

# RURAL LABOUR IN INDIA\*

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I am grateful to the Indian Society of Agricultural Statistics for inviting me to deliver the 'Dr. Rajendra Prasad Memorial Lecture'. I presume the technical address arranged by the Society satisfies the curiosity of members to understand the latest technical developments in a selected area of agricultural statistics. The memorial lecture therefore should be expected to have a more popular appeal. If in what I say the audience finds very little by way of technical discussion, it should not be considered an accident.

The subject I have chosen for my lecture this evening is "Rural Labour in India". This choice was dictated by three considerations: (i) the interest which the late Dr. Rajendra Prasad had in problems of rural labour, (ii) some work which I did recently in connection with understanding one facet of rural labour, namely, rural unemployment/under-employment and (iii) the task which the National Commission on Labour has to do by its terms of reference on problems connected with rural labour.

Each of these considerations requires a different treatment of the subject. Dr. Rajendra Prasad's interest was in terms of development of the agricultural sector as a whole and through it giving a succour to agricultural labour by finding for it more employment opportunities thereby improving rural standards of living. My work was mainly statistical: estimation of rural underemployment by using the data available through enquiries by Government and non-Government agencies and seeing if reconciliation of estimates was possible. The task of the National Commission on Labour requires a review of the changes in conditions of labour since Independence

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\*\*The views expressed are the author's personal views.

and to report on existing conditions of labour. Rural labour and other categories of unorganised [labour have been specifically mentioned in the Commission's terms of reference. There will be, I expect, a common thread running through these diverse requirements because the considerations mentioned are interrelated, though in presenting the theme I may oscillate between regions of policy and purely statistical or extra-statistical boundaries.

My knowledge of Dr. Rajendra Prasad's interest in the problems of rural labour is partly first-hand and partly derived from what he said in public on many occasions. I recollect in the last year of his holding the highest office of the land, I had been summoned for an audience with him. That was on the eve of the preparation of the Third Five Year Plan (1961-1966). The discussion was on problems of unemployment and under-employment in the course of which I had to face some pointed questions from the President on rural labour in general and agricultural labour in particular. He felt that neither in the framing of employment plans nor in making suggestions about labour policies and programmes was agricultural labour given its due consideration. While it may not be necessary to refer to a selection of what Dr. Rajendra Prasad said about the plight of rural labour from different platforms, it would be appropriate to quote from his inaugural address at the 1961 session of the Indian Society of Agricultural Statistics<sup>1</sup>. He had observed then :

“The problem in agricultural planning is not merely one of securing maximum return or income from agriculture or providing raw materials to industries, but one of meeting the needs of the population and of alleviating the extensive under-employment prevalent in rural areas. The latter involves planning for the mass of rural population which is either landless or possesses tiny holdings hardly adequate to maintain their owners. The solution of the problem would seem to be in developing a pattern of rural activity such as, dairying, poultry keeping and various cottage industries that will reduce the seasonality of employment inherent in arable farming. This would require a study of employment opportunities offered by various cropping and farming patterns in different areas”.

These observations to my mind are the crux of the problem of agricultural labour and its possible solution. The term agricultural labour in this context will include labour engaged in animal husbandry, forestry and fisheries.

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1. *Journal of the Indian Society of Agricultural Statistics* (Vol. XIII, Nos. 1 and 2, p 8),

Agricultural labour has been engaging the attention of Government even prior to Independence. The Royal Commission on Agriculture (1926-28) and the Royal Commission on Labour (1929-31) had certain observations in their reports which have analytical value. The large number of persons dependent on agriculture, as would appear from an I.L.O. report, has been the subject of comment right from the Famine Commission of 1880<sup>1</sup>. It is interesting that though dependence on agriculture for employment in rural areas was analysed and commented upon by such influential Commissions, work in pursuance of this analysis or otherwise started only under the auspices of voluntary organisations set up by Mahatma Gandhi in his efforts to provide relief to rural population. The setting up of All India Spinners Association and All India Village Industries Association in the thirties are indications of his positive action in this field<sup>2</sup>. The National Planning Committee (N.P.C.) set up under the chairmanship of Pandit Jawaharlal Nehru in one of its sub-committee reports emphasised another aspect of the situation, namely, the mixture of two capacities in agricultural labour : (i) the land-holder and (ii) the actual worker. It also referred to the scattered character of holdings and emphasised the vast organisational problem in putting the large pool of manpower for improving agriculture<sup>3</sup>. And the organisational problems are, indeed, baffling.

As these observations were being recorded by the N.P.C. sub-committee, certain decisions taken by the Government of India at the Labour Ministers' Conference in the forties showed that Government wanted to have a firmer base of information for policies which it wanted to pursue for improving conditions of labour including rural labour. The First National Government in 1946, with which Dr. Rajendra Prasad was closely associated, drew up a separate plan

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1. The Commission said "The numbers who have no other employment than agriculture are greatly in excess of what is required for thorough cultivation of land". Preparatory Asian Regional Conference of the I.L.O. Report II, 1947, p. 35. According to the Royal Commission on Labour (pp. 14-15), "Over large parts of India the number of persons engaged on land is much larger than the number required to cultivate it and appreciably in excess of the number it can comfortably support". The Royal Commission on Agriculture (p. 70) emphasised a different aspect, "The industries located in rural areas are at present unimportant from the point of view of their demand for labour. Their multiplication within economic limits suggests one solution of the problem of spare time employment in rural areas".

2. D.G. Tendulkar—*Mahatma*, Vol. 5, pp. 6-7.

3. Report of the sub-committee on Land Policy and Agricultural Labour and Insurance, p. 38.

known as the Five Year Programme for the amelioration of labour conditions. According to it, "minimum wages for agricultural workers are to be fixed and also an enquiry into the earnings of agricultural workers is to be undertaken".<sup>1</sup> Upon the results of the enquiry will depend the nature and extent of the measures necessary to prevent the wages of these classes of workers from sliding below the minimum<sup>2</sup>. In pursuance of this statement, the Minimum Wages Act was passed in 1948. Agriculture was one of the industries in the schedule appended to it where minimum wages were required to be fixed. Recognising the need of scientifically collected information for a better understanding, evolution and implementation of future policies, the First Agricultural Labour Enquiry was initiated. Equally important as brakes to progress have been the social disabilities suffered by rural labour, at least by a large majority of it. According to the Constitution 'untouchability is abolished and its practice in any form is forbidden'. However, it has been well recognised that untouchability, an age-old institution requires much more than this constitutional provision for its eradication.

This was briefly the position as it obtained prior to the planning process which was initiated in 1950. In the early days of planning, a detailed discussion took place about the application of the Minimum Wages Act, 1948, to agriculture. The Nattu Committee which examined this issue recommended to the Planning Commission the application of the Act in certain areas and on farms above a particular size. Programmes of education, vocational training, setting up community centres and assistance to voluntary organisations working in the field were some of the schemes to benefit agricultural labour on the social side<sup>3</sup>. In pursuance of these recommendations, some action was taken by the State Governments. The situation as at the end of the First Plan briefly was (a) the results of the First Agricultural Labour Enquiry were in hand, (b) minimum wages were fixed for agricultural operations in certain areas<sup>4</sup>, (c) problems of unemployment, though with special reference to the urban sector and their relation to planning were being publicly discussed<sup>5</sup> and (d) a

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1. *Indian Labour Year Book*—1946, p. 267.

2. *Jagjivan Ram on Labour Problems*, Edited by Sachi Rani Gurtu, p. 64.

3. First Five Year Plan, p. 635.

4. The areas where minimum wages were fixed have been mentioned in the Second Five Year Plan, p. 320.

5. The Ten point programme suggested by the Planning Commission to the State Governments in July, 1953.

small beginning was made for arousing social consciousness in village communities.

It is in this context that as a part of Government's labour policy, the Second Plan stated that "The implementation of the Act (Minimum Wages Act, 1948) has brought to light some important limitations. Merely prescribing a flat rate for agricultural labour is impracticable and ineffective.....Assuring a minimum wage to agricultural labour is no easy task."<sup>1</sup> "Considering the small size of the holdings and the level of agricultural production, wages cannot be raised substantially."<sup>2</sup> These are somewhat negative conclusions and guides to policy. On the positive side, while the States were required to intensify their efforts in implementing the minimum wage legislation, the plan stated : "The main effort has to be in the direction of providing greater employment opportunities."<sup>3</sup> At another place this recommendation was buttressed by specific programmes in suggesting which the effect of land reforms in some areas was brought out. Measures recommended included development of village industries, redistribution of land, and improving living conditions through provision of housing facilities, encouraging labour co-operatives, taking advantage of provisions made in the plan for encouraging small industries and the like.<sup>4</sup>

On the informational side, the Second Plan recommended the undertaking of Second Agricultural Labour Enquiry to provide a further insight into the problems of agricultural labour. The results of this enquiry were to have provided information on changes which might have taken place in the conditions of agricultural labour as a result of the operation of the First Plan. At the same time since the enquiry was a part of the Second Plan it could have provided a basis for an approach to this problem in the Third. However, in view of the change in concepts and definitions used in the Second Agricultural Labour Enquiry, a comparison with the first was rendered difficult. This was perhaps inevitable because the Second Enquiry had

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1. Second Five Year Plan, p. 583.
  2. Second Five Year Plan, p. 584. Mr. Jagjiwan Ram in his address to the Seminar on Employment of Scheduled Castes and Scheduled Tribes has, however, made the point that "in villages wages (wage rates) are the same whether the cultivator owns 2 acres or 200 acres" (Report on the Seminar. p. 15).
  3. Second Five Year Plan, p. 584.
  4. Second Five Year Plan, pp. 318-320.

to take note of the shortcomings in the First and at the same time improve on methods used in the First in the light of advances in statistical knowledge since. The Second Enquiry also had to be a part of the larger enquiry undertaken by the National Sample Survey (N.S.S.) which by that time had established itself as an agency to undertake sample surveys on a large scale in an integrated manner for providing data for use by Governmental agencies. There was thus a change in the auspices under which the enquiry had to be undertaken. Whatever be the effect of the inevitability of technical advance in science and of the changes introduced by the shift of responsibility for the conduct of the inquiry, a detailed technical examination of the report on the Second Enquiry was called for by an expert committee for seeing to what extent changes, if any, had taken place in the conditions of agricultural labour on the basis of such results of the two enquiries as could be made comparable. The committee *inter alia* came to the conclusions that (i) the Second Enquiry was on a better technical footing than the First,<sup>1</sup> (ii) the results should be considered as revealing what happened at two points of the time; they should not be construed to establish a trend, (iii) it would not be possible to conclude whether there was an improvement or deterioration in general conditions of agricultural labour households and (iv) in the light of increase in the per capita income of the country and the absence of any marked improvement in the conditions of agricultural labour, which according to all accepted notions was at the lowest rung of the country's economic ladder, one of the objectives of planning, namely, reducing inequalities of income, could not be said to have been achieved.<sup>2</sup>

The debate on comparability of data did not end there. It was argued that during the period 1950-1956, two forces were operating on agricultural labour in two different directions. As a result of more land being brought under irrigation, intensive cultivation and also increase in land brought under cultivation itself as a result of

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1. This means that the results of the Second Enquiry reflected the conditions of agricultural workers in 1956-57 better than the First did of agricultural workers in 1950-51.
  2. This particular observation of the Committee appears to have been the result of the objectives specifically stated in the Second Five Year Plan, p. 24. The Committee should have more appropriately referred to the objectives of the First Plan where references to reduction of economic inequalities were more guarded—First Five Year Plan, pp. 28-32.

land reclamation, encouragement to animal husbandry, forestry and fisheries, the actual volume of employment in the agricultural sector should show an increase. At the same time natural increase in the population of agricultural labour, the lack of demand for it because of introduction of land reforms, fragmentation of holdings leading to more personal cultivation, etc., would result in the capacity of agricultural labour to earn going down. The latter view prevailed in the Seminar on the subject organised by the Institute of Economic Growth, Delhi,<sup>1</sup> in March, 1961. As to the remedy, the Seminar concluded that within the ambit of even a reformed and improved agricultural economy, industrialisation alone was the remedy for effecting substantial improvements in the conditions of agricultural labour in the country. This picture of agricultural labour could have been at the back of the then President's mind when he made the observations quoted earlier.

If redress to agricultural labour is to be provided through greater employment opportunities, how are they to be planned and in what detail? How is under-employment to be measured? How are the nature of work in agriculture and the relationship between those who offer work and others who seek it to be defined? Since employment opportunities have to be made agreeable to those for whom they are intended what allowance should one make for personal preferences? How does one understand the relative attitudes towards work and leisure in a rural situation? After all it is known that within the political set-up which the country has and the rural attitude of resignation towards 'want' in general, work programmes can be drawn up but they can remain only on paper. With all these constraints can an enquiry be planned to provide a consistent set of guidelines for planning under-employment relief? Even a limited discussion of these issues will take me far beyond the time allotted to me. I will, therefore, indicate in brief the work done in India in this regard.

After a detailed discussion on the whole area of concepts and definitions and the international experience in this regard in a representative working group constituted by the Central Government in 1955-56 a set of recommendations which were to be followed in conducting surveys on unemployment/underemployment emerged. These were ratified, so to say, in a Conference of Central and State

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1. *Agricultural Labour in India*, Edited by Dr. V.K.R.V. Rao, p. 13.

Statisticians. The basic approach in evolving these was to see whether it is possible to estimate the time for which a person is gainfully employed in a reference period and the additional time for which he is prepared to offer himself for work. A refinement was introduced in order to understand the distance a needy person is prepared to negotiate for a given remuneration against work. Information collected on this basis, as usual, came in the hands of the users of it too late. It was also 'macro aggregative' in character. The only use to which it could be put was to understand the size of the investment needed for framing schemes for relief to under-employed without any indication as to how the amount should be distributed among operationally meaningful administrative units.

A difficulty in reaching relief to right quarters in rural areas has been the practice of work sharing among those wanting or not-wanting more work. Thus, among persons who are willing, there may be some who have no work at all and others who had some work and are prepared to accept more, and still some others who had full work and still wanted more. Also in many cases working unit is not the workers alone but the family to which he belongs. A family may accept additional work and in the process of completing it may deploy its able-bodied members according to the exigencies of the work. As a result, a person who is already working full according to his capacity, or on the basis of some assumed 'norm', may yet have to do or may do more work ; and another who may or may not be willing to work will be left out. In this situation, the labour force approach for understanding the extent of underemployment may have to be modified suitably for checking on the willingness of a family to offer its members for work on specified conditions. Cases will, of course, arise where an individual will take on work on his own outside his family responsibilities and these will have to be treated on a similar basis. This means that a microdisaggregative<sup>1</sup> element will have to be introduced in the planning of information to be collected.

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1. A detailed discussion of this subject will be found in "Under-employment among Indian farmers—an analysis of its nature and extent by Dr. J.P. Bhattacharjee—*Artha Vijanan*, Vol. III No 3 September 1961. Dr. Bhattacharjee's work is on the basis of farm management data collected for Bihar.

An analysis of the problems involved in estimates of rural under-employment on the basis of Labour Force Surveys will be found in the Papers by Mr. M.V S, Rao—All India Seminar on Agricultural Labour, 1965, New Delhi, Ministry of Labour and Employment, pp. 22-44.



While these difficulties in understanding the complexities of rural underemployment were recognised, a follow up of some observations in the Second Plan led to a major departure in the Third Plan schemes as compared to the first two in so far as agricultural labour is concerned in the shape of rural works programmes. A pilot scheme was tried out a year before the inauguration of that plan. The basic idea of the scheme was simple. Programmes which will help development in rural areas and which were not included in the plans of different Departments were sought to be super-imposed on the plan. Emphasis in the execution of schemes falling under this head was on labour intensive methods. Works were to be undertaken in slack season in order that they provided under-employment relief. They were to be such as would help in the development of agriculture primarily and will also build up community assets. (This was perhaps a concession to the view which prevailed in the closing years of the Second Plan that agriculture did not receive adequate attention). They were not to be a draft either on the time of technical personnel in short supply. The choice of areas where such works were to be under taken was to be left to the State Governments but instructions were that the main consideration in the choice of areas was the severity of unemployment/under-employment. A sizable amount of Rs. 150 crores was scheduled to be spent on these programmes in the course of 1961-1966 though in the distribution of overall finances of the plan separate allocation for these schemes was not made. As a result, a small provision was made from year to year, with the result that the implementation of the programme was completely ineffective. Not even a sixth of the amount mentioned, but not provided in the plan, could be spent on the project. In terms of employment generated, as against the expectation of 2.5 million persons to be given 100 days, work in the last year of the Plan, the achievement was only about 400,000.

The slow progress of the scheme required a rethinking of the whole programme prior to the building up of the Fourth Plan. Certain recommendations emerged out of a conference which the Planning Commission convened in April, 1965 in which the State Governments participated. Important among the recommendations of the Conference were :

- (i) The selection of areas for the programme should be governed primarily by employment considerations which had both economic and social implications. Once an area

was selected, economic considerations should be given due importance in the selection of projects ensuring immediate increase in productivity and long-term benefits keeping in view an appropriate time horizon. Maintenance of community assets should be given due attention.

- (ii) The programme in the Fourth Plan should aim at offering a wide range of works to absorb different types of labour with different skills and in chronically affected areas, it should provide employment round the year and not merely seasonal employment. The programme should be an integral part of the local area plans and its phasing according to local conditions would be left to the local Panchayati Raj institutions.
- (iii) The works under the programme should lead to increase in agricultural production and development of community assets. This would cover schemes like village tanks, field channels, drainage works, soil conservation, land reclamation, village fuel plantation, rural market roads and brick kilns. The programme should help the forging of necessary skills of the participants on the job.
- (iv) According to the size of the programme, the administrative and technical organisations at the State, the District and the Block levels should be strengthened.

The Seminar on Agricultural Labour organised by the Ministry of Labour and Employment in August, 1965 generally endorsed the recommendations of the conference, but emphasised that the implementation of whatever scheme is undertaken for the benefit of agricultural labour should be effective. Since, however, the Fourth Plan itself is at present at a standstill, it is only to be hoped that as and when thinking on it commences, these recommendations will be revived.

On the positive side there have been certain welcome developments. During the last 15 years about 10 million acres of land above the ceiling fixed in different States and a sizable area of culturable waste land have already been distributed to landless agricultural workers. With this was also associated a programme of financial assistance for resettlement of labour on such lands. Another 2.5 million acres of waste land is likely to be put to this

use soon.<sup>1</sup> In the Third Plan priority had been given in rural Housing for providing house sites to agricultural workers and Harijans, apart from providing to individuals falling in these categories a limited measure of financial assistance.<sup>2</sup> Educational programmes have made a headway though pushing them even further would again mean operating in the broader area of development as a whole. Part of the difficulty in retaining children of such low paid categories is economic; parents look upon them as partners in the work the family has to do.<sup>3</sup> This may mean in terms of policy that schooling days in rural areas have to be arranged in such a way that school vacations coincide with seasons when children may be required to work. In terms of social change, progress is reported to be steady.

Are there in addition any qualitative indicators which throw light on what may be happening in rural areas? One may start with the general apathy towards rural works programme itself as evinced in various States. This apathy may be due to the informity in the programme and, in the days when a scheme had to look big, to the unattractive size of the programme. But it may also be because at the level at which the programme was to be administered, unemployment/under-employment did not present difficulties which the statistics about them would lead one to expect. There have been instances that in some areas programmes of rural works suffered because adequate labour did not come forward to take advantage of it. There were also cases of wage-rates for labour on such works being higher than slack season rates. From these one may infer that labour in these areas was unwilling to offer itself for work or it would come only at the price it demanded and not the lower one which was fixed by the organisers of the programme on the basis of slack season rates. There may be two possible explanations for this: (i) during the period labour works in raising crops or on other ancillary activities, labour gets adequate remuneration, adequate from its standards but low from other considerations, or (ii) because of restriction on wants and consequently on the desire to earn, there may be an adjustment between the importance labour attaches to work and leisure. That is bare wants and a greater degree of leisure, according to rural workers, would be preferable to enlarging of wants at the risk of cutting down leisure.

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1. Fourth Plan—Draft Outline, pp. 132 and 194.

2. Third Five Year Plan, pp. 693-695.

3. One finds a similar situation in small scale industries in urban areas also.

Another important aspect of the situation is the judgement of District authorities on the need for remedial measures as also the reactions of users of labour in rural areas. While it is dangerous to generalise on the basis of limited experience in this regard, the impression one gathers is that provision of more employment opportunities as such in rural areas will be, in terms of priorities, somewhat lower than the execution of developmental work which incidentally provides larger avenues of work. It is possible that the voice of the underemployed is drowned in the din of the more vocal rural elements which are likely to benefit more out of developmental schemes than through rural works or similar programmes which are intended to benefit landless labour. The user of labour also complains of higher rates he has to pay in relation to the work he expects from labour. The complaints are, more or less, on the same lines as those one hears from employers of labour where it is more organised.<sup>1</sup> While all these impressions cannot be quantified, they will have their effect in reaching conclusions about what has happened to agricultural labour in recent years.

It is also significant that in the years 1951-1961 agricultural production showed a fair rate of increase. Taking two periods of three years, one beginning with 1951 and other ending with 1961, Minhas and Vaidyanathan<sup>2</sup> have shown that the annual compound rate of growth of agricultural production has been of the order of 3.57%. There are variations in this rate from District to District. It is significant, however, that about 65% of the Districts studied by them (covering an area of 186 millions of acres) achieved rates of growth of crop production significantly higher than the rate of growth of population in the country. Assuming that the rate of growth of labour force is more or less the same as that of population growth, and there are reasons to expect this in India, the rate of growth of agricultural production over a major portion of cultivated area will be higher than the growth in labour force. Two important factors which have governed this increase, *i. e.*, increase attributable to area and that to yield account for nearly 91% of the rate of overall growth and both these could be related to more labour

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1. This view is not only supported by what is reported in the *Economic and Political Weekly* (Vol. II, No. 46 of November 25, 1967, p. 2048) but the report goes further and talks of "the emergence of a tremendously important new social challenge, the arrival of the real damned of the Indian earth".

2. Growth of crop output in India 1951-54 to 1958-61, *Journal of the Indian Society of Agricultural Statistics*, Vol. XVII, No. 2, 1965.

being used. If this increase is related to the increase in import of foodgrains to meet our needs, a possible conclusion can be that rural population is retaining for consumption more quantities than increase in rural population would warrant. A further conclusion can be that it is consuming per capita somewhat more at the end of the period than at the beginning. The theme of Daniel Thorner's recent articles in *The Statesman* is similar.<sup>1</sup> While distribution, *inter se* as between agricultural labour and others of this extra quantum of consumption may be difficult, one cannot dismiss entirely the suggestion that consumption in agricultural labour families may have gone up. But whether this has gone up to the same extent as the per capita increase in real consumption will be a more uncertain area of speculation.

Thus if one takes a total view on the basis of such statistics as are available and impressions which are gathered, and here I know I am on slippery ground in an audience of statisticians, the picture of progress though not heartening is not disheartening either. At the same time if the current level of living of agricultural labour, which is still a bare subsistence level or below it, is to be considered an improvement, one cannot imagine what the level was at the starting point of comparison.

I have alternated between programmes and statistics long enough to conclude that where a specific programme is drawn up on the basis of known needs, though not precise, irrespective of whether information for implementing a programme is available or not, plans have been able to show some results. On the other hand, where a scheme is dependent on collection of information all that has happened is data were collected; questioning of their utility has vetted the appetite for more data and has led to consequent plans to collect further information. By way of giving relief to the needy sections, the only assurance in this latter case has been in terms of understanding their woes better. It is also doubtful whether success has been achieved in this area of better comprehension of the problem or information now collected is such as could be more readily put to use. In one of the discussions with the officers of N.S.S. which we in the Labour Ministry and Planning Commission had sometime in 1964 for getting estimates of unemployment on the basis of 18th and 19th rounds of the N.S.S. which were planned to give results on this

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1, See *The Statesman*, 1st November 1967 to 5th November 1967.

characteristic of the population within a margin of error  $\pm 10$  per cent, I had urged that I would be happy if I can get quicker estimates even with a margin of 20 per cent either way. And this was not the approach of a cynic ; it had developed because I was conscious that in framing programmes it may not be feasible to secure financial allocation to work on the basis of even half of the lower estimate of unemployment. In such circumstances when a plea is made of lack of statistics in any area of development it means that someone is wanting a clock for refusal to act.

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I have made it a practice this year that whenever I am summoned by a learned gathering like this, I should open out my worries to it. The object in doing so is to see how I can lighten my burden by sharing it with a wider group of knowledgeable persons. That is why I now turn to the tasks before the National Commission on Labour. As pointed out earlier, the Commission is required to review the changes in the conditions of labour since Independence and to report on existing conditions of labour and to make recommendations *inter alia* in respect of measures for improving conditions of rural labour and other categories of unorganised labour. Since the first Commission on Labour was appointed in 1929 and the current one last year, the time span which the Commission may have to keep in mind while making its recommendations will have to be sufficiently long. In his inaugural address to the Commission the then Labour Minister Shri Jagjwan Ram said that the recommendations of the Commission will provide guidelines for labour policy for many years to come. In a situation which is changing rapidly it would not be unrealistic to assume that the Commission's thinking on the future will endure at least for the next fifteen years.

One of the initial tasks of the Commission will be to assess the numbers in labour force by 1981 as also those depending on agricultural work at that time. A rough guideline for this assessment is provided in the Third Plan which states that between 1961 and 1976, labour force will increase by about 70 million. This means that between now and 1976, we may be adding anything between 50 to 53 million to it. This projection could be critically examined and taken to years beyond 1976. The experience in the early years of planning has shown that a somewhat larger proportion of employment opportunities generated during the period has gone to the non-agricultural sector as it should have. One can assume that this trend

will continue and perhaps with vigour. One should also hope that though since the turn of the century there has been no change worth mentioning in the country's dependence on agriculture as a source of employment, in the years to come a reduction may take place.<sup>1</sup> Some calculations have shown that roughly about 2/3rds of the 70 million increase in 15 years since 1961 may have to be absorbed in the non-agricultural sector in order that by 1976 labour force engaged in agriculture will be about 60% of the labour force for that year. This means that to the existing labour force in agriculture, one may have to add roughly a third of the additional labour force between now and 1976.<sup>2</sup>

There are some further observations in the inaugural speech referred to earlier about the Government's expectations from the Commission in this area. As some of you may be knowing, 'norms' of a need-based minimum were spelt out by the Indian Labour Conference in 1957. Since then several wage fixing authorities have tried to interpret these norms but have come to the conclusion that in many organised industries, it is not possible to reach them. If organised sectors of the economy find it difficult to reach the need-based wage, how should the problem be approached in the unorganised sectors, particularly, the rural sector? Government's labour policy, because of the manner in which it has been framed and the composition of its framers, has hitherto overlooked rural labour and other categories of unorganised labour, which constitute the bulk of the producers of goods and services. Apart from ineffectively and imperfectly implementing the Minimum Wages Act, 1948, workers employed in agriculture have been, by and large, kept beyond the purview of the labour legislation, Minimum wage once fixed has not been revised for years on end, though in these years prices of items essential to the life of the community have shown a disturbing rise. There is also a general feeling that the Community Development and Panchayati Raj did not have their impact so far as landless agricultural labour and small farmers are concerned. These are only some of the typical problems which the Commission may have to go

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1. It may be noted that though Commission after Commission has reported on surplus labour in agriculture, more and more labour is being accommodated in practice by mother earth with the help of technological progress. How long will this process continue in view of the ever increasing numbers to be catered to now ?

2. Third Five Year Plan, pp. 156-57. These estimates have been confirmed in the Fourth Five Year Plan—A Draft Outline. p. 107.

into. In discussing them, I would only touch in brief on points which are essentially statistical in nature.

- (i) The need-based minimum had been defined on the basis of requirements of calories for a worker and his family. Certain recent investigations on the basis of family budget surveys undertaken in urban areas in 1958-59 have shown that the adjustments required are not of such a character as would lighten the burden of wage payment on employers.<sup>1</sup> How does one then find a way out particularly in the case of workers in the rural sector where one has reason to believe that contract of work may be more adverse ?
- (ii) If wages once fixed are to be revised, and there are enough indications to show that this is so, what should be the statistical support for such revisions. Do we for instance plan more family budget surveys for agricultural workers and maintain consumer price indices for a larger number of centres than is now possible? How many additional centers should be included in such surveys? How often in a year should the index be compiled ?
- (iii) How should the differential impact of development on large farmers on the one hand and small farmers and landless labour on the other be assessed? Will a global assessment of the type which may be possible with some effort by organising the N.S.S. data be enough or in view of the changing context is a deeper probe necessary? How does one press in service the material already collected by the N.S.S. to understand the current situation of rural and unorganised labour? How should that information be supplemented ?

These and many other related questions require technical assessment in a manner which will appeal to the public. I assure you on behalf of the National Commission on Labour that any assistance which you all can offer on any of these issues will be gratefully accepted.

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1. Report of the Sub-Committee of the National Nutrition Advisory Committee on Nutritional Requirements of Working Class Families.