

CHAPTER-XVII

PRICES AND COST OF LIVING

PRICE SITUATION :

17.1.0 The stability in price level and the development of the economy of a State are very closely related to each other. This is obvious due to the fact that changes in general price level has a direct bearing on the living conditions of the people particularly on the poorer sections of the society. So far as the price situation in the State is concerned the same found to have remained more or less steady during the year 2003-2004. The movement of price level in Assam as evident from the trend in different price indices as well as from retail price movement is briefly analysed in the paragraphs that follows.

RETAIL PRICES OF ESSENTIAL COMMODITIES:

17.1.1 It has been observed during the first few months of the year 2003 and 2004 that prices of a number of essential commodities have recorded different variations. During this period the prices of most of the commodities like Rice, Atta, Dal, Onion, Salt Potato, Gur, Sugar etc. have shown a more or less moderate upward trend. On the other hand, prices of a few commodities like Gramdal, Onion, Egg (duck) etc. have shown some fall of prices and some others have registered varying fluctuations in their prices. Table-17.1 shows the percentage variation of Average Retail Prices of certain commodities in Urban Areas during 2003 and 2004.

TABLE-17.1
PERCENTAGE VARIATION OF AVERAGE RETAIL PRICES OF CERTAIN
COMMODITIES IN URBAN AREAS OF ASSAM

Sl. No.	Commodities	Unit	Average Prices of the Commodities			Percentage variation in June/04 over January/03	Percentage Variation in June/04 over January/04
			June 2003	January 2004	June 2004		
			4	5	6		
1	2	3	4	5	6	7	8
1.	Rice (Medium)	Kg.	12.39	12.31	12.83	+ 3.55	+ 4.22
2.	Atta	Kg.	10.83	11.66	11.81	+ 9.05	+ 1.29
3.	Moongdal	Kg.	34.50	29.68	29.72	- 13.86	+ 0.13
4.	Masurdal	Kg.	30.78	33.18	33.22	+ 7.93	+ 0.12
5.	Potato	Kg.	5.81	6.98	8.11	+ 39.59	+ 16.19
6.	Onion	Kg	10.61	13.93	11.77	+ 10.93	- 15.51
7.	Fish (Small)	Kg.	85.00	68.64	86.67	+ 1.97	+ 26.27
8.	Milk (Cow)	Ltr.	17.67	18.23	18.33	+ 3.74	+ 0.55
9.	Mustard Oil	Ltr.	63.75	61.68	61.91	- 2.90	+ 0.37
10	Sugar	Kg,	16.72	17.66	18.97	+ 13.46	+ 7.42
11	Gur	Kg.	17.64	18.86	22.08	+ 25.17	+ 17.07
12	Salt	Kg.	6.72	6.95	6.86	+ 2.08	- 1.30
13	Kerosene	Ltr.	14.00	14.84	15.47	+ 10.50	+ 4.25
14	Saree (Medium)	Pair	220.63	226.11	210.33	- 4.67	- 6.98
15	Washing Soap	Kg.	13.81	9.89	10.55	- 23.60	+ 6.67

Source : Directorate of Economics and Statistics, Assam.

WHOLESALE PRICE INDEX NUMBER FOR AGRICULTURAL COMMODITIES :

17.1.2 The Wholesale Price Index Number for the State has been worked out by taking into account the Agricultural Commodities only. The annual average of Wholesale Price Index of Agricultural Commodities in Assam (Base 1993-94=100) stood at 165 in 2003-2004 as against 161 in 2002-2003 and 163 in 2001-2002. The Index thus displayed a marginal increase of 2.48 per cent in 2003-2004 over 2002-2003. The Table at 17.2 shows the movement of Wholesale Price Index of Agricultural Commodities in Assam for last few years.

Year		Index
1		2
1.	1993-1994	100
2.	1995-1996	123
3.	2000-2001	162
4.	2001-2002	163
5.	2002-2003	161
6.	2003-2004	165

Source: Directorate of Economics and Statistics, Assam.

CONSUMER PRICE INDEX NUMBER FOR WORKING CLASS POPULATION :

17.1.3 The Average Consumer Price Index Number for Working Class Population (Base 1982=100) for the State is arrived at by taking into account the weighted average of the Indices of the three Centres viz., Guwahati, Silchar, and Tinsukia. The annual average of Consumer Price Index for Working Class Population (Base 1982=100) for the State displayed a price rise of 3.54 per cent in 2003 over 2002 as against 2.17 per cent increase recorded in 2002 over 2001. The Centre wise price rise is comparatively higher in Tinsukia (4.52 per cent) followed by Guwahati (3.33 per cent) and Silchar (2.41 per cent). The month wise average Price Indices from January to June 2003 shows a rise of prices by 2.86 per cent over the corresponding period of 2002.

CONSUMER PRICE INDEX NUMBER FOR INDUSTRIAL WORKER :

17.1.4 The Labour Bureau of the Government of India has been compiling the all India Consumer Price Index Number for Industrial workers for 70 industrially developed centres spread out all over the country. This series of Index (Base 1982=100) has covered five Centres of Assam viz., Guwahati (Kamrup), Doomdooma (Tinsukia), Labac (Cachar), Morioni (Jorhat) and Rangapara (Sonitpur). In addition to above, the Directorate of Economics and Statistics is also compiling C. P. I for Industrial Workers for Digboi Centre with Base 1960=100. During the year 2003 the annual average of C. P. I for Industrial Workers for Assam has shown a rise of 3.57 per cent over 2002 as against 3.98 per cent rise at All India level. The C.P.I. for Industrial Worker increased from the point of 418 in January, 2003 to 446 in December, 2003, the increase being 6.70 per cent over the period. The rate of increase of the Index in different Centres in the year 2004 (January to June, 2004) is higher by 8.0 per cent in Labac (Silchar) followed by 4.10 per cent in Guwahati, 3.92 per cent in Doomdooma, 3.07 per cent in Mariani (Jorhat), and 2.90 per cent in Rangapara (Tezpur) as compared to the corresponding period of the previous year. At the state level the increase is 4.22 per cent against 3.26 per cent at all India during the year 2004 (January to June, 2004)

CONSUMER PRICE INDEX FOR URBAN NON-MANUAL EMPLOYEES (CPI-UNME):

17.1.5 The central Statistical Organisation (CSO), New Delhi compiles consumer Price Index for Urban Non-manual Employees with the base year 1984-85. The Consumer Price Index for urban Non-manual Employees monitors the prices of goods and services in Urban areas on monthly basis and thereby reflects urban price behavior. The average consumer Price Index for Urban Non-Manual Employees for the center Guwahati in Assam and all India for last few years are given in the following table.

Year	Guwahati	All India
1	2	3
1999 Av. Ann.	350	348
2000	374	366
2001	391	386
2002	401	401
2003	410	416
2004 *	419	426

* Average of six months (January – June, 2004)

The average monthly consumer Price Index for Urban Non-Manual Employees for the center Guwahati-in Assam as well as for All India for 2003 are higher than those for the corresponding period of the previous year.

The average monthly Consumer Price Index for Urban Non-Manual Employees for the center Guwahati for the year 2004 (January to June, 2004) is higher by 3.0 per cent as compared to the corresponding period of the previous year as against 3.4 per cent increase at All India level in the same period.

CONSUMER PRICE INDEX NUMBER FOR RURAL POPULATION:

17.1.6 The Consumer Price Index for Rural Population in Assam (Plain Districts) with a new base 1999-2000=100 are compiled by the Directorate of Economics and Statistics, Assam. The average Consumer Price Index for Rural Population during the period January, 2003 to March, 2003 found to have moved up by 3.54 per cent over the corresponding average of the previous year. The annual average of this Index with a new base year 1999-2000=100 has shown an increase of 3.70 per cent in 2002-2003 over 2001-2002.