

Emerging Trends and Patterns of Agricultural Labour in India- Evidences from Census and Rural Labour Enquiry

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Abstract

This paper examines the size, growth, and regional patterns of agricultural labourers in India from the 1950s to the present. It uses decennial Census data (1961–2011) and Agricultural Labour Enquiry (ALE) / Rural Labour Enquiry (RLE) reports for 1956–57, 1963–65, 1974–75, along with National Sample Survey (NSS) rounds from 1977–78, 1983, 1987–88, 1993–94, 1999–2000, 2004–05 and 2009–10. The analysis offers a comprehensive view of long-term trends. Agricultural labourers constitute 24 per cent of main workers and 47 per cent of agricultural workers, and their share has remained persistent despite the expansion of non-farm employment post-1990s. The causes are attributed to structural factors such as failure of land reforms, slow economic growth, and limited alternative employment opportunities. Regional disparities in distribution and growth patterns further underscore the uneven nature of rural transformation. The study contributes to understanding structural change in India's rural economy and provides insights for policy frameworks aimed at promoting equitable and inclusive rural development.

Keywords: Agricultural labourers, Rural households, Rural transformation, Regional distribution

JEL Classification: J43, R20, Q18, R12

Introduction

The category of agricultural labour has played a central role in the socio-economic transformation of rural India and substantial academic and policy attention was devoted to it from the 1960s to the 1980s, where their socio-economic conditions, employment patterns, and class position within the agrarian economy were discussed and debated. However, beginning in the 1990s, this focus shifted, as the discourse turned increasingly towards the expansion of non-farm employment (Srivastava et al., 2020; Lanjouw and Shariff, 2004) and related structural transformation. While non-farm employment has indeed expanded, during 1980s and 1990s and achieved a growth rate of about 7.5 per cent per annum, it failed to generate employment at an adequate rate (Singh, 1989) and farm-based wage labour remains a primary source of income for a large segment of the rural poor. According to Periodic Labour Force Survey 2021-22, agricultural sector still employs 45.5 per cent of total workers, where 62.9 percent of females and 38.1percent of males are employed in this sector. Increasing agricultural labour force along with low agricultural growth has led to a large gap in the labour productivity between farm and non-farm sector (Binswanger-Mkhize, 2013). Therefore, understanding

the dynamics of agricultural labour is crucial not only for analysing rural distress but also for positioning and evaluation of the process of economic development and the challenges of inclusive growth.

Data Sources and Methodology

For independent India, size and distribution of labour force is available from two different sources: Decennial Censuses and reports of ALE / RLE which were later merged with the National Sample Survey (henceforth NSS). ALE/ RLE reports for the years 1956-57, 1963-65, 1974-75 and NSS rounds for the years 1977-78, 1983, 1987-88, 1993-94, 1999-2000, 2004-05 and 2009-10 provide comparable data quinquennially for the households but not for individuals whereas census data is for the individuals and not for households. Data have been collected from both of these sources for the analysis. However, there are a few limitations of the data. Problems of inter-temporal comparisons in censuses arise mainly from changes in concepts and definitions from census to census. For instance, income criterion was used in 1951 census to differentiate between earners, earning dependents and non-earning dependents. This census was also affected by partition (Krishnamurty, 1979), and in several states particularly in Andhra Pradesh, Karnataka and in Tamil Nadu, the census under-enumerated the working population

(Ahuja, 1986; Sinha, 1982). In 1961, the whole population was divided into workers and non-workers and all those who even worked for one hour during a reference period of fifteen days were recorded as workers. Thus, it included 'students', 'houseworkers' or 'rent-receivers' as main workers (Krishnamurty, 1972). There was no category of secondary or marginal workers and therefore 1961 census recorded very high working force figures. In 1971 census, 'activity' criteria was used where main and secondary workers were recorded separately. Secondary workers were recorded but their numbers were grossly under-enumerated. Reference period was different for regular and irregular workers. Only those workers who reported their main activity as work were recorded as main workers. This is the reason for the absolute decline in the work force from 189 million in 1961 to 180.5 million in 1971 (see Table 1, row 2). 1981 and 1991 census recorded main and marginal workers according to the concept of the 'usual' status as opposed to 'current' status in earlier censuses. These two censuses divided the population into workers and non-workers like the 1961 census and used the long-time criterion. Those who worked for 183 days and more were recorded as main workers and those who worked for less than 183 days were put into marginal worker category (Sinha, 1982; Krishnamurty, 1972).

Worker: population ratio (Table 1, row 3-5) shows a declining trend from 1961 onwards and for females the decline in this ratio was much sharper. The reason for the lower participation rate in 1971 and 1981 census is basically due to under-enumeration of secondary and marginal workers respectively (Ahuja, 1986). Although it might be true that earner: population ratios show wide fluctuations over the decades, yet all of these fluctuations are not due to changes in the definitions. These fluctuations in female participation have been linked to agricultural performance. Jeemol (1988) shows that female participation fluctuates from 65 percent to 49 percent during 1956-1978, due to good and bad monsoon years. In bad monsoon years due to poor earnings, participation of otherwise non-worker children and women increases whereas participation decreases in good years as

women withdraw from the labour market.

Changes in the definition of work from census to census not only affected worker: population ratio but the industrial distribution of workforce as well. Therefore, these limitations must be kept in mind while analysing trends of agricultural labourers. The states of Uttarakhand, Chhatisgarh and Jharkhand have been carved out from the states of Uttar Pradesh, Madhya Pradesh and Bihar respectively during the year 2000. The data of these three former states have been included in the latter three respective states in the present study.

Results and Discussion

This paper seeks to analyse the growth and regional patterns of agricultural labourers in India from the 1950s to 2011 as given in various Censuses as well as in Agricultural Labour Enquiry/Rural Labour Enquiry (ALE/RLE) reports. It provides explanation for the growth of agricultural labour and offers insights into policy-making for equitable rural development.

Agricultural labourers in Census—Trends and analysis

The proportion of agricultural workers in the total main workers declined since 1971 (Table 2, col.2), but the proportion of agricultural labourers in the total agricultural workers increased sharply since 1961 (Table 2). Secondly, considering only rural areas, agricultural labourers constituted 19 percent in 1961 and this proportion increased to around 33 percent of rural working population in 2011 (Table 3a), showing a sharp increase during 1961-1971, a gradual decline from 1971 to 2001, but again spiked from 2001 to 2011. 1961 census showed a very low proportion of agricultural labourers due to definitional issues as discussed earlier. Thirdly, while male proportion of agricultural labourers showed less fluctuations and have been hovering around 25 percent except during 2001-2011 where it showed a sharp increase to 29 percent. Female agricultural labourers declined substantially during 1981-1991 census and have been generally fluctuating much more than male labourers

Table 1: Workers, population and the proportion of workers to population in India, 1950-2011

Year	1931*	1951	1961	1971	1981	1991	2001	2011
Population(million)	332.3	361.1	439.2	548.2	665.3	846.3	1028.6	1210.8
Total workers(million)	145.5	141.2	188.8	180.5 ^a , 186.5 ^b	222.5 ^a , 244.6 ^c	285.4 ^a , 313.6 ^c	313 ^a , 89.2 ^c	362.6 ^a , 97.0 ^c
Per cent of workers to population	43.80	39.10	43.10	34.20	37.50	34.10	30.40	29.90
Per cent of male workers	58.10	53.90	57.30	52.70	53.20	50.90	45.10	43.80
Per cent of female workers	28.80	23.40	28.0	14.20	20.80	15.90	14.70	15.10

Source: Ahuja, 1986; Sinha, 1982; Census of India 1981, 1991, 2001, 2011

Notes: a-main workers, b- main workers + secondary workers, c-main + marginal workers

*1931 figures relates to undivided India

confirming Jeemol's(1988) argument (see Table 3b given below).

Regional patterns

Tables 3a and 3b show the proportion of agricultural labourers to the total workers. This was highest in Andhra Pradesh, Bihar, West Bengal, Tamil Nadu and Maharashtra in 1961, whereas Bihar and Andhra Pradesh along with

Tamil Nadu were the states with the highest proportion of agricultural labourers in 1991. The pattern remained more or less same between 1961-2011. Most states showed sharp growth in agricultural labourers during 1961-71 but after that showed a gentle decline conforming to the national average. Male workforce showed slightly different pattern with most southern and western states showing a decline

Table 2: Size of agricultural labourers in India 1951-2011

Year	Agricultural workers* as a per cent of main workers			Agricultural labourers as a per cent of main workers			Agricultural labourers as a per cent of agricultural workers		
	Persons	Males	Females	Persons	Males	Females	Persons	Males	Females
1951	56.16	54.75	59.56	8.94	8.73	9.45	15.92	15.94	15.86
1961	69.51	64.87	79.58	16.71	13.41	23.86	24.04	20.68	29.98
1971	69.67	67.49	80.07	26.33	21.26	50.46	37.79	31.50	63.02
1981	66.52	63.26	79.38	24.94	19.56	46.18	37.49	30.92	58.17
1991	63.56	59.45	77.74	26.09	20.83	44.24	41.05	35.03	56.90
2001	53.46	49.76	65.67	20.31	17.14	30.78	37.99	34.44	46.87
2011	50.22	46.96	60.18	23.76	20.22	34.59	47.32	43.06	57.47

Source: Census of India, 1991

Note: *Agricultural workers include cultivators+ agricultural labourers

Table 3a: Agricultural labourers as a proportion of total rural workers (in per cent)

States	1961	1971	1981	1991	2001	2011
India	18.97	30.71	29.88	28.25	26.43	32.93
Andhra Pradesh	31.34	42.49	42.01	44.74	41.43	51.94
Assam	3.88	10.43	N.A	11.37	10.44	12.11
Bihar	24.37	41.76	38.71	36.83	46.20	49.26
Gujarat	17.70	28.34	29.63	24.63	26.30	35.42
Jammu & Kashmir	1.29	3.26	3.78	N.A	4.95	8.45
Kerala	19.44	34.37	32.46	27.47	15.83	15.42
Madhya Pradesh	18.14	29.52	27.45	23.31	25.20	37.68
Tamil Nadu	21.81	38.10	40.28	41.58	36.43	40.77
Maharashtra	28.95	38.15	35.14	32.57	33.35	39.42
Karnataka	18.53	31.41	32.37	32.17	26.37	31.84
Orissa	17.86	30.21	30.14	27.07	25.64	27.31
Punjab	8.95	24.80	28.52	29.66	18.85	21.13
Rajasthan	4.43	10.35	8.36	9.04	6.92	12.82
Uttar Pradesh	12.45	22.22	17.91	19.58	18.16	27.11
West Bengal	20.24	35.00	33.58	29.74	27.59	34.20
Himachal Pradesh	1.43	4.38	2.86	2.75	2.02	3.63
Haryana	8.95	18.87	19.68	21.16	12.93	18.20
C.V.	0.60	0.49	0.47	0.44	0.53	0.49

Source: GOI Census of India.

Note: C.V.= Co-efficient of variation

Table 3b: Agricultural labourers as a proportion of total rural workers gender-wise (in per cent)

	1961		1971		1981		1991		2001		2011	
	M	F	M	F	M	F	M	F	M	F	M	F
India	15.84	25.00	25.21	54.39	24.00	50.19	25.62	33.76	23.15	35.66	28.99	43.25
Andhra Pradesh	24.63	40.84	31.90	66.22	31.46	62.01	37.07	55.45	34.25	53.62	43.90	64.22
Assam	5.04	1.74	10.93	5.62	N.A	N.A	13.22	7.17	10.91	8.38	11.75	13.59
Bihar	21.50	29.94	35.89	75.93	33.69	65.61	35.67	40.61	42.71	62.53	47.44	56.56
Gujarat	15.21	21.90	22.77	53.97	23.73	53.98	24.32	25.14	23.31	34.77	30.63	51.43
Jammu-Kashmir	1.69	0.36	3.34	2.02	3.92	2.41	N.A	N.A	5.33	2.98	8.68	6.88
Kerala	14.95	29.38	28.31	53.47	27.08	48.38	25.29	33.44	14.19	21.65	13.63	21.07
Madhya Pradesh	15.90	21.07	21.95	50.63	20.82	42.34	20.83	26.92	22.08	32.59	33.14	47.64
Tamil Nadu	17.75	28.59	30.91	62.21	30.95	60.07	35.76	50.57	30.67	46.34	33.93	52.05
Maharashtra	24.46	34.55	29.97	56.06	26.72	49.77	27.86	38.16	27.59	42.69	33.67	48.43
Karnataka	14.75	24.91	25.23	54.17	23.61	55.06	26.11	41.71	19.87	40.39	24.15	47.04
Orissa	16.02	21.88	27.08	55.68	24.70	57.21	24.73	32.81	23.17	37.56	24.10	41.64
Punjab	10.09	4.73	24.83	21.66	28.12	42.59	30.31	20.53	19.96	14.56	21.22	20.57
Rajasthan	4.19	4.80	8.52	21.88	6.77	16.60	9.16	8.84	6.38	8.18	10.77	17.24
Uttar Pradesh	10.14	19.88	19.20	46.94	15.83	38.02	18.79	22.78	16.90	26.18	25.91	32.97
West Bengal	19.59	23.70	33.26	54.51	31.79	48.44	29.52	30.69	27.11	30.18	33.84	36.24
Himachal Pradesh	1.77	1.04	4.48	4.14	3.30	1.74	3.93	1.11	2.23	1.60	3.56	3.80
Haryana	10.09	4.73	18.35	31.22	19.15	25.71	22.51	15.13	12.93	12.90	17.62	21.02
C.V.	0.55	0.67	0.45	0.55	0.45	0.48	0.39	0.55	0.50	0.60	0.47	0.50

Source: Census of India

Note: C.V.= Co-efficient of variation M-Male, F-Female

in the proportion since 1961. However, states situated in north, north-western, and eastern regions such as Punjab, West Bengal, Orissa and Rajasthan registered an increase in male agricultural labourers since 1961.

Secondly, it is interesting to note that co-efficient of variation (C.V.) of agricultural labourers among states declined (Table 3a and 3b, last row) during 1961-1991 indicating movement of labourers from labour abundant regions to labour scarce regions, but showed a spike from 1991-2011. This is shown by a sharp increase in agricultural labourers in areas that had relatively lower proportion in 1961 such as Punjab, Haryana and Uttar Pradesh but such movement of labourers faded after 1990s.

Table 4 reveals that Andhra Pradesh, Bihar, and Maharashtra have higher shares of agricultural labourers than their population share, while Uttar Pradesh has a lower share.

In most other states, both proportions are nearly aligned. Moreover, it also shows that Andhra Pradesh, Bihar, Tamil Nadu, and Uttar Pradesh together account for the largest shares of agricultural labourers, while Haryana, Himachal Pradesh, Punjab, and Rajasthan record much smaller proportions.

Agricultural labour households in ALE/RLE reports- Trends and analysis

Table 5 shows that although agricultural labour households (ALHH) without land in all rural households increased since 1956-57, the increase is not as sharp as in census data. It is also evident from the table that the proportion of agricultural labourers without land declined till 1974-75 after which it increased sharply (Table 5, last row). Regional pattern is similar to the pattern in the census with most southern and eastern states showing higher proportion

Table 4: Share of population and agricultural labourers by states (in per cent)

Particulars	Share of agricultural labour						Share of population					
	1961	1971	1981	1991	2001	2011	1961	1971	1981	1991	2001	20 11
India	100	100	100	100	100	100	100	100	100	100	100	100
Andhra Pradesh	14.20	14.41	15.03	15.55	15.72	15.5	8.62	8.40	8.33	7.93	7.41	6.99
Assam	0.92	0.86	0.00	1.18	1.04	1.09	N.A	N.A	N.A	2.67	2.59	2.58
Bihar	14.90	14.37	13.30	13.05	14.59	11.39	11.13	10.88	10.88	10.30	8.07	8.60
Gujarat	3.93	3.98	4.49	4.31	4.83	5.20	4.95	5.16	5.30	4.93	4.93	4.99
Haryana	0.00	0.91	1.07	1.19	1.96	1.00	0	1.94	2.01	1.96	2.06	2.09
Himachal Pradesh	0.00	0.11	0.07	0.08	0.06	0.08	0.32	0.67	0.67	0.62	0.59	0.57
Karnataka	5.13	5.74	6.60	6.60	5.87	5.92	5.65	5.66	5.78	5.36	5.14	5.05
Kerala	2.99	4.03	3.46	2.68	1.57	0.94	4.05	4.12	3.81	3.47	3.10	2.76
Madhya Pradesh	8.09	8.58	8.77	7.89	6.16	7.79	7.76	8.04	8.12	7.89	5.87	6.00
Maharashtra	12.22	11.38	11.69	11.12	12.03	12.90	9.48	9.73	9.77	9.41	9.42	9.28
Orissa	4.66	4.09	4.33	4.09	3.40	2.91	4.21	4.24	4.10	3.78	3.58	3.47
Punjab	2.79	1.66	1.97	1.88	1.62	1.33	4.87	2.62	2.61	2.42	2.37	2.29
Rajasthan	1.33	1.58	1.38	1.83	1.60	2.56	4.83	4.98	5.33	5.25	5.59	5.66
Tamil Nadu	8.36	9.48	10.90	10.54	8.59	7.72	8.07	7.95	7.53	6.66	6.07	5.96
Uttar Pradesh	11.78	11.51	9.35	10.38	9.37	11.23	17.68	17.06	17.25	16.58	16.15	16.50
West Bengal	8.37	6.91	7.03	6.93	7.34	6.97	8.37	8.55	8.49	8.12	7.79	7.54
Other States	0.29	0.40	0.56	0.66	5.25	5.46	0.01	0.00	0.02	2.64	9.38	9.69

Source: Census of India

along with north and north-western states showing lower proportion of ALHH. Roughly all states show a growth in agricultural labour households as a proportion to total rural households since 1956-57. Coefficient of variation also registers a similar trend in ALE/RLE with an increase during and after 1990s.

Thus, the census reports show the agricultural labourers forming 28 percent of total main workers while ALE/RLE data place about 30 percent of rural labour households as agricultural labour households in the early 1990s. Both indicate a rising proportion since the early 1960s. While male labourers maintained a steady trend, female participation share fluctuated much more. Regionally, Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra and Bihar reported higher proportion of agricultural labourers in total workers while Uttar Pradesh, Rajasthan and Haryana recorded lower levels. Punjab witnessed a very sharp increase in the proportion of agricultural labourers as well as agricultural labour households after mid-1960s. The co-efficient of variation suggests convergence across states until the 1990s, reflecting movement of labourers from labour abundant

regions to labour scarce regions but thereafter coefficient of variation rises again.

Growth of agricultural labourers- An explanation

Many causes such as demographic, structural, technological and institutional have been attributed for the growth of agricultural labourers (Nayyar, 1991). Increase of population at the rate of 2.5 percent per annum has been leading to fast fragmentation of holdings converting large farmers into medium, medium into small, small into marginal and marginal into agricultural labourers. Thus, it is through sub-division that there has been an increase in the category of agricultural labourers (Vyas, 1976; Chandra, 1979). Along with population growth, structural factors such as the growth process adopted after independence has further added to the process of differentiation of peasantry, which has led to an increase in the wage dependents (Bardhan, 1989).

Land reforms during the 1950s and the introduction of new agricultural technology known as Green revolution/HYV technology during the 1960s have been associated with the increase in the category of agricultural labourers.

Table 5: Regional distribution of agricultural labour households as a proportion to total rural households (in per cent)

States	1956-57	1964-65	1974-75	1983	1993-94	1999-00	2004-05	2009-10
Andhra Pradesh	35.60	31.40	35.78	41.55	41.48	42.52	35.83	37.57
Assam	18.50	4.90	13.06	19.44	22.99	17.26	12.90	13.79
Bihar	29.60	28.00	33.27	37.11	39.22	42.52	31.66	32.40
Gujarat	26.00	16.70	22.30	30.69	37.83	34.82	32.74	30.74
Haryana	9.40	14.30	9.11	20.25	15.87	18.71	11.73	11.04
Himachal Pradesh	9.40	14.30	1.78	2.18	2.85	4.00	1.68	1.54
Karnataka	27.30	27.20	30.78	36.60	37.73	41.70	42.49	38.27
Kerala	22.70	28.20	27.40	31.70	28.22	21.84	16.06	14.05
Madhya Pradesh	24.50	20.30	21.79	30.15	34.85	34.29	29.55	34.46
Maharashtra	26.00	31.00	31.96	38.55	41.17	41.73	36.31	33.56
Orissa	29.40	24.70	30.12	36.41	25.46	43.32	29.17	23.65
Punjab	9.40	14.30	20.88	25.26	27.68	24.59	20.27	20.60
Rajasthan	6.90	5.50	3.96	11.10	9.96	7.89	6.49	5.59
Tamil Nadu	36.50	28.00	38.05	42.23	42.08	45.15	35.55	35.68
Uttar Pradesh	17.20	13.90	15.81	18.01	15.31	19.68	13.66	11.33
West Bengal	25.00	25.40	30.94	38.50	32.57	38.23	32.60	38.73
All India	24.50	21.80	25.26	30.70	30.34	32.23	25.81	25.61
C.V.	42.52	42.31	49.48	40.64	42.88	43.95	49.30	51.64
ALHH (with land)	42.90	43.90	49.20	44.10	43.03	42.67	38.28	36.37
ALHH (without land)	57.10	56.10	50.80	56.00	56.97	57.33	61.72	63.63

Source: ALE/RLE reports

There is almost a consensus among the scholars that the redistributive measure of land reforms was a failure (Appu, 1996; Bardhan, 1984; Dandekar, 1988), and even where land was redistributed among the landless labourers, it could not succeed because of lack of other complementary assets. To cultivate these lands, poor peasants had to rely on loans that could be possible only against mortgage of land in the absence of other collaterals and soon these lands passed out of their hands. It not only happened to the landless who received land under the land reform measures but also to the small holders whose holdings grew very small because of sub-division of land.

Secondly, the implementation of land reforms saw eviction of the tenants by the landlords who resumed land for personal cultivation particularly in the north-western India (Patnaik, 1987; Nayyar, 1984), where self-cultivation has always been culturally highly prestigious. Tenancy laws prompted the landlords to resume land for personal cultivation, which worked very well in the Green-Revolution areas where these landholders converted themselves into capitalist-farmers (cultivating with the help of hired labour) from rentiers (Patnaik, 1987). Not only this but increased demand for hired labour in these areas worked as the pull

factor for the labourers of other areas which contributed to an increase in the number of agricultural labourers in these regions (Patnaik, 1987). In other areas where landowners did not resume land for self-cultivation, made their tenants register as agricultural labourers and not as tenants except in some regions where tenants were strong enough to register themselves as tenants such as in Karnataka and West-Bengal (Bardhan, 1989). As a result, a large number of tenants joined the ranks of agricultural labourers whose economic as well as social position declined. Over the years, tenants have been evicted particularly in the more progressive areas because of increased profitability from self-cultivation and "protected" tenancy laws (Bardhan, 1984). This has also led to a significant rise in the use of hired labour. Apart from resumption of land by large landowners, the composition of the tenant farmer group has also changed significantly with the change in the pattern of hired labour use. The increased costliness and credit intensity of the new agricultural technology dependent on privately controlled irrigation (pumps and tubewells) and purchased inputs like fertilizers and pesticides have driven many small farmers out of cultivation particularly in agriculturally more progressive areas and land has gradually passed on to a new class of

large farmer- entrepreneurs, who account for an increasing share in the total leased-in area. Bardhan shows that in 1970-71 correlation coefficient between the percentage of area irrigated and the proportion of rural households owning but not operating land is 0.52 possibly suggesting that in better irrigated areas cost of cultivation has driven many small landowners away from farming. This change in the tenancy structure has been called 'reverse tenancy' in many north Indian states (Bardhan, 1989).

The small holders who earlier leased in more land to make their holdings economically viable joined the ranks of agricultural labourers, as the availability of land on lease declined. As a result, these small holders either leased out their lands to the medium or large landholders and became full-time labourers or even if they continued to cultivate their small holdings, they were forced to supplement their income by working as agricultural labourers. In the post-independence period, landlessness in terms of owned area may not have increased but there has been a growing concentration of operated area with the big farmers because of 'reverse' tenancy noted in certain regions. Bardhan (1989), argues that the distribution of cultivated area in India during in 1960-1980 has moved in favour of the medium-large farmers. Sharma and Dreze also (1998) noted changes in the tenancy structure in Palanpur, a village in west Uttar Pradesh.

Earlier landless labourers who possessed some assets of their own were able to lease-in land and were categorized as tenants. With the development and greater non-labour input use, it is now the middle farmers who are leasing-in land for the better use of indivisible inputs, thereby leaving less scope for landless to lease-in land.. Bharadwaj and Das (1995) noted that in early 1970s, in a few villages in Orissa, small landholders were leasing-out all their land and becoming labourers (Bharadwaj and Das, 1975). Singh (1989) noted in his village study of Punjab that pure tenancy has declined and there has been a growth of owner tenants. Secondly, there has also been a growing tendency among the bigger cultivators, owning tractors, to lease-in land and therefore rented-in-land is getting concentrated with the big tractor-owning tenants. Most tenants in the developed region of Punjab were noted to be new entrants into the field of tenancy, whereas in the less developed regions of Punjab most lessors were old who have been leasing-in land for more than 20 years. Bhalla (1976) showed that in developed regions of Haryana, income from agricultural labour is higher than the income from 0-5 acre farm cultivation, thereby indicating that it is economical for the smallholders to lease-out and become labourers.

In the developed areas both decreasing availability of land and alternative jobs along with increasing incomes from agricultural labour has pulled more and more former tenants and smallholders towards agricultural labour and people from other kind of jobs have also joined agricultural labour. These are the people who were engaged in artisanal

work and other unskilled jobs. Bhalla (1976), in her field survey of 153 villages in Haryana, noted such occupational shifts as the reason for increasing the size of agricultural labourers. Vyas's (1976) study of Gujarat shows that during 1961-71, agricultural labourers increased because of the increased population of the smallholders who became agricultural labourers and also because the rural artisans and other rural labourers shifted to agriculture as they could not get employment in their traditional occupations. He also emphasized that an increase in population alone cannot explain the sharp increase in this category as was indicated by NSS reports.

In other regions, which were slow to develop, an increase in the number of agricultural labourers was due to the lack of alternative opportunities to work and agricultural labour served as a residual category. In these areas it is mainly the push factor which has led to the increase in the category of agricultural labourers.

NSS data on the other hand shows (Table 6) that the extent of landlessness as well as inequality in land ownership has not changed much since independence. Even the proportion of households not operating any land has not changed much, the overall incidence of tenancy has declined, and the proportion of rural labour force dependent on wage labour and the ratio of agricultural wage labour to agricultural workforce has increased steeply (Vaidyanathan, 1994).

Chandra (1979) has studied the question of proletarianization/ pauperization in Indian agriculture from all sources and concludes that between 1950s and 1971-72 there is no definite trend of the growing landlessness among rural poor giving credence to pauperization thesis. He uses ALE/RLE data to show that agricultural labour households as a percentage of all rural households have not increased sharply during 1950-51 to 1974-75 (Table 5). NSS data shows that average size of holding has declined because of population pressure. The proportion of wage labourers increased because the bottom ladder of the landed households became poorer. Chadha (1994), on the other hand, attributes the above phenomena to the different concepts used in various NSS reports and has defined landless as those who do not own any arable land and he decomposes the 0.01-0.49 category into those who own arable land and those who do not own arable land, then he adds those who do not own any arable land into the 0.01 and below category and finds the number of landless increasing in almost all states since 1960-61. In fact, he finds landlessness to be increasing in terms of owned area, operated area, or in terms of number of landless agricultural labour households.

Swamy (1986) tried to segregate the demographic and the non-demographic causes for rural proletarianization for the period 1961-71 using RLE data of landholdings and the size distribution of holdings. According to him, in the 1960s, rate of proletarianization in India as a whole was 2.54 percent

Table 6: Land holdings in India, 1961-62 to 2013 (Number in Millions)

Particulars	1961-62	1971-72	1982	1992	2003	2013
Number of rural household	72.50	77.80	93.90	116.40	147.84	156.04
Number of household sowning land	64.00	70.80	83.20	103.30	133.00	144.49
Number of operational Holdings	50.80	57.10	71.00	93.50	101.27	108.80
Per cent of households not owning land	11.70	9.60	11.30	11.30	10.04	07.41
Per cent of households not operating land	26.80	27.00	24.00	N.A	N.A	N.A
Gini Coefficient of land ownership	0.73	0.71	0.71	0.71	0.74	00.72
Gini coefficient of operational holding	0.58	0.59	0.63	0.64	0.62	00.52
Per cent of land owning households leasing out	07.00	09.90	06.20	04.80	N.A	03.26
Per cent of owned area leased out	04.40	05.80	04.30	05.00	03.00	04.00
Per cent of operating households leasing in	23.80	25.20	14.70	14.70	12.00	13.70
Per cent of operated area leased in	10.70	10.60	07.20	08.30	06.50	11.30

Source: Sarvekshana, 1987, 1988; Land and livestock Holdings, 1992; Operational Land Holdings in India, 1997; Household Ownership Holdings in India, 2003; Household Ownership and Operational Holdings in India, 2013

which means that many of the land-owning households slid down to join the ranks of agricultural labourers. Out of this the demographic factors contributed 1.34 percent as against 1.20 percent being contributed by the non- demographic factors.

Patnaik (1987) asserted that the reasons for the increase in this category are different in different regions. In some states it is the slow overall growth which has pushed people into this category, whereas in other states a faster growth of agricultural sector has pulled people to the agricultural labour category. It was argued that the growth of agricultural labourers in India is mainly the result of pauperization and not proletarianization in the post- independence period. Since the development is so uneven, growth in some regions has not been able to improve the conditions of agricultural labourers as small increases in wages attract large supplies of labourers from other regions of slow development such as Punjab. It shows a sharp increase in the rate of growth of agricultural labour households particularly after 1964-65, confirming that pull factors in the case of Punjab, in the post Green Revolution period have been operative. A similar growth can be seen in Haryana also. Regional distribution of agricultural labour households shows that in the post-independence period, south and east India has a much higher proportion of agricultural labour households in total rural labour households as compared to north India.

Analyses during the 1990s and after show that, despite rapid GDP growth, India has experienced what many scholars is termed as “jobless growth.” Employment elasticity of output has steadily declined, falling close to zero after 2005 (Singh, 2020). While organized sector employment grew modestly during the reforms of the 1980s and 1990s, the pace of labour absorption in the non-farm sectors has been too weak to offset this shift. The bulk of new jobs in recent decades have arisen in construction sector often low-skilled,

insecure, and temporary, rather than in manufacturing or high-productivity sectors. Even where manufacturing has shifted to rural areas, it has done so without a proportional increase in employment (Chand and Srivastava, 2017; Singh, 2020). With more than half of India’s population under the age of 25, the youthful structure holds the potential for a significant *demographic dividend*. Yet, employability remains low, with only 17 per cent of graduates considered job-ready and just 2.3 percent having received formal training. This skill-deficit (Mehrotra et al., 2013) coupled with persistently high informality, nearly 90 per cent of India’s workforce, has constrained the ability of growth to translate into productive employment (Bandura, 2022).

Conclusions and Policy Implications

India’s labour market has been undergoing changes under the combined pressures of demographic expansion, economic reforms, and structural change. Rural India illustrates the stark imbalance. Agriculture continues to employ a majority of the rural workforce of (45-46 per cent), but contributes far less to output (below 18 per cent), with per worker productivity almost three times lower than non-farm sectors. This structural imbalance leads to low-income trap for rural households. Although after 2004–05, for the first time, the agricultural workforce began to decline, but the pace of labour absorption in non-farm sectors has been too slow to offset this shift. Moreover, much of rural employment growth has been concentrated in construction sector rather than in manufacturing or services, reflecting both the lack of skills and the limited capacity of industries to absorb labour. Gender disparities compound these challenges. Female labour force participation has fallen sharply, especially in rural households, regardless of class or occupation. Women remain concentrated in informal, low-paying, and insecure jobs, highlighting the intersecting barriers of gender, caste,

and class in India's employment landscape (Chand and Srivastava, 2017; Srivastava et al., 2020; Bandura, 2022, Binswanger, 2013).

Overall, the Indian economy shows signs of a stunted structural transformation. While the share of agriculture in output and employment has declined, the transition of workers into high-productivity non-farm sectors remains inadequate. Informality, skill-deficit and gender exclusion continue to undermine the prospects of inclusive, job-led growth, raising pressing questions about whether India can harness its demographic advantage before it slips away. Due to this reason, it can be concluded that "India is still far away from a turning point in its structural transformation".

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