

# DEPLORABLE CONDITIONS OF AGRICULTURAL LABOURERS IN RURAL PUNJAB

Gurmanpreet Singh\*, Kamaljit Singh\*\*

*The study attempts to examine the deplorable conditions of agricultural labourers in rural Punjab. The impact of the agrarian crisis on peasants in Punjab is more widely known, but it has had a grievous impact on agricultural labourers as well. Economists give more emphasis to the problems of farming communities and less to the problems of agricultural labourers (which constitutes 47 per cent of total working population in 2012), as it becomes the general trend among the economists. Though, the Land Reforms, Green Revolution and New Economic Policy in India may have contributed to some sections of the society, but nothing to the betterment of the conditions of agricultural labourers. Their life is like hell. The study concluded that the agricultural labourers are victims of social, political and economic exploitation and discrimination. Their earning is so low to meet basic requirements for livings. More than three-fourth of the households are indebted. Despite the government's claims of initiating a number of employment programmes and aids to the agricultural labourers for uplifting their levels of living, a large proportion of agricultural labour households still lack basic amenities for decent living standard, demanding a better implementation of these schemes. The most important suggestion came in the form of cooperative farming and the abolition of forces of discriminations on the basis of caste, class, gender etc. is necessary to provide conditions for dignified living to agricultural labourers.*

## INTRODUCTION

Punjab is predominantly an agricultural economy and one of the states of India in which New Agricultural Model was adopted in 1960's, has made tremendous progress on food grains after the adoption of this model and leading to self-sufficiency in food grains. When we look into the contribution of different sectors in the GSDP, we found that the share of primary sector which comprises mainly of agriculture and livestock activities has continuously been decreasing. But agriculture still plays a dominant role in the Punjab economy as a large number of working population depends upon agriculture for their earnings. Working population in agriculture constitutes of cultivators and agricultural labourers. A person whose major source of income in the previous year was agricultural wages, i.e., wages got by doing work on another's farm, is considered to be agricultural labourer (GOI, 1956-57). Being an important section in the rural population of Punjab State, this section is the most neglected in the rural structure of Punjab State. A large proportion of persons depended on agriculture for their earnings, particularly agricultural labourers, living in undignified conditions. Since the initiation of planning in India from 1951 the primary aim of planning is to raise the levels of living of weaker sections and we all know that the agricultural labourers constitute, socially and economically the weakest section of the society. But still after the six decades of planned economic development, the position of

\* Research Scholar, Department of Economics, Punjabi University, Patiala, Punjab, India, 147002, Mobile: 09464532818, Email: [ggurmanpreetsingh@gmail.com](mailto:ggurmanpreetsingh@gmail.com).

\*\* Professor, Department of Economics, Punjabi University, Patiala, Punjab, India, 147002.

agricultural labourers in the society and their economic conditions remains as before. Since independence, the State is aware of the problems of agricultural labourers and various surveys have been undertaken for its assessment. But the basic problems of agricultural labourers have not been properly studied, analysed and understood (Ghosh, 1969). Agricultural labourers have the lowest share in the national income and lived in degrading conditions. The agricultural labourers constitute an important section of the rural community. But they are backward, illiterate, belong to the depressed classes, poor, unorganized, heavily indebted, face paucity of non-agricultural occupations in villages and find seasonal employment in agriculture. Agricultural labour is the second largest category of total workers in Punjab. The share of this category, as well as its number, has increased consistently since 1971. Majority of the agricultural labourers belong to the Scheduled Castes category. According to the Census of India 2001, the Scheduled Castes agricultural labourers constitute 66.97 per cent of the total of 14.90 lakh of agricultural labourers in Punjab State (GOI, 2001). They could not find employment opportunities outside the agricultural sector because majority of them are illiterate. Unemployment among them constitutes 60 per cent of the total rural unemployment (Parthasarathy, 1991). The problem of under-employment is very acute among them besides the problem of chronic unemployment. Land reforms were not implemented in a better way, the land remained in few hands, and a large part of the population which depends on agriculture remains as agricultural labourers. Punjab is one of the states of India in which New Agricultural Model was adopted in 1960's and since then the State is an idol for the states which are looking towards scientific agriculture. But even this green revolution did not make any significant impact on the well-being of the agricultural labourers because the labourers got nothing from it. The wage rate which they were expecting to rise because of increasing demand did not take place because of the in-migration of the labour from Uttar Pradesh and Bihar which makes the supply abundant and wages remained still lower. But the new agricultural strategy has not been able to improve the economic conditions of agricultural labourers because a rise of 136 per cent in price of essential goods consumed by agricultural labourers took place along with rise in money wages (Myer and Paul, 1983). The green revolution's technological leaps might have brought prosperity and fortune for some, but not for the agricultural labourers. Besides, their significant contribution to the green revolution, they have not benefited from it, in terms of the betterment of their conditions (Bharti, 2011). Due to increase in the use of farm machinery such as combine harvesters and weedicides, the demand for human labour in the farm sector in Punjab has decreased significantly since the late 1980s (Sidhu et al., 2004). The debt trap is so vicious that more than 70 per cent of agricultural labourers of Punjab are indebted. It is through the introduction of labour saving machinery, the use of pesticides and shifting from grain production to cash crops that landlords are squeezing out higher profits by reducing jobs and increasing the workload. On the contrary, they are squeezing the miserable income of agricultural labour and attacking even their subsistence (Chopra, 2005). All the indicators relating to the well-being of agricultural labourers indicate that the New Economic Policy which initiated in 1991 has only worsened their plight. The real wages of agricultural labourers have declined by 15 to 25 per cent in the last six years since 1991 (Jha, 1997). Unorganized and mostly illiterate, agricultural labourers are not in a position to obtain their due share in agricultural prosperity (GOP, 2004). Although agricultural labourers form a large section of Indian workforce, are least protected and uncared. This situation exists despite rising agricultural trade and labour productivity worldwide. Working conditions are sometimes appalling and child labour is pervasive. Apart from this, the contradictions and rising problems due to the capitalist development of the economy as general and particularly in the

agriculture sector has only worsened rather than improving the social and economic conditions of agricultural labourers. The solution of the problems of unemployment and rural poverty in India should be sought in the direction of a significant increase in labour absorption in agricultural land. For example particularly in Japan human labour applied in agriculture is reported to have been nearly 525 man days per hectare in 1956 (and above 600 man days in some areas), the same trend was observed in China in 1970's, compared to one-third as much or lower in most part in India at that time (including even the irrigated areas). We have to learn from them that have prompted us to initiate a project for investigating in depth the reasons for the differences in the intensity of labour absorption in agriculture (Ishikawa, 1978). Except in localized pockets, the exploited poor peasants and agricultural wage labourers are still highly unorganized and often locked into dyadic and clientelist relationship with the rich farmers, their employer-creditors and far from being a 'class for itself' (Bardhan, 2005). The impact of the agrarian crisis on peasants in Punjab is more widely known, but it has had a grievous impact on agricultural labourers as well. The agricultural labourers constitute an important section of the rural community. But they are backward, illiterate, belong to the depressed classes, unorganized, heavily indebted, face paucity of non-agricultural occupations in villages and find seasonal employment in agriculture. They are suffering from the problems of poverty and unemployment because employment in agriculture is mostly seasonal. They are also facing the problem of indebtedness, reason being they are not able to repay the loans because of their low incomes.

## Objectives

The present study is an empirical analysis of the deplorable conditions of agricultural labourers in rural Punjab. The study relates to the year 2012-13. To fulfil the most important objective of study, we mainly concentrated on the economic and demographic features, levels and pattern of income and consumption, magnitude and determinants of indebtedness and their social conditions and place in the society.

## METHODOLOGY

For the purpose of the study the whole State has been divided into three regions on the basis value productivity per unit area, viz. low, medium and high value productivity regions. Average value productivity is estimated by aggregation of the value of 10 major crops of the State for the year 2011-12 (GOP, 2013). Keeping in view the differences in agro-climatic conditions and to avoid the geographical contiguity of the sampled districts, Ludhiana district is selected from high value productivity region (which represents central plain region), Bathinda district is selected from medium value productivity region (which represents south-west region) and Rupnagar district is selected from low value productivity region (which represents shiwalik foothill region). There are twentyfive development blocks in selected districts. Following random sampling method, one village from each development block is chosen. Twelve villages from Ludhiana district, eight villages from Bathinda district and five villages from Rupnagar district have been selected for the study. To provide a better picture of the indebted condition of the agricultural labourers in Punjab, all the agricultural labour households were investigated from the selected districts. Thus, a total of 451 agricultural labour households were investigated, which constitutes 190 households from Ludhiana district, 207 households from Bathinda district, and 54 households from Rupnagar district.

The whole study contains six sections. Section-I introduces the problem, indicate the relevancy of the present study, highlights the main objectives of the study and data base and methodology. Section-II outlines the profile of agricultural labour in terms of characteristics. Section-III is devoted to the analysis of levels and pattern of income and consumption. Section-IV brings under focus the magnitude and determinants of indebtedness. Section-V describes in detail the social conditions, i.e., their position and rank in the society. Section-VI sum up the main findings, make some suggestions emerging from our findings and draw attention to further areas of research.

## **SOCIO-ECONOMIC CHARACTERISTICS OF AGRICULTURAL LABOURERS**

This section presents an overview of social and economic features of the agricultural labourers. In this section sex, age, caste, education, condition of house and basic provision for subsistence living are taken as the indicators of socio-economic features of agricultural labourers. There are 2002 persons in total, in the 451 sampled agricultural labour households, out of this 54.40 per cent are male and 45.60 per cent are female. Overall the sex ratio is found to be 838.38. The average family size is 4.44. A major proportion of their population, i.e., 36.26 per cent is below 20 years of age and 12.74 per cent of the population is above 60 years of age. The main source of drinking water is water tap as 59.64 per cent households have water taps. For drinking water more than one-fourth of the total households depend upon neighbours and relatives as they do not possess any source of water. 90 per cent of the households are having the facility of electricity and about 93 per cent belong to SC category. Out of the total population, 43.81 per cent are illiterate and among literates only 0.40 per cent has got education up to graduation. It is very interesting to find out that only 17.74 per cent households have *pucca* houses and 26.83 per cent still lived in *kacha* houses. If we look at the basic facilities for subsistence living, we find that about 94 per cent and almost 80 per cent of the household do not possess the facility of latrine and bathroom respectively within their premises and most of the bathrooms are without any roof. Majority of the agricultural labour households belongs to scheduled castes, less than half of the population is literate and far away from basic provisions for decent living like drinking water, electricity, *pucca* houses, sanitation, latrine, bathrooms etc.

### **Economic Condition of Agriculture Labour**

In this section levels, pattern and per capita income and consumption expenditure of the agricultural labour households are analysed.

On an average an agricultural labour household earned ₹ 51971.15 annually in Punjab, which is composed of 81.61 per cent from agriculture sector and remaining 18.39 per cent from non-agricultural sources as shown in Table 3.1 and there are considerable variations in the income earned from different components of income sources. It is 37.17 per cent and 44.44 per cent from hiring out permanent and casual labour in agriculture respectively. Average annual income from hiring out casual labour is further classified into *Rabi* and *Kharif* seasons in case of which average annual income is 21.90 per cent and 22.54 per cent respectively. Non-agricultural sources such as hiring out labour in non-agriculture sector, income from dairying, piggery and poultry, salaries, pensions, sale of manure and other activities also contributed in average annual income with their meagre share of 18.39 per

cent. Further the annual average per capita income is ₹ 11707.79, which is composed of ₹ 9554.03 from agriculture sector (i.e., ₹ 4350.67 and ₹ 5203.36 from hiring permanent and casual labour) and remaining ₹ 2153.76 from non-agricultural sources.

**Table 1 - Levels, Pattern and Per Capita Distribution of Household Income**

Source of Income	Mean Income	Per cent	Per Capita
Permanent labour			
(a) Cash	12581.65	24.21	2834.33
(b) Kind			
(i) Corn	75.46	0.15	17.00
(ii) Meals	5052.13	9.72	1138.11
(iii) Tea and milk	1582.91	3.05	356.59
(iv) Others	20.59	0.04	4.64
Sub-total	19312.74	37.17	4350.67
Casual labour			
(A) <i>Rabi</i>			
(a) Cash	10788.20	20.76	2430.31
(b) Kind			
(i) Corn	5.19	0.01	1.17
(ii) Meals	317.04	0.61	71.42
(iii) Tea and milk	272.56	0.52	61.40
(B) <i>Kharif</i>			
(a) Cash	11043.28	21.25	2487.77
(b) Kind			
(i) Corn	6.56	0.01	1.48
(ii) Meals	318.93	0.61	71.85
(iii) Tea and milk	346.06	0.67	77.96
Sub-total	23097.82	44.44	5203.36
Non-agricultural sources	9560.59	18.39	2153.76
Total	51971.15	100.00	11707.79

Source: Field Survey, 2012-13

Consumption is an important economic variable that determines and shows the levels of living of any section in the society. For the purpose of analysis that follows, the consumption basket is presumed to constitute consumer non-durables, consumer durables, services and social-religious ceremonies. The average annual consumption of an agricultural labour household is ₹ 60178.08 as shown in Table 2. However, there are considerable differences in the level of consumption expenditure on the different components of consumption. Of the overall average consumption expenditure, an agricultural labour household spent a sizeable chunk of their income on non-durables (71.38 per cent) consumption expenditure. This is followed by the consumption expenditure on services (14.54 per cent), social-religious ceremonies (9.59 per cent) and durables (4.49 per cent). In the case of non-durables consumption expenditure, food grains accounted for the largest proportion of total consumption expenditure with 23.64 per cent as 9.60 per cent of this got as wages in kind, followed by intoxicants (12.04 per cent) and milk and milk products (11.38 per cent). The per capita consumption expenditure of an average agricultural labour household is ₹ 13556.60. The highest and least per capita expenditure comes to be for non-durables and durables items amounting for ₹ 9675.98 and ₹ 609.29 respectively.

**Table 2- Levels, Pattern and Per Capita Distribution of Consumption Expenditure**

Items of Consumption	Expenditure	Per cent	Per Capita
Non-durables	42951.90	71.38	9675.98
Durables	2704.68	4.49	609.29
Services	8748.70	14.54	1970.86
Social-religious Ceremonies	5772.80	9.59	1300.47
<b>Total</b>	<b>60178.08</b>	<b>100.00</b>	<b>13556.60</b>

**Source:** Field Survey, 2012-13

Average propensity to consume, defined as the proportion of income spent on consumption expenditure, which comes to 1.16 for an agricultural labour household and incurs an annual deficit of ₹ 8206.93. It appears that they tried to maintain a minimum level of consumption whether they can afford it or not with their present income and they have to borrow from different agencies.

In this section, an attempt has been made to assess and analyse the debt position of agricultural labour households. Total debt is the amount on which agricultural labour has to pay interest, i.e., the principal amount that is due towards them and has to be repaid. In the previous sections we have already discussed that the income of the agricultural labour households is not sufficient to meet the day to day expenses which coerce them to borrow loans from various institutional and non-institutional agencies. More than three-fourths (78.27 per cent) of the agricultural labour households are under debt. The average amount of debt per indebted household is ₹ 29214.16, while the average amount of debt per sampled household is ₹ 22866.08.

**Table 3 Distribution of Indebted Agricultural Labour Households**

Description	Punjab
Sampled households (number)	451
Indebted households (number)	353
Indebted households as percentage of sampled households	78.27
Amount of debt (Rs.) per sampled household	22866.08
per indebted household	29214.16

**Source:** Field Survey, 2012-13

Further analysis reveals that the non-institutional agencies playing a greater role in providing loans to agricultural labour households. Agricultural labourers get 85.25 per cent from non-institutional agencies and the remaining only 14.75 per cent from institutional agencies. Amongst the non-institutional agencies they are found more indebted to large farmers and landlords representing almost 70 per cent of the total loans and amongst the institutional agencies the commercial banks provide 9.33 per cent of the total loan. Agricultural labour households find it easy to get loans from non-institutional agencies and they hesitate to take loans from institutional agencies because of the time consuming formalities and cumbersome procedures. Moreover, generally institutional agencies do not advance loans to them for lack of security.

**Table 4 - Pattern of Debt according to Source of Credit****(Mean Values, in Rs.)**

Sl. No.	Source of Credit	Amount of Loan
A.	Non-institutional Sources	
1.	Large farmers and landlords	69.63
2.	Money lenders	4.42
3.	Traders	4.66
4.	Relatives and friends	6.54
	Sub-total	85.25
B.	Institutional Sources	
1.	Co-operative credit societies/ banks	5.42
2.	Commercial banks	9.33
	Sub-total	14.75
	Total (A+B)	100.00

**Source:** Field survey, 2012-13

The purpose for which a loan is taken is an important indication of its potential to be repaid. Table 5 reveals that agricultural labourers spent 37.43 per cent of the total credit on marriage and other social-religious followed by 17.03 per cent which is spent on purchase of livestock and the least share was attributed to the education which constitutes only 2.53 per cent of the total debt. They spent a large share of their credit on unproductive purposes from which they can earn nothing and a meagre share on productive purposes.

**Table 5 - Pattern of Loans: Purpose-wise****(In Percentage)**

Sl. No.	Purpose of Loan	Proportionate Share
1.	Self-occupation	4.88
2.	Education	2.53
3.	Live stock	17.03
4.	Marriage and other social-religious ceremonies	37.43
5.	House construction, addition of rooms and major repairs	13.23
6.	Health care	14.33
7.	Domestic consumption	5.46
8.	Miscellaneous	5.11
	Total	100.00

**Source:** Field Survey,



**Table 6 - Debt according to Rate of Interest from Different Sources****(In Percentage)**

Sl. No.	Rate of Interest→ Sources↓	Zero Rate of Interest	8 to 16	16 to 24	24 to 36	36 to 40	40 and Above	Total
A.	Non-institutional Sources							
1.	Large farmers and landlords	2.70	1.86	5.94	42.50	13.23	3.40	69.63
2.	Money lenders	0.00	0.00	0.00	0.57	2.41	1.44	4.42
3.	Traders	0.00	0.08	3.33	1.25	0.00	0.00	4.66
4.	Relatives and friends	6.32	0.22	0.00	0.00	0.00	0.00	6.54
	Sub-total	9.02	2.16	9.27	44.32	15.64	4.84	85.25
B.	Institutional Sources							
1.	Co-operative credit societies/ banks	0.00	5.42	0.00	0.00	0.00	0.00	5.42
2.	Commercial banks	0.00	9.33	0.00	0.00	0.00	0.00	9.33
	Sub-total	0.00	14.75	0.00	0.00	0.00	0.00	14.75
	Total (A+B)	9.02	16.91	9.27	44.32	15.64	4.84	100.00

Source: Field Survey, 2012-13

The relative shares of different ranges of rate of interest in total loans are shown in Table 6. The table depicts that the non-institutional agencies, except from relatives and friends charge very high rate of interest per annum. Whereas the institutional agencies providing the loan at relative low rates of interest. Amongst non-institutional agencies the large farmers and landlords provide loans of Rs. 17101.86. Out of this amount on 2.70 per cent, they have to pay no interest and on the remaining 66.93 per cent, they have to pay interest rate ranging between 16 to more than 40 per cent per annum. Money lenders and Traders are charging rate of interest ranging from 24 to more than 40 per cent and 8 to 36 per cent respectively. They have to pay no interest on 6.32 per cent of debt outstanding from relatives and friends. The cooperative credit societies and banks and commercial banks are charging a rate of interest ranging between 8 to 16 per cent. Agricultural labour households have taken maximum amount of loan, i.e., 44.32 per cent of the total debt at the rate of interest ranging between 24 to 36 per cent and minimum, i.e., 4.84 per cent at 40 and more than 40 per cent per annum. They get 9.02 per cent of the total debt on zero rate of interest.

The amount of debt at a point of time is influenced by several economic and non-economic factors. The various economic factors, important as they are in the policy framework, are subjected to analysis. It is hypothesized that indebtedness depends upon family size, ratio of credit from non-institutional sources to that from the institutional sources, income from subsidiary occupations and educational level of the decision maker in the family. This objective is met by fitting a number of series of regression functions. Regression function finally selected is based upon the better coefficient of multiple determination ( $R^2$ ), significance of the parameters and sign of the regression coefficients of the parameters and sign of the regression coefficients which are theoretically consistent. In order to determine and signify the factors influencing indebtedness among the sampled agricultural labour households in Patiala district of the Punjab state, multiple regression model is used. The results obtained are presented in Table 7.



**Table 7 - Factors Determining Indebtedness among Agricultural Labour Households in Punjab State: Results of Multiple Regression Analysis**

<b>Factors</b>	
Family size	0.606 (0.664)
Ratio of credit from non-institutional sources to that from the institutional sources	1.685 (0.342)
Income from subsidiary occupations	-2.765 (0.237)
Educational level of the decision maker in the family	-0.858 (0.384)
R <sup>2</sup>	0.68

**Source:** Field Survey, 2012-13

**Note:** Figures in parentheses indicate Std. Errs.

The estimated log linear relationship between indebtedness and explanatory variables for agricultural labour households indicate that the ratio of credit from non-institutional sources to that from institutional sources, income from subsidiary occupations and education level of the decision maker in the family are the main determinants of indebtedness. The regression coefficient for family size is non-significant statistically. The negative sign of regression coefficient of income from subsidiary occupations and education level shows the negative relationship with indebtedness which mean that with the increase in these variables indebtedness decreases and the positive sign of rest of the variables implies the positive relationship with indebtedness which mean that with the increase in these variables indebtedness increases. Taken together, all the explanatory variables explain 68 per cent variation in the magnitude of indebtedness.

### **Social Condition of Agriculture Labour**

In this section an attempt has been made to throw light on the social conditions of the agricultural labourers, i.e., on their position and rank in the society. In any social system, ownership of means of production determines one's position in the society. One, who dominated the means of production, acquired the higher position in the society. In Punjab, land is the most important mean of production. That is the reason why they assigned the lowest position in the society because they are landless. They depend on land for their earnings, but they got nothing from it because of the unfavourable distribution of gains in agriculture. Major share of the gains kept by the landlords/farmers themselves because of the ownership of means of production. The class of agricultural labourers lacks means of production. They did not get work in non-agricultural occupations. So, that is why they don't have other choice than selling their labour power, either on lower or higher wages, either for fewer or longer period, to the landlords in the village itself and, is their main occupation and major source of earning. They are the victims of economic exploitation, social oppression, political discrimination and class based discrimination in State's administration policies and actions. Study also reveals some important facts about the social condition of the agricultural labourers which neither explained in figures nor neglected as these represents the clear cut picture of their position in the society. In the society, lowest place is assigned to them. Agricultural labourers live in one corner of the village. Their homes are located on the banks of the ponds in the villages. The streets to their homes are so narrow and are always full of water as there is no drainage facility of water. Their homes generally constitutes single room or

in some cases a couple of rooms with no facility of bathroom, toilet, kitchen, water, electricity, etc. which are essential for a decent standard of living. Even the number of beds in the house does not meet the number of the family members. Utensils in the houses hardly meet their needs. They also tie their cattle as well as keep the fodder in the same house where they live. The area in which all the households of agricultural labourers are situated is equivalent to the area of houses of three or four big landlords in the villages. Absence of the facility of latrine within their premises poses a severe effect on their social life as they were forbidden to use farmers' fields to defecate and urinate in. This makes them dependent on village farmers even for their minimum human treatment. They have been like dump-driven cattle. They use cots for their bath by adjoining two cots and cover them with a piece of cloth, as they hardly possess the facility of bathroom in their premises. They generally lived in single room houses or in some cases in just two rooms, because of this they have to set up their open kitchens outside their rooms under the roof of sky and they find it difficult to cook on wet hearth during raining days, poses a threat even to their subsistence. The situation of agricultural labourers which are employed as permanent labourers is even much worse. Farmers never seek advice from them regarding cultivation. They are not allowed to take leave from work as they don't have any right of work holidays. They get leave if farmers allowed them to, but if an agricultural labourer took days off against the will of farmer (if he/she has an urgent work), the amount will be deducted from his income based on prevailing wage rate in the region. The farmers used filthy language while talking to permanent agricultural labourers, as well as the children of farmers who are even much younger than the children of permanent labourers. Since, there is direct supervision by the landlord, there is hardly any escape from hard work and hence there is no alternative employment. They work for negligible wages. Sometimes wash dishes and clean watersheds of rich farmers in the hope of getting two meals a day and some used clothes. Their life is just like hell (Barst, 2009). The agricultural labourers have to do all types of work, farm and domestic at the bidding of the landlord. The class of agricultural labourers is the most exploited and oppressed class in the rural hierarchy. They are victims of social discrimination and economic exploitation. Majority of the agricultural labourers belongs to the Scheduled Castes category; this also contributes to their degrading condition because Scheduled Castes population is already a victim of social discrimination in our society. "Semi-feudal relations continue to persist in the Malwa region, though they have declined in other parts of Punjab. A large majority of dalits in Punjab have traditionally been employed in agriculture, mostly as labourers. Some of them also worked on a long-term basis with the landowning jats. Though the traditional variety of attached labour, such as 'sajhis' and 'siris' have given way to more formalised relations, working on long-term basis with farmers still leads to relations of dependency and unfreedom. Dalits obviously did not like getting into such arrangements" (Jodhka, 2002). Agricultural labourers belong to the depressed classes, which have been neglected for ages. The low caste and depressed classes have been socially handicapped and they had never the courage to assert themselves. Majority of them are generally conservative, tradition bound and resigned to the insufferable lot to which according to them fate has condemned them. This conservative thinking is developed by feudal structure of the society so that oppresses classes never oppose them and bear their social and economic exploitation silently. Agricultural labourers are forced to sell their labour power at low wages as there is no alternative of employment. Elite class dominated local *Panchayats* sometimes make consensus on the wage rate paid to agricultural labourers. They fixed the wage rate, which generally is lower than what is prevailing in the market. If any farmer paid above than that wage rate, they take serious action against them. The State is also not conscious, aware and willing to solve the problems of agricultural labourers as the State is governed by the feudal lord class. They are the victims of economic-bondedness because even after their strenuous hard work on the field, they are not able to fulfil their daily family needs, that is

why they take credit from their employers for several purposes, but with their meagre income they are not in the position to repay their loan and fell in debt trap which also shifts from one generation to another. They cannot leave the job until they repay their total debt. If they change their employer, then the new employer have to pay the entire debt of the permanent agricultural labourer to the former. But this never improves the situation of permanent agricultural labourer because there is only a mutual transfer of the employer, they still remain economically bonded, but now to a new one. Once the loan is taken, the women of labourers' families are forced to do household jobs (often, cleaning of houses and animal waste) in the lender's family for years in lieu of the interest of loan as long as the principal amount is not paid off. Exploitative factors on account of caste considerations and subservient position of wage earners due to their indebtedness manifested themselves in the form of low wage levels and long hours of work (GOI, 1956-57).

## CONCLUSION AND POLICY RECOMMENDATIONS

The study attempts to examine the deplorable conditions of agricultural labourers in rural Punjab for the period of 2012-13. Still after six decades of planned economic development the class of agricultural labourers is the most exploited and oppressed class in the rural hierarchy in all the spheres, i.e., economic, political and cultural as well. Though, the Land Reforms, Green Revolution and New Economic Policy in India may have contributed to some sections of the society, but nothing to the betterment of the conditions of the agricultural labourers. Their life is like hell. They are victims of social and political discrimination and economic exploitation. The study concluded that almost 44 per cent of the total population of agricultural labour households is illiterate and 93 per cent belong to Scheduled Castes category. About 27 per cent of the households do not have any source of drinking water and still lived in *Kutcha* houses. 94 and 80 per cent of the households do not have the facility of latrine and bathroom within their premises. Their levels and pattern of income is so low to meet basic requirements for livings. About 72 per cent of their total consumption expenditure is allocated to non-durables. To meet their basic needs or to bridge the consumption-income gap, they fell in debt trap. More than three-fourths (78.27 per cent) of the agricultural labour households are under debt. Their debt continued to increase day by day. Agricultural labour households find it easier to get loans from non-institutional agencies as they get 85 per cent of the total loans from these agencies and they hesitate to take loans from institutional agencies because of the time consuming formalities and cumbersome procedures. Moreover, generally institutional agencies do not advance loans to them for lack of security. They are found more indebted to large farmers and landlords representing almost 70 per cent of the total loans represent their dependency and unfreedom. A large share of their credit is spent on unproductive purposes. The estimated log linear relationship between indebtedness and explanatory variables for agricultural labour households indicate that the income from subsidiary occupations and education level of the decision maker in the family are showing negative relationship and ratio of credit from non-institutional sources to that from institutional sources and family size are showing positive relationship with indebtedness. In words of Alfred Marshall (1919), "Every agricultural problem has peculiarities of its own; and some side of it can be mastered by shrewd, experienced, alert, instinctive judgement better than by systematic reasoning based on ordered knowledge."

To overcome these problems effective measures should be taken by government and its institutions, such as:

Agriculture growth is one of the important components for productive inclusion. Global experience shows that GDP growth originating in agriculture is at least twice as effective in reducing

poverty as GDP growth originating outside agriculture. Discrimination and exploitation on the basis of caste still exists in society and because of the fact that this job is simply assigned to the lower castes by prevailing social system, proper legislation and ensured penalty on any type of caste based discrimination and exploitation, is needed. It is also the responsibility of intellectual persons to aware the people to avoid such type of discrimination and exploitation. For providing them land for houses and cultivation, government should use village common land as well as provide financial and technical assistance. With the development of subsidiary occupations like dairying, poultry, fishery, piggery and repairing and other shops, employment will generate and it will lead to an increase in their earnings. Government should provide financial support to agricultural labourers at low rate of interests. Establishment of agro-based industries in rural areas must be given top priority to provide them employment opportunities at the village level itself. Government should launch more employment generation programmes like MGNREGA and *Atta-Dal* scheme to provide them daily consumption items on very nominal rates, to fulfil their consumption needs in existing income level. Adequate steps towards revision and implementation of Minimum Wage Act will be proved helpful in improving their conditions. The most important suggestion came in the form of cooperative farming, which definitely will improve the conditions of agricultural labourers and the abolition of forces of discriminations on the basis of caste, class, gender etc. is necessary to provide conditions for dignified living to agricultural labourers.

In the given socio-economic and political structure of the Punjab economy some of these policy measures can help in minimizing the problems faced by the agricultural labour households.

## References

- Bardhan, P. (2005): *The Political Economy of Development in India*, Oxford University Press, New Delhi.
- Barst, K. (2009): "Agrarian and Nationality Question in Punjab", Takht Bharti Parkashan, May.
- Bharti, V. (2011): "Indebtedness and Suicides: Field Notes on Agricultural Labourers of Punjab", *Economic and Political Weekly*, Vol. XLVI, No. 14, Apr 2, pp. 35-40.
- Chopra, S. (2005): "The Problems of Agricultural Labour and Neo-Liberal Reforms", *People's Democracy*, Vol. XXIX, No.15, Apr. 10.
- Government of India (2001): *Census of India*, Directorate of Census Operations, New Delhi.
- Government of India (1956-57): *Report on the Second Agricultural Labour Enquiry*, Ministry of Labour and Employment, New Delhi, p. 104.
- Government of Punjab (2004): *Human Development Report*, Planning Commission, Chandigarh.
- Ghosh, K K. (1969): *Agricultural Labourers in India*, Indian Publications, Calcutta.
- Ishikawa, S. (1978): "Labour Absorption in Asian Agriculture", ILO-Artep Publication, Asian Employment Programme, Singapore.
- Jha, P. (1997): "Economic Reforms and Agricultural Labourers", *Economic and Political Weekly*, Vol. 32, No. 20 and 21, May 17-24, pp. 1066-1068.
- Jodhka, S.S. (2002): "Caste and Untouchability in Rural Punjab", *Economic and Political Weekly*, Vol. 37, No. 19, May 11-17, pp. 1813-1823.
- Marshall, A. (1919): *Industry and Trade*, London, 1919, p. 199.
- Myer, R.M. and Paul, R.R. (1983): "An Analysis of Wage Trend and Wage Structure of Agriculture Labour in Punjab", *Manpower Journal*, Vol. 14, No. 1, April-June, pp. 71-86.
- Parthasarathy, G. (1991): "Agricultural Wages and Rural Wages: National Policy for Agricultural Labour", *IASSI Quarterly*, Vol.9, No.3, Jan-March, pp. 19-56.
- Sidhu, R.S. and Singh S. (2004): "Agricultural Wages and Employment", *Economic and Political Weekly*, Vol. 39, No. 37, Sep. 11-17, pp. 4132-4135.