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Dynamics of Rural Labour



Cover Story

Dynamics of Rural Labour

When a large proportion of population in India have been living in the countryside and improvement in their socio-economic conditions have larger implications for the country's development, rural development or social transformation thus, has been a great concern for policy and research. According to Census 2011, there were around 171 million rural households which comprises 68.2 per cent of the total population in India. As per the recent 68th round NSSO's employment and unemployment survey estimates, the distribution of rural households by their major source of livelihood is as follows: 34.3 and 15.3 per cent of them are depending on self-employment in agriculture and non-agriculture, respectively, 21.0 and 13.5 per cent of them are relying on casual labour, respectively in agriculture and non-agriculture and the rest are classified as the 'other' households. If we put them together, little more than one-third of the rural households are depending on the rural labour market (agriculture or non-agriculture) for their livelihoods. A large portion of rural labour households, particularly the agricultural ones are belonging to SC and ST communities.

Over a period, particularly till 1990s, the proportion of all labour households (including the agricultural labour households) to the all rural households has increased. In case of agricultural labour households, their proportion in the total rural households increased till 1970s and remained same for two decades (1980s and 1990s) and began sharp decline in 2000s. There is a

divergence in proportion of agricultural labour households to all rural households, with that of the rural labour households. It indicates the increasing proportion of non-agricultural labour households as a result of shifting/diversification of rural agricultural labour households into dependency on non-agricultural activities and income.

There has been changes in respect of lives and livelihoods of rural poor in general and labour in particular, owing to internal dynamics of village economies themselves, impact of external forces and the policy initiatives. While talking about policy initiatives, one has to take into account initiatives including the rural development programmes since Independence in improving the conditions of rural poor. They are: Community of Development Programme; Land Reforms including Abolition of Intermediaries, Land Ceiling and Distribution of Land to the Poor, Tenancy Reforms (involving fixation of Tenure and Rent); Green Revolution Technology (GRT) and Package; Initiative to improve access to credit through Nationalisation of Banks, and others. Although they resulted in changes in the rural economy/society, these initiatives, largely, failed to improve the livelihood conditions of the poor as expected. They, particularly, the green revolution package, improved the production, productivity and rural income. Expansion of access to institutional credit through Nationalisation of Banks helped in this process. But not much

improvement in many labouring poor households.

Thereafter there are the second generation, poverty alleviation programmes, including Food Security through Public Distribution System; various self-employment schemes and other Employment Generation programmes. In fact these latter programmes have touched the life of some of the labouring poor in rural India, but the lack of effective implementation of these programmes largely resulted in poor outcomes.

The third generation initiatives on the lines of inclusive growth, such as initiatives related to financial inclusion and women empowerment (i.e. Self-Help Groups) and first ever large scale universal coverage employment programme (Mahatma Gandhi National Rural Employment Scheme – MGNREGS) along with many other livelihoods initiatives and social security / safety net measures including the very recent trinity of JanDhan, Aadhar and Mobile (JAM) are there to help the labouring poor in rural areas as a fall back mechanism or safety nets. There are other policies, schemes and interventions dealing with the different aspects of rural labour. These include employment generation and anti-poverty policies and policies relating to health, education, skill and training towards improving the employability of rural workers. There are also policies relating to individual sectors including agriculture, non-farm sectors, such policies relating to credit, marketing, technology and innovation.

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The rural development policies is a composite of various policies/schemes/interventions which are directly (or indirectly) impinge on rural workers; for instance, policies towards rural infrastructure, communications and transport will boost new activities in rural India and facilitate increased collaboration with urban India; Bharat Nirman: irrigation, village electrification and rural roads, water and sanitation, housing, Pradhan Mantri Gram Sadak Yojana (PMGSY), The Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Indira Awaas Yojana, National Rural Livelihood Mission (NRLM)-Aajeevika, Backward Regions Grant Fund (BRGF), Rashtriya Swasthya Bima Yojana (RSBY) and so on. All these policies have been in implementation for improving the lives and livelihood of rural population, including rural workers. Recently the government has also announced many financial instruments, bank account, pension, etc., to mainstream rural populace/workers in the formal financial system.

The National Institute of Rural Development and Panchayati Raj (NIRD&PR) has been engaged in assessment and evaluation of various rural

development policy initiatives. The S.R. Sankaran Chair on Rural Labour, established in 2011 in particular has been engaged in cross-cutting research in issues relating to different aspects and dimension of rural labour relations. It has been carrying out research studies on issues related to conditions of the rural labour including the marginalised groups (scheduled castes and tribes) and their livelihood conditions. It is also sensitising different stakeholders dealing with labour issues through organising conferences, seminars, workshops, and special lectures with a view to improving their livelihood conditions and dignity of labour.

Success Story of Solar Assembling Trainees

During 10-27 August, 2015, forty two villagers from various villages were given training in 'Solar Lights Assembling and Maintenance' at Rural Technology Park. After the completion of the training, the trainees of Kadapa district of Andhra Pradesh and the tribals from Bhadrachalam, ITDA area, Telangana have started their own assembling units with the support of Dalmia Cements (as their CSR activity) under the banner 'Sun India Solar Social Enterprise' on 14.10.2015 at Jammalamadugu, Kadapa district, AP and under the banner of 'Tulasi Solar Energy' on 6.11.2015 at Mulakapadu village in Dummagudem mandal in Telangana with the support of ITDA, Bhadrachalam, respectively.

International Training Programme on Community Driven Rural Development

The Centre for Equity and Social Development, NIRD&PR has organised six-week International Training Programme on Community Driven Rural Development during 9th November - 20th December, 2015. The programme was sponsored by Ministry of External Affairs, Govt. of India under ITEC/SCCAP. Fifteen participants have attended the programme representing eleven countries. The training programme consisted of four modules followed by two weeks study tour. Each module is of one week duration, the modules are Rural Development: Concept and Strategies, Community Driven Rural Development: Concept &

Methodology, Community Participation and Community Mobilisation. As a part of exposure, the participants have been taken to Bala Vikasa Community Driven Development Programme for one-week duration and given training on Asset Based Community Development, Appreciative enquiry and participatory rural appraisal theory and practice. The participants also visited the Model village Gangadevipally and learnt the ABCD approach and decentralised local governance practices. Further participants were given hands on training on Participatory Rural Appraisal methods with the village community members in Laxmipuram, Ontimamidipally villages. After completion of four modules, the participants were taken on study tour to Visakhapatnam and Odisha. During study tour, the participants were exposed to Tribal Development initiatives in ITDA Paderu region and



Participants lighting the lamp at Community Driven Development Programme at Bala Vikasa

Tribal cultural museum at Araku Valley. They visited MANTRA Programme of Gram Vikas at Mahuda village, Brahmapur district of Odisha where the participants had learnt the Gram Vikas Model of Community Driven Development and interacted with the stakeholders of Community Driven Water and

Sanitation Programme, Sustainable Housing programme and other Rural Development initiatives. The training programme was coordinated by Dr.R.R.Prasad, Professor & Head (CESD) and Dr.T.Vijaya Kumar, Associate Professor (CHRD), NIRD&PR.

CIRDAP-NIRD&PR Collaborative Training Programme on Local Governance and Delivery of Services

The above programme was organised in collaboration with CIRDAP from 29 November to 8 December, 2015 at NIRD&PR and at KILA, Trissur in Kerala State. Twenty participants from CIRDAP member countries attended the programme, out of whom five were women. The coverage of the programme included Decentralisation in Rural Development and then Good Governance; Guaranteed Local Governance minimum service standards; Good Governance initiatives in Telangana Province by the Gram Panchayats; Visit to Centre for Good Governance at Gachibowli; Local Governance and Delivery of services-lessons from India; Local



Governance and participatory planning strategies and approaches; ICT for Local Governments and delivery of services, etc.

At the end of each session, participants were given opportunities for clarifying their doubts. Participants were also taken to field visit to gain insights about the function of the Gram Panchayats as units of Local Governance. As part of the programme, participants were also taken to Kerala Institute of Local

Administration (KILA) in Kerala State during 4-8 December, 2015 to familiarise them with people's campaign for decentralisation. Dr. S M Vijayanand, Secretary, MoPR, Gol and Director General of NIRD&PR in his interaction enlightened the participants about the decentralisation and planning processes. He also had feedback on

the usefulness of the programme and scope for application of learnings in their respective situations.

The Training Programme was organised by Prof. Y Bhaskar Rao, Head, Centre for Decentralised Planning (CDP), NIRD&PR and Dr Vasanthi Rajendran, Director, Training Division (CIRDAP).

Agricultural Finance (Rural & Investment Credit) for Officers of Corporation Bank

A training programme on Agricultural Finance (Rural & Investment Credit) for officers of Corporation Bank was organised at NIRD&PR from 30 November to 4 December, 2015. In all 35 officials participated in the programme. The main objective of the course was to improve their Term Lending Portfolio through Investment Credit to Agriculture and allied activities. The officers of junior & middle management cadre having experience of 2-10 years expressed that this programme will help them to a considerable extent in dealing with the appraisal of credit proposals in Agricultural Sector. They also realised the importance of Investment Credit for Rural Development. During the training period, a field visit was arranged to



a poultry farm at Kalvakurthy, Mahaboobnagar district wherein the participants were explained about technical and financial aspects of poultry farming.

The programme was coordinated by Shri R. Koteswara Rao, Project Consultant, CRCDB of NIRD&PR.

Labourforce Participation Rates (LFPR)

The Registrar General of India does the population projections for different age groups based on certain assumptions. According to the projections available for 2016-17, the population in this year would be 1.28 billion while the population between the age group of 15-59 years would be 0.8 billion,

forming 63.9 percentage in the total population. Labourforce includes both workforce (employed) and the unemployed and for measuring the labourforce three approaches are adopted by National Sample Survey Office (NSSO) and they are Usual Status approach, Current Weekly Status approach (CWS) and Current

Daily status (CDS) approach. As per the first approach (Usual Status), the labourforce would be of the order of 0.59 billion (or 45.7 per cent) in the total population and this figure shrinks to 0.52 billion (40.8 per cent in the total population) if we adopt CWS approach, in the year 2016-17. (Table 1)

Table1 : Population Projections in Different Periods

(Number in lakhs)

Category	Basis	1983	1993-94 *	2004-05 *	2006-07	2011-12	2016-17
Population (age 0 +)		7181.01	8936.76	10928.30	11283.13	12079.71	12832.42
Population (age 15-59)			5017.60	6529.40	6871.20	7601.10	8205.70
Labourforce	US (PS)		3786.50	4712.50	4926.60	5418.40	5864.40
Labourforce	CDS	2638.24	3341.97	4196.47	4389.48	4836.59	5240.57
Labourforce (Rural)	CDS	2061.52	2529.55	3031.72			

*: NSSO data. PS: Principal Status

Labourforce Growth Rates.: As per the growth rate projections available, the labourforce, increases at a rate of 1.59 per cent per annum (following the usual status approach) during the period (2011-12 to 2016-17) and when compared to the corresponding increase either in the general population of 0 + years or population of 15-59 years, the labourforce is projected to be at a slightly

higher level (the corresponding figures being 1.22 and 1.54, respectively). Further, the projection based on CWS approach is slightly higher than the one projected based on usual status approach (1.62 and 1.59 per cent per annum, respectively).

Another aspect that can be discussed based on the data presented in the following Table

is both in the case of population and also labourforce, there exists a declining trend. While the general population (0 + years) declined from 2.11 per cent in 1983 to 1993-94 to 1.22 per cent in the period 2011-12 to 2016-17. As regards labourforce, the dip in this value was about 0.42 per cent when we follow usual status approach and 0.47 per cent if CDS approach is adopted for same period. (Table 2)

Table 2: Labourforce Growth Rates

(% per annum)

Category	Basis	1983 to 1993-94	1993-94 to 2004-05 *	2004-05 to 2006-07	2006-07 to 2011-12	2011-12 to 2016-17
Population (age 0 +)		2.11	1.85	1.43	1.37	1.22
Population (age 15-59)			2.42	2.29	2.04	1.54
Labourforce	US (PS)		2.01	1.99	1.92	1.59
Labourforce	CDS	2.28	2.09	2.02	1.96	1.62
Labourforce (Rural)	CDS	1.97	1.66			

US (PS) : Usual Status (Principal Status).

CDS: Current Daily Status.

*: Actual taken from NSSO.

Source: Gol, Planning Commission, Eleventh Five Year Plan, 2007-2012, Volume-I, Inclusive Growth.

Labourforce participation rates by sex: status approach, the decline is a little marginal in the case of males (from 561 to 553) and substantial for females (302 to 253). But, if we look at the estimates based on the other two approaches (CWS and CDS), the estimate based on CDS approach is almost the same as the one obtained through principal status approach both for males and females in

the same period. It is further evident from the Table that the estimate for males, based on CWS approach shows no significant decline (from 547 to 545), the participation rate of females registers a declining trend (from 276 to 265 per 1000 females). (Table 3)

Table 3: Labourforce Participation Rates (LFPR) by Sex – Rural (All-Ages)

(Per 1000 males / females)

Status	Male						Female							
	1993-94	1999-2000	2004-05	2005-06	2007-08	2009-10	2011-12	1993-94	1999-2000	2004-05	2005-06	2007-08	2009-10	2011-12
I.														
(i) Principal	549	533	546	551	551	548	54.7	237	235	249	229	220	208	181
(ii) Principal & Subsidiary	561	540	555	561	559	556	55.3	330	302	333	314	292	265	253
II.														
(i) Weekly	547	531	545	548	547	548	54.5	276	263	287	265	245	231	215
(ii) Daily	534	515	531	536	536	536	53.4	232	220	237	219	204	197	180

Source : GoI, NSSO, Key Indicators of Employment & Unemployment Situation in India 2011-12, 68th Round, July 2011 – June 2012.

Micro-enterprise Development for Rural Bankers

A Regional Programme of NIRD&PR on Micro-enterprise Development for Rural Bankers was conducted from 14 to 18 December, 2015 at SIRD, Mysuru. The programme was attended by 19 Managers who are working in the rural branches of Corporation Bank, Karnataka Gramin Vikas Bank, Karnataka Bank, State Bank of Mysore, Syndicate Bank and Vijaya Bank operating in the State of Karnataka.

Resource persons covered various pertinent subjects on rural credit in general and SHG movements and functions of SHG federations in particular. Detailed presentations were made on emerging models in agriculture, financial analysis and project appraisal, Agri-business through Agri-clinics, NPA and recovery management in agricultural finance, effect of minor irrigation on agriculture, financing animal husbandry schemes and revised procedures of KCC, JLC, GCC as well as finances to ware-housing projects.



As part of the course, a field trip was made to few villages covered under Corporate Social Responsibility of Limited Companies operating near Mysuru. It was an unique experience for all the bankers. Similarly, providing income through firms making agarbatti (incense sticks), canteen and catering activities, plying auto rickshaws and other small business activities were found informative by the participants. The

most learning experience was the empowerment of women through SHG activities in the Hunsur taluk, which encouraged the bank participants to think of initiating similar activities in their branches.

The programme was coordinated by Dr.B.K. Swain, Professor and Head of the Centre for Rural Credit and Development Banking with the support of Shri Shankar, faculty coordinator from SIRD, Mysuru.

Dr. Gyanmudra, Professor & Head (CHRD, CRTCN) & Head (CDC) I/c. is appointed as member of the International Advisory Council of the Asia-Pacific Consortium of Researchers and Educators, APCoRE Inc. APCoRE is an organisation committed to representing multidisciplinary scholarship throughout the world.



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