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REPORT OF THE NATIONAL COMMISSION ON RURAL LABOUR

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Volume I

GOVERNMENT OF INDIA
MINISTRY OF LABOUR
NEW DELHI

1991

NATIONAL COMMISSION ON RURAL LABOUR

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OVERVIEW

Definition

Rural labour comprises persons living and working in rural areas subsisting partly or wholly from wage income. Besides, there are self-employed workers forming part of the petty production system who neither hire labour nor offer their services for a wage. They should also be classified as rural labour, since their living conditions are no better. Rural labour so defined would comprise wage-paid manual workers engaged in agricultural and non-agricultural activities, small and marginal farmers, tenants and sharecroppers and artisans. Their number is estimated to be around 150 million in 1987-88.

Characteristics

Rural labour constitutes the most marginalised section of our society. It benefited least from the 40 years of development. Agricultural labourers contributed immensely to the development of agriculture, but their share in the gains from development has been the lowest. Rural labour engaged in household enterprises, especially female labour, has been the biggest victim of modernisation as the new industrial products displaced their traditional activities. Being unorganised and engaged in low productivity occupations, the rise in their wages and levels of consumption has been meagre. The wages for female labour continue to be lower than those for male labour. Also, technological change has affected female labour more adversely. Dependence of rural labour on big landowners and moneylenders for consumption credit quite often results in bondage. Migration of labour has been on the increase on account of the extreme unevenness of development between different regions of the country. It has also led to bondage in certain cases. Bondage which was largely confined to agriculture, is now increasingly seen in certain non-agricultural occupations such as construction, carpet weaving, match works, etc. The worst victims of the existing pattern of development are the child labourers, particularly the migrant ones among them, who are deprived of their physical and mental growth. Besides, there are groups, especially tribals, who have been dispossessed from their lands and ousted from forests by developmental projects in whose designing there was little provision for rehabilitation. The tribals continue to be alienated from their land and deprived of their customary rights on forest produce. In rural areas, social discrimination and oppression persists extensively against the disadvantaged groups like the Scheduled Castes, Scheduled Tribes and other weaker sections, a large majority of whom are in the ranks of rural labour. Besides economic and social oppression, harassment of women also characterises the life of the rural labour.

MAJOR TRENDS

During the 70s and the 80s, the number of agricultural labourers and rural labourers in general, has

increased at a higher rate than the growth of population in the rural areas. There has been a steep decline in the proportion of self-employed households in agriculture as well as in employment in rural household industries. There has been increasing casualisation of agricultural and rural labour, the proportion of casual labour being higher among women. This is both on account of technological change in agriculture and decline in self-employment. The increase in non-agricultural activities involving division of labour and occupational diversification has also been responsible for the increase in the number of casual labourers.

The growth in agricultural employment has been slow in relation to the growth of output. However, there has been an increase in employment opportunities in the non-agricultural sector in rural areas, especially in construction, manufacturing and services. But the number of days of work per worker declined significantly. As a result, despite some increase in real wages in agriculture during the 80s, the consumption expenditure of rural labour households increased only marginally in real terms. Although the proportion of rural population below the poverty line has declined during the 80s, the hard core of rural poverty pertaining to the landless agricultural and other rural labour households persists despite some improvement in their income levels. In 1987-88, nearly 56 per cent of rural labour households were still below the poverty line. They accounted for over 90 per cent of the rural households below the poverty line.

There are wide rural-urban disparities in access to education, health, potable water, foodgrains available at the fair-price shops, etc. The effects of this are more adverse for rural labour because a disproportionately large share of benefits of social development accrues to the non-labour segment.

Thus, even though there are some signs of improvement in levels of living during the 80s, the rural labour has been largely bypassed by the processes of socio-economic development over the last four decades. It is, therefore, necessary to identify the major structural, institutional and planning deficiencies responsible for this state of affairs.

DEFICIENCIES

Poor Land-Base

The foremost among these causes is the failure to strengthen the asset-base of the rural labour through the implementation of land reforms. Even a small piece of land can serve not only as a supplementary source of income for the rural labour household, but also as a source of security. Land-base, however slender, can weaken the dependency syndrome in the rural setting. Despite two rounds of land reform legislation, the surplus land acquired and distributed among the rural poor was below 2 per cent of total cultivated area. Thus, due to most unsatisfactory im-

plementation of ceiling laws in several of the States, the objective of acquiring surplus land and distribution among the landless has not been achieved. Moreover, there was hardly any attempt to influence the land market in favour of the rural poor by advancing long-term loans to them for purchase of land.

The immediate impact of widespread landlessness is on the wages of agricultural labour. It has been generally observed that market wages for agricultural labour are higher wherever land is more evenly distributed. This is because agricultural labourers have a better bargaining power in such situations on account of their land-base. The demand for hired labour arises mainly from big landholdings. However, despite low wages, labour input per unit of land is lower among large holdings than among small and marginal farms which are family labour-based. Since large holdings account for a substantial proportion of land under cultivation, the demand for hired labour has slowed down in relation to the growth of output with the application of new technology. Large farmers are increasingly opting for methods of cultivation which are labour-saving.

Failure to strengthen the land-base of rural labour has not only denied it the strength in the labour market by containing wages and employment, but also marginalised it socially and politically. The political clout of large farmers has increased considerably. They have been able to influence Plan priorities and policies for the rural sector in a direction not quite favourable to the rural labour. The deficiencies in the implementation of poverty alleviation programmes are largely attributable to the dominance of the vested interests in various rural institutions.

Population Growth

Population growth of over 2 per cent per annum has eroded the modest gains in agricultural output and rural incomes. The erosion was particularly serious in the cases of rural labour because of slow rise in employment and wages. The biggest asset that the rural labour possesses is its 'labour power'. This asset, however, is highly insecure on account of high incidence of sickness, high infant mortality and the disabilities of old-age. Hence the high value placed on the number of children.

Amongst the small and marginal farmers, population growth and sub-division of holdings has resulted in extremely tiny and uneconomic holdings. This has led to distress sale of land and proletarianisation, thus swelling the ranks of landless rural labour. Since the increase in employment opportunities has been slow, high population growth has resulted in keeping wages down for rural labour. However, it has been difficult to motivate the assetless poorer families to adopt the small family norm because of inadequate security for old-age, low survival rate of children and low levels of income and literacy, particularly for females.

Investment in Agriculture: Employment and Wages

Experience shows that in the unorganised rural

sector, rise in employment and wages go together, despite the tendency on the part of the employers to restrict the use of labour in response to rise in wages. In general, agricultural wages have risen when there was a rise in demand for labour. The increase in gross cropped area provided a significant potential for employment generation in agriculture. Lately, the increase in gross cropped area has come mainly from the rise in cropping intensity as a result of improvement in irrigation facilities.

The growth of public investment in agricultural infrastructure, particularly irrigation, was slow until the onset of Green Revolution in the mid-60s. Private investment in agriculture was inhibited because of the slow growth of infrastructure provided through public investment. Because of low rate of public as well as private investment in agriculture in the pre-Green Revolution period, the growth in agricultural output was slow, and wages continued to remain at a low level. The first decade of Green Revolution witnessed a spurt in public as well as private investment in agriculture leading to a rise in employment and wages in the Green Revolution belt. In the 80s, there is a reversal of this trend. Investment, both public and private, in agricultural infrastructure has been declining in real terms. This has slowed down the demand for labour in agriculture as the increase in cropping intensity and yields has been slow in the less-developed areas where productivity and wages are low and where rural poverty is widespread. Some rise in real wages noticed in the 80s is not so much due to the rise in agricultural productivity as to the rise in demand for labour in the non-agricultural activities. Also, expansion of employment under the poverty alleviation programmes during this period exerted an upward pressure on agricultural wages.

Uneven Development and Migration of Labour

Low rate of public investment in agricultural infrastructure in the less-developed regions has resulted in highly uneven development of agriculture between different regions of the country. High wages in the irrigated areas where Green Revolution has made an impact co-exist with low wages—often much below the statutorily fixed minimum wages—in the less-developed regions where the growth in agricultural productivity is slow and the demand for labour is sluggish. In the developed regions, on the other hand, farmers have generally taken to capital-intensive agriculture, partly in response to the prevailing high wages and shortage of local labour.

The prevailing big differential in wages between different regions has induced the migration of labour from the poorer regions to the areas of Green Revolution. Large-scale migration of labour from Bihar to Punjab is a classic case in point. There are now more than 10 million rural migrant labourers in the country. Inter-regional migration of labour in the process of development is inevitable and is also desirable from the point of view of raising agricultural productivity as well as improving the incomes of la-

bour. Regional disparities in agricultural wages have indeed narrowed down somewhat in the recent period because of inter-regional migration of labour. But migration of labour on account of highly uneven levels of development even when there is a significant untapped potential in the less-developed regions does not yield optimum results.

In the first place, distress-migration on account of push factor places the labour in an extremely disadvantageous position vis-a-vis the middlemen who recruit them as well as the employers at the destination. The labour is subjected to severe exploitation by the middlemen who advance consumption loans and keep the labour in captivity. Apart from the hazards of travel over long distances, the conditions of living they experience in places of work are miserable. Working in unfamiliar surroundings, they have to accept wages much lower than what would be acceptable to the local labour. They have to put in work for longer hours with no security against hazards of work. This is how labour which is apparently free in areas of origin, gets into bondage even while it seeks to make a better living. The children who accompany them as well as those left behind suffer most for want of adequate nutrition and facilities for health and education.

There is always a tendency on the part of the employers to reduce their dependence on migrant labour by adopting labour-saving practices. This explains the decline in per hectare labour input in some of the Green Revolution areas in the recent period. This shows that employment generated with highly uneven levels of development would be lower than in a situation where there is higher growth in the less-developed regions through infrastructure development.

While regionally uneven development led to migration of labour, there is no compensating policy to soften the rigours of migration. For example, dissemination of information about the availability of work and wages, public subsidies on travel and provision of basic amenities at places of work by taxing the middlemen and the employers, could lead to larger employment at higher wages by reducing exploitation by the middlemen.

Rural Technology and Infrastructure

Development of village and household industries for promoting rural employment has been a major objective of our Plans. This was to be achieved through the evolution of technology appropriate to our rural setting where capital is scarce and labour is abundant. In practice, however, there has been very little effort to evolve appropriate technologies by improving upon the prevailing methods of production in various rural household enterprises. The allocation to R&D for rural technology has been negligible. There is no viable institutional mechanism for promoting relevant research in this area as well as for disseminating the results, by involving village enterprises, local institutions and voluntary organisations. As a result, productivity and earnings have been persistently low in

rural enterprises. This has led to modern capital-intensive technology displacing rural labour engaged in various traditional activities. The large-scale displacement of handloom weavers by powerlooms and fishermen by mechanised boats are cases in point.

Development of rural infrastructure such as power, transport, training in entrepreneurship and managerial skills, provision of credit and marketing facilities, specially in the backward areas, did not receive adequate priority. This is responsible for slow growth of rural enterprises even where technologies are viable and there is demand for products from the existing village and household industries. Lack of such infrastructure has been a disincentive for investment of agricultural surpluses in the rural areas which could have increased employment opportunities. Surplus generated in agriculture has not been negligible. Even then the process of ploughing back has not taken place generally. As a consequence, there is a flight of capital from the rural sector and rural labour is migrating to the already congested urban areas. Low credit-deposit ratios of the financial institutions in most rural areas, particularly in the backward regions, are a reflection of the paucity of necessary infrastructure. Neglect of rural infrastructure is responsible for the widening rural-urban disparities in incomes.

Trickle-down effects of Growth

The benefits of economic growth can trickle down to the poor mainly through the expansion of employment opportunities. For trickle-down process to be effective, growth has to be higher and policy framework has to be favourable for greater labour-absorption. During the greater part of the Plan period, overall growth in per capita income was barely 1 per cent, while it was negligible in agriculture. Under the prevailing social structure and policy framework, the tendency to economise on the use of labour has been pronounced. As such, the trickle-down effects of growth have been negligible for the rural poor.

During the eighties, however, there has been some improvement in the overall growth rate. There are indications that this has led to the expansion of employment in the informal sector in the urban as well as rural areas. This has resulted in the withdrawal of some labour from agriculture and consequently a rise in agricultural wages. The development of infrastructure in backward areas and modification of macro-economic policies with a view to inducing greater labour-absorption offer a significant potential for raising employment and wages in the informal sector.

Human Resource Development and Basic Needs

A major deficiency of our Plans, particularly in the first two decades, has been the relative neglect of human resource development and basic needs e.g., education, health, housing, drinking water, sanitation, etc. in rural areas. The attempts in the last two decades to provide such amenities have not succeeded in making good the backlog created in the earlier period. The proper targeting of these facilities for the poor

and the needy is yet to be achieved. The rural poor, particularly in the remote areas, have very little access to the supplies of essential commodities like foodgrains from the public distribution system.

The rural poor cannot afford to send their children to schools unless employment opportunities are increased and wages are high and children are provided support for attending schools. The widespread incidence of child labour is due as much to unemployment and poverty as to the lack of facilities for compulsory primary education. Productivity of rural labour, present as well as potential, is impaired by the lack of human resource development.

Social Security

The expenditure on social security in India hardly accounts for 2.5 per cent of GDP. This is among the lowest in the world. Most of the social security benefits from this meagre allocation accrue to the well organised urban work force who account for only about one-tenth of the total work force. However, there is now a growing realisation among the States and the Centre about the need to provide adequate social security to the rural labour. A wide variety of social security schemes for rural labour are currently in operation in different States, although the coverage and the scale of assistance are far from being adequate.

Environmental Degradation

Deforestation, degradation of environment and loss of common property resources have deprived the rural poor of their traditional sources of livelihood. The rural poor used to derive a significant part of their income from common property resources e.g., woodlots, grazing lands, ponds, etc. A good part of these resources has either been illegally appropriated, particularly by the rural rich, or denuded on account of unregulated exploitation. The rural poor, particularly women and children, have to spend much greater part of their labour-time for procuring fuel-wood and fodder by walking long distances. Drinking water has also become scarcer for them because of receding water-tables.

Environmental degradation in rural areas is the cumulative result of low productivity in agriculture, persistence of rural poverty, population growth and the growing demand from the affluent for timber, meat and wool, etc. Inadequate attention to dryland agriculture and water-harvesting and slow growth of irrigation have caused pressures for extension of area under cultivation at the expense of forests. The decline in vegetation and biomass in general accentuated the process of environmental degradation resulting in deprivation for the rural poor.

Tribals are the biggest victims of deforestation and degradation of environment. Their travails range from outright displacement from forests on account of development projects to precarious sustenance on

highly denuded forests. Failures to rehabilitate them properly have turned large numbers of them into casual and often migrant labour without the necessary orientation and skills for the work they have to seek. As a consequence, they fall prey to severe exploitation by the middlemen and the employers, accepting low wage and even bondage. Those who subsist on forests are denied the traditional rights on forests and fair prices for the minor forest produce. If rural labour constitutes the most marginalised section of our society, tribal labour constitutes, without doubt, the most dispossessed and exploited among them. Being so, they also resort to cutting trees and selling them for their survival, which also results in deforestation. This can now only be checked by providing irrigation, power and employment guarantee to them.

Organisation and Communication

Rural labour is not easily amenable to organisation. This is on account of seasonal nature of agriculture resulting in casual and uncertain employment and the existence of innumerable employers who are highly stratified. Because of very low and uncertain incomes and lack of social security, rural labour has low staying power. Their dependence on employers, such as landowners for consumption loans inhibits them in coming together for asserting their rights. Low level of literacy and lack of general awareness add to the difficulties of organising them.

Despite these limitations, there have been several notable attempts to organise agricultural labour for getting higher wages and improving conditions of work. These efforts have been particularly successful in mono-culture areas where yields are high. Agricultural labour acquire better bargaining power in such situations because of large-scale demand for labour concentrated during short seasons. Since many of these operations in rice regions are mainly done by female labour, male-female wage differential has been narrowing down in the recent period.

However, the task of organising agricultural labour has by no means been easy even in such situations. Generally, the attitude of the administration towards the cause of agricultural labour and its movement has been unfavourable, and even there are cases of use of repressive methods against agricultural labour. Wherever Government came forward decisively in favour of agricultural labourers, their organisations could be strengthened considerably resulting in substantial improvement in wages and working conditions.

On the whole, Government Departments do very little to create awareness among the workers about the schemes for their welfare by disseminating the relevant information. Even in States where literacy levels are fairly high, rural labour is not usually aware of the schemes launched for their benefit and the procedures for availing of the benefits from such programmes.

Except in a few States, notable among them being West Bengal, where successful implementation of land reforms undermined the power of rural elite, rural labour has very little voice in village Panchayats which are usually dominated by the rural rich. Village Panchayats, where active, have been interested mainly in activities the benefits of which can accrue, at best, equally to different sections of the society in the village. They rarely come to the rescue of rural labour, especially when the interests of the dominant rural elite are hurt.

Trade unions have largely confined their activities in favourable areas where labourers have regular employment and work together in large numbers. Organised trade union activity is much less prevalent among rural labour in the country. Only about 5 per cent of rural labour in the country is formally organised. Active Government intervention in their favour is a rarity. The field is, therefore, open to extremist activities especially in areas where poverty and exploitation is widespread. Extremism is a response to the prevailing economic and social discontent when peaceful and democratic channels for redressal of grievances and injustice on a day-to-day basis are absent.

The proliferation of government schemes for the benefit of the rural poor in the recent period have given rise to touts and middlemen, mostly belonging to the rural elite, who appropriate a large chunk of benefits from such schemes. The efficiency of expenditure on such programmes as well as the benefits for the intended beneficiaries would have been much greater if the flow of information was fuller and the organisations of the poor were actively involved in the formulation as well as implementation of such schemes.

POSITIVE FACTORS

Democratic Framework

The persistence of a vibrant democratic polity throughout the planning period in India has been a positive factor in favour of the unorganised poor including rural labour. The basic needs and demands of rural labour have been articulated and discussed from time to time in State Legislatures and Parliament. Protests against social oppression and indignities perpetrated on weaker sections have been voiced and culprits brought to book in certain cases. Despite the failure of the Government to afford adequate protection to the aggrieved, hope for redressal of injustices persists because of the accountability of the Government to the elected bodies and people at large.

For the unorganised sections, the exercise of their franchise provided opportunities to ventilate their grievances. The dynamics of democratic polity are such that the political groups on their part are becoming increasingly responsive to the aspirations and needs of the rural poor.

There is a renewed faith in the role of judiciary in protecting the interests of the unorganised labour. The judgements pronounced by the highest court of the land in favour of rural labour in cases involving payment of minimum wages and bonded labour have triggered expectations of redressal of injustices through judicial pronouncements.

Rural Labour Movements

Organised trade unions have behind them a long history of peasant movements dating back to the pre-independence period on issues such as land to the tiller, security of tenure and lower rents. The agrarian and land reform movements of the late sixties and early seventies have been able to secure some land-base for the rural poor. In several cases, the struggles of agricultural labour resulted in winning higher wages and improved conditions of work.

The voluntary organisations working among rural labour are led by highly motivated and determined activists spread over different parts of the country. They have to work against heavy odds, particularly because they are not part of an organised All-India movement. The impact of their efforts has been significant in terms of publicising the injustices, raising the consciousness of rural labour and mobilising public opinion in their favour.

An encouraging feature of rural labour movement in the post-independence period is the emergence and consolidation of associations and co-operatives of different rural artisans and professions such as weavers, toddy-tappers, fishermen, etc. Their struggles and activities, however limited and localised, have been instrumental in protecting the interests of the concerned sections of rural labour.

Direct Attack on Poverty

In view of the failure of trickle-down mechanisms to make an impact on the lives of the rural poor, a number of programmes designed to benefit them directly were initiated, particularly in the eighties. This was done in response to the felt-needs and urges of the people expressed through the organised movements of rural labour as well as through the electoral processes.

Under the Integrated Rural Development Programme (IRDP), about 30 million families were assisted for self-employment during the Sixth and Seventh Plan periods. Under wage-employment schemes, from about 20 million mandays of employment generated annually in the mid-sixties, the employment generated in 1989-90 under the Centrally-Sponsored Schemes (now merged into Jawahar Rozgar Yojana) as well as those undertaken by the States, such as the Employment Guarantee Scheme in Maharashtra, amounted to about 1,000 million mandays.

Even though not many families assisted under the self-employment programme have been able to cross the poverty line, they have experienced a substantial

increase in their real incomes—in quite a few cases exceeding 50 per cent. The performance was found to be distinctly better in the infrastructurally developed regions where the awareness levels and bargaining power of the beneficiaries are higher. Those who are at the bottom of the income ladder cannot cross the poverty line unless there is a three to four-fold increase in their incomes, which is basically determined by the level of assistance.

There is a need to integrate these programmes with area development planning by imparting flexibility in the programme both in the selection of activities so as to suit the local resource endowments, and in devising methods for implementation. These have to be achieved by institutionalising beneficiary participation e.g., through the involvement of elected institutions, non-Government or voluntary organisations and trade unions at the local level in planning as well as execution of such programmes.

The major deficiencies in respect of wage-employment programmes are: First, as in the case of IRDP, these programmes are weakly integrated with the Plans for area development. Secondly, the assets created are mostly of the type which do not have a potential for sustained increase in employment over a period of time. Thirdly, the upper income groups in the rural areas seem to be the major beneficiaries from the assets created, whereas the assets created exclusively for the benefit of the poor are relatively few. Finally, although the participation of women has increased over a period of time, the achievement is still well below the target. These deficiencies will have to be rectified under the new institutional arrangement involving beneficiary participation whereby planning and management of employment programmes has been handed over to the village panchayats.

Food Security

Even though green revolution failed to generate adequate employment in agriculture, it did generate foodgrain surpluses over the years sufficient to meet the requirements of public distribution system even in years of severe drought. The prices of major cereals such as rice and wheat have been rising less fast when compared to wages of agricultural labour in many parts of the country. This has resulted in some rise in the real wages of agricultural labour. Since the rural poor spend a larger proportion of their income on foodgrains, the achievement of food security and the decline in the relative prices of foodgrains have benefited them.

Because of slow rise in the prices of major cereals relative to wages, there is a tendency on the part of the farmers to use less labour per acre. However, the decline in relative prices of staple foodgrains raises the real wages for rural labour. Moreover, the availability of foodgrain stocks offers the potential for extending the public distribution system to the remote rural areas. The public distribution of foodgrains at subsidised rates and on a large enough scale in rural

areas in States like Andhra Pradesh, Kerala, Gujarat and Tamil Nadu has been made possible because of adequate availability of stocks of foodgrains. This has also enabled provision of rural employment on a significant scale in public works, especially during droughts. In general, slow rise in the cost of subsistence in relation to the general price level may stimulate greater employment generation, particularly in the informal sector.

PERSPECTIVE

The major goals to be achieved for rural labour are two-fold: improving their levels of living and preparing them for effective participation in development in future. The first objective has to be achieved through increase in employment opportunities that are self-sustaining, rise in wages and in incomes of household enterprises, provision of social security and basic needs like housing, sanitation, health services, safe drinking water, etc. These measures assume special significance in view of the on-going economic reforms in the country and the processes of adjustment which necessitate creation of safety net for the vulnerable sections of the society.

Second, from the long-term point of view, some of the existing occupations for rural labour should be regarded as transitional because, transfer of labour from agricultural to rural and non-rural occupations has already started. This process is bound to gain momentum in course of time. Investment in human resources development for rural labour e.g., compulsory primary education, adult literacy, improvement in health services, training in skills, raising general awareness through the use of effective communication methods, etc., should be regarded basically as an investment for future.

Such investment would help to smoothen the transition to new occupations in rural as well as urban areas and contribute to raising productivity in such activities. In particular, this would enable the rural poor to effectively participate in the newly emerging occupations and derive due share of benefits from growth. In the ultimate analysis, the benefits of such investment would percolate in a large measure to the economy as a whole.

The programmes for the improvement in the levels of living of rural labour and in its capabilities cannot succeed unless the participation of the beneficiaries is ensured in the formulation as well as implementation of such programmes through the elected institutions at the local level.

STRATEGY AND MAJOR RECOMMENDATIONS

To achieve the twin goals of improving the levels of living as well as capabilities of rural labour, the Commission recommends the following strategy:

Improving the Land-Base

First, land-base for rural labour needs to be strengthened by effectively implementing the existing legislation on ceilings on landholdings without any further

delay, protection of the rights of tenants and sharecroppers. In areas newly irrigated through public canals, strict enforcement of ceilings stipulated for irrigated land would augment surplus land for distribution among the landless rural labour. The recent decision of the Department of Rural Development, Government of India, to allow purchase of land for self-employment under IRDP offers considerable potential for augmenting the land-base of the rural poor. Liberal assistance to the allottees of land for improving the quality of land through irrigation and soil conservation, etc., would discourage alienation of land by making the holdings more viable.

Common property resources appropriated by the rural rich should be restored for use by the rural poor to be managed through their cooperatives. Land alienated from tribals by private parties should be restored to them and further alienation stopped. Also, traditional rights of tribals on forest produce should be restored. They should not be displaced until viable alternative avenues are provided. In all cases of allotment of land, preference should be given to women and among them, to the released bonded labour and agricultural labour, through conferment of rights on them.

Equity in Agricultural Growth

Second, stepping up agricultural growth in the less-developed regions where labour is abundant, wage rates are low and poverty is widespread, will contribute significantly to increasing employment and raising wages for rural labour. At the moment, the gap between the potential and the actual productivity is quite high in these regions. The provision of water and the use of new technology such as High Yielding Varieties of seeds and fertilizers in these areas can generate much greater employment than in the developed regions. There has to be special effort for evolving technologies suited to rainfed and dryland agriculture.

Public investment in agricultural infrastructure e.g., development of irrigation, particularly the exploitation of groundwater potential, power, marketing facilities, etc., should be stepped up in the less developed regions so as to increase the opportunities for employment in agriculture. To the extent possible, the development of infrastructure should be targeted to benefit the poorer sections. For example, it should be possible to have a time-bound programme to exploit the available groundwater potential through public assistance, among the small and marginal holdings, by consolidating their holdings, where necessary, and by encouraging group farming. Despite land alienation, tribals have a better land-base than most of the rural poor. Priority should, therefore, be given to the exploitation of irrigation potential in tribal areas. This may require modification in the existing mechanisms of Central assistance to States so as to ensure adequate resources to the poorer States for investment in such infrastructure.

The importance of non-crop activities in agriculture, such as sericulture, horticulture, dairying, fisheries, poultry, piggy and goat and sheep rearing, etc., is expected to rise in future in response to rise in incomes. These activities should be pre-empted, as far as possible, for the rural poor under IRDP by providing necessary training, credit and marketing facilities. Steps have to be taken to eliminate middlemen and the bureaucratic red-tape while implementing these programmes.

Employment Guarantee Programme

Third, a massive Employment Guarantee Programme for rural labour should be launched by merging the various wage-employment schemes of the Central and State Governments and by pooling and considerably augmenting these resources. The Programme is needed to support the implementation of minimum wages and consequential agrarian changes and weakening of the hold of the vested interests on the rural labour market. The Programme is most essential for persons below the poverty line, Scheduled Castes and Scheduled Tribes and women labour, and in dry and drought-prone areas, backward areas prone to out-migration and areas with high incidence of bonded labour or child labour.

The works under this Programme should be designed basically to raise farm productivity by building up labour-intensive infrastructure like minor irrigation works and drainage and to protect environment through soil conservation and water-harvesting on a watershed basis, and afforestation of degraded forests. The works should be undertaken in such a way that the assets created benefit essentially weaker sections including small and marginal farmers. Afforestation through effective participation of tribals and the rural poor in general, by ensuring for them adequate share in the fruits of their labour, can at once become a programme for poverty alleviation and eco-preservation.

The works should be devised in an integrated framework of area planning undertaken locally by the elected institutions. The contractor system should be done away with and the works should be executed either Departmentally or by labour cooperatives or through Panchayati Raj Institutions. As part of this programme, a Land Army Corporation on the Karnataka pattern, should be used to execute works requiring technical skills and labour on a sustained basis.

Infrastructure for Rural Industries

Fourth, development of power and other rural infrastructure, e.g., roads, credit and marketing institutions and training in skills in rural areas can stimulate employment and labour productivity in various household and small-scale enterprises, including artisans, handloom and handicrafts, shoe-making and leather goods, etc. even with known technologies. The existing self-employment activities under IRDP can be strengthened considerably by the provision of such infrastructure in backward areas. Evolution and dissemination of appropriate or intermediate technolo-

gies by upgrading the existing ones would be an added stimulus to employment generation and productivity increase. Training in skills is essential to modernise the traditional rural industries and artisans. Setting up institutes for their training in each district with peripatetic training teams is necessary.

The development of such infrastructure can raise rural savings and absorb productively the existing surpluses from agriculture. By reducing rural-urban disparities in income-earning opportunities, it would slow down distress migration of labour to the already congested urban areas. It would thus relieve to some extent the pressure for the provision of civic amenities in urban areas.

Human Resource Development and Basic Needs

Fifth, human resource development and provision of basic needs such as compulsory primary education, adult literacy, primary health facilities, potable drinking water, low-cost housing to the weaker sections, supply of essential commodities like foodgrains, cloth, kerosene, etc., through public distribution system at cheaper rates to the vulnerable groups like rural labour, including migrant labour, have a direct bearing on poverty alleviation and improving living standards. These would improve the benefits accruing to the poor from social development programmes and generate employment for the rural youth in the provision of such services. The present levels of social development being low in rural areas, there is considerable scope for absorbing educated youth and others in such activities. Social development will eventually result in slowing down population growth as well as in raising the skills and general awareness of the rural poor, thus preparing them for effective participation in development in the decades to come.

Social Security

Sixth, well-targeted programmes for economic and social development of rural areas as suggested above, should be supplemented by an extended provision of social security. Even in the developed countries, a substantial proportion of GDP is spent on social security. The need for social security is greater for the rural poor in a country like ours because of low and uncertain incomes and consequently greater vulnerability to exploitation. Social security benefits to the rural poor fall into two categories, viz., insurance-based schemes and state-assisted schemes, like old-age pension, maternity benefits, compensation for accident or death, etc. In the Indian situation, where rural wages are low and there is surplus of labour, employment guarantee scheme contributes in a significant way to social security also.

Empowering the Rural Labour

Seventh, the benefits from the programmes for socio-economic development, poverty alleviation, provision of basic needs and social security cannot accrue to the rural poor in full measure unless they are organised and become conscious of their rights. Government

is ill-suited to perform the functions of organising labour, which are better left to trade unions and voluntary organisations. However, Government can do a great deal to facilitate such activities by drastically re-orienting its approach towards the organisations of rural labour. It is not merely a question of extending support to the existing voluntary organisations working for the rural poor. It is basically a question of creating conditions favourable for the proliferation of voluntary work in the service of the rural poor. There is a large unrealised potential for voluntary work in the country which can fructify only if there is a basic change in the approach of the Government towards voluntary effort.

An essential measure for empowering the rural poor is to alter the power structure in their favour by improving their land-base, particularly of women, through effective implementation of land reforms as well as through endowment of land under the poverty alleviation programmes. There needs to be a major electoral reform to ensure that vested interests do not dominate village panchayats. Instead of the present election process based on the territorial wards, panchayat members should be elected on the basis of occupations or economic groups. Seats in the panchayats should be allocated among these groups in proportion to their population. Thus agricultural labourers should elect from among themselves the prescribed number of panchayat members. Marginal farmers should elect their own representatives who should also be marginal farmers. Reservations for SCs, STs and women should be built into these functional categories, keeping in view their proportion in each of the occupation categories. Sarpanch or Pradhan of the Panchayat should be elected from amongst the Panches.

Elections should be held regularly to the Panchayati Raj bodies and in any case within six months of the expiry of normal tenure, the old body continuing till the new body comes into position. Panchayati Raj bodies should not be ordinarily superseded. If, however, in extreme cases they are superseded, it should be mandatory that fresh elections are held within a period of six months.

Measures should be taken for effective dissemination of information about laws, welfare schemes, etc., to the rural labour through various media, camps, person-to-person contact, etc. Voluntary organisations and trade unions should also be involved for this purpose.

Effective Governmental Presence

Eighth, governmental presence needs to be made more effective for protecting the interests of rural labour and for implementing various programmes designed for them through Panchayati Raj institutions. This requires the necessary political will and a change in approach. Despite the proliferation of legislation for the upliftment of rural labour and the administrative machinery to implement them, governmental pre-

sence is not effective in preventing exploitation by the middlemen and in protecting rural labour from the harassment by the vested interests.

The Government should come out openly and decisively in support of the legitimate rights and demands of rural labour and against the vested interests. This is a legitimate expectation from a democratically elected Government, which has behind it the mandate of the rural poor whose electoral choices are decisive in bringing the parties to power.

The measures recommended above are highly inter-related and their total impact can be maximised only when the inter-relationships among them are appreciated and an integrated approach adopted. For example, administrative measures to implement minimum wages, liberate bonded labour and abolish child labour would be facilitated by the infrastructure development, expansion of wage-employment opportunities, employment guarantee programme and measures for empowering people. Similarly, effective governmental intervention to protect rural labour against vested interests and in support of rural labour organisations, trade unions and voluntary organisations will undermine the power of landowners, contractors, exploitative moneylenders and middlemen. This will enable rural labour to assert its rights and improve levels of living by eliminating exploitation.

Some of the recommendations made above are so interlinked that they have to be implemented as a package, like those relating to uniform ceiling for agricultural land; basic minimum wage covering the whole country; compulsory recording of tenancy rights and fixing fair rents paid by the tenants; acquisition of ownership rights by tenants on payment by instalments; provisions against leaving land uncultivated; Employment Guarantee Programme, and infrastructure development through public investment. This package of measures is the essential condition for the improvement of the lot of the rural labour.

In addition to the recommendations contained in the strategy outlined above, other major recommendations of the Commission are listed below.

Social Measures

1. Women Labour: Wage or salary employment outside the home would emancipate women better than home-based employment. Their greater participation in the workforce can be helped by technologies which will reduce the drudgery and the domestic work burden, releasing more time for gainful work as well as education and leisure. Women generally have special difficulties in obtaining credit due to various reasons. The Commission supports the idea of "Shram Shakti" Commission to set up a 'National Credit Fund for Women' for making available credit exclusively for poor women without any security or collateral upto a specific limit. It is also necessary to amend the existing inheritance laws to provide for co-ownership of property to the women to enable them to avail of loans from the financial institutions.

2. Child Labour: Free and compulsory elementary education for all children upto the age of 14 should be ensured immediately through the formal school system. Compulsory Education Act should be enacted in States wherever it is not done. This will be the most effective method of abolishing child labour of all kinds. If guaranteed wage employment can be provided to the parents of such child labour, the need for sending the child for work will be reduced. This programme should be phased and spread over the next five years, first covering areas where child labour is widespread. Simultaneously the law should provide for prohibition of child labour in all occupations and processes.

Economic Measures

3. Minimum Wages: Keeping in view the poverty line and calorie requirements, the Commission recommends fixation of a national basic minimum wage of Rs. 20 per day at December, 1990 prices, as against the suggested floor level of Rs. 15 at present. There should be provision for increase of wages automatically every six months on the basis of CPI. While this will be the floor level, the Government at the Centre and in the States should be free to fix minimum wages above this level on the basis of areas, skills, occupations or other local factors. Minimum wages should be paid to the labourers on all the works executed by the Government. Every State Government should identify low wage areas within the State and should formulate a strategy for enforcement of minimum wages in such areas through a combination of administrative and developmental measures.

4. Self-Employment: Self-employment programmes like IRDP should be continued by linking them to area development plans to be formulated by the elected institutions. Special attention should be given to training in skills and group approach in programmes, particularly for women.

5. Farm Mechanization: Highly labour-displacing machanization in agriculture like the use of harvest combines should be banned. At any rate, they should be severely discouraged by making them costlier through enhancement of excise duty and restriction of institutional credit for such purposes.

6. Migrant Labour: There should be a positive policy to assist and provide relief to the migrant labour by way of disseminating information about the availability of work and wages, subsidising travel and providing amenities at places of work by taxing the employers and contractors, if necessary.

7. Consumption Loans: Credit for consumption at lower rates of interest should be extended to rural labour families under suitably designed schemes or a designated line of credit through a Revolving Fund, raised through contributions not only from Central and State Governments but also from various financial institutions.

8. **Production Credit:** Institutional credit, through cooperatives, banks, etc., must be made more easily accessible to rural labour households. Collateral security should be dispensed with for advancing production loans to the rural poor. Where required, such security should be furnished by the Government or local bodies. Credit cards should be issued to the labour households by fixing Maximum Credit Limit (MCL).

Legislative Measures

9. **Right to Work:** 'Right to Work' should be incorporated as a fundamental right with certain qualifications and an Employment Guarantee Act broadly on the lines of the Act in Maharashtra be enacted.

10. **Central Legislation for Agricultural Workers:** The Commission recommends enactment of a comprehensive legislation for agricultural labourers providing for security of employment, prescribed hours of work, payment of prescribed wages, machinery for settlement of disputes, schemes for welfare and social security measures, right to form trade unions, etc.

11. **Bonded Labour:** A National Authority for Bonded Labour under the Bonded Labour Act should be set up which will function as an executive body and monitor the progress of implementation of the Act like identification, release, rehabilitation follow-up, etc.

12. **Home-based Workers:** A model legislation should be enacted for protection of home-based women workers and promotion of their welfare.

13. **Land Reforms Legislation:** Government should defend the interests of allottees of land in civil/criminal proceedings or free legal aid should be compulsorily provided in cases of disputes. Constitution of land tribunals at the local level with members including representatives of Scheduled Castes, Scheduled Tribes, women and voluntary organisations should be considered for speedy disposal of land reform cases within the time-limit prescribed. There should be

only one Appeal to a tribunal to be constituted under Article 323B of the Constitution.

Institutional Mechanism for Implementation

14. **Panchayati Raj Institutions:** A large number of recommendations have been made by the Commission. The question arises as to what would be the best institutional mechanism for their implementation so that rural labour really derives the benefits. It is clear that Government agencies, besides not going down to the village level, are already considerably over-stretched. Even with augmentation of staff and funds, they will not be able to directly execute these programmes. It is obvious that local bodies, Zilla Parishads and Panchayat Samits in particular, will have to be equipped to handle this task. They will, of course, have to be given technical support and advice, where necessary, by Government Departments. It is essential that land reforms are implemented to change the power structure in rural areas and elections conducted regularly to these bodies. Suitable reservation of seats for weaker sections and women should also be provided for in these bodies.

15. **Separate Department of Rural Labour:** There should be a separate Ministry or Department of Rural Labour at the Centre and in the States with an independent Directorate of Rural Labour in the States with functionaries upto block level to deal with all aspects, of rural labour, such as minimum wages, welfare measures, etc. to be implemented through the active involvement of Panchayati Raj Institutions. This proposal for separate Department of Rural Labour was put forward almost unanimously by State Governments, trade unions and voluntary organisations. However, the Commission recommends that the existing staff should be redeployed to the extent possible to service the reorganised set-up. The additional expenditure on administration, if any, and social security measures should be borne entirely by the Centre in the first three years and later it should be shared on 50:50 basis by the Centre and the States. There should be proper training, orientation and sensitisation of departmental functionaries.

CHAPTER I

INTRODUCTION

The then Prime Minister, Shri Rajiv Gandhi in his Budget speech on 28th February, 1987, had announced that the "Government would appoint a National Commission on Rural Labour to look into the working conditions of this vulnerable section of our society and the implementation of social legislation for their protection". In pursuance of this, the National Commission on Rural Labour (NCRL) was set up by the Government of India, Ministry of Labour Resolution No. U.24012/1/87-RW, dated 11-8-1987. A copy of the Resolution containing the terms of reference of the Commission is at Appendix I. The initial composition of the Commission was as under:—

- (1) Shri Jhinabhai R. Darjee *Chairman* (Resigned w.e.f. 15-1-90)
- (2) „ H. Hanumanthappa, M. P. *Member*
- (3) „ R. P. Panika, M. P. *Member*
- (4) „ Keyur Bhushan, M. P. *Member*
- (5) Prof. P. C. Joshi *Member*
- (6) Dr. Pradhan H. Prasad *Member*
- (7) Shri Suresh Mathur, IAS *Member-Secretary* (Till 10-7-1989)

1.2 The Government later added the following two members in the Commission vide corrigendum of even number dated 20th August, 1987 and 3rd November, 1987 respectively:—

- (1) Smt. Geeta Mukherjee, M.P.
- (2) Shri S. V. Krishnan.

1.3 Shri Suresh Mathur, Member-Secretary, NCRL left the Commission on 10-7-1989 on his appointment as the Secretary, Ministry of Labour. Shri G. Asvathanarayan assumed charge as Member-Secretary in the Commission w.e.f. 11-7-1989.

1.4 Consequent upon the resignation tendered by Shri Jhinabhai R. Darjee, Chairman, NCRL w.e.f. 15-1-1990, the Commission was reconstituted vide the Government of India, Ministry of Labour Resolution No. U-24012/1/90-RW, dated 1-6-1990. The composition of the reconstituted Commission is as under:—

- (1) Dr. C. H. Hanumantha Rao *Chairman*
- (2) Shri H. Hanumanthappa, M. P. *Member*
- (3) „ Gurudas Das Gupta, M. P. *Member*
- (4) „ P. K. Kunjachen, M. P. *Member* (deceased on 14-6-1991)
- (5) Dr. Pradhan H. Prasad *Member*

- (6) Prof. P. C. Joshi *Member*
- (7) Shri S. V. Krishnan *Member*
- (8) Shri G. Asvathanarayan, IAS *Member-Secretary*

1.5 Subsequently, the Government of India, Ministry of Labour vide Resolution of even number dated 24-1-1991 added the following three Members in the Commission:—

- (1) Shri Chand Ram, M.P.
- (2) Shri P. R. Kumaramangalam, M.P. (since resigned w.e.f. 21-6-91).
- (3) Shri Chhedi Paswan, M.P.

1.6 Consequent upon the transfer of Shri G. Asvathanarayan, Member-Secretary, Shri P. C. Hota, assumed the charge as Member-Secretary in the Commission w.e.f. 1-6-1991, in addition to his duties as Additional Secretary in the Ministry of Labour. Shri Asvathanarayan continued as a Member of the Commission.

Term of the Commission

1.7 The term of the Commission initially was for a period of three years from 11-8-87 to 10-8-90. As the Commission could not complete its work due to various reasons, Government granted extension of the term of the Commission three times, first upto 31-3-1991, next upto 31-5-1991 and lastly upto 31-7-1991. The Commission submitted its report to the Government on 31-7-1991.

Nature of Inquiry

1.8 It was for the first time that the Government of India set up a National Commission to examine in depth the national and region specific problems of rural labour with comprehensive terms of reference. As seen from these terms of reference, the Commission was expected to look at the Indian economy as a whole and suggest policies and programmes and make recommendations taking into account a wide spectrum of activities which impinge on the basic objectives of eliminating poverty, improving quality of life and increasing productive employment opportunities for rural labour. The Commission was, inter-alia, to study the existing legislative and other measures intended to protect the interests of this segment of the labour force; assess the effectiveness of legislative measures, administrative arrangements and delivery systems as also to study various issues relating to the planning process, investment pattern and plan priorities and the choice of technologies, taking into account the problems and aspirations of the rural labour. The study also involved matters concerning

land reforms, common property resources, bondage, migration, access to social services, employment and income generation, minimum wages, social security, organisation, as well as specific problems of women and children.

Inaugural Preliminaries

1.9 The Commission met for the first time at its Headquarters, New Delhi on 8th October, 1987. It was inaugurated by the then Minister of State for Labour, Shri P. A. Sangma.

Staffing Pattern

1.10 The Commission consisted of a full-time Chairman, a full-time Member-Secretary and part-time non-official members including Members of Parliament and the experts. The Commission had its Secretariat having a sanctioned strength of 139 staff members. Against this, 122 posts were created.

Methodology

1.11 The terms of reference of the Commission were comprehensive covering the entire rural work force in the country. After assessing the magnitude and the nature of the task, the Commission decided the following methodology for work:

(i) Information and Data Base

1.12 It was first considered necessary to build up the information and data base for a realistic appraisal of the situation together with regional variations and formulate practical suggestions in respect of the identified problems of rural labour. An Economic and Statistical (E&S) Wing was created for the purpose in the Commission's Secretariat. The E&S Wing arranged for collection of requisite data/information/material/reports etc., having bearing on rural labour in general from different sources. The data and information so collected was not only utilised in the Secretariat for preparation of various notes/papers for the Commission's report but also made available as and when required and asked for by various Study Groups set up by the Commission. The Commission also collected detailed statistical information from States and Union Territories on various aspects of the subject. The E&S Wing had prepared statistical profiles/status papers and the tour reports in respect of all such States which the Commission visited, to provide basic information required for formulating views on different subjects keeping in view the regional dimensions. In addition, the officials in the Secretariat prepared some status papers on different aspects of the terms of reference to supplement the reports of the study groups.

(ii) Questionnaire

1.13 Keeping in view the thrust areas/issues so identified and the terms of reference, the Commission framed a comprehensive questionnaire to understand the socio-economic conditions of rural labour. While framing the questionnaire, an attempt was made to get detailed information not only on the performance

of the existing schemes/programmes but also to get fresh ideas and suggestions on how best the programmes could be modified/formulated for the benefit of the rural poor. The questionnaire was addressed to various Governmental and non-governmental organisations spread all over the country. The replies received were processed and classified categorywise and subjectwise and were used in formulating the views of the Commission. These were sent to all the study groups for their consideration.

(iii) Setting up of Study Groups

1.14 After issuing the questionnaire, the Commission addressed itself to the task of collecting expert opinion/views on the major issues referred to it by the Government. It was decided for this purpose to constitute separate study groups to be headed by subject specialists, to undertake indepth studies based on primary and secondary data on the various subjects having a bearing on rural labour. Keeping in view, the terms of reference, the Commission set up 16 study groups on the following subjects:—

- (1) Criteria, definition and characteristics of rural labour.
- (2) Minimum Wages.
- (3) Bonded Labour.
- (4) Migrant Labour.
- (5) Women and Children.
- (6) Economic and Social Security.
- (7) Employment Generation.
- (8) Land Reforms and Common Property Resources.
- (9) Technology and development strategy for rural labour.
- (10) Anti-poverty programmes.
- (11) Labour Laws.
- (12) Rural Labour Indebtedness.
- (13) Organisation of Rural Labour and Role of Government, Unions and Voluntary Agencies.
- (14) Assessment of Basic Needs of Rural Labour.
- (15) Social Constraints of Rural Labour.
- (16) Planning Process.

1.15 The Commission had also decided to set up one more study group on Tribals and Forests, but due to certain unavoidable reasons this Group could not be constituted. However, views of the experts and the senior officials of the concerned Ministries/Departments were sought at a meeting held on the subject. Their views were taken into account in the preparation of the Chapter on 'Tribals and Forest'. In addition to the above study groups, some special studies were made like those on 'Women and Dairying', Janata Cloth Production Scheme for Handloom Weavers' and 'Rural Unrest in Telangana Region of

Andhra Pradesh and parts of Bihar'. The reports of the study groups were in the nature of technical reports used as resource material for the report of the Commission. Views of the experts/senior officials of the concerned Ministries/Departments were also sought by holding a meeting on Communication Strategy for rural labour.

(iv) Visit to States

1.16 With a view to get first hand information and for exchange of ideas with State officials, concerned non-official organisations and experts and research institutes as also to meet with rural labour in the field, the Commission had undertaken tours of States and Union Territories. The Commission visited 12 States, viz. Kerala, Maharashtra, West Bengal, Uttar Pradesh, Madhya Pradesh, Tamil Nadu, Karnataka, Rajasthan, Bihar, Andhra Pradesh, Gujarat and Orissa.

(v) National Seminar on Agricultural Labour

1.17 The Commission organised a two-day National Seminar on Agricultural Labour in March, 1990 at Vigyan Bhawan, New Delhi, which was inaugurated by the Prime Minister. A wide range of problems relating to agricultural labour were discussed extensively at the seminar. The participants in the Seminar constituted a wide cross-section to interact on the important issues concerning this most vulnerable section of our society. A brochure on 'Proceedings and Conclusions' of the Seminar was also brought out and circulated. This served as useful material in formulating the views of the Commission on various aspects concerning the agricultural labour.

(vi) Meetings of the Commission

1.18 The Commission held 28 meetings to complete the task entrusted to it. Besides these, three meetings were held with the heads of the study groups with a view to coordinating their work as also to avoid any overlapping in the coverage of the subject matters assigned to them. Meetings were also held with the State officials, trade unions, voluntary agencies and social activists during visits to respective States to understand particularly the regional dimensions of the problems of rural labour.

(vii) Framework of the Report

1.19 The Commission's report has been brought out in two volumes. Volume I contains the conclusions and recommendations. The interim reports submitted by the Commission to the Government concerning the 'Central Legislation for Agricultural Workers' and 'Strengthening the land base of the Rural Labour' have been dovetailed in the respective chapters of the Report in Volume I. The chapters on different subjects are based on the technical reports of the respective study groups, responses to the general questionnaire, information and data collected by the secretariat, the impressions gathered during visits to various states, expertise and grass-root experiences of the Members of the Commission and various memoranda/

representations received from trade unions, voluntary agencies and social activists. The assistance of expert individuals was also obtained while drafting certain chapters of the main report.

1.20 Volume II is a supplementary volume containing the technical reports of the sixteen study groups and findings of the three special studies sponsored by us, some of them in an abridged form.

(viii) Acknowledgements

1.21.1 We place on record the advice and guidance given to the Commission in the initial stages by Shri Jhinabhai Darjee the former Chairman of the Commission and Shri R. P. Panika, M.P., Shri Keyur Bhushan, M.P., Smt. Geeta Mukherje, M.P. and Shri P. R. Kumaramangalam, M.P., former Members.

1.21.2 The Reports of the Study Groups and Special Studies have been extremely valuable as base material for the Commission's work. We would like to thank the Chairpersons and members associated with the preparation of all these Reports and Studies. We benefited a great deal from the discussions at the meetings of experts convened by the Commission on Communication Strategy for Rural Labour and on Tribals and Forests. We would also like to thank Dr. B. D. Sharma, Prof. Swapana Mukhopadhyay and Prof. N. Krishnaji for their expert views and assistance on certain specific aspects of the Report.

1.21.3 Our gratitude is also due to the Chief Ministers and Labour Ministers of the States that we visited for extending to us the hospitality and facilities for field visits which provided insights into certain region-specific problems of rural labour. We are grateful to the Labour Secretaries/Commissioners and other liaison officers of State Governments for giving us their unstinted support in organising tour programmes and for supplying information sought by the Commission. We also thank the liaison officers of the Central Ministries/Departments who participated in the deliberations of various Study Groups set up by the Commission.

1.21.4 We would like to thank the representatives of trade unions and voluntary organisations and social activists who gave memoranda and discussed with the Commission during its visits to States. Also, our thanks are due to all those who responded to our questionnaire and offered their valuable views on a variety of subjects.

1.21.5 It is our pleasant duty to place on record our deep appreciation of the valuable services rendered by the staff of the Commission. We are highly indebted to our colleague Shri G. Asvathanarayan who as Member-Secretary, made valuable contributions towards organising the work of the Secretariat, carrying out research and analysis and drafting of the Report. Our sincere thanks are also due to the former Member-Secretary, Shri Suresh Mathur who contributed towards building up the infrastructure and gathering requisite information. We would also like to express

our appreciation for the sincere and painstaking work put in by Shri N. L. Meena, Officer on Special Duty, towards developing and coordinating the work of the Commission.

1.21.6 We place on record our deep regards for our deceased colleague Shri P. K. Kunjachen, Member of Rajya Sabha, who had a deep commitment to the cause of rural labour and whose contributions and advice born out of his lifelong experience with agricultural workers' movement, enriched the deliberations of the Commission.

1.21.7 We extend our sincere thanks to the Ministry of Labour, Government of India for extending all the help and cooperation for the smooth and effective functioning of the Commission. Our thanks are also due to the National Informatic Centre for providing computer facilities in the Commission.

APPENDIX I

PUBLISHED IN THE GAZETTE OF INDIA, PART I, SECTION I ON 5-9-1987 No. U./24012/1/87-RW

Government of India/Bharat Sarkar
Ministry of Labour/Shram Mantralaya

New Delhi, the 11th August, 1987

Resolution

Progressive reduction of unemployment, removal of poverty and improvement in the socio-economic conditions of the working people have been the principal objectives of planned development and change in India. Policies and programmes devised for promoting these objectives have however not fully achieved expected results and the benefits and gains from development have not become uniformly available to all.

2. For achieving a better understanding of all India as well as region specific problems of rural labour, thereby getting an insight into issues relevant to the overall development process as well as specific rural labour, oriented programmes Government have decided to set up a National Commission on Rural labour. The terms of reference of the Commission shall be as follows:—

- (1) To study in a dynamic setting, the problems of identification, categorisation and quantification of rural labour, taking into account its economic, social and regional dimensions.
- (2) To study in the context of a changing traditional socio-economic framework, the economic, social and working conditions of rural labour and the disabilities including a lack of social security, arising therefrom.
- (3) To study the existing legislative and other provisions intended to protect the interests of rural

labour and to assess the effectiveness of these measures as also that of the appertinent administrative arrangements and delivery systems.

- (4) To study the formulation and implementation of land reform and other institutional reform measures having a bearing on rural labour, specially on its land dependent section.
- (5) To study the effects of the changes in the control and management of community property resources including land, forests and water on rural labour.
- (6) To study the phenomenon of migration, the various laws, administrative and recruitment practices relevant to migrant labour as also their particular disabilities.
- (7) To study in the context of the requirements of rural labour issues relating to the planning process, the various development plans and programmes and their implementation.
- (8) To study the social development measures in sectors such as health, family welfare, housing, water supply, education including training and the impact they have had on the quality of life of rural labour.
- (9) *To Study and Report in Particular on:*
 - (i) The efficacy of various legislative and other measures adopted so far with reference to share croppers and other types of tenants.
 - (ii) the problem of bonded labour (including that of consumption loans) and the effect of legislative and other measures adopted for removing their bondage.
 - (iii) supplemental plans for specific target group/ areas for employment creation, income/ generation and poverty alleviation.
 - (iv) the investment pattern in the various plans, the choice of technologies and their effect on labour absorption.
 - (v) factors impinging on the demand for rural labour, their effect on the bargaining power of rural labour and constraints on the organisation of rural labour.
 - (vi) fixation of a minimum wage for rural labour as also the enforcement mechanism.
 - (vii) the particular problems of women and children.
 - (viii) arrangement for collecting data relevant to a study of the problems of rural labour, promoting research and dissemination of information.
 - (ix) a comparative study of the experience in different regions of India and that of other countries.

3. To make recommendations on the above matters.

4. The composition of the National Commission on Rural Labour will be as follows:--

- | | |
|-----------------------------------|-------------------------|
| 1. Shri Jhinabhai Darjee-- | <i>Chairman</i> |
| 2. Shri H. Hanumanthappa, M. P.-- | <i>Member</i> |
| 3. Shri R. P. Panika, M. P.-- | „ |
| 4. Shri Keyur Bhushan M. P.-- | „ |
| 5. Prof. P. C. Joshi-- | „ |
| 6. Dr. Pradhan H. Prasad-- | „ |
| 7. Shri Suresh Mathur, IAS-- | <i>Member-Secretary</i> |

5. The Chairman and the Member-Secretary will be full time members of the Commission. The other members will function part-time and will attend meetings or proceed on tours or undertake other functions, as decided by the Commission.

6. The Headquarter of the Commission will be at New Delhi.

7. The Commission will devise its own procedures and may consult such advisers, as may be considered necessary. It may commission studies as may be required and appoint consultants for any particular purpose from time to time. It may call for such information and take such evidence as it may consider necessary. The Ministries/Departments of Government of India will furnish such information, docu-

ments and other assistance, as may be required by the Commission. The Government of India trusts that the State Governments, the Union Territory Administrations, Public Undertakings and other concerned will extend to the Commission the fullest cooperation and assistance.

8. The Commission may make its recommendations as soon as practicable. It may, if necessary, submit interim report or reports. The term of the Commission will be for a period of three years.

Sd/-

(Badal Roy)

Secretary to the Govt. of India

No. U-24612/1/87-RW

Dated, New Delhi, 11th August, 1987

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section I.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

Sd/-

(Badal Roy)

Secretary to the Govt. of India.

CHAPTER 2

DEFINITION AND CHARACTERISTICS OF RURAL LABOUR

2.1 The striking feature of Indian economy is that only a fraction of the working masses belong to the class of regular wage workers. A considerable number putting in own or family physical labour is to be found in the sphere of self-employment in small peasant agriculture, village industry and petty trade. They are also to be found in irregular employment, in miscellaneous activities under terms and conditions ranging from the feudal to the semi-feudal and semi-capitalistic. While one could attempt an occupation based listing to define rural labour and it would be useful for certain purposes of identifying special problems as well as policy interventions to resolve them, it would not, however, overcome the problem of overlapping occupations, small peasants also working as labourers etc. The casual nature of employment, which keeps them shifting from one form to another, further adds to the difficulty of identification.

2.2 A number of conceptual, methodological and statistical difficulties arise in arriving at estimates of rural labour and placing them in different categories, mainly on account of the absence of a commonly accepted definition. Since the regular full-time wage employment is not the major type of employment in rural areas, a question arises as to whether rural labour should include the self-employed with input of physical or manual labour and those who are unpaid labour within the family enterprises. There are also those who are partly self-employed and working part of the year on wages, with the proportion of wage income to total income widely varying. Estimation of quantum of income by source can be very subjective and prone to high margin of errors.

2.3 Women's economic activities are mostly hidden and underestimated, and do not, therefore, get fully reflected in the number of rural labour if income is adopted as a criterion in defining rural labour. A host of other complex issues like domicile, period of stay, geographical considerations, nature of occupation, employer-employee relationship and migration also arise in any discussion on formulating a 'workable' definition of rural labour. While there have been and there could be different definitions for different specific purposes the intention of the Commission is to have a comprehensive definition to cover all the deserving segments of the rural workforce which are in a very vulnerable position.

Definition & Criteria

2.4 In the post-independence period the problem of definition for the first time engaged the attention of two Agricultural Labour Enquiries (ALEs). The first ALE (1950-51) defined agricultural labour as 'all those who were engaged as hired labourers in agricultural operations for 50 per cent or more of the

total number of days worked by them during the previous year'. The basis of this definition was, thus, the quantum of hired employment during the period of one year. Annexure 1 gives the detailed definition of ALE/RLE.

2.5 The 1981 census also defined an agricultural labourer as a person who worked in another person's land for wage in cash, kind or share in crop. Such a person had no risk in cultivation but merely worked in another person's land for wages with no right of lease or contract in the land and whose main source of income is wage employment for work on land (or land based activity).

2.6 The RLE definition takes into account only one criterion, i.e. principal sources of income through wages. It excludes the category of self-employed (whether partial or wholly) from the orbit of its coverage under rural labour households even if they get wage income, in case wage income is less than 50 per cent of the total income. While the definition adopted in RLEs is obviously tailored to the variety of uses including construction of weighting diagram for Consumer Price Index for Agricultural labour and is relevant for those purposes; it would be restrictive for the purpose of work of the Commission whose scope is much wider.

National Commission on Labour

2.7 The National Commission on Labour (1966) did not attempt any definition, but classified rural labour into agricultural and non-agricultural labour. Even this classification, as the Commission itself admitted, was not precise since several categories of non-agricultural labour are available for agricultural operations when needed due to the mixed character of rural occupation. Rural labour according to the Report, consists mainly of agricultural labour. Quoting the International Standard Industrial Classification, the Commission indicated that agriculture included such activities as cultivation of land, rearing and maintenance of livestock, forest operations, fishing and hunting. Fruit growing and plantations are excluded. Agricultural workers have been classified into three categories: cultivators, agricultural labour and workers engaged in forestry fishing and livestock etc.

2.8 Agricultural labour, (Commission Report—1969) includes those 'unskilled and unorganised labour and has little for its livelihood other than personal labour' and "whose main source of income is wage employment". It consisted of (i) landless agricultural labour, and (ii) very small cultivators whose main source of earnings due to their small and sub-margi-

nal holdings. is wage-employment. The first category of landless labour was further classified into two broad categories viz. "(a) permanent labour attached to a cultivating household and (b) casual labour". The latter was sub-divided into three groups viz. 'cultivators, sharecroppers and lease-holders'.

2.9 The Sub-Committee of the Parliamentary Consultative Committee of the Ministry of Labour, appointed in December, 1986, under the Chairmanship of Shri Gurudas Das Gupta, Member, Rajya Sabha to study and report on problems of unorganised workers in agricultural sector described the basic features of agricultural workers. Agricultural workers, as the Committee puts it, "constitute the most backward, unorganised, downtrodden section of the work force. They are mostly below the poverty line and have really been deprived of the fruit of their own labour over decades and even today do not get an adequate share of the fruits and planned economic development".

National Commission on Women (1988)

2.10 The National Commission on Self-Employed Women and Women in the Informal Sector (Report published in June, 1988) covered and studied the entire gamut of unprotected labouring women to include self-employed and wage labour, paid and unpaid labour and contract labour. The Commission covered many categories of workers and in view of the wide scope of the concept of worker adopted, it had used the terms 'self-employed', 'informal' and 'unorganised' in the report interchangeably.

ILO Convention No. 141

2.11 A more comprehensive definition of 'rural worker' was formulated by the ILO which incorporated it in Article 2 of its convention No. 141 entitled "Rural Workers Organisations" Convention 1975 and adopted on 23rd June, 1975 in its Sixtieth Session. The Convention as adopted and ratified by the Government of India in August, 1977 described a rural worker as:—

"Any person engaged in agriculture, handicrafts or related occupation in a rural area whether as wage-earner or self-employed person such as a tenant, a sharecropper or small owner—occupier. This convention applied only to those tenants, sharecroppers or small owner-occupiers;

- * who derive their main income from agriculture;
- * who work the land themselves with the help only of their family or with the help of occasional outside labour, and;
- * who do not permanently employ workers or employ a substantial number of seasonal workers or have any land cultivated by sharecroppers or tenants".

The ILO definition in a way widened the coverage of the term 'rural labour' in so far as it included self-employed workers also who are not covered by the Rural Labour Enquiries. Rural workers under the ILO definition will cover, in the Indian context, agricultural labour, marginal and small farmers, sharecroppers, tenants, rural artisans and workers engaged in fisheries, forest, horticulture, animal husbandry and other related occupation in rural area.

2.12 The ILO definition excludes landlords and rich peasants from the category of rural workers. The inclusion of poor peasants rural proletariat and pauperised artisan and handicraft workers among rural workers is far from any controversy. However, a closer examination of the Convention shows that middle level peasants too can get included as rural labour if the definition of 'small' becomes elastic. The interests of the middle level peasants are closer to the rich peasants as is evident from the findings of the various studies as also recent peasant movements in India. On the other hand, small and marginal farmers have many time to seek wage employment for their sustenance throughout the year in addition to working on their land. Many are even forced to lease out their uneconomic holdings and opt for wage employment. If we, therefore, excluded the middle peasants, then the category of rural workers would include only agricultural labourers, poor peasants (small and marginal farmers), tenants, sharecroppers and artisans who also hire themselves out as agricultural labourers.

Perception of Respondents to our Questionnaire

2.13 The Commission devised a questionnaire and addressed it to government and non-government organisations, research institutions and experts, inviting the views regarding the manner in which the terms 'rural labour' should be understood and defined. It also invited suggestions on modifications in the definition as incorporated in the ILO Convention No. 141. In response to the questionnaire, the respondents have expressed divergent views and suggested different parameters in defining rural labour. The basic conflict, however, pertains to self-employment versus wage-paid employment; whether the latter alone should be covered or the former also be included in the definition. Most of the respondents have agreed with the definition contained in the ILO Convention No. 141.

2.14 There are more narrowly construed definitions, as, for example, adopted by Rural Labour Enquiry, Census, etc. on the other hand there is a more broad or comprehensive definition like that of ILO 141 Convention. No doubt, wage employment is an important determining factor in distinguishing rural labourers from other workers. But problems arise when one stipulates that it should constitute the major source of income (i.e. 51 per cent of above from wage paid manual labour). If a rural labour household is defined as one which receives major part of its total income from employment on wages, it would leave out the households and individuals for whom employment on wages is a significant source

of income though not the major source even in cases where the total income of the household is below the poverty line.

2.15 The Indian situation is much too complex and would thus give rise to difficulties in identifying the rural labour on narrow consideration. Firstly, it is well known that many of the marginal/small farmers, not being able to depend entirely on the income from their land, rent it out and engage themselves as agricultural labour. Secondly, in raising certain crops especially the commercial crops e.g. sugarcane, cotton etc, a small farmer cannot depend entirely on his family labour and has to hire seasonal labour. Thirdly, there is no clearly set out employer-employee relationship. Fourthly, certain activities are home based and carried out on contract or piece rate basis. Fifthly there are problems bringing activities peripheral to agricultural/non-agricultural activities in a rural area in return for wages and providing services like washermen, barbers, scavengers, domestic helpers and also like self-employed petty vendors and hawkers.

2.16 The ILO definition, however, helps in overcoming some of the above difficulties and with suitable amplification/modification an appropriate definition can be evolved in the context of situation prevailing in the country. It must, however, be recognised that more and more restrictive definitions would have to continue or may have to be devised for specific purposes such as Rural Labour Enquiries, Survey studies, special programmes or schemes of help or amelioration etc.

Definition of Rural Labour

2.17.1 In formulating an appropriate definition of rural labour, the main concern of the Commission was to include all those who toil for their livelihood in the rural areas, irrespective of the fact whether they are self-employed or selling labour power so that the recommendations of the Commission go to the needy and actually deserving persons who generally being unorganised, have not yet been able to secure the benefits. The Commission is aware of the pitfalls of narrower definition of 'rural labour' as defined in RLE and also the generalised definitions which would cover almost the entire 'rural workers'. It is both desirable and a necessity to have a broader view but at the same time, the definition has to be precise and should, not open floodgates for interpretation. The Commission felt that those who do manual labour and sell their labour power and those small and marginal farmers who may be supplementing even 5 per cent of their income by earning wages through selling their labour should come under the category of rural labour. Though bulk of the rural labour would be below the poverty line, poverty, as such, cannot be the criterion for the purpose of definition of rural labour and it should not become a restrictive principle. The Commission would define **RURAL LABOUR** as follows:—

- (i) "A PERSON WHO IS LIVING AND WORKING IN RURAL AREA AND EN-

GAGED IN AGRICULTURAL AND/OR NON-AGRICULTURAL ACTIVITIES REQUIRING MANUAL LABOUR, GETTING WAGE OF REMUNERATION PARTIALLY OR WHOLLY, IN CASH OR KIND OR BOTH DURING THE YEAR.

OR

- (ii) SUCH OWN ACCOUNT WORKERS WHO ARE NOT USUALLY HIRING IN LABOURERS BUT ARE A PART OF THE PETTY PRODUCTION SYSTEM IN RURAL AREAS".

2.17.2 The salient features of our formulation are as under:

- (a) It includes 'Rural labour' as defined by NSS/Rural Labour Enquiry;
- (b) It includes both wage-paid as well as self-employed workers, with certain riders.
- (c) It applies only to those who reside and work in rural area (as defined in Census). It excludes workers living in rural area but not working in rural area.
- (d) Manual work referred above is as defined by NSS/RLE (Annexure I)
- (e) Own-account self-employed persons are those who operate their enterprises without hiring any labour. Those who by and large regularly run their enterprises by hiring labour, are excluded.

An Estimate of Rural Labour

2.18 As per NCRL's definition, the estimated number of rural labour in 1987-88 is around 150 million. This would include about 97 million rural labour as defined in RLE (Self-employed, regular and casual workers in rural labour household), about 9 million casual workers in self employed households and other households besides 44 million workers deserving to be categorised as rural labour in the self-employed households belonging to landless, marginal and small categories. The above estimate includes unemployed excluding graduate and above in the rural labour force. The 'rural labour' as per NCRL definition accounts for about 60 per cent of the total rural labour force in the country.

Structure of Rural Households

2.19 The first Rural Labour Enquiry (RLE) was conducted in 1964-65 and upto 1987-88 five such enquiries have been conducted. The trends in growth of rural households are given by RLE estimates which is the only major source on rural labour.

TABLE 1

(in million)

Rural Labour Enquiry	Year	Estimated number of households			
		Rural	Agri. Labour	Other Labour	Rural Labour
First	1964-65	70.4	15.3 (21.8)	2.58 (3.66)	17.9 (25.4)
Second	1974-75	82.1	20.8 (25.3)	4.08 (4.97)	24.9 (30.3)
Third	1977-78	95.7	28.6 (29.9)	6.62 (6.91)	35.2 (36.8)
Fourth	1983	100.5	30.9 (30.7)	6.59 (6.56)	37.5 (37.3)
Fifth	1987-88	108.4	33.3 (30.7)	9.70 (8.95)	43.1 (39.7)

(Figures in the parentheses indicate percentage to col. 3)

Source : RLE Reports/NSSO.

2.20 As may be seen from the table, during 1987-88, rural labour households accounted for 39.7 per cent of total rural households. Against this, the agricultural rural households accounted for 30.7 per cent of the rural households. The striking feature is that agricultural labour households alone constituted about 82 per cent of all rural labour households in the country in 1983 as against 81 per cent in 1977-78 but came down to 77 per cent in 1987-88. Out of 43.1 million rural labour households in 1987-88 about 14.1 million were Scheduled Caste households and 5.9 million were Scheduled Tribe households. Both SC/ST labour households taken together constituted 46.3 per cent of all rural labour households as against 43.7 per cent a decade ago.

2.21 The table reveals certain interesting changes in the structure of rural households. In 1964-65, Rural Labour households and agricultural labour households accounted for little more than one-fourth and one-fifth

of the total rural households in the country. Other labour households accounted for just 3.7 per cent. In 1987-88 Rural Labour households share increased to 39.7 per cent and Agricultural labour households to 30.7 per cent and other labour households to 8.95 per cent.

2.22 Between 1964-65 to 1987-88, the absolute increase in rural households is 38 million. More than 66 per cent of the increase has come from rural labour households (25.2 million). For the corresponding period the agricultural labour households increased by 18 per cent and the other labour households by 276 per cent. Thus, non-agricultural labour households have increased at a faster rate during the period 1964-65 to 1987-88.

2.23 The following table gives the distribution of estimated number of Rural households by type of household and possession of cultivated land:

TABLE 2

(Figures in million)

Household category	With land			Without land			Total		
	77-78	1983	87-88	77-78	1983	87-88	77-78	1983	87-88
1. Ag. Lab.	13.9	13.6	15.8	14.7	17.3	17.5	28.6	30.9	33.3
2. Non-Ag. Lab.	3.2	2.6	4.3	3.4	4.0	5.5	6.6	6.6	9.8
3. Ru. Lab.	17.1	16.2	20.1	18.1	21.3	23.0	35.2	37.5	43.1
4. Others	49.3	48.9	50.1	11.2	14.1	15.2	60.5	63.0	65.3
Total	66.4	65.1	70.2	29.3	35.4	38.2	95.7	100.5	108.4

SOURCE : RLE Report/NSSO.

4-1 NCRL/ND/91

2.24 As may be seen from the table, while the total rural households increased from 95.7 million in 1977-78 to 108.4 million in 1987-88, the number of rural households without cultivated land has increased from 29.3 million to 38.2 million. In other words, while the total number of households increased by 13 per cent the rural households without cultivated land has increased by more than 30 per cent. Even in agricultural labour category, the households without cultivated land increased from 14.7 million to 17.5 million or by 19 per cent. In other households comprising self-employed and other rural households, the increase in landlessness is of higher magnitude (36 per cent). This indicates that the land base of agricultural labour household has been gradually eroded. Further, such deprivation is of higher order in households in self-employed category, thereby swelling the ranks of labouring class.

Growth in Agriculture/Rural Labour

2.25 During seventies and eighties the rural population registered an annual growth rate of 2 per cent and 1.5 per cent, respectively. However, for the corresponding decades, the growth rate in agricultural labour has been at higher levels of 4.01 per cent and 3.0 per cent, per annum, respectively. As per recent estimates of NSS (1987-88), the proportion of agricultural labour households to total rural households increased from 29.9 per cent in 1977-78 to 30.7 per cent in 1987-88. Similarly, the rural labour household's proportion increased from 36.8 per cent to 38.7 per

cent. The proportion of self-employed households in agriculture has declined steeply from 46.1 per cent to 37.7 per cent in 1987-88. As per Census estimates, the employment in rural household industry has steeply declined in both absolute and relative terms. The number of workers in this sector declined from 9.94 million in 1961 to 6.11 million in 1981 and its share declined from 2.76 per cent to 1.02 per cent for the corresponding period.

2.26 As per 43rd Round NSS estimates (1987-88), Agricultural labour households account for 30.7 per cent of total rural households. Southern region had highest proportion of agricultural labour households. Tamil Nadu's proportion is highest at 40.2 per cent, followed by Andhra Pradesh (39.5 per cent), Karnataka (39.3 per cent), Maharashtra (38.6 per cent), Bihar (36.1 per cent), West Bengal (35.9 per cent), and Orissa (35.2 per cent). In all these States, except West Bengal, the rural poverty ratio is higher than the national average of 33.4 per cent. West Bengal's poverty ratio is close to the national average. This confirms that agricultural labour households constitute the most vulnerable section of rural society and the higher their proportion, greater is the poverty ratio.

Casualisation

2.27 Over the years, the rural economy has been witnessing qualitative changes which are quite striking and are of great concern. There has been increasing casualisation of rural workers.

TABLE 3
Percentage Distribution of Rural Workers by Employment & Sex

Category	Male				Female			
	72-73	77-78	1983	87-88	72-73	77-78	1983	87-88
Self employed	65.9	62.8	60.5	58.6	64.5	62.1	61.9	60.8
Regular employees	12.1	10.6	10.3	10.0	4.1	2.8	2.8	3.7
Casual Labour	22.0	26.6	29.2	31.4	31.4	35.1	35.3	35.5

Source : SARVEKSHANA : SPECIAL NUMBER SEP. 1990. NSS 43rd Round.

As may be seen from the table 3, the proportion of self-employed and regular employees has declined by 7.3% and 2.1% for males, respectively in 1987-88 over 1972-73. Similarly, the decline for females were 3.7% and 0.4% respectively. On the other hand, the proportion of casual labour has increased from 22.2% (1972-73) to 31.4% in 1987-88 for males and from 31.4% to 35.5% for females for the corresponding period.

2.28 At the all India level the casual wage labour as a percentage of total wage labour was 64.8 per cent in 1972-73. It increased to 75.8% in 1987-88—an addition of 11 percentage points. The increase across the State range from 2 percentage points in Tamil Nadu (which had highest percentage of casual labour

to wage labour of 73.8% in 1972-73) to 32 percentage points in Jammu & Kashmir. The increase has been quite substantial in the States of Haryana (27 percentage points), Rajasthan (24 percentage points), Bihar (18.7 percentage points) and Madhya Pradesh (15.6 percentage points). Karnataka had the highest proportion of casual wage labour to wage labour 87.3% in 1983 and 81.3% in 1987-88) amongst the major states.

2.29 With seventy per cent of the gross cropped area still rainfed in India, most of the small and marginal farmers as well as agricultural labour in the country seek employment for about 100 to 150 days in a year on an adhoc and piecemeal basis. The increasing casualisation could be due to many socio-

economic factors including ejection of large number of tenants and sharecroppers, marginal cultivators leaving or disposing land due to uneconomic size and poverty, attraction of higher wages to casual work and the demographic reasons, through the evidence of the last is not firm. Annexure II indicates the incidence of wage labour in rural male work force.

Migrant Labour

2.30 Along with casualisation, there has been large scale migration of rural labour, particularly from backward regions to developed regions. Uneven development is one of the major causes of migration. Unemployment/under-employment and intermittent employment work as push factors. Punjab, Haryana, Western Uttar Pradesh, Maharashtra, Gujarat, Andhra Pradesh, pockets of green revolution pull agricultural labour from backward regions. However, the working and living condition of migrant labour varies from State to State. In some parts of the country, they earn better wages and contribute significantly to productivity. On the other hand, there are instances where they became bonded labour due to indebtedness. The bulk of seasonal migrant labourers, whether intrastate or interstate, belong to Scheduled Castes, Scheduled Tribes and other backward castes. The number of inter-state and intra-state rural migrant workers would be more than 10 million.

Rural Employment

2.31 In the last fifteen years (1972-73 to 1987-88), rural employment has grown at a rate of 1.75 per cent per annum as against 4 per cent growth in urban areas. The male and female employments have grown more or less at the same pace so that their relative share in total employment have remained more or less stationary at the ratio of 2:1 over this period. The overall growth in employment during 72-73 to 87-88 has been 2.17 per cent. In all the major sectors, the growth in employment has been above 3 per cent except in agriculture. Agriculture, which account for two thirds of employment registered a growth rate of only 1.37 per cent. The declaration in employment growth in agriculture is revealing:

TABLE 4

PERIOD	GROWTH RATE
1972-73 to 1977-78	2.32%
1977-78 to 1983	1.20%
1983 to 1987-88	0.65%
1972-73 to 1987-88	1.37%

Source : Derived from NSS 27th, 32nd, 38th and 43rd round data.

2.32 Sectoral growth rates in employment is given in Annexure III. The trends in employment in the unorganised sector as a whole, have been similar to those in total employment growth. But construction,

manufacturing, transport services have shown uniformly higher rates of employment growth in the unorganised sector than the corresponding rates of growth for the economy as a whole. The growth of employment in the unorganised sector between 1973-88 is given in Annexure IV.

2.33 Employment growth to a considerable extent, depends on the growth of output. But in recent years, the employment potential of output growth is found to be steeply declining. While earlier, with the 3.5 per cent long-term growth of GDP employment growth was 2 per cent, in recent years, which have experienced a higher (around 5%) GDP growth, employment growth was just 1.85 per cent.

Average wage earners per household

2.34 As per the Fourth RLE (1983), the average number of earners per households was 1.9 in the case of agricultural labour households and 1.8 in respect of all rural labour households in the country.

Real wages and Consumption

2.35 The Minimum Wages Act 1948 provides for the fixation and periodical revision of minimum wages in agricultural and non-agricultural employments. Notwithstanding many limitations the implementation of the act had helped the agricultural and non-agricultural workers in raising their wage levels, in real terms, in some of the less developed states particularly in eighties. In agricultural employments the inter-state wage differentials have narrowed down due to relatively faster increases in real wages in traditionally low-wage States. The male-female wage differentials have also declined due to faster increase in female wage rates as compared to that of males. Further, real earnings in non-agricultural employments have recorded relatively faster increases particularly for females.

2.36 The increase in real wages, however has not made any perceptible impact in improving the consumption of the rural labour in real terms. The average annual consumption expenditure of the agricultural labour households increased from Rs 2333 in 1977-78 to Rs. 4800 in 1983. Similarly, for rural labour households it increased from Rs. 3023 to Rs. 5024. Though the increases in money terms are quite impressive i.e. above 69 per cent, in real terms the total consumption expenditure of rural labour households increased by only 2.8 per cent and that of food expenditure by even less than 2 per cent in 1983 over 1977-78. In fact, there has been a decline in per capita consumption of cereals from 480 grams to 437 grams, mainly due to decline in coarse cereals, though the proportion of expenditure on food items remained static at 68.6 per cent.

Indebtedness

2.37 Indebtedness of the agricultural and other labour households who form the bottom deciles of rural population, is basically due to their meagre

and irregular income, which is insufficient to sustain themselves and their families. The economic condition forces them to borrow. However, most of the loans are not put to productive use and as a consequence the debt burden increases.

2.38 The rural labour enquiries obtained details regarding the nature and extent of indebtedness among the agricultural/rural labour households. Details regarding rural indebtedness as per RLE data are given in the statement at Annexure V.

2.39 As may be seen from the Row IV of the statement, the incidence of indebtedness among rural labour households ranged between 65.4 per cent and 50.4 per cent during the period 1964-65 to 1983. The provisional figure for 1987-88 indicates a decline (42.75 per cent). It is also seen that the incidence of indebtedness is of higher magnitude in SC rural labour households. Row VII of the same statement indicates average amount of debt per indebted households. It is seen that the average debt per indebted household for all social groups has registered a sizeable increase over time. In real terms, the increase was 77 per cent in 1987-88 as compared to 1964-65. Even though the provisional figures of 1987-88 indicate a decline in the proportion of indebted households by 7.7 per cent as compared to 1983, the average debt continues to increase in real terms.

2.40 The statement in Annexure VI indicates the purpose and source of debt. It is observed from the statement that during the decade of 1978-88, about 36 per cent of the loan was meant for household consumption. Marriage and other ceremonial occasions accounted for another 17 per cent. Thus, these two major purposes accounted for more than half of the total loans. Productive loans accounted for about 29 to 30 per cent and the rest for other unspecified purposes.

2.41 High proportion of debt for consumption and ceremonies indicates that practically the rural labour households have no savings to fall back upon. As the institutional sources do not provide loan for such purposes, the rural labour households turn to exploitative sources viz. moneylender, employer and shopkeepers besides friends and relatives. The exploitative sources do not discriminate between demand for productive and unproductive purposes, have informal transactions, and do not also insist on security for loans unlike institutional sources. However, they charge exorbitant rate of interest which ultimately keeps them in perpetual indebtedness, depriving personal freedom besides draining the future income. This under-scores the need for providing consumption credit to rural poor. The implementation of the Reserve Bank's scheme based on the recommendation of Sivaraman Committee Report (1976) for providing consumption credit is insignificant and the ceilings fixed are unrealistic. The coverage by 1987 was 1.5 lakh in respect of Scheduled Commercial banks and 1.18 lakh by the Regional Rural Banks.

2.42 The government co-operative societies and banks provided a little less than one third of the total loans during 1977-78/1987-88. Friends and relatives provided about 15 per cent and the share of 'others' was about 9 per cent of the total loans during the decade. The exploitative sources e.g. employers, moneylenders and shopkeepers provided 47 per cent of loans for agricultural labour households and 44 per cent for rural labour households. This clearly indicates that despite the expansion in number of rural commercial bank offices from 1860 (22.5 per cent of total commercial Bank offices in India) in 1969 to 34,494 (58.1 per cent) in 1990 the credit requirement of the rural labour households, which account for sizeable proportion of rural poverty, remained yet to be met in any meaningful way and that the exploitative sources still occupy a prominent place in the rural credit market.

Rural Labour and Poverty

2.43 Rural poverty has been high and remained unabated for decades together. Recent estimates indicate a decline from 51.2 per cent in 1977-78 to 40.4 per cent in 1983-84 and further to 33.4 per cent in 1987-88. In 1983-84, the three lowest fractiles (Destitutes, V.V. Poor, V. Poor) accounted for 24.05 million and 'Poor' for the rest 20.25 million households. The net decline in poor households in 1987-88 is 5.2 million. Given the low level base income, only one fourth in the 'Poor' category could have crossed the poverty line. This means that virtually the hardcore rural poverty pertaining to the landless agricultural and rural labour has remained unabated though there has been significant improvement in their income levels.

2.44 Incidence of poverty among SCs and STs in the rural areas, is much higher at 53 per cent and 58.4 per cent, respectively as comparative to 40.4 per cent of general rural poverty ratio (1983). The poverty ratio among rural Scheduled Castes in Bihar (71.1 per cent), Madhya Pradesh (59.3 per cent), Maharashtra (56 per cent), Orissa (55 per cent), Tamil Nadu (59 per cent) and Uttar Pradesh (57.3 per cent), West Bengal (52 per cent) and Karnataka (54 per cent) is quite high. These eight States accounted for 80 per cent of SC rural poor in the country. In all these States, the proportion of SC/ST agricultural labour to total agricultural labour is also quite high. The SC/ST workers account for 30 per cent of the rural main workers (Census-1981) and agricultural labour account for 45 per cent of it. While SC/ST rural population accounts for only 26 per cent, their share in rural poverty is 37 per cent. The proportion of casual labour in the total labour force is likely to increase further in coming years and the percentage of agricultural labour households belonging to SC/ST would increase further.

2.45 As per 1987-88 estimates, the rural population below poverty line is 195.97 million. The following table (5) gives its distribution in different households.

TABLE 5

All India—Rural

Households Type	Poor (Mil.)	Percentage Distribution
I. Self Employed		
(i) Agriculture	66.74	34.0
(ii) Non-Agriculture	20.10	10.3
II. Rural Labour		
(i) Agriculture	82.43	42.1
(ii) Non-Agriculture	18.07	9.2
III. Other Households		
	8.63	4.4
Rural Poor	195.97	100.00

Source: Obtained from Planning Commission's Poverty estimates and NSS 43rd round data (Sarvekshana Sep. 1990)

2.46 It is seen that more than three fourths of the poor depend on agriculture and more than half of the poor are in rural labour households. As against general (Rural) poverty ratio of 33.4 per cent in 1987-88, the poverty ratio for the rural labour households (NCRL) would be around 57 per cent, which underline the need for greater efforts to bring them above the poverty level.

Conclusions and Recommendations

2.47 The major conclusion and recommendations of the Commission are as follows:—

- (a) Rural Labour Enquiry definition of 'Rural Labour' would be narrow and restrictive for the purpose of the Commission. The ILO definition in a way widened the coverage of the term 'Rural Labour' in so far it included self-employed workers also who were not covered by the Rural Labour Enquiries. However, a closer examination of the ILO Convention No. 141 show that middle-level peasants too can get included as rural labour if the definition of 'small', becomes elastic.
- (b) The Commission would define 'Rural Labour' as "*A person who is living and working in rural area and engaged in agricultural and/or non-agricultural activities requiring manual labour, getting wage or remuneration partially or wholly, in cash or in kind or both during the year.*"

OR

such own account workers who are not usually hiring in labourers but are a part of the petty production system in rural areas".

- (c) The Commission thus feels that those who do wage-paid manual labour and those small and marginal farmers who may be supplementing their income, by earning wages, should come in the category of the rural labour. Though, substantial portion of the rural labour as defined by the Commission would be below the poverty line, poverty as such, cannot be a criterion for the purpose of definition of rural labour.
- (d) The magnitude of Rural Labour as defined by the Commission would be around 150 million persons accounting for roughly 60 per cent of the total rural work force in the country.
- (e) The number of rural labour both in agriculture and non-agriculture is increasing at a faster rate than the growth in rural population. Uneven growth and declining labour absorption in agriculture, declining land base of agricultural labour and self-employed households and scarcity of non-farm employment opportunities in rural areas have led to large-scale casualisation and migration of rural labour.
- (f) Their wages and earnings are grossly inadequate to meet the basic needs. Eighties witnessed some increases in real wages, decline in interstate and male-female wage differentials. However, this has not made any perceptible impact in improving the consumption of rural labour. Between 1964-65 and 1983, the proportion of rural labour households indebted ranged between 65 per cent to 50 per cent. Though recent estimates (1987-88) indicate a decline to 43 per cent, the average amount of debt in real terms has been increasing. The incidence of indebtedness is of higher magnitude in Scheduled Caste households. Despite nationalisation and growth of bank branches in rural areas, the exploitative sources e.g. money lenders, shopkeepers and employers still occupy a prominent place in rural credit market. About half of the loans are basically meant for household consumption and ceremonial occasions. This indicates that rural labour households have practically no savings to fall back upon.
- (g) As against the general poverty ratio of 33.4 per cent in 1987-88, the poverty ratio for rural labour households (NCRL) would be around 57 per cent. Bulk of them belong to weaker sections viz. the Scheduled Castes, Scheduled Tribes and other backward classes. This underscores the need for greater efforts to bring them above the poverty line.

A NOTE ON AGRICULTURAL LABOUR ENQUIRY/RURAL LABOUR ENQUIRY DEFINITION OF RURAL LABOUR

The Agricultural Labour Enquiry (1956-57) adopted income as the criterion for demarcating agricultural labour households. A person was deemed to be an agricultural labourer if his or her major source of income during the previous year was on agricultural wage. In these enquiries, a person was considered as an agricultural labourer, if he followed any one or more of the following agricultural operations in the capacity of a labourer on hire or on exchange, whether paid in cash, in kind or partly in cash or partly in kind:—

- (a) farming including cultivation and the tillage of the soil, etc.,
- (b) dairy farming,
- (c) production, cultivation, growing and harvesting of any horticultural commodity,
- (d) raising of livestock, bees or poultry, and
- (e) any practice performed on a farm as incidental to or in conjunction with the farm operations (including any forestry or timbering operations) and the preparation for market and transportation to market of farm produces.

2. For purpose of the Enquiry, the term 'attached' and 'casual' labourers were also defined. The category of attached labourers included all agricultural workers with continuous employment under contract for the last agricultural year working irregularly, seasonally and annually with or without debt-bondage and with or without time-in-allotment. Casual labourers were defined as those agricultural workers who did not have continuous employment and worked irregularly, seasonally or annually.

3. The coverage of ALE was expanded subsequently so as to embrace all labour households in rural areas and the enquiries were termed as 'Rural Labour Enquiries' (RLEs) which were conducted in 1963-65 and 1974-75. From the 32nd NSS Round (1977-78) the rural labour enquiry has been integrated with the general employment and unemployment survey of the National Sample Survey Organisation.

Whereas the definition of a agricultural labour (based on income criteria) as given in the ALEs reports, was retained in the Rural Labour Enquiries, the concept of rural labour was defined as under:—

Manual labour (by a person living in rural area) in agricultural and/or non-agricultural occupations in return for wages/salaries either in cash or kind (excluding exchange labour) is defined as "rural labour" (RLE Report—1983).

4. A household was classified as rural labour household if its income during the last 365 days was more from wage paid manual labour (Agricultural and/or non-agricultural) than either from paid non-manual employment or from self-employment. Rural Labour households include agricultural labour households, the latter meaning households who earned 50% or more of their total income during the last 365 days from wage paid manual labour is agriculture (and allied activities). It may be noted that a household is a group of persons normally living together and taking food from a common kitchen.

5. Manual work is taken as a job essentially involving physical operations. However, a job though essentially involving some physical labour but also requiring a certain level of general, professional scientific or technical education, like that of engineers, doctors, dentists, midwives etc. is not classified as manual work. On the other hand, jobs not involving much of physical labour and at the same time not requiring much educational background, like that of chowkidars, watchmen, etc., are treated as manual work. "Wage-paid manual labourer" is considered to be one who does manual work in return for wages in cash or in kind or partly in cash and partly in kind (excluding exchange labour). Salaries for manual works are also counted as wages. Self-employed person in manual work is, however, not treated as wage paid manual labourer. According to the Rural Labour Enquiry Reports, a person is regarded as self-employed in an occupation if he had been working as an employer or own-account worker in that occupation. An own-account worker could be both a single worker and/or joint owner of an enterprise (this excludes any unpaid family helper in household economic activities).

ANNEXURE II

PROPORTION OF WAGE LABOUR TO WORKFORCE AND PROPORTION OF CASUAL LABOUR TO WAGE LABOUR - RURAL MALES

Sl. No.	States	1972-73		1977-78		1983		1987-88	
		WL/WF	CWL/WL	WL/WF	CWL/WL	WL/WF	CWL/WL	WL/WF	CWL/WL
	ALL INDIA	34.1	64.8	37.2	71.4	39.5	73.9	41.4	75.8
1	Andhra Pradesh	40.0	68.6	45.8	73.0	46.6	74.2	48.2	79.1
2	Assam	23.8	40.0	32.3	49.7	35.9	49.0	38.0	60.9
3	Bihar	39.5	60.9	40.9	80.8	42.8	82.2	44.2	79.6
4	Gujarat	34.4	64.6	37.1	79.8	40.4	81.5	52.1	76.4
5	Haryana	24.0	40.3	28.2	52.3	30.0	52.3	33.2	67.8
6	Jammu & Kashmir	9.4	20.9	20.3	39.5	26.8	69.7	28.6	54.2
7	Karnataka	37.8	72.1	41.8	81.2	41.5	87.3	45.2	81.3
8	Kerala	54.3	72.1	63.8	70.3	54.5	76.7	55.4	78.0
9	Madhya Pradesh	27.3	56.8	31.0	71.8	33.7	72.0	35.2	72.4
10	Maharashtra	53.5	70.3	48.7	63.8	47.4	71.5	44.1	72.1
11	Orissa	39.9	68.3	45.6	74.7	43.7	76.3	46.8	80.4
12	Punjab	30.7	52.3	36.0	54.0	33.6	61.7	40.0	55.0
13	Rajasthan	10.2	53.5	17.1	65.8	20.5	63.1	32.1	77.6
14	TamilNadu	42.4	73.8	48.3	73.8	54.2	75.1	55.4	75.8
15	Uttar Pradesh	21.6	60.0	24.4	68.7	24.1	73.6	26.8	78.4
16	West Bengal	48.1	66.7	49.0	71.3	50.4	75.4	45.8	79.2

Source : 1. Figures of 1972-73, 1977-78 and 1983 SARVEKSHANA—April 1986.

2. For 1987-88 NSSO Special Report No. 1, Key results of Survey on Employment & Unemployment

Note: WL : Wage Labour; CWL : Casual Wage Labour.

ANNEXURE III

SECTORAL GROWTH RATES

Sl. No.	Sector	1972-73	1977-78	1983	1972-73
		to 1977-78	to 1983	to 1987-88	to 1987-88
1.	Agriculture	2.32	1.20	0.65	1.37
2.	Mining	4.68	5.85	6.16	5.47
3.	Manufacturing	5.10	3.75	2.10	3.61
4.	Construction	1.59	7.45	13.69	7.23
5.	Elect. Gas & Water Supply	12.23	5.07	4.64	7.06
6.	Transport, Storage & Communication	4.85	6.35	2.67	4.65
7.	Services	3.67	4.69	2.50	3.05
	Total	2.82	2.22	1.55	2.17

Derived from NSS 27th, 32nd, 38th and 43rd round Survey data.

ANNEXURE IV

GROWTH OF EMPLOYMENT IN UNORGANISED SECTOR 1973-87

Industry	Annual Growth Rate			
	Mar. 73 to Dec. 77	Dec. 77 to June 83	June 83 to Dec. 87	Mar. 73 to Dec. 87
Agriculture	2.32	1.20	0.64	1.39
Mining & Quarrying	(-)3.77	28.08	21.01	14.81
Manufacturing	6.32	4.53	2.78	4.57
Elec. Gas, Water	..	..	..	..
Construction	3.58	9.69	16.65	9.73
Trans. Storage, Communication	13.15	12.79	4.30	10.24
Services including trade	4.00	5.47	2.67	4.13
Total	2.84	2.20	1.55	2.21

Source : Derived from NSSO surveys (27, 32, 33 and 43rd rounds) and data from EMI Programme after adjusting for under enumeration for the latter.

ANNEXURE V

AGRICULTURAL/RURAL LABOUR ENQUIRIES
(Rural Indebtedness)

Households	1964-65	1974-75	1977-78	1983	1987-88	1964-65	1974-75	1977-78	1983	1987-88
	I RLE	II RLE	III RLE	IV RLE	V RLE	I RLE	II RLE	III RLE	IV RLE	V RLE
I Estimated number of Rural Households (million) (HSS Estimates)	70.4	82.1	95.7	100.5	188.4	70.4	82.1	95.7	100.5	188.4
	Agricultural Labour					Rural Labour				
II Estimated Number of Households (in 000's)										
Scheduled Caste	6226	8074	9831	18683	11557	6881	9124	11332	12344	14878
Scheduled Tribe	1509	2058	3691	3954	4463	1827	2562	4203	4680	5855
Others	7559	10607	15065	16230	17285	9136	13149	19636	20449	23120
Total	15289	20739	28587	38867	33305	17844	24835	35171	37473	43853
III Estimated Number of Indebted Households (in 000's)										
Scheduled Caste (%)	4109 44.35	5716 41.51	5692 38.87	6033 38.29	5583 38.99	4473 42.34	6396 39.30	6380 35.92	6900 36.52	6735 36.60
Scheduled Tribe (%)	710 7.66	1025 7.44	1388 9.28	1346 8.54	1354 9.46	831 7.87	1258 7.70	1564 8.81	1596 8.45	1867 18.14
Others (%)	4446 47.99	7830 51.05	7871 52.65	8379 53.17	7382 51.55	5260 49.79	8596 52.92	9817 55.27	10398 55.03	9802 53.26
IV ALL Percentage Distribution (%)	9265 100.00	13771 100.00	14951 100.00	15758 100.00	14319 100.00	18564 100.00	16242 100.00	17761 100.00	18894 100.00	18484 100.00
V Incidence of Indebtedness (Percentage)										
Scheduled Caste	66.01	70.80	57.90	56.47	48.31	65.05	78.10	56.38	55.90	47.84
Scheduled Tribe	47.20	49.80	37.60	34.03	30.34	45.50	48.80	37.20	34.10	31.89
Others	58.82	66.28	52.25	51.63	42.71	57.57	65.37	49.99	38.85	42.40
(Percentage) ALL	60.68	66.48	52.30	51.05	42.99	59.20	65.40	58.50	58.42	42.75
VI Average amount of debt per Household (in Rs/-)										
Scheduled Caste	163.80	393.62	355.00	1124.88	828.89	164.29	397.00	357.00	1111.00	851.85
Scheduled Tribe	77.47	186.27	172.00	335.00	471.27	78.15	185.00	178.00	471.00	524.00
Others	149.25	422.44	383.91	636.00	946.62	151.25	435.96	388.53	687.00	556.78
ALL	147.89	387.00	349.00	774.00	839.29	148.42	395.00	348.00	886.00	868.74
VII In Real terms on base 1964-65=100	147.09	150.55	153.33	212.05	184.87	148.42	153.70	154.67	220.82	189.59
Average amount of debt per indebted households (in Rs.-)										
Scheduled Caste	246.95	556.00	614.00	1990.00	1729.00	251.24	566.00	633.00	1986.00	1802.00
Scheduled Tribe	164.13	374.00	457.00	982.00	1533.00	171.83	379.00	476.00	1383.00	1549.00
Others	253.76	641.00	729.06	1242.88	2193.60	262.78	666.88	761.14	1362.00	2247.12
ALL	243.87	584.00	660.00	1516.88	1952.00	258.70	605.00	690.00	1598.00	2014.00
VIII In Real Terms on base 1964-65=100	243.87	227.24	293.33	415.34	429.01	250.70	235.41	306.67	437.81	443.61

Note : 1. All missing figures derived Mathematically.

2. Since derivations have been made on the basis of rounded figures in thousands/million, derivatie figures may not tally. Such variations are marginal.

ANNEXURE VI

INDEBTEDNESS OF RURAL LABOUR HOUSEHOLDS AND AGRICULTURAL LABOUR HOUSEHOLDS
BY SOURCE

Average Amount of Debt (in Rs.) per household

Sl. No.	Source	RLH			ALH		
		1977-78	1983	1987-88 (P)	1977-78	1983	1987-88 (P)
1.	Government (%)	26.0 (3.8)	65.0 (4.1)	73.0 (3.6)	26.0 (3.9)	44.0 (2.9)	70.0 (3.6)
2.	Cooperative Societies (%)	65.0 (9.4)	163.0 (10.2)	190.0 (9.4)	57.0 (8.6)	119.0 (7.8)	195.0 (10.0)
3.	Banks (%)	45.0 (6.5)	448.0 (28.0)	419.0 (20.8)	40.0 (6.1)	505.0 (33.3)	410.0 (21.0)
	Sub-Total (1+2+3) (%)	136.0 (19.7)	676.0 (42.3)	682.0 (33.9)	123.0 (18.6)	668.0 (44.1)	675.0 (34.6)
4.	Employer (%)	46.0 (6.7)	195.0 (12.2)	246.0 (12.2)	46.0 (7.0)	211.0 (13.9)	254.0 (13.0)
5.	Money Lenders (%)	253.0 (36.7)	340.0 (21.3)	436.0 (21.6)	246.0 (37.3)	282.0 (18.6)	429.0 (22.0)
6.	Shopkeeper (%)	47.0 (6.8)	84.0 (5.3)	186.0 (9.2)	44.0 (6.7)	70.0 (4.6)	151.0 (7.7)
7.	Relatives & Friends (%)	134.0 (19.4)	186.0 (11.6)	289.0 (14.3)	129.0 (19.5)	164.0 (10.8)	268.0 (13.7)
8.	Others (%)	74.0 (10.7)	117.0 (7.3)	175.0 (8.7)	73.0 (11.1)	121.0 (8.0)	176.0 (9.0)
	Sub-total (4+5+6+7+8) (%)	554.0 (80.3)	922.0 (57.7)	1332.0 (66.1)	538.0 (81.5)	848.0 (55.9)	1278.0 (65.5)
	Grand Total	690.0 (100.0)	1598.0 (100.0)	2014.0 (100.0)	660.0 (100.0)	1516.0 (100.0)	1952.0 (100.0)

RLH — Rural Labour Households

ALH—Agricultural Labour Households (P) — 1987-88 Figures are provisional.

Figures in bracket shows percentage share in total

Source: Rural Labour Enquiry Reports.

INDEBTEDNESS OF RURAL LABOUR HOUSEHOLDS AND AGRICULTURAL LABOUR HOUSEHOLDS BY
PURPOSE

Average Amount of Debt (in Rs.) per household

Sl.No.	Purpose	RLH			ALH		
		1977-78	1983	1987-88 (P)	1977-78	1983	1987-88 (P)
1.	Household Consumption (%)	296 (42.9)	512 (32.0)	677.0 (33.6)	293 (44.4)	461 (30.4)	670 (34.3)
2.	Marriages & other ceremonial occasion (%)	158 (22.9)	248 (15.5)	311.0 (15.4)	147 (22.3)	222 (14.6)	270 (13.8)
	Sub Total(1+2) (%)	454 (65.8)	760 (47.6)	988.0 (49.1)	440.0 (66.7)	683.0 (45.1)	940.0 (48.2)
3.	Productive Purposes (%)	141 (20.4)	610 (38.2)	541.0 (26.9)	138 (20.9)	628 (41.4)	567 (29.0)
4.	Purchase of land and construction of buildings (%)	n.a.	121 7.	223.0 11.1	n.a.	96 (6.3)	166 (8.5)
5.	Others (%)	95 (13.8)	107 (6.7)	239.0 (11.9)	82 (12.4)	109 (7.2)	256 (13.1)
	Sub Total (3+4+5) (%)	236 (34.2)	838 (52.4)	1003.0 (49.8)	220.0 (33.3)	833.0 (54.9)	989.0 (50.7)
	Grand Total	690 (100.0)	1598 (100.0)	2014.0 (100.0)	660 (100.0)	1516 (100.0)	1952.0 (100.0)

Figures in bracket show percentage share in total

Note : RLH = Rural Labour Households

ALH = Agricultural Labour Households

(P) = Provisional

Source : Rural Labour Enquiry Reports.

CHAPTER 3

PLANNING PROCESS AND RURAL LABOUR

Introduction

3.1 Forty years of planning in this country has not made any sizeable dent in the poverty and deprivation among the rural labour. Judged by any economic criterion, e.g., income and employment or by social criteria e.g., access to basic services such as education, health and nutrition, child mortality or morbidity, this group constitutes the bulk of the 'marginalised' sections in the Indian society. Why has this sorry state of affairs persisted? Why has the planning process with the professed aim of 'growth with social justice' by-passed a large section of rural society? These are some of the fundamental questions that need to be addressed with a view to evolving a strategy for reversing some of the observed trends.

Socio-Political Framework

3.2 In India, economic planning was adopted within a social structure characterised by inequalities in the distribution of income and wealth and within a democratic framework. We embarked upon the task of changing social structure through land reform and other measures under planning. But the experience of the working of democratic polity in India has shown that the big landed and business interests could consolidate themselves and instead of economic planning influencing the socio-economic structure in a big way, the Plan priorities themselves got distorted both at the formulation and implementation stages under the powerful impact of the prevailing socio-economic structure. Labour has not been distinctly recognised as a resource and this resource cannot fructify without the complement of land and other assets. We have a situation of duality with on the one hand, the large farm sector which is labour economising and not land economising and on the other, a near total neglect of rural labour. Further, planning has been largely confined to production and growth only, whereas human resource development and employment generation should have been very important objectives in the context of surplus labour.

3.3 Yet the issues of equity and social justice could not be relegated to the background. There was an increasing pressure from the common people which constitute the large majority of the electorate, for the improvement in their levels of living. They could not be exhorted to wait until the economic growth, through its normal process, results in greater employment and income for the poor, particularly when it was clear by the early 1970s that the 'trickle down' effects of economic growth were negligible.

Strategy for Direct Attack on Poverty

3.4 Therefore a number of programmes for employment generation and alleviation of rural poverty

were launched since the early 1970s in pursuance of the strategy or 'direct attack' on poverty. Whereas these programmes made some positive impact on rural society by way of generating employment and reducing poverty, the new strategy for poverty eradication got increasingly divorced from the overall strategy of development. For example, there was very little concern for labour-absorption in the process of agricultural growth. On the other hand, the programmes for 'direct attack' on rural poverty were not sufficiently integrated with the objective of agricultural growth through the development of infrastructure for increasing agricultural productivity.

3.5 Poverty alleviation programmes represent essentially top-down ventures heavily dependent on the bureaucracy. As a consequence, the felt-needs of the people do not get sufficient attention and the activities chosen are very often ill-suited to the local resource endowments. These together with the operation of a number of intermediaries between the Government and the beneficiaries are responsible for large leakages and inefficiencies in the implementation of the poverty alleviation programmes.

Demographic Factor

3.6 Apart from the prevailing inequitable socio-economic structure, a major cause for the persistence of rural poverty and unemployment is the population growth of well over 2 per cent per annum throughout the planning period. We have had a consistent objective of reducing population growth, but the major instrument relied upon for this purpose consisted of direct official programmes for inducing the couples to adopt small family norm through sterilisation and through the propagation of various contraceptive measures. We have thus treated population growth essentially as exogenous to the developmental process. However, the experience over the Plan period in different parts of the country has shown that the decline in fertility levels is very much influenced by the processes of social and economic development, such as age at marriage, infant mortality rate, literacy levels (particularly for females), and income levels, etc. It is becoming increasingly clear that a significant reduction in fertility rates cannot be expected without achieving a breakthrough in the relevant socio-economic indicators of development. This requires necessary political will to direct the resources into the desired channels.

Rate and Pattern of Growth

3.7 Apart from land reform and reduction of population growth, our strategy for removing rural poverty and unemployment rested on the assumption of a rapid growth in Gross Domestic Product of well over 5 per

cent per annum and proliferation of household, agro-processing and small-scale industries which are highly labour-intensive. Both of these expectations have been belied. The long-term growth of GDP until 1970s was no more than 3.5 per cent per annum giving a meagre growth of about 1 per cent per annum in per capita terms. Even though the growth rate of GDP has accelerated to about 5 per cent per annum during the 1980s, growth achieved has been capital-intensive. The highly capital-intensive industries producing goods for elitist consumption including durable consumption goods have growth at a much higher rate than small-scale and other labour-intensive industries producing essential consumer goods. Even within agriculture, there was a significant shift in growth towards regions where labour employed per unit of area and per unit of output was much lower than the national average.

3.8 As against the targeted growth of 4 per cent per annum during the planning period, the long-term agricultural growth has been around 2.7 per cent per annum, which is barely above the population growth. The slow growth of agriculture is explained by slow development infrastructure, like irrigation and power, and failure to evolve technologies suited to high rainfall and dry areas. The observed growth in agriculture has been highly uneven between different regions of the country and between different classes of farmers. In particular, the growth has been low in the less developed areas where rural poverty is widespread. Despite inter-regional migration of labour, pockets of high wage in high growth regions co-exist with wages far below the statutory minimum in the less developed regions. In general, the development of rural infrastructure such as power, transport, marketing, credit, training in new skills, etc., has been low in the backward regions. The low level of economic activity in these regions is reflected in the low credit-deposit ratios for banks, in rural areas.

Resource Transfer and Infrastructure Development

3.9 The devolution of financial resources, both from the Finance Commission and the Planning Commission, to the backward States, where rural poverty is widespread, has been insufficient. The slight progressivity in the devolution witnessed in recent period, particularly from the Finance Commission, is insufficient to bridge the gap in the development of infrastructure, physical as well as social, created during the early planning period when the cost of infrastructure was low. Social development such as provision of primary education, primary health facilities, potable drinking water, nutrition, housing etc., has a direct bearing on poverty alleviation both by improving the social consumption of the poor and by generating employment for the rural youth in the provision of such services. The present levels of social development being low in rural India, especially in the less developed States, there is considerable scope for absorbing educated youth in such activities. Social development will eventually result in slowing down population growth as well as in raising the skills and gene-

ral awareness of the rural poor, thus preparing them for effective participation in the developmental process in the decades to come.

Environmental Degradation

3.10 The observed pattern of development has led to environmental degradation, resulting in the deprivation for the rural poor. Apart from population growth and poverty, the pressure of demand for fuelwood, timber, meat and wool from high income segments including urban areas, has been a major cause of denudation of rural environment. However, the rural poor have been the prime victims of this ecological degradation. This is because, the rural poor derive a significant part of their income from village commons and forests, particularly in the dry regions. As a result of environmental degradation, the rural poor, particularly women and children, have to walk much longer distances to collect fuelwood and fodder, and drinking water has become scarcer owing to the decline in water table. The suffering for the rural poor has become even more acute because Government and common lands in villages have been appropriated in a large measure by the rich and influential sections of the rural society, and there has also been a wanton destruction of forests by the forest contractors.

3.11 One of the major deficiencies of our planning has been the failure to compensate, by way of reforestation, the forest cover lost on account of the development projects and the failure to rehabilitate the displaced persons, particularly the tribals. The loss of traditional livelihoods has made them increasingly dependent on the socio-economically powerful groups in rural areas.

Rural-Urban Disparities

3.12 The emerging industrial structure has led to the displacement of traditional household industries in rural areas resulting in widespread unemployment. The high rate of urbanisation in the recent period and the increased migration of the rural poor in search of livelihood in the informal urban sector, has, among other factors, contributed to a reduction in the proportion of workers dependent on agriculture. However, rural-urban disparity in per capita income has been increasing which in turn has led to the increase in rural-to-urban migration. Thus, part of the rural poverty and inequalities are shifted to the more dynamic urban sector where the proportion of population below the poverty line is comparatively smaller, even though inequalities in income and wealth are greater. However, the social inequalities and discrimination based on caste are more severe in the traditional rural environment which also explains, to some extent, the outmigration of the rural poor belonging to depressed classes.

Rural Labour Force

3.13 There have been several significant changes in the supply of labour. The need, in this regard, is to

take into account the changing profile of rural labour force in respect of its age, sex composition, sectoral and occupational distribution and the changes in its regional distribution. Some of noteworthy trends are: First, an observed increase in landlessness (increase in the proportion that landless, semi-landless and marginal households constitute of the total households) in rural areas. The result is swelling of the ranks of rural-wage paid labour. Second, among rural wage-paid labour, the proportion of casual labour is increasing and correspondingly the proportion of permanent or attached labourers is declining. This implies an increased element of uncertainty in obtaining remunerative work and could also mean a lowering of average income for labour. Third, the profile of rural labour shows an increasing proportion of female workers and of scheduled caste and tribe workers in the total rural work-force.

3.14 Estimates of future projections suggest a likely intensification of these trends. It is suggested, for instance, that between 1980 and 2000, young adult workers in the age-group 15-29, will increase by 110 million (as against an increase of 69 million during 1960-1980). The supply-side pressures are thus likely to become more acute. The shares of eastern and central regions in this additional supply are expected to be more than proportionate. The demand projections, on the other hand, suggest that in future, agriculture (the largest sector in the rural areas), and household industries will absorb progressively fewer and fewer incremental labourers.

Unemployment and Poverty

3.15 It is increasingly being realised that the relationship between poverty and unemployment is not direct and simple. Neither are all the unemployed poor, nor all poor unemployed. Employment in a region may be determined, among other things by caste distribution, occupational pattern etc. Similarly, poverty proportion may depend on a whole host of socio-economic factors besides unemployment. While some factors may have impact on unemployment and poverty in a similar fashion, others may have the opposite effect. Studies show that unemployment explains only a small part of the incidence of poverty in the pockets of extreme poverty in India. Poverty may be seen to result as much from unemployment as from unrewarding employment.

3.16 The need thus is for the strategy adopted to address issues of the living and working conditions of rural labour. Since they are characterised by poverty, illiteracy, unemployment, their situation results from lack of access to social services such as education, health and nutrition. While there may be a divergence between the nature of such services demanded and supplied in the rural areas, the mismatch is expressed more vehemently in the case of the landless groups. Among these sections, studies have revealed that, female workers are discriminated against in terms of availability of work, number of hours of work and wages as well as access to basic services. On all these counts, the plight of rural workers is worse in the

eastern and the central regions of the country, than in other regions.

3.17 The gravity of this situation needs to be fully appreciated. What it implies is not only so may 'wasted lives' in the rural household, but also the perpetuation of a system such that the coming generation of rural workers will continue to suffer from the same socio-economic and environmental handicaps. Left to themselves these inequitable tendencies are likely to worsen. These trends have to be reversed, and, in the meanwhile, work has to be provided to a sizeable number of existing unemployed rural workers. These goals can be achieved only by creating employment opportunities in adequate measure and through strategies sensitive to the above tendencies.

3.18 In a country like India, although economic planning is not very comprehensive and the role of private initiative in generating employment and incomes is predominant, yet the Plans, particularly the National Five Year Plans, provide direction to, and to a large extent control the momentum of, economic activities. It is important, therefore, to understand the logic of the Plan, the strategies followed, policies pursued and the processes unleashed.

3.19 **Review of Strategies:** A review of strategies for employment generation in successive plans suggests that the modalities of tackling the unemployment problem seem to have undergone changes over time consequent upon improvements in the method of measuring and defining the problem. In the earlier Plans, the data for measuring employment was limited. Consequently or otherwise, unemployment among the educated (or the organized sector) was accorded greater attention in those Plans. In the latter Plans, employment has been dealt with in terms of characteristics such as sex, age, rural-urban residence, status/class of worker and the emphasis has shifted to unemployment amongst the weaker sections of the population.

3.20 Over the years, the strategy has shifted gradually from one in which employment was perceived as being generated by various plan projects and employment generation estimates were linked to investments made, to one in which output growth was seen as generating employment. However, the magnitude and structure of output growth has not been able to narrow the gap between increases in employment and labour force. Consequently, reliance on growth (of output) for employment generation has reduced over the years. This is evident from the fact that, whereas, there were no 'direct employment generation (Special) schemes' in the earlier Plans, the later plans witnessed formulation of several special employment generation programmes specifically for rural surplus manpower. This was, in a sense, a recognition of the inapplicability of general economic development models (and their resource allocation strategies) to meet the employment generation objective in a country like India.

3.21 Thus, the evolution seems to be from a strategy in which plan investments were expected to provide

direct employment, to one in which output growth and direct employment generation programmes are expected to play an important role. The direct employment generation programmes have sought to provide employment to less privileged as a part of the strategy of income distribution in the latter Plans. These special schemes have assumed importance specially since the Sixth Plan Schemes such as NREP, RLEGP and IRDP have witnessed an increasing share of the plan outlay.

3.22 It may be mentioned, however, that programmes for Social Services (education, health, housing, water supply, family welfare, backward class development, etc.) have continued to command 12 to 14 per cent of total outlays through the Plans. Although the direct employment benefits of these programmes may not be as high but these do provide some support for consumption of the people who are not able to derive adequate income through gainful employment.

Employment Thrusts in By-passed Regions and for Marginalized Groups

3.23 Although it is recognized that in the long run the growth Processes have to mitigate the problem of regional and social disparities through a spread of productive employment opportunities, attempts have been made to address these problems in the short run, through the mechanism of resource transfers from the Centre to the States. It is also felt that supplemental action is necessary to provide employment opportunities especially for social groups and regions marginalized by these processes. This supplemental action has taken the form of special employment schemes. The concern of policy makers and planners towards regional disparities has been reflected in the locational decisions with respect to major investment projects and especially during the last decade, through tuning resource transfers from the Centre in favour of States with high poverty ratios to ensure special attention to marginalized sections. It was expected that regional specificities would be incorporated in the planning process, and an egalitarian bias would be introduced through the devolution of resources and influencing of public and private investment decisions. The results of these do not appear to have been significant. The richer States like Punjab, Maharashtra and Gujarat whose per capita income (SDP) which on an average was about 80 per cent higher than the average per capita income of the bottom four States, namely, Bihar, Uttar Pradesh, Orissa and Madhya Pradesh in the early 1960s has increased to 150 per cent in the 1980s. The slower rate of growth of the poorer States may be due to many factors—historical, social, economic and administrative. The direct supplemental action through special employment schemes is both an indication of limited achievements of the growth processes in relation to the magnitude of the problem, and an effort to contain the consequent discontent and discord. Although forming a small part of the total resource transfer from the Centre to States, these special schemes are of particular significance in view of the direct employment entitlement that these provide in backward regions and/or to marginalized sections. To be

sure, employment generation is not always the sole, primary or an explicit objective of these schemes which definitionally pertain to subjects in the State list.

3.24 These special schemes have increased phenomenally in number since the late sixties. During the Sixth Plan period, the increase in number was from 75 (1980-81) to 201 (1984-85). The number went upto 262 in the Seventh Five Year Plan. This rapid increase in number has been accompanied by increases in outlay which went up from Rs. 1238 crores and Rs. 3004 crores to Rs. 15,757 crores respectively. Two implications of the above observations are noteworthy. On the one hand, it points to an increased reliance on these special schemes. While this may be due to their political appeal, it is probably also an indication of the gravity of the employment situation for the deprived group and the aggravating conditions of backward regions. On the other hand, a proliferation of schemes may have a serious consequence of diluting the efforts of implementing machinery. Given that allocation for these schemes have increased apace, such an increase in number may not necessarily mean a thin spread of resources, but a persistent need for upward revision of funding norm would suggest even this to be true.

3.25 **Review of Special Schemes:** Although the coverage of special schemes is generally selective and clearly favours regions which are backward or have concentration of poverty groups, it has been pointed out that where these schemes are not fully funded by the Central Government, the poorer States are discriminated against owing to their inability to provide matching grants. In other words, to the extent there is insistence on matching grants from States, these schemes can have a regressive effect within the States covered.

3.26 Large number of special schemes and/or an increasing reliance on these conflicts with the objectives of decentralised planning, namely strengthening the planning capacity at lower levels and mechanism for incorporating local needs and aspirations in the planning process. At the same time, it cannot also be denied that these schemes serve to focus attention on special problems of particular areas and/or social groups. It is felt, however, that there exists room for reducing the number of these schemes without impairing their direct employment creating function. The latter would be possible, on the one hand, by a judicious selection of project which maximises employment creation. On the other hand, this can be achieved by reorienting area development schemes to employment generation. At present, with the exception of target-oriented schemes, employment is an incidental concern. To facilitate the above, the need is also to work out the labour intensity (labour-output ratio) of every project and to spell its implications for providing productive employment.

3.27 The selection of a reduced number of schemes can be tuned on the one hand to an area development plan and local needs/aspirations. Schemes pertaining to natural resource management (land, water, forests

etc.) may readily be mentioned in this regard as having the necessary area-specificity. Similarly, schemes for eco-restoration (including afforestation and dry-land agriculture) may be seen as having immense potential as sources of future employment generation. These schemes assume significance in the context of past policies that have led to a reduction in the forest cover, depletion of area under Common Property Resources (CPRs). Likewise, wide disparities in agricultural growth across regions would tend to suggest that schemes for fostering regional shift in agricultural development, i.e. shifts from the developed to the developing regions, would be another potential area for employment generation. On the other hand, these schemes may be based on the characteristics or particular segments of society chosen as target groups. For instance, growing marginalisation of the peasantry would suggest that future schemes should be oriented to the non-farm sector.

3.28 Selection of schemes would have implications for skills formation/upgradation. At present, training under the TRYSEM programme (or even at the Industrial Training Institutes) is woefully inadequate. For self-employment programmes, while technical training needs to be qualitatively improved, there is also a need to re-orient training so as to upgrade the entrepreneurial qualities of the beneficiaries. This aspect of an entrepreneurial gap in self-employment schemes has received scant attention so far. On public (wage employment) works the need is to reverse a situation wherein the demand for skills does not show any increase. Only then can some human capital formation be said to have taken place. This aspect is related to non-durable nature of assets created under these schemes.

3.29 In order that the resources expended on direct employment schemes do not impair the economy's capacity for future job creation, it is necessary that employment provided on these schemes is productive i.e. it results in physical capital formation. The latter can be accomplished first, by taking the productivity/durability criteria as imperatives in selection and execution of projects. A corollary to the latter would be to ensure adequate remuneration for employment on such works. It is well-known that violation of labour legislations (particularly the Minimum Wage Legislation) is not uncommon and that women workers are discriminated against on such works. Second, this would require that local people are involved in maintenance of assets so created. A pre-requisite to such involvement is that the assets created be perceived as meaningful by the local populace. This brings us back to a judicious selection of projects incorporating local needs and aspirations.

3.30 Leakages have the undesirable consequence of reducing employment generation from schemes and providing lower remuneration for work. In an obvious way, both these impair the income transfer/poverty alleviation function that the schemes are expected to play. In a not so direct manner, this is also reflected in lower productivity on such works. Hence the urgent need to minimise leakages. One way in which this

can be accomplished would be through greater transparency and more information. Extensive information should be provided to the people regarding number and location of projects, expected employment generation, wages to be paid, norms and work etc.

3.31 In sum, considering that economically backward areas are also regions of concentration of rural workers below the poverty line, the need is to increase plan expenditure in these areas, or at the very least ensure that plan expenditure in these areas is not below the national minimum.

3.32 Supplemental action through special employment schemes has to be continued at least in the foreseeable future. The need, however, is to reduce the number of schemes and make judiciously selected schemes more effective by integrating them with local/sectoral plan, emphasising physical and human capital formation and by addressing multiple objectives through these schemes.

3.33 The need is also to go beyond schemes for providing employment and simultaneously concentrate on providing backup support to the marginalised by schemes for providing minimum needs. These protective measures could take the form of a safety-net, for instance, through health insurance. It may be emphasised here that health and education inputs should be seen as investments in human capital development that would help prepare the rural poor for the future.

Wage Policy and the Employment Objective

3.34 The Approach Paper to the Eighth Five Year Plan (May 1990) has admitted that even after four decades of planning, the task of ensuring full employment and even a moderate standard of living to every one remains unfulfilled. The attainment of this basic task must be the central concern of development strategy in the Nineties. Explaining the need for reorientation of the Plan to this task, it has underscored the fact that not only has employment grown much slower than labour force but real wages have also persistently remained low and even declined. A vast majority of wage labourers, whether in rural areas or urban areas remain untouched by minimum wages legislation. Worse still, there has been a progressive decline of employment in traditional industries which have been the source of livelihood for millions of rural people.

3.35 But the task of creating fuller and productive employment opportunities in the informal sector becomes formidable when one remembers the concern for provision of adequate wages to those employed is equally important. It could in fact, be asserted that any employment target without reference to specific wage-rate is meaningless. The main apprehension about the feasibility of employment strategy arises then because of the possible conflict between the employment policy and wage policy that would be acceptable to the labour. It is in this context, that the complexity of the situation increases and the need for a well thought out wage-policy becomes paramount.

3.36 The Eighth Five Year Plan proposes to introduce labour intensive technology in mass consumption goods because the scope for adoption of labour intensive technology appear greater in the consumer goods sector than in the capital goods sector. Even within consumer goods industry, the technology-mix is proposed to be different depending upon the availability of range of technologies. This would entail a certain degree of productivity differentials not only inter-industry but intra-industry as well. The assumption here is that the most important determinant to labour productivity is the amount of capital employed per unit of labour. This is by no means an invalid assumption as virtually all empirical studies have supported it, though they differ in respect of whether labour productivity rises proportionately, more than proportionately or less than proportionately to capital-intensity.

3.37 Thus a greater disparity in labour productivity in these sectors would entail a greater disparity in wages. While this might be a logical outcome of the planned differentials in capital intensities, it would be difficult to make labour, particularly organised labour, accept it even though the policy is designed to generate larger employment. In the last 35 years, what has been witnessed is the impact of 'demonstration effect' of the 'high wage islands' on wage settlements in various industries. Quite often collective wage bargains take place in a state of near-isolation from the general condition of employment market.

3.38 Some restraints on the wage levels in highly capital intensive industries would thus be necessary if they are not to act as 'pointers' to the claims for higher wages in labour-intensive industries. If there is no firm wage policy in this respect, the adoption of labour intensive technology would not find favour with the entrepreneurs. However, a comprehensive wage income policy consistent with the objectives of our planning has always remained an academic exercise in our planning so far.

3.39 The conspicuous co-existence of mushrooming high-wage islands in the organised sector on the one hand and miserable conditions of labour in informal urban and rural sector (both farm and non-farm) on the other and the corresponding dualism in capital/labour intensities and associated levels of productivity are the result of our inability or even unwillingness to implement a sound and firm wage policy. It is time this pedantic approach to wage policy is given a go by and steps taken to formulate and firmly implement a policy to achieve a complete harmony between (i) employment target (ii) wage rate (iii) level of productivity and (iv) the technological options available in the economy.

3.40 While the lack of a coherent wage, income and price policies comprehensive enough to cover the large mass of unorganised labour may be cited as one plausible reason for this failure, the absence of any institutional structure for effectively implementing such policies is equally important. For instance, in agriculture, institutions like the National Commission on Ag-

ricultural Costs and Prices, Food Corporation of India and the Public Distribution System have together helped the cultivators to get progressively higher return and impart certain stability to their economy. For the labour in the unorganised sector including agricultural labour, there is not a single institution through which they can seek better wages. It may, therefore, be desirable to consider an institutional mechanism for conducting studies on rural labour, reviewing the formulation and implementation of programmes and advising the government on policy schemes. In this situation even if comprehensive policies are adopted to ensure certain wages, incomes and prices by adopting efficient labour intensive technologies in agriculture and industry, the whole strategy to increase employment may backfire and become counter productive.

Technology Policy and Employment : The Case of Village Industries

3.41 It was only in 1983 that the Government of India came out with a Technology Policy Statement. This emphasised mainly technological self-reliance through use of existing traditional skills and capabilities and where necessary their upgradation for making them commercially competitive and work in harmony with the environment. Provision of maximum gainful and satisfying employment was stated to be the most important criterion in the choice of technology. In this regard, women and weaker sections of the society were to be specifically considered, in order to reduce the incidence of poverty and inequality. However, some limitations in this regard were also recognised, namely, low level of income, small scale of production, production of traditional goods, limited scope for adopting improved and modern technology and inability to respond quickly to changing consumer tastes and preferences.

3.42 Recognising both the merits and limitations in the expansion of village industries, the Karve Committee had suggested measures to overcome some of the constraints to their development. Primarily, the Committee was in favour of avoiding technological unemployment for which it suggested a two-fold development programme for (i) maintaining the existing level of employment with production of traditional goods in demand and (ii) expanding employment to new entrants to this labour force through provision of training and distribution of improved and modern equipment capable of turning out better and newer goods. In other words, the Committee recognised the serious limitations in the way of absorption of newer technologies by the existing traditional artisans. Despite a clearly formulated policy, there has been a divergence between the avowed objective and actual performance. Some of the reasons are outlined below.

3.43 Defining the Small Sector: The word 'small-scale' corrupted the whole concept of protection for the weak. This was a consequence of de-linking of the word 'small' from ownership and instead using it to imply the size of enterprise. As a result, big businessmen also started setting up small units and deriving the same facilities as given to the poor

artisans. The First Five Year Plan did raise the issue of ownership in the small sector : "further test may be whether a unit which may otherwise be regarded as small as owned by worker himself or the cooperative". From the Second Plan onwards the issue of ownership was completely ignored while defining the 'small scale'. Thus, under the influence of the powerful sections of society the distortion took place between promise and performance and the genuine small sector got crushed.

3.44 Distinction between Small and Traditional Sectors: Aggravating this position further was the failure of the strategy to distinguish the small-scale industries from the traditional industries; while extending the most favourable treatment for industrial dispersal or decentralisation. As a result, the small-scale industries also emerged as competitors to the village industries. The fate of handloom sector merits attention here. The decline in the number of handlooms revealed by the All India Census of Handlooms (1987-88) in major states like Uttar Pradesh, Rajasthan and Tamil Nadu is indicative of the growing threat to the employees in the handloom sector.

3.45 Entrepreneurial Development: The rural artisans were innovative but not entrepreneurial. The implementation strategy, however, failed to recognise this fact and to provide for entrepreneurial development to enable them to take up improved and modern devices. Consequently, while training programmes were all set for improvement in technology and not in entrepreneurial qualities, the follow-up suffered due to lack of adequate entrepreneurial and managerial skills required to deal with the higher levels of production and income envisaged. Even the skill up-gradation programmes failed in this regard.

3.46 This lacuna was turned into a new opportunity by those who were in the trade which provided the backward and forward linkages for the rural artisans. This continued neglect led to the emergence of a class of new entrepreneurs mainly drawn from the trade. This class took advantage of the concessions and facilities provided by the Government and grew as a middle tier between the traditional and modern sectors. While it was able to adopt some of the improved technologies by taking advantage of the various concessions and incentives offered to the traditional sector it simultaneously ate into the market share of both the modern and traditional sectors. It became a serious competitor for the acquisition of the available supply of raw materials and greater market share. Examples: Hullers and shellers, oil expellers, powerlooms, power-driven khandsari units and so on.

3.47 In this emerging situation, while the modern large scale industries to some extent, could stand the competition wherever they enjoyed economies of scale, the traditional industries began declining as they became progressively marginalised in the wake of unequal competition faced by them in procuring raw materials and market for their products. Consequently, the self-employed artisans were driven to wage employment

either with the new master entrepreneurs or in agriculture when opportunities came during seasons. In the wake of the growth of an intermediate sector employing mechanical modes of production, structural changes in rural employment have taken place. A clear shift has been recorded both in production and employment from the traditional sector to the intermediate sector. This phenomenon has been spectacular in the case of cotton textile industry as can be seen from the data presented in the table given below:

(Million Metres)

Year	Mills	Powerlooms	Handlooms	Total
1961	4701 (66.46)	705 (11.09)	1507 (22.45)	7073 (100.00)
1971	3957 (53.79)	1304 (18.81)	2015 (27.39)	7356 (100.00)
1981	3147 (38.76)	3189 (39.27)	1784 (21.97)	8120 (100.00)
1984	2619 (28.97)	3348 (37.04)	3073 (33.99)	9040 (100.00)
1989	1988 (21.12)	3873 (41.14)	3551 (37.73)	9412 (100.00)

() Figures in parentheses are percentages to the total.

Source : Report on the Textile Industry. Textile Commissioner's Office, Ministry of Textiles, Govt. of India, 1989.

3.48 This shift however has not been caused by the shifting of those employed in the village industries sector to the better organised mill industry but by the industries at intermediate level employing more mechanical modes of production dominated entirely by a new class of producers coming to the picture. As a direct consequence of this, the employment in the traditional industries has declined leading to technological unemployment, defeating the very objective of the Five Year Plans. These trends are clearly seen from the population census data available at Annexure I for the period 1961 to 1981 even after providing for deficiencies arising out of the inter census definitional changes. The reduction in employment in traditional household sector is of considerable size particularly of women in industries like handpounding of paddy, oil ghanis, gur khandsari and textiles.

3.49 In sharp contrast to this situation, there seems to have been an upward swing in rural employment in certain industries which have adopted mechanical modes of production encouraged by favourable policies. Some of the industries where such changes have been noticed are cotton textiles, gur and khandsari where the total employment has registered a significant increase as could be seen from the data thrown up by the NSS for the period 1977-78 and 1983-84 at Annexure II.

3.50 Supply of Raw Materials and Marketing: A major barrier to the development of rural artisans is the existing system for raw material distribution

and marketing of products. Artisans do not get adequate raw material of required quality at the right time and prices. This gives rise to the idle capacity in the rural sector.

3.51 The reason is that, these raw materials are going into the hands of private trade which functions from the grassroots through a chain of middle level functionaries who work on commission. Most of the rural raw materials are thus siphoned out by this trade in a cascading fashion until they reach the better organised small scale and large scale industries. In this process, the basic cost of any raw material gets escalated at every stage of transaction before it lands in the hands of the organised sector.

3.52 Attempts to put an alternative organisation by some sponsoring agencies under the public sector and also cooperatives have failed because of its high cost, lack of experience and flexibility, inadequate funds and inefficient and high cost management. In this situation a suggestion given by an evaluation study of Janata Cloth Scheme by ATIRA, Ahmedabad, holds good that instead of giving rebate and concessions at the consumers' end it should be given at the input level (producers end) to make the production process more smooth and less costly, as it has been done in agriculture.

3.53 **Conflicting Policies:** That a consistent set of policy measures remained elusive is brought out by just one instance. In the very year that the Technology Policy was announced, the Export Import Policy (1983-84), provided concessions to import of machines for development of cotton textile and rice milling industries resulting in further displacement in the traditional sector particularly of women by encouraging middle tier new entrepreneurs vying with one another to set up new technologies which are capital intensive and labour saving.

3.54 In sum, the above analysis points to an inescapable conclusion that while the declared policy of Government for employment in the traditional sector recognised the need to maintain the existing employment on the one hand and to shift the new entrants to better technologies and newer goods in order to avoid technological unemployment, the implementation strategy has led to the marginalisation and decline of employment in the traditional sector. At the same time a new intermediate sector has grown superimposed between the traditional and the large scale industrial sector which of course has continued to increase and add to the total employment in the rural areas. Beneath the surface of this employment lies concealed technological unemployment on a large scale. This position needs to be remedied urgently.

3.55 A more innovative approach to the problems of supply of raw materials and marketing could be to tackle the two simultaneously. In this connection, some success stories have been reported where an effective tie-up was worked out under conditions favourable for the grass-root workers through some organisation for getting a preferential treatment in the

matter of allotment of raw materials. For example, CO-OPTEX in Tamil Nadu is working in collaboration with a recognised master weaver organisation for distribution of yarn, production and marketing. Similarly, co-operation of private sector organisations is being sought; e.g. Batas for getting leather and marketing. Hindustan Lever for marketing soap and detergents. Much more needs to be done in this area. The strength of big industries seems to lie in their distribution network. Efforts should be made to use this existing network for marketing the products of rural industries. This would minimise direct competition and reduce selling costs of rural artisans to a great extent besides ensuring marketing of the products.

3.56 If appropriate technology policy combined with a proper credit policy is formulated and carefully implemented, the level of wage and income can be substantially increased with the already available capital equipment and skill. In short, technology policy in isolation from credit policy can be counter-productive. Finally, attention may also be drawn to the point raised by some recent studies that for too long, the focus in respect of the traditional industries has been on specific aspects such as pricing, technology, etc. It is felt, that attention may be gainfully directed to macro-policies as these impact this sector. For instance, what policies would result in an increased demand in the economy for the goods produced by this sector is an area that deserves attention. Similarly, how rural infrastructural development does or can help provide impetus to this sector needs to be studied.

KVIC: An Illustration.

3.57 KVIC is one of the important organisations which have been in charge of the development of traditional industries since 1951. One of the major facets of its development programme has been training of and distribution of improved tools and equipment to rural artisans. It also encourages research and development in modern methods and tools of production for rural artisans. However, so far no perceptible impact has been made in raising the levels of production and income through improvements in traditional technology because the KVIC has been constrained by several factors.

3.58 The reason behind this failure in achieving the desired results again seems to have been the lack of entrepreneurial development among rural artisans. In the absence of this, while the younger generation showed a lack of initiative to take up new technologies even after training, the older ones who were already engaged in traditional activities, could not successfully and effectively utilise the improved technology and other facilities made available because of their incapacity to absorb and assimilate the same. Research studies undertaken by the Centre for the Study of Decentralised Industries (CSDI), Bombay have shown that nearly 3 out of 5 rural artisans currently engaged in traditional activities are in the age group of 40 and above and one among five is not interested in pursuing the hereditary occupation and is seeking a job outside. Further, a third of those working in the

industry either seek agricultural employment during the seasons or prefer to work as a wage earner with a master entrepreneur.

3.59 Corrective measures in terms of provision of training in entrepreneurial development, adequate and timely credit for the village industries and facilities for marketing of their products and supply of modern inputs in terms of technology and organisation are necessary. In these respects, experienced voluntary agencies with good track record, management institutions, entrepreneurial development institutes, technological laboratories and the public and private sector marketing organisations have to be assigned appropriate roles for promoting the growth of traditional industries. These facilities should be provided to sick industries also.

Decentralised Planning : Expectations and Constraints

3.60 In India, Plan formulation has concerned itself mainly with problems of resource mobilisation and allocation. The macro perspectives that such an exercise requires have an in-built bias towards centralisation and limits the extent to which local urges can be incorporated. A decentralised arrangement, on the other hand, may be more responsive but a limited perspective is inherent in such an arrangement. The imperatives of future needs and/or a perspective involving allocation between alternative uses may be difficult to accommodate below a certain level. It is in this context that the expectations, constraints and problems of a decentralised arrangement are discussed.

3.61 The persistent question why there is a gap between the vision that has inspired policy decision in the direction of decentralisation and what has happened on the ground, can have only a political answer. While states have emerged as strong protagonists of their rights, no political forces have yet emerged strongly pushing for decentralisation below the state level. What is puzzling is that the pressure for decentralisation is coming not so much from the grassroots as from Central and State Governments. Whatever decentralisation has come about is a result of guarded and hesitant decision making of the levels above the district. The objective of empowering the poor through decentralisation has not been achieved in most states because effective implementation of land reforms has not preceded the empowerment of Panchayati Raj institutions. Also rural labour has not been made sufficiently aware of the benefits of various poverty alleviation schemes.

3.62 **Identification of Schemes:** It is often the case that the schemes identified are either not the preferred choice of the people or they do not provide the basic needs of the people. Therefore, it is suggested that local level planning, which will involve the local people, will enable the planners to identify local needs better. Theoretically, the proposition seems very attractive and it is also possible that in many cases local priorities identified by the local people may

turn out to be quite different from both the planners' priorities which are determined more by macro-considerations and by the implementors' priorities which are determined largely by considerations of administrative convenience. However, the difference in priorities as long as they are concerned with fairly well defined alternatives (e.g. building a school or building a road or spending on social forestry) may be relatively simple choices although even in this case there might be conflicts of interests at the local level. We may also note that the special programmes of the Sixth and Seventh Plans have included a component for ensuring people's participation. This has been included in the guidelines for the programmes in terms of a requirement that a Gram Sabha or a village assembly be convened before the schemes or the beneficiaries are selected.

3.63 At a more substantive level the question which must be asked is : do people have the information, knowledge and skills for good identification of schemes? The answer will be: "Not always and not very often". To illustrate: the need of the poor, both in rural as well as in urban areas is higher income and a better standard of life. The individual's perception of whether this can be ensured through more employment or through more assets of a particular type will depend upon his perception of the environment around him and his perception of his own abilities and resources. This perception may not be a solution for his problems. He may lack the information or the skill to process the available information for arriving at a good solution. What is required is for specialists to work with rural people and work out better technoeconomic viable options for them. The problem is not that there are no local planning networks but it is that the specialists are too far removed from rural realities. Where this is not the case the schemes are identified well and do operate effectively. This is more particularly true for schemes that involve the artisans and schemes for the development of non-agricultural activities in rural areas. The technology, supply of raw material and market linkages that are necessary for viable schemes require the knowledge and skills of several specialists. The decentralized structure, in this context, may be part of the means for achieving the end; it cannot be an end by itself.

3.64 **Formulation of Schemes:** The second requirement is for better formulation of schemes for the development of an area. This requires better synchronization and harmonization between different departments. It also requires pooling of resources and of functionaries as well as sharing of responsibilities. Since central schemes are intended to meet certain national goals and are essential in as much as these are unlikely to be taken up by the State Governments without Central initiative, a major reform needed is to make the schemes only indicative from the Central level, that is, to define the broad purpose of the schemes and leave the detailed planning of the schemes including target setting and devising instruments for achieving the objectives, etc. to the institutions at the district level and (indicating) clearly the area of freedom in planning available to the local institutions.

3.65 Implementation of Schemes: Another way to make planning more responsive to the local needs is to focus attention on the processes of plan implementation i.e. the execution of development schemes at the local level. Plan implementation is necessarily a decentralised process involving several levels of political and administrative hierarchies. However, the Centrally sponsored schemes whether IRDP, TRY-SEM or rural employment come with a plethora of guidelines on how to go about implementing them. The local administrators respond by picking on schemes that are most implementable, use the guidelines and report back the achievements by indicating the fulfilment of physical and financial targets. The implementability of a scheme is decided on administrative and/or political reasons. Little effort is made to assess its economic viability. Cost benefit analysis is not undertaken. Location is also done on an ad hoc basis partly because of lack of systematic information on what other facilities are available and which ones are needed to make the scheme successful. Thus, while little is left to local authorities, what is left is also poorly undertaken. It is suggested that even within a centralised planning system, the actual implementation processes could be improved to yield better results.

3.66 The problems of implementation that are related to coordination between departments are the same as those which do not give us good plan formulation. They are problems of harmonisation of schemes. To be sure, the Government has attempted to achieve better implementation through streamlining of several procedures and by assigning well identified responsibilities to different functionaries. However, the problem of linkages within the system continues to be serious. That this problem of administrative linkages is endemic is recognised by most observers as well as those involved in implementation although the seriousness of the lack of coordination may vary from place to place and from scheme to scheme. In other words, a decentralised framework of plan formulation and implementation also requires structural changes in the departmental system and its line hierarchies. This must be accepted and steps taken for change along with steps for political devolution and panchayat elections. But, while decentralisation of the overall planning process is important, inadequate progress in it should not become an excuse for not improving the implementation process that lead to better results.

3.67 It is also expected that better implementation from a decentralised structure would result from the development of countervailing power of the local people who would demand more effective performance from the administration. In other words, decentralisation would encourage the people at the receiving end to mobilize and demand what should rightfully reach them. This would lead to lesser leakages and better implementation. This question of developing countervailing power and effective mobilisation of the poor is a political issue. Panchayats by themselves or holding elections alone will not help.

The local level power structures are often far more brutal and iniquitous than the power equations at higher levels. Correctives being proposed include measures towards electoral reform such as compulsory allotment of seats to the deprived groups, including women, in the panchayats.

3.68 The basic premise is that planning mechanisms which are responsible to local needs in general are more likely to be sensitive to the needs of rural labour. To make these more responsive, the need is to impart greater autonomy and flexibility and to decentralise the planning process.

3.69 Apart from devolution of resources and planning functions, this may be achieved by greater consultation in the planning processes. Greater consultation may be brought about by institutional changes at various levels, so that at the State and district level there may be mechanisms for active participation of the block and village level institutions, and for consulting with local level interests, voluntary agencies technical experts and academics. Within the panchayats, this may take the form of larger representation of the landless and of women. These mechanisms would serve to incorporate local urges and aspirations, and would lead to improved identification and formulation of developmental schemes. As mentioned earlier, these goals can be better achieved through the effective implementation of land reforms so as to alter the power structure in favour of the rural poor.

3.70 Simultaneously, efforts must be made to strengthen the planning capacity at the lower levels. For strengthening the capability to take locational decisions, for instance, village surveys of facilities available would be extremely important. Political and administrative decisions can then be informed by more data based reasoning. Determining economic viability of projects presents more complex problems. Little expertise is available for this purpose with the local administrator. And training has its limitations because administrators are frequently on the move—place and job notwithstanding. Peripatetic teams giving guidance to local administration could prove to be extremely useful.

3.71 Monitoring and evaluation of projects should be conducted by involving the beneficiaries of these projects and the local voluntary organisations. The concept of participation should not be restricted to only the resource allocation or planning stage. Evaluation is an important part of the project cycle and local participation would be extremely useful at this stage. Greater transparency of the planning process and providing more information to the people—whether of location of projects, numbers employed, wages to be paid, or norms of work etc.—apart from ensuring better monitoring and implementation is important for the emergence of countervailing forces.

CONCLUSIONS AND RECOMMENDATIONS

3.72 The conclusions and recommendations are as follows:—

- (1) A review of planning processes indicates that the employment objective, was treated as incidental to achievement of growth objectives in earlier plans. This relative neglect of the employment objective is witnessed at the level of selection of projects as well. It is for this reason that the Commission recommends that Employment should be an explicit objective of planning at all levels—from macro-modelling for the Plan for selection of projects at the local level.
 - (2) The Commission recognizes that planning entails much more than merely employment generation. While providing guaranteed employment is but a first step in ameliorating the lot of the distressed classes, the need is, quite clearly, to go beyond provisions for employment generation per se. In the short run, this can be done by providing for certain minimum social needs. Access to basic social services, such as health, education and nutrition etc., should be ensured through direct interventions, say for instance, by directly subsidizing education for the children of rural labour. In the long run, however, it is the income earning capacity that has to be augmented—whether through access to assets or imparting socially useful skills or both. Programmes for skill upgradation and for bridging the entrepreneurial gap have thus to continue simultaneously. In sum, the short-term thrust has to be on provision of employment coupled with access to basic social services and the long-term effort should be to augment income-earning capacities of rural labour.
 - (3) Although rural labour constitute the bulk of the so-called “marginalized” sections, it is clear that certain sections of rural labour such as women, scheduled castes and tribes are more deprived than others. Likewise, by-passed regions display a gradation with some regions being more backward than others. Even when the ‘Right to Work’ is accepted as a guiding principle, given the fiscal and organizational constraints, the need is to adopt a selective approach for employment generation beginning with the most disadvantaged areas/sections, with the objective of “graduating” them to a stage where a special treatment is obviated.
 - (4) The Commission noted the changing composition of rural labour force, pressure of population on agricultural land and low labour absorption in agriculture. In view of these trends and characteristics it is recommended that—
 - (a) Within the farm sector: (i) The focus of growth in crop production should shift away from regions where employment generation per unit of output is small or negative to regions where labour is abundant and poverty is widespread and where therefore, employment generation per unit increase in output is positive and high;
 - (ii) Strengthening the productive base—through say, soil and water conservation;
 - (iii) ancillary activities such as animal husbandry, forestry and fishery and on agro-processing;
 - (b) in the future, in view of a growing marginalization of the peasantry and fragmentation of agricultural holdings, the emphasis would have to move away from the farm sector and towards the non-farm sector in rural areas.
- In short, besides selectivity with regard to area and sections, the Commission recommends prioritization in respect of activities for employment generation and suggests that much higher priorities be accorded to resource management and non-farm activities.
- (5) This recommendation has implications, on the one hand, for directing efforts towards skill formation and providing social/economic infrastructure (provision of credit and marketing support). Skill formation and skill upgradation programmes are regarded necessary and the Commission recommends that the requisite infrastructure for training, technology transfer, raw material and credit supply and marketing should be developed. Skill upgradation should be related to the needs of the area and the market and efforts at uniformity should be given up.
 - (6) On the other hand, this also implies a planning process more in tune with spatial diversity. This could be achieved by strengthening the planning capacity at the State level and below (i.e. district and block), and by evolving mechanisms to incorporate the local urges. Apart from technical support, such strengthening would involve greater consultation with, and representation of, the State and local level interests in planning. At the local level, these institutional changes could take the form of representation of landless groups and women. Thus, improvement of planning capability at the State and district level and local participation at the grassroot level are two processes that need to go on simultaneously.
 - (7) There are situations where decentralised decision making is superior to centralised one. In such situations, planning processes may be improved by encouraging bottom-up planning approach. This could be expected to result in identification and formulation of schemes more in tune with local needs, aspirations and resources, better implementation of schemes and maintenance of assets so created can also be assured. But there are aspects of planning where decentralised decision-making has its own limitations. This may be due to obvious economies of scale

or to inadequate development of transport and communication. Also, where sharp stratification prevails in the society, decentralised decision-making may jeopardize the interests of the deprived sections. Two important conclusions follow: First, the scope for decentralisation need not always be explored in terms of planning and decision-making in all aspects; it could be in terms of devolution of certain functions, such as the monitoring function. These avenues should be explored. Second, there should be clearly defined accountability especially in regard to the interests of the vulnerable sections even in the case of decentralized planning efforts.

- (8) Planning process should be made more transparent and people should know what is going on. People should be provided information with regard to location of projects, numbers to be employed, wages to be paid and the norms for determining wages. Irrespective of the level of planning, centralised or decentralised, the sharing of all relevant information would equip the beneficiaries to contribute their share, assert their rights and monitor the activities to avoid wastage and leakages.
- (9) In this connection, as also for identification of projects at the local level, mobilizing resources to undertake these and for performing the monitoring and evaluation functions, the voluntary agencies and non-governmental agencies may be expected to play an effective role. Total reliance on bureaucracy to initiate and implement programmes and projects should be re-examined. The role of voluntary agencies, cooperatives and workers organisations should be recognised in the planning process, and mechanism should be evolved to strengthen them.
- (10) Recognising that there are obvious limits to how much direct employment the State can provide, the Commission feels that efforts of the State should be in the nature of catalytic efforts. Concentration should not be solely on job creation but increasingly so on a policy regime and environment which stimulates and supports private initiative for investment and job creation. The State, in other words, should concentrate on creating a climate conducive for private initiative towards self-employment and wage-work.
- (11) Economic policies should be consistent with the overall objective of employment generation. Several policies impinge on the employment objective. Therefore, if creating employment

is the basic objective then policies should complement each other in achieving this. There are several instances of inconsistent policies. Our technology policy which, on the one hand, supports the Khadi and Village Industries and on the other initiates steps in other sectors that would endanger the former is a case in point. Inconsistencies within a policy as also between different policies should be removed, and at the minimum the trade-offs that may be involved should be stated explicitly.

- (12) **Programme formulation :** Translating multiple, and sometimes inconsistent, policies into programmes involves the risk of giving rise to a wide variety of, and sometimes mutually incompatible, schemes. Although with Jawahar Rozgar Yojana (JRY), steps have been initiated towards rationalizing these, there is nonetheless a need to suggest that a plethora of schemes be voided. Attempts ought to be made to link these schemes with the overall development of the area and to reorient these schemes towards employment generation. Therefore, even in respect of a reduced number of schemes, there should be a clear appreciating of the contextual heterogeneity and 'guidelines' once the objectives are clearly stated and resources earmarked, the 'guidelines' from Centre to States and from State Headquarters to districts and lower administrative units should be minimized if not completely eliminated. Local initiative in identifying projects and local variations in centrally identified projects should be the norm, any deviation should be an exception.
- (13) **Protective Measures—Minimum Wages :** It is necessary that the Minimum Wage legislation be implemented and minimum wages should be guaranteed to all wage paid labour. In this regard, the norms of payment for work which make non-compliance with the Act possible or which discriminate against women need to be reviewed. Thus, while providing employment and ensuring that it is productive, it is also imperative to ensure that it is remunerative.
- (14) **Protective measures—Insurance Cover :** There are seen to exist grounds for providing a protective net in the form of an insurance cover to the deprived rural labour. A time has come when concrete, well formulated social security (apart from the right to work), in terms of health insurance, old-age pension, for the rural labour are taken up in right earnest and a time-bound programme is enunciated to provide a social security net for the rural labour.

ANNEXURE I

NUMBER OF MAIN WORKERS IN RURAL HOUSEHOLD INDUSTRIES

(Numbers in lakhs)

	1961		1981		% change in 1981 over 1961
	All Workers	% to total mfg.	All Workers	% to total Mfg.	
1. Grain mills Products	2.69	2.71	0.82	1.51	(-)69.5
2. Production of indigenous Sugar, boora, Khandsari, gur etc. from Sugarcane and Palm Juice	1.27	1.28	0.27	0.50	(-)78.7
3. Production of edible oils	2.10	2.11	0.29	0.53	(-)86.2
4. Cotton spinning in other than mills.	0.71	0.71	0.62	1.14	(-)12.7
5. Cotton weaving handlooms	14.10	14.18	6.83	12.57	(-)51.6
6. Manufacture of Khadi textile in handlooms	0.55	0.56	0.22	0.41	(-)60.0
7. Wool spinning in other than mills	0.72	0.72	0.05	0.09	(-)93.1
8. Wool weaving in handlooms	0.55	0.55	0.06	0.11	(-)89.1
9. Spinning of Silk other than in mills.	0.19	0.19	0.08	0.15	(-)57.9
10. Weaving of Silk textiles in Handlooms	0.93	0.94	0.58	1.07	(-)37.6
Sub-Total from 4 to 10 (Total Handloom)	17.75	17.85	8.44	15.54	(-)52.5
11. Cotton Weaving in powerloom	0.14	0.14	0.13	0.24	(-)7.1
12. Wool weaving in powerloom	0.03	0.03	0.003	0.01	(-)90.0
13. Silk weaving in Powerloom	0.02	0.02	0.02	0.03	(-)
Sub-Total from 11 to 13 (Total Power Loom)	0.19	0.19	0.15	0.28	(-)21.1
14. Manufacture of wood and wood Products	13.97	14.05	11.70	21.54	(-)16.2
15. Curing tanning and finishing of Hides and skins & preparation of finished products	0.79	0.79	0.12	0.22	(-)84.8
16. Footwear manufacturing	3.52	3.54	1.32	2.43	(-)62.5
17. Manufacture of Earthen pottery	6.08	6.12	4.51	8.30	(-)25.8
Grand Total of Selected Industries	48.36	48.64	27.62	50.85	(-)42.9
Total of the whole manufacturing Sector	99.43	100.00	54.32	100.00	(-)45.4

Source: General Economic Table Census of India, Table B-12 to B-17, Part III-13(II) of 1981 and Part II B(1) of 1961.

ANNEXURE II

EMPLOYMENT IN DIFFERENT RURAL INDUSTRIES (1977-78 and 1983-84)

(Numbers in millions)

	1977-78		1983-84		% change in 1983-84 over 1977-78
	Total Employment	% to total Mfg.	Total Employment	% to total Mfg.	
1. Grain mills Products	0.42	3.35	0.59	3.77	40.5
2. Production of indigenous Sugar, boora, Khandsari, gur etc. from Sugarcane and Palm Juice	0.22	1.76	0.15	0.96	(—)31.8
3. Production of edible oils	0.10	0.80	0.10	0.64	..
4. Cotton spinning in other than mills.	0.14	7.98	0.16	1.02	14.3
5. Cotton weaving in handlooms	0.98	7.82	1.01	6.45	3.1
6. Manufacture of khadi textile in handlooms	0.03	0.24	0.16	1.02	433.3
7. Wool spinning in other than mills					
8. Wool weaving in Handlooms	0.06	0.48	0.05	0.32	(—)16.7
9. Spinning of silk other than in mills	0.09	0.72	0.12	0.77	33.3
10. Weaving of Silk textiles in Handlooms Sub-Total from 4 to 10 (Total Handloom)	1.30	10.38	1.50	9.58	15.4
11. Cotton Weaving in powerloom	0.07	0.56	0.12	0.77	71.4
12. Wool weaving in powerloom . . . . .	..	..	..	..	..
13. Silk weaving in Powerloom Sub-Total from 11 to 13 (Total Power Loom)	0.07	0.56	0.12	0.77	71.4
14. Manufacture of wool and wood Products	1.70	13.57	1.80	12.14	5.9
15. Curing, tanning and finishing of Hides and skins & preparation of finished products	0.03	0.24	0.04	0.26	33.3
16. Footwear manufacturing	0.25	1.98	0.23	1.47	(—)8.0
17. Manufacture of Earthen pottery	0.78	6.23	0.85	5.43	9.0
Grand Total of Selected Industries	4.87	38.87	5.48	35.02	12.5
Total of the whole manufacturing Sector	12.53	100.00	15.65	100.00	24.9

Source : National Sample Survey, Rounds 32nd and 38th Rounds.

CHAPTER 4

TRENDS IN RURAL EMPLOYMENT

I. Introduction

4.1 The growth of output in the Indian economy has not been accompanied by a commensurate rate of growth in employment and equitable distribution of income. This led to mounting of programmes aimed at direct attack on poverty through self-employment and wage employment on the one hand and the programme of minimum needs to meet the basic requirements of the poor and to improve the quality of life. Since providing jobs with adequate level of income to all the economically active members of society was realised to be of paramount importance and this has not been realised till now as a by-product of the growth process, the Approach to the Eighth Plan contemplates an employment oriented growth strategy for alleviation of poverty and reduction of inequality. It also highlights the need for state intervention to guarantee full employment and to enforce minimum wages in the rural areas. In the subsequent paragraphs we note certain major trends in rural employment situation and the impact of employment pro-

grammes and then proceed to outline the elements of a strategy for employment generation in rural areas.

II. Trends in rural employment

4.2 The table below shows the distribution of households and population by household type according to NSS estimates. It is seen that while agricultural labour has been increasing in absolute numbers, the proportion in the total has been relatively stable. But the proportion of other rural labour has increased and that of those self-employed in agriculture has come down significantly. Many of the low income self employed people have entered the wage labour force and are potential entrants as wage labour which is steadily expanding in importance. Such occupational shifts have been prevalent among marginal farmers (over 50 per cent of operational holdings fall under marginal category of less than 1 ha.), artisans and those employed in traditional household industries and services. It has also been accompanied by migration to urban areas, as evidenced by the reduction of the share of the rural areas in the total workforce from 83% in 1977-78 to 77% in 1987-88.

Distribution of rural household and population by household type (per cent)

Household type	Household			Population		
	1977-78	1983	1987-88	1977-78	1983	1987-88
Self employed in Agriculture	46.1	40.7	37.7	54.4	46.1	42.8
Non-agriculture	10.6	11.7	12.3	10.6	11.8	12.8
Total : self-employed	56.7	52.4	50.0	56.0	57.9	55.6
Agricultural Labour	29.9	30.7	30.7	31.0	27.7	27.8
Other Labour	6.9	6.6	9.0	6.9	6.1	8.4
Total Rural Labour	36.8	37.3	39.7	37.9	33.8	36.2
Others :	6.5	10.3	10.3	6.1	18.3	8.2
All	100.0	100.0	100.0	100.00	100.0	100.0

Source: Sarekshana, Sept., 1990 and issue No. 15 (July-Oct.) 1980

4.3 While a high proportion of agricultural labour household is found in the States of Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Bihar, West Bengal, Orissa and Gujarat, a high proportion of non-agricultural labour households is seen in the States of Rajasthan, Tripura and Kerala.

4.4 **Overall Employment Trends:** The growth rate of employment in the country has registered a steady decline over the years, the decline being sharper in

rural areas, as can be seen in the following table based on NSS Estimates:

Annual Growth Rate of Employment (Per cent)

Period	Rural	Urban	Total
1972-73 to 1977-78	2.52	4.31	2.82
1977-78 to 1983	1.74	4.10	2.22
1983 to 1987-88	0.95	3.79	1.55
1972-73 to 1987-88	1.75	4.00	2.21

4.5 The deceleration in employment growth was witnessed in all the major sectors of the economy. Thus, the growth rate of employment in agriculture fell steeply from 2.32% per annum during 1972-73/1978 to 0.65% per annum during 1983-1987/88, while in the manufacturing sector the growth rate fell from 5.10% per annum to 2.10 per cent per annum during the same periods. In fact, all the sectors except construction and mining, witnessed decline in employment growth between the periods 1972-73/1978 and 1983/1987-88. Part of this decline in employment growth, particularly in the case of agriculture, could be attributed to unusually bad weather in 1987-88.

4.6 Comparison of employment growth with the growth of gross domestic product (GDP) reveals that the employment content of GDP growth has been quite low. While GDP at constant prices grew by 87.5% during 1972-73 to 1987-88, employment in the Indian economy registered only 36.4% increase during the same period. While the share of the primary sector in the GDP fell by 23% in this period, the work force in this sector, which has the largest share in the total workforce, fell by only 10%.

4.7 The following table shows that the period 1973 to 1987 witnessed steady fall in employment growth rate in both the organised and unorganised sectors of the economy:

Annual growth rate (per cent) in Employment : 1973-1987

Industry Division	Organised Sector		Unorganised Sector		Economy as a whole	
	1973-77	1983-87	1973-77	1983-87	1973-77	1983-87
Agriculture	2.40	1.50	2.32	0.64	2.32	0.65
Mining & Quarrying	5.47	0.17 (—)	3.77	21.01	4.68	6.16
Manufacturing	2.42	0.06	6.32	2.78	5.10	2.10
Electricity, Gas, Water	3.04	3.29	..	..	12.23	4.64
Construction	(—) 2.06	1.34	3.58	16.65	1.59	13.69
Transport & Communication	1.70	1.12	13.15	4.30	4.85	2.67
Services including trade	3.04	2.11	4.00	2.67	3.67	2.50
Total	2.48	1.36	2.84	1.55	2.82	1.55

Note : The figures for the organised sector are based on EMI (Employment Market Information Programme) data while those for the unorganised sector are based on EMI and NSS data. The figure for the economy as a whole are based on the NSS data according to usual status (Principal and Subsidiary).

4.8 **Employment trends in the Rural Sector:** We now review the trends in the growth of employment in the rural sector. The number of usually employed persons in the rural areas increased by about 28% during the span of 15 years from 197.8 million in 1972-73 to 252.5 million in 1987-88. The worker population ratio for males fell marginally from 54.5% to 53.9% in this period, while it went up from 31.8% to 32.8% for females. The ratio has, therefore, tended to be more or less stable. The trends in the growth of male and female employment in the rural sector on the basis of estimates of four quinquennial surveys in

this period are presented in the following table, which shows a steady decline in rates of growth:

Employment Growth in Rural India : 1972-73 to 1987-88

NSS Round	Number of usually employed persons (million)		
	Male	Female	Total
1972-73	127.2	70.6	197.8
1977-78	140.7 (2.34)	80.9 (2.84)	221.6 (2.52)
1983	152.7 (1.51)	90.4 (2.14)	243.1 (1.74)
1987-88	160.5 (1.17)	92.0 (0.57)	252.5 (0.95)

Note : Figures in bracket indicate the average annual rate of growth of employment during the inter-round intervals.

4.9 In order to understand the dynamics of the situation, the trends in different sectors of the rural eco-

nomy and in the nature of rural employment between 1972-73 to 1987-88 are indicated in the following table.

Composition of rural workforce (share of usually employed persons)

(per cent)

Sector	Male		Female		Total	
	1972-73	1987-88	1972-73	1987-88	1972-73	1987-88
1. Agriculture	83.2	74.5	89.7	84.7	85.6	78.2
2. Mining & Quarrying	0.4	0.7	2	0.4	0.3	0.6
3. Manufacturing	5.7	7.4	4.7	6.9	5.3	7.2
4. Electricity, Gas, Water	0.1	0.3	..	..	..	0.2
5. Construction	1.6	3.7	1.1	2.7	1.4	3.3
6. Trade	3.1	5.1	1.5	2.1	2.6	4.0
7. Transport	1.0	2.1	..	1.0	..	14.0
8. Services	4.8	6.2	2.8	3.0	4.1	5.0
9. Total	100.0	100.0	100.0	100.0	100.0	100.0
Nature of category						
1. Self-employment	65.9	58.6	64.5	60.8	65.4	59.4
2. Employees :						
(a) Regular Employment :	12.1	10.0	4.1	3.7	9.2	7.7
(b) Casual Labour	22.0	31.4	31.4	35.5	25.4	32.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

Note : The figures are from NSS Estimates.

4.10 One of the most significant trends in employment growth in rural India has been the decline in the proportion of persons dependent on agriculture (especially of those who are self-employed) and increase in the share of the non-agricultural sector from about 15% in 1972-73 to about 22% in 1987-88. This does not, however, mean that there has been a significant reduction in the number of persons dependent on agriculture and the absolute number increased from 169.2 million to 197.5 million or about 17% in the 15 year span from 1972-73 to 1987-88. But, there has also been a decline in absolute number of workers engaged in agriculture in Punjab, Gujarat, Orissa and Haryana, which have also recorded exceptionally high growth of rural manufacturing employment and transport. Negligible rates of growth of farm workforce are reported from Himachal Pradesh, Madhya Pradesh and Tamil Nadu. Only Uttar Pradesh shows a substantially higher than average growth of farm workforce, where changes in the structure of the rural workforce are minimal.

4.11 Though the shares of rural workers in the total workforce in most of the individual industrial categories have been sliding down, the share of construction and transport in rural areas are on the rise. These sectors as well as the rural manufacturing sec-

tor have increased their shares. Many of the severely unemployed in the agricultural sector besides migrating to urban areas, are also finding unskilled employment in the mining and construction sectors.

4.12 Even though the decline in the share of the workforce dependent on agriculture is a welcome development, the entire magnitude of the shift from Agricultural sector to the non-agricultural sector cannot be considered as a pull effect brought about by the forward and backward linkages of agricultural growth. While non-agricultural labour households as a group are better off than the agricultural labour households and therefore, afforded opportunities for an improvement in levels of living, there are several States in which construction and/or mining and quarrying workers are as poor or poorer than farm or farm labour households whose growth can only be a distress diversification. Positive rural workforce growth rates have been accompanied in several States by a contraction of employment opportunities in terms of work days available per worker, mainly on account of a decline in the person days worked in agriculture. Thus, at least a part of the shift out of agriculture appears to have been due to the push effect caused by incapacity of agriculture and allied activities (livestock, forestry, fishing, etc.) to absorb additional labour force.

4.13 Unemployment: The table below gives the rates of unemployment as well as numbers of unemployed according to usual status, weekly status and

daily status for 1977-78 and 1987-88 as per estimates of NSSO:

Rates of unemployment (% unemployed to labour force) and number in million by sex and residence status

(Status) Workers*	Year of NSS Round	Rural		Urban	
		Male	Female	Male	Female
Usual Status	1977-78	2.2 (3.1)	5.5 (3.5)	6.5 (2.3)	17.8 (1.6)
	1987-88	2.8 (4.5)	3.5 (2.6)	6.1 (3.5)	8.5 (1.1)
Usual Principal Status	1977-78	1.3 (1.8)	2.0 (1.8)	5.4 (3.0)	12.4 (1.0)
	1987-88	1.8 (3.0)	2.4 (2.3)	5.2 (3.0)	6.2 (1.0)
Current Weekly Status	1977-78	3.6	4.1	7.1	10.9
	1987-88	4.2	4.3	6.6	9.2
Current Daily Status	1977-78	7.1	9.2	9.4	14.5
	1987-88	4.6	6.7	8.8	12.0

Note: (1) Figures in brackets indicate numbers in million.

*Explanation of statuswise workers at the end of the chapter.

(2) Usual Status: A person is considered unemployed according to this concept if he/she was available for but without work in a principal or subsidiary capacity for a major part of the year.

(3) Usual Principal Status: A person is considered unemployed according to this concept

if he/she was available for but without work in a principal capacity for a major part of the year.

(4) Weekly Status: A person is considered unemployed according to this concept if he/she, though being available for work did not have work even for one hour during the reference week.

(5) Daily Status: It is a measure of unemployment in terms of person days of unemployment of all the persons in the labour force during the reference week.

4.14 The usual status figures relate to chronic unemployment by the time criterion & some of them might be working in a subsidiary status also. The rates as well as absolute number have increased in the decade 1977-78 to 1987-88 in the rural areas both for males and females. In urban areas, the rates have declined for males and females, though the number has increased for males. Thus out of 11.7 million chronically unemployed in 1987-88, 7.1 million were in rural areas, of whom 1.8 million or about 25% were having employment in a subsidiary capacity. Of the chronically unemployed rural males numbering 4.5 million, about a third had gainful work in a subsidiary capacity, whereas for females hardly 12% had work in a subsidiary status.

4.15 The weekly status reflects chronic unemployment and includes also the intermittent unemployment caused due to seasonal fluctuations. The cur-

rent daily status, indicating the average volume of unemployment on a day in the survey year, is the most inclusive, reflecting chronic unemployment as well as intermittent unemployment of the employed according to usual status and weekly status (that is, even during the week). In the rural areas the weekly status rates have increased and the daily status rates have come down in 1987-88, after remaining about at 1977-78 level in 1983. This could mean a shift from higher underemployment to higher open unemployment. Both open unemployment and underemployment are higher in the case of women. According to NSS 43rd Round (1987-88) estimates, in rural India, the magnitude of unemployment according to current weekly status was 9.4 million (6.6 million males and 2.8 million females), which was about 32% more than the usual status unemployment and according to current daily status, it was 79.9 million person days (50.0 million for males and 29.9 million for females).

4.16 Another source of information on unemployment is the live register of employment exchanges. However, the data from this source suffer from the well-known limitations, namely (i) all the applicants on the live register are not necessarily unemployed and (ii) all the unemployed do not register for employment. The 43rd NSS Round reveals that out of the estimated 8.2 million unemployed (weekly status: 15-59 years) belonging to rural area, only 1.8 million or 22.4% were on the live register in 1987-88 and they constituted 54% of the total number of registrants in the country. It was also found that the proportion of unemployed illiterates, literates upto primary, middle and secondary levels appearing on the live register of employment exchanges was 0.4%, 6%, 31% and 67% respectively. It is also noteworthy that the proportion of persons both males and females, in rural areas in the age group of 10-14, participating in the work force has been falling significantly and among the usually employed persons, both males and females, in rural areas the proportion of illiterates has also been falling, with increase in the proportion of literates.

4.17 Underemployment: The difference between estimates of employed on current weekly and current daily status broadly indicates the measure of underemployment of persons who had some work during the week. The table below gives the picture:

Percentage of rural persons/person days employed according to

Year of NSS Round	Weekly status	Daily status
1977-78 Male	51.9	48.8
Female	23.2	19.4
1987-88 Male	50.4	50.1
Female	22.0	20.7

It is worth noting that the gap between weekly and daily status employed has narrowed significantly.

4.18 The problem of underemployment is most acute among self-employed persons and agricultural labourers, most of whom belong to the category of casual wage labour. On the basis of the reported willingness/availability of usually employed persons (principal usual status) for additional work, the 1987-88 NSS Round estimated that the number of such persons with unspent labour time (enforced idleness) was 19.3 million of which 15.1 million were males and 4.2 million females, constituting 9.3% and 6% of the usually employed males and females respectively. The proportion of underemployed persons was found to be maximum in the case of casual wage labour in agriculture for both males (18%) and females (11%).

4.19 Regional variations in unemployment and underemployment: The inter-state variations in the incidence of unemployment and underemployment based on the 43rd NSS Round (1987-88) may be seen from Annex-I. It shows that the unemployment

rate, i.e. percentage of unemployed persons to labour force, was the highest in Kerala for both males and females, whereas the underemployment rate i.e. percentage of employed persons (usual principal status) willing/available for additional work was the highest in Tamil Nadu. Unemployment rates higher than all India rates in respect of both males and females were seen in the States of Assam, Orissa, Sikkim and West Bengal in the eastern region; Haryana and Punjab in the northern region; and Kerala and Tamil Nadu in the southern region. No State in the western region exhibited this and in Madhya Pradesh, the rates were much below the all India rates.

4.20. As regards underemployment, Bihar in the eastern region was found to have underemployment rates, for both males and females which were higher than the corresponding all India rates. Andhra Pradesh, Kerala and Tamil Nadu in the southern region and Gujarat in the western region also had a similar situation. The rates were higher for males only in Orissa, Rajasthan and West Bengal.

4.21 Quality of rural employment and its determinants: The magnitude of unemployment and underemployment by the time criterion tell only one but important part of the problem of rural labour. Creation of productive employment for fuller utilisation of labour time will have to be given primacy, not only because of the large number of people in rural areas who need this, but also because bulk of these persons are below the poverty line on account of low productivity jobs and low wages. The Study Group on Employment Generation set up by the Commission has found that low levels of labour productivity (of the days actually worked) is associated regionally with a high incidence of poverty among rural labour households, and especially among agricultural labour households. The incidence of poverty at all India level is greatest among agricultural households, followed by mining and construction and in many States construction industry worker households are worse off than farm households. Agricultural poverty conditions the severity of poverty in other segments of the rural economy. If 'unemployment' were to be measured by an 'income criterion' of poverty line, the rates would be much higher than the person day unemployment rates by the time criterion in many States—Uttar Pradesh, Madhya Pradesh, and Bihar, with substantial numbers from Maharashtra, Karnataka, Rajasthan, Orissa Tamil Nadu and West Bengal as well. Bulk of the low productivity employment is in agriculture which requires to be attended to first, followed by manufacturing. 4.22 Inter-State contrasts in land and labour productivity, are in large part traceable to differences in the amount of public and private productive capital accumulated in rural area. The determinants of regional levels of living appear to be field crop labour productivity and volume of rural and cultivating households assets on the one hand and the economic infrastructure in general and rural infrastructure in particular, on the other. There are also problems of seasonal and year-to-year employment variability. For example, high seasonality within the year is found in

the States of Karnataka, Rajasthan, Madhya Pradesh, Andhra Pradesh and West Bengal, the latter two with high unemployment rate, but the first three with higher poverty ratios. High year-to-year variability of employment is found in the States of Bihar, Maharashtra, Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh and Tamil Nadu in that order, though, Bihar, Gujarat, Maharashtra, Tamil Nadu and Uttar Pradesh exhibit low seasonality. The causes and contours of the employment situation in each State are different, but year-to-year variations in employment are reduced by irrigation. Cropwise, paddy and wheat generally lend stability to year-to-year employment in most parts, except, e.g., in Karnataka for paddy and in Bihar and West Bengal for wheat. These crops have also made a positive contribution to employment. Sugarcane has been stabilising only in Andhra Pradesh and Maharashtra. Dry land crops like coarse cereals, pulses and oilseeds are characterised by wide year-to-year swings in per hectare and total manday work. Cropping pattern adjustments from year-to-year have moderated the adverse impact on employment. Specific regional requirements, therefore, need to be kept in view in the design of programmes to stimulate higher employment.

4.23 Another contributing factor the poverty and deteriorating rural employment situation is the ecological degradation attributable mainly to the extension of cultivation to the marginal and sub-marginal dry land and diminishing biomass cover including deforestation. The proportion of rural population below the poverty line is the highest for unirrigated or dry areas and declines with increase in irrigation. The causes of degradation and deforestation include, apart from the population growth and poverty, the pressure of demand for fuel wood, timber, meat and wool from high income segments including urban areas as a major cause of denudation of environment. The rural poor have been the prime victims of this ecological degradation as they derive a significant part of their income from village commons and forest in the dry regions but such common property resources have been appropriated by the non-poor in a large measure.

4.24 The important issue which needs to be examined relates to the capacity of the different sectors of rural economy to absorb the unutilised and under-utilised labour time for productive use. Agriculture still accommodates more than three-fourths of the rural work force and will continue to be the main source of employment and livelihood to millions for many years to come. We first take a look at the scene in this sector.

4.25 **Employment generation in agriculture:** The different rounds of NSS Survey reveal a steady deceleration in the growth of rural employment in agriculture from 1.96% per annum during 1972-73 to 1977-78 to 1.27% during 1977-78 to 1983 and further down to 0.39% during 1983 to 1987-88. It is significant

to note here that the period also witnessed a decline in the investment in agriculture. Studies have shown that gross capital formation in Indian agriculture has declined steadily since 1979-80 in both public and private sectors. In absolute terms at 1980-81 prices, the investment in agriculture in the private sector fell from Rs. 3443 crores in 1979-80 to Rs. 2624 crores in 1986-87, while the corresponding amount in public sector fell from Rs. 1772 crores to Rs. 1484 crores during the same period. The decline in investment may have contributed at least in part to the decline in employment content of output. As mentioned earlier, part of this decline in employment may be transitory, as the year 1987-88 experienced an exceptionally bad weather. It is also significant in this context that a sharp drop in percentage of workers in livestock related activities particularly of female workers, is found in 1987-88.

4.26 The Study Group on Employment Generation set up by the Commission found that almost the whole of the modest growth in the field crop employment in India during 1973-74 to 1983-84 was due to the increase in gross cropped area, mainly from cropping intensity. A two and a half per cent rise in employment in this period was due to a small net favourable impact on labour absorption of cropping pattern shifts. A marginal decline in employment was caused by reduced labour intensity (labour input per hectare). Gross cropped area (double cropping) contributed to 97.5% of the total increase in employment (796.2 million mandays based in 13 States) and this was contributed by the increase in gross cropped area in all the States, except Tamil Nadu and Bihar which showed a reduction of 132 million and 4.4 million mandays respectively due to reduction in gross cropped area. The area sown more than once increased by about 28% from 25.5 million hectares in 1970-71 to 32.63 million hectares in 1980-81. However, the area sown more than once in 1986-87 measured only 12% more than that during 1980-81, reflecting a decline in investment in Indian agriculture, particularly in irrigation. Reduction in mandays due to changes in labour intensity have been found in the period 1973-74 to 1983-84 in the States of Uttar Pradesh (324.5 million) Madhya Pradesh (317.3 million) Rajasthan (127.2 million), Punjab (75.9 million) and Bihar (55.8 million).

Trends in employment in crop production

4.27 There is a clear evidence that the employment growth in crop production is slowing down in relation to the growth in crop output. Where crop output increases mainly through the expansion in the gross cropped area, there would be a favourable impact on employment generation because expansion of area under cultivation generates demand for labour for all the agricultural operations. On the other hand, when crop output expands basically through the increase in yields per hectare the increase in demand for labour would be slow. In the

recent period, the increase in crop output has been taking place mainly through the increase in yields. The Study Group on Employment Generation set up by the Commission conducted detailed investigation crop-wise and region-wise to find out the trends in employment generation. The Study Group found that for quite a few crops in several parts of the country the employment per hectare has actually declined in the recent period. Even when the expansion in the gross cropped area is taken into account the employment generation in relation to the output growth is becoming smaller. The reasons are two fold—first, the nature of technology which could be labour-saving; second, the rising labour cost in relation to the prices of crops. The investigations by the Study Group show that in many cases the use of seed fertilizer technology leads to the rise in the demand for labour, though not proportionately to the rise in output. The major cause for the decline in labour absorption in crop output in the country seems to be the rise in wages relative to the prices of crops. The rise in wages itself is due to growing demand for labour in the non-agricultural occupations. The trends of declining labour absorption within agriculture are particularly evident in the developed regions of the country where agricultural productivity and wages are high.

4.28 In a situation where agricultural wages are rising on account of rising demand for labour in the non-agricultural sector and where the farmers' decisions regarding the use of labour are influenced by the wage rates and the crops, the trend of declining labour absorption within crop production may continue unless there are significant policy interventions to moderate such tendencies.

4.29 Given the land holding structure in the country and the processes of decision making by the farmers, it appears that crop production sector may cease to be a significant source for providing employment to the growing labour force. Even so, it should be possible to induce labour absorption within crop production sector through appropriate policy interventions for some time to come. For example, the development of irrigation, the spread of seed-fertilizer technology together with the provision of required infrastructure in the less developed regions where labour is abundant and wage rates are low, may stimulate increased absorption even within the crop sector. The demand for labour force in the non-agricultural sector would not be significant in such regions. The effective implementation of land reforms and strengthening of the small farm sector (through the development of irrigation, extension of new technology, etc.) can also induce higher labour absorption.

4.30 Although the rise in agricultural wages is associated with the decline in the use of labour per

hectare, the relationship is not simple and does not necessarily imply a decline in employment and income for the rural labour. In agriculturally developed areas where productivity and wages are already high, the demand for labour is rising in the non-agricultural sector, the rise in agricultural wages is in fact associated with the increase in overall employment opportunities even though there may be a reduction in labour use in agriculture. The reduction would relate not only to hired labour but also to family labour, who may be finding it more attractive to work in the non-agricultural occupations.

4.31 It is important to note that the decline in labour use in the crop sector is found to be less than proportionate to the rise in agricultural wages. That is to say a 10 per cent rise in agricultural wages results in a less than 10 per cent reduction in labour use, which means the income of labour in agriculture would in fact rise in absolute terms.

4.32 In regions where productivity and wages are low, and where there is a potential for increase in output through irrigation, HYV technology, etc., the rise in agricultural wages is induced mainly by the rise in demand for labour within agriculture itself. In such a situation, the negative effect of rising wages, if any, on employment is more than compensated by the rise in employment on account of agricultural development. The implementation of minimum wages becomes easier in a situation like this when there is a growing demand for labour. Therefore, the successful implementation of minimum wages far from leading to a decline in labour use, may itself be the result of expanding employment opportunities and the rise in market wages.

4.33 Employment generation in non-agricultural sector: As seen above, the capacity of field crop agriculture to generate employment opportunities is becoming limited. Employment generation in allied activities like animal husbandry, fishing, etc., has also been slow. At the same time, the gap between employment and the labour force in the rural sector is expected to widen in future. While steps to increase employment generation in agriculture and allied sectors need to be taken, the potential for employment generation in the non-agricultural sector, which has been growing also requires to be studied. An assessment of this is attempted in terms of growth in rural workforce in different sectors as per principal usual status (which is relatively less subject to the influence of transient factors) during the ten year span from 1977-78 to 1987-88.

4.34 The total absolute addition to the rural workforce during 1977-78 to 1987-88 was 26.3 million.

The percentage share of each industry division in the absorption of this addition may be seen in the following table:

Industrial distribution of increments to the rural work force 1977-78 to 1987-88

Sl. No.	Industry	Percentage share in absolute addition
1.	Agricultural (crop) production	25.1
2.	Allied activities	8.0
3.	Mining and quarrying	2.2
4.	Manufacturing	17.2
5.	Electricity, gas and water	0.1
6.	Construction	19.5
7.	Trade, Restaurant & Hotels	10.3
8.	Transport, Storage and Communications	5.4
9.	Finance, Business, Insurance, etc. services	1.3
10.	Community, personal and social services	8.7
11.	Others	2.2
	Total No. 26,314,000	100.0

4.35 In the decade 1977-78 to 1987-88 field crop agriculture absorbed one-fourth of the total addition to the rural workforce and together with allied activities of plantations, livestock, hunting, forestry and fishing the share of the agricultural sector as a whole was about a third of the total addition in this period. The share of the non-agricultural sector was about two-thirds of the total addition to the rural workforce in that decade.

4.36 Of the total addition of 17.6 million to the workforce in the rural non-agricultural sector, construction activities absorbed the maximum number accounting for 29.2% of this addition. Next in order came Manufacturing with 25.7%, followed by Trade & Hotels with 15.4% community, social and personal services with 13.1% and Transport, storage and communications with 8.1%. The share of women workers in the addition in the construction sector was significantly much higher than that of male workers. We have already noted the particular role which this seems to have played in the employment context. It would be interesting to look into the trends in the growth of workforce in different manufacturing industries. The following table shows (a) the percentage increase in workforce, (b) percentage share in absolute addition to workforce and (c) change in the rural share of workforce, for the different manufacturing industries by major industry groups:

Employment Trends in rural Manufacturing Sector (1977-78 to 1987-88)

Industry	Percentage Increase	Percentage share of increase in total increase	Increase in rural share Percentage point change
Food Products	13.8	5.4	(-)7.4
Beverages, Tobacco & Products	43.2	14.4	0.7
Cotton Textiles	34.5	12.2	8.4
Wool, Silk Synthetic fibre-textiles	70.3	3.4	4.7
Jute Hemp and Mesta textiles	63.5	1.9	0.4
Textile Products	35.9	14.7	(-)5.7
Wood & wood Products	33.0	14.4	(-) 1.2
Paper, paper products and printing	63.8	1.3	(-)2.8
Leather & Leather products	(-)5.5	(-)0.4	(-)14.4
Rubber, Plastic, Petro and coal products	214.3	2.3	11.0
Chemicals and Chemical products	128.6	5.6	7.7
Non-metallic mineral products	39.5	12.6	(-)2.9
Basic metal and alloys Industries	86.7	3.2	0.2
Metal Products	40.9	3.0	(-)6.5
Machine tools and parts	(-)20.6	(-)1.8	(-)16.2
Electrical Machinery	316.2	2.6	12.4
Transport equipment	105.3	1.7	0.5
Others	34.4	3.4	(-)5.0
Total addition Nos. 45,30,000	25.7	100.0	(-)2.7

4.37 Five industry groups, namely, textile products, wood and wood products beverages, tobacco and tobacco products non-metallic mineral products and cotton textiles together absorbed nearly 70% of the total addition to the work force in the rural manufacturing sector during 1977-78 to 1987-88. Though the increase in these industry groups ranged from 33 per cent to 43.2 per cent over this period the share of rural India in the total workforce in the country declined in three out of these five industry groups. Of the other two industries beverages, tobacco and tobacco products registered only a marginal increase of 0.7 percentage point in rural share of workforce while cotton textiles showed an increase of 8.4 percentage points.

4.38 A comparison of figures in the Census of 1961 and 1981 also indicate that while there has been significant decline in the number of workers in certain sectors of household industry, like among spinning, weaving and related work, shoe and leather goods, oil-seed crushing, jewellery and precious metal working, carpentry, blacksmithy, pottery, etc., there have been

substantial increases in the other than household industry manufacturing sector like spinning, weaving and related activities, tailoring and dressmaking, jewellery and precious metal working, carpentry, pottery, smithy and metal press working and shoe and leather goods. Tobacco workers have increased in both sectors. A substantial increase is also noticed in the number of construction workers.

4.39 The fact that the non-agricultural sector, especially its sub-sectors of construction manufacturing, trade and services, could absorb two-thirds of the total addition to the rural workforce during 1977-78 to 1987-88 points to the promise for measures aimed at occupational diversification in rural areas in the years to come. Another significant implication of the growth of rural non-farm sector is the beneficial impact on agricultural wages arising from the withdrawal of part of the labour force from the agricultural sector. The NCRL Study Group on employment Generation has found from its indepth study that the occupational diversification (arising from increased job opportunities in the non-farm sector) has been the main contributory factor for the long term rise of the real wages in Indian agriculture. Thus the rapid growth of non-farm sector is necessary not only for reducing surplus labour in agriculture but also for achieving increase in real wages for those who will continue in the agricultural sector.

4.40 Wages and Earnings: There are certain encouraging developments during the 1980s in regard to wages of agricultural labour in the country. In the first place there has been a general rise in the real wages of agricultural labour in several parts of the country. The rise in real wages in the 1980s has been at a higher rate than the rise in 1970s. Secondly, the regional disparities in real wages especially between the developed or high wage areas on the one hand and the less developed or low wage areas on the other, have started declining. Thirdly, the male-female disparity in agricultural wages has also started coming down. The causes underlying these trends are discussed in the chapter on Agricultural Labour.

4.41 However, though there is an encouraging trend in real wages it is necessary to bear in mind that higher real wages do not necessarily mean that the absolute level of money wages is high enough to enable the wage earner to keep himself/herself and the family above the poverty line. For example, the absolute amount of money wage (corresponding to the rise in real wages attained in 1983-84) ranged according to study, from below Rs. 8 in Bihar (Rs. 7.72), Maharashtra (Rs. 6.86) and Orissa (Rs. 6.98) to Rs. 17.54 in Punjab and Rs. 21.26 in Haryana. Again the figures of agricultural money wages published by the Directorate of Economics and Statistics, Ministry of Agriculture on the basis of returns received from the State Governments for 1987-88 indicate that the average daily money wages in respect of male ploughman or field labour ranged from Rs. 11.01 in Orissa, Rs. 11.99 in Tamil Nadu, Rs. 13.06 in Madhya

Pradesh, Rs. 13.43 in Maharashtra and Rs. 13.46 in Karnataka to Rs. 22.07 in Rajasthan, Rs. 23.24 in West Bengal Rs. 27.69 in Haryana and Rs. 28.58 in Punjab. The statutorily fixed minimum wages for agricultural labour in the respective States were generally lower in the relevant period than the average wages reported in the case of most States notable exceptions being Karnataka, Maharashtra and Tamil Nadu where the statutory minimum wages were higher. The normal pattern seems to be that the revision of minimum wages follows a general increase in average wages for agricultural labour in the market. Even so there would be large variations within the State regarding the actual wage rates which can be lower than the minimum wage in several areas. Studies done by the Labour Bureau in several States have come across such situations. The Commission during its visits also came across a number of instances in quite a few States where the actual wage reported by the agricultural labour was less than the minimum wage. As is well known, these workers do not have bargaining power and in the slack season they are left with no alternative but to accept the wages offered by the employer.

4.42 The NSS 43rd Round (1987-88) has collected data on average earnings per day. At the all India level, the average wage earnings per day in respect of casual male and female labourers in agriculture were Rs. 11.09 and Rs. 7.32 respectively. The corresponding figures for the non-agricultural sector were Rs. 15.48 and Rs. 8.86 respectively. The figures of number of days of wage employment for 1987-88 Round are not yet available. However, we shall assume the number of days of wage employment in agriculture in a year as from NSS 1983 Round at 159 days for males and 136 days for females and the number of days of non-agricultural employment for agricultural households at the average figures from NSS 1974-75 and 1977-78 rounds (for which figures are available, namely 61 days for males and 41 days for females). The total number of casual labourers in rural areas during 197-88 stood at 83.1 million and they belonged to an estimated number of 43 million households thus on an average, there were two wage earners per household we shall assume one male and one female. On these assumptions, the average annual earnings of an agricultural casual labour household from all sources would range from about Rs. 3750 to Rs. 4070, well below the poverty line. Naturally, among certain sections of agricultural labour and in certain States, poverty could be deeper. This has been referred to earlier on. Though the wages of regular employees (that is those who get salary or wages on a regular basis and not on the basis of daily or periodic renewal of work contract) were higher, such employees were only in 13% of the households hiring labour for crop production. With the assumptions similar to those adopted for agricultural labour, the average number for days of wage employment for non-agricultural casual labour is estimated at 220 for males and 180 for females and with two earners per family—one male and one female—the average annual earnings would be about Rs. 5000, better than agricultural labour families but still below the poverty line generally.

4.43 Employment Generation Programmes: There has been a steady decline in the proportion of self-employed persons in the total rural workforce. The decline in self-employment has been accompanied by a significant increase in the proportion of casual la-

bourers. The trends in the distribution of usually employed persons by employment status, i.e., self-employment regular wage/salary earners and casual labourers in all rural areas may be seen from the following table:

Percentage distribution of usually employed persons by status of employment and absolute number in million

Employment Status	Year							
	1972-73		1977-78		1983		1987-88	
	%	No.	%	No.	%	No.	%	No.
Self-employment :								
Male	65.9	83.8	62.8	88.4	60.5	92.4	58.6	94.5
Female	64.5	45.5	62.1	50.2	61.9	56.0	60.8	55.9
Casual labourers :								
Male	22.0	28.0	26.6	37.4	29.2	44.6	31.4	50.4
Female	31.4	22.2	35.1	28.4	35.3	31.9	35.5	32.7
Regular wage/salary employee								
Male	12.1	15.4	10.5	14.9	10.3	15.7	10.0	16.0
Female	4.1	2.9	2.8	2.3	2.8	2.5	3.7	3.4
Total								
Male	100.0	127.2	100.0	140.7	100.0	152.7	100.0	160.5
Female	100.0	70.6	100.0	80.9	100.0	90.4	100.0	92.0

4.44 The decline in self-employment opportunities in relative terms and the consequent increase in the number of casual labourers in the total workforce created a situation in which employment generation through special employment programmes became necessary, as the normal growth process could not take care of the situation. It was expected that such programmes would ensure dependable employment throughout the year. In specific response to this requirement a number of experiments were made of different special employment programmes. The most important programmes taken up by the Central Government on a nation-wide scale as Poverty Alleviation Programmes are (a) the self-employment programme of the Integrated Rural Development Programme (IRDP) (from 1980) with the associated programme of Training of Rural Youth for Self-Employment (TRYSEM) (from 1979) and the programme of Development of Women and Children in Rural Areas (DWCRA) (from 1982-83) and (b) the wage employment programmes of the National Rural Employment Programme (NREP) (from 1980-81) and the Rural Landless Employment Guarantee Programme (RLEGP) (from 1983) both of which were combined into the Jawahar Rojgar Yojana (JRY) from 1989. These programmes constituted a major element of the strategy of government to alleviate rural poverty.

4.45 The IRDP sought to alleviate poverty through self-employment ventures in the primary (agriculture and allied activities) secondary (village and small in-

dustries) and tertiary (small business and service) sectors of the rural economy. Under the programme assistance is given to rural families whose annual income is below Rs. 4800 now with preference to families with income below Rs. 3500. The target group of beneficiaries included small and marginal farmers agricultural labourers and rural artisans with a minimum of 30% each for Scheduled Castes/tribes and women (now 40% and 30% respectively) in the total number of assisted families. Priority is also given to assignees of surplus land freed bonded labourers, physically handicapped persons and those adopting small family norm. The assistance is given in the form of institutional credit and a subsidy of 25% for small farmers, 33.1/3% for marginal farmers and agricultural labourers and 50% for scheduled tribes and now for scheduled castes also but subject to a maximum amount of Rs. 5000 as subsidy. The loan carries a low rate of interest and the repayment period is to be 3 or more years. Beneficiaries are to be selected in the gram sabha. Voluntary organisations, beneficiary groups and people's representatives are to be involved in implementation the official agency for which is the District Rural Development Agency (DRDA). A second dose of assistance is also given to those who could not cross the poverty line due to reasons beyond their control. TRYSEM is a supportive scheme to train rural youth in the age group 18-35 years in skills required to take up self-employment activities for diversification of rural economy and organise themselves on a group basis (co-operative

etc.). The short term training is mostly in low level technology. DW CRA is a scheme to bring together groups of 15 to 20 women from poor families and provide them training in skills for self-employment. Besides economic activity in a multi-purpose community centre, education, mother and child care etc. are to be given attention. The scheme is implemented through a selected voluntary agency or village/block level women functionaries. The expenditure is shared on 50:50 basis by the Centre and States with the loan component borne by Banks.

4.46 During the ten years spanning Sixth and Seventh Plans 34.8 million families including about 5.2 million households who were given a second dose of assistance have been assisted with a total subsidy expenditure of Rs. 4977 crores and credit component of Rs. 8475 crores. The per beneficiary family investment (loan + subsidy) has gradually increased from Rs. 1642 in 1980-81 to Rs. 5926 in 1989-90 with the subsidy component rising from Rs. 582 to Rs. 2284 in the same period. The percentage of SC and ST beneficiaries has risen to 29% and 16% respectively and of women to 24%. The coverage has shifted away from primary sector with the secondary and tertiary sectors predominating with a total of about 55%.

4.47 The concurrent evaluation studies on IRDP being got conducted by the Department of Rural Development with the help of reputed academic institutions have thrown useful light on the working of TRDP. As per the latest study covering the period January-December, 1989 (a) of the assisted families 9 per cent belonged to destitute group (income range Rs. 1—2265) 38% to very very poor group (income range Rs. 2266—3500) 36% to very poor group (income range Rs. 3501—4800) and 10% to the poor group (income range Rs. 4801—6400) showing a trickling down of IRDP to the poorer strata (b) 65 per cent were selected in gram sabha meetings, assets provided were of good quality in 80 per cent of cases and assistance adequate in 83 per cent of cases according to beneficiaries showing reduction of leakages and better performance (c) assets were intact in 71 per cent of cases (d) incremental income was more than Rs. 2000 in 24 per cent of cases and between Rs. 1001 and 2000 in 18 per cent of cases (e) 81 per cent of old beneficiaries had crossed the poverty line of Rs. 3500 and 28 per cent crossed the revised poverty line of Rs. 6400 and (f) 67 per cent of the destitute and very very poor group families crossed the poverty line of Rs. 3500 and only 16 per cent of them crossed the revised poverty line of Rs. 6400. The performance of poorer beneficiaries is better even though the investment per household is low in their cases as the increase in their incomes is proportionately greater than the higher income groups. Needless to say this is the position at the aggregate national level and the evaluation also shows considerable regional variations. These studies also show certain areas of concern: (a) inadequate coverage of villages and families (b) still a large percentage (16 per cent) consisted of ineligible families assisted (c) non-availability of working capital (20 per cent of cases) (d) inadequate or lack of training (e) poor insurance

cover for assets (25 per cent of cases not covered) (f) after care and government support not made available (53 per cent of cases) and (g) adequate infrastructure not available in most of the cases. In 78 per cent of the cases TRYSEM were provided IRDP assistance for activities other than for which they were trained.

4.48 It has been found that those who are near the poverty line are in a better position to cross the poverty line through IRDP. Generally small farmers and non SC/ST population or those with annual income of more than Rs. 3500 are more advantageously placed. The main reasons are (a) relatively low access of the poorest group to credit institutions (b) their initial low level of income and low investment asset (c) low level of skills and enterprise to manage the asset (d) difficulty in getting working capital and access to markets (e) general preference for wage employment and (f) leakages of IRDP. Temporarily poor appear to be in a better position to derive benefit than the chronically poor who suffer from several basic constraints and deprivations. Studies also show that IRDP performs relatively better in developed regions than in backward and remote regions largely because of the availability of infrastructural facilities and support for credit, raw materials, markets etc. Some other factors which seem to influence the performance of IRDP are (a) level of awareness of the population and strength of local level institutions and organisations which has a beneficial effect as for example in West Bengal, (b) the strength of feudalistic or semi-feudalistic forces in a region, which have an adverse impact as for example in Bihar and (c) nature of land ownership and land records, settlement pattern, poor banking infrastructure and peculiar cost structures in the hill areas, particularly in the North East. The schemes chosen are likely to succeed if they are suitable and acceptable to the beneficiary having strong forward and backward linkages with the local economy and give a high rate of return. Qualifying that those nearer the poverty line and living in relatively developed areas have benefitted more than the others the Study Group on Anti Poverty Programmes has estimated that in the decade 1980-90, IRDP has helped about 9.34% of the poor households to cross the poverty line, which achievement is positive but small. However, a substantial number (80%) of beneficiary families did experience incremental income, more than 50 per cent of their initial income in 43 per cent of the cases (January-December, 1980 concurrent evaluation study). Other studies report that IRDP has made only a limited impact on sustained poverty eradication and strong co-operatives or strong market linkages are required for this to happen. Its influence in diversification of rural economy has been marginal. Small scale and village industries, handicrafts, and rural artisans still suffer from low level of technology and productivity, irregular or inadequate supply of raw materials, lack of organised markets and marketing effort, unorganised operations, inadequate credit facilities and problems regarding quality.

4.49 As a poverty alleviation programmes, IRDP is a partial approach, because the poor also need other

wherewithal to improve the quality of life, basic needs, social security, consumption loan, etc.—which have been dealt with elsewhere. But even as a programme for sustained income improvement for the poor IRDP—though a basically sound approach—suffers from a major weakness, namely, its isolation from the regular planning and growth process in terms of resource allocation, technology, sectoral development and spatial dimensions of the Plan. The household approach and target orientation have not been integrated with the area and sectoral development strategies. Poor infrastructural support, which is one of the serious problems of IRDP is a manifestation of this. For a sustained poverty eradication, structural changes are necessary in order to improve the access of the poor to the means to improving incomes (Land Reforms, Common Property Resources, etc.) and the growth process requires to be modified to reduce the disparities in income and assets across regions and across different sections of the population. In the absence of these, IRDP is a soft option for providing temporary relief to the poor. But, considering the low level of per capita investment and the characteristics of the beneficiaries, the achievement cannot be treated as inconsiderable. The performance can improve, if steps are taken to remedy the drawbacks referred to earlier, the centralisation and lack of flexibility at micro level, inadequate support from and co-ordination with banks, besides poor involvement, limited planning expertise and weak horizontal coordination among the administrative functionaries seen in many areas.

4.50 Studies have also shown that access of female headed households to IRDP is very small and that the schemes taken up by women are mainly in the areas of animal husbandry and small trades. Social constraints, lack of ownership of assets (like land), poor awareness, not treating women as a separate entity through direct approach—all result in low level of benefits to women. As regards DWCRA, women from poorer sections of the society do not fare well because they are unable to become self-reliant even under the group approach, due to their inherent economic and social disability arising from poverty backwardness and other constraints and they prefer a fixed wage income. In regard to TRYSEM, among the weaknesses observed are inadequate training infrastructure and level of skill formation, along with its isolation from rural industrialisation strategy, which probably has resulted in over 40% of those trained remaining unemployed.

4.51 We now turn to the wage employment programmes. The objectives of NREP were (a) generation of additional gainful employment for the unemployed and underemployed in the rural areas, (b) creation of productive community assets for strengthening rural economic and social infrastructure and (c) improvement in overall quality of life in rural areas. A shelf of projects was to be prepared at each district/block level based on the felt needs of the community, and annual action plan drawn up on the basis of this and works taken up maintaining a labour material

ratio of 50:50 at the district level. Wages payable were the minimum agricultural wages, with a part in the form of 1 kg of foodgrains per day per person. The works to be taken up were roads, land development, minor irrigation, afforestation, watershed development, housing, construction of school rooms, panchayat ghar, bank office, etc. The expenditure was shared by the Centre and States in the ratio of 50 : 50, the Central allocation to States being made with 75 percent weightage to the number of agricultural labourers and marginal farmers in the State and 25 per cent weightage to incidence of poverty in each State. The implementation was through DRDAs.

4.52 RLEGP had the primary objective of giving an employment guarantee of 100 days in a year to rural landless households primarily, through creation of durable assets for strengthening the rural infrastructure, to raise the growth of the rural economy and improvement in the overall quality of life in rural areas. This was 100 per cent Centrally funded, the allocation of States being given on 50 per cent weightage to incidence of rural poverty and 50 per cent to the number of agricultural workers, marginal farmers and marginal workers in the State. 25 per cent of funds was earmarked for social forestry and 10 per cent for SC/ST population. The major components of the works were (a) Indira Awas Yojana—housing for SC/ST and for freed bonded labourers, (b) social and farm forestry, (c) rural sanitary latrines, (d) minor irrigation (including million wells project), roads, watershed and land based projects. The implementation was by State Departments, DRDAs, or voluntary agencies. It also had a foodgrain component in wages. The schemes were sanctioned centrally on a projectised basis.

4.53 JRY (Jawahar Rojgar Yojana) was introduced in 1989 in place of NREP and RLEGP with the main objective of providing employment of 100 days to at least one member of each family of rural landless in the country. The scheme which was funded by the Centre and the States in the ratio of 80 : 20 was to be implemented by DRDAs and Panchayats through direct release of funds to DRDAs by the Centre. This is now modified from 1-4-90 and the funds are routed through the States. The objective of the programme is now stated as generation of additional gainful employment for the unemployed and underemployed men and women in rural areas, creation of sustained employment by strengthening rural economic infrastructure and also assets in favour of rural poor for their direct and continuing benefits and improvement in the overall quality of life in the rural areas. The target group will be people below the poverty line, with preference in employment to SCs/STs and 30 per cent of employment reserved for women. Central assistance is also allocated to States/UTs in proportion of the rural poor therein to the total poor in the country with 8 per cent earmarked for Indira Awas Yojana (IAY) and distributed in proportion of the poor in the State/UT among SCs/STs and bonded labourers to the total poor in these groups. States may keep upto 2 per cent of the total annual allo-

cation for administrative expenditure and shall earmark 20 per cent of funds for Million Wells Scheme (MWS) for distribution to districts with reference to unirrigated land with potential for well irrigation held by SCs/STs; the amount is to be used by DRDAs/ZPs (Zila Parishads) for open wells, minor irrigation works (tanks, water harvesting structures) and development of land belonging to SCs, STs and freed bonded labourers. The balance funds are allocated to districts on an index of backwardness constructed on the basis of percentage of agricultural labourers to main workers in rural areas, percentage of rural SC/ST population to total rural population and inverse of agricultural productivity defined as the value of agricultural produce out of each unit of land for the rural areas taken on the net basis in the weights 20 : 60 : 20. The district DRDA/ZP may keep upto 20% for inter-block/village works and the balance is allocated to each panchayat, 60% on the basis of SC/ST population and 40% on the basis of total population. Funds kept at the district level are to be spent on economically productive works (35%), social forestry, (25%), individual beneficiary schemes for SCs/STs (15%) and other works including roads and buildings (25%). At village level, at least 15% must be spent on works which directly benefit SCs/STs and 10% can be spent on maintenance, if required. The village panchayat can decide on the works on the basis of felt-needs ascertained through the village assembly, out of an illustrative list of durable community assets (social forestry, soil and water conservation, minor irrigation works, tanks and wells, sanitary latrines, houses for SC/ST, rural roads, land development and reclamation, community worksheds, school rooms, buildings useful to the community, etc.), with higher priority for creation of infrastructure for poverty alleviation programmes and primary school buildings. Preference is to be given to works having maximum direct and continuing benefits to the poor or which can be owned or assigned to groups of poor for direct use of assets or deriving income by sale of services/facilities created. Land Development can be taken up on lands of small and marginal farmers, SCs/STs, freed bonded labourers, allottees of ceiling surplus or waste land, etc. along with community wells, etc. The Panchayats are to execute the works directly with a labour-material ratio of 60 : 40, after getting the works approved by Panchayat Samiti or DRDA/ZP and under technical supervision of block/DRDA official. Minimum wages shall be paid and can contain a foodgrain element of 1.5 kgs. per head per person. Central grant can be withheld if minimum wages are not being paid. The detailed manual drawn up reflects the combination of the desire to decentralise decision taking and implementation to the district and village levels and the fear of distortion of priorities and concerns as perceived by the Centre intended to be countered through earmarking and elaborate guidelines. What is still lacking is an area planning framework in which this can be operationalised.

4.54 At the State level, the most impressive wage employment programme is the Employment Guarantee Scheme (EGS) of Maharashtra introduced in 1972

and later backed by a Statute to provide guarantee of work to all those in rural areas who are prepared to do unskilled manual work. All adult persons above the age of 18 years seeking work have to register with the village revenue official or gramsevak with a declaration to work for at least 30 days on the work given to him. Work has to be offered to him within 15 days of his application and failure to offer will entail payment of an unemployment allowance (Rs. 2 per day, since revised to Rs. 5 per day). Though the guarantee is at the district level, work is provided generally within the Panchayat Samiti Area and if the work place is beyond 8 Kms. from the residence, camping arrangements and travelling expenses are to be provided to the workers. Only productive works creating durable community assets and sustained employment are to be taken, giving priority to moisture and water conservation works, soil conservation and land development works, afforestation, roads, flood protection measures, etc. in that order. Unskilled wage component of works should be 60% and material and skilled labour component 40%. The works are executed by the concerned Government Departments and Zila Parishads without contractors. Wages are paid on the basis of work done, with seven hours of sincere work enabling the workers to get agricultural minimum wages. Ex-gratia amounts may be paid in cases of death or disablement. Welfare amenities are also provided at work site. The Revenue Department hierarchy is in overall charge of implementation at the field level. A cess is also levied on the non-poor in rural and urban areas to finance a part of the costs of EGS. The EGS was reconstructed in 1989 to priorities integrated watershed development and intensive wage employment for infrastructure development and resource development in the village till the works are completed.

4.55 In the nine years 1980-89, the total expenditure on NREP was Rs. 4765 crores and on RLEGP Rs. 2758 crores, generating 3242 million mandays and 1396 million mandays respectively. The foodgrains utilised were 56.65 lakh tonnes and 25.12 lakh tonnes respectively. In terms of targets, the achievement has been satisfactory with improving utilisation of foodgrains. There are, of course, wide inter-state variations in performance. Under NREP, cost per manday had been increasing, partly due to increase in the share of materials component and partly due to increase in money wages. Thus the cost per manday increased from Rs. 5.25 in 1980-81 to Rs. 23.67 in 1988-89 with the labour material ratio changing from 65 : 35 to 53 : 47. The share in employment of SC/ST had increased and women's share though increasing, had not reached the target. Under RLEGP the various components showed good performance in the Seventh Plan. The evaluation studies of NREP confirm a desirable socio-economic profile of beneficiaries with marginal farmers and agricultural labourers predominating (76% with 55% SC/ST) and that the majority of assets (86%) benefited by community and were their felt needs. However, 40% of villages, particularly located in backward and remote areas did not benefit and 50% of the assets were not maintained at all. Under JRY, the expenditure during 1989-90

was 2432 crores generating 860 million mandays. Thus, the total mandays generated in the decade 1980-90 was 5498 million at a total expenditure of Rs. 9955 crores.

4.56 Apart from the fact that, as in the case of IRDP, these programmes have not been generally planned or designed for integration into an area development plan, it has been pointed out by a number of studies that the total employment and income impact of the wage employment programmes have been very small due to their small size compared to the requirement. The amounts allocated for the programmes are spread thinly over large areas. During 1987-88, the employment generation under NREP and RLEGP together amounted to 2.5 million standard person years as against 5.3 million persons chronically unemployed in rural areas (a standard person year is 273 person days). The inadequacy of the scale of wage employment programmes to meet the employment requirements in rural areas becomes even more glaring when the chronically unemployed with some work in a subsidiary status and those who are underemployed are added. The problem of inadequate employment and income generation under these programmes has also to be viewed in the context of lower than minimum wages reportedly received by workers in many places. The involvement of contractors, who in one form or another seem to make their way in, worsens the situation. An estimate of the incidence of unutilized labour time and employment generation under NREP and RLEGP during 1987-88 (State-wise) is given in Annex-II.

4.57 The NCRL Study Group on Anti Poverty Programmes has found that the selection of works under these programmes has been done without proper planning resulting in poor quality of assets. Often the intervention of the village leaders has led to a bias towards construction like panchayat ghars, cultural centres, school rooms, road etc. As a result, land development, watershed development, minor irrigation, soil conservation etc. though labour intensive have not received priority. Thus the creation of assets under wage employment has been such that it does not usually lead to the generation of employment on a sustained basis. Another deficiency of the programme is that the assets created tend to strengthen the asset base and incomes of the better-off sections as the users and distributors of the benefits of these assets are the richer sections of the rural society. Except in the case of the wells programme there was no provision for collective ownership of assets by poor beneficiaries who could derive income from them. Some of these are intended to be rectified under the new institutional arrangement under the JRY under which the management of the programmes has been given to the village panchayat with detailed prescriptions (rather than guidelines). It has been pointed out that the ability of the panchayats to reorient the programme in favour of the poor is dependent on the power structure in the panchayat itself which in turn is based on the landholding pattern in the village.

4.58 Under the EGS of Maharashtra an amount of Rs. 2100 crores had been spent till 1988-89 generating 2165.7 million mandays of employment and the current expenditure is around Rs. 220 crores a year. Maximum employment under EGS is created during the lean months of April-June and December-February. EGS is better planned than NREP/RLEGP with flexibility at the local level and is more labour intensive with emphasis on land water and tree and a ban on construction of buildings. Analysis of assetwise allocation shows that irrigation and roads are the most important sectors followed by agriculture forests and other works. Studies have shown that EGS provides about 105 days of employment on an average to each person employed. It has done better in dry and drought-prone areas. It has however, been found that all the needy could not be given employment under the EGS. The participation of women however in EGS has been found to be quite high ranging from 39% (1978) to about 55% (1988) and this has contributed to the improvement of their status and welfare of the family. Previously the wages were low at lean season agricultural wages but lately the authorities have been obliged to increase and pay minimum wages. There is also evidence to suggest that EGS assets like minor irrigation works, percolation tanks and land development have increased the demand for labour on a sustained basis. This as well as non-availability of works nearby is believed to have resulted in decline in demand for EGS works. Studies have however shown that planning for EGS works is not done adequately and as a result a third to a fourth of the works are unduly delayed or remain incomplete. Maintenance of assets has also been found to be far from satisfactory. In addition to the regressive aspect of benefits of assets accruing to the richer sections, EGS provides a guarantee of work to all, not to only the poor in rural areas and does not even have an approach of giving high priority to the poorest. EGS has however generated some non-economic benefits in that the guarantee has given a right to ask for work it has raised the confidence and bargaining power of the poor, encouraged organisation of the poor to secure benefits of higher wages, maternity benefits, creches, mobile schools etc. and it may start the process of structural change in favour of the poor.

4.59 The Drought Prone Area Programme (DPAP) and the Desert Development Programme (DDP) also constitute important schemes which though primarily aimed at environmental protection and improvement also seek to promote employment generation and poverty alteration. However, studies have shown that these programmes could not prevent ecological deterioration in any significant way nor could they generate the expected amount of employment.

4.60 The State of Tripura has a State Rural Employment Programme since 1981-82 and made outlay of Rs. 5 crores for 1990-91 to generate 33 lakh mandays. Labour intensive works are taken up—minor irrigation, soil conservation, afforestation, horticulture, fodder cultivation, fishery tanks etc. in addition to roads, schools etc. It has created more employment than JRY in the State and also helped to push up rural wage rates in some areas.

CONCLUSIONS AND RECOMMENDATIONS

4.61 The conclusions and recommendations are as follows:—

- (1) There has been a steady decline in the growth rate of employment in the country. The rate of decline in rural areas/unorganised sector has been greater than that in the urban areas/organised sector.
- (2) The gap between output growth and employment growth has widened over time. Though the decline in employment growth occurred in all the sectors except mining and constructions the decline in the agricultural sector has been most serious. While part of this decline can be attributed to adverse weather conditions there is strong evidence indicating that the labour absorption in agriculture has been slowing down.
- (3) There is significant increase in the non-agricultural activities in rural areas as evidenced by higher rate of absorption of the total addition to rural workforce during the period 1977-78 to 1987-88 (Two-thirds of the total addition of 26.3 million during this period was absorbed by non-agricultural sector in rural areas).
- (4) Within the rural non-agricultural sector nearly 30% of the total addition of 17.6 million workforce during 1977-78 to 1987-88 was absorbed by construction activities whereas about 26% was absorbed by manufacturing sector and 15% by community, social and personal services.
- (5) The period 1977-78 to 1987-88 witnessed an increase in the incidence of chronic unemployment based on usual status in rural areas. However, during this period the unemployment in terms of person days based on current daily status had declined.
- (6) The incidence of unemployment has been highest in Kerala for both males and females. The states of Assam, Orissa, Sikkim and West Bengal in the Eastern Region and Haryana and Punjab in the Northern Region recorded unemployment rates which exceeded all-India rates.
- (7) 15.1 million (9.8%) males and 4.2 million (6%) females with stable employment during 1987-88 indicated willingness/availability for additional work. The incidence of underemployment was maximum in the case of casual wage labour for both males (18%) and females (11%).
- (8) The incidence of poverty is higher in agricultural households. This conditions severity of poverty in other segments of the rural economy. Unemployment accentuated by seasonal and year to year variability adversely affect the living standards of the rural labour households. The low productivity of self-employed persons in the rural areas forces many to go in for wage employment.
- (9) The proportion of casual labourers in the rural workforce has registered significant increase—from 22.0% to 50.4% between 1972-73 to 1987-88 in the case of males and from 31.4% to 35.5% for females over the same period. The earnings of casual wage labourers, as reported by the 43rd NSS Round are very low so that an average household with two casual labourers is below the poverty line.
- (10) In order to raise income through self-employment and wage employment, the Government launched special employment programmes such as IRDP, NREP and RLEGP (J.R.Y. from 1-4-1989). At the State level, Government of Maharashtra launched the E.G.S.
- (11) Both official and non-official evaluations have revealed several inadequacies/shortcomings in the designing as well as implementation of these special employment programmes. Benefits derived from these programmes by the rural poor have been meagre and fell short of the requirements. The performance of E.G.S. in Maharashtra has been better.

ANNEXURE I

STATEWISE INCIDENCE OF UNEMPLOYMENT AND UNDER-EMPLOYMENT IN RURAL AREAS AS REVEALED BY THE 43RD NSS ROUND OF EMPLOYMENT—UNEMPLOYMENT SURVEY, 1987-88

Sl. No.	State/ Union Territory	Unemployment rate as per Usual Status (%)				Underemployment rate (%)	
		Male		Female		Male	Female
		Usual status	Usual status adjusted	Usual status	Usual status adjusted		
1.	Andhra Pradesh	2.5	1.5	4.5	3.1	11.3	7.3
2.	Assam	4.7	3.2	11.3	3.6	6.2	5.7
3.	Bihar	2.6	1.4	0.8	0.5	14.6	12.3
4.	Gujarat	2.4	1.2	1.7	1.0	12.2	7.3
5.	Haryana	6.5	3.7	4.3	1.3	9.9	..
6.	Himachal Pradesh	4.5	1.3	0.9	0.4	4.7	1.6
7.	Jammu & Kashmir	1.8	1.3	1.9	0.6	6.6	3.0
8.	Karnataka	1.6	1.6	1.3	1.0	5.7	4.2
9.	Kerala	12.5	9.3	25.0	14.9	11.5	11.7
10.	Madhya Pradesh	0.9	0.5	1.2	0.7	7.4	5.9
11.	Maharashtra	2.1	1.1	1.2	0.9	8.4	3.4
12.	Manipur	0.9	0.9	1.8	1.5	6.5	4.8
13.	Meghalaya	..	..	..	..	2.6	2.3
14.	Nagaland	No Survey					
15.	Orissa	3.8	2.2	5.4	3.1	15.6	5.4
16.	Punjab	2.9	1.9	7.4	1.6	9.0	1.6
17.	Rajasthan	3.0	1.9	1.8	1.3	10.0	2.4
18.	Sikkim	3.3	2.4	4.5	2.3	7.1	9.8
19.	Tamil Nadu	4.0	2.6	4.5	3.1	16.7	13.8
20.	Tripura	2.8	2.1	6.8	4.2	3.4	4.1
21.	Uttar Pradesh	1.8	1.1	1.2	0.9	4.9	1.5
22.	West Bengal	3.0	1.8	10.6	5.3	11.2	4.9
23.	Andaman & Nicobar Islands	2.7	2.2	7.7	3.8	1.6	..
24.	Arunachal Pradesh	..	..	..	..	1.7	0.7
25.	Chandigarh	3.7	2.7	..	..	0.3	..
26.	Dadra & Nagar Haveli	0.9	0.7	..	..	0.3	..
27.	Delhi	5.7	5.7	..	..	0.9	..
28.	Goa, Daman & Diu	6.2	3.2	13.8	4.4	10.3	6.9
29.	Lakshadweep	11.4	4.8	60.9	39.6	5.7	..
30.	Mizoram	..	..	..	..	0.5	0.2
31.	Pondicherry	6.1	5.5	9.0	7.9	1.2	..
	All India	2.8	1.8	3.5	2.4	9.8	6.0

- Note : 1. The male and female unemployment rates express the percentage of unemployed males and females to the corresponding male and female labour force (employed and unemployed together).
2. Usual Status adjusted means excluding subsidiary status.
3. Under-employment rate represents percentage of usually employed persons (principal status) reporting willingness/availability for additional work.

ANNEXURE II

UNUTILIZED LABOUR TIME AND EMPLOYMENT GENERATION UNDER JRY (NREP+ RLEGP) IN RURAL AREAS DURING 1987-88.

S. State No.	Unutilized Labour time (standard person years in 000)	Employment Generation (Standard person years in 000) JRY	% of column 4 to 3	1	2	3	4	5
10. Madhya Pradesh						663	266	40.1
11. Maharashtra						782	181	23.1
12. Manipur						14	4	28.6
13. Meghalaya						3	2	66.7
14. Orissa						840	150	17.9
15. Punjab						259	14	5.4
16. Rajasthan						655	165	25.2
17. Sikkim						8	2	25.0
18. Tamilnadu						1620	222	13.7
19. Tripura						28	9	32.1
20. Uttar Pradesh						1034	444	42.9
21. West Bengal						1102	121	11.0
ALL INDIA (21 States)						13409	2494	18.6
1. Andhra Pradesh	1459	231	15.8					
2. Assam	451	25	5.5					
3. Bihar	1340	310	23.1					
4. Gujarat	604	93	15.4					
5. Haryana	304	15	4.9					
6. Himachal Pradesh	78	15	19.2					
7. Jammu & Kashmir	63	13	20.6					
8. Karnataka	399	151	37.8					
9. Kerala	1703	61	3.6					

Note (1) The figures in column 3 give the magnitude of chronic unemployment and underemployment (both as per NSS 43rd round principal usual activities). For each unemployed person unutilized labour time has been taken as one standard person year (i.e. 273 days during one year).

(2) The duration of underemployment has been worked out on the basis of the proportion of usually employed persons (principal activities-43rd round) reporting willingness/availability for additional work. For each such underemployed person the unutilized labour time has been worked out on the assumption that he/she had no work for at least 3 months during the year. This assumption is consistent with the 43rd NSS round result that 39.4% of the males and 35.52 of the females who were not fully engaged (principal usual activities 15+ years) had no work for 12 to 19 weeks while 32.7% and 40.9% of such males and females had no work for 20 weeks or more.

CHAPTER 5

INDEBTEDNESS OF RURAL LABOUR

1. Structural Aspects

5.1 Despite large inter-regional differences, there are some features in the agrarian structure common to practically all parts of the country. The most important of these is the extreme inequality in the ownership of land. In most Indian villages, a few rich land-owning families control a major share of the land. At the other end, those who do not own any land or own tiny plots of less than a hectare in size typically constitute some 60 per cent or more of the household population. According to the National Sample Survey (NSS), in rural India as a whole, households owning less than a hectare of land constituted in 1961-62 about 60 per cent of all rural households; this proportion has gone up to about 67 per cent by 1982. Between 1970-71 and 1985-86, the proportion of operational holdings below one hectare increased from 51 to 58 of total number of operational holdings and for this category the average size also decreased from 0.40 to 0.38 ha. This vast landless and land-poor population constitutes a reservoir of rural labour supply; there are, besides, village artisan families and other self-employed households who, because of the weak productive base they command the insufficient income that it generates, are also available for wage work in both agricultural and non-agricultural activities particular to each village economy.

5.2 Let us consider in brief the implication of this large proportion of asset-less or asset-poor families to the nature and functioning of the credit markets. From a large body of research work done in academic institutions and studies undertaken by agencies of the Government the following conclusions emerge:

(a) The majority of these families are unable to earn enough subsistence income from self-employment and wage work. In fact it is primarily because this pool of labour supply is very large, the real wage rate tends to be both low and relatively stagnant. In selected pockets of the country where either labour is organised or there is a high rate of agricultural growth leading to conditions of general prosperity, there is, of course, evidence of an improvement in the living conditions of rural labour. A factor that has contributed to the worsening situation in recent times is the general decline in the employment needed to produce a unit of agricultural output. In any case, earnings below subsistence needs force the labouring families to contract 'consumption loans' for sheer survival. This is the most important aspect of indebtedness of rural labour, although some labour families borrow for productive purposes as well, to raise the working capital they need to cultivate the little land they have, to buy raw materials they process for producing commodities and making incomes.

(b) Because they have very little to offer by way of collateral, institutional credit is not easily available to them, and they have to borrow from rich landowners, professional moneylenders, shopkeepers and the like, especially for consumption purposes. Such credit not only involves a very high rate of interest (which may even be 100 per annum or more), but also tends to be linked with other economic and non-economic transactions. A borrower may be forced to work for the provider of credit at a very low wage rate or without payment of wages; he may have to surrender a part or whole of his output to a moneylender at an exploitative price, and so on. The system of mahajans advancing loans to small farmers for the cultivation of jute and appropriating the Product at exploitative rates in West Bengal, is one such example. More importantly, the debt can keep accumulating, at times interest becoming more than principal and lead to the dispossession of land or other productive assets or to perpetual family bondage.

(c) Rural indebtedness is basically due to low demand for labour, low wages and unequal distribution of production assets. Low demand for labour is due to lack of infrastructural support to rural activities in general and agriculture in particular, e.g. irrigation, power etc.

5.3 We thus see that the problem of indebtedness among rural labour families is linked inextricably to the pattern of inequalities in productive assets. The functioning of rural credit markets in India, in which the traditional patron-client relationships continues to play a big part have to be understood in this larger context of disparities in property. It follows that a credit policy, howsoever well-designed, cannot work, cannot solve the problem of indebtedness, unless it is combined with short-run measures for improving the levels of consumption and long-run policies for strengthening the asset holding and income-earning capabilities among rural labour.

5.4 As programmes for the redistribution of land for strengthening the productive base of poor families have continued to be mostly ineffective, short-run policies for raising the levels of income and consumption—based on employment generation or on subsidies covering both inputs needed for production and, directly, for the purchase of foodgrains and other essential commodities—have been only partially successful. Why input subsidies meant for the poor farmers do not actually accrue to them is, once again, related to the nature of political power at the village level—appropriated wholly by the rich and used to control most economic activities. But the most glaring failure—a defect in policy making that can and

must be quickly corrected—is the organisation of the public distribution system (PDS) for making available essential commodities to the poor.

5.5 The public distribution system was initially designed to maintain foodgrains supplies (along with Kerosene) in the urban areas, particularly the large metropolitan cities, to prevent acute food shortages that can lead to 'food riots' and general violence. Later the system has been extended to rural areas in some States. Unfortunately, however, the coverage of rural areas is still very limited. It is only in States such as Kerala, Gujarat, Tamilnadu and Andhra Pradesh that the rural population is adequately served by the PDS, Kerala having had a long history in this respect. In the central and eastern parts of India, where agricultural performance has been unsatisfactory and the incidence of poverty tends to be very high, the rural poor have to rely wholly upon the market for grain purchases. The importance of the PDS lies not only in the subsidy involved but also in the air of assurance and security that it generates among the labour households. It is by now well recognised that the PDS has played a very significant role in Kerala in improving the working conditions of rural labour, including the wage levels by giving a greater bargaining strength to the workers. Labourers with assured food supplies can face employers better than those with half-empty stomachs ready to work under conditions dictated by the latter. It is reported that the heavily subsidised scheme for providing rice at the fixed rate of Rs. 2 per kg. to poor families in Andhra Pradesh (in operation during the last few years) had similar beneficial effects in several parts of Andhra Pradesh.

5.6 These examples demonstrate that measures for safeguarding the levels of consumption and income (such as the distribution of food, or of employment provision/guarantee), while directly reducing the need to borrow among the rural labour, also influence indirectly the conditions governing the transactions between labourers on the one hand and other groups such as large landowners and moneylenders on the other. These are, however, short period palliative measures. A lasting solution to the problem of indebtedness requires without doubt a substantial (even if slow) structural transformation involving not only a more equitable distribution of assets but also a more rapid expansion of employment opportunities both in the rural non-agricultural and the urban sectors.

5.7 Several structural changes were made in the rural credit system since independence. The number of bank branches has increased from 8262 at June end, 1969 to 59388 at June end, 1990 of which rural branches constituted 58.1%. However, most of the efforts were concentrated in providing institutional finance to the richer farmers in the countryside. The institutional support for the marginal farmers, landless and other poor has remained grossly inadequate. Consumption loans are quite substantial for rural poor and are largely met through non-institutional

source because banks have abdicated their responsibilities of meeting this requirement. Banks are shy in providing loans to the rural poor because they have nothing to offer as collateral security. The overall performance of Banking System in the rural areas has been much below the expectation in bringing about the socio-economic changes in general and meeting the needs of rural poor in particular.

II. Magnitude of Indebtedness

5.8 We have already referred to the increase in the proportion of agricultural and rural labour households to the total number of rural households in the two decades 1964-83. Landlessness among labour households has undergone some change during the period. Among agricultural labour households and all rural labour households the proportions of landless households were both about 56 per cent during 1964-65 and remained virtually the same in 1983. However this lack of change conceals the pattern in the intervening period. Between 1964-65 and 1977-78 there is observed a distinct decline in the proportion of the landless category to about 51%—arising possibly from some redistributive measures as well as a greater dependence on wage work among households with very tiny holdings. Households acquiring some land cease to be 'landless'. Likewise, small farmers forced into wage work will be counted as labourers with land if the wage income becomes the major part. This trend seems to have reversed itself after 1977-78, so that during the eighties, the incidence of landlessness was of the same order as it was during the sixties.

5.9 While the average size of labour households has remained between 4.5 and 4.8, the average number of earners per household has declined somewhat. More important perhaps, is the distinct decline in the extent of wage employment (barring 1977-78) from about 217 days per year in 1964-65 to 159 days in 1983 in the case of males and from 149 days to 136 days in the case of females. This decline in employment in agriculture is one of the factors behind an increasing debt-burden per indebted rural labour household.

5.10 However, the incidence of indebtedness defined as the percentage of indebted households has declined among all rural labour households. It was about 59 in 1964-65 but came down to 50 in 1983 and 33 in 1987-88. It may be noted, however, that 1974-75, a bad agricultural year, features a higher incidence of indebtedness. Another fact revealed by the data is that among S.T. households the incidence of indebtedness tends to be lower, possibly due to their poorer access to credit markets in general. Barring a few exceptions, across regions and over time periods it is observed that agricultural and rural labourers with land are more indebted than those without land, possibly due to relatively better access to loans because of their land assets. Scheduled Caste households are generally more indebted than other categories.

5.11 The increase in the extent of indebtedness, measured by the average debt per indebted household, is most prominent between 1977-78 and 1983 and on to 1987-88: from Rs. 690 to Rs. 1598 to Rs. 2014. Factors behind the need for credit as well as the supply of credit must be held responsible

for this increase, apart from the general price inflation. It is found that the levels of indebtedness tend to be lower in the ST households than in the SC households, whose level is less than in the other labour households. The following table indicates the position:

TABLE 1
Percentage of indebted households and average amount of debt per indebted household

Agricultural Labour Households	Percentage of indebted Households			Average debt per indebted Household (Rs.)		
	1977-78	1983	1987-88(P)	1977-78	1983	1987-88(P)
Scheduled Caste	57.9	56.5	47.5	614 (273)	990 (545)	1729 (381)
Scheduled Tribe	37.6	34.0	30.7	457 (203)	982 (269)	1533 (338)
Others	52.2	51.6	43.2	729 (323)	1242 (340)	2193 (482)
All	52.3	51.1	43.0	660 (293)	1516 (415)	1952 (429)
Rural Labour Households						
Scheduled Caste	56.3	55.9	47.3	633 (281)	1915 (544)	1802 (397)
Scheduled Tribe	37.2	34.1	32.5	476 (212)	1383 (379)	1549 (341)
Others	50.0	50.9	42.6	761 (338)	1362 (373)	2247 (495)
All	50.5	50.4	42.7	690 (307)	1598 (438)	2014 (444)

Note : Figures in brackets indicate debt in real terms on base 1964-65=100. (P)—Provisional.

Source : Rural Labour Enquiry Reports.

5.12 Hereditary loans cover only a tiny fraction of the total amount outstanding, with the contracted portion accounting for 94 to 96 per cent of the total. This pattern seems to be strengthening, with about 3 per cent or less being reported as hereditary loan in 1983. Within the contracted part, the composition with respect to amounts contracted in cash, in kind and those in cash and kind has remained virtually unchanged over the period 1964 to 1977-78, but the 1983 survey shows a distinctly different composition with loans contracted in kind gaining more prominence. Thus for all rural labour households the percentage of amounts contracted respectively in cash and in kind were 78 and 13 in 1964-65; 80 and 13 in 1974-75; 83 and 12 in 1977-78. But they were estimated to be 67 and 29 in 1983. These changes however may not reflect any specific trend because the nature of the loan (cash or kind) depends on the harvest conditions. It may be noted in this context that 1974-75 corresponds to a poor monsoon and 1983 to a good one. It must be inferred that the demand for loans in kind will be ever present (especially for consumption purposes) but supply conditions significantly influence the actual nature of bor-

rowing in terms of cash and kind loans. Further, during the first 3 rural labour enquiries (RLEs), ST households were found to contract a higher percentage of loans in kind than do the non-ST households, but this pattern is reversed in the 1983 survey with kind loans becoming less prominent among the ST households.

5.13 The average amount of loan per indebted agricultural labour household for consumption purposes has increased for all social groups in 1987-88 as compared to 1977-78, in real terms. The increase was of higher magnitude in respect of Scheduled Tribe agricultural labour households. However, the proportion of consumption loan to total debt has been gradually declining. It accounted for 53 per cent in 1964-65, 48 per cent in 1974-75, 44 per cent in 1977-78, 30 per cent in 1983 and 34 per cent in 1987-88 for agricultural labourers. Correspondingly there is an increase in the production loan component, especially during the last two surveys; 11.9 per cent of the total amount in 1964-65, 12.7 per cent in 1974-75, 20.9 per cent in 1977-78 and 41.4 per cent in 1983. Despite this, household consumption needs together

with the needs for meeting social obligations continue to remain the most important purpose for which loans

are incurred by the rural labour households in most part of the country (Table 2)

TABLE 2
Percentage distribution of debt by purpose

Agricultural Labour Households	1977-78			1983			1987-88(P)		
	All	SC	ST	All	SC	ST	All	SC	ST
Household consumption	44.4	46.7	46.2	30.4	20.1	31.1	34.3	37.1	32.7
Marriages & Other ceremonies	2.3	26.9	15.5	14.6	11.9	13.9	13.8	15.8	8.6
Productive purposes, land buildings and others	33.3	26.4	38.3	54.9	67.9	49.9	50.7	45.7	58.0
	100	100	100	100	100	100	100	100	100
Rural Labour Households									
Household consumption	42.9	46.1	45.6	32.0	23.8	25.5	33.6	35.3	39.6
Marriages & other ceremonies	22.9	27.3	18.5	15.5	13.1	12.3	13.4	17.6	9.2
Productive purposes, land, buildings and others	34.2	26.5	35.7	52.4	63.0	62.1	49.8	45.8	50.4
	100	100	100	100	100	100	100	100	100

(P) Provisional

Source : Rural Labour Enquiry Reports.

This type of change might well have been induced by conditions of supply of credit for productive purposes and may not reflect improvements in consumption levels. It needs to be studied in detail with reference to the conditions in the different sub-regions. But we must note the enormous increase in the productive loan component among the agricultural labour households without land: the percentage of amounts for productive use rose in the total from 7 in 1974-75 to 11.1 in 1977-78 and further to an extremely high 51 in 1983. This percentage is estimated to be 67.6 in 1983 for the SC households without land. These

data may thus reflect the successful working of special credit scheme earmarked for designated target groups (such as the IRDP).

5.14 The relative importance of the source of borrowing has also undergone a distinct change, but the change appears to have taken place only during the early eighties. The change is illustrated in the case of agricultural labour households in the following table 3 referring to the average amount of debt per indebted agricultural labour household by source of borrowing:

TABLE 3
Distribution of Debt by Source of Borrowing Per cent*

	1964-65	1974-75	1977-78	1983	1987-88(P)
Cooperatives	4.9 (11.95)	5.3 (12.04)	8.6 (25.23)	7.8 (32.60)	10.0 (42.90)
Banks		3.6 (8.18)	6.1 (17.89)	33.3 (138.31)	21.0 (90.09)
Employers	19.7 (48.04)	10.1 (22.95)	6.9 (20.24)	13.9 (57.73)	13.0 (55.77)
Moneylenders	30.7 (74.87)	47.8 (108.62)	37.3 (109.41)	18.6 (77.25)	22.0 (94.32)
Shopkeepers	7.4 (18.04)	6.7 (15.23)	6.7 (19.65)	4.6 (19.11)	7.7 (33.04)
All others	37.3 (90.96)	26.5 (60.22)	34.4 (100.91)	21.8 (90.54)	26.3 (112.83)
Total	100.00 (243.87)	100.00 (227.24)	100.00 (293.33)	100.00 (415.34)	100.00 (429.01)

(P) Provisional

Source: Rural Labour Enquiry Report.

— Figures in the bracket indicate debt (in rupees) by source in real terms on base 1964-65.

We may note first that the decline in the moneylender as a source of credit is most prominent in the 1983 survey alone. During that year banks accounted for a third of all lending, in contrast to earlier years when the banks played but an insignificant role. It seems that the implementation of special schemes such as the IRDP have promoted productive loans and thus altered the traditional structure of lending. The prospects for a continuous decline in the more exploitative informal credit systems would thus depend on the initiatives of Government and the further development of institutional lending under the overall rural planning processes. However, we must not forget that even in 1983, which was probably an exceptionally good year, employers, moneylenders and shopkeepers accounted for about 37 per cent of loan amounts outstanding and it was almost 43 per cent in 1987-88. The average amount of debt in real terms per indebted agricultural labour household from non-institutional sources is still important and has in fact been increasing in the case of some sources. Considering that the proportion of average debt accounting for household consumption, marriages and other ceremonies has been of the order of 45 to 48%, this has conceivably come from informal sources, as the institutional sources generally lend for productive purposes.

5.15 We have noted the decline in the incidence of indebtedness among rural labour households at the all India level (barring 1977-78). The decline was quite prominent in Punjab, Haryana, HP, Rajasthan and U.P. (Annexure I). These include the agriculturally prosperous regions registering high rates of agricultural growth during the period. On the other hand, the States in the eastern region such as Orissa and West Bengal and in the southern region such as Kerala and Tamilnadu, that have not done well in agriculture, have not experienced a significant decline in the incidence of indebtedness. However, correlation between agricultural growth and decline in the incidence of indebtedness is not significant. For example Andhra Pradesh and Gujarat with reasonable growth performance in agriculture have not exhibited clear signs of a decline in the proportion of indebted households while Bihar and Madhya Pradesh, with poor records in growth show declining trends.

5.16 The change in the composition of loans, cash vs. kind, observed at the all-India level likewise exhibits a variable pattern over the different States. The States where loans in kind have gained in prominence during the survey year 1983 are: Assam, Haryana, Himachal Pradesh, Madhya Pradesh, Maharashtra, Punjab and Rajasthan. These include the States in the north-western region experiencing the fastest growth in agriculture. However the presence of other States in the list as well as the observed lack of change in the remaining States makes it difficult to draw any inference about the factors behind the change. As suggested already, special conditions prevailing in that year including grain surpluses in some parts of the country, and Government-sponsored schemes involving distribution of grain credit must have promoted this development.

5.17 The decline in household consumption as a purpose of borrowing seems to be evenly spread over the country although in Bihar the proportion of consumption borrowing in the total has actually increased and in a number of other States, Madhya Pradesh, Rajasthan, Tamilnadu and Uttar Pradesh, the proportion has remained unchanged (Annexure-II). But it must be noted that in the surplus and growing regions borrowing for consumption seems to be declining. On the other hand, the phenomenon of productive loans gaining in importance is observed not only in Punjab and Haryana but also in Kerala, Orissa and West Bengal, suggesting thereby that it is tied more to institutional lending under schemes than to agrarian prosperity.

5.18 Money-lending as a source of credit continues to be important in most regions of the country, although a clearly declining trend in its importance is noticeable. Bank credit has enormously increased only between 1977-78 and 1983; this has been already referred to. It must be noted that even in 1983 in most States banks accounted for less than 15 per cent, in many far less than 10 per cent, and in at least three major States, Assam, Bihar, J&K, less than 5 per cent of the total borrowing (Annexure-III).

5.19 The interest rates charged by the moneylenders on the loans advanced to the rural labour households are usurious in most areas. Studies show interest rates above 30 per cent per annum in Assam to 100 per cent per annum in Maharashtra. There are also cases of appropriation of land and physical violence perpetrated by moneylenders, particularly on tribals and semi-nomadic groups. The so called 'No interest' loans from sources like 'employers', 'friends' and 'relatives' are often tied to labour contracts at stipulated prices, that is, mortgaging of labour at less than market cost.

5.20 All in all, some desirable changes have taken place in the patterns of indebtedness during the period 1977-78 to 1983/1987-88. The declines in the significance of hereditary loans, of the non-institutional sources of borrowing, and of loans for consumption purposes, are signs of improvement. But in quantitative terms the observed changes are miniscule, and, moreover, are the direct result of funds made available to the rural poor through specific schemes operated during the period. It is obvious that if such funding enables the poor to improve their incomes on a permanent basis, it will contribute significantly to a further decline in borrowing for consumption purposes.

III. Conclusions and Recommendations

5.21 The discussion thus far leads to the plain conclusion that neither the traditional money-lending system—exploitative in terms of interest rates—nor the incidence of indebtedness among rural labour families can be made to disappear through credit policy working in isolation. As long as rural labour

households fail to earn enough incomes for survival given their poor command over productive resources and the low levels of wage income that result from low wage rates and declining employment opportunities, and as long as institutional credit supplied through banks, co-operatives etc. at reasonable or subsidised rates of interest does not reach them, the non-institutional system will continue to play a significant and socially destructive role. In particular, the solution to the problem does not lie in the expansion of rural banking if banks continue to work under normal 'banking' procedure for providing loans to the labour families by insisting on collateral securities and the usual rates of interest, whatever the purpose of the loan. Nor can loan-waiver schemes be effective unless they are specifically made applicable to poor families only. Such schemes designed to benefit farmers in general actually benefit big and middle farmers. The two pronged strategy of providing gainful employment and increase in income of rural households and easy access to credit must be pursued to reduce indebtedness.

5.22 An integrated planning policy for the eradication of poverty, of which credit policy must be an essential part, is of course difficult to formulate, but our experience in different parts of the country with a number of measures of public provisioning to support the levels of consumption and income and to improve productive capabilities among poor families provide us with many lessons in effective policy formulation. An encouraging prospect in this context is the possibility of the Eighth Five Year Plan giving prominence to integrated local plans to be designed and executed in a decentralised manner. If such local plans, apart from covering employment generation, also specifically address the issue of provision of assets to rural labour families for earning additional incomes—however marginal—in a variety of activities, covering not only agriculture, land improvement and water-shed development but also poultry, live-stock, fisheries, agro-processing etc., then a workable credit policy can be formulated. Banks must adopt villages for development and be made responsible for formulating plans for employment generating industries.

5.23 Such local plans can however be drawn up in a meaningful manner only on consideration of the techno-economic conditions specific to each decentralised sub-region. It is true that the planning and implementing machinery required for this vast enterprise does not exist but, as the approach to the Eighth Five Year Plan has indicated, many components for decision-making through local bodies—including elected bodies as well as voluntary agencies—do exist and function in the different parts of the country with varying strengths and weaknesses and degrees of success and failure. A beginning must necessarily be made. In any case, the integration of development planning within a decentralised framework with a credit policy applicable to rural labour, must be based on a clear distinction between short-run and long-run goals.

5.24 Among the measures for the realisation of long-run goals we must include, apart from land reforms, those relating to the spread of literacy and public health, the strengthening of co-operatives of different kinds (for supply of inputs and credit, marketing, provision of consumer goods and so on), the development of infrastructural facilities—roads, electricity, veterinary services, regulated markets, etc.—with special reference to their availability to the poor. To the extent that these measures, whatever their specific nature in the different regions, involve public investment and the use of labour, each planned project must aim at the goal of providing substantial benefits to the poor, in terms of their future access to public facilities, and also so designed as to generate the maximum possible employment during the plan period.

5.25 Regarding short-period remedies, reference has already been made to the public distribution system for making available foodgrains and other necessities for survival at subsidised or reasonable prices to all the rural poor households in the whole country. As already suggested, a public-guarantee for the provision of food and other necessities is the best means for ensuring subsistence levels of living among the poor and for reducing their dependence on uncertain and exploitative credit. Similarly, specific plans for providing employment through various programmes such as the JRY must be so designed as to ensure that they generate improved incomes to labour households on a sustained basis over a few years. These programmes should help to create assets and develop infrastructure facilities specifically meant for rural poor.

5.26 Based on the consideration discussed above, the Commission makes the following recommendations:

- (a) Priority should be given to land reforms, with special emphasis on the implementation of existing ceiling laws and redistribution of land to the deserving rural poor. Tenancy regulation in accordance with the law must be enforced. All this is easier said than done. But the experience of both Kerala and West Bengal show that the success of land reforms depends more on political mobilisation than on legislation. The issue of land reform is undoubtedly political.
- (b) The public distribution system for supplying foodgrains and other essential commodities, as it exists now must be extended to cover all the rural areas of the country.
- (c) Programmes for the spread of literacy should contribute to raising the levels of social awareness and the capacity for self-organisation. Public support must be made available to all agencies working in this field.
- (d) Poverty alleviation programmes, including those meant for providing employment against cash or food payments must, as far as possible, be linked to the improvement of productive assets

among the poor and to their access to infra-structural facilities generated by public expenditure.

- (e) Since the rate of interest charged by the money-lenders is very high and their share in total lending is quite significant, Debt Settlement Boards should be set up at sub-divisional or block levels. These boards should write-off the quantum of interest which exceeds the principal amount and reschedule the repayment of loans.
- (f) Institutional credit, through co-operatives, banks etc. must be made more easily accessible to rural labour households than at present. If credit schemes are combined with general plans that guarantee employment, a labourer's willingness and ability to work must be recognised as

an adequate guarantee for repayment of loans. It is possible to extend credit even for consumption, at lower rates of interest to labour families, under suitably designed schemes, or a designated line of credit through a Revolving Fund raised by levying of, say, one per cent on the turn-over of banks or by contributions from Central and State Governments and various financial institutions provided the poor can be clearly identified. Identification is not difficult. As an example we have in Andhra Pradesh the green card holders, identified as the poor, entitled to subsidised food. Even if the system of identification is not perfect and can lead to 'leakages' through 'recycling'—a part of the benefits accruing to the non-deserving—a 'green card' that ensures supply of daily necessities and credit of reasonable rates can mark a distinct prospect for better times to the poor labour households.

ANNEXURE I

STATEWISE INCIDENCE OF INDEBTEDNESS AMONG RURAL LABOUR HOUSEHOLDS (PERCENTAGE OF INDEBTED HOUSEHOLDS TO THE TOTAL NUMBER OF RURAL LABOUR HOUSEHOLDS).

State	*1964-65	1974-75	1977-78	1983	State	*1964-65	1974-75	1977-78	1983
Andhra Pradesh	65.1	74.2	64.4	65.2	Maharashtra	46.2	50.0	42.8	47.1
Assam	32.5	28.7	9.9	22.1	Orissa	47.1	56.8	40.0	40.1
Bihar	68.0	70.8	49.6	53.8	Punjab	72.6	72.9	58.7	51.4
Gujarat	36.4	56.2	39.8	32.9	Rajasthan	71.2	77.3	61.2	50.7
Haryana	*	65.5	58.9	47.4	Tamilnadu	59.5	74.8	65.6	59.6
Himachal Pradesh	80.0	54.2	58.3	26.6	Tripura	51.7	58.6	26.0	36.6
Jammu & Kashmir	44.6	57.2	59.9	37.0	Uttar Pradesh	69.6	63.3	43.6	46.8
Karnataka	62.5	64.5	50.5	49.2	West Bengal	48.3	54.1	47.5	48.6
Kerala	60.7	84.0	77.9	54.0					
Madhya Pradesh	60.0	61.2	38.3	37.8	All India	59.2	65.4	50.5	50.4

* In 1964-65 Haryana included in Punjab.

Source : Rural Labour Enquiry Reports.

ANNEXURE II

STATEWISE AVERAGE AMOUNT OF DEBT PER INDEBTED RURAL LABOUR HOUSEHOLD BY PURPOSE OF DEBT

(Percentage distribution)

States	1964-65*			1974-75			1977-78			1983		
	H.H. Consumption	Pro-ductive	Others	H.H. Consumption	Pro-ductive	Others	H.H. Consumption	Pro-ductive	Others	H.H. Consumption	Pro-ductive	Others
Andhra Pradesh	52.3	15.8	31.9	48.3	12.3	39.4	42.9	25.3	31.8	36.9	19.5	43.6
Assam	76.3	10.5	13.2	68.9	5.1	26.0	70.0	11.8	18.2	71.4	8.3	20.3
Bihar	54.3	6.5	38.9	55.3	4.4	40.3	56.1	7.1	36.8	67.7	7.3	25.0
Gujarat	55.5	7.5	37.0	45.1	12.9	42.0	42.1	16.8	41.1	28.7	11.4	59.9
Haryana	*	*	*	37.5	4.9	57.6	49.7	14.8	35.5	7.1	83.8	4.1
Himachal Pradesh	100.0			35.1	18.0	46.9	51.7	4.6	43.7	12.4	37.0	50.6
Jammu & Kashmir	60.8	2.1	37.1	68.8	11.1	20.1	76.6	5.4	18.0	32.8	16.4	50.8
Karnataka	51.2	11.5	37.3	52.2	11.7	36.1	46.6	21.9	31.5	35.2	33.2	31.6
Kerala	45.9	13.7	40.4	31.3	11.8	56.9	38.2	18.3	43.0	17.2	28.1	54.7
Madhya Pradesh	53.0	12.1	34.9	53.7	11.7	34.6	49.4	20.1	30.5	46.5	28.6	24.9
Maharashtra	45.4	23.6	31.0	43.0	31.1	25.9	32.5	42.4	25.1	26.8	54.4	18.8
Orissa	56.1	9.0	34.9	59.8	10.6	29.6	53.1	27.6	19.3	31.8	49.0	19.2
Punjab	49.6	6.0	44.4	45.2	9.1	45.7	41.5	10.6	47.9	37.6	10.7	51.7
Rajasthan	40.3	13.2	46.5	47.3	9.5	43.2	37.1	15.3	47.6	48.3	20.8	30.9
Tamil Nadu	57.1	16.2	26.7	39.6	19.5	40.9	36.6	21.4	42.0	40.8	18.7	40.5
Tripura	58.0	4.5	37.5	74.3	6.9	18.8	62.0	18.0	20.0	25.7	11.1	63.2
Uttar Pradesh	46.5	12.2	41.3	43.0	9.2	46.9	38.8	14.7	46.5	39.9	12.8	47.3
West Bengal	76.8	5.1	18.1	70.9	7.8	21.3	65.5	12.6	21.9	51.3	26.5	22.2
All India	51.8	11.9	36.3	46.9	12.7	40.4	42.9	20.4	36.7	32.0	38.2	29.8

.. Not available

*In 1964-65 Haryana included in Punjab.

Note: Col. 2 to 4, Col. 5 to 7, Col. 8 to 10 and Col. 11 to 13 add upto 100 each.

Source: Rural Labour Enquiry Reports.

ANNEXURE III

STATEWISE AVERAGE AMOUNT OF DEBT PER INDEBTED RURAL LABOUR HOUSEHOLD BY SOURCE OF DEBT:
PERCENTAGE DISTRIBUTION

States	1964-65*			1974-75			1977-78			1983		
	Money lenders	Banks	Others	Money lenders	Banks	Others	Money lenders	Banks	Others	Money lenders	Banks	Others
Andhra Pradesh	27.9	..	72.1	59.7	3.2	37.1	39.1	6.4	54.5	32.2	9.8	58.0
Assam	6.1	..	93.9	33.8	..	66.2	15.7	0.6	83.7	7.6	3.6	88.8
Bihar	31.5	..	68.5	41.6	0.2	58.2	56.3	0.3	43.4	32.0	3.6	64.4
Gujarat	13.3	..	86.7	19.1	5.2	75.7	18.6	3.3	78.1	13.5	6.1	80.4
Haryana	*	*	*	59.4	1.6	39.0	46.8	4.2	49.0	2.7	85.8	11.5
Himachal Pradesh	..	..	..	30.9	2.9	66.2	40.3	5.8	53.9	11.2	38.3	50.5
Jammu & Kashmir	13.2	..	86.8	10.0	1.4	88.6	3.3	0.6	96.1	2.0	1.0	97.0
Karnataka	33.0	..	67.0	47.5	4.8	47.7	25.1	14.7	60.2	26.8	25.4	47.8
Kerala	19.9	..	80.1	14.8	13.3	71.9	14.6	19.6	65.8	8.2	27.6	64.2
Madhya Pradesh	30.8	..	69.2	40.5	4.7	54.8	29.4	4.6	66.0	19.0	13.9	67.1
Maharashtra	15.5	..	84.5	25.5	10.6	63.9	11.0	13.8	75.2	6.3	12.4	81.3
Orissa	48.4	..	51.6	55.5	3.8	40.7	5.5	6.3	89.2	12.1	22.2	65.7
Punjab	27.7	..	72.3	22.1	5.0	72.9	29.3	3.2	67.5	18.3	8.3	73.4
Rajasthan	37.4	..	62.6	42.1	3.1	54.8	53.1	1.5	45.4	50.1	7.4	42.5
Tamilnadu	21.6	..	78.4	64.2	3.7	32.1	43.0	4.8	52.2	33.3	8.2	58.5
Tripura	24.4	..	75.6	14.8	..	85.2	16.8	2.5	80.7	4.1	5.7	90.2
Uttar Pradesh	53.1	..	46.9	56.1	0.7	43.2	56.4	2.6	41.0	42.8	6.3	50.9
West Bengal	24.2	..	75.8	31.1	1.3	67.6	26.6	2.5	70.9	17.5	12.7	69.8
All India	31.9	..	68.1	46.4	3.9	49.7	36.7	6.5	56.8	21.3	28.0	50.7

.. Not available.

*In 1964-65 Haryana included in Punjab.

Note: Col. 2 to 4, Col. 5 to 7, Col. 8 to 10 and Col. 11 to 13 add upto 100 each.

Source: Rural Labour Enquiry Reports.

CHAPTER 6

AGRICULTURAL LABOUR

I. INTRODUCTION

6.1 A major category of population dependent on agriculture and allied activities consists of agricultural labourers who form the poorest stratum of the rural population. This is a category which is without any ownership of property or of the means of production, which lives on the strength of its labour-power, whose level of living is entirely dependent on the wages that it earns, and hence it constitutes the lowest stratum of the society in the vast agrarian sector of our economy.

6.2 The number of agricultural labourers has been increasing over the last few decades at a rate higher than the population growth in rural areas. During the seventies and the eighties, the rural population registered an annual growth rate of 2 per cent and 1.5 per cent, respectively. However, for the corresponding decades, the growth in the number of agricultural labourers has been at higher levels of 4.1 per cent and 3.0 per cent, per annum, respectively. There is an increase in employment in the rural sector, but this increase is not commensurate with the increase in labour force. Also, the rate of growth achieved in the non-agricultural sector and the technology adopted in that sector has not helped much in reducing dependence on agricultural employment. In the agricultural sector majority of farm workers do not get employment throughout the year, not even in the agriculturally better-endowed regions such as Punjab, Uttar Pradesh, etc. Their annual earnings are so low that they cannot meet even their minimum consumption needs.

6.3 The overall employment situation as well as illiteracy, lack of skills etc., keep labourers in general at a disadvantageous position in relation to employers. Land owners take full advantage of these and they frequently push labourers into unequal relationships of dependence. The labourer's dependence is often reinforced by his indebtedness to the employer. In this kind of situation, it is quite possible that the working conditions of the labourer are decided by the employer and the disabilities attendant to bondage become operative. Nearly half of the agricultural labourers belonging to the Scheduled Castes and the Scheduled Tribes, suffering from serious socio-economic deprivations, form the hardcore of rural poverty. Labourers belonging to the Scheduled Tribes generally have closely-knit tribal social organisations which are capable of some kind of collective decision-making and which are not bound to their employers, but are increasingly experiencing pauperisation as casual labourers.

II. GROWTH OF AGRICULTURAL LABOUR FORCE

6.4 The data on rural labour force suggest the following:

- (i) According to Rural Labour Enquiry estimates, the number of agricultural labour households has increased from 15.3 million in 1964-65 to 33.3 million in 1987-88, i.e., by over 117 per cent;
- (ii) According to Census data the percentage of agricultural workers to total workers in rural India declined marginally from 69.75 in 1951 to 68.38 in 1981. During the same period, however, the percentage of agricultural labour increased sharply from 19.72 per cent to 26.23 per cent. Within the total agricultural workers, the percentage share of agricultural labourers rose from 28.28 to 38.51, the break-up for rural workers for 1961, 1971 and 1981 and the state-wise break-up for 1981 may be seen in **Annexures I and II**, respectively. An estimate of rural labour and agricultural labour based on NSS 43rd Round (1987-88) is presented in **Annexure III**.
- (iii) The Scheduled Castes and the Scheduled Tribes accounted for 33 per cent and 13 per cent respectively, giving a combined share of 46 per cent of total agricultural labourers in 1981. During the decade 1978-88 the number of SC (1.63% per annum) and ST (1.92% per annum) agricultural labour households increased at a higher rate than other agricultural labour households (1.38% per annum); and
- (iv) The proportion of wage labour to total work force increased at all-India level from 34.1 in 1972-73 to 41.4 in 1987-88. During the same period, the proportion of casual wage-labour to total wage labour increased from 64.8 in 1972-73 to 75.8 in 1987-88.

It is clear from the above data that there has been a phenomenal increase in the size of this class and that the process of casualisation is going on unabated in rural India.

6.5 Different explanations put forward regarding this phenomenon can be grouped as follows:

- (a) Natural increase in the population of the labourer's households and lack of employment opportunities for them.
- (b) The eviction of tenant operators due to the enactment of tenancy legislations.

- (c) Workers do not get enough employment in their traditional occupations and therefore join the ranks of agricultural labourers.
- (d) The influx of surplus labourers from the small and marginal farmers' households.

6.6 The relative importance of each of these factors may vary in different parts of the country in explaining the growth in the number of agricultural labourers in India. There is an increasing marginalisation of small farmers and petty landholders during the recent period. The number of marginal holdings increased from 36.2 million in 1970-71 to 56.8 million in 1985-86. The number of small and medium holdings also have been increasing though at a moderate rate. The share of marginal holdings has increased from 51 per cent in 1970-71 to 58 per cent in 1985-86. The share of small holdings has remained more or less the same during this period. The area under marginal holdings increased from 14.6 million hectares in 1970-71 to 21.6 million hectares in 1985-86. The average size of marginal holdings, however, has been steadily declining from 0.40 hectare in 1970-71 to 0.38 hectare in 1985-86 (Annexure IV). What comes out clearly from this evidence is a steady downward mobility of the poor peasants indicating a trend towards increasing proletarianisation.

6.7 This trend is further substantiated by the fact that between 1971-72 and 1981-82, the concentration ratio of operational holdings at all India level rose from 0.59 to 0.63. Such trends are observed in almost all the major States in India and appear to be more pronounced in the case of developed States, like Punjab and Haryana. These regions experienced much faster development of irrigation, and the use of machinery and modern inputs of farming. The sharp increase in the proportion of agricultural labourers among rural workers in these regions was mainly in response to the growth in demand for hired farm labour. It is possible that privately controlled irrigation as well as the growing dependence of agriculture on purchased inputs in these regions is driving out certain sections of small and marginal peasants, either owners or tenants, from self-cultivation. In most of the agriculturally advanced areas in different parts of India, sharecropping is on the decline and owner-cultivation with hired casual labour, is rising. It may be noted in this connection that the developed regions with relatively higher wages are attracting lot of migrant agricultural labour from backward/less developed regions. Modern agriculture does not leave much time for preparation of seed-beds, sowing etc., between two crops. Possibly for this reason and also on account of the rise in farmers' incomes and other preferences, the incidence of family labour employment has been declining and, in its place, the employment of hired casual labour is increasing in most of the regions of India.

6.8 Further, eviction of tenants seems to be a major cause in swelling the number of agricultural labourers in most of States in Eastern India. Another interesting fact to note is that the proportion of agricultural labourers is higher in most of the Southern States than in

other States of India. This phenomenon possibly arises not only from the economic factors described above but also from the institutional and historical differences like land-ownership pattern, crop pattern and mode of labour contracts, etc.

6.9 Our discussion of the evidence amounts to this: The technological change in agriculture, marginalisation of small farmers, eviction of tenants, destruction of traditional cottage industries, inflation etc., are some of the important factors that are operating differently in different regions of India leading to the swelling of the number of agricultural labourers.

III. SIZE AND COMPOSITION OF AGRICULTURAL LABOUR HOUSEHOLDS

6.10 According to First Rural Labour Enquiry (1964-65) the agricultural labour households accounted for about 22 per cent of rural households. It gradually increased and reached 31 per cent of rural households in 1987-88 (5th RLE). During the decade 1978-88 the average household size of agricultural labour households registered an upward trend from 4.67 to 4.9. The average number of wage earners in agricultural labour households also increased from 1.79 in 1977-78 to 1.89 in 1983.

6.11 The Scheduled Caste households increased at a higher rate than the Scheduled Tribe and other agricultural labour households during 1977-83. Interestingly, during the same period the average household size of SC and ST households remained more or less the same, but the average number of wage earners of Scheduled Tribe households was substantially higher than the other two categories of households.

6.12 There is some improvement in the average size of cultivated land possessed by the Scheduled Tribe households between 1977-78 and 1983. The size and composition of agricultural labour households by different social groups for 1977-78 and 1983 are given in **Table I**.

6.13 The above observations are based on the all-India average which conceal considerable regional variations. For example, even the States like Punjab and Haryana, belonging to the relatively advanced agricultural area in the country showed a marked decline in the proportion of landed agricultural labour households. Similarly, the proportion of SC agricultural labour households without land which registered an increase in the country as a whole, showed a sharp decline in the case of Assam, Haryana and Punjab. The proportion of ST agricultural households without land in States like Maharashtra, Orissa, Rajasthan and Tripura has declined.

IV. WAGE EMPLOYMENT PROGRAMMES AND AGRICULTURAL LABOUR

6.14 The impact of NREP/RLEGP on employment situation has been marginal as the average employment provided under NREP was not more than 14 days, per person, in a year. It catered to the needs of the

most vulnerable sections of rural society only partially. Notwithstanding the marginal impact on employment situation in the countryside and a number of other shortcomings, an important contribution made by these programmes in the rural areas is the impact on rural wage rates.

6.15 According to the third RLE (1977-78), the average days worked per year by men and women of agricultural labour households in agricultural wage employment were 230 days and 184 days respectively. The corresponding figures for the year 1983 (4th RLE) were 159 days and 136 days. This decline in the days of employment should expectedly have some impact on the earnings and debt conditions of agricultural labour households. Therefore, generation of adequate employment opportunities in farm and non-farm activities in the rural areas, particularly during off-season assumes importance in so far as agricultural labourers are concerned.

6.16 The NSS data also give the same trend between 1972-73 and 1987-88. The number of persons employed per thousand persons according to current daily status in the case of male workers was practically same at 503 and 501 respectively, while for women workers it declined from 231 to 207.

6.17 Employment situation alone is not the sole determinant of levels of living of the people. Levels of living are determined also by the levels of income which, in turn, are determined by the participation rate and rate of wages. The NSS data suggest that the participation rate by daily status of employment for all categories of rural labour has declined over the years. The rate for males declined from 55.2 per cent in 1977-78 to 53.9 per cent in 1987-88 and for females from 33.1 per cent to 32.3 per cent. Against this background, we now discuss the trends in wages and earnings of agricultural labourers.

V. WAGES, EARNINGS AND LIVING CONDITIONS

A. AGRICULTURAL WAGES (MONEY WAGE)

6.18 Data on wage rates at current prices for three decadal periods viz. 1958-59 to 1967-68 (period I: Pre-Green Revolution decade), 1968-69 to 1977-78 (period II: Green Revolution decade), and 1978-79 to 1987-88 (period III: Recent decade) for 17 major States obtained from Directorate of Economics and Statistics, Ministry of Agriculture, are presented in **Annexure V**. The growth rate of wages indicates consistent rise in the States of Rajasthan, Andhra Pradesh, Gujarat, Madhya Pradesh, Himachal Pradesh and Karnataka. In these States the growth rates during the first period (1958-59 to 1967-68) ranged between 4.5% and 6.5%. During the second period (1968-69 to 1977-78), except Himachal Pradesh (7.75%) and Andhra Pradesh (8.49%), rest of the above States recorded 10% to 11% growth, per annum. In the third decade 1977-78 to 1987-88, wages have grown at a faster rate between 11% (Gujarat) and 16% (Himachal Pradesh).

Rajasthan recorded the highest long term growth rate of 10.5% and Haryana 8.5% in the last two decades. It was around 8.5% in the rest of the States for the last 30 years.

6.19 In the States of Orissa, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal though there has been consistent rise in the money wages, the overall long term trend rate was of lesser magnitude ranging between 7.4% to 7.8% (Orissa, U.P. and West Bengal). The acceleration of growth rates in three decennial periods is quite significant in H.P., Tripura and Tamil Nadu. Thus, out of 17 major States, 12 States recorded substantial increase in money wages over the 30 years period on a consistent basis.

6.20 In the other five States of Assam, Bihar, Maharashtra, Punjab and Kerala, the long term trend rate ranged between 7.2% (Assam) and 8.68% (Bihar). However, the growth rates for each decadal period indicate significant variation. During the first period (1958-59 to 1967-68) Kerala recorded annual growth of 11.33% followed by Assam and Bihar (9.66% each), Maharashtra (6.63%) and Punjab (5.97%). Of course, Kerala (Rs. 1.56) and Bihar (Rs. 1.30) had much lower based level wage rates as compared to Punjab (Rs. 2.44) and Assam (Rs. 2.25).

6.21 In the recent period (1978-88), there has been high growth of money wages in most of the States. As many as 14 States recorded annual growth above 11%. The growth rate in Himachal Pradesh (16%) was followed by Kerala (14%), Maharashtra, Madhya Pradesh and Rajasthan (13% each). Karnataka was the only State where the annual growth rate (7.5%) declined during 1978-88 as compared to 1968-78.

6.22 As to the inter-State variations in money wage rates, the wage differentials across the States are narrowing in the recent years compared to the fifties (**Annexure V**). There appears to be a distinct tendency for wage disparity between male and female to decline over time in the State such as Bihar, Haryana, Karnataka, Kerala, Madhya Pradesh, Punjab, Uttar Pradesh and West Bengal. The disparity in wages appears to be very high in the States like Maharashtra, Rajasthan and Tamil Nadu.

6.23 The male-female differences in actual wage rates within each State, and more significantly substantial inter-State variations bring us to a more fundamental question as to what explains the presence and persistence of such differences. This question assumes a great deal of importance in the light of the equity concerns of the society.

6.24 Among the factors that cause regional variation in wages are the size of holdings under various types of tenure, size of labour force, quality of land, irrigation facilities, cropping pattern, quality of management etc. These factors occur in different combinations in different parts of the country causing variation in wage rates.

6.25 Until recently the revisions in officially notified minimum wages used to be made on ad-hoc and irregular intervals. Between 1979-80 and 1987-88 the increase in officially notified minimum wages is substantially higher than the increases in the Consumer Price Index number for agricultural labourers, in most of the States. However, there are States which have not revised the minimum wage when it was due and there are instances where the minimum wages are not also linked to variable dearness allowances in most of the States. It is also a well-known fact that the agricultural labour do not receive notified minimum wages except in certain parts of the country like Kerala, Punjab, Haryana and Western U.P. Even in these States females do not get remuneration as per the notified minimum wages. Growing awareness, and Panchayati Raj institutions, wherever active, have contributed to pushing actual wages closer to the minimum wages. Where the agricultural labourers are mostly unorganised and have weak bargaining power, special attention requires to be given for an effective implementation and enforcement of minimum wages.

B TRENDS IN REAL WAGES

6.26 In this section, we shall discuss two aspects of agricultural wages in India. First, the long-term trends in real wages of agricultural workers during the period 1970-71 until 1988-89; secondly, we take a look at the factors underlying inter-regional difference in agricultural wage rates. The sources of data and the methodology underlying the computation of real wages for this period for different States are outlined in **Annexure VI**.

6.27 The real wage indices for male and female workers with 1970-71 as base year are given in **Tables 2 and 3**. First we examine the indices for male workers. Two main observations can be read from the table. In almost all States, with the lone exception of Haryana, real wage rates continued to move upwards during the years after 1984-85. Secondly, in most of these States real wage rates registered larger increase during the decade of the 1980s as compared to the 1970s.

6.28 As for the first observation we also notice that more or less continuous increases in real wages beyond 1984-85 occurred in the following States, namely Assam, Bihar, Karnataka, Kerala, Orissa, Punjab, Rajasthan and West Bengal. By 1988-89 the highest percentage increase in real wages of male workers was noted in the case of Kerala (63 per cent). More than 50 per cent increase in wages over the base year level was also noted in the States of Bihar, M.P., Orissa and Rajasthan. The increase was quite impressive in the case of Andhra Pradesh where the index registered 72 per cent increase by 1986-87, and was subsequently reduced to 49 per cent by 1988-89. A notable case is that of Punjab where the earlier trend of a decline in real wages was reversed during the years from 1985-86 onwards. By 1988-89 the wage index was some 11 per cent higher than the 1970-71 level. Two States, namely, Gujarat and Haryana showed marginal decline in real wages during the period after 1984-85. In the

case of Gujarat the index dropped from a high point of 52 per cent increase reached in 1984-85 (which was also the highest among all the States during the year) to 34 per cent by 1988-89. In the case of Haryana, however, the index got down to 2 per cent below the original level in 1970-71.

6.29 The second observation that majority of the States, recorded perceptible increases in rural wage rates during the 1980s as compared to the 1970s is more significant. If we take 1980-81 as the cut off point between the two decades, from **Table 2** it can be noted that the magnitude of increase in wages during the latter decade was substantially higher in comparison to the preceding decade among a number of States. The States of Andhra Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, U.P. and West Bengal conform to this general pattern.

6.30 Next we also take look at the trends in real wage rates of women workers. The relevant figures are presented in **Table 3**. By and large, the wage indices for women workers conform to the same picture as noted in the case of male workers. Some notable aspects of the rise in real wages of women workers need to be pointed out. First, real wages increased in all States without exception during 1970-71 to 1988-89. Between 1970-71 and 1988-89 the highest percentage increase can be noted in Karnataka (96 per cent) followed by West Bengal (84 per cent), Bihar and Madhya Pradesh (71 per cent), Orissa (70 per cent) and Kerala (64 per cent). It also follows that in a number of States like Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Orissa, Punjab, Tamil Nadu and West Bengal the magnitude of increase in real wages has been much higher for women workers as compared to those of male workers. The above observation also implies that in the above States there was a pronounced decline in the scale of gender based disparities in wages paid to agricultural labourers.

6.31 Thus during the eighties there has been a marked reduction in the inter-State wage disparities in real terms. Further, the male-female wage differentials have also narrowed down considerably. The trends in the growth of real wages for both male and female agricultural labour in major high-wage and low-wage States is given in **Table 4**. It is seen that even in high-wage States, where the increase in real wages was relatively lower as compared to the low-wage States, females have recorded higher rate of increase as compared to males. This trend is more pronounced in the low wage States like Bihar, Orissa and Madhya Pradesh where the increase in real wages for females ranged between 58 to 74 per cent. In Andhra Pradesh the increase in real wages for females was only marginally lower than that of males.

6.32 During the period between 1977-78 and 1987-88, the real wages in non-agricultural employment have increased at relatively faster rate as compared

to agricultural employments for rural females, in both regular and casual employments. This is revealed by the N.S.S. estimates of 32nd Round (1977-78) and 43rd Round (1987-88) given in **Table 5**. In fact, in some of the low-wage States like Bihar, Madhya Pradesh and Andhra Pradesh, the real wage for rural females in regular non-agricultural employments have recorded big increases between 1977-78 and 1987-88. Factors like implementation of rural employment and afforestation programmes (which stipulated minimum wages and catered to the employment needs of poor rural women), periodical revision in minimum wages and notification of equal wages for equal work, productivity gains brought about by new technology and growth of general awareness seem to have contributed significantly to the higher increases in real wages for rural females in agricultural sector.

6.33 Growth rates of agricultural output and real wage rates in major States during the period 1970-71 to 1984-85 are presented in the **Table 6**. As many as nine States (namely : Gujarat, Orissa, Rajasthan, Uttar Pradesh, Assam, Karnataka, Haryana, Himachal Pradesh and West Bengal) seem to fit into a pattern suggesting a positive relationship between the growth of agricultural output and wages. Relatively higher rates of growth of wages observed in the States of Gujarat, Orissa and Rajasthan occur along with higher rates of growth of output. Likewise lower rates of growth wages in West Bengal, Himachal and Karnataka are associated with correspondingly lower rates of growth of output. There are some six to seven States (viz., Andhra Pradesh, Madhya Pradesh, Bihar, Maharashtra, Kerala, Tamil Nadu and Punjab) which do not, however, fit into the general pattern discussed above.

6.34 Agricultural employments have remained least-paid due to low productivity, under-employment, constraints on mobility and scarcity of alternate avenues for gainful employment in the rural areas for agricultural labour. Besides, mass poverty and lack of organisation among agricultural labour have adversely affected their bargaining power. As per RLE (1974-75) only one per cent of total agricultural labourers are the members of trade union(s) and only two per cent are aware of the Minimum Wages Act. The minimum wages in respect of agricultural employments are fixed by the State/UT Governments under Minimum Wages Act, 1948. However, its effective implementation has been constrained due to factors such as inadequacy of enforcing machinery, nature of work, fragmentation of holdings, intermittent nature of employment, payments in kind besides custom and traditions. Notwithstanding these limitations, the implementation of the Act had some positive impact on raising the agricultural wages, particularly in traditionally low-wage States like Orissa, Uttar Pradesh, Rajasthan and Bihar which had three to four revisions in minimum wages during the eighties. In States like Kerala and West Bengal where the agricultural workers are well organised, the implementation of the Act enabled them to get higher wages besides better service conditions.

C. CHANGES IN AGRICULTURAL WAGES--A SUMMING UP

6.35 There are certain encouraging developments during the 1980s in regard to the wages of agricultural labour in the country. In the first place, there has been a general rise in the real wages of agricultural labour in several parts of the country. The rise in real wages in the 1980s has been at a higher rate than the rise in the 1970s. Secondly, the regional disparities in real wages, especially between the developed or high-wage areas on the one hand, and the less developed or low-wage areas on the other, have started declining. Thirdly, the male-female disparity in agricultural wages has also started coming down.

6.36 The rise in real wages for agricultural labour can be attributed to the rise in demand for labour for agricultural operations, as well as to the rise in demand for labour in the non-agricultural rural occupations and in urban areas. So far as the demand for labour for crop production is concerned, this could not have risen more during the 1980s than in 1970s. This is because the growth rate of crop output during the 1980s has been about the same as during 1970s and the available evidence indicates that the labour use per unit of crop output and per hectare has declined during the 1980s. Therefore, for the country as a whole, the growth in crop output does not provide a satisfactory explanation for the rise in real wages of agricultural labour during the 1980s.

6.37 However, some of the poorer and low-productivity regions, such as the Eastern Gangetic plains, have started showing higher agricultural growth during the 1980s. This improved performance of agriculture in regions where labour is abundant, may have contributed to the rise in real wages of agricultural labour. This means that a more even development of agriculture between different regions can lead to a rise in real wages.

6.38 But the major explanation for the significant rise in real wages during the 1980s is to be found in the rising demand for labour from the non-agricultural sector in the rural as well as urban areas. The Study Group on Employment Generation set up by the Commission, has found this occupational diversification to be a far more important factor than the growth in demand for labour within the agricultural sector. This would be particularly so in regions where the level of agricultural productivity is already high and where the demand for labour for non-agricultural activities has been growing fast, induced partly by agricultural development itself. In such regions, there is a significant shift of labour force away from agriculture into non-agricultural occupations, which shows that in future the major impetus for the rise in agricultural wages is likely to come from the growing demand for labour in non-agricultural occupations.

6.39 The disparity in agricultural wages between the agriculturally developed States such as Punjab and Haryana on the one hand, and the less-developed States such as Bihar and Orissa on the other, has been

coming down. This is explained partly by the higher growth in crop output in the poorer States during the 1980s. Partly, this is also explained by the expansion of poverty alleviation programmes such as IRDP and Jawahar Rozgar Yojana in such regions. The outlay under these programmes is allocated between the different States roughly in proportion to the incidence of rural poverty, so that these programmes generate greater employment and income in the poorer States. Some diversification in the rural occupations is in evidence in poorer States also not only on account of poverty alleviation programmes but also due to the general rise in the demand for non-agricultural products and services induced by the rise in agricultural income.

6.40 The Green Revolution technology typically increases the seasonal demand for labour for operations such as sowing, inter-culturing, etc., where female labour is generally employed. Since such operations have to be completed within a short duration, the new seed-fertilizer technology may be leading to an improvement in the bargaining power of female labour. This may explain the observed reduction in the male-female disparity in wages. It is, therefore, possible that with the widespread use of new seed-fertilizer technology, development of mono-culture and the increased demand for casual labour, there may be further reduction in the male-female differences in wage rates.

D. CONSUMPTION

6.41 Despite some rise in real wages in 1980s the earnings of agricultural labourers are far from adequate to meet their 'basic needs'. This is clearly reflected by the consumption expenditure data collected by the NSS in the 32nd and 38th Rounds. At the All-India level, the average annual consumption expenditure of agricultural labour households was Rs. 4800 in 1983 (4th RLE) as compared to Rs. 2833 in 1977-78 (3rd RLE), thus registering an increase of about 69 per cent. However, in view of the rise in CPI for agricultural labour by 58 per cent, the real increase has only been marginal. The proportion of expenditure on food was about 69 per cent and the expenditure pattern remained more or less the same except for marginal increase on fuel and light between the two Surveys (Table 7).

6.42 Per capita consumption of cereals is considered the most important indicator of the level of living in rural India. The share of cereals in total consumption expenditure is typically over 40 per cent in rural India. It is as high as 60 per cent or even more for the lowest docile groups. Cereals supply about 80 per cent of the total calorie intake of persons in the bottom docile groups. It has been observed in some parts of the country that the per capita cereals consumption in quantity terms decreased in the case of agricultural labour households in general and Scheduled Tribe households in particular during the recent years.

6.43 Further, the data provided by the Fourth RLE (1983) indicate that at the national level the percentage of agricultural labour households with monthly

per capita expenditure of less than Rs. 100/- was about 70 per cent, while the corresponding percentage for the expenditure class of Rs. 250/- and above was only 1.5 per cent. The RLE data further indicates that the average family size declines with the increase in per capita expenditure classes. Clearly a vast majority of agricultural labour households are still below the poverty line.

E. CLOTHING

6.44 The change in the percentage distribution of consumption expenditure among different items over a period gives a good indication of the degree of improvement or deterioration in the levels of living. For example, the decrease in the share of total expenditure on cereals or on food and increase in other items such as clothing, housing, entertainment etc., would indicate an improvement in the level of living. Viewed from this angle, the data presented in Table 7 on different items of consumption expenditure between two time-points (1977-78 and 1983) for agricultural labour households suggest neither improvement nor deterioration in their level of living. Data on expenditure in clothing too suggest no change during the span of five years. Some field investigations during the recent years show that the picture in 1990 is no better than what it was in 1983.

6.45 Large-scale surveys like the NSS do not provide much data about the quantity and quality of clothing used by the various social groups. However, we can form an idea about the conditions of landless labour households in the matter of clothing from the findings of an indepth survey carried out recently, mainly among the landless labour households in rural West Bengal. These findings show that about 50 per cent of the adult female members do not have even two sarees per head; about 90 per cent of the women do not have any petticoats and about 75 per cent of the men have less than two dhotis per head and more than 40 per cent of children seem to go almost naked.

6.46 The consumption expenditure data relating to agricultural labour households, provided by the NSS, also suggest a highly inadequate amount of expenditure not only for clothing but for the other necessities like education, medicine, housing, etc. Whatever they earn they spend largely on food by foregoing the consumption of other necessities. This suggests that by and large the agricultural labour households live and work merely to survive and they survive merely to work.

F. HOUSING

6.47 The latest NSS data for the year 1987-88 show that 11.1 per cent of landless households did not own homestead land. When compared with the figure in 1983, it is observed that the percentage of households not owning homestead has increased sharply. The disaggregated data at State levels indicates that in the year 1987-88, Punjab—the most developed State, has the highest percentage of landless households

who do not own homestead land (24.6%), Maharashtra (20.9%), Tamil Nadu (18.1%), Gujarat (17.8%), Madhya Pradesh (12.2%), Andhra Pradesh (10.9%) and Bihar (10.6%) were the other States where the percentage reported was more than ten.

6.48 As to the housing conditions, the data show that in almost all the areas the majority of agricultural labour lives in katcha houses which are inadequate to protect the persons living in them from extreme heat or rains. They live mainly in one room sharing with all family members, having no separate kitchen and without any bathroom/latrine facility. They do not have access to electricity.

6.49 The housing conditions of Scheduled Caste and Scheduled Tribe households seem to be worse than the conditions of agricultural labourers in general, as observed from several surveys conducted in the recent years. All these evidences suggest that in terms of housing condition and other necessities of life, agricultural labour households belonging to Scheduled Castes and Scheduled Tribes constitute the poorest of the poor.

G. INDEBTEDNESS

6.50 We have dealt with this subject in detail in another chapter. However, we note here that:—

- (a) the average debt in absolute as well as in real terms per indebted agricultural labour household has gone up between 1977-78 and 1987-88 for Scheduled Castes, Scheduled Tribes and others,
- (b) the land for household consumption and social purposes (ceremonies etc.) still forms a significant proportion of total debt and this is generally obtained from informal sources namely, employers/landlords, moneylenders, shopkeepers and relatives and friends,
- (c) both Scheduled Caste and Scheduled Tribe labour households borrow money from informal sources, but among the various informal sources, Scheduled Tribe households borrow money more from moneylenders than from employers whereas the reverse is true in the case of Scheduled Caste households. Interestingly, in recent times the borrowing from Banks by Scheduled Caste labourers is significantly higher than by Scheduled Tribe labourers; and
- (d) analysis of data regarding the purposes of debt reveals that both Scheduled Caste and Scheduled Tribe labour households borrow money mainly for consumption purposes. Next in importance is the borrowing for productive purposes, particularly in the eighties.

VI. GREEN REVOLUTION AND AGRICULTURAL LABOUR

6.51 Agricultural labour contributed significantly to the agricultural development and the green revolu-

tion in the country. The green revolution, though confined to certain regions and pockets in the country, has brought prosperity to the farmers, particularly the big farmers, who had the means to modernise their agriculture and adopt new technologies. They have also been benefited by input subsidies, public investment in irrigation and loan-waivers etc. However, the agricultural labour who had adapted to modern agriculture and have toiled to bring productivity gains did not receive their due share. Labour share in the value added is declining in agriculturally developed regions. Farm mechanisation, a postgreen revolution phenomenon, has reduced employment opportunities with the use of job destroyers like combine harvesters. Green revolution resulted in casualisation of agricultural labour, a significant proportion of them being migrant labour. While the farmers get some compensation for loss of crops due to natural calamities etc., there is no compensation for loss of employment to agricultural labour. Thus, agricultural growth associated with green revolution has not contributed significantly to the betterment of agricultural labour, except for marginal gains in terms of increased wages in some States.

VII. LAND REFORMS AND AGRICULTURAL LABOUR

6.52 Land reforms programme is more important from agricultural labourers' point of view as even their existing land base is getting diminished over the years. The failure of implementation of land reforms programme and continued concentration of land in the hands of a few has put the agricultural labour in a very disadvantageous position. One of the immediate consequence is the rising proportion of wage labour and casual wage labour to the rural workforce.

6.53 It is possible to identify three groups of wage-paid labourers in our agrarian structure. The first group consists of those who have always been labourers having never had cultivation as an occupation in their lifetime. The second group consists of those who, before joining the ranks of labourers, were small/marginal cultivators but either decided to move out of farming (owing to meagre returns from farming) or were forced out by circumstances beyond their control. The third group would include those who are cultivators but take to wage labour for supplementary income. It would be reasonable to assume that these three groups of labourers represent dissimilar characteristics in terms of their conditions of employment, wage-rate, income level and debt pattern and thus they would require different packages of measures to make them viable.

6.54 In spite of better implementation of land reforms, it would be unrealistic to expect that all the rural poor can be absorbed in agriculture as owner cultivators. Since agricultural labourers in our country mainly belong to the first two groups, it will be reasonable here to suggest some policy measures relating to the first two groups only.

VIII. PROPOSED MEASURES

6.55 The strategy capable of making the poor agricultural labourers viable has necessarily to be multi-dimensional. The first thing is to create and/or strengthen the infrastructure of irrigation, drainage and flood control and rural electric supply as well as introduction of dry farming technology, which will result in increasing the agricultural productivity and employment. Next, it would be necessary to mount employment programmes which can raise income of the labourers. Enforcement of Minimum Wages and Social Security are the essential complements to such employment programmes. The next important measure is to provide house sites to agricultural labourers. House sites and homestead not only meet a basic need but also enable households to take up supplementary landbased activities like vegetable growing, poultry, dairying, etc. Another component of land reforms relevant to labourers is to give access to common lands (e.g., social forestry, tree pattas, etc.) for supplementing incomes.

6.56 The package suggested above is based on the strategy of integrating the measures for employment generation and improvement in working conditions by giving at least a modest land-base for labourers. This would not only add to the income earning opportunities available to them but also reduce their precarious dependence on employers for wage labour.

6.57 Considering the unorganised nature of agricultural labour and the insecurity from which it suffers, it is necessary to have a Central Legislation for agricultural workers. This is dealt with in a section to follow.

IX. CONCLUDING OBSERVATIONS

6.58 Agrarian structure in India after independence has undergone a significant change both in its content and contour. Among the factors responsible for change, mention may be made of—

- (a) implementation of land reform legislation;
- (b) the impact of an expanding domestic market for agricultural products as a result of large-scale government outlays under the plans since the mid-fifties; and
- (c) technical change introduced in agriculture by encouragement of private investment in improved techniques etc.

6.59 From these, one would expect that traditional types of labour arrangements to have become less prevalent and their replacement by more free contractual types to have become common. We get such an impression from whatever little information was gathered in connection with the emerging employer-labour relations, although that is not enough to generalise about the country as a whole.

6.60 One would also expect to find rising wage rates for agricultural labourers. One of the significant findings in this context is that during the period since the mid-seventies there is an upward movement in real agricultural wage rates in the different States, as compared to earlier periods.

6.61 Empirical evidence also suggests that the labour demand generated by agricultural growth in the recent years is not sufficient to absorb the growing rural labour force.

6.62 It is observed that the number of agricultural labourers has been increasing over the last few decades for various reasons. The majority of agricultural labourers do not get employment throughout the year, not even in the agriculturally better-endowed regions such as Punjab, Haryana, Uttar Pradesh etc. On the same ground, their annual earnings are so low that they cannot meet even their minimum consumption needs.

6.63 The agrarian structure as it stands today reveals that on the one hand the inequality in the distribution of land-ownership has not substantially altered in favour of the rural poor through land reforms. On the other hand, qualitative changes have taken place in the mode of operation of land as a result of commercialisation of agriculture and penetration of new technology into the countryside which in many cases have worsened the relative position of the rural poor. The new technology, being market oriented and capital intensive, has mainly favoured the big peasants; the small farmers not possessing the required resource base or requisite knowledge and risk-bearing capacity have lagged behind in the adoption of this technology. Small and marginal farmers are, therefore, placed at a disadvantage vis-a-vis the big-owners and sometimes economic pressures might have forced them out to join the swelling ranks of agricultural labourers.

6.64 The above mentioned facts, particularly those related to employment, wages, consumption expenditure etc., clearly suggest that the benefits of agricultural development during the last four decades, by and large, have gone mainly to particular land-owning class, (i.e. big farmers) and not proportionately to all the rural classes. It is evident that worst sufferers in this context are Scheduled Caste and Scheduled Tribe agricultural labour households. The worst sufferers in the regional context are Bihar, Madhya Pradesh and Orissa.

6.65 The above discussion suggests that there is a need to have an integrated policy of infrastructure development through public expenditure by which the benefits of agricultural development can be transmitted to the 'weaker sections' of the rural society. The two major rural development programmes of IRDP and NREP/RLEGP (now merged as JRY), initiated during the Sixth and the Seventh Plan periods failed to achieve satisfactory results. In fact,

the development programmes so far undertaken for the betterment of the toiling masses have not reached them due to the prevailing village power structure. The village power structure is still governed by the property structure in most areas and as a consequence the benefits of development are enjoyed mostly by the large land-owners. While it is important to achieve agricultural growth with stability, it is equally important to monitor the ownership and control of productive resources.

X. CENTRAL LEGISLATION FOR AGRICULTURAL WORKERS

6.66 The question of bringing in a Central Legislation for agricultural labour has been pressed for more than a decade and a half and has been discussed in the Standing Committee on Rural Unorganised Labour, the Labour Ministers' Conferences, and the Parliamentary Consultative Committee attached to Ministry of Labour as well as in the Parliament. At the instance of the Ministry of Labour, the National Commission on Rural Labour also organised a National Seminar on Agricultural Labour on 8th and 9th March, 1990. The Seminar was inaugurated by the Prime Minister. There was a broad consensus for a Central Legislation on agricultural labour. This was also endorsed by the Indian Labour Conference in its 29th Session, and the Labour Ministers' Conference at its 38th Session also in general agreement with the idea. A draft of a Central Bill prepared in 1980 by a Sub-Committee of the Central Standing Committee on Rural Unorganised Labour was also considered by the Parliamentary Consultative Committee attached to the Ministry of Labour.

6.67 The Commission had examined the views expressed at various forums on the question of Central Legislation for agricultural labour, including the consensus in the National Seminar organised by it and has also looked at Kerala Agricultural Workers Act, 1974 (as amended to date), the Tripura Agricultural Workers Act, 1986 and the draft of the Central Bill prepared by the Sub-Committee of the Central Standing Committee on Rural Unorganised Labour. The Commission is of the view that the agricultural labour forms the most vulnerable section among the workers dependent on wage employment and hence there is an urgent need for a Central legislation to cover the agricultural labour to protect their interests. While the draft Bill prepared by the Sub-Committee referred to above has the pattern of the Kerala and Tripura Acts and provides an acceptable framework, the Commission is of the view that certain matters should be specially noted and provided for in the legislation.

6.68 Legislation should provide for security of employment for agricultural workers, prescribed hours of work, payment of prescribed wages and machinery for settlement of disputes. There should be provision for registration of agricultural labourers and providing them with identity cards. The legis-

lation should also make enabling provisions to prepare schemes for welfare and social security measures, including accident benefits, maternity benefits, old-age pensions, etc. with funding from Central/State Governments and also by levying a cess on landholders. There should be a separate organisation to deal exclusively with rural labour and the officials of this organisation could be notified as prescribed officers or authorities for purposes of agricultural labour under the Legislation. There should also be a provision enabling trade unions of agricultural workers to be registered in a simplified manner.

Definitions

6.69 While the definition of Agricultural Worker covers agricultural and allied occupations, care should be taken to see that the following categories do not get excluded:—

- (a) Those with some land but who have to supplement their income by working as labourers for wages for a portion of the year.
- (b) Those who work on a contract basis for any agricultural or allied activity.
- (c) Those who are styled a permanent servants attached workers or casual workers.

6.70 The definition of employer could be as follows:—

'Employer' when used in relation to as agricultural operations, including farming, dairy farming, production, cultivation, growing and harvesting of horticultural commodity, raising of livestock, bee keeping or poultry and any practice performed on a farm as incidental or in conjunction with farm operations including any forestry or timbering operations and the preparation for market and delivery to storage or to market or to carriage for transportation of farm products, means the person who has the ultimate control over the affairs of any agricultural land or entrusted to any other person whether called a managing agent, manager, superintendent or by any other name such other persons shall be deemed to be employed in relation to that agricultural land.

6.71 In so far as an employer who is in a land-owner, is concerned there should be a definition of 'land-owner' on the lines of the Kerala and Tripura Acts and should include tenants or sharecroppers or other persons such as manager, managing agent, superintendent, supervisor etc. who may be in actual possession of the land and hiring labourers.

6.72 The definition of 'wages' should also provide for payments made on piece-rate basis or on contractual basis as agreed upon by the employer and the worker. This is considered necessary as it has been observed that engagement of labourers on contract or piece-rate basis for agricultural purposes is

an increasing phenomenon. Hence, 'wages' should be so defined as to include all remunerations or earnings or benefits however designated or calculated, capable of being expressed in terms of money and fixed by mutual agreement or by law which are payable by virtue of an expressed or implied contract of employment as attached or casual or contractual labour by an employer to the employed person in cash or in kind or partly in cash or partly in kind in respect of the employment or contract or for work done in such employment.

6.73 In regard to the definition of "Schemes" it is desirable to make it wider by referring to it as "Schemes framed under the Act" and make enabling provisions as in the Tripura Act for framing of one or more schemes by notifications, such as Agricultural Workers Welfare Fund Scheme, Agricultural Workers Contributory Provident Fund Scheme, Agricultural Workers Group Insurance Scheme, etc. To start with the scope of the Agricultural Workers Welfare Fund Scheme can be defined in the Act.

Agricultural Tribunal and Officers

6.74 For effective implementation of the law and to ensure the welfare of rural labour in general and the agricultural workers in particular, it is considered desirable to have a separate Department of Rural Labour at the Central and State levels with functionaries below the State levels as well. The existing machinery of the Labour Department being loaded with and more oriented towards the organised sector, a separate machinery is considered essential for the unorganised sector in the rural areas. The machinery would involve Agricultural or Rural Labour Inspectors and Registration Officers at the lowest level, Conciliation officers at the middle level and the Agricultural Tribunal at the higher level. The Agricultural Tribunal should be a Multi-Member Tribunal.

6.75 The profile of agricultural labour shows that majority of them are landless or near landless and belong to Scheduled Castes and Scheduled Tribes and other weaker sections of society. Among casual labour, women form a very large segment. In order that the enforcing machinery has the necessary empathy in favour of landless classes and the disadvantaged, and not partisan to the landed class, the inspectors etc. who are selected for appointment in this area should have a rural background but not owning agricultural land beyond 5 rainfed or 2 irrigated acres. The persons selected should be such that they are dedicated to the cause of rural labour and are relatively senior. They should be given necessary orientation and training in various aspects of the problems of rural labour before they are posted.

6.76 The Conciliation Officers also must be selected from persons with suitable background for settlement of disputes without bias or prejudice.

6.77 The inspection should also suo moto lead to making references to the Conciliation Officer without waiting for complaints, written or otherwise about infringement of this Act or the other Acts like the

Minimum Wages Act etc. The State Government should authorise conciliation officers to file cases for infringement of the provisions of the Act. The conciliation officers should also be authorised to make payment of claims regarding non-payment of wages after due investigation and such amounts could be paid out of the Agricultural Workers Welfare Fund without waiting for the recovery of the same from the employer. The recovery when made could be reimbursed to the Fund. The Tribunal should be empowered to entertain directly disputes which could not be settled by the Conciliation Officer without the necessity of the District Collector or the Deputy Commissioner examining the report of the Conciliation Officer and referring the matter to the Tribunal where he is satisfied. The Conciliation Officer can make a direct report to the Tribunal where he is satisfied. The Conciliation Officer can make a direct report to the Tribunal to avoid delays. The award of the Tribunal must be final and binding. Payment of amount of award to the agricultural labour may be paid out of the Welfare Fund pending the recovery of the same from the employer through the District Collector or the Deputy Commissioner.

Security of Employment and Welfare

6.78 The provision regarding preference for employment as agricultural workers is an important aspect and also should take note of the prevalent practice on the ground, the seasonal nature of operations, fluctuating demand for labour and the types of specialisation in certain operations. Agricultural Workers work also on more than one farm in an agricultural season and the problems of such casual and contractual labour in regard to job security is not easy to achieve. However, the Commission would comment for adoption for formulation in Section 7 of the Kerala Agricultural Workers Act and Tripura Agricultural Workers Act on preference for employment as agricultural workers. This would give protection to permanent workers, attached workers, workers who have worked for 3 consecutive agricultural seasons though not the previous seasons, workers employed during the previous agricultural operation in the same agricultural land during the same agricultural season, workers in the same land in the previous agricultural season and also makes provision for employing additional workers for agricultural operations when the number of workers available on preferential basis is not adequate. The landowner should not also be under any obligation to employ a person who does not offer himself for employment, or who is more than a certain age (65 years in case of men and 60 years in the case of women) or who are incapacitated or unable to do the work. The Commission endorses the provision for enabling formation of trade unions of agricultural labour and to register and carry on their activities under applicable laws. This is a welcome provision in view of the agricultural workers being the most unorganised lot. However, certain safeguards should be provided to ensure that no agricultural worker or union functionary is victimised, harassed or proceeded against on account of his or her involvement in trade union activities.

6.79 In regard to welfare schemes, the Commission noted that the provision for a scheme of Agricultural Workers Provident Fund in the Kerala Act could not be implemented so far. The Kerala Act has been amended in the early part of 1990 to provide for a Welfare Fund through a contribution from land-owners (at Rs. 10 per annum for holdings more than half hectare but less than one hectare and at Rs. 15 per annum per hectare or part for those holding one hectare or more) and from agricultural workers registered under the Act at Rs. 2 per month. While the agricultural workers' pension scheme was being financed entirely from State Government funds so far, this levy would contribute in a small part to finance this scheme.

6.80 The Commission is in agreement that an Agricultural Welfare Fund needs to be established and the contribution of the employer, say as a cess on land, and a nominal contribution from an agricultural worker could be provided for at rates to be prescribed by the State Government. However, these are not likely to generate adequate funds for the purposes for which the Fund would be applied. The State Government alone may not be able to meet the requirements entirely or be in a position to make a substantial contribution either. The Commission is, therefore, of the view that there must be a sharing of a contribution to the Fund by the Central Government and State Governments at least on a 50 : 50 basis after the Central Government meeting 100% expenditure for first three years.

6.81 The Welfare Fund must necessarily make provision for the following:—

- (a) *Maternity Benefits*: Women agricultural labour should be provided maternity leave with wages for a period of 3 months (6 weeks before delivery and 6 weeks after delivery) for two surviving children.
- (b) *Old Age Pension for Agricultural Labour*: An old age pension at a minimum of Rs. 100 p.m. should be provided to every agricultural labour of and above the age of 60.
- (c) *Accident Compensation*: Death and injuries due to accidents are required to be compensated for, particularly because of increased use of mechanical devices like tractors, threshers, combine harvesters etc. Compensation as would be admissible under the Workmen's Compensation Act should be paid out of this Fund and the schedule of employment in the Workmen's Compensation Act may be expanded to the extent necessary for this purpose. This should be in addition to what is currently admissible under the Personal Accident Insurance Scheme.

6.82 The Group Insurance Scheme should be expanded to cover all agricultural labour, with the insurance premium paid by the Government.

6.83 In regard to the proposal for an Employment Guarantee Board on a tripartite basis, the Commis-

sion is of the view that it is necessary to distinguish the functions relating to employment security and welfare on the one hand and the employment guarantee through provision of alternate employment on the other. The latter has wider implication and is not necessarily confined to the problem of agricultural workers. It is also related to the proposal regarding making 'right to work' as a Constitutional right and the phased implementation of an Employment Guarantee Scheme on a national scale. The Commission is, therefore, of the opinion that the suggested Board could be styled as an Employment Security and Welfare Board which could supervise and monitor the working of the various provisions of the Act concerning agricultural workers. Besides including representatives of employers and employees, it could also have representatives of Government, trade unions, experts, social activists non-Governmental voluntary organisations, Scheduled Castes, Scheduled Tribes, Women etc. also so that this Board can serve the purpose of exercising vigilance on the implementation of the Act and the functioning of the various authorities in implementation of the Act. Such a Board should be constituted at the State level, at the District level as well as at the Panchayat level. Where there are Zila Parishads at the district level, such a Board could be a sub-committee of the Zila Parishad through co-option as required. Similarly, it should be a sub-committee of the Panchayat at the Panchayat level through co-option as required.

Hours of work and Limitations of Employment and Wages

6.84 The Commission is in agreement with the provision regarding hours of work and daily intervals for rest provided for in the draft 1980 Bill on the lines of the Kerala and Tripura Acts. In regard to extra wages for overtime work, the formulation should be as in the Kerala or Tripura Acts to provide for cases where the employer requires more than the fixed hours of work to be done, as exigencies may require.

6.85 In regard to wages, the imputed value of wages in kind should be based on the procurement price fixed by Government from time to time in order to see that wages not less than the statutorily fixed minimum wages are paid. Similarly, it should be ensured that the remuneration received for any work done on a piece-rate or contract basis is also such that it is not less than the time wage rate notified by the appropriate Government. This would also help to reduce exploitation of workers in fixing the remuneration less than minimum wages, longer hours of work, encouragement of child labour etc. If the prevailing wage rates in any agricultural or allied operations (not only harvesting) in the area is higher than the statutory minimum wages, the employer should be bound to pay such higher rates. The minimum wage rates should be applicable to all categories of workers like permanent/regular, or attached/casual labour etc. There should be no wage discrimination on the basis of sex and the same wage for same work must be enforced.

General and Miscellaneous

6.86 While the registering authority is required to maintain a register of agricultural workers (as provided in the Draft Bill and in Kerala and Tripura Acts) the agricultural workers should also be given identity card. However, the provision requiring maintenance of registers and records by the employers may not be generally feasible of implementation in view of the prevailing literacy level in rural areas and would require to be applied selectively.

6.87 There should also be an enabling provision for applying the provisions of the Workmen's Compensation Act, 1923, the Payment of Wages Act, 1936, the Maternity Benefits Act, 1961 and the Minimum Wages Act, 1948 and other applicable Acts to the agricultural workers with such modifications as may be necessary. Provision of legal aid would also be essential.

6.88 While many of the suggestions made by the Commission could be incorporated in the legislation, some may have to be prescribed by Rules or contained in certain guidelines to be issued by the Central Government to the State Governments. The Commission also felt that in order to focus attention on the problems of rural labour, there should be a separate Minister for Rural Labour both at the Central and State levels. In any case, there should be a separate Department of Rural Labour. This proposal was put forward to the Commission almost unanimously by the State Governments, trade unions and voluntary organisations.

6.89 While the separate Department of Rural Labour and functionaries for this could be drawn by redeployment of existing staff, some additional staff may be required. In order to help the State Governments to take up this in earnest, the Commission recommends that the additional expenditure required on this account be borne by the Centre for the first three years and subsequently shared between the Centre and the States on a 50 : 50 basis.

CONCLUSIONS AND RECOMMENDATIONS

6.90 The conclusion and recommendations are as follows:—

- (1) The number of agricultural labourers has been increasing over the last few decades at a rate higher than the population growth in rural areas. However, the increase in employment in rural sector is not commensurate with the increase in labour force.
- (2) Nearly half of the agricultural labourers belonging to Scheduled Castes and Scheduled Tribes suffering from serious socio-economic deprivations, form the hardcore of the rural poverty.
- (3) The process of casualisation of labour is going on unabated in rural India as indicated by a phenomenal increase in the proportion of casual wage labour to total wage labour.

(4) The impact of NREP/RLEGP on employment situation has been marginal as the average employment provided under NREP was not more than 14 days, per person in a year. However, it had some positive impact on rural wage rates.

(5) There are notable differences in actual wage rates between gender groups within each State and more significantly there are substantial inter-state variation in wage rates.

(6) Where agricultural labourers are mostly unorganised and have weak bargaining power, special attention requires to be given for an effective implementation and enforcement of minimum wages in such regions.

(7) The encouraging developments during the 80s in regard to the wages of agricultural labour include:—

- a general rise in the real wages of agricultural labour; the rise in 80s has been at a higher rate than the rise in 70s,
- declining regional disparities in real wages.
- declining male-female disparity in agricultural wages.

The rising demand for labour in the non-agricultural sector in rural as well as in urban areas had positive impact on agricultural wages.

(8) The increase in consumption of agricultural labour household in real terms has been very marginal. The proportion of agricultural labour household with monthly per capita expenditure of less than Rs. 100/- was about 70% which shows that the vast majority of the agricultural labour households are still below the poverty line.

(9) The consumption expenditure data (NSS) relating to agricultural labour households suggest highly inadequate expenditure not only on clothing but also on other necessities like education, medicine and housing etc.

(10) Agricultural labour contributed significantly to the agricultural development and the green revolution. However, agricultural labour did not receive their due share in the productivity gains.

(11) Land reforms programme is more important from agricultural labourer's point of view as even their existing land base is getting diminished over the years.

(12) The strategy capable of making the poor agricultural labourers viable has necessarily to be multi-dimensional. The first thing is to create and/or strengthen infrastructure of irrigation, drainage and flood control and rural electric

supply as well as introduction of dry farming technology, which will result in increasing agricultural productivity and employment.

- (13) It would be necessary to mount employment programmes which can remove the excess supply of labour for agricultural operations which can raise income of the labourers. Enforcement of Minimum Wages and Social Security are the essential components of such employment programmes.
- (14) Agricultural labourers should be provided with house sites and homestead not only to meet the basic need but also enable household to take up supplementary land based activities like poultry, dairy etc.
- (15) The Commission is of the view that the agricultural labourers form the vulnerable section among the workers dependent on wage employment and hence there is an urgent need for a Central Legislation to cover the agricultural labour and to protect their interests.
- (16) Central Legislation should provide for security of employment for agricultural labour, prescribed hours of work, payment of prescribed wages and machinery for settlement of disputes. There should be provision for registration of agricultural labourers and providing them with identity cards. The legislation should also make enabling provisions to prepare schemes for welfare and social security measures.
- (17) There should be separate organisation to deal exclusively with rural labour. For effective implementation of the laws and to ensure the welfare of rural labour in general and the agricultural labour in particular, it is desirable to have a separate Department of Rural Labour at the Central and State levels with functionaries below the State level as well.
- (18) The Commission endorses the provision for enabling formation of trade union and agricultural labourer to carry on their activities under applicable laws. However, certain safeguards should also be provided for in the Central Legislation to ensure that no agricultural labourer or union functionary is victimised, harassed or proceeded against on account of his or her involvement of trade union activities.
- (19) The Commission is in agreement that in agricultural welfare fund needs to be established and the contribution of the employer, say, as a cess on land, and a nominal contribution from agricultural labour could be provided for at the rates to be prescribed by State Government. However, these are not likely to generate adequate funds and the Commission is, therefore, of the view that there must be a sharing of a contribution to the fund by Central Government and State Government at least on a 50 : 50 basis after the Central Government meeting 100% expenditure for first three years.
- (20) The Welfare Fund must necessarily make provisions for the following:—
- (i) Women agricultural labour should be provided maternity leave with wages for a period of 3 months (6 weeks before delivery and 6 weeks after delivery) for two surviving children.
 - (ii) Old age pension at a minimum of Rs. 100 p.m. should be provided to every agricultural labourer of and above the age of 60.
 - (iii) Death and injuries due to accidents are required to be compensated particularly because of increased use of mechanical devices like tractors, threshers, combine harvesters etc. Compensation as would be admissible under the Workmen's Compensation Act may be expanded to the extent necessary for this purpose. This should be in addition to what is currently admissible under the Personal Accident Insurance Scheme.
- (21) The group insurance scheme should be expanded to cover all agricultural workers, with insurance premium paid by Government.
- (22) In regard to the proposal for an Employment Guarantee Board on tripartite basis, the Commission is of the opinion that the board could be styled as Employment Security and Welfare Board which could supervise and monitor the working of the various provisions of the Act concerning agricultural labour. The Board could include experts, social activists, non-Governmental voluntary organisations, Scheduled Castes and Scheduled Tribes and women members. Such board should be constituted at State level, District level and also at Panchayat level.
- (23) It should be ensured that remuneration received for any work done on a piece-rate or contract basis is also such that it is not less than the time wage rate notified by the appropriate Government.
- (24) In the Central Legislation, there should also be an enabling provision for applying the provisions of the Workmen's Compensation Act, 1923, the Payment of Wages Act, 1936, the Maternity Benefit Act, 1961 and the Minimum Wages Act, 1946 and other applicable Acts to the agricultural workers with such modifications as may be necessary. Provision for legal aid would also be essential.
- (25) The Commission also feels that in order to focus attention on the problems of rural labour, there should be a separate Minister for Rural Labour both at the Central and State levels. In any case, there should be separate Department of Rural Labour.

TABLE 1

Size and Composition of Agricultural Labour Households by Different Social Groups for the years 1977-78 and 1983: All India

Items	Social Groups					
	Schd. Castes		Schd. Tribes		All groups	
	1977-78	1983	1977-78	1983	1977-78	1983
1. No. of agricultural labour households (in 000)	9831	10683 (8.67)	3691	3954 (7.13)	28587	30867 (7.98)
2. Av. size of agricultural labour households	4.69	4.62	4.63	4.49	4.67	4.63
3. Av. number of wage earners	1.84	1.90	2.18	2.17	1.79	1.89
4. Percentage of landed agricultural labour households to total agricultural labour households	14.87	13.20	6.65	6.49	48.63	44.05
5. Av. size of land cultivated per cultivating household (in hectares)	0.78	0.64	0.69	0.82	0.54	0.70
6. Percentage of land cultivated by size-class of holdings (hect.)						
(i) Less than 0.60	79.81	76.79	54.28	58.05	71.27	70.96
(ii) 0.60—1.00	10.74	12.65	22.60	19.40	14.49	14.59
(iii) 1.00 & above	9.45	10.56	21.12	22.55	14.24	14.45

Note : Figures in brackets indicate percentage change.

Source : Rural Labour Enquiries

TABLE 2

Real Wage Indices of Female Agricultural Labourers in Indian States 1970/71 100

States	Andhra	Assam	Bihar	Gujarat	Haryana	Himachal	Karnataka	Kerala
1970/71	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1971/72	94.18	95.14	95.30	106.09	99.65	97.81	104.67	126.21
1973/74	80.05	97.07	90.49	87.91	76.44	81.80	91.45	106.21
1974/75	72.72	78.25	85.44	73.77	73.00	75.42	83.64	91.13
1975/76	94.94	92.09	128.57	106.61	82.94	91.56	104.30	102.37
1976/77	101.44	103.78	135.26	154.94	101.47	92.49	141.58	120.97
1977/78	104.98	105.68	145.50	145.57	98.56	89.41	161.96	128.34
1978/79	119.47	101.18	136.81	151.21	96.37	91.80	154.08	137.17
1979/80	120.21	95.91	130.39	138.53	109.38	88.32	145.71	137.33
1980/81	111.92	96.14	117.34	125.42	107.84	90.71	120.13	148.36
1982/83	124.70	104.85	141.09	128.65	140.87	99.98	120.17	155.33
1983/84	136.82	112.70	148.20	145.27	137.20	109.02	119.22	136.58
1984/85	146.33	125.43	165.48	155.81	129.94	110.92	122.91	157.70
1985/86	155.92	136.70	172.14	151.63	125.73	119.64	167.07	173.65
1986/87	159.12	136.76	179.98	159.79	137.75	114.93	151.48	166.34
1987/88	101.17	139.89	169.63	145.27	118.27	122.17	144.22	172.79
1988/89	144.67	130.80	170.77	146.13	119.51	117.12	195.70	164.98

Table-2- contd.

States	M.P.	M. Rashtra	Orissa	Punjab	Rajasthan	Tamil Nadu	U.P.	W. Bengal
1970/71	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1971/72	97.63	92.06	98.85	125.42	100.82	99.64	94.77	117.41
1973/74	79.78	76.85	95.63	95.78	72.13	93.71	85.92	106.16
1974/75	74.60	65.72	81.60	87.18	71.21	71.20	78.01	99.78
1975/76	104.42	67.54	118.36	92.63	119.01	95.05	105.12	119.09
1976/77	145.16	81.07	166.18		159.83	97.95	125.58	137.09
1977/78	136.62	88.91	156.34		135.31	113.36	95.11	156.11
1978/79	140.69	98.56	157.01	132.88	145.87	119.66	107.09	144.72
1979/80	123.84	95.10	125.71	132.41	135.64	144.49	106.65	141.42
1980/81	119.41	84.90	124.50	120.50	113.18	110.91	90.74	135.66
1982/83	144.43	95.84	109.91	132.48	129.10	120.36	125.92	132.78
1983/84	156.87	114.10	136.85	137.29	139.62	110.62	139.52	142.32
1984/85	168.25	121.58	148.14	125.51	133.85	121.25	145.12	
1985/86	168.36		157.40	123.83	138.17	122.79	139.89	
1986/87	180.43		160.03	129.20	178.67	110.81	157.28	165.54
1987/88	180.64		148.10		137.84	114.17	133.83	179.40
1988/89	170.54		169.97		142.45	147.83	122.94	183.78

TABLE 3

Real Wage Indices of Male Agricultural Labourers in Indian States 1970/71—100

States	Andhra	Assam	Bihar	Gujarat	Haryana	Himachal	Karnataka	Kerala
1970/71	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1971/72	95.17	92.20	97.08	104.95	97.48	110.54	103.46	111.09
1973/74	82.89	90.10	90.85	79.64	79.22	88.21	90.81	99.37
1974/75	73.54	78.87	82.32	66.07	74.39	78.69	76.18	82.72
1975/76	87.57	89.65	114.47	91.71	81.08	92.73	94.51	94.44
1976/77	97.29	95.12	138.95	124.13	83.76	93.27	115.82	108.39
1977/78	101.27	98.09	119.57	114.22	91.86	85.78	127.87	111.55
1978/79	112.79	95.46	119.55	120.91	97.09	97.60	130.04	113.73
1979/80	111.82	90.39	111.62	112.16	92.84	94.61	121.78	119.75
1980/81	108.31	92.48	106.85	106.95	82.95	103.24	108.70	131.30
1982/83	122.25	103.10	117.52	119.76	98.21	102.73	107.97	135.69
1983/84	134.98	109.36	123.53	129.05	103.12	106.52	104.76	120.91
1984/85	145.09	120.06	145.90	151.60	100.05	104.91	103.56	131.57
1985/86	156.76	129.85	148.44	142.51	97.65	116.84	125.76	149.13
1986/87	171.58	136.79	150.90	150.02	106.61	136.07	138.90	151.99
1987/88	162.09	137.77	143.95	135.52	98.51	122.13	126.21	160.12
1988/89	148.64	136.19	156.09	134.06	97.59	117.52	139.65	163.19

TABLE 3—contd.

States	M.P.	M. Rashtra	Orissa	Punjab	Rajasthan	Tamil Nadu	U.P.	W. Bengal
1970/71	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1971/72	99.29	96.50	99.49	98.29	103.51	98.71	100.38	104.07
1973/74	88.04	77.27	89.75	89.09	87.67	92.80	84.57	90.39
1974/75	75.02	64.31	73.67	78.82	71.35	74.48	74.86	79.41
1975/76	100.76	66.12	87.68	90.35	90.63	92.93	119.99	98.48
1976/77	116.25	74.28	121.36	99.71	118.27	91.52	126.70	102.06
1977/78	109.90	77.75	115.58	94.95	114.09	89.92	100.22	110.88
1978/79	115.40	88.19	119.63	91.42	112.23	100.69	109.76	112.05
1979/80	103.94	86.11	108.60	86.88	106.41	106.82	103.99	107.39
1980/81	99.32	78.07	105.12	80.13	105.25	104.44	91.54	103.15
1982/83	125.43	91.52	96.05	86.15	119.51	100.81	108.22	92.03
1983/84	137.77	108.40	120.54	92.53	122.75	98.49	123.33	98.21
1984/85	144.72	122.64	140.62	97.43	112.90	118.46	131.45	103.84
1985/86	145.44		145.86	102.18	115.22	125.77	123.21	
1986/87	165.51		139.17	108.04	131.35	121.47	140.56	113.27
1987/88	162.44		133.41	105.40	143.33	107.81	133.94	115.68
1988/89	154.39		149.91	110.90	154.21	116.31	129.62	123.88

TABLE 4
Trends in Agricultural Wages in Real Terms

States	Male			Female		
	Index of Real Wage		%	Index of Real Wage		%
	1970-71 1971-72*	87-88 88-89*	Increase	70-71 71-72*	87-88 88-89*	increase
<i>High-Wage</i>						
Punjab	99.15	108.15	9.1	112.71	129.20	14.6
Haryana	98.74	98.05	0.7	99.83	118.89	19.1
Himachal	105.27	119.83	13.8	98.91	119.65	21.0
Kerala	105.55	161.66	53.6	113.11	168.89	49.3
<i>Low-Wage</i>						
Andhra Pradesh	97.59	155.37	59.2	97.09	152.92	57.5
Bihar	98.54	150.02	55.2	97.65	170.20	74.3
Orissa	99.75	141.66	42.0	99.43	159.04	60.0
M. Pradesh	99.65	158.42	59.0	98.82	175.59	73.7

Source : A.V. Jose, Agricultural Wages in India.

*Two year average of indices.

Note: Kerala with highly organised labour has been able to exert pressure and obtain higher real wages compared with low wage States. Positive intervention of the State in bring periodic revision in minimum wage rate and also ensuring their payment with effective implementation machinery have greatly influenced the increases in real wage in Kerala.

TABLE 5

Increases in Real Wages for Rural Females (All India) between
1977-78 and 1987-88

Agricultural Sector	Increase in average salary/earnings
1. Regular Employment	50.0%
2. Casual Employment	39.7%
<i>Non-Agricultural Sector</i>	
1. Regular Employment	62.2%
2. Casual Employment	60.0%

Source: NSSO

TABLE 6

Rates of growth of NDP in Agriculture at Constant Prices and Real
Wage Rates in Agriculture in major States
(1970-71 to 1984-85)

States	Percentage NDPA-C	Rates of Growth RW MALE
1	2	3
Andhra Pradesh(A.P.)	2.13*	3.44*
Assam (AS)	2.44*	1.43**
Bihar (BH)	1.03**	2.41*
Gujarat (GJ)	3.83*	3.23*
Haryana (HR)	2.87*	0.85
Himachal Pradesh (HP)	1.89*	0.71
Karnataka (KAR)	2.48*	1.14
Kerala (KLA)	-0.05	2.42*

TABLE 6—Contd.

	1	2	3
Madhya Pradesh (MP)		1.47***	2.94*
Maharashtra (MR)		4.21*	1.74***
Orissa (OR)		3.12*	2.18**
Punjab (PN)		3.97*	-0.01
Rajasthan (RJ)		3.51*	1.96**
Tamil Nadu (TN)		-1.35***	1.23***
Uttar Pradesh (UP)		2.79*	1.82***
West Bengal (WB)		2.54*	0.40

Source: A.V. JOSE ILO/ARTEP

Note: Abbreviations are NDPAC—Net Domestic Product in Agriculture at Constant Prices; RW—Real Wages, Stars *, ** and *** indicate values of coefficients significant at 99, 97.5 and 95 per cent levels, respectively.

TABLE 7

Average Annual Expenditure per Agricultural Labour Household
on different items of expenditure
(All India)

Item Group	Av. Annual expenditure per household (Rs.)		Percentage to total Consumption expenditure	
	1977-78	1983	1977-78	1983
Food	1944	3295	68.6	68.7
Clothing, Bedding and Footwear	215	347	7.6	7.2
Fuel and Light	206	392	7.3	8.2
Stimulants and intoxicants	105	179	3.7	3.7
Services and Miscellaneous	363	587	12.8	12.2
Total Cons. Exp.	2833	4800	100.0	100.0

Source : Rural Labour Enquiry (1983).

ANNEXURE I

DISTRIBUTION OF RURAL WORKERS

(No. in Million)

Workers	Sex	1961		1971*		1981*		Main		Marginal	
		No.	%	No.	%	No.	%	No.	%	No.	%
I Cultivators	Male	65.2	61.1	67.5	56.0	77.0	55.0	75.5	55.1	1.5	48.4
	Female	32.7	58.9	9.2	32.8	23.4	40.8	14.7	37.1	8.7	48.9
	Total	97.9	60.3	76.7	51.6	100.4	50.9	90.2	51.1	10.2	48.8
II Agricultural Labour	Male	16.8	15.7	30.4	25.2	33.9	24.2	32.8	24.0	1.1	35.5
	Female	13.8	24.9	15.2	54.3	27.4	47.7	19.9	50.3	7.5	42.1
	Total	30.6	18.9	45.6	30.7	61.3	31.0	52.7	29.8	8.6	41.2
III Activities allied to agriculture	Male	3.5	3.3	3.0	2.5	3.6	2.6	3.5	2.6	0.1	3.2
	Female	11.1	2.0	0.7	2.5	1.0	1.7	0.7	1.8	0.3	1.7
	Total	4.6@	2.8	3.7	2.5	4.6	2.3	4.2	2.4	0.4	1.9
IV Non-Agricultural Activities	Male	21.3	19.9	19.6	16.3	25.5	18.2	25.1	18.3	0.4	12.9
	Female	7.9	14.2	2.9	10.4	5.6	9.8	4.3	10.8	1.3	7.3
	Total	29.2	18.0	22.5	15.2	31.1	15.8	29.4	16.7	1.7	8.1
V All	Male	106.8	100.0	120.5	100.0	140.0	100.0	136.9	100.0	3.1	100.0
	Female	55.5	100.0	28.0	100.0	57.4	100.0	39.6	100.0	17.8	100.0
Grand Total		162.3	100.0	148.5	100.0	197.4	100.0	176.5	100.0	20.9	100.0

Note :

@ Includes Mining & Quarrying.

* Due to exclusion of work performed as 'secondary' activity from the criterion of economic activity at the time of 1971 census, the figure are not strictly comparable with earlier censuses.

ANNEXURE II

STATE-WISE SHARE OF AGRICULTURAL LABOURERS IN POPULATION AND WORKFORCE DURING 1981
(RURAL PLUS URBAN)

(Lakhs)

States/Union Territories	Population	Main workers	Marginal workers	Total Main workers & Marginal workers (3+4)	Agricultural Labourers	Agricultural Labourers as percentage of						
						Population	Main workers	Total main and Marginal workers				
1. Andhra Pradesh	535	226	19	245	94	17.57	41.59	38.37				
2. Assam	199	..	..	..	..	..	..	..
3. Bihar	699	208	19	227	83	11.87	39.90	36.56				
4. Gujarat	341	110	17	127	32	9.38	29.09	25.20				
5. Haryana	129	37	4	41	7	5.43	18.92	17.07				
6. Himachal Pradesh	43	15	3	18	1	2.33	6.67	5.56				
7. Jammu & Kashmir	60	18	8	26	1	1.67	5.56	3.85				
8. Karnataka	371	137	13	150	43	11.59	31.39	28.67				
9. Kerala	255	68	10	78	23	9.02	33.82	29.49				
10. Madhya Pradesh	522	200	24	224	57	10.92	28.50	25.45				
11. Maharashtra	628	243	24	267	75	11.94	30.86	28.09				
12. Manipur	14	6	..	6	..	..	..	..
13. Meghalaya	13	6	..	6	1	7.69	16.67	16.67				
14. Nagaland	8	4	..	4	..	..	..	..
15. Orissa	264	86	14	100	32	12.12	37.21	32.00				
16. Punjab	168	49	4	53	13	7.74	26.53	24.53				
17. Rajasthan	343	104	21	125	11	3.21	10.58	8.80				
18. Sikkim	3	1	..	1	..	..	..	..
19. Tamil Nadu	484	190	12	202	68	14.05	35.79	33.66				
20. Tripura	21	6	1	7	2	9.52	33.33	28.57				
21. Uttar Pradesh	1109	324	17	341	57	5.14	17.59	16.72				
22. West Bengal	546	154	10	164	43	7.88	27.92	26.22				
Union Territories												
23. Andaman & Nicobar Islands	2	1	..	1	..	..	..	..
24. Arunachal Pradesh	6	3	..	3	..	..	..	..
25. Chandigarh	4	2	..	2	..	..	..	..
26. Dadra & Nagar Haveli	1	..	..	..	..	..	..	..
27. Delhi	62	20	..	20	..	..	..	..
28. Goa, Daman & Diu	11	3	1	4	..	..	..	..
29. Lakshadweep	..	..	..	..	..	..	..	..
30. Pondicherry	6	2	..	2	1	16.67	50.00	50.00				
31. Mizoram	5	2	..	2	..	..	..	..
All India	6653*	2225	221	2446	644	9.68	28.94	26.33				

*(excluding Assam)

ANNEXURE III

AN ESTIMATE OF RURAL LABOUR AND AGRICULTURAL LABOUR

Based on NSS 43rd Round (1987-88) data the Commission estimated the number of rural labour. As per NCRL's definition, the estimated number of rural labour in 1987-88 is around 150 million. This would include about 97 million rural labour as defined in RLE (Self-employed, regular and casual workers in rural labour households), about 9 million casual workers in self-employed households and other households besides 44 million workers deserving to be cate-

gorised as rural labour in the self-employed households belonging to landless, marginal and small categories. The above estimate includes unemployed (excluding graduates and above) in the rural labour force in the categories included NCRL definition. The 'Rural labour' as defined by the Commission accounts for about 60 per cent of the total rural labour force in the country. Rural labour engaged in agriculture would be around 110 million or 73 per cent of the total rural labour as defined by the Commission.

ANNEXURE IV

OPERATIONAL HOLDINGS IN INDIA BASED ON AGRICULTURE CENSUS DATA

Sl. No.	Category and size of operational holdings	Number of operational holdings (Million)				Area operated (Million hectares)				Average size of holdings 1985-86
		1970-71	1976-77	1980-81	1985-86	1970-71	1976-77	1980-81	1985-86	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	Marginal (below 1 hecets.)	36.20 (51.0)	44.52 (54.6)	50.12 (56.4)	56.75 (58.1)	14.56 (9.0)	17.51 (10.7)	19.74 (12.1)	21.60 (13.2)	0.38
2.	Small (1-2 hecets.)	13.43 (18.9)	14.73 (18.10)	16.07 (18.1)	17.88 (18.3)	19.28 (11.9)	20.90 (12.8)	23.16 (14.1)	25.53 (15.6)	1.43
3.	Semi-Medium (2-4 hecets.)	10.68 (15.0)	11.67 (14.3)	12.45 (14.0)	13.25 (13.5)	30.00 (18.5)	32.43 (19.9)	34.65 (21.2)	36.58 (22.3)	2.76
4.	Medium (4-10 hecets.)	7.93 (11.2)	8.21 (10.0)	8.07 (9.1)	7.92 (8.1)	48.25 (29.7)	49.63 (30.4)	48.54 (29.6)	47.01 (28.7)	5.94
5.	Large (10 hecets. & above)	2.77 (3.9)	2.44 (3.0)	2.17 (2.4)	1.93 (2.0)	50.06 (30.0)	42.87 (26.2)	37.71 (23.0)	33.19 (20.2)	17.20
	All Categories	71.01 (100.0)	81.57 (100.0)	88.88 (100.0)	97.73 (100.0)	162.14 (100.0)	153.34 (100.0)	163.80 (100.0)	163.91 (100.0)	1.68

1. The figures in brackets & indicate percentage of totals in respective columns.
2. The figures for 1985-86 are provisional.

ANNEXURE V

DAILY WAGE RATES OF UNSKILLED AGRICULTURAL LABOUR

(Rupees per day/Males)

Year	A.P.	ASS	BIH	GUJ	HAR	H.P.	KLA	KAR	M.P.	MAH	ORR	PUN	RAJ	T.N.	TRI	U.P.	W.B.
1 1958-59	1.27	2.25	1.38		n.a.	1.90	1.56	1.41	1.19	1.52	1.24	2.44	n.a.	1.49	2.88	1.26	1.74
2 1959-60	1.29	2.28	1.16	1.73	n.a.	2.09	1.62	1.53	1.15	1.68	1.08	2.55	n.a.	1.54	2.88	1.24	1.75
3 1960-61	1.26	2.29	1.34	1.91	n.a.	2.30	1.70	1.53	1.23	1.42	1.18	2.45	n.a.	1.43	2.08	1.17	1.81
4 1961-62	1.48	2.30	1.32	1.99	n.a.	2.39	2.89	1.65	1.29	1.48	1.27	2.52	n.a.	1.68	2.80	1.35	1.89
5 1962-63	1.58	2.27	1.25	1.99	n.a.	2.62	2.28	1.63	1.34	1.56	1.27	2.82	n.a.	1.64	2.80	1.34	1.85
6 1963-64	1.55	2.49	1.42	1.81	n.a.	2.72	2.33	1.79	1.38	1.64	1.45	2.89	n.a.	1.52	2.88	1.17	2.81
7 1964-65	1.64	2.75	1.73	2.25	n.a.	2.86	2.68	1.94	1.49	1.91	1.51	3.24	n.a.	1.87	2.88	1.78	2.27
8 1965-66	1.79	3.89	2.11	2.35	n.a.	2.92	2.97	2.84	1.78	2.28	1.87	3.18	n.a.	1.96	2.84	1.53	2.50
9 1966-67	2.84	3.68	2.59	2.51	3.78	3.14	3.45	2.81	1.88	2.47	2.13	3.53	n.a.	2.20	2.50	2.04	2.81
10 1967-68	2.26	2.89	2.64	2.79	4.74	3.33	4.22	2.81	2.80	2.52	2.21	4.35	2.83	2.37	3.02	2.28	3.17
Growth Rate %	6.56	9.66	9.66	5.46	..	6.84	11.33	4.49	6.18	6.63	8.14	5.97	..	5.38	3.27	6.88	7.15
1 1968-69	2.38	3.55	2.57	2.84	5.44	3.53	4.47	2.12	2.82	2.63	..	6.89	3.08	2.54	3.08	2.47	2.96
2 1969-70	2.45	3.83	2.59	2.91	6.15	3.63	4.64	2.56	2.11	2.87	2.13	6.45	3.83	2.66	3.80	2.73	2.96
3 1970-71	2.63	4.02	2.69	3.29	6.66	3.97	4.97	2.61	2.17	2.94	2.16	6.51	3.48	2.73	3.00	2.78	3.05
4 1971-72	2.78	3.79	2.75	3.66	6.99	4.41	5.11	2.86	2.28	2.98	2.26	6.69	3.57	2.70	3.75	2.98	3.41
5 1972-73	2.86	4.12	2.92	3.52	7.89	4.58	5.15	2.92	2.56	2.93	2.34	7.14	3.94	2.96	4.00	3.31	3.56
6 1973-74	3.86	4.63	3.85	3.87	7.18	5.86	5.74	3.31	2.84	3.28	2.60	7.46	4.27	3.35	4.00	3.93	4.01
7 1974-75	3.37	5.18	4.16	3.91	8.16	5.44	6.78	3.58	3.32	3.68	3.12	8.61	4.56	4.78	4.08	4.81	4.20
8 1975-76	4.82	5.88	4.68	5.07	8.53	5.85	7.25	4.30	3.98	3.74	3.56	8.64	5.68	4.86	4.88	4.85	4.54
9 1976-77	4.56	5.59	5.81	5.99	8.99	6.42	7.83	4.92	4.25	3.81	4.11	9.87	7.16	4.19	4.08	5.27	5.48
10 1977-78	4.76	5.98	5.13	8.33	18.81	6.62	7.05	5.20	4.24	3.95	4.15	9.86	6.52	4.43	4.33	5.63	5.90
Growth Rate %	8.49	5.80	9.68	18.98	6.15	7.75	6.20	10.15	11.45	4.72	8.97	5.56	10.22	8.14	4.30	18.46	8.36
1 1978-79	4.97	6.27	5.31	6.45	11.87	6.79	7.49	5.10	4.30	4.20	4.32	10.32	7.21	4.81	5.84	5.64	6.13
2 1979-80	5.49	6.77	5.40	6.87	11.97	7.21	9.14	5.55	4.45	5.10	4.50	10.85	7.68	5.19	6.38	6.87	6.74
3 1980-81	5.96	7.26	5.83	7.28	12.55	8.07	10.98	6.82	4.76	5.22	4.70	11.74	8.58	5.62	7.46	6.66	6.97
4 1981-82	6.80	8.48	7.21	7.86	14.48	8.53	12.91	6.55	5.36	5.79	5.38	12.32	10.32	6.61	8.46	8.12	7.43
5 1982-83	7.95	9.54	7.93	18.73	16.23	11.52	14.55	6.64	6.87	6.52	6.89	13.58	13.61	6.74	9.17	8.52	7.87
6 1983-84	9.28	11.16	8.84	12.39	18.46	14.88	15.31	6.93	8.16	7.81	7.09	15.71	14.15	8.86	9.75	9.38	8.48
7 1984-85	18.26	12.35	9.57	13.56	19.83	16.59	17.98	7.21	9.00	16.66	8.07	18.64	10.95	8.62	11.88	10.39	18.88
8 1985-86	11.99	14.03	8.68	14.13	20.73	17.41	19.93	9.55	9.75	11.36	8.32	19.97	14.50	9.22	12.69	11.72	18.08
9 1986-87	12.21	15.81	12.13	14.71	22.59	20.21	22.88	9.09	10.64	10.97	9.02	21.43	16.72	9.92	14.50	12.95	18.25
10 1987-88	13.34	17.43	13.39	14.06	23.72	22.97	24.98	9.83	11.46	11.96	10.06	24.57	23.33	10.54	11.44	14.87	19.15
Growth Rate (M.W.) %	12.18	12.71	11.48	11.15	9.44	15.85	13.74	7.54	13.04	13.35	18.63	10.59	12.55	9.55	10.62	10.98	12.88
Trend (30 yrs.) %	8.68	7.28	8.68	8.59	8.49	8.28	9.63	7.27	8.43	7.47	7.84	8.43	10.54	7.46	7.39	7.84	7.84
Trend (28 yrs.) %	18.18	8.78	9.30	9.99	3.26	19.20	8.41	9.59	9.94	8.76	9.88	7.46	10.75	8.11	..	9.56	9.48

Source : Directorate of Economics and Statistics, Ministry of Agriculture.

ANNEXURE VI

METHODOLOGY

Main elements of the methodology are outlined below:

- (1) Wage data used in this study have been obtained from Agricultural Wages in India (AWI) annually published by Government of India.
- (2) The period of review is from 1970/71 unto 1988/89. Agricultural year, i.e., starting from the month of July to June has been retained as the basic unit for analysing wage trends.
- (3) In the case of male workers daily wage rates corresponding to the ploughing operations have been compiled as far as possible. In centers where such data have not been reported, we took wage rates for other categories starting with sowing, weeding, harvesting and other agricultural operations in that order. In the case of women workers priority was given to wage rates for sowing operations. Only when wages data for this category were not available did we go in for wage rates specific to the next operational category.
- (4) The AWI reports wage data from one or more centres in each district. The district average rates for different months of the year have been taken to obtain the yearly average wage rates.
- (5) The yearly average estimates of money wages for men and women at the district level have been used to derive state level weighted average wages separately for male and female workers. The weights used in this respect were the percentage share of male and female agricultural labourers in each district of the state. The percentage figures were derived from the Census estimates of 1981. In the case of only one state, namely, Assam where the Census operations were not conducted in 1991 we settled for a simple average of wage rates for different districts.
- (6) The state-wise yearly estimates of money wage rates thus derived were deflated by the Consumer Price Index Numbers for Agricultural Labourers (ALCPI) separately available for each state in India. These Index numbers were converted into indices of 100 with 1970/71 as the base year. These indices were used for deflating the money wage rates and thereby deriving the real wage rates of agricultural labourers in different states.

We tried to update the wage indices for all the 16 states, namely: Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. In the case of just one state—Maharashtra we met with some problems. In more recent times, wage data for

Maharashtra happen to be reported from just two centres. The sample is far too inadequate to represent wages prevalent in one of the most populous states of India. Therefore, the only option was to abandon the data from Maharashtra for the years from 1985/86 onwards. For the same reason, we also rejected wage data from West Bengal for the years 1984/85 and 1985/86. Likewise in the case of Punjab, wages for women workers have not been reported from any centre during the two years of 1987/88 and 1988/89. In fact, there are several states in India where agricultural wage rates, especially of women workers are reported only intermittently.

At this stage one should also admit having serious misgivings about the quality of wage data available from some of the states in the North Western regions of India. Two general observations are in order. One the quality and coverage of the wage data reported in Agricultural Wages in India are much better in the case of states, regions or districts which belong to the "higher rain fall regimes" and specialise in the cultivation of rice. The cultivation of crops in these regions, held during both the Khariff and Rabi seasons with greater reliance on wage employment and also the availability of agricultural wage employment round the year seem to have established a tradition of reporting wages carefully among the concerned states. Special mention must be made of states like Madhya Pradesh and Bihar in addition to those which lie in the coastal belt of the sub-continent for doing a commendable job in this respect.

Claims of the above nature cannot, however, be made in the case of states like Rajasthan, Punjab, Haryana and Himachal Pradesh. As a rule, wage data for all the agricultural operations are not regularly reported from all the centres in these states. We also come across a number of instances where wage rates quoted refer only to the male workers and that too for less than four or five months in a year. It is quite possible that the higher incidence of non-reporting or even the omission of operation specific and gender-wise wage data is a direct reflection of the state of affairs in the rural labour markets of the concerned states, marked by non-availability of wage employment or non-deployment of hired labour for agricultural operations. A look at the state-wise distribution of agricultural labour force in India only lends support to the above reasoning. According to the Census data of 1981, all the states of North Western India, namely, Rajasthan, Himachal Pradesh, Punjab and Haryana together held only less than 5 per cent of the total agricultural labour force in the country. This disparity is even more pronounced in the case of women workers where, the above four states' share of the total wage labour force was actually less than 2 per cent. There is, however, a strong case of streamlining the administrative machinery of the above states for improved results in the reporting of agricultural wage data.

CHAPTER 7

NON-AGRICULTURAL WORKERS

General Status of Non-Agricultural Workers

7.1 Non-agricultural workers account for about one fifth of total rural workers. Census broadly classifies them under two categories viz. 'Household' industry workers and 'other' workers. The household sector accounts for one third of total non-agricultural workers and the rest by 'other' workers. The share of females in 'household' sector is about 40% and in 'other' employments it is only 14%. The share of rural females in non-agricultural employment is 17.2% while the bulk of household industry comprises of handloom workers, beedi workers, carpet weavers, hosiery/kitchen workers, handicrafts workers, leather workers, metalware workers, potters, blacksmiths and the likes, the 'other' workers category includes a host of occupations in addition to the services sector. Many of these are traditionally male occupations which explain low participation of rural women in this category. The women workers are relatively larger in number in household sector as many of the activities are home-based and can be combined with domestic chores. This is its strength as well as its weakness.

7.2 The categories of non-agricultural workers individually discussed in this chapter are therefore selective and not exhaustive. The workers in non agricultural sector are unorganised and have very weak bargaining power. Though different categories of workers have certain peculiar occupation related problems, many of their other problems are general.

7.3 The rural artisan in general finds himself against odds at each level of his operation, be it the purchase of raw materials, marketing of products, the arrangement of credit, access to institutional cover etc. His weak sustaining and bargaining power is exploited by the intermediaries to his utter disadvantage.

7.4 The problem of obtaining raw material is acute. The source of raw material for several rural industries, by and large, is rural sector itself. The growth of high technology urban centres based on rural raw materials (eg. leather, splints, veneers, bamboo, non-edible oils and wool etc.) have compelled the local artisan to lose his input to the organised sector. The intermediary processing of these products also shifted to the urban markets.

7.5 In the existing set up for rural unorganised sector with traditional technology and low productivity, the earnings are meagre. The worst aspect is that much of the value added is siphoned off by the exploitative intermediaries. Elimination of the middlemen and drudgery in 7 to 8 major areas of household sector, can tremendously increase productivity of the artisans which would provide fulltime remunerative occupation as against the subsistence oriented part-time occupation at present.

7.6 Handicrafts provide employment for about 2.5 million artisans, a large number of whom belong to weaker sections. This sector is fast perishing. The organised industrial sector is not able to absorb them. The traditional artisans migrate to cities and end up as coolies, rikshaw pullers and domestic servants. They are basically assetless except for the traditional skills. Increasing landlessness and scarcity of alternate employment in rural areas have led to the exodus of the artisan to urban slums. Those who remain in villages are forced to pursue their activities at starvation wages. The government's role through KVIC has been limited to only one sixth of the villages in the country, mostly concentrated in states like Tamilnadu, Maharashtra, Gujarat, Uttar Pradesh, Bihar, Rajasthan and Karnataka. There is need to extend its coverage.

7.7 Just as green revolution by-passed the agricultural labour, industrialisation has also by-passed the rural non-agricultural labour. It has created an unequal competition between the traditional village sector and modern industries and as a result the traditional sector has been losing. While in agriculture, there is an increasing trend of casualisation, on the non-agricultural side, the self-employed artisans are becoming servicing or part-time workers.

Non-Agricultural Workers—Magnitude and Growth

7.8 As per 1981 census, the number of rural non-agricultural workers (i.e., other than agricultural labour and cultivators) is 35.6 million (males 29.1 million and females 6.5 million). The sectoral distribution of rural Non-Agricultural Workers in 1981 is given in Table 1.

TABLE 1

Sector	Male	Female	Total
			(Million)
1. Mining quarry (Livestock forestry Fishing etc.)	4.3 (15%)	1.1 (17%)	5.4 (15%)
2. Manufacturing repair service etc.	9.3 (32%)	3.2 (49%)	12.5 (35%)
3. Construction	1.6 (5%)	0.3 (5%)	1.9 (5%)
4. Trade, commerce, transport, communication and other services.	13.9 (48%)	1.9 (29%)	15.8 (45%)
Total Percentage	29.1 (100)	6.5 (100)	35.6 (100)

Source : Census 1981

7.9 In the non-agricultural Sector, Trade and Commerce etc. followed by 'Manufacturing' provided the largest employment for males. Together, these accounted for four-fifth of their total employment. For females, about half of their employment was in 'Manufacturing' (mostly in household sector-homebased work) and Trade, Commerce, Transport etc. provided 29% of employment. Construction activities accounted for 5% of employment for both rural males and females. The NSS recent estimates (1987-88) indicate an accelerated growth in employment in non-agricultural sector as revealed in table 2.

TABLE 2

	(Rura)			
	1972-73	1977-78	1983	1987-88
Non-Agriculture				
(i) Employment (million)	28.1	36.6	44.6	55.6
(ii) Share in Total rural employment %	14.3	16.6	18.5	22.0

Source : Sarvekshana, September 1990 Issue - N.S.S.O.

7.10 The growth in agricultural employment has been decelerating at a faster rate. From 1.96% between 1972-73 and 1977-78, the annual growth rate declined to 1.27% during 1977-78 and 1983 and further to mere 0.9% per annum between 1983 and 1987-88. The growth rates in non-agricultural employment has been substantially higher for the corresponding periods as may be seen in Table 3.

TABLE 3

Sectoral Growth of Employment

Industry	(Rural)			
	Average annual rate of growth			
	1972-73 to 1977-78	1977-78 to 1983	1983 to 1987-88	1972-73 to 1987-88
I. Agricultural	1.96	1.27	0.39	1.1
II. Non-Agricultural	5.45	3.34	5.64	4.65
1. Mining and Quarry	5.83	4.49	5.56	5.41
2. Manufacturing	5.89	3.19	2.84	3.95
3. Electricity, Gas etc.	15.71	3.59	5.36	7.90
4. Construction	1.52	6.26	17.91	8.09
5. Trade	8.75	2.67	4.74	5.25
6. Transport	7.14	7.10	5.56	6.64
7. Services	4.45	3.39	2.06	3.32
All	2.53	1.68	1.00	1.75

Source : Planning Commission.

7.11 As may be seen from the table, employment in Construction activities recorded a spectacular growth from 1.52% between 1972-73 and 1977-78 to 17.91% between 1983 to 1987-88. Mining and Quarry industry more or less maintained a stable growth. Even though the Manufacturing sector added 8.1 million workers between 1972-73 and 1987-88, the rate of growth has been declining, as in the case of Services sector.

Non-Agricultural Employment for Rural Males and Females

7.12 According to NSS estimates, between 1972-73 and 1987-88, the share of non-agricultural employment for rural males increased from 16.7% to 25.4% while that of females from 10.3% in 1972-73 to 15.2% in 1987-88.

7.13 The fall in employment in primary sector for males by 8.7 percentage points in 15 years (1972-73 to 1987-88) has been matched by the increases in secondary sector (4.3%) and tertiary sector (4.4%). Within secondary sector, Manufacturing claimed a 1.7% rise and Construction, a significant 2.1% increase. Within the tertiary sector, there was a rise of 2% in Trade, 1.4% in Services and 1% in Transport.

7.14 For females, the fall in employment in the primary sector was only to the extent of 5% points. The share of secondary sector increased by about 4 percentage points with Manufacturing and Construction registering increases of 2.2% and 1.6% respectively.

7.15 Within the secondary sector, rural male employment has increased sharply in Construction, Textile Manufacture, Manufacture of Wood Products, Basic Metal and Alloys Construction, being the single largest absorber. Employment in the Manufacture of Machine Tools has been declining. In the tertiary sector, activities showing increase in employment include Retail Trade in Textiles and Transport.

7.16 For rural females, the sectors showing growth in employment include Manufacture of Beverages, Tobacco and Tobacco Products, Textiles besides Construction and Retail Trade.

Regional Dimensions of Non-Agricultural Employment

7.17 There are considerable differences in the rural employment across the States. According to the NSS estimates (1987-88) agriculture engaged as high as 85.3% of rural workers in Madhya Pradesh and only 54.2% in Kerala among major States. Correspondingly, the share of non-agricultural workers varied a great deal. Non-agricultural workers account for more than one third of rural male workers in Kerala (45.8%), Jammu & Kashmir (36.9%), Rajasthan and Tamilnadu (34.8% each). In the States of Punjab, Haryana, Gujarat, Andhra Pradesh and Himachal Pradesh the proportion of non-agricultural employment to total rural employment is above the national average of 25.4%. Female non-agricultural workers account for

the largest proportion in Kerala (34.3%), followed by West Bengal (29.2%), Gujarat (24.1%), Tamil Nadu (22.8%) and Orissa (22%). During the decade between 1977-78 and 1987-88, the increase in non-agricultural workers has been substantial in Rajasthan (155%), Assam (110%), Jammu & Kashmir (72%) and Madhya Pradesh (58%). In the States of Andhra Pradesh, Assam, Karnataka, Maharashtra, Rajasthan and Tamil Nadu, the increase in female non-agricultural workers was higher than that of males.

7.18 As mentioned earlier, there are a host of occupations and several distinct categories of rural workers. For example, among the growing categories of rural workers in the non-traditional area are tailors and dress makers. Though it appears to be a small profession, it is expanding rapidly in rural areas including both men and women (housewives as piece-rate home-based workers). As per 1981 census, there were 8.9 lakh workers in this category accounting for 47% of total tailors & dress makers in the country. In addition, there are about a lakh workers in related activities like embroiderer, upholsters etc.

7.19 Carpentry is also a growing profession in rural areas. In the traditional rural sector, there are many important categories like blacksmiths, potters, washermen, quarrymen, well diggers etc., each of whom would constitute over 60% of the respective workers (e.g. metal-brassware workers, Agarbathi workers (e.g. metal-brass ware workers, Agarbathi workers etc.) are concentrated in certain parts of the country. As has been noted elsewhere there cannot be water-tight compartmentalisation of agricultural and non-agricultural workers and also between self-employed and wage-employed. As per RLE estimates, even in the rural labour households a significant proportion is engaged in self-employment, in both agricultural and non-agricultural activities.

7.20 Even though majority of rural labour is unorganised, there are certain occupations where the workers are better organised. For instance, beedi workers, leather workers, handloom workers, toddy tappers are better organised than any other categories of workers at least in certain parts of the country. There are millions of workers in non-agricultural sector—poor, illiterate, seasonally employed and scattered over remote corners of the country in both traditional and non-traditional sectors who still remain unorganised. They have also not been able to take full advantage of socio-economic facilities provided by the State. This has rendered their assimilation in the mainstream difficult. The category of sweepers/scavengers is a classic example. The head loaders in the tribal belt where this occupation is the principal source of income also belong to this category.

7.21 In the sections that follow, we shall discuss the problems of certain major categories of workers such as Handloom workers, Wool workers, Carpet weavers, Hosiery workers, Beedi workers, Construction workers, Brick kiln workers, Toddy tappers, Fishermen, Leather workers, Sweepers/scavengers and give our recommendations.

(A) HANDLOOM WEAVERS

7.22 Handloom is the largest industry in the unorganised sector ranking next only to agriculture in terms of employment. According to Census of Handloom (1987-88), there are 30.6 lakh weaver households (Scheduled Caste 3.7 lakh and Scheduled Tribe 7.4 lakh) in the country of which rural areas account for 26.3 lakh (SC 3.3 lakh and ST 6.9 lakh). Thus, about 39% of the rural households engaged in handloom industry comprise of the most vulnerable sections of the society. Of the 43.7 lakh handloom weavers in the country only about 50% are full time weavers. About 54% of the full time weavers work independently, 20% under co-operatives, 16% under master weavers and the rest 11% under private Handloom Development Corporation of KVIC. In addition to weavers, there are 21.6 lakh persons (10.9 lakh fulltime workers) engaged in preparatory work. About 90% of them are women and children. Handloom sector accounts for 27% of the total textile production and 57% of the employment in textile industry.

7.23 Handloom weaver households are concentrated in Assam (40%), West Bengal (9.3%), Tamil Nadu (8.5%), Manipur (6.3%), Uttar Pradesh (6.2%), Maharashtra and Andhra Pradesh (5.6%). These States account for more than four-fifth of the weaver households in the country. The proportion of Scheduled Castes and Scheduled Tribe weaver households is quite high in Gujarat (89%), Rajasthan (86%), Maharashtra and Madhya Pradesh (45% each) and Assam (41%). In the North East, the Scheduled Tribes proportion is high. Of the 38.9 lakh looms in India, the Scheduled Castes and Scheduled Tribes owned 13.9 lakh looms. About 22.1 lakh looms are commercial and 16.8 lakh are used for only domestic purpose. In Assam alone there are 12.3 lakh domestic looms. The distribution of number of looms using different types of yarn is given in Table 4.

TABLE 4

Number of Looms using different types of yarn

Yarn	Households			Total
	units	Non-households units	units	
1	2	3	4	
Cotton	Total	2810	136	2946
	Rural	2441	79	2520
Viscose & blends	Total	76	4	80
	Rural	48	2	50
Silk	Total	218	10	228
	Rural	147	6	153
Wool	Total	179	8	187
	Rural	161	3	164
Polyester & blends	Total	29	2	31
	Rural	19	1	20

	1	2	3	4
Others	Total	136	3	139
	Rural	126	2	128
Total	Total	3448	163	3611
	Rural	2942	93	3035
Mill Spun :	Total	3209	155	3364
Yarn	Rural	2719	87	2806
Hand Spun	Total	239	8	247
Yarn	Rural	223	6	229

Working and Living Conditions

7.24 On an average, weaver households are found to work for about 194 days (Rural 188 days and Urban 233 days) in a year. Even though the average daily productivity (linear metre) per weaver is 5.12 metre for nearly half of the households (about 1.5 million) it is upto 1 metre of cloth only. These include 1 million households in Assam, where productivity is around 0.63 metre only. About 89% of the weaver households earned a monthly income of less

than Rs. 500 per month from weaving activity and only 11% earned more than Rs. 500. However, more than one-third of households have reported monthly earning of even less than Rs. 100 per month. This includes 7 lakh households in Assam who do not make any earning from weaving activity.

7.25 Outdated technology, low productivity and high cost are the characteristic of handloom sector. Handloom sector has to face stiff competition from the mills and powerlooms, besides the problem of declining demand due to shift in consumer preferences in favour of blended and non-cotton fabrics whose production in handloom sector accounts to only 3.6% and 1.2% respectively of the total cloth production in 1988-89. As may be seen from the Table 5, the production of non-cotton cloth has nearly doubled in 1988-89 as compared to 1981-82. In the latter half of 80s while the cloth production in general and cotton cloth in particular was stagnating, the non-cotton cloth production has been increasing. The per capita consumption of cloth shows a rising trend. The share of blended cloth and non-cotton cloth in the total consumption increased from 22.2%, in 1981-82 to 34.3% in 1987-88. For the corresponding period even though cotton cloth consumption increased by 12.3%, its share has declined from 78% to 66%. In recent years, the per capita consumption of cotton cloth is stagnating.

TABLE 5

Production and Per Capita Consumption of Cloth

Year	Production (in million metres)						Per Capita Consumption (@) of cloth (in metres)						
	Cotton	% Change	Blended / Mixed	% Change	100% Non-Cotton	% Change	Total	% Change	Cotton	Blended/ Mixed	100% Non-Cotton	Total	% Change
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1981-82	1983		1535		1463		10981		9.57	1.73	1.01	12.31	9.8
		(-) 0.4		(-) 15.8		(-) 6.5		(-) 3.3					
1982-83	1953		1293		1368		10514		10.04	2.26	1.22	13.52	
		(-) 9.9		(-) 2.2		28.1		10.8					1.3
1983-84	1741		1264		1753		11758		10.12	2.14	1.44	13.79	
		3.4		1.1		(-) 3.3		2.2					1.0
1984-85	1040		1278		1696		12014		9.94	2.06	1.84	13.84	
		1.5		4.6		16.9		4.0					10.9
1985-86	9178		1337		1983		12498		10.75	2.43	2.17	15.35	
		3.7		4.0		45.0		3.9					3.1
1986-87	1522		1390		2876		12988		10.75	2.72	2.36	15.83	
		(-) 1.3		(-) 3.7		(-) 21.7		0.03					3.3
1987-88	1400		1339		2253		12992		10.75	3.20	2.40	16.35	
		(-) 3.4		4.3		24.4		2.2					
1988-89	1082		1397		2803		13282						

Note : (@) Figures are for Financial Year.

Source : Annual Report 1989-90, Ministry of Textiles.

In the eighties, though mild fluctuations in the production of cotton and blended cloth has been observed, in case of 100% Non-Cotton i.e. synthetic fabric, the fluctuation & in production during this decade is quite high as is seen from the table above. Per-Capita Consumption of Cloth has increased steadily. Though the consumption of cotton cloth is seen to be stagnant over the years, demand for blended and synthetic clothes has been increasing, the former being more popular.

Wash and wear conveniences and durability appear to have tilted consumer preference towards blended/non-cotton fabrics.

7.26 Some State Governments like Tamil Nadu have enacted special legislation viz. The Tamil Nadu Handloom Workers (Condition of Employment and Miscellaneous Provisions) Act 1981 to safeguard the interests of handloom workers. The Act provides for welfare of the workers in handloom industry and regulate the conditions of their work, security of their employment etc. The salient features of the Act include rules for licensing, appointment of inspectors, better working conditions, working hours, overtime work, ban on employment of children and industrial relations. However, the Act does not apply to self-employed persons in private dwelling houses.

7.27 In most of the States the weaver castes are listed among backward classes. They are socially and economically underprivileged and a high proportion of them live below the poverty line. As weaving does not provide continuous employment and adequate income throughout the year, most of the families seek employment in agriculture and allied activities or migrate to cities in search of employment. Large number of women and children are engaged in pre-weaving activities and there is a high rate of drop out from schools of children from weaver households.

Schemes for Handloom sector

7.28 In order to improve the working and living conditions of handloom weavers, various development schemes have been sponsored by the Central Government in addition to State's own schemes. The office of Development Commissioner for Handlooms was set up in 1976 as Nodal Agency for development of Handloom Industry. The Textile Policy of June 1985 was formulated to preserve the unique role of handlooms and to enable them to realise full potential as also to ensure higher earnings for the handloom weavers.

7.29 The 'Janata Cloth Scheme' was started during 1976 with the twin objectives of providing sustained employment to the under-employed/unemployed handloom weavers and making available cloth (cotton dhoties, lungies, sarees, shirting and long cloth) at affordable prices to the poorer section of society. Another scheme "Woollen Janata Cloth Scheme" was launched during 1989 to produce woollen items like shoddy blankets, plain shoddy etc. The Central Government also introduced 'Susman Cloth' Scheme similar to that of 'Sulabh Cloth' Scheme to increase production of sized and blended fabrics as well as the earnings of handloom weavers.

7.30 The Government has set up the Handloom Export Promotion Council to boost handloom exports. Some of the other important schemes include the scheme for establishment of National Marketing Complexes, Special Package Scheme for SC Handloom Weavers, Work Shed-cum-Housing Scheme for Handloom Weavers, Scheme for Share Capital Assistance to State Handloom Development Corporation, the

Scheme for Share Capital Assistance to Primary Weavers Cooperative Societies and Thrift-Fund Scheme for Handloom Weavers.

7.31 Handloom weavers face acute problems with regard to housing. It has been estimated that about 40% of the weaver households are having thatched huts with mud-wall. Only 3% account for housing with RCC roofs. The Workshed-Cum-Housing Scheme was launched with a view to provide suitable work place to the weavers. However, the budget allocation for the scheme is grossly adequate. The proposal to construct about 10,000 rural workshed-cum-houses needs to be expanded.

7.32 The scheme for purchase/modernisation/renovation of looms with the present scale of assistance @ Rs. 2,000/- for ordinary looms, Rs. 4,000/- for purchase of Jacquar/Semi-automatic/pedal loom and Rs. 1,000/- for purchase for accessories for modernisation/renovation need upward revision. As ordinary looms are less productive, assistance for their purchase should be discouraged and assistance should be given to the types of Chitrnanjan looms.

Constraints of the Industry and the problems of the Weavers

7.33 In order to avoid the exploitative master-weaver system in handloom sector, the government policy aimed at encouraging weavers to form co-operative societies. Though the gross coverage under co-operative societies is about 60%, the effective coverage is as low as 20% or even less as many societies have become dormant. Vested interests, mismanagement and mis-appropriation of funds have resulted in high rate of dormancy. Thus, the co-operative system has not been much of a success for the handloom sector.

7.34 The low productivity in handloom sector is due to primitive technology which basically comprises of fly shuttle and throw shuttle pit looms. About 80% of the looms in the country continue to be fly shuttle type with low productivity of 4-5 yards in 10-12 loom-hours. Handloom products are of traditional variety cotton fabrics of lower and medium count in outdated fashions. The demand for such goods is generally found to be unfavourable as compared to blended fabrics.

7.35 The responsibility of entire production of controller cloth has been transferred to the handloom sector. This has had certain adverse effects. The wage rate being the function of the count of yarn and the number of picks used per inch, wages are low. Further, as the cloth prices and the subsidy paid are fixed, the only variable is wages which gets reduced with increases in price of yarn. The existing subsidy allows for only subsistence wages. The yarn price should be subsidised to counteract the inflationary effects and protect the weaver's wages. The quantum of subsidy should be such that it protects real wages, increases productivity and ensures reasonable price for the out put that is within the reach of the poor people.

Thirdly, it has led to downgrading of weaver skills to some extent. As more and more looms are fixed to turn out low priced fabrics, modernisation and technological upgradation became a casualty. The textile mills who were under obligation to supply fixed percent of controlled cloth resented and pleaded that it was not viable and was resulting in sickness of industry. Its imposition on handloom sector has turned out to be counter productive. Hence, the scheme should be modified so that handlooms can also produce value added fabrics. It is also desirable that part of the production of controlled cloth is transferred to mills sector.

7.36 The government's protective measures to save the handloom sector from the unequal competition from powerloom & mill sector. These include:—

- (i) Reservation of certain products for handlooms.
- (ii) Restriction in expansion of the capacity of the mill sector.
- (iii) Imposition of a cess on the production in the large Industry.

7.37 The first product reservation order under Essential Commodities Act for traditionally produced handloom products was made in April, 1950. The loopholes in the Act and half-hearted enforcement defeated its purpose. The power looms poached even on those exclusive products like coloured sarees, checked shirting, lungies and bed sheets. To overcome the legal difficulties and to make enforcement of reservation order more effective and binding, Handloom Reservation of Articles for Production Act 1985 was passed. Again, the reservation policy suffered due to stay order brought in by interested parties.

7.38 The policy of treating powerlooms on par with handlooms (both being decentralised) in the matter of fiscal and excise concession and exemption from factory laws have encouraged the mills to set up powerlooms in a phenomenal way. Since 1961, the number of powerlooms multiplied ten fold—from one lakh to 10 lakhs. The regularisation of unauthorised powerlooms encouraged its growth. It has been estimated that one powerloom puts out of action 6 handlooms in the country. The policy of ban on the weaving capacity of the mill sector was lifted in 1985 (the Textile Policy of 1985). This also had an adverse effect on the handloom sector.

7.39 Handlooms are dependent on the mill sector for yarn supplies. The weavers generally have to pay prices which are about 30% higher than that of yarn produced by the composite mills for self consumption. Though mills are required to produce 50% of the yarn output meant for market delivery in the form of yarks, this obligation is not faithfully carried out. Thus, physical availability, prices and also the quality of yarn are pitted against the handloom sector.

7.40 The fixed capital per metre of cloth is highest in the mill sector and the lowest in the handloom sector. On the contrary, the employment per unit of output is highest in the handloom sector and lowest

in the mill. Despite high employment content of handloom sector, it has remained neglected.

(A-1) KHADI WORKERS

7.41 There are 14.14 lakh workers (1987-88) in khadi sector and about 90% of them are poor rural women. This sector consists of both khadi cloth and hand spun yarn. Khadi industry accounts for about 1% of total production of woven cloth and the share of cotton khadi is 86% (Woollen Khadi 10% and Khadi Silk 4%). Khadi production is concentrated in the States of Tamil Nadu, Andhra Pradesh, West Bengal, Bihar, Uttar Pradesh, Punjab, Rajasthan and Gujarat.

7.42 Since 1982-83, the production and employment in khadi industry is stagnating. There is an imbalance in spinning and weaving capacity and as a result the production of hand spun yarn is in excess. Even though handloom sector is starved of coarse counts of yarn, it is unable to afford the high price of hand spun yarn which is costlier by Rs. 12/- per Kg. as compared to mill yarn. The government should subsidise the price difference, to increase production of hand spun yarn and increase employment in handloom sector.

(A-2) WOOL WEAVERS

7.43 Wool weaving sector constitutes of both organised and unorganised segments. While on the one side, there are large spinning mills manufacturing worsted and non-worsted yarn and cloth through large mills, on the other there are shoddy units which produce yarn and cheap woollen cloth, blankets, shawls etc. The shoddy industry is in small scale sector, scattered almost all over the country with relatively more number of units in Maharashtra, Punjab, Himachal Pradesh, hills of Uttar Pradesh, West Bengal and Haryana.

7.44 The rural wool weaving industry is highly labour intensive. Workers from minority communities and backward classes are mainly employed as weavers. Small units use both raw-wool and woollen rags as raw-material. They cater to the requirements of lower and middle class strata of society.

7.45 During its visit to Uttarakhand region of U.P. hills the Commission noted the hardships of the Bhootiyas, a Scheduled Tribe community traditionally depended on wool weaving due to closure of Indo-Tibetan border. This community has now settled in Kumaon and their economic condition has deteriorated a lot. The major problems faced by them include non-availability of raw-wool, difficulties in getting wool carded, non-availability of better quality of dyes, primitive technology in dyeing and marketing of the products. The wool banks set up by the government are not in a position to supply raw-wool as they do not get their quota from the government. The weavers have to get wool from far off places like Ludhiana and Amritsar which make the whole process uneconomical. Elsewhere also it was found that the processing was being got done at far away places.

7.46 There is a need for training-cum-production centres to revive this sector. Processing facilities at nearby central places need to be set up. With assured raw-materials supply, marketing and the use of better looms etc., the problem of wool weavers could be mitigated. They have poor access to medical and educational services and there are no welfare schemes for them. The schemes which are available to handloom sector weavers should be extended to wool weavers also. The Commission's recommendations for the benefit of handloom weavers will also cover wool weavers.

(A-3) CARPET WEAVERS

7.47 The Indian hand-made knotted carpet industry is essentially a cottage industry in the unorganised sector. This industry provides employment to over one million weavers and rural workers. Carpet manufacturing areas can be divided into three main belts (1) Bhadohi-Mirzapur belt, covering districts of Varanasi, Mirzapur, Jaunpur and Allahabad. (2) Jaipur-Agra-Gwalior belt, comprising Jaipur and Tonk in Rajasthan, Agra and Shajahanpur in U.P. and Gwalior in M.P. (3) Srinagar and the neighbouring areas. Besides there are also isolated pockets in Bihar, Punjab, Gujarat, Andhra Pradesh and Tamil Nadu.

7.48 As per 1981 Census, the number of carpet makers and finishers were 3.5 lakhs of whom 76% were in rural areas. In addition to cottage industries, at present there are large machine made woollen carpet units. Since both large industry and cottage industry use the same raw-material the latter face problems in getting raw-materials as the large units restrict the availability to small units.

7.49 The weavers are unable to sell their products directly to the consumer and they have to go through the intermediaries. In a survey conducted by Labour Bureau (1984-85), it was found that 40% of the workers were children. They are mostly from villages and are either dropouts or never go to school due to various socio-economic compulsions. In some cases, their parents have taken advance against which these children have to work like bonded labour. In one unit in U.P. children were brought from a neighbouring State by the employer after advancing money to their parents. Women workers are employed specifically as hand knotters, hand tufters and yarn opener/reeler. The average daily earnings were found to be less than minimum wages and women and children are very low paid. There are no fixed working hours and children and women work more than the prescribed hours in most of the cases without any break or rest. Workers, particularly children handling dyes and chemicals, are exposed to health hazards like skin diseases etc. Scheduled Castes, Scheduled Tribes and other minorities constitute the main workers in this industry. They live in abysmally poor condition without any social security schemes.

7.50 Development Commissioner's (Handicrafts), office provides training to the carpet weavers. There are around 450 carpet weaving training centres located

in various parts of the country, a majority of which are concentrated in U.P., Bihar and Jammu and Kashmir. This office is also organising various exhibitions and fairs to bring carpet weavers in direct contact with the buyers. These have increased the income of the carpet weavers and removed intermediaries to some extent.

(A-4) HOSIERY WORKERS

7.51 Hosiery Industry in India is almost a century old and produces items of daily wear. Cotton hosiery units are concentrated at Calcutta in West Bengal and Tirupur in Tamil Nadu while woollen hosiery units are located in Punjab. Hosiery units are in the small scale sector and are decentralised. Woollen hosiery units are mainly concentrated in and around Ludhiana. It is highly labour intensive and provides employment to a large segment of the local labour force. The growth of hosiery sector, of late, depended on the export orders mainly from the USSR. Spinning mills in the organised sector provide yarn to the hosiery sector. Hence, the fortunes of small units are closely linked with the efficiency of these spinning mills.

7.52 Most of the units are unregistered and are spread over large area. Although employment of children below 14 years of age is prohibited, the survey conducted by Labour Bureau (Hosiery Industry in Punjab) found children working in most of the factories without being shown in the records maintained by these units. The workers were seen working beyond the normal hours without any compensation. None of the units surveyed was allowing sick leave or casual leave to the workers. Other welfare and social service facilities were also denied to workers. Since the units are very small and tiny, it is difficult to impose any regulatory measures on them. The employment is also seasonal and there is no dearth of labour which further reduces the bargaining power of the workers. The government has taken steps to increase supply of raw materials and reserved. Hosiery items exclusively for S.S.I. sector to make these units viable. The Commission recommends that hosiery be reserved for handloom sector. The welfare and other measures recommended by the Commission for handloom workers should be applicable to this segment also.

(B) BEEDI WORKERS

7.53 The Census (1981) placed the estimated number of beedi workers at 15.62 lakhs of whom about 67 percent were rural based. This appears to be an underestimate as the exact number of beedi workers is difficult to ascertain due to problems of their identification. A large number of home based workers, mostly women and children, do not get counted. However, as per the returns received from various State governments, the Ministry of Labour have placed the number of beedi workers at 37.31 lakhs in 1991. The largest concentrations of beedi workers are found in Madhya Pradesh (16%) followed by West Bengal (12%), Uttar Pradesh (12%), Bihar (10%) and Karnataka (9.5%). These five States account for more than 60 percent of the beedi workers in the country.

Working and Living Conditions

7.54 Most of the beedi workers belong to Scheduled Castes/Scheduled Tribes and other backward classes. Beedi workers, in view of their low socio-economic status and peculiar contractual nature of employment, are exploited by the middlemen, contractors or Sattedars. In spite of hard labour and exposure to imminent health hazards, they do not get adequate remuneration and their families live in abject poverty. Despite comprehensive legislation for the welfare of beedi workers, their working and living conditions have not improved mainly on account of compartmentalised and decentralised mode of production through contract system.

7.55 Usually a factory employs very few workers. Bulk of beedi producers work outside the factory in workers home. The notified minimum wages for beedi workers range between Rs. 10 to Rs. 12 per thousand beedies. It varies from State to State. However, their average earnings per day range between Rs.4 to Rs. 5.50 only. But the beedi worker spends 8 to 10 hours to roll 850 to 900 beedies. Beedi workers are exploited due to the informal conditions of work, lack of education, awareness and overall low socio-economic status.

7.56 Beedi Industry's production was originally carried out in Karkhanas or workshons. The Factory Act 1948 was extended to Beedi industry and the employers were compelled to provide healthy working conditions, welfare amenities etc. to the workers in karkhanas. In order to avoid the legal obligations, the employers decomposed the production process through putting-out system. While the quantity of work is ensured through piece-rate wage system, the quality is ensured through stringent, too often exploitative, quality control checks/rejection which affect the level of earnings. In beedi industry, it has been reported in some areas, that 10 percent of the beedies rolled by workers is taken away as 'standard' deduction by middlemen to replace defective beedies, irrespective of the number of beedies rejected during the checking process. The rejection rate can be as high as 195 per thousand beedies rolled. The contractors also exploit the workers by supplying under-weighed raw-materials and demand output as per correct weights. The shortage results in deduction from worker's wages which can be anything between 10 to 30% of their daily wages. Further, the worker is presumed to have traded in beedi leaves to the extent of short-supply and is made to pay a fine equivalent to the price of beedi leaves so 'pilfered'. The worker is also punished by proportionate reduction in work allotted in subsequent week based on the production performance in the previous week.

7.57 There is no standardisation as to how many tendu leaves make 1000 beedies. In a 'vakkal' some tendu leaves are found damaged/mutilated but the contractors do not make provision for the likely short-fall in output. In Madhya Pradesh, it was observed that out of 10 vakkals of leaves normally 800 beedies could be made by each worker. There is a need for fixing area specific norms by establishing relationship

between the number of standard set of tendu leaves and resulting number of beedies. In some States, district committees have been formed to set appropriate norms. Employers and employees' representatives take part in the committee meetings. This method could be followed in other States.

7.58 Another way is to delink tendu leaf cutting job and beedi rolling job so that 1000 pieces of cut leaves are given under the piece-rate for rolling beedies. However, this would then shift the problem to those cutting tendu leaves.

Health Hazards

7.59 Several studies have indicated poor working condition of beedi workers. In the process of beedi manufacturing the tobacco dust blows all around affecting the hygiene and health of not only beedi workers but also the aged and children of the household where beedi making is home based. Beedi workers suffer from chronic bronchitis, asthma, palpitation, amenorrhoea, anaemia and also from the adverse effect of nicotine on reproductive function. The delivery system of health and welfare programmes is unable to reach them not only because of low resources but also due to the scattered spread of the home-based workers. There is a need for establishing special health centres to attend to the problem of beedi workers, particularly in places where they are concentrated and to look after the health of women & children.

Child Labour

7.60 A large number of children are employed by the contractors for rolling beedies. The children are also tempted and take to the habit of smoking. One of the simplest and most effective ways of keeping the children away from the homes is to extend large scale facilities for schooling. The existing facilities are grossly inadequate. The scholarships provided to the school going children will have to be revised upwards and general supportive measures such as free uniforms, text books, mid-day meals etc. should be undertaken for beedi workers' children attending school.

Identification of beedi workers

7.61 As the employers were reluctant to accept employer-employee relationship, the identification of beedi workers was becoming difficult. Hence, the identity card issued by local authorities came to be accepted for the purpose of extension of welfare facilities to beedi workers. The representatives of the trade unions should be associated in identification of the beedi workers. The Labour Welfare Fund Laws (Amendment) Act 1987 provide for fine upto Rs. 2,000/- on a beedi employer for not issuing identity cards to beedi workers as prescribed in the rules. As against 37.31 lakh identified beedi workers, only 22.63 lakhs have been provided with identify cards. An effective means to identify beedi workers is to solicit the co-operation of voluntary organisations. However, active involvement of Panchayati Raj institution in the identification of beedi workers may yield better results.

Existing Acts/Schemes

7.62 Beedi industry is one sector where comprehensive legislation protecting workers already exists. Since the employer-employee relationship is not well defined, the application of Factories Act has run into difficulties in this industry as in other small scale units. The Central Government enacted the Beedi and Cigar Workers (Condition of Employment) Act, 1966 to regulate the System of work and licensing of premises in which the manufacturing of beedi and cigar is carried on and also to deal with matters such as health, hours of work, leave etc. The Act does not apply to the owner or occupier of a private dwelling house who carries on any manufacturing process with the assistance of dependent members of his family, provided he is not an employee of an employer to whom the Act applies. Otherwise it seeks to establish an employer-employee relationship for homebased workers. The Act categorises two places of work. (a) Industrial premises (other than a private dwelling house) (b) other than Industrial premises. The workers in industrial premises are required to be provided all the facilities stipulated under the Act. The workers working in premises other than industrial premises, mostly in private dwelling houses (house worker) are also entitled to (i) annual leave with wages (ii) maternity benefits (iii) protection against dismissal, non-payments of wages, supply of defective raw material and arbitrary rejection of beedies. However, the employers find various ways to evade their responsibilities by ensuring that no employer-employee relationship is established. An amendment to the law is also suggested.

Beedi Workers and Labour Laws

7.63 The implementation of labour laws for beedi workers are less effective. In many cases, violation of various laws are not even reported for fear of reprisal from employers. There is a need for gearing up the enforcement machinery. Deterrent action should be

taken against violation of labour laws. The penal provisions under Bidi and Cigar Workers (Condition of employment) Act 1966 are contained in Section 33 of the Act which provide for a maximum fine of Rs. 250/- for first offence. This should be raised to Rs. 1000/-. The maximum fine for second and subsequent offences should be appropriately raised together with an imprisonment clause so that the entire penal provision produces deterrent effect. However, this is no substitute for generating awareness among workers to fight for their legitimate rights.

Welfare Fund

7.64 The Beedi Workers Welfare Fund Act 1976 has been enacted for financing of measures to provide the welfare amenities to beedi workers. The Beedi Workers Welfare Cess Act 1976 provides for the levy and for collection by way of cess, a duty of excise on manufactured beedies. The Welfare Fund is administered by the Central Government through welfare commissioners. Advisory Committees have been set up under the Act in 12 major States besides a Central Advisory Committee comprising of representative of employees, employers and central government. The Welfare Fund covers health, sanitation, water supplies, education, housing and recreation etc.

7.65 Headwise details of expenditure (Table 6) under the Fund indicate that health accounts for 67% and education around 20% during the period 1985-86 to 1989-90. The expenditure on administration has been around 10 to 11 per cent of total expenditure excluding grants-in-aid etc. which is on the high side. The fund has substantial carryover balance year after year. It was Rs. 15.38 crores in 1987-88 and Rs. 20.77 crores in 1988-89. Payments as a percentage of availability in 1987-88 and 1988-89 were 21% and 24%, respectively. This low percentage utilisation indicates ineffective implementation of fund facilities.

TABLE 6
Sectoral, Expenditure under Welfare Fund

Head	1985-86	1986-87	1987-88	1988-89	1989-90
Administration	32.98	45.66	48.14	54.61	87.60
Health	155.86	196.62	224.83	393.99	686.60
Education	63.95	72.01	92.52	117.10	151.80
Recreation	2.57	0.94	1.28	2.23	14.25
Housing	0.94	1.53	1.36	0.65	8.75
Water System	0.11	..	..	..	..
Total	256.41	316.76	368.13	568.58	950.00
Grants in aid to States	9.56	4.50	48.00	86.00	381.00
Assistance to Co-ops. for consumer Godowns	*	0.15	0.35	0.96	9.00
Housing loans	0.64	2.40	2.98	4.32	47.00
Total	266.61	323.81	419.46	659.86	1387.00

(Rs. lakh)

Note: * Figures for 1985-86 is nil.

Source : Ministry of Labour

7.66 There should be annual targets for utilization of welfare fund and the performance should be monitored more effectively through quarterly targets. In order to study the impact as well as weaknesses of the scheme, there should be periodic studies or concurrent evaluation of implementation of the scheme. There is a strong case for greater State participation in the management of the beedi worker's welfare fund. This would also enable the States to pool the resources of various Welfare Schemes including rural development funds to provide adequate welfare facilities in an integrated manner in areas of large concentration of beedi workers.

(C) CONSTRUCTION WORKERS

7.67 In rural non-farm sector, construction activities have a tremendous potential for absorbing additional labour force, as employment in this sector has been growing at a very fast rate. Construction sector has registered an annual growth rate of 1.52% between 1972-73 and 1977-78, 6.26% between 1977-78 and 1983 and 17.91% per annum between 1983 and 87-88.

7.68 In the non-agricultural occupations, the share of rural male and female employment in Construction Sector in 1987-88 are 14.6% and 17.7%, respectively. The corresponding figures for 1983 (38th round of NSS) were 9.9% and 5.7%, respectively. Thus, female employment has increased at a much faster rate than that of males.

7.69 As per NSS 43rd round (1987-88), the estimated number of rural construction workers is 8.5 million. Construction accounts for 3.37% of total rural employment and 15.3% of total non-agricultural employment. Rajasthan (21.4%), followed by Gujarat (18.1%) and Maharashtra (8.61%) have higher concentration of construction workers. These Western States account for about half of the total construction workers in the rural India. Andhra Pradesh (6.1%), Bihar (5.4%), Orissa (4.4%), Tamil Nadu (5.1%) and Uttar Pradesh (8.28%) show higher proportion of construction workers than rest of the States.

7.70 Construction workers may broadly be classified as (i) skilled and (ii) unskilled. Male unskilled workers are called as 'Beldars' and female as 'coolies'. Usually couples are found to be working on the same worksite. Though child labour is prohibited, they are engaged on such unskilled jobs as carrying loads, arranging bricks in layers, cleaning and other helping tasks. Contractors prefer child labour because they are available at almost half the adult wage rates and they perform the jobs of adult workers as helpers etc.

7.71 Bulk of the workers are on casual basis. Unstable employment/earnings and shifting of work place are the basic characteristics of construction workers. Employment in construction works is usually interspersed with unemployment periods of varying proportion, mainly due to the fluctuating requirements of

labour force on each worksite as well as sudden shortage of building material, breakdown of power, financial stringencies and a host of other unforeseen contingencies. Workers are not paid on holidays. Even when the work is stopped due to no fault of theirs, the workers do not get wages.

7.72 Wages in this sector for different classes of employees viz. unskilled, semiskilled, skilled and highly skilled are fixed separately under Minimum Wages Act, 1948. Females do not get minimum wages. Child labour is also exploited. Though skilled workers secure jobs directly from employers, the unskilled workers by and large are engaged through intermediaries who introduce the workers to contractors on commission basis. The payment of wages is routed through the intermediaries who usually enroll workers by extending financial assistance. The payment of wages is manipulated for recovering the loan in such a way that they can hardly get out of the clutches of the intermediaries.

7.73 Since the workers are generally recruited on contract basis, failing to achieve the required quantum of work results in either deductions or unaccounted overtime work. In return for providing jobs, the intermediaries collect commission from each worker at fixed rate for each working day. Women engaged in construction work are the most exploited. Frequent changes in their work places and instability of their work deprive them and their children from primary facilities like health, water, toilet, education & ration card. In most of the cases, safety norms are violated.

7.74 Construction workers are covered under Contract Labour (Regulation and Abolition) Act (1970). However, as the employers do not keep them permanently, the Act has not been very effective. The act is silent about the wage rates payable to the contract labour. There should be an amendment to Chapter V of the Act and a new Section i.e. Section 17A be inserted which should read as:

Section 17A: Wage Rates and other conditions of services of contract.—The wage rates, holidays, hours of work and other conditions of service of a contract labour shall—

- (a) in a case where such workman performs in any establishment the same or similar kind of work as he is being performed by any other workman in that establishment, be the same as those applicable to such other workman; and
- (b) in any other case, be such as may be prescribed by the Appropriate Government:

Provided that a contract labour shall in no case be paid less than the wages fixed under the Minimum Wages Act, 1948 (11 of 1948).

7.75 Safety provisions are found to be the most neglected aspect in the building construction activity. Surveys on construction workers disclose the scepticism of workers about the effectiveness of first aid assistance provided. What is worse, the sick and the injured workers are removed without adequate compensation by contractors.

7.76 The temporary sheds/make shift arrangements made by contractors lack even minimum facilities such as separate cooking space, drinking water, lavatories, bathing and washing places. The migrant worker families suffer a lot. Creche facilities are not made available of work sites.

7.77 Social security benefits to the workers are virtually non-existent, due to various constraints such as lack of nexus between employer and employees, instability of employment and earnings of workers, duration of work etc. In these circumstances at least relief measures, as and when required, should be provided to the workers. For example in case of injuries, sickness, pregnancy etc., necessary medical facilities and adequate compensation should be provided. For this purpose, the Government should consider introducing some kind of schemes like ESI, for the benefit of workers in the informal sectors like construction.

7.78 The Central laws that are already applicable to this industry besides Contract labour (Regulation and Abolition) Act, 1970, are the Inter-State Migrant Workmen (conditions of service and regulation of employment) Act 1979, and Minimum Wages Act. The Central Enforcement Machinery was able to inspect only 10% of the Contractor's establishments covered by the Contract Labour Act. The very fact that the number of prosecutions equalled the number of inspections showed that every establishment which was inspected was found to violate the law. The implementation of Inter-State Migrant Workmen Act is no better. Certain other Central laws made applicable in some States to this industry are the (i) Workmen's Compensation Act, 1923, (ii) Maternity Benefit Act, 1961 (iii) Equal Remuneration Act, 1976.

7.79 The problems of construction workers were also deliberated by a Tripartite Working Group in 1985. A bill called the Building and Construction Workers (Regulation of Employment and Conditions of Service) Bill, 1988 was introduced in the Rajya Sabha covering inter alia, the working conditions, welfare, safety and health measures for workers, registration of establishments carrying on building and other construction work, appointment of inspecting staff etc. It has not been taken up for consideration. The subject was discussed in a seminar as well as in the Indian Labour Conference. Employers and trade unions generally agreed to the constitution of a Tripartite Construction Labour Board (CLB) to administer and implement labour legislations, to provide social security/welfare and for settlement of labour disputes in place of the existing govt. labour administrative machinery and compulsory registration of principal employer, contractor, sub-contractors

and workers. However, on the issue of recruitment of workers and regulation of employment through the Board there was difference of opinion. While the Trade Unions were of the view that without this right the Board will remain ineffective, the contrary view was that with the adoption of upgraded technology by the industry, the Board may not be in a position to provide labour of the required special skill readily. The employer may not get the right quality skilled persons from the Board when wanted. There is also the fact that construction activity is very dispersed over urban, semi-urban and rural areas and would pose insuperable problems and inconvenience. The Commission is of the view that the regulation of employment by the Board may not be a feasible proposition. The Commission hopes that the enactment of a law proposed to cover construction workers will help in ensuring security of their employment, their safety and welfare.

7.80 The Commission endorses the recommendation of the Tripartite Working Group for Building and Construction Industry (1985) on Constitution of Labour Welfare fund; safety norms, training, labour cooperative societies and social security measures as in the Annexure I.

(D) BRICK KILN WORKERS

7.81 The workers in the brick kiln are essentially agricultural labourers who migrate in search of employment in brick kiln during the lean period which normally starts from October and remains upto middle of June. The workers are generally recruited through agents of kiln owners and are paid partly in advance for a specified period of employment. There is no dearth of workers who are in need of such advance financing and so are forced to abide by the terms and conditions laid down by the agents, which practically amounts to bondage.

7.82 Brick kiln is a low technology industry which is characterised by a distinct division of labour. The division of labour may be broadly classified as Pathera (moulders), Prajapati (loader), Jalaiwala (Fireman), and Nikasiwala (unloader). Besides, there are Munshis who maintain the accounts, supervise the work and make payment to the workmen.

7.83 No precise information is available about the total number of kilns and the number of workers employed in the industry. Labour Bureau's report on the Working and Living Conditions of Workers in the Brick Kiln Industry (1982) reveal that out of 26,471 workers in the 547 surveyed kilns, 13,775 were migrant labourers. Thus, more than half of the brick kiln workers are migrant labour.

Working and Living Conditions

7.84 As the work is carried on at outdoors, its continuance depends on climatic conditions and there is also shifting of the workplace from time to time. Due to similarity that the workers in this industry bear with those in construction, the problems

faced by them regarding employment, wages, living and working conditions, safety and social security etc. are more or less same. There is a plethora of grievances of brick kiln workers. No provident fund, no medical facilities, no housing arrangements, no regular working hours, no bonus—in short, none of the pre-condition laid down by the Factories Act is satisfied. Inter-State wage differentials are very wide. For example, in Haryana they are paid only Rs. 50—Rs. 60 per 1000 bricks while their counterparts in Punjab are paid as much as Rs. 90 per 1000 bricks. The difference in wages become even more incongruous in the light of the fact that the brick kiln owners in Haryana get Rs. 850 per 1000 bricks while their counterparts in Punjab get only Rs. 625.

7.85 Workers are exploited mainly due to (i) composition and social background of the work force, (ii) their acute poverty, (iii) landlessness and assetlessness, (iv) Absence of alternative avenues of employment, (v) peculiar nature of recruitment by middlemen with payment of advances, (vi) isolation of brick-kiln owners from the scene of operation leaving the entire management to middlemen and munshis who are as much ignorant and illiterate as the workers themselves. The aforesaid factors hamper the implementation of the provisions of various legislations formulated for workers.

Legislation for brick kiln workers

7.86 Since the industry comes under the purview of Factories Act, the employees are entitled to the benefits under the payment of Gratuity Act, Bonus Act, Employees Provident Fund and Miscellaneous Provision Act and Employees State Insurance Act subject to the condition regarding completion of a specified period as stipulated in these Acts. Minimum Wages Act is also applicable to them. The employer in order to evade the responsibility for paying various benefits extendable to the workers, engage contract labour through middlemen.

7.87 The Contract Labour (Regulation and Abolition) Act (1970) also applies to Brick kiln workers. The Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, (1979) applies to every establishment and also to every contractor whosoever employs more than five Inter-State migrant workers. Brick kiln workers are covered under the Act. In order to make this Act more effective, we suggest that the penal provisions be made more stringent. The fine of Rs. 2000 currently prescribed, should be increased by amending Sections 25 and 26. Further, Section 28 of the Act should be amended and the offence be made triable by a Labour Judge instead of a Metropolitan Magistrate or Judicial Magistrate. Section 29 may be amended to increase the limit of 3 months to 6 months for cognizance of offence by the court, and to 9 months where the offence consists of disobeying a written order of inspector or authorised person. The management of sanctions needs to be more imaginatively designed. Apart from mandatory minimum prison sentence, a whole range of sanctions which

really may transform the behaviour of target groups is necessary.

(E) TODDY TAPPERS

7.88 The estimated number of toddy tappers in the country is 2.90 lakhs (1989-90). In addition, there are about 4.40 lakh workers engaged in allied activities. Toddy tappers are mainly concentrated in coastal states Kerala (4%), Tamil Nadu (72.0%), Andhra Pradesh (9.0%) and West Bengal (10%). These states account for 98.2% of the toddy tappers in the country. About 50 per cent of the workers engaged in this sector are women and about 30% of the workers belong to Scheduled Caste and Scheduled Tribes.

7.89 Tapping of palm trees for extraction of 'neera' and its conversion into toddy and jaggery is an age old industry. Toddy is tapped from coconut, palmyrah, date palm and other toddy trees like Sago which are grown in tropical regions and are spread over Southern, Eastern and Western India. Hence, the trade is mainly concentrated in Eastern and Western coastal States. According to KVIC, against 18.19 crore palm trees, about 14 crore are tappable. It is estimated that 3.10 crore trees are tapped annually. The total output of palm gur and other palm products in the country is valued at about Rs. 92 crore of which Tamil Nadu alone account for 81%.

Working and living conditions

7.90 The number of persons engaged in the toddy tapping and allied activities is 7.29 lakhs, their total earning being Rs. 6419.88, the per capita earnings work out to Rs. 881 per annum. The vast majority of the toddy tappers are extremely poor. In the southern States, certain social stigma is also attached to this profession and the toddy tappers basically belong to backward classes. (They are called Sanahs in Tamil Nadu and Billavahs in Karnataka.)

7.91 Most of the tapper families are landless and they get palm trees on rental basis. They are mostly illiterates and semi-literates. They are socially, economically and educationally backward. There is hardly any social security scheme or welfare measures catering to their needs.

7.92 Neera or toddy tapping is mainly confined to three to four months in a year and the employment is basically part time in nature. Most of the other activities like gur making, palm leaf works, fibre work, candy making etc. are concurrent activities though of varying duration. Fibre works and palm leaf works offer relatively more employment to the household workforce, mainly women. Gur making from Neera is a seasonal work. The season is confined to about 120 to 150 days and during the season the whole tapper family is engaged in gur manufacturing activities.

7.93 A tapper has to climb 30 to 40 trees, twice a day. A large proportion of toddy tappers climbing trees for 15-20 years are disabled due to the hazardous nature of employment. The ground workers, mostly women, also suffer from respiratory and cardiovascular complaints, asthma, pericardial pain haemoptysis and skin diseases.

7.94 With so many occupational diseases and hazardous in the industry, a Comprehensive Insurance Scheme covering medical treatment both preventive and curative and workers' compensation to cover accident risk etc. are needed. Some technological improvements have been made with process of gur making and improved body-gear/equipments have also been designed for toddy tappers. Mechanically operated mobile ladders have been put to use. But the poor toddy tappers' families are not in a position to own these.

7.95 The toddy tapper families are exploited by the middle men and contractors who do not own responsibility for loss of life/limbs in the hazardous occupation. Besides, the toddy tappers face harassment from police and excise department officials. Under restrictive prohibition policy, licence for tapping palms for extraction of neera is required. The procedure involved for obtaining licences is quite cumbersome and time consuming. In States like Andhra Pradesh, the Toddy Cooperative Societies lacked permanent character and they were required to renew their registration every year. While the state governments have identified numerous ways to collect taxes/excise duties from the industry, the facilities provided to toddy workers has been dismal.

7.96 While the fortunes of the rural labouring classes are conditioned by the economic and social factors, the toddy tappers are placed under a peculiar position as their struggle for survival mainly depends on State's policy on prohibition. In States like Tamil Nadu, the 'off' and 'on' prohibition policy of the government has caused considerable hardship to the toddy tapper families.

7.97 Sometimes, the situation is quite ironical when the ban is applied only to preparation of toddy and not to country and foreign liquor. In Andhra Pradesh neera sale is totally banned. The government of Karnataka had banned the tapping of trees for production of Neera Toddy and Jaggery, but has selectively relaxed it recently.

7.98 However, toddy tapping is a well organised industry in Kerala. As early as 1955, the State government constituted a high powered committee to study the service and wage conditions of toddy workers. The report of the committee enabled regulation of wages, bonus, paid leave etc. With relatively better bargaining strength as compared to their counterparts in neighbouring states, Kerala toddy tappers were able to earn upto 26% annual bonus, leave with wages for 36 days and double wages on holidays upto a maximum of 17 days. The toddy tappers were included under the schedule of Minimum Wages

Act and Workmen's Compensation Act. Attempts are being made to mobilise toddy tappers under All India Toddy Tappers and Workers Federation.

Neera as a soft Drink

7.99 Neera is considered as one of the best supplementary items of diets. It is reported that regular drinking of Neera has curative effect in certain diseases like scurvy, Kwashiorkor and anaemia. Neera contains minerals like phosphorus, iron and calcium besides vitamins. Sweet toddy or neera is extracted by sweet slaked lime at source of extraction and does not contain any alcoholic content. The manufacture and sale of neera comes under the purview of KVIC, while manufacture and sale of toddy is outside its purview. Neera as a beverage has become very popular in Madras, Bombay and also in some cities of Gujarat. It has good demand in summer season and can be preserved for a long time under chilled condition like any other soft drink. There is a lot of scope for introducing neera particularly in the Northern States. It has to be popularised in Trade-fairs and other Melas through publicity campaign by KVIC. However, in the short term, the Coastal States which are producing Neera will have to expand the local market. With adequate advertisement and media support, improved attractive packaging, preservative and marketing techniques, Neera has tremendous potential to capture both local and external markets.

(F) FISHERMEN

7.100 The fisheries provide employment to large section of population not only in coastal States but also in land locked States. Besides, fisheries sustain the growth of a number of subsidiary industries. The estimated number of fishermen (1985) is 7.14 million, out of whom, inland fishermen account for 4.86 million. The inland fishermen are concentrated in Uttar Pradesh, Madhya Pradesh, Bihar, Karnataka, Orissa and West Bengal. Major concentration of marine fishermen is in Kerala, Andhra Pradesh, Tamil nadu, Karnataka, Maharashtra, Gujarat and Orissa.

7.101 Fisheries sector has tremendous employment potential. It has vast external and internal market. Though, there has been a sizeable increase in fish production from 7.52 lakh tons in 1951 to 31.52 lakh tons in 1988-89, the performance is somewhat disappointing when viewed against the tremendous untapped potential.

Problems of Fishermen

7.102 In the West Coast, the fishermen are idle during South West monsoon period and in the east during both South West and North East monsoon periods. They do not have alternate source of income/employment. Fishermen do not generally take to non-fishing or activities unrelated to fishing. However, their women folk in some States take to beedi rolling and other gainful activities. Even though

there are some social security and other welfare schemes catering to the needs of the fishermen, their coverage and performance remain highly unsatisfactory.

7.103 One of the most important problems of the fishermen is non-availability of consumption credit during the lean season. The institutional sources including co-operatives do not provide consumption credit and as a result the fishermen turn to other sources like employers, money lenders, friends and relatives. The employer tries to interlock credit with labour, generally, in the form of advance wage. These loans tie the fishermen to the employer.

7.104 Fish merchant also extend credit to the fishermen by inter-locking it with marketing which entitles them to buy off the entire fish catch. In some cases, the traders deduct one fourth of sale proceeds towards recovery of the loans.

7.105 The loans from money lenders are generally taken on the basis of security such as fishing equipments, ornaments and even household items. These loans fetch interest rate ranging between 24 to 36%. Inland fishermen find it difficult to pay lease-money for tanks/ponds, purchase of equipment, inputs etc. in the absence of institutional credit. Banks and other institutional sources are reluctant to advance loans without collateral in view of the risky and uncertain nature of their activity. Co-operative societies as well as other institutional agencies, like, banks should provide consumption credit to the fishermen during lean season, without insisting on any collaterals.

7.106 The experience in some States indicates that neither the fishermen nor the Fisheries Department have any say in the affairs of the Fisheries Co-operatives. The co-operatives face organisational and financial problems as also those relating to technical know-how. There is a need to strengthen their functioning and perhaps this could be better done by bringing the Co-operatives under Fisheries Department. However, co-operative societies in some States e.g. Gujarat, are reportedly doing better in providing loans and insulating the fishermen from the exploitation of middlemen/money-lender and merchants. These societies provide subsidy on purchase of fishing nets and boats and operate welfare schemes like Saving-cum-Incentive Scheme, Accident Insurance Scheme, Scheme of subsidy for construction of houses and also assist in marketing of fish.

7.107 Marketing of fish is almost entirely in the private sector. The prices are highly unstable in the production centres. The larger the catch of the day, lower the price. But the converse is not true as the upward revision is sluggish while the downward revision is highly elastic. This is attributable to the buyers market at fishing villages on account of the perishable nature of the product. If the fishermen try to organise themselves at the village level, the traders act in unison to boycott the village and also try to create inter-village

rivalries. The illiterate fishermen fall an easy prey to their tactics and suffer. This is reportedly quite common in the coastal villages of Tamil Nadu.

7.108 Fishermen belong to backward classes and most of the States have listed them as such. In Southern States like Tamilnadu, Andhra Pradesh and Kerala, they are predominantly Scheduled Caste converts to Christianity. In Kanya Kumari/Tirunelveli districts of Tamil Nadu, practically the entire marine fishermen are Christians. Whatever may be the social elevation, conversion has certainly deprived them of the benefits provided to SC/ST under various plan/non-plan schemes. In fact, economically, the conversions have put them under extra pressure from local Parishes. A part of the catch goes to the Chapel. There is a strong case for extending the benefits available to Schedule Castes under the various programmes/schemes, to the converted SC fishermen also. If this could be done, the acute housing problem of coastal fishermen, particularly in Kerala, Tamil Nadu and part of Andhra Pradesh could be partly met by JRY/Indira Awas Yojna.

7.109 While fishing is basically a male activity, the women folk are engaged in repairing nets, drying unsold fishes and marketing of the catches to the traders as well as selling fish in local markets. In the lean season they remain idle. Some of the States have designed schemes for fisherwomen in vocations like tailoring etc. linked with IRDP Schemes like TRYSEM. But the coverage is very inadequate. Since the fishing villages are thinly populated and spread far apart, education has also become a casualty. Even where the children are sent to school, there is high degree of drop-outs.

Mechanisation of Fisheries Sector

7.110 Mechanisation in the fisheries sector has had certain adverse impact on the traditional craft of fishermen. The main purpose of mechanisation was to harvest resources which were far beyond the reach of the traditional craft. However, as the cost of production varies directly with the distance of fishing ground from the shore, the mechanised boats, trawlers and purse-seiners invariably tend to fish close to the shore thereby depriving the small fishermen, using traditional crafts of their catch. In order to avoid possible conflicts between the two, the Government of India suggested that waters upto 5 kms from the shore should be reserved exclusively for traditional fishing crafts and no other type of vessels should be allowed to operate in that area; that mechanised fishing vessels should operate beyond 5 kms from the coast; and that deep sea fishing vessels should be permitted to operate only beyond 10 kms from the shore. Most of the maritime States have taken necessary executive action on the basis of these guidelines. However, strict enforcement has been lacking.

7.111 Mechanisation has resulted in a decline or stagnation in total landing of the traditional fishing crafts in most of the States. The introduction of purse-seiners in Karnataka, for example, has resulted

in general routing of Rampani operations—a traditional mode of fish catching. The mechanised craft has encouraged the use of synthetic and nylon yarn thereby resulting in closure of village industry producing cotton yarn. Mechanisation has also created a dependency syndrome amongst the fishermen on the boat owners/fish merchants for supply of yarn and credit.

7.112 Over the years, the means of production in the fishing sector, more particularly, the capital-intensive ones, tend to get concentrated among non-fishermen which gave leverage for greater exploitation of fishermen. Mechanisation also led to the transformation of some self-employed fishermen into wage-paid labour.

Cooperative Societies

7.113 In order to remove middlemen and to help fishermen directly, the Government promoted Co-operative Societies in Fisheries sector. National Federation of Fishermen's Co-operative Ltd. is the apex body in the field of fisheries with membership of 56 Co-operative Societies and 8200 Primary Fisheries Co-operatives with membership of 6.6 lakhs. Andhra Pradesh, Maharashtra, West Bengal, Tamil Nadu and Madhya Pradesh account for nearly 70% of primary Co-operatives in the country.

7.114 There are large number of Central sector and Centrally sponsored schemes in the fisheries sector. The details regarding the progress of few of the welfare schemes sponsored by Government of India are given below:—

Group Accident Insurance Schemes for Active Fishermen

7.115 The objective of the scheme is to provide accident insurance cover to fishermen actively engaged in fishing in traditional and small mechanised sector in both marine and inland fishing. All the active fishermen who are member of the fishermen co-operative societies are insured for Rs. 15,000 against death or permanent disability and Rs. 7500 for partial disability. The insurance premium is Rs. 9 per fishermen, per annum. About 7.47 lakh fishermen have been insured under this scheme during 1988-89. The limited coverage is revealed by the fact that it covers only about one tenth of the fishermen in the country.

National Welfare Fund for Fishermen

7.116 The objective of the scheme is to provide civic amenities such as housing, drinking water, and provision of workshed/community hall to the fishermen free of cost. The scheme has been introduced in 1986-87 with an outlay of Rs. 400 lakhs during 7th Plan. The outlay was grossly inadequate which resulted in extremely limited coverage.

Motorisation of Traditional Craft

7.117 The scheme has been introduced during 1986-87 with the objective to augment fish production from the traditional sector and to increase the net income of individual fishermen. Under this scheme, 500 traditional crafts have been approved to be motorised in the maritime States and Union Territories during Seventh Five Year Plan. The cost of motorisation of one traditional craft is Rs. 15,000, of which 50% is borne equally by Centre and State/UT Governments subject to a maximum of Rs. 7500 and the remaining 50% is financed by Bank loan. The outlay for the scheme has been Rs. 187.50 lakh for the seventh five year plan and during 1986-87 to 1988-89, 3023 traditional crafts have been sanctioned for motorisation. About 1500 traditional crafts have been motorised so far. Where gill-netting is the major type of fisheries operation, mechanisation of fishing crafts with-Out Board Motors (OBM) should be encouraged.

Introduction of Improved Beach Landing Craft for Small Fishermen

7.118 The purpose of the scheme is to increase the net income of individual fishermen and to augment fish production from the traditional sector. During seventh plan, an amount of Rs. 112.50 lakh has been approved to introduce 202 Beach Landing Crafts (BCLs) in Tamil Nadu, Andhra Pradesh, Kerala, Gujarat, Orissa and Union Territory of Pondicherry with 50% contribution by the beneficiary Co-operative Societies. So far sanction has been issued to introduce 198 Beach Landing Crafts out of which 130 have been completed and put in operation.

(G) LEATHER WORKERS

7.119 Leather industry is the most traditional and has universal spread in India. It provides employment for 14 lakh persons. Except for certain pockets, the leather workers are thinly spread all over India and are basically unorganised. This industry is characterised by high degree of dualism, where the highly developed export oriented modern segment and undeveloped traditional segment co-exist. As is inevitable under such dualism, the rural based traditional segment has been languishing and shrinking. In rural India, this profession attracts social stigma, next only to scavenging. Almost all the leather workers in the traditional sector and over-whelming majority in the modern sector belong to Scheduled Castes, and their profession is dubbed as 'unclean'. Socially degraded and economically exploited, the rural leather workers do not get adequate share in the value added to the leather.

7.120 According to latest NSS estimates (43rd round), in 1987-88 there were 7.5 lakh persons employed (Principal and subsidiary) in manufacturing of leather and leather products (except repair) out of whom 3.21 lakh persons were in rural areas as compared to 3.29 lakhs in 1983 (38th round NSS). The decline is steeper if we take only principal status

workers. Their estimated number between 1977-78 to 1983 stagnated around 3.26 lakh and has declined to 3.08 lakh in 1987-88. Among the major States, Andhra Pradesh (—72%), Gujarat (—53%), Haryana (—45%), Himachal Pradesh (—75%), Madhya Pradesh (—39%) showed sizeable decline. The decline has been partially off-set by the increase in their number in States like Karnataka, Maharashtra and West Bengal the net reduction being 0.18 lakhs between 1977-78 and 1987-88.

7.121 The leather workers in the decentralised sector can be classified into three main categories i.e. Flayers, Tanners and manufacturers of leather products. The proportion of leather workers in the cottage sector in flaying, tanning and manufacture are 100%, 86% and 79%, respectively. The cottage sector accounts for 90% of total employment in the leather industry.

7.122 Traditionally, flaying of dead animals was an integral part of rural leather industry, wherein the flayer used to undertake apart from flaying, tanning and manufacture of leather products and their repairs. The flayer had traditional right to collect dead animals from the farmers and in turn, he used to supply leather products. In addition, he used to get annual remuneration, either in cash or kind. This system has been fast breaking up due to various developments. Since there is a ban on killing of the cattle below 14 years of age and in some States, there is a total ban, the cattle skin which is the biggest source is not available. Leather from old animals are also of poor quality and the supply is meagre. The availability of fallen animals has declined due to farmers disposing of old and unproductive animals in the shandies for slaughter houses. The younger generation of flayers refuse to stick to the 'unclean' job of their forefathers and seek alternate employment. Rubber and PVC products alongwith mass production of manufactured leather products have flooded rural markets. The unequal competition from mechanised sector in all activities of leather products and exploitation by middlemen have reduced rural artisans to the state of perpetual pauperisation. Introduction of pumpsets eliminated the use of chorsa leather and alongwith this, the linkage of farmers and leather artisans also ended. Some of them moved to the urban sector to find the employment either in the same industry or in some other occupation. The above-mentioned factors resulted in decline in the number of rural leather workers in the unorganised sector. In order to prevent further decline in their number, they should be restrained to handle PVC which has replaced leather. Simultaneously, steps should be taken to restore and promote traditional skill through reservation by law for production of certain items only by rural labour.

Working and Living Condition

7.123 There is hardly any social security scheme catering to the needs of leather workers. They are mostly self-employed or 'out-workers' and are not covered under any labour laws. Even in the organised sector, studies have indicated poor working

conditions exposing them to health hazards. The payment for shoes purchased by the middle-men from artisans is not promptly made. Instead a 'hundi' or a 'purchi' is issued which could be 'encashed' only after 90 days. The artisan who cannot wait for 3 months, gets the 'hundi' heavily discounted. Most of the workers are employed on piece-rate basis.

7.124 The leather workers in villages is deprived of self-employment as he cannot procure the urban processed leather at a cost he can afford. Further, the market forces have considerably eroded his self-employment status to an under-employed servicing artisan. They lack organisation, working capital and marketing facilities. Even in leather cities like Agra, 20 to 30% of skilled workers do not have permanent place to work and are called 'floating' workers. The work places of others are more or less dingy, without sufficient and satisfactory arrangement for drinking water, rest shelter and urinals. They are denied the benefits of sick and casual leave, ESI and EPF and other benefits available to the organised sector under labour laws. The old type tanneries are full of hazards and occupational diseases. Workers come into contact with lime, synthetic fuming materials, dyes, vat lacquers, sulphuric acid etc. which cause skin diseases. The fumes of leather and wet surface of work place are constant sources of occupational diseases.

7.125 The task of orderly development of village leather industry has been entrusted to the Khadi and Village Industries Commission (KVIC). The Commission has been formulating and implementing schemes for development of centres of flaying, carcass utilisation, tanneries, footwear and leather goods manufacture. The Commission provides technical and financial assistance to the artisans through a large number of cooperatives of artisans and distributors for arranging various types of production facilities.

Rural Sweepers and Scavengers

7.126 Among rural non-agricultural workers, sweepers (including all sanitary workers) are the most deprived-socially, educationally and economically. This category belongs to Scheduled Castes. This is a distinct category with substantial population, thinly spread all over the country. Even though sweeping and other sanitary works is their hereditary occupation, they undertake wide range of unskilled work—from carrying head loads to agricultural activities. They are landless and are mostly assetless. There is hardly any social security/welfare scheme catering to their needs.

7.127 While in urban areas they are better placed to some extent with regular/secured employment/income in municipalities and private establishments etc. the rural sanitary worker lives at the mercy of the local community. They do not have fixed hours of work and fixed wages. They survive on uncertain wages paid in kind and some customary benefits provided to them by local community. One of the main obstacles in the way of municipalisation of scavenging services, as observed by the Malkhani Committee is the existence of certain customary rights

known as 'Charki', 'dastoori' etc. While this phenomenon has declined in urban areas, it continues in the country side. Malkhani Committee made a number of recommendations to improve their working and living conditions. In so far as rural areas are concerned, the working and living conditions of sweepers/scavengers is highly deplorable and there is very little improvement in their condition. This category deserves top priority in various welfare and social security measures suggested by the Commission.

7.128 It is felt that in order to improve their living conditions, it is essential that their services are regulated through Panchayati Raj institutions (PRIs), which could be the pay master. Preference in employment should be given to them even among SC/ST in JRY/IRDP schemes. They should be fully covered for measures to support health and education. Unhealthy environment in the homes of sweepers and poverty deprive their children in getting education. Therefore, wherever, their proportion in the village population is significant, say about 5% Balwadis should be established and maintained by PRIs. Their housing problems can be effectively met through JRY/Indira Awas Yojna.

7.129 CONCLUSIONS AND RECOMMENDATIONS

General

1. As per Census 1981, non-agricultural workers account for about one fifth of total rural workers. However, as per our estimates of 'RURAL LABOUR', the non-agricultural rural labour would be around 40 million accounting for 27 per cent of the total rural labour.

2. Industrialisation has bypassed the rural non-agricultural labour and has created an unequal competition between the traditional village sector and modern industries as a result of which the traditional sector has been losing.

(A) HANDLOOM WORKERS

(a) The Commission endorses the proposal to place Handloom (Reservation of Articles for Production) Act, 1985 in the Ninth Schedule of the Constitution. There should be no reduction in the 22 items reserved for production by handloom. The encroachment by mills and powerlooms should be dealt with severely including revocation of licence of the authorised ones and seizure of unauthorised powerlooms.

(b) Government may consider the procurement of yarn to be supplied to handloom weavers through government depots. Present NHDC Yarn Depot Scheme needs to be expanded considerably. In order to reduce fluctuation in yarn prices; a state level fixing committee for handlooms as operating in Maharashtra for powerloom sector should be established. The Committee may revise the prices at suitable intervals. Such price should be reasonably stable.

(c) Handloom Export Promotion Council (HEPC) can play a major role in technical upgradation of looms with gadgets, identifying markets for handlooms products and also identifying high value added items. Possibilities of utilising fair-price shops as outlets for controlled cloth so as to reach the consumer need to be explored.

(d) The weavers should be trained in new methods of weaving and technology and for this purpose, each state having more than 1 lakh handlooms should have a training centre which gives a short term course in latest methods of weaving design, technology etc. In states where the concentration is of higher order as in Assam, more number of centres should be established. TRYSEM can play a major role in this regard as most of the weaver households are poor.

(e) Adequate financial assistance should be given to handloom weavers switching over to the new techniques. We recommend replacement of fly shuttle pit looms with frame looms attached with pedal (Chittaranjan loom).

(f) Marketing arrangements for handloom products should be improved with vigorous advertisement/publicity campaign through mass media supported by quality and design improvements suiting the changing tastes. The government could be the largest buyer of handloom products and can reserve purchase of items for its various requirements. It can increase the market for handloom products by advancing loans to government servants. The government may also consider declaring a day in a month (first working day) as "Khadi and Handloom Day" thereby encouraging the use of khadi/handloom fabrics. Possibilities of distribution of handloom products as part of wages under employment programmes should be explored.

(g) A special legislation for handloom workers should be enacted and for this purpose the Tamil Nadu Handloom Workers (Conditions of Employment and Miscellaneous Provisions) Act, 1981 should be considered as a model.

(h) The Government should set up a Welfare Fund for providing welfare amenities to handloom weavers and resources for this could be raised through a levy on the mills.

(B) BEEDI WORKERS

(a) All workers engaged in beedi making, whether in their homes or under industrial premises should be identified and identity cards should be issued to them.

(b) The contract system in beedi manufacturing should be abolished and initiatives should be taken too to organise the beedi workers to form their own cooperatives.

(c) The following changes are suggested in the Beedi-Cigar Workers (condition of Employment) Act 1966:—

- (i) In order to help establish the employer-employee relationship of home workers in an unambiguous manner, it is suggested that the following explanation be added to Section 2(f) of the Act, which defines an 'employee':

“Explanation”:—

“It shall be presumed unless the contrary is proved which proof shall include the details under the relevant Sales-Tax laws, that the person who rolled beedi with the assistance of his family members were home workers and not contractors, if no sale or purchase transaction takes place and the payment is according to the units of beedies rolled and that the ownership of raw material was never divested.”

- (ii) The penal provision under the Act, should provide for deterrent penalties. The substantive punishments in the section 33 should be enhanced from 3 months to one year and fine from Rs. 500 to Rs. 2000.
- (iii) The jurisdiction to try offences under this Act should be conferred on the Labour Court instead of on the Courts now empowered. Sub-Section (2) of Section 36 of the Act be amended accordingly.
- (iv) The time for instituting complaints provided in Sub-section (i) of Section 36 of the Act be enhanced to 6 months instead of 3 months and suitable amendment be made in this regard.

(d) All beedi workers should be covered under social security schemes recommended by the Commission.

(e) It is recommended that various laws relating to the beedi industry should be brought under the Ninth Schedule of the Constitution of India on the pattern of land reform laws.

(C) CONSTRUCTION WORKERS

(a) The mode of recruitment of workers through middlemen should be checked to enable the construction workers to get wages in full measure.

(b) The proposed Bill “The Building and other Construction Workers (Regulation of Employment and Condition of Services) Bill 1988” when finally Passed by the Parliament would cater to the improvement in the working and living conditions of construction workers.

(c) It should be mandatory for the contractors to provide hutments/shelter to the construction workers at work sites. Municipal authorities should help them in making available the site for the purpose and also

see that necessary facilities, are extended by the contractor.

(D) BRICK-KILN WORKERS

(a) The Tripartite Committee for brick-kiln industry has suggested a separate legislation known as Brick kiln workers (Regulation of Employment and Condition of Service) Act. Even though the Act is a well conceived and comprehensive one, since the brick-kiln workers form an integral part of construction activity, such measures need to be considered that would provide welfare amenities and social security measures to the workers in both these activities in an unified manner. Since such eventualities are already being considered, the Commission gives its support to this view.

(E) TODDY TAPPERS

(a) The Commission is of the view that neera being a non-alcoholic, natural and nutritious drink, the ban on its tapping and sale in some States should be lifted. Improved method of its preparation, purification and conversion into soft drink and preservation should be adopted through modernisation.

(b) Palm gur industry needs to be developed with technological improvement, particularly to reduce fuel consumption in its preparation. Being a close substitute to cane sugar and gur, it has scope to reduce acreage under sugarcane which could be diverted to other crops.

(c) Growing of palm trees should be encouraged under social forestry schemes, particularly in barren and culturable waste lands. Usufruct rights may be given to toddy tapper families.

(d) Non-edible products of palm tree, viz. stalk fibre have tremendous commercial use and it is a major activity in palm growing areas. It has large employment potential, particularly, for women. Palmyra fibre industry is heavily export oriented. Present marketing facilities are inadequate to exploit the full potential. More aggressive drive is needed to tap this potential

(e) Considering the geographical spread of palm growing areas and density of population in such areas, the coverage of KVIC appears to be limited. The coverage under artisan co-operatives of toddy and allied workers should be expanded.

(f) A Welfare Fund should be established in all States where there is large concentration of toddy workers. The Kerala Toddy Workers Welfare Fund Act, 1969 could be considered as a model for emulation.

(g) The rent for palm trees should be regulated by the States and such notified rent should be relatively stable.

(F) FISHERMEN

(a) To avoid conflicts amongst operators of non-mechanised craft, mechanised boats and larger fishing vessels and between fishermen adjoining States, government should take necessary measures for delimitation of fishing zones through legislation. There should be strict enforcement of Marine Regulation Act and rules.

(b) The Co-operative Societies should undertake marketing of the products in the inland sector. Government should devise a system of preferential loans for replacements of boats, engines nets, etc.

(c) Alternate on-shore employment opportunities for the displaced workers of traditional sector and women need to be expanded. Shell works/decoratives have good market, both internal and external. The government may reconsider the policy of banning the export of shells as the ban benefits only the intermediaries. This sector should be reserved for fishermen/women in coastal areas and should get adequate financial support from institutional sources.

(d) The fishery rights of inland water resources including those situated in reserve forests, subject to rules governing the activities within the reserve forests, should be transferred to Fisheries Department. The fishery rights of sources vested in local bodies like Panchayats, however, need not be transferred to the Fisheries Department. Nevertheless, it is necessary to bring out detailed guidelines on the method and manner of leasing, which should also provide for first preference to the fishermen/group of fishermen while leasing the rights.

(e) In view of highly risky venture of marine fishermen, the net work of advance warning system/weather forecast etc. should be considerably expanded. A sinking Fund should be created by all the coastal States prone for cyclones, like Andhra Pradesh, Tamil Nadu, West Bengal, Orissa and Gujarat so that full scale relief measures are taken immediately.

(G) LEATHER WORKERS

(a) The rural leather artisan has been subjugated to continued exploitation on an ever increasing scale

by middle-men operating on behalf of the organised sector. There is an urgent need for institutional frame work to correct this aberration. Products of the units in the organised sector like Bata Company, could be exclusively reserved for exports to protect the interest of leather artisans.

(b) In order to revitalize this sector, it is necessary to integrate the three categories of workers viz. flayer tanner and footwear producer. Appropriate technology for each category will have to be identified and suitably adapted to the capabilities and capacities of rural artisans. In addition, supplementary activities like meat/bone meal, tallow, horns/hoop meal could also be integrated to improve viability.

(c) The leather Development Corporation in various States have been making efforts for imparting skills and are also supplying mini kits. The possibility of training more of such persons under TRYSEM should be considered. Such activities should be considerably expanded. Steps should also be taken to utilise funds under Special Component Plan (SCP) to train leather workers in ITIs and various factories and to increase training facilities. New technology with better methods of fabrication may be introduced by providing newer and improved tools and raw materials.

(d) The Package Assistance scheme of Bharat Leather Corporation provide full employment on a remunerative basis with buy back arrangement of final products. Similar schemes should be designed for the benefit of leather workers in the countryside.

(e) Infrastructure facilities and inputs like credit, common facilities centres, access to latest design and patterns, marketing etc. should be provided in areas of large concentration of leather workers.

(H) SWEEPERS AND SCAVENGERS

In order to improve the living conditions of village sweepers/scavengers, it is essential that their services are regulated through the Panchayati Raj Institutions.

ANNEXURE

RECOMMENDATIONS OF THE TRIPARTITE WORKING GROUP FOR BUILDING AND CONSTRUCTION INDUSTRY (1985)

I. Constitution of Labour Welfare Fund

- (i) A Construction Labour Welfare Fund should be established.
- (ii) A cess not exceeding one per cent of the value of the project be levied on the project construction works towards the fund.
- (iii) This fund is to be used for provisions such as medical facilities, water supply, housing, nutrition, education and vocational training facilities to the workers on the discretion of the appropriate authority.
- (iv) From this fund grant-in-aid and loan or subsidy is to be extended to a State Government a local authority or the principal employer of the Building and Construction Industry in aid of any scheme approved by the Central Government for the purpose of welfare of construction workers.
- (v) The responsibilities for administering the fund should be undertaken by labour boards or else by the State Governments.

II. Safety: A comprehensive safety code for construction industry should be evolved and implemented effectively. ILO safety standard should be adapted to suit our requirements.

III. Training: To promote training and skill formation in construction activity, Construction Training Institutes (CTI) may be set up near the major project sites.

IV. Labour Cooperative Societies: The labour cooperatives operating as construction contractors should be treated at par with other contractors in so far as their workforce are concerned and, therefore, have to conform to general and overall policies of the Government in regard to its employees.

V. Social Security Measures: To promote Social Security and to ensure compliance with welfare measures provided under the existing laws, particularly Provident Fund and ESI Schemes for the unorganised work force, issuance of pass books, a kind of identity-cum-authorisation document is necessary. In case the worker moves out from one area to another, endorsement from the Board on the pass book should be accepted as a valid document to continue such benefits. Tampering with this document and violations should be made a cognizable offence attracting severe punishment.

CHAPTER 8

BONDED LABOUR

Background

8.1 The age-old in human system of bonded labour combines the worst and extreme features of exploitation and discrimination. It has its roots in the socio-economic structure in the rural areas characterised by feudal and semi-feudal conditions, hierarchical caste system, abject poverty and ignorance coupled with social customs. The need to have money for subsistence and for social obligations lead to taking loans or advances in cash or kind by mortgaging their labour which leads to 'debt bondage' which may continue over generations. The servitude may extend to a member or members of or the whole family. Bonded and forced labour go by different names in various parts of the country—for example—Gothi, Vethi or Bhagola in Andhra Pradesh, Kamiya in Bihar, Jeetha in Karnataka, Paniyans and Adyans in Kerala, Kamiya, Harwah or Hali in Madhya Pradesh, Vet or Begar in Maharashtra, Dadan in Orissa, Hali in Rajasthan and Padiyals in Tamil Nadu. There is also the 'banihari' system where labour at below the market wage is extracted in lieu of homestead land and an allotment of an uneconomical parcel of land for family cultivation and consumption, besides loans for family and ceremonial consumption. There is the 'jajmani' system under which servicing and artisan caste households provide by traditional custom services and goods to fixed client households (jajmans) in the villages in exchange of stipulated quantities of grains and other payments. Some can sell their skill and service in the market also and some cannot—thus performing partly or wholly forced labour. The bonded labour system is prevalent both in agriculturally backward as well as forward areas and there have also been cases of serial bondage where a bonded labourer goes from one master to another in the form of trading. This system which was largely confined to the agricultural sector is now seen among workers in stone quarrier, brick kilns, construction sites, forestry, carpet weaving, fishing, bidi making, match works etc. which also engage migrant and/or child labour. The 'bondage' results from advances given against future wages, which are paid at rates lower than the statutory fixed minimum.

Definition and legislation

8.2 Certain legislation on this as well as on debt relief etc. were passed in various States. Article 23 of the Constitution prohibits traffic in human beings and 'begar' and other similar forms of forced labour (begar means labour or service exacted by Govt. or a person in power without giving remuneration for it. Forced labour is an expression attracted when a person is compelled to give his labour

or service or accept employment at wages or remuneration less than statutory minimum wage). It was in 1975 that the Bonded Labour System (Abolition) Ordinance was promulgated followed by the Bonded Labour System (Abolition) Act, 1976.

The Act, inter-alia enumerates certain forms of forced labour under social custom though this does not include banihari or jajmani systems.

8.3 The Act defines "Bonded Labourer" as a labourer who incurs, or has, or is presumed to have, incurred a bonded debt. According to the Act "Bonded Labour" means any labour or service rendered under the bonded labour system. "Bonded Labour System" means the system of forced, or partly forced labour under which a debtor enters or has or is presumed to have entered into an agreement with the creditor to the effect that:

- (i) in consideration of an advance obtained by him or by any of his lineal ascendants or descendants (whether or not such advance is evidenced by any document) and in consideration of the interest, if any, due on such advance, or
- (ii) in pursuance of any customary or social obligation, or
- (iii) in pursuance of an obligation devolving on him by succession, or
- (iv) for any economic consideration received by him or by any of his lineal ascendants or descendants, or
- (v) by reason of his birth in any particular caste or community,
he would—
 - (1) render, by himself or through any member of his family, or any person dependent on him, labour or service to the creditor, or for the benefit of the creditor, for a specified period or for an unspecified period, either without wages or for nominal wages, or
 - (2) forfeit the freedom of employment or other means of livelihood for a specified period or for unspecified period, or
 - (3) forfeit the right to move freely throughout the territory of India, or
 - (4) forfeit the right to appropriate or sell at market value any of the property or pro-

duct of his labour or the labour of a member of his family or any person dependent on him and includes the system of forced, or partly forced labour under which a surety for a debtor enters, or has or is presumed to have entered, into an agreement with the creditor to the effect that in the event of the failure of the debtor to repay the debt, he would render the bonded labour on behalf of the debtor. By an amendment in 1985, system of forced or partly forced labour under which contract labour and migrant labour is required to render labour or service with similar conditions or disabilities was also defined to be a bonded labour system.

8.4 Section 12 of the Act requires such action as may be necessary to eradicate the enforcement of the bonded labour system or any other system of forced labour. The Supreme Court interpreting the Act stated that "whenever it is shown that a labourer is made to provide forced labour, the Court would raise a presumption that he is required to do so in consideration of an advance or other economic consideration received by him and he is, therefore, a bonded labourer. This presumption may be rebutted by the employer and also by the State Government if it so chooses but unless and until satisfactory material is produced for rebutting this presumption, the Court must proceed on the basis that the labourer is a bonded labourer entitled to the provisions of the Act." Thus, the definition of a bonded labourer which was relying on a bonded debt, namely, an advance obtained or presumed to have been obtained under or in pursuance of the bonded labour system, has been expanded to include a situation of forced labour also. It would be desirable to amend the definition of 'bonded labour system' to provide for the situation of forced labour under social custom with an agreement or a presumed agreement but which may not have an element of bonded debt.

Magnitude and characteristics

8.5 There has been no comprehensive survey to determine the magnitude of bonded labour. However, one can refer to three different estimates available on this. One is the sample survey in 1978-79 conducted under the joint auspices of the Gandhi Peace Foundation (GPF) and the National Labour Institute (NLI) in 10 States of the country which placed the estimated number at 26.17 lakhs. The National Sample Survey Organisation, in their 32nd Round (1977-78), estimated it at 3.45 lakhs in 16 States. The State Governments, 9 in number, gave an estimate of about 1.21 lakhs in March, 1980 and this had gone up to approximately 2.46 lakhs by March 1990 for 12 States. The details are in Annexure A. It is, however, noted that the definition adopted by the National Sample Survey Organisation was restrictive, not encompassing fully the definition in the Act, though it covered traditional and non-traditional areas. The GPF/NLI survey, though supposed to have used the definition in the Act, covered only the traditional areas, was based only on a sample survey of 1000

villages in 10 States, which has left out a few districts in the States covered and also assumes that the information from the villages surveyed is representative of the district and the State to give a sound basis for generalisation. Considering the limitations, the estimates and the districtwise information may, at best, be considered as indicative of the situation and the characteristics of bonded labour rather than of order of magnitudes.

8.6 Certain qualitative characteristics which have emerged from the sample surveys of GPF/NLI are worth noting. The All India averages indicate that, typically, the bonded labourers belong to Scheduled Castes (61.5%) and Scheduled Tribes (25.1%), are male (97.5%), married (72%), illiterate (90 to 94%) and around 30 years of age, the bulk belonging to 21 to 40 years. Most of the bonded labour households are landless (63%), mostly do agricultural work (80%) and usually do not own animals either big ones such as cow, buffalows, bullocks etc. (66%) or small ones such as goats, pigs etc. (most have none). While the majority possess some homestead land and this usually constitutes their sole asset, about 12 percent do not have even huts.

8.7 In regard to employers, 89% are agriculturists, typically belonging to upper castes, are rich and usually possess a number of big animals, in addition to land. However, few use modern machinery (tractors and pump sets) in cultivation. (However, it has been noted in Haryana in a recent study that even in capitalist agriculture, the bonded labour system prevails). The average number of bonded labourers per employer or creditor was about 3. The loans which the labourers have taken and has led to bondage came to Rs. 530 on an average while the interest thereon varied from nil to as much as 500 per cent. The average period for which those interviewed have been under bondage is 6.4 years. The reasons for which they borrow are mainly of two kinds—

- (a) domestic needs such as of food, clothing, medicine and
- (b) social ceremonies associated with marriages, births and deaths.

Other studies have also shown that the agricultural labourer households are financially in deficit chronically and have to resort to loans even for minimum subsistence level of consumption and such labourers whose earnings are insufficient to sustain them enter the ranks of the bonded labourers. According to the Rural Labour Enquiry reports the proportion of indebted rural labour and agricultural labour households to the total were 50.5% and 52.3% respectively in 1977-78. The position remained more or less the same in 1983, but came down to 42.8% and 43% in 1987-88. For the indebted agricultural households the average debt has gone up from Rs. 660 in 1977-78 to Rs. 1952 in 1987-88. The average debt per household for household consumption, marriages and other ceremonies as a proportion of total average debt stood at 66.7%, 73.6% and 61.7% respectively for All, SC and ST households in 1977-78, but has come down in

1987-88 to 48.2%, 52.9% and 41.3% respectively. In the same period, while institutional sources of debt have increased and the proportion from moneylenders has decreased, the proportion from employers has increased for All, SC and ST households.

8.8 The wages which the bonded labourers received for the work done under bondage was also very meagre at about Rs. 60 per month, of which they got only Rs. 40 per month after deductions by the creditor. The labourers were not able to supplement their income by additional alternative employment, as in 92 per cent of the cases they were not allowed to seek alternative employment in the on-season and in 75% of the cases they could not seek work even in off-season. The bonded labourers surveyed were found to be considerably malnourished, anaemic and underweight, with a high incidence of disease, especially among the children. While under the traditionally customary bondage the relationship has been of the patron-client type with some obligation on the part of the landlord to help the labourer in times of extreme need, under the system of 'modern' bondage, the relationship is impersonal, based on straight economic exploitation. The survey also noted noticeable differences between States regarding amounts of loans taken, period of bondage, age composition etc. reflecting the historical bases in different regions.

8.9 In some of the non-agricultural activities like building and construction, brick kilns, stone quarries etc. where bonded labour has been noticed, the employers or contractors or the agents advance money to workers and for this consideration make them work at less than minimum wages and the workers are attached to them for a specified period. Many such workers are also migrant labour, made resident on the production or construction site. Usurious rates of interest are also charged. In the carpet industry, there is a multi-level creditor/debtor relationship and a peculiar complex of self-employment and wage labour as well as exploitation and bondage of child labour. The areas with reportedly high incidence of bonded labour in agriculture may be seen in Annexure B. Some of the non-agricultural occupations showing incidence of bonded labour but not adequately covered by surveys studies etc. are also indicated in Annexure B.

Causative factors and Survey

8.10 The bonded labour phenomenon in agriculture is the result of a classic convergence of caste and class disabilities aggravated by the seasonal nature of employment in agriculture. The abject poverty compels them to take resort to loans for subsistence and social customs, usually from the landlord, who also desires captive labour. The kernel of bondedness lies in unrepayable debt and loss of freedom to seek alternate employment through the market process. He works on daily wages paid well below the minimum wages and cannot get out of the vicious circle. This is most pronounced in the feudalistic areas, though in the recent past there have been indications of erosion of feudal structure of exploitation and discrimi-

nation through agrarian movements as well as by release of market forces generating demand for casual labour on account of greater diversification in the rural economy and requirements of non-agricultural occupations and rural industries. The mere adoption of a capitalist mode of development in agriculture is not necessarily an insurance against bondedness or guarantee of a free labour market. A solution in the long run for this problem, which also has social and customary origins, would involve as well as change in the power structure in rural areas. The situation of surplus labour, unemployment/underemployment, inequitable distribution of land and assets, low wages, distress migration, social customs etc., with the phenomenon of small and marginal peasants steadily becoming landless labourers generate an environment which can perpetuate the system of bonded labour. It is, therefore, necessary to conduct a country-wide census of bonded labourers and in the districts with concentrations of bonded labourers sample surveys could be done periodically once in five years to get more details on the infrastructure in the district and on the characteristics of bonded labour to prepare schemes and to monitor the situation from time to time. For the purpose of identification and census/survey, a Central data collecting organisation may be entrusted with the job with the assistance and involvement of autonomous and non-government voluntary organisations. Sample surveys can be got done through the National Sample Survey Organisation.

8.11 In order to eliminate bondage, the focus of attention has not only to be on the steps required for the identification and rehabilitation of bonded labour but also on the causative factors which lead to bondage and need to be tackled in the long run to remove the conditions that give birth to bonded labour and to prevent relapse into bondage. A cursory analysis of some of the characteristics of the districts in which incidence of bonded labour is reported to be high indicates that generally, these districts have a proportion of scheduled castes and/or scheduled tribes higher than the State average along with one or more of the following: (a) percentage of agricultural labour to total rural workers higher than the State average (b) percentage of irrigated area and agricultural productivity lower than the State average. Wages also tend to be lower than the State average. Thus, economic backwardness, poor infrastructure and low employment generally characterise these areas. In the few districts which do not exhibit these characteristics, the reasons are to be found elsewhere, like migrant labour, acute poverty with incidence of high inequality etc. In the wider perspective, an integrated package of long term measures requires to be taken to resolve the problem. These include:

- (a) After detailed district level or block level information on incidence of bondage is ascertained, the level of development and gaps in infrastructure in areas of highest concentration of bondage should be identified. The focus of development should be on increasing Plan outlays for improvement of infrastructure like irrigation, power, transport and communication

etc. in such districts to raise the demand for labour. Other support systems which should also be strengthened are institutional credit, provision of raw materials, marketing and support services, training in skills, etc. All these would support employment generation and self-employment.

- (b) The Employment Guarantee Scheme recommended elsewhere in the report should be started in such areas, and priority in employment should be given to released bonded labourers. Such a scheme should be an important element of rehabilitation.
- (c) Other measures to increase employment opportunities both in agriculture and off-farm should be taken and payment of minimum wages ensured.
- (d) In distribution of ceiling surplus land, priority should be given to freed bonded labourers and even land can be purchased by Government for allotment to them.
- (e) There should be a convergence of antipoverty, employment generation/guarantee and welfare schemes for freed bonded labour, along with provision of minimum needs, social security, insurance schemes etc.
- (f) Provision for one time consumption credit also should be made for them on the lines recommended elsewhere.
- (g) In the agricultural sector, the bondedness is a direct consequence of the living and working condition of agricultural labour, which requires attention also through legislative and other measures detailed elsewhere.
- (h) Displacement of tribals due to development projects and deprivation of their traditional rights in forests have led to loss of their source of livelihood, and many are forced to seek employment away from their natural economic habitat and occasionally land themselves in bondage. These aspects are dealt with in a separate chapter.

Identification, Release and Prosecution

8.12 Some of the problems encountered in identification relate to:—

- (a) due to fear of reprisals and loss of employment, the bonded labourers, mostly SCs and STs, do not come forward themselves;
- (b) the aggressive environment created by the masters for maintenance or restoration of status-quo.
- (c) lack of alternate employment opportunities;
- (d) inactivity of vigilance committees and paucity of voluntary agencies to identify bonded labour and to prevent cases of fraudulent identification

and of corruption resulting in misuse of rehabilitation grants.

8.13 Among the important elements in the identification and release of bonded labour are the generation of awareness, confidence building and psychological rehabilitation. The rural labour camps conducted by the National Labour Institute in different parts of the country have been a powerful medium for this purpose and have achieved substantial success. Such camps should be organised on a country-wide basis by the National Labour Institute, the National Institute of Rural Development, Workers, Training Institutions as well as willing and suitable voluntary agencies. Training and workshops should also be organised for the functionaries involved in identification and rehabilitation of bonded labour to motivate them and to generate the required attitudes and empathy. The awareness camps for bonded labourers should also be attended by such functionaries so that a mutual understanding can be established and the barriers can be broken down. The camps should be periodic and not a once for all affairs.

8.14 In order to generate confidence in the system, an effective enforcement of the Act is required. There have been reports of inordinate time lags between identification, release and rehabilitation and there have been very few prosecutions against persons who keep labour in bondage. The process of identification, release and criminal prosecution of the employer of bonded labour should, as far as possible, be simultaneous activities. Free legal aid should also be provided by the State if required by the bonded labourer. It is desirable that the release proceedings are conducted in the same village and in open court so that the bonded labourer becomes aware of the fact and consequences of the release and their oppressor also becomes aware of the legal consequences. Persons who indulge in fraudulently showing bonded labourers to misappropriate rehabilitation grants should be made punishable under the Act along with the recovery of fine upto the grant given. Summary trial of offences should be done within a time limit of four weeks and there should be no appeal or revision from the proceedings or judgements of the Executive Magistrate except before the High Court. The jurisdiction of the Judicial Magistrate should be barred. A minimum sentence of six months and a minimum fine of Rs. 2000 should be provided in Sections 16, 17, 18 and 19 of the Act. There should also be provision made in the Act for compensation and recovery of damages from the keeper of the bonded labourer, proportionate to the length of bondage. Besides protecting a homestead and other residential premises of the bonded labourer, similar protection should be given for the agricultural lands being cultivated by the bonded labourer.

Vigilance Committees

8.15 The Vigilance Committees contemplated under the Act at the district and sub-divisional levels are to include persons belonging to SCs and STs, social workers, persons to represent official and non-official

agencies connected with rural development and persons to represent financial and credit institutions. The Vigilance Committees are expected to give advice about measures to be taken to implement the provisions of the Act, provide for economic and social rehabilitation including organising flow of adequate credit to free bonded labourers, make a survey and monitor offences under the Act as well as defend any suit instituted against a freed bonded labourer. While a few vigilance Committees have been doing good work, most of them have not been constituted or reconstituted or have not been active as meetings are not held regularly. There has been no monitoring of the functioning of these committees and since last couple of years fresh identification of bonded labourers has almost stopped. Some do not have activists or representatives of Non-Governmental Organisation (NGOs). It is necessary to activate the Vigilance Committee with the composition as prescribed. The released bonded labourers could be encouraged to form village level associations and elect a leader and these leaders should form the block level committees. The elected Chairman of the Committees should be members of the sub-divisional level Committee and two such Chairmen made members at the District level Vigilance Committees also. The meetings of village level association and the block level committee should be attended by officers of the Revenue, Police, Labour, Agriculture and Development departments at the appropriate level. The Vigilance Committees should meet at least once in two months. The Committees should help in detection of fresh cases, monitor prompt release and ensure effective rehabilitation through close follow up. The Committees should also act as catalytic agents for creating mass awareness and for organising the bonded labourers. The Vigilance Committees should also be authorised to prosecute offenders and the offences under the Act should be cognizable and non-bailable.

Rehabilitation

8.16 Rehabilitation of the freed bonded labourer is even more important than the release. If such a labourer was to lose his employment or to be sent back to his home State if he is a migrant, he would lose his source of livelihood and the 'remedy' would be worse than the 'disease'. Rehabilitation must immediately follow the release, which should consist of immediate financial assistance for him and for his family to subsist, assistance to start a new life leading to economic independence and measures to combat social discrimination. The centrally sponsored scheme for rehabilitation of bonded labour contemplates a grant upto Rs. 6250/- per head, shared on a 50 : 50 basis by Central Government and the State Governments. Out of this, Rs. 500/- is meant to be given in kind for consumption purposes soon after the release to enable him to tide over the period till his rehabilitation. A statement showing the number of bonded labourers identified and rehabilitated as on 31-3-90 is in Annexure C. It is seen that still a large number of identified bonded labourers are yet to be rehabilitated. A new scheme of grants-in-aid to voluntary agencies in the identification and rehabilitation of bonded labourers is implemented through the Council for Advance-

ment of People's Action and Rural Technology (CAPART) but it is still to take off. The schemes for rehabilitation are based on the following guidelines:

- (a) Land based schemes consist of identification and allotment of surplus land, preferably in villages where they reside and provision of facilities such as plough, draught animals, implements, input packages (credit, seed, fertilizers) and land reclamation if needed.
- (b) Animal husbandry based schemes provide for distribution of livestock like milch cattle, goats, pigs etc. along with marketing facilities, veterinary services etc. to supplement incomes.
- (c) Skill/craft based schemes envisage providing inputs of raw materials, capital, sheds and implements, ensuring marketing channels as also loans at preferential rates of interest. Further guidelines were also issued that these schemes should be integrated with the other anti-poverty programmes, IRDP, NREP, RLEGP, TRYSEM. Sub-component Plan for SCs/STs etc. so that a sufficient grant is available for effective and purposeful rehabilitation. House constructed under NREP and RLEGP are also to be made available to the released bonded labour free of cost.

8.17 While studies have shown a number of inadequacies which will be outlined below, there have also been a few innovative attempts. In Andhra Pradesh, available culturable Government land and ceiling surplus land have been granted at par with landless agricultural labourers and Government has also drafted a unique scheme of purchasing private land, developing it for agricultural purposes and even sinking wells on them out of sub-component Plan funds, for allotment to released bonded labourers. In Bihar, besides providing a social security pension immediately after identification, an integrated development scheme including land grant has been devised, besides a matching additional grant of Rs. 6250/- by the State Government. An innovative scheme for rehabilitation of child bonded labourers released from the carpet industry of U.P. has been formulated in Palamau district of Bihar and this includes residential schools where, besides providing education with free text books, school uniforms, mid-day meals etc., training is also given in carpet weaving. In Karnataka, the rehabilitation programme was coincidentally simultaneous with the land reforms implementation. The Karnataka Land Reforms Act which generally prohibits creation of tenancy, and confers occupancy rights over tenants, provides that the definition of a tenant includes a 'deemed tenant' i.e., a person whose name did not appear under any of the records but who was found, after local enquiry, to have been cultivating someone else's land. Under this, the bonded agricultural labourer became a tenant and subsequently got occupancy rights, thus releasing them also from bondage. In Kerala, a land based rehabilitation project has been launched integrating the development schemes of the Departments of Rural Development, Primary and Adult Education

and Social Welfare. In Rajasthan, non-land based schemes have been attempted. In Tamilnadu, a voluntary organisation has implemented a rehabilitation package including agriculture, sericulture, tree-culture, animal husbandry, horticulture and housing. In U.P., activists and NGOs have taken initiative in getting land pattas issued to released bonded labourers and also in getting women released from brothels in plains where they had been sent to earn, by hill area families under debt bondage. In Orissa, age relaxation upto 40 years to release bonded labourers for employment has been given for Group 'C' and 'D' posts under the State Government. But in large majority of cases, various shortcomings have been found which include:

- (i) Considerable time lag between release and rehabilitation and poor follow-up action on rehabilitation leading to misery and relapse into bondage.
 - (ii) Non-integration of the rehabilitation schemes with other anti-poverty and welfare schemes
 - (iii) The land-based schemes, though having potential, have not succeeded due to either poor quality of land or lack of planning development of land and of inputs and infrastructure.
 - (iv) In the animal husbandry based schemes, the shortcomings relate to non-availability of good veterinary services, lack of provision of fodder and lack of proper marketing linkages.
 - (v) In the skill or craft based schemes, the lacunae observed were: lack of choice given to the beneficiaries, poor planning, inadequate training, and non-provision of backward and forward linkages by way of input materials and marketing and lack of integration with other schemes in the areas.
 - (vi) There have been cases of corruption through fraudulent identification as well as leakage of rehabilitation grants. The problems of migrant bonded labourers was found to be most acute as there was no rehabilitation attempt either in the State in which they work or in the State of origin. There was no awareness also among the bonded labourers about various schemes.
- 8.18 It is necessary to improve the rehabilitation measures qualitatively. The shortcomings outlined earlier require to be rectified and in particular:—
- (i) The scheme of rehabilitation should be chosen in consultation with the beneficiary who should be given all information about different schemes to enable him to select in accordance with his willingness, interest and aptitude.
 - (ii) The scheme should be well planned with all the components like training, inputs, services and marketing tied up. The infrastructure that is required should be identified and provided where it is inadequate or absent.
 - (iii) In the case of land based schemes, the lands should be of reasonably good quality. Statutory provisions should be made to give priority to released bonded labourers in allotment of Government land and ceiling surplus land and pattas given in a mass camp. States may consider purchasing culturable land for allotment. Statutory provision may also be made to see that the lands actually tilled by the bonded labourers are assigned in their name after local enquiry even though their names may not appear as cultivators in the land records. Land development and irrigation facilities, if required, as well as the provision for inputs training, etc. should be organised by a conscious convergence of various anti-poverty programmes and other schemes, including Central assistance.
 - (iv) Centrally sponsored scheme of rehabilitation of bonded labour should be assisted 100% by the Centre. The rehabilitation grant should be given in full, as now it is permissible to give even less than the admissible maximum amount. The maximum amount of Rs. 6250/- (increased from earlier Rs. 4,000/- w.e.f. 1-2-86) requires to be enhanced to Rs. 10,000/- which can also take care of consumption requirements for one year. The release of funds should be streamlined to make it quick and availability made timely.
 - (v) Since the predominant cause for lapsing into bondage is debts taken largely for consumption needs, the jurisdiction banks should be directed to provide consumption loans to the released bonded labourers to the extent of Rs. 1,000/- per year under the differential rates of interest schemes for two years after his release or in the alternative, as has been adopted by some State Governments, until a stable employment is provided or a rehabilitation scheme becomes viable, provision should be made for a monthly maintenance grant of at least Rs. 200/- per month out of the enhanced rehabilitation grant.
 - (vi) Legal provisions should be made for restoration of lands belonging to the bonded labourers but usurped by moneylenders and bigger landowners on account of loans given at exorbitant rates of interest. Rehabilitation grant should preferably be made in the form of assets and some cash in the presence of the Panchayat and one or two government officers, better the SDO or the BDO and in an open meeting/ mela after due publicity and the list should also be put up on the notice board of the Panchayat. In the case of bonded labourers working in quarries, brick kilns, etc. there should be provision to take over these assets and entrust them to the bonded labourers through the formation of associations or cooperative societies.
 - (vii) Panchayati Raj institutions should be actively involved in the rehabilitation efforts. Adequate delegation of powers should also be done for enabling quick sanctions. Officials/non-officials

found guilty of corruption and leakage of rehabilitation funds should be made liable for criminal prosecution.

- (viii) Rehabilitation of bonded labour in agriculture is best secured through settling them on land. In this context, group rehabilitation projects under a cooperative set up or as a society or even a loose group should be encouraged, with the beneficiaries managing the project after proper training. A similar approach to rehabilitation on a collective basis in small groups should be tried for animal husbandry based as well as skill/craft based schemes also, as these would prove economical, can take advantage of complementarities between schemes as well as among persons and will also help in providing psychological strength. Cooperatives of freed bonded labourers may be formed for running brick kilns, for allotment of fair price shops, for fishing, farming etc. They should also be encouraged to take up animal husbandry, poultry, piggery, etc. The group could also, in due course, establish a savings fund which could be used to help the individuals towards expenditure on social ceremonies.
- (ix) Priority should be given to released bonded labourers in employment generation or employment guarantee schemes. In addition, effective enforcement of various labour laws, including the Minimum Wages Act, would also help in improving the incomes.
- (x) The organisation of bonded labourers may be recognised as a voluntary agency for implementation of rehabilitation schemes through CAPART.
- (xi) The rehabilitation programme should be such as to meet the needs of the whole family, integrating the anti-poverty, agricultural and rural development and basic minimum needs programmes and giving priority to them. Residential schools for the children of the released bonded labourers as well as for the released child bonded labourers along with other rural labourers' children should be started with provision for uniforms, text books, etc. also free of cost.
- (xii) In order to minimise the need for consumption loans for marriage and death ceremonies, subsidised rations for a specified number of persons may be given and all efforts should be made at reform and reducing wasteful expenditure in such ceremonies. Panchayati Rai and Social Welfare Institutions should take active interest in eliminating such wasteful expenditure. The concept of group marriages should be encouraged under the auspices of Zila Parishads. Panchayati Rai Institutions should be declared as Registrars of Marriages under the Civil Marriages Act. Similarly, some small amount of grant should be advanced by Zila Parishads or Panchayats for performing funeral rites thereby eliminating the need for taking loan on this account. The public distribution system should be reoriented

to meet the needs of agricultural and other vulnerable rural labour, through special ration cards to draw rations at subsidised rates.

- (xiii) The rehabilitation of migrant bonded labourers is generally uncertain, delayed and inadequate. It is recommended that 40% of the rehabilitation grant should be provided by the State where they are found and the balance 60% should be provided in the State of origin.

Administrative action and Legislative amendments

8.19 Apart from the legislation which specifically concerns bonded labour, there are also other laws under which the keepers of bonded labour can be prosecuted in order to see that justice is done to the bonded labour. Some of these Acts are the Minimum Wages Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act 1979, Child Labour (Prohibition and Regulation) Act, 1986 as well as Sections of the Indian Penal Code, viz. Section 374 (forced labour) and Section 367 (kidnap and wrongful confinement), besides laws against the sexual exploitation. Effective implementation of these would no doubt go a long way in alleviating the oppression and social deprivation which the bonded labour is forced to endure. The proceedings under the Bonded Labour System (Abolition) Act, 1976 in respect of recovery of wage arrears should be converted into one under the Minimum Wages Act and the Sub-Divisional Magistrate who releases the bonded labour should be designated as the Claim Authority under Section 20 of the Minimum Wages Act, simultaneously with prosecution of the keeper. The wage arrears could be paid by the State in the first instance and recovered from the ex-master as arrears of land revenue. Coercion or violence on a freed bonded labourer should be met with deterrent penal and criminal action. The Bonded Labour System (Abolition) Act, 1976 itself has certain lacunae which require to be removed. Some of the detailed amendments in this regard are proposed in Annexure 'D'.

National Authority

8.20 In spite of a large number of laws available the bonded labour system cannot be effectively combated without active social action. In fact, considerable amount of work in release of bonded labour has been done by activist organisations like Bandhua Mukti Morcha in various States, Shram Jeevi Sangathan and Vidhayak Parishad in Maharashtra, Chattisgarh Krishak Mazdoor Sangh in Madhya Pradesh and similar organisations elsewhere. The Commissioner for Scheduled Castes and Scheduled Tribes has pointed out in his reports the incidence in different parts of the country. The National Labour Institute has helped through the rural labour camps, particularly in Bihar and Orissa. The Courts, including the Supreme Court of India, have appointed socio-legal commissions of inquiry to identify bonded labourers and passed many orders for their release and rehabilita-

tion. But still the central weaknesses in the functioning of the implementation structures under the Act requires to be remedied. State Governments have been found occasionally to be reluctant to acknowledge the existence of bonded labour and take effective action for their release. Bonded labourers among migrant workmen are not looked after either by the recipient State or the originating State. Funds available are also not properly utilised. It is, therefore, recommended that the existing implementation structure must be augmented by the creation of a network of agencies at the national and State levels as nodal agencies to supervise and coordinate the identification, release and rehabilitation of bonded labourers, make the administration more responsive and the vigilance committees accountable. A National Authority or National Commission on Bonded Labour should be constituted by incorporating suitable provisions in the Bonded Labour (Abolition) Act. It should be on the lines of the National Commission for Scheduled Castes and Scheduled Tribes and have a Chairperson and a Member-Secretary chosen from persons of eminence, with judicial, administrative or academic experience or with a proven record of commitment and work among the rural poor and bonded labour. The Members not exceeding eight, should include representatives from among noted social and human rights activists with proven record of work in participatory organisations of rural poor, eminent citizens including retired judges, leading social scientists, experienced administrators and key officials as well as leader of the depressed classes (SC, ST, etc.). At the State level, there should be Commissioners for Bonded Labour working under the direction of the National Authority. These authorities should be charged with the duty and given powers—

- (a) to oversee and coordinate the implementation of the Act;
- (b) to identify, through a national mapping, the incidence of bonded labour;
- (c) to raise the required resources for the release and rehabilitation of bonded labourers and make regular field tours/inspections;
- (d) to issue directions for implementation and to direct prosecutions or initiation of judicial and other proceedings.

8.21 This National Authority should be autonomous, with a status equivalent to the National Commission for Scheduled Castes and Scheduled Tribes. The funds for rehabilitation should be routed through this Authority. It should be entitled to raise contributions from public financial institutions as well as private concerns. It should have powers to create registered societies cooperative societies and other relevant organisations of bonded labourers. The National Authority should submit an annual report to the Parliament and the State Commissioner, a report to the State Legislature. The National Authority should also undertake dissemination of information as well as yearly conferences or workshops of all persons interested.

Consumption Credit

8.22 An important dimension of poverty is dependence of the poor, particularly the landless, on landlords, moneylenders and traders for assistance by way of loans in times of exigencies like natural calamities, death, illness, marriages, etc. as well as to meet consumption needs for subsistence itself. These loans taken on exorbitant rate of interest become unrepayable and lead to mortgaging one's freedom and to bondage. Subsequent to the legislative measures taken for redemption and scaling down of debts enforced in the period following 1975, an Expert Committee on Consumption Credit (Sivaraman Committee, 1976) went into the consumption credit requirements of those affected by these measures, particularly the small farmers, landless labourers and rural artisans. It proceeded on that assumption that these persons were at subsistence level and required support in the lean season to supplement household and social expenditure, including the needs for food, clothing and ceremonies connected with births, marriages, funerals, etc. and medical expenses, by private borrowings. The Committee estimated the requirement of funds for the landless and very small land holders (below 0.5 acre holdings) at Rs. 170 crores and that for other poor small farmers (0.5 to 5 acres holdings) needed further Rs. 250 crores, the latter to be provided through a component of production loans. The Committee stressed the need for easy access to credit for the indigent rural poor to the minimum extent of requirements.

8.23 Pursuant to this, a scheme for Risk Fund Assistance for consumption credit was introduced from 1977-78 to support Commercial Banks, Cooperative Banks and Regional Rural Banks to provide consumption credit to the weaker sections upto Rs. 500 in each case. Weaker sections for this purpose are defined as cultivators with land holdings upto 0.5 acre, whether as owners or tenants landless labourers, rural artisans and other people of very small means like carpenters, barbers, washermen who form the integral part of the village community. The credit is provided for meeting medical expenses, educational expenses, expenditure on marriages, births and deaths at the ceiling prescribed by the R.B.I. for different purposes, the aggregate for two or more purposes not exceeding Rs. 500/- per family. The ceiling for general consumption has been raised from Rs. 75 to Rs. 500 as part of relief measures in areas affected by natural calamities. The rate of interest of these loans is the same as applicable to crop loans (10%). The Risk Fund is utilised to provide assistance to the banks to the extent of 10% of total consumption loans disbursed by them to the target group during the year. The expenditure on the Risk Fund is shared on 50 : 50 basis between the Government of India and the State Governments, State Governments contributing initially the entire amount and getting the reimbursement from Government of India. The loans granted by the banks for pure consumption purposes are also eligible for guarantee cover.

8.24 The outstanding consumption loans granted by Scheduled Commercial Banks at the end of 1987 was

Rs. 23.34 crores (over 12.47 lakh accounts), by Regional Rural Banks as in June 1988 was Rs. 22.41 crores (over 1.18 lakh accounts) and by State Cooperative Banks and Central Cooperative Banks together as in June, 1983 at Rs. 74.67 crores. The ceiling limit of Rs. 500/- fixed for 1977-78 has become unrealistic with price escalation. There has been reluctance on the part of the Reserve Bank of India to enhance this since the risk involved is very high as neither they are backed by security nor do they have possibility of income generation; increasing ceilings will worsen the position of recovery of loans of Commercial Banks which is already unsatisfactory; and risk funds have not been constituted by many State Governments and even where constituted, the State Governments have not contributed on a regular basis. The adoption of the criterion of eligibility of beneficiaries under the IRDP also for consumption loans has also not been accepted by the Reserve Bank of India. It is a fact, however, that the State Governments have not been vigorously implementing the scheme, as evidenced by the fact that the total disbursement of Government of India share of risk fund to the State Governments during the five years 1985 to 1990 has been only Rs. 58.26 lakhs.

8.25 The Department of Rural Development has recently permitted provision of consumption loans upto Rs. 500/- to IRDP beneficiaries, who are not defaulters in repayment of their dues, from out of the interest earnings of the District Rural Development Agencies. Some non-Governmental organisations have been promoting and organising self-help groups for promoting thrift and for collecting small sums periodically to provide a corpus which can be drawn upon for giving small loans in times of need. The Department of Rural Development has provided guidelines to give a matching contribution upto Rs. 15,000/- for savings of this type generated by groups of women belonging to families living below the IRDP cut off line.

8.26 The recognition of the reality of the need for consumption credit for the rural labour and providing an access to this on reasonable terms are essential elements for combating the problems of bonded labour. According to the 43rd Round of NSS 1987-88, 195 million persons or about 39 million families were below the poverty line. Assuming that about 20% of the families below the poverty line would need consumption credit at Rs. 1,000/- per family at any time, the total amount required would be about Rs. 800 crores. Unless an effective institutional mechanism is made to provide for this requirement, it will not be possible to eliminate the private moneylending system with high rates of interest and the attendant problems of bondage with low wages, lack of freedom of movement and in employment, etc. We recommend that a line of credit for this purpose be established by organising Revolving Fund through budgetary contributions from the Centre and the States, from the profits of banks and surpluses from NABARD and the Reserve Bank of India. The Risk Fund Scheme also should be vigorously activated with the participation of the State Governments.

8.27 CONCLUSIONS AND RECOMMENDATIONS

(1) It would be desirable to amend the definition of 'bonded labour system' to provide for the situation of forced labour under social custom with an agreement or a presumed agreement but which may not have an element of bonded debt.

(2) The situation of surplus labour, unemployment/under-employment, inequitable distribution of land and assets, low wages, distress migration, social customs, etc. with the phenomenon of small and marginal peasants steadily becoming landless labourers generate an environment which can perpetuate the system of bonded labour.

(3) It is necessary to conduct a countrywide census of bonded labourers and in the districts with concentration of bonded labourers sample surveys could be done periodically once in five years to get more details on the infrastructure in the district and on the characteristics of bonded labour.

(4) The focus of development in such identified areas should be on increasing plan outlays for improvement of infrastructure like irrigation, power, transport and communications etc. to raise the demand for labour. Institutional credit, provision of raw materials, marketing services, training in skills etc. should be strengthened to support employment generation including self-employment. Poverty alleviation programmes should also be concentrated in such areas.

(5) In order to generate confidence in the system, an effective enforcement of the Act is required. The process of identification, release and criminal prosecution of the employer of bonded labour should, as far as possible, be simultaneous activities.

(6) Free legal aid should be provided by the State if required by the bonded labourer.

(7) The release proceedings should be conducted in the same village and in open court so that the bonded labourer becomes aware of the consequences of the release and his oppressor also becomes aware of the legal consequences.

(8) Persons who fraudulently show bonded labourers to misappropriate rehabilitation grants should be made punishable under the Act alongwith the recovery of fine upto the grant given.

(9) Summary trial of offences should be done within a time limit. The jurisdiction of the Judicial Magistrate should be barred.

(10) A minimum sentence of six months and a minimum fine of Rs. 2000 should be provided in Sections 16, 17, 18 and 19 of the Act. There should also be provision made in the Act for compensation and recovery of damages from the keeper of the bonded labourer, proportionate to the length of bondage.

(11) Besides protecting homestead and other residential premises of the bonded labourer, similar pro-

tection should be given for the agricultural lands being cultivated by the bonded labourer.

(12) It is necessary to activate the Vigilance Committees contemplated under the Act at the district and sub-divisional levels with adequate representation. The Vigilance Committees should meet at least once in two months. They should help in detection of fresh cases, monitor prompt release and ensure effective rehabilitation through close follow-up. They should also act as catalytic agents for creating mass awareness and for organising the bonded labourers. The Vigilance Committees should also be authorised to prosecute offenders and the offences under the Act should be cognizable and non-bailable.

(13) It is necessary to improve the rehabilitation measures qualitatively and in this context special attention should, inter-alia, be given to the following:—

- (i) The scheme of rehabilitation should be chosen in consultation with the beneficiary and it should be well planned with all the requisite components and infrastructural facilities tied up.
- (ii) Statutory provisions should be made to give priority to released bonded labourers in allotment of Government land and Ceiling surplus land and pattas given in a mass camp.
- (iii) Centrally sponsored scheme of rehabilitation of bonded labour should be assisted 100% by the Centre. The maximum amount of Rs. 6250 (increased from earlier Rs. 4000 w.e.f. 1-2-86) required to be enhanced to Rs. 10,000. The rehabilitation grant should preferably be made in the form of assets and some cash in an open meeting/mela after due publicity.
- (iv) The jurisdiction banks should be directed to provide consumption loans to the released bonded labourers to the extent of Rs. 1,000 per year under the differential rates of interest schemes for two years after his release or in alternative, until a stable employment is provided or a rehabilitation scheme becomes viable, provision should be made for a monthly maintenance grant of at least Rs. 200 per month out of the enhanced rehabilitation grant.
- (v) Legal provisions should be made for restoration of lands belonging to the bonded labourers. In the case of bonded labourers working in quarries brick-kilns, etc. there should be provision to take over these assets and entrust them to the bonded labourers through the formation of associations or co-operative societies.
- (vi) Panchayati Raj institutions should be actively involved in the rehabilitation efforts.

- (vii) Group rehabilitation projects under a co-operative set up or as a society or even a loose group should be encouraged with the beneficiaries managing the project after proper training.
- (viii) Since guaranteed employment is an important element of rehabilitation, priority should be given to released bonded labourers in employment generation or employment guarantee schemes.
- (ix) The organisation of bonded labourers may be recognised as a voluntary agency for implementation of rehabilitation schemes through CAP-ART.
- (x) The rehabilitation programmes should be such as to meet the needs of the whole family, integrating the anti-poverty, agricultural and rural development and basic minimum needs programmes and giving priority to them.
- (xi) In order to minimise the need for consumption loans for marriage and death ceremonies, etc. the concept of group marriages should be encouraged under the auspices of Zila Parishads and some small amount of grant should be advanced by the local bodies for performing funeral rites.
- (xii) The rehabilitation of migrant bonded labourers is generally uncertain, delayed and inadequate. 40 per cent of the rehabilitation grant should be provided by the State where they are found and the balance 60 per cent should be provided in the State of origin.

(14) The proceedings under the Bonded Labour System (abolition) Act, 1976 in respect of recovery of wage, arrears should be converted into the one under the Minimum Wages Act. As recommended elsewhere, there should also be adequate legal provision for redemption of debt and abatement of interest besides rescheduling of instalments.

(15) A National Authority or National Commission on Bonded Labour should be constituted by incorporating suitable provision in the Bonded Labour (Abolition) Act. It should be on the lines of the National Commission for Scheduled Castes and Scheduled Tribes and have a Chairperson and a Member-Secretary chosen from persons of eminence, with judicial, administrative or academic experience or with a proven record of commitment and work among the rural poor and bonded labour.

(16) The recognition of the reality of the need for consumption credit for the rural labour and providing an access to this on reasonable terms are essential elements for combating the problems of bonded labour.

ANNEXURE A

Sl. No.	State	Estimate of Bonded Labour			1	2	3	4	5
		As identified and freed by State Govts. as on 30-3-90	As estimated by NSSO (1977-78)	As estimated by Gandhi Peace Foundation (1978-79)					
1	2	3	4	5					
*1.	Andhra Pradesh	33,954	7,300	3,25,000	10	Madhya Pradesh	12,218	1,16,200	5,00,000
2	Assam	..	4,400	..	11	Maharashtra	1,341	4,300	1,00,000
3	Bihar	12,492	1,02,400	1,11,000	12	Manipur	..	..	..
4	Gujarat	64	4,200	1,71,000	13	Meghalaya	..	..	..
5	Haryana	544	12,900	..	14	Nagaland	..	..	..
6	Himachal Pradesh	..	..	..	15	Orissa	49,805	5,400	3,50,000
7	Jammu & Kashmir	..	900	..	16	Punjab	..	4,300	..
8	Karnataka	62,938	14,100	1,93,000	17	Rajasthan	7,174	2,400	67,000
9	Kerala	823	400	..	18	Tamil Nadu	38,024	12,500	2,50,000
					19	Tripura	..	..	..
					20	Uttar Pradesh	26,259	31,700	5,50,000
					21	West Bengal	..	21,600	..
					22	All Union Territories	..	..	..
							2,45,636	3,45,000	26,17,000

*Under clarification

Source : Ministry of Labour

ANNEXURE B

STATEMENT SHOWING AREAS (STATES & DISTRICTS) OF HIGH INCIDENCE OF BONDED LABOUR IN AGRICULTURE

1. Andhra Pradesh	Mehboobnagar, Ranga Reddy, Warangal, Medak.	NON-AGRICULTURAL OCCUPATIONS WHERE BONDED LABOUR ELEMENTS HAVE BEEN NOTICED BUT HAVE NOT BEEN ADEQUATELY COVERED BY SURVEYS, STUDIES, etc.
2. Bihar	Palamau, West Champaran, Deoghar, Monghyr, Gaya, Muzaffarpur.	1. Stone quarries in different parts of the country
3. Gujarat	Surat	2. Migrant labourers
4. Karnataka	Bangalore, Shimoga, Mysore, Bijapur, Mandya.	3. Brick kilns
5. Madhya Pradesh	Bilaspur, Shahdol, Sarguja, Vidisha, Satna, Raigarh, Raipur, Bastar, Ratlam.	4. Joginis and Devadasis
6. Maharashtra	Ahmednagar, Aurangabad, Nanded, Nasik, Thane.	5. Fishermen
7. Orissa	Balasore, Cuttack, Koraput, Bolangir, Sambalpur, Puri.	6. Building and road construction labour
8. Rajasthan	Jhalwar and Kota.	7. Forest Labour in Orissa, Rajasthan, Madhya Pradesh, Maharashtra.
9. Tamil Nadu	Kodaikanal, Salem, Periyar, Trichy, Dharmapuri, North Arcot, South Arcot.	8. Bidi Workers
10. Uttar Pradesh	Ballia, Hamirpur, Hardoi, Kheri, Sitapur, Bijanore, Bareilly, Patha area, Mirzapur, Varanasi, Allahabad, Garhwal area.	9. Carpet weavers
		10. Pottery
		11. Weavers
		12. Head Loaders
		13. Child labour in match & fireworks industries, carpet weaving etc.

ANNEXURE C

STATEMENT SHOWING THE BONDED LABOURERS IDENTIFIED AND REHABILITATED AS ON 31-3-90

State	Number of Bonded Labourers (as on 31-3-1990)		Not available for rehabilitation	1	2	3	4
	Identified & Freed	Rehabilitated		6 Orissa	7 Rajasthan	8 Tamil Nadu	9 Uttar Pradesh
1 Andhra Pradesh	33954	24269	9685*	10 Gujarat	64	64	..
2 Bihar	12492***	11358	1107	11 Haryana	544	21**	523
3 Karnataka	62938	53020	8611	12 Kerala	823	823	..
4 Maharashtra	1341	1219	77				
5 Madhya Pradesh	12218	10261	559				
				TOTAL	2,45,636	2,18,028	23,931

Note : The above data have been compiled on the basis of the information available and as given by the representatives of the State Governments in the meeting held on 23-3-90.

*In the absence of information from the State Government and their assertion that the bonded labourers are not available for rehabilitation, the difference between identification and rehabilitation has been treated as not available for rehabilitation.

** All other identified bonded labourers have been repatriated for rehabilitation to the States of their origin and are included as not available for rehabilitation.

*** Do not include 2464 bonded labourers required to be rehabilitated in pursuance of Supreme Court directive. The rehabilitation of these is required to be planned by the State Government in a phased manner in consultation with the Senthil Pargana Antodya Ashram.

Source : Ministry of Labour

ANNEXURE D

	Existing	Proposed
<i>Chapter I</i>		
<i>Section 2</i>		
<i>Definitions</i>		
	(f) "bonder labourer" means a labourer who incurs, or has, or is presumed to have incurred, a bonded debt	(f) "bonded labourer" means labourer who is compelled to render labour under the bonded labour system
	(g) "bonded labour system" means the system of forced or partly forced, labour under which a debtor enters, or has, or is presumed to have entered into an agreement with the creditor to the effect that,—	(g) "bonder labour system" means any system of forced or partly forced labour under which a debtor or any person—
	(i) in consideration of an advance obtained by him or by any of his lineal ascendants or descendants (whether or not such advance is evidenced by any document) and in consideration of the interest, if any, due on such advance, or	(i) in consideration of an advance obtained by him or by any of his lineal ascendants or descendants (whether or not such advance is evidenced by any document) and in consideration of the interest, if any, due on such advance, or
	(ii) in pursuance of any customary or social obligation, or	(ii) in pursuance of any customary or social obligation, or
	(iii) in pursuance of an obligation devolving on him by succession, or	(iii) in pursuance of an obligation devolving on him by succession, or
	(iv) for any economic consideration received by him or by any of his lineal ascendants or descendants, or	(iv) for any economic consideration received by him or by any of his lineal ascendants or descendants, or
	(v) by reason of his birth in any particular caste or community,—	(v) by reason of his birth in any particular caste or community,—
	he would—	is required to—
	(1) render, by himself or through any member of his family, or any person dependant on him, labour or service to the creditor, or for the benefit of the creditor, for a specified period or for an unspecified period, either without wages or for nominal wages, or	(1) render, by himself or through any member of his family, or any person dependent on him, labour or service to the creditor, or for the benefit of the creditor, for a specified period or for an unspecified period, either without wages, or for nominal wages, or

	Existing	Proposed
	<p>(2) forfeit the freedom of employment or other means of livelihood for a specified period or for unspecified period, or</p> <p>(3) forfeit the right to move freely throughout the territory of India, or</p> <p>(4) forfeit the right to appropriate or sell at market value any of his property or product of his labour or the labour of a member of his family or any person dependent on him,</p> <p>and includes the system of forced, or partly forced labour under which a surety for a debtor enters, or has or is presumed to have entered, into an agreement with the creditor to the effect that in the event of the failure of the debtor to repay the debt, he would render the bonded labour on behalf of the debtor :</p>	<p>(2) forfeit the freedom of employment or other means of livelihood for a specified period or for unspecified period or</p> <p>(3) forfeit the right to move freely throughout the territory of India, or</p> <p>(4) forfeit the right to appropriate or sell at market value any of his property or product of his labour or the labour of a member of his family or any person dependent on him,</p> <p>and includes the system of forced or partly forced labour under which a surety for a debtor enters or has or is presumed to have entered, into an agreement with the creditor to the effect that in the event of the failure of the debtor to repay the debt, he would render the bonded labour on behalf of the debtor ;</p>
	<i>Explanation :</i>	<i>Explanation :</i>
	For the removal of doubts, it is hereby declared that any system of forced, or partly forced labour under which any workman being contract labour as defined in clause(b) of sub-section(1) of Section 2 of the Contract Labour (Regulation and Abolition) Act, 1970 (37 of 1970) or an "nter-State migrant workman as defined in clause (e) of sub-section (1) Section (2) of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 (30 of 1979), is required to render labour or service in circumstances of the nature mentioned in sub-clause (1) of this clause or is subjected to all or any of the disabilities referred to in sub-clauses (2) to (4), is, 'bonded labour system', within the meaning of this clause.	For the removal of doubts, it is hereby declared that any system of forced or partly forced labour under which any workman as defined under any law for the time being in force or under any agreement or contract is required to render labour or services in circumstances of the nature mentioned in sub-clause (1) of this clause or is subjected to all or any of the disabilities referred to in sub-clauses (2) to (4), is 'bonded labour system' within the meaning of this clause.
<i>Chapter III Title</i>	Extinguishment of liability to repay bonded debt	Extinguishment of every obligation under the bonded labour system including the liability to repay bonded debt.
Sections 6, 7 and 9	for the words 'liability to repay bonded debt' wherever they occur	substitute "every obligation under the bonded labour system including the liability to repay bonded debt"
Section 6(5)	Where.....possession of any property was forcibly taken over by any creditor for the recovery of any bonded debt.....	Where.....possession of any property was forcibly taken over by any creditor or any other person for enforcement or any obligation under the bonded labour system including the recovery of any bonded debt.....
Sections 6(6)	If restoration of possession of any property referred to in sub-section (4) or sub-section (5) is not made within thirty days from the commencement of this Act, the aggrieved person may, within such time as may be prescribed, apply to the prescribed authority for the restoration of possession.....	If restoration of possession the aggrieved person may at any time thereafter apply to the prescribed authority.....
	[Presently the prescribed time is ninety days from the date the rules came into force, namely 28th February, 1976]	
Sections 6(6) and 6(7)	for the word 'creditor' wherever they occur	substitute 'creditor or such other person'
Section 7(1) Property of bonded labourers to be freed from mortgage etc.	for the words 'bonded debt' wherever they occur	substitute 'obligation under the bonded labour system including bonded debt'

Existing

Proposed

Sections 8(1) and 8(2)
Protection from eviction.

for the words 'any homestead or residential premises' wherever they occur

substitute 'any homestead or residential premises or land'. Also, provide for protection from eviction from assets on which the bonded labourers are employed for restoration of employment and, if necessary, for acquiring such property or assets by the Executive Magistrates in order to vest the ownership with the erstwhile bonded labourers [for stone quarries, brick kilns, beedi units, weaving units etc. owned by keeper of bonded labourers]

New provision enabling the District Magistrate or Sub-Divisional Magistrate to restore back the property owned by or vested in a bonded labourer but illegally transferred to the creditor or any other person, after he is freed and discharged from his obligation to render forced labour. Such transfers should be made punishable under the Act.

Chapter IV
Implementing authorities

A new provision to impose a penalty on officials who deliberately, knowingly, voluntarily or otherwise, fail to enforce the provisions of the Act. (in order to make them accountable. Administratively, rewards or incentives for sincere and committed officials for positive performance should be given. Periodic training and orientation courses should be organised to impart necessary skill and sensibility). This may be on the lines of Section 4 of the Atrocities Act, which makes it a punishable offence to neglect the duties imposed upon a public servant by law.

Chapter V
Vigilance Committees

- (a) Delegation of powers for constituting Vigilance Committees,
- (b) provision for continuation of tenure of members (beyond two years) until reconstitution,
- (c) inclusion of two released bonded labourers, representatives of Panchayati Raj institutions as well as senior police officers on the Vigilance Committees,
- (d) functions enumerated in Section 14 to be strengthened to make them more meaningful, including mandatory involvement of Vigilance Committees in the rehabilitation of freed bonded labourers and fixing periodicity of meetings to be bi-monthly at least,
- (e) empowerment of Vigilance Committees in identification of bonded labourers, to prosecute offenders (under Ss. 16, 17, 18, 19 and 20 of the Act), make periodic surveys regarding incidence and send periodic reports.

Section 15
Burden of Proof.

This places on the creditor the burden of proof that a debt is not a bonded debt. The placement of this Section in this chapter has given rise to doubts as to whether it would be applicable for trial of offences under Section 21 according to Cr.P.C.

It is desirable to reword Section and shift it to Chapter VII—Miscellaneous, in order to govern all chapters and to make it applicable notwithstanding anything contained in any other law for the time being in force.

Chapter VI
Offences and Procedure for trial
Sections 16 & 18

For the words 'bonded labour' wherever they occur.

Substitute 'bonded labour or any other system of forced labour'.

Section 21(2)

An offence under this Act may be tried summarily by a Magistrate

Only Executive magistrates conferred with the powers of a Judicial Magistrate should be entrusted with trials under this Act (to the exclusion of Judicial Magistrates) and all prosecutions under this Act must be tried summarily only, with a time limit four weeks fixed for the trial. The sentencing power of the Executive Magistrate in such summary trial convicts should be enhanced, notwithstanding anything to the contrary in Criminal Procedure Code, making Section 360 of CrPC inapplicable to the cases under this Act.

	Existing	Proposed
Section 22	Every offence under this Act shall be cognizable and bailable.	Every offence under this Act shall be cognizable and non-bailable. It should also provide that no person shall be eligible for anticipatory bail.
Section 17		Bring over the offences and penalties mentioned in Section 9(2) and 9(3), under Section 17 [These relate to a creditor accepting payments against a bonded debt which has been extinguished or to advancing a bonded debt].
Section 18	For the words 'at the rate of rupees five per day'	Substitute 'at twice the difference between the prescribed minimum wage and the wages actually received'
Sections 16, 17, 18 and 19	The penalties provide for imprisonment upto three years and fine upto Rs. 2000, but in many cases of conviction under the Act, only fine is imposed, without imprisonment.	To make the punishment more deterrent, substitute the words 'imprisonment for a term' wherever they occur by 'a minimum imprisonment of six months, which may extend to five years and also with a minimum fine of two thousand rupees.'
	No provision	Faking bonded labour should be made punishable with a fine of Rs. 5,000 or the rehabilitation grant given, whichever is more, and imprisonment upto one year.

CHAPTER 9

MIGRANT LABOUR

9.1 For the purposes of our Report, a migrant labourer has been defined as a person who migrates temporarily from his place of residence to another area with a view to getting wage employment, whether such person is recruited directly by the employer or through contractor or sub-contractor or any other agent or moves on his own. We are, however, primarily concerned with rural to rural and rural to urban migration.

Magnitude of Migrants

9.2 As seen from Annexure I, there were 23.4 million (all duration) inter-State out-migrants according to 1981 Census. Of this, out-migration for employment accounted for 6.2 million representing about 26 per cent of the total. The break-up of out-migrants for employment according to duration for all stream is given at Annexure-II. It would be seen from Annexure-II that only 5 lakhs were seasonal migrants who migrated for less than one year.

9.3 Annexure-III gives State-wise percentage distribution of out-migrants for employment by duration of residence. It is observed that out of total out-migrants for employment in the country, Uttar Pradesh accounted for 27.2% followed by Bihar 14.2%. These two States together accounted for 41.4 per cent of the total out-migrants in search of work. The other States having significant number of out-migrants are Rajasthan, Madhya Pradesh, Punjab, Andhra Pradesh, Karnataka, Gujarat and Maharashtra. In terms of duration of less than one year, the two States of Uttar Pradesh and Bihar accounted for about 40% of the total. This is followed by Madhya Pradesh, Maharashtra and Tamil Nadu.

9.4 Annexure-IV gives the data on rural-to-rural migration for employment by duration of residence. It is observed that for all types of rural-to-rural migration, bulk of them are in the residence category of upto 4 years. In regard to inter-State migration proportion of migrants with residence less than one year is also significant though in absolute term their number is only 2.3 lakhs. The proportion of male and female works out to about 3:1. This pattern seems to hold good even in the case of the intra and inter-district migration also. Annexure-V provides the data on rural-urban migration for employment by duration of residence and sex. It is seen that in case of females, migration for less than a year is the lowest, whether it is intra-district, inter-district or inter-State. In case of males, it is significantly higher. The ratio of male and female out-migrants comes to about 9:1 for duration of less than one year.

9.5 It appears that migration in search of employment for less than a year as captured by the Census 1981 does not reflect the real situation. According to various studies on Gujarat, nearly four lakh seasonal migrants from Maharashtra alone work in sugarcane farms. The studies on Punjab estimate nearly five lakh migrant labourers from other States in the agricultural sector. Haryana also provides employment to a large number of migrant labourers from Uttar Pradesh and Bihar. Sugarcane farms of Maharashtra get migrant labour from Karnataka. Besides them, tea and coffee plantations in Karnataka, West Bengal and Assam employ migrant labourers from Tamil Nadu, Andhra Pradesh and Bihar. Based on this, one could guess that around 12 lakh inter-state migrant workers work in the agricultural sector. Brick-kilns provide temporary employment to around 10 lakh workers. Various construction works—road, Railway, buildings, dams, canals, etc.—seem to employ migrant labourers from other States. According to rough estimates, about 45 lakh inter-state migrant workers work for temporary periods in different sectors. The number of labourers migrating within the state is larger than inter-state workers. One could estimate that there are around 60 lakh intra-state workers, a majority of them migrating short distances in the vicinity of their native village. Thus, there are more than 10 million inter state and intra-state rural migrant workers.

Reasons for Migration

9.6 Uneven development is the most important reason giving rise to both pull and push factors causing migration of labourers. Uneven development has two major dimensions. One is inter-regional disparity in economic growth and the other is the disparity between different socio-economic classes. While such unevenness has its historical roots, trends in economic growth since independence seem to have accelerated such a phenomenon. While better employment opportunities and higher wages in economically developed regions attract labour, non-availability of employment opportunities and consequent economic hardships in the under developed or undeveloped regions act as push factors in the migration process.

9.7 Certain parts of Punjab, Haryana, Maharashtra, Gujarat, Karnataka and Andhra Pradesh which are the pockets of green revolution pull the agricultural labourers from relatively backward regions from within the state and also from other states, while the most backward regions in the States of Bihar and Orissa push their labourers to the developed states. Similarly the tribal districts which are economically backward are the pockets of migrant labourers in Gujarat, Madhya Pradesh, Andhra Pradesh, Orissa, Ma-

harashtra and Rajasthan who generally migrate to nearby areas, adjoining States or districts.

9.8 Bio-chemical technological development in agriculture has accelerated the process of capitalist agriculture and it raises demand for labour for two reasons. Firstly, it results in not only change in cropping pattern but also increase in frequency of crop which requires more labour per unit area. And, with the rise in productivity, participation of family labour among the rich and middle peasants has declined. Tendency among the neo-rich of hiring labour has increased and their family members have taken up supervisory roles and have diversified their occupations. Some join business and other enter white collar jobs. On the other hand, agriculture in dry land areas has, by and large, remained stagnant, unable to provide work to the increased number of agricultural labourers. These are the areas which constantly experience either drought or flood.

9.9 In areas which are fully mechanised using power pump, mechanical thresher, tractor and other labour-saving devices, the demand for labour has reduced to some extent. As a result, people are forced to move out in search of job.

9.10 The pressure of population on land, and constraint of resources have marginalised many farmers and artisans in rural areas who are compelled to augment their earnings by swelling the ranks of seasonal migrant workers. Introduction of new technology in agriculture has led to the shrinkage of the demand for permanent farm labour but demand for temporary/seasonal labour has increased. Possibility of getting employment in certain developed areas, expectations of better wages and living conditions motivate the poor in rural areas to migrate in search of employment.

9.11 We have a reservoir of rural labour force in the countryside because of failure of land reform and lack of employment opportunities due to lack of infrastructural support in the less-developed regions. Of course, rapid population growth and the slow growth of employment opportunities in the non-agricultural sector have also contributed to the swelling of this reservoir of labour force. The proportion of landless labour has increased significantly. Also, there has been increasing casualisation of labour. As a consequence, inter-regional migration of labour has increased. The casual labour is prone to migrate over longer distances-very often even beyond a thousand kilometres. When the distances are longer, the agro-climatic heterogeneity between the places of origin and destination would be greater. Consequently, the probability of different agricultural operations, such as sowing, inter-culturing and harvesting not coinciding between different regions would be greater. This facilitates the migration of casual labour by inducing them to avail of the opportunities for employment in different regions.

9.12 The rural labour market in India is highly segmented and imperfect and yet, the green Revolution has led to the emergence of a national market for labour never witnessed before. This market operates basically through contractors and other middlemen, and also thrives on the information as well as the experience gained by the first generation migrants.

9.13 In bringing about Green revolution, the greatest price has perhaps been paid by the migrant labour. They are subjected to severe exploitation by middlemen and the employers. Since the initial wage-levels were high in the areas of Green Revolution, they provided an incentive for migrant labour. This helped the farmers to contain further rise in wages. The local labour has found it increasingly attractive to get into non-farm rural occupation for which opportunities have been opened up in areas of Green Revolution. They are at the mercy of the middlemen and the employers in places far removed from their familiar environment. Their bargaining power is the lowest in such situations. This explains why the relative share of wages in output has gone down steeply in areas undergoing technological change. Productivity and profits have risen at a much faster rate than real wages.

9.14 Some communities have acquired reputation of being proficient in certain skills and are in demand; in some cases locals do not prefer to undertake some jobs. Besides economic reasons there are other social factors which accelerate migration. Caste factor is one of the important reasons. Oppressive behaviour of land-lords and high-caste people towards the poor is also a contributory factor in accelerating the process of migration.

Profile of Rural Migrant

9.15 Rural labourers tend to migrate in a group so that they can fall back upon each other at the time of crisis in an alien milieu. But all of them do not have choice of place and work. Their destination is decided either by contractors who take them, or by their relatives or friends who precede them. But there are a few who have heard that work is available in a particular region but do not know the exact location and nature of work; they reach the destination and search for work. When they find the conditions difficult, they move in search of alternative employment. Though most of the migrants have no choice of employers and destination, they prefer to go to certain areas and work in certain sectors which are somewhat familiar to them or their relatives. These seasonal migrants who go to far off distances, mostly come from the districts of the economically backward areas and even within the States there are certain pockets which are economically and socially backward which push them to migrate. For instance, while in the Southern districts of Karnataka, viz. Coora, Chickmagalur and Hasan, migrant labourers who work on coffee plantations are drawn from within the State particularly from Ansikere in Hasan. Davangere in Chitradurga districts and also from

Gulbarga, Dharwad and Bijapur districts, most of the sugar factories and Khandsari sugar units attract labourers from States like Maharashtra, Bihar, Uttar Pradesh and at times from Tamil Nadu and Andhra Pradesh. Migrants from Rajasthan generally belong to dry areas like Jodhpur, Churu, Jhunjhunu, Bansiwada, etc. Migration of labour from Northern Bihar is comparatively higher than from the South. Density of population of North Bihar is very high and these areas are frequented by flash and severe flash floods causing extensive damage to crops. Districts of Saharsa, Madhepura, East and West Champaran, Dharbhanga, Madhubani, Samastipur, Sitamarhi, Khajuria and Bhagalpur account for bulk of migrants. Similarly in M.P. a large contingent of labour moves from the Chattisgarh belt particularly from Bilaspur which is a backward district. Studies reveal that the main industries which attract sizeable number of migrant labour are brick-kiln, quarrying, coffee plantations, building and construction, sugarcane cultivation, fish processing, tobacco cultivation and processing. Agriculturally developed areas particularly those which have witnessed green revolution also attract seasonal labour.

9.16 The bulk of the seasonal migrant labourers whether intra-state or inter-state migrant labourers belong to Scheduled Castes, Scheduled Tribes and Other Backward Castes. Migration of tribals has increased recently as their resource base has depleted. From the very beginning they are subjected to exploitation. An overwhelming majority of them are either illiterate or have primary education. They are in their twenties. They are small and marginal or landless labourers. The proportion of women workers is higher among the intra-district and inter-district than inter-State migrant workers. The migrant workers from Bihar, Uttar Pradesh and Orissa who work in Punjab and Haryana are predominantly males. This is partly due to cultural reasons among the Bihari and Oriya small farmers who feel that their status and social standing will be threatened if their women work on other's farms. Also, long distances between the place of origin and place of work discourage women from migrating. Moreover, a majority of migrants are small and marginal farmers, so someone is required back home to look after land and cattle. But this is not the case among the labourers migrating from Maharashtra to Gujarat working in sugarcane farms. The whole family migrates along with carts and bullocks. According to N.S.S. estimates in 1983, there were 65 lakh construction workers of whom 15 per cent are women. Work status of women is worst than of men. The travail of migrant workers starts from the day they leave their village and their exploitation does not end even after getting employed.

Agencies of Recruitment

9.17 Three broad patterns of recruitment operate. First is the direct recruitment by the employers without any hold of middlemen and second is the recruitment with the help of contractors, middlemen or jobbers known variously in different parts of the coun-

try as ardas, mistry, mukddam, thekedars, lambar-dars, etc. These have deep traditional roots and continue with all its attendant evils. The third type of migrants are those brought by their relatives for employment in different areas and fields. However, by and large, the first two systems prevail. Contract system which works to the disadvantage of migrant workers openly or in a clandestine manner is the dominant practice of recruitment, particularly in areas and industries requiring workers for seasonal operations.

9.18 During the peak agricultural season Punjab farmers contact labour at important railway stations. Some farmers go to Ambala in Haryana and Saharanpur in U.P. and some even to Bihar for procuring and transporting migrant labourers. In Andhra Pradesh farmers contact labour gangs at the railway stations. But in practice in a clandestine manner, the jobbers play a very important role. They are either close relatives of migrant workers and belong to the same caste/community of the workers in the same village/neighbouring villages of headmen or musclemen. In several cases it has been noticed that the village headmen or musclemen or mistry control the recruitment of workers. Mistry himself generally does not work but gets the commission and the wages. In some cases a member of commission agents or traders are actually engaged in the recruitment of migrant labourers. These agents have links with agents in Bihar who bring migrants at the expense of Punjab traders and agents hand-over the labourers to the farmers for a consideration. In Andhra Pradesh, Gujarat and in Karnataka, in plantation, mistry system known by different names is in vogue. The mukadam in Gujarat fulfils as double role that is besides bring the jobbers he also acts as foreman of his gang.

9.19 In a different environment, such as quarrying, big construction projects, contractor, is the most important link between the labourers and the employer. These contractors advance some amount of money to the workers prior to their departure, which may vary from case to case. In the construction industry, a very high percentage of workers enter labour market through labour contractors. In a similar fashion the labourers working in brick kiln units are hired by jamadars, thekedars, their agents, or at times brought to sites by people associated with this activity. No doubt Contract Labour (Regulation and Abolition) Act, 1970 and the inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 seeks to regulate the recruitment of workers through contractors. However, the licenses taken by the contractors are marginal and it often becomes difficult to pin-point the contractor or the principal employer. It is well-known fact that the unlicensed contractors or other agents far exceed the licensed contractors.

Wages and Working Conditions

9.20 The basic reason for migration is lack of employment, prevalence of under-employment and in-

mittent employment which work as push factors. The recruitment system through contractors and their agents is exploitive. These manifest in the inhuman working and living conditions and acquiescence by the migrants of the terms and conditions of employment as they do not have any option, however violative of law these may be. A number of studies undertaken by scholars/institutions, findings of the two Joint Study Teams appointed by the Central Government, the Report of the National Commission on self-employed Women and women in the Informal Sector, (1988), and findings of the commissions of enquiry appointed by Courts confirm the general belief that workers in the unorganised sector including migrant labourers, by and large, are denied minimum wages and women workers get less wages than male workers. Working hours are long and housing, medical aid and sanitation facilities are hard to come by. Even security of employment is practically absent. The labour laws have not helped in the matter. There are many instances of migrant workers being no better than bonded labourers. A segment of migrant labour, contract labour and bonded labour have common features. Some of them suffering from abject poverty get bonded in their village and some of those who migrate, get bonded due to the machinations of the contractors.

9.21 Wages for migrant labourers vary from sector to sector and region to region. Except in a few sectors and regions at a particular period in a year, migrant labourers by and large do not get minimum wages fixed under the Minimum Wages Act 1948. In order to avoid payment of minimum wages and to get extra work in short time payment by piece-rates is gaining ground. As a rule, hours of work are longer. Some studies also point out that migrant workers are prepared to work for lower wages than local labour. The perpetuation of this state of affairs is to some extent due to the fact that the migrant labour is unorganised. Thus, the protective cover that the organisation brings is lacking. The implementation of the labour laws is tardy. In order to bring home the point we refer to some glaring examples. The Committee appointed by the High Court of Gujarat to inquire into the conditions of the workmen engaged in sugar factories observed that the workers were retained in kind of bondage by making them survive on a below subsistence level of payment of less than rupee one and less than one kilogramme of jowar per day. It was difficult and practically impossible for the workers to meet all other requirements of a family except jowar within the case received. In some cases, workers had to sell a part of the jowar to shopkeepers especially near the factory. Sometimes workers were found to face difficulty even in paying grinding charges. In a recent study on rural labour, Jan Bremm, points to the inhuman and living conditions of a large number of migrant workers belonging to the strata of poor farmers and the landless who flee from their homeland to South-Gujarat as migrant labour.

9.22 In our field visits to coastal areas of Orissa, we observed that the fishermen migrating from

Andhra Pradesh and Kerala to Puri are being discriminated and deprived of various facilities and amenities. For instance, a large number of families are staying for long in Puri, but they have not been given permanent house sites yet. As a result, they continue to suffer from adverse working and living conditions. The State Government should seriously look into their problems and ensure that such discrimination should be eliminated. If need be, legislative measures could be introduced.

9.23 Several micro studies made by certain agencies on the working conditions of migrant labour in urban areas have revealed deplorable situation. According to a study of the construction industry in Ahmedabad, the sector is characterized by rather low wage rates and most of the workers in this industry are not paid minimum wages. They are also never paid wages for one extra day in a week. Other surveys of the workers in other construction works also reveal that they were not paid minimum wages. A large number of people at building and construction sites in Bombay, Madras and Hyderabad worked over nine hours a day. Unskilled labourers particularly, are made to work for much longer than nine hours at most of these sites. In Bombay, it was found that only 5 per cent of workers did eight hours of work, while the other 95 per cent did more than eight hours. Another study notes that weekly holidays without wages is a characteristic feature of this industry. This study covered construction workers in Delhi, Pune, Madras and Kaval towns in U.P.

9.24 Wage structures for skilled and unskilled migrant labourers in the public sector vary from project to project. More often than not labour and or work contracts are given to private contractors, with a condition that the contractors observe all labour laws including the Minimum Wages Act. But this part of the contract generally remains on paper and the principal contractor, that is the government, does not enforce the labour laws strictly. Several examples of minimum wages prescribed by the government not being given to migrant labourers can be cited. In the Sardar Sarovar Project, canal and dam construction workers were compelled to work for more than eight hours without extra payment. Some of the workers were not paid minimum wages. Migrant labourers for the 1982 ASIAD constructions were paid less than minimum wages and women workers were paid less than males for the same work.

9.25 The condition of women labourers is far more alarming. Wages to be paid to them are decided by the contractors. In spite of the provisions under the Equal Remuneration Act, which makes it obligatory for the contractor to pay equal wages to male and female labourers, more often than not the women labourers are paid lesser wages compared with the male workers. Sexual exploitation of the women migrant labourers especially the tribals is also a matter of deep concern. Studies of migrant female labourers in fish processing, construction work, quarrying etc. reveal the same pattern.

9.26 The public interest litigation cases such as *Bandhua Mukti Morcha vs Union of India* and others decided by Justice Bhagwati, *Asiad Case*, and a number of cases reported in the Press have highlighted the fact that the minimum wages are not paid to the workers and their working and living conditions tended to be one of bondage.

Shelter and Water

9.27 Inter State Migrant Workmen Act and the Contract Labour Act have the provision for suitable accommodation and supply of clean drinking water but in actual practice the accommodation even if provided is sub-human and arrangement for clean drinking water is an exception. By and large, this is true of all areas and seasonal industries where migrant labourers are employed. To substantiate the point we refer to some judgements and studies. The Committee appointed by High Court of Gujarat to which we have already made a reference points out that the plight of migrant workers during the cold days of winter season is beyond imagination. In Punjab, the farmers make arrangements for workers to stay either in tubewell rooms in the fields or in the village dharmshalas. The situation in Andhra Pradesh is equally bad, labourers have no accommodation and they have no access to water and electricity. Most often they live on the farms where they harvest sugarcane. The charcoal workers also live at their work sites, without any difficulties. The stone cutter migrant labourers live in make-shift tents which can be folded up quickly to facilitate their movement. In Assam, Gujarat, Maharashtra, Delhi and other places, the conditions of housing of workers in the brick making industry are pathetic. They are housed in huts made of brick walls and thatched roofs. The huts are highly unhygienic. There is no ventilation; the height is hardly three feet. In a space sufficient for two or three, six to eight workers are put. There are hardly any sanitary facilities provided or arrangements made for clean drinking water. The migrant labourers in the road construction and building sites of government projects live in highly uncomfortable dwellings.

9.28 The migrant labourers working in stone quarries live in scattered jhuggis on the site itself. The Supreme Court Commission for a socio-legal investigation in 1982 into the condition of quarry workers observed that these jhuggies whether away from the site or on it are an insult to human dignity. All of them are so low that a human being is almost reduced to a four legged creatures and women do their chores bent almost half or in a sitting posture.

Health and Medical Facilities

9.29 Some of the industries in which migrant workers are employed in substantial numbers are hazardous in nature and there are a number of diseases associated with such industries. But provision of adequate health and medical facilities are exception rather than the rule even in areas/industries where law

provides for extension of medical and health facilities. In his judgement in the case filed by *Bandhua Mukti Morcha* (1982), Justice Bhagwati had observed that the entire air in the area where stone crushers were being operated, was heavily laden with dust. Workmen breathed such air day in and day out and it was no wonder that they contracted tuberculosis.

Policy and Legislation

Policy

9.30 What is the Government policy on Migration? Is it to check or minimum migration of labour or only to protect and ensure reasonable working and living conditions to them? A view can be taken that a policy thrust on improving working and living conditions including the employment opportunities in the rural areas, not only through the process of growth but also through special employment schemes for targetted groups and other area development programmes would minimise migration for sustenance. Some legislative measures have been taken to check abuses in the recruitment of migrant labour through contractors or their agents. Recently some concrete steps to check the migration of labour to metropolitan cities have also been taken. The National Capital Region Plan is a case in point. While some may consider these measures as indicative of Govt. Policy on migration, others consider that such efforts cannot be a substitute for a national policy. We are inclined to accept the latter view.

Legislation

9.31 During the colonial period, the primary concern of the Government was to protect the interests of plantation owner, a majority of whom were British, in order to ensure that they got regular labour in hilly regions. Early legislative measures were protective of the employers' interest rather than regulating and protecting the workers' interest in terms of wages, condition of work or welfare measures.

9.32 After independence, the State intervention started in 1948 by passing of the Minimum Wages Act for regulation of wages and to some extent working conditions in labour intensive industries. The Third Five Year Plan attracted attention to the great deal of leeway yet to be made in respect of such workers and observed that their conditions should become a matter of special concern to Governments as well as labour organisations. The Plantation Labour Act, 1951 was passed with a view to regulating the working and living conditions of workers including migrant labour in plantations. Other Acts did not make a distinction between local workers and migrant workers and were primarily meant to safeguard the interest of the organised labour; their application to unorganised migrant labour was marginal. Vast majority of the work force including agricultural labour, construction labour, labour in leather, handloom, fishing, forestry, salt making, household industry etc. are practically out of the purview of va-

rious central statutes referred to above, marginal coverage of some by some Acts notwithstanding. The same position continued in 60s. Only in the 70s, the Government brought on the statute book the Contract Labour (Regulation and Abolition) Act, 1970 (later referred to Contract Labour Act), the Inter-State migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979 (later referred to ISMW Act) and the Bonded Labour System (Abolition) Act, 1976, which have relevance to the migrant labour. The first two Acts aim at softening the impact of abuses that are associated with the recruitment of migrant labour and provision of basic working and living conditions. The Bonded Labour System (Abolition) Act, 1976, provides for the abolition of bonded labour system with a view to preventing economic and physical exploitation of the weaker sections of the people and for matter connected therewith. This act, if implemented effectively can help migrant workers also from being bonded in lieu of the advances given by middleman and being subjected to inhuman conditions.

9.33 The most important measure specific to migrant labour is the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. The genesis of the ISMW Act can be traced to the recommendations of the Compact Committee set up by the Ministry of Labour in February, 1977 which had gone into the conditions in which a migrant labour was working in different activities. The Orissa Govt. was the first in the post-independent period to pass the Orissa Dadan Labour Control and Regulation Act, 1975. The 28th Session of the Labour Ministers' Conference in 1976 considered the question of protection and welfare of Dadan labour and recommended the setting up of a small committee to go into the whole question of migrant workers and suggest measures for elimination of abuses prevalent in the system. The Committee so appointed felt that there should be a separate legislation to regulate the employment of migrant workmen for it felt that the provisions of Contract Labour (Regulation and Abolition) Act, 1970, even after the amendments was not enough to take care of the various malpractices of the contractors, etc. The Act came into force on second October, 1980, but it was only in the month of June, 1982 that the Central Government notified various authorities under the Act, such as Registering Officers, Licensing Officers and Inspectors. All State Governments and Union Territories have framed the rules under the Act for carrying out the purposes of the Act. But in many cases the action to frame the rules and appointment of implementing authorities was delayed. The Government of Maharashtra which passed the Rules only in mid 1985 is one such example. Most labour departments at the Centre and the States have been entrusted with the responsibility of the enforcement of the Act.

9.34 The salient features of the ISMW Act are given at Annexure VI. The Act covers inter-state migrant workers recruited through contractors. A

workman is defined as any person recruited by or through a contractor in one state under an agreement or other arrangement for employment in a establishment in another state with or without the knowledge of the principal employer of such an establishment. The act provides for registering principal employers and contractors and licensing all contractors employing five or more migrant workers. It requires the issue of pass books to such workers and envisage payment of wages not less than the minimum wages fixed under the Minimum Wages Act for the particular kind of work. It also provides for payment of displacement allowance, journey allowance, medical facilities, residential accommodation at or near the place of work, and protective clothing.

Assessment of the Act (ISMW Act)

9.35 It is well established fact that there is a segment of migrant workers who are covered by the Minimum Wages Act, Contract Labour Act, Bonded Labour Act, Inter-State Migrant Workmen Act, Workmen's Compensation Act and some of the social security Acts. Despite these, migrant labourers work and live in dehumanising conditions, some relief notwithstanding. The available evidence clearly points out that some of the difficulties emanate from the weaknesses in the Acts itself which are primarily directed towards organised labour. Here we confine ourselves primarily to an assessment of the Inter-State Migrant Workmen Act. Based on the available evidence with us and a study of the law, the following shortcomings and questions arise:

- (i) The most important shortcoming in the ISMW Act is the definition of the inter-state migrant workmen itself. The definition given in the Act is a limited one which covers only workmen recruited by or through a contractor, but does not include those who are engaged directly and not drafted through any contractor. Because of this, the Act does not safeguard the interests of all migrant workmen who leave their state in a much more distressed condition and take shelter of employers in the other states to earn their bread. The definition given is thus discriminatory in terms of extending benefits. It is, therefore, essential that the definition should be amended suitably to cover all migrant workmen from one state to another.
- (ii) The Act applies to every establishment/contractor in which five or more inter-state migrant workmen (whether or not in addition to other workmen) are employed or were employed on any day of preceding 12 months thereby leaving a sizeable number of migrant workers out of the purview of the Act. There has been a demand that this stipulation of a minimum number of employees for coverage of establishments should be done away with.
- (iii) Though the act provides that no contractor shall recruit or employ migrant workmen, ex-

cept under licence there is no corresponding obligation for the principal employer not to get work executed through an unlicensed contractor.

- (iv) The workmen's Compensation Act is applicable to such workers but in the event of the death by accident of worker in one state, the beneficiary being in another state finds it difficult to file a claim or pursue it. It has, therefore, been suggested at different forums that the Workmen's Compensation Act should be amended to enable transfer of such compensation cases to the states from where the workers migrated.
- (v) It has been experienced that the penalties provided for violation of the provisions of the Act are not sufficiently stringent. At present, contravention of the provisions of the Act regarding employment of inter-state migrant workmen is punishable with imprisonment for a term which may extend to one year or with fine which may extend to one thousand rupees or with both. The provision is not adequate to have deterrent effect. Therefore, there is a need to enhance the quantum of fine to rupees five thousand conjunctive with compulsory imprisonment. Provision for enabling workers, trade unions and voluntary organisations to initiate action against defaulters be made.
- (vi) The law requires that the contractor or the principal employer should provide various types of amenities at the workplace such as canteens, rest-rooms, latrines, urinals, first-aid facilities etc. However, the facilities are rarely provided.
- (vii) Section 20 (3) of the Act provides that the state from which migrant workers are recruited may appoint Inspectors for the purposes of satisfying that the provisions of the Act are being complied with but appointment of such Inspectors is dependent on the concurrence of the Government of the receiving state. Concurrence has been hard to come by whatever may be the reason, this does reflect the attitude of the receiving state. The Sub-Committee of the Parliamentary Consultative Committee of the Ministry of Labour have suggested that the state Govts. may consider setting up office or appointing Liaison Officer in the recipient state who may liaise with labour department of the state for solving the problems of the inter-state migrant workers. The Supreme Court in a recent judgement (July 1990) clarified the legislative intention of Section 20 (3) and directed that every State and Union Territory of India would be obliged to permit officers of the States from where migrant labour originates for holding appropriate enquiries within the limits of the Recipient State.

(viii) The other shortcomings of the Act are:

- (a) the Sec. 28 does not provide for making the violation of the Act a cognizable offence.
- (b) it does not hold the contractor responsible for any breach of the Act whether committed by him or the sub-contractor;

Enforcement Machinery

9.36 The effectiveness of the enforcement of the Act/Rules depends upon the inherent strength of the provisions contained in the relevant Acts, extent of organisation among the workers and the organisational set-up of the enforcement machinery and also the will of the labour administration to implement the provisions. We have already listed out the shortcomings of the ISMW Act as emerging from the available evidence. In regard to the question of enforcement machinery, it has been brought to our notice that the inadequacy of staff, insensitiveness of the implementation authorities, dispersed nature of the migrant workers, prevalence of contract system are largely responsible for the tardy implementation of the Act. The present administrative set-up for implementation of various labour laws are not oriented towards rural labour and it is necessary to evolve a different kind of machinery.

CONCLUSIONS

9.37 Though the term migrant labour is very broad, seasonal migrant labour has been our primary concern. According to our rough estimates, around 45 lakh inter-state migrant workers work for temporary periods in different sectors. One could estimate that there are around 60 lakh intra-state migrant workers, a majority of them migrating short distances in the vicinity of their native village. Thus, there are more than 10 million inter-state and intra-state rural migrant workers, agriculture and construction accounting for the major portion.

9.38 Uneven development in the country is the major cause of large scale migration of workers from backward regions to developed regions. Besides metropolitan cities like Delhi, Bombay, Madras, Calcutta, Bangalore and Ahmedabad, the states of Punjab, Haryana, Maharashtra, Gujarat, Karnataka and Andhra Pradesh, which are the pockets of Green Revolution, pull the agricultural labourers from relatively backward regions from within the state and also from other states. A large number of inter-state migrant labour belongs to Bihar, Orissa and Andhra Pradesh. The tribal districts which are economically backward are the places of origin of migrant labourers from Gujarat, Madhya Pradesh, Andhra Pradesh, Maharashtra and Rajasthan.

9.39 Bio-chemical technological development in agriculture has accelerated the process of capitalist agriculture. And, with the rise in prosperity, the tendency among the neo-rich to hire labour has increased and their family members have taken up

supervisory roles and have diversified their occupations—some join business and others enter white collar jobs. The studies for Punjab suggest that owing to high rate of agricultural growth, the demand for labour in agriculture has expanded at a greater rate in the post green revolution period than the supply of local labour.

9.40 On the other hand, agriculture in dry land areas has by and large remained stagnant, unable to provide work to the increased number of agricultural labourers. These are the areas which constantly experience either drought or flood. Anti-poverty programmes have not made much headway in providing employment to the poor nearer to their homes.

9.41 The intra-district, inter-district and inter-state migrant labourers belong to Scheduled Castes, Scheduled Tribes and other Backward Castes. Migration of tribals has increased recently as their resource base has depleted. An overwhelming majority of them are either illiterate or have primary education. They are in their twenties. They are small and marginal or landless labourers. The proportion of women workers is higher among the intra-district and inter-district than inter-state migrant workers. The migrant workers from Bihar, U.P. and Orissa who work in Punjab and Haryana are predominantly males. But this is not the case among the labourers migrating from Maharashtra to Gujarat working in sugarcane farms. The whole family migrates along with carts and bullocks. Women constitute a large number of migrants—about 15 per cent—in construction activities both in private and public sectors.

9.42 Migrant labourers are employed either directly by farmers themselves or indirectly through agents. The rich farmers of Punjab and Andhra Pradesh contact migrant labour at important railway stations. Another method is a recruitment through group leaders or agents called mukadams, mistrys or contractors, who negotiate with employers on behalf of the labourers. In such a system transport is provided from the place of origin to the work place. Sometimes advance payment is varying from Rs. 50 to Rs. 200 is paid to the workers, which is later recovered from the wages. The mukadams or commission agents are often traders or landlords or village musclemen who enjoy control over labour. This method of recruitment sometimes leads to harassment of migrants and creates conditions that lead to their bondedness.

9.43 The migrant labourers to Punjab and U.P. and Bihar travel long distances in overcrowded trains. Sometimes they are forced to travel on the roofs of the trains, and there are several cases of fatal accidents. The migrants who manage to reach safely are harassed by railway staff, Police and farmers on the railway stations on one pretext or the other.

9.44 Urban and rural non-agricultural informal activities such as brick kiln-tobacco processing coal making, construction of roads, buildings, dams, canals and other public works, railway, mines, quarries, small

scale industries like fish and other food processing employ a very large number of inter and intra-state migrant workers. A majority of migrant labourers do not have fixed place of work. They shift from one place to another as most of the employers, except large scale public projects, are unable to offer them work throughout the season. They are not provided adequate accommodation. They live in either small huts, pump-rooms, public places or under the sky. Generally, there is no drinking water facility for labourers in farms, construction sites, and quarries. They have to travel long distances to get water from canals, tanks or khadis for drinking and washing. Needless to say, there is no other facility like toilets, bathrooms, urinals, washing or bathing facilities, even for women. No first aid facility, leave alone medical care, is provided. The workers are prone to several diseases.

9.45 Wages for migrant labourers vary from sector to sector and region to region. They get lowest wages in agricultural operations and highest in construction work, particularly in large scale projects like dams, construction of roads and bridges under the department of defence in border areas. Except in a few sectors and regions at a particular period in a year, migrant labourers do not get minimum wages stipulated under the Minimum Wages Act.

9.46 In order to avoid supervision and at the same time extract maximum output, employers assign work both in agriculture and non-agriculture sectors on piece rates. This compels workers to put in hard labour and work for longer periods.

9.47 As a result of the large scale influx of migrant labour, real wages of the local labour have not increased in many places. Migrant labourers work at lower wages than local labourers. Because of the migrants, the local labourers are either forced to accept lower wages or shift to other occupations if available. This creates not only ill feelings but also leads to clashes between local and migrant workers. The rich peasants and landlords exploit the rift. This has been detrimental to the organization and struggles of the rural poor for justice.

9.48 The working conditions for migrant labour have been miserable. They are at the mercy of the middlemen and the employers in places far removed from their familiar environment. Their bargaining power is the lowest in such situations, this explains why productivity and profits have risen at a much faster rate than real wages.

9.49 However, despite hardships and exploitation, the incomes of the migrant labour are higher than what they would have been able to earn without migration. As we have seen earlier, the proportion of migrant labour is quite high for certain backward areas. As a result of the rise in their income from migration, their staying power has increased, the real wages have started rising in such areas during the eighties. The wage disparity between the developed and the less developed regions has started declining. The male-female disparity in wage rate is also coming down.

9.50 The Government of India enacted several legislations in the seventies to protect unorganised labour. They are the Contract Labour (Regulation and Abolition) Act, 1970; the Bonded Labour (Abolition) Act, 1976, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979. The ISMW Act protects only that migrant worker who is required by the contractor and taken from one state to another. If the workers find their way across state boundaries on their own or if they change jobs after getting there, the Act does not protect them.

9.51 The ISMW Act has by and large remained on paper. Most of the states have not developed the machinery for the implementation of the ISMW Act. A few states such as Bihar, Orissa and Punjab have created machinery but it is inadequate to implement the Act effectively. The workers are still in the clutches of the contractors and rich farmers. The provisions of the various other labour laws are not being observed. The migrant labourers are unorganized and unable to go to the courts for justice. Exploitation of migrant labour thus continues unabated.

RECOMMENDATIONS

9.52 On the basis of our analysis we offer two sets of recommendations. One is related to economic policy and nature of development; the second is related to administrative and legal measures. In our view, the plight and problems of migrant labour are closely related to the nature of economic development that India has followed since Independence. They cannot be eased to a significant extent without altering the economic path and strategies for growth and distribution. Without this, welfare programmes and administrative and legal measures have limited value.

Economic Development

9.53 Essentially, migration is for survival and subsistence as regular employment throughout the year is not available near their homes. Uneven development during colonial and post-independence period is the cause of distress migration. Resources have been allocated generously in certain sectors and areas, while other areas have been neglected. Technology related to irrigation is developed while dry land farming is neglected. Natural resources from forests, hills and rivers are exploited depriving the poor and the tribals of their sources of livelihood. This approach and strategy for development needs to be changed fundamentally. Priority should be given to the development of backward regions, to dry farming techniques and forests. We are convinced that accelerated development of certain poverty stricken areas in the country has helped in containing out-migration. It is necessary that areas/pockets which are most backward and from where out migration is sizeable are identified by the State Governments. Special emphasis should be given under the plans for development of such identified areas so that migration of labour from there could be minimised. Priority should be given for development of irrigation facilities which would create

employment opportunities. Development of land farming with emphasis on horticulture and allied activities should be encouraged by subsidising drip irrigation, fertiliser, equipment etc. for small and marginal farmers making credit available to them at a low rate of interest alongwith a moratorium on repayment, in view of the gestation period of 5 to 7 years for such activities.

9.54 Poverty alleviation programmes have had only a limited impact in reducing poverty. Implementation of land reform legislations has been ineffective. They should be implemented vigorously and without further loss of time. The poor should not only be given land but should be given, simultaneously, the necessary infrastructure including agricultural tools, fertilizer, water, credit and know-how. Arrangements should be made for the sale of their produce at remunerative prices. Land reform and agricultural development of the poor should go together as a part of the same programme.

Legislative Measures

9.55 The ISMW Act, though a comprehensive Act for the benefit of inter-state migrant labourers, suffers from several limitations. We suggest the following changes:

- (i) The definition of migrant workman as given in Sec. 2(1)(e) should be expanded. It should cover all migrant workmen, whether they come on their own, or change contractors after entering the recipient state.
- (ii) Section 27 should be amended. Third parties also should be allowed to file complaints.
- (iii) A new section should be inserted to the effect that the contractor should be held liable for any breach of the Act, whether committed by him or the sub-contractor. It is for the contractor to take any action he desires against the sub-contractor.
- (iv) Though the Act specifies that the principal employer is also responsible if the contractor or sub-contractor violates the Act, in practice the contractor has been generally treated by the court as the principal employer. Consequently the principal employer escapes the liability. There is need to make the liability of the principal employer specific.
- (v) The cases related to claims of disabled workmen or heirs/deceased workmen should be transferred to the state from where the migrant workers were recruited, if so desired by the workman or his/her heirs.
- (vi) Special courts should be appointed where found necessary to hear disputes concerning migrant and contract labour.
- (vii) Steps should be taken for effective implementation of the laws. In Public Sector Undertakings employing a large number of workers, a system of bipartite arrangement for over-seeing the implementation of laws should be evolved.

9.56 Some of the facilities specified in the Act, such as medical treatment, cost of hospitalization of the worker, supply of clothing, should be provided to all workers; migrants as well as local.

9.57 The proposed Bill "The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Bill 1988" when finally passed by the Parliament would cater to the improvement in the working and living conditions of construction workers.

9.58 We have in our interim report recommended enactment of a Central Legislation for agricultural workers which would safeguard the interest of intra-state migrant workers in agricultural sector.

Other Suggestions

9.59 We would like to make some other suggestions. These are as follows:

- (1) Migration policy should be mounted with primary focus on smooth migration, greater employment, minimizing exploitation and hardships of rural migrant labour. In order to achieve these objectives, certain incentives and facilities will have to be made available by the Government to the migrant labour. Among these, the following are the most important:
 - (a) Group migration is a good situation as it provides a collective strength for better deal and therefore, it should be encouraged.
 - (b) Providing transport subsidy for migration from the place of origin to the destination.
 - (c) Providing housing/community hall facilities at the place of important destinations.

This should reduce direct cost of the migration for the migrants and also direct and indirect cost to the individual employers. The cost involved in providing above facilities can be recovered through a levy on employers who hire migrant labour.

- (2) Every migrant worker should be issued identity card with his photographs affixed; help of Panchayats, Tehsildars, Voluntary Organisations can be taken in this regard. The presentation of the identity card before the authorities/employers should be taken as an adequate evidence of an individual being a migrant worker and entitle him to certain benefits from the employer/contractor.
- (3) There should be provision enabling the voluntary organisations and social activists empowering them to file complaints with the administrative machinery created for the implementation of the law on migrant workmen.
- (4) We would also like to stress the necessity of giving due importance to the dissemination of labour market information.

- (5) The labour department should be adequately staffed and fully equipped with infrastructural facilities so that it can implement the laws protecting labour effectively. A separate directorate of rural labour should be created to supervise the implementation of various provisions of the ISMW Act and other labour laws.
- (6) The states with a large number of out-migrant labourers should establish their office with adequate staff and other facilities in the states where majority of their workers work. The officers from this office in cooperation with the Labour Commissioner of the recipient state should periodically visit the work sites where inter-state migrant workmen from that state are employed, and enquire about wages, health and welfare of these workers. Reports of their visit should be submitted both to their parent organisation Labour Commissioner and the Labour Commissioner of the host State. Their consolidated report, every six months, should be published in the labour gazette, giving not only statistics of visits and cases, but also names of establishments visited, dates of visits and action taken.
- (7) Temporary ration cards should be issued to migrant workers so that they can get their ration from the fair price shops.
- (8) Children are worst affected by seasonal migration. They have to go without schooling, which means a permanent mortgaging of their future to manual labour. In view of the problems of language and duration of stay, we consider it appropriate that residential school facilities should be provided in areas from where there is sizeable out migration. Alternatively, primary schools and anganwadis should be started with the medium of instruction being that of the migrant workers in labour camps where migrant workers spend six to eight months and wherever more than 100 migrant workers are employed. For their elder children (above ten years), accommodation should be provided in welfare hostels-cum-schools.
- (9) In bigger and identifiable projects where migrant workers are employed, there should be a provision to include cost of welfare amenities for migrant workers in the cost of the project itself. Government should be an exemplary employer and Public sector made squarely responsible to implement labour welfare provisions.
- (10) For mitigating the problems of migrant labour, it is necessary to identify the contractors who employ same groups of migrant labour year after year. The control of law enforcement machinery over such contractors should be tightened.
- (11) Municipal Corporations, Councils and Zila Parishads should be asked to provide drinking water taps, transit sheds etc. for migrant labour working in their areas.

ANNEXURE I

PERCENTAGE OF TOTAL OUT-MIGRANTS AND THOSE FOR EMPLOYMENT TO TOTAL POPULATION

State/U.T.	Total Population (in million)	Out-migrants (all durations of residences) (in million)		Percentage of out-migrants to total population	
		Total (for all reasons)	For Employment	Total	For Employment
(1)	(2)	(3)	(4)	(5)	(6)
1. Andhra Pradesh	53.55	1.23	0.28	2.30	0.52
2. Assam	19.90	0.30	0.06	1.52	0.28
3. Bihar	69.92	2.46	0.88	3.51	1.25
4. Gujarat	34.09	1.03	0.22	3.02	0.65
5. Haryana	12.92	1.19	0.21	9.24	1.64
6. Himachal Pradesh	4.28	0.39	0.10	9.20	2.29
7. Jammu & Kashmir	5.99	0.10	0.03	1.73	0.45
8. Karnataka	37.14	1.45	0.30	3.90	0.80
9. Kerala	25.45	0.96	0.36	3.77	1.41
10. Madhya Pradesh	52.18	1.53	0.21	2.94	0.41
11. Maharashtra	62.79	1.48	0.29	2.36	0.46
12. Manipur	1.42	0.02	0.004	1.53	0.25
13. Meghalaya	1.34	0.02	0.004	1.36	0.30
14. Nagaland	0.77	0.01	0.002	1.43	0.27
15. Orissa	26.37	0.53	0.16	2.00	0.59
16. Punjab	16.79	1.32	0.30	7.84	1.79
17. Rajasthan	34.26	1.57	0.37	4.59	1.08
18. Sikkim	0.32	0.01	0.002	3.84	0.65
19. Tamil Nadu	48.41	1.32	0.37	2.72	0.77
20. Tripura	2.05	0.03	0.004	1.45	0.20
21. Uttar Pradesh	110.86	4.59	1.68	4.14	1.51
22. West Bengal	54.58	1.03	0.20	1.89	0.37
23. Andaman & Nicobar	0.19	0.01	0.001	5.81	0.72
24. Arunachal Pradesh	0.63	0.01	0.001	0.95	0.19
25. Chandigarh	0.45	0.08	0.01	18.63	3.08
26. Dadra & Nagar Haveli	0.10	0.01	0.001	6.26	0.94
27. Delhi	6.22	0.50	0.08	7.99	1.32
28. Goa, Daman, Diu	1.09	0.12	0.03	10.81	2.81
29. Lakshadweep	0.04	neg	neg	2.65	0.31
30. Mizoram	0.49	0.01	0.001	1.38	0.21
31. Pondicherry	0.60	0.12	0.01	19.14	2.05
All-India	685.19	23.43	6.17	3.42	0.90

Note : Projected Population of Assam for 1981 is used.

Source : Col. (3) and (4) Report and Tables based on 5 per cent Sample Data.

PERCENTAGE DISTRIBUTION OF OUT-MIGRANTS FOR EMPLOYMENT BY DURATION OF RESIDENCE

Category of Migrants : All Streams

(Number in '000)

State	Distribution of Migrants (male & female) for employment by Duration											
	Below 1 year		1-4 years		5-9 years		10 years & above		Unspecified		All Durations	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
	1	2	3	4	5	6	7	8	9	10	11	12
1. Andhra Pradesh	13.7	4.9	68.1	24.3	41.9	14.9	152.8	54.5	3.9	1.4	280.4	100.0
2. Arunachal Pradesh	0.3	25.0	0.4	33.3	0.2	16.7	0.3	25.0	neg	..	1.2	100.0
3. Assam	7.2	12.9	18.6	33.3	11.1	19.9	17.8	31.9	1.1	2.0	55.8	100.0
4. Bihar	82.3	9.4	193.3	22.1	136.1	15.5	443.1	50.6	21.3	2.4	876.1	100.0
5. Goa, Daman & Diu	2.0	6.5	3.9	12.8	2.4	7.9	21.9	71.8	0.3	1.0	30.5	100.0
6. Gujarat	10.2	4.6	38.6	17.5	26.8	12.1	141.7	64.1	3.8	1.7	221.0	100.0
7. Haryana	13.5	6.4	50.2	23.6	34.4	16.2	110.3	51.9	4.1	1.9	212.5	100.0
8. Himachal Pradesh	6.5	6.7	21.9	22.4	20.8	21.2	48.2	49.1	0.6	0.6	98.0	100.0
9. Jammu & Kashmir	6.9	25.7	7.7	28.6	3.1	11.5	8.9	33.1	0.3	1.1	26.9	100.0
10. Karnataka	29.1	9.8	74.0	24.9	45.7	15.4	142.7	47.9	6.0	2.0	297.5	100.0
11. Kerala	19.2	5.3	105.3	29.3	64.9	18.0	167.5	46.5	3.3	0.9	360.1	100.0
12. Madhya Pradesh	36.5	17.1	56.9	26.6	32.7	15.3	82.9	38.7	5.0	2.3	214.0	100.0
13. Maharashtra	33.7	11.7	66.7	23.2	49.5	17.2	133.9	46.6	3.9	1.3	287.7	100.0
14. Manipur	0.3	8.6	1.2	34.3	0.6	17.1	1.3	37.1	0.1	2.9	3.5	100.0
15. Meghalaya	0.4	10.0	1.2	30.0	1.2	30.0	1.1	27.5	0.1	2.5	4.0	100.0
16. Mizoram	0.1	10.0	0.5	50.0	neg	..	0.4	40.0	neg	..	1.0	100.0
17. Nagaland	0.3	14.3	0.8	42.9	0.4	19.0	0.5	23.8	0.0	..	2.1	100.0
18. Orissa	11.7	7.5	30.0	19.2	25.7	16.5	85.0	54.4	3.7	2.4	156.1	100.0
19. Punjab	14.2	4.7	49.9	16.6	41.2	13.7	189.7	63.3	5.0	1.7	300.0	100.0
20. Rajasthan	43.8	11.9	81.2	22.0	59.7	16.2	177.4	48.1	6.6	1.8	368.7	100.0
21. Sikkim	0.3	15.0	0.5	25.0	0.4	20.0	0.8	40.0	0.0	..	2.0	100.0
22. Tamil Nadu	23.9	6.4	101.2	27.0	61.3	16.4	183.2	48.9	4.7	1.3	374.3	100.0
23. Tripura	0.4	9.8	0.8	19.5	0.6	14.6	2.3	56.1	0.0	..	4.1	100.0
24. Uttar Pradesh	119.5	7.1	419.3	25.0	300.6	17.9	812.3	48.5	24.4	1.5	1676.0	100.0
25. West Bengal	13.7	6.7	50.6	24.8	36.1	17.7	101.0	49.4	2.9	1.4	204.3	100.0
26. Delhi	8.4	10.3	27.9	34.0	15.0	18.3	29.6	36.1	1.1	1.3	82.0	100.0
27. Pondicherry	0.8	6.5	3.1	25.0	1.5	12.1	7.0	56.4	..	..	12.4	100.0
28. A & N Islands	0.1	7.7	0.3	23.1	0.2	15.4	0.4	30.7	0.3	23.1	1.3	100.0
29. Lakshadweep	..	..	0.0	..	..	..	0.1	100.0	..	..	0.1	100.0
30. Dadra & Nagar Haveli	0.1	10.0	0.3	30.0	0.2	20.0	0.4	40.0	0.0	..	1.0	100.0
31. Chandigarh	1.7	12.2	56.6	40.3	3.0	21.6	3.4	24.5	0.2	1.4	13.9	100.0
All India	500.8	8.1	1479.9	24.0	1017.6	16.5	3067.8	49.7	102.7	1.7	6168.8	100.0

ANNEXURE III

PERCENTAGE DISTRIBUTION OF INTER-STATE OUT-MIGRANTS FOR EMPLOYMENT BY DURATION OF RESIDENCE

Category of Migrants : All Streams

State	Out-Migrants			Percentage distribution of out-migrants For Employment by duration					
	Total (All reasons all duration) (Million)	%age to population	%age to total Out-Migrants	All duration	Less than one year	1-4 years	5-9 years	More than ten years	Un-specified
1	2	3	4	5	6	7	8	9	10
1. Andhra Pradesh	1.23	2.30	5.26	4.55	2.73	4.60	4.13	4.98	3.81
2. Arunachal Pradesh	0.01	0.95	0.03	0.02	0.05	8.02	8.02	0.01	0.06
3. Assam	0.30	1.52	1.29	0.90	1.45	1.26	1.89	0.58	1.85
4. Bihar	2.46	3.51	10.49	14.20	16.48	13.86	13.38	14.44	20.73
5. Goa, Daman, Diu	0.12	10.81	0.50	0.49	2.88	2.61	2.63	4.62	3.68
6. Gujarat	1.03	3.02	4.39	3.58	2.70	3.39	3.38	3.60	3.99
7. Haryana	1.19	9.24	5.10	3.44	1.31	1.48	2.85	1.57	0.60
8. Himachal Pradesh	0.39	9.20	1.68	1.59	1.37	0.52	0.38	0.29	0.25
9. Jammu & Kashmir	0.10	1.73	0.44	0.44	5.81	5.08	4.49	4.65	5.82
10. Karnataka	1.45	3.90	6.17	4.82	3.83	7.12	6.38	5.46	3.11
11. Kerala	0.90	3.77	4.10	5.84	7.29	3.85	3.22	2.70	4.81
12. Madhya Pradesh	1.53	2.94	6.54	3.47	6.73	4.51	4.86	4.37	3.77
13. Maharashtra	1.48	2.36	6.32	4.66	0.36	0.08	0.86	0.85	0.08
14. Manipur	0.02	1.53	0.09	0.06	0.08	0.06	0.12	0.04	0.06
15. Meghalaya	0.02	1.36	0.08	0.07	0.02	8.83	..	0.01	0.82
16. Mizoram	0.01	1.38	0.03	0.02	..	..	..	..	..
17. Nagaland	0.01	1.43	0.05	0.03	0.06	0.06	0.04	0.02	0.04
18. Orissa	0.53	2.00	2.26	2.53	2.34	2.03	2.53	2.77	3.62
19. Punjab	1.32	7.84	5.62	4.86	2.83	3.37	4.05	6.18	4.89
20. Rajasthan	1.57	4.59	6.71	5.98	8.74	5.49	5.87	5.78	6.44
21. Sikkim	0.01	3.84	0.05	0.03	0.06	0.03	0.84	0.03	6.44
22. Tamil Nadu	1.32	2.72	5.63	6.07	4.78	6.84	6.02	5.97	4.59
23. Tripura	0.03	1.45	0.13	8.07	8.08	0.05	0.06	0.07	0.04
24. Uttar Pradesh	4.59	4.14	19.58	27.17	23.85	28.33	29.54	26.48	23.75
25. West Bengal	1.03	1.89	4.40	3.31	2.74	3.12	3.55	3.29	2.85
26. Delhi	0.50	7.99	2.12	1.33	1.68	1.88	1.47	0.97	1.09
27. Daman & Diu	..	..	..	..	0.39	0.26	0.24	0.71	0.33
28. Pondicherry	0.12	19.14	0.49	0.20	0.17	8.21	0.15	0.23	..
29. A & N Island	0.01	5.81	0.05	0.02	0.02	0.02	0.02	0.01	0.28
30. Lakshadweep	..	2.65	0.01	..	..	..	..	..	..
31. D. & N. Haveli	0.01	6.26	0.03	0.02	0.01	0.02	0.82	0.01	0.02
32. Chandigarh	0.08	18.63	0.36	0.23	0.33	0.38	0.29	0.11	0.20
All-India	23.43	3.42	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source : Census of India, 1981, Report and Tables based on 5 per cent Sample Data (Part II Special)

ANNEXURE IV

RURAL-RURAL MIGRATION FOR EMPLOYMENT BY DURATION OF RESIDENCE AND SEX

Duration	Migration for Employment				Total	% distribution	Distribution of total
	M	% of total	F	% of total			
Intra-district							
1 year	333710	78.6	91102	21.5	424812	11.7	43.7
1-4	1005502	80.3	246917	19.7	1252419	34.3	60.8
5-9	508542	30.5	123104	19.5	631646	17.3	60.5
10	1130127	84.4	209008	15.6	1339135	36.7	59.0
All duration	2977881	81.6	670131	18.4	3648012	100.0	57.5
Inter-district							
1 year	237233	75.5	77201	24.6	314434	18.4	32.3
1-4	430840	80.9	101569	19.1	532409	31.2	25.8
5-9	223909	82.1	48689	17.9	272598	16.0	26.1
10	496423	84.4	91629	15.6	588252	34.4	25.9
All duration	1388495	81.3	319088	18.7	1707493	100.0	26.9
Inter-State							
1 year	180409	77.5	52507	22.5	232916	23.5	24.0
1-4	232735	84.5	42833	15.5	275568	27.8	13.4
5-9	118838	85.0	20916	15.0	139804	14.1	13.4
10	293050	85.6	49480	14.5	342530	34.6	15.1
All duration	825082	83.3	165736	16.7	990818	100.0	15.6
Total							
1 year	751352	77.3	220810	22.7	972162	15.3	100.0
1-4	1669077	81.0	391319	19.0	2060396	32.5	100.0
5-9	851339	81.5	192709	18.5	1044048	16.5	100.0
10	1919600	84.6	350117	15.4	2269717	35.8	100.0
All duration	5191368	81.8	1154955	18.2	6346323	100.0	100.0

Source: Census of India 1981.

ANNEXURE V

RURAL-URBAN MIGRATION FOR EMPLOYMENT IN INDIA BY DURATION OF RESIDENCE AND SEX

Duration	Migration for employment				Total	% distribution	Distribution of total
	M	%	F	%			
Intra-district							
1 year	123303	83.9	24607	16.1	152910	6.1	34.1
1-4	600383	85.72	100043	14.28	700431	28.0	33.6
5-9	400973	87.88	55320	12.12	456293	18.3	30.1
10	1079068	90.82	109010	9.18	1188078	47.6	27.3
All duration	2208732	88.43	288930	11.57	2497712	100.0	29.7
Inter-district							
1 year	131019	85.46	22289	14.54	153308	5.0	34.2
1-4	662912	88.97	82152	11.03	745064	24.4	35.7
5-9	513705	91.30	48976	8.70	562681	13.4	37.1
10	1489847	93.74	99457	6.26	1589304	52.1	36.5
All duration	2797483	91.71	252874	8.29	3950357	100.0	36.3
Inter-State							
1 year	127156	89.23	15352	10.77	142508	5.0	31.8
1-4	592309	92.52	47863	7.48	640172	22.4	30.7
5-9	468052	94.02	29757	5.98	497809	17.4	32.8
10	1507308	95.52	70761	4.18	1578069	56.2	36.2
All duration	2694325	94.27	163733	5.73	2858558	100.0	34.0
Total							
1 year	386478	86.13	62248	13.87	448726	5.3	100.0
1-4	1855609	88.97	230058	11.03	2085667	24.8	100.0
5-9	1382730	91.16	134053	8.84	1516783	18.1	100.0
10	4076223	93.59	279228	6.41	4355451	51.8	100.0
All duration	7701040	91.61	705587	8.39	8406627	100.0	100.0

Source: Census of India, 1981

ANNEXURE VI

**SALIENT FEATURES OF THE INTER-STATE
MIGRANT WORKMEN (REGULATION OF EM-
PLOYMENT AND CONDITIONS OF SERVICES)
ACT, 1979**

- (i) The Act does not apply to all individual migrant labour. It applies to (2.a) 'every establishment in which five or more inter-state migrant workmen (whether or not in addition to other workmen) are employed or who were employed on any day of the preceding twelve months; (2.b) 'to every contractor who employs or who employed (whether or not in addition to other workmen) on any day of the preceding twelve months'.
- (ii) Any migrant worker employed individually outside his/her own state is not covered under the Act. Only those who are employed through contractor/khatadars/sardars are treated as inter-state migrant labour. According to the Act (2.e), 'inter-state migrant workman' means any person who is recruited by or through a contractor in other than his/her 'native' state under an agreement or other arrangement for employment in an establishment in the state other than his/her 'home' state whether with or without the knowledge of the principal employer.
- (iii) The Act prohibits any 'principal employer' (head of the office or department) factory owner/manager; mine owner/manager from engaging migrant worker in his/her establishment 'unless a certificate of registration in respect of such establishment issued under this Act is in force'.
- (iv) Every contractor is required to obtain a licence from a licensing officer, appointed by the state government, for recruiting any person in a state for the purpose of employing him in any establishment in another state.
- (v) The contractor is required to issue (under section 12) to every inter-state migrant workman, a passbook affixed with a passport size photograph of the workman and indicate information about the worker, including payment, advances paid etc. in Hindi and English and where the language of the workman is not Hindi or English, also in the language of the workman.
- (vi) An inter-state migrant workman shall in no case be paid less than the wages fixed under the Minimum Wages Act, 1948.
- (vii) The contractor is required to pay every migrant labourer at the time of recruitment a displacement allowance equal to 50 per cent of the monthly wages payable to him/her or Rs. 75/- whichever is higher. Such amount is in addition to the wages and is non-refundable.
- (viii) A journey allowance of a sum not less than the fare from the place of residence of the inter-state migrant workman in his state to the place of work in the other state shall be payable by the contractor to the worker both for the outward and return journeys, and he/she will be entitled to payment of wages during the period of such journeys as if he were on duty.
- (ix) It is the duty of every contractor employing inter-state migrant workmen in connection with the work of an establishment to which this Act applies:
 - (a) to ensure regular payment of wages to such workmen;
 - (b) to ensure regular suitable conditions of work to such workmen having regard to the fact that they are required to work in a state different from their own state;
 - (c) to provide and maintain suitable residential accommodation to such workmen during the period of their employment;
 - (d) to provide the prescribed medical facilities to the workmen free of charge;
 - (e) to provide such protective clothing to the workmen as may be prescribed;
 - (f) in cases of fatal accidents or serious injuries to any such workmen, report to the specified authorities of both the states and also the next of kin of the workmen.
- (x) The principal employer is responsible for payment of wages to the migrant workers and also for providing the welfare facilities as per the Act in the event of the failure of the contractor to do so.
- (xi) The act contains special provision for dealing with industrial disputes of migrant workers. It empowers the Central Government, in case it is the appropriate government, to refer such a dispute to an Industrial Tribunal/Labour Court in the state within which the establishment is situated or in the state where recruitment was made, provided the workman concerned makes an application on the ground that he has returned to the state after completion of his work. In case the Central Government is not the appropriate government, the Act similarly empowers the state government, wherein recruitment was made, to refer such a dispute to any of the authorities in that state if the migrant worker makes a request on the ground he/she has returned to the state after completion of his/her work, provided that such an application is made within six months of his return to his state and the government of the state in which the establishment is situated concurs. After six months the worker loses

his/her right to go to the court for redressing his/her grievances.

(xii) If any person or company contravenes any of the provisions of this Act or of any rules of the provisions for which no other penalty is elsewhere provided he/she shall be punishable with imprisonment for a term which may extend to two years, with fine which may extend to Rs. 2,000/- or with both. But there is a provision which comes to the rescue of the principal employer. Section 27.1 reads, 'provided that nothing contained in this sub-section shall render any such person liable to any

punishment, if he proves that the offence was committed without his knowledge or that he had exercised all the diligence to prevent the commission of such offence'.

(xiii) However, the offence is non-cognizable. Section 28 of the Act states, 'No court shall take cognizance of any offence under this Act except on a complaint made by, or with the previous sanction in writing of, an inspector or authorized person and no court inferior to that of a Metropolitan Magistrate or Judicial Magistrate of the first class shall try any offence punishable under this Act.'

WOMEN AND CHILD LABOUR

Introduction

10.1 Women and child labour form an important segment of the total work force. Women in general have a disadvantaged position in this labour market, particularly in the developing countries. The world economic profile of women estimates that women represent 50% of the population, constitute 30% of the labour force, contribute 60% of all working hours, receive 10% of world's income and own less than 1% of the world's property. In India 90% of women workers are in agriculture and allied activities, 40% being cultivators. Further, besides those who are on wage or salary employment outside the home, many also work inside the home on wage employment, generally on piece-rate basis, in household industry such as handloom and handicrafts, embroidery, making bidis, papads, pickles, aggarbatties, etc. There would also be some women who are self-employed on the basis of their own assets. In addition, one would also have to take into account the fact that 'labour' in the context of women has to be construed in a more comprehensive sense to include (a) help in family economic activity relating to agriculture, dairy, poultry and cottage industry; (b) raising and rearing a family; and (c) a variety of consumption related activities required for the home, including fetching water, fuelwood and fodder and all kinds of domestic chores. All these amount to the total work burden of women, only a part of which may be paid for or monetised and a sizeable proportion being unpaid or non-monetised. Previous censuses have not been able to capture the full extent of the contribution of women and only in the 1991 census there will be record of their work—unpaid family labour, self-employed or homebased work, part-time or casual work—also as "productive work". This may give truer picture of the contribution of women to the economy.

10.2 The low status accorded to women in our society is also reflected in the problems related to (a) the employed in the context of their earnings and conditions of work, (b) the unemployed, namely, those who are seeking and available for gainful work but do not get it, (c) and inducing women to seek more gainful work or inducing more women to seek gainful work. For improvement in the status of women and for moving towards real freedom and equality, she must have an independent source of income and control over it. Economic independence is one of the basic desiderata for achieving freedom and equality for women. A reorientation of the attitude of men towards the work and contribution of women is no doubt important. The working conditions for self-employed or homebased workers should also improve. Even so, it has also been felt that wage or salary employment outside the home would emancipate women better than home-based employment. Their greater participation in the

work force can also be helped by technologies which will reduce the drudgery and the domestic work burden on women, releasing more time for gainful work as well as education and leisure. It is equally necessary to tackle the problems generated by poverty and ignorance, namely, undernutrition and malnutrition of women and children, high infant mortality and frequent maternity, ill health and low-paid unskilled jobs, drudgery of work, particularly relating to drinking water and collection of fuel and fodder; and problems created by male alcoholism.

10.3 Studies have shown that wherever there is moderate or severe malnutrition, the female children are worse off than the males and females also have greater mortality. There has been a continuous decline in the sex ratio from 972 females per 1000 males in 1901 to 929 in 1991, though it is slightly better in rural areas. The States of Bihar, Haryana, Punjab Rajasthan, Uttar Pradesh and West Bengal show sex ratios considerably lower than the all India average. Age-specific sex ratios show a decline upto the age 19. The age specific death rates are higher for females upto the age of 35. The percentage of literates to the estimated population aged 7 years and above in 1991 was 39% for females against 64% for males, the percentage being far lower for females in rural areas (18% in 1981). For the age group 7 and above, the number of male and female illiterates in 1991 was 126.7 million and 197.3 million respectively, an increase of 5.8 million and 16.3 million over 1981. Poor female literacy is found in the states of Bihar, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh (1991). In 1981 literacy among Scheduled Caste and Tribe women was only 11% and 8% respectively. The percentage of female students to total number of students is around 40% in classes I to V and 36% in classes VI to VIII. The retention rate per thousand students upto class V is 51% for girls against 57% for boys. It is well known that there is strong correlation between literacy and infant mortality rates. In the rural areas, while the infant mortality rate for an illiterate mother was 132, for a literate mother below primary it was 105 and for primary and above 64, in the early 1980s.

10.4 10 per cent of all households are headed by females and 35 per cent of those below the poverty line are headed by women. In rural labour families, even when there is a male earner in the family, the contribution of the wife's earnings to the family expenditure is generally more than that of the male earner and many a time forms the major part of the family maintenance expenditure which results in better child health and nutrition. Thus productive employment of women will reduce their dependency, enhance their status, improve nutritional levels and reduce infant mortality rates. The National Commission

on Self-employed Women and Women in Informal Sector in its Report 'Shramshakti' (1988) has made very detailed and in-depth study and made wide ranging recommendations covering employment opportunities, working conditions, health and welfare measures etc. A National Perspective Plan for Women has also been drawn up giving the policy framework and the objectives to be achieved by 2000 A.D. A law has also been enacted in 1990 to set up a 'National Commission for Women'. As such, we propose to confine ourselves to only some important aspects of Women and Child Labour.

Women Labour—Magnitude and Characteristics

10.5 Two sources of data on women workers are (a) the censuses and (b) the National Sample Surveys. Due to definitional problems and other reasons, the census data are generally felt to be not so representative of the situation on the ground and the figures from one census to another are not generally comparable. The NSS estimates are generally considered more reliable and comparable. However, we present some statistics from both sources which are indicative of the broad trends. Annexure I gives the occupational distribution of the population by male and female categories as in the census of 1961, 1971 and 1981 and Annexure II gives the break-up of main and marginal workers by industrial category and sex as per the 1981 census. Annexure III presents the worker population ratios for all India and some major States and Annexure IV presents the per thousand distribution of usually employed by industry sections for the 27th (1972-73), 32nd (1977-78), 38th (1982) and 43rd (1987-88) Rounds of the National Sample Survey.

10.6 According to the 1981 census, there were 63.5 million female workers, 90% of them in rural areas. In the total working population, the male and female workers in rural areas are in the ratio of 7:3 whereas female workers are only 13% of the urban workers. It is seen that the proportion of rural female workers as cultivators has come down from 59% in 1961 to 41% in 1981, for the same period the proportion as female agricultural labour has gone up substantially from 25% to 48%, when one takes into account marginal workers also in 1981. In 1981, female marginal workers constituted 31% of all female workers in rural areas, as against 2% for male workers and of these rural female marginal workers, 49% were cultivators, 42% agricultural labourers and 5% in manufacturing sector. Though the female participation in agricultural work depends on socio-cultural patterns in different regions, it is seen in the aggregate that the male to female ratio among agricultural labourers is 55 to 45, but it is 62 to 38 among main workers and 13 to 87 among marginal workers (1981 census). Male to female marginal worker ratio is 28:72 in livestock, forestry, fishing etc. and is 16:84 in manufacturing (particularly more household industry). Over the years the work participation of women has improved and there is a rise in the sex ratio (female workers per 100 male workers), particularly in the categories of

cultivators, agricultural labourers, household industry and construction, as the following table shows:—

Industry	Share in employment		Sex Ratio	
	1971	1981	1971	1981
1. Cultivators	32.7	37.1	14	19
2. Agricultural labourers	54.3	50.2	50	61
3. Livestock, forestry etc.	2.6	1.8	23	21
4. Mining and Quarries	0.3	0.3	18	20
5. Household industry*	3.6	3.8	27	38
6. Other household industry	1.6	2.1	15	16
7. Construction	0.4	0.6	11	14
8. Trade & Commerce	1.0	1.1	8	10
9. Transport, Storage & Communication	0.1	0.1	3	2
10. Other Services	3.4	2.9	14	16
Total Rural	100.0	100.0	23	29

*mainly food processing, textiles, wood and ceramics.

10.7 Now we look at the figures from the National Sample Surveys. The worker population ratio or the workforce participation rate shows that while the trend from 1972-73 to 1987-88 has been more or less steady, the female work force participation rate has risen gradually and steadily upto 1983 both in rural and urban areas and in 1987-88 it was stable in urban areas but fell slightly in rural areas looking at the industrial distribution of the workforce, in 1972-73 about 83% of the male workers were in primary sector of agriculture and allied activities, about 8% in secondary sector and 9% in the tertiary sector in rural India whereas in 1987-88, the workers in primary sector came down to about 75% and the secondary and the tertiary sectors increased to about 12 and 13 per cent respectively. For female workers, the proportion in the primary sector declined from about 90% to about 85%, it increased from about 6% to 10% in the secondary sector and about to 4% to 5% in the tertiary sector. In the case of female workers, the reduction in the agricultural and allied sectors has been compensated almost wholly by the increase in the secondary sector.

10.8 the women work participation rate from the 43rd round of NSS (1987-88) is presented below:

	(Per 1000 females)	
	Rural	Urban
(a) Number engaged in household duties	279	410
(b) Female worker population ratio (Principal and subsidiary)	323	152
(c) Number engaged in activities that could be considered as gainful as per probing questions in this Round	171	63
(d) Adjusted female workers population ratio (b+c)	494	215

The number confining mainly to household chores is much lower in rural areas than their urban counterparts. There is, however, an inverse relationship between the family income and work participation of

women. For example, the female work participation rate in rural areas was 36% for families with monthly income less than Rs. 50, while it was 24% for families with income below Rs. 200 p.m. There seems to be no clear association between poverty level or its rate of decline and women participation rate in different States.

10.9 At a more disaggregated level it is seen that the decline in the agricultural sector is only in the percentage of workers in field crop production but there was increase in livestock production, particularly for female workers. In the manufacturing sector, the major proportion of female workers were in manufacture of tobacco products, cotton textiles, other textile products. There has been an increase in construction and a small increase in retail trade activities. In the rural areas, there has not been much occupational diversification. If one looks at the share of female workers in each industry group in rural areas, the share of female workers was about 40% or more in agriculture, livestock, forestry, manufacturing of tobacco products, cotton textiles, chemicals and chemical products and personal services. They have also some presence with over 20% share in mining and quarrying, manufacture of foodstuffs and beverages, other textiles and textile products, wood and wood products, non-metallic mineral products, construction, restaurants and hotels and other services.

10.10 The Labour Bureau has conducted three detailed occupational wage surveys in selected industries for the years 1958-59, 1963-65 and 1974-79. The data show that the average daily money wage earnings of female workers were much lower than those of male workers in all the 30 industries for all the three survey periods, ranging in the latest period from 40% to 100%. The differential has tended to decline over

the period. The average daily real wage earnings have also increased in majority of industries except in tobacco manufacture (other than bidis), cigarettes and footwear. The fastest increase in female wage earnings has been in the relatively modern industries. The differentials existing in the agricultural sector have been detailed elsewhere.

10.11 The same Survey has also indicated that the proportion of women workers to all workers was more than 80% in 1974-79 in tobacco manufacturing and cashewnuts, and more than 50% in manufacture of bidis and cotton ginning and bailing. Though there are certain modern industries with a relatively large proportion of occupations in which women are employed, the total percentage of women in each industry is very small, possibly due to lack of skills and training, though the terms of employment in the relatively modern industries are better than in the conventional industries.

10.12 Another aspect of female employment is the increase in casualisation. There is an increasing proportion of casual wage labour in the total labour force both for male and female workers but it is sharper in the case of the female workers. Between 1972-73 and 1987-88, the proportion of casual labour increased to 22% to 31.4% for males in rural areas whereas it was from 31.4% to 35.5% for females in the same period and between male and female workers the proportion of female workers in casual labour is more than that of males, though the gap is reducing. Even industry studies indicate an increasing tendency in the organised sector also to employ women labour mainly as casual, contract or temporary workers. The distribution of the usually employed by status of employment (principal plus subsidiary) as per NSS Surveys is given below:—

	(per thousand distribution)							
	1972-73		1977-78		1983		1987-88	
	M	F	M	F	M	F	M	F
Rural								
Self-employed	659	645	628	621	605	619	586	608
Regular Employees	121	41	106	28	103	28	100	37
Casual labour	220	314	266	351	292	353	314	355
Urban								
Self-employed	392	484	404	495	409	458	417	471
Casual labour	101	237	132	256	154	284	146	254
Regular Employees	507	279	464	249	437	258	437	275

10.13 The number of persons employed in rural areas according to current weekly and daily status as

it appears from National Sample Surveys is presented below:

NSS Round	Number of persons/person-days employed per 1000 persons/person-days according to			
	Weekly Status		Daily Status	
	Male	Female	Male	Female
27 (1972-73)	549	287	521	240
32 (1977-78)	519	232	488	194
38 (1983)	511	227	482	198
43 (1987-88)	504	220	501	207

The narrowing of the difference between weekly and daily status rates for rural males and females shows a reduction in under-employment. But it would also be necessary to note the sharper fall for females when compared to males in the number of employed persons/person days between 1972-73 and

1987-88, both in the daily and weekly status. The unemployment rates, namely, the number of persons unemployed per thousand persons in the labour force (employed and unemployed together), also reflect this position, with the female unemployment rate higher than that for males, as given below.

	Rural Unemployment rates (%)					
	Usual status (principal status only)		Weekly Status		Daily Status	
	Male	Female	Male	Female	Male	Female
1972-73	1.2	0.5	3.0	5.5	6.8	11.7
1977-78	1.3	2.0	3.6	4.0	7.1	9.2
1983	1.4	0.7	3.7	4.3	7.5	9.0
1987-88	1.8	2.4	4.2	4.3	4.6	6.7

10.14 Among the women workers in the agricultural sector about 45% are cultivators, most of whom have very small extents of land and many also belong to female headed households whose average area possessed is only 0.58 hectare as against 1.18 hectare in other households. The landless women labourers are mostly engaged in the operations of sowing, weeding, transplantation, harvesting and threshing. The sex ratio for agricultural labourers is high in Andhra Pradesh, Karnataka, Madhya Pradesh, Maharashtra and Tamil Nadu. Though there has been an increase in real wages and the differential in agricultural wages between male and female workers has been decreasing over time as has been detailed elsewhere, there is also a tendency in some areas to fix lower wages for the operations which are generally done exclusively by women. Some studies have indicated a positive association between female wage labour and high productivity in irrigated areas (particularly in paddy growing areas) and low productivity under rain fed conditions in wheat and coarse grain growing areas. It is also however noticed that in some instances the introduction of mechanisation in some agricultural operation generally displaces women labour.

10.15 A large part of our work force migrates to other places for work, leaving behind the family. With the men-folk away from home for considerable periods women have to bear the burden of looking after the home and the family and are subject to considerable stress and strain. Many a time whole families migrate for work. In an unfamiliar environment women become subject to social exploitation and sexual oppression. Children are the worst sufferers since they not only lose their childhood by entering the labour force but also lose the opportunity for education. The family also suffers from deplorable living conditions and poor health and sanitation. Sometimes, women and children are kept confined. Neither the contractors/employers who hire labour nor the Governments of the States where such immigrant labour exist have taken adequate steps to alleviate their distress. Representations were also made to the Commission in this regard during its visits to the States.

10.16 A factor of significance regarding status of women is regarding property rights. In a recent study of women's customary access to land, it was noticed that of the 145 communities all over India which were studied, 131 were patri-lineal, with the land owned by men and transferred from men to men. In the distribution of surplus land also, the titles were mainly in the names of males and only in the Seventh Five Year Plan, it was exhorted that whenever Govt. distributes land the title should be given jointly in the name of husband and wife. The social situation being what it is, women and particularly single woman, hesitate to claim the title or the control over land or other property, in the interest of good relations with male members of the family for their security.

10.17 Another important category of female workers falls under home-based workers. The home-based workers are either self-employed or piece-rate employees of contractors or manufacturers. According to the census data, a gross estimate is that there are about 4 to 5 million such workers. Another estimate is that there are 7 million women workers in India, constituting about 57 per cent of workers in the household industrial activity. Self-Employed Workers' Association (SEWA) estimates the number at about 20 million and 90 per cent of them as women workers. Between 1961 and 1981, there has been an overall decline in employment in the manufacturing sector in rural areas, particularly in the household industry by 23% (from 77 per cent to 49 per cent of the employment in the manufacturing sector in rural areas) and out of a reduction in employment by 1.83 million in the household industry between 1961 and 1981, 1.2 million were female workers. There was an increase of 0.5 million in urban area household industry with only male workers accounting for it. Some of the typical areas in which home-based workers are found are in food products (papads, masala, pickles etc.) tobacco products (beedi, cigar), cotton, woollen and silk textiles (pre-weaving processes: spinning, weaving), miscellaneous textile products (garments, tailoring, embroidery, chikan work, zari work, cut-work, lace-

making, block printing, dyeing, washing etc.) and other miscellaneous products (Agarbatti matchsticks, toys and dolls, paper bags or flowers, plastic items, groundnut pod shelling, cotton boll cleaning, cleaning grains, etc.).

10.18 Home-based work has been in existence for a long time and has continued due to the support of cultural and economic factors. Where working outside the home by women was considered not socially acceptable, home-based work was found convenient. Besides, it also gave an opportunity to women and children at home to put their spare time to profitable use. The employers also found substantial advantage and benefit in this putting-out system through which they could escape various legislations, keep the scale of operation flexible and reap maximum margins. The essential features of the system include working at home, supply of raw material by producers and traders or their agents as intermediaries who also collect finished goods, payment on piece rates at exploitative levels and a labour intensive low level technology. Employers many a time bind the workers by advancing loans. The entire family, including the children and the aged, also sometimes works to complete the work in order to earn a wage. Employer/middlemen also indulge in 'standard' rejections and use this to keep the workers under their 'control'. Piece-rates are fixed for a minimum quantity of work, which is generally based on the average work of the most efficient worker. Thus, the piece-rate wage actually earned is low. The women workers toil for long hours to earn a subsistence wage and under poor working conditions. For example, among beedi workers there is incidence of Tuberculosis, Asthama, Eosinophilia, Nervous disorders, Eye defects etc. there is neither any regularity of work for them nor any legislative or social security cover. Lack of organisation has resulted in poor bargaining power and the employer can get away with wages less than the minimum wages fixed by Government. For example, the actual wages received in rural Maharashtra and Madhya Pradesh have been found to be between 40 to 53 per cent of the minimum wages. It must also be said that wherever some organisation has intervened or a cooperative has been formed, there have been discernible improvements in the lot of the workers. We note a few examples, the initiative of SEWA, Ahmedabad in Mahila Bank and Cooperative Employment; of the Working Women's Forum (WWF) in organising the beedi and agarbatti workers; Dinesh Beedi Cooperative in Kerala and Chikodi Taluka Kamgar Mahasangh for organising beedi and tobacco workers in Nipani, Karnataka; Workers' Cooperative for lace industry in Narsapur, Andhra Pradesh; Stree Griha Udyog Lizzat Pappad Organisation of Bombay; and Master Crafts Women Association of Mithila.

10.19 Under the conditions of work in a home-based situation, it is easy for employers to deny employer-employee relationship on technical grounds. It has been suggested that this can be overcome by adopting the criteria like ownership of the material, supervision and control of work, extension of work premises, employers' power to reject goods produced by the workers etc. Basically the women workers are piece-rate

employees working in their homes and are not risk takers. On the basis of a Supreme Court Judgement given some years ago which has defined who is a home worker, some of the ideas contained in the Judgement were incorporated in defining home workers under the Beedi and Cigar Workers (Conditions of Employment) Act 1966. It has been suggested that a proper definition of home-based workers requires to be worked out.

10.20 The Self-Employment Programmes like Integrated Rural Development Programme (IRDP) and the associated scheme of Development of Women and Children in Rural Areas (DWCRA) have made limited impact. Women beneficiaries account for only 7% of the beneficiaries under IRDP, though the stipulations to reach 30%. Women generally have special difficulties in obtaining credit due to various reasons. 'Shram Shakti' has stressed the need for making available credit exclusively for poor women and has recommended setting up of a 'National Credit Fund for Women'. While supporting this idea, we would like to add that while it is necessary that credit upto a limit should be provided without security or collateral, it is also equally, and perhaps more importantly, necessary that attention should be given for training in skills, supply of raw-materials, creation of production infrastructure and access to markets. In this context, the scheme of DWCRA which emphasises a group approach has a lot of potential, if implemented imaginatively. The success of this approach has been demonstrated by two DWCRA units innovatively implemented by SEWA, which included careful identification of viable economic activities, procurement of equipment, training of women, product diversification and location of markets, besides, gradual improvement in technology. Suitable and willing non-Governmental organisations could help in organising groups of women. However, since such number of organisations are likely to be relatively small compared to the task, it would be necessary for the Government also to promote the formation of groups through well trained and motivated Gram Sevikas and using the existing institutional infrastructure to support and strengthen the work of such women groups. An active effort must also be made to form the workers' cooperatives, so that exploitation is reduced, common facilities like working sheds provided for doing work in a healthy environment, and child care centres or creches provided near the workplace and to enable the women labour to get the deserved returns. Arrangements should also be made for provision for raw-materials particularly for women workers engaged in rural crafts, for example, cotton yarn, bamboo etc. required for the traditional rural crafts at reasonable prices. Thrift schemes can also be encouraged among them, besides providing group insurance cover. Incentive rewards for quality work can be instituted. There has been a demand that there should be a legislation to protect the interest and welfare of home-based workers as the existing laws are inadequate.

10.21 As noted earlier, the share of women's employment in household industries has declined. Whenever any new technology is introduced in any industry or operation, where women are working, they tend

to get thrown out gradually, as has happened in certain agricultural operations, fisheries, food processing, cottage industries etc. Even so, household industries continue to be an important source for supplementing the family income, besides being convenient for women who do the work under flexible timings. Many of these traditional crafts also can cater to upmarket requirements and exports, if suitable designs could be provided and linkages to markets established. The Khadi and Village Industries Commission/Boards can enhance their presence and effectiveness in this regard. Existing schemes, including TRYSEM could be used for imparting or upgrading skills, as otherwise women would get confined to low-paid unskilled jobs only. Animal husbandry schemes including dairying and poultry rearing could help women to earn additional incomes through self-employment. Even here, a group approach would be more conducive to success. However, there are limitations to expansion of viable self-employment programmes due to various reasons, including lack of skills and adequate capital, inadequate management abilities and difficulties in establishing forward and backward linkages spread over a wide area. It is in this context that women tend to prefer wage employment to supplement their income, either as direct wage earners or as home based workers on piece-rate basis. Women do face special problems in employment as compared to men, including occupational health hazards as well as sexual harassment. This is in addition to the additional time and effort required by women to fetch water, fuel-wood and fodder, many a time from long distances, and attend to domestic chores as well. This also results particularly in taking the female child away from school in order to look after domestic duties.

10.22 There is hardly any unionisation of women labour. Few voluntary organisations active among women are concentrated generally in urban areas. Trade unions, generally dominated by men, have little interest in organising women. Some non-Governmental organisations are mainly involved in fighting for women's rights and against various industries they are made to suffer. There are some instances in Rajasthan, U.P. hill areas (Chhipko movement) etc. where voluntary action by women has been positive and successful. However, some non-Governmental organisations have succeeded simultaneously in organising women and taking up a productive economic programme through self or wage employment. This would appear to be the most desirable path on which more and more voluntary agencies should be encouraged to help women and women labour in rural areas. Such organisations can also combine various welfare aspects, including education, health, childcare, etc.

10.23 The Seventh Plan reflected the concern for equity and empowerment articulated by the International Decade for Women launched in 1975, emphasising the need to integrate women into the mainstream of national development. The Plan envisaged opening new avenues of work and expanding the access of women to critical inputs and productive re-

sources such as land, credit, training etc. Two new schemes have also been started by the Government of India in 1987 for the benefit of rural women. One of these is the starting of Women's Development Corporation to promote schemes of employment generation for women, particularly, belonging to weaker sections of society. The other scheme is support to training and employment programme for women which would help women in getting wage employment or take to self-employment. The Central Government has also initiated a scheme for creating a separate machinery in the States for enforcement of legal provisions relating to women and child labour by provisions relating to women and child labour by providing Central assistance to the extent of 50 per cent. The approach to the Eighth Plan has, inter-alia, projected the need for universalisation of education, training for skill formation, provision of childcare services and increasing access to productive assets and other resources as well as social security. The thrust areas include steps for identification of women workers and their registration; to remove constraints to expand their access to and control over resources; to ensure equitable return for work and provide for security; and to mobilise themselves into cooperatives, trade unions or associations to improve their bargaining power; to play leadership roles in ecological regeneration and to realise their full potential for development.

10.24 In order to implement Article 39(d) of the Constitution to provide for equal pay for equal work for both men and women, the Equal Remuneration Ordinance was issued in 1975, followed by the Equal Remuneration Act of 1976. Even so, wide discrimination on the basis of sex is palpable in many areas, including agricultural workers, plantations and some industries, as has been pointed out in many studies. This is so in spite of the fact that women are preferred in many agricultural operations and in many occupations women are at least as efficient as their male counterparts. The discrimination is due to male bias including deliberate grading of jobs done by women to low wage levels. Lack of organisation and bargaining power has perpetuated the situation. Though an Amendment to the Act has prohibited discrimination in training, transfers or even promotions, and provided for stricter penalties, it has not been able to overcome the devious ways adopted by employers to grade the work of women. The implementing authorities also are often ignorant and there is no accountability of inspectors and other officers for the work done by them. Though the Act has provided for recognising women's organisations and giving them powers to inspect and file complaints on behalf of the aggrieved workers, the recognition of only four organisations so far for this purpose is far too inadequate for effectiveness of this provision in a country as large as ours.

10.25 Another important legislation for the benefit of women is the maternity Benefit Act passed in 1961. The object of the Act, as explained by the Supreme Court, was to attain social justice for women workers

and to "enable the women worker not only to subsist but also to make up her dissipated energy, nurse her child and preserve her efficiency and output". The attempt to deny maternity leave after two or three children finds no place in the Act and it is argued that this should not be used as device of family planning because (a) the legislation is for the purpose of preserving the health and efficiency of the women worker and a device which is detrimental to the health of the child and the mother is open to Constitutional criticism, (b) under the circumstances of our socio-legal system where the incidence of child marriage is high irrespective of the law to the contrary and the husband exercises absolute and unconditional rights over the wife, the women has little say in the number of children she would like to have and when, and (c) improved maternity and child care is better means of achieving the small family norm rather than denying maternity benefits or pursue faulty family planning methods. On the contrary, it is pointed out that in the serious population growth situation being faced by the country, disincentives also have an important role and maternity benefits should be restricted to two confinements only. Some employers have been found to provide the maternity benefit only for the working days, i.e., six days of a week and the Supreme Court has come down heavily against this practice. In order to avoid paying maternity benefits applicable to permanent workers, employers have also indulged in keeping female labour on casual and contract basis as far as possible and have been reluctant to make them permanent. Studies have shown that this has been prevalent in mines and plantations. There appears to be no substantiation by any study that employers are reluctant to employ women owing to protective legislation like maternity benefit, providing creches for children etc. It is, however, observed that only a very small percentage of women workers actually avail of the benefits due to ignorance, cumbersome procedures or a break in service made by the employers to deny benefits. The Act applied only to mines, factories, plantations, circus industry, bidi and cigar workers and shops or establishments employing 10 or more persons in some States (mainly urban areas). Bulk of the unorganised women labour in rural areas is out of the pale of the Act. The nebulous nature of the employer-employee relationship in the case of some categories of home-based workers also makes the implementation of the Act difficult. In some States like Andhra Pradesh, Karnataka and Gujarat, the entire expenditure for maternity benefit is borne by the State in respect of the unorganised women workers in agriculture, construction, etc.

Child Labour

10.26 The induction of the child into the work situation has been in existence for a long time. When the home itself was also the school, children used to work within the family to learn traditional skills and trades of the profession of the parents. Particularly in the rural areas it is common to see children who look after protection of crops, mind the younger children, fetching water etc. as part of domestic work. Children of craftsmen and artisans like weavers and potters start learning work at a young age. Tribal children

engage themselves in collection of minor forest produce, cattle grazing, fishing, fetching wood etc. However, over a period of time, due to the change in the socio-economic conditions and impoverishment due to seasonal employment, lower level of income etc., making children work outside the home or even working at home for outsiders on piece-rate wage started becoming more common. Employers also found child labour useful and cheap as compared to adult labour. They could be made to work hard and for long hours and with no bargaining power, created less trouble and could be easily neglected regarding the working conditions. In some occupations children have been preferred to adults due to the dexterity of fingers and the ease with which they can be trained in skills on account of their tender age. As a result, when the children should be in school and enjoying a free, happy and joyful childhood, they lose all these and get to a cruel and evil situation to work for pittance as wages, beyond their capacity, subject to accidents and health hazards and even get lured into crime or vice. Many are thrown out of jobs as soon as their special utility is exhausted and they come out with no education or other skills and many a time physically incapacitated for any other job.

10.27 We may briefly look at the numbers involved. While some estimates from private organisations place the number of working children even at 100 million, we shall only note the figures from the census and National Sample Survey estimates. According to the 1981 census there were about 13.64 million child labour including 2.4 million marginal workers. Taking the children in the age group 5 to 14 at 180 million, child labour constituted 7.6 per cent of the children. The table below gives the age specific work participation rates of children in 1971 and 1981.

Age specific work participation rates of children by sex (0—14) 1971 and 1981

		(Percent of number in Age Group)			
		Participation Rate			
Sex	Age	Rural India		Urban India	
		1971	1981	1971	1981
Male	0—14	7.56	6.30	2.75	2.64
Female	0—14	3.05	3.53	0.82	0.88

10.28 Annexure V gives the occupational classification of the child labour by different industries in 1981 and Annexure VI gives the statewise distribution in 1971 and 1981. Over 91% of the child labour is in rural areas. Agricultural and allied activities account for over 80% and the remaining are in manufacturing, processing, repairs and other services. Between 1971 and 1981, there has been a reduction in the participation rate of male child labour but it has inexplicably gone up for female child labour rather sharply, though the rates for females are less than for males. Child labour in rural areas is found in large numbers in Andhra Pradesh, Madhya Pradesh, Maharashtra, Uttar Pradesh, Bihar, Karnataka, Tamil Nadu, Rajasthan, Orissa, Gujarat and West Bengal (in that order); the first six, each with over a million child workers, accounted for two-thirds of all child workers in 1981.

10.29 We may also have a look at the National Sample Survey estimates of workforce participation rates.

The rates as percentages for 5 to 14 age group population are given below:—

		Per cent of 5—14 age group		
		1977-78	1983	1987-88
Rural	Male	14.4	7.0	5.1
	Female	11.6	9.6	7.5
Urban	Male	6.1	3.0	2.1
	Female	4.4	6.1	5.3

This indicates however that the rate for female children is more than that for male children but both have been falling in rural as well as urban areas. An esti-

mate of absolute numbers from the NSS Surveys is given below:

(Age group 5—14 : figures in millions)

Year	Rural			Urban		Grand Total	
	Male	Female	Total	Male	Female	Total	
1972-73	8.66	6.38	15.04	0.85	0.44	1.29	16.33
1977-78	8.84	5.84	14.68	0.99	0.58	1.57	16.25
1983	9.34	6.23	15.57	1.13	0.86	1.79	17.36
1987-88	7.92	6.57	14.49	0.94	0.63	1.57	16.06

10.30 In the rural areas there is high proportion of male child labour in the states of Andhra Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Orissa, Rajasthan and Tamil Nadu and high rate of female child labour in Andhra Pradesh, Himachal Pradesh, Madhya Pradesh, Rajasthan and Tamil Nadu. The areas and occupations of major concentration of child workers are fish peeling in Kerala, match industry in Tamil Nadu, carpet weaving, brick making, glass and bangle industry, lock making and brassware in Uttar Pradesh, saree embroidery in Delhi and Uttar Pradesh, beedi making in Maharashtra, Madhya Pradesh, Orissa and many other States, gem cutting and polishing in Andhra Pradesh and Gujarat, stone polishing in Rajasthan, slate industry in Madhya Pradesh, plantations in Tamil Nadu and in newspaper selling, book-binding, dhabas and restaurants, shoe shining, auto workshops, handloom industry and as domestic servants, petty hawkers etc. all over the country. However, the child labour in these industries form only a small fraction of those employed in agriculture and allied activities.

10.31 Bulk of working children do not attend schools. Their wages are much less than their adult counterparts, generally earning between Rs. 2 to 10 a day. Their hours of work are long extending to even 10 to 14 hours per day. Many are physically abused and lack freedom to refuse or leave work. Some are also made to do heavy and arduous work beyond their capacity at that age. The conditions under which they work have

safety risks or health hazards. Some occupations have intrinsic hazards such as for example, in the glass industry and in match and fireworks industry. Poorly ventilated workshops lead to eye defects and tuberculosis in gem polishing, diamond cutting, carpet weaving zari and embroidery industries. The sitting postures in carpet industry can lead to spinal problems and deformity. Bronchitis, asthma etc. are hazards in beedi industry, handloom industry and pottery industry. Stone and slate quarries bear the risk of silicosis. Some of the children engaged in hazardous employments are sent by poor parents through contractors or agents to work as bonded labourers for advances of money. Most of children suffer from malnutrition and also run the risk of various infectious diseases.

10.32 The first law to contain provisions regarding child labour was the Indian Factories Act, 1881 which prescribed a minimum age of employment of 7. Subsequently enacted various other Acts contained some provision or other in respect of child labour. Two specific Acts addressed to child labour before Independence were the Children (Pledging of Labour) Act, 1933 and The Employment of Children Act, 1938. Basically, these envisaged prohibition of child labour in certain hazardous employments, raising of minimum age of employment in permitted occupations (generally to 14 or 15), regulation of conditions of work like working hours, night employment, period of rest and weekly holidays, prohibition of bonded child labour (pledging) and requiring medical examinations.

10.33 Some of the Constitutional provisions which are relevant in this context can be noted. Article 15(3) permits making special provisions for women and children. Article 23 prohibits traffic in human beings and begar and other similar forms of forced labour (which is also relevant in the context of child labour, particularly bonded labour). Article 24 prohibits any child below the age of 14 from employment in any factory or mine or being engaged in any other hazardous employment. Apart from these provisions which are in the fundamental Rights Part, under the Directive Principles of State Policy, Article 39 provides, inter-alia, that the State Policy should be directed towards securing (a) that citizens, men and women equally, have the right to an adequate means of livelihood... (d) that there is equal pay for equal work for both men and women; (e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength, (f) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment. Article 42 provides that the State shall make provision for securing just and humane conditions of work and for maternity relief. Article 45 provides that the State shall endeavour to provide, within a period of 10 years from the commencement of the Constitution, for free and compulsory education for all children until they complete the age of 14 years. Article 47 casts a primary duty on the State to raise the level of nutrition, for improvement of public health and to endeavour to bring about prohibition of consumption of intoxicating drinks and drugs which are injurious to health.

10.34 The various legislative measures have not been able to eliminate or regulate child labour in any significant manner in the unorganised sector and rural areas, though the problem is not serious in the organised sector. It would appear that the Government has not considered it feasible to prohibit child labour totally, on the ground that children are forced to work on account of socio-economic compulsions of the families which do not have adequate income and employment. While abolition of child labour has to be a long term goal, based on minimising the need for their earnings to supplement the family income, suitable statutory provisions are to be provided for regulating their engagement in different occupations. The National Policy for Children adopted by Government in 1974 envisaged free and compulsory education for all children upto the age of 14, provision of health and nutritional programme and services, providing alternate forms of education for children unable to take full advantage of normal school education for whatever reasons and measures for protecting children against cruelty and exploitation. The policy provided that no child under the age of 14 shall be permitted to be engaged in hazardous occupations or to be made to undertake heavy work. The guiding principle has, therefore, been that since it would be difficult to enforce a complete prohibition of child labour,

employment of children in hazardous occupations should be eliminated and the conditions of work in others regulated.

10.35 The Gurupadaswamy Committee on Child Labour (1979) differentiated between child labour and exploitation of child labour, though both are problems but of different orders. The thrust of the recommendations of the Committee was also towards banning child labour in exploitative and hazardous occupations selected after an intensive study, the basic criteria being requirement to work beyond physical capacity; hours of work interfering with education, recreation and rest; wages incommensurate with quantum of work done; and the occupation endangers health and safety. In addition to this recommendation which was accepted, some of the other important recommendations accepted, were constitution of Advisory Boards at Central and State levels, taking steps in due course to fix Eighth standard or equivalent as minimum qualification for entry into any regulated employment, strengthening enforcement machinery, stricter penalties, supplementary nutrition to be provided by employers, stricter enforcement of Minimum Wages Act for adult workers, increasing educational facilities for children, prescribing medical examination, setting up creches and child-care centres, etc. Increasing minimum age of entry into employment to 15 years was not accepted on the ground that 'the time is not ripe'.

10.36 In 1986, the Child Labour (Prohibition and Regulation) Act was enacted. The Act prohibits employment of children under 14 years of age in (a) occupations designated as hazardous, namely, in railway transport, works and catering; and in ports and (b) in workshops carrying on processes of bidi-making, carpet weaving, manufacture of matches, explosives and fireworks, mica cutting and splitting, shellac manufacture, soap manufacture, tanning, wool cleaning and building and construction industry. The processes of manufacture of slate-pencils and agate products and those using toxic metals and substances have also been added to the list. The prohibition applied to only wage labour and does not apply to any workshop where the process is carried on by the occupier with the aid of his family or to any school established by or receiving assistance or recognition from the Government. In occupations where the children are permitted to work, it regulates conditions of work, i.e., hours and period of work, weekly holiday, registration of child worker with the local inspector, maintenance of register with details of child workers, health and safety provisions etc. Penalties have been made more stringent. It enables constitution of Child Labour Technical Advisory Committee to advise on additions to prohibited occupations and processes.

10.37 Not all hazardous occupations or operations are prohibited e.g. agricultural operations using machinery, pesticides etc. No minimum age has been set for children in permitted operations nor does the legislation require the employer to provide educational facilities to children. Employers can also use the loopholes in law to pass off working children as members of the

family. The portion of the Act which regulates conditions of work where employment of child labour is permitted has been made applicable to only three processes in 5 States, namely, zari-making and embroidery in Delhi and Uttar Pradesh, precious stone polishing in Gujarat and Rajasthan and slate and slate-pencil manufacturing in Madhya Pradesh and Uttar Pradesh. The definition of 'Establishment' in the Act, as at present, does not permit specific inclusion of other places of employment or activities as may be required. Some of the statutory provisions of the 1938 Act like prohibition of night employment of persons below 17 years of age, and requiring of a notice to the inspector with all details before any of the prohibited processes are started in any workshop do not find a place in 1986 Act. Children in the unorganised sector, including agriculture, appear to be outside the purview of the Act.

10.38 The National Policy on Child Labour, 1987, follows through the same thread of argument which is the basis for the 1986 Act. It underlines that the agricultural sector, rural industries, artisans' workshops and small scale services which contribute substantial portion of the Gross Domestic Product also have children working as an essential part of the farm household or the working family and imparted the skills to become tuffledged workers. It, therefore, considers it more essential at the present stage of national development to concentrate on those sectors or establishments where children are deployed on wage or quasi-wage employment outside the family where there is most likely to arise exploitation in whatever form. Regarding generality of child labour, it relies on anti-poverty programmes, national educational, health and nutrition policies and increased outlays for social services and emphasises on employment oriented development to take care of general problems of child labour and its root causes. The policy has a legislative action plan for enforcement of provisions regarding child labour and deletion of provision in Minimum Wages Act which permits fixation of different wages for adults, adolescents and children. The general development programme is to focus attention on programmes of education, health, nutrition, integrated child development and anti-poverty group of programmes, so as to benefit labour and through non-formal education centres at least upto class V with special incentives for the disadvantaged etc. The third component is a project based plan of action for those occupations where the incidence of child labour is high or health hazards are serious. Ten such projects are envisaged to cover the industries of matches, slates, locks, glass, brassware, hand-made carpets and precious stone and diamond polishing. This component includes enforcement of legal provisions; coverage of the families of child labour with anti-poverty programmes, special component and tribal sub-plans; formal/non-formal education to children, as well as special schools with provisions of vocational education/training, health care and supplementary nutrition.

10.39 The occupations or processes in which child labour is prohibited or regulated cover only a small fraction of the total child labour. Large portion of

the unorganised sector, especially in agriculture and artisan industries are outside the legislation. Enforcement machinery is inadequate or ineicient. While special projects have arguably served to tackle the problem of child labour, they have touched only a small portion of the problem of child labour in general. A holistic view needs to be taken to tackle the special problems of women and child labour in a larger context. This is the view which would inform our recommendations in this regard. In regard to child labour, once it is allowed in permitted occupations, exploitative practices can be hidden and the regulatory provisions can be violated with impunity. It would appear that the long-term solution for the problem of child labour is implementation of compulsory primary education and enforcement of the legislation in that regard, which may be easier than implementation of the law on prohibition of child labour which can only be complementary. Most occupations where child labour is employed can be taken up by adults whose requirement for employment is greater. No cost is prohibitive for a nation to make the girls and boys of tender age healthy, get education and grow in a healthy, decent, dignified and enlightened environment. This would also give empowerment to the voice-less poor. Educational expenditure in India is around 3.6% of the Gross National Product and while this was less than that of Malaysia (7.85%), it is about as much or more than in China (2.7%), Sri Lanka (3.5%), Indonesia (2%), Philippines (1.7%) and Thailand (3.9%), all of which have a much better performance in terms of attainment of literacy and primary school survival rates. Long term beneficial effects which will accrue from female literacy on their employment, income, fertility rates, small family norm etc. cannot be understated. Annexure VII gives some socio-economic indicators of a few countries in the Asian Region to emphasise this point. Political will and determination to overcome socio-cultural impediments are required to mount a mass education programme. As a part of the National Literacy Mission, it has been demonstrated in some parts of the country that this can be done with an earnest and dedicated effort, if predicated by commitment of Government and involvement of all sections of society.

10.40 Innovative incentives will also have a beneficial effect on female literacy. We commend the scheme in Tamil Nadu where a grant of Rs. 5000/- is given to girls from poor families in rural areas at the time of marriage, if they have completed eighth standard or above and attained the age of 18 years at the time of marriage.

CONCLUSIONS AND RECOMMENDATIONS

10.41 In the light of the discussion in the aforesaid paragraphs, we make the following recommendations:-

(a) Women Labour

- (i) Increase in the participation rate of women can be brought about through self-employment as well as wage employment. But, this has to be accompanied by occupational diversification to

achieve the goals of better incomes and conditions of work for women workers.

- (ii) The self-employed sector is characterised by low productivity and low income per worker and is not well integrated with the general industrialisation process. It is necessary to identify economically viable occupations and women should be given adequate entrepreneurial training. Such viable enterprises could be found, for example, in the following areas: artistic products, leather work, tree crops, horticulture, sericulture and agriculture where irrigation is available or can be developed. Dairying, poultry etc. also offer scope when supported by good infrastructure.
- (iii) One of the impediments for women to avail loans is the lack of ownership of assets, particularly land. Steps should be taken to amend the existing inheritance laws which discriminate against women. Co-ownership of property should be provided for and this should be not merely confined to land but also extended to other productive assets as well as other interests like cultivating, possession, share cropping tenancy, share in common property resources, right of collection of minor forest produce, grazing rights etc., wherever such rights are available. Single title of ownership may be given to married women, widows and divorced or deserted women when waste lands, housesites, surplus land etc. are distributed.
- (iv) Voluntary agencies should be encouraged to involve themselves in forming suitable groups of women for productive activity, liaising with and arranging finances from institutions, purchasing of assets and training women in management and maintenance.
- (v) Financial institutions also should evolve special procedures to help financing women headed households, particularly where titles do not exist in their names.
- (vi) With a considerable number of women labour in agriculture, attention needs to be given to evolve tools and equipment specially suited to them and also consider appointing women extension workers at village and block levels after suitable training. The gram sevikas can motivate women workers as communicators to create awareness of their rights and responsibilities and provide information about economic and welfare activities. Such women can help in mass literacy camps also. These measures are of particular relevance in hill and tribal areas where women take the decisions regarding agriculture etc. Since the scope for self employment for women is relatively limited, greater emphasis needs to be given to wage employment. As bulk of them would continue to be unskilled for quite sometime to come, a carefully designed Employment Guarantee Scheme (EGS) can provide employment to women, particularly in the lean seasons. The experience of large scale participation of women in the

EGS works in Maharashtra and scarcity relief works elsewhere also, would indicate that women prefer and offer themselves in many areas for such unskilled work to meet the family maintenance expenditure. Equality of wages could also be ensured here. At the work/camp sites of the EGS, minimum facilities like good hutments, drinking water, sanitation, health care and first-aid and creches and if possible schools for children should also be provided. The scheme could be started in selected backward and drought-prone districts with labour intensive productive works.

- (vii) In the long-run, the eradication of poverty is linked with growth in productivity which again is tied up with technological progress. Technological change tends to displace women more than men, mainly on account of lack of education and skills. Female employees should be trained for the new jobs which follow in the wake of mechanisation and technological change, as it has been proved that women also can do jobs in modern industries efficiently. Government and industrial organisations should be sensitised to this need and provide for adequate training for women for their smooth entry into new and expanding areas of employment. Skills in which they should be given training should be assessed after detailed and careful study of the demand pattern in the economy. The District Training Institutes recommended in the Chapter on 'Basic Needs' can impart artisan and other needed training to women to equip them with requisite skills in diverse fields to enable them to adapt themselves to the changing circumstances. Such training would also include Ambar Charkha of Khadi Commission, weaving, knitting etc.
- (viii) In the services sector the fields of education, medical, health and personal services offer scope for employment. The employment opportunities can be enhanced by training women as female health workers and teachers to work in rural areas. Preference should be given to women in appointment of primary school teachers.
- (ix) Women workers also need protection from adverse effects of casualisation and contractualisation through appropriate legal measures.
- (x) Home-based workers will continue to occupy a significant place in the women labour force. Whenever possible, they can be organised into cooperatives. Principal employers should be responsible to provide proper work sheds with the drinking water and other facilities as well as creches for children near the work sheds.
- (xi) A legislative protection for home-based workers is also recommended to promote their interest and welfare. The salient features which such a legislation could contain are given in Annexure VIII. In order to bring the principal employer within the pale of law, the law

should provide for a presumption that the persons who do the work themselves or with the assistance of family members at home are home workers and not contractors, if no sale or purchase transaction takes place, the payment is according to the units of work done and the ownership of the raw materials was never divested. The onus of proving that this presumption is not correct should be on the employer or contractor. In accordance with Supreme Court judgement, legislation should provide for leave and other benefits expressly for home-based workers. There can be a Tripartite Board for implementation of the law, and to prevent exploitation by contractors or sub-contractors. This will replace the need for establishing an employer-employee relationship by a group relationship between the corpus of employers and of the workers under the aegis of the Board. The legislation could be on the lines of the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 with suitable adaptation to provide for aforesaid suggestions. The Board will also have to deal with the welfare of the workers, and their working conditions as well as with the registration of workers and employers, payment of wages, accident compensation etc.

(xii) The maternity benefit for rural labour can be paid out of a Central fund which should be created with contribution from all employers as a percentage of the total wages of all employees. While this could take care of the organised sector, for the unorganised self-employed women or agricultural or construction workers, Government should take the responsibility for maternity benefit as recommended in the Chapter on 'Social Security', administered in the manner stated therein with a separate Department of Rural Labour to oversee the implementation. Creche facilities should be provided either at the places of work or at the nearby village schools. The time limit prescribed for the nursing mother to travel to the creche back should be a realistic period and not 15 minutes as at the moment. Employers tend to keep women workers as casual workers or temporary workers and to prevent this, the right of inspection to examine the records kept by the employers should be not only with the inspectors but also given to women organisations recognised for this purpose.

(xiii) An all out effort should be made to educate employers and women employees about the provisions and procedures of the Equal Remuneration Act. More women organisations and human rights organisations should be permitted to inspect establishments which employ women to report and file complaints. The Advisory Committee constituted under the Act should not only be strengthened but their report should be placed before the concerned authorities, preferably before the State Assemblies. If the same or similar work criterion for

equal wages is to continue, the Advisory Committee could be empowered with the authority to ask the employer on the bases for grouping or grading of workers and if not satisfied, refer it to an Expert Group. In cases of advertisements which indicate that women need not apply, it is suggested that a few of these should be prosecuted and adequate publicity given.

(b) Child Labour

(i) Free and compulsory elementary education for all children upto the age of 14 should be ensured immediately through the formal school system. Compulsory Primary Education Act should be enacted in States which do not have such a legislation and the Act should be implemented strictly. Informal education centres should also be set up near the bastis. This will be the most effective method of preventing child labour of all kinds.

(ii) This measure should be backed up by a substantial increase in outlay for elementary education (which was only 1.04 per cent of the total Plan outlay in the Seventh Plan) for providing school buildings and equipment, teachers, teachers' training, text books and other requisites. Supporting measures like free text books and uniforms, stipend or attendance scholarships, particularly for girls and mid-day meals consisting of pre-cooked packed food etc. should also be provided.

(iii) If guaranteed wage employment can be provided to the parents of such child labour, the need for sending the child for work will also reduce. This programme should be phased and spread over the next five years, specially first covering areas where employment of child labour is extensive.

(iv) Simultaneously, the law also should provide for prohibition of child labour (that is, those under fourteen years of age) in all occupations and processes. The law should also plug loopholes to make the real principal employer liable for violations (as recommended in the case of home-based workers).

(v) A publicity campaign should also be undertaken through various media to bringout the evils of child labour and educate the public.

(c) General

(i) Basic health facilities in rural areas must be substantially enhanced. Emphasis should shift from curative to preventive and public health aspects and health education for women should be given priority. Research institutions should reorient their efforts in favour of solving occupational health problems of workers in the unorganised sector. Medical and child health services in rural areas should be strengthened. Significant work done by non-Governmental organisations in the health sphere should be

widely publicised in the local languages for adoption of their innovative methods.

- (ii) In regard to the family planning, the present legal age of marriage for girls requires to be enforced and registration of marriages should be made compulsory. The registration of marriages in villages can be entrusted to the village panchayats. Violations should attract deterrent penalties. State Governments may consider giving incentives like a grant of, say, Rs. 5000/- to a girl from a poor family in rural areas at the time of marriage, if the girl has completed the eighth standard or above and attained 18 years of age at the time of marriage. Various methods of contraception should be advocated to the younger and more fertile age group through counselling and a more personalised approach and better access to the means and wherewithal. This should however be accompanied by good ante and post-natal care, immunisation, supplementary nutrition etc., in order to reduce maternal mortality as well as under 5 child mortality rates. Terminal methods of sterilisation may also continue as heretofore under present eligibility conditions, but with a greater attention to educate the males for acceptance and better surgical treatment and after care in the case of women. Substantial incentives and stricter disincentives also are required. Maternity benefit may be restricted to two surviving children.
- (iii) Efforts and schemes to develop fuel wood through social forestry, farm forestry, tree pattas etc. should be encouraged. Conservation efforts to find substitutes for wood on the one hand and use of fuel efficient ovens, coal and saw-dust briquettes and alternative sources of

energy on the other should be expanded. Easier access to fuel and fodder will reduce drudgery of women and provide more time for productive work.

- (iv) Since bulk of the diseases in rural areas are waterborne and fetching water entails considerable time and effort in many areas, utmost priority should be given to provide safe drinking water as close to the habitation as possible. Special efforts should be made in problem areas.
- (v) Male alcoholism is particularly common in the poor labour classes and women get affected the worst. The result of the drain on the family resources manifests in malnutrition, neglect of children etc. Instead of looking at intoxicating substances as a source of revenue, there should be tax in a sumptuary manner to limit consumption. There should be no expansion, and infact, reduction in the number of retail outlets and increase in the number of dry days or periods, while rooting out illicit distillation with a firm hand. Special efforts must be made to set up women groups and orient mahila mandals to fight male alcoholism and for education regarding temperance.
- (vi) There should be one Committee at the district level with the Collector as the Chairperson to look into various problems and grievances of rural labour and it should be broadbased with representatives of voluntary agencies, trade unions, women etc. to look into cases of bonded labour, child labour, discrimination against women. This will provide a forum for bringing out problems and finding out ways for better implementation of laws, Schemes etc.

ANNEXURE I

OCCUPATIONAL DISTRIBUTION OF POPULATION (NUMBER IN MILLIONS)

Sl. No.	Working population	1961			1971			1981 (Main + Marginal)			
		Male	Female	Total	Male	Female	Total	Male	Female	Total	
	1	2	3	4	5	6	7	8	9	10	11
1	Cultivators	Total	66.47	33.16	99.63	68.96	9.31	78.27	79.06	23.78	102.84
		Rural	65.22	32.67	97.89	67.47	9.17	76.64	76.90	23.40	100.30
2	Agricultural Labour	Total	17.32	14.20	31.52	31.70	15.80	47.50	35.92	28.49	64.41
		Rural	16.83	13.77	30.60	30.36	15.21	45.57	33.26	27.40	61.36
3	Allied activities (Livestock, fishing, forestry, hunting etc.)	Total	4.03*	1.20*	5.23*	3.52	0.78	4.30	4.33	1.14	5.47
		Rural	3.47	1.08*	4.55*	3.04	0.72	3.76	3.58	1.02	4.60
4	Mining & Quarrying	Total	..	..	..	0.80	0.12	0.92	1.13	0.17	1.30
		Rural	..	..	..	0.51	0.09	0.60	0.69	0.13	0.81
5	Manufacturing										
	(a) Household Industry	Total	7.37	4.66	12.03	5.02	1.33	6.35	5.75	2.82	8.57
		Rural	6.07	3.87	9.94	3.75	1.00	4.76	4.01	2.10	6.11
	(b) Other than H.L.D. Indus.	Total	7.19	0.79	7.98	9.85	0.87	10.72	15.99	1.99	17.98
		Rural	2.04	0.39	2.43	2.96	0.44	3.40	5.31	1.12	6.43
6	Construction	Total	1.82	0.24	2.06	2.02	0.20	2.22	3.41	0.46	3.87
		Rural	0.95	0.14	1.09	0.99	0.11	1.10	1.63	0.28	1.91
7	Trade & Commerce	Total	6.83	0.82	7.65	9.48	0.56	10.04	13.33	1.14	14.47
		Rural	2.80	0.55	3.35	3.34	0.28	3.62	4.57	0.59	5.16
8	Transport, Storage & Communication	Total	2.95	0.07	3.02	4.26	0.15	4.41	6.03	0.18	6.21
		Rural	0.88	0.02	0.90	1.17	0.04	1.21	1.93	0.05	1.99
9	Other Services	Total	15.20	4.37	19.57	13.54	2.23	15.77	16.14	3.36	19.50
		Rural	8.49	2.99	11.48	6.85	0.96	7.81	7.34	1.29	9.63
(A)	Total Workers (1 to 9)	Total	129.18	59.51	188.69	149.15	31.34	180.49	181.08	63.53	244.61
		Rural	106.75	55.50	102.25	120.47	28.01	148.48	139.92	57.39	197.31
B)	Non-workers	Total	96.97	153.29	250.26	134.90	232.77	367.67	162.85	257.83	420.68
		Rural	76.61	121.14	197.75	104.85	185.72	290.57	120.13	190.16	310.29
(C)	Total Population	Total	226.15	212.80	438.95	284.05	264.11	548.16	343.93	321.26	665.29
		Rural	183.36	176.64	360.00	225.32	213.73	439.05	260.05	247.55	507.60

*Includes 'mining and quarrying.'
File Name Population.

ANNEXURE II

MAIN WORKERS & MARGINAL WORKERS CLASSIFIED BY INDUSTRIAL CATEGORY AND SEX 1981

(In Thousand)

1		Main Workers			Marginal Workers			Total Workers		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
		2	3	4	5	6	7	8	9	10
1. Cultivators	T	77591	14932	92523	1468	8848	10316	79059	23780	102839
	R	75476	14682	90158	1427	8722	10149	76903	23404	100307
	U	2115	250	2365	41	126	167	2156	376	2532
2. Agricultural Labourers	T	34732	20768	55500	1187	7722	8909	35919	28490	64409
	R	32835	19878	52713	1126	7523	8649	33961	27401	61362
	U	1897	890	2787	61	199	260	1958	1089	3047
3. Livestock, Forestry, Fishing	T	4200	827	5027	128	310	438	4328	1137	5465
	R	3463	732	4195	114	292	406	3577	1024	4601
	U	737	95	832	14	18	32	751	113	864
4. Mining & Quarrying	T	1121	157	1278	10	13	23	1131	170	1301
	R	673	120	793	8	12	20	681	132	813
	U	448	37	485	2	1	3	450	38	488
5. Manufacturing Processing	T	5647	2064	7711	102	756	858	5749	2820	8569
	R	3932	1501	5433	77	594	671	4009	2095	6104
	U	1714	563	2278	25	162	187	1740	725	2465
6. Other than Household	T	15815	1621	17436	177	373	550	15992	1994	17986
	R	5220	839	6059	94	280	374	5314	1119	6433
	U	10595	782	11377	83	93	176	10678	875	11553
7. Construction	T	3331	389	3720	74	70	144	3405	459	3864
	R	1595	223	1818	38	58	96	1633	281	1914
	U	1736	166	1902	36	12	48	1772	178	1950
8. Trade & Commerce	T	13158	918	14076	168	217	385	13326	1135	14461
	R	4480	440	4920	92	146	238	4572	586	5158
	U	8678	478	9156	76	71	147	8754	549	9303
9. Transport, Storage	T	5963	165	6128	66	13	79	6029	178	6207
	R	1902	45	1947	32	8	40	1934	53	1987
	U	4061	120	4181	34	5	39	4095	125	4220
10. Other Services	T	15985	3132	19117	157	230	387	16142	3362	19504
	R	7255	1142	8397	82	148	230	7337	1290	9627
	U	8730	1990	10720	75	82	157	8805	2072	10877
11. Total Population	T	343930	321357	665287	..	..	..	343930	321357	665287
	R	260054	247554	507608	..	..	..	260054	247554	507608
	U	83876	73803	157679	..	..	..	83876	73803	157679
Total Workers	T	177543	44973	222516	3537	18552	22089	181080	63525	214605
	R	136831	39603	176434	3090	17785	20875	139921	57388	197309
	U	40712	5370	46082	447	767	1214	41159	6137	47296

Source : (1) General Economic Tables (Tables B1 to B5), Series-I, Census of India-1981.

(2) General Economic Tables (Tables B6 to B10), Series-I, Pt. III-A (iii), Census of India, 1981.

ANNEXURE III

WORKER POPULATION RATIO

State	Urban								Rural							
	Male				Female				Male				Female			
	1972-73	1977-78	1983	1987-88	1972-73	1977-78	1983	1987-88	1972-73	1977-78	1983	1987-88	1972-73	1977-78	1983	1987-88
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
All India	50.2	50.6	51.7	50.6	13.4	15.3	15.2	15.2	54.3	54.5	55.2	53.9	31.9	32.7	34.2	32.3
1. Andhra Pradesh	49.9	51.6	52.4	50.3	18.5	21.2	18.2	21.5	62.2	61.2	61.8	59.5	45.2	44.5	47.9	47.0
2. Bihar	48.0	48.0	48.0	44.8	9.3	9.0	10.6	7.9	51.4	51.6	52.0	50.0	19.5	20.8	20.9	19.3
3. Gujarat	47.6	48.3	51.6	51.0	12.2	12.9	14.1	11.2	52.2	53.6	55.0	55.9	37.8	38.4	40.6	38.1
4. Haryana	46.3	47.7	54.4	55.3	9.3	12.5	10.8	12.3	49.1	49.7	47.2	47.5	28.3	27.0	23.7	29.7
5. Himachal Pradesh	58.0	56.3	53.0	46.6	10.9	15.6	16.9	15.6	52.5	59.8	53.4	53.9	44.9	56.8	47.3	48.0
6. Karnataka	48.9	48.8	51.9	49.4	16.5	17.9	19.8	19.6	57.2	57.2	59.3	56.8	42.8	37.0	39.2	37.7
7. Kerala	44.2	48.5	50.1	53.0	18.5	28.3	21.9	19.8	46.7	49.6	49.1	50.6	25.5	40.4	31.2	28.6
8. Madhya Pradesh	46.4	46.9	48.7	48.0	14.7	13.5	14.6	14.4	56.3	56.4	56.4	54.6	43.8	41.3	43.8	41.0
9. Maharashtra	51.2	50.4	51.4	49.6	14.7	15.3	15.1	15.9	54.8	55.5	56.9	54.6	45.5	46.4	47.9	46.2
10. Orissa	52.6	49.5	51.2	49.3	15.6	14.5	11.2	12.5	57.7	55.8	58.1	56.6	30.9	27.0	29.4	27.6
11. Punjab	52.8	55.1	54.9	54.0	11.1	13.9	13.1	12.3	54.7	56.2	59.0	56.0	26.8	27.3	32.1	31.7
12. Rajasthan	47.0	46.4	48.7	47.1	20.1	19.6	19.5	19.1	58.3	57.6	55.5	51.2	53.0	52.7	46.4	45.0
13. Tamil Nadu	51.4	52.9	54.8	55.8	16.8	23.8	21.1	22.7	60.5	60.3	60.1	58.7	44.6	44.3	45.8	46.1
14. Uttar Pradesh	50.1	49.7	50.6	48.9	8.0	9.2	9.7	9.4	53.5	52.5	54.1	51.8	23.9	21.2	25.9	21.9
15. West Bengal	54.8	54.3	54.6	53.9	8.5	9.9	13.0	12.5	50.6	52.6	54.2	55.0	12.8	16.9	19.3	19.6

Source : 1. NSSO, 1977, *Sarvekshana*, Vol. I, No. 2.

2. NSSO, 1981, 1982, 1983, 1984 *Sarvekshana*, Vol. V, No. 2, Vol. VI, No. 1 and 2, 3 and 4. Vol. VII, No. 3 and 4.

3. NSSO, 1987, No. 341, "Report on the Third Union Survey on Employment and Unemployment, All India".

4. NSSO, 1990, Special Report 1, 'Key Results of Employment and Unemployment Survey, All India (Part I), NSS 43rd Round (July 1987 - June 1988)'.

ANNEXURE IV

DISTRIBUTION OF USUALLY EMPLOYED PERSONS BY INDUSTRY SECTION (RURAL)

Industry Section	Round	MALE			FEMALE			Total		%age increase (1987-88 (1972-73))
		per 1000	in number (in mill.)	%age increase (1987-88 (1972-73))	per 1000	in number (in mill.)	%age increase (1987-88 (1972-73))	per 1000	in number (in mill.)	
Agriculture	43 (1987-88)	745	119.57	12.87	847	77.90	23.06	782	197.47	16.68
	38 (1983)	775	118.70		875	79.30		814	198.00	
	32 (1977-78)	806	113.92	()	881	71.27	()	834	184.79	()
	27 (1972-73)	832	105.94		897	63.30		856	169.24	
Mining and quarrying	43 (1987-88)	7	1.12	120.59	4	0.40	300.00	6	1.52	150.04
	38 (1983)	6	0.92		3	0.30		5	1.22	
	32 (1977-78)	5	0.70	()	2	0.20	()	4	0.90	()
	27 (1972-73)	4	0.51		2	0.10		3	0.61	
Manufacturing	43 (1987-88)	74	11.88	63.65	69	6.40	93.94	72	13.28	73.12
	38 (1983)	70	10.72		64	5.80		68	16.52	
	32 (1977-78)	64	9.01	()	59	4.80	()	62	16.81	()
	27 (1972-73)	57	7.26		47	3.30		53	10.56	
Electricity, Gas & Water	43 (1987-88)	3	0.48	278.16		0.00		2	0.48	
	38 (1983)	2	0.31			0.00		1	0.31	
	32 (1977-78)	2	0.28	()			()			()
	27 (1972-73)	1	0.13							
Construction	43 (1987-88)	37	5.94	191.50	27	2.50	212.50	33	8.44	197.42
	38 (1983)	22	3.37		7	0.60		16	3.97	
	32 (1977-78)	17	2.39	()	6	0.50	()	13	2.89	()
	27 (1972-73)	16	2.04		11	0.80		14	2.84	
Trade	43 (1987-88)	51	8.19	107.38	21	1.90	72.73	40	10.09	99.83
	38 (1983)	44	6.74		19	1.70		35	8.44	
	32 (1977-78)	40	5.63	()	20	1.60	()	33	7.23	()
	27 (1972-73)	31	3.95		15	1.10		26	5.05	
Transport	43 (1987-88)	21	3.37	164.71	1	0.10		14	3.47	
	38 (1983)	17	2.60		1	0.10		11	2.70	
	32 (1977-78)	12	1.69	()	1	0.10	()	8	1.79	()
	27 (1972-73)	10	1.27							
Services	43 (1987-88)	62	9.95	62.82	30	2.80	40.00	50	12.75	57.19
	38 (1983)	61	9.34		28	2.60		49	11.94	
	32 (1977-78)	53	7.46	()	30	2.40	()	45	9.86	()
	27 (1972-73)	48	6.11		28	2.00		41	8.11	
Total		1000			1000			1000		
Estimated number of persons in Million	43 (1987-88)		160.50	26.18		92.00	30.31		252.50	27.65
	38 (1983)		152.70			90.40			243.10	
	32 (1977-78)		140.70	()		80.90	()		221.60	()
	27 (1972-73)		127.20			70.60			197.80	
		3995	581.10		3995	333.90		3991	7990.00	

Note : Distribution per thousand rounded.

File name : INDUSTRY/1-43/C.

ANNEXURE V

OCCUPATIONAL CLASSIFICATION OF WORKERS
(CENSUS—1981)

(0—14 years Age Group)

(Figures in lakhs)

Sl. No.	Type of Workers/ Occupation	0—14 Years			
		Male	Female	Total	
1	5	2	3	4	6
1. Cultivators		T	29.04	10.96	40.00
		R	28.57	10.86	39.43
2. Agricultural Labourers		T	28.02	19.86	47.88
		R	27.07	19.27	46.34
3. Livestock, Forestry, Fishing Hunting and Plantation, Orchards and Allied Activities.		T	5.73	1.44	7.17
		R	5.48	1.39	6.87
4. Mining & Quarrying		T	0.13	0.10	0.23
		R	0.11	0.09	0.20
5. Manufacturing, Pro- cessing Servicing and Repairs		T	2.34	1.99	4.33
		R	1.76	1.54	3.30
(a) Household Industry		T	3.97	1.48	5.45
		R	1.72	0.94	2.66
(b) Other than House- hold Industry		T	0.54	0.31	0.85
		R	0.30	0.24	0.54
6. Construction		T	2.29	0.21	2.50
		R	0.83	0.13	0.96
7. Trade & Commerce		T	0.32	0.03	0.35
		R	0.10	0.02	0.12
8. Transport, Storage & Communications		T	2.00	1.20	3.20
		R	1.05	0.57	1.62
9. Other Services		T	74.38	37.58	111.96
		R	66.99	35.05	102.04
10. Total Workers (Sl.No. 1+2+...+9)		T	6.76	17.70	24.45
		R	6.44	17.22	23.66
11. Marginal Workers		T	1276.47	1218.13	2494.65
		R	987.61	942.33	1929.94
12. Non-Workers		T	1357.61	1273.46	2631.07
		R	1061.04	994.60	2055.64

Source : General Economic Tables Part III — A(i) — Census of India, 1981.

Note : T — Total, R — Rural.

ANNEXURE VI

STATE-WISE DISTRIBUTION OF POPULATION AND WORKERS BY TYPE IN 0-14 AGE GROUP : 1971 & 1981 CENSUS

(In thousands)

State/Union Territory	1971 Census				1981 Census			
	Total		Rural		Total		Rural	
	Population	Workers	Population	Workers	Population	Workers	Population	Workers
1	2	3	4	5	6	7	8	9
1. Andhra Pradesh	17609	1628	14292	1520	20644	1951	15972	1811
2. Assam	7010	240	6479	228	..	..	..	..
3. Bihar	23994	1060	21713	1019	29137	1102	25669	1054
4. Gujarat	11494	518	8486	477	13214	617	9371	567
5. Haryana	4640	138	3898	129	5395	194	4348	183
6. Himachal Pradesh	1426	71	1341	70	1694	99	1588	98
7. Jammu & Kashmir	1980	70	1623	64	2455	258	1986	240
8. Karnataka	12435	809	9579	723	14679	1131	10673	1007
9. Kerala	8595	111	7272	94	8901	93	7326	80
10. Madhya Pradesh	18203	1112	15354	1074	21508	1699	17429	1631
11. Maharashtra	20340	988	14993	909	24067	1558	16290	1448
12. Manipur	455	16	400	15	558	19	412	17
13. Meghalaya	441	31	384	28	567	44	477	43
14. Nagaland	195	14	180	14	285	16	240	16
15. Orissa	9295	492	8559	475	10453	702	9266	671
16. Punjab	5593	232	4335	211	6191	217	4353	193
17. Rajasthan	11381	585	9448	559	14541	819	11670	775
18. Sikkim	81	15	73	15	126	8	108	7
19. Tamil Nadu	15567	713	10915	610	16949	974	11483	823
20. Tripura	689	18	624	16	808	24	733	23
21. Uttar Pradesh	36965	1327	31869	1233	46183	1434	38315	1308
22. West Bengal	19008	511	15120	459	21206	605	16602	531
23. Andaman & Nicobar Islands	43	..	35	..	75	1	57	1
24. Arunachal Pradesh	179	18	174	18	249	18	234	17
25. Chandigarh	89	1	9	..	150	2	11	..
26. Dadra & Nagar Haveli	34	4	34	4	44	3	41	3
27. Delhi	1571	17	188	3	2212	25	188	2
28. Goa, Daman & Diu	326	7	246	6	383	10	264	6
29. Lakshadweep	13	..	13	..	17	..	9	..
30. Mizoram . . . . .	..	..	..	..	195	6	150	6
31. Pondicherry	186	4	109	3	221	3	107	2
INDIA	230334	10754	187751	9979	263107	13642	205564	12570

ANNEXURE VII

SELECTED SOCIO-ECONOMIC INDICATORS

Sl. No.		Bangladesh	China	India	Pakistan	Sri Lanka	Indonesia	Philippines	Thailand	Malaysia
1	2	3	4	5	6	7	8	9	10	11
1.	Population (millions) mid-1988	108.9	1088.4	815.6	106.3	16.6	174.8	59.9	54.5	16.9
2.	Area (Thousand sq. km.)	144	9561	3288	796	66	1905	300	513	330
3.	Density per sq. km.	756	114	248	134	252	92	200	106	51
4.	GNP per capita (US Dollars) 1988	170	330	340	350	420	440	630	1000	1940
5.	Average annual growth rate of GNP (%) 1965-88	0.4	5.4	1.8	2.5	3.0	4.3	1.6	4.0	4.0
6.	Commercial Energy consumption per capita (kg of oil equivalent) 1988	50	580	211	210	162	229	244	331	784
7.	Average annual rate of inflation (%) 1965-80	14.9	0.1	7.5	10.3	9.4	34.2	11.7	6.3	4.9
	1980-88	11.1	4.9	7.4	6.5	11.4	8.5	15.6	3.1	1.3
8.	Average annual growth rate of population 1965-80	2.7	2.2	2.3	3.1	1.8	2.4	2.9	2.9	2.5
	1980-88	2.8	1.3	2.2	3.2	1.5	2.1	2.5	1.9	2.6
9.	Life expectancy at birth (years) : 1988									
	Male	51	69	58	55	68	59	62	63	68
	Female	51	66	58	55	73	62	66	68	72
10.	Age structure of population (%) 1988									
	0-14 years	44.7	27.7	37.2	45.0	32.8	37.3	40.3	34.2	37.2
	15-64 years	52.1	66.7	58.4	52.4	61.8	58.9	56.2	61.4	58.9
11.	Crude birth rate per thousand									
	1965	47	38	45	48	33	43	42	41	40
	1988	40	21	32	46	22	28	31	22	30
12.	Crude death rate per thousand									
	1965	21	10	20	21	8	20	12	10	12
	1988	15	7	11	13	6	9	7	7	5
13.	Total fertility rate									
	1965	6.8	6.4	6.2	7.0	4.9	5.5	6.8	6.3	6.3
	1988	5.5	2.4	4.2	6.6	2.5	3.4	3.8	2.5	3.7
14.	Married women of child bearing age (15-49) or their husbands using contraception (%) 1986	25	74	35	11	62	45	44	66	51
15.	Population (thousand per physician) 1984	6.7	1.0	2.5	2.9	5.5	9.5	6.7	6.3	1.9
	Population (thousand per nursing person) 1984	9.0	1.7	1.7	4.9	1.3	1.3	2.7	0.7	1.0
16.	Daily calorie supply per capita									
	1965	1971	1926	2111	1761	2153	1800	1924	2101	2247
	1986	1927	2630	2238	2315	2400	2579	2372	2331	2730
17.	Maternal mortality per lakh livebirths 1980	600	44	500	600	90	800	80	270	59
18.	Infant mortality rate per 000 livebirths : (under one year) 1965	144	90	150	149	63	128	72	88	55
	1988	118	31	97	107	21	68	44	30	23
19.	Risk of dying below age 5 (under 5 mortality rates)									
	Male 1988	160	40	120	128	27	90	58	38	30
	Female 1988	175	30	118	139	19	75	45	28	22

ANNEXURE VII—Contd.

1	2	3	4	5	6	7	8	9	10	11
20. Percentage of age group enrolled in education:										
Primary	Total 1987	59	132	98	52	104	118	106	95	102
	Female 1987	49	124	81	35	102	115	106	NA	102
Secondary	Total 1987	18	43	39	19	66	46	68	28	59
	Female 1987	11	37	27	11	69	NA	69	NA	59
21. Adult illiteracy (over 15 years age)										
	Total 1985	67	31	57	70	13	26	14	9	12
	Female 1985	78	45	71	81	17	35	15	12	12
22. Growth of production (GDP) per annum (%)	1965-80	2.4	6.4	3.6	5.1	4.0	8.0	5.9	7.2	7.3
	1980-88	3.7	10.3	5.2	6.5	4.3	5.1	0.1	6.0	4.6
23. Structure of GDP—distribution in % (1988)	Agriculture	46	32	32	26	26	24	23	17	NA
	Industry (Manufacturing)	14	46	30	24	27	36	34	35	NA
		(7)	(33)	(19)	(17)	(15)	(19)	(25)	(24)	NA
	Services	40	21	38	49	47	40	44	48	NA
24. Fertiliser consumption (in 00 gms/ha arable land)	1970-71	159	410	137	146	555	133	287	59	489
	1987-88	770	2361	517	829	1094	1068	612	328	1596
25. Urban population as percentage of total	1988	13	50	27	31	21	27	41	21	41
26. Changes in poverty ratios over a period	First year	NA	1985 10	1972 54	1962 54	1963 37	1970 58	NA	1962 59	1973 37
(percent based on country specific poverty lines and purchasing power parity dollars)	Last year	NA	1988 14	1983 43	1984 23	1982 27	1987 17	NA	1986 26	1987 14

Source : World Development Report, 1990.

ANNEXURE VIII

SALIENT FEATURES OF A LEGISLATION FOR HOME-BASED WORKERS

Home-based workers have not been able to secure the protection and benefits of labour and welfare legislation. Working in their homes either on a piece rate or a time rate, they are vulnerable to abuse by employers. There is evasion of labour legislation as they do not work in a factory and they work in a system of contracting and sub-contracting. Sometimes, even the nature of their labour is disguised in the form of sale-purchase agreement. It is, therefore, necessary to propose a new legislation dealing specifically with home-based workers which will ensure regularity and continuity of employment to them, protect and improve the condition of their employment, such as wages, hours of work, welfare benefits and working conditions. Some of the salient features are summarised below:

- (1) Employments to which the legislation would be applicable would be put in a Schedule to the Act, capable of being modified by Notification.
- (2) It would be applicable to home-based workers in such scheduled employments, meaning persons working in such employments and includes all out-workers to whom articles or materials are given on job basis by other persons being employer, contractor etc. for processing in the home of the out-worker or some other premises not under the control or management of the employer or contractor. A worker would include persons doing any work, skilled or unskilled, manual or clerical and also include a person entering into a sale-purchase agreement for supply of any article mentioned in a schedule to the Act, in which case the purchaser would be deemed to be the employer or contractor, as the case may be.
- (3) The appropriate Government may prepare and notify schemes for the purpose of ensuring an obligations of such classes of registered tion of protected home-based workers, for making better provisions in the terms and conditions of employment of such workers and for welfare of such workers. The provisions may provide for:
 - (a) Registration of home-workers, employers and contractors and defining the rights and obligations of such classes of registered home-workers, contractors and employers to whom the scheme will be applied.
 - (b) Regulating the recruitment and entry into the scheme, allocation of registered home-based workers to employers or contractors and regulation of employment and the terms and conditions of such employment of registered homes-workers, including rates of wages, hours of work, maternity benefits, overtime payment, leave with wages, provision for gratuity, weekly and other holidays and pay in respect thereof.
 - (c) The welfare, health and safety measures for registered home-workers.

- (d) Constitution of a Tripartite Board, with representatives of employers, registered home-workers and the appropriate Government, with a tenure of three years and a Chairman of the Board being one of the members appointed to represent the appropriate Government. The Board is to be responsible for the administration of the scheme as well as for maintenance of accounts and submit annual reports thereon.
 - (e) The time within which the registered employers or contractors should remit to the Board the amount of the wages payable to the registered home-workers, requiring employers to keep a deposit with the Board, an amount equal to twice the monthly average wages, penalty for persistent defaulters in this regard and for giving a fall-back wage to the registered home-workers during periods of unemployment or under-employment.
 - (f) Regulating the employment of home-workers, termination of services on account of closure, retrenchment etc. No discharge, termination, dismissal or retrenchment of registered home-based workers shall be done by any employer or contractor by way of disciplinary action or closure of business, except with the prior consent of the Board, and any disciplinary action also be taken only with the consent of the Board and after an enquiring by an officer appointed by the Board.
 - (g) For the constitution of a welfare fund and payment of contribution by employers and contractors to the fund for welfare benefits like provident fund, gratuity, health insurance, maternity benefits, leave etc. as well as to set up an authority to administer any welfare scheme affirmed by the Board.
 - (h) To provide for penalties including imprisonment for contravention of provisions of the schemes.
- (4) The Board would have powers to determine and recover dues from the employers and workers, to register employers/contractors and all home-based workers, to prohibit the employment of unregistered workers, cancel registration of employers or contractors for violation of provisions etc. There should be a Commissioner for home-based workers who would also be the Chief Executive Officer of the Board. It would also be the duty of the employers and contractors to intimate the Board/Commissioner of the home-based workers in the scheduled employment, their place of residence of work, nature of employment carried on,

wages and other benefits paid etc. The Commissioner can also conduct a survey of the home-based workers and after due enquiry and procedure proceed to register such workers.

- (5) No child below 14 years of age shall be allowed to work in any scheduled employment.
- (6) The Board shall have the powers to fix the rates of wages and scheduled employments will be deemed to have been included in the Minimum Wages Act, 1948. The rates of wages may be fixed on a time-rate or on a piece-rate basis, over minimum wages or wages fixed by the Board. Home-based workers shall be paid 25% of such wages additionally as home-based work allowance on account of the use at his or her cost of raw material, premises or other facilities such as electricity etc., not provided by the employer or contractor. Where the employer or contractor is unable to give work on account of bad weather, shortage of raw material, power failure or other like causes, 50% of the wages shall be given as fallback wages, to home-based workers who are registered and have worked for not less than 120 days with the said employer or contractor. Where the scheduled employment is seasonal in nature, a retention allowance as may be fixed by the Board shall be paid when there is no work. There should also be provision for setting up of creches in the neighbourhood where home-based work is carried on.

- (7) The registered employer or contractor is to contribute 20% of the wages in the first and second year after registration to the Social Welfare Fund and at 35% of the wages every year from the third year onwards. Social security benefits mentioned earlier as well as accident compensation shall be paid out of this Fund in accordance with the social security scheme to be framed by the appropriate Government. The benefits however should not be less than what would be available under the Maternity Benefits Act, Workmen's Compensation Act, Provident Fund Act and Gratuity Act.
- (8) There should be a provision for a Dispute Settlement Tribunal consisting of judicial officer(s) to adjudicate any dispute arising from the Act or a scheme, from the orders of the Board or Commissioner regarding registration or refusal to register as also to determine and recover dues. The Tribunal will also have powers to take cognizance of offences and impose penalties.
- (9) The Board may appoint inspectors for the purposes of administration and enforcement of the Act or the scheme.
- (10) There would also be provision for Advisory Committees at the Central and the State levels.

TRIBALS AND FORESTS

Background

11.1 The development of tribals and tribal areas needs special attention because of the special characteristics of tribal people and special problems of the tribal areas, which are farflung and inaccessible. But once the tribals are drawn from their isolation into the vortex of social transition, they are fast detribalised. As a result, they reproduce all the contradictions of asset owners on the one hand and asset-poor or asset-deprived labouring poor on the other. How far this process is reversible through restoration of tribal rights on land etc. and how to improve the future of tribals in a dynamic context of new possibilities, are some basic issues which have to be resolved. While the Commission does not propose to deal with the whole gamut of issues and problems peculiar to the tribal people and their areas, it would focus attention on some of the major problems of tribal labour as a distinct category and in particular, their substantial dependency on forests for their livelihood.

11.2 The tribal communities which moved on from a pastoral and preagrarian State came to settle down on land obtained by clearing forests and started agriculture. Many of them however, continued to earn their livelihood and sustained themselves on the produce from the forests, and particularly from minor forests produce. The tribals developed their own traditions of management of land and their ownership pattern was either community based or clan based or individual based. Though the British Administration generally allowed the continuance of traditional system, the system of legal administration and the pattern of land settlement which were introduced by the British had an adverse influence on the traditional pattern and rights, which had been acknowledged even under princely States. The rights of the tribals over the land were not recorded or not properly recorded. Many of the areas were also not cadastrally surveyed and some could not be surveyed due to high slopes. Illiterate and economically backward tribals were exploited the non-tribals and many a time lost their land. Though the policy has always been to protect the tribals, prevent transfer of land back to them for nearly a century now, the market forces and commercialisation have frustrated these attempts in many areas. Moreover, shifting cultivation which was a way of life with the tribals has had a deleterious effect in areas where slopes are too steep or where due to pressure of population the cycle time has already become too short for natural recuperation of the soil.

11.3 The tribals have always been dependent on bio-diversity in natural eco-system for their survival.

Deforestation and degradation of land has deprived the tribals habitat of the means of sustenance. In addition, intervention by the State has also deprived them of the resource base. The restrictions imposed on traditional rights and concessions in forest areas have decreased the access of tribals to forests. Thus, the command which the tribals had over the resources of land, forests and water got eroded. As a result, the tribals who were enjoying these resources in accordance with the custom of their community and on the basis of cooperation and mutual help, were forced to seek wage-employment. The tribals in many areas have got alienated from land and also have been subjected to a feeling psychological alienation in having to accept a dependence relationship implicit in wage labour contracts.

11.4 The idyllic situation in which the tribals lived has been disturbed to varying degrees in different parts of the country on account of a variety of forces—economic, social administrative and political. They have also been exploited by contractors and traders. The tribals have migrated at least for a part of the year for employment. Many are indebted to the traders and contractors.

11.5 The Scheduled Tribes with population of 53.8 million (projected in the case of Assam) constituted about 7.8 per cent of the tribal population of the country in 1981 (Annexure I). It is reported to have gone upto 9.5 per cent of the total population in 1991. It is estimated that the predominant tribal areas comprise about 15 per cent of the total geographical area of the country. About 83 per cent of the total tribal population is concentrated in the Western and Central parts of the country, nearly 11 per cent in the North Eastern States and the remaining 6 per cent dispersed in small pockets, mostly in the Southern zone. The region specific problems and prospects of tribal people are as under:

- (a) The North East tribal situation differs from that in the rest of the country by virtue of (i) comparative isolation; (ii) continued protection of traditional rights in forest and land; (iii) educational advancement; and (iv) comparatively larger plan effort. Demographically, the ethnic situation in the north east is unique. The region has as many as 209 scheduled tribes. Scheduled tribes predominate in Arunachal Pradesh, Mizoram, Nagaland, Meghalaya; they form minority in Assam, Manipur and Tripura. The non-tribals in the region are a part of the caste structure. But tribal society is more or less egalitarian. Self-help, self-reliance and community spirit which have sustained them through centuries in hostile surroundings, are in evidence even now. The

problem of exploitation and deprivation which is plaguing the other areas is largely absent. However, sociological changes under the impact of exogenous demographic forces are coming about fast. With the induction of planned socio-economic processes, the subsistence based economy is being propelled towards market economy, exposing traditional-bound tribal societies to the forces of modernisation. A tendency for elite formation is distinctly visible. Modern education has made an impact. Attitudes to manual work are changing. The traditional structure is under unprecedented strain. The transition will be smooth if the forces of change accommodate the traditional norms, customs and mores while propelling the tribal society in new directions.

- (b) In rest of the country, tribal areas are parts of large states and there has been considerable intermingling. The new contact despite the protective measures, leads to exploitation viz. indebtedness, bondage, land alienation and loss of control over productive assets. The more inaccessible areas are underdeveloped. In areas where tribals have been reduced to a minority through immigration and dispersal, they have also been deprived of their control over productive assets. Thus there is a qualitative difference between areas of tribal concentration and dispersed tribal population. The problem of areas of tribal concentration should be easier to solve since sub plan approach with focus on the development of tribal communities is already in operation since Fifth Five Year Plan.

11.6 The occupational distribution of tribal main workers may be seen in Annexure-II. The percentage of tribal male cultivators to the total tribal male main workers decreased from 68.2 in 1961 to 59.6 in 1981 whereas the percentage of tribal male agricultural labourers increased from 18 in 1961 to about 27 in 1981. The tribal agricultural labourers constituted about 13 per cent of the total number of agricultural labourers in the country in 1981. The Rural Labour Enquiry Estimates also show an increase in the number of Scheduled Tribe agricultural labour households from about 3.7 million in 1977-78 to 4.5 million in 1987-88, an increase of about 21 per cent, while the total Scheduled Tribe rural labour households increased from 4.2 million to 5.9 million in the same period, an increase of 40 per cent. This indicates that the proportion of non-agricultural households increased at a faster rate.

11.7 A large section of the Scheduled Tribes population is settled in or around forest areas either cultivating forest land or eking out livelihood from minor forest produce. Majority of them depend on forests to meet several basic needs of the households like food, fuel, fodder fibre, herbs and housing materials. The tribals also were eligible to take head-loads of fuel wood etc. from forests and sell in the market the quantity surplus to their own needs. An estimated

41.3 million tribals and forest dwellers depend on minor forest produce. Some studies also indicate that the dependence of the tribal economy on forests ranges from 15 to 64% depending on the community and the region. On an average about 30 to 40 per cent of the total income of tribals is earned from forests.

11.8 Immediately after independence the 'Tribal Panchsheel' was enunciated which inter-alia stipulated that the rights of tribals over land and forest should be protected. However, the National Forest Policy, 1952 practically ignored the symbiosis in the relationship between tribals and forests and forests were seen more as a source of revenue than as a habitat. The Dhebar Commission in 1961 drew attention to the deteriorating land situation in tribal areas and called for a thorough review of the laws relating to land alienation to take corrective measures. The Shilu Ao Committee in 1969 also urged vigorous protective measures by State Governments. The Fifth Five Year Plan recommended preparation and updating of land records in the tribal areas and review of laws relating to tribal land with a view to ensure protection to tribal interests in the record of rights in the light of local traditions and customs of land tenure and communal nature of ownership and land use. Sixth and Seventh Five Year Plans have reiterated the need for taking legislative and administrative measures by the States for adequate and effective protection of tribal interests in land. These have been reiterated by various other Committees and in conferences. However, either the legal and administrative measures taken have been inadequate or where taken still have loop-holes. Various subterfuges like fraudulent or benami transactions, marriages or adoptions into tribal families suppression of identities, trespass into tribal land etc. have all been adopted to dispossess the tribals from land.

11.9 The forests cover 64.2 million hectares representing 19.5 per cent of the geographical area of the country. Of this only 36.1 million hectares contain forest of adequate density. The effective forest cover is only 10.9 per cent of the geographical area while for proper ecological balance, the country should have nearly one-third of the land area under adequate forest cover. Between 1951 and 1980 about 4.3 million hectares of forest areas were lost on account of non-forest use. If one takes into account all manner of loss of tree growth, including over-exploitation for commercial purposes, satellite imagery has shown that the forest cover has depleted at a rate of 1.3 million hectares per annum between 1972 and 1982. This is to be seen against an afforestation of 11.4 million hectares from First Five Year Plan till the end of 1986. As a result of this alarming situation, the Forest (Conservation) Act, 1980 was enacted and this has significantly brought down the diversion of forest land to an average of about 6,500 hectares per annum.

11.10 However, the Forest (Conservation) Act, 1980, did not protect the interests of the Tribal people. The indiscriminate use of powers vested in the state

under the Act has resulted in anomalous situations as under:—

- (i) The development programmes in some of the tribal areas have come to a grinding halt as even small extents of forests land cannot be easily made available for such obvious needs as schools and dispensaries and a complex, time-consuming procedure is involved in getting land for minor roads or canals or construction of irrigation projects, if at all agreed to. The tribal areas which are most backward must be either exempted or relaxed norms be adopted under the provisions of the Act for executing the developmental projects.
- (ii) The Act prohibits state governments from declaring any reserved forest, or any portion thereof, as non-reserved without the prior approval of the Central Government. It also prohibits the state governments from allotting any forest land, or any portion thereof, for any non-forest purpose. The provision is very defective as this restriction on the state governments declaring any forest land as non-reserved applies only to reserved forests. It does not apply to village forest or protected forests whereas the restriction on allotting any forest land for a non-forest purpose applies to all forest lands in the reserved, protected and village categories. This may make it possible for some state governments to declare protected forest lands as non-forest lands and later on to allocate them to industries or other agencies.
- (iii) The section 2(iii) and (iv) of the Act (Amended in 1988) empowers the Central Government (a) to impose ban on or allow assignment of forest land on lease to corporate bodies or private parties and (b) to allow or refuse clearing of naturally grown trees on forest land for re-forestation. As such, the Amended Act is a double edged weapon in its effect, while it must be ensured that no forest land in the tribal areas would be leased out to industries, there should not be any ban on giving degraded forest lands on lease to tribal areas for afforestation purposes.
- (iv) The forest villages which are located deep inside the forest areas, have remained deprived of the benefits of development. Besides, tribals living in these villages have not been given the right over the land they have been cultivating for years. Their claims for regularisation of such lands have been under consideration of the government. The conferment of these rights is now severely restricted or prohibited by the operation of the recent amendments in section 2 of the Forest (Conservation) Act, 1980. There should be some provision to convert the deserving forest villages into revenue villages in a time bound manner. Provisions need to be made for granting security of tenure to the settlers in the forest villages. The forest villages should be treated on the same basis as revenue

villages for the purpose of providing amenities.

- (v) Under the amended Act, cultivation of tea, coffee, spices, rubber, palms, oil bearing plants, horticultural crops or medicinal plants has been declared non-forest use. This affects the tribals badly because even the State Forest Department will also not be in a position to undertake the plantation of these species for the benefit of tribals. This goes against the social forestry policy and leads one to believe that the government has no concern for the poor, particularly the tribals in forests, and that the government wants to have the entire monopoly rights over the forests.

Erosion of resource base

11.11 The erosion of the resource base of the tribal people is particularly due to four reasons (i) absolute depletion of resource (ii) commercial transformation of the resource base (iii) expropriation and (iv) exclusion.

11.12 In some areas like the Western Bhil region there is absolute depletion of the resource base of the tribal economy. It is largely due to over exploitation by outside elements including the State and to some extent by the tribal people themselves. Increasing pressure of population, by natural growth as well as by immigration, without alternative avenues of income has significantly contributed to this. The case of shifting cultivators, particularly in those cases where the cycle of shifting cultivation has become too short, such as three to five years also falls in the same category.

11.13 Conversion of these natural resources, on which the people have traditionally depended for their living, into commercial ventures for meeting needs of modern economy has been responsible for erosion of the resource base of the tribals. The rich natural forests have been converted into mono-cultures (teak, eucalyptus and such like) on a large scale. These have no use for the tribal people as these trees do not allow other useful species to survive. This has affected the nutritional status of tribal communities, particularly the pastoral and pre-agricultural communities of hunters and gatherers.

11.14 In the wake of new developmental thrust, lands including agricultural lands of the tribal people are being taken over by the State on a large scale for other economic uses such as building of big projects, industrial enterprises etc. This has rendered thousands of tribal families landless. In a study of 110 projects it was found that out of an estimated 16.94 lakhs persons displaced, about 8.14 lakhs persons (48 per cent) are tribals. Monetary compensation which the tribals may get for the land, if they can establish the title, is soon frittered away. Without an adequate effort at rehabilitation of the displaced tribals by providing them a resource base for sustained income, the tribals are forced to become wage

labourers and seek employment locally or go to distant places also for work. Even in States where some laws/regulations exist for rehabilitation and guidelines have also been issued by the Bureau of Public Enterprises, either no serious effort has been made to rehabilitate the displaced tribal families or the administrative guidelines are inadequate to meet the requirement of the totality of tribal life, including providing a resource base.

11.15 People may be denied access to the resources including forests and wastelands under a law or even by administrative fiat through exclusion, for such activities like establishment of a national park or a sanctuary or the creation of reserve. The taking over of minor forest produce by the State Government or the Forest Corporations has changed the situation in which the tribals were originally entitled to collect minor forest produce and sell them in the market. As a result, they are now wage earners working for collection of minor forest produce. Only a few State Governments have conceded in principle the right of tribals to collect and sell some types of minor forest produce in the market or to get a price close to the market price for it.

Marginalisation of the Tribal People

11.16 The marginalisation of tribal people in the larger national economic system has also significantly contributed to the growing incidence of casualisation amongst them. This process appears in numerous forms. Land alienation is the biggest cause of their marginalisation. The backlash of development has also contributed significantly to this process. Non-recognition of the people's rights in the forests has also eroded their economy significantly pushing many a tribal people to the margin.

11.17 Despite the protective laws enacted or regulations issued, they have not been uniformly administered in the last five decades and the land of the tribals continues to pass out of their hands. The state-wise position of detection of alienation of tribals' land and restoration thereof given at Annexure III for the Tribal Sub Plan States reveals the gravity of this problem. According to a study conducted by the Department of Rural Development, of the total land alienated about 40% was by way of sale, 25% by way of land acquisition for public purposes, 25% by way of mortgage lease and remaining 10% by other modes. In the modes other than land acquisition, 80% of the land alienated had gone to non-tribals in most of the cases through illegal and fraudulent transactions.

11.18 The Most ironical situation is that even developmental programmes specially designed for the tribals may result in quite the opposite of what is intended. For example, provision for irrigation facilities make the land much too valuable to remain with simple people who, not being able to adjust with or manage irrigated agriculture, may be burdened with many liabilities and risks for which he is not prepared.

In many cases in the end he is deprived of the land which was supposed to have been developed for his benefit and the highly coveted land is appropriated by others who are more articulate. Even marginal land of the tribal people may become subjected to a similar process. For example, the new potential of marginal lands through plantation and tree culture programmes has made them highly vulnerable. The tribal may be finally deprived of even his marginal lands which he may lease out in the first instance apparently for a higher return compared to what he gets in traditional agriculture.

11.19 In many cases, the tribal people are consciously excluded from the benefits of agricultural development. For example, the condition of Halapatis in Surat, Gujarat, a community largely bonded to the farmers in the area has remained unchanged even after irrigation which transformed the agricultural economy.

11.20 The non-recognition of the tribal people's rights and the fact of their dependence on the community resources or Government lands which are being taken over by the State or being assigned to other people for other economic uses, have significantly marginalised some section of the tribal population, particularly the pre-agricultural groups.

11.21 Another serious consequence of absolute prohibition of any disturbance in the reserved forests relates to the use of house building materials like bamboos, stones and extraction of minor minerals which provide considerable employment to the people in some tribal areas. Even where formal permission for mining is given, the opportunities are concerned by the articulate outsiders while the local tribal people whose lands bear rich resources are kept out or even may be deprived of that land itself. This situation must change and the people in the local areas must have exclusive right to the use of these resources for meeting their local needs as also for the market economy.

11.22 Not only the tribal is deprived of the right over the forest produce, he is denied any share in the benefits accruing from the forest produce and industrial activities based on raw materials from the forest. In the forest based industry, there are four partners, viz. the State, the entrepreneurs, industrial workers and forest labourers. The role of tribal labourers in these industries is just that of casual wage earners, who are engaged in extraction of the needed material. The interest of the State and the entrepreneur are duly formalised in the initial agreements and project reports. The share of the industrial workers is determined according to the well-established conventions of the industrial world. The tribal no more owns the raw material but only works for making the raw material available on wages as a casual labourer. The suppliers of raw material in all forest based industries should be accepted as partners in all future forest based industries. The model of sugar cooperatives should be considered for adoption with the producers

of the raw material (sugarcane or the bamboo) as the owners of the enterprise, such as Cooperative Paper Mills. All processing of forest produce should be assigned to co-operatives owned and operated by the tribal people themselves.

11.23 The marginalisation of the tribal people in economic activities other than agriculture is almost absolute, simply because he is deemed to be unskilled and no attention has been given to human resource development and building up of skills. Even lack of ordinary skills which can be acquired by the people in no time can be put out as an alibi for their exclusion from the new economic opportunities in mining and industrial ventures. They are excluded even from ordinary jobs by outsiders who are flooding these areas in search of new opportunities.

The Mounting Confrontation

11.24 With the erosion of traditional resource-base and the marginalisation on a significant scale, the tribal people were left with no option but to extend their agriculture to the last extent possible in the remaining forests as they have been doing through the ages. In some other situations they may be obliged to use that resource-base otherwise for making a living, unmindful of its legal implications or ecological consequences. Only as a last resort the tribals may move out of their homes for sheer survival.

11.25 The agricultural census (Annexure IV) reveals that land under cultivation of the tribal people has been increasing notwithstanding the large scale alienation, deprivation and exclusion. This means that extension of agriculture in new areas has occurred on a significant scale. In fact, in a way, the phenomenon is reflection of the situation outlined earlier—the tribals reclaim marginal (or forest) lands for agriculture, lose them to stronger and more articulate groups and in the process move still further into more marginal lands in hostile environments.

11.26 It is interesting to note that the intensity of land use has marginally gone down (1.131 to 1.123 between 1980-81 and 1985-86) notwithstanding the fact that the area under irrigation has marginally increased from 8.6 to 9.8% during the same period (Annexure V). This shows that the people are forced to cultivate marginal and sub-marginal lands.

11.27 In those areas where extension of agriculture is not possible, people depend on collection of firewood. They may even be employed by undesirable elements in illicit felling of trees in the forests. The tribal faced with the problem of somehow providing for the next meal for his family has no other alternative but to fall prey to such adventures.

11.28 A significant feature of development is that the benefit of education is gradually extending and some educated youth are entering modern sector of the economy, particularly in the public sector. However, the number of such people is quite small as yet. The tribal people are unable to enter the secondary

and other self-employment segments of the modern economy. On the other hand, the penetration of market in these remote areas is adversely affecting the traditional artisans and the skilled amongst the tribals as is clear from the occupational distribution in successive censuses. For instance, the number of male and female rural tribal workers in household industry decreased from 1.83 lakhs and 2.19 lakhs respectively in 1961 to 1.55 lakhs and 1.08 lakhs. The lack of access to raw material is also partly responsible for this. Thus, the general development of the national economy on the whole is adversely affecting the tribal people. A distressing feature of the present tribal scene of alienation is of those simple tribal people who join the modern sector but cannot articulate their problems.

11.29 The situation described above is leading in many areas to stage of confrontation between the tribal people and the State. The Forest, Revenue and Police administration is seen in a position adversary to the tribals. This became acute particularly after the Government took serious note of the dwindling forests and got concerned about its adverse implications for the ecology.

11.30 It is unfortunate that in this generalised frame of public concern, there was inadequate appreciation of the tribals' side of the problem. In fact all the ills of the modern system—ruthless destruction of forests for revenue, personal gains and misplaced commercialisation, are sought to be explained away by alluding to the invisible tribal who is in no position even to state his side, let alone defend it. Consequently, repressive measures and want on use of force became common in many areas. This in turn had led to hardening of attitudes and deepening of confrontation. In many areas, the reaction has been so sharp that the people on their own or with the help of extremists, have taken over full control of forests to the exclusion of state administration.

Resolution of Conflict

11.31 The resolution of the conflict described above is the first precondition for any worthwhile programme which may serve equally the tribal people and ecology. The first step in this direction has been taken in the National Forest Policy, 1988 which has recognised that the rights and concessions enjoyed by the tribals should be fully protected and tribal people should be associated closely in the protection, regeneration and development of forests as well as to provide gainful employment to people living in and around the forest. It still falls short in some aspects and has some inconsistencies which will be referred to later. Basically, it must be acknowledged that the tribal people have a right to make a living from the natural resources in their traditional habitat. If such use is resulting in ecological instability or the Government feels that their style of resource utilisation is wasteful or sub-optimal, the State must have a dialogue with the tribal people, sensitise them to the adverse implications and provide an alternative economic base,

which is acceptable to them. It is only then that the pressure on the forests and other natural resources will be relieved and their utilisation becomes optimal.

11.32 Restoration of symbiotic relationship between the natural resource including forests and the tribal people has to be the main objective in the immediate context. This will help both the forests and the people. While policy statements accept the need of such a relationship, it is still to get reflected in the approach of Government in forestry and allied activities particularly at the operational level. Also the steps required to harmonise the legal framework and the policy remain to be taken.

11.33 The continued exclusion of tribal people from forests, in disregard of their traditional dependence on them is not in national interest. The effort for increasing the forest cover without involving the people is wasteful use of scarce-resources. It may be particularly noted that a sizeable portion of the financial investments in forestry goes for protecting the forests and other resources against the people, which is well-nigh impossible. The cattle-proof trenches and stone walls come to nought when the people decide to disregard them. In fact, as alienation between the administration and the tribal people continues to grow, it is becoming increasingly difficult to protect the forests even from fire, formal fire protection measures being costly and inefficient. The appreciation of symbiotic relationship and accepting the tribal people as partners in the management of forests will reduce this prohibitive cost very significantly.

11.34 The forestry programmes like commercial plantation are also based on misconstrued premises and serve vested interests, even to the detriment of the larger national interest. Such programmes do not harness even partially the natural resources which are so exuberant in these areas. In fact, in mono-culture operations, one fights against nature in not allowing the myriads of other species which the ordinary people use for a variety of purposes. Moreover it is now well acknowledged that commercial plantations and mono-cultural practices have been mistakenly taken as forestry activities so far. The approach to the management of forests, therefore, has to be drastically changed if the natural forces and human energy is to be fully harnessed.

11.35 While stringent measures have been taken to ensure that depredation of forest resources by unscrupulous elements is stopped, the approach with regard to the tribal people who depend on them for their living on daily basis has to be different. In this context there is inconsistency in the National Forest Policy, 1988, which while recognising that the rights and concessions enjoyed by tribals should be fully protected, it goes on to say that their domestic requirements of fuelwood, fodder, minor forest produce and construction timber should be the first charge on forest produce and they should be made available through conveniently located depots at reasonable prices. If the situation is not handled tactfully, the

State may face even violent resistance, as is happening in many areas in the western Region or even in Chhota Nagpur. It is well-known that the tribal instinctively does not like wage employment of any kind and is forced to seek employment under dire necessity. He faces the risk of violating the law and its consequences under more severe conditions. If he is provided an alternative employment which meets his daily requirements, he will be most reluctant to venture in these activities and go in for illegal extraction on his own. It is common experience that illicit felling decreases sharply as employment opportunities increase in a tribal area. Even in those States where employment guarantee schemes have a good record, their benefits do not reach these remote areas in sample measure for a variety of reasons like inaccessibility and reluctance of the officials to go there. The formal procedures are so complex that they can easily deny the accrual of benefits to the simple people. It is, therefore, necessary that a special scheme with considerable flexibility against any formal procedure and with a single point objective whosoever desires to work is provided with the opportunity at his doorstep, has to be worked out.

11.36 It is heartening to note that the Government of India have recently taken some far reaching decisions about working of forests with a view to resolve the impending conflict and harness the people's energy for mutual benefit. There has been substantial improvement with regard to the appreciation for needs of local people especially the tribals in the new National Forest Policy, 1988. It gives due recognition to the symbiotic relationship. It also recognises the problems of shifting cultivation and development of forest villages. While for the former, the policy has laid down that shifting cultivation should be contained within the areas already affected, for the latter, the policy provides for their development at par with the revenue villages. However, there are inconsistencies in regard to certain provisions provided in the policy and the Act. The Forest Policy and the Forest Acts should be complementary and should take into account the interests of tribals fully. The Policy professes full protection to the rights and concessions enjoyed by the tribals but does not specify that the tribals can collect minor forest produce in, say, headloads, to meet his domestic requirements and also sell the surplus. It is considered necessary that the traditional or customary rights and concessions of the tribals in forests should be codified by each State, as has been done by the State of West Bengal and as far as possible, there should be no further infringement of these rights.

11.37 The Government of India has initiated steps to operationalise the National Forest Policy, 1988 and resolve some of the long standing grievances of tribals vis-a-vis forests, especially those relating to right of cultivation on forest lands being cultivated for a long period, payment of fair wages to labourers on forestry works and development of forest villages. Detailed guidelines in this regard have been issued by the Ministry of Environment and Forests and Wildlife to the States/Union Territories on 18-9-1990. The

Government of India has also set up a Committee for redrafting the Indian Forest Act, 1927.

11.38 The most significant aspect in the latest guidelines of 18-9-90 issued by the Govt. of India is to accept the claims of the people not hitherto even acknowledged so far. Consequently distinction has been made between encroachments and disputed claims of the people. The second vital decision is the acceptance of the responsibility by the State to provide alternative economic base to the people before they are persuaded to give up cultivation in the forest area. It is, however, observed that this principle has been somewhat diluted with the incorporation of a discordant stipulation in the circular to the effect that encroachments must be removed immediately. The responsibility to provide an alternative economic base to the tribal people who may be required to discontinue agriculture in the forest area must be accepted unequivocally in clear terms. It is only then that a lasting relationship of potent and long term partnership between the people and the state can be evolved.

11.39 The GOI instructions of 18th September, 1990 comprise a set of six circulars to deal with the following issues:

- (i) The first circular provides for regularisation of encroachments on forest lands taken place prior to 25-10-1980 and immediate action to evict encroachments done thereafter. The State/U.Ts. Govt. may, however, provide alternate economic base to such persons by associating them collectively in afforestation activities in the manner suggested in the GOI letter dated 1-6-1990 but such benefits are not to be extended to fresh encroachers.
- (ii) The next two circulars are concerned with disputed claims (as distinguished from encroachments) over forest land arising out of forest settlement or disputes regarding pattas/leases/grants involving forest land and lay down the norms and procedure to review and identify the cases of disputed claims and determine the genuineness of such cases.
- (iii) The fourth circular deals with the elimination of intermediaries and payment of fair wages to the labourers on forestry works. According to this circular, in order to protect tribals and other rural poor from exploitation by intermediaries and for ensuring adequate and fair wages to them, the following guidelines are required to be complied with:
 - (a) no outside labour should be engaged in forestry operations where local tribal labour is adequately available;
 - (b) no contract should be entered into for imported labour;
 - (c) tribal co-operative should be involved wherever labour is in short supply;

- (d) representatives of Tribal Welfare Departments should sit in the Wage Board appointed by Forest Department for fixation of daily wage rates;
- (e) norms for payment of wages for piece works should be worked out by carrying out detailed work studies;
- (f) uniform wage rates should be prescribed for similar piece of works throughout the area by the State Government for all agencies; and
- (g) for payment of wages for forestry operations the State Forest Departments and Forest Corporations should comply with the provisions of the Minimum Wages Act.

- (iv) The fifth circular deals with conversion of forest villages into revenue villages and settlement of other old habitations. It mentions that some of the states already converted forest villages into revenue villages well before 1980. Nevertheless there still exist between 2500 to 3000 forest villages in the country. Besides, some cases of other types of habitations e.g. unauthorised houses/homesteads, dwellings of tribals are suspected to exist in forest lands even though these may not have been recognised either as revenue villages or forest villages. This circular suggests measures to resolve the outstanding issues of forest villages and other types of habitations existing in forest lands.
- (v) The sixth circular deals with payment of compensation for loss of life and property due to predation—depredation by wild animals and prescribes uniform norms thereon to be governed under the regulations made under the Wildlife (Protection) Act.

11.40 On the collection and marketing of Minor Forest Produce, it is the intention that the tribals must receive the best possible price, which should be close to the market price of the produce. Even where tribals are allowed to collect and sell, they are exploited by intermediaries and traders/contractors, in the absence of an efficient marketing infrastructure. In order to meet this situation, the Government of India set up in 1987, the Tribal Co-operative Marketing Development Federation of India Ltd. (TRIFED), a national level apex Federation of State Federations/Corporations. TRIFED has been working for over two years with the objective of giving a higher price to Scheduled Tribes by eliminating middlemen. It is reported that this Corporation has also appointed 'collecting agents'. Further many State Governments and their Forest Corporations who hold a monopoly over minor forest produce still pay amounts to Scheduled Tribes which are far lower than the market price of the produce and the Scheduled Tribes have virtually become ill paid wage labour. Only a few State Governments have acknowledged the rightful

share of the tribals and given remunerative prices. If this is emulated by all States, the tribals can earn a handsome income and will not have the problem of poverty. It is also necessary to revitalise and strengthen LAMPS which have been neglected and in general to promote co-operatives and support them. The administrative overheads of marketing should be borne by the State, which should also waive royalty, so that the tribals receive a handsome price.

Partnership in forestry

11.41 The acceptance of the partnership of the tribal people in forestry and sharing of benefits therefrom will automatically improve the economic conditions of the tribal people quickly, particularly in those areas where the resources are still rich. The experience of Madhya Pradesh, where the income from Tendu leaves to the ordinary tribal people increased manifold, the moment he was accepted as owner and not treated only as labourer, is a pointer in this direction. The average income of a tribal family in some areas from the single item of tendu is reported to have exceeded Rs. 10,000 in a year, thus rising above the poverty line. If the same principle is adopted for the forestry as a whole, tribal people can attain a reasonable level of income within a very short time. In other areas where the resources have got depleted, it may take sometime before the resource-base is regenerated and benefits to accrue to the people.

11.42 The Government of India in its letter of 1st June 1990 to the State Governments announced a programme of involvement of village communities and voluntary agencies for regeneration of degraded forest lands on a usufructuary basis. A centrally sponsored scheme to associate scheduled tribes and rural poor in afforestation of degraded forests is also being proposed. The new scheme which envisages partnership between the people and the government, albeit in a limited frame, for regeneration of forest resources is a welcome departure from conventional practices in many ways. In this scheme, tribal people will be entitled to usufruct in full and 75 per cent of the proceeds of silvi-cultural operations. They will get an equal share in the final working of the forests. These principles have general applicability and could be adopted as a general rule in the management of forests. The success of self-management of forests in West Bengal through Village Forest Committees, in Gujarat through Village Vikas Mandals, pilot projects of National Wasteland Development Board through Mahila Mandals, by Pahadias in Santhal Parganas etc. holds promise for good results through association of selected and willing voluntary agencies in larger measure. The Commission endorses this approach for generation of woody biomass and silvi-pasture development.

11.43 The Government in particular should acknowledge that minor forest produce belongs to the people. The collection of MFP should be organised in accordance with this principle. It is gratifying to note that this principle has already been accepted by some State Governments.

11.44 The migration of tribal people for seeking work outside, particularly from those areas which have rich forest is a contradiction in terms. For example, the tribals from Dang, Gujarat which has more than 90 per cent forest cover, are known to migrate in large numbers to towns in the plains. Once the tribal people acquire a share in the benefits from the working of forest resources this migration would stop. In other areas, it may take sometime before the local resources are able to provide full sustenance to the people. Nevertheless, in view of favourable land-man ratio in the tribal areas, this is not an unrealisable objective within a reasonable time frame. It will be necessary to attend to the problems which migrant labourers from the tribal areas face when they go to unknown places and face a number of difficulties.

11.45 In many forest areas, the ex-jagirdars and others have retained their control over fruit-bearing trees even in the forest areas. The tribals who collect the fruits have to pay about half the produce to the owner as royalty. This is negation of a very basic principle of equal access to natural resources to all the people. This practice must be stopped and the tribal people should be given the right to collect the fruits without payment of any compensation.

11.46 A special employment guarantee scheme should be worked out for the tribal areas particularly the forest areas therein. This will relieve the growing pressure on the forests. The labour so engaged could be used for building up the resource base of the community which will finally dispense with the need of such programmes.

Special Protection for Tribal Labour

11.47 The condition of the tribal labour in view of their simplicity, ignorance and pressing economic needs is rather pitiable. They are vulnerable to many serious malpractices. It is sad to note that there is widespread discrimination in employment against old and even young men, young girls being preferred not always for honourable considerations. Condition of migrant labourers from tribal areas in many cases is deplorable. Special provision should be made for the employment of tribal women and also migrant labourers.

Tribal Sub-Plan

11.48 The approach and strategy for tribal development got translated into action with the commencement of the Fifth Five Year Plan (1974-79) when the concept of Tribal sub-plan strategy was accepted and started. Tribal Sub-plan is a plan within the state plan and therefore, draws outlays from different sectors. The state resources are supplemented by the Special Central Assistance (SCA) and institutional finance. The main objective of the sub-plan approach is two fold (1) socio-economic development and (2) protection of tribals against exploitation. For the implementation of the sub-plan approach, the Integrated Tribal Development Projects (ITDPs) were con-

ceived as operational units for achieving administrative, organisational and financial integration with a view to promoting speedier development of tribals during the Fifth Plan and these have been continued since then. The ITDPs are expected to take into account natural resources, skills, aptitudes and felt needs of the tribal population. During the Sixth Plan, Modified Area Development Approach (MADA) was adopted to cover smaller areas of tribal concentration having 10,000 population and of which 50% or more were tribals. During the Seventh Plan, Tribal Sub-Plan approach was extended to all the tribals in the country, including the dispersed tribals for the beneficiary oriented programmes. At present, there are 191 ITDPs, 268 MADAs and 74 cluster areas identified in the 19 TSP States/UTs (Annexure VI).

11.49 Tribal sub-plan strategy adopted in the country since the Fifth Plan has, no doubt resulted in a manifold increase in the flow of funds to TSP from about Rs. 1,000 crores during the Fifth Plan to Rs. 10,000 crores (anticipated) during the Seventh Plan. However, the benefits of such incremental investment have not reached the tribals in equal measure. A review of the performance of sub-plan strategy reveals that there has been too much emphasis on quantitative investments rather than qualitative achievements. Much emphasis was placed on infrastructural development as the investment in this sector varied from 50% of the total sub-plan outlay in some States to 80% in other States. Beneficiary oriented schemes have received a much lesser share in almost all the years. Agriculture is the mainstay of the tribal economy and a large part of cultivated areas is under rainfed conditions. Development of irrigation facilities especially the minor irrigation schemes assume great importance. Speedy completion of all the ongoing irrigation schemes in tribal sub-plan areas is therefore stressed. The quantification of sectoral outlays by various Departments in the respective State plans does not generally represent the true picture of the flow to the respective tribal areas. As a result, even when over-all percentage of investment under Tribal sub-plan have shown increase during every Plan period, the ground results have not been commensurate with the resources.

11.50 The major weakness of the Tribal Sub-Plan is its stereotyped sectoral outlook, which merely disaggregates the sectoral plans into tribal shares and aggregates them into a Tribal Sub-Plan. Specificities of local area, socio-cultural mores, tribal ethos etc. have not received the consideration they should. Another lacuna of the TDP is lack of involvement of the tribal people in the Planning and implementation of schemes suited to their needs and areas. It is necessary that sub-plans are prepared from the grassroots and then integrated into the sectoral plans.

Role of Voluntary Organisation in Tribal Development

11.51 The voluntary organisations have played a vital role in motivating and educating the tribals for their effective participation in implementation of

various programmes. Organisations like Ramakrishna Mission, Bharatiya Adimjati Sevak Sangh, Akhil Bhartiya Vikas Parishad and the Servants of India Society etc. have been working in the field for quite a long period and doing good work. The voluntary organisations have a wider role to play in taking up the schemes of direct benefit to the tribals in various fields. However, the promotion of such organisation has to be undertaken with great caution. In the garb of voluntary organisations, vested interests have penetrated into tribal areas and their role is counter-productive. The developmental activities and improved communication systems in the tribal areas have had a significant impact on the lifestyle and culture of the tribal communities. The growing awareness and emerging local leadership among tribals are indicative of their capabilities to run the voluntary organisations. It is, therefore, necessary to ensure that participation of only such voluntary organisations which are having exclusively tribal representation be encouraged in various programmes of tribal development. No such agencies which are partly or wholly represented by outsiders/non-tribals be allowed to work in tribal areas. This will not only create confidence among the tribals but also promote better understanding between the tribals and the governmental agencies working for them.

CONCLUSIONS AND RECOMMENDATIONS

11.52 The main conclusions and recommendations are given as under:—

(1) The tribal people have been traditionally depending on the natural resources, that is, forest, land and water for their living. The most important reason for an increasing number of tribal people becoming wage earners and labourers is the erosion of the resource-base of their economy with no viable alternatives to fall back upon. The erosion of the resource-base of the tribal people is due to mainly four reasons viz. (i) absolute depletion of resources, (ii) commercial transformation of the resource base (iii) expropriation and (iv) exclusion.

(2) Land alienation is the biggest cause of marginalisation of tribal people. Despite the laws, against transfer of tribals' land to non-tribals by sale etc., the tribals land continues to pass out of their hands. There should be a complete bar on transfer or alienation of tribal land to non-tribals with exemption for Trusts etc., requiring land for running projects like schools, dispensaries etc., for the benefit of tribals. Strict measures be taken for restoration of tribal land and deterrent punishment to non-tribals who continue to be in possession of tribals' lands despite orders of ejectment.

(3) Shifting cultivation or jhum/podu in hill areas particularly in north-eastern states and Orissa and Andhra Pradesh in the Eastern Ghats has now been recognised as a problem having wider socio-economic, socio-cultural and ecological dimensions. The jhumias should be educated and convinced of the need for jhuming to be done on a more modern and scientific way by putting in inputs like fertilizers, irrigation etc. They should be encouraged to lengthen the jhum cycle or take to permanent and settled cul-

tivation through terracing the hill slopes etc. Jhumias should also be encouraged to take up plantation of tea, coffee, rubber, horticultural crops on their jhum lands by assuring them wage employment during the gestation period and foodgrains through the public distribution system.

(4) Restoration of symbiotic relationship between the natural resource including forests and the tribal people has to be main objective in the immediate context. Steps are required to be taken to harmonise the legal framework and the policy in this regard. Many of the problems which the tribals are facing arise from the Indian Forest Act and the Forest (Conservation) Act, 1980. The new Forest Policy, 1988 recognises the symbiotic relationship and emphasises that the rights and concessions enjoyed by tribals should be fully protected. As such, there are inconsistencies in regard to certain provisions provided in the policy and the Act. The Forest Policy and Forest Act should be complementary and should take into account the interests of tribals fully. There are inconsistencies in policy statement itself. For instance, the new Forest Policy, 1988 professes full protection of the rights and concessions enjoyed by the tribals but it does specify that the tribals can collect minor forest produce in, say, headloads, to meet his domestic requirements and also sell the surplus. It is considered necessary that the traditional or customary rights and concessions of the tribals in forests should be codified by each state.

(5) The instructions comprising a set of six circulars issued on 18-9-1990 by the Government of India represent a positive step in resolving what is admitted as a very complex issue concerning forest lands resulting in confrontation between the state and the tribal people. It will go a long way to undo the gross injustice meted out to the tribal people by the state. If these instructions are followed in their true spirit, many of the problems in the tribal areas can be expected to be resolved. The Ministry of Environment and Forest should over-see the progress of implementation of these instructions and ensure that there should not be undue procedural delays as also the Forest Acts would not stand in the way in resolving the issues stipulated in the instructions.

(6) All processing of forest produce should be assigned to cooperatives owned and operated by the tribal people themselves. The suppliers of raw material in all forest based industries should be accepted as partners in all future forest based industries. The model of sugar cooperatives should be considered for adoption with the producers of the raw material (sugarcane or bamboo) as the owners of the enterprise, such as cooperative paper mills.

(7) The acceptance of the partnership of the tribal people in forestry and sharing of benefits there-

from will automatically improve the economic conditions of the tribal people. A centrally sponsored scheme is being proposed by the Govt. for association of tribals and rural poor in afforestation of degraded forests for implementation during the Eighth Plan. This is a welcome departure from conventional practices in many ways. The Commission endorses this approach for generation of woody biomass and silvi-pasture development.

(8) The Government in particular should acknowledge that Minor Forest Produce (MFP) belongs to the people. The collection of MFP should be organised in accordance with this principle. It is gratifying to note that this principle has already been accepted by some State Governments.

(9) On the collection and marketing of MFP it should be the intention that the tribals must receive the best possible price, which should be close to the market price of the produce. The traditional skills and crafts are required to be developed by upgradation of skills and regular supply of requisite raw-material together with network of marketing for tribal artisans. The TRIFED must provide an efficient marketing infrastructure and ensure that the tribals are not exploited by intermediaries and traders/contractors in any form. It is also necessary to revitalise and strengthen LAMPs which have been neglected and to promote and support cooperatives. The administrative overheads and marketing should be borne by the state, which should also waive royalty, so that the tribals receive a fair price.

(10) A special employment guarantee scheme should be worked out for the tribal areas, particularly the forest areas. Special provision should be made for the employment of tribal women and also migrant labourers. This will not only relieve the growing pressure on the forests but also build up the resource base of the community which will finally dispense with the need for such programmes.

(11) The major weakness of the Tribal Sub-plan is its stereotyped sectoral outlook, which merely dis-aggregates the sectoral plans into tribal shares and aggregates them into a Tribal Sub-plan. Specificities of local area, socio-cultural mores, tribal ethos etc., have not received the consideration they should. Another lacuna of the TDP is lack of involvement of the tribal people in the planning and implementation of schemes suited to their needs and areas. It is necessary that sub-plan are prepared from the grass-roots and then integrated into the sectoral plans.

(12) Participation of only such voluntary organisations which have exclusively tribal representation should be encouraged in various programmes of tribal development.

ANNEXURE I

ST POPULATION AND PERCENTAGE TO TOTAL POPULATION : 1981

(In lakhs)

S. No.	States/UTs	Total Population	ST Population	Percentage of ST to Total Population
1	2	3	4	5
1	Andhra Pradesh	535.50	31.76	5.93
2	Assam	198.97	21.86	10.99
3	Bihar	699.15	58.11	8.31
4	Gujarat	340.86	48.49	14.23
5	Haryana	129.23	No ST has been scheduled by the President	..
6	Himachal Pradesh	42.81	1.97	4.60
7	Jammu & Kashmir	59.88	No ST	..
8	Karnataka	371.36	18.25	4.91
9	Kerala	254.54	2.61	1.03
10	Madhya Pradesh	521.79	119.87	22.97
11	Maharashtra	627.84	57.72	9.19
12	Manipur	14.21	3.88	27.30
13	Meghalaya	13.36	10.76	80.54
14	Nagaland	7.75	6.51	84.00
15	Orissa	263.70	59.15	22.43
16	Punjab	167.89	No ST	..
17	Rajasthan	342.62	41.83	12.21
18	Sikkim	3.16	0.74	23.42
19	Tamil Nadu	484.08	5.20	0.11
20	Tripura	20.53	5.84	28.45
21	Uttar Pradesh	1108.62	2.33	0.21
22	West Bengal	545.81	30.78	5.63
<i>Union Territories</i>				
23	Andaman & Nicobar	1.88	0.22	11.70
24	Arunachal Pradesh	6.32	4.41	69.78
25	Chandigarh	4.51	No ST	..
26	Dadra, Nagar Haveli	1.04	0.82	78.85
27	Delhi	62.20	No ST	..
28	Goa, Daman, Diu	10.86	0.11@	1.01
29	Lakshadweep	0.40	0.38	95.00
30	Mizoram	4.93	4.62	93.71
31	Pondicherry	6.04	No ST	..
	All India	6851.84	538.15	7.85

Source : 1981 Census Data.

@Only Goa.

ANNEXURE II

INDUSTRY-WISE CLASSIFICATION OF S.T. WORKERS FOR 1961, 1971 & 1981 CENSUSES

(Figures in lakhs)

S. No.	Type of Worker/Occupation	1961			1981		
		Male	Female	Total	Male	Female	Total
1	2	3	4	5	6	7	8
1	Cultivators T	62.86	52.52	115.38	87.82	31.59	119.41
		R	62.64	52.38	115.02	87.04	31.35	118.39
2	Agricultural Labourers T	16.91	16.44	33.35	38.43	33.24	71.67
		R	16.72	16.27	32.99	37.20	32.39	69.59
3	Mining, Quarrying, Livestock, Forestry, Hunting etc. T	3.78	2.00	5.78	5.67	2.23	7.90
		R	3.60	1.92	5.52	5.06	2.09	7.15
4	Household Industry T	1.91	2.27	4.18	1.85	1.26	3.11
		R	1.83	2.19	4.02	1.55	1.08	2.63
5	Manufacturing other than Household T	0.85	0.35	1.20	3.46	0.95	4.41
		R	0.49	0.23	0.72	2.02	0.67	2.69
6	Construction T	0.38	0.15	0.53	1.75	0.75	2.50
		R	0.29	0.10	0.39	1.25	0.58	1.83
7	Trade & Commerce T	0.36	0.30	0.66	1.49	0.51	2.00
		R	0.26	0.23	0.49	0.83	0.31	1.14
8	Transport, Storage Communications T	0.43	0.04	0.47	1.66	0.09	2.75
		R	0.24	0.02	0.26	0.82	0.04	0.06

ANNEXURE II—Contd.

S. No.	Type of Worker/Occupation	1961			1971			1981		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1	2	3	4	5	6	7	8	9	10	11
9	Other Services T	4.63	3.04	7.67	3.17	0.79	3.96	5.22	1.38	6.60
		R	3.82	2.62	6.44	2.47	0.50	2.97	3.45	0.73	4.18
10	Marginal Workers T	..	..	..	..	..	..	3.84	33.62	37.46
		R	..	..	..	..	..	3.68	33.20	36.88
11	Total Workers (S.No. 1 to 10) T	92.11	77.11	169.22	107.16	39.08	146.24	147.36	72.01	219.37
		R	89.89	75.96	165.85	103.75	37.91	141.66	139.21	69.25	208.46
12	Non-Workers T	58.28	71.29	129.57	84.65	149.26	233.91	108.88	149.96	258.84
		R	56.42	68.80	125.22	81.23	144.31	225.54	100.48	137.91	238.39
13	Total Population (11+12) T	150.39	148.40	298.79	191.81	188.34	380.15	260.08	255.59	515.67
		R	146.31	144.76	291.07	184.99	182.22	367.21	243.37	240.36	483.73

Source : Based on Census of India, Special Tables for SC/ST Part-V A (i, ii), Part-IX(i) 1961, 1971 & 1981.

ANNEXURE III

STATEMENT SHOWING CASES OF LAND ALIENATION, DISPOSAL AND RESTORATION IN TRIBAL SUB-PLAN STATES

S. No.	State	Cases filed in the Courts	Area in Acres	Cases decided in favour of STs.	Area in Acres	Cases rejected	Area in Acres	Cases pending	Area in Acres	Land actually restored in Acres	As on
1	Andhra Pradesh	45865	193667	39339	172538	4051	18770	2475	2345	81845	March, 1988
2	Assam	3867	20149 (Bighas)	..	..	..	..	..	15489 (Bighas)	..	March, 1988
3	Bihar	88680	107967	43347	47137	32026	51211	13307	9618	34142	June, 1988
4	Gujarat	22376	65544	19180	55653	785	2332	2411	7558	54452	April, 1988
5	Karnataka	469	1141	367	982	251	505	38	105	721	March, 1988
6	Madhya Pradesh	99864	..	68801	..	10270	..	28793	..	20061	March, 1988
7	Maharashtra	50850	..	20401	105877	30122	..	327	..	93967	Dec., 1988
8	Orissa	76527	..	36715	40926	35925	..	3886	..	39595	March, 1988
9	Rajasthan	3154	15107	268	941	608	3689	2278	10476	..	March, 1988
10	Tripura	19820	19430	4889	4389	13644	14850	1287	991	3384	March, 1988
11	West Bengal	336	594	137	273	..	..	..	..	..	Dec., 1988
12	Uttar Pradesh	8541	17973	40	49	..	..	..	..	..	July, 1988
13	Kerala	3080	10130	9	20	36	77	2834	6732	..	Aug., 1988

State Government of Himachal Pradesh has stated that the problem does not exist. In Sikkim and Manipur, the problem is of a very small magnitude. No problem of land alienation has been reported from Daman & Diu and A & N Islands. Tamil Nadu has drafted a Bill for providing protection of tribal land and the same is under process.

Source : Ministry of Welfare, Government of India (November, 1989).

ANNEXURE IV

AREA UNDER DIFFERENT LAND USE FOR SCHEDULED TRIBE : ALL INDIA

Number: In '000 Units

Area: In '000 Hectares

Sl. No.	Land Use	SIZE CLASS (In Hectares)												
		1980-81						1985-86						
		Marginal (Below 1.0)	Small (1.0 - 2.0)	Semi-medium (2.0 - 4.0)	Medium (4.0 - 10.0)	Large (Above 10.0)	All sizes	Marginal (Below 1.0)	Small (1.0 - 2.0)	Semi-medium (2.0 - 4.0)	Medium (4.0 - 10.0)	Large (Above 10.0)	All sizes	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
1	Total Holdings													
	(i) Number	2724	1551	1405	936	234	6850	3076	1795	1545	936	212	7564	
	%	(39.8)	(22.6)	(20.5)	(13.7)	(13.4)	(100.0)	(40.7)	(23.7)	(20.4)	(12.4)	(2.8)	(100.0)	
	(ii) Area (4+8+9)	1309	2220	3850	5596	3729	16704	1511	2563	4225	5570	3365	17233	
	%	(7.8)	(13.3)	(23.1)	(33.5)	(22.3)	(100.0)	(8.8)	(14.9)	(24.5)	(32.3)	(19.5)	(100.0)	
2	Net area sown	1113	1915	3206	4372	2336	12942	1295	2235	3580	4377	2119	13606	
3	Area under current fallows	88	136	280	489	391	1384	100	144	277	453	345	1319	
4	Net cultivated area (2+3)	1201	2051	3486	4861	2727	14326	1395	2380	3856	4830	2464	14925	
5	Other uncultivated land (excluding fallows)	18	35	63	128	254	498	24	38	72	158	203	494	
6	Fallow land other than current fallow	35	63	156	332	451	1038	27	54	114	274	342	811	
7	Cultivable Waste land	16	30	68	141	159	414	23	50	103	203	225	603	
8	Total uncultivated land (5+6+7)	70	128	287	601	864	1950	74	142	289	634	769	1908	
9	Land not available for cultivation	38	41	77	134	138	428	41	41	80	106	131	400	

Source : Agricultural Census 1980-81 and 1985-86.

ANNEXURE V

STATEMENT SHOWING DISTRIBUTION OF AREA UNDER FOOD CROPS AND NON-FOOD CROPS AND PERCENTAGE OF IRRIGATED AREA TO TOTAL & AREA IN 1980-81 AND 1985-86 FOR SCHEDULED TRIBES

Sl. No.	Item	Total				Percentage of irrigated area to total	
		Area ('000 ha.)		Percentage		1980-81	1985-86
		1980-81	1985-86	1980-81	1985-86		
1	2	3	4	5	6	7	8
1	All Food Crops	12898	13199	83.8	86.5	9.7	10.5
2	All non-Food Crops	2370	2075	16.2	13.5	3.6	6.3
3	Gross Cropped Area (1+2)	14638	15274	100.0	100.0	8.7	10.0
4	Net Area Sown	12942	13606	(88.4)	(89.1)	8.6	9.8
5	Intensity of cropping (3/4)	1.131	1.123				

Note : Figures in brackets are the Percentage of item 4 to 3.

Source : All India Bulletin on Agricultural Census : 1980-81 and 1985-86.

Department of Agricultural and Co-operation, Ministry of Agriculture.

ANNEXURE VI

STATE-WISE NUMBER OF ITDPs, MADAs & CLUSTER AREAS

Name of the State/UT	ITDP/ITDA	MADA Pockets	Clusters
1. Andhra Pradesh	8	41	17
2. Assam	19	..	..
3. Bihar	14	41	7
4. Gujarat	9	20	4
5. Himachal Pradesh	5	2	..
6. Karnataka	5	..	..
7. Kerale	5	..	..
8. Madhya Pradesh	49	39	..
9. Maharashtra	15	35	8
10. Manipur	5	..	19
11. Orissa	21	45	..
12. Rajasthan	5	44	8
13. Sikkim	4	..	11
14. Tamil Nadu	9	..	..
15. Tripura	3	..	..
16. Uttar Pradesh	1	1	..
17. West Bengal	12	..	..
18. Andaman & Nicobar Islands	1	..	..
19. Daman & Diu	1	..	..
TOTAL	191	268	74

TECHNOLOGY AND RURAL LABOUR

I. Introduction

12.1 In the design of the development strategy of the early post-independence era science and technology had a pivotal role to play in shaping the destiny of the country. It is generally accepted that fairly substantial advances in this regard have indeed been made in selected areas of the economy. Yet it is equally true that very large sections of the population, especially in rural areas, continue to languish in poverty and sub-standard living conditions. Clearly the benefits of technological advances have not divided equally on different sections of the population and labour force.

II (a) Technology and Post-independence Development Strategy

12.2 The advent of the colonial era in India saw the emergence of a set of development priorities that were dictated by the economic and commercial interests of the British Government. However, the scientific and technological infrastructure that was created during this period has been instrumental in laying the foundations of a strong scientific tradition that has been carried over to the post-independence period.

12.3 During the independence movement among the objective that were passionately upheld were the issues of indigenization of industry and the promotion of scientific temper and science education among the youth. It was envisioned that technology was important for transforming not merely the economic structure, but also the growth-inhibiting values and norms of a tradition-bound society. The official announcement in 1958 of the National Science Policy came as a culmination of this line of thinking. Around this period, an extensive network of scientific and technological institutions was established, with the State shouldering the responsibility of directly planning and guiding the activities of these institutions as well as providing the bulk of the resources for Research & Development.

12.4 In the first couple of decades after independence, the Science and Technology (S&T) institutions were more or less shielded from the stresses and strains of the economy. This can be looked upon as a period of consolidation. By the early seventies it was felt that the S & T sector had matured enough to start contributing systematically to the growth process. In 1973, the Committee on Science and Technology was set up to prepare a plan for linking the application of S & T to the country's development priorities. The period of accountability had started. A separate Department of Science & Technology was set up. In view of the difficult fo-

reign exchange situation in the wake up of the first oil crisis, 'import substitution' became the central theme for R&D Initiatives, Science and Technology inputs became an integral part of the planning process. Indigenous research results were incorporated in the production process in a number of industries. Capabilities in new areas were developed. Emphasis was being placed on the whole chain of technology adaptation from invention to innovation to diffusion and delivery of new products and services.

12.5 However it was clear by the early 80s that advances in science and technology have not touched the lives of a large majority of the population in general, and the bulk of rural workers in particular, in any significant manner. Accordingly in 1983, the Government of India announced the Technology Policy Statement which underlined the need to "attain technological competence and self-reliance and to utilise indigenous resources for providing gainful and satisfying employment to all strata of society, with emphasis on women and the weaker sections of society". It upheld among other things, the necessity for using "traditional skills and capabilities" and outlined the perceived immediate need of the country as not merely "technological self-reliance", but also "a swift and tangible improvement in the conditions of the weakest sections of the population". Keeping in mind the capital scarce character of the economy, it goes on to state that the aim of such policy should be to ensure that the "available natural endowments, especially human resources, are optimally utilized for a continuing increase in the well-being of all sections of our people".

12.6 Between 1985-88, six Technology Missions were launched to meet the immediate needs of drinking water, literacy, edible oils, immunization, rural communication and dairy products. Consequent on the policy thrust on S & T development, a whole range of departments dealing with these issues were established. In 1985 a full-fledged ministry encompassing all these S & T departments came into being. A number of Science and Technology Advisory Committees (STAC) were set up in different economic ministries. Currently a whole range of schemes and programmes with S & T inputs are being operated by a number of government agencies.

(b) Technology Infrastructure

A huge institutional infrastructure for science and technology development exists in the country today. The most significant complex is the Council of Scientific and Industrial Research (CSIR) with 42 research institutions under it. The Indian Council of Agricultural Research (ICAR) and the Indian Council of

Medical Research (ICMR) are other major research organisations. These are 496 research institutions under Central Government Departments and 178 such institutions under the various state governments. 27 ministries/departments currently provide S & T inputs for rural development. Over 1000 institutions carrying out scientific and industrial research with financing from association of industries, industrial houses and philanthropic organisations have been identified. There are also 155 Universities and Centres for Advanced Studies carrying out research. The total stock of science and technology manpower in 1985 was estimated to be 2.6m persons, which is 130 times higher than what it was in 1950. The total R & D expenditure in the country is around 1% of GNP, which is low by the standards of most developed countries. But unlike in the west, the bulk of our R & D expenses, i.e. between 85% to 90% of the total, is financed by the state.

12.7 However, much of the government resources earmarked for R & D do not have direct relevance for rural labour. Of the total government expenditure on this count, 37% goes to Defence, 17% to the Department of Space, 11% to the CSIR, and 10% to the Department of Atomic Energy. The Indian Council for Agricultural Research accounts for 10% of the total resources and the remaining 15% is shared by other S & T agencies and universities. The question of resource allocation apart, that technology has bypassed much of rural India can be seen from any number of indicators of the availability of basic amenities in Indian villages—be it in terms of educational or health facilities, transport and communication indices or proximity of marketing centres.

12.8 The ICAR along with its sister organisations has a mandate for not merely developing new technologies in the field of agriculture but also disseminating the knowledge through its network of demonstration and extension services. However the record of dissemination of new technology has been much less impressive than that of laboratory level innovations. In the other areas of rural development outside of agriculture, one institution that caters to the need for dissemination of rural technology through people's participation is CAPART—the Council for Advancement of People's Action and Rural Technology, a registered society under the Ministry of Agriculture and Rural Development which was set up in September 1986 as a result of the merger of two other organisations: People's Action for Development, India (PADI) and Council for Advancement of Rural Technology (CART), the latter of which had come into being in October, 1982. CAPART funds innovative projects for upgradation of traditional technologies or introduction of new, people sensitive technologies in rural areas. It helps in creating new institutions or strengthening existing ones for facilitating the diffusion process. It is also involved in compiling a data bank of existing rural technologies in different parts of the country.

12.9 There are 27 ministries/departments currently providing science and technology inputs for rural development. The Department of Science and Technology, for instance, sponsors 'science and society related programmes' specifically targeted at rural development for the benefit of the weaker sections (STAWS: Science and Technology for Weaker Sections) or for women. STARD (Science and Technology Application for Rural Development) aims at facilitating development of promising voluntary organizations and innovative technologies which are related to rural development. A number of other ministries/departments have similar projects for sponsoring development of rural technology. In the last couple of decades a number of programmes & institutions like the Krishi Vigyan Kendras, Agricultural Clinics, Lab-to-Land programme, community polytechnics etc. have been designed to cater to the S&T application to rural development. Several NGOs all over the country are involved in similar ventures, and pioneering work has been done by several of them, though in limited or selected areas. However, the approach has so far been de facto by and large project-oriented. What is lacking is an attempt at disseminating the results of successful ventures on a large enough scale and in a coordinated manner.

III. The Impact of Technology on Rural Labour

12.10 While it is true that the direct impact of technology on the working and living conditions of rural workers has been relatively insignificant, the advances made in production technology and production conditions in the rural economy have considerably altered the working environment of large sections of rural labour. The introduction of HYV technology in agriculture for instance has had a marked impact on production, as well as the pattern of labour demand in agriculture across regions and over the crop cycles, with consequent implications for employment, earnings, mobility patterns and tenurial conditions. Studies on the effect of introducing the green revolution technology in selected areas of the country have shown that the benefits of the new technology have not devolved equally on all sections of the farming population. Similarly, technological changes in the textile sector, especially the advent of the powerloom has had adverse implications for production, employment and earnings in the rural handloom industry. Indiscriminate import of capital intensive technology in a number of industries including coastal fisheries, oilseed pressing and dairying, has resulted in adverse or potentially inimical employment and earnings conditions for a large number of rural workers engaged in these non-farm activities. In certain cases such technology has led to inefficient use of resources and environmental degradation as well. At the same time, selective use of new technology in industries like sericulture has shown much promise in terms of employment growth. This section brings together a number of findings on the impact of technology on employment, earnings, efficiency and quality of life of rural labour.

(a) Employment

12.11 There is strong evidence that the labour absorptive capacity of agriculture is going down over time. Between the first two quinquennial surveys on employment by the National Sample Survey Organisation in 1972-73 and 1977-78, the growth rate of employment in agriculture was 2.32% per annum. Between the 3rd and the 4th quinquennial surveys in 1983 and 1987-88 respectively, this has fallen to a meagre 0.65% annually.

12.12 To what extent this can be ascribed to the effect of technological change cannot be ascertained a priori. However, technology is certainly one of the important factors responsible for changes in the pattern of labour demand. Under the HYV technology, crop cycles are somewhat shorter and labour demand peaks sharply for short periods at specific intervals. Changes in contractual arrangements in rural labour markets in green revolution areas or the rising incidence of casualization among rural labour can be directly ascribed to the new technology. Also, there is strong evidence to suggest that under HYV technology the extent of participation of family labour goes down and that of hired labour increases. Similarly changes in the pattern of labour mobility and labour circulation in rural areas can also be linked to this factor.

12.13 A number of studies have attempted to estimate the impact of different components of technological change in agriculture on labour demand, sometimes with conflicting results. Part of the problem in estimating individual component effects arises from the fact that often the components are complementary. For instance new seed fertilizer technology cannot be applied without assured irrigation and often this package is combined with use of advanced farm equipment like tractors, or harvester combines, so that it may be difficult in a particular situation to isolate and identify the individual effects. Nevertheless, given the large body of evidence, it is now possible to reach some kind of a general conclusion in this regard.

12.14 Increased water use of irrigation by itself has been seen to have a beneficial effect on demand for labour. Irrigation coupled with HYV seeds raises it further since it allows more intensive use of land, as HYV crop needs greater care in sowing, transplanting and weeding. Irrigation also makes possible multiple cropping, thereby raising yield and employment further. If harvesting and post-harvest operations are not mechanized, clearly labour demand would go upto an even greater extent.

12.15 However, for various reasons, mechanization usually accompanies the use of HYV technology, although there are regional variations. Excessive mechanization results from skewed distribution of operational holdings as well as differential access to credit market with subsidized credit facilities. Mechanization is also favoured by large farmers because it reduces the risk of non-availability of sufficient number

of farm workers at harvest times. Mechanization of farm operations as such reduces the demand for labour. Some forms of mechanization are worse culprits than others. Tractorization as such can have a benign effect on labour demand in certain situations if one accounts for positive indirect effects. However, on the whole, the available evidence shows that direct labour displacing effect of tractorization often outweighs the indirect positive effects associated with productivity increase, while combine harvesters are unequivocal job destroyers. Migrant labour from the poorer regions is deprived of employment and prevailing high wages for harvesting when combine harvesters are used. (See the note on Farm Mechanization Policy in Volume II of the Report). Thus the net impact of introducing HYV technology under assured irrigation conditions on the level of labour demand is generally lower than what it would have been without excessive use of capital intensive inputs like tractors and especially, harvester combines.

12.16 The effect of the new technology on the composition of labour demand is also quite pronounced. Higher demand for labour at peak seasons for transplanting, weeding and harvesting has raised the demand for female casual labour for these primarily women-specific operations in states like Andhra Pradesh, Tamil Nadu and Orissa. Elsewhere, especially in the North, where women not working for pay outside the house is a status symbol, a rise in family incomes has led to a sharp decline in women's participation in farm operations.

12.17 In the dairying sector, the Operation Flood or the 'White Revolution' was launched in 1970 to meet the growing urban demand for milk. Based on a system of village-based producer's cooperatives modelled on the Anand cooperative of Gujarat, Operation Flood is designed as an organized system of collecting, testing, transporting and processing milk from rural areas for sale in the urban markets. Apart from raising aggregate milk production, the aim has been to promote dairying as an income generating activity among the rural poor. The main technological components of the programme are two. One, the cross-breeding of Indian cows with European breeds so that the resulting hybrid cows now comprise the major part of the national milk herd; and two, capital intensive, centralised facilities and dairy plants for chilling and processing milk collected from dispersed rural centres.

12.18 The impact of this new technology on employment is difficult to assess. This is so because dairying in rural areas in the pre-Operation Flood period, and to a large extent even now, has been a subsistence, and usually a part-time activity, and is therefore not properly reflected in labour force statistics. The 1985 Dairy Year book registers 5m men and 75m women in this sector. Nearly half the rural households in India own milch animals. About 21% of these are landless and 30% belong to the marginal farmer category. Operation Flood would have surely monetised a large part of subsistence production among this group. However, imported, capital-inten-

sive techniques of milk processing and butter and cheese production for the urban market would have virtually cut them out from these activities. A more decentralized and labour intensive technology at the processing stage would have certainly been more beneficial for employment generation.

12.19 In the coastal fisheries sector, introduction of new technology in the form of motorization of traditional gears and introduction of new gears, as well as infrastructural development for organized marketing of large catches, has radically altered the work environment of the traditional fishing community. All over the coastal regions introduction of mechanized fishing and its expansion beyond the optimal size has led to disturbance of the breeding grounds and a decline in yield in recent years, so that employment in both traditional as well as the modern sectors has suffered. Large scale trawler fishing has impinged on the fishing grounds of traditional fishermen in many areas, leading to open conflicts and adverse impact on employment and earnings. Retail marketing of small catches by the women of the community has been adversely affected by organized marketing practices of large scale producers. Coastal fishery is no longer an artisanal occupation. It is capital intensive big business, where often the trawler owners have no traditional links with fishing. Even the workers in this industry are usually not local fishermen. They are mostly migrant, hired labourers. While a lot of traditional fishermen are being routed from their skilled activity, often to become migrant casual labour in urban or semi-urban areas, some displaced fishermen have been getting casual factory employment in activities like processing of seafood (prawns, shrimps etc.). In the absence of clear cut information at the aggregate level, it would be difficult to estimate the net effect on employment, but in all likelihood it has been negative.

12.20 The effect of technical change on rural workers in the textile sector also has been seen to be quite clearly adverse. The blame in this case appears to rest squarely on faulty policy initiatives and implementation. The major development during the last three decades in cloth weaving technology has been the introduction of decentralized workshop based powerloom technology, which has three times larger production capacity as compared to the handloom and is more cost effective. In the 1950s certain restrictions were imposed on the organized sector of cloth production, i.e. the mill sector, in terms of expansion and product reservation, in order that the handloom sector be protected from blatant competition from the mills. A selective expansion of powerlooms was sanctioned in the decentralized sector with a view to gradually converting the handlooms into powerlooms so that the productivity and earnings of the handloom weaver goes up. The recommendations of the Textile Enquiry Committee (TEC) of 1954 were specifically designed to ensure this. However subsequently the TEC guidelines were thrown to the winds. Contrary to these recommendations, powerlooms were introduced in large numbers in urban areas where power, raw materials supplies and finishing facilities were readily

available. Ownership came to be monopolized in a few hands. Powerloom weavers became hired workers instead of being owners of the looms. Meanwhile due to increased profitability and cost effectiveness, powerlooms have been edging handlooms out of the market. Each new powerloom installed is said to displace six handloom weavers. Besides, handloom weaving being largely a cottage based industry using family labour, both male and female substitution of handlooms by powerlooms which are exclusively male operated, has resulted in women being thrown out of cloth weaving in large numbers. A census of handlooms conducted in 1987-88 has placed the number of weavers at 43.7 lakhs of whom 37.2 lakhs are in rural areas and 50% of them work full time. Like in dairying, also in the handloom sector there are no firm estimates of the nature and extent of employment, since a large part of the activities are carried out with family labour, usually on a part time basis and often outside the monetized sector. Indirect estimates based on yarn availability suggest that due to large scale diversion of available yarn to the powerloom sector, employment in the handloom sector has been very adversely affected. Micro-studies of displaced handloom weavers bear this out. Statistics based on decennial population census also suggest a steady decline in employment in the handloom sector in recent decades.

12.21 As in cloth weaving, similarly in spinning and textile printing, new technologies have not had much beneficial effect on employment. In the case of the latter, the development of sophisticated micro-processor controlled printing techniques has led to a substantial decline in employment in handprinting. Studies in the cities of Ahmedabad, Lucknow and Gwalior have shown that since the early 50's the extent of decline in the number of workers engaged in handprinting has been as high as 70%, while a much smaller number of new jobs in machine printing has been created. Considering that labour input in hand printing is about 15 times more than in machine printing, the loss of employment potential is clearly quite high.

12.22 The impact on employment of technical change in a number of other non-farm activities has been varied. In some agro-based industries like leather and leather goods production and in sericulture, new technology has opened up significant employment opportunities, but such expansion has often taken place outside the rural sector, as in the case of leather goods. While most leather goods for rural consumption have been replaced by items made out of plastic or other synthetic material, leather goods, including leather footwear is increasingly being produced for expensive domestic and export markets. Much of the production of leather shoes for instance takes place under sub-contracting arrangements in cottage and small scale sectors in urban and semi-urban areas. Thus rural leather goods producers have been virtually uprooted from their profession. Similarly the introduction of oil expellers has practically wiped out the traditional non-mechanical village ghanies, and in many villages the concept of the village 'teli' is now totally unknown.

12.23 Silk production including sericulture has been one of the most dynamic agro-industries in India in recent years. In the last decade and a half, silk production has been going up at the rate of 10% per annum. Being a very labour intensive activity, this has resulted in large increases in employment in this sector, particularly for women. By one estimate, as of 1985-86, the industry generated about 27 lakh work years of employment on full-time basis. A large part of this increase in employment has been caused by the cross-breeding of indigenous multivoltine varieties of cocoons with imported bivoltine varieties. However, the current trend of increases in pure bivoltine silk production for better quality output could lead to the adoption of factory farming and automated processing technologies with serious implications for employment growth. Thus the option for choice of technology are clear cut. If one wants the continued benefits in terms of yield and employment, one should stick to hardy crossbred varieties. If one wants to go in for better quality silk, the pure bivoltine variety has to be reared. The trade off in the first case is quality and to certain extent market competition, especially in the export sector. The trade off in the second case is employment and income generation for the rural poor considering also the extra care and attention that the bivoltine breed requires and the hardy nature of the multi-voltine variety, the latter should get a greater share as it would also generate more employment.

(b) Earnings

12.24 It is difficult to assess the overall impact of technological change on the earnings of rural labour. Different groups have been affected differently and even if broad group specific information can be had, it would be difficult to isolate the impact of technology. Nevertheless it is possible to get some pointers from micro evidence in specific activities, and build up a general picture from such evidence.

12.25 There are indications that real wages in agriculture are going up in recent years, even though the rate of increase is low in most parts of the country. However, in some areas of high technological change as in Punjab, Haryana and West UP, the rate of growth has been quite substantial, particularly during the seventies following the introduction of new technology.

12.26 However, wage rate is only one component of overall earnings. Agriculture is a seasonal occupation. The new technology has led to significant increases in the incidence of casual labour. The duration of employment as well as access to other income earning activities is thus another important factor determining overall earnings. The significant rise in short-term intra-rural migration of labour towards the more prosperous agricultural regions indicates that at least for the migrating labour, technological change leading to greater labour demand has opened up new avenues of employment and earnings. In the absence of any evidence that such large scale circular migration of workers has been propelled by labour displacing technology at the origin, the decision to migrate

by itself can be taken as an indication of better earnings for these workers. However, such possibilities can also not be ruled out altogether. Changes in tenurial conditions in the wake of the new technology has been cited as one of the factors leading to rising landlessness among the rural workers. In large areas of Central India, the Western Ghats and the Himalayan foothills, significant deforestation of land for feeding industrial needs has deprived tribal communities of their traditional forest based livelihood. Under such situations, increased migration could be more an indicator of growing destitution at the source rather than an index of betterment of living conditions.

12.27 In many areas of non-farm activities as in milk processing, coastal fisheries or cloth weaving, the primary thrust of technical change has been labour-saving. The new technology also posed strong competition to the old. Thus powerlooms not merely produce more cloth per unit of labour as compared to handlooms, they fetch higher earnings per unit of labour time and yet have lower cost per unit of output. The traditional handloom weaver is thus faced with strong competition from the powerloom sector. In the absence of access to resources whereby he can switch to powerloom production, he is continually being edged out of the market. In coastal fishing, mechanized oil pressing or rice milling, the capital intensive technology has posed a strong threat to workers using traditional technology and in some cases have almost displaced them. Earnings per unit of labour time are inevitably lower in the traditional sector and with stiff competition from the new technology, demand for old products have gone down, with adverse effects on total earnings. Since the number of new jobs created in the activities using the capital intensive technology are in general much smaller than the number of jobs destroyed, and since the workers thus displaced and those that are absorbed in the new technology using activities are not the same set of people, the overall earnings of the former group are likely to be very adversely affected, although in general those that are absorbed in the new jobs enjoy higher rates of pay.

12.28 In some activities there are clear indications that technical change has brought about increases in the earnings levels of rural workers. Sericulture is a case in point where the rapid increases in output have been associated with commensurate increases in employment and earnings. Cooperativization of dairying activities under the Operation Flood exercise has also raised the money incomes of poor rural households.

12.29 One general feature of technological change in the rural economy has been that it has rarely been gender neutral. The new jobs created in the capital intensive sector, be it for operating advanced farm equipment or using powerlooms, are almost always male-oriented. Wherever acquisition of new skills is required, the jobs get earmarked for men. Even membership of dairy cooperatives is predominantly male, although most of the work of cattle rearing is done by women. Thus new technology has been significantly biased against women, thereby reducing their access to incomes and skill in relative terms.

(c) Efficiency

12.30 Technological changes introduced in the rural economy have in many cases been not merely labour displacing but also inefficient in terms of cost effectiveness and environmental sustainability. Very little has been done in the area of afforestation, arresting environmental pollution and waste disposal and recycling technology. In the wake of massive increases in tubewell irrigation under HYV technology in agriculture, there are clear indications that the water table is declining, as ground water withdrawals exceed rechargeable levels. In places in Punjab, excessive tubewell irrigation has resulted in a decline of the water level from a depth of 12-15 feet to more than 30 feet. In many villages of Maharashtra, the steady fall in ground water level due to over utilization for farming in the early '80s led to a serious shortage of drinking water. Apart from the obvious problems that hit everybody, such decline clearly affects poor farmers much more adversely, since they would not have the where-withal to dig deeper for water.

12.31 Over use of ground water has also increased the problem of salinity, especially in coastal areas as in Saurashtra in Gujarat. In the hilly areas as in the terai region of U.P., excessive use of surface irrigation systems has resulted in waterlogging and soil degradation of large tracts of agricultural land. Similar is the case in many irrigated areas in the country.

12.32 Intensive cropping of land brought about by the HYV technology has also been shown to lead to depletion of essential micro-nutrients from the soil. Recent researchers have shown that such micro-nutrient deficiency affects the quality of agricultural produce and in turn adversely affects human and animal health. Similarly, over-tractorization or excessive use of fertilizers can lead to erosion of essential micro-nutrient components of the soil. Thus indiscriminate use of the new technology has in places led to serious environmental sustainability problems. While all sections of the population suffer as a consequence, the poor suffer the most.

12.33 A similar case of over use of the capital intensive technology that has resulted in overall inefficiency in terms of lower yields and higher costs can be cited from the coastal fisheries sector. There is clear evidence that trawling and purse-seining in large motorized boats have been expanded way beyond the optimal level. The imported technology which worked well in the temperate climate of the west has been inimical for tropical ocean fishing. There has been over-investment in trawlers, which is clear from the fact that the size of the total catch has gone down in many coastal areas in recent years. The excessive and indiscriminate ploughing of the sea bottom has been destroying all forms of marine life, thereby upsetting the ecological balance. Over-fishing of the sea waters by motorized trawlers has not merely disrupted the natural regeneration process of the stock, it has directly hit into the space in which traditional fishermen had been making their livelihood for generations. By one estimate, the average size of the catch by an artisanal fisherman in the Kerala coast

fell from 2900 kg. per annum in 1974 to only 1400 kg. per annum in 1982.

12.34 In other non-farm activities also there are instances where over-mechanization has led to inefficiencies. Mechanized oil expellers appear to be fraught with large under-utilized capacity. Similarly capital intensive milk processing plants also suffer from high degree of under-utilisation of capacity. In spite of the fact that hand printed textiles have better export prospects and much higher employment potential, there has been excessive investment in mechanization of textile printing.

12.35 Inefficiencies in resource use arise also because of faulty planning and inaccurate assessment of essential complementarities. The new technology in agriculture is power intensive. Shortages of diesel and electricity for running irrigation pumps and farm equipment have resulted in problems. High breed cattle need expensive feed concentrates, which are in short supply. Organizational inefficiencies as in the operation of new varieties of charkha by village women under KVIC has precluded the benefits from devolving on the target group in proper measure.

12.36 Such examples can be multiplied. Much of this excessive mechanization has been brought about by easy access to and subsidized rates of credit for large producers. Absence of competition has precluded the urge to adapt available imported technology to indigenous conditions or to develop new technology suited to local conditions. However, there are a number of examples where such attempts have been made, and made successfully. The cross-breeding of indigenous multivoltine cocoons with imported bivoltine varieties in silk production is a case in point. A whole range of new technologies appropriate for local conditions has been developed by government and non-governmental agencies with proven properties of efficiency and low cost. The main problem in these cases is more of dissemination to a large enough set of potential users.

(d) Quality of Life

12.37 In principle technology is an essential input in raising the quality of life first by ergonomic improvements in conditions of work, and second, by improving the living conditions through better housing, health, sanitation and infrastructure.

12.38 The application of ergonomics in work environment can help in raising productivity per hour, reducing drudgery involved in various operations and minimizing occupational health hazards. ICAR is one of the major institutions mandated to work on development of farming equipment. While a lot of the new equipment for farming is very capital-intensive and useable only on large farms, a number of ergonomically improved tools are available for manual and animal operated farm activities which can be carried out on small sized plots. Thus, improved equipment systems that raise productivity and at the same time reduce drudgery are available for land development, seed bed preparation, stuffle/trash col-

lection, sowing, irrigation, plant protection, weeding and intercultivation, harvesting, threshing, shelling and cleaning of grain and dehusking of coconuts. A range of new technology also exists for low cost construction using local resources, improved low-cost land and water management systems, better equipment for village industries like pottery, sericulture, pisciculture, efficient use of energy, as well as on health and sanitation. A number of government and non-government agencies and institutions have been working on the development and dissemination of such technology. By all accounts however, the overall record on dissemination has been poor. While proper need identification and knowledge of local conditions and resources are lacking in most formal R & D Agencies, the resources and facilities at the disposal of informal agencies like village extension centres of Community Polytechnics or Krishi Vigyan Kendras are poor at best. Thus the record of top-down dissemination of improved technology to the rural worker has not taken place to any significant extent on a large scale. To make matters worse, however low the cost may be, most of the improved equipment would involve some amount of investment, which is often beyond the reach of small farmers and agricultural workers. Thus even if the awareness is there, the target group is often not in a position to procure the tools for want of resources.

12.39 On the other hand there is reason to believe that new technology has introduced kinds of hazard that were not there in the case of traditional technology. In operating equipment such as tractors or power-tillers, men are exposed to stress-inducing levels of vibration, noise, exhaust emissions and dust. Spraying of pesticides and chemicals directly affects health. There are numerous cases of thresher accidents resulting in loss of limbs, even lives of workers. Examples can be multiplied. Not enough care has gone into designing safer equipment or in ensuring adequate protective gear for the workers to prevent harmful accidents.

12.40 In the area of improving living conditions, in spite of the Technology Missions initiated in the mid-Eighties, statistics reveal conditions of sub-human existence in large parts of rural India. Village India has still a long way to go before the average rural workers has guaranteed access to minimum necessities of life. The problem is one of access, it is also a systemic problem in that basic infrastructural developments that facilitate such assets, like minimal health facilities, drinking water and basic literacy, are scarce. The training programmes for rural workers that do exist are by and large unsuccessful, for apart from the fact that they may be ill-designed in a particular context, the larger issue is that with such rampant illiteracy, even with proper designing, the success rate is unlikely to be high.

IV. Conclusion and Recommendations

12.41 The inescapable conclusion that emerges from the studies is that scientific & technological advances in the country have not benefitted significant sections of rural labour in terms of perceptively improving

their working & living environment and that in many instances new technology has had an adverse effect in terms of employment and earning for large sections of the workforce. While it is equally true that in selected rural areas of the country technical change has significantly improved output and yield, earnings have gone up and new kinds of jobs have been created, often with higher rates of pay, nevertheless, the penetration of technology in the shaping of rural lives has been far from pervasive. It is pertinent to note that the beneficial effects of technological advancement have been more pronounced in areas where infrastructural development has been more adequate, be it in terms of better irrigation facilities, superior communication network, or better provision of rural energy. A significant factor explaining regional disparities in rural growth can be traced to disparities in regional development of infrastructure.

12.42 While disparities in regional distribution of resources can be explained by a variety of factors at one level the reason can be sought in terms of the overall paucity of resources. Expenditure on R & D in the country is a bare 1% of GNP. Although the percentage has been rising over the last four decades, this is much less than what it is in developed countries. In per capita terms, of course it is a measly amount. On top of it, most of this expenditure is oriented towards defence and capital-intensive industry. Rural areas get a very small fraction of the total outlay, and even within rural areas, the distribution of gains has been extremely skewed, favouring large farmers and more developed regions.

12.43 It is high time that technological inputs are utilized for providing basic social services in rural areas. Access to shelter, basic health services and nutrition, minimal infrastructural facilities in terms of transport, communications, energy sources and human resource development should get top priority.

12.44 One of the strongest impediments to the diffusion of new technology is the lack of even functional literacy in large segments of the target group. Primary education and adult literacy are necessary pre-conditions for the spread of scientific temper. India lags far behind many other countries in this continent in this respect and the imaginative use of technological inputs can go a long way in spreading primary education and adult literacy.

12.45 Apart from these basics, one of the main reasons why adoption of capital intensive technology has been associated with many negative outcomes is that in most cases such technology has been developed elsewhere usually in response to a different configuration of factor availability and is not suited to Indian conditions. A lot of the imported technology is highly capital intensive and labour saving. They have sometimes been found to have high rates of private profitability here because of subsidized credit facilities and non-competitive capital markets. However, the social cost of such technology has been high. Often they have resulted in severe inefficiencies in resource use since complementary inputs like power or other

infrastructure have been in short supply. In the context of the rural economy, such technology has been 'inappropriate'. For example, the development of mini and micro hydel projects, whenever such potential exists, would have reduced time and cost overruns associated with big projects, and spread benefits to wider sections of population.

12.46 Thus a strong case exists for developing appropriate technology in the context of rural labour. World Health Organisation (WHO) defines appropriate technology as one which is 'not only scientifically sound but is acceptable to the users, providers and decision makers alike, that it fits with local cultures, that is capable of being adopted and further developed and that it is sufficiently simple in design and execution for local use'. In the last couple of decades, a number of agencies/institutions have been engaged in developing such technology (cf. Section III (d) above). However the record of diffusion is as yet poor at best.

12.47 One of the main factors that has been identified for this failure, is the inappropriate orientation of the major R & D institutions that are engaged in rural development. The approach has been heavily top-down one. Too little effort is spent on need identification, and getting the people involved in the process of developing the technology. The process of dissemination should not stop with lectures and demonstrations. In cases where dissemination efforts have followed the perceived needs of the target group as in case of the 'agricultural clinics' in Kerala, such efforts have been formed to be very successful. Rural sociologists recognize the gap between mere knowledge and the perception of a need. In this context there is scope for developing an informal research system of participatory technology development and diffusion. The existing educational system can be utilized for this purpose. New courses may be introduced and incentives offered for developing a science society interface. National laboratories may be mandated to direct a sizeable chunk of their R & D efforts towards rural needs. Incentives may be provided to the private sector for developing and using appropriate rural technology through fiscal and other measures. S & T capabilities of qualified and committed NGOs may be substantially strengthened. Above all, the direct involvement and participation of the target group is essential. The village panchayat system could be used as a focal point for ensuring such participation. Without such a major reorientation of state policies and programmes, it is unlikely that major changes in the scenario will emerge in the near future.

12.48 It is essential that effective policy instruments are used to ensure proper implementation of the declared policy of discouraging labour-displacing farm mechanisation. Apart from regulatory measures like licensing, effective fiscal measures, e.g. pricing taxes, subsidies and credit in respect of farm machinery as well as energy would have to be used. During the 80s, the prices of electric motors, which are used by all categories of farmers, have increased at a faster rate when compared to the prices of tractors which are

mainly used by large farmers. Liberal long-term credit assistance in such cases should be strictly targeted to the small farmers. The prices of tractors have risen at a slower rate than the rise in agricultural wages. This trend in relative prices needs to be reversed. Since the buyers of tractors are large farmers, there is no justification to continue subsidised financing of the purchase of tractors. This argument applied even more strongly in the case of harvester combines, the rates of excise duty on which are more or less equal to those on tractors. There is a case for pegging these duties at higher levels in view of the higher social cost associated with the use of such machines. In general, a tax-cum-subsidy structure that reduces the price of capital equipment relative to that of labour is likely to be detrimental to employment generation. To the extent it is tilted in favour of equipment like combine harvesters and tractors which are used mainly by large farmers, the impact of such price distortions on small farmers is going to be damaging. There is a need to rationalize the price structure of agricultural equipment so that the interest of small farmers and agricultural workers are protected.

12.49 It is important to note that although the new seed-fertilizer technology is supposed to be scale neutral, differential access to resources, particularly credit and capital intensive farm implements, and a severely skewed distribution of land ownership, has resulted in a markedly uneven distribution of gains in favour of the large farmers. In the absence of effective land reform measures, benefits from infrastructural investments in land, both public as well as private, have also been instrumental in generating skewed distribution of agricultural incomes. Thus, questions of land reform, and provision of better access to supplementary resources and credit for small and marginal farmers are central issues, if technological improvements are to lead to equitable growth.

12.50 In the handloom sector also the advent of powerlooms has been detrimental to the interests of millions of skilled weavers across the country. The technology embodied in the efficient and cost effective powerlooms could have been a boon for the handloom weavers if they could have acquired the capital and the requisite skills for owning and operating the powerlooms, which was what the Textile Enquiry Committee of 1954 had originally envisaged. Instead, powerlooms have brought about massive displacement of skilled manpower which is by any account, a socially inefficient solution. Lack of access to resources have stood in the way of efficient deployment of the existing manpower. The second best strategy of reserving items for the handloom sector, has only partially ameliorated the condition. In designing appropriate technology policy, it is therefore, very important to underscore the point that technological change cannot be socially desirable, or efficient, if it leads to large scale and persistent displacement of manpower. After all, human resources are both the means as well as the end of technological growth.

STRENGTHENING THE LAND BASE OF THE RURAL LABOUR

Introduction

13.1 The Commission has considered the important aspects relating to land in the context of the rural poor. The Commission strongly feels that there is an immediate need to strengthen the land base of the rural poor for raising their income as well as for improving their status and strengthening their bargaining power. The measures, inter-alia, include tenancy reforms, distribution of land, development of common property resources, access of land to women, updating land records and vigorous implementation of agrarian reform laws. All these together will have a favourable impact on rural wages tilting the socio-economic structure; in favour of rural poor and raising living standards. This will also result in change of the power structure in Panchayati Raj institutions. Since land reforms have not been carried out properly and the task remains largely unfulfilled, the Commission feels that the work should be done expeditiously and in such a way that the benefits accrue to the really deserving rural poor, particularly the rural labour.

13.2 The agrarian reforms in independent India were designed as much for meeting the needs of equity and social justice, as for increasing agricultural production. In the socio-economic environment of India, land is not merely a property but is a means of production, confers social status and power and leads to economic security. The basic issue for social and economic advancement of the weaker sections in the rural areas is access to land. Tenancy reforms provide the farmers access to modern technology and credit, removing the institutional and motivational impediments for increase in agricultural productivity. Redistribution of land by application of ceilings would provide land for the landless for agriculture as well as for non-farm activities. Consolidation of holdings would bring together fragmented parcels of small and marginal farmers for developing and fully utilising irrigation facilities. Group farming as in Kerala would lead to more efficient cultivation by providing other common infrastructural support systems and services on a group basis and by extension of modern scientific agricultural technology of seeds and fertilisers which is neutral to scale. Public support for the extension of irrigation to small and marginal farmers to enable them to produce one or two irrigated crops a year would increase the number of days of employment and hence the incomes of such farmers as well as of agricultural labourers. Improvement in agricultural productivity will enhance the capacity to pay better wages to labour. Hence, the various agrarian reform measures directly lead to improving the lot of rural labour.

13.3 The performance of various anti-poverty programmes in the last decade has brought to focus the importance of strengthening the land base of the rural

poor. Land reforms would constitute an essential element in this process. The Seventh Plan observed "land reforms have been recognised to constitute a vital element both in terms of the anti-poverty strategy and for modernisation and increased productivity in agriculture. Redistribution of land could provide a permanent asset base for a large number of rural landless poor for taking up land-based and other supplementary activity.....Land reforms would be looked upon as the intrinsic part of the anti-poverty strategy". In the context of rural development, access to land, however small it might be, and security of tenure are of crucial importance. Recognising this, the Approach to Eighth Plan observes "restructuring of agrarian relationship will be crucial to rural transformation. Steps will be initiated to review and reformulate the land legislations and ensure effective implementation. The inclusion of land reforms laws in the Ninth Schedule of the Constitution is a step in this direction. Land reforms should encompass various aspects of land relationships, such as tenancy, homesteads, consolidation of holdings, land ceilings and distribution of surplus land including land at the disposal of the Government. The land so provided to the poor must be developed to make it fit for cultivation and the owners encouraged to undertake various activities for cultivation on a group basis. So far as tribal lands are concerned, there should be prohibition on its sale or transfer to non-tribals. In the context of land reforms, proper maintenance and improvement of land records assume added importance".

13.4 The land use pattern shows certain distinct shifts in the past decade. Though there has been some decline in pastures and other grazing land and culturable waste, the more significant thing is the increasing area of fallow lands (6 million hectares more in 1986-87 over 1970-71). Apart from big landlords and absentee small and marginal farmers who may have left lands fallow, the other major cause for increasing area of fallows is litigation, soil degradation due to erosion, salinity, alkalinity, water logging etc. There has been erosion of common land by encroachment. Besides large extent of culturable waste land (15.5 million hectares), there are also large areas of degraded forests without tree cover (estimated 35 million hectares).

13.5 According to the Agricultural Census of Operational Holdings, between 1970-71 and 1985-86, while the total operated area has remained practically the same, the total number of holdings has increased by about 27 million or 38%. The area operated by small and marginal holdings increased from 21 per cent of total operated area in 1970-71 to 29% in 1985-86 and their number increased by 25 million (from 70% to 77% of total). (Annexure I).

13.6 It is significant that number and percentage of 'small' and 'marginal' holdings has been increasing. The allottees of ceiling surplus or waste land fall in this category but account for only about a fifth of the increase. Sub-division of holdings due to various reasons has led to increased marginalisation and many marginal holders also enter the labour market as agricultural labourers or otherwise. The shares in area of size groups 'marginal' to 'semi-medium' have increased, while in contrast, the shares of area in size-groups 'medium' and 'large' decreased over the same period. However, the average size of holding in each size class has declined, the decrease for all categories together being from 2.28 ha. to 1.68 ha. in the period 1970-71 to 1985-86. But, large holdings, constituting only 2 per cent of the total, still operated over 20 per cent of the total area in 1985-86. This indicates how strong the concentration of land is even today.

13.7 Land and buildings constitute the most important asset among rural households, both cultivators and non-cultivators (83.6% and 69.8% of total assets respectively in 1981), even though there has been decline in their share and increase in the share of durable household effects over the years. But there was inequitable distribution of assets. Among non-cultivator households about 60% had assets less than Rs. 5000 accounting for about 13% of the value of total assets. Among rural households, about 80% had assets more than Rs. 1 lakh each, accounting for 46% of the value of total assets.

Review of Land Reform Measures

13.8 A variety of land reforms measures introduced since independence are yet to be fully implemented. The process of land reform was thwarted by the big landed interests which resorted to evasion, litigation, corrupt practices and undue influence. They were aided in this by lack of the requisite political will and a passive and unsympathetic administration. The result is that land reforms remain still mostly an expression of pious intentions and the misery and distress of rural labour continues unrelieved. Further delay in the full implementation of land reform will lead to a serious situation. Though 77 lakhs tenants have been conferred ownership rights over a total area of 56 lakhs hectares, still there are a large number of unregistered share-croppers and oral tenants whose rights in land they cultivate have not been secured so far. There are informal tenancies still out of reach of tenancy legislation for security of tenure and fair rents. In many States where provision exists, tenants have not been able to get ownership rights due to their inability to pay the requisite amount to the land owners. The extent of surplus ceiling land which has become available is far short of expectation due partly to various exemption provision in the laws and partly due to large scale evasion through benami or farzi transactions. The area declared surplus so far is 72.20 lakh acres which is just about 2% of the total cultivated area. Out of the area declared surplus,

85% has been taken possession of and 65% distributed to individuals. In many cases, the allottees of surplus land, particularly Scheduled Castes/Scheduled Tribes have either not been given actual physical possession or have been dispossessed from the assigned land. There are cases of continued alienation of tribal land and loss of traditional rights in relation to forests. Many rural landless have not been able to get pattas from government or gaon sabha land being cultivated by them, though considerable encroachment of common lands has been done by the powerful vested interests in the villages. The land records many a time do not reflect the correct status of the rights and interests of persons on land. The small and marginal land holders have not been able to make productive use of land due to their inability to invest in its development and provide for various inputs and services. It is, however, heartening to note that there are positive movements in this regard in some parts of the country, like for example, group farming system in Kerala and the work by the SC/ST Development Corporations in Andhra Pradesh.

13.9 The Study Group on Land Reforms and Common Property Resources set up by the Commission has projected a typology of 4 different situations:

- (a) 'Semi-Feudal' areas like Bihar where the barriers to reform inherent in the prevailing structure of society are too strong to be overcome by the scale and intensity of the efforts for land reforms made so far. Only occupancy raiyats with large chunks of lands gained from Zamindari abolition. The poor and the landless live under constant coercion of land owning classes with dominant vested interests. Bataidars and under-raiyats are mostly non-recorded. Informal tenancy is the highest in Bihar. Large holdings are still common. Consolidation of holdings has made very limited progress. In Uttar Pradesh the Land Ceiling Legislation has been thwarted by malafide as well as Benami and Farzi transfers. Though the capitalist relation has emerged in some areas, Semi-feudal relations continues in various parts. High incidence of informal tenancy has been observed. In Madhya Pradesh there are instances of leasing out of land and high rents paid by sharecroppers who in law stand abolished. Non-tribals have acquired the cultivable land of tribals. In Rajasthan informal tenancy has been reported in the form of sharecropping with high incidence in irrigated pockets.
- (b) Areas (for example Karnataka) with less formidable barriers to land reforms and stronger thrust for reforms as compared to 'semi-feudal' areas but having mixed and on the whole modest results of land reforms. Though the tempo picked up only in 70s, it lost its momentum in the 80s and the radical content largely evaporated in the phases of implementation. The main beneficiaries have been the intermediate class of peasants. The bigger impact of land reforms on the rural poor and the land-

less has been due to their inability to confront land-owning groups, aggravated by unreliable land records, unhelpful revenue officials etc. The proportion of agricultural labourers in the workforce has remained constant or increased. The land ownership structure of some typical States in 1953-54; and in 1982, in respect of the group owning less than 2.5 acres is given below:

States	1953-54		1982	
	Percentage of Nos.	Percentage of total land	Percentage of Nos.	Percentage of total land
Tamil Nadu	76.56	13	81.85	23.57
Andhra Pradesh	63.49	8	67.48	11.26
Gujarat (61-62)	50.00	2.29	52.81	4.65
West Bengal	73.43	15.90	81.50	33.33
Kerala	89.18	31.58	91.67	45.73

The tenancy reforms in Karnataka, making tenant the owner of the land, have been generally successful, though there have been a number of cases of eviction of tenants using such provisions as failure to pay rent, resumption for personal cultivation, diversion for non-agricultural use etc. and sometimes even by so-called 'voluntary' surrenders. Informal tenancy is reported. Land tribunals have proved to be an effective way of tackling litigation.

In Tamil Nadu there is no legal provision to confer ownership rights on tenants. There is no proper recording of tenancy and its terms in the revenue records. The middle land owners belonging to the 5 to 15 acres group gained from land reforms in Tamil Nadu.

In Andhra Pradesh there was hardly any shrinkage in top ownership category. Tenants' oral contracts are not protected and accounted for major portion of the areas. Informal tenancy is also prevalent.

There has been moderate degree of success in implementation of land reforms in Maharashtra and Gujarat. The poor tenants were given loan to buy land. In Gujarat many small and marginal farmers lease out land. The redistributive impact of Land Ceiling law in Maharashtra and Gujarat has not been very significant.

- (c) Areas (for example West Bengal and Kerala) with strong political mobilisation and effective land reforms but where the growth performance has been too weak to complement the reforms to bring about enduring structural change. There has been a genuine attempt in these States to focus land reforms on the rural labour, but the latter are yet to become economically viable, though there has been improvement in the status. While 'Operation Barga' in West Bengal has registered 1.5 million barga-

ders (sharecroppers), the increase in input application rate in real terms has been marginal, yield rate has hardly witnessed any increase over time, and investment in agriculture and human resources have not reached any significant proportions. The importance of Jotedars—big landlords employing sharecroppers and agricultural labourers—has reduced with the increasing influence of panchayats, Kisan Sabhas and left wing political parties. Certain security of employment and to a certain extent minimum wages have been ensured. The most significant impact of the reforms has been to enhance the sense of self-respect of the poor groups and to make them believe in their own ability and organisation. This factor is perhaps more important than the immediate material achievement. In Kerala there has been a significant reduction in inequalities in the distribution of holdings. However, though nothing definite can be said about the impact of agrarian reform on poverty in Kerala, the technological base for more rapid agricultural growth needs to be strengthened and land reforms provide a sound institutional framework for such strengthening. In West Bengal there has been shrinkage at the top and broadening at the bottom in the land holding pattern, showing some redistribution of land ownership and there has been reduction in the percentage of landless households.

The redistribution effect has been more pronounced in Kerala and there has been a sharp drop in the percentage of landless with the complete liquidation of the entire class of rent receivers and intermediaries. However, in terms of production and productivity the performance was poor and there was a shift from seasonal crop to perennial crops.

- (d) 'Green Revolution' areas (for example Punjab) where capitalist farming is firmly entrenched and where reform is needed mainly to improve wages, work environment and economic conditions of labourers. The capitalist farming is reflected in the changing distribution of operational holdings in the State. While at the All India Level the trend has been towards increase in the number of marginal and small holdings, it has been in the opposite direction in Punjab, with the medium and large holdings increasing their share and with the small landowner, leasing out land to the large landowner. The large capitalist farmers were favoured by relatively well implemented programmes like abolition of intermediaries and the consolidation of holdings as also by the programmes which were not implemented satisfactorily like tenancy reforms and ceiling on holdings. In Haryana and Punjab landowners enjoy continuing right of resumption of land upto the ceiling limit, concealed tenancies flourish and eviction of tenants continues. The rent payable is higher than national norms. The capitalistic farmers have a dominant influence on

the formulation and implementation of land reforms. Though a break through in agricultural production has been achieved, this has been at the cost of access to land of the rural poor.

Statewise progress of implementation of ceiling laws may be seen in Annexure II.

13.10 It will be seen from the above that whatsoever may have been the implementation of land reforms, they have not helped the rural poor to obtain secure and equitable access to land nor has an enduring improvement in their economic status been brought about. While improvement of legislative and implementation aspects of land reforms are important, the crucial criterion for successful land reforms is the extent to which they form part of a development strategy, capable of integrating the objective of growth with those of equity and poverty eradication.

13.11 Common Property Resources include community, forest, pasture/waste land, pond/tank, river/rivulet, watershed drainage/river banks and river/tank sheds. The access of rural poor to common lands is of great importance. The household economy of the rural poor depends crucially on the access to common lands in relation to income and employment as well as to supplies of fuel and fodder. But the extent and quality of the access of rural poor to common lands have deteriorated in recent years and there is as yet no credible intervention to reverse this trend. There have been encroachments and privatisation of common lands mainly by the rural rich. The rural poor are currently under the accumulated growing pressures of diminishing access to both agricultural lands as well as common land. Systematic and effective interventions to improve the access of rural poor to common lands need a planning-cum-policy framework for utilisation of land resources which is capable of linking the national-level objectives and policies with the micro-level schemes, programmes and participatory arrangements.

13.12 Certain Studies on Common Property Resources (CPRs) bring out the following scenario:

- (a) The rural poor agricultural labourers and small farm households having less than 2 ha. of dry land or equivalent land derived the major part of their fuel and fodder supplies ranging from two-thirds to over four-fifths of the total from the common lands.
- (b) Common lands also made significant contribution to their employment (128 to 196 days in a year per household) and income (accounting for 14% to 23% of income from other sources).
- (c) The percentage of CPRs to total village area has declined and the number of persons for unit area of CPRs has increased. The developed villages have the least availability of CPRs, with the big farmers and the better off in the village encroaching on it.

- (d) Exploitation of the development potential of CPRs need resources—technology, expertise and investment—all of which the rich can command and hence privatisation of CPRs results. Measures are required to arrest and reverse this process with a comprehensive policy framework, specific schemes and programmes of investment at the local level after delineation and careful planning for development and a management system for protection, conservation and rational and equitable use.

Agrarian Tension

13.13 The agrarian tension and rural unrest which have been witnessed in several parts of the country during the past few decades can be traced to one or more of the following important causative factors. Among them are: the semi-feudalistic land relationship, poor implementation of land reforms including land redistribution and tenancy reforms, a capitalist mode of development with little regard to distributional aspects leading to sharp inequalities and marginalisation of the poorer peasants, poor agricultural wages and non-implementation of minimum wage legislation, social discrimination and oppression as well as lack of organisation of agricultural labour.

13.14 The unrest which was witnessed in the 1960s had its genesis in inadequate implementation of land reforms which led to agrarian movement, forcible harvesting etc. against the exploitation and oppression by the richer sections in the rural areas. The unrest has been found to be sharp in predominantly kharif tracts which have benefited the least from the new agricultural technology and the few big landlords who have benefited from this, have not shared the increased productivity with the tenants and sharecroppers by way of increased rent or with agricultural labour by way of increased wages. The States which have witnessed rural unrest have an incidence of poverty and unemployment and a rate of increase of landlessness and casualisation of labour higher than the all India average. Areas of unrest generally have a high proportion of landless labourers whose primary source of livelihood is wage labour and most of these belonging to Scheduled Castes/Scheduled Tribes. The demand for better wages by the labour is generally during sowing and harvesting when their bargaining power is highest. While the unrest during the late 1960s was on the issues of allotment of surplus land on grant of ownership and in some areas for the restoration of lands of tribals, the agitation in recent years, for example in Bihar, has its causes in non-implementation of the Minimum Wage Act, illegal capture of Gair Majarua land, village ponds, etc. by rich landlords, prevention of occupation by allottees of surplus land as well as social oppression. Strong resistance put up by the rural poor has been sought to be suppressed by brute force by private armies of landlords as well as the Governmental machinery. The semi-feudal production relations, which deny even the existence on record of the Bataidars (sharecroppers) and a fair share of the produce for them and inequitable land holding pattern have

led to the unrest among the poor peasantry and the labourers. These can be construed to be logical steps in the fight to end the dominance of the ruling classes and gain social status and dignity, besides improving their economic condition.

13.15 Certain other areas in the country also exhibit similar pattern. In Telangana area, for example, the issues which have gained importance in recent years include, abolition of Vetti and Pethandari practices such as collection of mamools and fines; economic issues like wages and wage rates; issues relating to land distribution and equitable utilisation of common property resources; conflict of tribals with departments of Govt. as also the exploitative activities of trader-cum-money lenders; restoration of land illegally captured by non-tribals.

13.16 Thus the inequalities prevailing in the rural areas, the oppressive socio-economic system, lackadaisical attitude of bureaucracy, inadequate political will to implement land reforms and lack of awareness and organisation have led to these tensions. It is obvious that the causes of this unrest which lie in the socio-economic system cannot be resolved by treating them as a law and order problems. The situation requires to be viewed in a holistic manner and an integrated strategy to resolve the conflict requires to be evolved, as otherwise the agrarian scene will continue to be beset with discontentment, either overtly or covertly. The State will have to adopt a positive interventionist role to implement legislation effective and to use discretion more judiciously. The functionaries of Govt. need to be reoriented and State action in favour of the rural poor requires to be established. It is necessary to curb the enormous power which the rural rich still wield in the countryside and the surest way to do it is to break land concentration. The strategy for rural development must be matched by a programme for speedy implementation of land reforms along with democratisation of the local authorities in the State, with the participation of the people in the formulation and execution of development works. This would give rural society the requisite orientation in favour of the toiling poor and weaken the hold of richer landed interests which still resist movements for social change.

13.17 Development programmes should be implemented sincerely to gain confidence of the rural poor. A sympathetic, sincere and responsive government with delegation of authority to local institutions can go a long way in containing the unrest on the one hand and dealing with social oppression firmly on the other. The association of voluntary organisations, trade unions, etc. in this task will also help in greater success of the efforts and in building up a strong organisation of the rural poor through awareness and literacy programmes.

13.18 The primary need to strengthen the land base of the rural poor cannot, therefore, be over emphasised. Some of the important areas on which action should be taken and specific recommendations thereon are given in the subsequent paragraphs.

Tenancy Reforms

13.19 The experience so far has shown that complete banning of leasing of land may neither be feasible nor desirable in the interest of tenants. A better course would be that all leasing transactions are got recorded properly and the terms and conditions are fair to the weaker party, generally the lessee (or to the lessor, if reverse tenancy from small and marginal farmers prevails). Law should be amended, where necessary, to permit recording of oral and informal tenants and sharecroppers as well as those in cultivating possession. They should be identified by verification by spot inspection, oral evidence etc. with the help of panchayats, organisations of rural poor, tenants and sharecroppers, agricultural workers, voluntary organisations and this should be done on the spot at the village level as in 'Operation Barga' in West Bengal with the involvement of the local people. Their names should be got entered in land records and protection provided to them against eviction from land or retaliation by landowners. The onus of proving that the claimant was not the tenant/sharecropper should be on the landowner. A sharecropper who has cultivated the land for three consecutive seasons should be given the status of a tenant with rights regarding security of tenure etc. and the rent should not exceed one fourth of the produce. Suitable tax provisions may also be devised for levy on renters who own land chiefly to lease it out for rent on for speculative gains. 'Personal cultivation' should be more strictly defined.

13.20 In States where legal provisions exist for acquisition of ownership rights by tenants, the ownership rights could be acquired by the State on payment of specified amount to landowner and transferred to tenants, who could pay the amount in small annual instalments. The small tenants and sharecroppers use more labour & produce larger output per acre than the large landowner farmers, many of whom lease out part of their holdings to the small farmers. Therefore, land leased out from landowners to the small tenants, if properly regulated, can raise the employment and income of the rural poor, apart from raising the productivity of land.

13.21 Residents of forest villages should be given permanent, heritable and inalienable rights in respect of land cultivated by them for a long time. This should be converted into revenue villages to enable the residents to get the benefit of various government schemes, on par with other rural areas.

13.22 Owning a homestead to keep a few animals or grow a few trees can supplement the family income, besides providing a shelter. The landless agricultural labour and tenants living in houses built on land belonging to the landowners whose land they are cultivating should be conferred ownership rights on the land on which the homestead exists by extending legal provisions to cover upto the present time as recommended in the chapter on Basic Needs. In case they are to be shifted, it should be at the cost of the landowner. However, if the land belongs to Scheduled Castes or Scheduled Tribes, such conferment should

be only in respect of the landless rural poor belonging to those communities only. Similar conferment of ownership of land and house through grant of pattas should also be given in cases of houses built on Government/local body lands without formal permission or allotment. All other rural landless poor should be provided developed house sites. Scheduled Castes and Scheduled Tribes should also be provided with constructed houses over a period of time under the various existing schemes. Group housing schemes should also be formulated to provide houses and common facilities at low cost.

13.23 Measures are required to combat non-cultivation of large extents of land and leaving them fallow by absentee landlords. There should be provision for either the State to take over and lease out on a long term basis or for the landowner necessarily to lease out on a long term basis to give the necessary incentive to the tenants to invest in the land and improve its productivity.

Land Ceiling/Allotment of Ceiling Surplus, Government or Local Body Land

13.24 It is necessary to make renewed efforts for effective implementation of existing ceilings and plugging loopholes and laws should be recast to prevent evasion. Family, and not the individual, should be the basis for fixation of ceiling limits, excluding only the married major sons and widows of a pre-deceased son. The option available to the landowner to choose the portion over the ceiling for surrender should be withdrawn. Benami and farzi transactions undertaken to evade ceiling laws should be identified with the help of panchayats, gram sabhas, organisations of rural poor, tenants and sharecroppers, agricultural workers, voluntary organisations etc. Where false statements are detected, law should provide for punishing landlords and taking over such hidden, undeclared land from the landowner without payment of compensation. Law should also provide for annulling benami transactions. The lands with religious and public charitable institutions should also be brought under purview of ceiling laws and Government should provide for annuities in cash for maintenance of these institutions. Lands exempted for plantations should be checked and verified to limit the exemption to the actual plantation and to take over unutilised land. Wherever irrigation has been freshly extended through Government canals, a reclassification of land and assessment of surplus must be done to get surplus land for allotment. Law should provide for automatic application of appropriate ceiling for land brought under irrigation. Government may also consider the possibility of reducing the ceiling limits and of bringing about uniformity at least for irrigated lands. The Revenue Minister's Conference held in 1985 suggested a ceiling of 5 hectares for irrigated land capable of producing two crops, 7.5 hectares for irrigated land capable of producing one crop and 12 hectares for dry land.

13.25 The surplus land and other available Government land like culturable waste land should be dis-

tributed to the rural landless poor, particularly belonging to Scheduled Castes and Scheduled Tribes, with 40 per cent reservation for women. Released bonded labour and agricultural labour should get preference in allotment of land. Ceiling surplus land should not be reserved for public purposes except for housing for weaker sections, but distributed to the landless.

13.26 In all cases of allotment, and particularly to Scheduled Castes and Scheduled Tribes, it should be ensured that pattas are given, entries are made in land records and physical possession given. The land allotment should be inalienable, a transfer being permitted only by way of inheritance within the family where the allottee has been dispossessed, possession should be restored. The State machinery, particularly in the revenue and police departments, should ensure that this is done and give protection to allottees against any harassment. Government should defend the interests of allottees in civil/criminal proceedings or free legal aid should be compulsorily provided. Transfer of land of a Scheduled Caste person should be permitted only if it is to another Scheduled Caste person. Even for land other than the allotted ceiling surplus land, law should be enacted to ban transfer or alienation of land belonging to Scheduled Caste to non-scheduled caste person.

13.27 The symbiotic relationship of the tribal community with land and forests should be recognised and strengthened. Several ingenious methods have been adopted by non-tribals to grab tribal lands. Various inadequacies in provisions for checking alienation of tribal land should be removed. Where not in existence, laws to ban transfer or alienation of land belonging to Scheduled Tribes to non-tribals should be enacted. Transfer or alienation should be so defined as to cover various subterfuges including encroachments. A campaign needs to be undertaken to detect such cases of alienation and help of community organisations of the tribals should also be taken in this task. The number of courts for disposal of such cases should be increased and mobile courts may be constituted to hear cases in the villages with disputed land. The onus should be on the non-Scheduled Tribe claimant to prove that he has acquired the land of a Scheduled Tribe in accordance with the provisions of law. Expedient enforcement of orders of restoration of possession is also necessary.

13.28 Financial assistance should be given by Government in adequate measure to the allottees of all such lands to develop land and assistance from various other schemes like JRY, etc. should also be converged to enable the allottees to put the land to productive use. The present level of assistance to allottees is inadequate, and should be increased. While formulating a suitable package of assistance, the provision should include a consumption grant to enable the allottees to cultivate and sustain himself for one year.

13.29 Small and marginal farmers who find it difficult to manage the land individually require to be brought together on a group basis to provide facili-

ties like community irrigation source, supply of seeds, fertilizers, pesticides, etc. as well as for organising credit. In this context consolidation of holdings to bring together small or fragmented parcels of land should be undertaken, after intensive groundwork to get willing cooperation of all concerned, particularly the small and the marginal farmers, and ensuring that tenants, if existing, are not displaced. Ground water surveys should be specifically used to help small and marginal farmers on a priority basis. There should be a time-bound programme to fully utilise the available ground water potential for small and marginal farmers, including Scheduled Castes and Scheduled Tribes farmers, through special assistance from the Government and the public financial institutions. The small and marginal farmers could also be encouraged to form co-operative farms or undertake joint or group farming for common infrastructural support systems including irrigation, fertilizers, pesticides, credit, etc. as well as for joint operations. In the group farming successfully implemented in Kerala the individual farmer retains his ownership on land, yield as well as decisions on management practices. Only farm operations, purchase of inputs, water management, plant protection, etc. are undertaken on a group basis through a group committee of cultivators, with technical assistance from Agricultural officers and agroclinics held weekly near the fields. These can make farming viable and less vulnerable. This is one of the possible ways of integrating the strategy of agricultural development with the objective of equity and social justice. This is recommended for study and adoption.

13.30 In view of the pressure of population on the limited land available, acquisition or conversion of agricultural land to non-agricultural purposes should be discouraged. Displacement of persons from land—either tribals from forests or the rural landed or agricultural labour project purposes—should be done only after alternative acceptable means of livelihood is provided to them.

13.31 A land base is essential for various diversified income generating activities like dairying, poultry, bee-keeping, floriculture, sericulture, etc. Culturable waste land should also be distributed to the landless rural poor to enable them to take up such activities, though the land may not be suitable for agriculture. Such land could also be used for growing trees or fodder. There are large extents of degraded forest land without any tree cover. This could also be allotted/leased for growing trees and to afforest the degraded land, with appropriate rights on trees through tree pattas for the allottees. There is an immediate need to amend forest laws to enable such allotment of degraded forest land to the rural poor. On all indications, such allotment can become an important source for augmenting the employment and income for the rural poor, apart from greening the degraded land.

13.32 In order to provide land to the landless in rural areas and reduce concentration of land in big holdings, Government may also consider acquiring land above certain area—say 10 irrigated acres or 25

unirrigated acres—by payment of suitable compensation and allot the same to the eligible landless. The Commission in its interim report had recommended that IRDP assistance can be enlarged to cover purchase of land by the landless on easy terms. This has been accepted by the Govt. and land purchase is permitted as an economic activity under IRDP. Now land, not involved in ceiling proceedings or leading to fragmentation as also not belonging to marginal farmers or SC/ST landholders can be chosen and negotiated by the IRDP beneficiary for purchase with credit from financing institutions. This would be dovetailed with the JRY, Million Wells Scheme, community irrigation projects etc.

Access of women to land

13.33 Allotment of land, house sites etc. should be in the joint names of husband and wife or the women in the case of woman headed households, women belonging to Scheduled Castes and Scheduled Tribes, widows or women who are not married or victims of harassment. This right should extend to assets like trees and houses as well as use of common property resources, collection of minor forest produce etc. The tree pattas should be given to women as a matter of preference.

13.34 Potential women beneficiaries should be associated in the implementation machinery in the field of land reforms, management of common property resources etc.

Common Property Resources

13.35 All necessary action should be taken against the decline of common property resources and remove encroachment thereon. Since the rural poor are the most affected by the decline in common property resources, it is necessary to see that these are not only conserved but investments are made to regenerate them and improve their productivity exclusively for the benefit of the poor to meet their bio-mass and other needs. The encroachments by the rural rich should be removed and the land restored for common use. Privatisation and encroachment should be dealt with severely.

13.36 The management of the common property resources should be so done as to meet the needs of the village community, particularly the landless rural poor and the members of the Scheduled Castes and Scheduled Tribes. There should be an equitable sharing of the usufructs in such common property resources and the management should be entrusted to the village community or rural labour organisation. The rural poor and women should be involved in the management and protection of plantations raised under social forestry both on common lands as well as forest lands and in enjoying the usufruct. Common land, waste land and degraded forest land can and should be used to provide the requirements of fuel wood, fodder and fruits as may be required locally, particularly in hill areas. Diversion of forest land

for non-forest purposes should be contained. Forest department should take the help of Scheduled Caste/Scheduled Tribe, landless labour, etc. to plant, maintain and protect plantations, particularly on degraded forest lands and share in the produce through tree pattas. In tribal concentration areas, the management of village common lands may be entrusted to the customary tribal panchayats, where they exist. The rights of tribals in forests should be protected by law.

Land Records, Agrarian Laws, etc.

13.37 Land records in the country are generally unsatisfactory and inadequate. These create a sense of insecurity to the rural poor and lead to exploitation and litigation. Fresh land records should be prepared on a priority basis to show the real situation on the ground. These records should reflect the current status of the land and all the interests therein, including the names of owners, tenants, sharecroppers, actual cultivators/tillers, persons with homestead rights, agricultural labourers, etc. This should be a joint effort of officials, tenants, and sharecroppers (bargadars etc), agricultural labour, voluntary agencies, etc. and by spot inspection. This would also help in detecting lands which have escaped ceiling laws as well as in identifying the common lands. However, it should be ensured that the rights and interests of tribals in respect of land and land based resources on customary laws and practices are recorded and protected. Particular efforts to allay fears are required in the north-eastern region. Modern technology including computerisation, should be used for this purpose and updating. Survey and settlement operations where not done and revisions where due should be done expeditiously and consolidation of holdings also attempted as a part thereof to facilitate group farming. All these should be under plan schemes and adequately funded. Government may also consider introducing the Torrens system of converting presumptive titles to conclusive titles in areas where revision survey and settlement operations have been completed.

13.38 Existing laws, rules, orders and procedures relating to agrarian reform measures should be reviewed to make them simpler and to enable quick and speedy disposal of cases, also reducing the number of appellate/revisional stages. Constitution of land tribunals with members including Scheduled Castes, Scheduled Tribes, women and voluntary organisations' representatives should be considered for disposal for land reforms cases—particularly land ceiling and tenancy cases—taking also oral evidence, where documentary evidence does not exist or is not reliable. There should be only one appeal to a tribunal to be constituted under Article 323B of the Constitution. Voluntary organisations should also be empowered to bring up cases to prosecute before these tribunals.

13.39 The Commission is of the view that an urgent and time bound programme is required to be mounted by the State on some of the areas identified as being of crucial importance to the rural poor in general and the rural labour in particular. Dissemination of information, mobilisation and organisation of the rural poor and a positive attitude by the State Government

and its functionaries in their favour are also equally necessary for the success of agrarian reforms. To make the whole package related to land reforms and to common property resources purposive and yield results, public infrastructural support to water management and power is a must. Sub-soil water should be treated as national property and exploited by State to supply to the farmers particularly the small and marginal farmers.

13.40 The Commission strongly feels that there is an immediate need to strengthen the land base of rural labour, through various measures suggested above. What is needed is the necessary commitment and political will to move in this direction. We suggest that a major initiative be taken by the Government of India for bringing about consensus among State Governments on the need to strengthen the land base of the rural poor, particularly the rural labour. Steps may be urgently taken to implement the above measures.

CONCLUSIONS AND RECOMMENDATIONS

13.41 The main conclusions and recommendations are given as under:—

(1) Large holdings constituting only 2 per cent of the total, still operated over 20 percent of the total area in 1985-86. This indicates how strong the concentration of land is even today. The area declared surplus by imposing ceiling laws is 72.20 lakh acres which is just about 2% of the total cultivated area. Out of the area declared surplus, 85 percent has been taken possession of and 65 percent distributed to individuals.

(2) Though 77 lakh tenants have been conferred ownership rights over a total area of 56 lakh hectares, still there are a large number of unregistered sharecroppers and oral tenants whose rights in land they cultivate have not been secured so far. There are informal tenancies still out of reach of tenancy legislation for security of tenure and fair rents.

(3) Whatever may have been the implementation of land reforms they have not helped the rural poor to obtain secure and equitable access to land nor has an enduring improvement in their economic status been brought about.

(4) The access of rural poor to common property resources or common lands is of great importance since they depend largely on them for their employment and income as well as supplies of fuel and fodder. But the extent and quality of their access of such lands have deteriorated in recent years and there is as yet no credible intervention to reverse this trend.

(5) The agrarian tension and rural unrest have been witnessed in several parts of the country during the past few decades. The states which have witnessed rural unrest have an incidence of poverty and unemployment and a rate of increase of landlessness and casualisation of labour higher than the all India average. It cannot be treated merely as a law and order problem. The situation requires to be viewed in

a holistic manner and an integrated strategy to resolve the conflict requires to be evolved.

(6) **Tenancy Reforms.**—(i) Law should be amended, where necessary, to permit recording of oral and informal tenants and sharecroppers as well as those in cultivating possession and protection be provided to them against eviction from land or retaliation by landowners.

(ii) Suitable tax provisions may also be devised for levy on rentiers who own land chiefly to lease it out for rent or for speculative gains. 'Personal cultivation' should be more strictly defined.

(iii) Measures are required to combat non-cultivation of large extents of land and leaving them fallow by absentee landlords. There should be provision for either the state to take over and lease out on a long term basis or for the landowner necessarily to lease out on a long-term basis to give the necessary incentive to the tenants to invest in the land and improve its productivity.

(7) **Land Ceiling/Allotment of Surplus Land.**—(i) Family, and not the individual, should be the basis for fixation of ceiling limits, excluding only the married major sons and widow of a pre-deceased son. The option available to the landowner to choose the portion over the ceiling for surrender should be withdrawn. Benami and farzi transaction undertaken to evade ceiling laws should be identified with the help of local bodies and the beneficiaries.

(ii) The lands with religious and public charitable institutions should also be brought under purview of ceiling laws and Government should provide for annuities in cash for maintenance of these institutions.

(iii) Lands exempted for plantations should be checked and verified to limit the exemption to the actual plantation and to take over unutilised land.

(iv) Wherever irrigation has been freshly extended through Government canals, a reclassification of land and assessment of surplus must be done to get surplus land for allotment. Law should provide for automatic application of appropriate ceiling for land brought under irrigation.

(v) Government may also consider the possibility for reducing the ceiling limits and of bringing about uniformity at least for irrigation land.

(vi) The surplus land and other available Government land like culturable waste land should be distributed to the rural landless poor, particularly belonging to Scheduled Castes and Scheduled Tribes, with 40 per cent reservation for women. Released bonded labour and agricultural labour should get preference in allotment of land. Ceiling surplus land should not be reserved for public purposes except for housing for weaker sections but distributed to the landless. Financial assistance should be given by the government in adequate measure to the allottees to develop their such lands.

(vii) Transfer of land of a Scheduled Caste person should be permitted only if it is to another Scheduled Caste person. Even for land other than the allotted ceiling surplus land, law should be enacted to ban transfer or alienation of land belonging to Scheduled Caste to non-scheduled caste person.

(viii) The small and marginal farmers could be encouraged to consolidate their holdings, to undertake joint or group farming as in Kerala for common infrastructural support systems including irrigation, fertilizers, pesticides, credit etc., as well as for joint operations.

(ix) Government may also consider acquiring land through purchase from big landowners having holdings above certain area say 10 irrigated acres or 25 unirrigated acres—by payment of suitable compensation and allot the same to the eligible landless.

(x) Allotment of land, house sites etc., should be in the joint names of husband and wife or the women in the case of women headed households, women belonging to Scheduled Castes and Scheduled Tribes, widows or women who are not married or victims of harrasment. This right should extend to assets like trees and houses as well as use of common property resources, collection of minor forest produce etc. The tree pattas should be given to women as a matter of preference.

(8) **Common Property Resources.**—(i) All necessary action should be taken against the decline of common property resources and remove encroachments thereon. Since the rural poor are most affected by the decline in common property resources, it is necessary to see that these are not only conserved but investments are made to regenerate them and improve their productivity exclusively for the benefit of the poor to meet their bio-mass and other needs.

(ii) The encroachments by the rural rich should be removed and the land restored for common use. There should be an equitable sharing of the usufructs in such common property resources and the management should be entrusted to the village community or rural labour organisation.

(9) **Land Records, Agrarian Laws, etc.**—(i) Fresh land records should be prepared on a priority basis to show the real situation on the ground. Modern technology including computerisation, should be used for this purpose and updating. Survey and settlement operations where not done and revisions where due should be done expeditiously and consolidation of holdings also attempted as a part thereof to facilitate group farming. All these should be under plan schemes and adequately funded. Government may also consider introducing the Torrens system of converting presumptive titles to conclusive titles in areas where revision survey and settlement operations have been completed.

(ii) Constitution of land Tribunals with members including Scheduled Castes, Scheduled Tribes, women and voluntary organisations' representatives should be considered for disposal for land reforms cases—particularly land ceiling and tenancy cases. There should be only one appeal to a tribunal to be constituted under Articles 323B of the Constitution. Voluntary organisations should also be empowered to bring up cases to prosecute before these tribunals.

(iii) To make the whole package related to land reforms and to common property resources purposive and yield results, public infrastructural support to water management and power is a must. Sub-soil water should be treated as national property and exploited by State to supply to the farmers, particularly the small and marginal farmers.

ANNEXURE I

OPERATIONAL HOLDINGS IN INDIA — AGRICULTURE CENSUS

Sl. No.	Category & size	Number of operational holdings (Million)				Area operated (Million hectares)				Average size of holdings (hectare)	
		1970-71	1976-77	1980-81	1985-86	1970-71	1976-77	1980-81	1985-86	1970-71	1985-86
1	2	3	4	5	6	7	8	9	10	11	12
1	Marginal (below 1 ha.)	36.20 (51.0)	44.52 (54.6)	50.12 (56.4)	56.15 (57.8)	14.56 (9.0)	17.51 (10.7)	19.74 (12.1)	22.04 (13.4)	0.40	0.39
2	Small (1 - 2 ha.)	13.43 (18.9)	14.73 (18.10)	16.07 (18.1)	17.92 (18.4)	19.28 (11.9)	20.90 (12.8)	23.17 (14.1)	25.71 (15.6)	1.44	1.43
3	Semi-Medium (2 - 4 ha.)	10.68 (15.0)	11.67 (14.3)	12.45 (14.0)	13.25 (13.6)	30.00 (18.5)	32.43 (19.9)	34.65 (21.2)	36.67 (22.3)	2.81	2.77
4	Medium (4-10 ha.)	7.93 (11.2)	8.21 (10.0)	8.07 (9.1)	7.92 (8.2)	48.24 (29.7)	49.63 (30.4)	48.54 (29.6)	47.14 (28.6)	6.08	5.96
5	Large (10 ha. and above)	2.77 (3.9)	2.44 (3.0)	2.17 (2.4)	1.92 (2.0)	50.06 (30.0)	42.87 (26.2)	37.71 (23.0)	33.00 (20.2)	18.07	17.21
	All categories	71.01 (100.0)	81.57 (100.0)	88.88 (100.0)	97.16 (100.0)	162.14 (100.0)	163.34 (100.0)	163.80 (100.0)	164.57 (100.0)	2.28	1.69

1. The figures in brackets are percentage of totals in respective columns.

2. The figures for 1985-86 are provisional.

ANNEXURE II

QUARTERLY PROGRESS REPORT (CUMULATIVE) ON IMPLEMENTATION OF LAND CEILING LAW
FOR THE QUARTER ENDING DECEMBER, '90 (3rd Qtr.)

Sl. No.	States/UTs.	No. of returns filed	No. of returns disposed	Returns pending (col. 3 - col. 4)	Provisional figures (Area in acres)			Period of report ending
					Area declared surplus	Area taken possession	Area distributed to individual	
1	2	3	4	5	6	7	8	9
1	Andhra Pradesh	442232	442158	74	701494	533406	418952	6/90
2	Assam	21887	21024	863	610370	545162	427007	9/90
3	Bihar	54007	53464	543	474621	379718	258116	9/90
4	Gujarat	53098	58096	2	251818	153721	125207	6/90
5	Haryana	31518	31339	179	121303	113328	112984	9/90
6	Himachal Pradesh	2714	2708	6	284053	281462	3340	12/90
7	Jammu & Kashmir	NR	NR	NR	456000	450000	450000	3/87
8	Karnataka	141788	141485	303	276762	156023	114178	9/90
9	Kerala	71210	70140	1070	132616	92763	62601	9/90
10	Madhya Pradesh	240856	239224	1632	296149	251789	171680	9/90
11	Maharashtra	108546	108097	449	704329	624140	524645	6/89
12	Manipur	238	200	38	1705	1685	1685	8/90
13	Orissa	55300	53947	1353	174153	159450	146554	9/90
14	Punjab	55193	55193	..	139366	104207	101346	9/90
15	Rajasthan	88213	86344	1869	619229	496533	427546	10/90
16	Tamil Nadu	24162	21399	2763	175818	171114	138772	9/90
17	Tripura	2638	2638	..	1995	1947	1598	6/90
18	Uttar Pradesh	94791	93448	1343	527042	496912	357753	8/90
19	West Bengal*	73809	68964	4845	1259119	1142915	869198	6/89
20	D. & N. Haveli	11369	11369	..	8953	7934	5862	12/90
21	Delhi	1701	1692	9	1153	1141	312	3/87
22	Pondicherry	311	311	..	2194	1192	1018	9/90
	Total	1580581	1563240	17341	7220242	6166542	4720354	

* = Report for the month ending March '90 has been received but the information regarding area distribution to individual beneficiaries is not provided. Therefore figures (6/89) have been reported.

N.B. : (1) There are no land ceiling laws in the States/UTs. of Arunachal P.d., Goa, Mizoram, Nagaland, A&N Islands, Chandigarh, Daman & Diu and Lakswadeep.

(2) As a result of the simplification of the proforma, information on pre-revised and revised laws separately has been dispensed with.

(3) Ceiling laws in Sikkim are not being implemented.

ANNEXURE II—Contd.

Provisional figures (Area in acres)

Sl. No.	States/UTs	No. of Beneficiaries	SC Beneficiaries		ST Beneficiaries		Other Beneficiaries	
			Area in acres	No. of beneficiaries	Area in acres	No. of beneficiaries	Area in acres	No. of beneficiaries
	1	10	11	12	13	14	15	16
1	Andhra Pradesh	358619	190807	158369	79042	62533	149103	137717
2	Assam	374210	35348	34563	47290	32404	344369	307243
3	Bihar	296861	151421	182171	31599	32202	75096	82488
4	Gujarat	27931	76770	11904	27753	12299	20684	3728
5	Haryana	37950	49650	17614	..	..	63334	20336
6	Himachal Pradesh	4400	2305	2934	139	261	896	1205
7	Jammu & Kashmir	450000	NR	NR	NR	NR	450000	450000
8	Karnataka	29043	69945	17336	3328	904	40905	18803
9	Kerala	133899	24480	57120	5077	7075	33044	69784
10	Madhya Pradesh	65010	45263	19185	69764	24784	56653	21011
11	Maharashtra	132325	150560	39195	101049	26283	273036	66847
12	Manipur	411	5	3	25	15	1655	393
13	Orissa	124380	46733	42632	61441	46556	38380	35192
14	Punjab	26162	41591	10005	..	..	59755	16157
15	Rajasthan	74668	134853	26600	44084	11487	248609	36581
16	Tamil Nadu	114130	55839	52185	148	97	82785	61848
17	Tripura	1424	217	256	448	359	933	809
18	Uttar Pradesh	305524	244681	209346	1268	669	111804	95509
19	West Bengal	1828274	321240	676461	166568	347372	381390	804441
20	D. & N. Haveli	2768	48	24	5812	2743	2	1
21	Delhi	654	282	495	..	..	30	159
22	Pondicherry	1351	610	795	..	..	408	556
	Total	4389994	1642648	1559193	644835	608043	2432871	2222758

ANNEXURE II—Concl'd.

Provisional figures (Area in acres)

Sl. No.	States/UTs.	Area decl. surplus but not distributed (col. 6-8)	Area not available for distribution due to				Total area not available for distribution (col. 18-21)	Net area available for distribution (col. 17-22)
			Litigation	Reserved/ transferred for p.p.	Unfit for cultivation	Misc. reasons		
1	2	17	18	19	20	21	22	23
1	Andhra Pradesh	282542	161046	15501	43208	44718**	264473	18069
2	Assam	183363	85461	17907	17082	33611	154061	29302
3	Bihar	216505	100529	963	20579	44889	166960	49545
4	Gujarat	126611	97760	13860@	756	6	112382	14229
5	Haryana	8319	7975	180	..	..	8155	164
6	Himachal Pradesh	280713	2591	250	83445	69031	155317	125396££
7	Jammu & Kashmir	6000	..	..	..	..	..	6000
8	Karnataka	162584	146835	13930	1	151	160917	1667
9	Kerala	70015	24113	20200	..	23117	67430	2585
10	Madhya Pradesh	124469	52707	23547	21061	12343	109658	14811
11	Maharashtra	179684	42284	91071	35387	9610	178352	1332
12	Manipur	20	5	..	..	..	5	15
13	Orissa	27599	19311	3063	2194	2039	27407	192
14	Punjab	38020	37634	..	..	..	37634	386
15	Rajasthan	191683	106420	62810	3501	6875	179606	12077*
16	Tamil Nadu	37046	26093	9976£	..	..	36069	977
17	Tripura	397	59	242	51	32	384	13
18	Uttar Pradesh	169289	48063	33115	80393	6783	168354	935
19	West Bengal	389921	179720	44000	121000	18500	363220	26701
20	D. & N. Haveli	3091	1019	927	930	..	2876	215
21	Delhi	841	169	123	..	481	773	68
22	Pondicherry	1176	1050	21	5	44	1120	56
	Total	2499888	1140844	352486	429593	272030	2195153	304735

* = Includes 6780 acres land located in I.C. Canal Project Phase-II.

£ = Reserved under Rule 13 of TNLR (DSL) Rules 1965.

@ = Reserved for Narmada Project.

** = Adjusted figures.

££ = 125396 acres culturable area situated in inaccessible area.

STRATEGY FOR EMPLOYMENT GENERATION IN RURAL AREAS

Policy Perspectives

14.1 It is widely accepted that growth in output cannot by itself generate employment and income on a scale and manner necessary to achieve poverty alleviation in the rural sector. On the one hand there are structural factors like gross inequalities in land and other asset holdings which result in the accrual of the major share of gains of development to the richer sections and the power and dominance of the rich. The other relates to the growth process which is weighed against the poor in rural areas in terms of growing rural urban and inter-regional disparities, labour displacing technology in several sectors and erosion of the income base of the poor in rural areas through ecological degradation and loss of common property resources. Structural changes are no doubt important and in this context the subject of land reforms and common property resources has been discussed elsewhere underscoring their importance in a poverty alleviation strategy. There has to be effective implementation of existing laws regarding land ceiling and protection of tenants and sharecroppers etc. Even so, there will be a large number of small and marginal farmers, landless labourers and artisans whose income will be below the poverty line. This is evidenced by the co-existence of poverty (33.4 per cent of the rural population) with relatively low incidence of chronic unemployment (2.1 per cent of rural labour force) as per 1987-88 NSS estimates. This means that they are engaged in some economic activity for the major part of the year but are not able to earn or produce enough to cross the poverty line.

14.2 The special self and wage employment programmes have provided supplementary source of income for the rural poor. Though individually these are small, the total impact, direct and indirect, of all the programmes has made a discernible contribution to the observed overall reduction in poverty during the eighties. The employment programmes need to be continued, but more efficiently and well integrated with the growth process and reoriented with primacy to employment. In order to secure maximum benefits in terms of sustainable employment and income through asset creation, it is necessary to pay special attention to the following measures:—

- (a) Optimum use of land for further employment generation;
- (b) Effective implementation of land reforms;
- (c) Democratisation of Panchayats.
- (d) Steps to transform balance of forces in rural areas in favour of rural poor as in West Bengal

where land reforms could achieve much success in comparison to other States in the country. In this context, it would be desirable to ensure dominant voice for the rural poor in village Panchayats through proportional representation to different sections of rural labour such as small and marginal farmers, landless agricultural labour, artisans etc;

- (e) Effective implementation of anti-poverty programmes; and
- (f) Social and cultural development of rural youth with special focus on health and sports.

14.3 The goals of employment generation and poverty alleviation have to be achieved basically through a growth process which is highly labour absorbing. Employment should be maximised by focussing on employment intensive sectors in such a way that the level of productivity and efficiency also increase along with employment. Considering the annual rate of increase of the rural work force (estimated at 2.5 per cent) and the annual rates of increase in employment in recent years (0.95 per cent in rural areas and 1.55 per cent total during 1983 to 1987-88), it becomes imperative that an employment orientation is given to growth and policy initiatives taken to encourage sectors with labour absorption potential. The major areas in which distinct possibilities exist are:

- (a) the restructuring of agricultural growth process with irrigation and land development, supported by new seed fertiliser technology;
- (b) eco-restoration through integrated water-shed development with soil and moisture conservation, land development and afforestation, covering also common property resources, supported by dry land farming technology;
- (c) the stimulation of growth of non-agricultural activities and household and small scale industries in rural areas (in addition to labour intensive industries in urban areas);
- (d) the acceleration in the pace of social development in rural areas.

14.4 All the above areas involve labour intensive works or activities and the poverty alleviation programmes of self and wage employment should be dovetailed and integrated with these sectoral programmes through the mechanism of an area development plan. For example, planning for self employment and assets, therefore, should be linked up with planning for agriculture, industries and service sector; wage em-

ployment with infrastructure, minimum needs, common property resources etc. planning and development. The plan should be a package of support through raw materials, markets, finance, training and follow up as well as encompassing the end use of the assets and their maintenance. The beneficiaries of the activities of minor irrigation and land and watershed development should largely be small and marginal farmers who will continue to have an important place in rural economy. The asset base of the poor can be strengthened by community ownership of wells, developed common property resources and afforested wastelands as well as through tree-pattas etc. The ultimate aim is to have sustained employment generation and reduction in inequalities.

14.5 In a country of sub-continental dimensions and varied agro-climatic situations, the contours of employment problems in each State or in each district would be different. Specified regional requirements, therefore, need to be kept in view in the design of employment programmes. As noted in an earlier chapter, the number of persons suffering from chronic unemployment is not very high. However, a substantial proportion of them (as revealed by both the NSS and the Live Register Data) are educated; i.e. matriculates and above. It is, therefore, necessary to generate employment opportunities for them also, and the programme required for this purpose necessitates investment in social infrastructure like health, education, sports, etc. While the year-to-year and seasonal variation in employment require employment guarantee type schemes, the endemic underemployment and low productivity employment call for a substantial programme of infrastructure upgradation in rural areas. A part of such infrastructure development investment should aim at making non-farm enterprise viable, with a view to accelerate the process of syphoning off surplus workers from agriculture. But since the overall development of agriculture alone can assure improvement in the economic condition of both farmers and labourers and raising their purchasing power can pave the way for industrial and non-agricultural activities in the rural areas, a significant share of infrastructure expenditure must be allocated to measures to accelerate on-farm land and labour productivity growth, namely, minor irrigation works and wells, land and watershed development, flood control and drainage, energisation of irrigation pump sets etc. This will also help sustain a growing demand base for the goods and services produced by the non-agricultural sector. However, until the employment and income situation improves substantially through these measures, an employment guarantee scheme for specified categories of persons and areas would serve to ameliorate the distress of a large number of persons below the poverty line. This can be mounted either by pooling or in substitution of existing wage employment schemes. The works should be of the same nature as described earlier in para 1.3 item (a) and (b).

14.6 The fine tuning of the scheme and integration of various aspects like self and wage employment, linkages with infrastructure development etc. can be done through the preparation of an area plan and a

shelf of projects, best done by an expert group at the district level in a multi-level planning framework, after ascertaining the felt needs of the people and identification of various gaps and requirements. Participation of beneficiaries in the planning and implementation process will improve the success of the scheme very significantly. DRDAs/Panchayat Raj bodies should involve voluntary organisations and beneficiary committees in the planning and implementation of poverty alleviation programmes. Some other specific recommendations in regard to self and wage employment programmes are given later on in the Chapter.

14.7 Another aspect of the unemployment problem in rural areas relates to poverty of skills. There are large and increasing numbers of men and women entering the labour force who can only be provided work on unskilled jobs. The country cannot afford to let this situation escalate leaving a large section of rural people in low skill, low wage jobs. A conscious effort at large scale training in skills requires to be made after making a survey of emerging demand pattern for different skills and trades. The concept of training institutes at the district level has been projected in this context in the Chapter on 'Basic Needs'. Then there is the question of the educated unemployed who are in large numbers in rural areas also. The growing disinclination of this section of society to engage in manual work has added to the problems. It should be possible to deploy them on social development activities after some training, like for example in primary and adult education, as health workers etc.

14.8 The final aspect of policy we refer to in this section is the 'Right to Work'. Currently, under Directive Principles of State Policy, Article 41 of the Constitution prescribes that the State shall, within the limits of its economic capacity and development make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of underserved want. Judicial pronouncements on Article 21 under Fundamental Rights have laid down that right of life should be construed to mean right to livelihood as well. Articles 21, 23 and 24 have been interpreted as guaranteeing life with dignity in human conditions. Countries like USSR, China, Cuba and Japan have incorporated the 'Right to Work' as the principal right in their constitutions. Also, many countries provide for social welfare schemes like unemployment allowance, old age pension, allowance for disabled persons, etc. and some countries combine the right to work with a duty to work.

14.9 Considering that one has to keep in view the economic capacity of the State and that under the present stage of development it will not be feasible to offer work commensurate with qualification, choices or preferences, the right to work has to be qualified or circumscribed. Therefore, the right to work for all adult citizens may be incorporated, subject to such terms and conditions as may, by law be provided, which in the form of an Employment Guarantee Legislation, can prescribe also the coverage, nature of work and other aspects. Only manual work can be offered at present on the basic minimum wage. The Employ-

ment Guarantee Programme is needed to support the implementation of minimum wage and consequential agrarian changes and weakening of the hold of the vested interested on the rural labour market. This programme is most essential for persons below the poverty line, Scheduled Castes and Scheduled Tribes and women labour, and in dry and drought prone areas, backward areas prone to out-migration and areas with high incidence of bonded labour or child labour. For efficient execution of works eliminating contractors, systematic organising of camp sites for mobile portion of rural labour and providing amenities therein, ensuring payment of minimum wages and taking up training programmes as well, as organisation like the Karnataka Land Army Corporation with self contained technical and supervisory staff could be considered.

14.10 In the subsequent sections, we outline some of the sectors and areas which hold promise for employment generation on a sustained basis.

Irrigation

14.11 An important element of the strategy for employment generation relates to development of irrigation. As has been pointed out earlier, increase in cropping intensity leads to higher demand for labour and such increases in gross cropped area are possible only through irrigation. Changes in cropping pattern to high value crops, including vegetables and fruits, also have high labour absorption potential but require irrigation also. Moreover, irrigation lends stability to agriculture. Despite large investments and efforts made for increasing the area under irrigation, only about 31 per cent of the net sown area in the country is currently irrigated and the percentage of gross cropped area to net sown area is about 26 per cent. Though the positive impact of irrigation on employment and output is well known, many States in India do not have adequate irrigation facilities. Resource constraints, long gestation periods and various other factors make major irrigation projects unattractive for results in the short run and it would not be feasible to take up such projects in all the States. Besides, the gap between the potential created and potential actually utilised continues to be serious in respect of major irrigation projects. It is, therefore, necessary and desirable to give priority to minor irrigation works (which have a short gestation period) in the States where irrigation facilities are far from adequate. Such works are labour intensive and could include restoration of tanks, percolation tanks and digging wells, construction of canals and field channels, etc. They can form a part of an integrated micro watershed development plan also.

14.12 Groundwater exploitation in a regulated manner is another area which should be given priority. Wherever possible, this should be accompanied by consolidation of holdings, particularly of small and marginal farmers, so that community irrigation wells can be established. Group farming experiment of Kerala has met with outstanding success and this deserves to be encouraged in other parts of the country. This involves, without surrendering ownership rights, coming together of a number of small and marginal

farmers in a viable block for sharing of common services and deriving economies of scale. No land in the block is allowed to be left uncultivated. Agricultural extension, supplies and services required for introduction of new agricultural technology are all made available at the panchayat/village level. Educated unemployed youth have been engaged by the Scheduled Caste Development Corporation/Cooperative Society on tractors, power tillers, threshers, etc. which they own, to provide services to group farmers.

14.13 Rural electrification in the context of energisation of irrigation pumpsets must be given particular attention, as this is a serious constraint in some areas of the country.

14.14 It has been pointed out that there is discrimination and inequity between surface irrigation and groundwater irrigation. In the case of former, the entire capital investment and operation and maintenance costs are borne by the State and generally only water rates are charged. In the case of groundwater, the capital cost as well as the running cost have to be borne by the private individual. It has been suggested that there should be public investment in the exploitation of groundwater also and the individual beneficiaries charged only a water rate. This will go a long way in increasing production and employment and in reducing poverty, particularly of the small and marginal farmers, who constitute over three-fourth of the operational holdings in the country. Since it is difficult for the small and marginal farmers to invest in irrigation works, it is necessary to meet the water requirements of rural farmers at State cost. It is necessary to devise an appropriate mechanism (like the tax on marketed surplus in Punjab) to effect the transfer of a part of the incremental/income of the rich farmers, so as to finance development programmes in rural areas on a sustainable basis.

Dry Land and Eco-restoration

14.15 Even with maximum exploitation of water for irrigation, nearly two third of cultivable area in the country will continue to be rainfed and subject to vagaries of the monsoons. The inter-State and intra-State disparities in agricultural output, output per worker and levels of poverty are consequences of this situation. In addition, during the last few decades there has been a serious ecological degradation. Pressure of population has led to marginal and sub-marginal lands being brought under cultivation. Denudation of vegetative cover and deforestation have eroded the soil and degraded the land. Apart from appropriation of common lands by the rich, increasing overgrazing due to pressure of cattle, sheep and goats has worsened the situation in what is left of the commons. All these have been happening in areas where the progress of yield increasing technology is slow and growth in crop production is low. The rural poor, particularly women and children, have to walk much longer distances to collect firewood and fodder. And drinking water has become scarcer owing to the decline in water table. The work of eco-restoration can brook no delay.

14.16 Land is a limited natural resource of the life supporting system. Out of about 300 million hectares of area in the country for which land use statistics is collected, net sown area is about 140 million hectares. Barren and uncultivable land constitutes 20 million hectares, cultivable waste 16 million hectares and old fallows 11 million hectares. Out of about 67 million hectares of forest land, about 30 million hectares have no tree cover and it has been estimated that about 1.3 million hectares of tree cover are being lost every year. Even the permanent pastures and grazing lands extending to 12 million hectares have depleting biomass cover. Restoring the health of degraded lands is vital to ecological balance and the economy.

14.17 Cultivation of dry land is attended by risk of crop failure and consequently investment in land improvement and crop management has been virtually absent. Dry land farming technologies were under evolution. Monoculture practised in social forestry in some areas seems to have affected the environment adversely. For example, large scale cultivation of eucalyptus trees to provide cheap raw materials to the big paper making units appears to have reduced water tables in the vicinity, thus reducing irrigation potential. Alternative raw materials including agricultural wastes, can be used by small paper units. In some areas of the country even common lands have been given away for establishment of industries, thus seriously affecting the rural poor.

14.18 Improving the land resource base and the eco-system in rural areas should, therefore, be taken up on a large scale. This is best done in the framework of an integrated watershed development in which mini or micro watersheds are taken up for systematic treatment. Technologies are also available for reclamation of different types of waste land and for dry land farming. Area specific, cost effective, ecologically sound and locally acceptable technologies should be selected and propagated. The works would include treatment of the catchment area to prevent erosion of the cultivable land area to control erosion of soil and run off of water and providing drainage and water harvesting structures to enable protective irrigation. Thus soil and moisture conservation through graded bunds, land smoothing, surface drainage and contour cultivation will help to improve the productivity of land and contain degradation. The catchment area can be contour banded or trenched and afforested with mixed species—both shallow and deep rooted, fuel wood and fruit, broad leaves and fodder species. The priority should be for holdings of small and marginal farmers and common property resources. If alternate more economical and environmentally friendly land use patterns are to be followed, these should be encouraged taking the people into confidence. The planning and implementation of such projects should be with the full participation and involvement of the beneficiaries, who will also be required to maintain the structure.

14.19 This approach will also facilitate the creation of a diversified dry land economy capable of supporting activities allied to agriculture in the areas of farm

forestry, forage cultivation, livestock development, dairying, wool, sericulture, poultry etc. The experiments in Karnataka and elsewhere have also shown the success of this approach of integrated watershed development and dryland farming as also the advantage to the soil and moisture capability, say by growing horticultural crops, tree crops, fodder etc. where land is non-arable. Various works involved in this are labour intensive and can be undertaken through wage employment programmes and the infrastructure created can also support self employment schemes. In view of the growing importance of developing rainfed areas on watershed basis, the Government of India has recently restructured the National Watershed Development Project for Rainfed Areas (NWDPA) with a view to cover an area of 28 lakh hectares in all the blocks of the country (2594 blocks spread over 361 districts) where less than 30% of the arable area is under assured irrigation, at an estimated cost of Rs. 1140 crores during the VIII Plan. The restructured NWDPA, a Centrally sponsored scheme with 100% Central assistance, seeks to achieve the twin objectives of sustainable production of biomass and restoration of ecological balance through employment oriented production system comprising double and inter-cropping, agro-forestry, horticulture, contour bunding etc. in the case of arable land and areal seeding of grasses, tree plantation, etc. in the case of non-arable land.

14.20 Village panchayats are the institutions entrusted generally with the managing of common property resources in rural India. However, in many places they have been encroached upon by the richer segments who also reflect the power structure in the panchayat. The Panchayats are also often embroiled in inter-village, inter-hamlet and inter-group conflicts which inhibit the productive use of revenue and common land. As a result, public open lands, lands on both sides of canals, roads and railway tracks have remained wastelands. This situation requires to be corrected. The village commons should be regenerated and access to its resources should be equitable. Waste lands should be used for productive purposes and for this they can be leased out or assigned to the rural poor, if necessary, through voluntary agencies, for planting trees with usufructuary rights over them.

14.21 The area under forests in India is only about 20 per cent of the total land mass, which is considerably less than the requirement of 33 per cent necessary for a healthy environment. A large portion of the area declared as forests has no tree cover, and the annual loss of tree cover is estimated at 1.3 million hectares. There is a paramount need to tackle the degraded forest lands as the present area of forest cover is far too inadequate not only for ensuring eco-balance but also for meeting the needs of the tribal people who are heavily dependent on forests. Involving the local community, afforestation of degraded forest lands can generate employment to the rural labour also.

14.22 According to an estimate, the reclamation of about 40 million hectares of waste land for bio-mass production can generate about 53 million man years of work.

Non-crop Agriculture

14.23 Employment in non-crop agriculture comprising plantations, livestock production, agricultural services, hunting etc. forestry and logging, and fishing has remained almost in the same proportion, around 10 per cent of the total employment in agriculture, in 1977-78 as well as in 1987-88, according to usual principal status employment figures from NSS Rounds. Taking the total employment in this sub-sector as a whole, livestock production accounted for 66% of the employment in 1977-78, but declined to 59% in 1987-88, principally in the female workforce, possibly brought about mainly by the drought of 1987-88.

14.24 As regards the share of the different categories of the non-crop sub-sector in the addition of 2.1 million to the workforce during 1977-78 to 1987-88 in this sub-sector, plantations absorbed about 38% of the increase, forestry and logging 28%, agricultural services about 20% and livestock production about 20%. Fishing accounted for the rest (2%).

14.25 Though there is some potential for increase in employment in plantation, the scope is rather limited. Similarly, increase in employment in agricultural services also has limited possibilities. However, the potential for increased labour absorption appears to be significant in livestock production, dairying and forestry. This, however, requires considerable investment in the improvement of cattle population and grazing land as well as land reclamation and development of forests. Resources should be found for this purpose because activities like goat rearing, piggery, poultry, etc. provide employment opportunities in the rural areas. In order to maximise the benefits from livestock development it is necessary to encourage cross (or exotic) breed. Besides, the tendency on the part of the richer sections of society to corner those activities by employing the weaker sections like SCs/STs for doing menial jobs involved in such activities should be halted, and the weaker sections should be supported financially to own and run such enterprises themselves. It is also necessary to open more fair price shops in the rural areas, and employ those from among the weaker sections for managing these shops.

Non-Agricultural Activities

14.26 As has been noted earlier, fairly significant increases in employment have been noticed in the non-agricultural sector, though the opportunities available in this sector are still not adequate to absorb the unemployed persons and give full employment to under-employed. Nevertheless, the increase in employment witnessed during the period 1977-78 to 1987-88, especially in construction, manufacturing and service sector indicates that there is considerable scope for labour absorption in the non-agricultural sector in rural areas.

14.27 In regard to the construction sector, the possibilities of labour absorption can be enhanced by adopting labour intensive technology to undertake construction of cheap houses for the weaker sections of the rural population on a large scale in every State. In

order to ensure this, it is also necessary to give emphasis for the adoption and promotion of low cost housing technology with cheaper building materials and also provide the support through credit facilities, where State is not bearing the entire cost. Employment opportunities in this sector also exist for several craftsman trades like masons, carpenters, plumbers, electricians etc. and giving training in these skills to the rural people (in some cases with some minimum educational qualification) will increase the opportunities for employment. In addition to low cost housing, other rural infrastructure in the form of markets, godowns etc. also can absorb labour in the construction activities.

14.28 For promoting growth of manufacturing units in rural areas, it is essential to promote enterprises which have forward and backward linkages with agriculture and locate them near urban and semi-urban areas and small market towns. As the facilities available to the small scale sector are mostly relevant to and availed of by the relatively bigger units in this sector, it is necessary to provide special incentives for the growth of smaller units in the rural areas. As is well known, these units suffer from a number of disabilities such as inadequate infrastructure, low access to credit at reasonable rates of interest, absence of dependable markets etc. Mortality rate of the units is, therefore, quite high. Thus, it is necessary to provide special facilities in the form of subsidised credit, adequate supply of raw materials and ensuring dependable markets for the products. It will also be useful to reserve certain items for exclusive manufacture in the rural sector. Since it is the small scale industry which provides a larger share (80%) of employment in the manufacturing sector as compared to the bigger units, it would be necessary to provide all possible support to the growth of the small scale industry and create a conducive environment for it. In view of the high incidence of sickness in the small scale sector, it is necessary to pay attention to each individual unit. It is also important to provide adequate safeguards to ensure that the incentives like credit and subsidy, meant for the small scale sector are not appropriated by big industrialists. It is also necessary to encourage traditional activities in the rural areas. KVIC should take initiative in this regard. This would discourage migration of labour to urban areas.

14.29 The need for the above special measures is underscored by the fact that there has been a tendency to shift some of the industries located in the rural areas to semi-urban or urban areas. This is reflected, at least in part, in the decline in the percentage share of the workforce in some of the industries in rural areas. The other reasons for this shift include change-over of the production from the household sector to the factory sector and adoption of higher level of mechanisation and technology. The NSS figures show, for example, that during the period 1977-78 to 1987-88, share of rural India in the workforce in for products industries declined by 7.4% points, in the case of textile products by 5.7% points, in the case of leather and leather products by 14.4% points, in the case of metal products by 6.5% points and machinery, machine-tools and parts by as much as 16.2% points. Since the

infrastructural facilities available to urban industries are the main attracting force for such shifts, it is necessary to ensure suitable infrastructural support for rural areas in the form of labour, cheap credit, supply of raw materials and linkages to markets in order to see that the rural based units survive and thrive.

14.30 As regards village and khadi industries, institutional support comes mainly from the Khadi and Village Industries Commission and the Khadi and Village Industries Boards in the States. The Khadi and Village Industries Commission (KVIC) is a statutory organisation entrusted with the responsibility of promoting the development of khadi and village industries in the rural areas. The activities of KVIC cover only about 2.1 lakh villages in the country, which means that almost two-third of the villages are not served. It is, therefore, necessary to enlarge the coverage of villages for promoting this sector of industries. This sector also suffers from the problem of getting raw materials and wider markets. There is also criticism about the working of the KVIC, KVIBs and their assisted units about the poor technical and general management, low income generation, which many a time may not even ensure minimum wages and inadequate attention to the weaker sections like Scheduled Castes and Scheduled Tribes. These deficiencies require to be made up in order to see that the rural artisans and others served by this sector derive substantial benefits.

14.31 Statewise trends in the growth of employment in the non-agricultural sector in the rural areas between 1977-78 and 1987-88 reveal that there was increase in employment in this sector in all the States, though there was a decline in the female workforce in this sector in Bihar, Haryana, Himachal Pradesh, Orissa and Punjab. Investigations by the Study Group on 'Employment Generation' have revealed that during 1972-73 to 1983-84 employment in terms of person-days in the non-agricultural sector registered increases in Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka in the non-agricultural sector in the rural areas between and West Bengal, but declined in Maharashtra and Rajasthan. Another encouraging development is the fact that under IRDP 56% of the households were assisted outside the primary sector. Self-employment Programmes also need to be encouraged in the growing segments of non-agricultural activities in the rural sector.

14.32 Another promising area for additional employment generation is sericulture. This can be mulberry based or could be tusar or muga silk. Small irrigation facility to grow mulberry is adequate to take up sericulture activities even in non-agricultural areas. With the necessary infrastructure, this can generate considerable employment in rural areas, particularly for women. The multivoltine varieties are more handy and lend themselves for labour intensive decentralised operations. The various schemes promoted by the Central Silk Board including some with international assistance, should be able to generate more employment and income for the rural labour.

Social Infrastructure Development

14.33 Another area which requires attention is the problem of the educated unemployed. Some statistics from the 1987-88 NSS Round on numbers, participation rates and unemployment rate in rural and urban areas for men and women, are given in the following table, both for matriculates only and for the graduates and above.

NSS 1987-88	Matriculates only		Graduates and above	
	Men	Women	Men	Women
Rural				
Number (Million)	16.9	5.4	3.6	0.9
Participation rate (%)	a 74.2	26.3	90.1	39.9
	b 78.2	33.9	92.1	44.1
Unemployment rate (%)	a 10.5	33.5	15.0	37.3
	b 6.8	23.0	10.2	30.4
Urban				
Number (Million)	17.3	9.8	7.6	3.7
Participation rate (%)	a 70.7	16.2	86.4	37.7
	b 71.9	18.8	87.0	39.0
Unemployment rate (%)	a 8.8	22.6	7.4	21.1
	b 7.4	17.0	6.7	18.7

a - Based on principal usual activity only.

b - Based on both principal and subsidiary usual activities.

14.34 As would be seen from the above there are large number of matriculates who are unemployed in the rural areas. Two sectors in which it should be possible to increase employment opportunities are education and health. The present level of social development in the rural areas is low both in comparison with the level in the urban areas and in terms of the gap between the need for services like education and health in the rural areas and the actual situation. Improving literacy, better public health etc. will help in social awareness and development on the one hand and can generate employment for the educated youth on the other. Assuming that about 75 per cent of the population is in rural areas and further assuming that the ratio for the age group 5-14 years as estimated in the 43rd round of NSS (1987-88) is generally applicable currently also, it is estimated that number of children in the age group 5-14 years could be about 166.5 million. Adopting a student-teacher ratio of 45:1 (it was the ratio prevalent in 1983-84) the number of teachers required would be 3.7 million, out of whom 1.6 million are in position. Thus, the number of additional primary school teachers who would be required would be 2.1 million, if compulsory primary education is fully implemented. Matriculates, particularly women, in rural areas can be given the necessary training to become primary school teachers.

14.35 There is also additional employment potential if steps are taken to improve health services. As per national norms one community health centre (CHC) is to serve one lakh population, whereas it currently serves a population of 3.24 lakhs.

On the basis of the estimated rural population for 1991, the number of additional CHCs required to meet the national norm would be about 4,450. On the basis of the staff pattern, the additional number of persons required to man these would be about 1.1 lakh including 17,900 medical officers, 31,340 nurses, 17,910 para medical staff and 44,710 unskilled persons.

14.36 In regard to Primary Health Centres, Sub-Centres etc., though the national norms have been met generally, much remains to be done to improve the ease of access to these facilities. For example, in regard to Primary Health Centres, the area served ranges from about 42 sq. km. for health centre in Kerala to about 372 sq. km. in Madhya Pradesh and similarly in regard to sub-centres it varies from about 7 sq. km. in Kerala to about 42 sq. km. in Rajasthan. The distance to be covered to reach a Primary Health Centre or a Sub-Centre is the least in Kerala and highest in Rajasthan. More Primary Health Centres and Sub-Centres would be required to be opened to improve accessibility of services and if the distance norms achieved in Kerala are to be reproduced everywhere in the country, 55,600 additional Primary Health Centres and 3.3 lakhs additional Sub-Centres would be required. Thus, over a period of time this could mean an additional employment of 9.9 lakh health workers for the sub-centres and 8.9 lakh posts for the Primary Health Centres including 4.4 lakh administrative personnel. Besides this, every village is to be served by trained village guides. The Commission has proposed certain revised schemes for enhancing the number of village health guides in the Chapter of 'Basic Needs'. On the basis of those recommendations, the additional number of village health guides required will be about 2 lakhs. Thus, in augmenting the health services over a period of time, considerable employment can be generated for the educated unemployed even if norms less than the ideal norms of Kerala are to be adopted.

Poverty Alleviation Programmes

14.37 As already emphasised the poverty alleviation programmes of self-employment, wage employment and several backward area development programmes should be planned within the framework of an Area Development Programme so that the different components supplement and complement each other. The DRDAs and the district level planning set up need to be equipped with the necessary expertise to develop such plans integrated horizontally at the district and block levels.

14.38 The DRDA should be given a permanent status and should be adequately staffed. Functionaries should be trained in planning and implementation to improve the managerial and administrative capabilities. In order to involve the people in the process of planning and implementation of the programmes, voluntary agencies, beneficiaries organisations, experts and social workers should be formally associated and periodic feed back also obtained through group discussions, seminars etc. The association of the people could be at the block as well as district level.

14.39 Qualitative monitoring and assessment of programmes should also be done on the lines of the concurrent evaluation involving experts and people's organisations.

14.40 The selection of beneficiaries under IRDP should be such that they are linked to the on-going sectoral development programmes and are ensured forward and backward linkages and meshed with wage employment programmes wherever possible. For example, small and marginal farmers can be helped under watershed development, minor irrigation, percolation tanks etc. taken up under wage employment programmes. Activities in the secondary sector should be linked to mini-industrial estates, growth centres etc. Activities selected in the services sector should be such as to meet the needs of the village. A group approach should be adopted through cooperative societies or otherwise, particularly for the manufacturing sector.

14.41 One of the reasons for the beneficiaries not being able to cross the poverty line is low level of investment. The Public Accounts Committee had recommended that the investment for beneficiaries should be around Rs. 10,000/- to generate enough income. This should be ensured to all IRDP beneficiaries to enable them to cross the poverty line, though this should be done selectively taking into account the absorbing capacity of the beneficiaries, as the poorest of the poor may not necessarily be able to absorb such investments. The Commission welcomes the inclusion of purchase of land by landless IRDP beneficiaries as a permissible activity and commends it for large scale implementation.

14.42 Efforts should be made to introduce tests to identify potential entrepreneurship and thereafter, they should be given training in rural entrepreneurship. Entrepreneur development institutes in the country should be involved in this task.

14.43 The credit network in remote and backward areas needs to be expanded and this is particularly so in the North-East Region. Working capital should be provided wherever needed and for an effective supervision and follow up there should be maximum coordination between the banks and Government agencies. The Service Area Approach adopted by banks should be extended to as many areas as possible.

14.44 TRYSEM beneficiaries should be selected carefully so that only those who have the aptitude to take self-employment are given training in skills and trades. The selection of the areas of training should be in the context of the needs of the regional economy. Besides skills training, other areas required for entrepreneurship (management, accounts etc.) also should be covered in the training, if it is for self-employment. It would be desirable to involve the banks also in the identification of trades and beneficiaries.

14.45 More flexibility should be introduced into the implementation of the programme of DWCRA. Various alternative approaches could be: to have the

DWCRA group as a cooperative society or the DW-CRA group members as wage earner in an activity managed by a voluntary agency or the DWCRA members could be individual entrepreneurs working in a well designed common facilities centre. One of these models suitable to the local area and the local people could be adopted. As in TRYSEM the economic activities should be selected carefully and training component strengthened.

14.46 The assets which should be normally undertaken under wage employment programmes are (a) directly productive assets such as irrigation works, land development, soil conservation, afforestation etc. (b) infrastructural assets such as roads, bridges, godowns, bank building, gohar gas plants etc. and (c) those including the quality of life of the poor such as housing, school rooms, dispensaries, etc. The assets selected should be such that they provide employment during construction, sustain employment thereafter or improve quality of life and the use of the assets is more oriented towards the needs of the poor. As already emphasised these should be in the framework of the development plan of the region.

14.47 In the wage employment programmes minimum wages should be ensured and part payment of wages in foodgrains should continue, attempts being made to provide the coarse grains wherever preferred. Payment of wages should be regular. Minimum facilities like drinking water, shades, creches etc. should be ensured at works sites for the workers.

14.48 The development of Common Property Resources should receive priority for improving incomes and employment of the poor, for example, afforestation of waste lands and degraded community forests and social forestry to provide fuel and fodder, village pastures to provide grass land etc for animal husbandry, common lands for horticulture, village ponds and tanks for fishing etc.

14.49 The equity aspects of wage employment programmes should be given particular attention, for example, the poorest of poor strata should be given preference in wage employment programmes. Soil conservation and watershed development should be undertaken on the lands of small and marginal farmers. There should be a provision for collective ownership of the community assets and individual ownership by the poor of certain community assets as for example, under the Tree Patta Scheme on Government funds. While the users of community assets should be charged the same price generally, the poor should be subsidised particularly for fuel and fodder.

14.50 Special taxes may be imposed on the non-poor, both in rural and urban areas for financing wage employment programmes.

14.51 Since all the employment demanded by the poor will not be available locally in all regions and only a portion of the workers will be willing to travel away from the village, the mobile component of the labour force can be organised under a Land Army Corporation with its own technical and other staff.

This can also help in ensuring proper execution of works and payment of minimum wages to the workers. Various amenities can be organised at works sites for the families of the workers. Training schemes can also be taken up by such a Corporation.

Employment Guarantee Programme (EGP)

14.52 The ultimate aim of an employment oriented development strategy is to generate employment opportunities in several trades to all those who seek work or are available for work. The surplus manpower should be put to productive use. Until the normal growth processes able to generate sustained growth in employment, the special employment programmes will have to continue to provide additional work opportunities to the unemployed and underemployed in rural areas. Since the rural labour, particularly in agriculture has limited number of days of employment, it will be necessary to plan for an additional 90 to 100 days of work generally and for about 100 to 150 days in drought prone areas. The operationalisation of the concept of Right to work to be incorporated as fundamental right will have to be through an Employment Guarantee Programme for rural labour, generally on the lines of Maharashtra Scheme.

14.53 Guarantee could be only for the purpose of providing unskilled manual work at the basic minimum wage. The programme is most essential for persons below the poverty line, Scheduled Castes, Scheduled Tribes and women labour and in dry and drought prone areas, backward prone areas to out-migration and areas with high incidence of bonded labour or child labour.

14.54 The works which are to be undertaken under such a scheme should flow from an Agro-climatic Zonal Plan or an Integrated District, Regional or Area Plan as has already been emphasised earlier. Basically, it should be aimed at increasing agricultural productivity, eco-restoration of infrastructural development, all of which should lead to sustained employment generation in the second round or improve the quality of life.

14.55 On the basis of the daily status figures of unemployment from the 43rd Round of NSS (1987-88), it is estimated that there would be a backlog of unemployment equivalent to 3899 million person days in rural India during 1990-91. It is also to be noted that the NSS figures revealed that less than 5 per cent of the total number of rural households reported total absence of employment for any member and that the educated unemployed (matriculates and above) males and females accounting for 43 per cent and 24 per cent of the total number of unemployed males and females respectively in rural areas are not likely to accept unskilled work. It may be reasonable to assume a turn out ratio of two third of the unemployed. Assuming a minimum wage of Rs. 20 per day and a labour material ratio of 60:40, an estimate of the cost of the employment guarantee on the basis of the turn out ratio assumed would be of the order of Rs. 8660 crores per annum. Looked at from

another angle, the number of persons below the poverty line in 1987-88 were 196 million and with the average number of persons per rural household being five, the number of rural households below the poverty line would be 39.2 million. Again assuming that this is the figure even in 1990-91, and that only two-third of these families will be willing to accept manual work, if one person from each family is to be provided guarantee of work for 100 days in a year, 2610 million person days of employment would be required. With a minimum wage of Rs. 20 and a labour material ratio of 60:40, the total amount required will be Rs. 8700 crores per annum for rural areas.

14.56 In order to mount such a programme, all the on-going employment generation schemes of Central and State Governments could be reviewed to consolidate them into an Employment Guarantee Programme with the involvement of both the Central and State Governments. The resources from different programmes could be pooled for this purpose. While the plan of works will be drawn up by expert bodies, the implementation could be done in a decentralised manner through the village Panchayats but under the technical supervision of staff from district and block levels. Alternatively, an organisation like the Land Army Corporation can also be used for this purpose.

14.57 The estimated financial burden for rural areas can be met partly from pooling together the allocation for employment programmes currently available in the Centre and the States. Some of the schemes relating to land and water development and management would be bankable and can be met from credit. Some resources can also be raised by additional taxes on the non-poor in the rural and urban areas. Even so, some additional budgetary allocation will have to be made by the Centre and State. Present ratio of sharing of expenditure applicable to JRY, namely Centre and State sharing in the ratio 80:20 is also recommended to be continued. However, if the States would like to pay a wage higher than Rs. 20 a day, the additional resources may be found by the States.

CONCLUSIONS AND RECOMMENDATIONS

14.58 Main conclusions and recommendations are as follows:

(1) The goals of employment generation and poverty alleviation have to be achieved basically through a growth process which is highly labour absorbing. The major areas in which distinct possibilities exist are:

- (a) The restructuring of agricultural growth process, especially in the lagging regions with irrigation and land development, supported by new seed-fertiliser technology;
- (b) co-restoration through integrated watershed development in dry and drought-prone areas;
- (c) the stimulation of growth of non-agricultural activities and household and small scale industries in rural areas (in addition to labour intensive industries in urban areas);

(d) the acceleration in the pace of social development in rural areas.

(2) In order to increase the cropping intensity which leads to higher demand for labour, it is necessary and desirable to give priority to minor irrigation works of short gestation period in the States where irrigation facilities are far from adequate. There should be public investment in the exploitation of ground water also and the individual beneficiaries charged only a water rate.

(3) Stepping up of agricultural growth with the use of new technology in the less developed regions, where labour is abundant, wage rates are low and poverty is widespread will contribute significantly to increasing employment and raising wages for rural labour. There has to be special effort for evolving technologies suited to rainfed and dryland agriculture.

(4) The importance of non-crop activities in agriculture such as horticulture, dairying, poultry, piggery and goat and sheep rearing, etc., is expected to rise in future in response to rise in incomes. These activities should be pre-empted, as far as possible, for the rural poor under IRDP by providing necessary training, credit and marketing facilities.

(5) Restoration of eco-system in dry and degraded areas should be taken up on a large scale. This can be done by undertaking land and water conservation measures in the framework of an integrated watershed development with the full participation and involvement of the beneficiaries. Wastelands and common property resources should be leased out and assigned to rural poor for planting trees with usufructuary rights over them.

(6) An Employment Guarantee Programme (EGP) on the lines of the EGS of Maharashtra for rural labour to ameliorate their distress. This can be mounted by pooling together the resources for employing programmes currently allocated in the Centre and the States.

(7) Anti-poverty programmes of self-employment, wage employment, several backward area development programmes should be undertaken in the framework of area development/district plan.

(8) A conscious effort at large scale training in skills should be made after making a survey of emerging demand for different skills and trades at district level.

(9) A significant proportion of the unemployed in rural areas are educated (matriculates and above) and are not willing to take up unskilled jobs. It should, therefore, be possible to deploy them on social development activities after training, say, in primary and adult education, health work etc.

(10) The right to work for all adult citizens may be incorporated, subject to such terms and conditions as may, by law be provided, which in the form of an Employment Guarantee Legislation, can prescribe also the coverage, nature of work and other aspects.

(11) For efficient execution of works by eliminating contractors, an organisation like the Karnataka Land Army Corporation with self-contained technical and supervisory staff could be considered.

(12) It is essential to promote enterprises which have forward and backward linkages with agriculture and locate them near urban, semi-urban and small market towns. As the facilities available to the small scale sector are mostly relevant to and availed of by the relatively bigger units in this sector, it is necessary to provide special incentives for the growth of smaller units in the rural areas. It will also be useful to

reserve certain items for exclusive manufacture in the rural sector.

(13) In view of the high incidence of sickness in the small scale sector, it is necessary to pay attention to each individual unit. Adequate safeguards need to be provided to ensure that the incentives like credit and subsidy meant for the small scale sector are not appropriated by big industrialists.

(14) The KVIC should enlarge the coverage of villages under the programmes for promoting Khadi and Village Industries.

CHAPTER 15

MINIMUM WAGE

I. Background

15.1 We will commence with a brief review of the concept of minimum wage by expert bodies. The United Provinces Labour Enquiry Committee 1948 classified levels of living into four categories; namely

- (1) the poverty level
- (2) the minimum subsistence level
- (3) the subsistence plus level
- (4) the comfort level.

15.2 The Committee on Fair Wages 1949 addressed itself to the question "which should be the level of minimum wages which can be sustained by the present stage of the country's economy?" After consultation with employees' and workers' organisations and others it said "we consider that a minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker. For this purpose the minimum wage must also provide for some measure of education, medical requirements and amenities". The Committee envisaged that while the lower limit for 'fair wage' would be the 'minimum wage' the upper limit would be the living wage at a frugal comfort level, set by the capacity of the industry to pay and the actual level would also be determined on a consideration of various factors like productivity of labour, prevailing rates of wages in same or similar occupations in rural or neighbouring localities, level of national income and its distribution and the place of the industry in the economy of the country. It also laid down that for calculation, the needs of a standard family of three consumption units should be taken into account. We must keep in mind that the Committee was concerned exclusively with wages for industrial workers and some of the requirements and amenities mentioned might be more relevant to that area. Nevertheless, a clear set of basic principles of what the minimum wage must be emerges from these exercises. These are believed to have been the general basis for fixing minimum wages over the years as the Minimum Wages Act, 1948 does not lay down any criteria for such fixation. These principles are :

- (1) the minimum wage is not the pauper level or poverty level wage ;
- (2) the minimum wage may also be called the minimum subsistence level wage ;
- (3) the minimum wage must ensure the preservation of the level of efficiency of the worker ; and
- (4) it must also provide for some basic amenities like health and education of children.

What these principles together indicate is that the minimum wage level is that level below which wages should not fall. If they fall below that level, the efficiency of the worker will also fall.

15.3 While the Committee on Fair Wages indicated the components which should be taken into account in fixing minimum wage, the Indian Labour Conference in its Fifteenth Session in 1957 for the first time moved towards quantifying the main components setting certain norms for calculating, food, clothing, housing and other miscellaneous items to serve as guidelines to the minimum wage fixing authorities (details given later). Though this recommendation was from a tripartite body, the Government of India could not accept the minimum wage estimates of the Conference as they were considered to be too high and, therefore, impractical.

15.4 Under the Minimum Wages Act, wages are determined by Government in consultation with employer and worker interests. The administration of minimum wages is exclusively the preserve of the Government. Attempts by other bodies to quantify the minimum wage have generally not met with Government approval. We have, therefore, to look for attempts by Government appointed bodies to quantify minimum wages. The first such attempt is that of the First Central Pay Commission 1947. The Commission's approach to the problem appears to be balanced and rational. It says, "the discussion must start with the determination of the basic wages payable to unskilled labour. Whatever be the market value of such labour, we have come to the conclusion that a minimum wage standard should be adopted by the state and that the scale of Rs. 30-35 would be appropriate basic remuneration for unskilled labour on the basis of a cost of living index of 165-175 (base 1939=100)." The words "whatever be the market value of unskilled labour" are significant. They are of great importance particularly because they precede the report of the Committee on Fair Wages and the Minimum Wages Act. It is possible that, in the circumstances described by the United Provinces Labour Enquiry Committee, the market value of labour or the market level of wages would be at the poverty level i.e., below the minimum subsistence level. The Pay Commission by a deliberate decision discounted the market value concept and adopted the minimum subsistence level concept for unskilled labour.

15.5 After considering the demands of various employee organisations and the reports of experts the First Pay Commission pronounced that "the application of the minimum wage rule has always been recognised to be subject to limitation imposed by the general economy of the country. It may be

applied to correct inequalities in the distribution system but not in disregard of the total production capacity of the country or without reference to the national income". The Commission decided that the minimum wage for the unskilled worker should be Rs. 55 per month inclusive of a dearness allowance of Rs. 25. This minimum wage was to be the same for both rural and urban areas. Employees in urban areas were given additional allowance for house rent. There was criticism that this minimum wage of Rs. 55 was on the low side. For us, however, the two principles enunciated by the Commission in determining the minimum wage for unskilled labour are important. These are :

- (1) the application of the minimum wage rule must be recognised to be subject to limitations imposed by the general economic situation of the country and ;
- (2) irrespective of its market value, the State must adopt a minimum wage which must be the appropriate basic remuneration for unskilled labour.

15.6 The question of incorporating the nutrition requirements of the family into the concept of minimum wage had been raised for some time. However, it received systematic treatment in the Fifteenth Indian Labour Conference which met in July, 1957. The Conference which was a tripartite body consisting of representatives of the Central and State Governments employees and employers, reached the following unanimous conclusions on need based wage :

- (a) While accepting that minimum wage was need based and should ensure the minimum human needs of the industrial worker, the following norms were accepted as a guide for all wage fixing authorities including minimum wage committees, wage boards adjudicators, etc.
 - (i) In calculating the minimum wage the standard working class family should be taken as three consumption units for one earner.
 - (ii) Minimum requirements should be calculated on the basis of a net intake of calories as recommended by Dr. Aykroyd for an average Indian adult of moderate activity (2700 calories per day).
 - (iii) Clothing requirements should be estimated on the basis of a per capita consumption of 18 yards per annum which would give for the average worker's family of four a total of 72 yards.
 - (iv) In respect of housing, the rent corresponding to the minimum area provided for under the Government industrial housing scheme should be taken into consideration in fixing the minimum wage.

(v) Fuel, lighting and other miscellaneous items of expenditure should constitute 20 per cent of the total minimum wage.

- (b) Where the minimum wage fixed was below the norms recommended above, it would be incumbent on the part of the concerned authorities to justify the circumstances which prevented them from adhering to the norms.

15.7 The Second Central Pay Commission was set up in 1957 and its report became available two years thereafter. With inflation in the intervening years, the Rs. 55 per month wage for unskilled labour, determined by the First Pay Commission had risen to Rs. 75, consisting of Rs. 30 basic pay, Rs. 20 dearness pay and Rs. 25 dearness allowance. Representations were received by the Second Pay Commission, urging the fixation of a need based minimum wage, ranging between Rs. 110 to Rs. 137 per month at end 1957 prices, based on the recommendations of the Fifteenth Indian Labour Conference. The Pay Commission took note of the Conference norms, but worked out its own diet schedule for an adult engaged in moderate activity. The calorie value of this diet was a little over 2600 and at prices prevailing in Delhi in December 1958, its cost including a small allowance on condiments, worked out at 56 paise or Rs. 52 per month for a family of three consumption units. To this the Pay Commission proceeded to add requirements on clothing, housing and other items prescribed by the Fifteenth Indian Labour Conference. The figure worked out to Rs. 82.50 at December 1958 prices with the consumer price index at 119 (1949=100). The corresponding figure at the index level of 100 would be Rs. 69.33. The increase in minimum wage of Rs. 55 for unskilled labour in the Central Government fixed in 1947, to Rs. 75 per month by 1958, was based on inflation adjustment as per the First Pay Commission's formula. Representations to the Second Pay Commission sought to establish that under this formula which meant an increase of Rs. 5 for a 20 point rise on the 1939 based index, full neutralisation did not take place. The Pay Commission made its own estimates and found that full neutralisation of the price rise would raise the minimum wage to Rs. 80 per month. That was the level which the Pay Commission ultimately recommended as the minimum wage for unskilled labour at the point of entry under the Central Government, corresponding to all India Working Class Consumer Price Index Level 115 (1949=100). The Pay Commission made it a point to refer that this minimum wage is not static. It is part of an incremental scale. This is an important point of difference between minimum wages in Govt. and minimum wages arrived at under the Act of 1948. The latter generally do not form part of an incremental scale.

15.8 In the course of this discussion we have established some basic principles relating to minimum wages. The first is that the minimum wage for unskilled labour is not the pauper level wage or the poverty level wage. It is also not the prevailing wage for unskilled labour if that wage is below the subsistence

level. These principles are universal and were accepted and acted upon by the First Pay Commission of the Government of India in 1947 in determining the minimum wage of unskilled labour in Govt. employment. The Second Pay Commission made further additions to the concept of minimum wage by importing the element of nutritional needs as well as the requirements of clothing, housing and other essentials for a family of three consumption units. These exercises within Government are of relevance because they exhibit efforts made, for the first time, to link nutritional requirements on a rational and realistic plane with minimum wages.

II. Determination of Minimum Wages

15.9 The Minimum Wages Act, 1948 does not go into the details of quantification of the minimum wage nor does it contain any guidelines in this direction. However, judicial pronouncements have ruled that the concept of the minimum wage arrived through the application of the minimum subsistence requirements of life is a legal right of the worker. We shall briefly cite the relevant decisions of the Supreme Court of India, selecting the most important of them, taking into account the vital issues which have figured from time to time and been made the subject of controversy by litigating parties.

15.10 The first among the most important cases is *Bijay Cotton Mills Vs. the State of Ajmer* (1955). In this case the Chief Commissioner, Ajmer, under the provisions of the Minimum Wages Act, 1948, determined the minimum wages for workers in the cotton textile industry as Rs. 56 per month. The decision of 7th October, 1952 was challenged before the Supreme Court of India. The vires of the Minimum Wages Act was questioned with reference to Article 19(1)(g) of the Constitution of India. It was argued that the Act placed unreasonable restrictions on the rights of the employer by preventing him from carrying on trade and business unless he paid minimum wages. The fundamental rights of the workers were also restricted in that they were prevented from offering themselves to work at wages below those determined under the Minimum Wages Act. The Court held that securing a minimum wage to ensure not only bare physical subsistence but also the maintenance of health and decency is conducive to the general interest of the public. If labour was to be secured at the minimum wage and protected from exploitation by employers it was necessary that the restrictions must be imposed on their freedom to contract. Such restrictions cannot in any sense be said to be unreasonable.

15.11 Their case is important from our point of view because in an under-developed economy a large number of workers are likely to offer themselves for employment below subsistence wages. The Supreme Court also declared that contract for employment at wages below the minimum subsistence level is unlawful. The pronouncement is also important because a minimum subsistence wage of Rs. 56 determined on 7th October, 1952 was found acceptable as such to the court.

15.12 The principle of capacity to pay has often been cited in support of payment of poverty or pauper level wages in the country. Obviously such an argument reflects a lack of knowledge and comprehension of the legal position on the capacity to pay the minimum wage. The earliest and also the most important decision of the Supreme Court on this issue is in *Crown Aluminium works vs. their workmen* (1958). On the specific issue of capacity to pay minimum wages the Court said "there is, however, one principle which admits of no exceptions. No industry has a right to exist unless it is able to pay its workmen at least a bare minimum wage. It is quite likely that in the undeveloped countries with unemployment problems on a very large scale, unorganised labour may be available on starvation wages. If an employer cannot maintain his enterprise without cutting down the wages of his employees below the bare subsistence or minimum wage, he would have no right to continue his enterprise on such terms."

15.13 Surprisingly, in India, unlike as in other countries, despite conclusive pronouncements, the same issue continues to be agitated before the Court in some form or other. The principle of capacity to pay the minimum wage figured before the Supreme Court again in *Kamani Metals and Alloys vs. the Workmen* (1967). The Court in its judgement elaborated the principle further as follows: "the first principle is that a minimum wage which, in any event must be paid, irrespective of the extent of profits, the financial condition of the enterprise, or the availability of the workmen at lower wage. The minimum wage is independent of the kind of industry and applies to all alike, big or small. It sets the lowest limit below which the wage cannot be allowed to sink in all humanity". The principle enunciated in this judgement apart from the capacity to pay is also vital in our exercise. The basic characteristics as well as the objectives of the minimum wage have been conclusively decided by the Court. The minimum wage sets the lowest limit below which wages cannot be allowed to fall. The minimum wage is independent of the kind of industry. It applies to all employments, big and small, alike. These pronouncements, apart from clearing the mist which often envelopes thinking on the issue of minimum wages also sets the fundamental principles which the authorities must follow in the determination and administration of minimum wages.

15.14 Finally we would cite the decision of the Court in *People's Union for Democratic Rights vs. Union of India* (1982). The Court said that employment at wages below the minimum wage is forced labour and attracts Article 23. This was in connection with construction labour engaged in the Asiad 1982.

15.15 Unfortunately, in spite of clear judicial pronouncements on this subject, by 1967 itself the position got confused, inter-alia, by the views of the National Commission on Labour (1969) which held that "in fixing the need-based minimum (wage) which is in the range of the lower level of fair wage, the capacity to pay will have to be taken into account"

and "a national minimum wage in the sense of a uniform minimum monetary remuneration for the country as a whole is neither feasible nor desirable. It may be possible, however, that in different homogeneous regions in each State, a regional minimum could be notified. An effort should be made to fix such regional minima". No regional minima have been fixed as yet, though the Union Govt. issued some guidelines in 1987.

15.16 The Study Group on Wages, incomes and Prices set up by the Ministry of Finance, Government of India in its report (1978), however, differed with this and said that "in our view, the real minimum wage can only be the absolute national minimum, irrespective of sectors, regions or States below which no employment would be permitted". This Group also observed that in determining such a national minimum wage, several considerations have to be kept in view and it has to be consistent with factors like (a) the per capita national income adjusted after applying the participation rate (b) average national income per consumption unit and (c) per capita rural consumption expenditure: it cannot also deviate too much from prevalent earnings in the Small Scale Sector and its impact must not be such as to inhibit generation of employment. It recommended that the national minimum wage should be aimed at Rs. 150 per month at 1978 prices, to be achieved within a period of seven years, starting with not less than Rs. 4 per day of eight hours unskilled work or not less than Rs. 100 per month and revising every two years to achieve the goal. Thereafter the revision in minimum wage should be done every three years (as was also recommended by the National Commission on Labour, 1969) in relation to the trend increase in per capita national income. This minimum wage was to be applicable throughout the country for unskilled work for every adult of 18 years or above, irrespective of sex, bringing up the present statutory minimum wages wherever they are lower. State Governments were to continue to have the freedom to fix higher minimum wages for any categories of employment under the Minimum Wages Act. In regard to the agricultural sector the Group felt that a desirable minimum rural household income would be a more meaningful concept because of the irregular and seasonal nature of employment and unstable and varied sources of income. The minimum income to be aimed at should be such as to enable the bottom 30 per cent to come up roughly to the level of the next higher decile group and was placed at Rs. 1800 per annum (1977-78 prices) for planning purposes. Policy measures should be directed towards creating conditions in which the households of those who work part time or sporadically, as well as landless labourers and marginal farmers are enabled to earn through minimum within a period of seven years. The measures were to include improvement of the productivity of marginal farmers through higher value crops and increasing opportunities for work with better returns.

15.17 The Sub-Committee of the Parliamentary Consultative Committee for the Ministry of Labour

(Gurudas Das Gupta Committee) in its report (1988) on the problems of unorganised workers in agriculture sector noted that the West Bengal Government fixed minimum wages on the assumptions of (a) consumption of food equivalent of 2200 calories per unit per day (b) 3 adult consumption units in a family (c) consumption of 72 yards of clothing a year per family and (d) an amount equivalent to 25 per cent to cover housing, fuel, light, medical and educational expenses. The Sub-Committee felt that minimum wages should be fixed on a rational basis taking into account factors like poverty line requirements of nutrition, shelter, clothing, fuel, light, medical and educational expenses etc. and on a realistic assumption of the consumption units in a family and the number of workers in a family. It would not be linked to the capacity to pay. It should be linked to the movement in Consumer Price Index Number for cost of living element and also revised every two years or on a rise of 50 Points in the Consumer Price Index.

15.18 With the kind of socio-economic and legal infrastructure available, one would expect the quantification and determination of minimum wages by the various authorities in the country to be on a sound footing. In the course of the enquiry by the Study Group on Wages constituted by the Commission, the Government of India and the State Governments were addressed through a questionnaire which, among other things, sought to know the basis for determination of minimum wages. The Government of India found itself unable to explain the basis for the minimum wage determined by them for employments falling within their purview. Currently the minimum wage, notified by the Ministry of Labour, Government of India for unskilled employments is Rs. 15 per day (revised in 1990 from the earlier Rs. 11 per day). Asked to explain this amount, the Ministry referred itself to the Labour Bureau which is an attached office under the Ministry and does not determine wages. We may note, however, that the Committee of Labour Secretaries of States under the Chairmanship of the Additional Secretary, Union Ministry of Labour set up in 1981 felt that (a) the minimum wages should be at such a level as to take a family of 3 adult units of consumption above poverty line (b) the consumption basket should consist of per capita per day calorific requirements of 2400 calories in rural areas and 2100 calories in urban areas as well as clothing, shelter, fuel and light, education etc. (c) it should be related to the cost of living index and revised periodically and (d) it should be flexible and fixed with reference to the local environment and socio-cultural aspects. Notwithstanding the absence of any explicitly stated rational basis, the Ministry has advocated to all States that the minimum wage should not be less than Rs. 15 per day.

15.19 The response to the questions by our Study Group from the other authorities under the Minimum Wages Act will be described in these paragraphs. The State of Punjab which has the highest per capita national income and also one of the highest minimum wages for unskilled labour, stated unequivocally, that the wage is decided on political considerations. Tamil

Nadu replied that while fixing minimum wages, consideration is given to the prevailing wage rate in that employment and in other similar employments, the nature of work, the position of the organisation etc., apart from the cost of living index. The Government of Maharashtra in its replies to the question on the determination of the minimum wage, described the methodology prescribed in the Act. In addition, the note sent by that Government refers to the recommendations of the Fifteenth Indian Labour Conference, the recommendations of the Labour Ministers Conference in July, 1980 and to Convention No. 131 of the ILO. There is, however, no exact explanation as to how the minimum wage for unskilled labour in Maharashtra is determined. The Government of Karnataka in its replies state that the basic needs of an individual workman is taken into consideration i.e.

Food	—	2700 Calories per day
Clothing	—	18 yards per year
House Rent	—	10% of items 1 and 2
Miscellaneous	—	20% of items 1, 2 and 3.

The Government of Bihar in its reply to the question state that generally the following principles are kept in view by the minimum wages fixation committees while advising fixation or revision of minimum wages. (1) Prevailing wage rate and other conditions of service; (2) Increase in the cost of living index since the last fixation; (3) Minimum rate of wage fixed in other States for such employments; (4) The minimum rate of wages fixed for similar categories of employees in other employments. Only in Orissa, which recently raised the minimum wages for unskilled worker to Rs. 25 per day, the Commission was informed that this was based on raising the family above the poverty line of Rs. 6400 per annum.

15.20 What we have reproduced above constitutes a faithful description of the position prevailing in the Central Government and in the States. In fact, in some States the position could be more confusing. It becomes clear from what has been stated above that the Government of India and the State Governments who must determine minimum wages under the Act of 1948, are generally not clear in their own minds on what it is that they must do. It is not surprising in these circumstances that we have in this country, minimum wages for unskilled labour in agriculture for example, ranging from

Rs. 8.50	in Andhra Pradesh (9-2-87),
Rs. 11	in Gujarat (4-2-86),
Rs. 12	in Goa (1-7-86), Karnataka (12-7-88), Kerala (1-6-84) and Maharashtra (1-5-88)
Rs. 14	in Tamil Nadu (3-4-89),
Rs. 16.50	in Bihar (16-10-90)
Rs. 17	(Rs. 13.70+VDA 3.30) in Madhya Pradesh (1-4-90),

Rs. 18	in Uttar Pradesh (29-4-89),
Rs. 20	in Himachal Pradesh (26-1-90),
Rs. 22	in Rajasthan (2-7-90).
Rs. 22.88	(Rs. 10.15+VDA 12.73) in West Bengal (1-10-90),
Rs. 25	in Assam (1-7-89) and Orissa (1-7-90)-to about
Rs. 30	in Haryana and Rs. 35 in Punjab including VDA (1-3-90).

Figures within brackets indicate the dates on which the rates became effective. The wide differences in the minimum wages for unskilled labour in the States as well as the wage determined by the Central Government also reflect the varied perceptions of the concept of the minimum wage.

15.21 Earlier on, we have identified and defined the basic factors which must decide the minimum wage. These are :

- the cost of living relating to the minimum subsistence level for the worker and his family of three adult consumption units, and
- the minimum wage will be the same for all employments.

Application of these principles would naturally bring about uniformity in the minimum wages throughout the country irrespective of the authorities notifying the wage; we shall call this the *basic minimum wage* applicable for the country as a whole and no wage should be fixed or permitted below this level. This is to distinguish from the minimum wage which may be notified above this level under the Minimum Wages Act. Differences in the wages arrived at on the basis of cost of living would be accounted for only by the differences in comparative cost of living between various regions in the country. The approach will admit for minor variations. Certainly, the basic minimum wage in the country cannot vary from Rs. 8.50 to Rs. 35 at the same point of time. If Rs. 8.50 prevailing in some of the States is really the minimum wage, then, Rs. 35 determined in some other States cannot be the minimum wage. If Rs. 35 is the minimum wage, then, any wage well below that level, including the Rs. 8.50 in some States, cannot be the minimum wage. It is a poverty level or pauper level wage. We have described the above picture in detail to demonstrate the absence of a rational approach in the determination of the basic minimum wage among Governments in the country.

15.22 We shall examine another aspect in the determination of the minimum wage which gives rise to serious deficiency. The basic minimum wage is to be determined in such a manner that it is the minimum subsistence level. It follows that the minimum subsistence level wage must be protected from effects of inflation. If this is not done, then the minimum wage will fall below subsistence level. It will become the

pauper level wage or the starvation-level wage. In any case a wage below the minimum subsistence level cannot be a minimum wage. In the seventies and in the eighties, inflation has averaged at about nine per cent per year. There are two ways of protecting the minimum wage from inflation. The first is to revise the minimum wage at frequent intervals. The second is to link the cost of living element to the minimum wage. This is also called linking of dearness allowance. As the minimum wage is subsistence wage and as the minimum subsistence level is to be maintained, the cost of living must be fully neutralised through the mechanism of the dearness allowance. The Ministry of Labour, Government of India, did not have any dearness allowance element linked to its minimum wage until recently. During 1990 it was decided that neutralisation in the form of dearness allowance would be announced every six months. As far as the States are concerned, the practices are different. In Andhra Pradesh, Himachal Pradesh, Meghalaya, Orissa and Rajasthan, there is no linkage of dearness allowance of any kind with the minimum wages. In Assam, Gujarat, Karnataka and Kerala there is dearness allowance with the minimum wage for non-agricultural employments. In Maharashtra, Tamil Nadu and Uttar Pradesh there is dearness allowance in some employments like construction. However, for the bulk of employments like agriculture, saw-milling, cashew processing etc., there is no dearness allowance linkage with the minimum wage in most States and Union Territories. In the States of Haryana, Punjab and West Bengal and in the Union Territories of Delhi and Chandigarh all minimum wages and in Madhya Pradesh agricultural minimum wages are linked with variable dearness allowance. Delhi, which earlier had what is called the all inclusive system, switched over to the minimum wage linked to dearness allowance, in 1989.

15.23 As we have stated earlier, consequences of not linking the wage to cost of living can be minimised only if wages are revised frequently. However, frequent revision is not the practice in almost all States which follow the inclusive system. These States have not followed the recommendations of the Labour Ministers' Conference of 1980, reiterated in the Conference of 1987, which wanted a revision every time the Consumer Price Index (1960 = 100) rose by 50 points or every two years, whichever is earlier. In fact, there are States which have failed to revise the minimum wages particularly in agriculture, even in five years. As a consequence, the Minimum Wages Act had to be amended to retain the legal validity of the wage determined, beyond the period of five years. Most States also do not have a dearness allowance to protect against inflation, though a linking to the Consumer Price Index was suggested by the Labour Ministers' Conference in May 1989. In the absence of this, there will be an erosion in real wages, until a revision is done after a long lapse of time. In fact, following the year of revision, the wage becomes practically a pauper wage and violates both the principles of socio-economic justice and Article 21 of the Constitution of India embodying the fundamental right to life and property, the right to life having been broadened to include right to livelihood through judicial

pronouncements of the Supreme Court. Paying below the minimum wage would be forced labour prohibited by Article 23. There is no reason why the States should not follow the practice of neutralising the cost of living through a linkage to a dearness allowance element. This system is working satisfactorily in the States of Haryana, Punjab and West Bengal. In certain States we have observed that neutralisation of cost of living exists for employments other than agriculture. This amounts to gross discrimination against agriculture labourers who constitute the bulk of the wage labour force and are the most vulnerable. The dearness increase must be provided every six months, and therefore, the Act should be amended so that there is a provision for enhancement of wages automatically every 6 months on the basis of CPI and the revision of minimum wages could be done once in two years.

15.24 We have observed that a number of States where the practice of neutralising the cost of living is followed, use the Consumer Price Index for Industrial Workers instead of the index relating to agricultural labour and other rural employments. The justification advanced by the authorities for doing so is that the Consumer Price Index for agricultural labourers is not available in time. It is received by the authorities about two months after they receive the Consumer Price Index for Industrial Workers. The 1960s base Consumer Price Index for Industrial Workers and 1960-61 base Consumer Price Index for agricultural labourers have been moving together at more or less the same pace. As a result, the workers have not suffered any loss in real terms through the linkage with the Consumer Price Index for Industrial Workers. Nevertheless, as far as rural employments are concerned, it would be advisable to follow the index for agricultural labourers. The average for the centres in the State could be used for the purpose of neutralisation. The price relatives and other data for the compilation of index for agricultural labourers are collected by the Central Statistical Organisation who furnish the material to the Labour Bureau for publication. It should be possible with some effort to publish the index for agricultural labourers about the same time as the index for industrial workers.

15.25 It is the cost of living at the subsistence level for the worker and his family of three adult consumption units which must determine the basic minimum wage. We, therefore, move on the matter of determination of the minimum subsistence requirement. For this, the most scientific and reliable exercise in recent times is the one conducted by the Working Group under Planning Commission to determine the poverty line. The first time that such a Group was constituted in 1962. The Working Group took into account the recommendations of the Nutrition Advisory Committee of the ICMR in 1958, regarding a balanced diet and minimum consumption expenditure of Rs. 100 at 1960-61 prices would be needed by a family of five persons. For urban areas, because of a higher cost of living, the Group suggested a per capita consumption expenditure of Rs. 25. With refinements, this continues to be the basic approach to the concept of poverty

line. In 1977, the Planning Commission constituted a Task Force on Projection of Minimum Needs and Effective Consumption Demand, to recommend a poverty line for use in the Sixth Plan. The Task Force relied on the calorie norms determined by the ICMR in 1968 which were 2400 for rural areas and 2100 for urban areas. The next step was to estimate the corresponding expenditure per capita in rural and in urban areas. For this purpose, the private consumption expenditure data in the 28th round (1973-74) of the National Sample Survey was utilised. The expenditure worked out to Rs. 49.09 per capita per month in the rural areas and Rs. 56.44 in the urban areas at 1973-74 prices. The estimated poverty line assumes that a person having this amount, would distribute his expenses between food and non-food items, in such a way that the calorie content of his food satisfies the calorie norms. Based on these the Sixth Plan adopted the poverty line as the mid-point of the per capita expenditure class having a daily calorie intake of 2400 per person in rural areas and 2100 in urban areas. At 79-80 prices, it was placed at Rs. 76 per month in rural areas and Rs. 88 per month in urban areas. An important consideration is the application of the Consumer Price Index in place of the wholesale price Index as the deflator.

15.26 Our concern in this exercise is mainly with wages in rural employments. The per capita monthly expenditure worked out for the rural areas on the basis of 2400 calorie norm was Rs. 76 at 1979-80 prices. The Consumer Price Index (1960 base) at that time was 360 for agricultural labourers. At October 1990 index of 804 (1960 base), the per capita consumption expenditure, applying the inflator would be about Rs. 170. For three consumption units the requirements would be Rs. 510. There is scope for difference of opinion whether the calorie requirement for two children would be the same as that for one adult. It is likely that the requirement would be slightly higher. This point can be determined conclusively only by nutrition experts. We, however, demonstrate that by following the minimum consumption expenditure criteria in relation to subsistence requirement, it is practical to determine the minimum wage on scientific lines both for rural and urban employments. This will not only meet the socio-economic requirements but also the legal requirements. The wage will have to be adjusted at regular intervals to account for inflation. What we have recommended takes into account the minimum subsistence needs of the worker and his family at a point of time at any place in the country. This will also dispose of the complaint from the Government of Kerala that its neighbour States keep the minimum wage low as a result of which industry has been moving from Kerala into those States. Minimum Wages are usually fixed on day basis. To arrive at the minimum wage, we must divide Rs. 510 by the number of days for which the worker is required to work in a month which is 26. That will give us the amount of Rs. 19.62 as the basic minimum subsistence level wage, in the country with the consumer price index 1960=100 at 84 points. Similarly, for urban areas, it would be Rs. 65, per month or Rs. 25 per day.

15.27 The position can also be examined from another angle. The monthly minimum requirement of Rs. 510 in rural areas would mean an annual expenditure of Rs. 6120. Taking into account the average number of wage earners in an agricultural household as 1.89 and the average number of days of agricultural employment per wage earner at 159 days in a year in accordance with the estimates of NSS Survey, 38th Round (1983), the daily wage rate comes to Rs. 20.37. Hence a basic minimum wage of Rs. 20@ per day appears to be eminently reasonable at current prices and deserves to be adopted. State/region-wise variations in this should only be based on the cost of living index. While this will be the floor level, the Government at the Centre and the State would be free to fix minimum wages above this level on the basis of skills, areas, occupations or employment or other local factors.

15.28 Our Study Group, in their questionnaire, had asked the States if they took the per capita gross national product for the State into account while determining the minimum wage. Replies revealed that the States did not perceive any relation between the two. Available data shows that Punjab and Haryana with the highest per capita income, also have the highest minimum wages. On the other hand, Assam and Orissa which are low on per capita income, have a minimum wage of Rs. 25 which is on the higher side. Goa which has one of the highest incomes per capita has a minimum wage of Rs. 12. Whatever may be the historical reasons for these the Commission feels that a revision of minimum wages must be done once in two years taking into account the increase in per capita national income, increase in per capita consumption expenditure and increases in consumer price index.

15.29 Another aspect in the determination of minimum wages by State Governments deserves serious attention. This is the substantial difference in the minimum wage between different employments at the same place. In Maharashtra, for example, the comparative minimum wages in two employments are as given below:

Zone	Construction	Agriculture
	Rs.	Rs.
I	36	20
II	33	16
III	31	14
IV	16	12

This is the position as on 1st July, 1990. During discussions it was explained that the wages in construction were decided by the advisory committee representing employer and worker interests. The industry has the capacity to pay and so it agrees to pay a higher wage. On the other hand the employer lobby in agriculture in Maharashtra is too powerful compared to the agriculture workers. As a result, the Advisory Committee sees to it that the wages are kept low. The State re-

@ Subject to minute of dissent by one member.

mains a mute witness and merely notifies the wage recommended by the Advisory Committees. In the result a fair wage is notified under the minimum wage law in construction and a poverty wage is notified under the same law in agriculture.

III. Administration of Minimum Wages

15.30 The administration of minimum wages in the country falls under the following broad categories:-

- (a) A unified cadre of officials arranged hierarchically, headed by the Labour Commissioner. Members of the common cadre are assigned functions in labour administration like conciliation of industrial disputes, implementation of laws on payment of wages, minimum wages, gratuity, equal remuneration, child labour, etc. Although at a point of time a set of labour officials may be authorised to act exclusively under one legislation like the minimum wages law, their functions are subject to change in the course of administrative requirements. All states in the country except Gujarat and Bihar fall within this category. Tamilnadu falls into a separate slot as far as administration of minimum wages in agriculture is concerned.
- (b) A separate cadre of officials headed by a Commissioner for Rural Labour operates in Gujarat. The words rural labour are mis-nomer. The duties of the organisation extend only to agriculture labour. The Commissioner reports to the Labour Secretary. At the lowest level of the cadre are the Assistant Government Labour Officers. They belong to this cadre exclusively and will remain so through out their service life. At the higher levels, the supervisory officers and deputationists form the general labour cadre.
- (c) A second variation is found in Bihar. Here, there is a separate machinery to administer wages in agriculture. This machinery is headed by a Director who, in fact, is a Joint Labour Commissioner under the Labour Commissioner. At the lowest level of the organisation are the Labour Inspectors. Bihar has 590 Development Blocks. There is one Inspector in every Block. Sensitive Blocks have more than one Inspector. The cadre has a total of 641 Inspectors. They will remain in this organisation exclusively for their service lives.
- (d) Tamilnadu is in a category of its own. Here the minimum wages in agriculture, as in other employments, are determined by the Labour Department. However, the administration of minimum wages in agriculture is done by the Tehsildars who have been appointed Inspectors under the Minimum Wages Act. Tehsildars are officers under the Revenue Department. Administration of minimum wages in all other employments is performed by officers of the Labour Department.

15.31 We will now examine the performance of the machinery under the different systems. There is hardly any minimum wage administration in rural employments, outside employments in agriculture. Where special machinery exists, it almost exclusively caters to employments in agriculture. As far as other rural employments are concerned, matters relating to wages generally attract the applications of the industrial Disputes Act. The general labour machinery which deals with the application of the Industrial Disputes Act also deals with wages in rural industries covered by the Act. The actual performance in this area, however, appears to be extremely meagre and name of the States which responded to the questionnaire have not been able to show any credible evidence of performance. Discussions with worker leaders in the field in various States as well as studies carried out from time to time all point out that except during the busy agricultural seasons where the actual wage equals and at time exceeds the minimum wage, at all other times, the actual wage is below the minimum wage. The reason give by the authority is inadequate administrative machinery to administer the minimum wage. This reason is repeated in every annual meeting of the State Labour Ministers concerned in the Ministry of Labour. The States want to augment their implementation machinery through centrally sponsored programmes is their five year plans. 'Give us more men and more money to pay the men' is the constant demand from the State Governments. In the context of this demand, we must also see how the States which have a special machinery for administering minimum wages in agriculture are performing.

15.32 The working of the rural labour administration in Gujarat has been the subject of a special study by the Study Group of the Commission. The administration is headed by a Commissioner who reports to the Labour Secretary of the State. Although called the Rural Labour Commissionerate, it operates exclusively for agriculture labour which, in effect, is for minimum wages. The Assistant Government Labour Officers are the field level functionaries. They belong to an exclusive cadre. They are inspectors under the minimum wages law. With this kind of an exclusive arrangement and with a superior infrastructure and resource back-up, one would have substantial expectations from this cadre. The study, however, brings out the fact that the organisation has not been effective. The officials are not adequately informed on their subject. They are not sufficiently motivated. The quality of the inspections is poor. In its totality also, the organisation has not done well. There does not seem to be adequate understanding of and identification with the objectives of the organisation. In the four years ending in 1988, the performance has been particularly poor in some respects. The number of inspections and consequent detection of violations and defaults are expected to go up following the revision of the minimum wage. In Gujarat the experience following the 1986 wage revision is in the reverse. The morale of the inspecting officers is low. There are also problems of logistics. Interaction with some of these inspectors at training sessions at the National Labour

Institute showed that the officers are an unhappy lot and worried about their career prospects. They compare themselves unfavourably with their counterparts in the general cadre of labour administration. While a separate cadre for agriculture labour administration has advantages, at the same time one cannot also overlook the hard facts of social realities. The State is fortunate to have the Gandhi Labour Institute which is adequately equipped to fully meet the training requirements of the cadre of rural labour inspectors. It should be possible to design and execute an appropriate training programme with better knowledge, skills and motivational inputs.

15.33 Bihar differs from the Gujarat pattern to the extent that the rural organisation is under the Labour Commissioner. The Labour Inspectors for agriculture labour form a separate cadre. They are graduates recruited through the State Subordinate Services Selection Commission. Bihar has 641 inspectors for agriculture wages. They have not received any training, institutional or inservice. The quality of their inspections is very poor. There is no inspection manual. They are under the administrative control of the Tehsildar. Possibly this is a legacy of 1975 when minimum wages became one of the points in the twenty point programmes. There are no skills or supervisory inputs from the Tehsildar. The labour inspectors resent the Tehsildars' control. The Tehsildar is also seen to be pro-landlords. This conflicts with the role of the labour inspector. To get over these problems we suggest that the labour inspectors report to the District Labour Superintendent. In turn, he must report to the Collector. The Tehsildar in between is more an impediment than a help. There is the usual problem of logistics. The inspectors have no transport. This deprives them of access to the target group. They have been seeking Government loans to buy two-wheelers. It should be possible for the State Govt. to meet this demand in phases. The main problem is the absolute lack of training, skills and motivation. As usual the rural inspector is envious of his counter-part in the general cadre. He considers himself a second grade inspector. Some do feel, however, that they would be more effective with better administrative support.

15.34 For many reasons the Bihar model is of great interest. It has an exclusive cadre of inspectors for agriculture labour. As far as absolute number in men is concerned, it is a dream come true. What other States keep begging the Centre year after year, Bihar has already achieved. It has 641 inspectors exclusively for agriculture labour. The performance, however, is disproportionately meagre. The vast machine has not made any impact on the subject. Bihar has its special problems of inter-caste conflict which is intimately tied up with agricultural land. But that alone does not explain the absence of impact. The lack of training, skills and motivation has already been observed and commented upon. In Bihar, the members of the Study Group had long discussions on this problem with the Government, representatives of workers' organisations and with a cross-section of inspectors. One of the reasons for lack of effectiveness is the manner in which the manpower is deployed in the field. An unskilled

Inspector in the block, with little knowledge of his objective, confused about his line of control and with no guidance from superiors, is a lost case. A different approach on scientific lines is obviously necessary. Such an approach must have all the attributes necessary for success. Instead of spreading forces thinly on the ground a comprehensive task force approach must be adopted. Four or five districts must be selected by the State Government. An elaborate information package must be worked out. What is the minimum wage? Why is it necessary? What it is meant to achieve? What are its components? Why must it be paid? What happens if you do not pay the minimum wage to your employees? All these must be available to the people of the district in a clear and precise manner. The information must be communicated through the electronic as well as the print media and through other means. Officials accept that while many advertisements from the State Government are published, no publication has been made ever on minimum wages. All Government, Semi-Government, non-officials and other agencies must be involved. The work of the task force must be coordinated by the Collector. A senior officer of the Labour Department should be its Secretary. The selected force of inspectors should be given intensive training in skills and communication. Specific areas should be earmarked for each inspector. About five labour officers should be designated as Claims Officers. The field checks should commence after about three months of intensive information campaign. In fact, they should move in after the district is saturated with information.

15.35 Worker leaders with whom this proposal was discussed feel that it will succeed. Indeed, one of the main draw backs in the manner of determining the minimum wages that but for a small group of persons, no body else is aware of it—certainly not the millions of employers and agricultural workers. In these circumstances it is no wonder that Government administration on minimum wages has failed in almost all parts of the country. The information package which we have discussed in the above paragraph is a must for every State and District. The five Claims Authorities in the task force can speed up disposal of cases and give the necessary support to the Labour Inspectors. Authorities and workers agree that once the wage is lifted to a higher level, it will not come down except in the event of a severe natural calamity affecting employment. The task force can be withdrawn gradually after re-assessment. Other districts can be taken up thereafter. By now the benefit of the spread effect of the measures elsewhere would be available.

15.36 Tamil Nadu is in a special position. The minimum wages for all employments are determined by the Labour Department. The administration of minimum wages in agriculture is left to the Tehsildars who have been notified as inspectors under the law. The Committee of Members of Parliament which was headed by Shri Gurudas Das Gupta found that the Tehsildars do not have enough time and did not have sufficient interest to devote to agricultural labour. Our own findings concur with those of the Committee.

Indeed, the responses from the State Government indicate that they hold a similar view and are considering alternative arrangements. Paucity of resources in the form of men, and money is said to come in the way.

15.37 We are required to comment on the general demand from the States for augmentation of their labour administration machinery, particularly for the purpose of implementing the minimum wages. The complaint from the States is that they do not have the money to employ more staff and we shall produce results. In actual practice, this can be different. We have seen how 641 inspectors in Bihar do not make any difference. In 1986, under a special programme, the resources of some States with considerable tribal population were specially augmented for the purpose of administering minimum wages in agriculture. Madhya Pradesh is one of such States where inspectors for minimum wages in agriculture were appointed under the Scheme. Their performance in the Jhabua District was examined by the Study Group. The Inspector had not received any training. In fact, even their placement in the Jhabua District was faulty. Except in a small portion of the district, the concept of employer-employee relationship, as it is generally understood, does not exist. In the circumstances, this untrained lot of inspectors was miserable. In many places in the district we found that the labour was unaware of their existence. There was nothing unusual in this. In other States too, the agricultural labour had not seen the inspector. In Jhabua where there is no need to deploy so many inspectors, it was found that inspectors have been posted in large numbers because there is a Government Scheme which has sanctioned them for the tribal areas. This is more or less the situation in every State to a greater or lesser degree. The force is not skilled or sensitive and where it is exclusively rural, it is frustrated. Deployment is often not rational. The inspectors' reports are routine. There is no effective supervision. The supervisors are themselves untrained and lack any perspective. At the State level, the Secretariat which deals with the determination of the wage is not well equipped and the officers have short tenures. The subordinate officers have very little interest in the subject of minimum wage. They would rather work with industry. There is hardly any understanding about the concept of minimum wage, either among the officers, barring some exceptions or among employers; and employees are generally ignorant of the wage. Smaller industrial establishments where minimum wages apply have perforce to acquaint themselves with the subject as the labour administration occasionally comes across them in connection with laws like the Shops and other commercial Establishments Act and Payment of Wages Act. In agriculture where the bulk of employment on minimum wages is located, ignorance prevails. Briefly the ground situation can generally be described as lack of understanding, absence of skills and motivation, inadequate and poor supervision and unimaginative deployment of men. While one can say that the impact of the Government machinery, say in Maharashtra, where it is the part on the general cadre is no worse than Gujarat with a separate cadre, the separate cadres in Bihar and Gujarat seem to be suffering from frustration, lack of motivation and administrative support.

15.38 It is well established that wherever demand for labour is low, the wages are also low. Studies have also shown that rise in real wages of agricultural labour has been brought about by rise in demand for labour not only for agricultural operations but also for non-agricultural activities. As mentioned elsewhere in this Report, the Study Group on Employment Generation set up by the Commission has found occupational diversification arising from the growth of non-agricultural sector in the rural areas as a very important factor in raising the real wages. However, this encouraging development has not taken place in all the States/Regions. It is, therefore, necessary to create economic conditions conducive to speedy and effective implementation of the Minimum Wages Act in the States/Regions where agricultural productivity and the growth of non-agricultural sector have lagged behind the States like Punjab and Haryana. The low-wage pockets in each State, i.e. where minimum wages are substantially below the statutory minimum wages, should be identified and special attention should be given to raise agricultural productivity through irrigation, new technology, etc. to increase employment and hence the demand for labour. The Statewise scenario in regard to latest minimum wages, actual wages and the incidence of poverty may be seen from the Annexure. In order to achieve effective implementation of minimum wages, it is necessary to identify the areas of backwardness, poverty and hunger and launch a multi-pronged attack to eradicate these.

15.39 During the visits of the Commission to various States, the major point which was made by the trade unions, workers as well as State Governments was that the enforcement machinery was very weak in rural areas and the staff was also inadequate for the purpose. Prosecutions launched for enforcement of minimum wages had not been many and persuasion has been cited as the main course adopted. The officers of the Labour Department lack adequate powers, lack mobility due to non-availability of transport and also complained of lack of protection and security. Lack of security of employment to the agricultural workers also deters administrative machinery from filing prosecution cases since it may lead to loss of employment to the agricultural labourer. Claims cases which take a long time to decide also undermine the faith and confidence in the administrative mechanisms. Some labour inspectors also felt that they were constrained due to their being under the district administration which was more pro-landlord, and therefore, wanted to be under a separate administration. Further, the existing machinery being loaded with the work of the urban and organised sectors, has neither the time nor the aptitude to look into the problems of the unorganised rural sector. To sum up, there was practically a unanimous view for creating a separate Department of Rural Labour for looking after the problems of rural labour, including enforcement of various labour laws. It is accordingly recommended that there should be a separate machinery for rural areas for implementation of minimum wages and this should be under the overall supervision of the Collector. We have referred to this in the chapter on Agricultural Labour.

15.40 There is no doubt that provision of security of employment, particularly to the agricultural workers is necessary through a special legislation. The Commission has already recommended in this regard separately. While law alone may not be enough, but only enabling and protective, it is necessary to supplement it through sensitisation and conscientisation programmes through rural labour camps to organise the rural labour and improve their bargaining power. Equally, it is also necessary to have a properly trained and motivated machinery dedicated to rural labour since adequate presence of the Government in the rural areas is also essential. All these are mutually supportive and complementary. Further, involvement of Panchayati Raj Institutions, voluntary organisations, trade unions, workers associations, etc., also will strengthen the effort of the Governmental machinery in implementing Minimum Wage and other labour legislations.

15.41 The exclusive machinery for rural areas should necessarily be properly trained, well equipped with information and skills and motivated. In order to alleviate frustrations of stagnation, possibilities of inter-changing with the urban/organised sector after tenures of 5 to 10 years could also be considered. This may also give promotional avenues. Further, the existing machinery could be put to the best advantage. Besides labour inspectors at least at the Block level, there could be a Claims Authority at the Block or subdivisional level in the form of an Assistant Labour Commissioner or a Sub-Divisional Magistrate. It would also be useful to have the entire machinery under the supervision of the Collector. The programme of information saturation selecting a few districts at a time should be taken up, simultaneously giving training to all the participants in the skills required. The task force approach suggested earlier could yield results.

15.42 Apart from strengthening the normal administrative machinery for enforcement of minimum wages, it is desirable to create a Tripartite Body at each district headquarters in each State to monitor the administration of Minimum Wages Act in the light of overall rural situation. There should also be a Conciliation Machinery for disputes at the village level itself and on institutionalised framework comprising the Panchayat Raj System may be evolved to sort out the problems relating to payment of minimum wages at the local level itself. The Panchayats could also be given power to impose fines in cases of violation of Minimum Wages Act, particularly regarding agricultural labour, with an appeal lying to the Claims Authority.

IV. Legal aspects

15.43 The Minimum Wages Act should be amended to stipulate that the minimum wage notified or fixed by the appropriate Government shall not in any case, be less than the amount that may be notified, from time to time, as basic minimum wage by the Central Government (presently recommended by the Commission at Rs. 20 per day in rural areas). It has been observed that many Govt. Departments themselves have been responsible for not paying the minimum wages, having obtained exemptions under Sec. 26 of

the Minimum Wages Act. With the Supreme Court having ruled that payment of wages below the minimum wages would amount to forced labour and, therefore, hit by Art. 23 of the Constitution, there should be no provision for giving any exemption for paying wages less than the basic minimum wage which has been recommended. While making provision for notifying the basic minimum wage for the country under the Minimum Wages Act, the provision for giving exemption below this basic minimum wage should be prohibited by deleting or amending Sec. 26 of the Minimum Wages Act.

15.44 The Act should be made applicable to rural labour. It can be specially included in the definition of 'employee' in section 2(i). The suggested definition specifically for this purpose is :

"Rural Labour means persons who are engaged in any kind of work for any employer in a village and includes employment in handicrafts and agriculture that is to say, in any farm or farming including the, cultivation and tillage of the soil, dairy farming, the production, cultivation, growing and harvesting of any agricultural or horticultural commodity, the raising of livestock, bees or poultry and any practice performed by a farmer on a farm as incidental to or in conjunction with farm operations including any forestry, plantations or timbering operations and the preparation for market and delivery to storage or to market or to carriage for transportation to market of farm produce."

15.45 Section 3(a) (iii) of the Act provides for differential rates of minimum wages to be fixed for adults, adolescents and children. The logic of this provision is questionable on grounds of social justice. Besides, constitutionally, differential wages based solely on the ground of sex stand prohibited by Art. 14 & 15 of the Constitution; and there is every justification for reading Article 24 (read on the Article 41 prescribing free and compulsory education for children under fourteen years of age) as entailing prohibition of child labour on the basis that any employment which deprives a child of its childhood is 'hazardous' and, therefore, prohibited. The Minimum Wages Act should not, at any rate, be an instrument of the subversion of constitutional vision; it should not encourage child labour by providing legal power for a lower wage fixation. Differential minimum wages based on age, and gender classification *per se* seems unconstitutional. The provision, should be deleted from the Act.

15.46 The proviso to Section 3(1) provides that if the Government does not revise the minimum wages after a period of 5 years, the existing rates should continue in force. This proviso has virtually meant inaction. The Act does not compel state action in setting up committees. No sanction is provided for administrative default or inaction. Nor is any time schedule prescribed for committees to complete their work and for corresponding governmental action. It is, therefore, recommended that minimum wages should be linked to a variable dearness allowance formula

to compensate the employees for variations in the cost of living every six months. The revision of wages should be done every two years and even if there be some delay, variables dearness allowance should continue. Provision for these must be made by amending the Act.

15.47 The Act is operative only in such cases where the industry/works in question has a minimum of a thousand workers employed in the whole State. It is recommended that this requirement of the minimum number of workers should be done away with.

15.48 Many times, the employers employ workers through dubious and indirect means, i.e. through contractors etc. Most of these labourers are unorganised rural and many are home based. Usually they are low paid but cannot invoke the provisions of the Minimum Wages Act for the reason that they cannot establish their status as being under the employment of the said employer. It is recommended that mandatorily identity cards should be issued and this should be done by the village officer or the Panchayat.

15.49 Since most of the rural labour is unorganised, it is very difficult for them to have a collective voice and fight for their rights. Also they are unable to have any meaningful and rightful representation on the Advisory Boards and Committee on Minimum Wages. Hence, it is recommended that the organisation of Tripartite Boards and Committees under Section 7 should have adequate representation of unorganised sector through non-governmental organisations, trade unions and independent persons of high social standing.

15.50 The management of sanctions is a much neglected aspect of social welfare legislation. The typical sanctions are fine and a short imprisonment. No specialised prosecutorial staff exists with such obsolete model of enforcement, it is not a matter of surprise that the Act remains fallow. Accordingly, we recommend that :

- (i) mandatory minimum imprisonment be provided for offences under the Act provided for the employer which is a greater deterrent ;
- (ii) any further default must be treated as a continuing offence, the penalty being additional fine for every day of default and longer imprisonment ;
- (iii) involvement of voluntary organisations, panchayats, trade unions, etc. in the implementation of minimum wages should be actively encouraged

15.51 Section 22 B provides for prosecution of the employer for any offence committed under the Act. However, this can be done only after instituting and succeeding, wholly or in part before a Claims Authority under Section 20 or with the prior sanction of an Inspector. This makes the task of prosecuting an employer very difficult. It is recommended that this Section be made wider along the lines of Section 16 of

the Child Labour (Prohibition and Regulation) Act, 1986 which states :

“Any person, police officer or Inspector may file a complaint of the commission of an offence under this Act in any court of competent jurisdiction.”

This wide power will prevent victimization of the aggrieved employee since any person (individual or member of a voluntary agency) can move the court. The determination of claims as well as the trial by prosecution should be through summary inquiries or procedures.

15.52 Under the law, generally, the burden of proof is on a person who asserts any right or liability. The application of this principle to the Minimum Wages Act, 1948 requiring a worker to prove that minimum wages have not been paid to him/her aggravates the difficulty of reducing the benign objectives of the Act. It is, therefore, recommended that this burden should be shifted to the employer because it is easier to prove the positive rather than the negative. If the employer has paid the minimum wages, it is easier for him to so prove by showing his records and receipts that it was paid. In this connection, reference may be made to Sections 106 of the Indian Evidence Act, 1872 which provides that if a fact is within the special knowledge of some person, then the burden of proving it is on him.

15.53 Section 22(e) provides that any amount deposited with the appropriate Government by the employer to secure the performance of a contract cannot be attached by a court order for non-payment of minimum wages. This should be deleted, as payment of minimum wages is in a sense ‘first charge’ upon the employer.

15.54 Last but not the least, it has been seen that the State enforcement machinery is very inefficient and tardy in the implementation processes. To gear up the administration, it is recommended that Inspectors (Section 19) and Claims Authority (Section 20) who are present Labour Commissioners, Magistrates etc. should be at levels not higher than the Block or Panchayat Samiti. The Minimum Wages Act should be amended to provide for the appointment of Claims Authorities at these levels (as has been done in Maharashtra and Rajasthan), but in any case not at a level higher than a Sub-Division.

CONCLUSIONS AND RECOMMENDATIONS

15.55 The main conclusions and recommendations are given as under :—

(1) The minimum wage is the minimum subsistence level wage. It must provide not merely for the bare sustenance but for the preservation of the efficiency of the worker.

(2) The basic factor determining the minimum wage is the cost of living relating to the minimum subsistence level for the worker and his family of three adult consumption units.

(3) With a view to bring about uniformity in the minimum wages based on the principles identified

at item (2) above, a "basic minimum wage" to be applicable for the country as a whole has been suggested.

(4) Following the approach of the Planning Commission in determining the poverty line in terms of minimum consumption expenditure, and taking into account the average number of wage earners in an agricultural household and the number of days worked in a year by such earner, the daily wage rate comes to about Rs. 20 at current prices (1990).

(5) This being a wage at subsistence level, no employment should be allowed at less than this level. State/region wise variations in this should only be based on the cost of living index. While this will be the floor level, the government at the centre and the state should be free to fix minimum wages above this level on the basis of skills, areas, occupations or employment or other local factors.

(6) The dearness increase must be provided every six months, and therefore, the Minimum Wages Act 1948, should be amended so that there is a provision for enhancement of wages automatically every six months on the basis of CPI and the revision of minimum wages could be done once in two years.

(7) In order to achieve effective implementation of Minimum Wages, a multi-pronged approach be adopted :

(i) The low-wage pockets in each state, i.e. where minimum wages are substantially below the statutory minimum wages, should be identified and special attention should be given to raise agricultural productivity through irrigation, new technology etc., to increase employment and hence the demand for labour.

(ii) There should be a separate machinery for rural areas for implementation of minimum wages and this should be under the overall supervision of the collector. The machinery should be properly trained, motivated and dedicated to rural labour.

(iii) While law alone may not be enough, but only, enabling and protective, it is necessary to supplement it through sensitisation and conscientisation programmes to organise the rural labour and improve their bargaining power. The programme of information saturation selecting a few districts at a time should be taken up.

(iv) Further, involvement of Panchayati Raj Institutions, voluntary organisations, trade unions, workers associations etc., also strengthen the effort of the governmental machinery in implementing minimum wages and other labour legislations.

(v) It is desirable also to create a Tripartite Body at each district headquarters in each state to monitor the administration of the Minimum Wages Act in the light of overall rural situation.

(vi) The Minimum Wages Act be amended to include inter-alia the following :

(a) That the minimum wage notified or fixed by the appropriate government shall not in any case, be less than the amount that may

be notified, from time to time, as "basic minimum wage" by the Central Government (presently recommended by the Commission at Rs. 20 per day in rural areas).

(b) The provision for giving exemption below this basic minimum wage should be prohibited by deleting or amending Sec. 26 of the Act.

(c) The definition of 'employee' in sec. 2(i) of the Act be so expanded as to cover all categories of rural labour.

(d) Section 3(a)(iii) of the Act which provides for differential rates of minimum wages to be fixed for adults, adolescents and children should be deleted from the Act.

(e) The proviso to Section 3(i) of the Act be so amended as to provide for linking the minimum wage to a variable dearness allowance (VDA) formula to compensate the employees for variations in the cost of living every six months and that the revision of wages should be done every two years and even if there be some delay. VDA should continue.

(f) The requirements of the minimum number of workers in any industry/works to make the Act operative should be done away with.

(g) Mandatorily identity cards should be issued to rural labour and this should be done by the village officer or the Panchayat

(h) The organisation of Tripartite Boards and Committees under section 7 of the Act should have adequate representation of unorganised sector through non-governmental organisations, trade unions and independent persons of high social standing.

(i) Sanctions like fine, imprisonment etc., under the Act should be such that they act as effective deterrents,

(j) Section 20 of the Act be made wider along the lines of Section 16 of the Child Labour (Prohibition and Regulation) Act 1986 to facilitate the task of prosecuting an employer

(k) The burden of proof under the Act requiring a worker to prove that minimum wages have not been paid to him/her should be shifted to the employer.

(l) Section 22(e) should be deleted.

(m) The appointment of Claims Authorities (Section 19 and 20) should be at Block or Panchayat Samiti level, but in any case not at a level higher than a Sub-division.

(vii) There should also be a Conciliation Machinery for disputes at the village level itself and an institutionalised framework comprising the Panchayat Raj System may be evolved to sort out the problems relating to payment of minimum wages at the local level itself. The Panchayats could also be given power to impose fines in cases of violation of Minimum Wages Act, particularly regarding agricultural Labour, with an appeal lying to the Claims Authority.

CHAPTER 16

BASIC NEEDS

Introduction

Four decades of planning has brought various institutional and some structural changes in the Indian economy. However, the development process did not pay adequate attention to meeting the basic needs of the masses. In spite of all round progress made during these years, no proviso was made to meet the basic needs of the rural poor. In rural areas the gulf between rich and poor is increasing. The land base of rural labour is shrinking. On the other hand their access to Common Property Resources is also being eroded. The benefits of green revolution did not percolate down to the grass root level; successive plans emphasised the need to promote economic growth without adequate attention to the provision of basic needs. Only in 5th Five Year Plan the minimum needs were identified and some attempts were made to meet these requirements. Still there are institutional structures which impede attempts to make equitable provisions, for example, there is conflict between right to livelihood of the masses and right to private property in the means of livelihood which is controlled by a rich minority. There has been rapid erosion of community rights on land, water and forests which are vital to meet the basic needs of the rural poor. There has been a growing commercialisation of things which were free goods of nature earlier. There is a strong need for State intervention to fulfil the basic needs of rural labour whose very survival depends upon State support since the free play of a market economy will not take care of their needs. The necessary provisions have inevitably to be made by the State.

Scope and Main Features

16.2 The World Employment Conference in 1976 recommended the adoption of basic needs approach by member-countries which included two elements. Firstly, certain minimum requirements of a family for private consumption like adequate food, shelter and clothing; and secondly essential services provided by and for the community at large such as drinking water, sanitation, public transport, health and educational facilities.

16.2a While the basic needs approach is similar to the conventional poverty-oriented strategy, it is wider as it is not only targeted at specific poverty groups within the economy but will cover the population as a whole involving effective peoples' participation in its implementation. In fact the strategy has to be two-pronged; special programmes for identified groups; and general programmes for provision of basic needs for the community as a whole taking care to see that the underprivileged groups get full access to them.

16.3 The 5th Five Year Plan 1973-78 explicitly spelled out the "minimum level of living" approach which had two basic components; a minimum level of per capita consumption expenditure for a specific target group i.e. the poorest 30% of the population; and public services identified as basic minimum needs which were (i) elementary education up to the age of 14 (ii) minimum public health facilities integrated with family planning and nutrition for children (iii) rural water supply (iv) house sites for landless labour (v) rural roads (vi) rural electrification and (vii) slum improvement in urban areas. The subsequent plans included rural sanitation and public distribution system in addition, and laid greater emphasis on poverty alleviation programmes.

16.4 It must be admitted that the pace of progress of the programmes has been slow and uneven, and the full access of the poorest and the underprivileged to them has also been questioned. General level of agricultural productivity, employment, wages and incomes, the impact of inflation and rising population pressure are factors that have a bearing on this question. Changes have also taken place in consumer preferences and aspirations of people in rural areas due to the influence of urban fashions and mores.

16.5 Since 1964-65 the number and proportion of agricultural and rural labour households the total rural households have shown a rapid increase—from 15.3 million in 1964-65 to 33.3 million in 1987-88 for agricultural labour, an increase of 118% and from 17.8 million to 43.1 million for rural labour, an increase of 142% in that period. All rural households, on the other hand, increased only by 54% during this period. The agricultural labouring class which constituted about a fifth of rural households in 1964-65 now makes up nearly 31% and the rural labour households which were about a quarter of rural households in 1964-65 constituted nearly 40% of rural households in 1987-88. One of the main reasons behind increasing labour force is the marginalisation of the peasantry. The number of marginal holdings increased from 36.2 million in 1970-71 to 56.75 million in 1985-86. If 3.29 million new beneficiaries on account of distribution of ceiling surplus lands during this period are excluded, the increase would be to the extent of 17.26 million over 15 years, i.e. the annual rate of marginalisation comes to around 3.2 per cent which compared to about 2 per cent rate of growth of rural population during this decade is quite significant and perhaps, explains the process of casualization and immiserisation in rural India. Increasing casualisation, the failure of the agricultural sector to maintain its rate of labour absorption, the shift of production away from coarse grains and pulses towards high value crops, have all resulted in steady impoverishment of the agricultural working class.

16.6 Some of the major issues relevant to this subject have been dealt with in other chapters of this Report like those on Minimum Wages, Bonded Labour, Employment and Development Strategy, Land Reforms, Migrant Labour, and Social Security. In the following paragraphs, basic needs are examined in relation to Consumption and Nutrition, Housing, Health, Drinking Water, Education and Training and Rural Energy.

Consumption and Nutrition

16.7 The latest per capita average expenditure figures for rural families, available only for the year 1983, show that agricultural labourers, at Rs. 85.28 have the least per capita per month expenditure. The corresponding figures for self-employed and rural labour being Rs. 122.85 and Rs. 89.09 respectively. It is obvious that the impact of rising prices will be most felt by agricultural labourers who are at the bottom of the line and that their consumption of essential food items will decline when their prices rise sharply. This seems to have happened in the case of cereals where the per capita daily consumption went down from 480 gms. in 1977-78 to 465 gms. in 1983 for agricultural labour households and from 480 gms. to 437 gms. for all rural labour households in the same period. The per capita availability of protein-rich pulses has also been declining and the expenditure on pulses as a percentage of total expenditure on food in rural labour households was 5.24 in 1977-78 and it went down to 4.86 in 1983; milk and milk products similarly went down from 6.30% to 5.78% in the same period.

16.8 The N.S.S. data collected in its 27th (1972-73) and 38th (1983) rounds reveal that for rural India, the per capita per day average intake of both calorie and protein declined slightly over the decade from 2266 to 2221 and 62.7 to 62 gms. respectively (Annexure I). The per capita intake of 2221 in 1983 is about 7.5 per cent less compared to the officially accepted normative minimum of 2400 calories. In 1983, in rural India as a whole, almost 1/4th of the households (23.97%) consumed less than 1800 calories per day whereas the percentage of households whose calorie intake was less than normative minimum was as high as little over 68%.

16.9 The poor nutrition level of the diet of agricultural labour families is revealed in the following table which shows comparative percentage expenditure on selected items:

Percentage of total consumption expenditure on selected items by occupations (1983)

	All-Rural	Self-employed in agriculture	Agricultural labour	Rural Labour
Food	65.58	69.13	68.66	68.17
(Cereals)	(32.30)	(30.79)	(39.63)	(37.96)
(Pulses)	(3.54)	(3.74)	(3.34)	(3.31)
(Milk & Milk Products)	(7.57)	(9.49)	(3.61)	(3.94)
(Edible oil)	(4.03)	(4.03)	(3.79)	(3.83)
Pan, Tobacco	2.98	2.62	3.73	3.81
Fuel & light	7.05	6.67	8.16	8.01
Clothing	8.58	9.60	6.63	5.83

16.10 The problem of low consumption is related to variables like increase in prices, agricultural production, size of land holdings, extent of unemployment etc. Under-consumption being the severest in the case of agricultural labour, measures to increase their income will increase their level of food consumption. This can be done both by increasing their incomes directly through enforcing the payment of minimum wages and employment guarantee schemes, and by subsidised supply of essential commodities through the public distribution system. The first requirement will be the proper identification of the "hungry families" and providing them with identity cards. An easy way of doing it would be to give them specially coloured cards under the present rationing scheme through fair-price shops. For this poorest group which will inevitably include the largest part of the rural landless labour, the cost of the rations should be reduced during the non-agricultural season, to say, half the price. They should also be given special supplies of pulses in order to increase the protein content of their diet. Some States are already supplying rations through the fair-price shops at special subsidised prices. In Gujarat, under the "Food for All" scheme, the poorest of the poor families whose annual income does not exceed Rs. 5,000/- are eligible for a separate ration card which enables them to draw their share of grain from the fair-price shops as and when they want. Such poor families are entitled to 2.5 Kg. of wheat and 8.5 kg. of rice per head per month at the specially subsidised rates. Similarly, the Government of Andhra Pradesh has implemented a scheme of issuing special ration cards to such families whose annual income is less than Rs. 6,000/- enabling them to buy rice at Rs. 2/- per kg. (reduced last year to Rs. 1.90 per kg.). In West Bengal, agricultural labourers are given 1 kg rice per week during the off-agricultural season. The example of West Bengal should be followed in all States. The special ration cards as suggested will have the added advantage of identifying the group for special attention for other benefits like medical attention in health centres/dispensaries.

16.11 The network of the Public Distribution System in the country has been expanding over the years. The number of fair price shops had increased from about 2.39 lakhs in March, 1979 to about 3.61 lakhs in March, 1990. Out of 3.61 lakhs fair price shops, 2.72 lakhs, i.e., nearly 75% were in rural areas as on 31.3.90 (Annexure-II). Among the rural F.P.S., only about 26 per cent was of cooperative form.

16.12 The following table based on data collected by NSS in its 42nd Round (1986-87) indicates the percentage distribution of persons in rural and urban areas purchasing selected items viz. rice, wheat, edible oil sugar and kerosene from PDS and other sources:

TABLE

Source of Purchase	Item				
	Rice	Wheat	Edible-oil	Sugar	Kerosene
	1	2	3	4	5
	Rural				
Only from IPDS	14.17	26.49	4.58	36.08	44.08

TABLE - *cond.*

	1	2	3	4	5	6
Only from other sources	60.26	68.71	83.32	32.4	48.98	
Both from IPDS & other sources	25.57	4.80	12.10	91.86	6.94	
TOTAL	100.00	100.00	100.00	100.00	100.00	
Urban						
Only from IPDS	11.13	29.48	5.73	29.18	56.20	
Only from other sources	60.89	63.30	73.37	24.37	35.55	
Both from PDS & other sources	27.98	7.22	20.90	46.45	8.25	
TOTAL	100.00	100.00	100.00	100.00	100.00	

The data reveals that the percentage of persons purchasing wheat, edible oil and kerosene from PDS is more in urban than in rural areas. On the other hand, a greater percentage in rural areas compared to their urban counterparts depend on PDS for rice and sugar.

16.13 The NSS survey also revealed that non-availability of different items in fair price shops was more pronounced in rural areas compared to urban areas. The percentage of persons reporting non-availability of the different items varied from 22 to 50 in rural areas as against 8 to 30 in urban areas. For kerosene which is an important fuel item in rural areas, 49.87 per cent of rural population surveyed reported it not being available in the PDS whereas the corresponding percentage for urban areas was 29.67.

16.14 The coverage by fair-price shops also shows wide variations between States (Annexure-III). Thus in 1985 Kerala, Maharashtra, Assam and Gujarat have more than 50% of fair-price shops within 2 kms of village. There are complaints that not all members of a family are given cards and that the issue of ration cards is restricted in other ways. It is evident that more fair-price shops should be opened so that no villager has to go more than 2 kms for his rations. In rural areas even rice, wheat and sugar are not supplied uniformly every week but only as and when stocks are available. The Daghi Committee Report on Contracts and Subsidies found that even though 3/4 of the total fair-price shops are situated in rural areas, only 1/3 of the supplies under the public distribution system is allocated to rural areas, as much as 2/3 going to the urban areas. It follows that the impact of the public distribution system has not been felt in the rural areas. The public distribution system needs to be revamped to benefit the poorest sections on the lines mentioned above instead of treating the rich and the poor sections alike as is being done now. In fact PDS should supply food items to hungry families only and continuous supply of the food items should be ensured to the special card holder families. They should receive the first priority under the public distribution system. This would also result in reducing the expenditure on PDS.

16.15 Rural labour, being poor, has a very high propensity to spend on food, especially cereals. Unlike urban labour which is better covered by supply from the public distribution system and by wage indexation, rural labour which is poorly covered by the public distribution system gets seriously affected by any increase in food prices and suffers a substantial fall in the consumption level. While increase in procurement prices may protect the relative incomes of farmers at the expense of non-farmers, the ultimate burden falls on rural labour and other non-farm rural households who cannot afford the increase. It is in this context that the public distribution system assumes importance to provide restraining influence on prices and protect the consumption level of the poorer sections. A re-orientation of the public distribution system is required to target directly the poorer sections in both the urban and rural areas. Using an occupation and asset criteria, with local variations, for identification, the target group of the poor could be identified, such as, the small and marginal farmers, landless labourers, rural and urban artisans, urban poor in slums, tribal areas etc. With the special identity cards, as already suggested, it should be made possible for the target groups to draw their requirements on a weekly basis. The delivery system requires to be streamlined to overcome complaints of inadequate facilities for storage and transportation, leakages in delivery of consignments to the villages by disposing it of in the market to private traders and inadequacy of the number of fair price shops in remote, hilly or tribal areas. The Civil Supplies Corporations and other State Agencies should be strengthened, adequate and continuous supply to the fair price shops ensured and mobile fair price shops also considered for introduction in remote areas where they can go during the weekly haats. Introduction of items of requirement in rural areas other than those supplied through the public distribution system could help in increasing the turnover and make the fair price shops viable. Further, local procurement could also be undertaken to supplement the Central allocations of rice and wheat, particularly the procurement of the local coarse grains like bajra, jowar, maize, ragi etc. which are the staple foodgrains in rural areas and supplied through the fair price shops.

16.16 Clothing is also a matter of concern for Rural Labour. The production and supply of standard cloth of coarser variety seems to be neglected because of the growing demand for higher priced cloth favoured by the urban rich and beyond the means of the rural poor. Providing cloth to suit the needs of the local people is equally important. It is necessary to organise the distribution of standard cloth at affordable price through fair-price shops in the same manner as foodgrains.

16.17 Related to consumption by agricultural labour families are two other issues namely: provision of consumption loans and increase in alcoholism in rural areas.

16.18 While public institutions including banks and cooperatives, advance loans only for productive purposes, the poorer sections have nowhere to go for their

consumption needs. This is the prime reason for increase in their indebtedness leading even to bonded labour. It is necessary to enact suitable legislation as has been already done in some States for debt relief and redemption, including provision for writing-off the debt where the interest exceeds the capital, and for prescribing suitable instalments for repayment of debts. This can be done by designated authorities at the Taluka or Block level. Public distribution of essential commodities at controlled prices especially during the lean periods would go a long way in reducing the consumption debt burden of the rural labour households. As has been stressed elsewhere, the need for consumption loan for rural labour is also of considerable importance.

16.19 Alcoholism by all accounts has increased in recent years. In some States the increase in the number of country liquor shops and the off-take of country liquor has gone up alarmingly. There are also instances of sale through attractive packages to make country liquor distribution even more widespread. The Constitution specifically directs that "the State shall endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and all drugs which are injurious to health". Far from taking any steps to fulfil this obligation, Governments have been liberally issuing more and more liquor licences and generating more revenue from this prohibited source. It is recommended that the number of country shops be frozen at the present level and steps taken to progressively reduce the number in coming years.

Housing

16.20 While there are several schemes for building low cost houses for those who possess some land, the landless are very poorly served. The N.S.S. data for 1987-88 also reveal that only 31 per thousand of the rural labour households own homesteads. At the beginning of the Seventh Plan, the housing shortage was estimated at 24.7 million units with 18.8 million in rural areas. It was also estimated that during 1985-90, the housing requirement in rural areas will increase by 12.4 million units. Thus, for solving the housing shortage, 31.2 million housing units were required to be constructed in rural areas during the Seventh Plan period.

16.21 In order to meet the housing requirement in rural areas in the country, several schemes have been launched. Different State Governments/Union Territory Administrations in the country are implementing their own housing programmes depending upon the availability of resources. At the National Level, following two housing schemes are in operation in the rural areas, viz. the Scheme of Allotment of House-sites to Rural Landless Workers and provision of Construction Assistance.

16.22 During the Sixth Plan period, under the scheme, a sum of Rs. 250/- per family was given as assistance for meeting the cost of site development and Rs. 500/-

per family as construction assistance. Since the financial norms were considered inadequate due to escalation of cost, etc. in the Seventh Plan, these norms were increased to Rs. 500/- for site development and Rs. 2000/- as construction assistance. An allocation of Rs. 579 crores was made in the Seventh Plan for this scheme.

16.23 The overall performance under this scheme during the Sixth and Seventh Plan was as under:

	Sixth Plan (1980-85) (in lakhs)		Seventh Plan (1985-90) (in lakhs)	
	Target	Achievement	Target	Achievement
House sites allotted (Families)	68.00	54.33	28.99	43.20
Construction assistance given (Families)	36.00	19.13	22.88	22.55

The targets for the first year of the VIII Plan are 3.27 lakh families for house sites and 1.22 lakh families for construction assistance with an outlay of Rs 129.65 crores

(ii) Indira Awaas Yojana

16.24 The scheme was introduced in 1985-86 exclusively for the SCs/STs and the freed bonded labourers in the rural areas who are below the poverty line. Its objective is to provide houses to the members of the target group, free of cost. The scheme now provides for a permissible construction expenditure of Rs. 12,700 per dwelling unit with low cost sanitation and infrastructure development.

All allocation of Rs. 628 crores was made for the Indira Awaas Yojana during 1985-90 and its performance during this period was as under :

	(in lakhs)					
	85-86	86-87	87-88	88-89	89-90	Total (1985-90)
Indira Awaas (Dwelling Unit)						
Target	1.58	2.14	1.33	1.35	1.20	7.60
Achievements	0.51	1.52	1.64	1.37	1.83	6.87

The scheme is being implemented as a component of Jawahar Rojgar Yojana since 1989-90.

State Government and other Housing Schemes

16.25 Besides the above, the State Govts/Union Territory Administrations are also implementing housing schemes in the rural areas in their respective States. In

addition, there are certain other schemes for providing housing facilities to Beedi Workers and workers engaged in iron ore, manganese ore, chrome ore, limestone and mica mines as are residing in neighbourhood villages.

16.26 Certain agencies financing rural housing schemes have played a significant role in relieving the housing shortage in the country. The main agencies engaged in this are the Housing and Urban Development Corporation (HUDCO) and LIC/GIC. HUDCO started financing rural housing schemes since 1977-78. Rural housing projects costing nearly Rs. 1012 crores have been sanctioned by HUDCO with loans of over Rs. 538 crores to enable construction of nearly 1.9 million dwelling units in rural areas. The LIC and GIC are also financing housing schemes in rural areas. GIC loans are particularly available for social housing schemes in the rural areas only.

16.27 The basic problems of housing for rural labour seem to be that house sites are not owned by them. Public housing agencies are not able to cater to their needs since they do not own land and the rural labour cannot afford cost of the building according to their norms. The first requirement, therefore, is to give rural labour house-sites by locating suitable vested lands or other means and to make the cost of building affordable by them. If the labourer gets a site, he would himself in most cases be able to erect a shelter for himself through local materials. The provision of homestead land, therefore, assumes the first importance.

16.28 Several States have enacted measures for giving homestead lands to agricultural labourers by conferring ownership rights on the plots that they may be already occupying. The West Bengal Acquisition of Homestead Land for Agricultural Labourers, Artisans and Fisherman Act 1975 is an example. It provides that where an occupier has been in possession of any land (on 26th June, 1975) to an extent of 0.0334 hectare (8 cents) that land will stand acquired by the State Government and will stand transferred and vested absolutely in favour of such an occupier. A small compensation is paid to the owner. There is a bar on transfer of such land by the occupier and penalty for eviction of the occupier of such land. Civil court jurisdiction is barred. Analogous provisions have been made by some of the States for conferment of homestead rights upto 10 cents of land and it has been implemented in a substantial measure in Kerala. Other State Governments should also make suitable legislative provision for conferment of such homestead rights and to implement them vigorously so that the people in rural areas get the security of a small plot of land. Periodically, this provision should be extended to cover fresh occupiers, say once in 5 years, in order to extend this benefit on a continuous basis.

Health and Drinking Water

16.29 Great strides have been made in health and medical coverage in the country since 1947. But it is not uniform and the urban areas have got the lion's share of the benefits. The difference between the rural

and urban areas can be measured from the fact that the death rate in 1988 was 12 in rural areas as against 7.7 in urban areas and infant mortality rate 102 in rural areas as against 62 in urban areas. Compared to the hospitals in the towns, the vacancies are very large in the medical and public health staff in rural areas. The rural areas had about 95,000 hospital beds as compared to over 5 lakh beds in urban areas. In the rural areas taken as a whole, 13667 dispensaries were operating on 1-1-1989 which obviously caters only for a small fraction of population. The health centres are woefully short of requirement of medicines.

16.30 The health services are insufficient to meet the needs of the rural poor whose access to even the existing facilities is inadequate, thus making them dependent on quacks. The prime requirement is to extend the coverage and improve the quality of services in the rural areas like immunisation, maternity and child care, dispensary services and supply of medicines. The first priority in these matters can be given to the most affected and poorest groups if the special ration cards, as suggested earlier, are utilised for identifying them.

16.31 The shortage of Doctors and para-medical staff is acute in rural areas. This can be corrected to some extent by employing private practitioners in the local areas to work in the health centres/dispensaries for 2-3 hours everyday to be paid on the basis of the patients they treat. The Village Health Guides Programme, inspite of its having received a set-back between 1979 and 1981, has now been put back on the rails and will be of considerable benefit to rural families. Their numbers are still only 4,15,700 for a total of 5,57,139 villages. There should be one guide for males and one for females in each village. Construction of health centre buildings, training programmes for 'Dais' and ANMs and association of voluntary agencies, wherever possible, in rural health programmes, also require priority attention.

16.32 The provision of drinking water source for each village has the additional benefit of reducing the incidence of worms, which is endemic in rural areas. The number of problem villages (with no source of water supply within a specified range) has come down because of several programmes being implemented. With a view to develop low cost solutions for providing 40 litres per capita per day of safe drinking water of acceptable quality in rural areas, the National Technology Mission on Drinking Water was set up in 1986. There is also the Centrally sponsored scheme of accelerated rural water supply programme to assist the State Governments. Even so, as on 1-4-1990, there were 8332 no source category villages and 1,38,312 partially covered villages in the country. Besides, the fall in water level in some areas due to draught and other reasons, and lack of maintenance of the existing water sources, will make this problem of adequate potable water persist. The access of backward sections of the rural population to even the existing facilities is an issue that persists in some areas. Special efforts to provide them drinking water sources will have to be made and their access to existing facilities ensured.

Education and Training

16.33 Primary education is rightly considered to be a basic need. Associated with it is functional literacy and upgradation of skills, which are important requirements in rural areas. Provisional figures from 1991 census including growth rate, sex ratio and literacy percentage are presented in Annexure-IV A and IVB.

16.34 The Constitution directs that the State shall endeavour to provide for free and compulsory education for all children upto the age of fourteen. Primary school education is now free all over the country and the All India Education Survey reveals that 94.56 of the rural population are served with primary schools/sections within a walking distance of one kilometre. One may then conclude that the time is ripe to make it compulsory. But hesitations arise from the quality of the education provided, the state of school buildings, text books, teachers and the high drop-out rate which is as high as 63.8% for classes I to VIII as of 1986-87. During the Seventh Plan the enrolment of children in the primary/upper primary stage was 13.1 crores against the target of 13.7 crores, but the high drop out rate is still frustrating. In order to improve the quality of education and the retention rate in schools, a new scheme, viz. 'Operation Blackboard' was started and the non-formal education programme was revised and extended. Still the enrolment in non-formal education was only 1.5 crores against the target of 2.5 crore, as the States could not find matching share for this Centrally sponsored scheme. Further, there are also disparities in access to primary education between rural and urban areas, boys and girls, the affluent and the deprived, etc. There are continuing doubts about the ability of the Government to enforce compulsory education. But all these issues have to be faced and the necessary infrastructure prepared to improve the quality of education in primary schools and to arrest the low retention and high wastage in the system, so that all children of the primary school-going age attend school, instead of only 50% as of now.

16.35 There is a close link between the number of children attending school and the extent of child labour. One estimate is that one third of the children in the age group 6-14 years are working. Compulsory education will obviously have a beneficial effect in reducing the employment of child labour which legislation and Governmental machinery have so far been powerless to eradicate or control. It has been argued that unless compelled, rural labour families will put their children to work and ignore schooling due to economic reasons. Adult illiteracy will also disappear in one generation if all children are in school. Further especially for girls, primary education has been proved to have considerable beneficial effects on reduction of fertility and proper upbringing of children. It is recommended that primary education be made compulsory and Governments equip the schools and take necessary measures to enforce it. In the meanwhile, the non-formal system should also be pursued vigorously and imaginatively, particularly for girls and those belonging to the scheduled castes, scheduled tribes etc.

16.36 Functional and adult literacy is important for rural labour. The association of literacy with higher incomes of agricultural labour is well marked. Programmes for upgrading the skills, say of rural artisans, call for an understanding which depends on literacy. Measures to promote mass awareness and consciousness among landless labour will also be successful if a level of literacy can be assured. According to the provisional figures of 1991 census, the number of persons aged 7 years and above (excluding Assam and J & K) who are illiterate is about 32.40 crores (of which about 19.73 crores were females). A plethora of projects and schemes, including a National Mission for eradication of adult illiteracy through functional literacy especially for females, have been in operation through governmental and non-governmental agencies. But, despite these efforts, we have still far to go. Considering the slow progress made in adult literacy programmes so far, the number involved, and the short span on time in which to achieve results, programmes have to be devised to suit the existing situation. Area specific, time bound, cost-effective mass campaigns need to be mounted. Here, the example of Kerala is relevant where trade unions have taken the initiative in organising mass training camps for agricultural workers which are attended not only by trade union functionaries but also Government Departmental staff of the district and blocks. It has been the experience that agricultural and rural workers have several clarifications to seek and questions to ask and they do not know where to turn to obtain the information. These camps, if organised on a mass scale by all interested rural bodies—trade unions, voluntary agencies, Panchayatiraj or Governmental agencies—could make the agricultural workers conscious of their rights and responsibilities and promote understanding of the essential features of enactments on Minimum Wages, Bonded Labour, Equal Remuneration, Child Labour etc. of direct relevance to them. In other words, a nation-wide effort to promote mass awareness and consciousness among rural workers through camps organised by all concerned agencies will go a long way to help organised labour, and is recommended. Institutional linkages for continuing education as a follow up of functional literacy also need to be organised.

16.37 For upgrading the skills of rural artisans, whose knowledge and skills have remained at low levels, a special programme based on fixed training centres with peripatetic training teams radiating from them is recommended. The skills to be upgraded will depend on the type of artisans in the area and local demand for them. The training programme and duration will have to be flexible to suit local requirements but the programmes should cover the whole country. Progressively, artisans will need to be encouraged to undergo higher training according to their aptitude, in order to develop their skills to the fullest extent.

16.38 The training efforts now under way—for all categories of officials, non-officials, farmers, extension workers, voluntary agencies etc. in each district is already considerable. The scale of training involved in organising the camps for agricultural workers and for upgrading the skills of artisans outlined above, will

greatly increase the training activities in each district. To coordinate them and plan the programmes in a comprehensive manner, it is proposed that a District Training Institute be established in each district staffed by competent high level trainers and other staff with a special responsibility to train rural labour and artisans. Wherever a high-level training institute already exists, it could be utilised to undertake this responsibility so that it is not necessary to build new institutes in every district, but it should assume responsibility to supervise all the training programmes for rural labour and artisans undertaken within the district, and should be equipped by Government to discharge this responsibility.

Rural Energy

16.39 In so far as rural electrification is concerned, it is estimated that the number of villages at the end of the Seventh Plan remaining to be electrified is about 1.1 lakh or about 20%. However, there are some States like Bihar, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal which have large number of villages to be electrified. These account for 92% of the unelectrified villages. Many of them are disadvantageously located and it will be uneconomical to draw power lines from the States' grids. Non-conventional sources like solar power, wind power etc., would have to be explored.

16.40 So far as rural labour is concerned, most of their energy needs are met from wood as fuel and kerosene for lighting. It is necessary to improve the access and availability of fuel to rural labour. Village woodlots and biomass programmes on common lands must be developed and the rural labour given priority in drawing their fuel requirements from these. A community or panchayat monitored system should be evolved for equitable distribution of these resources and to prevent preemption by the richer classes. The rural labour should also be given vested interest in such resources by allowing them to grow and look after the woodlots and by providing tree pattas. It is most essential to conserve and develop the common property resources for this purpose.

Access to Common Property Resources

16.41 Access to Common Property Resources is very important for meeting the basic needs of the rural poor. There has been increasing restrictions and commercialisation of CPRs which prohibit and restrict the access of CPRs. These trends need to be reversed. Rights of rural poor in the Common Property Resources is to be recognised and strengthened further through participative management at local level. The delicate relations of tribals with forests must be recognised and commercialisation of CPRs should be stopped henceforth. Local level Panchayats should be associated with management and regeneration of CPRs with sharing of usufructs among the rural poor.

Peoples participation

16.42 The success of many of the programmes of basic needs outlined above is dependent upon people's

participation and the participation of the beneficiaries. The success of compulsory primary education, adult functional literacy, provision of energy needs from common property resources all would require active participation of the panchayats, beneficiaries and their organisations. Panchayatiraj bodies and voluntary organisations can also help in supplementing governmental efforts for an effective public distribution system, efficient stocking and running of health centres, maintenance of drinking water sources, providing houses for the weaker sections, training in skills etc. They can also act as watch dogs to prevent misuse and leakages.

CONCLUSIONS AND RECOMMENDATIONS

16.43 Main Conclusions and Recommendations are as under:

(1) A two-pronged strategy has to be followed: special programmes for identified groups, and general programmes for the whole community taking care to see that under privileged groups get full access to them:

(2) Low consumption level of agricultural and rural labour families can be improved by increasing their income directly by measures like enforcing minimum wages and employment schemes, and by subsidised supply of essential commodities through fair-price shops.

(3) The Public Distribution system should be re-oriented to target directly the poorer sections. Food items should be supplied through PDS to 'Hungry Families' only. 'Hungry Families' have to be identified and supplied with a SPECIAL COLOURED RATION CARDS. This should entitle them to draw rations at half the price during the off-agricultural season and for special supply of pulses to increase the protein content in their Food. These special cards will also enable them to obtain priority attention for medical treatment in health centres/dispensaries.

(4) More fair-price shops should be set up so that no villager has to go more than 2 kms. to get his rations. The special card-holders to have first priority in getting rations from the PDS. Mobile shops to cater to remote areas should be set up.

(5) Besides rice and wheat, staple coarse cereal should be locally procured and supplied. Purchases on a weekly basis is to be allowed. Supply of standard cloth should also be made through fair-price shops.

(6) Large number of Public Distribution System outlets in rural India are run by private traders which has led to malpractices and leakages. There is a need for strict monitoring of their operations and progressive cooperativisation by employing persons from weaker sections for managing these outlets.

(7) Suitable legislation to be enacted for debt relief including writing off of debts when interest has exceeded the capital, and prescribing instalments for repayment of the loan.

(8) The number of country liquor shops to be frozen at the present level and their number progressively reduced in coming years.

(9) Rural landless labour to be given house sites and ownership rights on homesteads conferred on the lines of the West Bengal and Kerala Acts.

(10) Private practitioners in rural areas to be asked to work in health centres/dispensaries where there are no doctors and to be paid according to the number of patients treated, Village Health Guides Programme to be expanded.

(11) Special efforts to provide drinking water to backward sections and ensure their access to existing facilities.

(12) Primary education should be made compulsory. It will, besides other benefits, help to reduce child-labour, eradicate adult illiteracy, reduce fertility and ensure proper upbringing of children by educated mothers. Non-formal education to continue until compulsory education is achieved.

(13) Time-bound programmes may be launched for providing drinking water and primary education in rural areas.

(14) A nation-wide effort to promote mass awareness and consciousness among rural workers and dissemination of information on welfare schemes through camps organised by all concerned agencies

like trade unions, voluntary bodies, Panchayati Raj institutions and govt. agencies. Mass campaign for eradicating adult literacy to be mounted and continuing education in functional literacy provided.

(15) Special programmes to be implemented for upgrading the skills of rural artisans based on fixed training centres with peripatetic teams radiating from them. Training and duration to be flexible and of the cluster type.

(16) To coordinate all training programmes within the district and plan them in a comprehensive manner, a District Training Institute is recommended for each district staffed by competent high-level trainers and properly equipped by Government with special responsibility for training rural labour and artisans.

(17) Common Property Resources should be developed with the help of local level support and produce may be made available to rural labour equitably for their various needs.

(18) People's participation, particularly of the beneficiaries are essential for the success of many of the schemes. Panchayatiraj bodies and voluntary organisations can supplement the efforts, improve efficiency and prevent leakages.

ANNEXURE I

PER CAPITA PER DAY INTAKE OF CALORIE AND PROTEIN

(Rural India)

State	Calorie		Protein (gms)	
	1972-73	1983	1972-73	1983
1	2	3	4	5
Andhra	2103	2204	53.5	56.0
Assam	2074	2056	53.5	52.0
Bihar	2225	2189	65.0	65.0
Gujarat	2142	2113	58.0	59.0
Haryana	3215	2554	90.7	78.0
H.P.	2954	2636	86.9	80.0
J & K	3151	2569	80.0	71.0
Karnataka	2202	2260	57.3	60.0
Kerala	1559	1844	38.6	47.0
M.P.	2423	2323	68.3	68.0
Maharashtra	1895	2244	54.7	62.0
Manipur	2310	2296	63.3	61.0
Orissa	1995	2103	49.5	51.0
Punjab	3493	2677	85.1	79.0
Rajasthan	2730	2433	84.6	75.0
Tamil Nadu	1955	1961	49.3	47.0
U.P.	2575	2399	76.1	73.0
West Bengal	1921	2027	50.5	52.0
All India	2266	2221	62.7	62.0

ANNEXURE II
INFORMATION REGARDING NUMBER OF FAIR PRICE SHOPS

As on 31-3-1990

Code No.	Name of the State/U.T.	Co-operative			Others			Total			Number of Mobile vans
		Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	
1	2	3	4	5 (3+4)	6	7	8 (6+7)	9 (3+6)	10 (4+7)	11 (9+10)	12
01	Andhra Pradesh	1902	773	2675	26867	5967	32834	28769	6740	35509	8
02	Arunachal Pradesh	213	36	249	267	31	298	480	67	547	..
03	Assam	705	167	872	20854	2591	23445	21559	2758	24317	1
04	Bihar*	2686	552	3238	29671	6718	36389	32357	7270	39627	77
05	Gujarat	3191	465	3656	6660	1837	8497	9851	2302	12153	31
06	Goa	158	60	218	257	78	335	415	138	553	..
07	Haryana	1439	122	1561	3064	1925	4989	4503	2047	6550	134
08	Himachal Pradesh	2439	97	2536	530	112	642	2969	209	3178	..
09	Jammu & Kashmir	182	..	182	1882	534	2416	2064	534	2598	..
10	Karnataka	5272	1967	7239	7129	2328	9457	12401	4295	16696	6
11	Kerala	..	1234	1234	..	11745	11745	..	12979	12979	..
12	Madhya Pradesh	9551	2310	11861	8392	3123	11515	17943	5433	23376	87
13	Maharashtra	6708	2724	9432	18371	7478	25849	25079	10202	35281	..
14	Manipur	19	11	30	1475	147	1622	1494	158	1652	..
15	Meghalaya	41	19	60	2497	553	3050	2538	572	3110	2
16	Mizoram@	16	2	18	618	126	744	634	128	762	..
17	Nagaland	..	..	..	128	190	318	128	190	318	6
18	Orissa	3242	263	3505	15261	2398	17659	18503	2661	21164	47
19	Punjab	2581	194	2775	5974	2020	7994	8555	2214	10769	..
20	Rajasthan**	5396	961	6357	5075	2767	7842	10471	3728	14199	..
21	Sikkim	58	11	69	643	509	1152	701	520	1221	..
22	Tamil Nadu	17312	3691	21003	73	58	131	17385	3749	21134	..
23	Tripura	315	41	356	728	81	809	1043	122	1165	..
24	Uttar Pradesh	7887	2146	10033	28786	9024	37810	36673	11170	47843	63
25	West Bengal	493	517	1010	14594	4329	18923	15087	4846	19933	..
26	A. & N. Islands	57	13	70	150	54	204	207	67	274	..
27	Chandigarh	6	29	35	32	239	271	38	268	306	2
28	D. & N. Haveli	41	..	41	16	..	16	57	..	57	..
29	Delhi	35	108	143	236	3195	3431	271	3303	3574	..
30	Daman & Diu	14	7	21	2	13	15	16	20	36	..
31	Lakshadweep	18	12	30	..	..	..	18	12	30	..
32	Pondicherry	147	130	277	18	54	72	165	184	349	..
Total		72124	18662	90786	200250	70224	270474	272374	88886	361260	..

*Relates to March, 1988

**Relates to March, 1989

@Relates to Sept., 1989

£Relates to Dec., 1989

ANNEXURE III

PERCENTAGE OF VILLAGES HAVING F.P. SHOPS WITHIN 2 Kms.

Sl. No.	State	Percentage of villages	Rank
1	2	3	4
1	Andhra Pradesh	22.82	16
2	Assam	60.32	3
3	Bihar	49.11	5
4	Gujarat	51.67	4
5	Haryana	41.25	7
6	Himachal Pradesh	26.43	14
7	J. & K.	20.60	17
8	Karnataka	29.66	12
9	Kerala	98.77	1
10	Madhya Pradesh	19.24	18
11	Maharashtra	66.67	2
12	Manipur	11.83	21
13	Meghalaya	37.68	8
14	Nagaland	10.17	22
15	Orissa	16.88	20
16	Punjab	37.01	10
17	Rajasthan	24.00	15
18	Sikkim	18.76	19
19	Tamil Nadu	26.69	13
20	Tripura	48.78	6
21	Uttar Pradesh	35.11	11
22	West Bengal	37.61	9

Source : Monthly Abstract of Statistics—Jan. 1985, P.5-16.

ANNEXURE IV-A

DISTRIBUTION OF POPULATION, SEX, RATIO, DENSITY AND GROWTH RATE OF POPULATION

Sl. No.	India/State/ Union Territory	Population 1991			Sex Ratio		Density		Growth Rate	
		Persons	Males	Females	1981	1991	1981	1991	1971-81	1981-91
1	2	3	4	5	6	7	8	9	10	11
	INDIA	843,930,861	437,597,929	406,332,932	934	929	216	267	+24.66	+23.50
	States									
1	Andhra Pradesh	66,304,854	33,623,738	32,681,116	975	972	195	241	+23.10	+23.82
2	Arunachal Pradesh	858,392	461,242	397,150	862	861	8	10	+35.15	+35.86
3	Assam	22,294,562	11,579,693	10,714,869	910	925	230	284	+23.36	+23.58
4	Bihar	86,338,853	45,147,280	41,191,573	946	912	402	497	+24.06	+23.49
5	Goa	1,168,622	593,563	575,059	975	969	272	316	+26.74	+15.96
6	Gujarat	41,174,060	21,272,388	19,901,672	942	936	174	210	+27.67	+20.80
7	Haryana	16,317,715	8,705,379	7,612,336	870	874	292	369	+28.75	+26.28
8	Himachal Pradesh	5,111,079	2,560,894	2,550,185	973	996	77	92	+23.71	+19.39
9	Jammu & Kashmir	7,718,700	4,014,100	3,704,600	892	923	69	76	+29.69	+28.92
10	Karnataka	44,817,398	22,861,409	21,955,989	963	960	194	234	+26.75	+20.69
11	Kerala	29,011,237	14,218,167	14,793,070	1,032	1,040	655	747	+19.24	+13.98
12	Madhya Pradesh	66,135,862	34,232,048	31,903,814	941	932	118	149	+25.27	+26.75
13	Maharashtra	78,706,719	40,652,056	38,054,663	937	936	204	256	+24.54	+25.36
14	Manipur	1,826,714	931,511	895,203	971	961	64	82	+23.46	+28.56
15	Meghalaya	1,706,626	904,308	856,316	954	947	60	76	+32.04	+31.80
16	Mizoram	686,217	356,672	329,545	919	924	23	33	+48.55	35.98
17	Nagaland	1,215,573	643,273	572,300	863	890	47	73	50.05	+56.66
18	Orissa	31,512,070	15,979,904	15,532,166	981	972	169	202	+20.17	+19.50
19	Punjab	20,190,795	10,695,136	9,495,659	879	886	333	401	+23.89	×20.26
20	Rajasthan	43,880,640	22,935,895	20,944,745	919	913	100	128	+32.97	+26.07
21	Sikkim	403,612	214,723	186,889	835	880	45	57	+50.77	+27.57
22	Tamil Nadu	55,638,318	28,217,947	27,420,371	977	972	372	428	+17.50	+14.94
23	Tripura	2,744,827	1,410,545	1,334,282	946	946	198	262	+31.92	+33.69
24	Uttar Pradesh	138,760,417	73,745,994	65,014,423	885	862	377	471	+25.49	+25.16
25	West Bengal	67,982,732	35,461,898	32,520,834	911	917	615	766	+23.17	+24.55
	Union Territories									
1	A. & A. Islands	277,989	152,737	125,252	760	820	23	34	+63.93	+37.29
2	Chandigarh	640,725	357,411	283,314	789	793	3,951	5,620	+75.55	+41.85
3	Dadra & Nagar Haveli	138,542	70,927	67,615	974	953	211	282	+39.78	+33.63
4	Daman & Diu	101,439	51,452	49,987	1,082	972	705	906	+26.07	+28.43
5	Delhi	9,370,475	5,120,733	4,249,742	808	830	4,194	6,319	+53.00	+50.64
6	Lakshadweep	51,681	26,582	25,099	975	944	1,258	1,615	+26.53	+28.40
7	Pondicherry	789,416	398,324	391,092	985	982	1,229	1,605	+28.15	+30.60

Notes : 1 In 1991, Census was not conducted in Assam Based on the 1971 Census Population and the 1991 Census provisions results the population of Assam for 1981 has been interpolated.

2 As a consequence of the revised estimates for Assam for the year 1981, the total population of India as of 1981 has been estimated as 683,329,097 as against earlier published figures of 685,184,692.

3 As a consequence of the revised figures the decadal growth rate for India during 1971-81 has been estimated as 24.69 per cent.

4 The 1991 Census has not yet been conducted in Jammu & Kashmir. The figures are as per projections prepared by the Standing Committee of Experts on Population Projections, October, 1989.

5 Sex ratio is defined as number of females per 1,000 males.

Source : Census of India, 1991.

ANNEXURE IV-B

NUMBER OF LITERATES IN 1991 AND LITERACY RATES FOR 1981 AND 1991 BY SEX

Sl. No.	India/State/ Union Territory	Literate population aged 7 years and above			Percentage of literates to estimated population aged 7 years and above					
		Persons	Males	Females	1981			1991		
					Persons	Males	Females	Persons	Males	Females
1	2	3	4	5	6	7	8	9	10	11
	INDIA	361,713,246	230,150,363	131,562,883	43.56	56.37	29.75	52.11	63.86	39.42
States										
1	Andhra Pradesh	24,840,456	15,675,060	9,165,396	35.66	46.83	24.16	45.11	56.24	33.71
2	Arunachal Pradesh	282,147	190,691	91,456	25.54	35.11	14.01	41.22	51.10	29.37
3	Assam	9,631,529	5,862,115	3,769,414	NA	NA	NA	53.42	62.34	43.70
4	Bihar	26,854,389	19,176,364	7,678,025	32.03	46.58	16.51	38.54	52.63	23.10
5	Goa	782,002	440,396	341,606	65.71	76.01	55.17	76.90	85.48	68.20
6	Gujarat	21,265,395	13,070,534	8,194,861	52.21	65.14	38.56	60.91	72.54	46.50
7	Haryana	7,431,708	4,872,757	2,558,951	43.85	58.49	26.89	55.33	67.85	40.94
8	Himachal Pradesh	2,724,609	1,602,266	1,122,343	51.17	64.27	37.72	63.54	74.57	52.46
9	Jammu & Kashmir*	NA	NA	NA	32.68	44.18	19.55	NA	NA	NA
10	Karnataka	21,074,117	12,868,146	8,205,971	46.20	58.72	33.16	55.98	67.25	44.34
11	Kerala	22,657,985	11,508,235	11,149,750	81.56	87.74	76.65	90.59	94.45	86.93
12	Madhya Pradesh	23,491,956	16,101,046	7,390,910	34.22	48.41	18.99	43.45	57.53	28.39
13	Maharashtra	42,800,914	26,193,454	16,607,460	55.83	69.66	41.01	63.05	74.84	50.51
14	Manipur	895,223	542,513	352,710	49.61	64.12	34.61	60.96	72.98	48.64
15	Meghalaya	689,419	377,281	312,138	42.02	46.62	37.15	48.26	51.57	44.70
16	Mizoram	462,246	250,962	211,284	74.26	79.37	68.60	81.23	84.08	78.09
17	Nagaland	621,048	360,526	260,522	50.20	58.52	40.28	61.30	66.09	58.74
18	Orissa	12,911,905	8,392,320	4,519,585	40.96	56.55	25.14	48.55	63.37	34.40
19	Punjab	9,952,965	5,897,599	4,055,366	48.12	55.52	39.64	57.14	63.68	46.71
20	Rajasthan	13,618,272	10,143,275	3,474,997	30.09	44.76	13.99	38.81	55.07	20.84
21	Sikkim	186,779	115,502	71,277	41.57	52.98	27.35	56.53	64.34	47.83
22	Tamil Nadu	30,383,416	18,066,226	12,317,190	54.38	68.05	40.43	63.72	74.88	52.29
23	Tripura	1,368,567	821,403	547,164	50.10	61.49	38.01	60.39	70.08	50.01
24	Uttar Pradesh	46,871,095	33,268,503	13,602,592	33.33	47.43	17.18	41.71	55.35	20.02
25	West Bengal	32,719,340	20,053,418	12,665,922	48.64	59.93	36.07	57.72	67.24	47.15
Union Territories										
1	A. & N. Islands	170,349	102,839	67,510	63.16	70.28	53.15	73.74	79.69	69.22
2	Chandigarh	426,009	252,922	173,087	74.81	78.89	69.31	78.73	82.67	73.61
3	Dadra & Nagar Haveli	45,073	30,582	14,491	32.70	44.69	20.38	39.45	52.07	26.10
4	Daman & Diu	61,497	35,968	25,529	59.91	74.45	46.51	73.58	85.67	61.35
5	Delhi	5,949,528	3,570,973	2,378,555	71.93	79.28	62.57	76.09	82.63	69.01
6	Lakshadweep	33,562	19,046	14,516	68.42	81.24	55.32	79.23	87.06	70.68
7	Pondicherry	509,746	287,441	22,305	65.14	77.09	53.03	74.91	83.91	65.79

*The 1991 Census has not been conducted in Jammu & Kashmir. The population figures are as per projections prepared by the Standing Committee of experts on Population Projections, October, 1989.

N.A. stands for 'not available'.

Source : Census of India, 1991.

CHAPTER 17

SOCIAL SECURITY

Concept & Scope

The extent of achievement of the goals of a welfare state in the contemporary world is often assessed in terms of Social Security measures it can provide to protect its citizens in general and the most deserving in particular. The concept of Social Security is based on ideals of human dignity and social justice. It has been well recognised that society has the responsibility to relieve economic distress faced by individual members on account of contingencies beyond their control. The Workmen's Compensation Act, 1923 was the only major legislation on the subject enacted before independence. When the Constitution for independent India was adopted, Social Security was specifically included in List III of Schedule VII thus making it a concurrent responsibility of both the Central and State governments. A number of Directive Principles of State Policy (Articles 38 (i), 39 (e), 41, 42 and 43) relating to Social Security were incorporated in the Constitution. Legislation on different aspects of Social Security was also done, along with introduction of various schemes. Successive five year plans have emphasised the need for Social Security with wider coverage and better benefits. While in the case of the organised labour it is feasible to have contributory or employer's liability schemes, this is not feasible in the case of the unorganised labour in the informal sector. This is due to the fact that the rural labour suffer from low earnings, uncertainty and change in nature of employment and change in employers. Hence, any social security scheme for the rural labour has to be a social assistance scheme to bring succour to the most disadvantaged section of the society.

Low Share in G.D.P.

17.2 India has seen four decades of development planning. The progress made in translating the ideals and objectives of Social Security enshrined in the Constitution, has been constrained by financial and other considerations as in any other field. The Social Security expenditure accounts for just 2.4 per cent of G.D.P. Even in Latin American countries it is around 6 to 7 per cent. In centrally planned countries it ranges between 13 to 19 per cent. In other developed countries Social Security expenditure accounts for sizeable proportion of GDP. It is around 30 per cent in Sweden and Netherlands. About one-fourth of GDP is accounted for Social Security expenditure in France, Belgium and Denmark. A statement indicating the share of social security expenditure in selected countries is given in Annexure I.

Neglected Unorganised Sector

17.3 Low proportion of Social Security expenditure is only one aspect, but more important is its coverage. Most of the social security benefits basically catered

to the needs of well organised urban work force but they constitute just one-tenth of the total work force. They are protected by one or more schemes through a social insurance approach on a contributory basis. There is hardly any conventional scheme of Social Security to cover the unorganised sector comprising of agricultural labour, small peasants, artisans and the landless rural labour who constitute the most disadvantaged section of our society. The inadequate flow of Social Security benefits to the informal sector has thus accentuated the very inequalities which the Constitution purports to remove or reduce. The unorganised labour has not been able to derive benefits due to seasonality of employment, migratory nature, lack of continuity or guarantee of employment, or insecure or irregular nature of employment etc. We must begin with destitutes in respect of whom relief should be a social obligation, recognised in all civilised societies, to be borne by the state along with a phased programme of implementation. These people must be accorded the first priority in allocation of funds for social security measures. The Commission feels that gross injustice has been done to the vast majority in the informal and rural sector and it is time that their Social Security needs receive the first priority.

17.4 The existing schemes of Social Security, particularly in the organised sector are basically income maintenance schemes as distinguished from income support schemes. In developing countries, more so in India, there is greater need, particularly in terms of the numbers involved, for income support schemes. Unless a person has an employment and/or a source of income, the question of maintenance of his income does not arise. In the unorganised sector, the workers are engaged either in wage employment or self-employment, which are basically irregular or seasonal and the earnings/income are very low. This is reflected in nearly one third of the population living below poverty line having no income security to meet their basic minimum needs. The unorganised worker with irregular employment is not in a position to claim any conventional Social Security. It is recognised that in such a situation, a better Social Security which could be offered may be the security of employment and means for adequate income. This aspect leading to an employment guarantee scheme has been dealt with elsewhere. At the same time it is strongly felt that, as it may take a long time to achieve full income security, other measures to ensure minimum relief in the event of old age, sickness, employment injury, maternity, destitution, invalidity and death should be made available within a reasonable time frame.

I.L.O. and India

17.5 The International Labour Organisation has promoted and standardised social security measures

through its conventions and recommendations. Social Security systems have come into operation through a process of extension and generalisation, particularly since 1960s. In financing of social security, the State plays a substantial role. The ILO convention No. 102 on Social Security (Minimum Standards) adopted in 1952 include measures on medical care and benefit for sickness, unemployment, old age, employment injury, maternity and survivor's benefits. The Government of India has already taken some steps on these. However, as mentioned earlier, its coverage had been limited to the organised sector. The said Convention of 1952 has been drafted keeping in view the capacity of developing countries to ratify it and lists the Social Security measures under the following heads:

1. Medical care
2. Sickness benefit
3. Employment benefit
4. Old age benefit
5. Employment injury benefit
6. Family benefit
7. Maternity benefit
8. Invalidity benefit
9. Survivors benefit.

17.6 The Convention stipulated that any country which ratifies it must comply with at least three of the above nine, of which at least one must be from the head 3, 4, 5, 8 and 9 above. The convention provided certain temporary exemptions too. We have not been able to ratify Convention 102 despite the relaxation permitted by it. This brings out forcibly the enormous leeway that will have to be made in respect of rural labour in the area of Social Security.

SOCIAL SECURITY SCHEME/MEASURES

17.7 While the first two Five Year Plans outlined schemes of social insurance for a limited number of urban wage-earners in the organised sector e.g. the Employees State Insurance Scheme, the Employees Provident Fund Scheme, Minimum Wages Act etc. the later plans broke new ground in the sphere of welfare and social assistance for the economically weaker and other vulnerable sections, like the aged, the handicapped, the destitute and women (divorced/deserted etc.) and children devoid of any means of livelihood or support. The statutory Conventional (Standard) Social Security Schemes in India can be classified into two groups viz. Contributory Social Insurance Schemes and Employer's Liability Schemes. The main contributory schemes include those under Employees State Insurance Act (1948), and the Employees Provident Fund and Miscellaneous Provisions Act (1952) while the Employer's liability schemes include those under Workmen's Compensation Act (1923), Maternity Benefit Act (1961), Payment of Gratuity Act (1972), Lay-off and Retrenchment Compensation under the Industrial Disputes Act (1947).

17.8 The Employees State Insurance Scheme and the Employees Provident Fund Scheme are contributory schemes applicable to the organised sector. The Workmen's Compensation Act, the Maternity Benefit Act, Payment of Gratuity Act and the Industrial Disputes Act are Employer's liability social security schemes, mainly applicable to the organised sector. Several State Governments also have, mainly for the organised sector, set up small statutory labour welfare funds built up out of contribution from workers and employers at prescribed rates for their workers, with matching contribution from the State Government. Where employees are locally concentrated and employers are continuously identifiable such schemes are feasible. But in view of the dispersed nature of rural and agricultural labour and generally weak economic base of most of the employers in the rural areas, contributory or insurance type of schemes are not practicable.

17.9 Only the Workmen's Compensation Act has some provisions for the labour in the unorganised sector, if their employment is not of a casual nature. Those persons employed in tapping of palm trees, felling or logging of trees, farming by tractors etc., or in construction, working, repair or maintenance of tubewells, or in the construction, maintenance, repair or demolition of any building or dam or in construction of roads are covered for accident compensation. However, a very large percentage of workers in the rural areas in the unorganised sector are left out. The Act requires to be amended so as to cover all persons employed irrespective of the nature of occupation and duration of work and all existing restrictions regarding the size of employment and other factors must be removed.

17.10 All the States and Union Territory Administrations have Old Age Pension Schemes. In some states special pension schemes for agricultural workers have been in operation. Some state governments have pension schemes for destitutes and physically handicapped.

17.11 A Group Life Insurance Scheme for landless agricultural labourers has been introduced by the central government in the year 1987. Another scheme for Life Insurance for IRDP beneficiaries came into force in 1988. LIC has constituted a Social Security Fund for certain unorganised categories and group schemes for weaker sections have been launched for sweepers, weavers, rickshaw pullers, construction workers, farmers, forest labourers, taxi drivers, blind workers, fishermen, porters, etc. The Personal Accident Insurance Social Security Scheme of the GIC for poor families has been extended to all districts in the country in August 1988. These Insurance Schemes are financed by the Government of India. In addition, the General Insurance Corporation has introduced an insurance scheme for cattle and livestock, agricultural pumpsets, failed wells, fire insurance cover for huts and belongings of landless labourers, small farmers, artisans and other poor people in rural areas, dwelling premises and other belongings of IRDP/NREP etc. beneficiaries, group

personal accident cover for fishermen, toddy tappers, etc. package policy for handloom workers.

17.12 In some States, e.g. Gujarat, Karnataka and Kerala, maternity benefit scheme has been introduced for landless agricultural women workers which is a compensation against financial hardship due to absence from work during that period. No special schemes exist as far as health care is concerned. Some voluntary agencies offer health services to the people in rural areas in states like Maharashtra and Tamil Nadu. Apart from the Plan Schemes, there are certain other schemes for the unemployed people in some States. For example, Maharashtra government has implemented the Employment Guarantee Scheme.

17.13 Unemployment relief financial assistance have been provided in many states although the eligibility criteria, the duration and quantum of assistance differ in different states. Certain welfare schemes exclusively meant for women and children are being implemented in a few States like Gujarat, Maharashtra. The Tamil Nadu Government has established service homes for poor destitute women and children. A number of voluntary organisations are also associated in the programme.

17.14 The Commission feels that refinements and sub-categorisation on the basis of occupational categories of rural labour is not very relevant for the purposes of Social Security Schemes, as the categories of rural labour which are significant at the macro level are likely to merge in a large number of cases at village level. The only overwhelming considerations for the purpose of conferring benefits may have to be the disability factors with the priority in favour of the weaker sections of the rural population.

17.15 The Commission is of the view that as far as social security is concerned, the following minimum benefits may be provided as matter of high priority ;

- (a) Old age pension ;
- (b) Life Insurance ;
- (c) Maternity benefits ;
- (d) Disability benefits, Accident Compensation : and
- (e) Minimum health care and sickness benefit.

Old age pension

17.16 Old Age Pension (OAP Scheme), payable monthly, are in operation in the States and Union Territories. Some of these have had their beginnings as early as 1950 (Kerala and Andhra Pradesh), 1952 (Tamil Nadu) and 1964 (Rajasthan, West Bengal). However, there are considerable variations in quantum of monthly pension, the eligibility criteria in terms of age, income levels, etc. Generally the minimum age for coverage is 60 or 65 years, and the quantum of pension varies from Rs. 30 to Rs. 100 per month.

By and large destitutes are covered ; however, disabled persons are also covered in certain states even if they are below the generally prescribed minimum age level. It is learnt that in certain states the total number of beneficiaries was frozen at a particular level, depending on the budget provision made for the scheme and a new entrant is eligible to be included only when a 'vacancy' arises by way of death of an existing beneficiary. A statement showing State-wise details of the scheme may be seen in Annexure B.

17.17 It is felt that as a minimum benefit to be provided by way of old age pension, there can be no reason why criteria must be different in various states. A broad measure of uniformity is considered desirable, in respect of age, quantum and eligibility criteria. It is recommended that Old Age Pension be paid to all males and females (subject to eligibility criteria indicated in the succeeding paragraphs) above the age of 60 and that the quantum of pension be Rs. 100 per month, whether a person has attained the age of 60 may be determined on the basis of medical certificate by any qualified doctor.

17.18 As for other eligibility criteria other than age, it is found generally that the pension is payable to destitutes, with provision for inclusion of physically handicapped persons, widows etc. below the prescribed age limit. The Commission is of the view that relaxation of age limit in respect of physically handicapped persons may be permitted at the discretion of each state.

17.19 The Commission felt that too many refinements on income eligibility limit are best avoided to make administration easy and chances of corruption/harassment minimal. The Commission would suggest the following eligibility criteria :

- (a) where the spouses are over 60 years of age, their combined annual income should be below Rs. 2400 for each of them to be eligible for the pension ;
- (b) where only one of the two is over 60 years of age, that person will be eligible for pension only when their combined income is less than Rs. 2400 per year.
- (c) where, however the person above the age of 60 years is single and his/her income is below Rs. 1500 per year, he/she should be eligible for the pension. It is considered undesirable to link up family income with eligibility of old age pension for a variety of reasons.

17.20 Several States have included destitutes and handicapped persons as being eligible for old age pension, even if they are below the qualifying age. This may continue under the new dispensation also. So far as relaxation in age for widows to become eligible to get a pension as are now prevalent in several states, while it is appreciated that it may not be feasible to

withdraw them, the Commission is of the view that such women, including deserted wives, should be enabled to earn their livelihood and for this purpose, a suitable rehabilitation and training programme should be evolved.

17.21 All the States/Union Territories put together must be spending well over Rs. 100 crores a year on OAP schemes and the amount will steadily go up as criteria for eligibility in terms of age, etc. are relaxed and quantum of pension increased. A rough calculation to estimate the numbers involved is briefly explained below.

17.22 Out of the total of 42.3 million of persons in rural areas above the age of 60 years, it has been assumed that the combined income of husband and wife or their separate income at the levels indicated will be below the eligibility levels in one-third of the cases, that is, 14.1 million beneficiaries. At Rs. 100 per month each, the total annual cost is of the order of Rs. 1700 crores. It will go up further, if the states were to include also physically handicapped and others below the age of 60 years in the categories eligible for old age pension. All old persons above the age of 60 years who are in receipt of government pensions such as civil service pension, defence pension, freedom fighters pensions, etc. should be ineligible for OAP.

Survivor Benefit—Insurance

17.23 Survivor benefits are insurance or other compensatory payments made to the families in the case of death of an income-earning member. This form of compensation, while never adequate, can provide crucial help to the bereaved family at the time of acute distress, provide immediate relief and some help to rehabilitate them.

17.24 The LIC and the GIC provide survivor benefits on a self-contributed basis to policy holders through life insurance and accident insurance, respectively. In recent years the LIC has expanded its group insurance by introducing several innovative schemes. Moreover, the amount assured under group insurance amounts to nearly twice that under individual insurance. Under the Motor Vehicle Act (MVA as amended in 1982) compensation has been made available to victims/families of persons affected in motor vehicle accidents without insisting on proof of fault or negligence on the part of the owner or driver of the vehicle. As regards unorganised labourers, the above benefits are made available through relief fund set up by some of the state governments. Under these, lumpsum payments are made available to families of victims in occupational deaths in specified occupation such as tree climbing, sewer work, digging or deepening wells, farm work, loading or unloading etc.

17.25 Survivor's benefits are also provided in the form of monthly pensions that are given by some of the state governments for destitute widows. In some cases additional amounts are given for dependent children. The age limit for eligibility varies in different

states. The coverage is however small. The Personal Accident Insurance Social Security Scheme operated by GIC with premia paid by Govt. of India provides survivor benefit to poor families affected by accidental death (like snake bite, drowning, food poisoning, lightning, fall from tree, killing by criminals/wild animals etc.) of its earning member in the age group 18 to 60 years, not covered by any other insurance or law. This requires to be enlarged and information disseminated, in addition so far as the unorganised workers are concerned, group insurance schemes can be thought of. Group Insurance has been widely promoted by the LIC in recent years. In group insurance, the premia cost is relatively low because large groups are covered and administration costs through the intermediation of a State Government or a Society which acts as an agent. Keeping in view the low premia costs and the sum assured under the schemes to various categories of workers in different occupations, it is advisable to have group insurance schemes for various categories of workers in different occupations. The LIC's group insurance schemes in Gujarat cover agricultural labourers, forest workers and for employees in shops and establishments. The scheme should be enlarged to cover all categories of rural labour throughout the country. The premium in this regard is recommended to be borne by the State. The assured amount also requires to be enhanced.

Maternity Benefits

17.26 Next to old age pension, and life insurance Maternity Benefit is the next most important of the minimum benefits to be provided in the rural areas as a matter of high priority. This is necessary from the point of view of maternal and child health and nutrition as well as in promoting a small family norm with reduced rates of infant mortality. Very few States, like Gujarat, Karnataka, Kerala and Andhra Pradesh have implemented maternity benefit schemes which provide financial assistance to landless women, agricultural workers in rural areas.

17.27 An important point to be urged is that it is neither necessary nor possible to adopt any criteria for identifying rural women for purposes of eligibility for maternity benefits. In the rural areas, all women are workers—paid or unpaid—and in any event, we are not concerned with women from those economic strata of rural society who cannot be or do not want to be described as workers. Thus, in the case of maternity benefit we will have to start with all rural women from whom the eligible are to be identified. Women who are earning a wage or getting an income either as a wage earner or a self-employed person on the one hand will receive the benefit as an income protection measure and other women, who are described as non-workers or housewives, will receive the benefit as an income support measure.

17.28 Certain policy constraints may have to be recognised. As the minimum age for marriage is 18 in the case of girls, the eligibility for maternity benefit has to be confined only to cases where the mother is

not less than 18 years of age. Likewise, in view of the policy of the small family norm, the Commission also recommends restriction of maternity benefits to only two live-births; even here, if one of the two children is born before the mother was 18 years of age, that mother should be eligible to maternity benefit only in the case of one more live-birth after she attains the age of 18. If both the births have taken place before the mother is 18, she will not be entitled to the benefit for any subsequent births.

17.29 For purposes of eligibility, the Commission suggests the adoption of an income limit of Rs. 6400 per annum, as in the case of IRDP, of the women's family, which would include her husband and dependent children.

17.30 The benefit will be for a period of 12 weeks and in two instalments one of 6 weeks before confinement and another of 6 weeks after confinement. The amount of payment will be at the minimum rates of wages for unskilled labour in agriculture as notified by the concerned state Government from time to time. The pre-confinement payment should be made to the women 8 weeks prior to the expected date of delivery to enable the woman to take nutritious food.

17.31 An estimate of the cost of such a scheme of maternity benefit, has been attempted on the lines indicated below :

The female population in rural areas, by age groups for the 1986 is as follow :—

Age Group	No. of females	Fertility rate (Number of live-births per 1000 females)
15—19	2.93	97.6
20—24	2.45	266.0
25—29	2.10	245.9
30—34	1.85	176.6
35—39	1.60	107.2
40—44	1.39	54.5

As we are proposing to restrict the benefit to only two live-births, it has been assumed that these two live-births eligible for the benefit will, as far as rural areas are concerned, all be in the age groups of 15—19 and 20—24. Of these, as we are restricting the benefit to females above the age of 18, it has been further assumed that the number of births in respect of females of the age 18 and 19 will account for 60% of total births in the age group 15-19.

17.32 On this basis, the total number of live-births for the age group 18 - 24 works out to be 8.24 million

in 1986. As the annual income limit of family has been fixed at Rs. 6400 it has been assumed that 1/3 of the total rural population will be falling within this limit. Assuming that the incidence of birth in rural areas is uniform (to simplify calculation) among all income groups, the number of live-births which will qualify for maternity benefit works out to about 2.75 millions. The number may actually be less, as we have assumed that all births in the age group 18-24 will be eligible for assistance. This may not be so for the reason some of these may be of the third or fourth child in which case maternity benefit will not be available.

17.33 As the benefit will be on the basis of minimum wages notified for agriculture adopting a daily wage rate of Rs. 20 (basic minimum wage recommended elsewhere), the total amount of maternity benefit for 84 days in the case of an eligible live-birth will be Rs. 1680. Thus the total expenditure in a year for the whole country will be 2.75 million \times 1680 = Rs. 460 crores. The amount is likely to be less than this, as all women who are eligible for maternity benefit under the Maternity Benefit Act, 1961 or under ESI Act, 1948 or Plantation Labour Act, 1952 or under any other scheme or programme giving better benefits will not be made eligible under this scheme. A woman seeking maternity benefit should register herself with local ANM within 4 months of pregnancy; this would also provide the needed linkage with the public health system.

Disability Benefit — Accident Compensation

17.34 Apart from old age pension, some States like Gujarat, Haryana, Kerala, Maharashtra, Tamil Nadu, Nagaland and West Bengal have introduced pension schemes for the physically or mentally handicapped and other categories of disabled persons.

17.35 Disability benefit need not be occupation or employment oriented and must be available to all the eligible persons — past, present and future — between the ages of 18 and 60 years, the benefit being payable from the date of commencement of the scheme.

17.36 To begin with, the scheme should be restricted to total disability and disability resulting in at least 70% loss of earning capacity. In deciding cases which will be covered, so that there can be no uncertainty or dispute about the extent of loss of earning capacity, the Commission recommends adoption of these injuries which under Schedule I to the Workmen's Compensation Act, 1923 and the second Schedule to the Employees' State Insurance Act, 1948, result in 70% or more loss of earning capacity. For ready reference, the list of such injuries is listed out in Appendix III. Such cases could be treated on par with the old age pension cases and the level of payment could also be same as that for old age pension. Where existing schemes of any State Government are more beneficial both in terms of coverage and quantum, they may also be on the lines indicated by us in respect of Old Age Pension.

17.37 As per NSSO estimates (1981) 12 million persons (1.8% of the population) have at least one physical disability—visual, communication or locomotor—and 10% of the disabled had more than one type of disability. Prevalence was more in rural areas (81% of cases) and more among males (57%). Generally the prevalence of disability rate is seen to increase with age and is maximum in the age groups 60 and above for all types of disability except in the case of speech disability where the maximum rate was in the age group 5-14 years. The survey also showed that an overwhelming proportion of the disabled population in the age group 60 and above was found to have developed disability from the age 43 and above in respect of all disabilities. But it would not be possible to estimate the likely costs from these figures.

17.38 Existing efforts for rehabilitation of the disabled will have to be considerably strengthened so that they can be gainfully employed. We also would urge that the mentally disabled do need social security protection as any other vulnerable section of the society, perhaps more, but the Commission feels that an expert group of persons may examine the questions relating to manner of determining the extent of mental disability and incapacity to work as well as the support and schemes needed for them.

Health Care and Sickness Benefits

17.39 Health is one of the most important aspects of both economic and social security and is perhaps a very reliable indicator of the state of economic and social security obtaining in a country. Workers in the rural unorganised sector are more prone to health problems which relate to their work environment, work condition, lifting weights, long hours of work and of course, technology. There are specific health problems related to their occupations. Most of the unorganised labourers face a number of health problems by virtue of being poor, under and malnourished, etc. In this context, the provision of Health for All, by 2000 AD appears a distant dream, as even the expansions and strengthening that have taken place, including availability of medical and para-medical personnel, have taken place predominantly in urban areas, at the cost of the rural areas.

17.40 The inadequate medical and health facilities in the rural areas are compounded by the reluctance of medical personnel to serve in rural areas. Besides providing necessary infrastructure of housing, education, transport etc. as well as adequate provision of drugs and equipment to make the living and working conditions better for the medical and para-medical personnel in the rural areas, it may also be worthwhile to think in terms of paying a special allowance to such personnel who opt to work in rural areas. This incentive should be sufficiently attractive. Given the inadequate medical facilities for the general public at large, there must be a system by which the spare capacity of E.S.I. hospitals, Railway Hospitals, Police Hospitals, Welfare Fund Hospitals, C.G.H.S. Dispensaries, and Public Sector Hospitals etc. may be made available to the public; the long term approach

must be to do away with such special interests medical facilities. In country's health system, preventive and primary health care, had high priority as part of the plan. Free medical treatment did not however, take care of drugs, transport and above all, loss of earnings during sickness. We agree with the recommendation of the Economic Administrative Reform Commission that while it may not be feasible to extend full sickness benefit to the unorganised sector but in one important respect namely, free supply of drugs in Government hospitals, PHCs and dispensaries, a greater measure of relief is both necessary and possible.

17.41 In the matter of private practice, a realistic approach may be adopted. It is felt that those institutions which have been permitted to import costly medical equipment and medicines without having to pay the normal import duties, should be compelled to reserve at least 10% of their capacity for the treatment of the poor without any payment. A system of linking rural health facilities with private medical facilities will also have to be established, apart from wide-spread health education and nutrition education in rural areas.

17.42 A health insurance scheme for the rural areas may not be feasible, both for operational and for financial reasons. It will be unrealistic, if not cruel, to expect the villagers to contribute towards a health insurance scheme. We have examined the operation of GIC-operated Medi-Claim schemes. A national health insurance scheme covering the entire population, without any special interests pockets, will probably be the best solution in the long term, but this is still a long way off, considering the complexity of the situation and resources required.

Sickness Benefit

17.43 While need for sickness benefit in rural areas is not in doubt, as sickness results in loss of earnings, we would like to keep the scale and extent at a modest level. The sickness benefit could be restricted to a maximum of 90 days @ prescribed minimum wage for unskilled work in agriculture in all cases of hospitalisation in recognised hospitals only. All persons in the age group 18 to 60 years should be eligible for these benefits. The benefit under this scheme should be restricted to those from families whose annual income will be Rs. 6400 or less. Given the nature of the problem, it is not possible to make any financial estimate of the likely expenditure on sickness benefit.

Other Benefits : Unemployment Relief

17.44 The magnitude of under-employment/unemployment is larger in rural than in urban areas, which accounts for high incidence of poverty and thereby making the poor insecure. Therefore, there is need to generate additional employment both in farm and non-farm sector. The state should move towards guaranteed employment at minimum wage in rural areas by taking up labour intensive productive works: given the magnitude and nature of the problem of

unemployment/under-employment, it may not be feasible to have any comprehensive unemployment insurance at present stage. A more efficient and decentralised public distribution system in rural areas, with those foodgrains that are relevant to the food basket of the low income groups is of great importance to improve consumption and nutrition levels and increase labour productivity. Particularly keeping in view the seasonality in rural employment, identified rural labour should be given subsidised (at half the price) rations for three months during the lean agricultural season as an unemployment benefit. This is in operation in some States.

Destitutes and Handicapped

17.45 Considering the existing schemes in various states we found that generally the pension is payable to destitutes, with provision for inclusion of physically handicapped persons, widows, etc. below the prescribed age limit (for old age pension). The assistance is provided on a monthly basis in the form of pension. There are wide variations in the criteria used in the process of identification and quantum of assistance given through social assistance scheme. To be effective, we recommend that the low income ceiling may appropriately be raised to make the range of protection in tune with the economic realities of the day.

Crop Insurance

17.46 A Comprehensive Crop Insurance Scheme (CCIS) was introduced in the country at the commencement of the 7th Plan; it came into force on 1-4-85, replacing the then existing Pilot Scheme. The Scheme, despite its name, is not comprehensive for the reasons that (i) the scheme being voluntary has been implemented in only 17 states and union territories; (ii) the scheme did not cover all crops but only foodgrain crops like rice, wheat and millets (including maize) and oil-seeds and pulses; and (iii) only farmers availing crop loans from co-operatives, commercial banks and regional rural banks for raising the above crops were covered. We recommend that the coverage of scheme should be extended to all states and to all crops.

17.47 The interests of the small and marginal farmers will be best served only if the present restriction in the scheme covering only loans from co-operatives, commercial banks and regional rural banks is lifted. It is well recognised that not all the small and marginal farmers depend exclusively on these institutional sources for their finance. As long as the purpose of insurance is to insure against loss of crops and is not an insurance of loan, it is only just that non-loanee farmers, as understood now, are not made ineligible. The sum insured may be fixed at a specified ceiling figure of Rs. 7500 instead of a percentage of the loan disbursed; the Commission would also urge that the interests of tenants and sharecroppers should also be protected in the case of loss of crop, as they are even more vulnerable than the land owner. The present system of subsidising premia upto 50% should continue. A system of differential premium rates for the existing clientele at lower level and for those who do not take

recourse to the cooperatives etc. for their credit requirement at slightly higher level could be fixed.

Livestock Insurance

17.48 Several major issues and problems in the implementation of livestock insurance programmes have been identified. We are however confining our attention to one suggestion, namely, the one relating to the role of the village cooperative in acting as the agent in its area of operation and interact with the insurance companies on behalf of the farmers; they could also collect premia, help finalise payment of claims and take up steps to provide adequate health care and cattle feed for the insured livestock. We think it is an excellent approach not merely to the question of livestock insurance but for the entire gamut of social and economic security operations, at the village level wherever they are active and willing to take up this work.

Welfare Funds

17.49 Statutory Labour Welfare Funds have been constituted from time to time to finance measures supplementing the efforts of the employers including Central and State Governments towards providing certain welfare amenities for the benefit of workers. These cover mainly Mining Sector and Beedi Industries. The Commission examined the performance of welfare fund schemes and the various facilities provided through them. The Commission noted with concern the huge unspent carryover balances and high administrative costs which indicate the need for more effective implementation of the welfare fund schemes. The Commission also feels that the administration of the funds requires to be decentralised.

17.50 The Commission considered the proposal for Central Legislation for Agricultural workers and has submitted an interim report to Government in July 1990. The Commission reiterates its recommendation for the coverage of Agricultural workers by appropriate welfare fund scheme. The Contribution of the employer, say as a cess on land, and a very nominal contribution by the agricultural labourer could be provided for at the rates to be prescribed by State Governments. However, the Commission is not very optimistic that these would generate adequate resources for the purpose for which the fund would be required to be utilised. At the same time it also feels that State Government alone may not be in a position to meet the requirements entirely or be in a position to make substantial contribution either. The Commission is, therefore, of the view that there must be a sharing of a contribution to the Fund by the Central Government and State Governments at least on 50 : 50 basis.

17.51 The Welfare Fund must necessarily make provision for the following :

- (a) **Maternity benefits.**—Women agricultural workers should be provided maternity leave with wages for a period of 3 months (6 weeks before delivery

and 6 weeks after delivery) for two surviving children.

- (b) **Old Age Pension.**—An old age pension at a minimum of Rs. 100 per month should be provided to every agricultural worker of and above the age of 60.
- (c) **Accident Compensation.**—Death and injuries due to accidents are required to be compensated particularly because of increased use of mechanical devices like tractors, threshers, combine harvesters etc. Compensation as would be admissible under the Workmen's Compensation Act should be paid out of this fund and the schedule of employment in the Workmen's Compensation Act may be expanded appropriately for this purpose. This should be in addition to what is currently admissible under Personal Accident Insurance Scheme.

Financial Implication and Arrangement

17.52 A precise calculation as to the amount of funds required for implementing our proposals contained in the earlier paragraphs is not easy; it is even more difficult to indicate what will be the total cost and cost state-wise for say each of the next 10 years or so. The latter will depend on several factors, including demographic. The formulation of insurance type of schemes or employers' liability schemes is not easy and many a time not feasible for rural unorganised sector due to factors including low earnings, uncertainty and changing nature of employment, changing employees. Therefore, the State must bear the major, if not the entire portion of the cost of rural social security benefits.

17.53 Provision of funds for the various benefits recommended by the Commission should be through the mechanism of a Welfare Fund. The Commission considers it appropriate that the Central Government meets a portion-one-half of the total expenditure, the balance to be borne by the State Governments.

17.54 The Commission is of the opinion that the four schemes detailed above may cost nearly Rs. 2700 crores (Rupees Two Thousand Seven Hundred crores) annually. Because of inherent difficulties, likely expenditures on disability benefits (accident compensation) and sickness benefits have not been worked out. The Commission has, therefore, made a very rough addition of about 25% in respect of these two schemes over the estimated expenditure on O.A.P. and Maternity Benefits.

17.55 This order of outlay, though large in absolute terms, works out to about Rs. 30 per capita per annum or less than Rs. 3 per head per month. In terms of revenue expenditure of all States and Centre, put together, it will not be even 2.5%. This cannot surely be objected to as it is meant to alleviate the distress of the most disadvantaged for whom a civilised society in a welfare state has responsibility to accord priority. The Commission, therefore, recommends very strongly that these schemes be taken up for implemen-

tation in all the states in a uniform manner and that 50% of the expenditure on these schemes in each State is met by the Central Government. In releasing its share of the expenditure, the Central Government may prescribe certain maximum levels of expenditure towards the administrative costs of these schemes and regulate release of its funds on that basis. It is not necessary to include the above schemes in the plan. All the existing schemes are on the non-plan side except LIC/GIC schemes. The expenditure on rest of the schemes is borne by State Governments.

17.56 The system of financing the Social Security Schemes, in the rural areas, should be on funding basis, the burden being shared between Centre and States on 50 : 50 basis. We recommend the creation of a Social Security or Welfare Fund through budgetary and taxation support at Central and at the level of each State/UT to be administered by a Board of Trustees or by the UTI or LIC who may make investment to maximise the income. Over a period of time, the Fund can grow to become viable on its own, including provision for indexation of benefits consequent to increase in prices. The operation of the Welfare Fund will have to be closely monitored and evaluated at short intervals in the early stages.

17.57 Government should augment their general revenues to create the social security or welfare fund in order to meet the requirements of the various schemes. Both Central and State Governments should join in this effort. A levy or surcharge could be imposed on various items of tax and non-tax revenues in the Centre and the States, for example, income tax, corporate tax, excise duty, water rates, electricity tariffs, sales tax, entertainment tax, land revenue or agricultural holdings tax, registration fees and stamp duties, tax on advertisements etc. A selective and progressive levy on one or more of these can generate adequate funds to develop the corpus of the welfare fund.

Administrative Arrangements

17.58 The various recommendations and suggestions made by us in the earlier paragraphs do not necessarily involve legislation particularly since the four types of benefits emphasised are in the nature of public assistance programmes which can be introduced under executive orders generally, except where revenues are to be raised by statutes. There are some recommendations pertaining to maternity benefits, workmen's compensation etc. that may call for legislative amendments to the existing laws essentially for expanding the scope and coverage under the present laws; to the extent statutory welfare boards and tripartite systems with power to impose and recover levies, etc., are to be set up, legislation will be necessary; also, if social security is to be provided to the rural poor through insurance schemes, may be legislation will be called for. In regard to the Workmen's Compensation Act, the amendments suggested by the Law Commission (1974 and 1990) and others, which will also help rural labour are endorsed by us, more important of these being :

- (a) a simplified definition of "dependent of a deceased workman" to mean "the spouse, the

children whether married or unmarried, the dependent parents of the deceased and husband of the deceased (in case of female workmen) and deceased's son's widow and children."

- (b) expanding the definition of workmen by deleting the exclusion of a "person whose employment is of a casual nature and who is employed otherwise than for the purpose of the employer's trade for business", so that the existing distinction between the casual and the regular employees in the matter of payment of compensation is done away with.
- (c) raising the rate of compensation
 - (i) for death from 40% to 50% of monthly wages multiplied by the relevant factor;
 - (ii) for permanent total disablement from 50% to 60% of monthly wages multiplied by the relevant factor.
 and increase the minimum amount of compensation also suitably.
- (d) providing for direct payment of lumpsum compensation to woman as in the case of man.
- (e) provision requiring the Commissioner to dispose of the claim for compensation within six months of its institution, as far as practicable.
- (f) providing for compulsory insurance of employer's liability under the Act.
- (g) provision to transfer the workmen's compensation cases of inter-state migrant workers to the Workmen's Compensation Commissioner of the home State of the concerned workmen.

17.59 One of the first steps to be taken for implementation of the social security measures is, in our view, the creation at the Central level in the Government of India of a separate Ministry or Department of Rural Labour. The Department can look at all aspects of rural labour and the whole gamut of social security for rural labour in an integrated manner. A similar separate Directorate for Rural Labour is suggested at the State level and a State level coordinating/advisory committee to oversee working of various schemes, review allocation of funds, determine priorities and given policy guidelines.

17.60 Below the State Headquarters, at the level of each district, the Zila Parishad (or its Committee) where in existence or otherwise the District Development Agency/Council with the Collector as its Chairperson may be entrusted with the responsibility of coordinating the activities and administering the schemes, on the basis of guidelines and directions that may be issued by the state level Authority. Existing functionaries should be used for implementing the Schemes. At the village level it should be the Panchayat.

17.61 The Commission is of the view that the payment to be made to the beneficiaries must be at the village

at his door step. The approval of the list of beneficiaries may be done by the Panchayat, after notifying in the village the list of proposed beneficiaries and inviting objections, if any. As suggested elsewhere the identified rural labour should be registered at the village level and provided with identity cards (which can also be in the form of an additional colour card attached to the ration card). This card can be a multi-purpose card. Only in the case of entitlements for accident compensation or such other matters as may be prescribed, the approval of Panchayat Samiti may be sought. The list of beneficiaries should be revised periodically.

17.62 The following guidelines may be essential in the implementation of such programmes :—

- (a) The cost of administration must be minimal.
- (b) The procedures must be simple, flexible and not bureaucratic.
- (c) Beneficiaries and their representatives must be associated with the implementation of the schemes.
- (d) The system should be such as would prevent misuse, harassment and corruption.
- (e) The delivery of benefits must be at the level of the village.
- (f) At the higher levels—block, district and state — there should be no proliferation of agencies/ departments. The present vertical division in terms of Harijan Welfare Department, Backward Classes Welfare Departments and so on must be done away with at the levels of the Panchayat Samitis and the Panchayats; here the single window concept must obtain.
- (g) Non-governmental organisations at the local and higher levels should be encouraged to associate themselves with the implementation of the programmes.

17.63 The Commission recommends that the old age pension should be sent by postal money order at the cost of the State. The disability benefits must be disbursed at the door steps of the beneficiaries in the presence of witnesses, the maternity benefits must be disbursed to the beneficiaries at the time she visits the ANM or sub-centre of the Primary Health unit for her periodic check ups, this also in the presence of the ANM. As regards sickness benefits, it may not be always feasible to make the payments at the hospital and therefore a procedure may be evolved by which the entitlement may be disbursed at the village to the beneficiary in the presence of witnesses on his return after discharge from the hospital.

17.64 The administrative arrangements suggested are essentially suitable or designed for a system of social security based on the principle of social assistance and not a social insurance of employers liability, given the target groups in view. When schemes are based on the principles of social insurance or employers liability,

the administration and accounting procedures may call for a more sophisticated system, the introduction of which presents considerable difficulties. In the long run however, when the general levels of living and earning improve in rural areas, such social insurance schemes may be considered and at that stage, we may think in terms of promotion of insurance cooperative societies at the village level.

CONCLUSIONS AND RECOMMENDATIONS

17.65 The main conclusions and recommendations are as under :—

(1) Even the elaborate provisions of some of our social security and welfare laws in respect of the organized work force have not been adequate to ratify Convention 102 of the ILO relating to Minimum Standards of Social Security, thus revealing the enormous leeway to be made in respect of the rural workers.

(2) Within the existing legal framework, the Workmen's Compensation Act, 1923 will have to be amended, particularly in the matter of the definition of the term "workmen" to cover all the rural workers. The proposals recently mooted by the Ministry of Labour for further amendments to the law, including Compulsory insurance and obligatory medical care by the employer are also endorsed.

(3) There are currently, even in respect of the rural workers and the rural poor, a wide variety of schemes of social assistance. The coverage of these schemes is not uniform and the benefits are also not the same in all the States.

(4) Refinement of categorisation and sub-categorisation, on the basis of occupational categories of rural labour, may not be relevant to the purposes we have in view.

(5) The Commission recommends that the following minimum social security benefits are to be provided as a matter of high priority :

- (a) old age pension;
- (b) Life insurance;
- (c) maternity benefit;
- (d) disability benefit (accident compensation); and
- (e) minimum health care and sickness benefit.

(6) Old age pension at Rs. 100 per month be paid to all males and females above age of 60 subject to income limits prescribed.

(7) Destitutes and handicapped persons, even if below the age of 60 may continue to be covered. While it is appreciated that it may not be feasible to withdraw the relaxation given to widows/deserted wives the Commission is of the view that they should be enabled to earn their livelihood and for this purpose, a suitable rehabilitation and training programme should be evolved.

(8) The cost of the old age pension as drawn up is estimated to cost about Rs. 1700 crores annually.

(9) The coverage under Personal Accident Insurance and Social Security Schemes operated by GIC should be enlarged and information disseminated. In addition, in so far as unorganised workers are concerned group life insurance schemes should be considered with the premium met by the State.

(10) All rural women above the age of 18 and belonging to families whose total annual income does not exceed Rs. 6400 will be entitled, up to a maximum of two live-births, maternity benefit for a period of 12 weeks for each birth and the amount of benefit will be at the daily minimum rates of wages for unskilled labour in agriculture.

(11) A woman seeking maternity benefit assistance should register herself with the local Auxiliary Nurse Midwife within 4 months of her pregnancy; this would also provide the needed linkage with the public health system. The total expenditure in a year for implementing the scheme of maternity benefit will be about Rs. 460 crores.

(12) Disability benefit, in respect of all cases of loss of earning capacity of 70% or more, and not necessarily occupational or employment related, must be available, on par with old age pension and subject to the same income criterion, to all the eligible persons between the ages of 18 and 60 years.

(13) The existing efforts for rehabilitation of the disabled will have to be considerably strengthened. An expert group may examine the questions relating to the manner of determining the extent of disability and incapacity to work as well as the support scheme needed for them.

(14) It may be worthwhile to think in terms of paying a special allowance to medical and para-medical personnel working in rural areas besides providing necessary infrastructure of housing, education etc.

(15) It may not be feasible to extend full sickness benefit to the unorganised sector but free supply of drugs in government hospitals, PHCs and dispensaries is both necessary and possible.

(16) Institutions which have been permitted to import costly medical equipments/medicines without having to pay the normal import duties should be compelled to reserve at least ten percent of their capacity for treatment of persons without any payment.

(17) A system of linking rural health facilities with private medical facilities will also have to be established, apart from wide-spread health education and nutrition education in rural areas.

(18) A scheme of sickness benefit, to compensate for loss of earnings arising out of illness, is recommended, under which all rural persons within the age group 18 to 60 will, on hospitalisation in a recognised hospital,

be entitled to the benefit for a maximum of 90 days, at the rate of the daily minimum wages for unskilled labour in agriculture. The benefit will be restricted to those from families whose annual income is less than Rs. 6400.

(19) The State should move towards guaranteed employment at minimum wages in rural areas by taking up labour intensive productive works. It may not be feasible to have any comprehensive unemployment insurance at present stage.

(20) A more efficient and decentralised public distribution system in the rural areas, with those food-grains that are relevant to the food basket of low income group is of great importance to improve consumption and nutrition levels and increase labour productivity.

(21) The Comprehensive Crop Insurance Scheme is not comprehensive for several reasons. The scheme must cover all States and all crops.

(22) The restriction in the scheme covering only loans from cooperatives, commercial banks and regional rural banks should be lifted. A system of differential premium rates for the existing clientele at lower level and for those who do not take recourse to cooperatives etc. for their credit needs at slightly higher level could be fixed.

(23) A scheme of setting up village level insurance cooperative societies is suggested. Such societies will be the local agencies for collection of premium on all types of insurance schemes, processing of claims and disbursement of claims.

(24) Huge unspent balances and high administrative cost of welfare funds indicate the need for more effective implementation. Further the administration of welfare funds requires to be decentralised.

(25) The Commission considered the Central legislation for agricultural workers and recommends the coverage of agricultural workers by appropriate Welfare Fund Schemes. The contribution to the fund should be on sharing pattern between Centre and States at least on 50:50 basis.

(26) The Welfare Fund must necessarily make provision for Maternity Benefits, Old Age Pension and Accident Compensation.

(27) The four major Social Security Schemes suggested by the Commission would cost nearly Rs. 2700 crores.

(28) Part of the resources for social security expenditure may be augmented through surcharge on Income Tax, Corporate tax, additional excise duty, increase in Sales Tax, Entertainment Tax etc.

(29) Bulk of the recommendations and the more important ones relating to old age pension, maternity benefit, sickness benefit and disability benefit do not call for legislation.

(30) A Central Ministry or Department of Rural Labour be created in the Government of India to look all aspects of rural labour including social security in an integrated manner.

(31) At the State level, a separate Directorate for Rural Labour with an Advisory Committee be created under the Chairmanship of the Minister Incharge. This Committee will oversee the working of various schemes, review the allocation of funds, determine priorities and give policy guidelines whenever needed.

(32) At the district level, the Zila Parishad (or its committee) or where existing and otherwise the District Development Council with the Collector as the Chairperson should be entrusted with the responsibility of administering the social security schemes. Existing functionaries should be used for this purpose as also the Panchayati Samitis and the Panchayats.

(33) The payments to the beneficiaries, as also preparation of their list will be at the village level, the approval of the list, approval of claims, sanctioning of funds and overseeing the actual implementation of the schemes will be at the Panchayat level. Guidelines for implementation of the programmes have been detailed.

(34) The identification of the beneficiary is best done by the Panchayat, often notifying the list of proposed beneficiaries and inviting objections, if any. The lists should be revised periodically.

(35) The Old Age Pension must be sent by postal money order at State cost and Disability benefits must be disbursed at the door steps of the beneficiaries in the presence of witness. The Maternity benefit must be disbursed to the beneficiaries at the time they visit the ANM or Sub-Centre. For sickness benefit a procedure may be evolved for disbursement at village in the presence of witness on beneficiary's return after discharge from hospital.

(36) In the long run however, when the general levels of living and earning be considered and at that stage, we may think in terms of promotion of insurance co-operative societies at the village level.

ANNEXURE I

TABLE 1 : SOCIAL SECURITY EXPENDITURES IN SELECTED COUNTRIES

	As per cent of GDP	Year
OECD		
1 Sweden	30.7	1979
2 Netherlands	29.2	1979
3 France	26.0	1979
4 Belgium	25.9	1979
5 Denmark	25.3	1979
6 Federal Republic of Germany	23.9	1979
7 Italy	22.8	1977
8 Austria	21.1	1977
9 United Kingdom	18.0	1979-80
10 Switzerland	16.0	1979
11 Canada	15.2	1979-80
12 Australia	14.1	1976-77
13 United States	13.2	1978-79
14 Japan	11.2	1979-80
CPE		
	As per cent of GDP	
15 Czechoslovakia	18.7	1979
16 Hungary	16.5	1979
17 German Democratic Republic	16.2	1977
18 Poland	13.6	1979
19 USSR	13.4	1977
Other Countries		
20 Israel	13.4	1976-77
21 Chile	10.1	1977
22 Argentina	7.3	1977
23 Brazil	6.2	1977
24 Mauritius	5.9	1976-77
25 Singapore	4.9	1979
26 Zambia	4.0	1976-77
27 India	2.4	1975-76

Source : ILO : World Labour Report 1984

TABLE 2 : FINANCING OF SOCIAL SECURITY 1977

Source	(Per cent)
1 Insured persons	23.3
2 Employers	40.8
3 Public Authorities	30.4
4 Income from capital	4.2
5 Other receipts	1.3

Source : Methods of Financing Social Security: International Social Security Association, Geneva.

ANNEXURE II

PENSION TO DESTITUTE AGED—STATEWISE POSITION IN 1987-88

Sl. No.	State/Union Territory	Rate of pension Rs. p.m.	Minimum age of eligibility	Population of aged (60+) in 1988 in 000's	Number of beneficiaries (and percentage of population covered) in 1988	Expenditure (Rs. lakhs)
1	2	3	4	5	6	7
1	Andhra Pradesh	30	65 years	4306	1,96,641 (4.6)	699.59
2	Arunachal Pradesh	60	60 years, relaxed by 10 years for disabled	36	150 (0.4)	3.00
3	Assam	60	65 years for males and 60 years for females	1565	39,000 (2.5)	117.30
4	Bihar	30	60 years; no age restriction for widows and disabled.	5754	15,00,000 (26.1)	4782.69
5	Goa	60	60 years; 55 years in case of disabled	82	54,660 (66.6)	27.00
6	Gujarat	60	60 years; 45 years in case of disabled	2455	52,674 (2.1)	346.00
7	Haryana	100	65 years (55 years for males and 50 for females under old scheme of pension @ Rs. 60 p.m.).	991	6,72,749 (67.9)	3132.00
8	Himachal Pradesh	60	60 years; no age restriction for widows and disabled.	388	56,875 (14.6)	385.00
9	Jammu & Kashmir	60	55 years; no age restriction for disabled	417	5,000 (1.2)	35.00
10	Karnataka	50	65 years for males; 60 years for females	2975	8,61,908 (29.0)	3065.38
11	Kerala	55	65 years; no age restriction for widows and disabled.	2311	1,70,110 (7.4)	1319.00
12	Madhya Pradesh	60	60 years; 50 years for widows; no age restriction for disabled.	4070	1,60,000 (3.9)	1025.76
13	Maharashtra	100	65 years for males; 60 years for females; no age restriction for widows and disabled.	4854	2,85,000 (5.9)	2107.00
14	Manipur	60	60 years for males; 55 years for females; age relaxed by 10 years in case of disabled.	101	10,650 (10.5)	11.00
15	Meghalaya	60	65 years for males; 60 years for females	72	1,107 (1.5)	8.00
16	Mizoram	60	65 years for males; 60 yrs. for females	28	1,825 (6.5)	8.17
17	Nagaland	60	70 years; 50 years for widows; no age restriction for disabled.	56	2,475 (4.4)	18.00
18	Orissa	40	65 years; 50 years for widows	2039	1,26,226 (6.2)	556.00
19	Punjab	50	65 years for males and 60 years for females	1584	90,063 (5.7)	493.00
20	Rajasthan	50	58 years for males and 55 years for females; 45 years for widows; no age restriction for disabled.	2499	85,000 (3.4)	475.00
21	Sikkim	60	70 years for males and 65 years for females	17	397 (2.3)	4.00

1	2	3	4	5	6	7
22	Tamil Nadu	35	65 years; 45 years for disabled; 40 years for widows; 60 years for landless agricultural labour.	3757	3,72,689 (9.9)	3280.00
23	Tripura	75	70 years.	175	12,778 (7.3)	112.00
24	Uttar Pradesh	60	65 years; 60 years for disabled and widows	3175	1,22,778 (1.3)	481.00
25	West Bengal	60	60 years; age relaxed by 5 years in case of disabled.	3665	30,720 (0.83)	221.30
All States				53372	49,11,475	22,710.19
26	Andaman & Nicobar Islands	60	60 years; age relaxed by 5 years in case of disabled.	7	174 (2.5)	1.00
27	Chandigarh	60	65 years for males and 60 years for females	22	50 (0.3)	1.29
28	Dadra & Nagar Haveli	60	65 years for males and 60 years for females; age relaxed by 5 years in case of disabled.	5	122 (2.4)	1.03
29	Daman & Diu	60	60 years ; 55 years in case of disabled	6	20 (0.3)	0.10
30	Delhi	100	60 years	337	2,784 (0.8)	22.00
31	Lakshadweep	100	60 years; no age restriction for disabled	2	66 (3.3)	0.7
32	Pondicherry	60	60 years	49	1,290 (2.6)	2.74
Total U.Ts.				428	4,506 (1.1)	28.86
Total States + U.Ts.				53800	49,15,981 (9.1)	22,730.05

- Notes :** (1) Andhra Pradesh, Kerala, Tripura and West Bengal have separate schemes for aged agricultural labourers; in Kerala the position is that number of beneficiaries under this Scheme is almost twice than under the general Scheme. Figures in respect of these separate schemes are not included. Again, some of the States (e.g., Haryana, Punjab, Tripura, Uttar Pradesh and Pondicherry) have separate schemes for widows and/or disabled. Figures for these schemes are also not included above.
- (2) In Goa old age pension @ Rs. 50 p.m. are also being provided by a State run autonomous institution called Provedoria. The figures above, include beneficiary of Provedoria schemes.
- (3) In Gujarat, rate of pension for aged landless agricultural labourers is Rs. 75 p.m.
- (4) In Tripura, there are separate schemes for normal aged, for handicapped aged, for widows, for landless agricultural labourers for Jhumies and for Rikshaw pullers.
- (5) Haryana covers these of age between 50 to 65 years under an old scheme with rate of pension Rs. 60 p.m.
- (6) In Tamil Nadu, besides the pension of Rs. 35 p.m. free rice @ 1 kg. per week and sarees/dhoties (twice a year) are also distributed to the aged.
- (7) The population figures for 1988 in column 5, have been arrived at by increasing 1981 population figures by 21 per cent. R.G.I. projection for India show that over the period 1981-91, population of the aged will increase by about 29 per cent. Population figures of Goa & Daman & Diu have been arrived at by a proportionate division of the total population of Goa, Daman & Diu.
- (8) Figures in columns 6 and 7 are for the year 1987-88; where figures for 1987-88 were not available, figures of previous years have been given.

ANNEXURE III
THE WORKMENS' COMPENSATION ACT, 1923
Schedule I

Sl. No.	Description of Injury	Per cent of loss of earning capacity
Part I—List of Injuries deemed to Result in Permanent Total Disablement		
1	Loss of both hands or amputation of higher sites	100
2	Loss of a hand and a foot	100
3	Double amputation through leg or thigh, or amputation of leg or thigh or one side and loss of other foot	100
4	Loss of sight to such an extent as to render the claimant unable to perform any work for which eye-sight is essential	100
5	Very severe facial disfigurement	100
6	Absolute deafness	100
Part II—List of Injuries deemed to result in Permanent Partial disablement (restricted to 70% or more)		
Amputation case—upper limbs (either Arm)		
1	Amputation through shoulder joint	70
2	Amputation below shoulder with stump less than 8" from tip of acromion	90
3	Amputation from 8" from tip of acromion to less	70
Amputation case (lower limbs)		
1	Amputation through both feet resulting in and hearing stumps	90
2	Amputation through both feet proximal to the meta torso phalangeal joint	80
3	Amputation below hip with stump not exceeding 5" in length measured from tip of great trenchanter	60
4	Amputation below hip with stump not exceeding 5" in length measured from tip of great trenchanter but not beyond the middle thigh	70

CHAPTER 18

ORGANISATION OF RURAL LABOUR AND COMMUNICATION STRATEGY

18.1 It has been observed earlier that the rural labour, especially the agricultural labour which constitutes a large segment of our work force has received a raw deal. Even the legislative measures designed for them do not have the desired beneficial effect. Rural labour is organisationally weak and as a result is faced with a large number of disadvantages. It is important to note that in many areas, the agricultural labour is not able to get even the minimum wages statutorily fixed by the Government. They have also not been able to take full advantage of the socio-economic and educational facilities provided by the State and this has created difficulties in the way of their assimilation in the mainstream. Organised trade unions have, by and large, confined themselves to the urban and the organised sector. Therefore, organising the unorganised workers particularly the agricultural labourers is of utmost importance to enable them to get the required bargaining power and realise what is their due and legitimate share. Realising the need for the same, the General Conference of the International Labour Organisation recommended as early as 1975 under the Convention No. 141 that rural workers be given every encouragement to develop free and viable organisations capable of protecting and furthering the interests of their members and ensuring their effective contribution to economic and social development. It may be noted that agricultural labourers need not be conceived merely as prospective beneficiary consumers: they must be conceived mainly as a very important potential force for overcoming or breaking the resistance of the vested interest to bring about a new social order. The organised movement of this class is a sure guarantee against exploitation of all kinds and is the only way to make them partners in the development process to ameliorate their lot. Without involvement of rural labour through their organisation, development programmes for weaker sections of the society cannot reach the target groups.

18.2 There is admittedly, the greatest need for organised strength because their basic situation in life is one of "powerlessness" to protect their vital interests and their fundamental rights. The process of modernisation and socio-economic change witnessed during the last forty years of planned development has not been adequate enough to free the labour class in rural India from all the traditional forms of exploitation and social oppression. In fact, in certain cases, powerlessness of rural labour has been further aggravated as a result of modernisation and change. In a situation where the deprived and the lowly were economically helpless, the infliction of social indignity in terms of abuse, physical assault, maltreatment of women and children give rise to a situation of stark economic exploitation compounded by dehumanising social oppression. This results in rural unrest, the effects of which we have discussed elsewhere. Therefore, for successful organisation, proper under-

standing of the rural structure and specific nature of the problems of rural labourers is necessary.

18.3 The major disability is that the rural labour is the weakest and most vulnerable among all workers dependent on wage or salary employment. Not having any significant means of production other than their own physical labour power, they rank lowest in social status. The labourers belonging to scheduled castes, scheduled tribes and other backward classes are even more vulnerable as they suffer from double disadvantages. In times of emergencies, they have nothing else to depend upon or draw from. This vulnerability makes them even more dependent on the very classes which exploit them. Such a dependence exposes them to further exploitation both through lower wages and usury; and increase their bondage whether formally so recognised or not. Faced with such circumstances, any organisation of rural labour is difficult as it involves confrontation against the classes who provide them not only employment but also credit in emergencies. The 'security' provided by the exploiting classes is extremely costly in terms of breaking their resistance to exploitation and consequent wage losses. But very often they have no alternative. Thus the unorganised rural labour are usually trapped in a vicious circle of landlessness and sole dependence on sale of labour power, making them vulnerable particularly in emergencies. This lack of security breaks their resistance which in turn lowers incomes and makes them even more vulnerable. Whenever the rural labour organisations are started, first comes the resistance from the vested interests and the Govt. machinery. The rural workers will gain strength if the resistance is not strong or harsh.

18.4 In the rural situation, especially in agriculture, competition among employers is reduced by several open and subtle ways, converting the actual situation to one of virtual monopsony giving little choice for each labourer. Usually each village is dominated by one or two landlord farmers who are the main employers: they do not allow smaller farmers to compete with them.

18.5 Since usually farmers belong to a dominant peasant caste, appeal to caste solidarity, social interaction, and mutual help are some of the main ways in which competition between farmers is reduced. They also work out arrangements like crop-sharing, grant of consumer credit and bonded labour by which labour is tied and guaranteed for each farmer. They also try to see that landless labour do not acquire enough means of production so that they are not self-employed and supply of labour is not reduced. The rural society functions in a way that reduces competition among buyers of labour but increases it among sellers and supply of labour is also maintained or increased. The monopsonistic power

is often wielded with the help of extra-economic coercion. Some big landlords in a few regions of India are even said to be maintaining small private armies mainly to terrorise agricultural labour and force them into submission.

18.6 If the monopsonistic situation of employer dominance is bad enough in agriculture, it is worse still in rural industry, unless agriculture itself is taken as competitor to rural industry in the labour market. To attract labour from agriculture, rural industry usually offers higher wages, but exploits them to the bones. Their working conditions are worse. This was evident from the instance of cashew industry in the initial years in Kerala. But unionisation has changed the working conditions of female labour in this industry drastically in the State. However, lack of adequate organisation and collective bargaining elsewhere has been responsible for keeping the rural labour in the non-farm sector under deplorable working conditions. Though overall economic constraints bearing on the industry have also an important influence of the wage levels and magnitude of employment, unionisation has the potential of removing the worst forms of exploitation and improving the working conditions.

18.7 There are certain non-farm activities like beedi industry, handloom industry, wool workers and carpet workers, leather workers, brick kiln, rice shelling, fireworks, construction works, etc. which are covered by certain legislation, rules and regulations. The workers who are mostly rural-based have been organised to some extent mainly by the trade unions. But the regulatory measures have been flouted with the development of contract system under which the job is got done on piece rate basis by the home-based workers, especially the female workers. The factories or companies give the contractors raw materials to be supplied to the workers and also the wages and other benefits to which the workers are entitled, like PF, bonus, maternity and medical allowances. But the contractors do not maintain proper records and workers are subjected to various kinds of exploitation. Most of the home-based workers are females and it is quite impossible to mobilise and organise them. Women leaders as organisers are difficult to locate due to socio-ethnic reasons. Besides, the contractors are the final authority to decide anything relating to workers' problems, and workers have no direct link with factory owners.

18.8 We have seen earlier that women's exploitation is not only outside their homes but within homes too. This acts as a further impediment in the organisation of female labour, especially those employed in agriculture. We have also examined the conditions of child labour in the relevant Chapter. In certain industries like carpet industry, children are preferred to adults because of low wages and their inability to resist exploitation. Though Factories Act prohibits employment of children, this could not be applied to household industry. As a result, the carpet industry shifted from factories to homes. How to organise women and children and in what form is a matter of great concern.

18.9 Migrant labour from rural areas form another category which also have difficulties in organising themselves to improve their bargaining power. They are engaged in agriculture as well as non-farm activities like building and construction, sugar industry, brick kiln, mining and quarrying. We have explained elsewhere as to how they are exploited at every level by the brokers, farmers and factory owners. Organising migrant labour possess another problem since they hardly interact with the local labour or with the public at large. The migrant labour are invariably paid less than local labour. Often with their help, the employers reduce the wages of local labour or even deny them employment.

18.10 The attitude of the government machinery at the ground level has been another major impediment. There is no check whether the workmen are being paid minimum wages. Even labour officers, who ought to be more concerned about the problems of labour and ensure the implementation of the labour laws come often from the same class background as the employers of rural labour and share the perceptions and prejudices of the latter.

18.11 We may now conclude this section. The lack of adequate means of production, combined most often with a lower social status on account of caste disadvantages makes rural labour both economically and socially vulnerable. The rural labour being in a minority in most villages reduces their political strength, apart from their lack of economic power and social status. Rural labour belonging to scheduled castes are most vulnerable because of inbuilt disabilities. To bind the labour and to ensure labour supply, farmers use both credit and extra-economic coercion from which unorganised labour find it difficult to extricate. All these factors militate against the development of horizontal solidarity along class lines, and therefore, against organisation of rural labour. Female labour is more vulnerable than male, who are exploited both within home and outside. Oppression and male domination at home can act as an impediment in involving women in labour organisations. Child labour and migrant labour have also special difficulties in organising themselves. Both the living and working conditions of rural labour engaged in non-agricultural sectors are hardly consistent with minimum human dignity. The role played by middlemen between manufacturers and labourers is a complicating factor acting against organising labour and ensuring them whatever little the law provides.

Reasons for not being organised

18.12 That the rural labour is a neglected lot needs no confirmation. The all powerful farmers' lobby has not only economic strength but also the political clout to get things done. The power wielded by big farmers over the State Government is substantial. Certain State Governments did not revise the minimum wages upwards because of the pressure from the employer lobby in agriculture, though, it had the capacity to pay higher wages. We know that they can very easily and successfully organise dharnas, rasta roko andolan, etc. to make their grievances felt. The levy prices of wheat, rice and sugarcane, etc. are revised on a regular basis to

satisfy their demands. Even so, their grievances continue. The farmers are provided concessional electricity and their loans amounting to crores and crores are waived. During all these periods, we never hear anything about the agricultural labour or their woes. They have no organisation whereas the farmers are organised and have a strong lobby. They have no strength whereas the farmers are very strong. The amount of attention devoted to farmers in the Parliament, in the newspapers, on the Radio, on Doordarshan is considerable. On the contrary, we hear very little about rural labour. Even the Act to give the minimum wages is not implemented. The revision of such wages takes years. His grievances are looked upon as law and order problems. The much needed Agricultural Workers' Act has not been legislated so far by most States.

18.13 A major handicap for rural labour is the lack of awareness of provisions of labour laws which confer certain rights and protect against exploitation. A mass awareness and education programme launched through out the country can help in facilitation of organisation of rural labour. While literacy programmes can also be of help in improving access to information, other media are of greater relevance at the present time. There should also be protection from government for forming organisations without fear of resistance from vested interests or even the government machinery itself.

18.14 In the case of urban labour most of the struggles are for increasing wages. In the case of rural labour getting the notified minimum wages in the most important and fundamental problem. There are also other issues on which agitations have been launched in some areas. These include implementation of land ceiling laws, enforcement of other applicable laws, social equality, social security, allotment of house sites, schools and share of government welfare programmes. During the last two decades, thousands of crores have been spent on rural development. But the full benefits of this have not reached the poor rural labour. Rural Labour has to be organised to exercise the countervailing influence to offset the economic and political power of the farmers, the lethargy of the administration, the partisan approach of the police, the negligence of the trade unions, their own abject poverty and illiteracy and the indifference of the government.

18.15 We know the membership of the central trade unions. They are keenly interested in organising the urban labour or the industrial labour. This is easy because they know where the workers are. They can go to the factory and collect subscriptions and enrol members easily. It is easy to collect them, convene meetings, organise strikes, conduct Dharnas or Gheraos. But this is not possible among the rural workers. The unions have to struggle to organise them, to collect them, to educate them. The urban labour can liberally contribute to the funds of the unions. The rural labour has nothing to contribute except poverty. In fact, he has to be subsidised even in the matter of union subscription.

18.16 The problem of agriculture workers is also a problem of finding more and more job opportunities. We have also seen that the scattered nature of agriculture workers, their personal contract with and the dependence on the landlord, lack of group cohesiveness arising out of diverse cultures and religions or castes, lack of any permanent work status with any particular employer, their small proportion to the number of employers, the substitutability of hired labour by family labour, are some of the constraints that come in the way of organising rural labour. Under the circumstances the question of adopting a viable strategy for initiating the process of unionisation among rural workers becomes crucial. The importance of cooperatives was in the matter of providing more employment to rural labour. Inadequate employment and wages, in addition to the poverty of some of the employers have been the major problems afflicting rural labour. Whereas trade unions can fight for the rights of rural labour in the matter of higher wages, working conditions and other issues, cooperatives can play a significant role in providing more employment. Getting bargaining power may be of little use if further employment opportunities are not available. Labour cooperatives, therefore, can help in providing work when there is no employment available. Their role should be supplementary and incremental in a broad sense in the sphere of rural employment.

Growth of Rural Labour Organisations

18.17 In the wake of the Freedom Movement many socio-political organisations came into existence in the late twenties for the benefits of agricultural communities. These were known under various names such as 'Kisan Sabhas', 'Krishak Sabhas' and 'Peasant Unions'. In 1931, the Kisan Sabha in Bengal demanded abolition of 'Permanent Settlement' and 'Forced Labour'. The Kisan Sabha in 1953 called for abolition of landlordism without compensation, free distribution of land among agricultural labour and poor peasants, stoppage of eviction of peasants and substantial reduction in rent.

18.18 A weakness of the Kisan Movement arises out of the dual character of the leadership of the organisation. While they fight for their own democratic rights and economic uplift in towns and cities, they hesitate to raise their voice to secure higher wages for agricultural labour in rural areas in view of their own involvement there as employers.

18.19 According to the Rural Labour Enquiry Report 1974-75, only one per cent of agricultural labour in the country is unionised. However, the total verified membership figure as on 31-12-1980 of the central trade union organisation for plantations and agriculture alone comes to 1.1 million. Since then the trade unions have also increased their activities in the rural sector. This apart, there are a large number of unaffiliated trade unions functioning in the agricultural and other rural sectors. Taking into account these factors, even after giving a liberal allowance, the unionisation in the agricultural labour can at most be

estimated to be between three to five per cent. This is very negligible.

18.20 Central organisations of several trade unions have rural wings. Activities of trade unions are mainly confined to the workers in the industrial sector. All India Kisan Sabhas attached to the Communist Party of India and Communist Party of India (Marxist) have been historically active in certain states. The All India Kisan Sabha (CPI-M) includes in its fold not only the peasantry but also the agricultural workers. Indian National Trade Union Congress has an organisation called the Indian National Rural Labour Federation affiliated to it. The Hind Mazdoor Sabha has organised agricultural workers. Some of the important rural labour organisations are:—

- (1) All India Agricultural Workers Union, (AIAWU).
- (2) Agricultural Labour Association, Ahmedabad.
- (3) Hind Khet Mazdoor Sabha, (HKMS Affiliated to Hind Mazdoor Sabha & IFPAAW).
- (4) Bharatiya Mazdoor Sabha, (BMS).
- (5) Akhil Bharatiya Krishi Mazdoor Sangh (AB-KMS-Affiliated to Bharatiya Mazdoor Sangh).
- (6) Indian Confederation of Agricultural Labour (ICAL) (Affiliated to NFITU).
- (7) Indian National Rural Labour Federation (INRLF).
- (8) All India Kisan Sabha (AIKS).
- (9) Bharatiya Khet Mazdoor Union (C.P.I.).

Organisations of rural labour and role of unions, voluntary organisations, cooperatives, and Government

18.21 The organisations of rural labour can be categorised into four, namely trade unions, voluntary organisations, cooperatives, trusts and other bodies such as Rural Workers' Trust.

18.22 There are a large number of experiences and approaches to organising rural poor, the bulk of whom are agricultural labourers. A uniform prescription for organising agricultural workers is neither feasible nor desirable. But it appears necessary to have a legal framework under which such organisations can function effectively. At present such organisations if they are to acquire a legal identity and it may be advantageous to have a legal identity—can be registered as a Society under the Societies Registration Act, 1960, or as a cooperative under the relevant Co-operative Societies Act of the State concerned or as a trade union under the Trade Union Act, 1926. There are organisations in the form of trust but it will be advantageous for the organisation of rural workers to be in the form of a registered society for its welfare kind of activities, of a cooperative society for its economic activities and of a trade union for securing the rights of the workers and for redressal of their grievances. Only a registered cooperative society can borrow funds from other

cooperative institutions: a registered trade union enjoys certain immunity in respect of civil and criminal matters. Each form of organisation has its role. The right to form trade unions should be recognised while cooperatives are encouraged for the betterment of rural workers. Trade unions and cooperatives can develop separately and simultaneously.

Role of Unions

18.23 The Central trade union organisations viz. INTUC, AITUC, BMS, HMS, TUCC, NFITU and CITU can play a significant role in organising rural labour. Almost all the national trade union organisations have declared their intention to help their rural brethren and have set up their rural labour wings. The national trade unions are able to raise more resources in the event of a strike or lock-out and thus increase their bargaining power, particularly since their organisations derive strength from the support of industrial labour also. Solidarity between urban industrial labour and rural labour can be helped by national trade unions.

18.24 The trade unions have not so far directed their efforts to organise the unorganised labour in the rural areas adequately. Lopsided development, socio-economic constraints, disabilities etc. cannot be considered to be the only reasons for rural labour not being organised. The role of trade unions in reaching out to the rural areas to organise rural labour is equally important. The progress of unionisation is not uniform in the various States. In some States trade unions have successfully waged long drawn struggles against the landed aristocracy, generally belonging to the upper castes. Wherever workers are well organised, they are getting a better deal, organised labour face comparatively less problems than the unorganised. The significance of this has been particularly noticed, for example, in Kerala where almost all sections of rural labour/agricultural workers are organised. The Kerala Agricultural Workers' Act provides for the security and welfare measures for agricultural workers' welfare funds have been organised for many other categories and Rural Labour Cooperatives are also effective. There are also other States where organisation of rural labour into trade unions has helped in the struggle for higher wages, land redistributions, protection against social oppression etc. but there are large areas of the country where such unionisation is practically absent.

Role of Voluntary Organisations

18.25 The voluntary organisations have also played a supporting role and in some cases an exclusive role for organising rural labour. Gujarat has a number of voluntary organisations espousing the cause of rural and tribal labour. The voluntary organisations make up for the absence of trade unions. In Bihar, a large number of voluntary organisations function for the upliftment of rural labour on the lead taken by Gandhiji, Vinobha Bhave and Jaya Prakash Narain. In Karnataka also there are a few voluntary organisations working against social oppression. In West Bengal, in addition

to trade unions, several voluntary organisations function for welfare of rural labour. In Andhra Pradesh, there are a few voluntary organisations which have undertaken welfare activities for rural poor. In Himachal Pradesh, Social Upliftment through Rural Action (SUTRA) is a voluntary organisation working for the welfare of women along with a number of other organisations. The voluntary organisations have done greater work in the fields where political parties have been passive. These voluntary organisations are village-based and gave more attention to grass-root level problems. They are capable of taking bold initiatives and are more flexible. The promotion and strengthening of voluntary or non-governmental organisations should be taken up by the government more vigorously at least in areas where there is concentration of rural labour.

Rural Workers Trust

18.26 Rural Workers Trust is a new approach to strengthen organisation among rural workers which envisaged that the central trade union organisations should join hands with grass-root level voluntary organisations in improving the living and working conditions of the rural poor motivating them towards understanding their environment and encouraging them to form their own trade type organisations. This scheme was launched in 1986 with ILO's encouragement and support. Its objectives include convening of all India consultations, bringing representatives of trade unions and voluntary organisations together. The second objective is to give a practical thrust through study visits by joint teams of trade unions and voluntary agencies to successful rural development activities conducted by voluntary agencies and hold short term workshops on various aspects. These activities are intended to encourage trade unions and voluntary agencies to be partners in rural development by exposing them to each other.

Measures taken by the Government

18.27 The central government has played a significant role in the organisation of rural labour. By ratifying ILO Convention on organisation of rural workers, it further confirmed this policy. It has initiated several measures in this direction as given below:—

1. Honorary Rural Organisers

18.28 The scheme was launched in 1981-82 and by 1986-87, it covered 14 states and the Union Territory of Pondicherry, 1500 posts were allocated for the scheme. The HROs receive a small honorarium and are not regular employees. They are expected to educate rural workers about their rights under various labour laws and motivate them in organising themselves. The expenditure incurred by the State Governments on these schemes are reimbursed to them by the Central Government.

18.29 The Government of Gujarat had initiated a scheme for helping rural workers to organise themselves and this scheme was strengthened by adopting source of the points of the Central Scheme. Instead of appointing them in an isolated manner, the Gujarat Government has established rural worker's welfare centres headed by the honorary organisers which help the workers in many ways. These centres function under the rural workers welfare board with the objective of social, economic, agricultural and educational familiarization of rural workers. Persons belonging to SC and ST, women and persons with a background of rural work get priority in selection. The Gujarat Government proposes to provide a building for each of these centres to conduct classes, etc.

18.30 The HRO scheme has not only performed poorly, but there is criticism that it has been designed poorly. The HRO is too weak to implement the scheme. The government should give stress on social welfare schemes, education, publicity and communication instead of assuming a direct role in organising labour which could be left to trade unions and voluntary agencies.

II. The Central Board of Workers Education

18.31 The Central Board of Worker's Education, an autonomous Body under the Ministry of Labour, has launched Rural Worker's Education programme since 1987-88 to promote awareness among the rural workers and educate them to enhance their self-confidence and for protecting their individual and social interest and also in developing their own organisations. The programmes include two month residential training programme for rural educators and two day awareness camps for rural workers.

18.32 As the major activity of the Board is towards urban labour it has not been possible for it to attend to the needs of agricultural labour in substantial measures. It is necessary to intensify the programme to cover the rural labour more adequately. For this purpose, it will be necessary to set-up a separate Board for education of rural workers. A Five Year Plan should be drawn up by the board to ensure that in a period of five years the board would spread its activities throughout the country and bring most of the rural workers under their coverage.

III. National Labour Institute

18.33 The National Labour Institute, New Delhi, a premier research and training institute for labour, is conducting rural labour camps for organising rural workers since 1975. Their programmes include a conscious effort to stimulate and support the creation and growth of effective peasant organisations through leadership training programmes. The camps in Bihar, Gujarat, Madhya Pradesh and Rajasthan have benefited the rural folk to organise. The role of the NLI is thus very important and this could be strengthened and geared to meet the requirement of rural areas. For this purpose, adequate funds should be made available to the Institute.

IV. Development Programmes and Projects

18.34 Development programmes like DWCRA also promote organisation of women in the rural areas in the guise of income generation activities. The financial assistance given by the Central Government to the states for implementation of the Minimum Wages Act also indirectly encourages the rural workers organisation. There are a number of central government agencies to assist the voluntary organisations for organising women labour. The development programmes like DWCRA also promote organisation of women in the rural areas through the organisation of income generating activities. Under the scheme of organisation of beneficiaries of anti-poverty programmes launched by CAPART, assistance has been given to voluntary agencies for framing social animators, organising awareness camps and selection of rural organisers. However, the impact of this has not been assessed and as such its effectiveness in terms of creating environment conducive to organisation of rural labour is not known. Assistance given by the Central Government to the States for implementation of Minimum Wages Act also indirectly encourages the rural workers' organisations. Besides, the Central Government under its National Child Labour Policy gives assistance for income generating schemes in the proejct areas to the families of child labour and also gives assistance to voluntary organisations to set up special schools for child labour. These measures are likely to enhance the awareness of rural labour households in regard to their rights.

18.35 The State Governments have also assisted formation of organisation of rural labour both directly and indirectly. The success in Kerala and West Bengal confirms this. The State governments have also played a significant role in forming labour cooperatives either in collaboration with the unions or voluntary agencies. The unions after having carried out struggles are often faced with the prospect of the establishment being closed. At that stage, formation of cooperatives with the backing of unions and government may solve the problem. The Kerala Dinesh Beedi Cooperative Society and the experiment in Sonali Tea Estate in West Bengal are successful stories of cooperative societies.

18.36 As mentioned earlier, organising the rural labour will be difficult but not impossible. When the leadership is from among the rural labour at grass-root level, organisation is easy. Multiplicity of unions is an unfavourable factor. Problems also arise due to shifting of industry from one State to another to avoid payment of higher wages. The Government should support the organisation of labour through various measures, political, legislative, administrative, technical, infra-structural and financial. The basic requirements are that trade union rights for rural labour cannot be realised without the protection from the State. The States should also not treat the problems of rural labour merely as a law and order problem. This approach should be supplemented by legislative protection for agricultural labour and a proper implementation machinery. This makes a crucial difference.

18.37 Organisation of rural labour would be greatly facilitated if the power structure in the countryside could be changed through the intervention of the State. This can also generate changes from below. The concept of organisation should be interpreted in broader sphere of political organisation, that is, the State which should be more pro-poor. Wherever the Government have been in favour of the landless poor the results have been more rewarding. In West Bengal, for example, progressive implementation of land-reforms along side of bute to the success of land-reforms measures, which in turn have changed the power structure in the rural areas, that is power of the landlords, Zamindars and rich peasantry has been broken in favour of the rural poor and the rural labour. As a result there was a change in the power structure in the Panchayats also. Similar action is required for success elsewhere also. If there has been violence in the labour movements, these have cropped up because of the multiplicity of trade unions functioning in the rural spheres, as is happening in the industrial sector. While it would be desirable to have only one union in an area, it may not be feasible. It would, therefore, be desirable to have Joint Committees at the State, District and Block levels. For this purpose the Standing Committees of the Zila Parishad could be utilised by increasing their ambit through cooption of representatives of voluntary agencies, trade unions etc. If this is possible there will be no need to create a new agency at the district and block levels. In the alternative there can be Federations or Joint Committee of rural labour organisations/unions at the District, State and National levels. If the lot of the rural labour has to be improved there should be movement across political colour, supplemented by a thrust by the Govt. Even land redistribution can come about only by a movement. There is also the need for democratisation of the Panchayats.

18.38 One of the major reasons for the poor conditions of the agricultural labour is the lack of political will, because of this, the power of landlords has not been broken yet. The administration is heavily loaded with the work of organised sector, it does not generally help the poorer sections, and are sometimes even hostile to agricultural labour. It is, therefore, necessary that all political parties and trade unions should take action to organise the agricultural labour. Organised industrial labour should give a helping hand and this should be taken up as a national non-party work. The role of the State could be supplementary. Law and Government can supplement this national endeavour. A properly framed law for agricultural workers is necessary for organising them. Coordination and cooperation between the existing organisations are essential.

18.39 Trade unions and voluntary organisations have limited means. They should be given funds partially for organising the rural poor and their activities should be coordinated and monitored properly.

18.40 Unions have a limited role in comparison to cooperatives. But their role is distinct and essential. Cooperatives movement has made only a marginal

change in an imperfect labour market and cannot replace the trade union movement. The cooperatives which are formed after unionisation of the labour could take up more activities and even take over the running of the establishment. But without unionisation, cooperatives are often failures.

Communication Strategy for Rural Labour

18.41 Rural labour constituting over two thirds of the work force is mostly unorganised, illiterate and widely dispersed. They suffer from lack of access to information about the various laws which are expected to benefit them, the different developmental and welfare schemes which can get them a economic support and social security and the various authorities whom they can approach for redressal of grievances. The reach of the media—Government as well as non-Government, to these people is still very limited. As a result of this lack of information and awareness, the various schemes do not benefit them to the extent they should. They have also not been able to organize themselves into associations or pressure groups. It is only through effective communication that it is possible to remove from the minds of rural labour the fear of the powerful and raise their level of confidence.

18.42 The print media like the newspapers devote very little space to the problems of rural labour to educate the public. This was confirmed during the discussion which the Commission had with the media persons during the course of its visit to the States. The Directorate of Advertising and Visual Publicity of the Govt. of India and some State Govt. Information/Labour Deptts. do bring out posters, folders, brochures, cinema slides, etc. on various matters of national interest and some of interest to rural labour also. But for some exceptions, the spread and reach of these are again limited. Some organisations which have programmes containing person to person contacts include the Central Board of Workers Education, National Labour Institute, Council for Advancement for Peoples Action and Rural Technology, etc. Central Board of Worker's Education, although it mainly concentrates on organised industrial labour, has conducted awareness camps to train rural educators to help them in promotion of organisation of rural labour. The National Labour Institute has been holding rural camps for rural labour and this technique has achieved considerable success. The Camp is intended to educate rural labour about the importance of being organised. In the period of 2 to 3 weeks of the Camp the rural labour is encouraged to articulate their problems, understand the causes, realise the need for an organisation and organised action and make them aware of various laws and developmental programmes—all through face to face interaction.

18.43 Among the electronic media the most effective is, no doubt, Television but the coverage of this medium is limited and the access to T.V. sets by rural labour is even more limited. There are also other problems relating to maintenance, dominance by the rural elite, etc. which deny viewing also. The Radio which has

much better coverage is a cheaper and more suitable medium. The time allotted for rural labour in T. V. Broadcast and even in Radio Broadcast is minimal. The Radio has Farm and Home programmes broadcast 2 to 3 times a day totalling 40 to 75 minutes on an average. The programmes are brought out by Rural Programme Advisory Committee. These programmes are more directed towards the farmers and dissemination of information on anti-poverty and welfare programmes. There are also programmes on health education and rural women. There are only some occasional programmes for rural labour under the category known as field based programmes. The use of the Audio (wherever possible the Video) in the broadcast and particularly non-broadcast modes can be very useful, the latter becoming more useful and effective if there is an amateur to generate discussion. The full potential of the audio visual mode for communication with the illiterate rural labour has remained largely unexploited.

18.44 Considering the widely dispersed nature of rural labour and the need to overcome inhibitions imposed by the value system prevalent in rural society, the media has limitations and a person to person contact is essential. This should be done not only by official agencies reoriented for this purpose, but also by the Trade Unions, Voluntary agencies and social activities who should also help in much greater measure in communication of information, education, making rural labour aware of their rights and in organising them. All programmes should include an awareness creation content contained in them. Various non-conventional modes of communication could also be used, such as the performing arts of the folk type—puppetry, folk theatre, street play, folk songs, etc.

18.45 The three distinct categories that need to be addressed are the rural labourers, their employers and law enforcers. The employers also need to be educated about their responsibilities and penalties for contravention of laws. The law enforcers require to be motivated and the communication should become a participatory process with the administrator getting a feed back from the rural disadvantaged. In the words of the Joshi Committee, the media should turn communicators into development agents and development promoters into communicators. The specialised communicators in the electronic media require to be sensitized with the two way link with the administrator and the rural labour, so that an area specific community software oriented towards felt needs of the target groups can be generated. This can be best achieved through local programme production centres, such as the Kheda Rural Broadcasting Centre in Gujarat. Such media broadcasts can play a complementary role in the process of organisation. The content of media broadcasts should also include success stories arising from communication strategies leading to organisation of rural labour and/or to improvement in their socio-economic situation.

RECOMMENDATIONS

18.46 Organisation

- (i) Any policy of giving due priority to agriculture and improving its status vis-a-vis industry should give priority also to improving the status of rural labour too who are the weakest and most vulnerable in the rural sector.
- (ii) Organisations for rural labour should be separate from that of farmers but should include poor peasants and such others who depend on the sale of their labour power as a source of living. The concept of rural labour should be flexible enough to include those working at home or those who are paid on piece rate basis for their produce.
- (iii) A separate organisation for each type of labour activity may not be possible when workers engage in more than one labour activity. Either an organisation should cover more than one labour activity, or there should be no bar on a member of one labour organisation from becoming a member of other labour organisations.
- (iv) A labour organisation, as far as possible should not stop at being only a trade union. Apart from collective bargaining, it should have other constructive activities too, like imparting social awareness and knowledge of labour laws, organising cooperatives etc. The cooperatives can help in accepting contracts of employment oriented projects, management of common lands and running fair price shops, with due care for viability and manageability. Labour cooperatives would need both political and a material support from the government.
- (v) No apriori guidelines can be given as to whether each type of rural labour should have a separate organisation of its own. It will depend on viability, effectiveness, distinctiveness of problems, and availability of local activists and leaders. Separate organisation of women is necessary to fight against discrimination and assault, and oppression at their own homes. Child labour and migrant labour also need special attention.
- (vi) The micro-level individual organisations should federate into mass organisations at district, state and national levels. In the alternative, Joint Committees of rural labour organisations at State, District and Block levels should be constituted or a committee of Zila Parishad could coopt representatives of trade unions and voluntary organisations at the District level. This will give them the necessary political and economic strength and enable them to even tap resources from the organised urban labour, with whom they can enter into alliances. They should also form legal aid committees at various levels to help rural labour. The uniting and dominating interest in these federations should be that of rural labour and not that of political parties.
- These Federations of Joint Committees should look after the interests of not only their constituent units, but also of those rural labour facing constraints in organising themselves, such as female and child labour and migrant labour, and thus eventually draw them into their network. In particular, the federations should bring to the attention of authorities and Shram Panchayats all cases of infringement of labour laws, specially in the case of female and child labour and migrant labour.
- (vii) The task of organising rural labour is best left to political parties and voluntary agencies, which cannot be performed by government through a scheme such as that of Honorary Rural Organisers. The main task of the government however, is supportive and indirect. Even the political parties and voluntary agencies should ensure that a cadre of committed and well-informed local activists is evolved in each organisation promoted by them.
- (viii) Easy-to-read handbooks in regional languages should be brought out for each economic sector for the benefit of rural labour, explaining the provision of labour laws and the rights of rural labour. They should be made available at all work sites by the proprietors of rural industries or principal employers.
- (ix) There should be central law for agricultural workers, an adequate administrative set up for monitoring and a non-official machinery to monitor and guide the administrative machinery. Proprietors or employers should send periodic returns to the administrative machinery about workers employed along with particulars.
- (x) Formal recognition should be granted to rural labour organisations by the government itself, so as to give them the protection of law. Conditions of recognition may be worked out in consultation with the representatives of rural labour organisations, but a few principles are spelt out above. A mechanical application of conditions or recognition in the case of urban labour cannot be made for rural labour.
- (xi) While it is seen that the actual process of organisation or rural labour could be done by trade unions or voluntary agencies, the Government has necessarily to continue the good work, already being done by a number of agencies such as the Central Board of Workers Education, the National Labour Institute, the Rural Workers Trust as suggested below :—
- (a) The Central Board of Worker's Education has not been able to make a significant impact on the rural scene because of bias towards urban labour. Therefore, a separate board should be set-up to undertake education programmes for rural labour. The programmes should be planned in such a

way that the entire rural labour will be covered atleast once during a period of five years and thereafter repeat programmes should be undertaken. The Board should also evaluate the impact of the programmes with a view to revise or modify the programmes to meet the local requirements of each village or tribal belt.

- (b) Similarly, the National Labour Institute should intensify its programmes connected with the training of unorganised rural labour in the villages and tribal belts. The institute should be provided adequate funds for this purpose. They should also assist the Central Board of Worker's Education in working out curriculum and methodology for training and education, keeping in view the illiterate, poor and weak sections.
- (c) The Rural Worker's Trust should be encouraged to conduct more activities so that there is coordination in the activities of trade unions as well as voluntary agencies. Increased activities of the Trust will not only hasten organisation of rural labour but also encourage the trade unions and voluntary agencies to be partners in rural development.

18.47 Communication Strategies

- (i) The Central and State Governments should formulate a policy regarding communication and in particular, the strategy to reach rural labour. There should be an interministerial co-ordination mechanism consisting of the representatives of Ministry of Labour and the Ministry of Information and Broadcasting.
- (ii) There should be a scheme for creating awareness among the rural poor to cater to the areas where the schemes do not contain provision for awareness creation. The scheme can be used for creating a pool of media specialists—activists, training rural educators and holding rural labour camps. A handbook for communicators should also be prepared.
- (iii) The print media like the newspapers should devote more space to the problems of rural labour to educate the public. The Radio should allot more time for dealing with the problems of rural labour. It should disseminate information about the various laws available for their benefit as well as the schemes from which they can derive advantage. It should also disseminate

information on the authorities whom rural labour can approach for this purpose. This can be best done through the local Radio Stations with scripts written in simple and direct style in the local language. There should be also Local Advisory Committees consisting of Administrators, Communicators and Beneficiaries to design the programmes and to modify them after getting feedback. Audio cassettes also can be prepared and used for this purpose.

- (iv) The TV and Video cassettes can also be used for a similar purpose though they may be of somewhat limited coverage, particularly on account of the cost involved.
- (v) Better access of rural labour to viewing should be facilitated through community TV sets, preferably located in primary schools, placed in charge of the primary school teacher who could be given a small honorarium. Regular maintenance of TV sets should also be arranged. In regard to the radio, the emphasis should be on providing cheap individual transistor radio sets.
- (vi) Cinema slides and documentaries should also be produced on topical issues and shown in rural cinema theaters in the time compulsorily provided for news review/documentaries before the feature film.
- (vii) Village Haats & Bazars, melas and festivals etc. can also be used for communication purpose through drama, local theatre, puppetry, folk arts (songs, street play, etc.) as well as printed material like leaflets, posters, etc. based on local languages and dialects. Display of posters at or near railway stations, bus stands, public places in the village etc. will also be useful.
- (viii) There should be persuasive programmes on Radio and on TV to change the attitude and behaviour of the employers in rural areas. Motivational training programmes for administrators should also be organised. Trade Unions and selected committed voluntary agencies should also be used for communication with and education of rural labour with effective co-ordination between the official and non-official agencies at all levels.
- (ix) A separate Central Board for Workers Education for Rural Labour has already been suggested to train rural educators. The National Labour Institute should be provided with adequate funds to organise rural labour camps in an extensive manner.

CHAPTER 19

STATISTICS AND RESEARCH ON RURAL LABOUR

Introduction

19.1 Formulation of sound policies and programmes aimed at ameliorating the lot of rural labour presupposes an up-to-date and reliable data base on diverse facets such as employment, unemployment and under-employment, wage rates and earnings, prices, productivity, workers/agrarian relations, working and living conditions etc. The expansion and improvement in data base during the years since independence, especially after the launching of the First Five Year Plan, have been more in the organised sector than in the unorganised/rural sector. The currently available statistics on rural labour, therefore, suffer from many serious deficiencies and gaps which hamper meaningful research in critical areas pertaining to rural labour. In the following paragraphs we review the existing data base on rural labour and explore ways of removing its deficiencies.

Existing Labour Statistics and International Standards

19.2 The International Labour Organisation (ILO) adopted convention No. 160 concerning labour statistics in June, 1985. Each member country which ratifies this convention is obliged to regularly collect, compile and publish basic labour statistics, which shall progressively be expanded in accordance with its resources to cover the following subjects:—

- (a) Economically active population, employment, where relevant, unemployment, and where possible, visible under-employment;
- (b) structure and distribution of the economically active population, for detailed analysis and to serve as benchmark data;

- (c) average earnings and hours of work (hours actually worked or hours paid for) and, where appropriate, time rates of wages and normal hours of work;
- (d) wage structure and distribution;
- (e) labour cost;
- (f) consumer price indices;
- (g) household expenditure or, where appropriate, family expenditure and, where possible, household income or, where appropriate, family income;
- (h) occupational injuries and, as far as possible, occupational diseases; and
- (i) industrial disputes.

19.3 The Convention has laid down certain standards concerning content and coverage of statistics relating to each of the different subjects cited above. In order to facilitate the identification of gaps in existing labour statistics vis-a-vis the standards laid down by the ILO Convention, the position obtaining in India for each of the subjects is indicated in the table that follows:

Data Sources

19.4 The major sources/agencies for data on rural labour are listed below:

Sl. No.	Source/Agency	Brief Particulars of Information
1	2	3
1	Decennial Census by the Office of Registrar General	Population, work participation, migration, literacy, etc. for males and females in different age-groups.
2	Quinquennial survey, on Employment—Unemployment Household Consumer Expenditure by the National Sample Survey Organisation (NSSO)	Employment, Unemployment, Under-employment, labour force and work participation rates, wages, earnings for employees, etc. for males and females in different age-groups. Besides these items, data on employment and unemployment, indebtedness and consumption expenditure separately for agricultural and rural labour households collected, tabulated and passed on to Labour Bureau for analysis and report writing.
3	Economic Census by the Central Statistical Organisation, the office of Registrar General (conducted) alongwith the households being operations for the population census.	Number of enterprises, workers, nature of economic activity, etc. for all sectors of the economy other than crop production and plantation.

Sl. No.	Source/Agency	Brief Particulars of Information
1	2	3
4	Employment Market Information Programme (EMI) and Employment Exchange (Live Register) Statistics by Directorate General, Employment & Trg. (DGE&T) at Quarterly/monthly intervals.	Employment in all establishments in the public sector and non-agricultural establishments in the Private Sector (with employment of 25 or more persons on statutory basis and 10 to 24 on voluntary basis) occupational distribution of employees, vacancies notified, placements of job-seekers on the live registers of employment exchanges, etc.
5	Periodic (quarterly/half yearly/annual) returns from State/Central Labour Departments and Rural Labour Enquiry Schedules (canvassed by NSSO through its quinquennial employment unemployment survey) by Labour Bureau.	Details of fixation/revision of minimum wages in scheduled employments under the Minimum Wages (MW) Act, 1948, salient details of the working of the MW Act, price data (on monthly basis) for compiling consumer price index numbers for agricultural labourers and data on Employment and Unemployment, indebtedness and Consumption Expenditure separately for agricultural and rural labour households.
6	Regular and Adhoc statistical activities undertaken by CSO and NSSO such as National Accounts, socio-economic Surveys, etc.	Data on GDP & NDP for different sectors of the economy, literacy, health and other social development indicators.
7	Other Central Ministries/Departments like agriculture, Rural Development, Programme implementation, Education, Health, Civil Supplies etc.	Employment in agriculture, land use, irrigation etc. employment generation under anti-poverty programmes such as IRDP, JRY, etc. enrolment at various stages of education, dropouts, etc. and other indicators of social development such as health, food, etc.
8	State Bureaus/Directorates of Economics & Statistics	Employment, Unemployment Industrial relations, wages, prices etc.
9	Reserve Bank of India, Research Institutes (both within and outside government), Universities and Voluntary Agencies.	Poverty, unemployment, real wages indebtedness etc.
10	International bodies like ILO, World Bank etc.	Employment and Unemployment, quality of life, etc.

GAPS AND DEFICIENCIES

19.5 The currently available data on many important items pertaining to rural labour suffer from gaps and deficiencies. These are discussed below:—

Employment, Unemployment and Under-employment

19.6 Both the decennial population census and quinquennial employment-unemployment survey do not provide information on duration of work done by the persons categorised as workers. Though the information is available through the Rural Labour enquiry separately for agricultural and non-agricultural activities, the compilation of figures takes a long time and such inordinate delay reduces their utility. The RLE report based on 32nd round NSS (1977-78) was released in 1990 and the reports based on 38th and 43rd round may take quite a few years more to be released.

19.7 The quinquennial surveys on employment and unemployment by NSSO provide per thousand distribution of persons (15-59) currently on the live register of employment exchange by age-group, broad current weekly activity, educational status and sex both in respect of rural and urban areas. While the NSSO results are based on household surveys by interview method of data collection, those of DGET are essentially record based. Accordingly, the DGET figures on unemployment are not strictly comparable to those of NSS. However, they may be suitably modified by applying the correction factor derived from NSS results on (i) proportion of job seekers on live register who are employed and (ii) proportion of unemployed who

are not on the live register although this adjustment is possible only once in five years. The NSS figures are available at national level as well as at State levels for the third quinquennial survey conducted in 38th round (1983). The similar results of NSS 43rd round (1987-88) had also been published for all India while for the States they are available with the Computer Centre.

19.8 As regards under-employment the NSS figures, based on reported willingness/availability for additional work do not facilitate the quantification of unutilized labour time. The NSS figures showing the unutilized labour time of the usually employed males and females who are not fully engaged according to different time intervals (less than 4 weeks, 4 to 7 weeks, 8-11 weeks, 12-19 weeks and 20 weeks or more) are useful.

Wage Rates and Earnings

19.9 Available information mostly relates to the fixation and revision of Statutory Wages under the Minimum Wages Act, 1948. The information on actual average wages/earnings received by the workers is available only through the quinquennial employment-unemployment survey/the rural labour enquiry and the adhoc evaluation surveys for selected states/areas conducted by the Labour Bureau. Wage data on some agricultural (plough man/field labour) and non-agricultural occupations (carpenter) are regularly collected from the State Governments by the Directorate of Economics and Statistics, Ministry of Agriculture. The sample size (reporting centre) varies from State to State

and in some of the big States like UP, it is quite inadequate. The wage data also lack uniformity as the States collect these under different methodology and for different categories which impose serious limitation on inter-state comparisons. (The States report wage data for "ploughman"/field labour/unskilled labour or for some other specific operation.) In view of the importance and sensitive nature of wage data the State Governments should be impressed upon to provide reliable data on uniform methodology for specified categories.

19.10 The Directorate obtains data on agricultural wages for casual/hired labour and also for attached labour through the Comprehensive Scheme for Cost of Cultivation Studies. These data are, however, not being released. The data are based on uniform scientific methodology, collected from different agricultural zones (cropwise) and is fairly reliable. Major problem with these data is their inordinate timelag.

19.11 The NSS collects wage rate data since 1986-87 for 18 agricultural and non-agricultural employments on monthly basis from 600 villages in the country. It is proposed that the coverage will be extended to 1000 villages ultimately. The data are being sent to Labour Bureau for tabulation and processing. This scheme has certain merits like uniformity of methodology, representativeness, appropriate conversion of kind wages, besides providing data for all categories viz. male, female and child labour on strict time schedule of 4 weeks. The data are available for different NSS zones. The data could be released on monthly basis alongwith CPI number for Agricultural labour as the data are collected in the price collection schedule which has fixed time limit for despatch from the field directly to Labour Bureau. However, data are yet to be released.

19.12 As regards the self-employed households there is no source of information on their earnings/income.

Prices, Productivity and Industrial Relations

19.13 The currently available indicator of the price trends in the rural areas is confined to the CPI for agricultural labourers compiled by the Labour Bureau every month on 1960-61 base. The old series does not reflect the changes in consumption pattern of agricultural labour and hence there is an urgent need to replace the series with 1986-87 base for which, the survey has already been conducted. In view of the growing importance of non-agricultural activities and also the need for adopting a wider definition of rural labour (as proposed by the Commission) it is necessary to construct a separate series of CPI for rural labour. The 1986-87 survey has provided data for weighting diagram for both rural labour and agricultural labour separately and hence, while releasing new series for agricultural labour, the Labour Bureau should also release the indices for rural labour simultaneously.

19.14 At present no agency compiles productivity indices for rural labour. Similarly, no agency compiles statistics of labour unrest in rural areas.

Indicators of Social Development

19.15 Currently available statistics on social development mostly relate to rural population as a whole. It is widely believed that the benefits accruing to rural labour from the development of social infrastructure are proportionately less than those accruing to the non-labour category of the rural population. Available information on literacy (based on NSS quinquennial rounds) lends support to this feeling.

Inspection and Enforcement

19.16 We have a number of Central labour legislations which are applicable to rural labour on different aspects viz. minimum wages, equal remunerations, child labour, bonded labour, contract labour, workmen's compensation, inter-state migrant workers etc., but we get hardly any statistics about their working. In the absence of requisite statistics we do not know how the labour laws are in operation and whether they are having any impact in rural areas. For example, in the area of minimum wages under the Minimum Wages Act, 1948, we do not have consolidated information year-wise and state-wise as well as for country as a whole about the number of inspections carried out and irregularities found, arrears of wages due and realised without prosecution and with prosecution, amount of fines levied and realised, number of prosecutions launched, and convicted so far, number of claims pending etc. Even though, the Ministry of Labour is getting returns from the State Governments on some of these aspects but these are not compiled and published.

Time-Lag

19.17 Whatever limited quantity of data is available with the agencies concerned, it is often found to be too outdated. The gap between actual year of collection of the data and the year of publication is so large that by the time the data are published they become irrelevant. For example, data pertaining to the working of minimum wages for the year 1982, were published in 1987 and for 1983 onwards it is yet to come. The gap is not only in the publication of the data but one may find the time lag in the actual data reported also. Thus, the users of rural labour data face problems on two accounts, i.e. delay and sometimes lack of accuracy. This deficiency needs to be removed by timely collection, processing and publication of the statistics on different facets of rural labour.

Rural Labour Research

19.18 Though the data in many cases reveal all the important aspects of the subjects to which they relate, in quite a few cases they have to be screened with the help of appropriate economic and statistical tools to yield important information relating to the subjects with which they are concerned. Though the Labour Bureau has a Research cell, it has confined its activities mainly to the organised sector. The extent of research work in respect of rural labour or unorganised sector is insignificant. Efforts are, therefore, required to

strengthen the research base for rural labour to meet the national needs arising from planning, policy formulation and administration in labour and labour related fields. Labour Bureau should undertake considerable amount of research activities on rural labour. It should also act as a nodal agency to promote rural labour research in its sister organisations and various labour institutes of repute in the country. Research studies on specific rural labour issues such as family and living conditions of landless labour, self-employment ventures in non-traditional activities, migrant labour, bonded labour rehabilitation, displacement of rural labour/artisan in traditional sectors etc. have to be undertaken in order to understand the dynamics of labour market.

CONCLUSIONS AND RECOMMENDATIONS

19.19 Despite efforts aimed at improving the statistical base for the unorganised/rural sector, the currently available statistics for rural labour suffer from many gaps and deficiencies which need to be removed. Specifically for the category of rural labour, the Rural Labour Enquiries (RLE) of Labour Bureau provide valuable information and is the only major source. The Commission makes the following recommendations on RLE and other related statistical data handled by the Labour Bureau, NSSO and Directorate of E & S:—

- (a) Efforts should be made to release RLE reports with minimum time lag and the pending reports on Employment and Unemployment and Wages and Earnings of rural labour households both based on 1983 survey and also the pending four reports of 1987-88 survey require immediate attention.
- (b) As a Main Frame Computer with adequate capacity has already been installed at Labour Bureau, the RLE data can be processed at their level as was being done manually earlier. Presently, the data are tabulated at Computer Centre of the Department of Statistics at Delhi and checked at Survey Design and Research Division (SDRD) of NSSO at Calcutta. This process consumes three to four years ordinarily. Queries from Labour Bureau delays the report further. Processing of RLE data by Labour Bureau would considerably reduce the time-lag in release of the Reports.
- (c) RLE should also collect information on aspects like housing condition, health, education and access to various other social services so that the enquiry reveals a comprehensive picture of rural labour households.
- (d) The wage data being collected for 18 agricultural and non-agricultural employments along with price collection schedule for compilation of index numbers, should be released regularly on monthly basis in the "Indian Labour Journal".
- (e) The weighting diagram of the present series of CPI numbers for the agricultural labour is three decades old and do not reflect the current consumption pattern. The old series for industrial workers has already been replaced by the new 1982 series. Hence, the release of new series for agricultural labour with base 1986-87 for which the survey has already been conducted has to be expedited.
- (f) The 1986-87 survey has provided data for the weighting diagram needed for compilation and separate indices for rural labour. The price data being the same, the new series of CPI numbers for rural labour should also be released simultaneously.
- (g) The proposal to extend the coverage upto 1000 villages as against the present coverage of 600 ultimately, for price collection of the new agricultural/rural labour indices and also for the wage data is endorsed.
- (h) Efforts may be made by the Labour Bureau and CSO to compile productivity indices for rural labour on the basis of the Economic Census and follow-up Surveys.
- (i) Since almost all the indicators of social development provide information for rural population as a whole, it is necessary to undertake periodic surveys to ascertain the extent to which benefits accrue to rural labour. The labour Bureau, PEO of Planning Commission and NSSO have the necessary trained technical manpower and net work and can undertake such studies.
- (j) It is also desirable to compile poverty ratio for rural labour on the basis of the NSS data on consumer expenditure. Efforts are also needed to compile indices of Physical Quality of Life (PQL) for rural labour.
- (k) The State Governments may be persuaded to not only give due priority to the tabulation of data canvassed through the matching State Samples but also undertake pooling of results of Central and State Samples so as to facilitate timely compilation and release of statistics relating to employment, under-employment, unemployment, wages, earnings, etc. at the state and lower levels in time.
- (l) In order to remove doubts about the authenticity of data on unemployment published by different official agencies (NSSO & DGET) it is necessary to make corrections/adjustments in the DGET statistics on the basis of the activity status of live registrants of employment exchanges as revealed by the NSS quinquennial round.
- (m) The efforts being made by NSSO to collect and compile important data on employment, unemployment, under-employment, etc. through a thin sample at annual intervals deserve support and encouragement. Pooling of results of Central and State samples would be necessary for getting estimates at the state level and as such

this work should receive priority. Action is also necessary to strengthen the statistical base for the small scale and village industries through periodic sample surveys.

- (n) The NSS should also collect data on earnings/income of the self-employed rural labour households through its quinquennial survey.
- (o) Action (perhaps, in collaboration with State Bureaux of Economics & Statistics) should be initiated to collect and compile Statistics on labour unrest in rural areas.
- (p) The wage data obtained through Comprehensive Scheme of Cost of Cultivation by the Directorate of Economics and Statistics should be compiled and released. Some variability in wage data collected by different sources is bound to be there but this should not deter in releasing the valuable data generated.
- (q) When the research organisations anticipate delay in release of the report, as in the case of RLE reports, the concerned organisations should bring out summary version on provisional data indicating the major findings without delay so that the planners and policy makers are aware of latest trends and are able to utilise the same for policy prescriptions.
- (r) The research organisations like Labour Bureau, NSSO and Directorate of Economics and Statistics should be provided with adequate resources including manpower. Lack of adequate resources is one of the prime reasons for inordinate delay in release of reports.
- (s) The data collected through concurrent evaluation of IRDP and NREP/JRY should be compiled and released by the Department of Rural Development as the routine summary report presently being released is grossly inadequate for serious research work on rural unemployment and poverty. The data being collected by reputed institutions has fair degree of reliability and can be put to good use by individual researchers and research organisations.
- (t) In order to build up a sound information base on rural labour, it is necessary to undertake in-depth research in key areas such as unemployment and under-employment, poverty and quality of life, labour relations, etc. Research Institutes/Organisations both within and outside the government may, therefore, be encouraged to utilize the data base on rural labour generated by the official agencies for this purpose.

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CHAPTER 20

MAIN CONCLUSIONS AND RECOMMENDATIONS

CHAPTER 2: DEFINITION AND CHARACTERISTICS OF RURAL LABOUR

1. Rural Labour Enquiry definition of 'Rural Labour' is narrow and restrictive for the purpose of the Commission. The ILO definition widened it to include self-employed workers who were not covered by the Rural Labour Enquiry. However, under the ILO Convention No. 141 the middle-level peasants too can get included as rural labour.

2. The Commission has defined 'Rural Labour' as "A person who is living and working in rural area and engaged in agricultural and/or non-agricultural activities requiring manual labour, getting wage or remuneration partly or wholly, in cash or in kind or both during the year,

or

such own account workers who are not usually hiring in labourers but are a part of the petty production system in rural areas".

3. Therefore, those who do wage-paid manual labour and those small and marginal farmers who may be supplementing their income by earning wages, tenants and sharecroppers and artisans should come within the definition. Rural labour as defined by the Commission would comprise 150 million persons accounting for roughly 60 per cent of the total rural workforce in the country.

4. Some of the important characteristics of rural labour are:—

- (i) The number of rural labour both in agriculture and non-agriculture is increasing at a faster rate than the growth in rural population.
- (ii) Uneven growth and declining labour absorption in agriculture, declining land base of the agricultural labour and self-employed households and scarcity of non-farm employment opportunities in rural areas have led to large-scale casualisation and migration of rural labour.

CHAPTER 3 : PLANNING PROCESS

1. Forty years of planning in India has not made any sizeable dent on the poverty and deprivation among rural labour. The plan priorities themselves got distorted both at formulation and implementation stages under the powerful impact of the prevailing socio-economic structure. Labour has not been distinctly recognised as a resource and this resource cannot fructify without the complement of land and other assets.

Further, planning has been largely confined to production and growth only, whereas human resource development and employment generation should have been very important objectives in the context of surplus labour. The planning mechanism has to be sensitive to the needs of rural labour who constitute the bulk of the so called "marginalised" section. To make it more responsive, the need is to decentralise the planning process so as to impart greater autonomy and flexibility. Considering all these aspects, we make the following recommendations:—

- (i) Employment should be an explicit objective of planning at all levels from macro-modelling for the plan to selection of projects at the local level.
- (ii) The short term thrust has to be on provision of employment coupled with access to basic social services such as health, education, nutrition etc. and the long term effort should be to augment income-earning capacities of rural labour.
- (iii) Higher priorities be accorded to resource management and non-farm activities besides selectivity with regard to area and sections in respect of employment generation programmes.
- (iv) The requisite infrastructure for training to upgrade skills relating to local needs, technology transfer, raw material and credit supply and marketing should be developed. This also implies a planning process more in tune with spatial diversity. Thus improvement of planning capability at the state and district level and local participation at the grass-root level are two processes that need to go on simultaneously.
- (v) Planning processes may be improved by encouraging bottom-up planning approach. The need for decentralisation is obvious but its scope need not always be explored in terms of planning and decision-making in all aspects; it could be in terms of devolution of certain functions. Secondly, there should be clearly defined accountability especially in regard to the interests of the vulnerable sections even in the case of decentralised planning efforts.
- (vi) Irrespective of the level of planning, centralised or decentralised, the sharing of all relevant information would enable the beneficiaries to contribute their share, assert their rights and monitor the activities to avoid wastage and leakages.
- (vii) The role of Panchayati Raj bodies, voluntary agencies, cooperatives and workers' organisations, should be recognised in the planning process and mechanism should be evolved to strengthen them.

- (viii) Concentration of the state efforts should not be solely on direct job creation, but should be on creating a climate conducive for private initiative towards self-employment and wage-work.
- (ix) Economic policies should be consistent with the overall objective of employment generation. Inconsistencies within a policy as also between different policies should be removed and the trade offs that may be involved should be stated explicitly.
- (x) While providing employment and ensuring that it is productive, it is imperative to ensure that it is remunerative. Also a well formulated social security (apart from employment guarantee in pursuance of the right to work) has become the need of the hour for providing a protective umbrella to the deprived rural labour.

CHAPTER 4 : TRENDS IN RURAL EMPLOYMENT

1. There has been a steady decline in the growth rate of employment in the country. The rate of decline in rural areas/unorganised sector has been greater than that in the urban areas/organised sector.

2. The gap between output growth and employment growth has widened over time. Though the decline in employment growth occurred in all the sectors except mining and construction, the decline in the agricultural sector has been most serious. While part of this decline can be attributed to adverse weather conditions, there is strong evidence indicating that the labour absorption in agriculture has been slowing down.

3. There is some increase in the non-agricultural activities in rural areas as evidenced by higher rate of absorption of the total addition to rural workforce during the period 1977-78 to 1987-88 (Two-thirds of the total addition of 26.3 million during this period was absorbed by non-agricultural sector in rural areas).⁵

4. Within the rural non-agricultural sector, nearly 30% of the total addition of 17.6 million workforce during 1977-78 to 1987-88 was absorbed by construction activities whereas about 26% was absorbed by manufacturing sector and 15% by community, social and personal services.

5. The period 1977-78 to 1987-88, however, also witnessed an increase in chronic unemployment based on usual status in rural areas. However, during this period, the unemployment in terms of person-days based on current daily status declined.

6. The incidence of unemployment has been highest in Kerala for both males and females. The states of Assam, Orissa, Sikkim and West Bengal in the Eastern Region and Haryana and Punjab in the Northern Region recorded unemployment rates which exceeded all-India rates.

7. About 15 Million (9.8%) males and 4.2 million (6%) females with stable employment during 1987-88 indicated willingness/availability for additional work. The incidence of under-employment was highest in the case of casual wage labour for both males (18%) and females (11%).

8. The incidence of poverty is higher in agricultural households. This conditions the level of poverty in other segments of the rural economy. Unemployment accentuated by seasonal and year-to-year variability adversely affects the living standards of rural labour households. The low productivity of self-employed persons in the rural areas forces many to go in for wage employment.

9. The proportion of casual labourers in the rural work force has registered significant increase from 22.0% to 50.4% between 1972-73 to 1987-88 in the case of males and from 31.4% to 35.5% for females over the same period. The earnings of casual wage labourers as reported by the 43rd NSS Round are very low, so that an average household with two casual labourers is below the poverty line.

10. In order to raise incomes through self-employment and wage employment, the Government launched special employment programmes such as IRDP, NREP and RLEGP (JRY from 1-4-1989). At the State level, Government of Maharashtra launched the EGS.

11. Both official and non-official evaluations have revealed several inadequacies/short-comings in the designing as well as implementation of these special employment programmes. Benefits derived from these programmes by the rural poor have been meagre and fall short of the requirements. The performance of EGS in Maharashtra has been better.

CHAPTER 5: INDEBTEDNESS OF RURAL LABOUR

1. The strategy of providing gainful employment and increase in income of rural labour must be pursued to reduce indebtedness. Among the measures for the realisation of long-run goals we must include, apart from land reforms, those relating to the spread of literacy and public health, the strengthening of co-operatives of different kinds (for supply of inputs and credit, marketing, provision of consumer goods etc.) the development of infrastructural facilities—roads, electricity, veterinary services, regulated markets, etc. with special reference to their availability to the poor.

2. Regarding short-term remedies, an essential measure would be the public distribution system for making available foodgrains and other necessities at subsidised or reasonable prices to all the rural labour households in the whole country.

3. Institutional credit through co-operatives, banks etc., must be made more easily accessible to rural labour households. If credit schemes are combined with general plans that guarantee employment, a labourer's willingness and ability to work must be recognised as an adequate guarantee for repayment of loans. It is possible to extend credit, even for consumption, at lower rates of interest to labour families, under suitably designed schemes or a designated line of credit through a Revolving Fund raised by a levy of say one per cent on the turnover of banks or by contributions from Central and State governments and various financial institutions.

4. Since the rate of interest charged by the money-lenders is very high and their share in total lending is quite significant, Debt-Settlement Boards should be set up at sub-divisional or block level involving the elected rural labourers from the Panchayati Raj bodies. These boards should write off the quantum of interest which exceeds the principal amount and reschedule the repayment of loans.

CHAPTER 6: AGRICULTURAL LABOUR

1. The number of Agricultural Labourers has been increasing over the last few decades at a rate higher than the population growth in rural areas. However, the increase in employment in rural sector is not commensurate with the increase in labour force.

2. The number of agricultural labour is estimated to be about 110 million accounting for 73 per cent of the total rural labour. Nearly half of the agricultural labourers belonging to Scheduled Castes and Scheduled Tribes suffering from serious socio-economic deprivations, form the hardcore of rural poverty.

3. The process of casualisation of labour is going on unabated in rural India as indicated by a phenomenal increase in the proportion of casual wage labour to total wage labour.

4. The impact of NREP/RLEGP on employment situation has been marginal as the average employment provided under NREP was not more than 14 days, per person in a year. However, it had some positive impact on rural wage rates.

5. There are notable differences between male-female wage rates within each state and more significantly there are substantial inter-state variation in wage rates.

6. The encouraging developments during the 80s in regard to the wages of agricultural labour include:—

—a general rise in the real wages of agricultural labour; the rise in 80s has been at a higher rate than the rise in 70s.

—declining regional disparities in real wages.

—declining male-female disparity in agricultural wages.

The increasing awareness among rural labour about their rights, increasing political pressure for imple-

menting minimum wages, employment schemes by government and rising demand for labour in the non-agricultural sector in rural as well as in urban areas had positive impact on agricultural wages.

7. The increase in consumption expenditure of agricultural labour households in real terms has been very marginal. The proportion of agricultural labour households with monthly per-capita expenditure of less than Rs. 100/- was about 70% which shows that the vast majority of the agricultural labour households are still below the poverty line.

8. The consumption expenditure data (NSS) relating to agricultural labour households suggests highly inadequate expenditure not only on clothing but also on other necessities like education, medicine and housing etc.

9. Agricultural labour contributed significantly to the agricultural development and the green revolution. However, agricultural labour did not receive their due share in the productivity gains.

10. Land reforms programme is more important from agricultural labourers' point of view as even their existing land base is getting eroded over the years.

11. The strategy capable of making the poor agricultural labourers viable has necessarily to be multi-dimensional. The first thing is to create and/or strengthen infrastructure of irrigation, drainage and flood control and rural electric supply as well as improving dry farming technology, which will result in increasing agricultural productivity and employment.

12. It would be necessary to mount employment guarantee programme. Enforcement of Minimum Wages and Social Security are essential for improvement of the lot of the rural labourers.

13. Agricultural labourers should be provided with house-sites and homestead not only to meet the basic need but also to enable them to take up supplementary activities like poultry, dairy etc.

14. There should be Central Legislation for agricultural labour providing for security of employment, prescribed hours of work, payment of prescribed wages and machinery for settlement of disputes. There should be provision for registration of agricultural labourers and providing them with identity cards. The legislation should also make enabling provisions to prepare schemes for welfare and social security measures.

15. There should be separate organisation to deal exclusively with rural labour. For effective implementation of the laws and to ensure the welfare of rural labour in general and the agricultural labour in particular, it is desirable to have a separate Department of Rural Labour at the Central and State levels with functionaries below the state level as well by reorganising the existing Department of Labour.

16. The Commission endorses the provision for enabling formation of trade unions of agricultural labourers to carry on their activities under applicable laws. However, certain safeguards should also be provided for in the Central Legislation to ensure that no agricultural labourer or union functionary is victimised, harassed or proceeded against on account of his or her involvement in trade union activities.

17. The Commission is in agreement that an agricultural welfare fund needs to be established and the contribution of the employer, say, as a cess on land, and a nominal contribution from agricultural labour could be provided for at the rates to be prescribed by State Government. However, these are not likely to generate adequate funds and the Commission is, therefore, of the view that there must be a sharing of a contribution to the Fund by Central Government with State Government at least to the extent of 50 per cent, after the Central Government meeting 100% expenditure for first three years.

18. The Welfare Fund must necessarily make provisions for the following:—

- (i) Women agricultural labour should be provided maternity leave with wages for a period of 3 months (6 weeks before delivery and 6 weeks after delivery) for two surviving children.
- (ii) Old age pension at a minimum of Rs. 100 p.m. should be provided to every agricultural labourer of and above the age of 60.
- (iii) Death and injuries due to accidents should be compensated particularly because of increased use of mechanical devices like tractors, threshers, combine harvesters etc. Compensation as would be admissible under the Workmen's Compensation Act may be expanded to the extent necessary for this purpose. This should be in addition to what is currently admissible under the Personal Accident Insurance Scheme.

19. The group insurance scheme should be expanded to cover all agricultural workers with insurance premium paid by government.

20. In regard to the proposal for an Employment Guarantee Board on tripartite basis, the Commission is of the opinion that the board could be styled as Employment Security and Welfare Board which could supervise and monitor the working of the various provisions of the Act concerning agricultural labour. The Board could include experts, social activists, Non-governmental voluntary organisations, Scheduled Castes and Scheduled Tribes and women members. Such Board should be constituted at State level, District level and also at Panchayat level.

21. It should be ensured that remuneration received for any work done on a piece rate or contract basis is such that it is not less than the time wage rate notified by the appropriate government.

22. In the Central legislation, there should be an enabling provision for applying the provisions of the Workmen's Compensation Act, 1923, the Payment of Wages Act, 1936, the Maternity Benefit Act, 1961 and the Minimum Wages Act, 1946 and other Acts applicable to the agricultural workers with such modifications as may be necessary. Provision for legal aid would also be essential.

CHAPTER 7: NON-AGRICULTURAL LABOUR

GENERAL

1. As per Census 1981 non-agricultural workers account for about one-fifth of total rural workers. However, as per our estimates of RURAL 'LABOUR', the non-agricultural rural labour would be around 40 million accounting for 27 per cent of the total rural labour.

2. Industrialisation has bypassed the rural non-agricultural labour and has created an unequal competition between the traditional village sector and modern industries as a result of which the traditional sector has been losing.

(a) Handloom Workers

1. The Commission endorses the proposal to place Handloom (Reservation of Articles for Production) Act, 1985 in the Ninth Schedule of the Constitution. There should be no reduction in the 22 items reserved for production by handloom. The encroachment by mills and powerlooms should be dealt with severely including revocation of licence of the authorised ones and seizure of unauthorised powerlooms.

2. Government may consider the procurement of yarn to be supplied to handloom weavers through government depots. Present NHDC Yarn Depot Scheme needs to be expanded considerably. In order to reduce fluctuation in yarn prices, a state level price fixing committee for handlooms as operating in Maharashtra for powerloom sector, should be established. The Committee may revise the prices at suitable intervals. Such prices should be reasonably stable.

3. Handloom Export Promotion Council (HEPC) can play a major role in technical upgradation of looms with gadgets, identifying markets for handloom products and also identifying high value added items. Possibilities of utilising fair-price shops as outlets for controlled cloth so as to reach the consumer need to be explored.

4. The weavers should be trained in new methods of weaving technology and for this purpose, each state having more than 1 lakh handlooms should have a training centre which gives a short term course in latest methods of weaving, design, technology etc. In States where the concentration is of higher order as in Assam, more number of centres should be established. TRYSEM can play a major role in this regard as most of the weaver households are poor.

5. Adequate financial assistance should be given to handloom weavers switching over to the new techniques. We recommend replacement of fly shuttle pit looms with frame looms attached with pedal (Chittaranjan loom).

6. Marketing arrangements for handloom products should be improved with vigorous advertisement/publicity campaign through mass media supported by quality and design improvements suiting the changing tastes. The government could be the largest buyer of handloom products and can reserve purchase of items for its various requirements. It can increase the market for handloom products by advancing loans to government servants. The government may also consider declaring a day in a month (first working day) as "Khadi and Handloom Day" thereby encouraging the use of Khadi/handloom fabrics. Possibilities of distribution of handloom products as part of wages under employment programmes should be explored.

7. A special legislation for handloom workers should be enacted and for this purpose the Tamil Nadu Handloom Workers (Conditions of Employment and Miscellaneous Provisions) Act, 1981 should be considered as a model.

8. The government should set up a welfare fund for providing welfare amenities to handloom weavers and resources for this could be raised through a levy on the mills.

(b) Beedi Workers

1. All workers engaged in beedi making, whether in their homes or under industrial premises should be identified and identity cards should be issued to them.

2. The contract system in beedi manufacturing should be abolished and initiatives should be taken to organise the beedi workers to form their own co-operatives.

3. The following changes are suggested in the Beedi-Cigar Workers (Condition of Employment) Act, 1966:—

- (i) In order to help establish the employer-employee relationship of home workers in an unambiguous manner, it is suggested that the following explanation be added to Section 2(f) of the Act, which defines an 'employee'.

"Explanation : It shall be presumed unless the contrary is proved which proof shall include the details under the relevant Sales-tax laws that the person who rolled beedi with the assistance of his family members were home workers and not contractors, if no sale or purchase transaction takes place and the payment is according to the units of beedis rolled and that the ownership of raw material was never divested."

- (ii) The penal provision under the Act should provide for deterrent penalties. The substantive punish-

ments in Section 33 should be enhanced from 3 months to one year and fine from Rs. 500 to Rs. 2500.

- (iii) The jurisdiction to try offences under this Act should be conferred on the Labour Court instead of on the Courts now empowered. Sub-section (2) of Section 36 of the Act be amended accordingly.

- (iv) The time for instituting complaints provided in Sub-section (i) of Section 36 of the Act be enhanced to 6 months instead of 3 months and suitable amendment be made in this regard.

4. All beedi workers should be covered under social security schemes recommended by the Commission.

5. It is recommended that various laws relating to the beedi industry should be brought under the Ninth Schedule of the Constitution of India on the pattern of land reform laws.

(c) Construction Workers

1. The mode of recruitment of workers through middlemen should be checked to enable the construction workers to get wages in full measure.

2. The proposed Bill "The Building and other Construction Workers (Regulation of Employment and Condition of Services) Bill, 1988" when finally passed by the Parliament would cater to the improvement in the working and living conditions of construction workers.

3. It should be mandatory for the contractors to provide hutments/shelter to the construction workers at work sites. Municipal authorities should help them in making available the site for the purpose and also see that necessary facilities are extended by the contractor.

(d) Brick Kiln Workers

1. The Tripartite Committee for brick-kiln industry has suggested a separate Legislation known as Brick-kiln Workers (Regulation of Employment and Condition of Service) Act. Even though the Act is a well conceived and comprehensive one, since the brick-kiln workers form an integral part of construction activity, such measures need to be considered that would provide welfare amenities and social security measures to the workers in both these activities in an unified manner. Since such eventualities are already being considered, the Commission gives its support to this view.

(e) Toddy Tappers

1. The Commission is of the view that neera being a non-alcoholic natural and nutritious drink, the ban on its tapping and sale in some States should be lifted. Improved methods of its preparation, purification and

conversion into soft drink and preservation should be adopted through modernisation.

2. Palm gur industry needs to be developed with technological improvement, particularly to reduce fuel consumption in its preparation. Being a close substitute to cane sugar and gur, it has scope to reduce acreage under sugarcane which could be diverted to other crops.

3. Growing of palm trees should be encouraged under social forestry schemes, particularly in barren and culturable waste lands. Usufruct rights may be given to toddy tapper families.

4. Non-edible products of palm tree, viz. stalk fibre, have tremendous commercial use and it is a major activity in palm growing areas. It has large employment potential, particularly, for women. Palmyrah fibre industry is heavily export oriented. Present marketing facilities are inadequate to exploit the full potential. More aggressive drive is needed to tap this potential.

5. Considering the geographical spread of palm growing areas and density of population in such areas, the coverage of KVIC appears to be limited. The coverage under artisan co-operatives of toddy and allied workers should be expanded.

6. A Welfare Fund should be established in all States where there is large concentration of toddy workers. The Kerala Toddy Workers Welfare Fund Act, 1969 could be considered as a model for emulation.

7. The rent for palm trees should be regulated by the States and such notified rent should be relatively stable.

(f) Fishermen

1. To avoid conflicts amongst operators of non-mechanised craft, mechanised boats and larger fishing vessels and between fishermen adjoining States, Government should take necessary measures for delimitation of fishing zones through legislation. There should be strict enforcement of Marine Regulation Act and Rules.

2. The Co-operative Societies should undertake marketing of the products in the inland sector. State Governments should devise a system of preferential loans for replacement of boats, engines, nets, etc.

3. Alternate on-shore employment opportunities for the displaced workers of traditional sector and women need to be expanded. Shell works/decoratives have good market, both internal and external. The government may reconsider the policy of banning the export of shells as the ban benefits only the intermediaries. This sector should be reserved for fishermen/women in coastal areas and should get adequate financial support from institutional sources.

4. The fishery rights of inland water resources including those situated in reserve forests, subject to rules governing the activities within the reserve forests, should be transferred to Fisheries Department. The fishery rights of sources vested in local bodies like Panchayats, however, need not be transferred to the Fisheries Department. Nevertheless, it is necessary to bring out detailed guidelines on the method and manner of leasing, which should also provide for first preference to the fishermen/group of fishermen while leasing the rights.

5. In view of highly risky venture of marine fishermen, the network of advance warning system/weather forecast etc. should be considerably expanded. A sinking Fund should be created by all the coastal States prone for cyclones, like Andhra Pradesh, Tamil Nadu, West Bengal, Orissa and Gujarat so that full scale relief measures are taken immediately.

(g) Leather Workers

1. The rural leather artisan has been subjugated to continued exploitation on an ever increasing scale by middlemen operating on behalf of the organised sector. There is an urgent need for institutional framework to correct this aberration. Products of the units in the organised sector like Bata Company, could be exclusively reserved for exports to protect the interest of leather artisan.

2. In order to revitalize this sector, it is necessary to integrate the three categories of workers viz. flayer, tanner and footwear producer. Appropriate technology for each category will have to be identified and suitably adapted to the capabilities and capacities of rural artisans. In addition, supplementary activities like meat/bone meal, tallow, horns/hoops meal could also be integrated to improve viability.

3. The Leather Development Corporation in various States have been making efforts for imparting skills and are also supplying mini-kits. The possibility of training more of such persons under TRYSEM should be considered. Such activities should be considerably expanded. Steps should also be taken to utilise funds under Special Component Plan (SCP) to train leather workers in ITIs and various factories and to increase training facilities. New technology with better methods of fabrication may be introduced by providing newer and improved tools and raw materials.

4. The Package Assistance scheme of Bharat Leather Corporation provide full employment on a remunerative basis with buy back arrangement of final products. Similar schemes should be designed for the benefit of leather workers in the countryside.

5. Infrastructure facilities and inputs like credit, common facilities centres, access to latest design, and patterns, marketing etc. should be provided in areas of large concentration of leather workers.

(h) Sweepers and Scavengers

1. In order to improve the living conditions of village sweepers/scavengers, it is essential that their services are regulated through the Panchayati Raj Institutions.

CHAPTER 8 : BONDED LABOUR

1. It would be desirable to amend the definition of 'bonded labour system' to provide for the situation of forced labour under social custom with an agreement or a presumed agreement but which may not have an element of bonded debt.

2. The situation of surplus labour, unemployment/under-employment, unequitable distribution of land and assets, low wages, distress migration, social customs etc., with the phenomenon of small and marginal peasants steadily becoming landless labourers generate an environment which can perpetuate the system of bonded labour.

3. It is necessary to conduct a countrywide census of bonded labourers and in the districts with concentration of bonded labourers sample surveys could be done periodically once in five years to get detailed information on the infrastructure in the district and on the characteristics of bonded labour.

4. The focus of development in such identified areas should be on increasing plan outlays for improvement of infrastructure like irrigation, power, transport and communications etc., to raise the demand for labour. Institutional credit, provision of raw materials, marketing services, training in skills etc. should be strengthened to support employment generation including self-employment. Poverty alleviation programmes should also be concentrated in such areas.

5. In order to generate confidence in the system, an effective enforcement of the Bonded Labour System (Abolition) Act, 1976 is required. The process of identification, release and criminal prosecution of the employer of bonded labour should, as far as possible, be simultaneous activities.

6. Free legal aid should be provided by the state if required by the bonded labourer.

7. The release proceedings should be conducted in the same village and in open court so that the bonded labourer becomes aware of the consequences of the release and his oppressor also becomes aware of the legal consequences.

8. Persons who fraudulently show bonded labourers to misappropriate rehabilitation grants should be made punishable under the Act along with the recovery of fine upto the grant given.

9. Summary trial of offences should be done within a time limit. The jurisdiction of the Judicial Magistrate should be barred.

10. A minimum sentence of six months and a minimum fine of Rs. 2000 should be provided in Sections 16, 17, 18 and 19 of the Act. There should also be provision made in the Act for compensation and recovery of damages from the keeper of the bonded labourer, proportionate to the length of bondage.

11. Besides protecting homestead and other residential premises of the bonded labourer, similar protection should be given for the agricultural lands being cultivated by the bonded labourer.

12. It is necessary to activate the Vigilance Committees contemplated under the Act at the district and sub-divisional levels with adequate representation. The Vigilance Committees should meet at least once in two months. They should help in detection of fresh cases, monitor prompt release and ensure effective rehabilitation through close follow-up. They should also act as catalytic agents for creating mass awareness and for organising the bonded labourers. The Vigilance Committees should also be authorised to prosecute offenders and the offences under the Act should be cognizable and non-bailable.

13. It is necessary to improve the rehabilitation measures qualitatively and in this context special attention should inter-alia be given to the following :—

- (i) The Scheme of rehabilitation should be chosen in consultation with the beneficiary and it should be well planned with all the requisite components and infrastructural facilities tied up.
- (ii) Statutory provisions should be made to give priority to released bonded labourers in allotment of Government land and Ceiling surplus land and pattas given in a mass camp.
- (iii) Centrally sponsored scheme of rehabilitation of bonded labour should be assisted 100% by the Centre. The maximum amount of Rs. 6250 (increased from earlier Rs. 4000 w.e.f. 1-2-86.) should be enhanced to Rs. 10,000. The rehabilitation grant should preferably be made in the form of assets and some cash in an open meeting/mela after due publicity.
- (iv) The jurisdiction banks should be directed to provide consumption loans to the released bonded labourers to the extent of Rs. 1,000 per year under the differential rates of interest scheme for two years after his release or in the alternative, until a stable employment is provided or a rehabilitation scheme becomes viable, provision should be made for a monthly maintenance grant of at least Rs. 200 per month out of the enhanced rehabilitation grant.
- (v) Legal provisions should be made for restoration of lands belonging to the bonded labourers. In the case of bonded labourers working in quarries, brick kilns etc., there should be provision to take over these assets and entrust them to the bonded labourers through the formation of associations or cooperative societies.

- (vi) Panchayati Raj institutions should be actively involved in the rehabilitation efforts.
 - (vii) Group rehabilitation projects under a cooperative set up or as a society or even a loose group should be encouraged with the beneficiaries managing the project after proper training.
 - (viii) Employment generation or employment guarantee schemes are the most important measures in the rehabilitation effort.
 - (ix) The organisation of bonded labourers may be recognised as a voluntary agency for implementation of rehabilitation schemes through CAPART.
 - (x) The rehabilitation programme should be such as to meet the needs of the whole family, integrating the anti-poverty, agricultural and rural development and basic minimum needs programmes and giving priority to them.
14. The proceedings under Bonded Labour System (Abolition) Act, 1976 in respect of recovery of wage arrears should be converted into the one under the Minimum Wages Act. As recommended elsewhere, there should also be adequate legal provision for redemption of debt and abatement of interest besides rescheduling of instalments.
15. A National Authority on Bonded Labour should be constituted by incorporating suitable provision in the Bonded Labour (Abolition) Act. It should be on the lines of the National Commission for Scheduled Castes and Scheduled Tribes and have a Chairperson and a Member-Secretary chosen from persons of eminence, with judicial, administrative or academic experience or with a proven record of commitment and work among the rural poor and bonded labour.

CHAPTER 9 : MIGRANT LABOUR

1. There are more than 10 million inter-state rural migrant workers engaged in various activities. Uneven development is the most important reason giving rise to both pull and push factors causing migration of labourers. The condition of migrant labour is far from satisfactory. It is necessary that areas/pockets which are most backward and from where outmigration is sizeable are identified and special emphasis given under the plans for the development of such areas, so that migration of labour from there could be minimised. Priority should be given to the development of irrigation facilities, dry land farming with emphasis on horticulture and allied activities which would create employment opportunities and raise wages in such regions.

2. We suggest the following changes in the Inter-State Migrant Workmen Act. (ISMW) :

- (i) The definition of migrant workman as given in Sec. 2(1) (e) should be expanded. It should cover all migrant workmen, whether they come

on their own, or change contractors after entering the recipient state.

- (ii) Section 27 should be amended. Third parties also should be allowed to file complaints.
- (iii) A new section should be inserted to the effect that the contractor should be held liable for any breach of the Act, whether committed by him or the sub-contractor. It is for the contractor to take any action he desires against the sub-contractor.
- (iv) Though the act specifies that the principal employer is also responsible if the contractor or sub-contractor violates the Act, in practice only the contractor has been treated by the court as the principal employer. Consequently the principal employer escapes the liability. There is need to make the liability of the principal employer specific.
- (v) The cases relating to claims of disabled workmen or heirs/deceased workmen should be transferred to the state from where the migrant workers were recruited, if so desired by the workman or his/her heirs.
- (vi) Special courts should be appointed where found necessary to hear disputes concerning migrant and contract labour.
- (vii) Steps should be taken for effective implementation of the laws. In Public Sector Undertakings employing a large number of workers, a system of bipartite arrangement for over-seeing the implementation of laws should be evolved.

3. The proposed Bill "The Building and other Construction Workers (Regulation of Employment and Condition of Service) Bill 1988" when finally passed by the Parliament would cater to the improvement in the working and living conditions of construction workers.

4. Migration policy should be mounted with primary focus on smooth migration, greater employment, minimizing exploitation and hardships of rural migrant labour. In order to achieve these objectives, certain incentives and facilities will have to be made available by the Government to migrant labour.

5. Every migrant worker should be issued identity card with his photograph affixed.

6. There should be provision enabling the voluntary organisations and social activists to file complaints with administrative machinery created for the implementation of the law on migrant workers.

7. Temporary ration cards should be issued to migrant workers.

8. In bigger and identifiable projects where migrant workers are employed, there should be a provision to include cost of welfare amenities for migrant workers in the cost of the projects themselves.

CHAPTER 10 : WOMEN AND CHILD LABOUR

(a) Women Labour

1. Increase in the participation rate of women can be brought about through self-employment as well as wage employment. But, this has to be accompanied by occupational diversification to achieve the goals of better incomes and conditions of work for women workers.

2. The self-employed sector is characterised by low productivity and low income per worker and is not well integrated with the general industrialisation process. It is necessary to identify economically viable occupations and women should be given adequate entrepreneurial training.

3. One of the impediments for women to avail of loans is the lack of ownership of assets, particularly land. Steps should be taken to amend the existing inheritance laws which discriminate against women. Co-ownership of property should be provided for and this should be not merely confined to land but also extended to other productive assets as well as other interests.

4. Panchayati Raj institutions and voluntary agencies should be encouraged to involve themselves in forming suitable groups of women for productive activity, liaising with and arranging finances from institutions, purchasing of assets and training women in management and maintenance.

5. Financial institutions should evolve special procedures to help financing women headed households, particularly where titles do not exist in their names.

6. With a considerable number of women labour in agriculture, attention needs to be given to evolve tools and equipment specially suited to them and also consider appointing women extension workers at village and block levels after suitable training.

7. Since the scope for self-employment for women is relatively limited, greater emphasis needs to be given to wage employment. As bulk of them would continue to be unskilled for quite sometime to come, a carefully designed Employment Guarantee Scheme (EGS) can provide employment to women, particularly in the lean seasons. At the work/camp sites of the EGS, minimum facilities like good hutments, drinking water, sanitation, health-care and first-aid and creches and if possible, schools for children should also be provided. The scheme could be started in selected backward and drought-prone districts with labour intensive productive works.

8. Technological change tends to displace women more than men, mainly on account of lack of education and skills. Female employees should be trained for the new jobs which follow in the wake of mechanisation and technological change, as it has been proved that women also can do jobs in modern industries efficiently. Government and industrial organisations should be

sensitised to this need and provide for adequate training for women for their smooth entry into new and expanding areas of employment. Skills in which they should be given training should be assessed after detailed and careful study of the demand pattern in the economy. The District Training Institutes recommended in the Chapter on 'Basic Needs' can impart artisan and other needed training to women to equip them with requisite skills in diverse fields to enable them to adopt themselves to the changing circumstances. Such training would also include Ambar Charkha of Khadi Commission, weaving, knitting, etc.

9. In the services sector, the fields of education, medical, health and personal services offer scope for employment. The employment opportunities can be enhanced by training women as female health workers and teachers to work in rural areas. Preference should be given to women in appointment of primary school teachers.

10. Women workers also need protection from adverse effects of casualisation and contractualisation through appropriate legal measures.

11. Home-based workers will continue to occupy a significant place in the women labour force. Wherever possible they can be organised into co-operatives. Principal employers should be responsible for providing proper work sheds with the drinking water and other facilities as well as creches for children near the work sheds. A legislative protection for home-based workers is also recommended to promote their interest and welfare.

12. The maternity benefit for rural labour can be given out of a central fund which should be created with contribution from all employers as a percentage of the total wages of all employees. While this could take care of the organised sector, for the unorganised self-employed women or agricultural or construction workers, Government should take the responsibility for maternity benefit as recommended in the chapter on 'Social Security', administered in the manner stated therein with a separate Department of Rural Labour to oversee the implementation involving also the Panchayati Raj bodies.

13. An all out effort should be made to educate employers and women employees about the provisions and procedures of the Equal Remuneration Act. More women organisations and human rights organisations should be permitted to inspect establishments which employ women to report and file complaints. The advisory committee constituted under the Act should not only be strengthened but their report should be placed before the concerned authorities, preferably before the State Assemblies. If the same or similar work criterion for equal wages is to continue, the Advisory Committee could be empowered with the authority to ask the employer on the bases for grouping or grading of workers and if not satisfied, refer it to an Expert Group. In cases of advertisements which indicate that women need not apply, it is suggested that a few of these should be prosecuted and adequate publicity given.

(b) Child Labour

1. Free and compulsory elementary education for all children upto the age of 14 should be ensured immediately through the formal school system. Compulsory Primary Education Act should be enacted in States which do not have such a legislation and the Act should be implemented strictly. Informal education centres should also be set up near the bastis. This will be the most effective method of preventing child labour of all kinds.

2. This measure should be backed up by a substantial increase in outlay for elementary education (which was only 1.04 percent of the total plan outlay in the seventh plan) for providing school buildings and equipment, teachers, teachers' training, text books and other requisites. Supporting measures like free text books and uniforms, stipend or attendance scholarships, particularly for girls and mid-day meals consisting of pre-cooked packed food etc. should also be provided.

3. If guaranteed wage employment can be provided to the parents of such child labour, the need for sending the child for the work will also reduce.

4. Simultaneously, the law also should provide for prohibition of child labour (that is, those under fourteen years of age) in all occupations and processes. The law should also plug loopholes to make the real principal employer liable for violations (as recommended in the case of homebased workers).

5. A publicity campaign should also be undertaken through various media to bring-out the evils of child labour and educate the public.

(c) General

1. Basic health facilities in rural areas must be substantially enhanced. Emphasis should shift from curative to preventive and public health aspects and health education for women should be given priority. Research institutions should reorient their efforts in favour of solving occupational health problems of workers in the unorganised sector.

2. In regard to family planning, the present legal age of marriage for girls requires to be enforced and registration of marriages should be made compulsory. The registration of marriages in villages can be entrusted to the village panchayats. Violations should attract deterrent penalties.

3. State Governments may consider giving incentives like a grant of, say, Rs. 5,000/- to a girl from a poor family in rural areas at the time of marriage, if the girl has completed the eighth standard and has attained 18 years of age at the time of marriage.

4. Efforts and schemes to develop fuel wood through social forestry, farm forestry, tree pattas, etc., should be encouraged. Conservation efforts to find substitutes for wood on the one hand and use of fuel efficient

ovens, coal, and saw-dust briquettes and alternative sources of energy such as electricity, gas etc., on the other should be expanded. Easier access to fuel and fodder will reduce drudgery of women and provide more time for productive work.

5. Male alcoholism is particularly common in the poor labour classes and women are the worst affected. The result of the drain on the family resources manifests in malnutrition, neglect of children etc. Instead of looking at intoxicating substances as a source of revenue, there should be a heavy tax to restrict consumption. There should be no expansion and in fact reduction in the number of retail outlets and increase in the number of dry days or periods, while rooting out illicit distillation with a firm hand. Special efforts must be made to setup women groups and orient mahila mandals to fight male alcoholism and for education regarding temperance.

6. There should be one Committee at the district level with the Collector as the Chairperson to look into various problems and grievances of rural labour and it should be broad-based with representatives of Panchayats, voluntary agencies, trade unions, women labourers etc., to look into cases of bonded labour, child labour, discrimination against women. This will provide a forum for bringing out problems and finding out ways for better implementation of laws, schemes etc.

CHAPTER 11: TRIBALS AND FORESTS

1. The tribal people have been traditionally depending on the natural resources, that is, forest land and water for their living. The most important reason for an increasing number of tribal people becoming wage earners and labourers is the erosion of the resource-base of their economy with no viable alternatives to fall back upon. The erosion of the resource-base of the tribal people is due mainly to four reasons viz. (i) absolute depletion of resource (ii) commercial transformation of the resource-base (iii) expropriation and (iv) exclusion.

2. Land alienation is the biggest cause of marginalisation of tribal people. Despite the laws against transfer of tribal land to non-tribals by sale etc., the tribal land continues to pass out of their hands. There should be complete ban on transfer or alienation of tribal land to non-tribals with exemption for Trusts etc., requiring land for running projects like schools, dispensaries etc., for the benefit of tribals. Strict measures be taken for restoration of tribal land and deterrent punishment to non-tribals who continue to be in possession of tribal lands despite orders of ejection.

3. Shifting cultivation or jhum/podu in hill areas particularly in North-Eastern states and Orissa and Andhra Pradesh in the Eastern Ghats has now been recognised as a problem having wider socio-economic, socio-cultural and ecological dimensions. The jhumias should be educated and convinced of the need for jhumming to be done on a more modern and scientific way

by putting in inputs like fertilizers, irrigation etc. They should be encouraged to lengthen the jhum cycle or take to permanent and settled cultivation through terracing the hill slopes etc. Jhumias should also be encouraged to take up plantation of tea, coffee, rubber, horticultural crops on their jhum lands by assuring them wage employment during the gestation period and foodgrains through the public distribution systems.

4. Restoration of symbiotic relationship between the natural resources including forests and the tribal people has to be the main objective in the immediate context. Steps are required to be taken to harmonise the legal framework and the policy in this regard. Many of the problems which the tribals are facing arise from the Indian Forest Act and the Forest (Conservation) Act, 1980. The new Forest Policy, 1988 recognises the symbiotic relationship and emphasises that the rights and concessions enjoyed by tribals should be fully protected. As such there are inconsistencies in regard to certain provisions provided in the policy and the Act. The Forest Policy and Forest Acts should be complementary and should take into account the interests of tribals fully. There are inconsistencies in policy statement itself. For instance, the new Forest Policy, 1988 professes full protection of the rights and concessions enjoyed by the tribals but it does specify that the tribals can collect minor forest produce in, say, headloads, to meet their domestic requirements and also sell the surplus. It is considered necessary that the traditional or customary rights and concessions of the tribals in forests should be codified by each state.

5. The instructions comprising a set of six circulars issued on 18-9-1990 by the Government of India represent a positive step in resolving what is admitted as a very complex issue concerning forest lands resulting in confrontation between the state and the tribal people. It will go a long way to undo the gross injustice meted out to the tribal people by the state. If these instructions are followed in their true spirit, many of the problems in the tribal areas can be expected to be resolved. The Ministry of Environment and Forest should over-see the progress of implementation of these instructions and ensure that there should not be undue procedural delays as also the Forest Acts would not stand in the way in resolving the issues stipulated in the instructions.

6. All processing of forest produce should be assigned to cooperatives owned and operated by the tribal people themselves. The suppliers of raw material in all forest based industries should be accepted as partners in all future forest based industries. The model of sugar cooperatives should be considered for adoption with the producers of the raw material (sugarcane or bamboo) as the owners of the enterprise, such as cooperative paper mills.

7. The acceptance of the partnership of the tribal people in forestry and sharing of benefits will automatically improve the economic conditions of the

tribal people. A centrally sponsored scheme is being proposed by the Government for association of tribals and rural poor in afforestation of degraded forests for implementation during the Eighth Plan. This is a welcome departure from conventional practices in many ways. The Commission endorses this approach for generation of woody bio-mass and silvi-pasture development.

8. The Government in particular should acknowledge that Minor Forest Produce (MFP) belongs to the people. The collection of MFP should be organised in accordance with this principle. It is gratifying to note that this principle has already been accepted by some State Governments.

9. On the collection and marketing of MFP it should be an intension that the tribals must receive the best possible price, which should be close to the market price of the produce. The traditional skills and crafts should be developed by upgradation of skills and regular supply of requisite raw-material together with net-work of marketing for tribal artisans. The TRIFED must provide an efficient marketing infrastructure and ensure that the tribals are not exploited by intermediaries and traders/contractors in any form. It is also necessary to revitalise and strengthen LAMPs which have been neglected and to promote and support cooperatives. The administrative overheads and marketing should be borne by the state, which should also waive royalty so that the tribals receive a fair price.

10. Employment Guarantee Scheme will not only relieve the growing pressure on the forests but also build up the resource base of the community which will finally dispense with the need for such programmes.

11. The major weakness of the Tribal Sub-plan is its stereotyped sectoral outlook, which merely dis-aggregates the sectoral plans into tribal shares and aggregates them into a Tribal Sub-plan. Specificities of local area, socio-cultural mores tribal ethos etc., have not received the consideration they should. Another lacuna of the TDP is lack of involvement of the tribal people in the planning and implementation of schemes suited to their needs and areas. It is necessary that sub-plans are prepared from the grass-roots and then integrated into the sectoral plans.

12. Participation of only such voluntary organisations which have exclusively tribal representation and Panchayati Raj Organisation should be encouraged in various programmes of tribal development.

CHAPTER 12: TECHNOLOGY AND RURAL LABOUR

1. The benefits of new technology have not accrued equally to all sections of the farming population. Though the new seed and fertiliser technology is technically scale-neutral, differential access to resources, particularly credit and capital-intensive farm implements has resulted in a skewed distribution of gains in favour of large farmers.

2. Indiscriminate import of capital intensive technology in rural based industries like coastal fisheries, oilseed processing and dairying has resulted in adverse impact on employment and wages for the large number of rural workers engaged in these non-farm activities. However, in industries like sericulture the new technology has led to employment growth.

3. Studies reveal that mechanisation of farm operations as such reduces the demand for labour. The negative impact of farm mechanisation is more in the case of some forms of mechanisation-combine harvesters are job destroyers whereas in the case of tractors the adverse effects are less.

4. Expenditure on R&D in the country is only 1% of GNP. Although the percentage has been rising over the last four decades, this is much less than in developed countries. Moreover, most of this expenditure is oriented towards defence and capital-intensive industry. Rural areas get a very small fraction of the total outlay, and even within rural areas the distribution of gains has been extremely skewed, favouring large farmers and more developed regions.

5. Technological inputs should be utilised for providing basic social services in rural areas. Access to shelter, basic health services and nutrition, minimal infrastructural facilities in terms of transport, communication, energy sources and human resource development should get top priority.

6. One of the strongest impediments to the diffusion of new technology is the lack of functional literacy. Primary education and adult literacy are necessary pre-conditions for the spread of scientific temper.

7. A lot of the imported technology is highly capital-intensive and labour-saving. They have high rates of private profitability because of subsidized credit and non-competitive capital markets. However, the social cost of such technology has been high. Often they have resulted in severe inefficiencies in resource use since complementary inputs like power or other infrastructure have been in short supply.

8. One of the main factors for this failure is the inappropriate orientation of the major R&D institutions that are engaged in rural development. The approach has been a heavily top-down one. Too little effort is spent on need identification and getting the people involved in the process of developing the technology. In this context there is scope for developing an informal research system of participatory technology development and diffusion. The existing educational system can be utilised for this purpose. New courses may be introduced and incentives offered for developing a science society interface, National laboratories may direct a sizeable chunk of their R&D efforts towards rural needs. Incentives may be provided to the private sector for developing and using appropriate rural technology through fiscal and other measures. S&T capabilities of qualified and committed NGOs may be

substantially strengthened. The direct involvement and participation of the beneficiary group is essential. The Panchayati Raj Institutions could be used as focal points for such participation.

9. Apart from regulatory measures like licensing, effective fiscal measures, e.g. pricing, taxes, subsidies and credit in respect of farm machinery as well as energy would have to be used. Liberal long term credit for electric motors should be strictly targeted to the small farmers. The prices of tractors have risen at a slower rate than the rise in agricultural wages. Since the buyers of tractors are large farmers, there is no justification to continue subsidised financing for tractors. This argument applies even more strongly in the case of combine harvesters, the excise duty on which is more or less equal to that on tractors.

CHAPTER 13 : STRENGTHENING THE LAND BASE OF THE RURAL LABOUR

1. Large holdings constituting only 2 per cent of the total, still operated over 20 per cent of the total area in 1985-86. This indicates how strong the concentration of land is even today. The area declared surplus by imposing ceiling laws is 72.20 lakh acres which is just about 2% of the total cultivated area. Out of the area declared surplus, 85 percent has been taken possession of and 65 percent distributed to individuals.

2. Though 77 lakh tenants have been conferred ownership rights over a total area of 56 lakh hectares, still there are a large number of unregistered sharecroppers and oral tenants whose rights in land they cultivate have not been secured so far. There are informal tenancies still out of reach of tenancy legislation for security of tenure and fair rents.

3. Whatever may have been the implementation of land reforms, they have not helped the rural poor to obtain secure and equitable access to land nor has an enduring improvement in their economic status been brought about.

4. The access of rural poor to common property resources of common lands is of great importance since they depend largely on them for their employment and income as well as supplies of fuel and fodder. But the extent and quality of their access to such lands have deteriorated in recent years and there is as yet no credible intervention to reverse this trend.

5. The agrarian tension and rural unrest have been witnessed in several parts of the country during the past few decades. The States which have witnessed rural unrest have incidence of poverty and unemployment and a rate of increase of landlessness and casualisation of labour higher than the All India average. It cannot be treated merely as a law and order problem. The situation requires to be viewed in a holistic manner and an integrated strategy to resolve the conflict requires to be evolved.

6. Tenancy Reforms : (i) Law should be amended, where necessary, to permit recording of oral and informal tenants and sharecroppers as well as those in cultivating possession and protection be provided to them against eviction from land or retaliation by land owners.

(ii) Suitable tax provisions may also be devised for levy on rentiers who own land chiefly to lease it out for rent or for speculative gains. 'Personal cultivation' should be more strictly defined.

(iii) Measures are required to combat non-cultivation of large extents of land and leaving them fallow by absentee landlords. There should be provision for either the state to take over and lease out on a long term basis or for the landowner necessarily to lease out on a long-term basis to give the necessary incentive to the tenants to invest in the land and improve its productivity.

(iv) Transfer of land of a scheduled caste person should be permitted only if it is to another scheduled caste person. Even for land other than the allotted ceiling surplus land, law should be enacted to ban transfer or alienation of land belonging to scheduled caste to non-scheduled caste person.

7. Land Ceiling/Allotment of Surplus Land : (i) Family, and not the individual, should be the basis for fixation of ceiling limits, excluding only the married major sons and widow of a pre-deceased son. The option available to the landowner to choose the portion over the ceiling for surrender should be withdrawn. Benami and farzi transactions undertaken to evade ceiling laws should be identified with the help of local bodies and the beneficiaries.

(ii) The lands with religious and public charitable institutions should also be brought under purview of ceiling laws and Government should provide for annuities in cash for maintenance of these institutions.

(iii) Lands exempted for plantations should be checked and verified to limit the exemption to the actual plantation and to take over unutilised land.

(iv) Wherever irrigation has been freshly extended through Government canals, a reclassification of land and assessment of surplus must be done to get surplus land for allotment. Law should provide for automatic application of appropriate ceiling for land brought under irrigation.

(v) Government may also consider the possibility for reducing the ceiling limits and of bringing about uniformity at least for irrigated land.

(vi) The surplus land and other available Government land like culturable waste land should be distributed to the rural landless poor, particularly belonging to Scheduled Castes and Scheduled Tribes, with 40 per cent reservation for women. Released bonded and agricultural labour should get preference in allotment of land. Ceiling surplus land should not be reserved

for public purposes except for housing for weaker sections but distributed to the landless. Financial assistance should be given by the government in adequate measure to the allottees to develop their lands.

(vii) The small and marginal farmers could be encouraged to consolidate their holdings, to undertake joint or group farming as in Kerala for common infrastructural support systems including irrigation, fertilizers, pesticides, credit etc., as well as for joint operations.

(viii) Government may also consider acquiring land through purchase from big land owners having holdings above certain area, say, 10 irrigated acres or 25 unirrigated acres—by payment of suitable compensation and allot the same to the eligible landless.

(ix) Allotment of land, house sites etc., should be in the joint names of husband and wife or the women in the case of women headed households, women belonging to Scheduled Castes and Scheduled Tribes, widows or women who are not married or victims of harassment. This right should extend to assets like trees and houses as well as use of common property resources, collection of minor forest produce etc. The tree pattas should be given to women as a matter of preference.

8. Common Property Resources : (i) All necessary action should be taken against the decline of common property resources and remove encroachments thereon. Since the rural poor are most affected by the decline in common property resources, it is necessary to see that these are not only conserved but investments are made to regenerate them and improve their productivity exclusively for the benefit of the poor to meet their bio-mass and other needs.

(ii) The encroachments by the rural rich should be removed and the land restored for common use. There should be an equitable sharing of the usufructs in such common property resources and the management should be entrusted to the village community of rural labour organisation.

9. Land Records, Agrarian Laws, etc. : (i) Fresh land records should be prepared on a priority basis to show the real situation on the ground. Modern technology including computerisation, should be used for this purpose and for updating. Survey and settlement operations where not done and revisions where due should be done expeditiously and consolidation of holdings also attempted as a part thereof to facilitate group farming. All these should be under plan schemes and adequately funded. Government may also consider introducing the Torrens system of converting presumptive titles to conclusive titles in areas where revision survey and settlement operations have been completed.

(ii) Constitution of Land Tribunals with members including Scheduled Castes, Scheduled Tribes, women and voluntary organisations' representatives should be considered for disposal of land reforms cases parti-

cularly land ceiling and tenancy cases. Similarly, at the appellate stage, Tribunals under Article 323B of the Constitution should be established. Voluntary organisation should also be empowered to bring up cases to prosecute before these tribunals.

(iii) To make the whole package related to land reforms and to common property resources purposive and yield results, public infrastructural support to water management and power is a must. Sub-soil water should be treated as national property and exploited by State to supply to the farmers, particularly the small and marginal farmers.

CHAPTER 14: STRATEGY FOR EMPLOYMENT GENERATION IN RURAL AREAS

1. The goals of employment generation and poverty alleviation have to be achieved through a growth process which should be labour absorbing. The major areas in which possibilities exist are :

- (a) Restructuring of agricultural growth especially in the lagging regions with irrigation and land development, supported by new seed-fertiliser technology.
- (b) Eco-restoration through integrated watershed development in dry and drought-prone areas.
- (c) Stimulation of the growth of non-agricultural activities and household and small scale industries in rural areas (in addition to labour-intensive industries in urban areas).
- (d) Acceleration in the pace of social development in rural areas.

2. In order to increase cropping intensity which leads to higher demand for labour, it is necessary to give priority to minor irrigation works of short gestation in States where irrigation facilities are far from adequate. There should be public investment in the exploitation of ground water and the individual beneficiaries charged only a water rate.

3. Stepping up of agricultural growth with the use of new technology in the less developed regions, where labour is abundant, wage rates are low, and poverty is wide-spread, will contribute significantly to increasing employment and raising wages for rural labour. There has to be special effort for evolving technologies suited to rainfed and dryland agriculture.

4. The importance of non-crop activities in agriculture, such as horticulture, dairying, poultry, piggery, goat and sheep rearing, fishery, sericulture etc. is expected to rise in future in response to rise in incomes. These activities should be pre-empted, as far as possible, for the rural poor under IRDP by providing necessary training, credit and marketing facilities.

5. Restoration of eco-system in dry and degraded areas should be taken up on a large scale. This can

be done by undertaking land and water conservation measures within the framework of integrated watershed development with the full participation and involvement of the beneficiaries. Waste lands and common property resources should be leased out and assigned to rural poor for planting trees with usufructuary rights over them.

6. An Employment Guarantee Scheme (EGS) on the lines of the EGS of Maharashtra would serve to ameliorate the distress of a large number of persons below the poverty line. This can be mounted by pooling together the resources for employment programmes currently allocated in the Centre and the States.

7. Anti-poverty programmes of self-employment, wage employment and several backward area development should be undertaken within the framework of an area development/district plan.

8. A conscious effort at large-scale training in skills should be made after making a survey of emerging demand for different skills and trades at district level.

9. A significant proportion of the unemployed in rural areas are educated (matriculates and above) and are generally not willing to take up unskilled jobs. It should therefore be possible to deploy them on social development activities after training, say, in primary and adult education, health programme etc.

10. The right to work for all adult citizens may be incorporated, subject to such terms and conditions as may by law be provided, which in the form of an Employment Guarantee Legislation can prescribe also the coverage, nature of work and other aspects.

11. The Employment Guarantee Programme is needed to support the implementation of minimum wages and consequential agrarian changes and weakening of the hold of the vested interests on the rural labour market. This programme is most essential for persons below the poverty line, Scheduled Castes and Scheduled Tribes and women labour, and in dry and drought prone areas, backward areas prone to out-migration and areas with high incidence of bonded labour or child labour.

12. For efficient execution of works by eliminating contractors, an organisation like the Karnataka Land Army Corporation with self-contained technical and supervisory staff could be considered.

13. It is essential to promote enterprises which have forward and backward linkages with agriculture and locate them near urban, semi-urban and small market towns. As the facilities available to the small scale sector are mostly availed of by the relatively bigger units in this sector, it is necessary to provide special incentives for the growth of smaller units in the rural areas. It will also be useful to reserve certain items for exclusive manufacture by them in the rural sector.

14. In view of the high incidence of sickness in the small scale sector, it is necessary to pay attention to each individual unit. Adequate safeguards should be provided to ensure that incentives like credit and subsidy meant for the small scale sector are not appropriated by big industrialists.

15. The KVIC should enlarge the coverage of villages under its programmes for promoting khadi and village industries.

CHAPTER 15 : MINIMUM WAGE

1. The basic factor determining the minimum wage is the cost of living relating to the minimum subsistence level for the worker and his family of three adult consumption units.

2. Following the approach of the Planning Commission in determining the poverty line in terms of minimum consumption expenditure and taking into account the average number of wage earners in an agricultural household and the number of days worked in a year by each earner, the daily wage rate comes to about Rs. 20 at current prices (1990).

3. This being a wage at subsistence level, no employment should be allowed at less than this level. State/region-wise variations in this should only be based on the cost of living index. While this will be the floor level, the government at the centre and the state should be free to fix minimum wages above this level on the basis of skills, areas, occupations of employment of other local factors.

4. The dearness increase must be provided every six months, and therefore, the Minimum Wages Act, 1948, should be amended so that there is a provision for enhancement of wages automatically every six months on the basis of CPI and the revision of minimum wages could be done once in two years.

5. In order to achieve effective implementation of Minimum Wages, a multi-pronged approach outlined below may be adopted :

- (i) The low-wage pockets in each state, i.e. where minimum wages are substantially below the statutory minimum wages, should be identified and special attention be given to raise agricultural productivity through irrigation, new technology etc. to increase employment hence the demand for labour.
- (ii) There should be a separate machinery for rural areas for implementation of minimum wages and this should be under the overall supervision of the collector. The machinery should be properly trained, motivated and dedicated to rural labour.
- (iii) While law alone may not be enough, but only enabling and protective, it is necessary to supple-

ment it through sensitisation and conscientisation programmes to organise the rural labour and improve their bargaining power. The programme of information saturation selecting a few districts at a time should be taken up.

- (iv) Further, involvement of Panchayati Raj Institutions, voluntary organisations, trade unions, workers associations etc. would strengthen the effort of the governmental machinery in implementing minimum wages and other labour legislations.
- (v) It is desirable also to create a Tripartite Body at each district headquarters in each state to monitor the administration of the Minimum Wages Act in the light of overall rural situation.
- (vi) The Minimum Wages Act be amended to include inter-alia the following :
 - (a) That the minimum wage notified or fixed by the appropriate government shall not in any case, be less than the amount that may be notified, from time to time, as "basic minimum wage" by the Central Government (presently recommended by the Commission at Rs. 20 per day in rural areas).
 - (b) The provision for giving exemption below this basic minimum wage should be prohibited by deleting or amending Sec. 26 of the Act.
 - (c) The definition of 'employee' in Sec. 2 (i) of the Act be expanded so as to cover all categories of rural labour.
 - (d) Section 3 (3) (a) (iii) of the Act which provides for differential rates of minimum wages to be fixed for adults, adolescents and children should be deleted from the Act.
 - (e) The provision to Section 4 (1) (i) of the Act be so amended as to provide for linking the minimum wage to a variable dearness allowance (VDA) formula to compensate the employees for variation in the cost of living every six months and that the revision of wages should be done every two years and even if there be some delay, VDA should continue.
 - (f) The requirements of the minimum number of workers in any industry/works to make the Act operative should be done away with.
 - (g) Mandatorily identity cards should be issued to rural labour and this should be done by the village officer or the panchayat.
 - (h) The organisation of Tripartite Boards and Committees under section 7 of the Act

should have adequate representation of organised sector through non-governmental organisations, trade unions and independent persons of high social standing.

- (i) Sanctions like fine, imprisonment etc., under the Act should be such that they act as effective deterrents.
- (j) Section 20 of the Act be made wider along the lines of Section 16 of the Child Labour (Prohibition and Regulation) Act, 1986 to facilitate the task of prosecuting an employer.
- (k) The burden of proof under the Act requiring a worker to prove that minimum wages have not been paid to him/her should be shifted to the employer.
- (l) Section 22 (E) should be deleted.
- (m) The appointment of Claims Authorities (Sections 19 and 20) should be at Block or Panchayat Samiti level, but in any case not at a level higher than a Sub-Division.

CHAPTER 16 : BASIC NEEDS

1. A two-pronged strategy has to be followed : special programmes for identified groups, and general programmes for the whole community taking care to see that under-privileged groups get full access to them.

2. The Public Distribution System should be reoriented to target directly the poorer sections. Food items should be supplied through PDS to 'Hungry Families' only. 'Hungry Families' have to be identified and supplied with a special coloured ration card. This should entitle them to draw rations at half the price during the off-agricultural season and for special supply of pulses to increase the protein content in their food. These special cards will also enable them to obtain priority attention for medical treatment in health centres.

3. More fair-price shops should be set up so that no villager has to go more than 2 Kms. to get his rations. The special card holders should have first priority in getting ration from the PDS. Mobile shops to cater to remote areas should be set up.

4. Besides rice and wheat, staple coarse cereals should be locally procured and supplied. Purchase on a weekly basis is to be allowed. Supply of standard cloth should also be made through fair-price shops.

5. Large number of Public Distribution System outlets in rural India are run by private traders which has led to malpractices and leakages. There is a need for strict monitoring of their operations and progressive cooperativisation, by employing persons from weaker sections for managing these outlets.

6. Suitable legislation should be enacted for debt relief including writing off of debts when interest has exceeded the principal, and prescribing instalment for repayment of the loan.

7. The number of country liquor shops should be frozen at the present level and their numbers progressively reduced in coming years.

8. Rural landless labour should be given house sites and ownership rights on homesteads conferred on the lines of the West Bengal and Kerala Acts.

9. Private practitioners in rural areas should be asked to work in health centres/dispensaries, where there are no doctors and should be paid according to number of patients treated. Village Health Guide Programme should be expanded.

10. Special efforts be made to provide drinking water to backward sections and ensure their access to existing facilities.

11. Primary education should be made compulsory. It will, besides other benefits, help to reduce child-labour, eradicate adult illiteracy, reduce fertility and ensure proper upbringing of children by educated mothers. Non-formal education should continue until compulsory education is achieved.

12. A nation-wide effort be made to promote mass awareness and consciousness among rural workers and for dissemination of information on welfare schemes through camps organised by all concerned agencies like trade unions, voluntary bodies, Panchayati Raj institutions and Govt. agencies. Mass campaign for eradicating adult illiteracy should be mounted and continuing education in functional literacy provided.

13. Special programmes should be implemented for upgrading the skills of rural artisans based on fixed training centres with peripatetic teams radiating from them. Training & duration should be flexible and of the cluster type.

14. To coordinate all training programmes within the district and plan them in a comprehensive manner, a District Training Institute is recommended for each district staffed by competent high-level trainers and properly equipped by Government, with special responsibility for training rural labour and artisans.

15. Common Property Resources should be developed with the help of Panchayati Raj bodies and produce may be made available to rural labour equitably for their various needs.

16. People's participation, particularly of the beneficiaries is essential for the success of many of the schemes. Panchayati Raj bodies and voluntary organisations can supplement the efforts, improve efficiency and prevent leakages.

CHAPTER 17 : SOCIAL SECURITY

1. Within the existing legal frame work, the Workmen's Compensation Act, 1923 will have to be amended particularly in the matter of the definition of the "Workmen" to cover all the rural workers. The proposals recently mooted by the Ministry of Labour for further amendments to the law including compulsory insurance and obligatory medical care by the employer are also endorsed.

2. The Commission recommends that the following minimum social security benefits should be provided as a matter of high priority :

- (a) Old age pension ;
- (b) Life insurance ;
- (c) Maternity benefit ;
- (d) Disability benefit (accident compensation); and
- (e) Minimum health care and sickness benefit.

3. Old age pension at Rs. 100 per month be paid to all males and females above age of 60 subject to income limits prescribed. Destitutes and handicapped persons, even if below the age of 60 are eligible at present for old age pension in several states. This may be continued. While it is appreciated that it may not be feasible to withdraw the relaxation given to widows/deserted wives, the Commission is of the view that they should be enabled to earn their livelihood and for this purpose, a suitable rehabilitation and training programme should be evolved.

4. The coverage under Personal Accident Insurance and Social Security Schemes operated by GIC should be enlarged. In addition, in so far as unorganised workers are concerned, Group Life Insurance Scheme should be considered with the premium met by the state.

5. All rural women above the age of 18 and belonging to families whose total annual income does not exceed Rs. 6,400 at 1990-91 prices will be entitled, up to a maximum of two live births, maternity benefit for a period of 12 weeks for each birth and the amount of benefit will be at the daily minimum wage rate for unskilled labour in agriculture.

6. Disability benefit, in respect of all cases of loss of earning capacity of 70% or more, and not necessarily occupational or employment related, must be available, on par with old age pension and subject to the same income criterion, to all the eligible persons between the age group of 18 and 60 years.

7. The existing efforts for rehabilitation of the disabled will have to be considerably strengthened. An expert group may examine the questions relating to the manner of determining the extent of disability and incapacity to work as well as the support scheme needed for them.

8. It may be worthwhile to think in terms of paying a special allowance to medical and para-medical personnel working in rural areas besides providing necessary infrastructure of housing, education etc.

9. A scheme of sickness benefit, to compensate for loss of earnings arising out of illness, is recommended, under which all rural persons within the age group 18 to 60 will, on hospitalisation in a recognised hospital, be entitled to the benefit for a maximum of 90 days, at the rate of the daily minimum wage rate for unskilled labour in agriculture. The benefit will be restricted to those from families whose annual income is less than Rs. 6,400 at 1990-91 prices.

10. The Comprehensive Crops Insurance Scheme must cover all states and all crops. The restriction in the scheme covering only those who take loans from co-operatives, commercial banks and regional rural banks should be done away with. A system of differential premium rates for the existing clientele at lower level and for those who do not take recourse to co-operatives etc. for their credit needs at slightly higher level could be fixed.

11. A scheme of setting up village level insurance co-operative societies, under the aegis of village panchayats is suggested. Such societies will be the local agencies for collection of premium on all types of insurance schemes, processing of claims and disbursement of claims.

12. Part of the resources for the four major social security schemes suggested by the Commission may be augmented through surcharge on Income Tax, Corporate Tax, additional Excise Duty, increase in Sales Tax, Entertainment Tax etc.

13. At the State level, an Advisory Committee under the Chairmanship of the Minister-in-charge will oversee the working of various schemes, review the allocation of funds, determine priorities and give policy guidelines whenever needed.

14. At the district level, the Zila Parishad (or its committee) should be entrusted the responsibility of administering the Social Security Schemes. Existing functionaries should be used for this purpose as also the Panchayat Samitis and the Panchayats.

15. The payments to the beneficiaries, as also preparation of their list will be at the village level, the approval of the list, approval of claims, sanctioning of funds and overseeing the actual implementation of the schemes will be at the panchayat level.

16. The identification of the beneficiary is best done by the Panchayat after notifying the lists of proposed beneficiaries and inviting objections, if any. The list should be revised periodically.

17. The Old Age Pension must be sent by postal money order at state cost and Disability benefits must be disbursed at the door steps of the beneficiaries in the presence of witness. The Maternity benefit must be disbursed to the beneficiaries at the time they visit the Auxiliary Nurse Midwife (ANM) or sub-centre. For sickness benefit a procedure may be evolved for disbursement at village through the Panchayati Raj institutions in the presence of witness on beneficiary's return after discharge from hospital.

CHAPTER 18: ORGANISATION AND COMMUNICATION STRATEGY

(a) Organisation of Rural Labour

1. No a-priori guidelines can be given as to whether each type of rural labour should have a separate organisation of its own. However, separate organisation of women is necessary to fight against discrimination and assault, and oppression at their own homes. Child labour and migrant labour also need special attention.

2. A labour organisation, as far as possible, should not stop at being only a trade union. Apart from collective bargaining, it should have other constructive activities too, like imparting social awareness and knowledge of labour laws, organising co-operatives etc. The co-operatives can run rural industries, accept contracts of employment oriented projects, manage common lands and run fair price shops.

3. The micro-level individual organisations should federate into mass organisations at district, state and national levels. In the alternative, Joint Committees of rural labour Organisations at State, District and Block level should be constituted or a Committee of Zila Parishad could co-opt representatives of trade unions and voluntary organisations at the District level. This will give them the necessary political and economic strength and enable them to even tap resources from the organised urban labour, with whom they can enter into alliances. They should also form legal aid committees at various levels to help rural labour. The uniting and dominating interest in these federations should be that of rural labour and not that of political parties. These Federations or Joint Committees should look after the interests of not only their constituent units, but also of those rural labour facing constraints in organising themselves, such as female and child labour and migrant labour and thus draw them eventually into their network. In particular, the Federations should bring to the attention of authorities and Shram Panchayats all cases of infringement of labour laws, specially in the case of female and child labour and migrant labour.

4. The task of organising rural labour is best left to Panchayati Raj bodies, political parties and voluntary agencies, which cannot be performed by government through schemes such as Honorary Rural Organisers. The main task of the government, however, is supportive and indirect. Even the political parties and voluntary agencies should ensure that a cadre of committed and well-informed local activists is evolved in each organisation.

5. Formal recognition should be granted to rural labour organisations by the government, so as to give them the protection of law.

6. While it is seen that the actual process of organisation of rural labour could be done by trade unions or voluntary agencies, the Government has necessarily to continue the good work, already being done by a number of agencies such as the Central Board of Workers

Education, the National Labour Institute, the Rural Worker's Trust etc.

(b) Communication Strategies

1. The Central and State Governments should formulate a policy regarding communication and, in particular, the strategy to reach rural labour. There should be an inter-ministerial co-ordination mechanism consisting of the representatives of Ministry of Labour and Ministry of Information and Broadcasting.

2. There should be a scheme for creating awareness among the rural poor in areas where the existing schemes do not contain provision for awareness creation. The scheme can be used for creating a pool of media specialists—activists, training rural educators and holding rural labour camps. A handbook for communicators should also be prepared.

3. The print media like the newspapers should devote more space and the radio more time for dealing with the problems of rural labour. They should disseminate information about the various laws available for the benefit of rural labour as well as the schemes from which they can derive advantage, and the authorities whom rural labour can approach for this purpose. This can be best done through the local radio stations with scripts written in simple and direct style in the local language. There should be also Local Advisory Committees consisting of Administrators, Communicators and Beneficiaries to design the programmes and to modify them after getting feedback. Audio cassettes also can be prepared and used for this purpose.

4. The T. V. and Video cassettes can also be used for a similar purpose though their coverage may be somewhat limited particularly on account of the cost involved.

5. Rural labour should be provided access to viewing through the provision of community TV sets, preferably located in primary schools, placed in charge of the primary school teachers who could be given a small honorarium. Proper maintenance of such TV sets should also be arranged. Cheap individual transistor radio sets should be provided to the rural labour.

6. Cinema slides and documentaries should be produced on topical issues of interest to the rural labour and shown in rural cinema theatres in the time compulsorily provided for news review/documentaries before the feature film.

7. Village Hats & Barzars, melas and festivals etc. can also be used for communication purpose through dramas, local theatres, puppetry, folk arts (songs, street play, etc.) as well as through printed material like leaflets, posters, etc. based on local languages and dialects. Display of posters at or near the railway stations, bus stands, public places in the village etc., will also be useful.

8. There should be persuasive programmes on Radio and on TV to change the attitude and behaviour of the employers in rural areas. Motivational training programmes for administrators should also be orga-

nised. Trade unions and selected committed voluntary agencies should also be used for Education of rural labour with effective co-ordination between the official and non-official agencies at all levels.

9. A separate Central Board for Workers Education for Rural Labour has already been suggested to train rural educators. The National Labour Institute should be provided with adequate funds to organise rural labour camps on an extensive scale.

CHAPTER 19: RESEARCH AND STATISTICS FOR RURAL LABOUR

1. Efforts should be made to release RLE reports with minimum time lag and the pending reports on 'Employment and Unemployment' and 'Wages and Earnings' of rural labour households both based on 1983 survey and also the pending four reports of 1987-88 survey require immediate attention. Processing of RLE data by Labour Bureau itself would considerably reduce the time-lag in release of the reports.

2. RLE should also collect information on aspects like housing conditions, health, education and access to various other social services so that the enquiry reveals a comprehensive picture of rural labour households.

3. The wage data being collected for 18 agricultural and non-agricultural employments along with price collection schedules for compilation of index numbers, should be released regularly on monthly basis in the 'Indian Labour Journal'.

4. The weighting diagram of the present series of CPI numbers for the agricultural labour is three decades old and does not reflect the current consumption pattern. The old series for industrial workers has already been replaced by the new 1982 series. Hence, the release of new series for agricultural labour with base 1986-87, for which the survey has already been conducted has to be expedited.

5. Efforts may be made by the Labour Bureau and CSO to compile productivity indices for rural labour on the basis of the Economic Census and Follow-up Surveys.

6. It is also desirable to compile poverty ratio for rural labour on the basis of the NSS data on consumer expenditure. Efforts are also needed to compile indices of Physical Quality of Life (PQL) for rural labour.

7. The State Governments may be persuaded to not only give due priority to the tabulation of data canvassed through the matching State Samples but also to undertake pooling of results of Central and State samples so as to facilitate timely compilation and release of statistics relating to employment, under-employment, unemployment, wages, earnings, etc. at the state and lower levels.

8. The efforts being made by NSSO to collect and compile important data on employment, unemploy-

ment, underemployment, etc. through a thin sample at annual intervals deserve support and encouragement. Pooling of results of Central and State samples would be necessary for getting estimates at the state level and as such this work should receive priority. Action is also necessary to strengthen the statistical base for the small scale and village industries through periodic sample surveys.

9. The NSSO should collect data on earnings/income of rural labour households through its quinquennial survey.

10. Action preferably in collaboration with State Bureau of Economics & Statistics should be initiated to collect and compile statistics on labour unrest in rural areas.

11. The data collected through concurrent evaluation of IRDP and NREP/JRY should be compiled and released by the Department of Rural Development as the routine summary report presently being released is inadequate for serious research work on rural unemployment and poverty.

12. In order to build up a sound information base on rural labour, it is necessary to undertake in-depth research in key areas such as unemployment and under-employment, poverty and quality of life, labour relations, etc. Research Institutes/Organisations both within and outside the government may therefore be encouraged to utilize the data base on rural labour generated by the official agencies for this purpose.

Sd/-

(Dr. C. H. HANUMANTHA RAO)

Chairman

Sd/-

Sd/-

(H. HANUMANTHAPPA) (GURUDAS DAS GUPIA)

Member

Member

Sd/-

*(CHAND RAM)

Member

Sd/:

Sd/-

(CHHEDI PASWAN) (DR. PRADHAN H. PRASAD)

Member

Member

Sd/-

(PROF. P. C. JOSHI)

Member

Sd/-

Sd/-

(S. V. KRISHNAN) (G. ASVATHANARAYAN)

Member

Member

Sd/-

(P. C. HOTA)

Member-Secretary

* Subject to a minute of dissent on one recommendation.

Note of Dissent by Shri Chand Ram, Ex-M.P.

I could not reconcile myself to the recommendation of Rs. 20/- as the Minimum Wage per day for Agricultural or rural workers. In fact, I consider this as not only the basic and vital recommendation of our Report and labours, but also the very purpose for which the National Commission on Rural Labour was constituted. If we cannot recommend a basic minimum and living wage to a Section who constitute more than one-third of our rural population, we will be failing in our basic duty towards a most neglected and exploited Section, mostly Scheduled Castes, Tribes and other Artisans who have contributed a lot in ushering in the green revolution. Wages of Agricultural/rural workers differ in different regions of the country because of the level of suppression and level of Agricultural production. But there is no denying the fact that prices of essential commodities of daily use cost the same throughout in the country. There is a close relation between Standard of living and wages and vice-versa. In Punjab, Haryana, Delhi and Western U. P., the prevailing wages are Rs. 35/- per day and they rise during harvesting operations to as high as Rs. 50/- per day. If in some states the wages are Rs. 15/- or less, this is the fault of the State Governments and lack of organisation of rural labour as also the vulnerability of the labour itself. This shackle and psychosis has to be broken and the Commission was charged with the duty of recommending a uniform wage throughout the country by enacting a Central Legislation. Central Legislation should not and cannot aim at depressing the wages prevalent in States where it is adequate. This is to protect the interests of the Agricultural workers. In our report, it has been estimated that nearly 10 million rural labourers migrate in search of employment to States with higher wages. Is this wholesome for a Republican Socialist and Welfare State or even from human angle to be uprooted from their ancestral village to go to as far as Punjab from Orissa, Bihar and Southern States? We have, therefore, to ensure that each rural labourer should get a uniform and a living wage, especially because the produce of the landed people does fetch

the same price. It will be socially good if migration is stopped/discouraged.

I have consulted the debates taken place in Parliament on this subject. In the discussions held on 17-8-90 and 31-8-90 in Rajya Sabha, Shri V. Narayan Swamy and Shri J. S. Basu suggested a wage of Rs. 35/- per day admitting that the agricultural labourers get this amount in Kerala and West Bengal. Again in a Bill No. 27 of 1990 introduced by Shri Dharmesh Prashad Verma, M. P. in Lok Sabha in clause 6, he had suggested a wage of Rs 30/- per day or Seven hundred rupee per month. Mr. Chitta Basu, M. P. in his Bill 32 of 1990 introduced in Lok Sabha has suggested the need for a Central Legislation referring to the recommendation of 26th Session of Labour Ministers' Conference to adopt the Kerala Agricultural Workers Act, 1974 with provision of Provident Fund, old-age pension, sickness and disability allowances etc. The agricultural workers are always underpaid, underfed and unemployed for most of the time of the year there is no security of jobs, no old age provision and mostly they die in harness. I, therefore, suggest a minimum wage of Rs. 35/- per day for an agricultural or rural labour. I do not see any logic or justice in the recommendation of the majority of the Members of the Commission in their recommending Rs. 20/- per day as it is no living wage, not to speak of a fair wage in these days of skyrocketing prices including those of Agricultural produce. Some shameless and indignified traditions prevalent in the rural areas, like social and economic boycott of Agricultural labourers by landed class of majority in the villages has to be shaken and even broken paving the way for enforcement of Minimum Wages, which I call a living wage.

CHAND RAM (Ex-M. P.)

Ramdas Nagar, Rohtak (Haryana)

14-7-91

APPENDICES

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APPENDIX I

(Published in the Gazette of India, Part I, Section I on 5-9-1987)

No. U.24012/1/87-RW

Government of India/Bharat Sarkar

Ministry of Labour/Shram Mantralaya

New Delhi, the 11th August, 1987

RESOLUTION

Progressive reduction of unemployment, removal of poverty and improvement in the socio-economic conditions of the working people have been the principal objectives of planned development and change in India. Policies and programmes devised for promoting these objectives have however not fully achieved expected results and the benefits and gains from development have not become uniformly available to all.

2. For achieving a better understanding of all India as well as region—specific problems of rural labour, thereby getting an insight into issues relevant to the overall development process as well as specific rural labour, oriented programmes Government have decided to set up a National Commission on Rural Labour. The terms of reference of the Commission shall be as follows:—

- (1) To study in a dynamic setting, the problems of identification, categorisation and quantification of rural labour, taking into account its economic, social and regional dimensions.
- (2) To study the context of a changing traditional socio-economic framework, the economic, social and working conditions of rural labour and the disabilities including a lack of social security, arising therefrom.
- (3) To study the existing legislative and other provisions intended to protect the interests of rural labour and to assess the effectiveness of these measures as also that of the appertinent administrative arrangements and delivery systems.
- (4) To study the formulation and implementation of land reform and other institutional reform measures having a bearing on rural labour, specially on its land dependent section.
- (5) To study the effects of the changes in the control and management of community property resources including land, forests and water on rural labour.
- (6) To study the phenomenon of migration, the various laws, administrative and recruitment practices relevant to migrant labour as also their particular disabilities.

- (7) To study in the context of the requirements of rural labour issues relating to the planning process, the various development plans and programmes and their implementation.
- (8) To study the social development measures in sectors such as health, family welfare, housing, water supply, education including training and the impact they have had on the quality of life of rural labour.
- (9) To Study and Report in Particular on:
 - (i) The efficacy of various legislative and other measures adopted so far with reference to sharecroppers and other types of tenants.
 - (ii) the problem of bonded labour (including that of consumption loans) and the effect of legislative and other measures adopted for removing their bondage.
 - (iii) supplemental plans for specific target groups/area for employment creation, income generation and poverty alleviation.
 - (iv) the investment pattern in the various plans, the choice of technologies and their effect on labour absorption.
 - (v) factors impinging on the demand for rural labour, their effect on the bargaining power of rural labour and constraints on the organisation of rural labour.
 - (vi) fixation of a minimum wage for rural labour as also the enforcement mechanism.
 - (vii) the particular problems of women and children.
 - (viii) arrangement for collecting data relevant to a study of the problems of rural labour, promoting research and dissemination of information.
 - (ix) a comparative study of the experience in different regions of India and that of other countries.

3. To make recommendations on the above matters.

4. The composition of the National Commission on Rural Labour will be as follows:—

- | | |
|---------------------------------|------------------|
| (1) Shri Jhinabhai R. Darjee | Chairman |
| (2) Shri H. Hanumanthappa, M.P. | Member |
| (3) Shri R. P. Panika, M.P. | Member |
| (4) Shri Keyur Bhashan, M.P. | Member |
| (5) Dr. P.C. Joshi | Member |
| (6) Dr. Pradhan H. Prasad | Member |
| (7) Shri Suresh Mathur, IAS | Member-Secretary |

5. The Chairman and the Member-Secretary will be full time members of the Commission. The other members will function part-time and will attend meetings or proceed on tours or undertake other functions, as decided by the Commission.

6. The Headquarter of the Commission will be at New Delhi.

7. The Commission will devise its own procedures and may consult such advisers, as may be considered necessary. It may commission studies as may be required and appoint consultants for any particular purpose from time to time. It may call for such information and take such evidence as it may consider necessary. The Ministries/Departments of Government of India will furnish such information, documents and other assistance, as may be required by the Commission. The Government of India trusts that the State Governments, the Union Territory Administrations, Public Undertakings and other concerned will extend to the Commission the fullest cooperation and assistance.

8. The Commission may make its recommendations as soon as practicable. It may, if necessary, submit interim report or reports. The term of the Commission will be for a period of three years.

(Sd.)

BADAL ROY

Secretary to the Govt. of India

No. U-24012/1/87-RW

Dated, New Delhi, 11th August, 87

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section I.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

BADAL ROY

Secretary to the Govt. of India

No. U.24012/1/87-RW
Government of India/Bharat Sarkar
Ministry of Labour/Shram Mantralaya
New Delhi, the 20th August, 1987

CORRIGENDUM

In the Ministry of Labour Resolution No. U. 24012/1/87-RW dated the 11th August, 1987 published in Gazette of India, Part I, Section I, in the list of Members mentioned at the end of para 4, for "7. Shri Suresh Mathur— Member-Secretary", the following shall be substituted, namely:—

"7. Smt. Geeta Mukherjee, M.P. Member

8. Shri Suresh Mathur Member-Secretary"

(Sd.)

BADAL ROY

Secretary to the Govt. of India

No. U-24012/1/87-RW

Dated, New Delhi, 20th August 87

Ordered that a copy of the Corrigendum be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

BADAL ROY

Secretary to the Govt. of India

No. U.24012/1/87-RW/NCRL

Government of India/Bharat Sarkar

Ministry of Labour/Shram Mantralaya

New Delhi, the 3rd November, 1987

CORRIGENDUM

In the Ministry of Labour Resolution No. U.24012/1/87-RW dated the 11th August, 1987 published in Gazette of India, Part I, Section I, amended vide Ministry of Labour corrigendum of same number dated the 20th August, 1987, in the list of Members mentioned at the end of para 4, for "8. Shri Suresh Mathur— Member-Secretary", the following shall be substituted, namely:—

"7. Shri S.V. Krishnan Member

8. Shri Suresh Mathur Member-Secretary"

(Sd.)

BADAL ROY

Secretary to the Govt. of India

No. U-24012/1/87-RW

Dated, New Delhi, 3rd November, 87

ORDER

Ordered that a copy of the Corrigendum be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

BADAL ROY

Secretary to the Govt. of India

APPENDIX II

(Published in the Gazette of India, Part I, Section 1)

No. U.24012/1/90-RW/NCRL

Government of India/Bharat Sarkar
Ministry of Labour/Shram Mantralaya

New Delhi, the June 1, 1990

RESOLUTION

The National Commission on Rural Labour constituted vide Ministry of Labour Resolution No. U. 24012/1/87-RW dated the 11th August, 1987 published in Gazette of India, Part I, Section 1, and Corrigenda of the same number, dated 20th August, 1987 and 3rd November, 1987, respectively, is hereby reconstituted as follows:—

1. Dr. C.H. Hanumantha Rao Chairman
2. Shri H. Hanumanthappa, M.P. Member
3. Shri Gurudas Das Gupta, M.P. Member
4. Shri P.K. Kunjachen, M.P. Member
5. Dr. Pradhan H Prasad Member
6. Prof. P.C. Joshi Member
7. Shri S.V. Krishnan Member
8. Shri G. Asvathanarayan, IAS Member-Secretary

2. The other terms and conditions shall remain unchanged.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

No. U-24012/1/90-RW

Dated, New Delhi, 1st June, 90.

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section 1.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

To

The Manager, Government of India Press,
Faridabad.

APPENDIX III

(Published in the Gazette of India, Part I, Section I)

No. U.24012/1/90-RW/NCRL

Government of India/Bharat Sarkar

Ministry of Labour/Shram Mantralaya

New Delhi, the 24th January, 1990

RESOLUTION

The National Commission on Rural Labour constituted vide Ministry of Labour Resolution No. U.24012/1/87-RW dated the 11th August, 1987 published in Gazette of India, Part I, Section I, is hereby reconstituted as under :—

- | | |
|-----------------------------------|------------------|
| 1. Dr. C.H. Hanumantha Rao | Chairman |
| 2. Shri H. Hanumanthappa, M.P. | Member |
| 3. Shri Gurudas Das Gupta, M.P. | Member |
| 4. Shri P.K. Kunjachen, M.P. | Member |
| 5. Shri Chand Ram, M.P. | Member |
| 6. Shri P.R. Kumaramangalam, M.P. | Member |
| 7. Shri Chhedi Paswan, M.P. | Member |
| 8. Dr. Pradhan H. Prasad | Member |
| 9. Prof. P.C. Joshi | Member |
| 10. Shri S.V. Krishnan | Member |
| 11. Shri G. Asvathanarayan, IAS | Member-Secretary |

2. The terms of the Commission will expire on 31-3-1991. The other terms and conditions shall remain unchanged.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

To

The Manager, Government of India Press,
Faridabad.

No. U-24012/1/90-RW

Dated New Delhi, 24th January, 90.

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section I.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

APPENDIX IV

(Published in the Gazette of India, Part I, Section I)

No. U.24012/1/90-RW/NCRL

Government of India/Bharat Sarkar

Ministry of Labour/Shram Mantralaya

Jaisalmer House, Man Singh Road,
New Delhi, the 11th March, 1991.

RESOLUTION

The tenure of the National Commission on Rural Labour re-constituted vide Ministry of Labour Resolution No. U.24012/1/87-RW dated the 24th January, 1991 and published in Gazette of India, Part-I, Section-I is hereby extended by two months beyond 31-3-1991.

2. The other terms and conditions shall remain unchanged.

(Sd.)

V.P.SAWHNEY

Secretary to the Government of India

To

The Manager,
Government of India Press,
Faridabad.

No. U-24012/1/90-RW

Dated New Delhi, 11 March, 1991.

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section I.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

APPENDIX V

(Published in the Gazette of India, Part I, Section 1)

No. U.24012/1/90-RW/NCRL

Government of India/Bharat Sarkar
Ministry of Labour/Shram Mantralaya

Jaisalmer House, Man Singh Road,
New Delhi, the 30th April, 1991.

RESOLUTION

No. U-24012/1/90-RW

Dated, New Delhi, 30th April 91.

The tenure of the National Commission on Rural Labour re-constituted vide Ministry of Labour Resolution No. U.24012/1/87-RW dated the 24th January, 1991 and published in Gazette of India, Part I, Section 1, is hereby extended by two months beyond 31-5-1991, i.e. upto 31st July, 1991.

2. The other terms and conditions shall however, remain unchanged.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section 1.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

To
The Manager,
Government of India Press,
Faridabad.

APPENDIX VI

(To be published in the Gazette of India, Part I, Section 1)

No. U.24012/1/90-RW

Government of India/Bharat Sarkar
Ministry of Labour/Shram Mantralaya

Jaisalmer House, Man Singh Road,
New Delhi, the 29th July, 1991

RESOLUTION

No. U-24012/1/90-RW

Dated, New Delhi, 29-7-1991

The National Commission on Rural Labour constituted vide Ministry of Labour Resolution No. U. 24012/1/87-RW dated the 11th August, 1987 published in the Gazette of India, Part I, Section 1, and re-constituted on 24-1-1991 is partially modified as under :—

1. Sh. G. Asvathanarayan Member
 2. Sh. P.C. Hota, Additional Secretary, Ministry of Labour Member-Secretary
2. The term of the Commission will expire on 31-7-1991. The other terms and conditions will remain unchanged.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

To
The Manager,
Government of India Press,
Faridabad.

ORDER

Ordered that the Resolution be published in the Gazette of India, Part I, Section 1.

Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all other concerned.

(Sd.)

V.P. SAWHNEY

Secretary to the Government of India

APPENDIX VII

NATIONAL COMMISSION ON RURAL LABOUR—QUESTIONNAIRE

1. Name and address of the respondent (Person/Undertaking/Organisation/State).
2. The name of any Central Organisation to which you are affiliated.
3. If a trade union, please give the number of members. When was the Union formed?
4. If a Voluntary Agency, please give a short history, size of the organisation, area of activity and any political or organisational affiliations.
5. If an undertaking/establishment, please give :
 - (a) Commodity produced/Nature of activity.
 - (b) Number of regular employees as on 1-1-88.
 - (i) Workers.
 - (ii) Others.
 - (c) Number of casual employees employed during the course of a year and the periods for which they are so employed, i.e. how many for 1 month, 4 months, 6 months, 8 months and more than 8 months.
3. A relative permanency of nexus between an employer and employees seems to be a decisive factor in the ability of labour to organise. Also organised labour is able to better ensure its interests as compared to unorganised labour. Should this factor be looked upon as the most significant parameter while defining and categorising rural labour in the country?
4. What role should purely geographic considerations play in defining rural labour. Should one confine the definition to only those who seek employment in rural areas, or will it be more appropriate, taking note of the rural urban migration, to root the definition in the nature of employment and the opportunity available for labour to organise.
5. Should the period of stay in village or rural area entitle a worker to claim the benefits available to rural labour? If so, stay should be for how many months/years?
6. In what way migratory labour from one area to the other within the State and/or one state to the other be treated? Is the issue of domicile relevant in determining the residency of a worker in that place?
7. Do you support the contention that the term 'labour' should apply only to situations when there is a formal employer-employee relationship or should the term also cover various categories of self-employed persons such as small tenants/share croppers, fisherman, rural artisans etc. ILO convention No. 141 ratified by the Government of India defined rural workers as persons engaged in agriculture, handicrafts occupations in rural areas whether as wage, earners, or self-employed persons such as tenants, share croppers or engaged in other small occupations who derive their main income from agriculture and allied occupations, who work on land themselves with the help only of their family or with the help of occasional outside labour including self-employed artisans but does not include those who permanently employ workers or employ a substantial number of seasonal workers or have any land cultivated by share-croppers or tenants. By this definition, in India, rural workers would cover, agricultural labour marginal and small farmers, share croppers, tenants, even farmers, rural artisans as well as workers in rural areas engaged in fisheries, forestry horticulture, animal husbandry and other related occupations. Do you think that this definition would be appropriate or any change is required.

Definition and Categorisation

1. One of the terms of reference of the last National Commission on Labour appointed in 1966, required that Commission "to study and report in particular on measures for improving conditions of rural labour and other categories of unorganised labour". The Report submitted by this Commission indicates that they had in this context studied two broad categories of labour namely, agricultural labour and unorganised labour. What are your views regarding manner in which the term 'rural labour' should be understood, and defined?

2. What according to you is the most practical definition of rural unemployment? Under which categories you would like to classify unemployment, underemployment, seasonal-unemployment/structural unemployment etc. and what according to you is the most appropriate criteria for such classification?

8. Apart from the broad categorisation between Agricultural labour and other, which other categories

would you suggest, keeping in mind both the size of activity and the need of evolving a methodology of providing benefits and social security to the workers.

Recruitment and Induction

9. What are the methods used by Agriculturists to recruit both permanent and seasonal labour locally. Have there been any, in a comparative sense, modern innovations.

10. What are the main considerations for giving employment by land owners to skilled, semi-skilled and unskilled workers? Mention relative weightage given to socio-economic position and factors as caste, creed, religion, customs and traditions etc.

11. How is the migrant labour used for both agricultural and non-agricultural work, recruited? Is recruitment effected through (i) jobbers, (ii) contractors, (iii) advertisements, (iv) introduction by existing employees, (v) Employment Exchange or (vi) any other method.

12. Is there any difference in the method of recruitment of skilled, semi-skilled and unskilled labour?

13. Are the present recruitment arrangements satisfactory for different kinds of employments?

14. Will better dissemination of information regarding availability of employment and better mobility including augmentation of transport arrangements be of help to those seeking employment?

15. Can you suggest any means whereby the dependence of labour on exploitative contractors etc. be reduced? What role can the State or any other agency you might like to suggest, play in this area in respect of different kinds of work situations?

16. Is there any discrimination in the matter of recruitment on grounds of sex, caste, community, region, language etc.? Please also indicate any instance in your knowledge where certain kinds of work is traditionally done only by certain castes or tribes who migrate to different centres where such work is available in spite of locally available labour being idle. What do you think are the social, economic reasons for such a situation existing?

17. Do you feel that any training inputs could be of benefit for making rural labour more employable both in their traditional occupations and in new opportunities that are being available today. What areas in this regard can be considered to be of particular significance?

18. Are you satisfied with the existing arrangements of vocational training in different fields? Can you suggest how professional training could be made more useful and improve efficiency, raise production and increase earnings of workers and self-employed people in rural areas.

Conditions of work

19. Some of the more concerned recognised categories of the unorganised rural labour are :

- (a) Agricultural labour.
- (b) Those engaged in animal husbandry, including sheep and goat keeping.
- (c) Those engaged in cottage and village industries including sericulture.
- (d) Weavers and workers engaged in carpet manufacture.
- (e) Rural artisans such as blacksmiths, carpenters, potters, basket makers etc.
- (f) Fisherman.
- (g) Workers engaged in collection of raw hides and skin, tanning and leather work.
- (h) Those engaged in the production and collection of minor forest produce such as Tendu leaves, gums, resins, essential oils, sal seeds etc.
- (i) Beedi workers.
- (j) Workers engaged in brick making.
- (k) Workers engaged in stone quarries, fire-clay and lime.
- (l) Building and construction workers.
- (m) Contract and migrant labour.
- (n) Workers engaged in the preparation of forest coups, marking and felling of timber, preparation of charcoal and loading and unloading of timber in forests.
- (o) Workers engaged in khandsari units, saw mills, oil mills etc.
- (p) Salt workers.

In as far as the working conditions of unorganised rural workers are concerned, the laws which have so far been promulgated to regulate them are:—

- (1) Minimum wages Act, 1948.
- (2) Equal Remuneration Act, 1976.
- (3) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
- (4) Plantation Labour Act, 1951.
- (5) Beedi and Cigar workers (Conditions of Employment) Act, 1966.
- (6) Bonded Labour System (Abolition) Act, 1976.
- (7) Contract Labour System (Regulation and Abolition) Act, 1970.

Are the provision of these laws sufficient? What changes would you suggest to make them more effective would you recommend any new laws?

20. What are your views on enacting legislation in your State for agricultural workers on the lines of Kerala Agricultural Workers Act, 1974, after making suitable modifications?

21. Besides the new laws, or changes in existing ones, what other steps need to be taken to ensure proper working conditions?

22. What in your knowledge is the situation of women and children amongst rural labour particularly amongst migrant labour? What steps need to be taken to improve the availability of health facilities, water supply, nutrition and education and shelter to this category?

23. How have the existing arrangements regarding regulating the conditions of work of contract labour and labour employed by contractors worked? What improvements would you recommend?

24. Are you of the view that steps should be taken towards progressive reduction of contract labour? What are the various factors which lead to persistence of this practice? How could contract labour be effectively brought within the scope of State action?

Organising Rural Labour

25. What are the factors which have inhibited the development of trade unions or other forms of organisation amongst various kinds of rural labour?

26. To what extent do you attribute the State of non-organisation to outmoded social customs based on considerations of caste and other factors leading to rigidities in the structure of society?

27. Do you attribute the state of non-organisation to the dilemma faced by the administration when it is atleast at the local level caught between a desire to permit, promote and encourage organisations of rural poor to achieve their legitimate right or social and economic development on the one hand, and the maintenance of law and order on the other?

28. Do you think that the existing legal framework: and the system operating through the Indian Penal Code, the Civil Procedure Code, the Code of Criminal Procedure and other public safety/security laws are responsible for the absence of a strong and viable organisation of the rural poor?

29. What has been the role of trade unions in organising rural labour?

30. What has been the role of voluntary agencies, social action groups and political parties in organising rural labour?

31. What has been the nature of the efforts which have so far been made in organising rural labour and what shape has such an organisation taken? In which area has such an effort achieved success and what do you think are the factors which made for this success?

32. Do you feel that the formation collectively an organisation is an essential pre-requisite for rural labour to achieve a more just and higher standard of life for themselves?

33. In what manner should one conceptualise the objectives of such an organisation. Can one conceive of the objectives which could be common to all the categories of rural labour, or should there be different objectives and consequently different organisations for each category?

34. Do you perceive any role for the multi-interest groups like the landlord, the tenant, the sharescroppers, the agricultural labourers etc. under one umbrella organisation like the Kisan Sabha which had played a significant role in the process of abolition of intermediary interests like the Zamindari system in the early fifties in promoting organisation of rural labour?

35. Is the Trade Union Act, 1926 relevant to the present need of organising rural labour? What changes are required or is it that a separate law will need be promulgated?

36. Does the Cooperative movement offer a solution? Are the laws relevant for the formation and management of cooperative societies conducive to the object of organising rural labour through a system of cooperative societies. How can these laws and procedures arising therefrom be altered to subserve these objectives?

Wages

37. What have been the traditional methods of payment of wages to Agricultural labour in different States, regions or areas of which you have knowledge? In what manner has this tradition undergone any changes over the last 40 years. What do you feel has this been the effect of these changes? Have they benefitted agricultural labourers?

38. For how many days in a year are agricultural labourers able to get employment in non-irrigated and irrigated areas and in respect of different crops and seasons?

39. How much is an agricultural labourer actually able to earn in a year? Have these earnings, in real terms shown a tendency to increase, or have they either decreased or remained static?

40. While agricultural labourers receive wages from those who employ them, many are partly or completely self-employed, either in agriculture or in various other avocations. How does their capacity

to earn compare with that of agricultural labour, and how have their incomes behaved over the past 40 years. What do you think are the factors which have affected their incomes?

41. Do you agree with the proposition that there ought to be minimum wage for unorganised labour fixed at the National Level? Should this be a daily wage or keeping in mind the fact that employment is not available throughout the year, one should be more concerned with yearly incomes?

42. What are your views suggestions/comments on the working of the Minimum Wages Act, 1948? What in your opinion should be the most appropriate criteria for fixing minimum wages under the Act? Would you suggest any change in the concept and definition of minimum wages?

43. Are you in agreement with the recent efforts which have been made to fix a minimum wage for rural labour including agricultural labour? Do you feel that the methodology adopted for fixing such a minimum linked to the concept of the poverty line, is appropriate or would you suggest any changes and improvements?

44. To what extent has it been possible to enforce this minimum wage. What are the factors which inhibit such enforcement?

45. Has the enforcement of a minimum wage actually resulted in any benefits to rural workers? It has been sometimes suggested that the enforcement of a minimum wage could have a detrimental effect on the total emoluments of labour if employer withdraw all other non-monetary benefits. To what extent do you think such a view is the result of the methodology so far adopted for fixing a minimum wage?

46. It has been suggested that a system should be evolved of periodically revising minimum wage. Such periodic revisions have also become a practice in some organised employments. Will it be appropriate to adopt a similar system of periodic revisions for unorganised rural labour also?

47. What should be the objective of such revisions, should they be designed to make adjustments to the cost of living index only or should there be other factors also taken into account, What in your opinion should be the parameters kept in mind?

48. What is your view about the proposition that there is nothing wrong in bringing down minimum wages in time of stress such as droughts and floods when the State has provided employment as a measure of welfare and social security?

49. Would such a reduction also be justified in respect of employment guarantee programmes which, although not linked to droughts or other natura

calamities, are taken up with the express purpose of generating employment during slack periods when other employment is not available?

50. What are the different types of discrimination (sex, community, caste, language, age etc.) in payment of wages. Suggest ways to eliminate, as far as possible discrimination in wages in different occupations?

51. In what ways do you think, rural labour can become more conscious of their rights and privileges in respect of their entitlement of wages in particular and conditions of work in general, and in this connection how much significance you attach to worker's education and organising rural labour? What are the existing schemes in this regard and what are your suggestions for making them more beneficial?

52. How does the availability of labour effect the wage rates? How do the wage levels in rural areas influence the migration of workers from one occupation to another and from one area/state to another? What measures you would suggest to check unhealthy flow or migration of labour due strictly to wage divergences?

Employment Generation

53. What is the impact of the recent schemes for employment generation, like NREP, RLEGP, food for work programmes, on

- (a) The income level of the rural labourer.
- (b) On the employment/unemployment situation.
- (c) Bargaining power of the rural laboruer for better employment, with improved terms and conditions.

54. Employment generation as well as the creation of community assets like roads, buildings are the twin objectives of the schemes. Do you think that the

- (a) Emphasis on creation of community assets is necessary/not so necessary, but creation of assets is welcome/not at all necessary.
- (b) If the creation of assets is necessary, do you think that adequate planning has gone into the choice of projects, or the assets are created just for the sake of employment without valid uses.
- (c) Do you think that adequate know-how and personnel exist in the block/district level for planning and creation of community assets.

55. What do you think should the level of wages be in these employment generation programmes:

- (a) Equal to minimum agricultural wages.
- (b) Less than the minimum agricultural wages.
- (c) More than the minimum agricultural wages

56. Should the wages be

- (a) Piece rated.
- (b) Daily rated.
- (c) or both

57. There is frequent criticism that the work site is not near the place of residence, and the worker is to travel a long distance to go to the work site. Your suggestions for improving the operational efficiency of the scheme may be given.

58. Employment is statutorily guaranteed only in Maharashtra State. Do you think that similar legislation should be enacted in all the States and Union Territories. Also do you feel that this guarantee is in fact a real guarantee.

59. At present, 50% funds for NREP are given on the basis of number of agricultural labourers and marginal farmers, and 50% on the basis of incidence of poverty. Do you have any other formula for allocation of funds.

60. Do you advise operating this scheme as a 'support price operation' for the employment of rural labour during the lean period?

61. Any other suggestions regarding the employment generation schemes.

62. It is generally felt that available resources should be more effectively deployed to meet the twin objectives of employment and assets creation to meet village needs and that the programmes should provide greater flexibility at operational level. In view of these observations do you suggest a thorough review of employment programmes to make them more a comprehensive.

BONDED LABOUR

63. Do you agree that the definition of bonded labour as given in the Bonded Labour System (Abolition) Act, 1976 is adequate in the light of various Court decisions? The judgement given by Supreme Court in *Bandhua Mukti Morcha v/s. Union of India* may be referred to:

Observation of the Supreme Court in the *Bandhua Mukti Morcha* case

"Ordinary course of human affairs would, show, indeed judicial notice can be taken of it, there would be no occasion for labourer to be placed in a situation where he is required to supply forced labour for no wage or for nominal wages, unless he has received some advance or other economic consideration, he is required to render service to the employer or is deprive his freedom of employment or of the right to move freely wherever he wants. Therefore, whenever it is shown that a labour

is made to provide forced labour, the Court would raise a presumption that he is required to do so in consideration of an advance or other economic consideration received by him and he is, therefore, a bonded labourer. This presumption may be rebutted by the employer and also by the State Government if it so chooses but unless and until satisfactory matter produced for rebutting this presumption, the Court must proceed on the basis that the labour is bonded labourer entitled to the benefit of the provision of the Act."

64. Do you think that the existing machinery or identification of the bonded labour is adequate? If you have any suggestions to improve this machinery; kindly indicate them.

65. The Courts adopt a summary procedure for disposing of these cases. This is the simplest possible procedure under the Criminal Procedure Code. Do you suggest any improvement in the trial for offences committed under this Act.

66. Considering the total number of bonded labourers identified and freed the number of successful prosecutions is very meagre. What methods you suggest for successfully prosecuting offenders under the Act. Is it necessary to enhance the punishment under this Act. Please give your comments.

67. The released bonded labourers are being given assistance under a Centrally sponsored scheme. There is criticism regarding the implementation of this scheme by State Governments. What improvement would you suggest ?

68. It is often alleged that the released bonded labourer goes back into bondage due to inadequate means of livelihood and lack of support from the Government. Do you agree with this point of view. If so, what measures/schemes you would propose to prevent this from happening. Is the existing programme of rehabilitation adequate for the purpose or you would suggest some modifications ?

69. The State level and district level vigilance are very often either dormant or they have not even been constituted. What steps do you suggest for making them active ?

Land Reforms

70. Do you agree that the legislative measures taken since early 50's regarding abolition of intermediary tenures security to tenants with the object of conferring the ownership rights on them and imposition of land ceiling to generate surplus have been successful.?

71. It is reported that even after the coming into force of tenancy laws, hidden tenancy exists in large portions of the country by way of oral and informal agreements without bringing the tenancy on record. What measures do you suggest for preventing this ?

72. The land ceiling laws have generated a small percentage of the areas declared surplus for distribution among landless farmers (3.15%). What are your suggestions regarding making the law relating to the ceilings more rigorous or implementing the laws different way?

73. It has been found that there is large surplus land with the Government available for distribution. What suggestions you would like to offer for early distribution of available surplus land under the ceiling laws?

74. Do you agree with the observation that in some States the area of land allotted to the beneficiaries is very small and not economically viable and in some cases the land for distribution is fallow? Please give your views and suggestions. It has been recommended by some that States should themselves meet the expenditure on converting fallow land into cultivable land as is done in Orissa under the programme of Economic Rehabilitation of Rural Poor (ERRP) on experimental basis. Would you suggest implementation of such programmes in other States also, if so what modifications you would like to be introduced in such a programme.

Social Security

75. How much importance you think should be given to social security as a means to strengthen the economic and financial position of the weaker sections particularly agricultural and other rural workers including rural artisans?

76. Normally social security is understood as life insurance. Do you think of social security as a broad concept which should incorporate a package of measures. If so, indicate the significant elements or features which according to you should constitute a comprehensive social security plan for rural labour? Please outline such a scheme.

77. It is held that social security measures for rural labour are constrained by various factors such as :

- (a) schemes which involve a contribution being made by the employer cannot be used by this category since there is no permanent or stable nexus between the employers and the employees,
- (b) due to low and unstable wage structure, and the fact that rural labour is not employed throughout the year, it is not possible to design a system where such schemes could be operated only on the basis of contribution made by labour.
- (c) Since the employment available to rural labour is of a purely casual nature, benefits such as paid sick leave or maternity leave etc. are not available to this category.

To what extent can these limiting factors be eliminated so that the benefits of social security can be extended to the rural population.

78. How is the old age pension scheme functioning in your state/territory? Do you have any suggestions to expand its coverage and make it more useful to the rural poor?

79. It is generally felt that the age limit for eligibility of old age pension should be around sixty and that there should be no discrimination on the basis of sex. What are your views on this?

80. The other conditions attached to old age pension scheme like criteria of destitute and domicile are considered to be too strict. Do you propose to introduce some relaxation in these conditions?

81. The existing rate of old age pension is considered inadequate in most areas and has not been revised for a number of years. Do you propose to undertake periodic revision of the amount of old age pension keeping in view the cost of living index?

82. Is there in existence any scheme in your state/territory to cover the accident risk common in rural areas in different occupations? What measures have been adopted/intended to be undertaken in your state/territory to provide a cover against such accidents?

83. Give a brief description of each insurance scheme already under implementation or proposed to be implemented (individual or group scheme), mentioning specifically the problems experienced and the constraints faced especially financial.

84. A number of difficulties, procedural and others have been experienced in settling the claims of persons covered under various insurance schemes. It is partly due to factors like lack of education and awareness of the rights, scattered population and unorganised nature of rural labour. What measures have been taken in your state/territory for simplification of the procedures and timely settlement of claims?

85. Is it feasible in your state/territory to introduce a "Rural Health Insurance Scheme"? If so, what according to you, should be the coverage and broad frame-work of such a scheme. If considered not feasible, please give the main reasons?

LEGISLATIVE PROVISIONS

86. Agricultural labour is by and large unorganised and, therefore, exploited. What suggestions you would like to offer to protect their interest, keeping in view such important aspects as the effectiveness of the measures etc.?

87. What, according to you, are the different forms in which rural labour is exploited particularly the weaker amongst them like women and children tribes etc.?

88. In what different ways and how their exploitation can be checked?

89. What role do you assign to legislative measures in prevention/minimising exploitation of rural labour?

90. Various legislations have been enacted to prevent exploitation of rural labour and improve their working conditions. Would you like to suggest some more. If so, indicate the subject matter, nature and scope of such laws.

91. Do you think that the legislative measures adopted so far are adequate and enough to protect the interest of different types of tenants especially share-cropper? Please make your suggestions in this regard.

LABOUR MIGRATION

92. State the main reasons for migration to and from your state/territory. Please mention clearly whether migration takes place, by and large, under compulsion due to lack of work or to avail of better terms and conditions of employment and higher wages outside.

93. Please give the estimates of number of inflow and outflow of rural labour for the last five years.

94. Is migration of rural labour from one area to the other in the same state or from one state to another state a serious problem in your state. If so, what measures have been adopted to check it?

95. How do you classify or distinguish migratory labour from resident labour? What criteria is applied for this? Also indicate the nature of migration in short term or long term.

96. Migration takes place through different agencies such as contractors, relatives fellow workers and directly by employers? Please state which factors are predominant in your state/territory.

97. In what ways migration of labour affect the economy of the area from where the labour migrates and the area to which it migrates? Please indicate specifically the impact on wages and employment.

98. What are legislative and administrative provisions to check migration? State the problems faced in implementation of these laws and the different ways in which you would like them to be modified to make them more effective and useful.

99. The Inter-state Migrant Workmen (Regulation of Employment and Conditions or Service) Act was enacted in 1979. Please comment on the working of this Act and suggest modifications, considered necessary.

100. Apart from legislative and administrative provisions do you have, under implementation, any other scheme or measures to check migration? Please make your suggestions in this regard.

101. Migrant labour is often exploited in terms of hours of work, wages etc. please indicate the various ways in which it is exploited and suggest measures to check this exploitation.

Issues relating to planning process and impact of social development measures on the life of rural labour

102. India embarked upon planning process in 1951. The main objective of planning was to raise the standard and level of living of the masses particularly the down-trodden and weaker sections of our society. In this context, do you think that the fruits of planned development have reached the rural population adequately? What suggestions you would like to offer to make the planning process and planning techniques more responsive to the requirements of rural poor.

103. India's Five Year Plans embody the 20 point programme. Do you think that the points included therein cover the essential needs of the rural population. In what ways the programme can be made more useful for rural labour?

104. With a view to establish a net-work of basic service and facilities of social consumption in all areas, upto nationally accepted norms, within a specified time frame the Minimum Needs Programme was introduced in the first year of the Fifth Five year Plan. The minimum needs of the people identified under this programme in the Sixth Plan were, Elementary Education, Adult Education, Rural Health, Rural Water Supply, Rural Roads, Rural Electrification, Rural Housing, Environmental Improvement of Urban Slums, and Nutrition. Do you think that the requirements of rural labour are adequately covered in this programme or would you like to suggest some additional needs to be included in this programme?

105. Do you consider the implementation of the plan programme/schemes for rural labour to be satisfactory? Please offer your suggestions for strengthening the implementation machinery for timely completion of the various developmental programmes.

106. Comment on the various development plans and programmes in different sections of the economy such as agriculture and rural development, village and small industries, irrigation, education and training, health, family welfare, housing and water supply which have a direct impact on the working conditions and quality of life of rural labour. Please offer your suggestions to strengthen the programmes/schemes for speedy socio-economic development wherever considered necessary for the benefit of rural people.

107. The thrust of the formulation of the Eighth Plan is on planning from below, starting from district level. Do you think that this will take care in a larger measure, the needs and aspirations of the rural people? What suggestions you would like to offer in this respect to make planning in general and Eighth Plan in particular more meaningful and responsive to the rural section of our population?

108. Do you consider that rural labour would be adequately represented in the process of plan formulation at the district level, keeping in view that it is by and large unorganised and scattered? Please suggest mea-

asures necessary for effective and adequate participation of rural labour in drawing up the block level and district level plans in your State/Territory.

Investment pattern in various plans and choice of technologies

109. The investment pattern followed in different five year and annual plans is based on the priorities and objectives set forth for that period. Do you think that in the scheme of financial outlays, adequate consideration has been given to the rural sector and rural population ?

110. Eighth Plan is under formulation. What suggestions you would like to offer in allocation of funds for various programmes/schemes, keeping the interest of rural labour in view ?

111. Great emphasis is being laid on technological upgradation and modernisation. What according to you will be the impact of such a move on labour efficiency, productivity and wages ?

112. It is generally feared that improved technology leads to lower labour absorption. To what extent is this justified in the context of mechanisation and replacement of old machines by new ones which are technologically more advanced ?

113. In which particular occupations in rural areas, the demand for labour is likely to decline with introduction of better technology. Mention the specific measures you would like to be adopted to absorb the surplus labour, if any, in other occupation ?

PROBLEMS OF WOMEN AND CHILDREN

114. What measures have been taken in your State/Territory to check exploitation of women and child labour ? Do you think they are adequate ? If not, please suggest ways to make the existing measures more effective and new measures which could be adopted in this direction.

115. Wage discrimination on the basis of sex is a common practice. What is the position in this respect in your State/Territory? Mention special measures taken or contemplated to prevent such discrimination.

116. Since exploitation of women takes place as they are not organised. What steps have been taken by voluntary agencies and independent institutions to enable them to get their rightful claim ?

117. Education and technical training raises the skill and therefore, the bargaining power. What specific measures have been taken in this area to improve the bargaining strength and thereby check exploitation of women ?

118. Have any special measures been taken in your State/Territory to build up the overall personality

of working children by way of imparting education in their free time, giving them medical care etc.? What suggestions you would like to offer for (a) improving the skill of the working children, and (b) developing their overall personality so that they grow as useful citizens ?

COLLECTION OF DATA

119. Do you think that statistical data on the various aspects of rural population being collected regularly is adequate for drawing up the programmes of development for rural labour.

120. Please state clearly, and specifically the items (together with sources and periodicity) on which data relating to rural labour should also be collected.

121. Do you consider that the data collection machinery is adequate and equipped fully to collect the necessary data ? Offer your suggestion in this aspect.

122. It is generally held that the statistical data collected is mostly outdated and has a great time lag. What measures would you propose to reduce the time lag.

123. Dissemination of statistical and other information is considered to be very important. What measure could you suggest to make available the data collected/proposed to be collected to be used in time ? Is the institutional set-up for the same adequate in your State/Territory ? If not, give your suggestions to improve it.

124. What steps you consider should be taken to strengthen the data base in the light of changes in the policy of plan formulation which, from the Eighth Plan onwards, will be based on district level ?

125. In addition, to statistical data, (as in other sectors like industry and transport) certain basic issues and problems concerning rural labour require in depth studies on a regular basis. Please suggest the main aspects on which such studies should be undertaken.

126. Do you think there exists adequate institutional set up in our country for undertaking the studies and research projects on rural labour ? Please offer your suggestions for strengthening the existing institutions and starting new ones.

127. How should rural labour research be promoted in universities and other research bodies ?

128. What are your suggestions for timely circulation and dissemination of the various specialised studies and research project reports so that they are fully made use of by governmental and non-governmental agencies.

APPENDIX VIII

LIST OF PERSONS WHO FURNISHED REPLIES TO THE COMMISSION TO ITS QUESTIONNAIRE ON VARIOUS ASPECTS OF RURAL LABOUR

Central Ministries/Departments

1. National Sample Survey Organisation.
2. C.S.O., Ministry of Planning.
3. Border Road Organisation, Ministry of Surface Transport.
4. Department of Agriculture and Co-operation, Ministry of Agriculture.
5. Deptt. of Science & Technology, Ministry of Science & Technology.
6. Department of Industrial Development, Ministry of Industry.
7. D.G.E. & T., Ministry of Labour.
8. K.V.I.C., Bombay, Ministry of Industry.
9. Office of the Development Commissioner, (S.S.I.) Ministry of Industry.
10. Deptt. of Rural Development, Ministry of Agriculture.
11. Development Commissioner (Handicraft), Ministry of Textile.
12. Labour Bureau, Shimla, Ministry of Labour.
13. Commission for S.C. & S.T., Ministry of Welfare.

State Govt./Departments

14. Office of the Labour Commissioner, Govt. of Andhra Pradesh, Hyderabad.
15. Assam Institute of Research for Tribal & SC, Govt. of Assam, Guwahati.
16. Department of Labour, Govt. of Arunachal Pradesh, Itanagar.
17. Labour Commissioner, Govt. of Bihar, Patna.
18. Office of the Commissioner, Labour and Employment, Panaji.
19. Labour and Employment Department, Govt. of Gujarat, Gandhinagar.
20. Rural Labour Commissionerate, Gujarat State, Gandhinagar.
21. Labour & Employment Department, Govt. of Haryana, Chandigarh.
22. Labour & Employment Department, Govt. of Himachal Pradesh, Shimla.

23. Office of the Labour Commissioner, Govt. of Jammu & Kashmir, Srinagar.
24. Social Welfare & Labour Deptt., Government of Karnataka.
25. Expert Committee to study the Problems of Farmers, Government of Karnataka.
26. Office of the Labour Commissioner, Kerala.
27. Deptt. of Labour, Govt. of Madhya Pradesh.
28. Department of Forest Revenue, Govt. of Madhya Pradesh.
29. Industries, Energy and Labour Deptt., Govt. of Maharashtra, Bombay.
30. Secretary (Labour), Govt. of Manipur, Imphal.
31. Labour and Employment Deptt., Govt. of Orissa, Bhubaneswar.
32. Govt. of Punjab, Deptt. of Labour & Employment, Chandigarh.
33. Labour Department, Government of Meghalaya, Shillong.
34. Directorate of Labour & Employment, Govt. of Mizoram, Aizwal.
35. Labour Deptt., Govt. of Nagaland, Kohima.
36. Deptt. of Labour, Govt. of Sikkim, Gangtok.
37. Labour Deptt., Govt. of Tripura, Agartala.
38. Labour and Employment Deptt., Govt. of Tamil Nadu, Madras.
39. Govt. of Uttar Pradesh, Lucknow.
40. Forest Deptt., Garhwal Forest Division, Pauri, U.P.
41. Project Officer, Integrated Tribal Development Programme (S.C. & S.T. Welfare Deptt., Bankura, West Bengal).
42. Labour Department. Govt. of West Bengal.

Academic Institutes

43. Dr. R. Sahay, Bihar University, Muzaffarpur.
44. A.N.S. Institute of Social Studies, Patna.
45. Gandhi Labour Institute, Ahmedabad.
46. Dr. D. B. Gupta, South Gujarat University, Surat.
47. Agro Economic Research Centre, Sardar Patel University, Gujarat.

48. Gujarat Institute of Area Planning, Ahmedabad.
49. Population Research Centre, Darwad, Karnataka.
50. Tata Institute of Social Sciences, Bombay
51. University of Poona, Pune.
52. Central Board for Workers Education, Nagpur
53. Ambedkar Institute of Labour Studies, Bombay.
54. Karve Institute of Social Service, Pune
55. Tamil Nadu Institute of Labour Studies.
56. Indian Institute of Economic Research, U.P.
57. Scheduled Caste and Tribes Welfare Deptt., Cultural Research Institute, Calcutta.
58. Indian Statistical Institute, Calcutta
59. Centre for Women's Development Studies, Delhi
60. Friedrich Ebert Foundation, New Delhi.
61. Giri Institute of Development Studies, Lucknow.
75. Centre for Rural Action, Anantapur.
76. Action for Welfare and Awakening in Rural Environment (AWARE), Hyderabad.
77. Bellary Area Comprehensive Rural Development Project, Kurnool Distt.
78. Krishnanagar Social Welfare Education Centre, Jorhat.
79. Barkhetri Unnayan Samithi, Nalbari.
80. Rashtriya Gramin Vidya, Fatehpur.
81. Sarvangin Gram Vikas Kendra, Palamau.
82. Akhil Bharatiya Vishwa Karma Mahashabha, Patna.
83. Bal Nalkanta Prayojik Sangh.
84. Amar Bharti Trust, Ahmedabad.
85. Self Employed Women's Association (SEWA), Ahmedabad.
86. Sardar Sarover Narmada Nigam, Gandhinagar.
87. Office of the J & K Markazi Behboodi Khawateen, Miskeen Bagh, Srinagar.
88. Bhagyodaya Rural Development Trust, Mysore.
89. Karnataka Khadi Gramodyog Samyukta Sangh, Hubli.
90. Manipal Industrial Trust, Manipal.
91. People's Vigyan Kendra, Farmers and Rural Afforestation Training Centre, Tumkur.
92. Vandanmedu Development Society, Idukki.
93. Karshalai Congress, Varapuzha.
94. Kerala Iykya Mahila Samajam, Quilon.
95. Self Employed Women's Association (SEWA), Indore.
96. Bhoruka Charitable Trust, Bombay.
97. Mazdoo Manzil, Bombay.
98. Association for Rural Development, Manipur.
99. The volunteers for Backward Classes Development Project, Ukhru, Manipur.
100. Bhagat Singh Pathagar, Lathore.
101. Club of Community Evolution in Welfare Activity.
102. Peoples' Rural Education Movement, Berhanpur.
103. Peoples' Institute for Participating Action.
104. Guniya Unnayan Committee, Puri.
105. JAGRUTI, Phulbani.
106. Gram Vikas, Berhampur.
107. Kasturba Mahila Samity, Sambalpur.

Experts Individuals

62. Dr. Kripa Shankar, Reader in Economics Govind Ballabh Pant Social Science Institute, Allahabad.
63. Prof. G. Parthasarathy, Andhra University, Vishakapatnam (A.P.)
64. Dr. N. K. Perumal, General Secretary, Joint Action Council of Voluntary Agencies for Employment Guarantee Act, Gramya Bhavan, Aruvankadu, Nilgiris.
65. Sh. S. M. Aziz Ahmed, Secretary, Rashtriya Gramin Vikas Sansthan, At & P.O. Arwal (Jahanabad), Bihar.
66. Shri Rasik Lal B. Shukla, Anand Mein, Ahmedabad.
67. Prof. Shiela Bhalla, Institute for Studies in Industrial Development, New Delhi.
68. Dr. V. M. Rao, Institute for Social and Economic Change, Bangalore.
69. Development Manager, Agricultural Banking, State Bank of India, Ahmedabad.
70. Prof. J. S. Sodhi, Rural Labour Studies Programme, Shri Ram Centre for Industrial Relations and Human Resources, New Delhi.
71. Prof. M. L. Dantwala, Indian Society of Agricultural Economics, Bombay.

Voluntary Organisations

72. Christian Concern Mission, Ranga Reddy District.
73. Young India Project, Ananthapur Distt.
74. Prajashakti Vidya Sangathan, Krishna Distt.

108. Kindness Cottage, Koraput, Health and Integrated Rural Development Agency, Koraput.
 109. Kasturba Gandhi National Memorial Trust, Cuttack.
 110. Lion Club of Rayagada, Rayagada.
 111. Dhakotha Jubak Sangha, Dhakatha, Distt' Keonjhar.
 112. Gram Punarachna Parishad, Udaipur.
 113. Development Promotion Group, Madras.
 114. Avinashilingam Institute for Home Science & Higher Education, Coimbatore.
 115. Centre for Development & Communication Trust, Madurai Distt.
 116. Gandhi Gram Trust, Gandhigram.
 117. Grammonati Sansthan, Mahoba, Hamirpur.
 118. Gyan Bharati Mahila & Balvikas Parishad.
 119. Akil Bharatiya Rachanatmak Karya Sangathan.
 120. Vinoba Bhave Seba Ashram.
 121. Ashok Sangthan Kundeshwar, Gogipur.
 122. National Council of Education, Vrindaban.
 123. Gram Seva Sangh, Habra, 24 Pargana, West Bengal.
 124. Usha Gram Vikas Kendra, Vidya Niketan, Distt. Nadia.
 125. Gurdas Seva Samsad.
 126. District Council for Rural Welfare, Midnapore.
 127. Bangiya Karamakar Mahasabha, Calcutta.
 128. Satya Bharati, P.O. Nabagram, Distt. Hooghly.
 129. Centre for Labour Education and Social Research (CLEAR), NEW DELHI.
 130. National Federation of Indian Women, New Delhi.
- Trade Unions**
131. Bharatiya Khet Mazdoor Union, Gujarat.
 132. Agricultural Labour Association, Ahmedabad.
 133. Aurangabad Zila Lal Bhawata Shet Mazdoor Union, Aurangabad.
 134. Nagpur Zilla Shet Mazdoor Union, Nagpur (A.I.T.U.C.)
 135. Punjab Khet Mazdoor Sabha, Punjab.
 136. U.P. National Rural Labour Congress (I.N.T.U.C.), Agra.
 137. National Front of Indian Trade Unions, Calcutta.
 138. Centre for Indian Trade Unions, New Delhi.
 139. Indian National Trade Union Congress, New Delhi.
 140. All India Agricultural Workers' Union, New Delhi.
 141. Hind Mazdoor Sabha, New Delhi.

Note : There were also 85 respondents who furnished a nil reply to the questionnaire.

APPENDIX IX

LIST OF STUDY GROUPS/STUDIES SET UP BY N.C.R.L.

Name of the Study Group	Chairman
1. Criteria, definition and characteristics of rural labour .	Prof. Pradhan H. Prasad, Director, A. N. Sinha Institute of Social Studies, Patna, Bihar.
2. Minimum Wages	Dr. H. Pais, Chairman, Assam Board of Revenue, Pan-bazar, Guwahati, Assam.
3. Bonded Labour	Sh. B. N. Yugandhar, Director, Lal Bahadur Sastri National Academy of Administration, Mussoorie (U.P.)
4. Migrant Labour	Prof. Ghanshyam Shah, Senior Fellow, Centre for Social Studies, South Gujarat University Campus, Surat.
5. Women and Children	Mrs. H. Bedi, Development Support Team, Raj Kamal, No. 3, 124/11 Erandawana, Pune, Maharashtra.
6. Economic and Social Security	Shri T. S. Sankaran c/o. The New Concept Consultancy Services, F. 4/12, Malviya Nagar, New Delhi.
7. Employment Generation	Prof. Sheila Bhalla, Institute for Studies in Industrial Development Narendra Niketan, Behind Police Head Qtrs., IP Estate, N. Delhi.
8. Land Reforms and Common Property Resources	Dr. V. M. Rao, Prof. & Head Rural Economic Unit, Instt. for Social and Economic Change, Nagarabhavi P.O., Bangalore.
9. Technology and development strategy for rural labour	Dr. T. S. Papola, Adviser, (LEM) Planning Commission New Delhi.
10. Anti-poverty programmes	Dr. Indira Hirway, Prof. of Economics, Gandhi Labour Instt. Thaltej Road, Ahmedabad.
11. Labour Laws	Dr. Upendra Baxi, Vice-Chancellor, Delhi University, Delhi.
12. Rural Labour Indebtedness	Shri Nripen Bandyopadhyaya, Centre for Studies in Social Sciences, Calcutta.
13. Organisation of Rural Labour and Role of Government, Unions and Voluntary Agencies	Dr. M. V. Nadkarni, Prof. & Head, Ecology Economics Unit, Instt. for Social & Economic Change, Bangalore.
14. Assessment of Basic Needs of Rural Labour	Dr. N. K. Sarkar, Joshi Adhikari Instt. of Social Studies, Rajni Palm Dutt Bhawan, 5E, Rani Jhansi Road, New Delhi.
15. Social Constraints of Rural Labour	Prof. Partha Nath Mukherjee, Indian Statistical Instt. 7 SJS, Sansanwal Marg, Next to Qutab Hotel, New Delhi.
16. Planning Process	Dr. V. S. Vyas, Director, Instt. of Development Studies' B-124 A, Mangal Marg, Babu Nagar, Jaipur.
Special Studies	
1. Janata Cloth Production Scheme for Handloom Weavers	Prof. Ramesh M. Bhatt, Development Consultant,, Ahmedabad.
2. Dairying for Rural Women's Employment Generation	Ms. Viji Srinivasan, Managing Director, ADITHI, Patna.
3. (i) Quick Study on Rural Unrest in Telengana Region of Andhra Pradesh.	Dr. N. Linga Murthy, Head Deptt. of Economics, Kakatiya University, Warangal, Andhra Pradesh.
(ii) Quick Study on Rural Unrest in Bihar	Ms. Indu Bharti, Research Associate, A. N. Sinha Instt. of Social Studies, Patna.

APPENDIX X

LIAISON OFFICERS NOMINATED BY THE DIFFERENT STATE GOVERNMENTS/UNION TERRITORIES

1. Shri G. Venkateswarlu, Joint Secretary to Govt. of Andhra Pradesh.
 2. Shri Toyi Dai, Secretary (Labour) to Govt. of Arunachal Pradesh.
 3. Shri Leeladhar Borghain, Research Officer, Labour & Employment Deptt., Govt. of Assam.
 4. Shri Ganesh Prasad, Assistant Commissioner of Labour, Govt. of Bihar.
 5. Shri R. S. Mardolker, Commissioner (L & E) Govt. of Goa.
 6. Shri P. B. Mohite, Rural Labour Commissioner, Govt. of Gujarat.
 7. Shri Dharmendra Nath, Labour Commissioner to the Govt. of Haryana.
 8. Shri Gyan Singh Chambyal, Labour Commissioner & Secretary (Labour) to the Govt. of Himachal Pradesh.
 9. Shri S. K. Mahajan, Labour Commissioner, Govt. of Jammu & Kashmir.
 10. Shri Sangameswar, Labour Commissioner, Govt. of Karnataka.
 11. Shri R. N. Joseph, Labour Commissioner, Govt. of Kerala.
 12. Shri S. H. Moyel, Deputy Labour Commissioner to the Govt. of Madhya Pradesh.
 13. Shri G. B. Dingre, Commissioner of Labour, Govt. of Maharashtra.
 14. Shri Rajindra Singh, Deputy Labour Commissioner, Govt. of Manipur.
 15. Shri W. R. Laitflang, Labour Commissioner, Govt. of Meghalaya.
 16. Shri Ramsang Jazauva, Secretary (L & E) to the Govt. of Mizoram.
 17. Shri Mungshi Aier, Labour Commissioner, Govt. of Nagaland.
 18. Shri Umashankar Mishra, Deputy Secretary (L & E) to the Govt. of Orissa.
 19. Under Secretary (L & E) to the Govt. of Punjab.
 20. Shri A. N. Bhargava, Joint Labour Commissioner, Govt. of Rajasthan.
 21. Shri Tashi Wangchuk, Deputy Secretary (Labour) to the Govt. of Sikkim.
 22. Shri K. Malaisamy, Labour Commissioner, Govt. of Tamil Nadu.
 23. Shri Maniklal Majumdar, Labour Commissioner, Govt. of Tripura.
 24. Shri Bihari Lal, Joint Secretary (Labour) to the Govt. of Uttar Pradesh.
 25. Shri B. Banerjee, Joint Secretary (Labour) to the Govt. of West Bengal.
- Union Territories**
1. Shri R. Shanticharan, Labour Commissioner, A & N Islands Administration.
 2. Shri R. K. Bhatia, Labour Commissioner, Delhi Administration.
 3. Thiru S. D. Henry, Dy. Labour Commissioner, Pondicherry Administration.
 4. Shri M. Sivasubramaniam, Settlement Officer, Lakshadweep Administration.

APPENDIX XI

LIST OF CENTRAL OFFICIALS WHO WERE NOMINATED AS LIAISON OFFICERS ON
VARIOUS STUDY GROUPS

S. No.	Title	Liaison Officer of the Govt. of India
1	2	3
1.	Criteria, definition and characteristics of Rural Labour	Shri Jagdish Joshi, Director General (Labour Welfare) Ministry of Labour.
2.	Minimum Wages	(1) Sh. C. P. Cheema, Joint Secretary, Ministry of Textiles. (2) Sh. Behura, Director, Ministry of Industry, Deptt. of Industrial Development. (3) Sh. G. S. Lobana, Joint Secretary, Ministry of Labour. (4) Sh. M. Sampangi, Addl. Economic Adviser, Ministry of Commerce. (5) Sh. M. D. Asthana, Jt. Secretary, Deptt. of Rural Development. (6) Dr. M. S. Avadhani, Chief of Mineral Statistics Indian Bureau of Mines, Nagpur.
3.	Bonded Labour	Shri Jagdish Joshi, Director General (LW), Ministry of Labour.
4.	Migrant Labour	(1) Shri Jagdish Joshi, Director General (LW), Ministry of Labour. (2) Dr. M. S. Avadhani, Chief of Mineral Statistics, Indian Bureau of Mines, Nagpur. (3) Sh. M. D. Asthana, Jt. Secretary, Ministry of Rural Development.
5.	Women & Children	(1) Smt. T. K. Sarojini, Jt. Director, Ministry of Human Resource Development.
6.	Economic & Social Security	(1) Smt. Asha Das, Joint Secy., Ministry of Welfare. (2) Dr. R. P. Sinha, Economic and Statistical Adviser, Ministry of Agriculture. (3) Miss Meena Gupta, Director, Ministry of Labour. (4) Ms. Sujatha Rao, Director (Medical), Ministry of Health and Family Welfare. (5) Sh. M. B.L. Nigam, Jt. Director, Ministry of Finance, Deptt. of Economic Affairs.
7.	Employment Generation	Sh. S. S. Surya Narayanan, Jt. Adviser, (LEM), Planning Commission.
8.	Land Reforms and Common Property Resources	(1) Shri M.C.K. Swamy, Scientist, Ministry of Environment & Forest. (2) Sh. K. B. Saxena, Jt. Secy. (LR). (3) Sh. Munish Goyal, Director (LR), Deptt. of Rural Development.

1	2	3
9. Technology and Development Strategy for Rural Labour	(1) Sh. Jagdish Joshi, Director General (LW), Ministry of Labour. (2) Smt. Sarala Gopalan, Jt. Secy., Deptt. of Rural Development. (3) Dr. N. R. Bhasin, Dy. Director General, CAPART.	
10. Anti-Poverty Programmes	Sh. Inderjit Khanna, Jt. Secy. (IRD), Deptt. of Rural Development.	
11. Labour Laws	(1) Sh. C. S. Nimwal, Addl. Legal Adviser, Ministry of Law & Justice. (2) Sh. H. Ghosh, Jt. Secretary, Ministry of Labour.	
12. Rural Labour Indebtedness	(1) Shri J.N.L. Srivastava, Jt. Secretary, Ministry of Agriculture. (2) Sh. M.B.L. Nigam, Jt. Director, Ministry of Finance. (3) Sh. M. D. Asthana, Jt. Secy. (RE), & Deptt. of Rural Development. (4) Sh. Inderjit Khanna, Jt. Secretary (IRD), Deptt. of Rural Development. (5) Sh. P. N. Ramamurthy, Director, Banking Division, Ministry of Finance, Deptt. of Economic Affairs.	
13. Organisation of Rural Labour and Role of Govt. Unions and Voluntary Agencies	(1) Dr. Zafar Ali, Director, CAPART. (2) Sh. Jagdish Joshi, Director General (LW), Ministry of Labour. (3) Smt. Sarala Gopalan, Jt. Secretary.	
	OR	
	Sh. K. B. Saxena, Jt. Secretary, Deptt. of Rural Development.	
14. Assessment of Basic Needs of Rural Labour	(1) Dr. B. K. Sahai, Jt. Adviser (RD), Planning Commission. (2) Sh. M. D. Asthana, Jt. Secretary (RE).	
	OR	
	Sh. G. Ghosh, Jt. Secretary (TM), Deptt. of Rural Development.	
	(3) Sh. C. Chandra Mohan, Jt. Director, Labour Bureau, Cleremont, Shimla.	
15. Social Constraints of Rural Labour	(1) Smt. Asha Das, Jt. Secretary, Ministry of Welfare. (2) Smt. T. K. Sarojini, Joint Director, Deptt. of Rural Development.	
16. Planning Process	(1) Sh. M. D. Asthana, Jt. Secretary (RE), Deptt. of Rural Development. (2) Shri G. Ghosh, Jt. Secretary, (TM) Deptt. of Rural Development. (3) Dr. B.N. Saha', Jt. Adviser (RD), Planning Commission.	

APPENDIX XII

LIST OF TRADE UNIONISTS, REPRESENTATIVES OF THE VOLUNTARY ORGANISATIONS AND SOCIAL ACTIVISTS WHO PARTICIPATED IN THE DISCUSSIONS WITH THE NATIONAL COMMISSION ON RURAL LABOUR DURING ITS VISITS TO VARIOUS STATES

ANDHRA PRADESH

- | | |
|---|--|
| 1. Shri N. Narasimha Reddy | Hind Mazdoor Sabha (HMS). |
| 2. Shri P. Vasudev | President, All Shops Employees Federation. |
| 3. Shri D. Venkatesam | Vice President, State INTUC. |
| 4. Shri D. Yadaiah Gowd | Toddy Tappers Workers Union. |
| 5. Shri S. Sudhakar Reddy | Secretary, AP Agricultural Workers Union, AITUC. |
| 6. Ms. Gita Ramaswamy | Ibrahimpatnam Taluk Agricultural Labourers Union. |
| 7. Shri V. Tittal Raj | Navayuga Beedi Karamika Sangham. |
| 8. Dr. Vali Guruvareddy | Rural Labour AP State Vice President, All India & Govt. Farms. |
| 9. Shri V. Sankar Babu | APAU State Workers Legal Adviser. |
| 10. Shri Salam Shahedi | AITUC, Hyderabad Council. |
| 11. Shri D. Chinnamallayya | M.L.A. & State Toddy Tappers Workers Union, Vice President. |
| 12. Shri B. Dharmabisham | President, AP, Toddy Tappers Sangh. |
| 13. Shri D. Veeranna Gowd | Treasurer, AP, Toddy Tappers Sangh. |
| 14. Shri P. Ramulu | Advocate |
| 15. Shri D. G. Narasimhulu | General Secretary, CITU. |
| 16. Shri R. Sudha Shankar | Treasurer, CITU, Distt. Mehboobnagar. |
| 17. Shri S. Vishwanath | State Secretary, BMS Distt., Mehboobnagar. |
| 18. Shri K. Srishailam | TMTIC/TDP, Distt. Mehboobnagar. |
| 19. Shri Mehmood | IFTU/Beedi Workers, Distt. Mehboobnagar. |
| 20. Representative | All Andhra Agricultural Labour Union, INTUC Distt. Mehboobnagar. |
| 21. Shri Venkataramiah and Others | Youth for Action, Distt. Mehboobnagar. |
| 22. Shri D. G. Narasimhulu | General Secretary, CITU. |
| 23. Shri Vali G. Guruva Reddy | President (BMS), Rural Labour, AP State. |
| 24. Shri J. V. Raghavulu | Secretary, Andhra Pradesh Handloom Workers Association. |
| 25. Shri N. Raghava Reddy | MLA, Hon. President, AP Kallugeetha Karamika Sangham. |
| 26. Shri K. Venkataiah | Secretary, AP Kallugeeta Karamika Sangham. |

BIHAR

- | | |
|-------------------------------|---|
| 1. Shri Laloo Singh | Member, C.P.I. |
| 2. Shri Rameshwaram | Bihar Bandhua Mukti Morcha Sangh. |
| 3. Fr. Alex Gabrice | Director, Garivangin Gramin Vikas Kendra, Daltonganj. |

4. Shri G. Thakur Secretary, Association for Social Health in India, Palamau District Branch.
5. Shri Sita Ram Singh President, Palamau Zila Khetihar Mazdoor Sangh, Palamau.
6. Shri Harihar Singh President, Palamau Zila Khetihar Mazdoor Sangh, Palamau.
7. Shri U. P. Gupta President, Bihar Gramin Kisan.
8. Shri Ramnath Ram Secretary, C.P.M., Palamau.
9. Shri Suryapat Singh (Advocate) President, Palamau Zila Khet Mazdoor Union, Daltonganj.
10. Shri Rajendra Tiwari Secretary, Bihar State Pathar Tor Mazdoor Union, Palamau.
11. Shri D. K. Singh Khetihar Mazdoor Panchayat, Palamau.
12. Shri K. D. Singh Secretary, C.P.I., Daltonganj.
13. Shri Kailash Ram Secretary, Khet Mazdoor Union, Palamau.
14. Shri Suleman Ansari Distt. Minister, Janvadi Naujawan Sabha of India.
15. Shri Sudama Pandit Bihar State Khetihar Mazdoor Union, Palamau.
16. Shri Rakesh Goyal President, SEVA Manika.
17. Shri J. R. Bhagat Secretary, SEVA, Manika, Palamau.
18. Shri Arjun Kumar Chhatra Yuva Sanghar Wahini.
19. Shri Raj Kishor Pragatishil Chhatra Sangh.
20. Shri Raghwendra Pathak Bharatiya Kala Mandir.
21. Shri A. K. Dwivedi Jan Vikas Kendra, Palamau.
22. Shri R. K. Srivastava Jan Vikas Kendra, Palamau.
23. Shri Vishwanath Ram C.P.M.
24. Shri Vinod Kumar Secretary, Mazdoor Kisan Sangarsh Samithi.
25. Shri Nandlal Singh People's Union for Civil Liberties, Palamau.
26. Shri Vudesh Kumar Singh Janta Dal.
27. Shri Kanak Prakash General Secretary, BMS, Bihar State Khetihar Mazdoor Sangh, Bihar Sharif (Nalanda).
28. Shri Ramdev Prasad B.M.S., President, Bihar State Khetihar Mazdoor Sangh, C-1, Housing Colony, Kankarbagh, Patna-20.
29. Shri Ram Babu Arpan, Gramin Vikas Samiti, Maner, Patna-801 108.
30. Shri Kapileshwar Ram "Prayas" Gramin Vikas Samiti, Phulbari Sharif, Patna-801 505.
31. Shri Uday Narayan Chaudhry Vidhayak Vidyapati Marg, Patna-1.
32. Shri Sarangdhar Paswan Bihar Prantiya Khetihar Mazdoor Union, 13-B, Bahadurpur, Patna-16.
33. Shri Chandhi Prasad C.I.T.U., Bihar.
34. Shri Prem Pradeep M.P., President, Bihar Prantiya Khetihar Mazdoor Union.

GUJARAT

1. Shri M. T. Shukla President, Agricultural Labour Association, Gandhi Major Sevalaya.
2. Ms. Meena Patel Union-Co-Ordinator, SEWA.
3. Shri B. Logilal A Yagerk General Secretary, Agricultural Labour Association.

KARNATAKA

1. Shri A. Venkataramu President, Bhartiya Mazdoor Sangh
2. Shri Aneel Prasad Hegde General Secretary, Kishan Panchayat
3. Shri S. R. Rao Secretary, Hind Mazdoor Kisan Panchayat.
4. Shri P. Ram Dev Working President, Hind Mazdoor Kisan Panchayat.
5. Shri V. G. Varma Secretary, INTUC.
6. Shri N. K. Upadhyaya Secretary, CITU.
7. Shri B. V. Kakkilaya Vice-President, ATTUC.
8. Shri Chandra Shekar Bala Secretary, Karnataka State Committee Prant Krushi, Kootikar (AIAUC).
9. Shri N. P. Jagadeesh Vice-President, Bhartiya Kisan Mazdoor Union.
10. Shri G. M. Venkatesh General Secretary, Karnataka State Agricultural Workers Union.

MADHYA PRADESH

1. Shri Parab Chand Jain President, Hind Mazdoor Kisan Panchayat, Madhya Pradesh.
2. Shri C. R. Baxi General Secretary, I A T U C, M.P. Unit, Bhopal.
3. Shri Dharam Das Shukla General Secretary, Bhartiya Mazdoor Sangh, Bhopal.
4. Shri Kailash Chandra Rawat General Secretary, Forest Workers Union, Madhya Pradesh (Affiliated to Bhartiya Mazdoor Sangh)
5. Shri Kamta Prasad Pathak Secretary, Bhartiya Mazdoor Sangh, Bhopal.
6. Shri Shiv Ram Shah Gahalot Bhartiya Mazdoor Sangh, Bhopal.
7. Shri Krit Pal Gupta President, District Bhartiya Mazdoor Sangh, Bhopal.
8. Shri Balkrishna Gupta President, Rajya Khet Mazdoor Union, Bhopal.

(Raipur District Visit)

1. Smt. Janak Bala Sharma M.P. Rashtriya Gramin Mazdoor Congress.
2. Smt. Anisa Begum Do.
3. Ms. Shanti Yadu Do.
4. Ms. Meera Sapra M.P., Rajya Samaj Kalyan Board & Gandhi National Memorial Sangh.
5. Smt. Asha Thakur President, Adivasi Parishad, M.P.
6. Shri Prem Chand Lanar Secretary, Gramin Vimukti Sangthan.
7. Shri Hari Prem Baghel Ex-MLA, Vice-President, Chhattisgarh Vikas Parishad, Tatyapar, Raipur.
8. Shri Uma Kant Chafekar Harijan Sewak Sangh, Raipur.
9. Shri Chatarbhuji Rathore Organiser, Krishi Mazdoor aivum Karkhana Shramik Sangthan.
10. Shri Atma Ram Representative, Rama Krishna Mission, Raipur.
11. Shri Mohd. Yunus Divisional Chief, Mazdoor, Kalyan Samiti.
12. Representatives Bandhua Mukti Morcha, PRAYOG.
Harijan Sewak Sangh,
Mukti Niketan Kendra, Raipur.
13. Shri Kanhaiyalal Saryavarsi M.P., Harijan Sewak Sangh, Raipur.

MAHARASHTRA

1. Shri Vivek Pandit Shram Sangthan, Vidhayak Sansad, Dahisar Vasai Talluka, Distt. Thane.
2. Shri Mukund Dondiba Maske Gram Swaraj Samiti, Maharashtra, H & PO Vikram Garh, Jawahar Talluka, Distt. Thane.
3. Shri N. S. Ambedkar President, Bidi Kamgar Samiti, Sinnar Talluka, Distt. Nasik.
4. President Beedi Workers Union, 78-Main Road, Nasik.
5. President Indian Conference of Social Workers, 912, Radha Niwas, Pohri Gali, Nasik.
6. Madhukar Kalri President, Ahmednagar Zilha Shet Mazdoor Trade Union, Tehsil Kachahari Road, Shrirampur, Distt. Ahmednagar.
7. President Beedi Mazdoor Sabha, HMS Sanganeer, Distt. Ahmednagar.
8. Shri Vijandra Kabra President, Marathwad Rashtriya Bidi Mazdoor Sangh (INTUC), Kokatpura, Distt. Aurangabad.
9. Shri D. R. Sarge Marathawad Beedi Kamgar Union (CITU), Ram Nagar, Old Jalna, Distt. Aurangabad.
10. Shri Jeewan Samaria Shelar Adhayksh Bhumi Sena, At Post Manor, Taluka Palghar, Distt. Thane.
11. Shri Kaliram Dhodada Adhyaksh Kashkari Sangathana, At Sisane, Post Dhundawadi Taluka Dahanu, Distt. Thane.
12. Shri Vijay Sathe Karya Adhyaksh, Shramik Mukti Sangathan, Post Murbad, Taluka Murbad, Distt. Thane.

ORISSA

1. Shri Biswanath Pandit H.M.S., (President, Orissa Kendupatra Karamchari Sangh)
2. Shri Simanchal Panda Sramik Seva Pratistan, Bhubaneshwar.
3. Shri Lambodar Nayar CITU (President)
4. Shri K. C. Patra H.M.S. (General Secretary)
5. Shri R. K. Samantra H.M.S. (Vice President)
6. Shri Jogendra Nath Tripathy H.M.S. (General Secretary)
7. Shri B. K. Mahanty H.M.S. (Vice President)
8. Shri Ranganath Mahapatra B.M.S. (Vice President)
9. Shri Radha Raman Sarangi CITU
10. Shri Durga Charan Mahanty AITUC (Vice President)
11. Shri Somanath Patra All India Krushak Sabha (AIKS)
12. Shri Yudhistir Mahana B.M.S. (Secretary)
13. Shri Gangadhar Paikray AIKS
14. Dr. Belarani Dutta Social Worker (President, Mahila Mahal, Orissa)
15. Shri Kshitish Biswal Orissa Kheta Mazdoor Union (Secretary)

RAJASTHAN

1. Shri Raj Bahadur Chairman of the Trustee Board.
2. Shri Ramballubh Secretary, Rajasthan Khedi Gramodhyog Sangathan Sangh.

3. Shri Ravindra Shukla Trade Union Leader, CITU, Jaipur.
4. Shri Prem Chand Pargi Jaipur (AIKS)
5. Shri Navrang Singh Ganga Nagar (AIAWU)

TAMIL NADU

1. Shri M. Chella Muthu Ex-MLA, CPI (M), President, Agricultural Workres Union, Tamil Nadu State Committee, Thanjavur.
2. Shri N. Thirunavukkarasu Secretary (Incharge), AIAWU, Tamil Nadu.
3. Shri K. Kamraj (Representative) CITU
4. Shri. A. K. Ganesan Trade Union Leaders of Needamangalam.
5. Shri K. Ramanan Do.
6. Shri Kailasam & Others Do.
7. Shri G. Pitchaiyam & Others Chairman, Panchayat Union, Needamangalam, Kana-gasigamani.
8. Shri Selvaraj, M.P. and other Trade Union leaders and representatives of agricultural workers Nagapattinam.
9. Shri S. Guhan MIDS

UTTAR PRADESH

1. Shri Kallu Ram President, Kalin Udyog Mazdoor Sangh (Bhartiya Mazdoor Sangh)
2. Md. Samshed Khan Secretary, Centre for Rural Education and Development Action (Kera), 490, Awas Vikas Colony, Mirzapur.
3. Shri Ram Naresh Singh (Advocate) President, Akhil Bhartiya Krishi Mazdoor Sangh (Bhartiya Mazdoor Sangh), F-7, Mahapalika Colony, Pishachmochan, Varanashi.
4. Shri Rama Kant Ray Saghan Kshetra Vikas Samiti, Sevapur, Varanasi.
5. Shri Santosh Kumar Singh Do.
6. Shri Sheo Ram Singh Do.
7. Shri Lallan Shukla Secretary, Kalin Udyog Mazdoor Sanah (Bartiya Mazdoor Sangh).
8. Shri Ram Sawaroop Parmahans Provincial Joint Secretary, U.P. Mazdoor Trade Union Congress.
9. Mrs. Shanti Pandey Union Mahila Congress.
10. Shri Chapla Singh Trade Union Mahila Congress.
11. Kumari Ansuia Sharma President, U.P. Mazdoor Trade Union Congress, U.P. INTUC Women Branch.
12. Shri Ganga Prasad Singh Treasurer, U.P. Mazdoor Trade Union Congress.
13. Shri Lakshmi Prasad Singh Secretary, INTUC, U.P. Branch.
14. Shri Basudeo Pandey General Secretary, Provincial Committee, AITUC.
15. Shri Umashankar Mishra General Secretary, Hind Mazdoor Sabha, U.P.
16. Shri R. A. Yadav Executive Member, Hind Mazdoor Sabha, U.P.
17. Shri Umashankar Dikshit Executive Member, Hind Mazdoor Sabha, U.P.
18. Shri Rameshwar Prasad, Yadav Executive Member, AITUC
19. Shri Indra Pal Singh Do.
20. Shri Shri Ranjatan Do.

21. Shri Bhola Singh Executive Member, AITUC.
 22. Shri Shravan Kumar Dubey Do.

(Uttarakhand area visit)

23. Shri Sundar Lal Bahuguna Chipko Activist and Environment Expert.
 24. Representatives of Voluntary Agencies, Social workers, Dehradun, Srinagar and Gopeshwar.
 etc.
 25. Shri Raghunath Singh Rana Gram Pradhan, Kauria Village.
 26. Representatives Laxmi Ashram.

WEST BENGAL

1. Shri N. N. Mitra Sabhadhipati Zilla Parishad.
 2. Shri Samir Roy General Secretary, West Bengal Cha Mazdoor Sabha
 Jalpaiguri.
 3. Shri Mehebab Rahman Karmadhyaksha, Jalpaiguri Zilla Parishad.
 4. Shri Prarush Paul Karmadhyaksha Zilla Parishad
 5. Prof. Jeydev Mandal UTUC (Lenin Sarani)
 6. Shri Subrata Datta Gupta Do.
 7. Shri Pradip Nath AIKS, Cooch Behar.
 8. Shri Latika Neogi West Bengal Democratic Women Association, Distt.
 Cooch Behar.
 9. Shri Moqsudar Rahman President No. I Block, Cooch Behar.
 10. Shri Aminur Rahman Dist. Cong. Kisan Cell, Cooch Behar.
 11. Shri Sabita Roy President Dist. Congress Committee.
 12. Shri Rekha Sen Prabin Ranga Mahila Samithi
 13. Shri Sibani Ghosh Paschim Banga Mohila Samiti.
 14. Shri Aswini Chanda AITUC
 15. Shri Surath Chakraborty AITUC
 16. Shri Kishore Adhikari Benimadhara Burman Bhartiya Khet Majdoor Union.
 17. Shri Abdul Tahiruddin Amed General Secretary, PBGS.
 18. Shri Prikash Roy President, PBGS, Long, COB. II.
 19. Shri Jamila Khatoon Nikhil Banga Mahila Sangha Sampadak.
 20. Shri Krishna Ghosh Agragami Mahila Samithi Sampadak.
 21. Shri Arobindo Biswas West Bengal Krishi Shramik Union.
 22. Shri Durgesh Neogi Samyukta Kisan Sabha.
 23. Shri Akhil Pramanik Sabha Adhipati, Coochbehar Zilla Parishad.
 24. Shri Akshay Thakur Sahakari Sabha Adhipati Cooch Behar Zilla Parishad.
 25. Sri Nagen Roy Adhyaksh, Coochbehar Zilla Parishad
 26. Shri Usha Roy West Bengal, Gramin Shramik Congress Sabhanetri.
 27. Shri Monoranjan Chakraborty President, Coochbehar, G.S.C.
 28. Shri Partha Pratim Sarkar AITUC COB. District Committee.
 29. Shri Nirmal Das Secretary, UTUC, Cooch Behar Distt. Committee.

APPENDIX XIII

SECRETARIAT OF THE NATIONAL COMMISSION ON RURAL LABOUR

Member-Secretary

Sh. Suresh Mathur

(11-8-87 to 10-7-89)

Sh. G. Asvathanarayan

(11-7-89 to 30-5-91)

Sh. P. C. Hota

(1-6-91 to 31-7-91)

Officer on Special Duty

Sh. N. L. Meena (1-3-89 to 31-7-91)

Deputy Secretary

1. Sh. R. Tandekar

(7-7-88 to 31-7-91)

2. [Sh. H. C. Jayal

(29-7-88 to 30-4-91)

Director

1. Sh. Y. S. Rao

(10-3-89 to 14-5-89)

—Expired—

2. Sh. M. M. Nampoothiry

(22-2-91 to 31-7-91)

Private Secretary to Chairman

1. Sh. B. R. Katara (15-12-88 to 16-1-90)

2. Sh. P. S. Manocha (24-6-90 to 31-7-91)

Additional Private Secretary to Chairman

Sh. K. I. Sagar (28-12-87 to 21-12-88)

Secretary

Kanwar Rajinder Singh

(1-8-88 to 10-7-89)

[Sh. K. Verma

(1-8-88 to 31-5-90)

[Sh. K. Verma

(1-8-88 to 31-7-91)

Private Secretary to Member-Secretary

Sh. L. C. Bindal

(11-8-87 to 17-7-89)

Sh. S. K. Sud

(28-8-89 to 15-7-91)

Desk Officer

1. Sh. Gopal Singh

(7-9-88 to 18-9-90)

2. Sh. S. K. Jain

(1-6-89 to 31-7-91)

3. [Sh. Brij Bhushan

(16-6-89 to 11-10-89)

4. [Sh. B. L. Bhushan

(9-7-90 to 31-7-91)

Deputy Director

1. Sh. S. B. Mathur

(29-2-88 to 8-12-88)

2. Sh. T. R. Mohanty

(20-7-88 to 20-10-89)

3. Sh. A. K. Parashar

(3-10-89 to 31-7-91)

4. [Sh. Man Singh Mathur

(20-9-90 to 1-4-91)

Section Officer

1. Sh. K. Ram

(23-5-88 to 1-4-91)

2. Sh. K. L. Goel

(7-9-88 to 18-9-90)

3. [Sh. Biru Ram

(20-3-90 to 31-7-91)

Assistant Director

1. Sh. Girish Chandra

(19-8-88 to 6-5-91)

2. Mrs. Arti Kachroo

(19-8-88 to 31-7-91)

3. Mrs. Chandrika Nair

(30-8-88 to 31-7-91)

4. Sh. R. S. Tiwary

(3-8-90 to 30-6-91)

Senior P.A.

1. Sh. D. P. Sehrawat
(11-8-87 to 17-7-89)
2. Sh. S. S. Raghu
(16-5-89 to 31-7-91)

Consultant

1. Sh. M. K. Jiwani
(4-7-88 to 9-3-89)
2. Sh. S.H.S. Iyer
(9-7-90 to 31-5-91)
3. Sh. S. B. Mathur
(5-12-87 to 4-6-90)
4. Sh. B. N. Kakkar
(9-7-90 to 31-5-91)

Desk Attachee

1. Sh. A. K. Garg
(1-7-88 to 31-7-91)
2. Sh. C. B. Shaikhar
(1-3-89 to 28-2-91)

Accountant

Sh. Nafe Singh
(5-5-88 to 31-7-91)

Hindi Translator (Sr.)

Sh. Om Prakash
(11-1-90 to 31-7-91)

Hindi Translator (Jr.)

1. Sh. A. K. Kaura
(19-5-88 to 28-4-89)
2. Sh. Raj Karan
(3-7-89 to 8-8-90)

Assistant

1. Sh. B. M. Singh
(1-6-88 to 31-7-91)
2. Sh. S. K. Malhotra
(1-6-88 to 1-12-88)
3. Sh. Devki Nandan
(1-8-88 to 3-4-91)
4. Sh. H. R. Mittal
(1-6-89 to 31-7-91)
5. Sh. Durgesh Mehrotra, UDC/Asstt.
(1-3-88 to 31-7-91)

Investigator Grade I

1. Sh. Bachchoo Sharma
(27-5-88 to 14-6-90)
1st P.A. to Chairman
(15-6-90 to 31-7-91)

2. Sh. R. N. P. Singh
(9-6-88 to 31-7-91)
3. Sh. Rameshwar Harijan
(27-5-88 to 31-7-91)
4. Sh. Asim Sarkar
(3-1-89 to 31-7-91)

Investigator Grade II

1. Sh. Sunil Trivedi
(10-5-88 to 31-7-91)
2. Sh. Radhey Shyam
(10-5-88 to 31-7-91)
3. Sh. J. K. Gupta
(10-5-88 to 31-7-91)
4. Sh. M. L. Hira
(10-5-88 to 31-7-91)
5. Sh. K. C. Unnikrishnan
(31-5-88 to 28-2-90)
6. Mrs. Raj Bala Bhardwaj
(19-5-88 to 10-8-90)
7. Sh. R. Kalai Selvan
(7-6-88 to 31-7-91)
8. Sh. Veer Bhoj
(11-4-89 to 28-2-91)
9. Sh. M. R. Harikrishnan
(21-4-89 to 3-8-90)
10. Mrs. Anita Kumari Jain
(25-4-89 to 31-7-91)
11. Sh. W. F. Chelladurai
(26-4-89 to 31-7-91)
12. Sh. D. C. Chelladurai
(26-4-89 to 31-7-91)
13. Sh. Joy Kuriakose
(29-11-89 to 26-10-90)
14. Sh. G. D. Sharma
(8-12-89 to 31-7-91)
15. Sh. B. K. Pandey
(8-6-90 to 31-7-91)
16. Sh. Yash Pal
(22-6-90 to 31-7-91)
17. Sh. D. K. Trivedi
(23-1-91 to 31-7-91)

Steno Grade 'C'

1. Shri Jagat Singh
(8-8-88 to 31-7-91)
2. Shri
(1-1-89 to 31-7-91)
3. Shri
(1-1-89 to 31-7-91)

4. Shri O. P. Sehgal
(28-2-89 to 19-4-90)
5. Shri Rampat
(8-8-88 to 6-12-90)
6. Shri S. P. Sharma
(28-4-89 A.N. to 31-7-91)
7. Mrs. Anita Gulati
(30-9-88 to 31-7-91)
8. Shri Mathew P. Mani
(8-1-90 to 31-7-91)
9. Sh. P. K. Uniyal
(20-6-89 to 31-7-91)
10. Sh. P. C. Jha
(8-12-89 to 31-7-91)
11. Mrs. Valsamma B. Nair
(1-6-89 to 31-7-91)
12. Mrs. Komalavalli Madhavan
(1-6-89 to 31-7-91)
13. Mrs. V. R. Rajalakshmi
(30-6-89 to 31-7-91)
14. Sh. K. Alexander
(26-12-89 to 31-7-91)
15. Mrs. Radha Nair
(26-12-89 to 31-7-91)

U.D.C.

1. Sh. B. S. Rawat (1-6-88 to 31-5-89)
2. Sh. Ved Prakash (4-8-89 to 11-5-90)
3. Mrs. Daya Rani (30-3-90 to 31-12-90)

L.D.C.

1. Sh. Darshan Singh
(25-8-88 to 1-2-90)
2. Sh. Dalbir Singh
(6-9-88 to 31-7-91)
3. Sh. Anang Pal Singh
(27-4-89 to 31-7-91)
4. Sh. S. S. Sharma
(29-7-88 to 31-7-91)
5. Sh. Babu Ram Nagar
(29-9-89 to 31-7-91)
6. Sh. Brij Pal Singh
(1-2-90 to 31-7-91)

Staff Car Driver

1. Sh. Girvar Singh
(1-7-88 to 30-11-89)
2. Sh. Tika Ram
(1-6-88 to 26-11-90)
3. Sh. Raj Kumar
(11-12-89 to 22-3-91)
4. Sh. Chander Bhushan
(26-11-90 to 22-6-91)

5. Sh. M. J. Sasmal
(22-3-90 to 31-7-91)
6. Sh. Dal Singh
(15-6-90 to 31-7-91)

Jamadar

1. Sh. Raj Kumar
(12-2-88 to 5-1-90)
2. Sh. Baiz Nath
(9-2-90 to 31-5-91)

Daftry

1. Sh. Thakur Singh
(22-12-88 to 1-2-90)
2. Sh. Ran Singh
(11-11-88 to 31-7-91)
3. Sh. Dal Singh
(15-2-90 to 14-6-90)
4. Sh. Harish Kumar
(22-2-88 to 31-7-91)

Peon

1. Sh. Upendra Prasad
(6-5-88 to 31-7-91)
2. Sh. Prem Singh
(6-5-88 to 31-7-91)
3. Sh. Mahabir Singh
(6-5-88 to 31-7-91)
4. Sh. Ram Lakhani
(1-3-88 to 31-7-91)
5. Sh. Gautam Kumar
(6-5-88 to 31-7-91)
6. Sh. Aslam Parwez
(5-10-88 to 26-6-90)
7. Sh. Om Prakash
(2-8-88 to 31-7-91)
8. Sh. Gajraj Singh
(16-8-88 to 31-12-90)
9. Sh. Kailash Narain
(1-3-90 to 31-7-91)
10. Sh. Kailash Kumar
(6-5-91 to 31-7-91)

Sweeper/Farash

1. Sh. Ashok Kumar
(11-7-88 to 31-7-91)
2. Sh. Mahesh Kumar
(12-7-88 to 31-7-91)
3. Sh. Vinod Kumar
(13-7-88 to 31-7-91)

Daily Rated Worker

1. Sh. Jodh Singh