipts in Karnataka

(Rs in Crores)

Sl. No.	Year	State's own tax Revenues	Share in central taxes	Total tax Receipts	Total Non-tax Receipts	Total Revenue Receipts	Total Capital Receipts	Aggregate Receipts
1.	1975-76	236.73	86.65	323.38	190.94	514.32	137.44	651.76
2.	1980-81	474.68	197.71	672.39	281.05	953.44	312.56	2266.00
3.	1985-86	1075.58	555.99	1631.57	581.54	2213.11	1183.76	3396.87
4.	1990-91	2882.12	660.35	3542.47	899.71	4442.18	1117.92	5560.10
5.	1991-92	2900.20	782.70	3682.90	1093.19	4776.09	1432.21	6208.30
6.	1992-93	1397.81	931.97	4029.78	1391.88	5421.66	1604.19	7025.85
7.	1993-94	3812.34	1017.40	4829.74	1494.90	6324.64	1728.65	8053.29
8.	1994-95	4289.31	1135.93	5425.24	1543.15	6968.39	1749.23	8717.62
9.	1995-96	5273.92	1444.67	6718.59	1824.85	8543.44	1838.48	10381.92
10.	1996-97	5767.83	1729.80	7497.63	2124.55	9422.18	2401.95	12024.13

11.	1997-98	6411.87	2176.33	8588.20	2025.19	10613.39	2011.05	12624.44
12.	1998-99	6943.04	1923.92	8866.96	1469.92	11250.44	3522.34	14752.78
13.	1999-00	7744.36	2132.78	9877.14	1611.29	12906.45	4851.15	17757.60
14.	2000-01	9042.68	2573.83	11616.51	1659.97	14822.72	4807.60	19630.32
15.	2001-02	9853.27	2623.38	12476.65	1093.42	15321.26	6558.03	21879.29
16.	2002-03	10439.71	27826.2	13225.91	1277.67	16168.75	7878.30	24047.05
17.	2003-04	12570.12	3244.81	15814.94	2958.38	20759.87	8273.16	29033.04
18.	2004-05	16072.32	3878.44	19950.76	4472.33	24423.09	7503.80	31926.89
19.	2005-06	18631.55	4213.42	22844.97	3874.71	30352.05	4401.54	34753.59
20.	2006-07	23301.03	5374.33	28675.30	4098.41	37586.94	6444.85	44031.79
21.	2207-08 (R.E)	27218.32	6300.00	33518.32	1802.10	40840.22	7009.19	47849.42
22.	2008-09 (B.E)	31875.85	7982.38	39858.23	1913.65	47240.32	11033.63	58273.94

R.E: Revised Estimates; B.E: Budget Estimates Source: *Economic Survey 2008-09*

Employment

Removal of unemployment and providing placements to the unemployed are the major objectives of planning. The number of registrations in the live register of Employment Exchange is considered to be a proxy measure of unemployment. The number of registrations in the State was 6,39,890 in 1981, 13,27,761 in 1991, 15.11 lakhs in 1993. 18.18 lakhs in March 1999 and 17.431 lakhs in March 2004. However it is also to be noted that all those who have registered are not unemployed and all the employed may not have got placements through Employment Exchange. In 2004 there are 46 Employment Exchanges in the State, of these 26 are district employment exchanges, one project employment exchange, one Sub-Regional Employment Exchange, one Professional and Executive Employment, one Special Exchange for SC/ST, one for the Physically Handicapped, six University Employment Bureau, six compulsory notification vacancy, one career study centre, one job development and industrial service centre and one state computer centre. The total number of job seekers on the Live Register of Employment Exchange for all-India as on June 2004 was 409.20 lakhs. The total employment in the organised sector during 2003-04 was 18.20 lakhs of which 10.67 lakhs was in the public sector and 7.53 lakhs were in private sector. The organized sector employment at the end of March 2003 was 18.50 lakhs and 18.20 lakhs in March 2004. The following table 8.14 and 8.15 gives organised sector employment by industry group wise.

Table 8.14 Employment in the organised sector in Karnataka from 1970-71, to 2006-07

in thousands

Year	Public Sector		Private Sector		Public and private Sector	
	Total	Women	Total	Women	Total	Women
1970-71	558.7	52.6	274.2	56.7	832.9	109.3
1975-76	669.1	65.6	305.5	52.5	974.6	118.1
1980-81	794.2	90.0	348.3	55.5	1142.5	145.5
1981-82	816.1	95.0	355.9	57.1	1171.6	152.1
1982-83	831.8	97.3	359.9	59.6	1191.7	156.9
1983-84	863.5	103.0	355.2	58.5	1218.7	161.5
1984-85	894.1	114.4	367.1	61.5	1261.2	175.9
1985-86	926.2	124.0	372.2	63.9	1290.4	197.9
1986-87	948.9	128.5	374.4	64.4	1323.3	192.9
1987-88	962.1	135.5	389.3	67.2	1351.4	202.7
1988-89	987.5	146.7	398.0	75.9	1385.5	222.6
1989-90	1004.9	149.4	403.0	82.3	1407.9	231.7
1990-91	1017.3	160.0	430.0	92.1	1447.3	252.1
1991-92	1028.0	167.0	451.5	98.2	1479.5	262.5
1992-93	1026.0	170.7	475.0	110.7	1501.0	280.7
1993-94	1032.8	178.6	497.6	127.8	1530.4	306.4
1994-95	1050.6	190.5	527.6	138.5	1578.2	329.0
1995-96	1058.4	199.0	700.9	273.8	1759.3	472.8
1996-97	1083.6	216.9	731.9	289.4	1815.5	506.3
1997-98	1086.3	223.0	757.2	308.6	1843.5	531.6
1998-99	1092.0	234.6	756.9	310.5	1848.9	545.1
1999-00	1112.6	246.3	750.6	306.5	1863.2	552.8
2000-01	1112.6	254.5	767.1	314.2	1879.7	568.7
2001-02	1090.0	255.5	765.9	320.5	1855.7	576.0
2002-03	1075.0	260.0	775.0	321.4	1850.0	581.4
2003-04	1067.1	266.8	753.2	297.5	1820.3	564.3
2004-05	1059.3	268.3	802.7	309.9	1862.0	578.2
2005-06	1051.2	267.5	864.3	323.6	1915.5	591.1
2006-07	1050.4	268.8	1040.9	401.1	2091.3	669.9

Source : Directorate of Employment and Training, Govt. of Karnataka.

Table 8.15: Employment in Public and Private Sectors (Industry Groupwise)

(in lakhs)

Sl. No.	Industry	Employed as on 31-3-2003			Employed as on 31-3-2004		
		Public	Private	Total	Public	Private	Total
1	2	3	4	5	6	7	8
1.	Plantation and Forestry	0.33	0.18	0.51	0.33	0.18	0.51
2.	Mining and Quarrying	0.24	3.61	3.85	0.20	3.29	3.49
3.	Manufacturing	0.61	1.60	2.21	0.56	1.59	2.15
4.	Electricity, Gas and water	0.77	0.03	0.80	0.77	0.03	0.80
5.	Construction	0.07	0.36	0.43	0.07	0.37	0.44
6.	Wholesale and Retail Trade, Hotels and Restaurants	2.45	0.31	2.76	2.25	0.32	2.68
7.	Transport, Storage and Communications	3.07	0.37	3.44	3.09	0.43	3.52
8.	Finance, Insurance, Real Estate and Business Services	3.10	1.24	4.34	3.21	1.27	4.48
9.	Social and Personal Services	0.11	0.05	0.16	0.08	0.05	0.13
	Total	10.75	7.75	18.50	10.67	7.53	18.20

Between March 2003 and March 2004, there is a fall of about 30,000 jobs in the organized sector. There is a decline in employment both in public and private sectors. Public sector employment has declined from 10.75 lakhs in March 2003 to 10.67 lakhs in March 2004. Employment in the private sector also declined from 7.75 lakhs in March 2003 to 7.53 lakhs in March 2004. Employment in sectors such as plantation and forestry, electricity, gas and water, construction has remained constant. In sectors such as transport, storage and communication, finance, insurance, real estate and business employment has increased. In all other sectors, employment has declined. Branch wise analysis of organized sector employment is given in Table 8.16

Table 8.15 (Continued)

Employed as on 31-3-2005			Employed as on 31-3-2006			Employed as on 31-9-2006		
Public	Private	Total	Public	Private	Total	Public	Private	Total
9	10	11	12	13	14	15	16	17
0.32	0.17	0.49	0.30	0.16	0.46	0.30	0.16	0.46
0.09	0.06	0.15	0.08	0.06	0.14	0.08	0.06	0.14
0.63	4.99	5.62	0.60	5.08	5.68	0.60	5.39	5.99
0.39	0.01	0.40	0.39	0.01	0.40	0.40	0.01	0.41
0.35	0.02	0.37	0.34	0.02	0.36	0.32	0.02	0.34
0.07	0.38	0.45	0.07	0.39	0.46	0.07	0.41	0.48
1.57	0.13	1.70	1.56	0.14	1.70	1.56	0.15	1.71
1.05	0.91	1.96	1.05	1.38	2.43	1.05	2.23	3.28
6.12	1.37	7.49	6.11	1.40	7.51	6.11	1.43	7.54
10.59	8.04	18.63	10.5	8.64	19.14	10.49	9.86	20.35

Table 8.16: Employment in Public and Private sectors (Branchwise)

(in lakhs)

Sl. No.	Branch	March 2000	March 2001	March 2002	March 2003	March 2004	March 2005	March 2006
1	Central government	1.33	1.29	1.27	1.23	1.08	0.98	0.97
2	State government	5.56	5.61	5.59	5.62	5.70	57.09	56.74
3	Central government (Quasi)	1.84	1.80	1.69	1.63	1.65	16.79	16.66
4	State government (Quasi)	1.74	1.73	1.67	1.59	1.58	15.68	15.43
5	Local bodies	0.67	0.69	0.68	0.68	0.67	6.52	6.59
	Public sector	11.14	11.13	10.90	10.75	10.67	105.93	105.12

6	Private sector – Act	6.80	6.92	6.91	7.0	6.78	72.73	79.20
7	Private Sector- Non-Act	0.70	0.75	0.74	0.75	0.75	7.54	7.23
	Private sector	7.57	7.67	7.66	7.75	7.53	80.27	86.43
	TOTAL	18.71	18.80	18.56	18.50	18.20	186.20	191.55

As could be seen from the above table, employment in the central government has declined by about 15000 jobs and private sector by about 22000 between March 2003 and March 2004. During the period, state government employment increased by 8000 jobs. In the remaining branches, employment remained more or less constant.

The Directorate of employment and training in Karnataka publishes live register figures of employment exchanges. The number of job seekers as per live register figures of employment exchanges shows that there were 18.90 lakhs job seekers as at the end of march 2003 which has decreased to 17.43 lakhs at the end of march 2004. The table 8.17 gives the comparative position of number of registrations from 1975-76 to November-2006 and the table 8.18 gives number of vacancies notified and placements made from 1970 - 71 to 2006- 07

Table 8.17: Registrants on the live registers of Employment Exchanges in Karnataka

(in thousands)

Year	Post Graduates	Graduates	Diploma Holders	ITI	Metric	Below Metric	Total
1	2	3	4	5	6	7	8
1975-76	4.36	37.90	3.5	6.41	166.04	145.08	373.3
1980-81	5.51	69.10	5.52	8.40	290.78	228.48	607.4
1981-82	5.37	70.28	6.88	12.38	308.26	227.91	631.0
1982-83	6.00	71.32	8.01	11.96	348.21	249.05	694.5
1983-84	6.79	69.78	9.21	14.04	385.64	258.32	743.7
1984-85	7.83	77.71	10.00	15.67	422.56	257.79	785.5
1985-86	7.10	88.35	12.96	19.55	517.34	309.14	954.7
1986-87	8.39	100.35	15.75	24.23	581.37	339.79	1069.8
1987-88	6.89	86.74	16.91	27.98	538.01	313.75	990.02
1988-89	8.18	93.76	20.48	31.63	604.89	323.75	1082.6
1989-90	9.72	105.60	25.88	36.66	699.74	371.05	1248.6
1990-91	10.35	112.71	24.31	38.53	773.49	368.37	1327.7
1991-92	11.96	119.61	28.38	41.95	867.77	374.00	1443.6
1992-93	13.02	129.38	31.20	45.94	941.51	350.33	1511.4

1993-94	14.11	156.25	33.13	45.92	1007.87	323.38	1580.66
1994-95	14.82	158.98	34.50	49.07	1055.15	336.70	1649.22
1995-96	14.82	163.59	32.57	51.58	1126.76	349.68	1739.00
1996-97	14.24	166.04	36.89	58.32	1164.15	340.58	1780.22
1997-98	13.81	171.70	37.50	61.17	1187.67	335.01	1806.86
1998-99	14.50	159.34	38.15	65.02	1235.65	305.39	1818.05
1999-00	14.90	161.27	38.81	74.46	1288.82	312.26	1890.52
2000-01	14.733	164.111	42.667	78.935	1311.352	340.621	1952.419
2001-02	15.792	168.302	44.899	91.845	1346.447	339.232	2006.517
2002-03	15.162	158.644	42.587	83.400	1665.424	325.059	1890.276
2003-04	15.581	151.283	38.718	80.384	1158.000	299.126	1743.092
2004-05	12.390	132.856	34.609	72.947	988.188	270.059	1511.049
2005-06	7.390	117.160	31.869	70.898	789.096	230.871	1247.284
Nov-2006	4.890	106.159	30.616	65.610	735.147	205.914	1148.336

Table 8.18: Number of Vacancies Notified and Placements made from 1970-71 to 2006-2007

(in thousands)

Year	Vacancies notified	Placements made	Year	Vacancies notified	Placements made
1970-71	27.8	15.7	1993-94	29.71	16.29
1975-76	26.9	14.1	1994-95	28.94	25.26
1980-81	33.8	20.0	1995-96	29.48	14.30
1981-82	30.1	16.8	1996-97	28.63	21.55
1982-83	38.0	18.7	1997-98	29.90	22.19
1983-84	32.0	13.2	1998-99	31.59	25.41
1984-85	32.6	15.4	1999-00	26.21	19.22
1985-86	20.7	13.3	2000-01	13.694	6.784
1986-87	23.5	9.2	2001-02	13.896	3.474
1987-88	18.6	8.4	2002-03	7.527	4.080
1988-89	15.9	9.1	2003-04	6.799	2.093
1989-90	19.6	10.2	2004-05	20.103	1.493
1990-91	18.0	5.8	2005-06	6.843	1.595
1991-92	18.9	14.4	2006-07	5.011	2.242

Source : Director of Employment and Training.

Wage Employment

During 2001-02, Government of India had introduced Sampoorna Grammeena Rojgar Yojana (S.G.R.Y) by covering JGSY and EAS, a composite

wage employment programme to provide additional wage employment in rural areas besides food security and creation of durable community, social and economic and infrastructure in rural areas. The SGRY has two components viz. 50 percent of the funds sharing 75 percent and 25 percent by the central and state governments respectively and 50 percent in terms of food grains from Government of India free of cost. Subsequently during 2004-05 both the schemes were integrated and implemented as a single scheme. The resources will be distributed in the proportion 20:30:50 between Zilla panchayat, Taluk panchayat and Gram panchayat.

Provisional figures of wage employment generated under various state government programmes was 5.52 crore Man-days between April and September 2006, as against 5.62 crore man-days during the corresponding period of the preceding year. Major and medium irrigation generated 2.35 crore mandays (42.65 percent of the total employment generated) followed by SGRY 1.00 crore mandays (18.27 percent), Roads and Bridges 0.60 crore mandays (10.93 percent), Watershed development 0.49 crore mandays (8.95 percent), Buildings 0.21 crore mandays (3.76 percent). The wage employment generated as a proportion of the annual target was the highest in respect of CADA 0.48 crore mandays (56.8 percent) followed by SGRY 1.01 crore mandays (48.50 percent), Buildings 0.21 crore mandays (29.4 percent), watershed development 0.49 crore mandays (27.4 percent). During the corresponding period of the previous year 43.4 percent of the annual target was achieved in minor irrigation followed by SGRY 40.0 percent and roads and bridges 38.4 percent. Details are given in table 8.19. About 16.72 crore man-days of wage employment was generated in 2005-06 compared to 17.72 crore in 2004-05. Details are in table 8.20

Table 8.19: Wage Employment Generated under Major programmes 2005-06 and 2006-07

(in lakh man-days)

Sl. No.	Programmes	Annual target		Target for 2006-07 (Sept.2006)	Achievement	
		2005-06	2006-07		2005-06 (upto Sept.05)	2006-07 (upto Sept.06) (P)*
1.	S.G.R.Y	325.14	207.68	207.68	130.06 (40.0)	100.77 (48.5)
2.	Major and Medium Irrigation and Flood Control	970.93	970.93	383.18	181.29 (18.7)	235.27 (24.2)
3.	Minor Irrigation	37.37	147.96	63.02	16.23 (43.4)	36.68 (24.8)

4.	CADA	71.46	85.27	28.25	26.07	48.44
					(36.5)	(56.8)
5.	Watershed Development	336.75	180.46	72.18	74.28	49.38
					(22.0)	(27.4)
6.	Roads and Bridges	301.35	331.35	162.02	115.73	60.30
					(38.4)	(18.2)
7.	Buildings	58.74	70.48	30.43	18.69	20.75
					(31.8)	(29.4)
	Total Programmes	2101.73	1994.13	976.76	562.35	551.59
					(26.8)	(27.7)

Source: Economic survey of Karnataka 2006-07.

Figures in brackets indicate percentage to annual target, *P- Provisional

**Table 8.20 Wage Employment Generated under Major Programmes
2004-05 and 2005-06**

(in lakh man days)

Sl. No.	Programmes	2004-05			2005-06		
		Target	Achievement	Percentage	Target	Achievement	Percentage
1.	S.G.R.Y	303.39	491.04	161.85	325.14	394.82	121.43
2.	Major and Medium Irrigation and Flood Control	679.03	566.63	83.44	970.93	422.94	43.56
3.	Minor Irrigation	23.01	58.61	254.71	37.37	37.94	101.52
4.	CADA	54.89	31.67	57.70	71.46	66.29	92.77
5.	Roads and Bridges	175.66	384.25	218.74	301.35	491.53	163.11
6.	Watershed Development	242.00	168.43	69.59	336.75	185.00	54.94
7.	Buildings	36.86	71.26	193.33	58.74	73.23	124.67
	Grand Total	1514.84	1771.89	116.96	2101.74	1671.75	79.54