

AGRICULTURAL WAGES IN WEST BENGAL
ARITHMETIC OF RURAL POVERTY

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THIS brief note on agricultural wages in five districts of West Bengal - Birbhum, Bankura, Nadia, Malda and 24-Parganas - draws heavily on the report on the Economic Condition of Agricultural Workers in the District of Bankura prepared by the Labour Department of the West Bengal Government and on information made available to us by the Department from the surveys of the other four districts it is at present conducting. The Report on Agricultural Workers in Bankura presents the results of two surveys. The first survey was conducted in June 1972 by the then Labour Commissioner. It covered two villages of Bankura district, Saharjhora and Hatasuria situated within ten miles of the Durgapur complex. Its main purpose was to find out the effect of the Durgapur industrial complex on agricultural wages in the neighbouring villages. The second survey had a wide coverage. It was conducted by the Joint Labour Commissioner during December 1972-January 1973.

Farm labourers occupy an important position in the work force in all the five districts (Table -1). Except in 24-Parganas, the proportion of agricultural labourers to the working population increased sharply between 1961 and 1971. Despite the conceptual difference between the 1961 and 1971 Censuses, the figures show, first, that the dependence of the population on agriculture has grown rather than diminished, and, second, that the ranks of the poorest segment of the rural population, landless agricultural labourers, has swollen in other words, that rural poverty has deepened.

The state government has enacted a Minimum Wages Act for agricultural labourers in West Bengal. The minimum wages prescribed under the Act are given in Table 2. For specialised work like transplantation or retting of jute, the worker is entitled to 75 paise more than the minimum wage. When a worker employed on a long-term basis is not provided with meal or accommodation, he is required to be paid at the same rates as a daily worker.

Though minimum agricultural wages have been fixed by law, workers are seldom actually paid these wages. Only a fortunate few who are able to get jobs on government farms get paid at these rates which, in any case, have been fixed at the bare subsistence level. For the mass of farm workers the minimum wages prescribed by law remain on paper. Thus the survey of the two villages of Bankura district revealed that "even at the peak agricultural season, the actual rate (including computed value of fringe benefits) falls short of the minimum substantially. During the slack season their wages fall below the minimum by more than 50 per cent".

There are broadly three types of agricultural labourers in the districts studied. The majority are casual workers, employed on daily wages. Second, there are regular or 'attached' workers whose wages are fixed by contract. Generally, they get slightly higher wages than the casual workers and are, besides, assured of some income in the lean season. On the other hand, they cannot leave their masters or their villages in search of other employment for the duration of the contract. A variant of this type of labour is the 'kisanmunish' in Birbhum who is paid one-third of the output. Third, there is a category of workers who are called 'lagaremunish' in Bankura. These are workers who have taken loans from landlords in the lean season and have contracted to pay off the loan by working for the landlords. These labourers are expected to do all kinds of work, including domestic chores. The difference in their terms and conditions of employment notwithstanding, workers belonging to all the three categories share one common characteristic—appallingly low incomes.

The report of the survey of Saharjhora and Hatasuria villages presents estimates of the earnings of agricultural labourers, assuming that on average employment is available for 180 days in the year.

TABLE 1: Farm Workers as Per Cent of Total Workers.

District	1961	1971
Malda	14.9	33.3
Nadia	19.8	27.2
24 Parganas	26.0	26.8
Birbhum	32.3	41.8
Bankura	25.9	38.6

Source : The Census of India, 1961, and Paper 1 of 1971
Census, Supplement to Provisional population Table.

Table 2: Minimum Wages Prescribed Under The West Bengal Minimum Wages Act.

	Daily Rate (Without meals)			Monthly Rate (with two meals and accommodation)		
	A	B	C	A	B	C
Male	3.54	3.00	3.05	46.00	37.00	37.00
Female	3.27	2.78	2.78	46.00	37.00	37.00
Children	2.02	1.74	1.77	26.00	20.00	19.00

Note : 'A', 'B' and 'C' refer to zones into which the state has been divided for prescribing minimum wages.

Source: For Tables 2,3 and 4, "Report on Economic Condition of the Agricultural Workers in District of Bankura", Department of Labour, Government of West Bengal, May 1973.

Table 3 Annual Earnings of Agricultural Labourers and Per Capita Income of Agricultural Labour Families.

Type of Labourer	Mode of Wage Payment	Computed Cash Value of Wages (Rs)	Annual Earnings Per Worker (Rs)	Annual Income Per Agricultural Labour Family (Rs)	Annual per Capita Income (Rs)
Casual					
Saharjhora Village	Kind	2.79	502.20	753.30	125.55
Hatasuria Village	Cash and Kind	2.70	486.00	729.00	121.50
Contract					
Saharjhora Village	Cash and Kind	3.55	639.00	958.50	159.75

Table 4: Earnings of Agricultural Workers in Bankura District.

Police Station	Average Rate of Wages (Rs)	Average Number of days Worked per Year	Average Annual Earnings per Worker (Rs)	Average Number of Earners per Family	Average Annual Earnings per Family (Rs)	Average Number of Members per Family	Average Earnings Per Member of Family (Rs)	Average Earnings Per Day (Rs)
	(Rs)	Year.	(Rs)	Family.	(Rs)	Family.	Per Annum.	Per Day
Rajibundh	1.90	140	265.40	3.13	830.70	5.60	148.52	0.41 ✓
Raipur	2.08	136	283.46	2.77	785.84	6.00	130.83	0.36 ✓
Malapal	1.87	170	317.13	2.00	634.26	5.28	120.27	0.33 ✓
Ghhatna	1.96	111	217.77	2.13	463.85	5.10	89.75	0.25 ✓
Indas	3.13	153	478.92	1.45	694.43	5.81	119.72	0.33 ✓
All	2.26	132	248.77	2.17	539.82	5.41	119.96	0.33 ✓

Table 5: Earnings of Agricultural Workers in the Districts of Birbhum, Malda, Nadia and 24-Parganas.

District	Computed Cash Value of Wage (Rs)	Annual Earnings (Rs)	Per Capita Annual Income (Rs)	Per Capita Daily Income (Rs)
Birbhum	2.75	495.00	123.75	0.34 ✓
Nadia	4.25	765.00	191.25	0.52 ✓
Malda	2.50	450.00	112.50	0.31 ✓
24-Parganas	3.75	630.00	157.50	0.43 ✓

and that throughout the period the workers are paid at the peak season rates. The estimates are presented in Table 3. For calculating per capita income, it is assumed that a family consists of 1.5 working units and 6 members. The average per capita income of the three groups considered in the Table comes to Rs.135.60. This is less than one-fourth the national per capita income in 1969-70 and 70 per cent below the 'poverty line'. As the report of the surveys says, "This is the arithmetic of the life of an agricultural worker of Saharjhora and Hatasuria. The fact that he exists is a miracle". A rather remarkable confession for an official state government publication to make!

The second, more broad-based, survey of Bankura district confirms the findings of the survey of Saharjhora and Hatasuria villages. This survey covered 17 mouzas under the police stations of Ranibundh, Raipur, Indas, Simlapal and Chhatna. The results of the survey are given in Table 4.

The report of the survey concludes that agricultural workers in Bankura "live far below the level of minimum living". The average monthly earnings per member of the families included in the sample works out at Rs. 9.90. This may be compared with the Planning Commission's estimate of the minimum level of living which, at 1971-72 prices, may be put at Rs. 37.20.

With such low incomes, it is no surprise that agricultural labourers are forced to take loans in cash and/or kind. To quote from the report: "The agricultural labourers carry the principal amount of loan from year to year sometimes along with large sums of interest, accumulated because of computed interest, until they die when the next generation inherits it for repayment, if possible, in their life-time." The amount of the loan, according to the report, varies between Rs. 200 and Rs. 700 and the rate of interest between 2 per cent and 60 percent per month and, in case of loans in kind, between 25 per cent and 100 per cent.

The information available for the other four districts - Birbhum, Nadia, Malda and 24 Parganas - is more scanty. The conditions of agricultural workers in these districts are presented in Table 5. The calculations are based on the assumptions made in the survey of Saharjhora and Hatasuria villages of Bankura: (i) 180-days of employment per year; and (ii) 1.5 working units and six members per family.

As in Bankura, there is widespread indebtedness among agricultural labourers in these districts. The moneylenders, who are also invariably the employers, make the loans at high rates of interest and rigid payment conditions and see to it that the debts remain unpaid. The prevalent forms of borrowing in these districts are (a) cash loans, (b) grain loans, and (c) mortgage loans. In most cases these loans are contracted for meeting the minimum requirement of consumption and not,

as is commonly believed, for financing extravagant expenditure on social rituals.

The terms of repayment of loans vary and are extremely harsh. In a number of cases in our sample the loans are required to be paid through free labour in the lender's fields. In 24-Farganas, one labourer in our sample was to repay a loan of Rs. 25 by providing free labour to the lender for 12 days. In another instance a labourer in Birbhum paid a loan of Rs. 22 by working for 22 days on the lender's farm at the rate of Re 1 per day in the peak season when the prevailing wage rate was Rs. 2.50 per day.

The implicit interest rate in the case of loans in kind are even onerous. A favourite device is to lend paddy in the lean season when the price is high and to expect the borrower to return paddy of the same money value after harvest when the price of paddy is low. Thus, for instance, 10 Kg have to be repaid by 16 kg after harvest if the price of paddy is 90 paise per kg and the price after harvest is 50 paise per kg. The implied rate of interest works out to over 150 per cent per annum. Interest at 50 per cent to 100 per cent per annum are common for loans in kind. In case of cash loans, the interest rate in our sample varied from 2 per cent per month or 24 per cent per year to as high as 120 per cent per annum. Another frequent practice is to supply the daily necessities of life to needy workers at higher prices from village grocery shops which are in most cases owned or controlled by moneylenders or rich farmers.

The abject poverty of agricultural labourers—the result of low wages and lack of employment over large parts of the year—is compounded by the fact that agricultural labourers come mostly from the backward castes and scheduled tribes whereas the landowners and moneylenders belong to the upper castes. The position of the agricultural labourer is further depressed by his near-perpetual indebtedness contracted at exorbitant rates of interest and on impossible terms. The fact that the creditor is invariably the landlord and employer finally deprives the labourer of what little bargaining power, and occupational or even geographic mobility, he might have had. It is no surprise, therefore, to find, as the survey of Saharjhora and Hatasuria shows, that the location and growth of a large industrial complex such as the one at Durgapur has no impact on the wage rates, or other material conditions of existence, of agricultural labourers of even next door villages.