

## Agricultural Labour in India

*The Indian Ministry of Labour and Employment recently published the findings of its second inquiry into the conditions of agricultural labourers and their families,<sup>1</sup> which was carried out in 1956-57. It is a comprehensive survey of the living and working conditions of agricultural labour—which, according to the 1951 census, make up one-fifth of the total rural labour force—throughout India.*

*One particularly interesting feature of the report is that it attempts to evaluate the changes which have taken place since the First Agricultural Labour Inquiry was carried out in 1950-51. It is with these changes that the present article is concerned.*

The period elapsing between the two agricultural labour inquiries in India is of particular importance in the study of rural conditions in that country, as it more or less coincides with the period of the First Five-Year Plan, in which special emphasis had been laid on the development of Indian agriculture. The report confirms that “a considerable amount of developmental expenditure was incurred, employment generated and production targets achieved”. It also attempts to determine the extent to which “agricultural labourers had benefited by such developmental programmes”.

It was during this period, too, that a number of individual states enacted land reform legislation of a far-reaching character. Some effects of these measures on the situation of agricultural labourers, and in particular the impact of land reform measures on employment and unemployment of casual and attached labourers in agriculture, are discussed in the report.

In 1952 the Community Development Programme was launched as an experimental measure. Out of 3,696 villages covered by the inquiry one-third were sample villages located in community project areas, so that the report could assess the work done in these areas and compare the situation of agricultural labourers living there with that of similar persons elsewhere.

The inquiry is also of special interest for the International Labour Office, in view of the resolution concerning the contribution of the International Labour Organisation to the raising of incomes and living conditions in rural communities, with particular reference to countries in process of development, adopted by the International Labour Conference in June 1960.<sup>2</sup> The Permanent Agricultural Committee of the I.L.O., at a meeting held in October-November 1960, made a number of recommendations for the intensification of I.L.O. activities in the rural sector, stressing the urgent need for “undertaking of studies and the collection and dissemination of information about the rural population . . .” which

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<sup>1</sup> Government of India: *Agricultural Labour in India. Report on the Second Inquiry, 1956-57. Vol. I: All India* (Delhi, Government of India Press, 1960).

<sup>2</sup> See I.L.O.: *Official Bulletin*, Vol. XLIII, 1960, No. 2, pp. 66-73.

it was felt was "... an essential preliminary to planning for rural development, to implementing action programmes and to the preparation of legislative and other measures of social protection".

In this respect India is more fortunate than other countries of south-east Asia, especially as regards the material collected in the course of the two agricultural labour inquiries, which will no doubt be "of immense use to state governments and the central Government for a scientific approach to the problems of promoting employment, fixing wage minima and regulating the conditions of agricultural labourers to the extent feasible". But the results of these two inquiries are of significance not only to India but also to other countries of south-east Asia which have similar rural problems but have not yet carried out detailed and thorough inquiries of this type. The data gathered in the course of the second agricultural labour inquiry will certainly provide valuable guidance for the basic research needed to prepare national and international action in south-east Asia as a whole.

### CHARACTERISTICS OF THE AGRICULTURAL LABOUR FORCE

#### *General*

The most significant fact about the labour force in India is "the steady growth in the number of persons solely dependent on agriculture" for a living. Consequently the expansion of the industrial sector over years has not resulted in the siphoning off of manpower from agricultural pursuits, with the result that the pressure on the land is continually increasing. In 1951, 81.5 per cent. of the entire population belonged to the "agricultural classes", and the group described as "cultivators of either owned or of leased land" made up 65 per cent. of the population. Of the total agricultural population 17.8 per cent. were agricultural labourers and their dependants.<sup>1</sup>

Agricultural labourers in India, particularly those who own no land, often belong to backward communities and suffer from social disadvantages in addition to being prone to economic exploitation. Their earnings are low, as they are dependent upon the income of primary producers, many of whom are themselves extremely poor. Being widely dispersed, they are for the most part unorganised and therefore liable to exploitation by the landowners who employ them. Agricultural labourers also find it difficult to organise since agricultural employment is not available for them throughout the year.

#### *Attached Labourers*

There are two main groups in the agricultural labour force: "casual" workers and "attached" workers. The former are employed during peak agricultural seasons, while the latter attend to "routine farm operations all the year round". Casual workers are generally employed on daily wages and for specified operations of short duration. Attached workers, on the other hand, are often employed on oral or written contracts for periods of three months, six months or a year. Sometimes, too, they have seasonal contracts with a proviso that they may work

<sup>1</sup> The term "agricultural classes" as used in the inquiry, is a general concept covering landowners, landless tenants and agricultural labourers; the term "agricultural labour" refers to hired workers in all agricultural operations, including crop production, dairy farming, horticulture, etc. An agricultural labourer family is one for which the major source of income during the previous year was agricultural wages. This definition is somewhat wider than that adopted by the first inquiry.

elsewhere when there is no work either on the farm or in the home of the employer.

Some employers make a practice of advancing wages to attached workers on the understanding that the latter remain in their service for a stipulated period; it is usual for the employer to pay the worker in advance half to two-thirds of the total wage at the time of the signing of the contract. Such advances may or may not carry interest charges. It may further be specified in the loan contract that the worker is prohibited from working in any other place of employment until the advance given has been fully repaid. Sometimes the indebted worker is required to plough the employer's land, using his own work animals, before he begins ploughing his own fields. If the worker is unable to repay the advance—as often happens—he may find himself forced to work for his creditor at low wages for many years; sometimes the burden of the debt is passed on from generation to generation. In certain states attached agricultural labourers are granted land or house sites free of rent, in return for which they, and at times members of their families, are required to work for low wages. In some instances there is an understanding that the members of a labourer's family will work alongside him for a very low wage. Since agricultural work may not be sufficient to keep an attached agricultural worker fully occupied throughout the year, he often has to work on domestic chores during the slack season. In the case of young boys of 18 and 20 years who are engaged as attached labourers it is sometimes required that the fathers also sign the employment contract and bind themselves to work for the employer if the young person fails to fulfil the terms of the contract.

Except for essential hours of rest, attached agricultural labourers normally work long hours. It is not the practice for employers to grant attached labourers holidays with pay, and for any days of absence the workers are required to compensate their employers either by doing extra work on other days or by accepting lower wages.

The practice in most places has been to renew the contract of employment of attached workers from year to year; but since the enactment of land reform legislation this practice has become less frequent, especially where labourers are paid a share of the crop, since there is a feeling on the part of the employers that such automatic renewal may lead to the workers acquiring proprietary or quasi-proprietary rights in the land. It may be noted also that the practice of "tie-in-allotment" or the granting of patches of land to attached workers, which was frequent at one time, has also practically disappeared in certain states since new tenancy legislation was adopted.

Attached agricultural labourers can be classified into the following categories: (1) labourers with no debt-bondage or tie-in-allotment; (2) labourers with debt-bondage; (3) labourers with tie-in-allotment; and (4) labourers with both debt-bondage and tie-in-allotment.

In spite of the many disadvantages suffered, attached agricultural labourers do enjoy certain advantages over casual workers in terms of fixity of tenure and security of employment; but, in return for this security, they are required to work longer hours at lower wages and to suffer exacting treatment.

### *Employment of Women and Children*

Another special characteristic of agricultural employment is the large number of women and children in wage employment. The em-

ployment of women and children does provide extra income for the family, but at the same time it is also a factor depressing levels of rural wages since women and children generally earn less than adult males.

The employment patterns of women are generally determined by social status ; women of the land-owning class, for instance, take mainly to self-employment, whereas those from landless and backward communities go in for wage-earning employment out of sheer economic necessity. Sometimes the womenfolk of families owning or renting small, marginal holdings work in agriculture ; the women assist their men in the cultivation of the holding and obtain wage employment as well to supplement the family income. However, since the women have their home duties to attend to as well, the employment of women in agricultural work is of a sporadic and intermittent character.

On the whole, it may be said that women constitute " a sizable portion of the working population in the rural sector ". They generally go in for a variety of activities, including self-employment on the farm and in family occupations such as pottery, carpentry, blacksmith's work and washing, in addition to taking wage employment in agriculture, in factories located in nearby towns, in mines and in other establishments such as rice mills, domestic service and other unskilled work available in the villages. In wage-earning employment the main jobs done by women are harvesting, weeding and transplanting ; they also sometimes assist the men in ploughing. The number of self-employed women is limited due mainly to lack of capital for an initial investment. Other forms of self-employment open to women are the collection of cow dung, the growing and sale of vegetables, and the preparation and sale of dairy produce. All of these may be said to be the least productive of agricultural occupations.

Children are employed in agriculture mainly for seasonal work. They also find employment in routine jobs in which they may either be self-employed on the holding of their parents or hired out on wages. Girls are employed generally in weeding, transplanting and picking, while boys work at almost all agricultural operations. Ploughing is normally considered too strenuous for children, but in certain states boys are employed in ploughing also, generally as " auxiliary workers to lend a helping hand to adults ". Children working as attached labourers are customarily employed on light routine jobs, such as cattle tending or as farm hands. Self-employed children are found mostly in households having land and in households with " petty occupations " such as the collection of cow dung, firewood and forestry products, selling vegetables etc.

Under the Minimum Wages Act of 1948 children may not work for more than four-and-a-half-hours in a day ; but in practice they have to work longer hours, especially on casual jobs requiring intensive activity for short periods.

#### OCCUPATIONAL STRUCTURE OF AGRICULTURAL LABOUR FORCE

The inquiry revealed that in 1956-57 there were in all 66.6 million rural households in India, of which 16.3 million (or 24.6 per cent.) were agricultural labour households. Of the agricultural labour households, 57 per cent. were landless, while 42.9 per cent. held some land either owned or on lease ; 73.4 per cent. were casual labour households and 26.6 per cent. were attached labour households.

During the years elapsing between the two inquiries the estimated number of rural households increased by about 8 million, whilst the number of agricultural labour households decreased by 1.6 million.<sup>1</sup> This fall is thought to be mainly due to the change in definition of agricultural labour households used in the second inquiry. However, it may also have been partially the result of further subdivision of holdings and increased anxiety on the part of smallholders fully to utilise the growing pool of underemployed family labour and at the same time to cut down expenditure on hired labour.<sup>2</sup>

TABLE I. OCCUPATIONAL STRUCTURE OF THE AGRICULTURAL LABOUR FORCE IN INDIA, 1950-51 AND 1956-57<sup>1</sup>

Item	1950-51	1956-57
<i>(In millions)</i>		
Total number of—		
rural households . . . . .	58.0	66.6
agricultural labourers . . . . .	17.9	16.3
women agricultural labourers . . . . .	14.0	12.0
child labourers . . . . .	1.8	2.5
<i>(Percentages)</i>		
Proportion of agricultural labourers to total rural force	30.4	24.5
Ratio to total agricultural labour force of—		
landless agricultural labourers . . . . .	50.7	57.1
attached labourers . . . . .	9.7	26.6
women agricultural labourers . . . . .	40.4	36.5
child labourers . . . . .	4.9	7.6

<sup>1</sup> Compiled from material contained in the *Report*.

From 1950-51 to 1956-57, the percentage of agricultural labour households with land declined. A large proportion of those with land were classified as casual labour households since they derived the major part of their incomes from wage-earning employment during periods of peak seasonal demand for labour.

In 1956-57 attached labour households accounted for 27 per cent. of all agricultural labour households as compared with approximately 10 per cent. in 1950-51. This increase might have been the result of the resumption of farming of personal holdings on their own account by intermediaries such as *zamindars* (after the adoption of the legislation declaring the profession illegal) using attached labourers. Thus, "the enactment of tenancy laws which provided for confirmation of occupancy rights and protected arbitrary eviction of tenants also led, in different states, to resumption by big landowners of lands previously leased out by them to sharecroppers, for personal cultivation with the help of permanent farm hands who could be termed only as wage-paid labour and not as tenants".<sup>3</sup>

<sup>1</sup> See table I.

<sup>2</sup> The average size of the cultivators' holdings declined from 7.5 acres in 1950-51 to 6.05 acres in 1956-57; during the same period, operational holdings declined from 7.5 to 5.7 acres.

<sup>3</sup> *Report*, p. 62.

During this period, too, the percentage of women in the agricultural labour force decreased from 14 million to 12 million, although in some states their numbers actually increased. This decline in the number of women workers is hard to explain, the proportion of women workers in each region being determined by "regional agrarian pattern, intensity... of demand for labour during different seasons, necessity for households to supplement family income by earnings of women and custom and tradition which might influence the availability of women for wage employment in fields".<sup>1</sup>

The proportion of child labour in the total agricultural labour force increased, the estimated number of child labourers increasing by 780,000 between 1950-51 and 1956-57. The percentage of total man-days worked in agriculture by casual child labourers also rose; the increase was substantial in the majority of the states.

The over-all average size of agricultural labour households increased from 4.30 persons in 1950-51 to 4.40 in 1956-57. In 1956-57, 2.03 persons per household were wage earners (1.13 men, 0.74 women and 0.16 children) as against 2.0 (1.1 men, 0.8 women and 0.1 children) in 1950-51.

It was reported that the proportion of women and child workers and that of landless households and attached labour households were higher in community project areas.

#### EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT IN AGRICULTURE <sup>2</sup>

Employment in agriculture is characterised by factors such as the abundance of labour, the extensive use of family labour (especially by small cultivators), the decreasing average size of agricultural holdings and the seasonality of demand for agricultural labour.

Before resorting to outside labour the small Indian cultivator makes all possible use of family labour. The extent to which he uses paid non-family labour also depends upon the type of crop grown and on the intensity of land utilisation, as the more progressive developments in land utilisation tend to be labour-intensive. The pattern of land distribution has also a bearing on the demand for wage labour, since an unequal distribution means more scope for wage employment.

Generally speaking, there is a surplus of agricultural labour in all the states, although there are local and temporary shortages, which are filled through migration. In agricultural employment also there is the possibility of using women and child labour; this affects the supply and demand situation for labour and wage levels. Furthermore, the opportunities of employment in secondary and tertiary sectors for agricultural labour are usually limited, so that agricultural labourers are sometimes forced to take on unremunerative jobs just to keep alive.

As regards the number of days worked during the year by male adult labourers, the situation changed but little between 1951 and 1957, although the employment figure for 1951 may be said to be somewhat

<sup>1</sup> Report, p. 248.

<sup>2</sup> It should be pointed out that the methods of compiling data used in the first agricultural labour inquiry gave inflated results. However, in the second inquiry terms such as "employment" and "underemployment" were used in the senses recommended by the Ninth International Conference of Labour Statisticians in 1957, and in addition improved methods—also framed in accordance with international standards—of collecting employment data were used. The result is that the second inquiry gave a more accurate picture of the employment situation than the first one did, and caution is required when making comparisons between the data they contain.

inflated. In non-agricultural employment there was a slight decrease in the level of employment in labour households in general, but members of attached labour households secured more non-agricultural employment in 1956-57 than in 1950-51. Labourers without land sought paid employment more than those with some land. On the whole, according to the report, "the scope for hired employment in agriculture is very much limited due to growing population pressure on land and, among other things, to subdivision and fragmentation of holdings, employment of family labour and prevalence of mutual help among landholders".<sup>1</sup>

Among adult casual labourers there was some decline in paid employment and self-employment between the years 1951 and 1957.<sup>2</sup> However, the position varied considerably from state to state; in some there was actually a sharp increase in wage employment, owing in certain cases to government development activity. Under existing conditions the scope for self-employment among agricultural labourers generally and casual agricultural labourers in particular is extremely limited owing to the paucity of the financial resources available to them in the rural sector. It may be concluded, therefore, that, on the whole, both paid employment and self-employment among casual workers declined during the period 1951-57.

The total volume of employment (including both paid employment and self-employment) available to attached male agricultural workers similarly declined between 1950-51 and 1956-57. This decline may be partly due to the change in the definitions of terms used, but other contributory factors are said to be the reluctance of labourers to be tied down by agricultural employment contracts, protective provisions in tenancy laws which have made landholders apprehensive of granting plots of lands to agricultural labourers, the breaking up of large intermediary estates, and finally a growing realisation among labourers of their rights in respect of leave, hours of work, etc.

In contrast to the decline in the employment of adult agricultural workers, paid employment for women workers in agriculture showed a slight upward trend. The reasons for this improvement differed from state to state. In some states the members of agricultural labour families obtained work on plantations and tea gardens in the neighbourhood. In others women agricultural labourers have taken up new occupations such as tanning, niwar making, etc. In still others women have found employment in newly developed tobacco-growing tracts and in the transplantation of rice. As was mentioned earlier, women were mostly engaged in casual jobs.

It is to be noted that in the period 1950-51 to 1956-57, the percentage of man-days worked by children in the total number of man-days worked showed a marked increase. This is a symptom of the pressing need felt by agricultural labour households to supplement family income by sending out their children to work.

Table II shows the average number of days worked per month and per year by all categories of labourers. It is noted that, in general, there was a decline in the number of days worked per month between 1950-51 and 1956-57 and that attached labourers worked more days per month than casual labourers. Women worked for the least number of days per month, whereas children worked almost as many days as adult male workers.

<sup>1</sup> *Report*, p. 101.

<sup>2</sup> See table II.

TABLE II. EMPLOYMENT AND UNEMPLOYMENT IN AGRICULTURE IN INDIA : 1950-51 AND 1956-57<sup>1</sup>

Category	1950-51	1956-57
Average number of days worked during the year :		
by male agricultural labourers : for wages . . . . .	218	221
in self-employment . . . . .	65	33
by attached labourers : for wages . . . . .	326	281
in self-employment . . . . .	20	16
by casual labourers : for wages . . . . .	200	197
in self-employment . . . . .	75	40
by women labourers : for wages . . . . .	134	141
in self-employment . . . . .		27
by child labourers : for wages . . . . .	165	194
in self-employment . . . . .	—	44
Average number of days worked per month :		
male agricultural labourers . . . . .	23	21
attached labourers . . . . .	29	25
casual labourers . . . . .	23	20
women labourers . . . . .	.	14
children . . . . .	.	20
Average number of days with no employment :		
male agricultural labourers . . . . .	82	110
casual labourers . . . . .	90	128
attached labourers . . . . .	19	68
women labourers . . . . .	.	196

<sup>1</sup> Compiled from material contained in the *Report*.

The dearth of paid agricultural employment available to agricultural workers forced them to migrate or to take on seasonal jobs. Thus, migration from the rural sectors took the form of a movement to seek work on plantations, in nearby towns, in mines, in factories and in construction industries. Agricultural labourers' families also moved in groups to take up work in development project areas.

The data on unemployment among agricultural labourers were collected with reference to visible unemployment; in neither of the two inquiries was any attempt made to evaluate concealed unemployment. From the data collected it appears that unemployment increased considerably during this period for both casual and attached labourers. Although it should be kept in mind that the unemployment figures for the two periods are not strictly comparable, there is some evidence—especially in individual states—that unemployment was higher in 1956-57 than in 1950-51. The increase in unemployment among casual workers could be explained only by reference to weather conditions; but among attached workers the causes are said to be "the gradual release of the bonds that tied attached workers to their employers through tie-in-allotments, debt-bondage, etc. . . . the abolition of intermediaries, tenancy reforms, etc., which created some apprehension in the minds of landholders that if they followed previous practices of giving some small plots of land, or engaging attached workers continuously on the farm on a crop-sharing basis, their proprietary rights might them-



selves be in jeopardy. As such, the employers on their part reduced the duration of employment contracts, and in some cases paid attached labour daily wages allowing them to work with a number of land-holders".<sup>1</sup>

Unemployment levels in community development areas were reported to be practically the same as in other areas; the slightly narrower scope for wage employment in agriculture in community development areas was due to the intensive utilisation of family labour. The increase in the level of self-employment may be the result of development activities encouraged in the community project areas. However, "it is too early... to assess the impact of these changes [i.e. community development activities] on the employment situation of agricultural labourers. The effect of these changes would be discernible only after they have been in force over a reasonably long period".<sup>2</sup>

### AGRICULTURAL INCOMES AND EXPENDITURE

#### *Wage Structure in Agriculture*<sup>3</sup>

The main difference between the wage structure in agriculture and that in industry is that agricultural wages are not completely monetised. The degree of monetisation differs from region to region according to the

TABLE III. WAGES IN AGRICULTURAL AND NON-AGRICULTURAL OPERATIONS IN INDIA: 1950-51 AND 1956-57<sup>1</sup>

Item	1950-51	1956-57
Average daily wage rates for—	<i>(In naye paise)</i>	
adult male labourers : { agricultural . . . . .	109	96
non-agricultural . . . . .	108	107
women casual labourers : { agricultural . . . . .	68	59
non-agricultural . . . . .	61	62
children . . . . .	70	53
	<i>(Percentages)</i>	
Ratio of women's to men's wages in agriculture . .	62.4	61.5
Ratio of children's to women's wages in agriculture .	102.9	89.8
Proportion of income of agricultural labourers derived from—		
wage employment in agricultural and non-agricultural occupations . . . . .	76.1	81.1
wage employment in agriculture alone . . . . .	64.1	73.1
Proportion of man-days worked by casual agricultural labourers for payment in—		
Cash . . . . .	56.0	48.7
Kind <sup>2</sup> . . . . .	31.3	40.5
Cash and kind . . . . .	9.8	10.8

<sup>1</sup> Compiled from material contained in the *Report*.

<sup>2</sup> Wages paid in kind were calculated on basis of retail prices in 1950-51 and wholesale prices in 1956-57.

<sup>3</sup> *Report*, p. 97.

<sup>2</sup> *Ibid.*, p. 101.

<sup>3</sup> The methods of collection of data on wages and earners in the two inquiries were identical; a comparative study of the wage situation during the two periods is therefore possible.

crops grown ; wages in the industrial and other cash crop sectors have been more rapidly monetised than in the food-growing sector. Similarly, in more developed areas, where communications are better organised, there is a relatively high degree of monetisation.

Wages in agriculture are paid partly in kind and partly in cash and are thus directly influenced by price movements. Agricultural labourers also receive perquisites of various kinds, which are considered as customary payments. Another distinguishing feature of agricultural wages is that payment is irregular, especially in the case of attached labourers, who are generally given an advance on their wages, which is deducted when the account is settled at the end of the quarter or half-year. In the case of seasonal workers who work in groups, the payment is given in a lump sum which is later divided among the members.

The main factors determining wage levels in agriculture, apart from crop conditions, levels of prices, etc., are: the prosperity of agriculture in the region in question, the availability of labour, its caste and sex composition, the labourer's knowledge of prevailing wage levels, the existence of big landowners in the region, and the extent to which family labour is pressed into service to cut down labour costs.

Thus, the level of wages in agriculture is not determined solely on the basis of demand and supply but on social considerations, including the "subservient position of wage earners due to their indebtedness".<sup>1</sup> Moreover, the difference between the cash wages paid to men and women in agriculture is greater than among industrial workers. Lastly, daily working hours are longer in agriculture than in industry.<sup>2</sup>

In 1956-57, about 81 per cent. of the total income of agricultural labour families was derived from paid employment, as against 76 per cent. in 1951 ; these figures include the income from non-agricultural paid employment (12 per cent. in 1950-51 and 8 per cent. in 1956-57). The mode of payment of wages also changed between 1950-51 and 1956-57 ; the proportion of wages paid in cash decreased from 56 per cent. in 1950-51 to 48.7 per cent. in 1956-57.<sup>3</sup> This trend towards payment of wages in kind was visible in every state but one (the Punjab).

The wage rates for casual adult male labourers<sup>4</sup> declined between 1950-51 and 1956-57 in most states, as did those of women and of children working in agriculture. In fact, it may be said that there was an all-round decline in wages in agriculture in India, even though in certain states wages for certain tasks increased slightly. The wage decline was more marked in some states than in others ; for example, during the period under review the wages paid to women for sowing rose slightly, while those paid to women for harvesting work fell sharply. It is reported that this latter decline in wages was due to the "abundant supply of women labour and imputation of payments in kind, so widely prevalent in harvesting, at ruling wholesale price".<sup>5</sup>

Women's wages, expressed as percentages of men's wages, declined between 1950-51 and 1956-57 ; at the same time children's wages declined

<sup>1</sup> *Report*, p. 104.

<sup>2</sup> For the purposes of the second agricultural labour inquiry the normal working day in agriculture was considered to be of ten hours' duration, although under the rules of the Minimum Wages Act, 1948, the Government fixed maximum working hours in agriculture at nine per day.

<sup>3</sup> See table III.

<sup>4</sup> The wages of attached labourers are made up of so many elements, including tie-in-allotments, that it is difficult to speak exclusively in terms of wages paid in cash and kind.

<sup>5</sup> *Report*, p. 120.

in terms of women's wages. Thus, the wage differential between men and women and between women and children widened during this period, partly owing to imputation procedures and partly to the large numbers of women and children working at low wages in 1956-57.

Although wage rates fell during the period under study, the total wage bill in agriculture actually increased, mainly on account of the increase in the ratio of attached to casual labourers and to the rise in the number of women and children in wage employment in agriculture in 1956-57.

Comparing agricultural wages with those paid in other industries (such as factories, mines and plantations) the report states that "the wide divergence between agricultural wages and the daily wage that an unskilled textile worker received at different centres was thus largely due to the element of dearness allowance" . . . .<sup>1</sup> In the case of plantations, however, the wage differential was not very substantial; in fact, the disparity in wages was wider between agricultural employment and employment in rice, flour and dal mills and in mining.

In all the states but two (Orissa and the Punjab) the consumer price index rose faster than the wage index for male casual labourers during the period under review.

Comparing the wages fixed by the different states under the Minimum Wages Act of 1948, with actual wages, the report observes that the latter "do not, by and large, compare unfavourably with the notified wage minima".<sup>2</sup>

There was only a slight difference between the average wages earned by men and women workers in community development areas and elsewhere.

### *Income Levels in Agriculture*

The income of an agricultural family is made up of "wages and earnings, free collections, income from land and self-enterprise of members of the family, income realised by sale of stocks or assets, etc., without any proper awareness on the part of the peasant or agricultural labourer as to which are the items of income of a 'current' or 'capital' nature".<sup>3</sup>

The average annual income of an agricultural labour household throughout India, calculated on the basis of wholesale prices, decreased from 447 rupees in 1950-51 to 437 rupees in 1956-57, although in some states average incomes actually rose. Details are given in table IV. The main source of family income in agriculture was paid employment both in 1950-51 and in 1956-57, the actual proportion rising from 64 per cent. of total agricultural income in 1950-51 to 73 per cent. in 1956-57. During the same period the percentage of income derived from cultivation of land declined from 13.4 per cent. to 6.87 per cent. and that from non-agricultural labour from 11.9 to 7.9 per cent. The main reasons for the decline in income from the cultivation of land were stated to be the "difference in imputation of produce in terms of money"<sup>4</sup>, the further subdivision of holdings and "the resumption of land for personal cultivation by landowners as a result of land reforms like abolition

<sup>1</sup> *Report*, p. 128.

<sup>2</sup> *Ibid.*, p. 135.

<sup>3</sup> *Ibid.*, p. 136.

<sup>4</sup> *Ibid.*, p. 147.

TABLE IV. AVERAGE ANNUAL INCOME OF AGRICULTURAL LABOUR HOUSEHOLDS, 1950-51 AND 1956-57

*(In rupees)*

Item	1950-51	1956-57
Total income of all agricultural labourers from—	447	437
Cultivation . . . . .	59.90	30.07
Agricultural labour . . . . .	286.97	319.55
Non-agricultural labour . . . . .	53.19	34.94
Other sources . . . . .	46.94	52.91
Total income of casual labourers—	442	417.56
With land . . . . .	495	439
Without land . . . . .	393	402
From cultivation . . . . .	61.88	31.76
From agricultural labour . . . . .	278.02	292.81
From non-agricultural labour . . . . .	53.92	36.70
Other sources . . . . .	48.18	56.29
Total income of attached labourers—	489	492.30
With land . . . . .	524	451
Without land . . . . .	472	525
From cultivation . . . . .	38.14	25.41
Agricultural labour . . . . .	375.06	393.23
Non-agricultural labour . . . . .	35.70	30.08
Other sources . . . . .	40.10	43.58

of intermediary tenures and fixation of ceilings on land... (which) restricted the scope for taking lands on lease and might have been responsible for low income from land of the agricultural labour households".<sup>1</sup>

The average annual income of attached labour households was higher in 1956-57 than in 1950-51. At the same time, both in 1950-51 and in 1956-57 the income of attached labourers' households was higher than that of casual labourers' households.

The incomes of casual agricultural labourers from paid employment were much lower than those of attached labourers but the former received more than the latter from the cultivation of land. The total income of casual agricultural labourers in 1956-57 was lower than in 1950-51; in particular, the percentage of income from cultivation of land fell from 14 per cent. of total income in 1950-51 to 7.61 per cent. in 1956-57. Their earnings from non-agricultural labour also declined, from 12 per cent. of their total income in 1950-51 to 8.79 per cent. in 1956-57.

Among both attached and casual labourers households with land had lower average incomes in 1956-57 than in 1950-51, whereas the opposite was true of those without land.

The earning strength of agricultural labour households was greater in 1956-57 than in 1950-51 owing to the increase in the average size of family and the number of earning dependants in the households.

In 1956-57 the total annual income of all agricultural labour households constituted 6.3 per cent. of the national income, the average

<sup>1</sup> Report, p. 147.

income per head in agricultural labour families (including both casual and attached labour households) having declined from 104 rupees in 1950-51 to 99.4 in 1956-57. In 1956-57 the income per head in agricultural labour households was approximately 34 per cent. of the national income per head. It is reported that the income in community project areas was somewhat higher than in other areas.

### *Agricultural Indebtedness*

According to a nation-wide rural credit survey carried out in India <sup>1</sup>, the Indian cultivator is perpetually in debt because he has no reserves to meet his consumption and production needs until the harvest is gathered in. Obviously the plight of agricultural labourers is even worse than that of the cultivator because of the "seasonal nature of employment, low wages and meagre incomes" <sup>2</sup>.

Between 1950-51 and 1956-57 the over-all position of such households as regards indebtedness deteriorated: the percentage of households in debt increased from 44.5 per cent. to 63.9 per cent. During the same period, both the average debt per household and the average debt per indebted household also increased. The average debt per household increased from 47 rupees in 1950-51 to 88 rupees in 1956-57. It is believed that one of the reasons for the increase in the percentage of indebted households and in the volume of debt in 1956-57 "might be the higher proportion of attached labour households, some of whom were under debt bondage and/or tie-in-allotment" <sup>3</sup>.

Between 1950-51 and 1956-57 the total volume of debt incurred by agricultural labour households increased from 800 million rupees in 1950-51 to 1,430 million in 1956-57, although during the same period the estimated number of agricultural labour households decreased by 1.6 million.

Between the two periods also there was a change in the purposes for which money was borrowed; in 1956-57 more money was borrowed for production than in 1951, whilst the percentage borrowed for consumption, although remaining high, declined somewhat. The amount borrowed for social purposes also increased. The large proportion of debt incurred for consumption purposes indicates the need for agriculturists to borrow in order to procure food. However, the proportion fell from 74 per cent. of the total debt per indebted household in 1950-51 to 56 per cent. in 1956-57. Debts incurred for social purposes increased from 16 per cent. of the total in 1950-51 to 24 per cent. in 1956-57. The debts incurred for production purposes in 1956-57 constituted 19 per cent. of total indebtedness as against 10 per cent. in 1950-51.

As for the sources of loans incurred, it is to be noted that, during the period under study, loans from employers declined from 21 per cent. of total indebtedness to 15 per cent.; the proportion of money borrowed from moneylenders decreased from 36 to 34 per cent.; while the proportion borrowed from friends, relations and co-operative societies increased from 37 per cent. to 45.6 per cent. In 1956-57, only 1 per cent. of the total amount borrowed came from co-operative societies.

<sup>1</sup> Reserve Bank of India: *All-India Rural Credit Survey—General Report*, Vol. II (1954), p. 152.

<sup>2</sup> *Report*, p. 220.

<sup>3</sup> *Ibid.*, p. 235.

*Expenditure and Levels of Consumption of Agricultural Labourers*

In 1956-57 the average income per agricultural household in India was 437 rupees and the average expenditure 617 rupees, leaving a deficit of 180 rupees (see table V). This situation existed in all the states without exception. Of this deficit, 90 per cent. was met out of the sale of real assets, transfer receipts and past savings.

Between the two inquiries the average annual consumption expenditure of agricultural labour families in India increased from 461 to 617 rupees; during this time, however, expenditure on food and clothing declined while that on fuel and light increased substantially.<sup>1</sup>

The average annual consumption expenditure per head in 1956-57 was 141 rupees, of which 108 (over 70 per cent.) were spent on food—an indication of the poverty of agricultural labourers. At the same time, in 1956-57 the proportion of cereals in the diet of agricultural households was lower than in 1950-51; expenditure on non-cereal items increased from 20.8 per cent. of all expenditure on food in 1950-51 to 31.4 per cent. in 1956-57.

The poverty of agricultural labourers in general was such that they could not afford to buy vegetables. "Whatever little they consumed was mostly obtained free, either home-grown or given by their employers; consumption was generally limited to cheap vegetables."<sup>2</sup> However, in 1956-57 expenditure on vegetables had increased to 3.6 per cent. of food expenditure as compared with 1.2 per cent. in 1950-51. On milk and milk products the agricultural labourer spent 3.1 per cent. of his total expenditure on food in 1956-57, as against 0.9 per cent. in 1950-51. The percentage spent on meat, fish and eggs increased from 1.7 per cent. in 1950-51 to 3.3 per cent. Thus, in 1956-57, the consumption of edible oil, milk, milk products, fish, eggs, meat and vegetables was slightly higher than in 1950-51, although, on the whole, the diet of the agricultural labourers was still deficient in proteins.

Agricultural labourers spent so much on food that little remained for expenditure on other consumption items, such as clothing and footwear; thus "the standard of clothing of agricultural labourers was much below that maintained by other sectors of the population".<sup>3</sup> During the period under review the percentage expenditure on clothing remained practically stationary.

Expenditure on miscellaneous items, house rent and repairs was negligible both in 1950-51 and 1956-57. On education also little was spent, "since children of tender age had often to help their parents by their earnings"<sup>4</sup> and could not therefore attend school. Expenditure on medical care was negligible since agricultural labourers usually resorted to "indigenous drugs" when sick.

When the expenditure of attached labourers was compared with that of casual labourers, it was found that in both 1950-51 and 1956-57 the average annual expenditure per attached labourer's household was more than that per casual labourer's household.

<sup>1</sup> According to the *Report*, the latter increase was due to the fact that fuel "consisted of items which were usually procured free of cost like twigs, firewood, etc., and that evaluation of these items was not done in 1950-51", whereas in the 1956-57 inquiry the cash value of these items was taken into account.

<sup>2</sup> *Report*, p. 197.

<sup>3</sup> *Ibid.*, p. 199.

<sup>4</sup> *Ibid.*, p. 202.

TABLE V. INCOME, EXPENDITURE AND INDEBTEDNESS OF AGRICULTURAL LABOUR HOUSEHOLDS : 1950-51 TO 1956-57

*(In rupees)*

Category	Average annual income		Consumption expenditure <sup>1</sup>		Average indebtedness	
	1950-51	1956-57	1950-51	1956-57	1950-51	1956-57
All agricultural labourers . . . . .	447	437.00	461	617	47	88.00
Casual labourers . . . . .	442	417.56	457	494	—	85.46
Attached labourers . . . . .	489	492.30	587	700	—	95.62

<sup>1</sup> Includes expenditure on food ; clothing, footwear, bedding and household requisites ; fuel and lighting ; house rent and repairs ; services and miscellaneous items ; ceremonies and functions. Consumption expenditure normally includes the expenditure incurred on purchases for domestic consumption only. Expenditure of a capital nature, if any, has not been taken into account.

It is to be noted also that expenditure of attached and casual labourers' households was higher in all states in 1956-57 than for 1950-51. Both attached and casual labourers with land spent more than those without land in all states except two.

If the size of the family is correlated with levels of living, it will be observed that family size and expenditure per head varied in inverse proportion to one another. If expenditure on food is correlated to total expenditure in the same way, there is evidence to suggest that even in the higher expenditure groups food requirements were still unsatisfied ; the expenditure on food continued to increase in parallel with the increase in total expenditure. Similarly, expenditure on clothing and services continued to increase with the increase in total expenditure, again indicating a margin of unsatisfied demand for these items.

A comparison of the pattern of expenditure of agricultural labour families with that of industrial labour families reveals that in 1956-57 the latter spent relatively less than the former on food but relatively more on clothing, footwear, miscellaneous items and services. These differences were considered to be due to the fact that industrial workers had " continuity of employment, the urban environment, legislative protection, trade unionism, regularity of wage payment, etc." <sup>1</sup>

The consumption expenditure of agricultural labour families was compared with that of rural families in general. It was found that the level of living of agricultural labour families was distressingly low ; their expenditure per head on all items of food (except food grains), and especially milk and milk products, and sugar, was far below the general rural average, as was that on clothing and services.

It is reported that the consumption patterns of agricultural labour households in community project areas differed but little from those of similar households in other areas in 1956-57.

<sup>1</sup> Report, p. 212.