

Kolkata Study Report 2014

GOVERNMENT LED EXCLUSION OF THE URBAN POOR A Greater Contributor though a Lesser Recipient

The objective of the study is to look into the economic contribution, standard of living and the service delivery by the government in informal settlements



Knowledge is Power

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DISCLAIMER

The conclusions derived in the study are purely on the basis of primary survey conducted. The data documented are from the households of informal urban settlements. This study was conducted in 50 growing cities of India. This is a city level report, which talks about the present condition and status of Urban poor living in respective cities. An attempt has been made to produce micro level city findings. There are certain gaps and the conclusion derived cannot be comprehensive in nature therefore.

ACRONYMS

BSUP	Basic Service Urban Project
GDP	Gross Domestic Product
GSDP	Gross State Domestic Product
PPP	Public Private Partnership
SAM	Social Accountability Matrix
CPI	Consumer Price Index

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I. INTRODCUTION

The phenomenon of increased urbanization in India is facing one of its foremost challenges in the form of disparity between redistribution of economic opportunity and growth. The centre of poverty is gradually shifting towards urban centres and this situation is further worsened by already high population densities, poor infrastructure and a general lack of effective housing policy and provisioning for the poor. The Census of India 2011 suggests that 66% of all statutory towns in India have slums, with 17.4% of total urban households currently residing. However, this estimate of slums takes into account certain criteria set by the Census for a settlement to be featured as a slum. A large proportion of households who are living in similar or poorer dwelling conditions than those living in slums have been omitted. This study encompasses all those settlements that comply with the definition of slums (as given by the Census of India) as well as those with similar or poorer dwelling conditions that those of slums as ‘Informal Settlements’, because these are primarily dwelling units where most of the urban poor live. Interventions should be targeted at all these informal settlements instead of only slums as defined by the Census, since the quality of life and infrastructure in these informal settlements are similar to those of slums. (PRIA, 2013)

II. PURPOSE OF THE REPORT

The objective of the present study is **to look into the present conditions and status of informal settlement households living in urban India**. The primary reason for looking at this particular question is to determine whether the informal settlement households, who normally form the poor strata of the urban population, do contribute to the urban economy to a significant extent or not. If they do contribute to urban economy, whether providing proper urban services to them should be treated as their legitimate right? For greater comprehension, this study attempts to discover the role of informal settlement population as a productive agent in urban economy, which is in contrast to the general notion that this section of population is “burden to the city.”(PRIA, 2013)

III. METHODOLOGY

A primary survey of 50 top cities in India was conducted to achieve the study objective. The survey captured various socio-economic–demographic dimensions of urban informal settlements dwellers in these cities. A total of about 5350 households and about 24500 individuals were covered in the survey. The focus of the questionnaire was to capture information about income–expenditure, employment, nature of job, education, living conditions and the similar information to understand the economic component of their life as well as their standard of living. Subsequently, we construct a social accounting matrix (SAM) of India that includes urban informal sector as a component. SAM is the best possible tool that takes into account the inter-linkages among various economic agents within an economy. One of the advantages of that it can incorporate certain sections of households into a framework whereby the impact of that section on the economy in terms of contribution to income (GDP) as well as the multipliers can be computed, thus allowing precise quantification of the informal settlement population’s contribution to urban economy. In addition, the study also captures the perceptions of non-informal settlement households regarding the role of the target segment of population in a city life. This qualitative analysis provides an understanding of the shadow cost of non-existence of this section of population in the urban centres. (PRIA, 2013)

IV. POSITIVE ROLE OF INFORMAL SETTLERS

On the contrary to the general notions, the study suggests that informal settlement dwellers play positive roles in urban economy as well as urban life apart from a few known adverse roles. Their contribution to urban GDP, and some of the “difficult to replace” nature of jobs they are engaged in, makes them an integral productive economic agent of the urban economy. Based on the Census of India 2011 data, as well as primary survey data of informal settlements of 50 cities, the study also suggests that a large proportion of the households do not even have access to the basic facilities. As the services provided to this section of population are often considered as favour to the community rather than their basic right, the approach and attitude of the authorities needs to be re-examined. Certainly the informal settlement dwellers deserve the basic facilities that other urban dwellers enjoy as their right. This needs to be translated into policies by the policy makers and opinion leaders of the country.(PRIA, 2013)

V. URBAN POVERTY GETS ITS DUE RECOGNITION IN CENSUS 2011

No uniform methodology existed to identify urban poverty and states have been using their own parameters to reach out for providing benefits. Census-2011 has attempted to enumerate socio-economy data also at household level such as quality of housing, water, electricity, literacy, access to education etc. Hashim Committee report (full citation) states that as per ninth plan document the features of urban poverty are: proliferation of slums, increasing casualization of labour, fast growth of informal sector, increasing stress on civic amenities, increasing education deprivation and health contingencies.

There is change in approach and indicators in the current census than the previous census. The census 2011 has released data for slum blocks in more details for the first time. In earlier Census, it was more at demography level limiting the study to blocks having 20,000 populations. In Census 2011 slum blocks have been identified based on living conditions irrespective of population size - poor quality of living based on combination of factors such as dilapidation, faulty arrangements and design of such buildings, narrowness or faulty arrangement of street, lack of ventilation, light, or sanitation facilities etc. (Planning Commission, 2012)

Status of Urban Slums at National Level (Census 2011)

Out of 4041 towns in country slums have been reported from 63% of towns (1.08 lakh slum blocks in 2543 towns comprising 137.49 lakh households). 37072 slum blocks have been notified, 30846 have been recognized and 40,309 have been identified.

17.4% of 789 lakh household in country are slum households. Andhra Pradesh tops the list with 35.7%, Kerala has least slum households as percentage of total households with 1.5%.

VI. WEST BENGAL DEMOGRAPHIC PROFILE

West Bengal is the 4th most populous state of India with population of 9.13 crores, occupying an area of 89000 sqkm. The state had decadal population growth of 14%, with rural population growing 7.7% and urban population growing 30%. The population density is 1028, much higher when compared to national average of 382. The state sex ratio stands at 950:1000. Literacy rate of state is 76%, marginally above national

average of 74%. Most of West Bengal districts are economically backward, with bulk of secondary and tertiary activities in Kolkatta and adjoining districts.

VII. STATUS OF SLUMS IN WEST BENGAL CENSUS-2011

West Bengal slum household's indicators from Census 2011

- There are 1,393,319 slum households in West Bengal. Out of which 50.59% is good, 42.14% is livable and 7.16% is dilapidated.
- 69.86% slum households live in their own homes, 25.35% households live in rented homes and rest 4.79% live in other forms of home.
- Households having number of dwelling rooms. 3.48% households have no exclusive rooms, 48.66% households have one dwelling room, 29.42% households have two dwelling rooms and 18.43% households live in three and above rooms.
- 51.66% have water source in their homes, 32.03% have water source in nearby area and rest 16.04% of the household have to travel far off for water source.
- 55.73% of household have access to treated tap water, 7.45% tap water from untreated source, 18.10% hand pump, 14.40% tubewell and rest 4.31% use other sources of water.
- In West Bengal slums 84.61% of households have electricity. Other sources of lighting used are 13.05% kerosene, 1.19% is solar energy, 0.23% is other oil is used, 0.19% have some other form of lighting. Rest 0.73% household does not have any lighting system.
- 82.53% households have latrine facility within their homes. Out of which 14.57% of household have piped latrine facility within their homes, 42.56% use septic tank, and 25.40% have other forms of latrine facility within their house premises. 17.47% households have no latrine within their household. Out of which 6.37% use public latrine and 11.10% openly defecate.
- 28.165% of Slum Households IN West Bengal have electricity, tap Water and latrine within their home premises.
- 63.08% of households use banking services
- 24.81% have radio, 65.16% have television, 4.03% have computer with internet, 7.88% have computer without internet, 62.28% of the houses have mobile phones.
- Type of houses 78.97% is permanent in nature, 17.70% are semi-permanent in nature, 2.75% are temporary in nature and rest 0.58% are non-categorized.

VIII. KOLKATA DISTRICT

Kolkata is never centre of the state, being the capital of West Bengal. Entire district is urban with population of 44.97 lakhs with population density of 24306. Sex ratio is 908:1000, and Literacy is 86%. The population has seen a decline of 1.67% during the decade. The decline needs to be seen in conjunction with urban

population explosion in adjoining districts of Howrah and South 24 Pargana. Howrah urban population has witnessed decadal growth of 43%, and South 24 Pargana urban population has witnessed decadal growth of 92%. (Kolkata Municipal Council)

According to Census 2011, the households of Urban Kolkata

- There are 9.64 lakh households in Kolkata. Out of which 66% is good, 31% is livable and 3% is dilapidated.
- 56% households live in their own homes, 40% households live in rented homes and rest 4% live in other forms of home.
- 72% have water source in their homes, 22% have water source in nearby area and rest 6% of the household have to travel far off for water source.
- 85% of household have access to treated tap water, 3.2% tap water from untreated source, 4.2% hand pump, 5.7% tubewell and rest 1.9% use other sources of water.
- 96% of households have electricity. Other sources of lighting used are 1.7% kerosene, 1.5% is solar energy.
- 94.9% households have latrine facility within their homes. Out of which 43.3% of household have piped latrine facility within their homes, 45% use septic tank, and 11.7% have other forms of latrine facility within their house premises. 5.1% households have no latrine within their household. Out of which 4.4% use public latrine and .7% openly defecate.
- 84% of households use banking services
- 85% have television, 14% have computer with internet, 83% of the houses have mobile phones.

IX. LOCAL GOVERNANCE STRUCTURE OF KOLKATA CITY

Kolkata Municipal corporation took shape in 1952 with enactment of Kolkata Municipal Act 1951 with 76 wards. The territory has got expanded over the years with amalgamation of other municipalities of Tollygunge, Jadavpur, south suburban and Garden Reach. At present, the corporation has 15 boroughs having 141 wards headed by Mayor. 14 member maanagement committee of elected councillors oversee the key functions of corporation, which are

- Water works and water supply
- Drainage and Sewerage
- Street Lighting
- Road and pathways
- Parks and Garden
- Solid waste management
- Preventive and curative healthcare

- Town planning and architecture
- Municipal markets
- Primary education
- Improvement of slums (Bustees).

The executive structure comprises commissioner supported by team of officers of joint municipal commissioers, engineers, administrators. The employee strength is about 38000. 260 primary schools, 600 parks, 8 ghats, 10 crematoria (3 electric), 4 burial grounds, and 23 municipal markets are some of the facilities managed by corporation. (Kolkata Municipal Council)

Municipal Budget 2013-14

The receipt for the year is estimated at Rs2667 Crores, Out of which Rs 1574 crores is estimated to be generated from own sources of tax revenue, non tax revenue and PPP projects. Government grants is expected to the tune of Rs 1093 crores. The expenditure is budgeted for Rs. 2812 crores. (Kolkata Municipal Corporation, 16 March 2013)

X. STUDY CONDUCTED BY PRIA IN THE SLUMS OF KOLKATA

PRIA Study Report

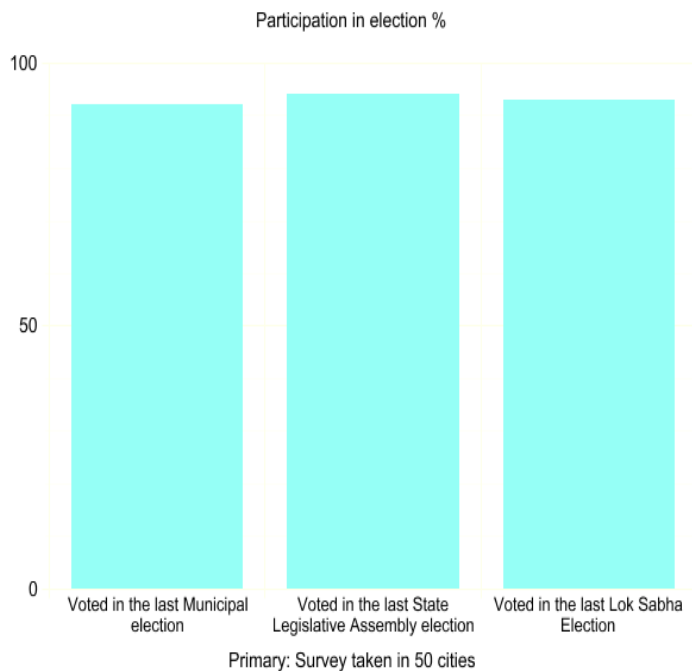
PRIA had conducted a study in 50 cities of India. Where Kolkata was also among them.

a) Key Findings

1. 92% of families have Ration card thus indicating satisfactory use of Public Distribution System
2. Aadhar enrolment is 74% among the urban poor
3. 94% people have voter id cards and have exercised their right to vote
4. Financial inclusion is satisfactory. 68% family in slums have savings account either in Bank or Postal account.
5. Credit facilities from financial institutes are better than national average.
6. Among sample which have borrowed, 78% have borrowed from cooperative societies / SHG / micro finance institutions. Bank, 20% people have borrowed from informal sources borrowings from Micro finance is very low.
7. Expenditure component on food and health care is higher than national average which shows that their income level is just enough to sustain.

b) **Profiling of sample households**

Demographic Variable	Classification	Proportion of Respondents (%)
Gender	Male	45
	Female	55
Age	Less than 20	31
	20 – 39	37
	40 – 59	23
	Above 60	8
Educational Qualification	Illiterate	22
	Literate but did not complete Primary school	22
	Primary school completed but not Middle school	16
	Middle school completed but not High school	31
	Class 12 pass but not graduate	5
	Graduate/Post Graduate	3
Source of Earning/Livelihood	Industrial Worker	10
	Skilled service worker	23
	Unskilled service worker	60
	Business owner	8
Employment Status	Self Employed	9
	Regular/ Salaried Wage	29
	Casual Labour	62



c) Participation in elections

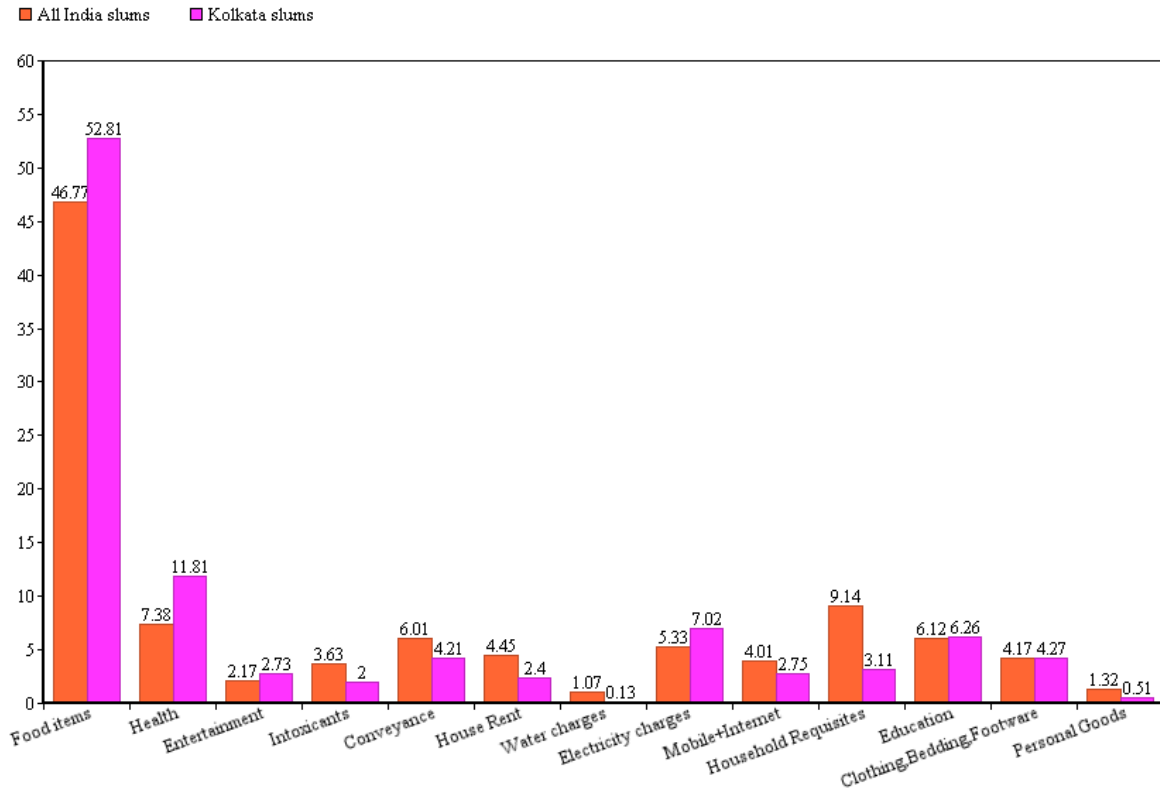
In Kolkata there is high percentage of urban poor participation in all forms of elections. 92, 94 and 93 percent of urban slum dwellers have voted in the last municipal, state legislative and lok sabha elections. There is compared to others greater participation among urban slum dwellers. 19% membership in slum dwellers association, 24% membership in youth associations and 6% women membership in women Mahila Samitis. These membership associations are a platform to voice for the urban poor. Such associations are not visible in Chennai slums. Such high percentage of voting concludes that the various analyses in newspapers state that political parties primarily use the slums for electoral gains

and hence this percentage is found high.

d) Expenditure pattern of Kolkata slums Vs All India slums

Kolkata city urban informal dwellers earn an average income of Rs 6338.89 per month out of which they spend Rs 5441.11. The average savings of the households surveyed is Rs 897.78. 100% of the households save.

Expenditure pattern of Kolkata urban poor



Primary data in 50 cities

The urban slum dwellers of Kolkata spend around 52.81% on food items, significantly higher than All India average of 46.77% of urban slums. On education Kolkata slums spend slightly higher than All India average of 6.12%. Spending on electricity charges is very high for Kolkata slums at 7.02% as against All India average of 4.45%. Kolkata slums do not spend on household requisites other than fulfilling their minimum basic requirements. Rest other expenses are in same proportion than the All India average.

e) Comparison with CPI of West Bengal Urban Vs Kolkata Slums

An attempt has been made to compare CPI of urban poor of West Bengal urban with CPI of Kolkata slums

S.No	Groups	West Bengal Urban*	Kolkata Slums
I	Food, beverages and tobacco	38.12	54.81
II	Fuel and light	8.71	7.02

III	Clothing, Bedding and Footwear	4.25	4.27
IV	Housing	20.34	2.40
A	Education	5.49	6.26
B	Medical care	5.32	11.81
C	Recreation and amusement (Entertainment)	2.81	2.73
D	Transport and communication	7.74	6.96
E	Personal care and effects. (Purchase of personal vehicle and other personal goods)	2.53	0.27
F	Household requisites (other articles)	3.90	1.87
G	Others <ul style="list-style-type: none"> • Furniture and Fixtures • Utensils • Household appliances • Jewelry • Water charges 	0.76	1.61

(Central Statistics Office, February 11, 2014)

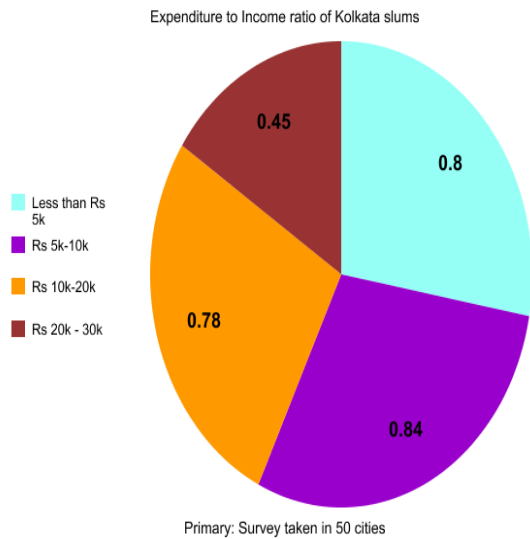
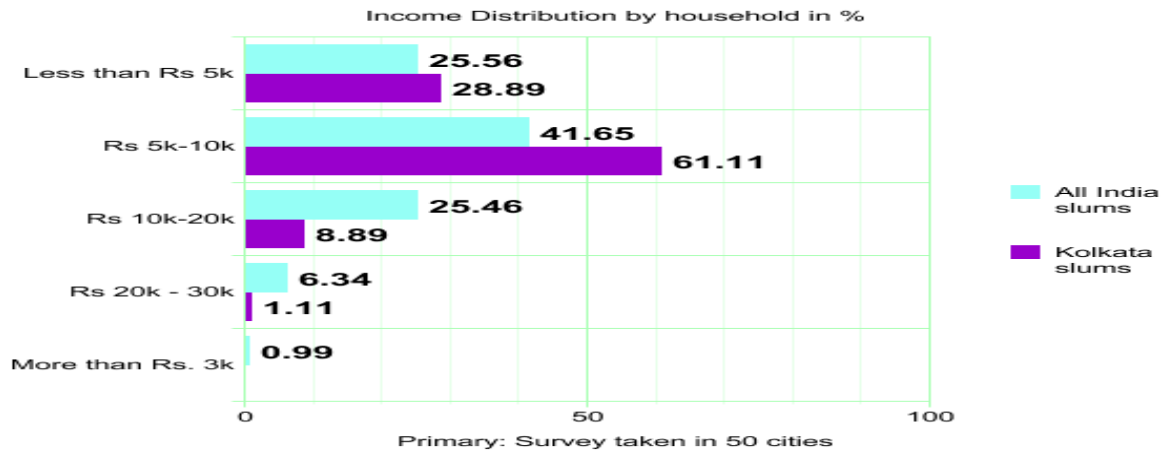
The ones in red are important

From the above table we can see large variance in some areas. Such as:

- Kolkata slums spend 54.81% of their expenditure on food and intoxicants against 8.71% by West Bengal urban.
- Kolkata slums spend 2.40% on housing whereas West Bengal urban spends 20.34% on housing.
- Kolkata slums spend 6.26% on education whereas West Bengal urban spends 5.49% on education.
- Kolkata slums spend very high on healthcare facilities at 11.81% whereas West Bengal urban spends 5.32%.

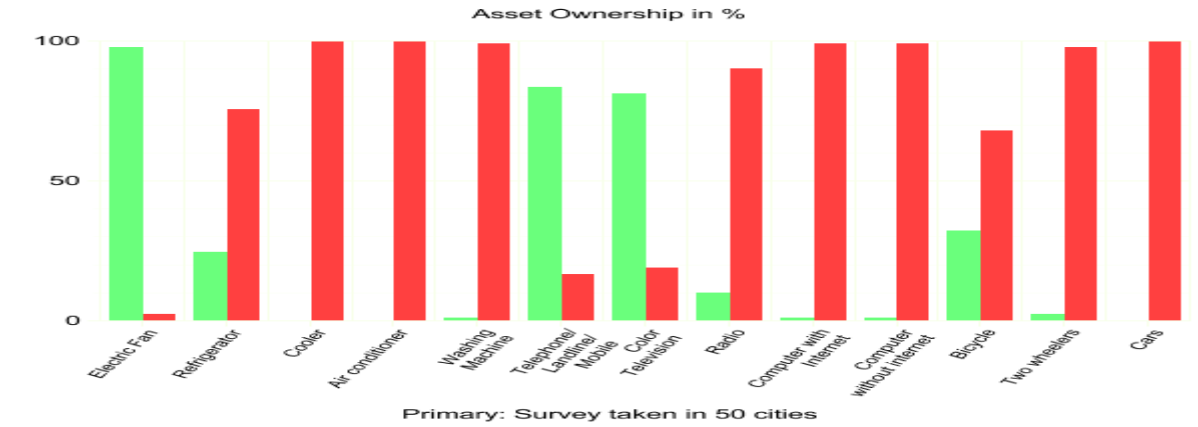
This shows that Kolkata urban poor slums spend comparatively high on medical and food items and education than the West Bengal urban.

f) Income distribution of Kolkata urban poor



Out of the total sampled households, there is 100% savings in all households whose average savings is Rs 897 per month. Kolkata city has majority of households earn an income between Rs 5,000 to Rs 10,000 per month. Around 25.56% of the households earn a monthly income below Rs5000 per month and they spend 80% of their income. 61.11% of households earn an average income Rs5000 to Rs 10,000 and spend 84% of their income. 8.89% of Kolkata slum dwellers earn betweenRs 10,000 to Rs 20,000 and spend 78% of their income. 1% of the households earn an income between Rs 20,000 and above. They spend 45% of their income. None of the households earn above Rs30,000.

g) Asset ownership among Kolkata urban poor



The ownership of assets in the form of availability of white goods like fans, mobile phones, vehicles, coolers, computer, refrigerator etc all is skewed. Amongst the surveyed households, 97.78% of them own an electric fan. Mobile or landline is 83% and color TV is owned by 81.11% of households. Only 32% have bicycles which are considered an essential asset in urban poor. Hardly does any household own any other asset. This shows a higher poverty level in slums of Kolkata.

h) Sources of Loan

13.33% of households have some debt. 14% households had taken loan in the past one year. Among the debtors 78% took loan either from microfinance, SHGs or cooperative societies. 11% had taken loan from money lenders or sahuks. Another 11% households had taken debt from friends and relatives. None of the households have taken loan from Banks.

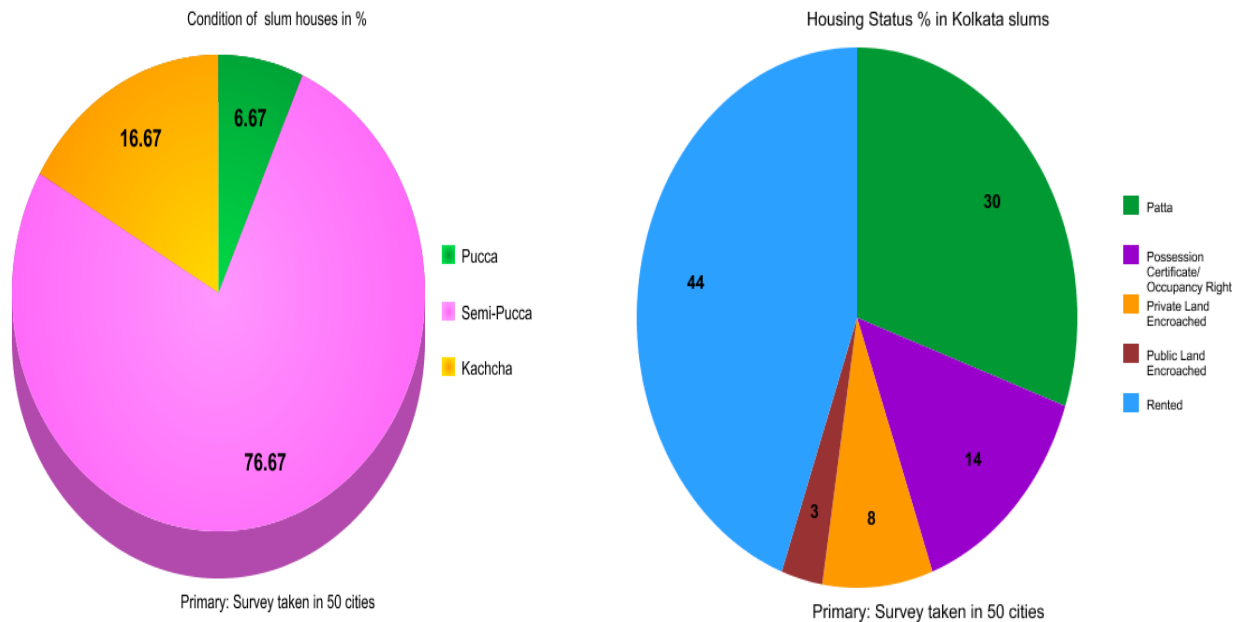
Among the households surveyed, 67.78% of houses have a savings account in bank, 16.67% of households have a post office account. 2.22% of households have health insurance and medical claim, 32.22% of households have life insurance and none of the households have General insurance. There is no access of urban poor towards banking and microfinance facilities. The access to micro finance institutions seems highly negligible. Though a recent phenomenon households are not aware of the role of microfinance. Microfinance status is nil in Kolkata where the sole intent of microfinance is to provide financial assistance to the rural and the marginalized. Microfinance institutions and banks are missing out on a huge opportunity by not tapping the potential of slums.

i) Status of various welfare benefits

In Kolkata slums, 5.56% of the people living in the households get old age pension, about Rs400 per month. 1% of the slum dwellers get widow pension of Rs400 per month. Insignificant number of households of 1% get disabled pension of Rs1500 per month. 2% of the household members get self-employment benefits. None of the families receive urban wage employment scheme benefits. Only 1% of the households get benefit schemes like skill training. 92% of the households have a ration card and use the PDS. Among them 89.29% have APL type and 10.71% have BPL type ration card. The various benefits availed through PDS on

consumption are 1.68kgs of sugar, 16kg of rice, 11.5kgs of wheat, 6.84 litres of kerosene on an average per month. Lastly, 74% of the slum population have Aadhar cards (UID).

j) **Land tenure status of Kolkata Urban Poor**



Land is an important economic resource and the ownership of such economic resource is important for every family and household. Urban poor gets 60% of his source of income from the formal sector which he directly and indirectly contributes to city level GDP. As an economic contributor he has the aspiration to land ownership. In Kolkata slums, 30% of the slum households have Patta as against 38% of All India slums. Patta is an important document given by Tehsildar for land ownerships. 14% of households have possession certificate or occupancy right of their lands against 13% in National average of slums. 44% households live in rented homes as against 21% of All India average slums. 8% of the slum households of All India average live in public land encroachment which is equal to the national average. 3% of Kolkata slum households live in Public land encroachments as against 16% All India average.

In Kolkata slums, the overall condition of informal urban slum dwellers is dominated by Semi Pucca in nature. 6.67% of slum households are Pucca houses, 16.67% are semi pucca houses and 16.67% are kachcha houses.

This concludes, in spite of slum dwellers possessing their own land rights their housing condition is very bad. these informal dwellings continue to grow with as they are easily made up of mud, wood, straw and dry leaves.

k) Migration

Migration among urban slum dwellers seems very low in Kolkata city. The growing urbanization and employment opportunities have attracted many of the people away from their home to earn basic livelihood. The demographics show that only 2% of households are migrants. All the migrants are living in Kolkata from more than 5 years. Half of the migrants are from interstate and half from same state. The migration is majorly from rural to urban and is permanent in nature. The only reason of migration is employment opportunities.

XI. OTHER CONCLUSIONS

- Spending on education is at par with national average. State support may be needed for slum dwellers in education at all levels from primary school, secondary school to tertiary education.
- Staying in slum areas, their expenditure is very high towards the food items and healthcare and low on rental. Hence, relocating to far places for rehabilitation and resettlement of slum dwellers may make their earning unsustainable unless their job location also changes to nearby areas.
- At existing lower salary level, slum dwellers may be considered an irreplaceable part of economy. This is a complex issue having many dimensions. When the state recognizes this, it should ensure that access to basic amenities of drinking water, sanitation, hygiene, public health and education is not compromised. Present level of investment in these needs to be augmented and expedited.

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