

CHAPTER – 1

INTRODUCTION

The Economic Census (EC) is the official count of all entrepreneurial units located within the geographical boundaries of a nation, involved in economic activities of either agricultural (excluding crop production and plantation) or non – agricultural sectors of the economy, engaged in the production or distribution of goods or services not for the purpose of sole consumption. The information collected through these censuses provide basic entrepreneurial for the purpose of planning, development administration and for improving the estimation of national income and related aggregates and also after independence, strong data base was required at village level to frame appropriate policies to meet out the demand of local areas.

In the agricultural sector of the economy we do have data on wide range of items but in the non-agricultural sectors, the current information on the regular basis is mainly confined to few organized segments like mining and quarrying, transport, manufacturing registered, government services and banking sector etc. For the sector like trade, construction, manufacturing unregistered and unorganized segments of other sectors we do not have sufficient data. To bridge this data gap, the central statistics office, Department of statistics, Government of India made first coordinated approach by launching a Plan Scheme “Economic Census & Surveys” in 1976. The scheme envisaged organizing country wide census of all economic activities (excluding crop production and plantation). This work was assigned to Central Statistical Office in coordination with State/UT Statistical Directorate. All these Statistical Organization made concerted efforts in developing sound and reliable data base, particularly for the un – organized sectors of non – agricultural economy and launched country wide Economic census 1977, 1980, 1990, 1998 and 2005. Basic idea behind all these censuses was the same but with the period of time different methodology were adopted due to change in demographic contents. Andaman and Nicobar Islands participate in all these five censuses which, in the UT were conducted by the Department of Economic & Statistics.

HISTORICAL BACKROUND

First Economic Census – 1977

Scope of the first Economic Census was limited on some points of coverage only for non-agricultural economic activities employing at least one hired worker on fairly regular basis. Agricultural enterprises and own account enterprises were excluded.

Second Economic Census – 1980

The second Economic Census was carried out in 1980 on a more comprehensive basis. It covered all the agricultural and non – agricultural enterprises except those engaged in crop production and plantation. Since the Economic Census operations involve listing of all the

enterprises through house listing and as the nationwide house listing operations were to be conducted in 1980 as prelude to 1981 Population Census, it was considered economical and expedient to conduct the second Economic Census in 1980 as an adjunct to the house listing operations of Population Census of 1981.

Third Economic Census – 1990

Over a period of time, the frame based on second Economic Census to conduct follow up surveys, found to be outdated and it was felt to update the information collected in the Economic Census and to assess the changes in the structure of establishments, the growth of employment etc., a new frame was considered necessary. As such, third Economic Census sponsored by the Central Statistical Organization was carried out during the year 1990 synchronizing with the house listing operation of the Population Census of 1991 for operational convenience and cost effectiveness.

In the Third Economic Census, a complete enumeration of all enterprises in the un-organized, non – agricultural sector and agricultural sector excluding those engaged in crop production and plantation was carried out. Information collected in the third Economic Census included location of enterprise, nature of operation, type of ownership, social group of ownership, power/fuel used for economic activities, no. of persons usually working and hired etc.

Fourth Economic Census – 1998

The fourth Economic Census was conducted during the year 1998 with a particular interest to have detailed inquiry to assess the impact of liberalization policy introduced in the National Economy. Though these Economic Census account of all activities together with some of their silent characteristics like location of activities, type of activities, employment etc., was made. It threw up macro information on industrial and non-industrial activities in the State/UT.

Fifth Economic Census - 2005

The Fifth Economic Census was conducted during the year 2005 -06 to prepare a fresh frame for conducting follow up surveys. The coverage of the action was same as that of Fourth Economic Census. Like all other previous Economic Census this census was also sponsored by Central Statistical Organization, Govt. of India and implemented in the State/UT through Directorate of Economics & Statistics 100% Centrally Sponsored Scheme.

Sixth Economic Census (New features)

Since the small units, especially under un organized sector covered by under Economic Census, usually change their location and existence etc., the census is required to be conducted at frequent intervals, generally not exceeding 5 years. In order to continue the process of bridging the data gap and update the entrepreneurial structure the Sixth Economic Census from October 2013 to January 2014. The census has been sponsored by Central Statistics Office, Govt. of India

as a Central Sector Scheme and implemented through the State/UT Directorates of Economics & Statistics. The Census provide information on number and distribution of enterprises by industry, type of ownership, agricultural or non – agricultural, perennial, seasonal, no. of workers and hired workers etc.

The Sixth Economic Census has several features including use of Enumeration Blocks (EBs) of Population Census 2011, both in rural and urban areas, so that results of Sixth Economic Census can be synchronized with those of Census 2011 and accordingly its utility is enhanced. Further, Handicraft/Handloom establishments were identified separately for the first time and number of persons working therein was also collected. To seek cooperation and ensuring complete, correct and timely responses from respondents, the Collection of Statistics Act 2008, was invoked during Sixth Economic Census .

Objective

Main objectives for conduct of the Sixth Economic Census are as under:

- i) To provide detailed information on operational and economic variables, activity wise, of all the establishments (excluding crop production, plantation, public administration, defense and compulsory social security) of the country including its distribution at all-India, State and sub-State levels for comprehensive analysis of the structure of the economy and for benchmark purposes; to provide similar data at lower geographical levels like tehsils/villages in case of rural areas and towns/wards in case of urban areas for decentralized planning required under 73rd and 74th Constitutional Amendments;
- ii) To generate information on number of exporting establishments, employing 10 or more workers, activity wise and area wise in operation;
- iii) To provide information on number of workers working in establishments, activity wise and area wise in operation;
- iv) To provide information on number of workers working in unorganized sector (i.e. establishments employing less than ten workers);
- v) To provide updated Directory of Establishments employing 10 or more workers for local level planning purposes and also for using as a ‘list frame’ for conduct of survey of such establishments in the non-manufacturing/services sector; and
- vi) To provide an up to date ‘area frame’ containing information on number of establishments and number of workers by industry, by type of ownership of the establishments, etc at the village/ block level, from which sample villages/blocks could be drawn as the primary sampling units for collecting detailed information about the establishments in the follow-up sample surveys of establishments.

The activities covered in the Sixth Economic Census have a share of about 86% in total GDP of the country.

Scope and Coverage

The Sixth Economic Census was conducted in all the Tehsils and Islands of Andaman & Nicobar Islands along with the rest of the country. All economic activities (agricultural and non-agricultural), except those involved in crop production and plantation, public administration, defense and compulsory social security, related to production and/or distribution of goods and/or services other than for the sole purpose of own consumption were covered. However, as was done in earlier censuses, the following activities were kept out of the purview of the Sixth Economic Census:

- i. Establishments of shelter-less and nomadic population, which keep on moving from place to place and camp either without shelter or with makeshift shelter.
- ii. Establishments engaged in some illegal activities like smuggling, gambling, beggary, prostitution, etc.
- iii. Domestic servants, whether they work in one household or in a number of households, drivers, etc. who undertake jobs for others on wages.
- iv. All wage-paid employees of casual nature.
- v. Household members engaged in household chores.
- vi. Persons doing different types of jobs depending on the availability of work e.g. loading, unloading, helping a mason or a carpenter, doing earthwork for a contractor.
- vii. Household members working for other households and earning some money which is insignificant.
- viii. Households in which none of the members is engaged in any gainful activity i.e., households depending on remittance, rent, interest, pension etc.

Changes Made in the Sixth Economic Census

- i) Coverage:

- The practice followed since the Second EC to cover all agricultural activities excluding crop production and plantation was continued in the Sixth EC;
- In case of non-agricultural activities, establishments engaged in public administration, defense and compulsory social security activities were excluded during Sixth EC as such information is already available with the Government and also due to the difficulties faced in collecting information from such establishments during the Fifth EC.

ii) Changes Made in the Schedules:

In Sixth EC two schedules were canvassed, viz., i) House and Establishment Listing Schedule(6A) and ii) Directory of Establishment Schedule (6C) in place of three schedules canvassed during Fifth EC. House and Establishment Listing Schedule of Sixth EC were formed by merging '**House List**' and '**Enterprise Schedule**' of the Fifth EC. Further, the '**Address Slip**' Schedule of Fifth EC was modified and renamed as **Directory of Establishment Schedule** in Sixth EC for developing Business Register.

The third schedule 'Establishment Abstract' (Schedule 6B) was a derived schedule of summary information based on the information contained in House and Establishment Listing Schedule, which was required to be prepared by each enumerator. This summary information has been used to generate provisional results contained in this report.

iii) Inclusion of New Items/Changes made in Main Schedule i.e., House and Establishment Listing Schedule:

- a. Number of members in the household (HH);
- b. Number of only wage earners/salaried employees in the HH;
- c. Number of establishments outside HH with fixed structure owned by HH members;
- d. Number of establishments outside HH without fixed structure owned by HH members;
- e. Number of establishments inside HH owned by HH members;

(Items under 'a' to 'e' above were included at the household level to guard against possible under-listing of establishments located within the household or those without fixed structure)

- f. Broad activity code (all activities divided into two-digit 24 broad activity codes);
- g. Three-digit NIC Codes recorded in place of four-digit NIC codes earlier, to minimize wrong reporting of NIC codes;
- h. Data collected for handicraft/handloom establishments for the first time;

- i. Information on ownership of proprietary establishments collected for transgender for the first time;
- j. Religion of the owner of proprietary establishments;
- k. Nature of operation: 'Non perennial' was divided into casual and seasonal; and
- l. Bar Codes along with Form Number were used for the first time to facilitate proper accounting of canvassed schedules.
- iv) Items Excluded from the Main Schedule i.e., House and Establishment Listing Schedule:
 - a. Information on subsidiary activity (only information on major activity collected);
 - b. Power used in entrepreneurial activity (confined to Directory of Establishment schedule);
 - c. Registration code (confined to Directory of Establishment schedule);
 - d. Number of children (male/female) usually working.
- v) New Items Added in Directory of Establishment Schedule:
 - a. Does a computer and/or internet facility exist in the establishment?
 - b. Whether using power in production of goods and services?
 - c. Whether an exporting unit?
 - d. Address of main office along with that of branch office with PAN and TAN numbers
 - e. Registration information under 9 codes.

Funds

The Plan Scheme on "Sixth Economic Census" is a central sector scheme with 100% financial assistance from the centre to the States/UTs.

Field Agency

The field work of 6th Economic Census was carried out independently under overall supervision of the Deputy Commissioner and DPO's / DSO's for their respective districts. For this purpose the services of statistical personnel of different departments were utilized as Enumerators, Supervisors and charge officers. Slightly higher level officials were appointed as supervisors.

Training Programme

Before starting the field work, training was organized in UT level. Concepts, definitions and procedures were thoroughly discussed and explained. The training programme was conducted during October, 2013 by the Statistical Staff of A & N Administration under the overall guidance provided by Economic Census Unit of the Economic & Statistics Division, Central Statistical Organization (CSO), Ministry of Statistics & Programme Implementation (MOSPI), Government of India, New Delhi.

Processing Of Data

The data information collected through the field work of the Sixth Economic Census was properly scrutinized and NIC codes were given in the Establishment list and Address Slip under the supervision of UT DES. ICR Technology adopted for the scanning and processing of Economic Census data. Pre - scanning work of schedules were done at UT DES level. After pre-scanning work schedules were sent to M/s HCL Info systems Ltd, Faridabad for scanning and E-flow processing work. Data was made error free using software programmes. The final error free ASCII data files were sent to CSO, New Delhi for generation of tables of economic census. CSO has provided tables of Economic Census Results to DES of the States to prepare final report of Economic Census.

Tabulation of Data

Arrangements were made for quick tabulation of data by the enumerators and further aggregation at higher levels to provide provisional results on the total number of Establishments, total number of workers and hired workers at District and Tehsil levels. The software for tabulation was however, finalized by the Computer Centre, Govt. of India in collaboration with the Central Statistical Organization, Economic Census Division. In A & N Islands scanning of filled schedules, validation and tabulation data work done at M/s HCL Info systems Ltd.

Release of Provisional Results

In A & N Islands the field work of EC-2013 carried out during the period from October, 2013 to January, 2014, simultaneously in all districts. Soon after the completion of field work, arrangements were made for quick manual tabulation as per guidelines received from the Central Statistical Organization. After receiving the district – wise details on items such as total Establishments and total employment in the Establishments with other selected characteristics of the Establishments the State-level provisional results, based on manual tabulation, were prepared by the Directorate of Economics & Statistics and sent to the Central Statistical Organization for release. This is to mention here that CSO has appreciated the efforts of the State.
