

# *Labour Standards and Social Policy: A South Indian Case Study*

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## **ABSTRACT**

The paper documents substantial improvements in the living standards of labourers over the past 30 years in villages in the Tiruppur region, a dynamic centre of garment production in western Tamil Nadu. The improvements have been associated with state programmes and policies relating to education, subsidised food, transport and communications, et al., and the growth of rural industrialisation centred on knitwear production for export and domestic markets. There are still very few opportunities for the majority to move into employment other than low skilled manual labour however. This raises questions about the strategy based on 'cheap labour' that the Indian state has been pursuing in the recent period. Alternative strategies would almost certainly serve the interests of labour better than this.

## **KEYWORDS**

garment production, labour standards, rural industrialisation, social policy, South India

## ***1. Introduction***

This paper looks at the way in which terms and conditions of employment have combined with strong state social policy to improve the position of labour in an industrialising region of South India. Social policy is defined broadly here to include social welfare as well as education, health, and employment generation policies. It has come onto the agenda for developing countries with the rise of neo-liberalism, and its 'freeing up of labour markets', encouragement of 'flexible labour markets', et al. India was one of a number of countries that expanded its social policy initiatives as part of its neo-liberal project in the 1990s and early 2000s.<sup>1</sup> The expansion of social policy could be seen as necessary to contain resistance to neo-liberal policies. Social policy could also be seen as transferring some of the responsibility for the provision for the reproduction of labour from capital to the state.<sup>2</sup> This was a project that some fractions of capital would support. At the same time however, social policy strengthened the bargaining position of labour vis a vis capital. This made it a project that labour would support as well.

This paper looks at a case in southern India in which there is clear evidence of expanded social policy initiatives at the state and national level strengthening the position

and bargaining power of labour in the 1990s and 2000s. Improved terms and conditions of employment and expanded state social policy had combined to produce very substantially improved standards of living for the labourer population between 1981/2 and 2008/9. It is only in comparison with what were very poor standards in 1981/2 that this looks impressive though. Overall, policy was supporting an economy continuing to rely on large quantities of relatively unskilled labour.

The context is one driven by dynamic industrial growth linked to the global market, part of the neo-liberal project in which India has been involved over the past 3 decades or so. The paper looks at how some of this played out at the local level in a particular case. The case in question is the expansion of the production of knitwear for export, in a relatively decentralised and labour-intensive industry dominated by small-scale production units centred on Tiruppur in western Tamil Nadu. The strong social policies that accompanied the expansion of the knitwear industry pre-dated the introduction of neo-liberal policies, originating as they did in the 1960s. They were strengthened in the 1980s, and strengthened further after that as well. These strong social policies were driven by the populist politics for which the state of Tamil Nadu has long been well known.

The paper uses data from a study of villages in the vicinity of Tiruppur between 1981/2 and 1996, and between 1996 and 2008/9. In doing so, it follows a tradition of using village studies as a basis for discussing issues that are much wider than those arising in the villages alone.<sup>3</sup> The immediate focus of the paper is on the indirect effects of industrial growth on agricultural labourers the large and increasing majority of whom were Dalits. Dalits represented a larger proportion of the population resident in the villages in 2008/9 than in 1981/2 (Table 1). They represented a larger proportion still of agricultural labourers. The paper is based on fieldwork spanning the period from 1981/2 to 2011. The first period of fieldwork, in 1981/2, pre-dated the growth of knitwear production for export, and the strong social policies which accompanied this. By the time of the second period of fieldwork, in 1996, the effects of the expansion of knitwear production were being felt in the villages, and the effects of social policies were beginning to be seen. By 2008/9, knitwear had become a major feature of the local landscape; likewise social policy. The paper traces the effects of these developments on labour. It focuses particularly on labour that continued to be employed in agriculture, an overwhelming proportion of which was Dalit by 2008/9. The terms and conditions of employment in agriculture tracked those in industry for much of the period under review.

The paper starts with a brief introduction to the region, and the study villages. It then sets out terms and conditions of employment on the one hand, and social policy on the other, in 1981/2, 1996, and 2008/9. This is followed by a discussion of the interactions between social policy and industrialisation and the effect that these had on the position of labour. The paper ends with a concluding section.

## *2. The Region, the Villages and the Data*

The study villages are part of the Coimbatore region in western Tamil Nadu, the early industrialisation of which centred on Coimbatore. Industrialisation was linked with agriculture in the 1920s and 1930s, both through textiles which depended on cotton, and through engineering which produced pumpsets for agriculture as well as textile machinery.

Industrial entrepreneurs came from the dominant agricultural castes. Dominant agricultural castes also provided much of the industrial labour. Dalits were in the minority as industrial labourers in the region as a whole.<sup>4</sup> The industrial sector diversified over time, incorporating light industries of all kinds, but textiles and engineering remained dominant. Agriculture, already relatively highly commercialised and capital intensive in the 1930s,<sup>5</sup> also played an important role. There was a further spurt of intensification of agriculture in the 1950s and 1960s with the electrification of lift irrigation and increasing levels of use of purchased inputs. The combination of relatively high levels of industrialisation with a relatively commercialised agriculture defined the development of the Coimbatore region for much of the 20<sup>th</sup> century.

(i) The first systematic survey on which this paper relies was conducted in 1981/2, before the expansion of the knitwear industry. Coimbatore was already relatively industrialised, much of its industry consisting of large and medium-scale textile and engineering units clustered in and around Coimbatore. It was not easy for people from the study villages to get access to employment in these units in 1981/2. The study villages were relatively 'remote' at the time, i.e. not on a main road.<sup>6</sup> The bulk of village employment was in agriculture. The remainder was in trade and services derivative of agriculture. The villages were dominated by an oligarchy of 'thottam farmers'<sup>7</sup> making up 12-13 percent of the household population, with holdings averaging 7 acres, some well-irrigated, some dry. These were not large farmers, but they were farmers operating intensive systems of production and making relatively good profits from doing so. Gounders were the most numerous of the landholders in the study villages in 1981/2. Naidus were much less numerous but also had significant landholdings. Chettiars, who were strongly represented in trade as well, were the other major landholding group.<sup>8</sup> The other caste groups represented in large numbers were two Dalit labourer groups, Chakkiliyars and Pannadis.<sup>9</sup> A variety of other caste groups were represented in smaller numbers.

In 1981/2, land was irrigated exclusively by deep open wells with bores, the deepest of which went down to 200ft. Cotton, sugarcane and turmeric were the major well-irrigated crops, supplemented by groundnuts, bananas, tobacco, coconut, tapioca, chillies, mulberry, paddy, cholam, ragi, cumbu and a variety of other cereals, vegetables and fruits. Cholam, groundnuts, gingelly and a variety of pulses were grown on dry land. There was also a substantial livestock economy. There was relatively little mechanisation of field operations. There were only 2 tractors in the villages in 1981/2. The system relied on large numbers of labourers working throughout most of the year.

The state played a strong role in 1981/2 providing agricultural research and extension, veterinary services, credit, et al. There were also food for work programmes on a limited scale. The state also had a presence in education, and a much less strong presence with respect to health. There were no health centres in the villages in 1981/2.

(ii) The next systematic survey was conducted in 1996.<sup>10</sup> By then the production of knitwear for export had taken off in Tiruppur and Tiruppur was growing faster than Coimbatore. Knitwear exports had grown from an estimated 10m pieces in 1984 to 257m pieces in 1996, and from an estimated value of Rs.10 crores in 1984 to Rs.1892 crores in 1996 (Singh and Sapra 2007). These are conservative estimates. Not only were exports not all captured here. Production for the local market was growing alongside that for export as well. It is difficult to estimate the numbers employed in the industry but it was probably well

over 100,000 already in 1996, and included migrants as well as local people. Tiruppur was the focus of attention in discussions of employment opportunities in the villages in 1996, and of much else too. Large numbers of individuals resident in the villages, the large majority non-Dalits, were commuting to work in Tiruppur and other nearby towns and urban centres. Only some were commuting to knitwear units though. They were also commuting to work in spinning, weaving, engineering, metalworking and a whole host of other non-agricultural activities. Much of the industrial growth was small scale and decentralised. Industrial units were also being set up in the villages and surrounding rural areas. The development of transport and communications, which had improved enormously since 1981/2, was crucial to all this. Agriculture was doing much less well in 1996. One of the main reasons for this was the rise in labour costs, with the growing competition from industry and other non-agricultural activities. Relatively fewer Dalits were moving out of agricultural labour than non-Dalits, but the exodus of non-Dalit agricultural labourers meant that employers had to pay Dalit as well as non-Dalit agricultural labourers more. Another reason for agriculture doing less well in 1996 was a decline in the water table which had been seriously depleted by the intensification of agriculture. Agriculture was also getting less support from the state.<sup>11</sup>

Agriculture was now relying on borewells which were gradually replacing open wells, the deepest going down to 600ft. Irrigation technology had become more expensive and it was producing less water than before. Though there were now 4-5 tractors in the villages, bullocks were still widely used. There was more irrigated cotton, a relatively labour-intensive crop, despite the growing shortage of labour. There were also more bananas. There was less rain-fed cultivation than there had been in 1981/2. The mix of minor crops grown on irrigated land had changed too. Fodder shortages limited the role of dairy production but it was playing a bigger role than in 1981/2.

The state had expanded its role significantly with respect to social policy (see below). Its support for production had been decreasing though.

(iii) Brief periods of fieldwork in 2003 and 2004 were followed by a new survey in 2008/9.<sup>12</sup> Knitwear production had expanded further. Exports had grown from an estimated \$5.4K in 1996 to \$2.5bn in 2008/9. There were now an estimated 400,000 people or more working in the industry, about 60percent of whom were migrants (Dorairaj 2010). The knitwear industry, producing for the domestic as well as the export market, was having a very significant effect on the villages in 2008/9, an effect that was strongly caste-differentiated too. There had been more outmigration, and some immigration which was new.<sup>13</sup> There was only a small increase in industrial units in and around the villages. There had been substantial real estate development. There had also been a proliferation of financial services.

There had been a marked decline in agriculture in the villages by 2008/9.<sup>14</sup> Much less land was being cultivated than in 1996. Water was now being tapped from as deep as 1200ft. More tractors and other motorised vehicles were being used for transport, and for field operations. There were far fewer bullocks than in 1996. There was very little cotton left, and much less sugarcane. There were more bananas and turmeric. Among the minor crops that were being grown was maize, which was one of the sources of feed for poultry units that had emerged on a number of farms too. Agricultural employment had not fallen very much however because agricultural labourers from the villages were now working over a much wider geographical area than before.

There had been significant further expansion of state welfare programmes including the NREGS (National Rural Employment Generation Scheme) which was just getting off the ground in 2008/9. These were having noticeable effects both on standards of living and on the bargaining power of labour. The caste and gender segmentation of the labour markets in these villages produced effects that differed significantly between the different segments. The NREGS increased the bargaining power of Dalit female labour, for example. Other state welfare programmes increased the bargaining power of Dalit male and female labour. There were also noticeable effects on non-Dalit labour. These are elaborated further below.

Brief return visits in 2010 and 2011 showed a substantial expansion in the uptake of the NREGS, and some new initiatives, including the spread of drip irrigation, in agriculture. Broadly, however, these visits confirmed trends already evident in 2008/9.

With this background we now look at (a) terms and conditions of employment, and (b) social policy and social welfare, in 1981/2, 1996 and 2008/9.

### *3. Terms and Conditions of Employment, Social Policy and Social Welfare: 1981/2, 1996 and 2008/9*

#### **(i) TERMS AND CONDITIONS OF EMPLOYMENT IN 1981/2**

In 1981/2, most of the working population in the villages was employed in agriculture, or in trade and services derivative of agriculture. There were three types of agricultural employees: pannayals, or bonded labourers, employed on an annual basis;<sup>15</sup> casual labourers employed on a daily basis; and sugar cane crushers working on contract outside the villages as well as within for 6-10 months in the year, staying away for months at a time. Pannayals were all male and nearly all Chakkiliyars. Casual labourers were male and female and from all caste groups. Sugar cane crushers were all men, the majority Pannadis. Table 2 shows the numbers of males involved in each of these different types of agricultural employment.<sup>16</sup>

A relatively small number of people were employed outside agriculture in 1981/2, most of them in trade and services, a few in larger scale manufacturing units outside the villages. Table 3 shows these numbers in 1981/2.

Pannayals were employed by thottam farmers who were sophisticated agriculturalists, managing relatively capital intensive enterprises, operating in a variety of different markets, and keeping up with the latest seeds and other plant varieties, agronomic practices, et al. They employed 1-5 pannayals each in 1981/2. They also employed substantial quantities of casual labour on a daily basis.

Relations between pannayals and their employers were extremely oppressive in 1981/2.<sup>17</sup> Pannayals were beck and call labourers working long hours. They were required to stay on the farm at night to look after livestock, equipment, and stores, if their employer did not live on the farm. They also did a substantial amount of night irrigation work. Boys started working as pannayals when they were 10 years old, or younger, first for their keep, gradually more as they grew up. The annual earnings of adult pannayals doing the full range of tasks were considerably higher than those of casual labourers.<sup>18</sup> There were discretionary benefits which included time off, loans and 'help' with expenditure on health care, life-cycle ceremonies, et al. Discretionary benefits were key instruments of control which pannayals

resisted by doing things like buying produce in the local markets instead of from their employers and getting loans from elsewhere.

Thottam farmers used large numbers of casual labourers for particular operations. Small farmers employed smaller numbers likewise. The standard hours for casual labourers were 9-6 in 1981/2. Some worked from 6-9 in the early morning as well. They got food at work if their employer did not want them to go off in the middle of the day. There was employment more or less round the year. Seasonal unemployment was not a major issue at the time. Moreover there were Dalits who had moved to these villages when a house became available because they knew that these were villages in which it was always possible to get work. There were problems in years of severe drought however. Then people went considerable distances to seek work to tide them over until employment in the villages became available again. There were families for whom droughts had been occasions to migrate permanently too.

Sugar cane crushing was done by groups on a contract basis. It involved working long hours in poor conditions, staying on the farm where the sugar was being crushed, earning somewhat more than pannayals. Much of what was earned was spent on the job however. Sugar cane crushers' wives complained about how little money they brought home. Sugar cane crushers responded that the work was so hard that they had to drink much of what they had earned to be able to continue to do the job.

#### **(ii) SOCIAL POLICY AND SOCIAL WELFARE IN 1981/2**

Social policy is defined here to include state interventions which protect those in employment and others in the population as a whole. It includes social welfare interventions such as the provision of subsidised food and other essential commodities; the provision of housing and amenities associated with housing; the provision of health care; and pensions, maternity, accident and disability benefits. Support for education was an important component of social policy rather than social welfare. Employment generation schemes and schemes to support self-employment fall under social policy here too.

There was only a limited amount of recognisable social welfare reaching the villages in 1981/2. Not much of it was reaching Dalit labourers and their families. This was one of the reasons that labourers were so dependent on employers at the time. Most of the strong social welfare interventions for which Tamil Nadu is known only reached the villages in the later 1980s and subsequently. In 1981/2 there were intermittent food for work programmes on which manual labourers but rarely Dalits were employed. There were also the beginnings of what were to become major Dalit housing developments. New Dalit colonies were in the process of being set up in 2 of the 4 hamlets in the study villages in which there were substantial Dalit communities in 1981/2. The initiatives for these new Dalit colonies came from thottam farmers who were able to mobilise state support. This was partly a strategy on their part to capture and immobilise Dalit labour. Apart from housing, social protection was still very much a matter for non-Dalits in 1981/2.

### (iii) TERMS AND CONDITIONS OF EMPLOYMENT IN 1996

In 1996 there were nearly as many paid employees in non-agricultural employment as in agricultural (Tables 2 and 3). There were relatively few Dalits among the non-agricultural employees though. The increase in non-agricultural employment was the result of the integration of the villages into the wider local economy and the growing industrial development that had taken place since 1981/2. The non-agricultural employment was primarily in textile mills and engineering workshops as well as knitwear. There was relatively little paid employment in trade and services. There were relatively few government employees in the sample too.

The majority of employees in the industrial sector were in relatively unskilled jobs, many though not all of these jobs providing more regular employment than agriculture. Hours were longer however, and commuting added to what was already a long working day. For the majority industrial employment was not significantly better than agricultural. The generally lower social status associated agricultural labour did not appear to be a major factor here.

Pannayal employment was still widespread in 1996 though less so than in 1981/2 (Table 2); casual labour remained the dominant form of employment in agriculture; contract labour (not distinguished from casual labour in Table 2) was now being used for tasks other than sugar cane crushing; and more people from the villages were now involved in sugar cane crushing too. There was less child labour in 1996 than there had been in 1981/2.

Thottam farmers were doing less well in 1996 than they had been in 1981/2. Irrigation had become more expensive and was producing less water than it had in 1981/2. Increased labour costs were also a problem for those employing labour, but these had not resulted in much mechanisation, at least as far as field operations were concerned. Mechanisation was still a relatively expensive alternative to labour. There had been changes in cropping patterns but these were more evident in relation to minor than to major crops. Thottam farmers were less dominant in the villages. They were moving into the wider industrial economy, many still retaining their homes in the villages, others moving out. They were educating their sons to enable them to move into the wider economy as well. Thottam farmers were nothing like as buoyant or confident in 1996 as they had been in 1981/2.

Pannayals were no longer beck and call labourers. They had fixed hours of work, similar to those of casual labourers; and they had fixed holidays negotiated at the beginning of the year. It was no longer easy for employers to get pannayals to stay overnight on their farms. Employers complained that state provision of TV in the colonies meant that pannayals would no longer work long hours either. Employers also complained that pannayals taken on at the beginning of the year often left without completing their contracts, and that it was no longer possible to get Chakkiliyar elders to bring them back. Pannayal pay had increased substantially. Adult pannayals were being paid nearly twice as much in real terms in 1996 as they had been paid in 1981/2.<sup>19</sup> There were fewer boys working as pannayals, and fewer young men. Relations between pannayals and their employers were much less oppressive too.

Terms and conditions of casual labour had also improved. Hours were shorter. And pay had nearly tripled. The wages of casual labour had increased much more substantially than those of pannayals.<sup>20</sup> Seasonality was more of an issue in 1996 however than it had been in 1981/2, as crop patterns had changed and there was less irrigation than before.

Contract labour was now being used for many tasks, not just for sugar cane crushing. Many men preferred contract to casual labour because they could earn more working for fewer hours that way. There was also more sugar cane crushing work in 1996, most of it outside the villages, and women were involved as well as men. The majority of sugar cane crushers were Pannadis, as in 1981/2.

Thus, there had been a considerable improvement in terms and conditions of labour in agriculture as agriculture competed with the better terms and conditions available in non-agricultural employment in 1996. This could be attributed at least in part to the integration of the village economy into what was a dynamic local economy driven by the expansion of knitwear production for export that had been so striking in and around Tiruppur. It could also be attributed to the expansion of social policy. It was not just improvements in employment conditions that improved the position of labour. Social policy was also contributing very significantly, both directly and indirectly, in 1996.

#### (iv) SOCIAL POLICY AND SOCIAL WELFARE IN 1996

A substantial number of new social policy and social welfare programmes were in place in 1996. Earlier programmes had also been expanded. Some of the more important social welfare programmes as far as labourers in the villages were concerned were the PDS (Public Distribution System); the ICDS (Integrated Child Development Services); free school meals, school uniforms and books; pensions, and maternity, accident, and disability benefits; and housing developments. There had also been a significant expansion of education and some improvement in health coverage though there was still no health centre in the villages. The IRDP (Integrated Rural Development Programme) had been continuing as had intermittent employment generation schemes. Programmes to support production were not expanding though.

The PDS was a flagship programme<sup>21</sup> providing subsidised food and essential commodities including rice, sugar, some wheat products, and kerosene, and an annual distribution of saris and dhoties. Whereas in 1981/2 the PDS had had a very low profile, having only relatively recently been extended to the rural areas, in 1996 it was playing a significant role. Not all households were able to access it successfully. Dalits had more difficulties than others in doing so. There were problems with the reliability, and the quality, of supplies. But it *was* reaching large numbers in 1996.<sup>22</sup>

The ICDS supplemented the PDS, providing food for pregnant women and young children. It also provided child care for small numbers of pre-school children, primarily Dalit, whose mothers went out to work.

Free school meals, uniforms and books, introduced in 1984, were generally regarded as having had a significant impact on participation in education in Tamil Nadu.<sup>23</sup> Participation in education had increased very substantially in the villages between 1981/2 and 1996.<sup>24</sup> There had been a substantial reduction in child labour in Dalit households between 1981/2 and 1996 too.

Pensions and maternity, accident and disability benefits were only reaching some of their intended beneficiaries in the villages in 1996,<sup>25</sup> but the fact that they were available was significant nevertheless.

Dalit housing had improved enormously between 1981/2 and 1996 in two of the four study villages in which there were Dalit communities. The colonies being established in 1981/2 were up and running, doubling the number of house sites and houses and providing more public space as well. Similar extensions were being planned for the other two Dalit communities. Dalits were spending more on buying house sites, and building and extending houses with or without contributions from the state. This had led to increases in indebtedness, to moneylenders, to employers, and to the state.

There were a number of credit programmes providing loans for small-scale self-employment in the 1980s and first half of 1990s.<sup>26</sup> The majority of investments financed by such programmes in these villages were livestock investments, mainly but not exclusively non-Dalit. There were also employment generation schemes, but these were not very visible in the study villages in 1996.

Overall, this amounted to a significant expansion in state social policy reaching low-income households, reducing their dependence on employers and the village elite. This reinforced the impact of integration into the rapidly growing industrial economy that was also playing a role in reducing dependency in the villages.

Dominant caste employers complained that social welfare developments were undermining their position. They attributed Dalit labourers' unwillingness to work as much, or as hard, or for as long, to the 'pampering' they were getting from the government. Employers also attributed the increased assertiveness of labour to 'Tiruppur', the local shorthand for the expansion of the knitwear industry. Labourers, both Dalit and non-Dalit, also felt that the fact that there were now alternatives available to them in the knitwear industry and related sectors meant that they could resist pressure from employers in agriculture much more strongly than they had been able to before. The balance had clearly shifted in favour of labourers for other reasons too. These included changing attitudes on the part of state officials particularly where Dalits were concerned.<sup>27</sup> There were also wider social influences at work through TV and other media as well as heightened geographical mobility.

#### (v) TERMS AND CONDITIONS OF EMPLOYMENT IN 2008/9

Paid employment outside agriculture had overtaken that in agriculture for the villages as a whole by 2008/9 (Table 3). This was not the case for Dalits though. Also striking was that, unlike in 1996, manufacturing employment was now dominated by employment in the knitwear industry. There had been an increase in employment in miscellaneous trade and services as well, much of it associated with transport and other activities related to the knitwear industry.

The majority of people resident in the villages who were employed in the knitwear industry were in relatively unskilled jobs. These included tailors who had learned the job by working as 'helpers' for a year or more. This was not strictly speaking 'unskilled' employment. It was however employment that was easily accessible to manual labourers of all caste groups if they started young enough. People from the study villages were employed in knitwear production for the domestic market as much as for export, and this was more regular than export production.<sup>28</sup> But although much of this employment was more regular than agricultural labour, hours were long and pay was not very different. Most of the people who worked in the knitwear industry were young, male and female, Dalit as well as non-

Dalit.<sup>29</sup> They were attracted by what they regarded as relatively 'light' work, and work that was relatively social. They also liked getting out of the villages. There were few prospects of advance for these employees though. They were likely to continue in relatively unskilled low-paid positions for as long as they continued to work in the knitwear industry.

There had been only a small decrease in the overall numbers of agricultural labourers in the villages in 2008/9 (Table 2). The decrease for non-Dalits was greater than for Dalits though. Pannayal labour had virtually disappeared in 2008/9. There was no more child labour in agriculture either. Contract labour was now the dominant form of male agricultural employment. Women also did contract labour, but not as much as men. People employed on contract worked outside the villages as well as within. None of them was doing sugar cane crushing work though. Sugarcane was now being processed in mills.

Contract labour was organised informally. Non-Dalits were not involved because they were not prepared to join Dalit groups and there were too few of them to make up groups consisting of non-Dalits alone. Contract labour was organised by someone hearing about the work who would get a group together. Pay was better if the work was further away. If far away the employer would send a truck to pick the labourers up, and they would often stay for several days to complete the work. Employers in the villages complained that men were rarely willing to do casual labour in 2008/9. Daily wages for male casual labourers varied between Rs.100/- and Rs.150/- for a 6-hour day. If they worked on contract they could get up to Rs.200/- or Rs.250/- per day in the villages, and more if they worked further away. Women were also doing contract labour in the villages but they did more casual than contract labour. Daily wages had only increased in real terms by a little more than 20 percent since 1996. This was much less than the increase between 1981/2 and 1996. If one compares what men were getting on a daily basis in 1996, however, with what they were getting on a contract basis in 2008/9, the increase is nearer 35 percent

It was clear that there was not enough work in the villages for the agricultural labourers who lived there in 2008/9. However employers in the villages had to compete with employment available elsewhere in agriculture as well as employment available outside of agriculture. A significant number of Dalits were working outside agriculture in 2008/9. Agricultural labourers' discourse included the fact that there was not enough work in the villages, which was why they had to go outside for work. However, it paid, and they could get enough work if they went further away. These were people, mainly Dalits, who did not want to work in factories, or in construction, et al. They did not like working in urban areas either. Many of them felt that agricultural labour was as good as any other work that they could get.

The bargaining power of labour of all caste groups was clearly stronger in 2008/9 than it had been in 1996, or 1981/2. It was enough to keep pay in agriculture more or less on a par with industry, and to ensure reasonable relations with employers too.<sup>30</sup> There was a whole discourse on the part of employers regarding the fact that they felt they had to treat their labourers really carefully if they were to get them to come to work.<sup>31</sup> Pay may have increased year by year, but this alone was not enough.

It was not only competition for labour from industrial and other non-agricultural activities that had strengthened the position of labour. It was also the expansion of social policy and social welfare. We turn to this now.

(vi) **SOCIAL POLICY AND SOCIAL WELFARE IN 2008/9**

Further developments in social policy included a substantial expansion of the PDS. School meals had also improved and their uptake had increased. There were more pensions, and maternity, accident and disability benefits reaching Dalit households. There had been significant further improvements in Dalit housing. Education had improved too, as had health care – there was now a health centre in one of the study villages. There was less support for small scale self-employment and what there was now channelled through SHGs (Self Help Groups). Earlier employment generation schemes had been replaced by the NREGS. This was a new initiative with major long term implications that was getting off the ground in the villages in 2008/9.

Dalit households were getting a substantial proportion of their rice through the PDS in 2008/9. They were getting a range of other foodstuffs, and other commodities, as well.<sup>32</sup> The price of PDS rice was reduced in 2006, from Rs.3/50 to Rs.2/50, and then Rs.2/00, and finally, in September 2008, Rs.1/00 per kg., by the DMK government which was elected in 2006. These moves took the price way below the Central issue price, substantially increasing the subsidy born by the state.<sup>33</sup> The food subsidies were particularly important in 2008/9 when food price inflation was high. Rs.1/- per kg rice when the open market price was Rs.14/- per kg or so for the poorest quality was a real boon to the poor.<sup>34</sup>

Another initiative of the DMK government elected in 2006 was the distribution of free colour TVs to individual households. In 1996, TVs had been distributed to Dalit colonies only. Almost all Dalit households and a large number of non-Dalit households in the villages had free 'Karunanidhi TVs'<sup>35</sup> in 2008/9.

There had been further improvements in Dalit housing by 2008/9. The new colonies being planned in 1996 were up and running, one Chakkiliyar, one Pannadi. Pannadis had also got an extension of their old colony. Significant numbers of Pannadis had bought houses in the main village as well. This was something that would have been unthinkable for Chakkiliyars. One of the reasons for Pannadis being in a stronger position here was that they were regarded as having higher status than Chakkiliyars. Another reason was that Pannadis all lived in a single village/hamlet from which relatively large numbers of Gounders had left. There were no Chakkiliyars living in that village/hamlet. One of the villages in which Chakkiliyars had got a new colony earlier, in 1981/2, had added another colony by 2008/9. Efforts were being made to get more house sites on another piece of land there too. There still seemed to be an insatiable demand for Dalit house sites. Some of this was a demand for the future for children. Most was simply to get away from multiple occupancy and crowding, still quite widespread in 2008/9.

Participation in education had continued to increase. All Dalit (and non-Dalit) children under 15 were in school in 2008/9.<sup>36</sup> There was very little child labour in the villages any more. This reflected a major change in attitudes to children and children's education. Children were now the focus of attention, and seen as investments in the future, in labourer as well as other households. This was a far cry from 1981/2, and even 1996.

In 2008/9 all state provided credit was being channelled through SHGs, as in many other parts of India. The SHGs in the study villages had not proved at all effective though. There was a spurt of activity in 2000/01 when the first were set up, but this soon petered

out. More support would be needed if SHGs were to generate finance for self-employment et al.<sup>37</sup>

A limited amount of employment was being provided by the NREGS in 2008/9. This was an initiative on an altogether different scale from the employment generation schemes of the 1980s and the 1990s. The NREGS guaranteed up to 100 days of work per rural household per year in theory, for all who claimed it. The NREGS was started in selected districts in 2006, and extended to all rural areas in the country, including the study villages, in 2008/9.

The scheme was only attractive to women in the study villages.<sup>38</sup> Men's wages for agricultural and other manual labour were much higher than those of women, and much higher than those being paid by the NREGS. There was little demand for NREGS work in the villages at first. But the demand gradually picked up. In 2011 it was attracting significant numbers from all Dalit colonies.<sup>39</sup> There was also some non-Dalit uptake in 2011.<sup>40</sup> It was still the case that only a minority of Dalit women were involved though, and many for far less than the maximum 100 days per year.

Agricultural employers regarded the NREGS as another assault on agriculture which was already short of labour at a time when agriculture was getting little support from the state. While the wage of Rs.80/- per day was on a par with what they were paying women for agricultural labour prior to 2010, when the wage went up on 1 January 2010 to Rs.100/-, they raised what they were paying to Rs.100/- too.<sup>41</sup> Industrial employers also complained about the NREGS. Agricultural employers were putting some pressure on NREGS supervisors to try to get them to organise less NREGS work particularly in peak seasons. Pressure may also have been exerted at higher levels. This was not something that this research inquired into though.

Thus there had been a significant further expansion of state social policy reaching both Dalit and non-Dalit low income households, strengthening their overall position, by 2008/9. It had reinforced the impact of further integration into a fast-growing local industrial economy too.

Employers complained more than ever about the difficulty of getting people to work in agriculture, attributing these to state social policy as well as to 'Tiruppur'. Dalit labourers, on the other hand, were now talking about not having to work as much, or as hard, because of the PDS et al. The NREGS was an added bonus as far as labourers were concerned, increasing the wages of Dalit female agricultural labourers particularly. The combination of social policy with the continuing expansion of the industrial sector was continuing to shift the balance in favour of labour, both Dalit and non-Dalit. There were powerful interactions here.

#### *4. Discussion*

The paper has focused on the evolution of employment, and of terms and conditions of employment in agriculture, and the evolution of social policy, over the period from 1981/2 to 1996, and 1996 to 2008/9. The combination of increased employment opportunities in the growing industrial economy, albeit less for Dalits than for non-Dalits, and the expansion of social welfare programmes et al., led both to an increase in the wellbeing of labourers and their families, and to a strengthening of the bargaining position of

labour vis a vis employers. It was the association of strong, decentralised and labour-intensive industrial growth in the local economy with the expansion of social policy and social welfare that produced these results.

We consider a number of issues that arise from these findings: first, issues relating to the tightening of the labour market; second, issues relating to the division of responsibility for the wellbeing of labour between employers on the one hand, and the state on the other.

#### (i) THE TIGHTENING OF THE LABOUR MARKET

One of the more striking features of the period under review was the tightening of the labour market.<sup>42</sup> This was a regional phenomenon as far as the villages were concerned. Thus though there was no longer enough work in agriculture in the villages themselves, agriculturalists had difficulty attracting sufficient labour because there was enough work in the region as a whole, and this was work to which labourers in the villages also had access. The corollary of this was that to get enough labour agriculturalists had to treat labour well. The shortage of labour in agriculture was connected with the shortage of labour outside agriculture. Thus, although Dalits remained heavily involved in agricultural labour and less involved than non-Dalits in non-agricultural labour, the general shortage of labour spilled over from outside agriculture to agriculture.

Although relatively few Dalit and non-Dalit women were employed outside agriculture, and employment available to them outside agriculture was much less attractive than that available to men, the fact that more were staying at home, relying more heavily on income brought in by men, meant that female labour was in particularly short supply as far as agriculture was concerned.

The tightening of the labour market, and the reasons for the tightening of the labour market, differed in different segments of the labour market here. They were the product of longer-term processes affecting both the supply of labour and the demand, both overall, and segment by segment.

The increase in the overall *demand* for labour in this case was dominated by the growth of the knitwear industry and all the subsidiary activities associated with this. Other textiles, particularly spinning and weaving, engineering, and metalworking contributed too. The growth of employment in the knitwear industry centred on Tiruppur outweighed all of these others though. Tiruppur has acted as a magnet drawing labour from all over Tamil Nadu, from where the majority of Tiruppur's migrant labourers come. It has been drawing increasingly on labour from other states recently as well. This may in part be in order to get more docile labour. It was discussed primarily however in terms of an increasing shortage of labour from nearer by.

While the shortage of labour in the region was driven primarily by demand, reductions in supply made their contribution to the tightening of the labour market as well. The labour *supply* had been affected by such things as the longer-term effects of fertility decline on the growth of the labour force, increasing participation in education reducing the number of young people in the labour force,<sup>43</sup> and increases in wages and earnings making it less necessary for members of labourer households to put in as much work as before. This latter was countered only to some extent by increasing aspirations providing incentives to put in more.

Social policy and the expansion of social welfare made a strong contribution to the decrease in the labour supply. The PDS, the ICDS, school meals, maternity benefits, accident benefits, pensions, et al. made it possible for people to meet their consumption needs with less labour. This became clear in discussions with members of Dalit labourer households in the villages in 2008/9 in which men said that the Rs.1/- per kg rice made it possible to feed their families with 2-3 days work a week, instead of 5-6. It also made it possible for women to spend more time at home and less time doing paid work. These 'negative' incentive effects should be regarded as improvements in a context in which poverty and under-nourishment have hitherto been associated with long hours and low pay.<sup>44</sup>

Increased aspirations, reflected in increased spending on housing, and increased spending on children, in labourer households have not been strong enough to outweigh the incentives to supply less labour. There was a striking change between 1981/2 when very little was spent on children, and children brought in earnings from an early age, on the one hand, and 1996 and 2008/9 when households were having to do without children's contributions to earnings and were involved in substantial additional expenditure associated with the improved standing of children within the household as well, on the other.<sup>45</sup> Significant reductions in the supply of the labour of children, and of women looking after children, were being offset only to some extent by increased incentives to put in more labour to support new demands on household budgets.

There were contradictory tendencies here. The net effect was to reduce the supply of labour over time, however. This could be seen in the reduction in numbers of young people in the labour force, the reduction in numbers of women in the labour force, even with their participation in the NREGS, and the reduction in numbers of days of paid work that men were putting in too.

It should also be noted here that social welfare interventions dampened the increase in wages and earnings, by keeping the costs of living down, and by providing some of the things like pensions, maternity benefits, housing, et al. that one would normally expect employers to provide.

## **(ii) THE DIVISION OF RESPONSIBILITY BETWEEN EMPLOYERS AND THE STATE**

This paper has focused on the interplay between terms and conditions of employment on the one hand, and social policy on the other. This leads to questions concerning the division of responsibility for providing for labour between employers and the state.

One can focus on employer responsibilities – not wanting to let employers off the hook. An alternative is to focus on what the state can do. The policy emphasis in India in the recent period, and in neo-liberal regimes generally, has been on reducing the responsibility of employers for providing fully for labour. Policies reducing the restrictions on employers, and reducing the obligations of employers, with respect to labour, have been accompanied by an expansion of state social policy, increasing the responsibility of the state.

One of the questions that arises in connection with the state taking on more responsibility for providing for labour is its capacity to do so. There are many states in India that are poorly equipped to intervene effectively here. Tamil Nadu has a better record than

most states in India on this count. Not all states have the capacity to deliver on the scale that the Tamil Nadu state has done.

There is also the question of the financing of state provision. The state may take responsibility for some of the provision for labour and finance it from taxes on employers – effectively making employers pay through another route. An alternative is to finance it through things like VAT, taxes on alcohol etc. The Tamil Nadu state appears to have done the latter,<sup>46</sup> making it look as though labour is benefiting, masking the extent to which it is effectively paying for these benefits as well.

Another relevant question in the Tamil Nadu case is whether state provision is being successful at too high a cost. The prime example here is the PDS. A good deal of the official Food and Consumer Protection Policy Note 2010/11 on the PDS (Government of Tamil Nadu, 2010a) is taken up with accounts of controls designed to reduce inefficiencies and limit the potential for corruption. There are undoubtedly inefficiencies in the system, though Swaminathan (2000) argues that for a programme of this kind these are not large. There is also widespread corruption.<sup>47</sup> This may have to be accepted as necessary in a system that is providing a safety net for the poor. It is a serious question though, particularly if the poor are also paying a large part of the cost.

This brings us to the bargaining power of labour. Trade unions which were powerful in the region in the 1960s and 1970s declined as industry became more fragmented and relied more on casual and migrant labour.<sup>48</sup> Agricultural labour was never unionised in this area. Collective bargaining was generally rather weak in the industries that were important in the 1980s, 1990s, and early 2000s. There is also the question of the bargaining power of labour vis a vis the state – the ability of labour to mobilise around state benefits et al. Party politics has played an important role in getting social policies introduced, and implemented. Populist politics in Tamil Nadu are usually regarded as responsible for the fact that Tamil Nadu was the first to introduce many social welfare policies that have now been adopted at the national level in India. Organised labour has not played a strong role here. There may be more to be gained by mobilising outside the workplace to put pressure on the state to deliver better on its social welfare policy though. This is an area in which labour mobilisation *outside* the workplace could play a role, through political parties, social movements, et al.<sup>49</sup>

## 5. Conclusions

The paper has shown how terms and conditions of employment changed between 1981/2 and 1996, and between 1996 and 2008/9, as the rural areas became more closely integrated into the growing industrial economy. Terms and conditions of employment in agriculture were harsh and oppressive in 1981/2 when a large majority of the population in the villages was working in agriculture. By 1996, the proportion working in agriculture had fallen, and terms and conditions of employment in agriculture had improved. The majority of labourers working outside agriculture were working on terms and conditions that were not very different from those in agriculture too. In 2008/9, there had been a further decrease in numbers working in agriculture, though much smaller than between 1981/2 and 1996. Terms and conditions of employment in agriculture had improved again, on a par with those in non-agricultural employment.

The paper has also shown how state social welfare policy developed over this period from playing a very limited role in 1981/2, to a significant role in 1996, and a very much expanded role in 2008/9. By 2008/9 it was clear that it was making a major contribution to labourers' standards of living, something that it had not been doing either in 1996, or in 1981/2.

Improved terms and conditions of employment and expanded state social welfare policy had combined to produce very substantially improved standards of living for the labourer population between 1981/2 and 2008/9. It is only in comparison with what were very poor standards in 1981/2 that this looks impressive though. Labourers were still working hard for long hours for low pay in 2008/9. There were still very few opportunities to move into employment other than low skilled manual labour. State social policies may have improved the conditions of manual labourers, but they were not equipping many to move out of manual labour. These were policies supporting an economy relying on large quantities of relatively unskilled labour still.

This raises questions about the strategy based on 'cheap labour' that the Indian state has been pursuing in the recent period, a strategy in which the responsibility for capitalist enterprises to provide fully for labour is reduced, and the state takes on more of this responsibility, the state pursuing a strategy of increasingly unequal development while providing safety nets to cater for the poor. An alternative is for the state to focus on increasing the skills and productivity of labour as a basis for enabling capitalist enterprises to compete in the world economy. If the state moved towards getting employers to pay the full cost of providing for labour, employers would have greater incentives to contribute to increasing the productivity of labour too. Increasing the skills and productivity of labour would enable employers to take responsibility for providing fully for labour and still remain competitive. It would enable labour to earn higher incomes as well. A strategy of the state promoting development that takes care of inequality in this way has much more to recommend it in the longer term than the strategy that is being pursued in India now.

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## NOTES

1. See Barrientos and Hulme (2008) for examples of other developing countries that also did so.
2. See Vijayabaskar (2011) on this too.
3. Other examples include Harriss-White and Janakarajan (2004), Breman (2007), Harriss et al. (2010), Rodgers and Rodgers (2011).
4. Baker (1984), Chari (2004), and Damodaran (2008).
5. Chari (2004).
6. The study villages comprise 6 hamlets in 2 revenue villages 40-60 km from Coimbatore and 25-30 km from Tiruppur. Members of a random sample of 20 percent of the households in these villages were interviewed between August 1981 and March 1982, a sample of 230 households in all. Sample interviews and discussions were supplemented by in-depth interviews with people outside the sample as well.
7. Thottam farmers were farmers with enough well irrigated land to support the employment of permanent labour in 1981/2.
8. These were 501 Chettiars, not to be confused with Devanga Chettiars, a weaver caste, represented only in small numbers in the villages in 1981/2. 501 Chettiars are Tamil-speaking; Devanga Chettiars speak Telugu.
9. Chakkiliyars, were leatherworkers, also known as Madaris, or Arunthathiyars. Pannadis were Pallars, also known as Devendras. There were no Paraiyars, the other large Dalit group in Tamil Nadu.
10. 1996 data come from a May-June re-survey of the 85 percent of the 1981/2 sample households that still had descendants living in the villages. Some information about those who had left was also obtained. 1996 sample interviews and discussions were supplemented by interviews with people outside the sample again too.
11. This was true in large parts of India. See Government of India (2007) for example on this. See Government of India (2005) on Tamil Nadu too.
12. Selective interviews were conducted in May 2003 and August 2004. In 2008/9, members of a new 20percent sample of households in the hamlets and revenue villages surveyed earlier were interviewed as part of a larger project on the impact of the Tiruppur knitwear industry on the region. Sample interviews and discussions were supplemented by selective in-depth interviews again.

13. The Census data show that the population remained more or less unchanged between 1991 and 2001. School Census data show that this remained the case between 2001 and 2008 too.
14. See Heyer (forthcoming 2012).
15. Pannayals, or bonded labourers, were labourers employed on an annual basis, with an advance at the beginning of the year. See De Neve and Carswell (2011) for more detail on this.
16. This paper focuses on male employment. Female employment is dealt with elsewhere (Heyer, 2011).
17. Cederlof (1997)'s account of relationships between Gounders and Chakkiliyars in the 1930s and 1940s resonates with relationships still prevailing in the villages in 1981/2. See Breman (1974) for an account of similar types of relationships in Gujerat too. Heyer (2000) has more detail on this too.
18. The annual rate of pay for pannayals in 1981/2 was Rs.2400/- for an adult doing the full range of tasks, with or without one or more meals per day. This was equivalent to the highest daily casual labour wage of Rs.7/- for 343 days of the year without taking account of any of the additional perks available to pannayals. Male wages for casual labour in 1981/2 were Rs.5/-, Rs.6/- and Rs.7/-.
19. In 1996, adult pannayals doing the full range of tasks were paid Rs.10-11,000/- p.a. This represents an up to 100 percent increase using the Coimbatore rural rice price, and up to 90 percent using the CPIAL. (The *India Labour Journal* is the source both for the rice price and for the CPIAL.) This overstates the real rise though. There are a number of items of increased expenditure that are not included in the CPIAL, things like health care et al. Many new items were now regarded as necessities which they certainly were not before.
20. Daily agricultural wages for men were Rs. 5/-, Rs.6/- and Rs.7/- in 1981/2. In 1996 they were Rs. 40/-, Rs. 45/-, Rs. 50/-. This represents an up to 200 percent increase using the Coimbatore rural rice price, and up to 175 percent using the CPIAL.
21. cf. Venkatsubramaniam (2006).
22. See Harriss-White (2004a) for more detailed information on this in north eastern Tamil Nadu villages in 1993/4.
23. cf. Kajisa and Palanichamy (2010).
24. See Heyer (2010a).
25. See Harriss-White (2004b) on this too.

26. See Swaminathan (1990) for example on the IRDP.
27. State officials involved in implementing social policy programmes were now dealing with Dalits directly. Dalits were also going to the police to seek redress in disputes with non-Dalits. Dalits were getting the tahsildar and other officials involved on their behalf in cases involving their burial grounds too.
28. See De Neve (2010) for more on employment in export units.
29. See Heyer (2010b) for more details of this.
30. A Muthuraja, a member of a low-caste group ranking just above Dalits in the caste hierarchy, from one of the study villages who was working in a knitwear unit commented that agricultural employers were having such difficulty getting labour in 2008/9 that agriculture was now paying better than the knitwear industry.
31. See De Neve and Carswell (2011) on this too.
32. Tur dhal, urid (sic) dhal, palmolein oil, and more wheat products were added in May 2007.
33. The Central Government issues food for public distribution to the states at subsidised prices, and states like Tamil Nadu provide additional subsidies of their own. Since 1997 the Centre has provided greater subsidies for households that are below the poverty line (BPL households) than for households that are above (APL households). Tamil Nadu is one of the states that has continued with universal provision making no distinction either with respect to prices or with respect to quantities to which BPL and APL households are entitled. Tamil Nadu does make a distinction for AAY (Antyodaya Anna Yojana) households though, giving them greater entitlements than others. AAY is a Central scheme that was started in 2001 for the bottom 5percent. It was extended in 2004 to widows, destitute people, et al.
34. There were complaints about the quality of PDS rice but it was used extensively in Dalit households nearly all of whom obtained the maximum to which they were entitled. Khera (2011) suggests that there has been a revitalisation of the PDS elsewhere in India too.
35. After Karunanidhi, the Chief Minister of the state at the time.
36. This is mirrored in the state as a whole. Tamil Nadu has seen enormous advances since the early 1980s. It is within reach of achieving universal secondary education now (Kajis a and Palanichamy, 2010).
37. See Kalpana (2005) for a discussion of the issues here. SHGs have been more successful in some other parts of Tamil Nadu than in the villages on which this paper focuses. Kalpana

(2011) shows that their 'success' has not all been associated with increased self-employment though.

38. 83 percent of beneficiaries in Tamil Nadu were women in 2009/10 (Government of India, 2010).

39. See Jeyaranjan (2011) for an account from villages in another part of Tamil Nadu in which an unpromising start was followed by adjustments that made the scheme more attractive after the first year or so.

40. The uptake of the NREGS has been very substantial in Tamil Nadu to date (Government of India, 2010). Tamil Nadu had the 5th largest uptake in 2009/10, after Rajasthan, Andhra, UP and MP, when 4.4 million households in Tamil Nadu were provided with a total of 239 million days of work (Government of India, 2010b). The number of days of work nearly doubled in Tamil Nadu between 2008/9 and 2009/10. It increased again in 2010/11 too.

41. Ravallion (1991) suggests that this was one of the main benefits of the Maharashtra Employment Guarantee Scheme earlier too. Similar comments are being made on the NREGS now (Rajshekhkar, 2011).

42. The increasing shortage of labour was being recorded elsewhere in Tamil Nadu too, not just in the Coimbatore/Tiruppur region (see Harriss et al. [2010] for example).

43. This has been an all-India phenomenon as well.

44. See Heyer (2011) for more on this, particularly where women are concerned. Jeyaranjan (2011) discusses this too.

45. Very few labourer households in these villages sent their children to private schools, and the majority were benefiting from free school uniforms and books, but they were incurring additional expenditure on clothes et al., and on providing a good enough diet in addition to what children got at school.

46. It is possible to see this by looking at figures reproduced in Government of India (2005), and Government of Tamil Nadu (2010b). Budget categories do not make it very easy to do this though. See also Vijayabaskar (2011).

47. Transparency International's India Corruption Study ranked 5 states alarming, 3 states very high, 7 states high, 7 states moderate for corruption with respect to the poor and specifically the PDS (Transparency International, 2005). Tamil Nadu was one of the 3 states in the 'very high' category.

48. See Chari (2004).

49. See Vijayabaskar (2011) on this too.

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#### **BIOGRAPHICAL NOTE**

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*Table 1. Sample population by caste, 1981/2, 1996 and 2008/9 (numbers and row percentages)*

		Chakkiliyars*	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
1981/2	no.	201	177	378	55	399	171	177	802	1180
	(%)	(17)	(15)	(32)	(5)	(34)	(14)	(15)	(68)	(100)
1996	no.	203	182	385	47	394	199	139	779	1164
	(%)	(17)	(16)	(33)	(4)	(34)	(17)	(12)	(67)	(100)
2008/9	no.	276	136	412	50	318	159	96	623	1035
	(%)	(27)	(13)	(40)	(5)	(31)	(15)	(9)	(60)	(100)

Source: Village Surveys

\* The numbers of Chakkiliyars were underestimated in 19812 and 1996. It remains the case that the proportion of Chakkiliyars in the population increased over the period nevertheless.

Table 2. Male agricultural labour force by caste, 1981/2, 1996 and 2008/9 (numbers and column percentages)

1981/2		Chakkiliyars	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
Casual	no.	47	43	90	1	21	10	9	41	131
	(%)	(59)	(70)	(64)	(50)	(91)	(63)	(82)	(79)	(68)
Pannayal	no.	30	3	33		1		1	2	35
	(%)	(38)	(5)	(23)		(4)		(9)	(4)	(18)
SCC**	no.	3	15	18	1	1	6	1	9	27
	(%)	(4)	(25)	(13)	(50)	(4)	(38)	(9)	(17)	(14)
All	no.	80	61	141	2	23	16	11	52	193
	(%)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	100

1996		Chakkiliyars	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
Casual	no.	39	11	50		14	2	7	23	73
	(%)	(64)	(30)	(51)		(100)	(67)	(100)	(96)	(60)
Pannayal	no.	20	2	22						22
	(%)	(33)	(5)	(22)						(18)
SCC**	no.	2	24	26			1		1	27
	(%)	(3)	(65)	(27)			(33)		(4)	(22)
All	no.	61	37	98		14	3	7	24	122
	(%)	(100)	(100)	(100)		(100)	(100)	(100)	(100)	(100)

2008/9		Chakkiliyars	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
Casual	no.	71	23	94		6	8	4	18	112
	(%)	(99)	(100)	(99)		(100)	(100)	(100)	(100)	(99)
Pannayal	no.	1		1						1
	(%)	(1)		(1)						(1)
SCC**	no.									
	(%)									
All	no.	72	23	95		6	8	4	18	113
	(%)	(100)	(100)	(100)		(100)	(100)	(100)	(100)	(100)

\* casual and contract labour

\*\* sugar cane crushers

Source: Village Surveys

*Table 3. Male paid non-agricultural employment by caste, 1981/2, 1996 and 2008/9 (numbers)*

1981/2	no.	Chakkiliyars	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
Knitwear factories						7			7	7
Textile mills					2	3	1	1	7	7
Powerlooms										
Workshops						1	1		2	2
misc factories					1	1		2	4	4
Trade & services						4	2	5	11	11
Govt.employment misc salaried	2	1	3	1	7	6	6	6	21	21
All non-agric.		2	1	3	4	23	10	15	52	55

1996	no.	Chakkiliyars	Pannadis	Dalits	Naidus	Gounders	Chettiars	Others	Non-Dalits	All
Knitwear factories		4	2	6		21	6	6	33	39
Textile mills		1	4	5	2	4	4	5	15	20
Powerlooms		4	2	6				1	1	7
Workshops			4	4	2	4	4	1	11	15
misc factories						5	1		6	6
Trade & services			8	8		1	1	4	6	14
Govt.employment misc salaried	2			2		3	4	2	9	11
All non-agric.		11	20	31	4	38	20	19	81	112

2008/9	no.	Chakkiliyar	Pannadi	Dalits	Naidu	Gounder	Chettiar	Other	Non-Dalits	All
Knitwear factories		20	4	24		23	18	14	55	79
Textile mills			2	2	1				1	3
Powerlooms			6	6		2			2	8
Workshops					1	1		1	3	3
misc.factories		1		1			1		1	2
Trade services			2	2		13	3	9	25	27
Govt.employment misc salaried	1			1		1	4		5	6
All non-agric.		22	14	36	2	41	27	24	94	130

Source: Village Surveys