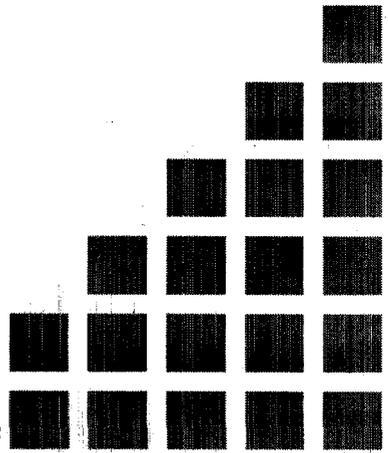


CHAPTER VIII



CHAPTER VIII

SUMMARY, CONCLUSION AND SUGGESTIONS

8.1 Summary of Findings

The main objectives of the study was to trace out the evolution of the class of agricultural labourers and to examine the trend of growth of agricultural labourers, terms and conditions of their employment, level and pattern of farm and non-farm employment, wages, consumption pattern, indebtedness and living conditions of agricultural labourers in West Bengal as well as in Uttar Dinajpur district. The origin of the class of landless agricultural labourers could be initially traced in the British period because previously they had some land and hired out their labour on another person's land to earn some additional income. The introduction of Permanent Settlement, export-import policy, decline of household industry and eviction of *adhiars* by *jotedars* led to pauperization of large section of peasantry during British period. They had no alternative but to hire out their labour in agriculture. Agricultural labourers constitute a significant portion of the total rural population in today's West Bengal as well in the district of Uttar Dinajpur, accounting for about one-third and two-fourth of the rural workers respectively. The annual growth of agricultural labourers was highest during 1961-71 i. e. 8.25 percent at the district level and 8.18 percent at the state level. The annual growth of agricultural labourers in subsequent census period declined at both the district level and state level. There were many factors contributing to the rise of agricultural labourers since independence. These factors are the decline of *jotedari-adhiary* system, land reform programme – Operation Barga programme, marginalization of peasantry, new agricultural technology and high population growth – falling land man ratio etc. The 'proletarianization process' was reinforced and gained momentum after enactment of WBLR Act, 1955. A large scale eviction of share croppers took place at the passing of this Act and at different stages of its implementation.

The terms and conditions of employment of agricultural labourers varied across the regions and across the categories of agricultural labourers. Different categories of agricultural labourers are employed under different terms and conditions under the same employers or different employers. During the survey, it was found that most of the agricultural labourers were employed as casual day labourers and group

labourers. It was also observed that the importance of group labourers increased with the level of advancement of villages.

The total number of employment days available from farm and non-farm activities to an adult male worker was 257 days in 1974-75 and it increased to 293 days in 1993-94. Similarly, in the case of an adult female worker, the total number of employment days available from farm and non-farm activities was 195 days in 1974-75 and it increased to 226 days in 1993-94. The relative importance of wage paid employment (in percentage terms) in total employment days has declined over the years. On the other hand, the share of self-employment has increased for both male and female labour in West Bengal. An agricultural labourer got an average annual farm employment of 169.71 days in the Uttar Dinajpur district. The male workers got an average annual farm employment of 180.98 days, which was 15.16% higher than the female agricultural labourer. Among the different activities, the wage employment of crop farming provided the larger days of employment (127.88 days) per agricultural labourer followed by employment in self-employment (23.51 days) of crop farming and employment in agriculture allied activities (18.32 days).

Agriculture in our study area is seasonal in character, which affects the demand for labour in agriculture. We have divided the agricultural season of a year in to four – *pre-kharif*, *kharif*, *rabi* and *boro*. *Kharif* season is the busiest season of the year. The employment availability is higher in this season as compared to other seasons. During *kharif* season, agricultural labourers got employment 47.84 percent higher than *pre-kharif*, 167.56 percent higher than *rabi* and 35.44 percent higher than *boro*. From the discussion, it is clear that high seasonal fluctuation of employment exists in the study area. It is also clear that seasonal fluctuation of employment in the highly developed blocks is higher as compared to moderately developed blocks and least developed blocks.

Wages are paid in both the form of cash and kind or some perquisites like meals or snacks. Daily wage payment in the form of purely cash constitutes 46.83 percent in the district. Monetization of wage payments seems to increase with the development of agriculture. Casual day labourers work on the time rate basis and casual group labourers work on the piece rate basis. In the case of group labourers, there is no fixed working hours. An average working day for casual day labourer, varies between six to eight hours, depending on the operation being performed. There is no remarkable difference in the wage rate received by daily casual labourers within

the village. It was found that gender based discriminations had disappeared in three villages (viz., *Delwalpur*, *Nakol* and *Dharampur*) out of six villages of the district in some operations like transplantations and weeding. The practice of employment of group labourers in agriculture has been spreading rapidly and is utilized for major agricultural operations like transplantations, weeding, harvesting and threshing involving more amount of labour. The payment is piece rate basis and the amount is shared equally among members. The minimum wages fixed by the West Bengal Government are not paid to labourer in the agricultural sector in different villages of the district under study.

The trends and determinants of agricultural wages across the districts of West Bengal have been worked out for male and female labourers over the periods 1980-81 to 2000-01. For this purpose we have used AWI data. There was a steady increase in money wages across the districts of West Bengal, though the magnitude of the increase differed from one district to another over the years. The constructed real wages of agricultural labourers for different districts of West Bengal was obtained from NSS data for the periods 1983-84 to 2000-01. First, we have considered the trends of real wage rate of male agricultural labourers. The real wages show a decline in the mid-1980's but a gradual recovery in the latter part of the decade. However, these gradual increases were not sustained in subsequent years. In most of the districts of West Bengal, it is found that real wages fluctuated during the first half of the decade but increased during the 2nd half of the decade. In the case of female, we do not find any clear trends of real wages during the first half of eighties in West Bengal but increasing trends in the second half of eighties. However, increasing trends of female real wages in the later half of 1980's were not sustained in subsequent years.

Inter-district variation in real wages of both male and female agricultural labourers across the districts of West Bengal has declined over the period. In this study, the variations in the male wage rates are sought to be explained by five relevant demands and supply variables. These variables are labour productivity, diversification of labour into other occupations, gross cropped area per agricultural labourers, cropping intensity and literacy rate. As the results suggest, out of the five variables, only one variable namely, occupational diversification has positively and significantly influenced the real wage rate of male agricultural labourers in 2000-01. The relationship between wage rate and employment is very complex. We did not find any

systematic relationship between wage rate and employment level both in West Bengal and at district level.

Rural non-farm sector has played important role in generating employment and income in rural areas. There are considerable variations in the incidence of non-agricultural employment across the blocks of Uttar Dinajpur district. . We are interested to identify the factors responsible for observed variations in the share of non-agricultural employment across the blocks of this district. Such factors included both developmental and distress factors. The development factors like the value of agricultural output per hectare of gross cropped area as a proxy for level of agricultural productivity, the value of agricultural output per hectare of net sown area as a proxy for land productivity generating production linkage, the value of agricultural output per head of agricultural population i. e. agricultural workers as proxy for per capita income of agricultural classes, net sown area per agricultural worker as a proxy of average farm income in the district and percentage of area under non-food grains as an index of commercialization of agriculture. At the same time, distress factors like poverty, unemployment-underemployment due to the inability of agriculture to absorb the surplus labour have tried to push the rural households to go in search of various non-agricultural activities and thus tended to act as a sponge for the surplus labour. Out of the developmental factors, value of agricultural output per agricultural population has a stronger significant positive relation with non-agricultural employment followed by net sown area per worker and cropping intensity. So higher incomes of rural people, higher cropping intensity and more net sown area per worker ensures higher availability of non-agricultural employment in the blocks of Uttar Dinajpur district. Regarding distress factors, none of the proxies show a significant association with non-agricultural employment in this district.

The nature and extent of occupational diversification with level and pattern of non-farm employment of agricultural labourers has also been discussed at the district level. There are some exogenous factors, which affect the extent of occupational diversification both at the household level and individual level. These are literacy rate, density of population, land ownership and distance of village from town. Out of these factors, land ownership is positively correlated with occupational diversification and significant. Other correlates like distance of village from nearby town, percentage of unemployed man-days and poverty among agricultural labourers are positively correlated but not significant.

Low wages, unemployment, assetlessness and social backwardness constitute the poverty syndrome among agricultural labourers, which again compels them to borrow for consumption, house construction and repairs, health care, marriage and other social ceremony purposes. The main cause of indebtedness is the borrowing for marriage and social ceremonies followed by medical purposes and household consumptions at the village level of Uttar Dinajpur district. But at the state level, the main cause of indebtedness is the borrowing for household consumption followed by purchase of land and construction of building and productive purposes. However, as these loans are not only economically productive in that they do not help in the creation of additional incomes. They are bound to borrow money from non-institutional as well as institutional sources year after year. At the state level, the main source of rural credit is friends and relatives followed by shopkeepers and money lenders. But at the village level, the share of subsidized loans provided by the government under different anti-poverty programmes in total borrowing is higher than the shares of friends and relatives and money lenders. Out of non-institutional sources, friends and relatives emerged as the main source of rural credit at the village level of Uttar Dinajpur district. The role of financial institutions is not satisfactory in supplying rural credit.

The main source of income in the case of an average agricultural labour household is hiring out labour in agricultural sector followed by hiring out labour in non-agricultural sector, self-cultivation and small business. An average agricultural labour household earns annually about Rs. 14235.77 in this district. About 77.78 percent of the sample households of this district are seen in BPL category. However, there are considerable variations in the percentage of households living below poverty line across the villages of Uttar Dinajpur district. An average agricultural labourer did not get two square meals in a day through out the year. The per capita per day cereals intake is 462.50 grams in all villages of Uttar Dinajpur district, which is slightly higher than the intake of 460 grams per capita per day recommended by ICMR (1989). But this figure varies across the villages of Uttar Dinajpur district. The per capita per day consumption of pulses (6.39 grams) in this district is only 15.98 percent of the recommended minimum requirement (40 grams). The average calories and proteins intake of agricultural labourers of Uttar Dinajpur District are far short of the requirement judged by any norms. Income, no doubt is one of the criteria of measuring the economic status of a household. Yet, studies have shown consumption

expenditure as a better measure in this regard. On an average, an agricultural labour household spends a sum of Rs. 16379.11 annually on different items of consumption in Uttar Dinajpur district. The expenditure on food items (64.28 percent) accounts for the major proportion of the total consumption expenditure, followed by clothing (9.05 percent), health (5.74 percent), washing and toilet articles. They spend 2.67 percent of their total expenditure on fuel and lighting. Housing is a serious problem especially for the rural poor. Most of the houses are kutchha houses with mud walls and thatched roofs. It has been revealed that a large number of labourers (55.56 percent) live in a one-room house in all villages of Uttar Dinajpur district.

8.2 Conclusion

The findings of the study amply demonstrate the miserable conditions of agricultural labourers in terms of low availability and seasonal variation of employment, low wage rate, low income, inadequate consumption and excessive burden of debt. They are compelled to live in a miserable sub-human life. Since they possess no skill or training, the scopes of alternative employment opportunities have limited in other sectors. They are not organized like industrial labourers and accordingly it is difficult for them to bargain with land owners for higher wages. They are illiterate and ignorant. They live in scattered villages and belong to the lowest rung of social and economic ladder. The low caste and depressed classes have been socially handicapped and they had never the courage to assert themselves. Partly because of factors beyond their control and partly because of their inherent bargaining weakness the agricultural labourers have been getting very low wages, low employment and low income.

8.3 Suggestions

Taking into account the different aspects of the study, the following suggestions are made for policy formulation:

1. The annual growth rate of agricultural labourers in the district level as well as state level is very high due to high growth rate of population, decline of *Jotedari-adhiary* system, decline of household industry and inability of industrial sector to absorb additional population etc. Heavy pressure of population on land leads to sub-division and fragmentation of land holding, low productivity, declining land-man ratio, and unemployment / under employment among agricultural labourers. To control the

growth rate of agricultural labourers, it is necessary to adopt proper population control policy, establishment of small and cottage industries in rural areas, development of transport facilities in rural areas, providing education, training and generation of necessary skill of agricultural labourers for self-employment in agricultural allied and non-agricultural activities, reduction of concentration of land holding and distribution of surplus land among landless agricultural labourers.

2. Employment in agriculture is highly seasonal and the demand for labour is very high during plantation and harvesting of paddy (both *aman* and *boro*). During this period, labourers are fully employed and they remain underemployed / unemployed in the rest of the period. In this district, labourers got employment about 6 months to 7 months in a year. To provide continuous employment to agricultural labourers, it is necessary to create alternative employment opportunities in rural areas. Non-agricultural employment opportunities in the study area are highly inadequate and non-agricultural activities include mainly thatching activities, some building construction and road construction activities. To create non-agricultural employment in rural areas, it is necessary to build up small and cottage industries, generation of self-employment and wage employment in non-agricultural sector by providing training, skill and education. It is also necessary to properly implement the government sponsored employment programmes like National Rural Employment Guarantee Act (NREGA), Swaranajayanti Gram Swarajgar Yojana (SGSY), and Jwahaar Gram Samridhi Yojana (JGSY) etc.

2. The wage rate of agricultural labourers in this district is very low and varies across gender, operations and seasons. To remove the gender differential in wage, it is necessary to generate awareness among women labourers that they are equally efficient as men in all agricultural operations and encourage them to demand for equal wages from their employers. Women organizations should raise voice against such discriminations and create pressure on employer for equal wages for equal works. Another problem regarding wage rate is seasonal fluctuation of wage rate, which can be tackled through ensuring regular employment opportunities to agricultural labourers. For this purpose, it is necessary to develop our agriculture by adopting new HYV techniques of production and other institutional reforms. Instead of using capital-intensive techniques of production, we should follow labour intensive techniques of production in agriculture and policy of multiple cropping to generate adequate employment opportunities. It is also necessary to create alternative sources

of employment in the rural areas. In the study areas, the wage rate of agricultural labourers is far below the minimum wage rate as prescribed by the government. The proper implementation of Minimum Wage Act is essential to ensure reasonable wage rate to the agricultural labourers in the study areas.

4. Agricultural labourers are working 8 to 9 hours a day in the study areas, getting no weekly rest and payment are delayed or defaulted. It is necessary to fix working hours for agricultural labourers and wages to be paid daily to the agricultural labourers. It is also necessary to provide provident fund, pension and other benefits to the agricultural labourers. The demand raised by the National Labour Commission for a comprehensive central legislation for agricultural labourers continues to be denied by government after government at the centre. The government now talks about an umbrella legislation for the unorganized sector as a whole, once by passing the insistent demand for a separate legislation for agricultural labourers. We suggest for formulation of separate legislations and social security schemes for agricultural labourers to improve their conditions. We welcome the Provident Fund Scheme for Landless Agricultural Labourers (PROFIAL) Government of West Bengal. In this context, we can suggest proper implementation of PROFIAL by Government of West Bengal. Under this scheme, the participants have to pay Rs. 10 per month where the State Government shall contribute an equivalent amount. If the subscriber dies before the age of sixty, the amount shall be paid to his/her nominee after a period of at least six months from the date of payment of the last subscription.

5. The bargaining power of agricultural labourers is very weak in the study area. They are bound to take wages as fixed by their employers. They are unorganized, illiterate and ignorant and it is difficult for them to bargain with employer for higher wages. The non-existence of agricultural labour union in the study areas reduces their bargaining power. So, formation of union among agricultural labourers is essential to increase their bargaining power, to secure higher wages and to secure better working conditions. No political parties / organizations have shown interest to organize the agricultural labourers because of seasonal variation of employment in agriculture. All India Agricultural Labour Association (AIALA) may take initiatives to organise the agricultural labourers in the district of our study as well in the state of West Bengal.

6. Agricultural labourers are highly indebted to money lenders, landlords, shopkeepers and relatives. They need loan mainly for consumption, health expenditure, marriages and other social ceremonies. But institutional sources like

Banks, Co-operatives did not grant loan for these purposes. Moreover, they can not avail of the credit from banks and other financial institutions due to their inability to deposit collateral security and mortgage property. As a result, they are bound to depend on non-institutional sources like money lenders, relatives and landlords etc. The inability of credit institutions to deal with the credit requirements of the poor effectively has led to the emergence of Micro Finance or Micro Credit system as an alternative credit system for the poor. NABARD launched a pilot project to provide micro credit by linking Self-Help Groups (SHGs) with banks in 1991-92. But the formation of SHGs in rural areas is not satisfactory in Uttar Dinajpur district. Thus, much emphasis should be given on formation of SHGs, which may act as alternative source of institutional credit to agricultural labourers both for production and consumption purposes in the rural areas of the district of our study.