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FACTS AND POLICY ISSUES OF AGRICULTURAL LABOURERS AND THEIR WAGES

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Abstract:

Agricultural labourers form the backbone of rural economies, particularly in agrarian societies like India. Despite their vital contribution to agricultural production and food security, they often remain among the most economically and socially vulnerable groups. This paper explores the key facts and prevailing conditions of agricultural labourers, focusing on wage patterns, employment trends, socio-economic challenges, and the effectiveness of existing policy frameworks. It critically examines the disparities in wage distribution, gender and caste-based discrimination, lack of formal employment benefits, and the seasonal nature of agricultural work. Furthermore, the study analyzes government policies and schemes aimed at improving the livelihoods of agricultural labourers, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Minimum Wage legislations. Through a review of empirical data and policy analysis, the paper highlights gaps in implementation and enforcement that hinder labour welfare. The findings underscore the urgent need for comprehensive policy reforms that ensure fair wages, social security, skill development, and inclusive growth for agricultural labourers.

Keywords: Agriculture, Labour, Wage patterns, Policy

Introduction

Estimates for the year 2021, approximately 43.96% of India's workforce was employed in agriculture. In 1984-85 suggest that not less than 55 crores of people of India must be depending upon agriculture and 1981 census put the figures of agricultural labourers at nearly 6.5 crores. Rural Labour Enquiry reports for the recent years put the number of agricultural labour households at 1.5 crores. This gives nearly 3.0 workers per family which seems excessive in terms of number of workers per family, the number of agricultural labour households should be more than 1.5 crores. Most conservative estimates put the figure of people working as agricultural labour at 2020, the number of workers in agriculture

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and allied sectors increased by 30.8 million. Next year, the agri-sector workforce added 12.1 million and in 2022, another 12.9 million joined the agri-worker family. It is also estimated that about 55 per cent of these workers are landless and the rest 45 per cent with some land (total 40 per cent agricultural labourers own less than 1.5 acres of land per family) Nearly 30 per cent of the rural population has the status of the agricultural workers. If wages constitute more than 50 per cent of the family income of agricultural labourers, then the family is regarded as the family of "agricultural workers" rather than of agriculturists. year 2024 (April 2023–March 2024), India's agriculture sector employed approximately 150 million people. However, this number has been declining, with a peak of over 158 million in 2022. In 2022, agriculture accounted for 42.86% of India's total workforce, down from 44.08% in 2021 and a historical average of 52.78% from 1991 to 2022. The sector remains the largest employer in India, particularly in rural areas, where 59% of the workforce is engaged in agriculture compared to 6.7% in urban settings (2021–22 data).

Labour force participation rates are given by the census for different States. However, since the definitions of 'labour force participation' differed in the censuses of the years 1951, 1961, 1971 and 1981 they are not very comparable. Censuses reveal that there was tremendous reduction in labour force participation rates in 1971 (or between 1961 and 1971 then there was increase. Increase in labour force participation rate means (i) more employment opportunities, as also (ii) increasing compulsion to move from H-S-O (household workers, students and 'others', and to workers category. Figures do not tell the story and for this a deep understanding about the economic conditions is necessary. Nearly 80 per cent of the total agricultural workers are in the States of Andhra Pradesh, Eastern Uttar Pradesh, Bihar, Madhya Pradesh, Maharashtra, Tamil Nadu, Karnataka, Orissa and Gujarat. If in Kerala their number is high due to low land-labour ratio, elsewhere it is due to poor conditions of agriculture and skewed distribution land.

Though the facts and figures thrown by different agencies differ, some broad generalizations are that in 1981, 38 per cent of agricultural workers were agricultural labourers in India. Highest rate was recorded in Kerala (63 per cent) and lowest in Rajasthan and Assam (13 and 14 per cent due to high land-labour ratio). Andhra Pradesh, Bihar, Karnataka, Maharashtra, Tamil Nadu and West Bengal had more agricultural labourers as percentage to agricultural workers above the national average. Percentage of unemployment in rural areas was put at 7.7 for the country with Kerala recording the

highest percentage (24.2) and Assam the lowest (1.8). The number of agricultural workers increased from 3.3 crores in 1956-57 to nearly 6.5 crores in 1981.

The Labour Ministry of the Government of India recognises two facts that by and large the income of the agricultural labourers is about one-third of the average per capita income in India, and secondly despite increase in the physical and revenue productivity of agricultural workers, the real level of living has gone down. Green revolution has also not done any good in terms of real wages gain. Census data of 1971 and 1981 revealed that ceiling laws had not resulted in much redistribution of land in favour of the landless and marginal farmers. On the contrary marginal workers/farmers would appear to have been relentlessly alienated from land and driven into the ranks of landless labourers side by side with greater concentration of land in large operational holdings. The Bhoothalingam Committee on National Income Policy had recommended (1977) that minimum household income for farm workers be fixed at least half the level of cut-off point of "people below the poverty line". Female participation rates in labour are low in northern and eastern India but high in the central, western, north-eastern and southern India, where they are above national average.

The preponderance of agricultural workers is due to non-socialist planning and population explosion in India. Population as was added between the year 0001 A.D. and 1800 A.D. is now added in just 15 years, and the present rate of growth (after 1950) is 40 times the growth rate of population in first 18 centuries after Christ. During the last census decade nearly 14 crore persons were added in India's population—more than the entire population of Western Europe. Even in the green revolution belt of India the average daily wages for farm labourers came to Rs. 4 per person even in 1985-86, minimum wages laws notwithstanding. In rural areas the scheduled caste and scheduled tribe workers get Re. 1 to Rs. 2 per day. According to Central Government Minimum Wages for Unskilled Workers: Approximately ₹783/day (₹5,742/month, assuming 26 working days) as per the 2024 revision. Semi-skilled and Skilled Workers: Rates are higher, ranging from ₹850–₹950/day, depending on the sector and zone. Wages are adjusted periodically with Variable Dearness Allowance (VDA) to account for inflation. While fixing minimum wages, a small family is taken as a unit. Required caloric requirements are not taken into account, it is assumed that the work is available all the year round, employment of more than one person in a family is taken for granted (some States even take 4.5 persons getting employment in family), period revisions are not done and monitoring is almost absent. At 1985-86

prices nothing less than Rs. 30 per family (presuming the employment of husband and wife) can take care of the food, clothes, shelter, and medical needs for the entire year.

Eighty per cent of the landless agricultural worker are from Bihar, Madhya Pradesh, Tamil Nadu, Karnataka, Andhra Pradesh, Uttar Pradesh (East), Maharashtra and Orissa, and if agricultural development after land reform is introduced in these States the problem can be solved to a great extent.

The trade off between bonded status and the all year round work is also to be accepted. Unless the employer is cruel, bonded status gives better security to the agricultural workers. In bonded labour market the supply is less (worker prefer to return to native places) and demand is high (assured and steady labour supply is ensured) and hence higher real wages can be expected. It is the unfortunate state of affairs that is to be accepted in theory. If bonded labour system (better call it attached labour system) is without usurious debt-bondage probably it will provide better "social and economic security" to agricultural labourers' families. Sometimes attached workers get the 'status' of supervisory workers during peak load work. Attachment is for worker and not person and periodically, family can supply another person in lieu of the first one. In peak load work periods, free workers may get.

Development and Planning in India

Higher wages but the wage bill of the attached workers is usually higher. Besides, some real facilities are also available in the informal tie-up. "Various governments have so far failed miserably to fix minimum wages in such a manner that they become at least living wages, if not fair wages. However, even greater requirement is the enforcement of minimum wages. Female workers, despite legislation, continue to get about 60 to 80 per cent of the male wage. The fall in the real wages of the agricultural labourers due to double-digit inflation after 1977-78 and higher requirements of workers for cash for non-food needs. If "direct attack on poverty" and "two twenty-point programmes" could not index the minimum wages of workers, there seems to be no hope for something satisfactory happening in future, short of a socialist revolution. However, one thing must be acknowledged that the benefit-cost ratio in agriculture is very low and hence the paying capacity of ordinary employers is not much. If "very high" minimum wages are demanded, probably many farm family may prefer to utilise family labour. Minimum wages acts of various State fixed even lower than the normal rate for certain agricultural operations.

The show-off of getting the bonded workers released soon wore off when the workers went back to be bonded workers once again because they could atleast get some work.

The Drought Prone Area Development programme, the Marginal Farmers and Agricultural Labour Development programme and the Food for Work programme or the Employment Guarantee programme did give some succour to the workers but by and large programmes are known more for wasted funds wasted opportunities (for creating real capital) and misappropriated funds. With no control on population, tardy implementation of the land reforms, and no control on the prolific breeding amongst the indigents, the real 'quality of life' indices of living of agricultural workers are showing steady deterioration. Pure theory of minimum wages will show that if unlimited supply can be obtained on a particular wage rate, then the supply curve becomes horizontal. Its height will depend upon the reservation price i.e., it will be that minimum price which will keep the average family of farm workers at subsistence real level. Depending upon the national ethos, this line will be high or low. In a high population country where castes and classes conspire to keep the real wages low, the subsistence wages will be low. Only when a certain level of employment has been reached, the supply curve will have a positive slope, if non-farm demand is also increasing.

Demand for agricultural workers will be a function of the inelasticity of replacement/postponement of a particular agricultural operation. The cropping pattern and the seasonality of the operation will also determine demand. If some expertise is involved in that function, the demand will be inelastic. In quasi-static type less developed economies there are lagged responses to the demand for agricultural workers and lagged adjustments to wages. If in a season it is found that production had been higher and that it brought higher income to the farmers, the farmers can take decisions about increase in the scale of operation or input-intensity. This affects the demand for agricultural workers as also increases wages. It can be expected that high production and production and revenue expectations increase the demand and hence wages, given the supply conditions. Workers who are tied to their land will definitely get lower wages in the same village, unless the village grows superior crops and is generally short of labour.

Agricultural workers can be those who do not own any land or are engaged in non- agricultural activities but work for wages, payable in cash or kind or both, on the farms (and in the allied activities) of others. Some agricultural labourers can own some land yet work as agricultural workers for a part of the year on the farms of others or some members of their family may work as paid labourers on the

farms of others at the same time some other members are working on the small plots of land. These agricultural workers can work on permanent (attached and even bonded) or casual basis. Facts and figures about labour force participation rates as also about the landless workers and workers with some lands are not very reliable. If a survey is done, the people may be tempted to show their weak position to get some benefit from various government schemes. The government can show that land reforms have been implemented well, and the number of land-owning farmers is increasing when in fact a big percentage of them may be tenant cultivators and/or share-croppers. Another difficulty arises because of the difference in the definition of workers. In the 2011 census of India, a distinction was made between "gainfully employed" and "not gainfully employed". It was a quick question and quick response-answer that decided where the person is to be put and the judgment rested on the lowest functionary of the census and the person who was responding. Detailed analysis of the economic condition of the family was not made. In 2001 census two reference periods were taken. One was the fortnight preceding enumeration for regular work and the other was the entire season for non-regular work. This approach was not very sound. It was possible in this approach to prove that while the worker was seasonally unemployed, he had regular employment. The change from one year to the working season was of little importance. If one was not working in the working season, there was not much chance of working in off-season: this fact seemed to have been neglected. Those who are engaged in trade, business, professions or services are enumerated separately with reference to a fortnight prior to the date of enumeration. Others-as those engaged in agriculture and allied activities are taken as employed on "usual status". If they are gainfully employed for at least one hour a day, then the persons were considered employed on "usual status". In 1991 census in India a major departure was made by using a labour time disposition criterion over the reference period (one year for those engaged in cultivation/livestock raising/household industries and plantations), and by defining workers as those who spent the major part of their time in economic activities. Thus, all irregular/marginal/part-time workers, by the time disposition criterion came to be enumerated as "non-workers" in terms of their main activity, and whatever economic activity these "non-workers" might be engaged in they were enumerated under their secondary activity. Thus, a measure of total rural working force in 1991 comparable with the preceding census would have had to include the workers according to the main activity criterion and most of the non-workers with secondary work participation. Comparisons become difficult and common norms could not be found for disaggregating the past data.

It seemed that marginal/irregular workers were taken to be those who were under-aged or over-aged i.e., the children and the old persons. Women were also similarly treated. It is difficult to separate the workers who work on wages and those who work on salaries because compartmentalization is difficult: workers enter and get out of the work force at different periods of time. It, therefore, becomes necessary to understand fully the dynamics of the rural work force structure in the technological and institutional contexts of development. Whether the labour force participation in rural areas is increasing or decreasing, will depend upon the economic conditions. A wrong picture can emerge from the change in the definition also. Other things remaining the same, it can be said that during the period of prosperity, the children, aged persons, and women withdraw from the work force as the main worker brings sufficient revenue. In this case, the status of 'worker' or 'self-employed person' will depend on the agricultural land holding. Those who do not own land, their children, women and aged persons too will seek work. This will happen because land-owning families can offer employment and higher wages because of their desire to withdraw their children, women and aged persons from the labour force. Conditions of depression whether brought about by fall in agricultural output or prices also change the labour force participation conditions. Family labour may replace the hired labour more particularly amongst small and medium type of farmers. Since the alternative employment for farm labourers is not easily available wages go down sharply rather than employment. In certain castes, female participation in labour force may not be permitted, particularly those who were, feudal families.

In India the labour participation rates were shown as having "gone down" between 1961 and 1971 but this was mainly due to the change in the 1961 definition of status" was too liberal and even seasonally unemployed persons got included in the definition of "worker". In 1971 census there was a dualistic approach. Workers were classified as the "main workers" (regularity was the main criterion, and "supplementary workers" (irregular workers). Two reference periods, as was noted earlier, were used. In case of the regular workers (profession, service or business), the work in the last week prior to enumeration was taken as the "main work". In case of agriculture, livestock rearing, plantation, household industries, the 'main activity' was ascertained with reference to the entire year. However, it was also asked whether the workers were having some secondary work also. Thus, both the main and the secondary work activities were recorded. In this census, many women and children were classified as "non-workers". Because of the main activity status, many persons working were classified as 'non-workers'. That was the reason why labour participation rates were shown as being low in 1971 census. In 1971 a person was asked whether he or she worked as cultivator or agricultural labourer, in house-

hold industry or in any other work. The basis of classification was restrictive since he or she was regarded as 'worker' only if that was recognized as his/her main activity.

The 1981 census once again took a liberal definition of 'worker'. A question was asked "whether worked any time in a year". If a person worked for a week, the person was regarded as "worker". Thus, full-time workers, part-time workers, marginal workers, and even workers whose contribution to output was rather insignificant were all regarded as "workers". Critics are of the opinion that it was politically very damaging for the government to say that labour force participation and work availability declined between 1961 and 1971; hence the 1981 census definition was deliberately changed to once again interpret the labour force participation data the 1961 census way.) Having identified all workers, and non-workers, the census of 1981 sought to ascertain whether the worker participated for major part of the last year or not. By 'major part of the last year' was meant that the person had worked for 183 days or more or, in other words, worked six months or more. It was in this sense that a distinction was made between the main and the marginal worker then he or she was regarded either as 'unemployed' or 'under-employed'. If some person was not seeking employment elsewhere because elsewhere employment conditions were uncertain, then the person was considered as being employed. This can lead to a wrong conclusion both based on time or income criterion. Similarly, if a person was getting 'sufficient' income but was seeking employment in urban areas to get away from the "idiocy of the country life", the person was regarded as "under-employed".

Estimates of average number of days of employment:

(A) On the basis of the ratio of male and female participation in the labour force, weights are to be assigned e.g., if these rates are 65 per cent and 37.5 per cent respectively, then if the females are given a weight of 1, the males get a weight of 1.7.

(B) On the basis of the ratio of attached and casual workers, weights can be assigned to the numbers of the two e.g., if attached workers constitute 27 per cent of the labour force in agriculture, then casual workers get weight of 2.7 (27 per cent equal to weight of 1.). In a year of 365 days, the workers cannot work and are not supposed to work on all the days. If one day off (on average) in a week is regarded as necessary and a few more days (say 52 plus 13 are added for various purposes (social works, illness or religious days), then employment for 300 days in a year can be considered to full employment.

Attached workers

$$EW = \frac{(Em.Wm) + Ef.Wf}{W_m + W_f}$$

$$\frac{237 \times 1.73 + 168 \times 1}{2.73}$$

$$= 212 \text{ Days}$$

Rate of employment = 212

Rate of unemployment = $100 - 71 = 29$

If average employment of male workers is 237 days, of female 168 days, and the weights are 1.73: 1.

It is presumed that both male and female are willing to work for 300 days. If females are willing to work for lesser number of days then the deflator can be lower and the rate of employment will go up and of unemployment will go down. The total can then be found out by giving weights to males and females in the ratio of their number in the labour force. If in a village there are 100 males and 100 females but only 80 males and 25 females are willing to offer themselves for work for 300 days, but get work for 250 days and 170 days respectively, then as against the total demand for work for 250×80 (24000) plus $170 \times 25 = 4250$ i.e., for 28250 days. If they get work for 20000 man days and 2000 woman-days respectively, then $22000/28250$ i.e. 78 per cent becomes the employment time and 22 per cent unemployment time. Not all men and women can get employment on all days. If (suppose) six persons get employment in such a way on each day in a six-day week, way that one of them remains unemployed on each then actual employment will not be 6×6 i.e., 36 man-days but 6×5 i.e., 30 man-days. These actual man-days have been calculated (it is presumed) in this manner. These figures can be found after detailed survey in different representative areas and then the conclusions can be extended to similar areas.

If unemployment rate is found not for potential adult population of the working age group i.e., not for the potential labour force, but for the entire population then the man-days not available related to the entire population will show lesser employment. It would be incorrect also. The employment and real wages of agricultural workers can increase only when:

(a) population growth of indigents in villages is seriously held in check, if necessary compulsorily;

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(b) technological advances increase productivity and income from agri-culture so that the paying capacity of the employers goes up:

(c) either successful socialist cultivation is there or capitalist modes of production are allowed to be followed and helped, and

(d) the State plays its part in controlling inflation and in securing fair wages (not merely minimum) to the agricultural workers.

MEASURES TAKEN

Minimum Wages: Under the Minimum Wages Acts of various States, minimum wages for agricultural workers are also fixed, though it is an entirely different matter that their implementation has become even more lax. Nowadays the only news concerning the payment of minimum wages to agricultural workers is that not even on the farms of the ministers, minimum wages are paid. In certain States the minimum wages for agricultural workers are revised if the cost-of-living index raises after a certain limit specified in the Act.

Minimum wages in various States still come to about Rs. 178 rupee per day per worker(2024). In Maharashtra, for example, the minimum wages were worked out as under:

(a) Each family was assumed to be of 3 units:

(b) Calory requirements were worked out at 2100 equivalent to 625 grams of staple food of inferior variety (jowar);

(c) One-seventh was added for the weekly holiday;

(d) Food was taken as 40 per cent of the total budget.

On these bases 3 kg. of jowar per day was considered to be the minimum wage for workers in Maharashtra (V. S. Page Committee appointed for fixing minimum wages under the Employment Guarantee Scheme).^{*} This amount could be purchased at Rs. 4 from the fair price shop and hence the minimum wages were to be equivalent to this at the 1981 prices. Since the non food component was considered to be 60 per cent of the earnings, it was recommended that Rs. 2.70 were to be paid in cash and Rs. 1.30 in the form of 1 kg. of jowar. It can be asserted that a family of 3 was too small but this

difficulty can be resolved if we assume that both husband and wife shall offer them-selves for work. However, if the government is obliged to give work to only one member of the family, and the wife does not get work, then the minimum wages cannot support a family of landless agricultural worker in this amount. The food, shelter, clothing, medicine and education needs should be met by the minimum wages in the real terms, so averred the Wage Committee. However, the recommendations were far from meeting these requirements. In fact, if work is not available all the year-round either in the government schemes or in the private sector, then the minimum wages should be such that food requirements of the entire family should be met for the entire year.

Agricultural wages are lower where the concentration of agricultural workers is high. The reason why there are fewer agricultural workers in the "seven sister States of East India", is that land is plentiful for the population and hence most rural people have cultivator status and work for profits rather than for wages and salaries. In such areas, wages are naturally high because labour supply is less. It was this reason why migrant labour used to go to Assam tea gardens in the past.

Even today females get lower wages than the males even if the legislation clearly prohibits the sex discrimination in wage payments. Conventions overrule laws. Normally female wages are between 60 to 80 per cent of male wages. Significant variations can be noticed between wage rates paid for different operations. Wage rates for weeding are much lower than for transplantation of crops.

Where the workers are attached or bonded, kind wages exceed the cash wages. The food requirements of the entire family are almost underwritten by the employers. In fact, in certain families cooked food may be provided to such "servants", though it is a different matter that sometimes such a food may be discarded or left-over food of the employing families. In recent years tendency towards cash payment is increasing. However, such programmes as Food for Work Programme of various governments have again introduced the increasing kind component of agricultural wages. In this connection the record of the government is also ignoble-the worst quality food is usually given to the workers. Those grains which are semi-soiled, and which have reached the limit of storage are usually distributed by the government agencies. These grains can be found to be fungus infested, full of rat excreta, pieces of stones and mud, to say nothing of their being either inferior grains or inferior-most varieties of wheat and rice. If kind wages exceed cash wages in such backward States as Madhya Pradesh, Bihar and Uttar Pradesh they have a similar tendency in Punjab and Haryana. This can also be due to the fact that grains are plentiful in these States and their real cost to the producers is low.

The percentage of 'attached labourers' is still quite high in India. In Bihar the rich and powerful landowners are reported to be keeping the labour 'attached' with the force of guns. The attached labour gets work for as many members of the family as require work and as can be offered work. Children can look after the grazing of the cattle; women can help the employer's family in household chores (and also in agriculture) and the men can perform all works relating to agriculture and allied activities.

The percentage of attached workers is quite high in such areas where agricultural workers are very poor and the employers are callous toughs. Surprisingly the percentage is quite high in areas like Punjab and Haryana also not because the workers are kept attached at gun points-but because the workers have no better opportunities elsewhere. Various estimates indicate that nearly every fourth worker in agriculture is attached.

Employment Duration and wages

Agricultural workers are not employed throughout the year and it is natural also. Employment all the year round is possible only if the land is owned by a rural family or the agricultural worker works with an employer who can take multiple crops in different seasons.

Even if it were possible to offer employment throughout the year, the agricultural workers normally do not take such employment. They prefer to have moorings with their native places. If the agricultural family can "sustain" itself in certain months, then such a family prefers to go back to their native villages for relaxation and performing marriages etc. If the family has some land, then the agricultural workers return to their lands to take kharif crop. (Usually, their lands are so degraded that rabi crops cannot be taken.)

Various surveys have revealed that under the best circumstances the average earnings of an agricultural labour family are about 40 per cent of the average income of agricultural families. In recent years the average incomes of the richest in the urban areas have gone up by leaps and bounds and if the average income of agricultural family is compared with the average income of an Indian family, then the percentage cannot exceed 25 to 30 per cent.

It is also natural to expect wide disparities or deviations between the average income of an agricultural labourer and average income of the countrymen in pockets of high concentration of agricultural

labouerrs. The dubious distinction is enjoyed by such States as Bihar Madhya Pradesh, Uttar Pradesh, Rajasthan, Maharashtra, Tamil Nadu, Karnataka, and Gujarat in particular.

Various studies made by different researchers for different villages/blocks/districts/States on sampling basis have brought about the following tendencies:

(a) real wages of workers have gone down marginally in those areas where the concentration of the agricultural labourers is high;

(b) in highly favourable circumstances real wages have remained constant:

(c) only in some years and in certain pockets of green revolution real wages have marginally improved, particularly when wages in kind were a little liberal.

Real wages of agricultural workers improved a little bit in such States as Kerala or West Bengal because of the better monitoring by the leftist governments. Real wages were showing some signs of improvement around 1971-74 but after 1976-77 when double digit inflation required a lot of cash for non food needs, the agricultural workers found that they were becoming worse off A rising population weakened the position of the agricultural workers to demand more agricultural workers can hope for a rise in real wages only when all the following conditions are obtained at one place:

(a) technology that is being used is not labour replacing but drudgery reducing,

(b) agricultural output is increasing per hectare and per unit of input-package i.e., productivity is rising:

(c) cost-benefit relationship gives higher profit margin.

(d) terms of trade are not going against agriculture.

(e) workers are paid in kind a substantial part of their wages and cash payments for non-food needs are rising in times of inflation:

(f) minimum wages are indexed to cost of living; a progressive increase (though a small one) is made for medical and educational needs and implementation of minimum wages is monitored well.

It can easily be imagined that all these favourable circumstances cannot be found in the country, except probably in a few pockets. Thus observa-tion of conjectural conditions should bring home that

real wages of agricultural workers are not improving. It is a bitter struggle to keep the real wages at a subsistence level.

The reasons why real wages of the agricultural workers have not risen are that even in times of rise in agricultural production, the general price level has gone up at a high rate due to monetary indiscipline in India. The cash requirements of agricultural labour for non-food needs have gone up at a much higher rate than the cash incomes. Agricultural labourers have virtually no bargaining capacity and it is wholly a buyers' market.

Real wages of agricultural workers can rise perceptibly if the minimum wages are actually paid to them and these minimum wages are revised to provide enough for food, clothing, shelter, medical and educational needs. If the same depressed wages are paid even after the introduction of Minimum Wages Act, then the real wages cannot improve. (For decades women in the rich State of Gujarat yoked themselves as bullocks in Ahmedabad or men in Calcutta pulled rickshaws. No further proofs are necessary that human labour is very cheap in urban as well as in rural side.)

Various other schemes:

Various other schemes to help the agricultural labourers had been undertaken under the two 20-point programmes also. Though bonded labour (forced/unpaid labour) is prohibited in the Constitution itself, a separate Act was passed—Bonded Labour System (Abolition) Act, 1976. Reportedly lakhs of bonded labourers were freed from the clutches of the tough landlords—quarry-lords. Since the resettlement of bonded labourers had not been satisfactory due to paucity of finance and lack of real opportunities for self-employment, lakhs of families of India are still in the bonded condition and some even prefer that state of affairs. Landless workers can now have house sites for the construction of houses, and they have been given from the government lands in most of the cases. Community nistar land was also given for the same purpose in certain other cases. Land sites and land for cultivation were made available from the surplus land acquired under the Land Ceiling Acts of various States.

In the relief works undertaken in the drought-prone areas under the DPAP (Drought-Prone Areas Programme) and landless agricultural as well as many marginal workers find work. Marginal and small cultivators have been provided with various assistance in becoming viable so that they do not have to relapse to the ranks of agricultural labourers. Cultivators with less than 2.5 acres of land were regarded as marginal farmers while rural households deriving more than 50 per cent of their income from

agricultural wages, were designated as agricultural labourers. Apart from preferential financing from the commercial banks and regional rural banks, schemes for irrigation, land levelling, soil conservation, dairy development, poultry breeding, piggery development and supply of inputs at fair prices were also undertaken, both under the plans proper and under the 20-point programmes. Reduction in the number of agricultural workers takes place when:

- (a) there is increase in the land-holding agriculturists (land reforms are implemented),
- (b) non-farm employment is increasing,
- (c) women and children are withdrawing from labour force due to rise in income.

Increase in the number of agricultural workers takes place when

- (a) net growth rate of population is high and increasing;
- (b) longevity is increasing and mortality rate is going down which makes a high rate of entry in the labour force;
- (c) tenants are displaced from cultivator status and the landlords "resume" self-cultivation;
- (d) lack of opportunities in non-farm activities and increasing immiserization of the agricultural labour takes place due to inflation and children and women are forced to offer themselves for employment.

Wages of agricultural workers depend upon the demand and supply of agricultural labourers and the efforts of the State to implement the minimum wages legal provisions. Following table gives some idea about the state of affairs.

Empirical findings about the wage pattern of those who are partly cultivators and partly workers also give contrary results. There are cultivators who do farming on their own land or on the leased-in lands but who do not derive sufficient income to support themselves throughout the year. These persons offer themselves as farm hands also. Do they offer themselves at higher wages than are available to the "pure wage earners", or at lower wages? Evidence can be found to support both the possibilities/hypotheses. Since these persons remain bound in places where they do agriculture, they accept whatever wages they can obtain at the same place or nearby. Others can find that they may

insist on higher wages because their needs are not desperate and they seem to view that they have some "status symbol" also. It can be argued that the opportunity cost of hiring oneself out is higher for small farmers than for pure wage-earners; the latter, unlike the former, have nothing to fall back upon; even in the lean season the small farmer has sundry small jobs on the farm which he would sacrifice for working on somebody else's farm only if the wage rate is high enough to make it worthwhile.

States Wages of agriculture labor (2022-23)	Male	Female
Bihar	361.98	318.67
Haryana	544.76	463.45
Kerala	876.18	615.68
Madhya Pradesh	324.37	268.55
Orissa	381.17	312.25
Punjab	488.67	425.95
Rajasthan	412.59	331.73
Tamil Nadu	681.22	328.99
Uttar Pradesh	333.15	310.57

Agricultural Situation, Directorate of Economics and Statistics, New Delhi, 2022-23.

This, of course, assumes that the labour market is not competitive and the employer resorts to wage discrimination depending on the different elasticities of supply of labour of different types of labourers. Then, given other things, the small farmers on account of his income from land may be somewhat less under-nourished than the non-cultivating wage-earner and hence his productivity may be higher than the latter.

Typical local conditions also determine the wage pattern of agriculturist labourers. Wages in Punjab or Haryana may be higher than say in Bihar or Chhatisgarh region of Madhya Pradesh. In Kerala- thanks to the inflow of gulf money and tendency of the people to migrate to better pastures wages may be higher. Thus, variations in agricultural wages can be suzzling, unless one has a deep insight in the local conditions.

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