

## Savings and Spending Pattern of Fishing Community People in Majuli: A sample study

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### Abstract:

Savings depend on level of income of the people. Capacity to save is limited by the size of per capita income of the income of the people. Particularly the per capita income of the fishing communities is very low. Those who earn their livelihood by catching fish and selling door to door households their saving capacities are very negligible. Due to lack of education they have not been developed the proper habits of saving and spending. These poor people who earn income on daily or weekly basis spend entire amount on consumption goods. They cannot spare any amount for providing education of their children and invest on productive purposes. During the time of festivals, they also spend income on unproductive harmful and luxurious items. To meet their expenditure, sometimes they borrow money from non-institutional sources to perform their traditional rituals which force them to fall in debt trap. Once they fall in debt trap, it takes long time to come out from it. This is generally termed as vicious circle of poverty which is commonly found among the fishing communities. Generation after generation, they have been suffering from this vicious circle of poverty. Lately, governments also have taken many initiatives to break this circle. This paper will try to analyze the factors responsible for low savings and spending behavior of fishing communities of the study area, i.e., Majuli district of Assam.

**Key Words:** *Fishing community, Jhalowmalow, Non-istitutional etc.*

**I.**

**Introduction:**

Economic status of fishermen in Assam in general and fishermen in Majuli district in particular have been changed in at present. But a larger section of fishing community still lives in Below Poverty Line. Their standard of living is low enough compared to high caste people. Standard of living to a great extent depends on size of income and level of education. It is observed that fishing communities are still lagging behind in education as well as in economic position. Both the level of education and economic position are interlinked. Saving and spending pattern of the people to a great extent is influenced by these socio-economic factors. Households of the fishing community villages earned greater part of income from traditional sources of water bodies like beels and tributaries. But due to erosion and environmental changes gradually affected the traditional sources of fishing. As a result, they become daily and weekly wage earners which compel them to live in a subsistence level. This paper tries to analyze these factors of this vulnerable section of people.

**II.**

**Objectives:**

This paper is prepared to fulfill the following objectives:

- fishing communities in the study area. To know the saving capacity of the
- sources of the fishing communities. To find out the initiatives earning
- SC communities. To know the borrowing sources of the
- people. To know the spending pattern of the

**III.**

**Methodology:**

This paper is mainly based on survey method- where an intensive survey is done to collect authentic data. Some interview schedules have been distributed among the families to collect

requisite data. Samples are collected in a purposive manner. Sample households have been physically visited in this regards. Data collected are compiled and placed in a tabular form.

#### IV.

#### Discussion

##### i. Income and Expenditure

##### (a) Aggregate income and expenditure

Both aggregate income and expenditure of any community are indicators of economic progress or backwardness As income increases economic conditions and standard of living also rise As income equals expenditure, so the increase of expenditure reflects a better socio economic position Table 4.8.presents aggregate income and aggregate expenditure and annual income and annual expenditure. The aggregate income (Rs. 15840300.00) of the sample households is found to be more than aggregate expenditure (Rs. 22004850.00) Of course, community and class-wise the pattern of expenditure and income varies.

Table: 1

Income and Expenditure of the Sample Households

Community	Class	No. of HH	Average annual income	Average annual expenditure	Aggregate Income	Aggregate Expenditure
Kaibarta	Poor	291	25,000	27,500	72,75,000	8002500
	Rich	28	55,000	42,000	15,40,000	1176000
Jhalo-Malo	Poor	58	24,600	26,500	14,26,800	1537000
	rich	22	54,200	41,300	11,92,400	908600
	Poor	349	24,800	27,000	86,55,200	942300
All	Rich	50	54,600	41,650	27,30,000	2082500
	<b>Total</b>	<b>399</b>	<b>39,700</b>	<b>55,150</b>	<b>15840300</b>	<b>22004850</b>

Source: Field survey

##### (b) Annual income and expenditure

Table 1 reveals that out of 399 households 291 poor households live an average income of Rs 24.000.00 and an average annual expenditure of Ra 27,000.00. The remaining rich families have an average annual income of Ra 54.600.67 and an average annual expenditure of Rs. 41,650.00 This shows that inequality in expenditure is as than that of income per family. But there is a great inequality of income between the rich and the poor of the sample households.

As the average annual income of both the rich and the poor taken together is more than the poverty line mark the Rs. 39,700.00), families on average are said to be rich.

**(c)Standard of living: Per capita income**

The welfare of the households is measured in terms of their standard of living. The standard of living is measured in terms of per capita income.

**Table:2**

**Per Capita Income of Sample Households and Their Sources of Annual Income**

Community	Class	Sources of Household Annual Income				Average Family Size	Per Capita Income
		Fishing	Related Activities	Others	Total		
Kaibartas	Poor	10250	5230	9520	25000	5	5000
	%	41	20.9	38.1	100		
	Rich	37369	11530	6110	55000		11000
	%	67.9	21	11.1	100		
Jhalo-Malo	Poor	11560	4970	8070	24600	5	4920
	%	47	20.2	32.8	100		
	Rich	38250	10620	5330	54200		10840
	%	70.6	19.6	9.8	100		
All	Poor	10,950	5100	8750	24800	5	4960
	%	44.2	20.6	35.3	100.1		
	Rich	37850	11075	5675	54600		10920
	%	69.3	20.3	10.4	99.9		
	Total	24400	8087.50	7213	39,700		7940
	%	61.5	20.4	18.2	100.1		

*Source: Field Survey*

**Indebtedness:** Though majority of the fishermen earn more income than the limit of the poverty line during the certain seasons and occasions, yet the poor of them are seen to I have suffered

from indebtedness due to their socio-economic backwardness arising out of the factors like extravagance, poverty, uneconomic holdings and abnormal growth of their population etc. It is observed that at sometimes when their income increases more than their expenditure, they spend lavishly particularly in certain customary items for which they often find short of funds and are forced to borrow. The sample households avail loans from different sources to meet their needs. The details of the loan positions are given below in table 3.

**Table: 3**

**Amount and sources of household borrowing**

Sl no.	Sources	No of households	%	Amount	Rate of Interest
1	SHGs	205	51.38	1000-5000	3%-5% per month
2	Banks	39	9.78	5000-10000	13% per annum
3	Money lenders	75	18.79	1000-3000	10% per month
4	Relatives, friends	80	20.05	500-7000	No
TOTAL		399	100		

**Source: Field Survey**

In the study area nearly 60 per cent of the households avail loans from the institutions sources. It has been observed that after introduction of SGRY by the government of India, Self-Help Groups formation among their families took place to avail the chance of revolving funds. Women SHGs were found formed one very sample villages. Member contribution was not more than Rs. 30 per month to the SHG corpus. The formation of SHG changed the base of institutional sources of borrowing among the fishermen families. 51.38 per cent households borrowed from the SHG amounting of Rs. 1000 to Rs. 5000 at the rate of 3 - 5 per cent interest monthly to meet the requirements of expenditure. Only 9.78 per cent availed loans from the banks amounting of Rs. 5000 to Rs. 10,000 at the rate interest 13 per cent per annum. In the study area, the functions of co operative societies and banks are not developed. Generally they take loans from UBI, State

Bank of India or from LakhimiGavalia Bank (LGB) to bridge to the deficit of business transactions.

The remaining 18.79 per cent and 20.05 percent households borrowed loan from non-institutional sources like friends and relatives and money lenders normally at 10 per cent rate of interest per month. Regular repayment of loan is common among the households.

#### **V. Conclusion:**

It is found that the banking habit is not yet developed among the fishermen communities till today. They like to borrow funds from friends and relatives. As a result they have to bear high interest rates. But the formation of SHGs among the communities bring ray of hope to change their social and economic position. On the other hand per capita income disparities between the rich and the poor are found high enough among these communities. It can be concluded that gradual changes have been noticed both in economic and social settings of the fishing communities.

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