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SUBJECTS

1. PATTERN OF EMPLOYMENT OF HIRED LABOUR IN AGRICULTURE IN INDIA.
2. EFFECTIVENESS OF PROVISION IN THE TENANCY LEGISLATION FOR (i) SECURITY OF TENURE AND (ii) IMPROVEMENT IN TENURIAL STATUS OF TENANTS.
3. TRENDS IN THE OPERATION TECHNIQUES AND ORGANISATION OF AGRICULTURAL MARKETING IN INDIA.

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PREFACE

The current issue of the Journal contains the Proceedings of the 17th Annual Conference of the Society held in December 1956 at Cuttack. The Conference was attended by nearly 130 members from Central and State Governments, Universities and Research Institutions.

The subjects chosen for discussion at the Conference were :

- 1) Pattern of Employment of Hired Labour in Agriculture in India.
- 2) Effectiveness of Provision in the Tenancy Legislation for (i) Security of Tenure and (ii) Improvement in Tenurial Status of Tenants.
- 3) Trends in the Operation Techniques and Organisation of Agricultural Marketing in India.

An unusually large number of papers were received and read on Subject I, while on the other two subjects also there were select contributions. The level of discussions was maintained at the usual high level.

Unlike the previous Conference, it was not possible to arrange for a tape-recorder to record the discussion. Instead, arrangements were made to take down notes of the discussion by stenographers. However, notes have not been taken of the speeches of all the participants in the discussion. Hence, the discussion part on the respective subjects contain only reports which could be made available.

We take this opportunity of thanking the Utkal University under whose auspices the Conference met. We specially record our grateful thanks to Dr. S. Misra, the Local Secretary of the Conference, who had made excellent arrangements and to the Members of the Reception Committee for their generous hospitality.

15th May, 1957

Manilal B. Nanavati

President

PATTERN OF EMPLOYMENT OF HIRED LABOUR IN AGRICULTURE IN INDIA*

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I

In continuous Village Surveys that are being conducted by the Agricultural Economics Research Section, Delhi School of Economics from year to year in the North-Western India, some important data regarding agricultural labourers particularly their types, nature of work, extent of employment and income, etc., are also being collected by interviewing both the employers as well as the employees. This paper has been mostly based on these data and in the subsequent paragraphs, an attempt has been made to analyse them with a view to presenting these data with particular emphasis on the aspects required to be discussed under this title.

The data relate to ten villages situated in the Saharanpur district in U. P. and Gurgaon district in the Punjab. These villages are selected on the basis of the presence of certain specific economic characteristics as detailed below :—

TABLE 1.—LIST OF VILLAGES SELECTED FOR STUDY WITH ECONOMIC CHARACTERISTICS

S.No.	Name of the Village	District	Economic Characteristics
1.	Ghiana	Saharanpur	Sugarcane production under tubewell irrigation.
2.	Shamaspur	Saharanpur	Backward Agricultural Sub-Mountain region of rains and floods.
3.	Saran	Gurgaon	Near the township of Faridabad.
4.	Aulant	Gurgaon	Desert area with cultivation dependent on rains.
5.	Sohalpur Gara	Saharanpur	Nearness to a newly started Sugar-mill.
6.	Sanauli	Saharanpur	Backward Agriculture in Khadar Area liable to heavy floods.
7.	Arwah	Gurgaon	Backward Agriculture, Khadar Area.
8.	Naunera	Gurgaon	Backward Agriculture dependent on rains and done by <i>Meos</i> .
9.	Meharwani	Saharanpur	Paddy and Sugarcane cultivation and near a big town.
10.	Bauhatwas	Gurgaon	Mixed farming with cattle raising and combined with non-agricultural services outside the village.

Out of these ten villages, in as many as five villages (2 in Saharanpur and 3 in Gurgaon) agriculture is backward mainly due to their being located in Khadar area liable to floods, desert area dependent only on '*barani*' cultivation or in the sub-mountain region liable to heavy rains and floods. Out of the remaining five, agriculture is comparatively prosperous either due to the widespread cultivation of sugarcane or because of their nearness to a big town or due to the practice of mixed farming.

* The collection and analysis of data have been done by Mr. B. D. Talib, Senior Research Investigator in the Section.

All the households of the villages were classified into employees, employers and non-employers, purely from the point of view of employment of hired labour. We find an interesting relation between the conditions of agriculture and the predominance of households following agricultural labour as an occupation. The average percentage of agricultural labour households to total households in four backward villages is 23, whereas in four comparatively prosperous villages it is as much as 35. There are a few notable exceptions. In the two remaining villages, one of which is in a desert area with cultivation dependent on rains and the other is a village where mixed farming with cattle raising and non-agricultural service outside the village prevail to an important degree, the percentage of agricultural labour households is insignificant being 3 and 9 respectively. There is still another exception from the general pattern. Meharawani is a village having as many as 59 percent of the total households following agricultural labour. This village, as pointed out earlier, is one with paddy and sugarcane cultivation and is also very near the town Saharanpur.

It will be interesting to know, at this stage, how many of the agricultural labour families are with land and how many without land. Only 10 households out of 251 agricultural labour households, *i.e.*, 4% own land, the total size of which is only 109 bighas. But there are as many as 47 households who cultivate land either as owners or tenants. It is interesting to note that even amongst the owners, two households have given over land on tenancy. Relatively, there are more households combining cultivation with agricultural labour in areas of comparatively prosperous agriculture than in those with backward agriculture.

In the determination of the pattern of employment of hired labour—both qualitative and quantitative—it is necessary to enquire into the family composition of the agricultural labour household under Study. Sixty percent of their total population consists of adults in which males slightly exceed the females. The percentage of male children also slightly exceeds that of female children. These percentages are strikingly similar in all the villages surveyed.

Further analysis of the family composition of the labourers regarding the number of earners and non-earners (including members doing only domestic work of the household) reveals that on the aggregate level as well as on the basis of the data of individual villages, about 35 to 40% of the total adult persons are earners either in agricultural labour, cultivation or in other work. And the rest, *i.e.*, 20 to 25% of the adults are non-earners almost all of which are females engaged in domestic work. It is also interesting to note that in the villages of Saharanpur district, male children are found to supplement the income of the family by engaging themselves in grazing of cattle and such other odd jobs. They vary from 5 to 7% of the total population. Thus, we find them on an average about 55 to 60% of the total population of agricultural labourers subsists on the earnings of about 40 to 45% of its members.

The caste composition of the agricultural labour families throws some light on another aspect of social significance. By classifying all the households into broadly three main groups of castes, *i.e.*, scheduled castes, artisan castes and high castes, which are the sections of society forming the base for supply of agricultural labour, it is found that the scheduled castes top the list forming about 70% of the

whole on the aggregate level and even in this group, the *chamars*, sweeper and harijan castes form as many as 64% of the total. It is, however, important to note that in the five villages of Saharanpur, quite a significant number of families from the 'Artisan' and 'High Caste' groups also take to hired agricultural labour work. If anything can be concluded from this analysis, it can be that the age-old social prejudices against taking to hired agricultural work are gradually breaking down due to economic pressures.

Broadly speaking, hired labourers in agriculture have been found working under two distinct patterns of employment, *viz.*, permanent and casual. It has been noted earlier that the earners in the agricultural labour households take to other work as well besides agricultural labour. On an average, 15% of the total number of earners take to other work. It has been found from the A.L.E. data that generally those villages where the agricultural labour households combine cultivation with agricultural labour are also the ones where relatively there are more casual workers than permanent ones. But from the data of these villages no consistent pattern of predominance of one type or another could be found on this basis. For example, in seven out of the ten villages surveyed the above relation does not hold good.

It is also worthy to note that female labourers are confined only to casual employment and children are employed more as permanent farm servants than as casual workers.

The wage pattern of agricultural labourers has its own peculiarities. Wages, as is well-known, are generally paid in three ways, *viz.*, cash, kind and other perquisites. An analysis into the total wage income of all workers in these villages has revealed an interesting relationship between the comparative economic condition of the village as a whole and the mode of payment of wages. If we take an average of the percentages of cash income to total wage income, we get a figure of only 40 to 42%. Whereas the same figure in relation to the five other comparatively prosperous villages comes to as much as 75 to 80%. Other perquisites do not constitute any significant proportion of the total income.

The fact that relatively casual workers are paid proportionately more in cash than the permanent workers, is also corroborated from the data. The reason for it lies probably in the greater demand for specified agricultural casual workers in certain operations for cash.

It has been mentioned earlier that there are more agricultural labourers in the villages of Saharanpur (U.P.) than in the villages of Gurgaon (Punjab). This has been found to be a significant factor in the wage-variations of permanent workers in these ten villages. It is found that the average income of a permanent worker is more in the Punjab villages than it is in the U. P. villages. Another significant factor affecting the wage-level of permanent workers—and possibly also that of casual workers—is the nearness of the village to any urban centre. For example, in Saran—a village which lies almost at the fringe of the Faridabad township—permanent worker on an average gets as much as Rs. 533 per annum. This is entirely due to the fact that the average wage per day in the township is very high, *i.e.*, Rs. 2.2.

But when we have a look into the wages and employment figures of casual workers, we find that the general productivity of agriculture is more important as a factor affecting variations than the one mentioned above, *i.e.*, the number of agricultural workers. If we classify these ten villages according to whether they are having backward or comparatively prosperous agriculture, we get the following inferences. In all the three important aspects—*i.e.*, levels of employment, annual earnings, and wage rates—the villages designated as backward give low figures. The levels of employment vary from 59 days to 139 days in a year. The level of annual earnings vary from Rs. 47 to Rs. 183 and the levels of wage rates per day vary from roughly Rs.-/13/- to Rs. 1/9/-. The average figures for all the three categories above are 95 days, Rs. 100/- and Re. 1/-.

While in the other set of five villages, the levels of employment vary from 63 days to 186 days, the levels of annual wages vary from Rs. 63 to Rs. 264 and the levels of wage rates per day vary from Re. 1/- to Rs. 2/3/-. The average figures are 135 days, Rs. 189 and Rs. 1/6/4.

We have constructed a table showing the comparative figures of annual earnings, employment and wage rates in the villages of the two groups 'A' and 'B', the groups being based on economic conditions of agriculture. We find that in the five comparatively backward villages, a casual worker, on an average gets 95 days of employment in a year, earns nearly Rs. 100/- with an average wage rate of Re. 1/- per day ; while, a casual worker in the other five villages gets 135 days of employment, earns nearly Rs. 189/- with an average wage rate of Rs. 1/6/4 per day.

II

As mentioned earlier, we have also analysed the relevant data collected by interviewing employers. We collected data on employment of and wages paid to both permanent and casual labourers employed from inside as well as from outside the village of residence of the employer. It was difficult for us to get correct and complete figures about the actual number of casual workers engaged by particular household in different operations as also their total number of labour days during a period of one year. However, some figures have been obtained and data regarding the number of labour days are comparatively more complete and accurate than those regarding the number of labourers.

Our aim in analysing the data from the employers' end is firstly to find out the effect of the demand factors on the pattern of employment of hired agricultural labour and, secondly, to get some corroborations of the conclusions already arrived in the first part of this paper by analysing the data furnished by the employees.

It has been found that with the exception of two villages in Gurgaon district (Punjab), nearly 70% of all the cultivating households engage hired labour. Among these employers, the cultivating owners and the tenants are the predominant groups, though the cultivating tenants also engage hired labour occasionally. This brings out an important factor bearing on the nature of agricultural activity in those areas. The practice of engaging hired labour is widespread and is mostly concentrated in the busy seasons of sowing and harvesting. And from the large number of cultivating households who employ agricultural labour, it seems to us that any correlations between the employment of hired labour and

the size of average land cultivated or the average number of working members per household, can scarcely be established. It would, for similar reasons, also not be possible to find out any close correspondence between the productivity of the land and the extent of demand for hired labour.

However, a number of significant relationships have been observed between the mode of wage payment, the nature of occupation of the employers, the nature of hired labour—whether permanent and casual—and lastly the overall prosperity or otherwise of agriculture in the different villages.

It has been found that on an overall basis, payments in cash are predominant and form 58% of the total, while 35% of the total payment has been made in kind. The amount paid in terms of other perquisites is not very significant.

It is important to note that the proportion of cash payment to the total payment made to hired labour by any household does not vary very much as between cultivating owners, tenants, mixed or non-agriculturists having cultivation as a secondary occupation. This proportion is around 55 to 60 percent for all occupational groups.

It is found that employment of permanent labour is generally given by the cultivating owners and its proportion to casual employment gradually goes down in the following orders : cultivating owners and tenants, cultivating tenants and non-agriculturists. The last mentioned class, in fact, employs relatively more casual labour than permanent labour.

There is no significant difference in the mode of payment as between permanent and casual labour, except that permanent labour gets more in terms of 'other perquisites' than the casual labour.

Lastly, a very significant relation has been found between the relative economic conditions of agriculture in a village and the mode of wage payment. Generally, those villages which we have roughly characterised as economically backward villages are the ones where wage payment in kind is more prevalent than it is in the other type of villages. Moreover, the mode of kind payment is virtually absent in villages (such as Ghiana, Sohalpur Gara and Bauhatwas) which are near to urban centres or factory area or where there are alternative avenues of employment for the labourers.

An opinion survey of the agricultural labour households in the selected villages under study has shed some light on some of the important economic and social trends working in the direction of a shift in occupations of these families. As revealed by the analysis done in the foregoing pages, the genesis of agricultural labour lies in their landlessness, and their employment is either as permanent labourers or as casual labourers. But it appears that the pattern is undergoing a change both for the permanent and casual labourers. The change is manifesting itself in a tendency towards shifts from casual to permanent labour towards land cultivation and towards factory jobs.

The shift from casual to permanent labour has been motivated by the consideration of regularity in employment and more real wages. But tendency to go

in for land cultivation as a profession has been necessitated by the drawbacks of the institution of permanent labour. For example, permanent labourers grumble about the loss of bargaining power in times of labour scarcity. They also complain against the bungling in wage payment by the employers where system of advance loans to labourers is in practice. Beside this, land cultivation also has its own charms in the form of a security of livelihood for the casual labourers.

A shift from agricultural labour to factory job has also been noticed among these families. But the conditions for it are more favourable in the villages which are nearer to urban centres and industrial areas having potentialities for labour employment. It may not be out of place here to mention that the change-over to factory job has no universal appeal for the agricultural labourers. The reason for this does not lie in the remoteness of villages from towns and cities. Other social conditions and psychological factors influence the decision of the labourer in this respect. It has been reported in many cases that the 'stay-at-home' habit of the labourers is one of the important handicaps in their social mobility to factory areas. In some cases, particularly amongst agricultural labourers from artisan classes it has been found that they are not prepared to forego their main occupation by shifting from the village to outside places. They prefer to remain in the village by adopting agricultural labour as a subsidiary source of income than give up their arts and crafts and migrate from the village. Another limitation which stands in the way of taking up factory job is that of age and sex among the labourer. As already stated elsewhere, that child and female labour are also engaged in agricultural pursuits. This tendency does not permit the elders in the agricultural labour families to send their children and women folk away from the village. Nevertheless, economic forces are at work in our agrarian system which point out that if increasing demand for land among the agricultural labourers and increasing opportunities of employment are not available to this important section of the village population, they will shift to the industrial areas in spite of the limitations and prejudices that they have at present against the shift to factory job and press upon heavily on the urban labour market.
