

CHAPTER 13

ECONOMIC CENSUS

The Economic Census (EC) is conducted by the Central Statistics Office (CSO) under Ministry of Statistics & Programme implementation (MOS&PI) to provide a frame of “Establishments” engaged in various economic activities both in the organized and unorganized sectors of the economy so that further censuses or sample surveys could be carried out by various organizations for collection of detailed data required on various aspects of the entrepreneurial activities.

The First Economic Census was conducted by CSO in the year 1977 which covered only the Establishments in non-agricultural activities. Both agricultural and non-agricultural activities were covered in the Second Economic Census and all the subsequent economic censuses. The Second and third Economic Censuses were carried out along with House Listing Operation of the Population Censuses 1981 & 1991 respectively and therefore Assam was not covered in EC 1980 and J&K was not covered in EC 1990 since Population Censuses were not carried out in these States at that time. The Fourth Economic Census (EC-1998) and the Fifth Economic Census (EC-2005) were conducted by CSO in collaboration with Bureau of Economic & Statistics of the States/UTs Governments with similar scope and geographical coverage and included all the States and UTs. Fifth Economic Census covered all economic activities (agricultural & non-agricultural) except those involved in crop production and plantation related to production and/or distribution of goods and/or services other than for the sole purpose of own consumption.

The work of Sixth Economic Census is under progress and may be taken up in collaboration with the State Directorates of Economic & Statistics. The Standing Committee for Sixth Economic Census under the Chairmanship of Chief Statistician of India was constituted in January, 2009 with the terms of reference as: (1) finalize scope, coverage, concept, definitions and schedules for conduct of Economic Census, (2) consider requirements of data of Ministries/Departments of central and State Governments and to finalize items of information along with formats and schedules, (3) finalize plans for tabulation of data, suggests plans for monitoring arrangement at Centre and in the States, and (5) suggest plan for post-enumeration checks and post-census & sample survey, to assess accuracy of census. In pursuance of decision taken by the Standing Committee, a Working Group under the chairmanship of Prof. S. P. Mukherjee has been constituted with terms of reference as: (1) to recommend scope and coverage of the Sixth Economic Census keeping in view the data requirements of Central/States Governments and other users, (2) to develop concepts and definitions for the purpose of harmonizing them with international standards and practices, and also with data being collected by National Sample Survey Organisation and other organizations, and (3) to develop schedules of enquiry and instruction manuals for enumerations and supervisors. The draft schedules of enquiry developed by the Working Group are being tested in five States, namely, Himachal Pradesh, Karnataka, Maharashtra, West Bengal and Mizoram. The report of Working Group is expected in October, 2010. The Sixth Economic Census is likely to be conducted after May, 2010.

Concepts and definitions used in the Fifth Economic Census are as follows:

Reference period: The reference period for data collection in respect of perennial establishment was the last calendar year (i.e Jan-Dec.2004) and for seasonal establishments, it was last working season. For the establishments that have started operation recently, (i.e operated less than a year for perennial establishments and did not complete a season for seasonal establishments), the information as on the date of the census was collected.

Enterprise: An institutional unit in its capacity as a producer of goods and services is known as an enterprise. An enterprise is an economic transactor with autonomy in respect of financial and investment decision making, as well as authority and responsibility for allocating resources for production of goods and services. It may be engaged in one or more economic activities at one or more locations. An enterprise may be a sole legal unit.

Establishment: The establishment is defined as an enterprise or part of an enterprise that is situated in a single location in which one or predominantly one kind of economic activity is carried out. It is an economic unit under a single legal entity.

Own account Establishments: An establishment without any hired worker on a fairly regular basis is termed as an own account establishment. It is normally run by members of the household.

Directory Establishment: An establishment with hired worker employing 6 or more persons daily on a fairly regular basis is termed as Directory Establishment.

Non-Directory Establishment: An establishment with hired worker employing less than 6 persons daily on a fairly regular basis is termed as Non Directory Establishment.

Agricultural Establishment: An agricultural establishment for the purpose of Economic Census is defined as one engaged in livestock production, agricultural services, hunting, trapping & game propagation, forestry and logging, fishing (corresponding to Groups 012, 013, 014, 015, 020 and 050 of NIC-2004). Establishments engaged in activities pertaining to crop production and plantations (Group 011 of NIC-2004) are excluded from the coverage of Economic Census.

Non-agricultural Establishment: Establishment engaged in economic activities other than those carried out by agricultural establishments are termed as non-agricultural establishment.

Classification of Activities: Economic activities are assigned 4-digit codes as per National Industrial Classification (NIC) 2004.

Perennial activity: If the entrepreneurial activity is carried on through out the year more or less regularly is treated as perennial activity.

Non-perennial activity: If the activity of the establishment is confined to a particular season, the same is called the non-perennial activity or seasonal activity.

Number of persons usually working daily: The total number of persons i.e. workers usually working daily in an establishment. This will include all persons whether hired or not. The workers with age less than 15 years have been categorized as children. Household members whether paid or not if engaged in any of the activities carried out by the establishments will be included. The figure of number of persons is a position in the last year for perennial establishment and last working season for seasonal establishment. This also includes both supervisory and primary workers. A worker need not mean the same person is continued but refers to a position. Part time workers are also treated employees as long as they are engaged on a regular basis.

Highlights:

- Out of total 41.83 million establishments, 25.54 million in rural area and 16.29 million in urban area operated during the year 2005. While the Non-agricultural establishments accounted for 35.75 million, the agricultural establishments (excluding those engaged in crop production and plantation) accounted for 6.08 million.
- 26.94 million were Own Account Establishments and the remaining 14.89 million were establishments with hired worker.
- Around 39.61 million establishments were under private ownership, whereas, around 7.54 million establishments worked without any premises i.e. floating establishments, around 2.22 million were seasonal establishments and 31.74 million establishments worked without any power.
- While Farming of Animals was the major economic activity (87%) perused by the Agricultural Establishments, 'retail trade' (41.8%) followed by manufacturing (23.3%) and Other community, social and personal service (7.3%) were the dominant activities of Non-Agricultural Establishments.

- Around 100.9 million persons, 52.10 million in rural and 48.8 million in urban, were working in these 41.83 million establishments. While employments in own account establishments were of the order of 35.7 million, the employment in establishments with hired worker were of the order of 65.2 million. Agricultural establishments provided employment to around 10.9 million persons, at the same time the non-agricultural establishments provided employment to around 90 million persons.
- Out of total employment of 100.9 million, 78.3 million (37.6 in rural and 40.7 million in urban) were male 20.2 million (13.0 million in rural and 7.2 million in urban) were female and around 2.4 million (1.5 million in rural and 0.9 million in urban) were children.
- Around 54.4 million persons were hired workers and the remaining 46.5 million were own account workers. Out of hired workers, 41.3 million were male, 11.7 million were female and 1.4 million were children.
- Manufacturing sector was the largest employer providing employment to 25.5 million persons. This was followed by 25.1 million persons in retail trading activities and 9.2 million in farming of animals.
- Average employment per own account establishment was 1.33 and that per Establishment with hired workers was 4.38. Overall, average employment per establishment was 2.41 persons.
- 95.2% of establishments were having 1 to 5 workers, 3.4% of establishments employed 6 to 9 workers and only 1.4% of establishments employed 10 workers and above.

This chapter contains the following tables:

- Table 13.1:** Presents data of establishments by major activity groups, location and by type.
- Table 13.2:** Presents data of establishments by major activity groups and by source of finance.
- Table 13.3:** Presents data of establishments with selected characteristics by their location and by type.
- Table 13.4:** Presents the State-wise distribution of establishments by location and type.
- Table 13.5:** Presents data of establishments and persons working therein by size-class of total employment.
- Table 13.6:** Presents the State-wise data of establishments by size-class of total employment.
- Table 13.7:** Presents data of distribution of workers by location, sex and by type of establishments.
- Table 13.8:** Presents data of distribution of workers by major activity groups, location and by type.
- Table 13.9:** Presents State-wise distribution of workers by location and type of establishments.