

Pattern of Employment and Level of Income of Mandi Labour in Agricultural Regulated Markets in South-Western Punjab

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Abstract

In agricultural regulated markets, the mandi labour performed various activities such as unloading, cleaning, packing, stitching and loading of agricultural produce in south-western Punjab. About 72 per cent of the workers got their work through contractor. The wage rates for various activities in the state ranged from Rs 1.01 for stitching a sack of 35 kg of paddy to Rs 6.14 for packing of 40 kg of cotton in the bag. The present study revealed that the mandi labour was working in two cropping patterns in the markets i.e. paddy-wheat and cotton-wheat. In kharif season, the mandi labour earned Rs 23849.99 or Rs 27448.20 from paddy or cotton arrival by working for 43 or 112 days respectively in the market. In rabi season, they earned Rs 15530.40 by working 30 days on wheat arrival in the market. The mandi labour worked for 237 days during the whole year out of which they worked for 107 days in regulated agricultural markets as mandi workers while for 130 days in other than mandi work such as agricultural labour earning Rs 41058.76 and Rs 31800 per annum respectively.

Keywords: Agricultural regulated markets, Mandi labour, Employment, Wages, Activities

JEL Classification: J21, J22, J31

Introduction

The introduction of money as a medium of exchange has changed the agricultural model from a self - sufficient village economy to a market economy. Creating fair competitive conditions to increase the bargaining power of producer - sellers is considered to be the most important prerequisite of orderly marketing. Most of the defects and malpractices within the

marketing system for agricultural products have been more or less eliminated by the public control of markets through the creation of regulated markets in the country (Rehman *et al*, 2012). The regulation of the markets for agricultural products by the state market committees in almost all the states of the country has tried to organize agricultural marketing to a large extent (Kaur and Kaur, 2003). Their goal is to eliminate the unhealthy and unscrupulous practices of commission agents, reduce marketing costs

and provide facilities for farmers and sellers in the marketplace (Anonymous, 2019). As the emphasis in most of the regulated markets has remained on construction activities and collection of market fee, several weaknesses and malpractices are still reported in many yards (Srivastava and Shukla, 1995) though regulated markets are greatly successful in some northern states of the country (Prasad, 1985). Even in Punjab, apart from the physical losses during transportation, cleaning, sieving, loading and unloading, excess weightment in market yards has been reported (Singh and Dhillon, 1996). Further, there is a considerable loss of time to the farmers on account of waiting and congestion in the market yards (Chahal and Singh, 1997). One of the reasons for this is lack of infrastructural facilities (Acharya and Agarwal, 1998) in the regulated markets. It was found that (Thakur and Shandil, 1993) lack of well-organized regulated markets and poorly prepared markets both in terms of infrastructure and personnel were the main hindrances in the smooth marketing of agricultural produce (Saxena *et al.* 2018).

As the agricultural labour work in the fields and help to grow the produce, similarly, the mandi labour play an important and intensive role in its marketing in agricultural regulated markets. The labour that works in regulated agriculture markets or mandis during the marketing of crops or mandi season is called as mandi labour. In the agricultural sector, a farm worker works in production process whereas in the regulated agricultural markets, a labourer works as a care-taker of agricultural produce and facilitates towards the end marketing of the produce. The mandi worker unloads the

crop that arrives in the market yard, weighs it, cleans it, packs it and helps the farmers and commission agents in onward and forward transmission of the produce. These labourers fill the produce in the bags as per specifications and norms of the regulated markets, thereafter; they load the bags to be transported to its destination i.e. in the storage houses, ware houses, processing units, factories or to the final consumers. In mandis, the labourers work only during the marketing season of various crops i.e. from arrival of farm produce in the market till its disbursement. The smooth functioning and marketing of agricultural produce is not possible without mandi labour in the regulated markets (Khunt *et al.* 2009). A glut like situation occurs in the market for a short period of time as the harvest from each corner and direction comes to the market. During that period the mandi workers face stress and pressure and work very hard. The mandi labourers are mostly unorganized (Sharma, 2017) and in the absence of trade unionism the mandi labour suffer less bargaining power hence less wages. There is no law to regulate the working conditions of agricultural labourers. The benefits of medical facilities and social security are totally denied to them and hence have no security of employment. The importance and need of mandi labour has increased manifold with the increase in number of the regulated markets and rise in crop arrival in the state of Punjab during post Green Revolution period. In this context, the present study has been undertaken with the objective to study the pattern of employment and level of income of mandi labour in agricultural regulated markets.

Data Sources and Methodology

In the south-western zone of Punjab, cotton is one of the major crops besides wheat and paddy and thus popularly known as cotton belt of the state was purposely taken for the study. Two districts namely Mansa and Barnala were randomly taken out of it. Three agricultural regulated markets i.e. Mansa, Bhikhi and Budhlada from Mansa district while another three regulated markets i.e. Barnala, Mehal Kalan and Dhanaula from Barnala districts were randomly selected. A complete list of mandi labour working in the each selected regulated market was prepared. From each such list, a sample of 20 labour was selected randomly making a sample of total 120 mandi workers (all were found male) for the purpose of study. Personal interview method was adopted and primary data were collected in 2016-17 through a well structured pre-tested schedule.

Results and Discussion

Source of employment

In the regulated agricultural markets under study, the contractor was the main source of employment and was responsible for overall coordination of the all mandi work. Table 1 explains the source of employment for mandi labour in agricultural markets. It was found from the study that there were three sources

of employment for the mandi workers in markets i.e. contractor, relatives and friends. The study revealed that 72.50 per cent of them found the mandi work through contractor followed by 16.67 per cent and 10.83 per cent through relatives and friends respectively. In the regulated markets in Mansa and Barnala district, majority of the respondents i.e. 78.33 per cent and 66.67 per cent respectively, found their work through contractor. The findings of the study are in consonance with the research work conducted by Arora and Kumar (1980) which revealed that in Punjab the agricultural labourers generally got recruited through local agents or contractors.

Wage rates

The wage rates for different market activities such as unloading, dressing, cleaning, packing, stitching and loading of major crops i.e. wheat, paddy and cotton has been explained in Table 2. The wage rates varied from activity to activity as well as from crop to crop and found ranging from Rs. 1.01 to Rs. 6.14. It was found from study that in case of wheat and paddy, the wage rates were the highest for packing activity i.e. Rs. 5.72 and Rs. 6.14 per bag (one bag = 50 kg of wheat and 35 kg of paddy) respectively and were the lowest for stitching of bag i.e. Rs. 1.34 and Rs. 1.01 per bag respectively. In

Table1: Source of employment wise distribution of mandi labour in agricultural regulated markets in south-western Punjab, 2016-17

Source of employment	Mansa (n ₁ =60)	Barnala (n ₂ =60)	Overall (N=120)
Contractor	47(78.33)	40(66.67)	87(72.50)
Relatives	8(13.33)	12(20.00)	20(16.67)
Friends	5(8.33)	8(13.33)	13(10.83)
Total	60(100.00)	60(100.00)	120(100.00)

case of cotton, its cleaning was the highest paid activity as its wages were Rs. 6.07 for a bale of 40 kg whereas, the cleaning rates for wheat and paddy were Rs. 3.65 and 3.90 per bag respectively. Loading rates for both wheat and paddy crops were higher as compared to their unloading as these were Rs.1.62 and Rs.1.73 per bag for loading wheat and paddy respectively and Rs. 2.05 and Rs. 2.21 for unloading wheat and paddy respectively. The wages for unloading cotton in the market were Rs. 2.78 and for its dressing these were Rs. 2.29 per unit. In the regulated agricultural markets, the farmers had to pay only unloading and cleaning charges while the remaining charges such as cleaning, packing, stitching and loading were to be paid by buyers of the crop in the market. After payment of the charges by farmers they got *Form-J* which was to be filled in detail by them. The type of crop sold, quantity of crop sold, price received from the sale of crop, market charges, net profits earned from sale of crop etc. were also to be mentioned in it (Kumar and Singh 2018).

The study found that the commission

agents were responsible to pay the wages to the mandi labour in the regulated markets. Normally, the wages were paid to them at the end of the whole work in the rabi or kharif season. All the mandi workers (100%) got their wages in cash only.

Wage income

Season-wise wage income earned by mandi labourers engaged in regulated agricultural markets in south-western Punjab has been presented in table 3. In the present study, it was found that during the kharif season, paddy and cotton were the major crops and the working days for the mandi labour were reported to be 43 and 112 for paddy and cotton respectively. During kharif season, it was found that the mandi labour handled about 37 bags of paddy and 22 bales of cotton (weighing 35 and 40 kg each of paddy and cotton respectively) at the rate of Rs.14.99 per bag of paddy and Rs.11.14 per bale of cotton. Thus the mandi labour earned wage income of Rs. 23849.09 from paddy and Rs. 27448.20 from cotton during the kharif season. During the rabi season, the mandi labour worked for 30 days for

Table 2: Wage rates of different activities of mandi labour for major crops in agricultural regulated markets in south-western Punjab, 2016-17 (Rs/per unit*)

Activities	Major crops		
	Wheat	Paddy	Cotton
Unloading	2.05	2.21	2.78
Dressing	-	-	2.29
Cleaning	3.65	3.90	6.07
Packing	5.72	6.14	-
Stitching	1.34	1.01	-
Loading	1.62	1.73	-
Total	14.38	14.99	11.14

Note: *One unit of wheat=50 kg, paddy=35 kg and cotton=40 kg

Source:-Punjab Mandi Board, Mohali

Table 3: Season-wise wage income earned by mandi labour in agricultural regulated markets in south-western Punjab, 2016-17

Season	Crop	Working days	Rate (Rs/per unit*)	Unit (per day)	Wage income (Rs.)	
					Per day	Per annum
Kharif	Paddy	43	14.99	37	554.63	23849.09
	Cotton	112	11.14	22	245.08	27448.20
Rabi	Wheat	30	14.38	36	517.68	15530.40

Note: *One unit of wheat: 50 kg, paddy: 35 kg and cotton: 40 kg

wheat crop in the market. On each day, on an average, 36 bags of wheat crop were handled by a mandi labourer and on an average, at the rate of Rs. 14.38 per bag; the wage income earnings came out to be Rs. 15530.40 in rabi season.

Cropping pattern wise wage earnings of the mandi workers by performing different activities in regulated agricultural markets in south-western Punjab has been shown in Table 4. The study found that in wheat-paddy pattern, the labour got employment for 73 days in the mandis and earned an income of Rs. 536.15 per day i.e. Rs. 39138.95 per year while in case of the cotton-wheat pattern in the markets, they worked for 142 days and got an income of Rs. 302.67 per day thus earned Rs. 42978.60 in a year. On an average, a mandi worker was found engaged in mandi work for 107 days in both the seasons i.e. kharif and rabi and earned on an average,

total wage income of Rs.41058.76 per annum from the employment in regulated agricultural markets.

Employment and income in lean period

The employment status of labour in mandi and other than mandi has been explained in table 5. On an average a mandi labour was found having worked for 237 days in a year comprising for 107 days in agricultural regulated markets, whereas, in lean period, for 130 days in other than mandi activities. On an average, a mandi labourer earned wage income of Rs.41058.76 per annum from employment in mandis while Rs.31800.20 per annum from other than mandi work. Thus, per annum a total income of Rs.72858.96 was earned by a mandi worker. It was further highlighted that per day average earnings of a mandi worker came out to be Rs.383.73 and Rs.244.62 from mandi labour work and from other than mandi labour work respectively.

Table 4: Cropping pattern-wise wage income earned by mandi labour in agricultural regulated markets in south-western Punjab, 2016-17

Cropping pattern	Working days	Wage Income (Rs.)	
		Per day	Per Annam
Paddy-wheat	73	536.15	39138.95
Cotton-wheat	142	302.67	42978.60
Average	107	383.73	41058.76

Table 5: Employment status and income of mandi labour in agricultural regulated markets in south-western Punjab, 2016-17

Employment as	Working days (Per annum)	Income (Rs.)	
		Per day	Annual
Mandi labour	107	383.73	41058.76
Other than mandi work	130	244.62	31800.20
Total	237	307.42	72858.96

Thus on an average, a mandi worker had earned Rs.307.42 per day. Similar finding were discussed by another study (Maan, 2018) on employment and income pattern of migrant agricultural labour in south-western Punjab which revealed that the total days of employment in a year for permanent and casual migrant agricultural labour were 234 days and 206 days respectively in Punjab.

The study found that in lean period when there was no work in the regulated markets, the mandi labour were engaged in some other work such as agricultural labour, factory labour, shop worker etc. (Table 6). Overall scenario depicted that the 72.50 per cent of the mandi labourers were doing agricultural labour in the fields while only 11.67 per cent of them worked as factory labour such as in rice shellers etc during the lean period. In Mansa and Barnala districts, a majority of mandi labour (93.33 % and 95 %) were working as rickshaw pullers, construction workers etc.

Contribution to family income

The contribution towards the family income by the mandi labour has been explained in table 7. Overall, 30 per cent labourers had contributed 90-100 per cent to their family income while 7.50 per cent of mandi workers had contributed up to 50-60 per cent to their family income. District-wise analysis represented that in Mansa district, 31.67 per cent labour had contributed 90-100 per cent to family income whereas in Barnala district, nearly 28 per cent of the labour had contribution 90-100 per cent to their family income. In both districts, 30 per cent of the labour contributed 60-70 per cent in family income.

Conclusion and Policy Implications

It has been concluded that contractor was the main source of employment for the labourers in the market. The wage rates were the highest for packing the produce into the bags and were the lowest for stitching the

Table 6: Distribution of mandi labour according to their employment in lean period (Multiple response)

Employment as	Mansa (n ₁ = 60)	Barnala (n ₂ = 60)	Overall (N=120)
Agricultural labour	41(70.00)	45(75.00)	87(72.50)
Factory labour	8(13.33)	6(10.00)	14(11.67)
Other	56(93.33)	57(95.00)	113(94.17)

Figures in parentheses indicates percentages of their respective values

Table 7: Distribution of mandi labour according to their contribution to the family income

Contribution to family income (%)	Mansa (n ₁ =60)	Barnala (n ₂ =60)	Overall (N=120)
<5	1(1.67)	-	1(0.83)
50-60	4(6.67)	5(8.33)	9(7.50)
60-70	18(30.00)	18(30.00)	36(30.00)
70-80	9(15.00)	9(15.00)	18(15.00)
80-90	9(15.00)	11(18.33)	20(16.67)
90-100	19(31.67)	17(28.33)	36(30.00)
Total	60(100.00)	60(100.00)	120(100.00)

bags in case of both wheat as well as paddy in the regulated agricultural markets taken under study. The wage rates in case of cotton crop were the highest for its cleaning activity. On an average, a mandi worker was found engaged in mandi work for 107 days in both the agricultural seasons i.e. kharif and rabi and earned wage income of Rs.41058.76 per annum from employment in regulated agricultural markets. The mandi labour earned 56 per cent of their total earnings by working in regulated markets as mandi workers while got 44 per cent of their earnings by doing labour other than mandi activities such as in agricultural fields, shops, rice shellers, etc. for 130 days in a year. The study concluded that about 70 per cent of the mandi workers were contributing up to 90 per cent to their family income.

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