

Vol 4 Issue 5 June 2014

ISSN No : 2230-7850

International Multidisciplinary
Research Journal

*Indian Streams
Research Journal*

Executive Editor
Ashok Yakkaldevi

Editor-in-Chief
H.N.Jagtap

Welcome to ISRJ

RNI MAHMUL/2011/38595

ISSN No.2230-7850

Indian Streams Research Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

International Advisory Board

Flávio de São Pedro Filho Federal University of Rondonia, Brazil	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken	Hasan Baktir English Language and Literature Department, Kayseri
Kamani Perera Regional Center For Strategic Studies, Sri Lanka	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Dept of Chemistry, Lahore University of Management Sciences[PK]
Janaki Sinnasamy Librarian, University of Malaya	Catalina Neculai University of Coventry, UK	Anna Maria Constantinovici AL. I. Cuza University, Romania
Romona Mihaila Spiru Haret University, Romania	Ecaterina Patrascu Spiru Haret University, Bucharest	Horia Patrascu Spiru Haret University, Bucharest,Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Loredana Bosca Spiru Haret University, Romania	Ilie Pinteau, Spiru Haret University, Romania
Anurag Misra DBS College, Kanpur	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Xiaohua Yang PhD, USA
Titus PopPhD, Partium Christian University, Oradea,Romania	George - Calin SERITAN Faculty of Philosophy and Socio-Political Sciences AL. I. Cuza University, IasiMore

Editorial Board

Pratap Vyamktrao Naikwade ASP College Devrukh,Ratnagiri,MS India	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University,Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yaliker Director Managment Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU,Nashik
Salve R. N. Department of Sociology, Shivaji University,Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	Sonal Singh Vikram University, Ujjain	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary,Play India Play,Meerut(U.P.)	Maj. S. Bakhtiar Choudhary Director,Hyderabad AP India.	S.KANNAN Annamalai University,TN
	S.Parvathi Devi Ph.D.-University of Allahabad	Satish Kumar Kalhotra Maulana Azad National Urdu University
	Sonal Singh, Vikram University, Ujjain	

Address:-Ashok Yakkaldevi 258/34, Raviwar Peth, Solapur - 413 005 Maharashtra, India
Cell : 9595 359 435, Ph No: 02172372010 Email: ayisrj@yahoo.in Website: www.isrj.net



IMPACT OF MGNREGS ON AGRICULTURAL LABOURERS

R. Poorani and Kamar Jahan

Assistant Professor Economics, Government Arts College For Women (A) Pudukkottai.
Associate Professor, Department of Economics, Urumu Dhanalakshmi College, Trichy.

Abstract:-One of the most important features of the rural economy of India has been the growth in the number of agricultural workers, cultivators and agricultural labourers engaged in crop production. They usually get low wages, conditions of work put an excessive burden on them and the employment which they get is extremely irregular, hence they get unusually low wages for the work they are doing. The agricultural labourers live in poverty. There is a need to tackle these problems successfully through the more intensive programmes of development in order to improve the socio - economic conditions of agricultural labourers. Poverty alleviation is one of the prime objectives of planned economic development in India. The Government of United Progressive Alliance at the center made a commitment in its common minimum programme, that it would immediately enact an Employment Guarantee Act. The MGNREGS was notified on 7th September 2005. MGNREGS marks paradigm shift from previous wage employment programmes either planned or implemented in the history of India. MGNREGS aims to provide a steady source of income and livelihood security for the poor, vulnerable and marginalized. The MGNREGS has led to an increase in agriculture wage rate. The wage effect equal for both men and women and is in favour of unskilled labourers.

Keywords: Agricultural Labourers ,vulnerable and marginalized.

INTRODUCTION

The Prime Minister Jawaharlal Nehru emphasized in his speech made in Lok Sabha on August 4th, 1966 that:

“We must give special consideration to the landless agricultural labour. Although there has been tremendous progress in India since Independence, this is one section, which has really a very hard time and which deserves very special consideration.”

In Indian Rural Economy most of the agricultural workers are the most neglected class in the Indian masses. The phenomena of underemployment, underdevelopment, feeling of want, poverty etc. are lives of agricultural labourers. In spite of their hard work, they get usually low wages. The opportunity to work is extremely irregular, hence their income is also extremely low, since they possess no skill or training, and they have no alternative employment opportunities either. Hence, the problems of agricultural labour are main cause and are mainly centered round the basic problems of rural economy which include low income, low productivity and lack of continuous employment. There is a need to tackle these problems successfully through the more intensive programmes of development in order to improve the socio-economic conditions and prospects of agricultural labourers. According to census 2011, there are now 95.8 million cultivators and for their whom farming is the main occupation.

DEFINITION

The first Agricultural Labour Enquiry Committee 1950-55 defined Agricultural Labourer as, “Those people who are engaged in raising crops on payment of wages”.

According to the National Commission on Labour, “an agricultural labourer is one who is basically unskilled and unorganised and has little for his livelihood, other than personal labour.”

CLASSIFICATION OF AGRICULTURAL LABOURERS

Landless agricultural labourers and very small cultivators whose main source of earnings is wage employment due to their small and sub-marginal holdings. Landless labourers in turn can be classified into two broad categories: a) Permanent Labourers attached to cultivating households and b) casual labourers.

CHARACTERISTICS OF AGRICULTURAL LABOURERS

a) Organization among agricultural workers

Agricultural labour is unorganized. Unlike industrial units, agricultural workers need not work in unions. A lack of contact between workers makes it impossible to develop any meaningful organization. It was suggested that workers should organize themselves through cooperative societies. It should be noted that conditions in this respect are improving with the agricultural development, spread of education and political consciousness among agricultural workers.

b) Agricultural workers are basically unskilled

They may not be skilled even in the art of cultivation. Consequently, their supply is perfectly elastic, and therefore, whatever, they earn is in the nature of transfer earnings. The employer often uses this position to his personal gain by contracting to pay less than what the market forces would have warranted otherwise.

c) Agricultural labour is migratory

They can be drawn from place to the place of work during a busy season.

d) A person of low means

This will be a situation when a small farmer employs another small farmer who may not have sufficient work to do by himself. A direct contact, therefore, between the employer and the worker is a distinct characteristic of agricultural labour.

e) Lack of legal protection

Agricultural labour is though covered by agricultural minimum wages rules and regulations, but usually they are flouted more often than observed in rural areas.

f) Hours of work

The hours of work of agricultural labour are not regulated by legislation. Hours of work vary from place to place, crop to crop and season to season. It should be noted that the working hours of agricultural labourers are not very long. Generally, agricultural labourers work for about 8 hours a day with a break of two hours, that is, during harvest season, but during this time he is also paid well. It has also been found that piece workers often work for lesser number of hours while they earn more.

OBJECTIVES OF THE STUDY

To study the impact of MGNREGS on Agricultural Labourers.
To know the impact of MGNREGS on Agriculture wages.

METHODOLOGY

This paper is a review paper. All information gathered from secondary sources like leading journals, newspapers, textbooks and Internet.

Impact of MGNREGS on Agricultural Labourers

Agricultural Labour Enquiry Committee defined agricultural labourer as a person who, for more than half of the total number of days, works as an Agricultural Labour. An agricultural labourer may be the small or marginal farmer or an artisan, but when a person derives his main earning by doing some agricultural work on others farm is called an agricultural

labourer. It is widely known to everybody that the agricultural workers are the most neglected class in the Indian masses.

Growth in the number of agricultural workers-including the cultivators and agricultural labourers engaged in crop production, has been the most disquieting features of the rural economy of India. The agricultural labourers live in poverty. They get usually low wages for the work done under the worst conditions put in excessive burdens on hard work. Since they possess no skill or training, they have no alternative opportunities to work. They are not organized and cannot fight for their rights. Because of all these reasons, their economic lot has failed to improve even after six decades of developmental efforts. Hence, the problems of agricultural labour are manifold and are mainly centered round the basic problems of rural economy which include low income, low productivity and lack of continuous employment. Due to non-availability of gainful employment opportunities in rural areas, an increasing number of rural households have faced complete collapse of their incomes. This miserable plight of the rural households has driven an unprecedented number of farmers to commit suicide. Taking in consideration this humanitarian crisis seriously, there is a need to tackle these problems successfully through the more intensive programmes of development in order to improve the socio-economic conditions and prospects of agricultural labourers. The United Progressive Alliance at the center made a commitment in its common minimum programme, that it would immediately enact an Employment Guarantee Act. The MGNREGS was notified on 7th September 2005. MGNREGS aims to provide a steady source of income and livelihood for the poor, vulnerable and marginalized.

In the rural sector, most of the employment is in agriculture and allied activities. Rural Unemployment has sharply increased in India in recent years. Rural Unemployment increased at the annual rate of 0.58 per cent between 1993-94 and 1999-2000 while the rate of growth of rural labour force was much higher (Tomar and Yadav). Poverty alleviation is one of the prime objectives of planned economic development in India. The Central Government and the State Governments have been implementing a number of wage employment and self-employment schemes in rural area thought the country. In any state, poverty can effectively be alleviated only when the poor masses are able to contributing to the economic growth of the state by their active involvement in the growth process.

Among the causes of concern, agriculture skill remains the mainstay of livelihood for more than half of the workforce in the country. The agriculture sector is the biggest employer in rural India. This sector provided employment to close to 68 per cent of the total rural workforce. Out of several government aided anti-poverty and employment generation programmes, MGNREGS is an ambitious programme which provides 100 person days of employment to at least one person (particularly unskilled workers) from rural households during the lean season in a year, in public works. These public works potentially have a threefold effect on welfare : a) They directly affect those employed in the works b) They have a labour market effect related to the shift in the labour demand and c) They laid to an increase in productivity related to the public goods into which the labour is invested (Ravalion 1990).

Since the inception of MGNREGS, almost 51 per cent of the works have been related to water (water conservation, flood control, irrigation, drought proofing, renovation of traditional water bodies and micro-irrigation) over 19 per cent of works are related to rural connectivity (Gulati et al 2013). These activities were found to have reduced the vulnerability of agricultural production, water resources and livelihood to uncertain rainfall, water scarcity and poor soil fertility. MGNREGS is often criticised as a causal factor in labour shortage in farm operation and for increasing agricultural wages. MGNREGS beneficiaries are divided into five categories. They are 1) agriculture labour household; 2) other labour households; 3) self-employed in agriculture; 4) self-employed in non-agriculture; and 5) others. The first two categories of households are labour for manual work which primarily major concern about the effect of MGNREGS on labour availability because these two categories of labour constitute about 50% of MGNREGS jobs. The impact of MGNREGS on agricultural labour has been increasing over a year. The latest NSS data shows that 36.3% of total rural labour households and 24.2% of total rural households got jobs under MGNREGS during the year 2009-10. It is also reported that, on an average, a house hold was provided 36-37 days of employment in a year under MGNREGS. The level of employment under MGNREGS during 2009-10 was found to have a moderate effect on total labour supply in rural India as only one-third of labour households got jobs under MGNREGS and that too for about one-third of the provision of 100 days.

Table – 1: Share of MGNREGS in Total Rural Labour Employment in 2009-10

S.No	Particulars	Rural Total	Rural Labour
1	Population in million	825	319.3
2	Households getting employment in MGNREGS (In Percent)	24.2	36.3
3	Total employment in MGNREGS day in a year in million	1605.9	946.9
4	Share of MGNREGS in total employment with 100 days of MGNREGS Work	5.2	8.1

Impact Of Mgnregs On Agricultural Labourers

Source:www.mgnrega.nic.in.

Impact of MGNREGS on Agricultural Wages

The rural employment pattern shows that agriculture continues to be the key sector for determining the livelihood status of rural households in India. The livelihood statuses of agricultural workers are very low because the agriculture fails to provide employment throughout the year. The agricultural labourers usually get low wages; conditions of work put an excessive burden on them. Agricultural labourers constitute the most neglected class in Indian rural structure. Because of these reasons their economic lot has failed to improve even after planning.

But at the dawn of 7th September 2005, after the implementation of MGNREGS the agricultural wages increased for both agricultural and non-agricultural labourers. MGNREGS entitles every worker to wages at the Government of India notified, state-wise wage rate, for each day of work. The MGNREGS notified wage rates have increased across states over the years, with some states like Maharashtra registering an increase of over 200 per cent. The MGNREGS wage is higher than the legal minimum agricultural wage in 19 states.(MGNREGS Official Web Site)

Table – 2: Increase in MGNREGS Notified Wages from FY2006 T0 2012 AND Minimum Agriculture Wage (Rs per day)FY2011-12

State	MGNREGS Wage FY 2006-07	MGNREGS Wage FY 2008-09	MGNREGS Wage FY 2009-10	MGNREGS Wage FY 2010-11 & 2011-12	MGNREGS Wage (revision with effect from 2012)	Minimum Agriculture Wage (Minimum wage Act) FY2011-12
Assam	66	76.35	100	130	136	100.42
Bihar	68	77	100	120	122	120
Chhattisgar	62.63	62.63	100	122	132	114
Gujarat	50	50	100	124	134	100
Haryana	99.21	135	141.02	179	191	173.19
Himachal Pradesh	75	75	100	120-150	126-157	120-150
Jammu and Kashmir	70	70	100	121	131	110
Karnataka	69	74	100	125	155	145.58
Madhya Pradesh	63	85	100	122	132	124
Maharashtra	47	66-72	100	127	145	100
Manipur	72.4	81.2	81.4	126	144	122.1
Meghalaya	70	70	100	117	128	100
Odisha	55	70	90	125	126	90
Punjab	93-105	93-105	100-105	153	166	153.8
Sikkim	85	85	100	118	124	100
Tamil Nadu	80	80	100	119	132	100
Tripura	60	60	100	118	124	100
Uttar Pradesh	58	58	100	120	125	100
Uttarkhand	73	73	100	120	125	121.65

Source:http://www.mgnrega.nic.in.

The impact of MGNREGS wages on the rural labour market is very effective. The Real wages during six years before MGNREGS (from 1999-2000) and six years after MGNREGS (from 2005-2012) revealed that the real daily wage rate have increased rapidly in the later period. Based on NSS 64th Round Survey during agricultural year 2008-09 both male and female

Impact Of Mgnregs On Agricultural Labourers

workers reported earning an average of Rs.79 for work under the Act. These earnings are 12% higher than the average daily earnings for casual workers. Between 1999 and 2005 Pre-MGNREGS, nominal wages in the rural economy grew at an average annual of 2.7% over a year ago. Post-MGNREGS average wage increases almost qu dumped to 9.9% between 2006-2009 and between January 2010 agricultural wages rose 20.2% over a year, while non-agricultural rural wages increased 16.7% over a year. Wage growth for men in the agricultural sector averaged 19.7% over a year, while that for women 20.8% over a year ago (Morgan). Moreover, the wage rates of unskilled workers have increased faster than the wage rates in both agriculture as well as non-agriculture. This indicates at least some role of MGNREGS in raising the real wage rate in the rural sector, though it might be an outcome of several interrelated factors such as improvement in productivity, reservation prices, bargaining power, etc.(Gulati et al 2013;Murthy and Indimati, 2011)

CONCLUSION

People who are already participating in the rural labour market may seek MGNREGS work because wages and employment conditions are better than their current employment. The wages provided by MGNREGS is an alternative source of income for the rural labourers. The scheme also provides labourers with a dignified choice of work. MGNREGS has reduced migration by providing work closer to home and decent working conditions. MGNREGS play vital role in generating income and employment, improving rural labourers livelihood condition, providing better working condition and reducing migration in rural areas. Given this, the practice of seasonal scheduling of works may not be an optimal solution.

REFERENCES

- 1.Basu,A.K.(2011):"Impact of Rural Employment Guaranatee Schemes on Seasonal Labour Markets: Optimum Compensation and workers", The Journal of Economic Inequality,11(1):1-34.
- 2.Ministry of Rural Development(MORD, Government of India) (2012):MGNREGA Sameeksha, An Anthology of Research Studies on the MGNREGA, 2005,2006-12,edited and complied by Mihir Shah, Neelakshi Mann and Varad Pande(New Delhi:Orient Black Swan)
- 3.Murthy, P.S.S and S.Indumati (2011):"Economic Analysis of MGNREGA in the Drought-prone States of Karnataka, Rajasthan and Irrigation dominated states of Andhra Pradesh", Agricultural Economic Research Review,24:531-36.
- 4.Ravallion, M (1990):"Market Responses to Antihunger policies:Effects on Wages, Prices and Employment" in J Dreze and A Sen(ed), Hunger:Economics and Policy(Oxford: Oxford University Press), 241-78
- 5.Kulamani Padhi, (2007):"Agricultural Labour in India-A Close Look", Orissa Review, February-March-2007, 23-28.

Publish Research Article International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

Associated and Indexed, India

- * International Scientific Journal Consortium
- * OPEN J-GATE

Associated and Indexed, USA

- Google Scholar
- EBSCO
- DOAJ
- Index Copernicus
- Publication Index
- Academic Journal Database
- Contemporary Research Index
- Academic Paper Database
- Digital Journals Database
- Current Index to Scholarly Journals
- Elite Scientific Journal Archive
- Directory Of Academic Resources
- Scholar Journal Index
- Recent Science Index
- Scientific Resources Database
- Directory Of Research Journal Indexing

Indian Streams Research Journal
258/34 Raviwar Peth Solapur-413005, Maharashtra
Contact-9595359435
E-Mail-ayisrj@yahoo.in/ayisrj2011@gmail.com
Website : www.isrj.net