# Juni KhyatISSN: 2278-4632(UGC Care Group I Listed Journal)Vol-10 Issue-7 No. 10 July 2020A Review Study on Conditions of Rural Agricultural Labourers in India

Gurrala Sreenivasulu<sup>\*</sup> Dr. R. Venkatamuni Reddy<sup>\*\*</sup>

# Abstract

In any economy, the role of the labourer is noteworthy as they are employed in Primary, Secondary and Tertiary sectors and contributes economic development in their way. Today rural agricultural labours face the number of problems like low working skills, the impact of new technology and shortage of employment opportunities and dependence on monsoon. Apart from this, they also face problems like child labour, low wage and seasonal employment. This paper intended to study the review of literature on the problems of rural agricultural labourers in India.

Keywords: Agriculture, Rural, Economy, Skills, Low Wage and Technology

\* Research Scholar, Department of Economics, Sri Venkateswara University, Tirupati, Andhra Pradesh - 517502 \*\* Corresponding Author, Professor, Department of Commerce, Manipal Academy of Higher Education, Manipal, Karnataka – 576 104, ORCID: 0000-0001-7808-2139, Email ID: rvm.reddy@manipal.edu

# Introduction

As we are aware that near about 53% population of India is engaged in various agricultural related activities. However, agriculture in India depends on the mercy of monsoon. The condition of the farmers and agricultural labourers depend on the concentration of monsoon. If monsoon is good then the crop is good and the crop is good monsoon is good. Agriculture labour is counted in the category of the unorganized sector, so their income is not fixed. Hence, they are living an insecure and underprivileged life and earning just Rs. 150/day with full uncertainty. Further, Agricultural labourers who are mainly landless and form a major part of rural society mainly depend on wage employment in the agriculture sector. Unlike the manufacturing workforces who are, well-organised agricultural labourers are neither well organised nor well paid. Their income has always been meagre, resulting in poor living heavy indebtedness. Before independence, the agricultural labourers' condition was nothing better. They were required to do all sort of work from dawn to dusk. They were the victim of social and economic exploitation. Further, increase in the number (and proportion) of child labourers, the decrease in the extent of self-employment and the comparatively higher net income of the non-landholding households all this may be construed to confirm the assumption that the comparatively better off among agricultural labourers have shifted to other occupations.

The Problems Faced by Rural Agricultural Labourers: Well-functioning factor markets are a crucial condition for the competitiveness and growth of agriculture and for rural development to ensure the determination of efficient wages, employment and the efficient allocation of scarce resources. These problems may be broadly categorized into Marginalisation of Agricultural Workers, Low Wages and Income, Poor Working Conditions, Indebtedness, Very low wage, Child Labour and Increase in Migrant Labour.

# The objective of the Study:

- To review the literature on problems of Rural Agricultural labourers.
- To study the trend of employment in Indian Agricultural labour sector
- To give the policy suggestions

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# Methodology:

This paper is based on the secondary sources of data and information collected from various sources mentioned in the references

# Literature Review:

**Sukhpal Singh** (2009)<sup>1</sup>: In his article "Survival of Agricultural Labour in Punjab - A Burning Question" has pleaded for ensuring the security of agricultural labourers by giving housing plots of at least 5 marls of land. Further non-farm employment opportunities should be generated for agricultural labourers. He has pleaded for a debt-waiver scheme in favour of agricultural labourers as is done in case of farmers by the government and to ensure employment NREGA scheme should be implemented effectively. Social security measures must be initiated in the rural areas for taking care of health, education of the children and social commitments in favour of agricultural labourers. The author has pleaded for setting up of an Agricultural Labour Commission for addressing the multi-pronged problems of agricultural labourers.

**M. Vijayabaskar** (2010)<sup>2</sup>: In his article "Saving Agricultural Labour from Agriculture: SEZs and Politics of Silence in Tamil Nadu" has highlighted how the intensity of farmers in Tamil Nadu are submitting to the public policy of land acquisition for non-farm activities thereby pushing the vulnerable sections of agricultural labourers to the non-farm occupation. Social considerations like caste antipathy towards the Dalit labourers who generally are more involved in agricultural labour has also its role in reducing agricultural employment to such caste groups.

Sinha Debotosh (1989)<sup>3</sup>: The author has made an empirical survey of male and female agricultural labourers in Birbhaum district of West Bengal. His findings have thrown light on the conditions of women agricultural labourers and the discriminatory treatment of women labourers by the employers. The discrimination against women labourers is more glaring in terms of lower wages compared to those of male labourers even though women labourers worked for the same hours of work as men.

**Nisha Srivastava and Ravi Srivastava (2010)**<sup>4</sup>: In their article found that women are still largely self-employed or employed as casual labour in agriculture. They found that women's are exposed to various forms of discriminations. They also observed that for women who are in the workforce education is the most important factor. They put forward that policy interventions would enhance wages for rural women workers.

**Kalpana Wilson** (2001)<sup>5</sup>: In her article "Agricultural Labourers Struggles in the Movement against Globalization" has viewed the problems of agricultural labourers from different angles in the context of globalization and its impact on Indian agriculture and on agricultural labourers. The author has argued that global factors reshaping the wage labour and the authors also threw light on the political nature of agricultural labour"

**S. Mohan Kumar**  $(2008)^6$ : In his paper opined that most of the relief packages were not to tackle covering agricultural labourers of Scheduled Castes and Scheduled Tribes. Further, he has reviewed the performance of the welfare schemes for agricultural labourers.

**The Problems of Rural Agricultural and Rural Labourers:** As below listed of problems related to agricultural or rural labourers following are - Lack of working skills, Low wages or salary, Insufficient wage, High occurrence of child labour, Working conditions, Increase in migratory labour, Shortage of work training or induction program and Lack of work safety or precautionary measurement. Rural agricultural labourers face the above-mentioned problems. Also, these problems are very influencing in nature and it affects the economy. The government took measures by creating wages act, child labour act, compensation scheme and insurance schemes.

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4.Nisha Srivastava and Ravi Srivastava (2010): Women Work and Employment Outcomes in Rural India. Economic and Political Weekly, July 2010.

5.Kalpana Wilson (2001): Agricultural Labourers Struggles in the Movement against Globalization, http://www.epiml.org

6.S. Mohan Kumar (2008): Kerala's Agricultural Labourers - Victims of a Crisis. Economic and Political Weekly, May 2008.

Tal	ble -1: Rural and Urban Workforce in Agricultural and Non-agricultural Secto	ors
	The Workforce in Agricultural and Non-agricultural Sectors: India	

The workforce in Agricultural and Non-agricultural Sectors: India							
	Agriculture Workforce			Non -Agricultural Workforce			
Year	R	U	Т	R	U	Т	
1961	82.2	11.0	72.4	17.9	89.0	27.6	
1971	82.5	11.2	70.1	17.5	88.8	29.9	
1981	81.7	11.8	68.4	18.3	88.2	31.7	
1991	81.3	12.5	67.0	18.7	87.6	33.0	
2001	73.3	7.9	58.4	26.7	92.1	41.6	
*2011	74.5	8.6	61.9	23.5	90.6	36.3	
*2021	72.6	7.8	60.1	24.8	91.1	37.4	

Source: Various Census report 1961-2001 and author calculations Note: R = Rural, U = Urban, T = Total

#### Figure-1: Graphical Representation Agricultural and Non-agricultural workforce

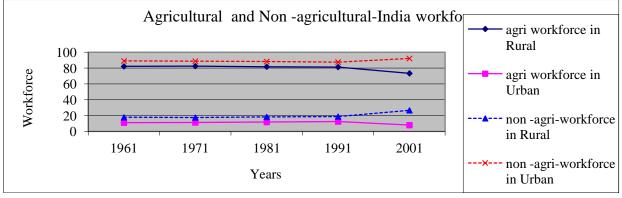


Table-1 and Figure 1 shows the two components of agriculture and non-agricultural sectors workforce in rural and urban India and Andhra Pradesh. There are sharp changes in the post-reform period. Due to the faster growth of non-agricultural sectors, the last two decades have seen a steady shift in the workforce in favour of the non-agriculture sector. The process of sectoral shifts, which

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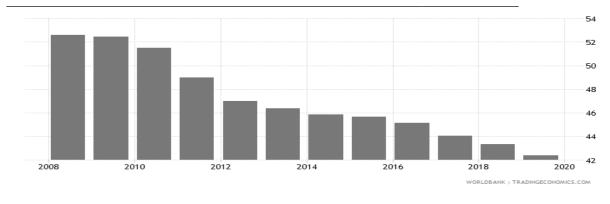
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was slow during the 1980s, accelerated sharply during 1990s. The census data show larger shifts in the workforce (i.e. 8 percent) in favour of the non-agricultural sector. The workforce structure in India has increased particularly in the urban non-agricultural sector.

The workforce structure in rural and urban India has changed rapidly over the last five decades. The share of the workforce in all India rural agricultural sectors has fallen from 82.15 percent in 1961 to 73.24 percent in 2001. The urban agricultural workforce has decreased from 10.97 percent in 1961 to 7.92 percent in 2001. The urban and rural workforce in the agriculture sector has shown the decreasing trend. However, the non-agricultural sector workforce has increased in the rural area from 17.85 percent in 1961 to 26.67 percent in 2001, whereas the workforce in the urban non-agricultural sector has increased 89.03 percent in 1961 to 92.08 percent in 2001. Further, in the year 2011 to 2021 also record the same decreasing and increasing trend respectively.

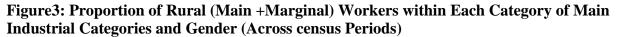


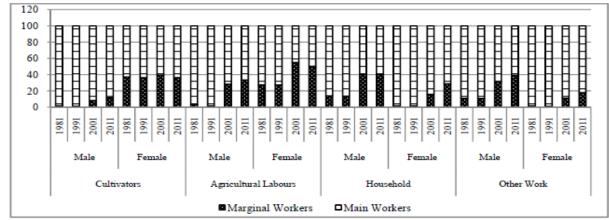
#### Figure-2: Percentage of Agricultural Employment in Total Employment

Source: World Bank: Trading –Trading Economics.com

Secondary Source: https://tradingeconomics.com/india/employment-in-agriculture-percent-of-total-employment-wb-data.html)

In Figure -2It was observed that according to World Bank estimates 42.38% agricultural employment recorded in 2019. The actual values, historical data, forecasts and projections were sourced from the World Bank in July of 2020.





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Source: Census documents by Registrar General, Govt. Of India

Figure -3provides clear signal of the marginalisation in the rural economy with the women being in the forefront, which is in a way commendable and a matter of concern. Yet the clarity on the marginalisation of the agricultural workforce can be placed not just from proportions but also needs to derive from growth over a period. The temporal growth provides the time variance that can help the policymakers to determine the speed and impact of such phenomena on the economy.

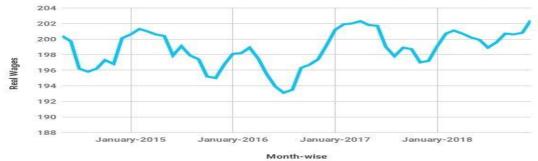
AGR	191-1991	1991-2001	2001-2011	Avg AGR(1981-2011)
<b>Total Population</b>	2.3	2.0	1.6	2.0
Main Workers	2.5	0.9	1.5	1.6
Marginal workers	2.4	11.5	2.9	5.6
Non-Workers	2.2	1.8	1.5	1.8
Total CL	1.7	0.4	-0.7	0.5
Total AL	1.5	3.5	3.0	2.7
Total HH	-0.2	8.1	0.8	2.9
Total OT	3.6	4.6	2.8	3.7

#### Table: 2: Annual Rate of Various Categories of Workers (%)

Source: Census documents by Registrar General, Govt. Of India, Note: CL: Cultivators; AL: Auricular Labourers; HH: Household Workers; OT: Other Workers; as defined in 2011 census.

Table -2 depicts from 2001 to 2011 the change in population was to the tune of 1.6 per cent contributed by negative growth in cultivators' population and growth among the rest. Thus, the applicability of structural change is evident in the economy as a whole.

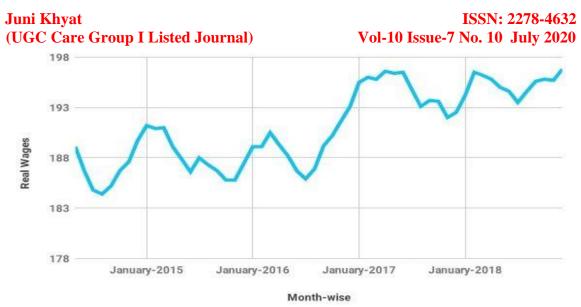




*Source: Wage Rates in Rural India, Labour Bureau* (*Note: Real wages have been obtained by deflating nominal wages by the consumer price index, rural.*)

From the figure-4 it is evident that wages of Non –Agricultural labourers are having a mixed trend of increasing and decreasing. However, in general, it is more than the general agricultural real wages which are less than 200 per day. (See figure -5)

#### Figure -5: General agricultural real wages (Rs. per day)



Source: Wage Rates in Rural India, Labour Bureau.

Note: Real wages have been obtained by deflating nominal wages by a consumer price index, rural.

From figure 4 and 5, it is evident that the general agricultural real wage is lower than the real wages of non –agricultural labourers. This will result in agricultural work is becoming less attractive in rural areas. Unforeseen circumstances such as weather shocks and the collapse of international prices had a role to play to create such a worsening condition in the Indian agricultural sector.

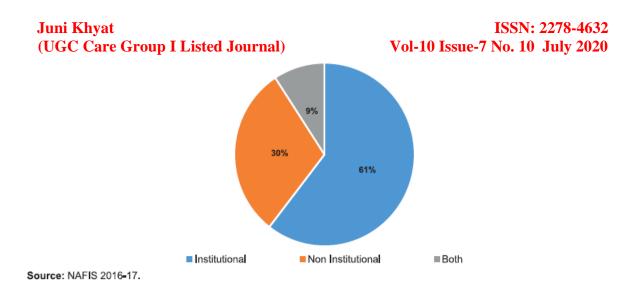
# Table: 3: Distribution of Agricultural Households (Who have taken loans) by the source of loan

Sources of Loan	%
Institutional	61
Non-Institutional	30
Both	09

Source: Authors Compilation from Report of the Internal Working Group to Review Agricultural Credit September 2019-RBI

# Figure-6: Distribution of Agricultural Households (Who have taken loans) by the source of loan

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Source: Report of the Internal Working Group to Review Agricultural Credit September 2019-RBI According to NABARD All India Financial Inclusion Survey (NAFIS), 61% (Table-3& Figure-6) of agricultural households preferred institutional sources to avail credit. However, a noteworthy portion, i.e. approximately 30% of agricultural households still avail credit from non-institutional sources only, which is a cause of concern. This may result in their indebtedness, as the interest rates of the Non-Institutional sources are generally high. It may create lots of psychological pressure to agricultural households, as the loan recovery method is entirely different (using non-professional methods like threatening) whenever agricultural household becomes the default. This problem persists whenever their credit demand could be for consumption purposes and not able to offer collateral. As a result, they borrow from non-institutional sources.

### **Conclusion and suggestions:**

This paper reviewed the literature on problems of agricultural labours in general and rural agricultural labours in specific. The paper also depicted Employment in Agriculture (percentage of Total Employment) and found that over the years i.e. from 2008 to 2020 it is decreasing. This shows that In India rural agricultural labours face several problems and Government put lots of effort to overcome and eradicate the problems. The recent trends show that percentage share of employment in the agricultural sector to total employment is decreasing that means more and more rural agriculturists quitting this job and which is not a good sigh. In the end, this may lead to our dependency on other countries to import basic necessary agricultural goods.

To strengthen rural labour markets, a few policy prescriptions need to advocate it includes creating jobs in rural areas, especially those complementary with agricultural activities in terms of skill requirements and seasonal labour demand, and support education through extensive programmes to address low levels of human capital in rural areas. Investments in education and human capital would improve the quality of labour and would increase its mobility, reducing labour market mismatch and facilitating the move towards a more efficient labour adjustment. At the same time, it is fundamental to support rural infrastructure, to encourage rural businesses and to increase the accessibility of jobs to rural residents and to provide job-specific training programmes to rural residents

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