# SOCIAL SECURTY OF MIGRANT WORKERS: A STUDY OF SUGARCANE WORKERS IN GUJARAT

Dissertation submitted to Jawaharlal Nehru University in partial fulfilment of the requirements for the award of the Degree of

#### MASTER OF PHILOSOPHY

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This dissertation entitled "Social Security of Migrant Workers: A Study of Sugarcane Workers in Gujarat" submitted in partial fulfilment of the requirements for the award of the degree of Master of Philosophy of this university has not been submitted for any other degree of this university or any other university and is my original work.

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### Introduction

#### INTRODUCTION

This study examines **social security** of migrant workers working in sugarcane harvesting in Navsari district of south Gujarat by looking at their living and working conditions. This is an attempt to understand the concept of social security, existing social security measures in India, and what it means for the migrant sugarcane worker.

The issue of security of labour, is embedded in the social context of production, distribution and in the different risks and vulnerabilities experienced by individuals and groups thereof. Thus the concept of insecurity lies embedded in the development agenda. In the following study we are examine social security of the migrant workers. Let us examine how migration has been viewed.

#### MIGRATION:

Migration has been the topic of considerable research and analysis in recent years. The movement of people, whether it is between different countries, or within a country, has attracted interest in different disciplines, demography, cultural studies, economics etc.

In most studies, migration has been tied to the concept of urbanization and the move from rural areas to urban towns and cities. Such studies look at the movement from rural areas to urban areas and examine the pressures of urban living, of space and resources of problems of sanitation, housing, representation etc.

Compared to this kind of migration, intra-rural migration, i.e. migration between rural regions has not received as much attention, even though it accounts for a substantial level of migration. In countries like India, where a large part of the population is still depended on agriculture for its livelihood, and lives in rural areas, rural - rural migration is seen as an important means of livelihood, and an important economic activity. This kind of migration, mainly seasonal, takes place in the peak agricultural season for specific purposes like sowing, planting, harvesting. Labour from the poor regions of Bihar, Orissa, and West Bengal migrate to the rural regions of Punjab, Haryana etc. during the agricultural seasons to work as farm labourers harvesting wheat, returning to their villages after the season. Labourers from the tribal areas of western Maharashtra, as well

as tribal areas of Gujarat itself, migrate to work on the sugarcane fields of south Gujarat during the months of Sept.-March, April. This kind of seasonal labour migration has become increasingly common in India after the Green Revolution, and the introduction of large scale irrigation schemes, and other forms of modernization in Indian agriculture. These modernizations have given an impetus to the foray of capitalist techniques of production into agriculture making 'agriculture' an 'industry.

This type of 'capitalist' farming typically requires 'free' labour- workers who are not bound to a particular employer, but sell their labour on the open market and who are mobile enough to leave when they are not needed anymore. Such labour, is cheaper and more vulnerable and is therefore easier to control.

#### Objective of the study:

- 1. A small empirical study was undertaken to examine the living and working conditions of sugarcane harvesters of south Gujarat who migrate from the adjoining areas of Maharashtra.
- 2. The study examines what constitutes 'social security' for migrant workers, what they receive as wages and what facilities are provided to them during the time they are stationed at the place of work.
- 3. Alongside this, the study reviews existing social security measures in India.

#### Methodology:

The fieldwork was carried out amongst migrant workers from tribal belts of Maharashtra and Gujarat. These labourers migrated to south Gujarat to work as sugarcane harvesters in the sugar factory at Gandevi, Navsari district.. For the fieldwork, village Bohriach, in Navsari district was chosen. The labour camp at this village was at a distance of 11.5 kms from the sugar factory at Gandvei. The particular village was selected because of convenience as it was the nearest labour camp from the town.

Through random sampling 30 households were selected out of the 66 households residing there and in-depth interviews were carried out with them.

In-depth interviews were carried out with the sample. Informal talks with labour supervisors and officers at the factory, and the chairman and the managing director of the sugar cooperative were also carried out.

Talks with the Medical Officer at the PHC at Dhanori were also carried out. Data was also collected through observation during our stay at the field.

Secondary research was also carried out on the literature on migration and social security.

#### Chapterisation:

The study is divided into four chapters.

The first chapter is review of studies done on social security, and rural migrantion.

The second chapter is a discussion of existing social security measures in India and its applicability for unorganized, migrant workers.

The third chapter is based on the fieldwork done in Bohriach village of Navsari district of Gujarat.

The last chapter is a discussion and summary of the study and what constitutes social security for the migrant workers.

# Chapter I Conceptualisation of the Problem

#### Conceptualisation of the Problem

This study is concerned with the social security of migrant workers. Both the issues, that of social security as well as that of migration are tied to the central issue of development. As Rodger notes, the issue of social security is "embedded in systems of production and distribution, and in the different risks and vulnerabilities faced by individuals or groups within them", implying "that insecurity becomes part of the development agenda "(1999;329). Migration of people in search of a livelihood, in these times of 'development' is also triggered off by such insecurity. What would it mean to be secure? A vast proportion of the rural population migrates from its home area, in search of a livelihood. What constitutes this security? Before analyzing this further, it is important to see how these two terms, migration and social security, been treated in the literature. How has migration been analyzed? What are the causes for migration?

Most studies in migration have dealt with the movement from rural areas to urban areas in search of work and livelihood, and seen it as tied to modernization and urbanization. However, rural to rural migration goes on, on a considerable proportion in countries like India. Authors working on rural seasonal migration consider it an important economic phenomenon taking place in many rural areas of India, and that is conducive to capitalist method of farming.

#### Migration

Migration refers to the movement of people from one place to another for some period of time. The move may be permanent or temporary.

Temporary moves are further classified into return migration and seasonal or circular moves. The former refers to 'a coming back to the place of origin after an unspecified stay away from it' (Mukhopadhyay,1987 cited in Karlekar, 1995). Seasonal migration on the other hand relates mainly to a short-term stay of under a year in another location. As

this move is made primarily for employment purposes by those at the subsistence level, it is likely to be repeated at preferred times and hence is also known as circular migration or simply as 'the circulation of labour' (Breman, 1985).

We next look at the different theoretical approaches to migration.

#### **Theoretical Perspectives on Migration**

Theoretical perspectives on migration, in general and labour migration in particular, can be broadly classified into two main paradigms: the **neo-classical framework** and the **historical-structural** perspective. While the neo-classical position on migration emphasizes the role of the individual as a 'rational' actor, having the "freedom" to "choose" the best option when deciding to migrate, the historical-structural perspective locates migration within structural constraints, and sees it as a result of the interaction between social political and economic forces. Migration is not the outcome of the 'choice' that people have made, rather it becomes the only option for survival. We shall discuss the two perspectives in detail.

#### Neo-Classical Model

The neo-classical position on migration emphasizes the individual as a rational decision maker calculating costs and benefits. In such models, people are supposed to be 'rational actors" striving for economic optimum; they "choose" the best option that gives them maximum economic benefit. The 'push-pull' models of migration are examples of such analysis, as also the influential Todaro model.

#### Todaro Model

An important model that follows the neo-classical line of explanation and which has attracted quite a bit of attention is the 'Todaro Model'. This model emphasizes rural-urban movements, which the author explains in terms of income differentials between rural and urban areas (Teerink,1981 p. 215). Thus, the author suggests that people decide to migrate keeping in view the difference in expected wages between urban and rural areas:

"....the theory assumes that members of the labour force, both actual and potential, compare their 'expected' incomes for a given time horizon in the urban sector (i.e. the difference between returns and costs of migration) with prevailing average rural income and migrate if the former exceeds the latter (Todaro, 1981 cited in Breman, 1985)."

This model is based on the premise that 'individuals are conceptualised as actively responding to environmental forces, maximizing their individual interests and in a sense exercising their control over their destinies' (Burawoy, 1976 cited in Teerink, 1995). The Todaro model assumes that labour from rural areas responds to the pull of job opportunities in the modern, urban sector, and decides to move to urban areas expecting to earn more than what they received in rural areas.

However, these models of explanation have several shortcomings in their assumptions and have been criticized for being overly simplistic and naïve. These theories have most importantly been criticized for isolating the labourer/ worker from his/her political and economic context, and assuming that he/she exercises his/her freedom to choose between alternatives.

A major limitation of this type of analysis is apparent with regard to intra-rural seasonal migration, because the model ignores the vast circulation of labour that occurs within rural areas where wage differentials are assumed not to exist. This model, and its assumptions cannot explain why people migrate to rural areas. As Breman (1985) notes not all work in the plains are better-paid, not even industrial work. He cites the example of the migrants who find work in the cotton ginning factories in Bardoli, who earn a lower daily wage than those who stay behind in Valod to work on the roads or canals there (Breman, 1985, p219).

A second shortcoming of the Todaro model is what seems to be the assumption that rural migrants comprise more or less a homogenous category of poor people. Breman (1985) notes that Todaro describes migrants as 'entrepreneurs who decide individually to migrate

after weighing the possible costs and benefits' (p 219). The element of free choice, assumed by Todaro, to underlie the behaviour of migrants, is not attuned to the scarcity within which majority of migrants exist in the home area. The 'rationality' of their migration is not based upon a strategy of 'maximisation', as Todaro argues, but upon a strategy of survival (Breman, 1985). What the majority of the migrant labour *choose*, is to survive.

Inherent in these kinds of explanations is the tendency to invariably relate migration to urbanization, and locate the movement from rural to urban areas as mobility from "traditional" to "modern" sector. The assumption is that those who decide to move are less "traditional" and that they introduce "modernity" to the villages on their return. Mobility, thus, is seen as 'an yardstick for measuring the inclination for change, with the accompanying presumption that those who migrate also act as agents in the dynamic of change in their home milieu' (Berman, 1985,p219). Studies of this genre, following modernization theories, emphasize the positive effects accruing to the home area: a rise in living standards, a rise in productive capacity as a result of incoming earnings, a heightened level of awareness, and introduction of different norms and values by the migrants. These studies stress on people's 'willingness' to leave the village, or their preference for different kinds of work, in fact assuming a passive, backward rural population (Breman,1985,p220).

However, Breman(1985) notes from his study of the Bardoli region of South Gujarat, those who leave their villages, "....are not doing so in expectation of being able to 'better themselves'. They are driven, not by a higher level of aspiration than their non-migrating fellow villagers, but by economic necessity (p 220)."

We now look at the second paradigm, the historical-structuralist perspective.

#### Historical -Structuralist Perspective

The historical - structuralist approach locates migration within the structural context of society. The main inspiration here is the dependency theory and this line of explanation is predominantly Marxian (Teernik, 1995, Shah et al, 1991). In this approach "the migrant

worker is seen as locked into the capitalist world system and has to move cyclically between domestic (pre-capitalist) and introduced (capitalistic) modes of production" (Teerink,1995,p 215). This perspective explains that although migrant labourers may decide to move after weighing the costs and benefits, they do so in structural circumstances that severely restrict the available choices (Breman,1985, Teerink,1995, Shah et al,1991). In this kind of analysis,".. migration is viewed as class phenomenon, where the unit of analysis is the stream, in contrast to the atomistic approach of the neoclassicists viewing migration as the sum total of individual decisions (Shah et al, 1991)." The historical-structural approach is relevant when we examine migration in rural areas of India with its uneven development and inequality across regions and classes. As we shall see later, rural seasonal migration is tied to the overall process of development, and the introduction of capitalist relations in agriculture, the advantage of migrant labour to capitalist production (Breman,1985,1992;Shah et al 1991, Teerink,1985).

The main argument of this approach is that the decision to move from one place to another to earn a livelihood is not so much a result of an individual "free" choice, rather it is a result of the process of development, and most often than not, the only option for survival of the labourers.

Breman, who has worked extensively on migration to rural areas, places seasonal labour migration in the context of the development process. He notes that the seasonal migration that takes place from Maharashtra to the plains of south Gujarat for harvesting of sugarcane, is a result of the kind of development process that took place in that region. After the introduction of the Green Revolution and of large scale irrigation facilities, the cropping pattern of the south Gujarat region changed considerably (Breman ,1984). And these technological changes introduced the capitalist system of production into agriculture. The advent of capitalist system of production requires cheap labour, which is supplied by migration. Thus, the seasonal labour migration from the Khandesh region to the sugar factories of Gujarat, as well as seasonal labour migration in other parts of the country, is conducive to the capitalist mode of production. This is because, labour is cheap and being migrants, they are under more pressure to stay and earn a livelihood at

the place of destination, and thus can be kept under control. Here, the migrants don't exercise any 'free choice', of deciding to migrate, as the neo-classical perspective would explain. But rather, moving out to another area is seen as the only option to survive. This line of thought is also shared by Teerink(1995) and others.

However, De Haan, studying the migrant workers of Calcutta jute mill, shows that "the pattern of circular migration has not been enforced by employer's strategies or economic forces alone, but that it is determined by an interplay of economic, social and cultural forces and it is argued that one has to take into account the migrants' decisions" (de Haan, 1994 p16). His argument is that both sets of factors, the structural factors as well as individual decisions need to be taken into account while explaining migration. The author feels that though economic and political circumstances have a say, their presence has been over emphasized in explaining why people migrate. However, it cannot be denied that people act within certain structural factors and that when people are living at subsistence, the structural forces have a greater influence over their actions.

de Haan and Rogaly (2002), in their review of studies in migration, place migration as a social process emphasizing the agency of the migrant workers. They feel that migrant workers use their identities as well as their networks to create a degree of choice as regards who they would work for and on what terms. Though they observe that capitalist production is an important factor in the patterns and extent of migration, they feel that the power of capital over labour is not absolute and that it changes over time and space.

We next look at the concept of Social Security and its various connotations.

#### **Social Security**

We live in an unequal world, with an unequal distribution of resources amongst us. The insecurity, in which a large proportion of the world lives, results from this unequal distribution of resources. The social policies of a state are interventions by that state, to redistribute resources among its citizens so as to achieve a welfare objective, and provide

some sense of security to its citizens. The social security system of a country is a social policy of that country. And hence, the definition, scope and interpretation of the term, social security, attains great importance in shaping public policies of a country, and in attempting to reduce the insecurity faced by many of its citizens. Of course, while the classic justification for a social policy is that it will lead to greater social justice, it is by no means the classic outcome (Baldock J et al (ed) 1999).

The issue of social security, was at the centre of much discussion during the world-war period when large parts of Europe were devastated by the war. The need for a formal system of providing security to its people was felt among the leaders which led to the evolution of the modern system of social security, following the Beveridge Committee Report, 1942, in UK. The issue of social security was again at the center of considerable discussions, in the 1990s, following economic reforms taken up by several 'developing' countries (Prabhu, 2001). This time around however, the debate was around what constitutes social security itself, and how formal and conventional social security, implemented in developed, industrialized countries cannot meet the demands for security in developing countries. Social security, in more developed and industralised countries mainly refer to specific programmes of social insurance and social assistance, against various contingencies. However, in developing countries, with chronic deprivation and poverty, incomplete structural transformation, low incomes and hunger and disease, the problem of insecurity is both different in nature and more acute. The measures aimed at providing social security in developing countries, have to be a combination of preventive, protective and promotional measures (Dreze & Sen, 1999; Guhan 1994; Burgess & Stern 1999) etc.

Before we move on to the issue of social security in developing countries, let us look at the conventional, formal definition of social security.

#### Conventional Social Security

The term, social security, was popularized by Sir William Beveridge with the publication of his report, *Social Insurance and Allied Services* in 1942. However, a systematic state system of social welfare had been forged in Germany, under Bismarck in the 1880s much before the publication of the Beveridge Report. The Bismarckian model was based on social insurance and derived mainly from the employment relationship and had the following features:

- (1) Separate programmes for different social risks (especially occupational risks, pensions, and health care)
- (2) Coverage of the employed salaried labour-force, especially urban workers
- (3) Wage contributions made by the insured, the employer, and the State
- (4) Benefits which tend to be directly related to the contributions, and
- (5) Full or partial capitalization methods of financing (Mesa-Lago, 1999).

#### The Beveridge Plan for Social Security:

While social insurance was also the main feature of the Beveridge Plan for Social Security, he defined *social security* rather, axiomatically as "Freedom from Want"; "Want", being one of the 'five giants in the road to reconstruction'; the others being Disease, Ignorance, Squalor, and Idleness (Parrot 1992). Though this was in the original, the actual emphasis was more in terms of a contingency related approach, as can be seen in the section on the plan for social security:

"The term *social security* is used here to denote the securing of an income to take the place of earnings when they are interrupted by unemployment, sickness or accident, to provide for retirement through age, to provide against loss of support by the death of another person, and to meet exceptional expenditures, such as those connected with birth, death and marriage. Primarily social security means security of income up to a minimum, but the provision of an income should be associated with treatment designed to bring the

interruption of earnings to an end as soon as possible" (Beveridge Report,1942 from www.weasel.cwc.net).

For a satisfactory scheme of social security to be devised, Beveridge specified three "assumptions", in the absence of which," no satisfactory scheme of social security can be devised". These were:

- 1.) Children's allowances
- 2.) Comprehensive health and rehabilitation services
- 3.) Maintenances of employment, that is to say, avoidance of mass unemployment (Beveridge Report, 1942 from www.weasel.cwc.net).

The methods for social security that he outlined were:

- 1.) Social insurance for basic need;
- 2.) National assistance for special cases;
- 3.) Voluntary insurance for additions to the basic provision.

Social insurance means the providing of cash payments conditional upon compulsory contributions previously made by or on behalf of insured persons-, irrespective of the resources of the individual at the time of the claim. Social insurance is much the most important of the three methods and is proposed here in a form as comprehensive as possible. But while social insurance can, and should, be the main instrument for guaranteeing income security, it cannot be the only one. It needs to be supplemented both by national assistance and by voluntary insurance.

National assistance means the giving of cash payments conditional upon proved need at the time of the claim, irrespective of previous contributions but adjusted by consideration of individual circumstances and paid from the national exchequer. Assistance is an indispensable supplement to social insurance, however the scope of the latter may be widened. In addition to both of these there is place for voluntary insurance. Social insurance and national assistance organised by the State are designed to guarantee, on condition of service, a basic income for subsistence. The actual incomes and by

consequence the normal standards of expenditure of different sections of the population differ greatly. Making provision for these higher standards is primarily the function of the individual that is to say, it is a matter for free choice and voluntary insurance (Beveridge Report, 1942 from www.weasel.cwc.net).

Thus, as Prabhu (2001) points out the Beveridge plan based mainly on social insurance was contingency related, and was seen as a "wartime dream" (Parrot, 1992).

#### Formal Social Security

We next look at the definition of social security given by the ILO (International Labour Organisation), which has come to be called 'formal' or 'conventional' social security. The ILO had sought information on social security systems from its member countries in order to assess the costs of provision of social security. The results of the enquiry on the costs of social security were published in 1952 at the time of the 35<sup>th</sup> session of the International Labour conference of the Social Security (Minimum Standards) Convention (No. 102), which has now come to be seen as the formal definition of social security.

Thus, the term has been used to refer to " the result achieved by a comprehensive and successful series of measures for protecting the public (or a large sector of it) from the economic distress that, in the absence of such measures, would be caused by the stoppage of earnings, in sickness, unemployment or old age and after death; for making available to the same public, medical care as needed, and for subsidizing families bringing up young children" (ILO, 1958 cited in Prabhu, 2001). In this definition, it is evident that the provisions of social security were aimed at providing relief to workers from specific contingencies, workers of the organized sector as these benefits were part of their employment benefits.

This definition of social security refers to it as the provision of relief in case of specific contingencies, and comprises of nine branches:

1. medical care and benefits,

- 2. sickness,
- 3. unemployment,
- 4. old age,
- 5. employment injury,
- 6. large family,
- 7. maternity,
- 8. invalidity,
- 9. widowhood.

This definition is considered to be 'formal social security', and after the adoption of this definition in the industrialized countries, this concept was extended to developing countries as well. However, the situation in developing countries especially those of South Asia, is very different from that of industrialized countries. Developing countries are characterized by large informal structures, low incomes and pervasive poverty- such a situation requires a combination of measures that are preventive, protective and promotional. Social security measures in developing countries need to fight against chronic poverty, and hence the measures are necessarily different from those of conventional social security,

#### Social Security in Developing Countries

Dreze and Sen's (1999) articulation of the concept is seen in terms of an objective to be pursued by using social means. According to them, there are two different aspects of social security-'protection' and 'promotion'.

Thus, they point out,

"The former is concerned with preventing a decline in living standards in general and the basic conditions of living in particular. The problem of protection is paramount in the context of famine prevention, and also in dealing with other kinds of sudden economic crises and sharp recessions.

This contrasts with the objective of enhancing the normal living conditions and dealing with the regular and often persistent deprivation. This promotional aspect of social

security is in a sense, more ambitious in wanting to eradicate to eradicate problems that have survived thousands of years."

This definition along with that of Burgess& Stern, (1999), Guhan (1992), Prabhu etc, expand the scope of the term to not only include contingency related measures, but also several programmes aimed at improving endowments, exchange entitlements, real incomes and social consumptions (Guhan 1994, cited in Prabhu, 2001).

Guhan (1994), looks at social security options for developing countries, and notes that the fact that "developing countries cannot rely on the formal model alone for social security provision implies in essence that social security in poor countries will have to be viewed as part of and fully integrated with anti-poverty policies, with such policies themselves being broadly conceived in view of the complex, multi-dimensional nature of poverty and deprivation" (pg 38).

He points to the fact that for poverty alleviation, in developing countries there are three broad categories: *Promotional* measures that aim to improve endowments, entitlements, real incomes and social consumption:

Preventive measures that seek more directly to avert deprivation more directly and; Protective (or safety-net) measures that are yet more specific in their objective of guaranteeing relief from deprivation. He is quick to point out that these are overlapping categories, and certain measures like the Works Programme may promote employment and prevent ill health. Guhan talks of these three categories as concentric circles from wider to narrower domains of specificity, this points to the fact that social security provision in developed countries requires a multiple approach.

Prabhu (2001), also looks at social security in developing countries as going beyond the conventional social security as defined by ILO. However, she prefers the term " the wider concept of socio-economic security". It includes, in addition to the ILO measures, "various measures to enhance the social and economic capabilities of the people"

(2001;6). According to her, the term 'socio-economic security' recognizes distinct aspects of social security comprising measures designed to enhance social capabilities of the general population.

Rodgers(1999), looks at notions of poverty, exclusion and insecurity ,and puts the issue of security "embedded in systems of production and distribution, and in the different risks and vulnerabilities faced by individuals or groups within them", implying "that insecurity becomes part of the development agenda" (1999;329). Thus, the issue encompasses and goes beyond formal social security. When issues of insecurity are embedded in the social context, in the development agenda, then attempts at providing security need to be grounded in the social context itself.

When 'insecurity becomes a part of the development agenda' and issues of insecurity are embedded in the social context, as Rodger, then the answer to providing security lies in that very context. Thus, when we talk of social security for the informal sector, or the migrant labour particularly, the answer to their problem of insecurity lies in the context of the work they are doing, in the systems of production that they are involved in. When poverty and unemployment are all pervasive, and insecurity is not a contingency, but a reality being relived over and over again, measures at mitigating that insecurity need to strike at the very base.

# Chapter II Social Security Measures in India

#### Social Security Measures in India

We saw in the earlier chapter, that the system of social security in developed countries is very different from the one in developing countries. While the concept of social security in its formal definition refers to specific programmes of social insurance and social assistance against various contingencies, the need of social security in developing countries with chronic hunger and pervasive poverty, is broader based. In this chapter, we examine the social security policy and social security measures in India. It shows us that most of the social security measures have primarily been for workers in the formal sector. These workers benefit from social insurance schemes that are part of their employment benefits. As a consequence, other programmes such as employment generation schemes, self-employment schemes, have had to be developed for the vast majority of workers who are left out of the coverage of the formal social security measures. We examine both these to see how far they benefit the informal sector workers who constitute over 90% of the workforce in India.

Table 1. Labour Workforce in India 1999-2000

1.	Total Workforce (1999-2000)	397.07 million
2.	Estimated total number of persons employed on 31.3.99	
	a.) Public Sector	19.42 million
	b.) Private Sector	8.70 million
3.	Estimated number of persons employed in:	
	a.) Central Government	3.31 million
	b.) State Government	7.50 million
	c.) Quasi Government bodies	6.40 million
i	d.) Local bodies	2.26 million
4.	Informal Sector	368.9 million
	a.) Agriculture	237.6 million
	b.) Non Agriculture	131.3million
		<u> </u>

Source: NSSO 55th Round for (1) and Employment Review DGET 1999 cited in GOI, 2002.

The issue of social security in India, was specifically included in List III of Schedule VII of the Constitution of India, making it a concurrent responsibility of both the state and the central government.

The National Commission on Labour (2002) notes that India spends only 1.8% of its GDP on expenditure over social security.

Social security measures in India, have mainly been implemented through statutes or through measures designed to enhance social capabilities. These measures are seen to follow the Western model of social security, where the context of such measures was different. Prabhu feels that social security measures in India suffer from a lack of conceptual framework. She feels that the application of the conventional concept of social security has led to the attention being focused mainly on organized employees, though they constitute a miniscule section of the total labour force. This opinion is also voiced by the National Commission on Labour, in its report on Social Security (2002), which states that," social security situation in India is characterized by lack of policy (p10)." It states that even though, "There are a variety of scheme, namely employers' liability schemes, social insurance schemes, social assistance schemes, provident fund schemes, welfare funds etc which are not called social security schemes, but providing social security type benefits or protection, and lacking any clearly articulated goals or objectives (p 10)."

According to the Report of the National Commission on Labour,2002, the problem of social security has to be addressed through a multi-pronged approach that would be relevant in the Indian context.

#### **Statutory Measures**

Statutory measures to provide for specific aspects of workers security date back to the Workmen's Compensation Act of 1923. Statutory measures of social security in India are classified into two groups, which include different Acts under each of them:

#### I. Employers' Liability Schemes:

These schemes are based on the principle of employers' liability, and payment of benefits to employees. The main Acts that come under the Employers' Liability schemes are:

- The Workmen's Compensation Act, 1923
- Maternity Benefits Act, 1961
- The Payment of Gratuity Act, 1972

#### II. Contributory Social Insurance Schemes:

These schemes are contributory in nature and the employers, employees and the government make contributions. The main Acts that come under this are:

- The Employees State Insurance Act, 1948
- The Employees Provident Fund and Miscellaneous Provision Act, 1952

In addition to these Acts, states have various schemes of welfare for different occupations. We shall look at the above mentioned schemes in detail.

#### The Workmen's Compensation Act, 1923

The Workmen's Compensation Act was implemented in 1923, but came into being in 1924. This is one of the oldest pieces of legislations that affords legal protection to workers, and as such represents the beginning of social security legislations in India. It provides for payment of compensation for injury by accident arising out of or in the course of employment.

This Act covers persons employed in factories, mines, plantations railways and other establishments mentioned in Schedule 2 of the Act. However it is inapplicable where

provisions of the ESI Act afford a similar cover. This act makes it obligatory to the employers to pay compensation to workers for accidents and diseases arising out of and in the course of his/her employment resulting in death or total or partial disablement by reasons other than his/her wilful misconduct or negligence.

Benefits for temporary disablement represent usually a half-monthly payment at prescribed rates, whereas a lump-sum amount is payable for death and for permanent disablement (total or partial) related wages (and the degree of disablement in case of permanent disability<sup>1</sup>.

Commissioners appointed by the State governments administer the Act. In 1993, the coverage of the Act was confined to 18.3 per cent of workers employed in factories.

It is significant to note that the Act provides for payment of compensation; it does not provide for medical treatment or rehabilitation for disability (Ptabhu, 2001, GOI, Ministry of Labour, 2002).

With respect to the amount of compensation paid, the average amount paid for death increased in nominal terms from Rs.47,181 in 1990/91 to Rs.68, 319 in 1995/96, though in real terms (at 1980/81 prices), there was a decline from Rs.28,948 in 1985/86 to Rs.18,747 in 1995/96 indicating that the amount of compensation paid has not kept pace with the rise in price level. In case of permanent or temporary disability, the average amount paid was Rs.32,150 and Rs.1,010 in nominal terms and Rs. 5,371 and Rs. 77 in real terms in 1995/96 respectively.

#### The Maternity Benefit Act, 1961

Maternity benefits in India are provided under several schemes such as the Employees State Insurance Scheme, the Maternity Benefit Act, 1961, the Beedi and Cigar Workers

<sup>&</sup>lt;sup>1</sup> Prabhu notes that the maximum amount payable for total permanent for death ranges from a minimum of Rs.50,000 to a maximum of Rs.2,28,000. In the case of disablement, the compensation is required to be paid at the rate of 50 per cent of wages for a maximum period of 5 years which could range between Rs.60,000 to Rs.2,74,000 (GOI, 1998)

(Conditions of Employment) Act, and the Beedi Workers' Welfare Fund. Here, we shall discuss in detail, the Maternity Benefit Act of 1961.

The Government of India enacted the Maternity Benefit Act, in 1961 for providing a uniform benefit all over the country. The object of the Act is to regulate employment of women in certain establishments for certain periods before and after childbirth and to provide for maternity and certain other benefits. The central act extends to the entire country except Manipur, Nagaland and Sikkim.

The Act, in the first instance applies to every factory, mine, or plantation, and circus industry except the factories and establishments to which the provisions of the Employees State Insurance Scheme (ESIS) are applicable. However state governments are empowered to extend the provision of the Act to any other establishment subject to the prior approval of the union government.

The Act was amended in 1988, implemented in 1989, extending the scheme to shops and establishments employing 10 or more workers, reducing the qualifying period from 160 days to 80 days and enhancing the medical benefits payable to the workers (Prabhu, 2001). Under the Scheme actual absence from duty is permitted up to 12 weeks of which not more than 6 weeks can be taken before the date of delivery.

The Sate governments are responsible for the implementation of the Act in factories, plantations and establishments whereas the central government is responsible for its implementation in mines, and the circus industry (National Commission on Labour,2002). The maternity benefit being based on the principle of employer's liability, the financial feasibility of the extension of the Act depends upon the capacity of the employers to pay the benefit. This capacity varies according to the nature of the industry or occupation. But providing for compulsory or voluntary insurance can minimize the liability.

The main provisions of the Act are:

- A woman employee who is pregnant may after giving due notice to the employer remain absent from work for a period of six weeks before the date of her expected delivery.
- 2. No woman shall work and no employer shall knowingly employ a woman in any establishment during the six weeks following the day of her delivery or her miscarriage.
- 3. No pregnant woman shall be required by her employer to do any work which is of an arduous nature or which involves long hours of standing or which in any way is likely to interfere with her pregnancy or the normal development of the foetus or is likely to cause her miscarriage or otherwise to adversely affect her health during the period of one month immediately preceding the period of six weeks before the date of her expected delivery and any period during the period of six weeks for which the pregnant woman doesn't avail leave of absence.
- 4. Every woman, entitled to maternity benefit, under the act is also entitled to receive from her employer, a bonus of Rs.250 if no pre-natal confinement and post-natal care has been provided free of charge by the employer (GOI, 2002a, p 149[e]).

The provision of maternity benefits under the ESIS Act is more or less the same. The ESI Act provides that the insured woman shall be entitled to maternity benefits of periodical payments in case of confinement, miscarriage, and sickness arising out of pregnancy on a certificate by the prescribed authority. The coverage of the benefits is co-extensive with the coverage of the Act itself.

The period for qualifying for the benefit as well as the permitted period of absence from work is the same as that specified in the MBA. However, under the ESIS, the maternity benefit payable is twice the standard benefit rate, which is more or less the full wage received by the woman during the corresponding contribution period. Under the MBA, the benefit payable is at the rate of the average daily wages. The average daily wages for this purpose is to be calculated on the basis of the wages payable to the woman on which

she has worked during the period of three calendar months immediately preceding the date from which she absents herself on account of maternity, or the minimum wages fixed or revised under the Minimum Wages Act, or Rs.10, whichever is the highest.

The woman is also entitled to medical care under the ESI scheme for maternity, and where medical benefits are not available, she is entitled to Rs.250 towards medical expenses. Thus the provisions in the ESIS for maternity benefits are more comprehensive than under the MBA in so far as they include medical care, pre-natal, and post-natal care and medical care during confinement and sickness arising out of pregnancy and confinement. The ESI Act does not however provide for nursing breaks protection against heavy work, etc as provided in the MBA. This could be understood from the fact that the ESIS is based on social insurance, whereas the MBA is based on the principle of employers liability (GOI, Ministry of Labour, 2002).

#### The Payment of Gratuity Act, 1972

This Act provides for payment of gratuity to persons employed in factories, mines, oilfields, plantations, ports and railway companies, shops and establishments using power and employing ten or more persons, and establishments not using power and employing twenty or more employees.

The gratuity paid is in the nature of terminal benefit paid lump sum complementary to periodic pension payments. The requirements for entitlement to gratuity include five years continuous employment. The gratuity is paid at the rate of 15 days wages for every completed year of service or part thereof in excess of months, subject to the maximum of Rs.3.50 lakhs. In case of seasonal industries, it is the rate of 7 days wages for every completed year of service (GOI, 2002a). The Act was amended in 1994 removing the wage ceiling for coverage. The wage limit earlier was Rs.3500 per month.

The payment of gratuity under the Act is the exclusive liability of the employers. The Report of the National Commission on Labour, 2002, mentions that the Act was amended

in 1997 requiring an employer to obtain insurance for his liability for payment of gratuity under the Act from LIC (GOI, 2002, Vol 1,part 2, p 803).

The Act requires employers to register their establishments with the controlling authority, which the appropriate government may appoint. There are provisions within the Act for penalizing employers who fail to comply with the Act. This is however depends on the effective functioning of the inspectors and controlling authorities appointed by state governments to monitor the implementation of the Act. However, the report of the study groups on social security (GOI, 2002), notes that they are not quite effective.

The report of the study group on social security (NCL, 2002) suggests that the Payment of Gratuity Act be integrated with the Employees Provident Fund Act, and be converted into a social insurance scheme. This, the study group feels, would have an added advantage of extending its coverage to all establishments to which the EPFO is already applicable.

The schemes/ legislations discussed above, along with other legislations are a part of those schemes that are based on the principle of employers liability. We next look at the main contributory schemes of social security.

The two main contributory schemes of social insurance that benefit the workers in the organized sector are the Employees' State Insurance Scheme (ESIS) under the Employers' State Insurance Act, 1948 and the Employees' Provident Funds, under the Employees' Provident Funds and Miscellaneous Act, 1952. We first look at the ESIS.

#### The Employees' State Insurance Act, 1948

The ESIS, framed under the ESI Act, was the first such social security measure in the country. It is a social insurance scheme and the only such scheme in India. It provides for four of the nine types of benefits specified in the ILO's Minimum Standards Convention 102 on social security. These are medical, sickness, maternity and work injury. The formulation and the subsequent implementation of the Act followed from Prof. Adarkar's

study of the feasibility of adopting ILO Conventions No.24 and 25, 1927 dealing with the provision of sickness insurance for workers in industry and commerce and agriculture (Prabhu,2001). Prof Adarkar's Plan suggested certain modifications in order to make it applicable to Indian conditions, and also noted certain assumptions that were implicit in the adoption of health insurance for workers. These were:

- a. the early adoption of a scheme of unemployment insurance and creation of new employment
- b. the establishment of old age pensions
- c. the adoption and enforcement of certain pre-medical measures such as regulation of wages, rigorous enforcement of factory laws, housing nutrition, education in health and improvement in environmental hygiene and
- d. a national health drive.

These conditions would keep the incidence of disease low and prevent the scheme from being responsible for liabilities that legitimately belonged to other aspects of social security (Subrahmanya, 1995 cited in Prabhu, 2001). Thus, medical benefits came to be the key element of the Act.

#### Coverage:

The ESI Act is applicable to:

- (i) all factories engaged in a manufacturing process with the aid of power and employing ten or more persons and
- (ii) factories run without the aid of power and employing twenty or more persons, such as shops, hotels, restaurants, cinemas etc.

The Act is applicable to seven classes of establishments including factories. Subrahmanya (1998) notes that all industries come under the rubric of factories, and hence the number of establishments, other than factories covered by the ESI Act is much less than those under the EPF Act. Thus, seasonal factories, mines are not covered under this Act.

The extension of the Act to any class of establishment lies with the state governments, and Prabhu in fact notes that many state governments have extended the scheme to "small

power and non-power using factories employing less than 20 workers to hotels, shops restaurants, road transport and other workers in establishments employing less than more than 20 persons and workers in beedi manufacturing (2001, p42). Presently, the Act is implemented in 20 states and 2 union territories, but even in those, all areas have not been covered by the Act (GOI, 2002).

The Act is applicable to employees whose wages including the dearness allowance does not exceed a prescribed amount. Earlier the wage ceiling for application was specified in the Act itself, but now the power to prescribe the ceiling lies with the Central government.

With effect from January 1997, the wage ceiling has increased from Rs.3,000 in 1992 to that of Rs.6,500. It was projected that this increase would lead to an extension of coverage from 7.4 million to 8.6 million (Subrahmanya, 1998). The rationale behind the rise in wage ceiling is that with every increase in the consumer price Index (CPI) and the corresponding rise in the wage levels the workers whose wages rises above the wage ceiling go out of coverage. To prevent this, Subrahmanya feels that two measures are required; first to raise the wage ceiling systematically and periodically, either every two years or automatically by linking it with the CPI. Secondly he suggests that a provision should be made in the Act, as exists in the EPF, to the effect that a person once covered remains covered even if his wages rise above the prescribed ceiling.

The following table shows the number of employees insured under the ESI Act over the period 1981-1996 before the revisions in wage ceiling:

Table 2: Number of Insured Persons and Beneficiaries Under the ESI Act, 1981-1996 (in millions)

Year	Insured Persons	Beneficiaries
1981	6.40	
1991	6.89	26.75
1992	6.11	23.70
1993	7.45	28.88
1994	7.40	28.70
1995	7.56	29.35
1996 .	7.41	28.76

Source: GOI, 1994-95 and 1995-96 and Sharma cited in Subrahmanya, 1998

After the revision of the wage ceiling from Rs.3,000 in 1992 to Rs.6500 in 1997, the number of insured persons has risen from 7.41 million in 1996 to 8.36 million in 1997-1998, as can be seen from the following table:

Table 3: Level of Coverage under ESI, 1997-98

No.of ESI Centres	640
No.of employees	8,361,900
No. of insured women	1,524,100
Total beneficiaries	35,290,350
No.of employers covered	2,12,931
Local inspection and cash	1,162
Officers	
ESI dispensaries, hospitals	1,620
adn annexures	
No.of ESI beds	23,692
Insurance medical officers	6,059
Insurance medical	2,885
Practioners	

Source: Annual Report, ESIS, 1997-98.

#### Contributions:

The ESI scheme is a tripartite contributory social insurance scheme with the employers, employees and the government contributing. The rates of contributions have been revised and from 1997, employers now have to pay 4.75% of the wages (earlier paid 5 % of wages), and employees have to pay 1.75% (earlier paid 2.25%).

Employees whose average daily wages are below a specified amount of Rs..40 are exempted from contributions (GOI, 2002). The state governments share the cost of providing medical care under the scheme equivalent to 12.5 per cent of the total expenditure. There's no assistance from central government.

#### Benefits:

The scheme provides for seven types of coverage (Prabhu, 2001):

(1) medical benefits

- (2) sickness benefits
- (3) maternity care
- (4) disablement assistance
- (5) benefits for dependents
- (6) funeral expenses and
- (7) rehabilitation allowances

Apart from medical care, which includes both out-patient services and hospitalisation and preventive health services such as family welfare services and immunization, all other benefits are paid in cash.

Medical care is regarded as the primary branch of social security, and thus medical care is seen as the key element of the ESIS. It is provided both directly through service systems as well as through panel system. Prabhu writes that medical care under the scheme are of three types: restricted care, expanded medical care, and full medical care. All insured persons obtain full medical benefits irrespective of whether the required facilities exist in the ESI hospitals or not. If required the scheme draws upon the facilities in government hospitals and other institutions. Family members are provided with restricted or expanded medical car, but not full medical benefits. Specialist services are available in hospital outpatient department or at separate diagnostic centers in all common specialties. Drugs and medicines are provided free of cost.

As, discussed earlier, the ESIS also has a scheme for providing maternity benefits. The benefits in the ESI are more comprehensive than the ones under the MB Act.

Cash benefits for sickness and disability are paid on fulfilling specific contributory conditions. Sickness benefits are paid at the rate of 50 per cent of wages for a maximum of 91 days. Other benefits such as sickness, disablement and dependent benefits are paid at prescribed rates after due verification process.

The Employees ' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Fund (EPF) Act, 1952 contains three schemes:

- (a) The Employees' Provident Funds Scheme, 1952
- (b) The Employees Deposit Linked Insurance Scheme, 1976
- (c) The Employee's Pension Scheme, 1995.

### Employee's Provident Funds (EPF):

The EPF Act was enacted with the main objective of making some provision for the future of the industrial worker after retirement or for their dependents in the case of early death. The Act was applicable to 177 industries and classes of establishments in the year 1992-93 (Subrahmanya 1998). The initial wage ceiling of Rs.3500 per month was raised to Rs.5, 000 per month with effect from the first of October 1994. Both employers and employees contribute 10-12 % of the wages to the Fund.

The Act is applicable to factories and establishments employing 20 or more employees in scheduled industries and other establishments notified by the Central Government. There are as such, no guidelines for extension of the Act to any industry or class of establishment. The Study Group on social security (GOI, 2002) feels that the decision to extend the Act to certain establishments and factories, is generally taken either on specific demands or suggestions from the Trade Unions or other interests. Therefore, the study group feels that the rational of applying the Act to certain industries and classes of establishments is open to question.

There is a provision for voluntary coverage and also for continuance of coverage of a person even when he crosses the ceiling. Generally, the Act doesn't cover workers in the unorganised sector and the self-employed.

There are several suggestions made for the extension of the coverage of the Act. Two suggestions that have been considered important are:

1. It is felt that since a large number of industries and classes of establishments have already been covered, there may not be many industries, classes of establishments left out of coverage. Thus, it is felt that it would be simpler to make the Act applicable to all the industries/classes of establishments, putting only those establishments in the schedule that are excluded or exempted from coverage. An

- advantage of this is that there will be less ambiguity about the applicability of the Act to any industry or class of establishment and correspondingly the disputes concerning the subject would be reduced.
- 2. The industries and classes of establishments to which the Act is applicable should be reviewed with reference to the national classification of industries and a comprehensive proposal for extending the application of the Act to all industries and classes of establishments not covered so far should be drawn up and published in the official gazette, as well as newspapers, calling for objections. After expiry of the specified period allowed for filing objections, the proposal should be considered in the light of comments received. The preliminary exercise in this regard should be carried out by the Central Board of Trustees who should make its recommendations to the government and the government should take a of the recommendations of decision the basis the (Subrahmanya, 1998; GOI, 2002).

Apart from this Act, there are several other enactments that provide for the establishment of Provident Funds. These include *The Coal mines Provident Funds Act*,1948, Seamen's Provident Fund Act,1966, The Assam Tea Plantations Provident Fund Act,1955, The Jammu and Kashmir Employees Provident Fund Act 1961.

## The Employees Deposit Linked Insurance Scheme

This scheme came into force in 1976. All members of the EPF are automatically made members of this scheme also. The employees are not expected to contribute to the Insurance Fund, but the employers contribute at the rate of 0.5 % of wages.

On the death of a member while in service, the legal heirs are paid an additional amount equal to the provident fund accumulation in the account of the deceased subject to a maximum of Rs.35,000. During 1996-97, there were 20,771 claims settled and an amount of Rs.208.3 million disbursed (Prabhu, 2001).

# The Employees' Pension Scheme:

This is a compulsory scheme for all members of the Family Pension Seheme, 1971 and for persons who have been members of the provident fund from 1995, the date of introduction of the scheme. A minimum of 10 years of contributory service is necessary for drawing benefits. The amount of pension varies depending upon pensionable service and pensionable salary. Though, normally pension is paid at the time of retirement, also in the event of permanent total disablement and death during service, there is also provision of for withdrawal of pension for certain specified purposes. The scheme also includes provision for pensions for widows, children as well as orphans. In case of death of person while in service, the dependents are entitled to receive the provident fund accumulations and additional amount equal to the provident fund in the account of the deceased subject to the maximum of Rs.35,000 (GOI, Min.of Labour,1998 cited in Prabhu, 2001).

### Evaluation

The Act is limited in its benefits and coverage, as it is confined only to the workers in the organized sector. The Act is also not applicable to cooperative societies, which constitute an important source of employment in the agricultural sector. It is also not applicable to contract workers and to establishments under the control of the central and state governments on the grounds that they are entitled to contributory provident fund and old age pension (Prabhu, 2001).

Also the wage ceiling of Rs.5, 000 per month excludes a sizeable proportion of the employees from its benefits.

The Study Group on Social Security (GOI, 2002a), has reiterated the following recommendations made by the task Force on Social Security (GOI, 1999), and suggested their implementation at the earliest:

1. The Schedule of Industries for extension of coverage of the EPF should be dropped.

- 2. The employment threshold for coverage should be brought down to 10 immediately and to 5 during the next 3-5 years, and to 1 within a short time thereafter.
- 3. The wage ceiling should be removed immediately and ceiling for contributions and benefits should be fixed at an appropriate level with a provision for to keep pace with the national wage structure.
- 4. The Study Group recommends the withdrawal of the exemption to the Act in favour of cooperatives employing less than 50 persons so that they maybe covered like other establishments if they employ 10 or more persons and have completed the infancy of period of three years.

As seen from the above discussion, social security measures in India have mainly been directed towards the workers in the organized sector, though a few may by extension cover some of the unorganised workers. The scope of social security laws excludes a large number of workers who live in abject poverty and precarious conditions. While the state has been implementing various programmes and schemes over the years to enhance social capabilities, and alleviate poverty, their functioning has been unsatisfactory. Poverty alleviation programmes in India, were initially carried out through asset distribution programmes, whereas in recent years the emphasis has been on employment generation schemes. Let us look at some of the schemes implemented to provide some sense of security to the vast majority in the unorganised sector who are left out of the conventional social security measures.

### **Asset Distribution Programme**

The Integrated Rural Development Programme (IRDP) was introduced on a large scale during the Sixth Five Year Plan (1980-85) and is one of the important poverty alleviation programmes of the country. It is a subsidized credit programme, providing a capital subsidy and access to low-interest bank credits to rural beneficiaries for acquisition of productive assets or appropriate skills for self-employment, which in turn should generate enough income to enable the beneficiaries to rise above the poverty line. (Mahendra Dev, 1998). It has two sub programmes called Training for Rural Youth for Self Employment

(TRYSEM), and *Development of Women and Children in Rural Areas* (DWCRA), under it. An additional programme of distribution of toolkits was added to the IRDP later on. The number of beneficiaries of IRDP, initially increased from 2.73 millions in 1980-81 to 4.25 million in 1987-88, but it declined thereafter to 2.54 in 1993- 94 (Mahendra Dev, 1998).

The functioning of IRDP has been considered to be unsatisfactory. Its implementation has been perceived to be ineffective while the income earned from employment programme has rarely been sufficient to lift people from above the poverty line. Chelliah and Sudarshan (1999) cited in Prabhu (2001) note that in 1993, only 14.8 % of assisted families could cross the poverty line.

Mahendra Dev also points to studies showing the ineffective functioning of the IRDP. He cites Rath (1985) who concludes that poverty alleviation programmes should concentrate on 3employment generation schemes rather than asset creating self-employment. This view is also shared by Dreze (1990) who advocates a serious programme of employment generation, preferably with legal status (cited in Mahendra Dev, 1998). Thus, the impact of the IRDP in India hasn't meet with the same kind of success that the Grameen Bank of Bangladesh has.

#### Reorientation:

Prabhu (2001) notes that in view of these limitations, the schemes of IRDP, TRYSEM, DWCRA, Supply of Improved Toolkits, and Ganga Kalyan Yojna were merged with effect from April 1999, to constitute the Swarna Jayanti Gram Swarogjgar Yojna (SGSY), which is intended to function as a single self-employment programme. The objective of the SGSY is stated to be a focused approach to poverty alleviation, capitalizing on the advantages of group lending and overcoming the problems of the multiplicity of programmes. It aims at providing a large number of micro enterprises in rural areas. Income generating assets are being provided through a mix of bank credit and governmental subsidized, to ensure that an assisted family obtains a monthly net income of at least Rs.2000. SGSY is funded by the centre and the state in the ratio of 75:25.

## **Employment Generating Schemes**

In labour surplus developing countries, the problem of unemployment and underemployment, primarily in the rural areas, cannot be handled by means of unemployment insurance (Nayar,1996, cited in Mahendra Dev, 1999, and Prabhu,2001). However, it is felt that labour intensive public works can play a helpful role in addressing the problem of employment security, and thus the employment generating schemes or as Prabhu prefers workfare programmes, are preferred for their ability in providing a direct source of income to the poor, and for being self-targeting in nature.

However, Prabhu cites Standing (1990, p.689) who feels that "..workfare stigmatizes the poor by associating certain activities with prior failure and by eroding the universal right to income support even further than the recent labour market developments have done." In India, employment generating schemes have been preferred mainly for their self-targeting nature and their ability to provide direct source of income to the poor, as mentioned earlier. There is a plethora of employment generating schemes initiated in India, however not all of them have been successful.

The earliest such programme has been the Food for Work programme initiated in 1970. Since then, programmes such as the *National Rural Employment Programme* (NREP), and the *Rural Landless Employment Guarantee Programme* (RLEGP) were started with objective of providing gainful employment to the unemployed and the underemployed as well as providing for rural infrastructure. The NREP and the RLEGP were merged together in 1989 to form the *Jawahar Rozgar Yojna* (JRY).

### Jawahar Rozgar Yojna (JRY)

The JRY was implemented as a national level programme for employment generation. The main objective of the scheme is to generate additional gainful employment to for the unemployed and the underemployed in rural areas, living below the poverty line.

There are two sub schemes under it: the *Indira Awas Yojna* (IAY) which aims at providing housing to the poor and the *Million Wells Scheme* (MWS), which is aimed at providing open irrigation wells to poor, SC and ST farmers and bonded labourers free of

cost (Chelliah and Sudarshan, 1999 in Prabhu, 2001). Under this programme the centre's contribution is 80 per cent and the state's contribution is 20 per cent.

### Evaluation:

In 1989-90, JRY managed to create 864.4 million person days of employment which increased marginally to 874.6 million person days in 1990-91. After which, Mahendra Dev notes that following structural adjustment, i.e. in 1991-92 and 1992-93, the employment created declined and was 808.1 and 782.1 million respectively. However it picked up to 1025.8 million person days in 1993-94 and declined to 951.7 and 885.1 million person days respectively during 1994-95 and 1995-96 (Mahendra Dev, 1996, p84).

A concurrent evaluation of JRY undertaken in 1993-94 revealed that 82.2 per cent of the available funds were spent on community development projects, with construction of rural link roads being the highest priority. The share of women in the employment generated was poor and there were differentials in the wages paid to men and women. Also the amount of employment generated was too insufficient to lift the concerned people above the poverty line. In 1993-94, the average employment generated was 11 to 15 days in a reference period of 30 days at a wage rate of about Rs.20 per day, which translated into a supplementary income of Rs.300 per month per household constituting roughly 40 per cent of the threshold income considered as a cut-off point for identifying poor households (Prabhu,2001).

The JRY has not been as successful as the Maharashtra Employment Generation Scheme. The Ninth Plan document notes some of the deficiencies of the government programmes. The operational cost of programmes tends to be abnormally high partly because of redundant and ineffective administration and partly because of other inadequacies in planning and implementation. It also notes that lack of accountability on the part of the implementing agencies either to the government or to the people has been seen as the single major cause for misappropriation of funds (Mahendra Dev, 1996).

Apart from these central government programmes, some states have their own employment schemes. The Maharashtra Employment Guarantee Scheme has been hailed as an important scheme.

## The Maharashtra Employment Guarantee Scheme (MEGS)

The MEGS was introduced in Maharashtra in 1972. The MEGS provides unskilled work in rural areas as a measure of income security, and is the only Indian employment programme which contains a guarantee component. Any adult person in rural areas of Maharashtra can demand public works employment, which then has to be provided in two weeks time within the district, and preferably in the neighbourhood of his residence (Terhal and Hiraway, 1998). The government of Maharashtra has passed a legal act for this in the state assembly and also put in place the administrative and technical machinery needed, including the detailed guidelines for implementing this policy.

An important aspect of this scheme has been its financing done entirely by the state government through a set of special taxes, supplemented by the state budget (Terhal and Hiraway, 1998). MEGS is a major undertaking in terms of its overall size. Terhal and Hiraway mention that the total amount spent up to the year 1988-89 was Rs.21 billion which generated more than two billion person days of employment.

Projects under the MEGS include soil conservation, land development, road construction, afforestation and water management. Though the number of such projects have been very high, however the permanent benefits derived from the projects haven't been as satisfactory, due to inadequate planning and lack of maintenance.

Terhal and Hiraway observe that towards the late 1980s, the government decided to reduce the expenditure on the programme apparently by 'rationing' the employment guarantee. Bureaucratic measures such as the rule that new projects could not be taken up unless old ones were completed (Ravallion 1993 in Terhal and Hiraway, 1998). This resulted in the annual officially recorded employment under the MEGS from the peak level of 190 million persondays in 1985-86 to 90 million in 1990-91 (Terhal and Hiraway, 1998, p279).

### Coverage:

Terhal and Hiraway point out "the anti-poverty effect of MGES is beyond doubt. The people working on the programme belong to the poor section of the rural population, and the incomes derived from it often represent an important share of their off-farm labour income"(p.279). However, they also observe that wages are sometimes so low that it is not adequate for the families participating in the programme to cross the poverty line.

The labourers on the works generally belong to the Scheduled Castes and Tribes and other economically backward communities. Agricultural landless labourers are clearly under represented, which Terhal and Hiraway feel can be due to the fact that *in practice*, the guarantee doesn't offer sufficient protection. They also note that women prefer this public employment, and the percentage of female participation in MEGS is much more than the female participation rate in other non-farm activities. The programme, according to them seems to have two distinct groups of households participating. One group derived 'quasi- permanent' income from the MEGS; nearly 60 to 80 per cent of their total income was from the programme. The other group earned around 30 per cent of its total income from MEGS projects and normally spent below two-three months on the works.

### Limitations:

As mentioned earlier, the protection from unemployment is not always sufficient. While on paper the scheme has excellent objectives, they are not always operational in practice. In their study, Terhal and Hiraway note that workers/ labourers complained on the following grounds:

- (i) wages were perceived to be very low, and not adequate for families to cross the poverty line, which would require a level twice as high according to respondents.
- (ii) Frequent closure of projects and irregularity and delays in work availability seriously disrupted employment support. People preferred longer periods of continuous employment.

- (iii) The methods of work measuring the work performance were often described as complex, unfair to weaker and older persons, and there were frequent complaints against systematic underestimation of work done.
- (iv) Women often felt discriminated against, even in the case of work allocation.
- (v) Many people, particularly women had to cope with poor health conditions that prevented them from performing enough work to earn an adequate income. Persistent and chronic health problems severely hampered the earning capacity of the poor, even when the work itself was not difficult or heavy (Terhal and Hiraway, 1998, p 280).

The MEGS has however had a permanent investment impact in the kinds of projects implemented under it. Programmes in soil and water conservation etc have had a positive effect in the dry and rainfed areas. The MEGS has for long been hailed as a successful employment guarantee scheme, however as has been seen, there are limitations to it, when it comes to be practiced. Dutt (1998) notes that the MEGS has been criticized for providing only short-term income supplements to the rural poor. It has not enhanced their long-term income earning capabilities, so that they eventually do not need the EGS. He, however, feels that the success of the MEGS has to be judged against alternative anti-poverty programmes and policies, and in that the MEGS despite its shortcomings cannot be said to have performed poorly.

### **Labour Legislations**

We next look at two important labour legislations that are applicable to the unorganized sector in general and to agricultural labourers particularly, and in its implementation, may be seen to provide some sense of security to them. These are: (a) The Minimum Wages Act, 1948, and (b) The Inter-State Migrant Workmen (regulation of Employment and Conditions of Service) Act, 1979.

# The Minimum Wages Act (MWA), 1948

The Minimum Wages Act, (MWA) 1948 is considered to be one of the most important labour legislations in India. The Act requires that the appropriate government should fix the minimum rates of wages in respect of employment specified in the Schedule, and review and revise the minimum rates of wages at intervals not exceeding five years. As the report of the National Commission on Labour (1969), put down, the Act was revolutionary because the provisions of the Act made it clear that the rule of the market and the law of demand and supply would not affect wages for the employment put in the schedule.

However, there are certain problems with this Act, as Unni (2001) writes. She notes that though the Act is very progressive, there are some specific problems. These are:

- 1. In order for a minimum wage-rate to be fixed, the employment has to be included in the Schedule of Employments. She notes that only 40 such employments for which the wages had to be fixed were included in the schedule of the central government while the number of employments included in the lists of major states varied from 5 in Manipur to 79 in Orissa.
- 2. A very large number of workers were left outside the purview of the Act, because of the criterion for inclusion in the Schedule( that there should be at least 1,000 workers engaged in that activity in the state).
- 3. The second problem was that it had not specified any norms for fixing minimum wages. This was however taken up at the 15<sup>th</sup> Session of the Indian Labour Conference (1957), and the norms for fixing minimum wages were adopted.

### Norms for Minimum Wages:

The 15<sup>th</sup> Session of the Indian Labour Congress, 1957 adopted the most progressive norms for a 'need-based' minimum wages:

i. The standard working class family should be taken to consist of 3 consumption units for one earner

- ii. The minimum food requirements should be calculated on the basis of a net intake of 2,700 calories as recommended by Dr.Aykroyd, for an average Indian adult of moderate activity
- iii. Clothing requirement should be estimated at a per capita consumption of 18 yards per annum which should give for the average workers family of four,a total of 72 yards
- iv. In respect of housing, the norm should be the minimum rent charged by Government in any area for houses provided under the subsidized industrial housing scheme for low incomer groups and
- v. Fuel, lighting and other miscellaneous items of expenditure should constitute 20 per cent of the total minimum wage.

It was also noted that from time to time, the concept of Variable Dearness Allowance (VDA) is to be included in the minimum wages. Unni notes that the Report of Secretaries and the National Commission on Rural Labour (1991) reduced the calorie intake to 2400 in rural areas and 2100 in urban areas.

A very significant decision of the Supreme Court in 1991, added a sixth element to the norms for fixing of minimum wages. In the case of *Workmen of Reptakos & Co. Ltd Vs Management*, 1991, the Supreme Court stated that there was a need to add, as a guide for fixing the minimum wages, "children's education, medical requirements, minimum recreation including festivals/ceremonies and provision for old age, marriages etc at 25 % of the total minimum wage."

It also observed that "The wage structure, which approximately answers the above six components is nothing more than a minimum wage at subsistence level. The employees are entitled to the minimum wage at all times and under all circumstances. An employer who cannot pay the minimum wage has no right to engage labour and no justification to run the industry."

The National Commission on Labour accepted that the governing principle for the fixation of the minimum wages under the MWA, 1948 should be the norms of the 15<sup>th</sup> Indian Labour Conference as modified by the Supreme Court in the Repkatos Brett & Co

case of 1991. However, the Report of the Study Group on Umbrella Legislation(2001) notes that "no government at any level has so far considered this sixth norm in calculating minimum wages (p68)". Also, as Babu Matthew noted that "Wage Boards and Pay Commissions have consistently reduced the minimum wage by scaling down desirable diet to affordable diet and thereby eliminating certain food items from the list (emphasis added) (quoted in GOI, 2001)."

While there is a central schedule of employments and central list of minimum wages, state governments can fix and revise their different minimum rates of wages. However, the time period for revision of wages should not exceed an interval of five years. Though at the 31<sup>st</sup> session of the Labour Ministers Conference held in July 1980, it was decided that the minimum rates of wages may be reviewed and revised if necessary within a period not exceeding two years or on a rise of 50 points in the CPI numbers which is earliest (GOI, 2002). Table 3 shows the central and state-wise minimum wages for the year 2001.

Also, for the purpose of administration of minimum wages, the state governments have been authorized to appoint inspectors but the machinery for the enforcement is not uniform in all states (Srivastava, 1993). Also, as Bremen (1985) notes that even tough the governments have appointed labour officers or inspectors to look into the conditions of agricultural labourers, or into the working of the MWA, in most cases, a violation of the Act, in practice may go scott-free.

Thus, though the Minimum Wages Act proved that workers wages are no longer a contract between an employer and employees, and that it now has the force of collective bargaining under labour laws. However, for a whole lot of employments, and economic activities in the unorganized sector, organized, collective action still remains in the distant.

Table 3: Schedule of Employments and range of minimum wages in Central/ State and Union territories as on June 12,2001

SI. No.	Central Government/States/Union Territorics	No. of Scheduled Employments for which Minimum Wages have been fixed/revised	Range of Minimum Wages per day (in Rs.)  Minimum Maximum	
I	CENTRAL GOVERNMENT	44	47.53	90.19
11	STATES			
1.	Andhra Pradesh	62	25.96	78.77
2.	Arunachal Pradesh	25	35.60	37.60
3.	Assam	62	33.10	63.80
4.	Bihar	74	41.02	58.60
5.	Goa	18	21.00	140.26
6.	Gujarat	50	46.80	85.60
7.	Haryana	50	73.65	74.65
8.	Himachal Pradesh	24	51.00	51.00
9.	Jammu & Kashmir	35	30.00	30.00
10.	Karnataka	59	40.55	79.12
11.	Kerala	35	30.00	184.26
12.	Madhya Pradesh	36	51.80	74.34
13.	Maharashtra	63	8.46	119.35
14.	Manipur	15	58.90	61.90
15.	Meghalaya	24	50.00	50.00
16.	Mizoram	3	7000	70.00
17.	Nagaland	37	40.00	40.00

l l					
Drissa	8	3	40.00	40.40	
Punjab	60		70.85	73.40	
Rajasthan	38		47.05	60.00	
Sikkim	Act not Implemented				
Famil Nadu	60	32.00	00 105.72		
Ггірига	11	26.63		55.54	
Uttar Pradesh	65	58.00		83.42	
West Bengal	45	48.22		96.17	
UNION TERRITORIES					
Andaman & N. Island	8	50.00		86.77	
Chandigarh	44	83.00		83.00	
Dadra & N. Haveli	44	50.0		70.0	
Daman & Diu	39	50.0		60.0	
Delhi	29	93.00		93.00	
Lakshadweep	8	46.80	,	46.80	
Pondicherry	4	19.25		65.0	
	Rajasthan  Sikkim  Famil Nadu  Fripura  Jttar Pradesh  West Bengal  JNION TERRITORIES  Andaman & N. Island  Chandigarh  Dadra & N. Haveli  Daman & Diu  Delhi  Lakshadweep	Rajasthan 3  Sikkim  Famil Nadu 60  Fripura 11  Uttar Pradesh 65  West Bengal 45  UNION TERRITORIES  Andaman & N. Island 8  Chandigarh 44  Dadra & N. Haveli 44  Daman & Diu 39  Delhi 29  Lakshadweep 8  Pondicherry 4	Rajasthan       38         Sikkim       A         Gamil Nadu       60       32.00         Fripura       11       26.63         Jttar Pradesh       65       58.00         West Bengal       45       48.22         JNION TERRITORIES       300       300         Chandigarh       44       83.00         Dadra & N. Haveli       44       50.0         Daman & Diu       39       50.0         Delhi       29       93.00         Lakshadweep       8       46.80         Pondicherry       4       19.25	Rajasthan         38         47.05           Sikkim         Act not Implemented           Gamil Nadu         60         32.00           Gripura         11         26.63           Junior Pradesh         65         58.00           West Bengal         45         48.22           Junior Territories         Andaman & N. Island         8         50.00           Chandigarh         44         83.00           Dadra & N. Haveli         44         50.0           Daman & Diu         39         50.0           Delhi         29         93.00           Lakshadweep         8         46.80           Pondicherry         4         19.25	

The information is based on the notifications received in Labour Bureau till 12.06.2001 from different States/Union Territories and excludes wages fixed on piece rate basis.

# The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen (ISMW) Act 1979, was enacted to regulate the employment and the conditions of service of inter-State migrant workers. In India, a vast section of the population, migrate to other regions in such of work. These labourers may migrate permanently or maybe seasonal workers who migrate to other areas in certain seasons and return back to their place of origin once the season is over. A large number of migrant labourers are recruited from other states, through contractors, sardars, mukadams or jobbers. This recruitment system lends itself to various abuses ranging

from exploitation in terms of lower wages, longer working hours, extremely poor living and working conditions with abysmal facilities.

The ISMW Act was enacted to regulate working and living conditions of such labourers who travel from one state to another in search of work.

First of all this Act is applicable to the labourers who are "recruited by or through a contractor in one state under an agreement or other arrangement for employment in an establishment in another state, whether with or without the knowledge of the principle employer in relation to such establishment."

The benefits include non-discrimination in wage rates, holidays, hours of work and other conditions of work for inter-state migrant workers in relation to local workers. They are eligible for non-refundable displacement allowance equal to 50 per cent of their monthly wages in addition to the wages. Journey allowance equal to rail fares both ways is to be paid by the contractor with wages during the period of journey. Other facilities include regular payment of wages, equal pay for equal work to both men and women workers and provisions for suitable conditions of work, suitable residential accommodation, adequate medical facilities and adequate protective clothing.

However, in reality the migrant labourer is not provided all of these facilities. Also the application of the Act in court in a persecution case is very difficult, as employers refuse that the workmen were recruited in another state; rather the workers are recruited from near by places of the same state.

It is suggested that to make the ISMW Act more effective, there is a need to change the definition of the inter-state migrant worker. It is suggested that it should mean any person employed in an establishment situated in a state other than the home state.

### Summary

This chapter examined social security measures in India. It was seen that most measures of social security followed the conventional definition and were directed at the workers n the organized sector. However, while such measures are required, the issue of contention is that in India, where the majority of the workforce is in the unorganized, informal sector, and lives in chronic poverty, the need of the hour is to implement measures of social security for that sector. The need for social security for the unorganized sector is felt even more in the wake of structural adjustments, and a change in the labour recruitment processes. As the economy is opening up, and labour flexibility is increasing, the insecurity inherent in this 'development' is also increasing.

Apart from these measures, states have various social security schemes for different sections of the population. The Gujarat government has schemes for maternity benefits and pensions landless agricultural labourers. Andhra Pradesh, Kerala and Tamil Nadu also have similar schemes for landless agricultural labourers.

The government of India has also announced pension schemes for the unorganised workers and schemes for agricultural labourers. However, while these measures are needed and welcome, it is important to be able to provide an adequate work security to the labourers.

# Chapter III

The Living and Working Conditions of Migrant Sugarcane Workers in Gujarat

# The Living and Working Conditions of Migrant Sugarcane Workers in Gujarat

### **Introduction: The Sugar Industry**

India is the second largest country after Brazil in terms of sugar production. In fact, the International Sugar Organisation, places India as the top producer of sugar for the year 2000, at 20.2 million tones. (GOI,2001).

The sugar industry is the second largest agro-based industry in India, and the largest agro-based industry located in rural areas. It is estimated that about 45 million sugarcane farmers, their dependents, and a large mass of agricultural labourers are involved in sugar cane cultivation, harvesting, and ancillary activities, making up almost 7.5% of the rural population of India. In addition to this about 0.5 million skilled and semi-skilled workers mostly from rural areas are engaged in the sugar industry (GOI, 2001).

Sugar cane is grown in all the major states of northern, western and southern India. It is largely cultivated by small and medium peasants in eastern UP and Bihar, by rich peasants in Punjab, western UP, and by rich peasants and landlords in the sub-tropical region (Baru,1990).

In India, the cooperative sector, within the sugar industry is the largest sector, and is essentially controlled by rich peasant and landlord groups. Attwood (1992) calls this peasant owned industry "an anomaly strikingly different from the industries found for example in northeast Brazil, Central America or the Caribbean (p 4)". He writes that cooperative sugar factories in India, are remarkable in several ways. Most of these are founded, and operated by leaders from ordinary village backgrounds. They are not dependent on foreign aid of any kind, in contrast to the example of Indian dairy cooperatives which have attracted attention in many international development agencies (Attwood,1992).

Table 5. Ten largest producers of Sugar for the year 2000 (production in million tones, raw value)

1	India	20.2
2	EU	17.9
3	Brazil	16.5
4	USA	8.1
5	China	7.6
6	Thailand	6.2
7	Mexico	4.8
8	Australia	4.4
9	Cuba	4.1
10	South Africa	2.7

Source: ISO Sugar Year Book,2000 cited in GOI,2001

Sugar factories in India, fall into the private, public and cooperative sectors. The cooperative sector has the largest number of factories under it, 282 out of a total of 506 factories (Table 6). The next table shows the state-wise and sector-wise break-up of installed factories.

Table 6 State-wise and sector-wise breakup of the number of installed Sugar factories (as on 30-9-2001)

State	Private	Cooperative	Public	Total
Punjab	6	16	-	22
Harayana	3	10	-	13
Rajasthan	1	1	1	3
Uttar Pradesh	62	32	35	129
Madhya Pradesh	4	5	2	11
Gujarat	-	22		22
Maharashtra	9	134	-	143
Bihar	13	-	15	28
Assam	1	2	-	3
Orissa	4	4	-	8
West Bengal	1	-	1	2
Nagaland	-	-	1	1
Andhra Pradesh	17	18	6	41
Karnataka '	16	19	3	38
Tamil Nadu	18	16	3	37
Pondicherry	1	1	-	2
Kerela	1	1	-	2_
Goa	-	1	-	2
Total	157	282	67	506

Source: Directorate of Sugar, Department of Food and Public Distribution, 2002.

The "peasant owned industry" as Attwood calls the cooperative sector of the sugar industry has contributed to the nation's economic growth.

However, for a majority of people involved in this industry, sugar has not been as 'sweet'. These are the labourers who spend their lives, doing the backbreaking job of cutting sugar canes.

# Sugar cane Cultivation in the region:

Technological changes in agriculture, initiated by the Green Revolution, made possible the foray of capitalism into agriculture. Along with it, rural electrification large irrigation schemes, and other forms of modernization in agriculture changed the cropping patterns in many parts of the country and introduced the concept of agro-based industry in the country. Sugar- cane cultivation is one of the major cash crops that changed the cropping pattern in the region of south Gujarat, with the construction of a complex canal irrigation network: the Kakrapar(1953) and the Ukai(1963) dams on the river Tapi. As a result of the construction of these dams, there was a shift in the cropping pattern, a switch from crops such as millet, cotton to rice, plantain, and sugar cane cultivation. Teerink notes that perennial irrigation was now possible and this led to shift towards a capitalist system of agrarian production from which the better off benefited (1995,p223)

As Attwood (1992) writes, "Sugarcane has been emblematic, in other words of the great disparities in ownership and power which characterize many third world agrarian regimes." And so it was in the region of south Gujarat too.

However, one striking feature of the sugar factories in Gujarat is that they are all run cooperative basis. Today, there are a total of twenty-two sugar factories in Gujarat and all of them run on cooperative basis. The cooperative movement started in Gujarat in the early 1920s with cotton and later expanded to paddy, vegetables and plantain. Its members belong mainly to the categories of middle and large farmers, especially from the Kanbi Patidars. The latter gained national renown from their dominating role in the Bardoli Satyagraha of 1928. Their economic power is largely based on their involvement

in the cooperative movement and the Khedut Samaj, a union which represents dominant peasant castes of Gujarat (Bremen, 1994, Teerink, 1995).

Teerink further notes that the sugar cooperatives have been more successful than the private sugar industry in northern India. The sugar cooperatives in India unlike other cooperatives in the country were founded and managed by rural sugar cane growers, and not planned by government agencies and bureaucrats. However, Teerink points that there is still links between politics and these cooperatives. One of the most famous examples is that of Maharashtra which is known for its prominent sugar lobby. Teerink observes that Gujarat is also following the same.

The sugar cooperatives of south Gujarat also follow the example of sugar factories of Maharashtra in organizing collective harvesting through a contract labour system relying on migrant households.

This study is concerned with the living and working conditions of such migrant households in order to examine social security of such migrant labour. The fieldwork was carried amongst the migrant labour employed by the Gandevi Sugar factory.

The fieldwork was carried out in Bohriach village of Gandevi, which is in Navsari district. While the sugar factory, itself was situated in Gandevi, the labour employed to harvest sugarcane are put up in temporary camps, alongside fields throughout the region. These camps can be seen dotting the landscape across the plains of south Gujarat during this season. It is a common sight to see the makeshift tents made up of blue tarpaulin sheets, and three bamboo poles, that is 'home' to the migrant workers, on fallow land adjacent to sugarcane fields across the region.

For my fieldwork, I chose the labour camps at village Bohriach. The choice of this camp was mainly a question of convenience as it was the nearest labour camp, situated at about 11.5 kms from the factory. While one camp usually had groups of labourers from the same place, this particular camp had one group from Nizar, Surat and the other from Nandurbar district of Maharashtra. While, the two groups stayed at the same place, there wasn't much of interaction between the two groups. The members of the groups kept to themselves mostly; sometimes the *mukadams* (the jobber) of the two groups would talk to

discuss the 'programme'- the daily schedule of harvesting, along with the factory supervisior.

The labourers are known by the term 'Koyta'. 'Koyta', literally means the big knife that is used for cutting the sugar cane, and refers to the cutting team, usually made up of husband -wife team. At the camp at Bohriach, there were a total of sixty-six koytas; 31 from Nizar, and 35 from Nandurbar.

### The Gandevi Sugar Factory:

The main aim of the fieldwork was to study the living and working conditions of migrant sugarcane harvesters recruited by the Gandevi Sugar Factory, Gandevi, Navsari district, Gujarat. The sugar factory, like the others in the region, is run on cooperative basis and was established by the Sahakari Khand Udyog Mandal Ltd, in 1962. With a crushing capacity of 5,000 TCD (tonnes cane per day), it has come to enjoy the second position in sugar recovery in Gujarat. As a cooperative, it has a total of 14,000 members from six talukas, covering 300 villages. Currently it has a total of 33,000 acres of land under cane cultivation across these 300 villages. Most of the members are Kanbi Patidars, which is the dominant land-owning caste in the region, and who come to enjoy much political power also.

The operation areas of the factory comprise of Gandevi, Navsari, Chikali, Mahua and Valsad taluka, and recently villages from Vansda taluka have also been added. The factory operates on a seasonal basis for a period of eight months, from September to March -end, early April. This is the time when cane is harvested and main activity of the factory, the crushing of canes takes place. During the remaining period, the factory is cleaned and machinery maintained. The machinery needs to be maintained properly at all times because if any machine breaks down, it means that cane crushing stops. Sugarcanes, need to be crushed within certain hours after they are cut in order to extract the maximum amount of sugar. When the canes are kept beyond a certain time, it becomes difficult to get as much sugar out of it, and thus the output is affected.

There are 3 1/2 shifts of production in the factory, ie crushing goes on during the night too. Thus, the factory needs a constant supply of canes, for crushing cane at its optimum. In fact, trucks would transport canes from the fields to the factory throughout the night.

The factory employs labour from outside for the harvesting of canes and even in the processing of cane in the factory. While the labour involved in processing, is mainly from Uttar Pradesh, and Bihar and sometimes Maharashtra, the labour involved in the harvesting of sugar cane is recruited on massive proportions from the Khandesh region of Maharashtra. This has been the norm for almost all the sugar factories of south Gujarat, and is accounts for large-scale rural mobility that takes place in this season. Factories are now also recruiting labourers from the tribal areas of Dangs, Surat, Panchmahals, of Gujarat itself. Labour from the tribal district of Dangs made up about 2-3% of the labour force recruited by the Gandevi factory. However, the popularity of the Khandeshis, as sugarcane harvesters amongst the sugar factories of south Gujarat is still in tact, given the number of labour recruited from there, every year.

One point to note is, as Bremen and others (Bremen, 1974,1976,1994; Teerink,1995) also point to is the fact that even though local labour is abundant in supply in the region, the sugar factories make exclusive use of seasonal migrants. Bremen notes that the preference for outside labour appears to be a pervasive feature of this product. Sugar factories in Maharashtra too, employ temporary workers from distant parts for work during the harvesting season. In fact, my queries to the officers at the sugar factory as to why outside labour was employed even though local labour was in supply, was given the reply that the Khandeshis were extremely hard working and sturdy and knew the work well; whereas the local tribal community of agricultural labour, the Halpatis could not be used for such hard labour, as they were extremely lazy and interested only in drinking and merry making. This opinion about the Halpatis was also shared by some of the migrants themselves.

As we shall see later, this preference for outside labour is a profitable strategy for the capitalist mode of production, as also a means of keeping labour under control, and maximizing productivity at minimum costs.

The factory recruited 10,000 koytas, for this season. The koytas migrate with their children and meager belongings to Gandevi and its adjoining villages, for a period of 7-8 months starting from end of August -March end, April.

### Organisation of the sugarcane harvest:

Teerink (1995) notes that at the time of her study, 100,000 to 150,000 labourers were recruited every year from Khandesh other areas to work for the nine sugar factories in southern Gujarat. Now the number of sugar cooperatives in southern Gujarat has increased to a total of 12, out of which two are not functional. Given the fact that sugar cooperatives use the services of migrant/outside labour for the harvesting of the crop, the number of labourers recruited have naturally increased too. Along with the Khandeshis, sugar factories are employing migrants from the tribal areas of Gujarat itself, as well as some parts of Madhya Pradesh.

This year, the Gandevi factory recruited a total of 10,000 koytas. I was told that the Bardoli factory with a capacity of 10,000 TCD recruited around 20,000 koytas this season. Movement of such a huge number of households requires an organized process, and the recruitment of labour force is done in an organized manner with the help of local jobbers, the *mukadams* who are contract labour brokers. The mukadams play an extremely important role as they act as the mediator between the factory and the labour.

### Recruitment:

There is no direct contractual relationship between the harvest teams and the factory (Teerink,1995). The responsibility of recruiting harvester labour lies in the hands of the mukadam. The south Gujarat factories have their own offices in Dhule, Maharashtra. The Gandevi sugar factory has its offices in Dhule, and Nanded, from where the required number of workers are recruited from over a wide area. The factory has employed labour supervisors who are normally from the areas of recruitment. In the month of June-July, these labour supervisors contact labour brokers who have supplied koytas to the factory the previous years. The mukadams are asked to meet these supervisors and give them an account of the number of work-teams they can bring. Breman notes that to get the maximum advance of money the, brokers, mukadams are inclined to provide an exaggeratedly high number of koytas they have under them. Next the recruitment area is spilt into various zones and the factory supervisors go around the villages to check if the mukadam can actually supply their stated number of koytas. With this information in hand, and on the basis of the mukadam's service records-the number of years he has

worked for the factory, his reliability etc- the number of koytas he is able to recruit is finally determined, and a contract is signed by him and the factory supervisor.

The mukadam, on his part gathers labour from familiar area and prefers to take on workers already known to him. Most of them are his relatives, some neighbors and others from his caste, village or adjoining areas. The mukadams pay these labourers an advance so as to finalise the deal, and wait for the time to go to the plains of south Gujarat.

The Gandevi Sugar factory employs 600-700 mukadams each year and pays them at the rate of Rs.10 per tonne per koyta. Each mukadam can have between 10-14 tukdis, or groups of koytas under him. On an average, a mukadam has 5-6 tukdis under him. The mukadams, in this study, Gulabhiraman Padhvi and Maheshsung Thakre had 2 and 5 tukdis respectively under them.

# Social Background of Labourers:

As mentioned earlier, the two groups at the Bohriach camp were from Nizar, of Surat district and the district of Nandurbar in north Maharashtra. Both are in the tribal belts of their respective states. They belong mostly to the Bhil and the Padhvi community. Most of the labourers are related to each other, and the mukadam. While direct relationship is found in most cases, there were also cases where no relationship as such could be established. Like when **Khajurbhai Narayan**, who gave me a lot of insight into their conditions, said that although **Maheshsungbhai** is not related to him, but he has to call "Bhai" (brother) because he (Maheshsungbhai) is 'bada admi' (big man, in terms of money).

Most of the koytas of Nizar tukdi, came from three villages -

- 1.) Kucokermunda, Surat
- 2.) Velda, Surat and
- 3.) Taloda, in Nandurbar, Maharashtra

And the koytas of Nandurbar come from quite a few villages including Khodaajgaam (Maharashtra), and Devada and Vanka CharRasta(falls within Surat district).

Most of the labourers are landless agricultural labourers back home. A few of them have some land and a pair of bullocks. They work on their land when they went back, or had have a brother or son left behind to work on the land. Mostly, grow Jowar, Mirchi (chillies), tuvar etc. some even grow cotton. One of the labourer, Ratilalbhai Thakre of Maheshsungbhai's tukdi has about 6 acres of land and mainly grows cotton now. Chillies, mirchies are also a profitable business there.

There are others like Vilasbhai of Maheshsungbhai's tukdi who had almost 12 acres of land in his village of Taloda, but lost it all because of disputes. For three years, now the case has been in the courts. He told me that he owes five thousand rupees to the lawyer now. And both he and his brother have been working at the sugar factories of south Gujarat, trying to earn their livelihood for the past 12-14 years.

Though some of the labourers have land, the majority of them are landless and work for daily wages on the farms of others back home. They earn Rs.20-25 a day as daily wages, which goes in the daily expenditure itself. In fact, it is the wages that they earn as sugarcane harvesters here in Gujarat that is their main source of income, and has to last them for the remaining four months that they are home. Many times it is not the case, and they have to borrow money either form the mukadam, or moneylenders. This leads to their indebtedness, which has been seen as the biggest insecurity of rural labour.

Almost all the labourers have been coming here for a very long time, some having accompanied their parents as kids and now forming their own koytas, and coming with their kids. *Khajurbhai Narayan* from Maheshsungbhai's tukdi has been coming to work on the sugar cane fields for the past 20-22 years. He said that three of his brothers also come to work in the sugar factories of south Gujarat, and that another brother stayed back at home, and works as an agricultural labour.

Gulabhiraman Padhvi, the mukadam of the Nizar 'tukdi', and also forming a koyta with his wife Amsuben, has been coming to the Gandevi sugar factory for the past 12 years now. Though, it was only about two years back that he became the mukadam.

However there were also cases of labourers who had only recently joined this job. Some of them like Limba Thakre of Maheshsungbhai's tukdi had joined this work only about

two years back. Before that he worked as farm labour, back home in Nandurbar, on the fields of Kanbi Patils.

Still, another category was that of young girls who have got married and come here for the first time this season. I come across two such girls in the Nizar tukdi. These girls may or may not have worked in any other sugar factory.

# At The' Tukdis': Living Conditions:

Once the labourers have arrived from their villages, the factory provides them with three bamboo poles, a tarpaulin sheet to put up their tents that becomes their 'home' for the next eight months. The land where they put up their tents is fallow land usually lying adjacent to sugar fields. Most of the migrants have to move camp according to the programme or schedule of cane cutting. However, both Maheshsungbhai as well as Gulabbhai's *tukdis*, have been lucky for the past two years because they haven't had to move every month to a new location, and start settling down all over again.

The tarpaulin tents turn up to be so small, that most of the adults cannot sleep inside it and only the children sleep inside. The adults sleep on the ground, under the open sky.

Some manage to bring along their meager belongings, a cot, a cycle, a trunk and a bag and some even bring along their hens. Not all possess a cot; in fact I saw only two or three at the each of the tukdis. Also the tarpaulin sheet given by the factory is not even big enough for the adults to sleep inside it. Most of the times, only the children are able to sleep inside the tents. Mosquitoes and other insects are always present in large numbers where sugarcane is cultivated, and sleeping in the open on cold winter nights is another difficulty they have to face.

There are no sanitation facilities and the migrants have to use the far ends of the very fields they have their tents on, for defecation. There are no facilities for water too. And, they go to the nearby villages to fetch water for their drinking and cooking purposes, and have to store it.

Being in the open, there is no provision for electricity, by the factory. However, the labourers had put up a bulb, drawing the connection from one of the nearby homes.

While there is not much interaction with the local people, for business purpose, the locals would come to sell their products in the evening. So, while one evening I saw a

little girl and a boy from the village selling curd and 'khaman', a Gujarati snack. Another evening, I saw a man selling earrings and trinkets; however, I was told by a couple of women that it was more expensive here. At another time, there was a man selling peanuts, but the exchange didn't happen in terms of money, but they labourers exchanged scrap junk for a handful of peanuts.

While, the migrants do visit the village at times to buy some items, like milk, vegetables etc, the mukadam of each tukdi has a little shop at the camp itself, where he sells all items of daily consumption, from tea, sugar, dal, oil, soap, bindis, bidis, to the small packets of gutka that is consumed by everyone, even little children as young as 5-6 yrs. The mukadam gets quite a good amount from the shop as it is over and above the amount he receives from the factory.

## At the Fields: The Working Day:

The workers usually leave their clusters for work around seven in the morning, depending on how far the fields they were working on were. If they were nearby, they would leave at around seven in the morning. Otherwise, they would leave at four in the morning as they would have to walk a long distance. It is only the very small babies would accompany their parents to the fields; older children from three years onwards would be left behind at the tukdi the whole day. They work in the fields till about four in the evening, taking a break in the afternoon for lunch. Throughout the day, they would be standing and cutting the sugar canes - one member of the koyta cutting the canes and the other cleaning the stalks, removing the leaves. Since the wages they get are calculated on piecemeal, they don't stop for rest very frequently.

I used to visit the clusters in the evenings, when they would return from their harvesting. On many occasions, I would reach before them, as they would have gone to some far off fields, or as some would have gone for bathing at the nearby canal outlet. When they would come back, I would get to hear what happened in the field. Khajurbhai told me how the little pieces of the cane would get into their clothes and eyes and hurt them. There were also times when the field they got would still be wet and they would have to work on that field because they the harvesting schedule would be thus. However, many a times, their mukadams would intervene on their behalf, and try to get the schedules

changed. In fact, it helped that Gulabhiraman, the mukadam of the Nizar tukdi was himself involved in harvesting, so that he knew of the practical problems involved.

Body aches, skin rashes and weakness were very all too frequent.

# Wages and Facilities:

Following the Gujarat government's revisions in agricultural wages last year (in April,2002)<sup>2</sup>, the migrants involved in sugarcane harvesting would be paid at the rate of Rs.105 per tonne, per koyta.

The chairman of the factory informed me that this would amount to 30% more than what the wages in Maharashtra would be.

However, what is important is that the amount of Rs.105 per tonne per koyta is to be calculated on the quantity of cane cut by one tukdi or group of labourers. Now this meant that depending on how much cane one koyta could cut in one day, and on the number of koytas consisting of a tukdi, working on one field, the wages would be calculated. On an average, one koyta could cut between 0.6-0.7 tonnes a day. One tukdi is calculated to comprise of 15 koytas.

In addition to this, the labourers got a weekly off on Saturdays; and there were also times when they didn't work because the 'programme'/ schedule hadn't been worked out. These factors need to be considered when looking at wages.

Koytas are grouped under the names of their mukadams. Also it was frequently seen that one mukadam had more than one tukdi under him and so he would name them after his sons, or some other relative. For instance here, Gulabbhai is the mukadam of two tukdis and Maheshsunhgbhai is the mukadam of the three tukdis here at Bohriach and has five other tukdis under him in other villages.

Payment of wages is done at the end of the season by calculating the total amount of cane cut by one particular tukdi, as mentioned earlier.

<sup>&</sup>lt;sup>2</sup> Before this, the last revision done in the minimum wages for sugarcane cutting was in March, 1996. The wage rate was fixed at Rs.73 per tonne, per koyta. The minimum wage fixed for agriculture was also revised to Rs.34 per day (Gujarat Government Gazette, 1996). Current minimum wage for agriculture in Gujarat is Rs.50 per day.

The period of work was 210 days. Out of which, cane cutting was not carried out for 10 days, when the factory is being cleaned. Thus, wages are calculated for a period of 200 days.

### Advances:

The factory gives an advance of Rs.30 for every 15 days, and provides the migrants with 30 kg of jowar for 15 days. This amounts to Rs.2 per day, and 2 kilos of jowar per day per koyta. This amount is hardly enough for a koyta with two-three children to ......The labourers have to buy all other provisions for the day from

The Committee appointed by the High Court of Gujarat (HCGS Committee, 1987) to look into the conditions of the workmen engaged in sugar factories, noted that this worked as a kind of bondage, by making the workers survive on a below subsistence level of less than Re.1 per person per day.

Some of the labourers, like Khajurbhai, and Kamubai told me that many times they don't even get the exact 30 kgs of jowar, it may be between 22 and 28 kgs. Sometimes, it is of such poor quality that they go into the villages and exchange it for rice, or better quality jowar. The exchange, of course is not an equal one, and they would get back a lesser quantity of rice or good quality jowar.

The advance that they get from the factory is quite negligible, and they need to have cash in hand. For this, the labourers sell the leaf-tops of sugarcane, called 'chimdi' which is used as cattle feed. This sale of chimdi gives them some access to money at hand and enables them to meet their daily expenses. They earn around Rs.25-40 a day in the sale of the chimdi.

However, when their work is stopped due to unavailability of programme, this money is also not available to them.

Below, we look at the wages earned by the koytas at the end of the harvesting season. Koytas are grouped under the name of their Mukadam. Thus the table shows the names of the mukadams, and how much each group earned. As mentioned earlier, it was frequently seen that one mukadam had more than one tukdi under him and so he would name them after his sons or other relatives. For instance here, Gulabbhai is the mukadam of the first two groups and Maheshsungbhai is the mukadam of the last three.

Table:5 Amount paid to Koytas at the end of the season

Name of Mukadam	Amount paid at the end of the season (inclusive of advances in the form of cash and jowar calculated to Rs.2000 for the period)		
Gulabhiraman Padhvi	Rs. 16,967		
Jagalia Soniya	Rs. 16,549		
Variya Nuriya	Rs.13,990		
Dilip Maheshsunhg	Rs.15,518		
Bhaidas Roidas	Rs. 14,031		

These wages are calculated for a total period of 200 working days (210 -10 days when crushing is stopped because machinery is being cleaned).

As mentioned, the amount shown in the table is inclusive of the advances paid to the labourers in terms of cash of Rs.2 per day per koyta and 2 kilos of jowar, for the period.

According to this table, if we compute the monthly and daily wages for a koyta we arrive at the following:

Table:6 Amount of wages paid at the end of the season, monthly, and daily

Name of Mukadam	Wages paid to koyta for 200 days	Wages paid to koyta for 30 days (computed)	Wages paid to koyta per day (computed)
Gulabhiraman Padhvi	Rs. 16,967	Rs.2545.05	Rs .84.83
Jagalia Soniya	Rs. 16,549	Rs. 2482.35	Rs. 82.74
Variya Nuriya	Rs.13,990	Rs.2098.5	Rs. 69.95
Dilip Maheshsunhg	Rs.15,518	Rs.2327.7	Rs. 77.59
Bhaidas Roidas	Rs. 14,031	Rs.2104.65	Rs. 70.15

The daily wages thus computed are for a koyta comprising of two workers. Thus, an individual worker gets half of the said amount.

We see in all the above cases that what a single worker gets is in fact lower than the stipulated daily minimum wage, for agriculture fixed by the Government of Gujarat at Rs.50.

However, this amount is what the factory pays per koyta or this is what the koyta takes back at the end of the season. It is from this amount that they pay back the mukadam, or other persons from whom they have borrowed money back home. Thus in actuality, what is left for the koyta to last them the rest of the year is not adequate in most cases for saving.

Also, many writers have noted that though the wage rate is fixed per tonne per koyta, it is a known fact that a koyta cannot cut 1 tonne of sugar cane in a day's working. Thus, though at first this wage rate sounds impressive, it is important to analyze it.

While at the face of it, these provisions made by the factory seem to be in accordance with appropriate labour legislations, but looking at these carefully, would show how these provisions are most of the times inadequate and insufficient for labour welfare

Thus we see that while at the face of it, the factory is seen to be complying with the government prescribed wages, but in actuality the amount that is paid per worker falls below the minimum wages prescribed by the government. The government of Gujarat has fixed the daily wage for agriculture work at Rs.50 (Notification, Labour and Employment Department, Government of Gujarat 2002).

### Health and Medical Facilities:

Medical care is taken care of at the factory dispensary situated within the factory premises, and I was told that transportation was made available when any labourer fell sick, or needed medical attention.

The dispensary at the factory is open from 8 am to 9 am and between 2 pm to 3 pm. The factory dispensary however, had only painkillers and some injections.

For serious problems, like accidents etc, the labourers were taken to either one of the two trust run hospitals -one situated at Pipaldhara, about 6-7 kms from the factory, and another in Navsari. The medical costs are taken care off by the factory.

During my stay, I noticed that the labourers often went on their own to private practioners at Navsari or some adjoining villages for treatment of ailments like body ache, cold and, fever etc. The main ailments were fever, cold, body ache, general weakness, anemia amongst the women; young children would often suffer from diahorrea. Those of who had a cycle, would cycle down, others had to take either a bus or take a hike on trucks paying two rupees for a ride. A visit to the nearby doctor would cost them Rs.30-35 for medicines and injections. The cost of visiting a doctor could be considered high to the migrants, and at times they may keep postponing the visit until the ailment gets worse.

My queries as to why they didn't go to the factory dispensary was met by the reply they aren't very satisfied with the factory dispensary. As such the timings don't suit them, and they would have to wait for the factory truck for taking them there. And for these reasons they, find it better to visit private practitioners on their own.

The nearest PHC, was at Dhanori, which was about 8 kms from the labour camp. The medical officer at the PHC told me that some of the labourers do come to the PHC. The main complaints were fever, and body aches. She also told me that incidences of T.B were also quite common amongst the labourers.

However, the labourers at the camp denied any cases of TB amongst them.

While drinking was considered to be a major problem with the labourers, as I was told by the people at the factory and others, I found that it was much more common with the labourers from Nizar, rather than the ones from Nandurbar at that particular camp. One of the respondents from Nandurbar, Bhaidas told me that drinking had been a major problem a few years back and had taken many lives in their village, back home. However, he told me that the arrival of a "babaji" (holy man), a few years back had resulted in a people giving up the habit. He himself used to drink but, has given it up for the last few years.

# Summary

We see from the above discussion the poor living and working conditions of migrant labourers coming from the tribal areas of Maharashtra and Gujarat to the plains of south Gujarat. While, this annual migration for the is a necessity for survival, their recruitment by the sugar factories is seen as a profitable means of labour recruitment.

## Discussion

### Discussion

The issue of social security is an important social policy of any country. However, it is evident that the issue of social security cannot be isolated from the social context of production and distribution in a country. Thus, in other words, it is within these processes of production and distribution that insecurities

This study examined social security of migrant workers. The issue of social security for the migrant workers is particularly significant, because in their search for some sense of security, they seem to place themselves in vulnerable and highly insecure positions. Of course this is true not just of migrant workers, but of the working class, of labour in general.

In Chapter I, we examined the terms migration and social security. The two main theoretical perspectives on migration, the neo-classical perspective and the historicalstructural perspective differed in their analysis of migration as an economic activity.

While the neo-classical perspective, looked at migration as an outcome of the rational decision of individuals with "freedom" to "choose", the historical-structural perspective placed migration within the structural context, as an outcome of the interaction of social, political and economic forces. The historical-structural perspective locates migration as a consequence of the development process undertaken. Migration as an economic activity, undertaken by hundreds and thousands of people living on the brink of poverty cannot be seen merely as a result of 'individuals' freedom to choose to migrate'. Indeed, it would be simplistic and erroneous to just consider the action of migration, without examining the economic, social, political and historical development of a region or country.

The chapter next looked at the concept of social security, the difference in what constitutes social security for developed countries, and developing countries. The social security system of a country is a social policy of that country which aims at redistributing resources among its citizens so as to provide a sense of security to its citizens. The survey of literature on social security, points to the fact that the concept of social security is

necessarily different for developing countries and developed countries. This is so, in view of the difference in magnitude of poverty, hunger and unemployment between developing and developed countries. It was seen that in the context of chronic, and massive poverty, unemployment, and a large informal sector, the social security programmes of developed countries would fail to handle the insecurities within such circumstances. Developing countries like India, need a broad based system of social security, which has to be embedded in the context of the kind of development taking place, in order to truly provide security to its people.

Chapter II examined the existing social security measures in India. What came foremost from the discussion was the fact that the system of social security in India suffers from a lack of conceptual framework. Also, the existing measures of social security that have been implemented through legislations and statutes have primarily been for the workers in the organized sector. The need and importance of social security for the unorganized sector is self-evident when we consider the very conditions in which the workers of the unorganized sector live and work. With increasing informalisation, following the structural adjustment programme taken up in the 1990s, labour is becoming more vulnerable to exploitation. Though organized, collective action has been seen to be successful in implementing certain labour laws when violated, the fact that the unorganized sector, by definition and its very nature is not organized or is to a very small extent, makes it even more important that social security measures for the unorganized sector is taken up at the earliest.

Another important point to note was the fact that even though certain labour legislations have been implemented, their functioning, and monitoring of their working is not very effective. Loopholes within the system as well as shortcomings within legislations make it possible for violators of the law to go scott-free. This can be seen particularly in the case of agricultural labour, where it is difficult to organize labour, and monitor activates. Schemes and legislations need to be revised and amended periodically in order that the benefits from such legislations or schemes are not insufficient or ineffective. This is particularly pertinent in the case of minimum wages, where periodical revisions need to be undertaken, in consonance with current consumer price index. The Minimum Wages Act of 1948, has been hailed as one of the most important labour legislations in India; it

ensures that all workers, be it in the unorganized sector too, should not be paid less than a minimum level. While it has been observed by the Supreme Court that the minimum wages thus fixed are a *minimum*, and relate to wages at a *subsistence* level, in reality, many workers do not even get this prescribed minimum. This is especially true for agricultural labourers.

The next chapter, Chapter III was based on the fieldwork carried out in Bohriach village of Navsari district of Gujarat. The fieldwork was carried out in order to examine the living and working conditions of migrant sugarcane harvesters. These migrants came from the tribal belts of Maharashtra as well as some districts of Gujarat itself. These labourers have been coming to the sugar factories of south Gujarat region for a very long time now. As was seen in the last chapter, these labourers live in extremely hard and difficult conditions. The sugar factory provides them with food grains and medical facilities, and an advance of Rs.2 per day, for the period of the seven - eight months that they are there. However, we shall see later in the discussion how these provisions are insufficient for the migrant labourers.

The advent of capitalism into agriculture, which was followed by the introduction of the Green Revolution in the country in the '60s, and technological changes in farming, large scale irrigation projects resulted in a change in the cropping patterns of many parts of the country. In south Gujarat too, the building of the Ukai and the Kakrapar dams, brought in a change in the cropping pattern; sugarcane, plantain and rice were now grown on a large scale.

The introduction of irrigation system paid for out of public funds, along with the resultant change in the cropping pattern, made a certain strata of agrarian society, which was already privileged well off. Also, the penetration of capitalism into agriculture established agro-based industries in the region particularly sugar factories.

These sugar factories, have been recruiting labour from the tribal belts of northwest Maharashtra as well as of Gujarat. This is seen as a cheap and profitable recruitment process for the factories. On the part of the labourers, this migration is not a matter of choice rather of necessity. Coming from under-developed regions with not much job opportunities, the labourers find this seasonal migration to be an option for survival rather

than an option for maximizing individual interests. Thus, we see how the development of a certain section of society is based on the continuing under-development of another section of the society.

At the labour camps in the regions of destination, living facilities are poor. The labourers are put up in the open fields with tarpaulin tents, which are extremely small. There are no facilities for water, or defecation .The workers sleep in the open, as the tents are too small to accommodate both children and adults.

The labourers receive wages only at the end of the season. However, they receive an advance of Rs.30 for every fortnight, and 30 kgs of jowar for a fortnight per family, during the period of stay here. It is needless to point at the abysmally low monetary advance and amount of food grains made available.

The Committee appointed by the High Court of Gujarat to inquire into the conditions of workers in sugarcane factories (HCGS Committee, 1987), noted that this worked as a kind of bondage, by making the workers survive on a below subsistence level of less than Re.1 per person per day.

We observe that the wages are paid to the workers, according to the government of Gujarat's piece-rate amount of Rs. 105 per tonne per koyta.

However when we calculate the daily wage for a koyta on the basis of actual wages paid at the end of the harvesting season, we come to an amount between Rs.70-Rs.85. per koyta. Now, the koyta comprises of two workers, mostly a husband and wife team. Therefore if we calculate the amount that an individual worker gets we arrive at an amount between Rs.35-Rs.44. This amount is below the daily minimum wage for agriculture as stipulated by the Government of Gujarat, which stands at Rs.50.

Thus, while on the face of it, the piece-rate seems to comply with the rates of minimum wages, what is important is that what the workers actually get for a day's work falls below the stipulated daily wage. Many writers have noted that though the wage rate is fixed per tonne per koyta, it is a known fact that a koyta cannot cut 1 tonne of sugar cane in a day's working.

Also, this amount is what the koytas get from the factory at the end of the season, and it is from this amount that they pay back the mukadam, or other persons from whom they

have borrowed money back home. Thus in actuality, what is left for the koyta to last them the rest of the year is not adequate in most cases for saving..

In the same manner, though medical facilities are provided by the factory at its dispensary, within its premises, the timings as well as the facilities available are not suitable to the workers. While, the workers are said to be reimbursed for the medical expense carried out from their pockets, it is astonishing to believe how the factory thinks the labourer would survive on a Rs.2 per day allowance and still be able to pay almost Rs.30-Rs.40, per visit to a private practioner.

While at the face of it, these provisions made by the factory seem to be in accordance with appropriate labour legislations, but looking at these carefully, would show how these provisions are most of the times inadequate and insufficient for labour welfare.

This also brings to point that legislations, or broadly speaking government policies need to be grounded in social realities and actual conditions of work. Implementation of policies, along with reviewing and monitoring of policies needs to be taken up.

Another point to note in the case of the migrant labourers is the implementation of the Inter-State Migrant Workers Act. In the study, it was seen that many of the labourers came from different districts within the state, and thus the provisions of the ISMW Act did not apply to them. Also, I was told that the labourers who came from Maharashtra, covered a much shorter distance than some of the labourers coming from Gujarat itself. These kind of issues, are seen frequently in the way the informal, and unorganized sector

works. And such issues further exploit the informal workers and make them more vulnerable.

This study looked at the issue of social security for the migrant worker in general and the sugar cane harvesters in particular. Migrant workers are extremely vulnerable to exploitation coming as they are from a different region. In fact, even though, the Khandeshi sugar cane harvesters in the study have been coming here for many years now, they still do not mix with the local population and mostly keep to themselves. Also, the pattern of accommodation is so designed that groups from the same place are not kept

together to dissuade any kind of organized nor collective action These labourers are cheap for the factories to recruit as well as it is seen easier to keep them under control.

In these circumstances, the issue of social security for these labourers is felt first and foremost in the conditions of wages and work and living conditions.

As such the labourers have most often than not borrowed money and are in debt. Along with that, the amount of wages they the get at the end of the season after deducting the amount to be repaid to moneylenders, is quite inadequate for any savings, or investments. Also, the unavailability or infrequent availability of work back home at wages of subsistence level, does not help.

Thus, work security, including the essential component of income security is seen to be the most important element of social security for the migrant workers. As Bhatt (2000) notes inadequate income resulting from unprotected irregular employment is a direct threat to the lives and families of the poor.

Work security of the unorganized workers also includes access to the essential commodities of food and water, access to certain other elements of social protection such as health care, child care, shelter, education etc. However, these need to be treated as basic *entitlements* of the workers. And not only because they are citizens of the country but because they are the main contributors to the wealth of the country (Bhatt, 2000).

The National Commission on labour has proposed making an Umbrella Legislation for Workers in the Unorganised Sector, and there are also a recommendations for integrating certain social security schemes for an effective functioning of the schemes. However, one hopes that such policies are formulated on ground realities and in the context of the actual conditions of work and living of the unorganized workers. With the implementation of the legislation, one hopes that the unorganized sector would be in a better position.

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