Chapter 1

INTRODUCTION

1.1 Introduction:

A city is a dynamic, multifaceted entity combining population, economic activities, institution and culture. It functions in historical time and geographical space and is characterised by a system of extremely linked functions so far as geographical space is concerned. A city has several focal points within it – the main market, the railway station and bus stand and professional, educational and medical institutions; all these focal points are linked with the residential areas of rich and poor. Land, roads, buildings and people are different components of the city structure. Each component performs a role in association with the others. As a result the city may function harmoniously and take a wider role as a focal centre of the region and the nation.

Labour market of a city is a component influenced by and also influencing the growth of the city. With the process of urbanisation, the city changes in different directions. There are changes in boundary, land use pattern, residential population composition, transport system and so on. All these changes have a significant impact on the city's labour market.

The growth of the labour market in the city is directly linked to rural-urban migration. The rural settlements are a source of supply of labour for urban-industrial settlements. The rural population responds to the employment opportunities in the city. There is also commutation from rural areas, which augments supply of labour in the labour market in urban areas. This has been facilitated by as the village is connected to the city by bus services and railways. The relative position of demand and supply in the city's labour market influences the form and functioning of the labour market. For instance, the people coming from rural areas play an important role in the informal sector.

Growth of the labour market accelerates with the growth of the city and also
brings changes in its spatial structure. One of the major factors is the inter-linkage between employment and housing location, particularly for the poor and lower income groups. The spatial specificity of labour market is an important feature particularly for the poor and low-income jobs.

The spatial structure of city’s labour market is also to a great extent monocentric, as bulk of the city’s employment is located in its core area which contains not only the office complexes, but also wholesale business complex and major educational institutions. Organised manufacturing sector has mere presence in the city employment and job creations. The city labour market has a dual characteristic; the relatively well-paid workers in the organised service sector in the city and the larger section of the workers are engaged in low-paid jobs mainly for survival.

One important spatial dimension of the city is its centrality. In stylised description of a city, the core of the city, referred as the Central Business District (CBD), is the location of all employment, and therefore of labour market. However, in reality, the various employment-generating activities are to also in other parts of the city; labour market is not confined spatially to the CBD and influenced by technological and economic changes.

Social composition of the city changes with the growth of the city's labour market. It becomes more heterogeneous. The households come from various regions with various religious groups and castes. Change in the technology, transportation, communication, as well as in industrial sectors and in national and international economic scenario influence the labour market of any major city. Calcutta is no exception. The present study aims at examining the Calcutta’s labour market from the various aspects and changes taking place in recent decades.

The rest of the introductory chapter is devoted to provide an analytical and historical perspective of the study. We discuss first (in section 1.2) some conceptual and analytical issues related to urban labour market. In section 1.3 we discuss the historical perspective of the Calcutta’s labour market and finally, section (1.4) outlines the present study.
1.2 Some Analytical Issues Related To Urban Labour Market

1.2.1 Concept and Definition of Urban Labour Market

**Spatial specificity:** For a city, labour market may be conceived either from the demand side or from the supply side. From the demand side, labour market consists of labour demanded by the activities located in the city. From the supply side labour market may be conceived as the supply of labour by the labourers. The geographical area unit of demand side and supply side may not be the same, when commuting from distant places is possible. It is possible to conceive of urban labour market for a spatially confined unit, because of the limits to searching and commuting that distance impose and the resulting immobility of labour. However, with rapid transit system and flexible working hours, the urban labour market tends to spread beyond any given administrative boundary.

**Labour market – unemployment and mobility:** Huge unsold labour is a common feature in a labour market. In a country like India, where more than eighty percent of the total population are rural, the urban labour market analysis invariably becomes linked to the rural situation, both within and outside the region. The differences between regions with respect to urbanisation (taking into account the level, pattern and basis of urbanisation) have also substantial implications for labour market structure. Many small towns do not have autonomous labour markets. Labourers may be related with agriculture of the neighbouring villages or they are commuter labourers. The periphery towns surrounding the big city are heavily focused on manufacturing and on trade and servicing activities. Labour moves relatively freely between such ‘urban’ activities and agriculture. Such towns, in an economic sense, are mere appendages of the rural economy. At the other extreme, the labour market of a large city depends on rural activity only indirectly. Production in the big cities is largely independent of the agricultural sector. There is a stable urban labour force subject at most to secondary modification through seasonal inflows and outflows of rural migrant labour.
Labour market – derived demand, wage rigidity and contract: The labour market could not be analysed as if it is just another commodity market. In a commodity market, price of a commodity is normally determined by aggregate demand and aggregate supply. In a commodity market, once parted from the supply agent, the commodity is at full disposal of the purchaser. In contrast, in the labour market, labour, the item to be sold being embodied in human being, the supply is susceptible to the individual will. When price rises, the supply of a normal commodity also rises. A labourer can take the decision on the quantity of labour supplied by him. Labour supply can be less even with a rise in its price. Labour can be organized and can influence its market price through bargaining even when there is no excess demand for labour in the market.

Labour being an embodied commodity can raise its marginal productivity (through improvement in its skill and quality) and simultaneously its market price also. In many cases, there is a downward rigidity of the market price of labour: the price of labour does not fall beyond a minimum price. The conventional ‘demand-supply’ rule fails to clear the labour market. The supplier of labour will not offer labour at the below minimum price. For a minimum price, labour can wait for a long period (even months after months) and restrict its supply in the market. In a labour market, there are many restrictions on market entry. In spite of having the same skill, qualification and quality, a labourer can fail to sell his / her labour power in the market at a lower price even when the price of labour is high and/or rising.

Skill specificity and heterogeneity: Again, an urban labour market is characterised by heterogeneity in many dimensions. The labour market offers jobs of different kinds with different levels of reward. The mobility of a labour is highly restricted in a labour market. Due to the limited job opportunities and various rules and restrictions, a labour could not move from one workplace to another easily. There are the horizontal and vertical segmentations in the labour market. Horizontal segmentation means the complete separation of the production systems, where all labour has some common characteristics. Vertical segmentation, by contrast, involves the use of labour from different segments in a single production process. A large enterprise with both, regular and casual labour or using subcontracted or home workers operates in a vertically segmented labour market (Mazumdar, 1987).
In an urban labour market, different types of forces control access to jobs. In a smoothly functioning market economy, access to jobs depends mainly on workers' leisure preferences and productivity. Here, the problem of access does not require any special attention. The characteristics of labour supply and demand, the processes by which they are brought into equilibrium are the main concern. But when the labour market is highly stratified with mobility impeded by institutional barriers; the access to a particular category of work may be obtained through inter-personal networks, that is, through kin, caste, community or ethnic origin. Other restrictions on access to jobs depend on:

i. Qualifications acquired through the educational system.
ii. Skills and experience acquired through on-the-job training.
iii. Personal characteristics (docility, initiative, etc.) likely to appeal to employers.
iv. Access to capital (important mainly for self-employment) through own resources.
v. Access to a market for output from self-employment (viable location for trade, ability to sell goods produced, etc.).

There are also characteristics that may have a negative effect, such as experience of unemployment (i.e. when an educated youth, after completing his / her formal study, remains unemployed for a long period), irregular employment history or inadequate health or nutritional status. For those who fail to gain access to the more desirable strata of the labour market, it is not obvious that easy-entry-low-income jobs are available. Much of the informal sector is also highly protected today.

In the context of an urban labour market, the intra-urban location of jobs may also be important. Cities in reality are not like the cities of the theoretical model with all their employment in the central areas. Particular type of activities tends to concentrate in certain areas of the city and hence so will the demand for particular types of labour.
1.2.2. Features of Urban Labour Market in Less Developed Countries

In the Third World countries, the unjustifiable regional and sectoral distortions in patterns of development make a continuous redistribution of population in favour of urban areas. In the question of development, the concentrated and therefore, more organised urbanites make more demands for urban amenities on the government.

Many factors unique to a particular city have an important influence on its growth rate. For instance, topography and geography, the health of industries in which the city specializes, productivity trends in the rural hinterland, government investment patterns and redistribution policies, rural-urban income and employment disparities, possibilities for accommodating marginal settlements, and so on.

Four central features of a metropolitan city structure may be traced back to this development. First, growth increasingly took the form of extensive developments on the periphery, at lower densities than in central areas. Second, there was a continuous process of decentralization of both people and economic activities towards the periphery, reducing the residential densities in the centre. Third, social classes became increasingly segregated within the city, not simply between inner and outer areas, but also between different areas within each. Finally, major industrial concentrations began to develop on the periphery, thereby changing the character of a city’s economic base (Buck, Gordon and Young 1986, p.40). The primate metropolises stand out as ‘enclaves’ of development poles. They function as ‘enclaves’ with extra regional links.

There is a low degree of inter-sectoral mobility in the urban labour market of a less developed economy. A large majority of the labour force that start in the low wage sector fail to move to the high wage sector within a reasonable period. In the formal sector, firms encourage a lifetime commitment from their employees and recruit young employees who are at a relatively early stage of their career. When vacancies created at the higher grade of the service; these are filled through promotion rather than through outside recruitment. This policy of promotion is widespread in the formal sector of the less developed countries. Again labour
movement into the high wage formal sector may be restricted, owing to the institutional factors such as the 'closed shop' practices of unions (Mazumdar, 1994).

Stages of Urban-Industrial Development & Change in Labour Market Characteristics: It is possible for comparative purposes to develop a sequential typology of industrial and employment transformation in which many cities of the underdeveloped countries can be placed. This typology typically follows economic stages from a handicraft and lower-order service structure to a more formal commercial-industrial based structure, eventually reaching an information processing, and higher order service structure. Accordingly the nature of labour market also changes.

In the first stage, informal economic activities dominate with low costs of entry, family ownership of enterprises, and labour-intensive technologies. During this pre-industrial phase, urban economic activities are confined to traditional sectors such as crafts and small manufacturing by small family enterprises. The urban employed consist primarily of artisans, petty traders, food vendors, and other lower-order service providers (Beavon and Rogerson, 1986).

In the second stage, economic activities are partially transformed from family enterprises to corporate production units, capital grows in importance relative to labour, and wage and salary employment expands. With technological advancement and capital accumulation, development of an extended trading network and industrial concentration further stimulates urban growth, often creating a primary city (Golden, 1981). In this stage, cities specializing in manufacturing activities expand rapidly. The manufacturing sector as a powerful export-base industry has multiplier effects, creating new job opportunities and attracting waves of rural migrants seeking employment.

Thirdly, with mechanization of industrial production and a growing capital-to-labour ratio, a substantial increase in manufacturing output can be achieved with small increments in the manufacturing labour force. For the reduced labour absorption capacity of more capital-intensive manufacturing activities, the informal sector becomes increasingly important in providing employment opportunities. As the national economy matures and transportation networks expand, competition
from lower-cost outlying sites of the country reduces urban manufacturing employment. During this third stage, large-scale production units move to peripheral areas and smaller cities and are replaced by knowledge intensive firms in the core employing well-educated, skilled persons. Higher order and knowledge-based services are exported nationally and internationally as the functions of major cities gradually transform from goods-processing and lower-order services to information-processing and higher-order services.

A boom in private house building in a city facilitated suburban residential expansion and the decentralization of population from inner city. Due to population growth, the inner part of the city expands vertically mainly (observed specifically in Calcutta). The boom has a spread effect on the city’s labour market. With the horizontal and vertical expansion of the city, the composition of the residential populace changes drastically. This change in residential composition changes the occupational structure of the city. Work participation rate of the resident populace in service sector becomes high. Expansion of mass transport system connects the periphery with the core of the city. A low wage service employment grows quickly. Growth of construction industry and transport industry invite more migrant workers in the city. Growth in the new consumer industries, which proceeded along side the collapse of the earlier staple industries, was substantially concentrated in and around the city.

1.2.3 Migration Theory and Urban Labour Market

Migration is a powerful process by which the redistribution of labour to areas with better economic opportunities are taken place. It is generally true that labour is better off economically through migration. When we consider the supply side of the urban labour market, we normally take the supply curve as positively sloped because of the migration effect: an increase in the wage increases the relative attractiveness of the city, causing the migration of workers from other parts of the region.

The central assumption of Lewis’ model (1954) is that unlimited supply of labour is available to the modern urban industrial sector at a fixed wage rate that is slightly higher than the average income in the traditional rural agricultural sector. It
can be interpreted as a theory of migration of rural workers to urban centres.

The standard economic model for the treatment of migration was more clearly presented by Sjaastad (1970, pp. 80-93). It treated location choice as one aspect of the human capital investment decision. An individual monitors the stream of net benefits accruing in different locations and compares their present values with those perceived at the current location. If the difference in the present value of benefits between the new and the current location exceeds the costs associated with moving, then the individual is better off by moving. At the broader regional level the stream of benefits has essentially been seen as being determined by wages.

The Harris-Todaro model (1970) stated that migrants are attracted to the towns, not because of the assured increase in wages, but because they expect on being absorbed in high wage employment. They are willing to be openly unemployed or accept very low earnings in the urban labour market for a period of time in the expectation of achieving a high lifetime income. This model hypothesized that migrants equate expected wages (i.e. actual wages discounted by the probability of employment) in the urban areas to the alternative rural income. More migrants are attracted to town than job availability warrants producing a positive unemployment at any point of time – which is a function of the rural-urban wage gap. The model was modified to include the ‘informal’ sector of the urban economy on the assumption that entry was easy in this sector and the pattern of work was such that it did not impede the search for a job in the formal sector. The migrant’s loss of income while he waited in the informal sector, was a kind of investment for the possibility of securing a high-wage formal sector job. In this formulation, the social costs are positive both because marginal productivity of labour is low in the informal urban sector and because costs of urban infrastructure are high due to ‘excessive’ migration. (Mazumdar, 1987).

A number of recent studies reveal that in spite of the modifications and refinements, the Harris-Todaro models do not always provide satisfactory explanations to rural-urban migration or effective policy prescriptions (Bhattacharya, Basabi, 2001, p 20)

Sundaram, in his study, highlights that the Harris-Todaro hypothesis of expected income differential was not supported by the available Indian evidences
relating to the early 1960s and early 1970s. He maintains that if sociological and psychological factors are incorporated, then expected income differential and other purely economic factors become insignificant. (Sundaram, 1986, p.177). In various econometric studies on migration, several factors emerge as its determinants indicating the rural-urban migration can not be explained fully by what is happening in urban labour market. In a study on the determinants of rural-urban migration with special reference to West Bengal, the percentage of landless agricultural workers and literacy rate are found to be significant explanatory variables (Sarkar. P. in Dasgupta, Biplab (ed.) 1988, p.269). In a migration survey of Ghana, Education emerges as an important factor. Here migration has taken place in spite of declining job opportunities and real income differential (Godfrey, 1973, pp. 66-78).

1.2.4 Urban Labour Market and Segmentation Theories

Formal vs. Informal Labour Market:

Early dual labour market theory focused on the behavioural attitudes shown by different sections of the urban labour force, which led to a division of workers between those in 'primary' (higher status, higher income and stable) employment and those in ‘secondary’ (lower status, lower income and unstable) employment. Segmentation considered to be based on access control.

Since the early 1970s, most studies of the urban economies of developing countries have been based on the assumption that the urban labour market is segmented into a high-wage formal and subsistence-level informal sector. The assumption that urban labour markets are divided into formal and informal sector emphasizes the following:

(i) the formal sector earnings for comparable jobs are higher than informal sector earnings, but not because of any differences in the personal or household characteristics of the labour force;
(ii) the formal sector units (large, capital-intensive, organized in a corporate form or as government enterprises) have stable employment policies;
(iii) the government regulation of wages and employment, and related pressures, are paramount in determining formal sector wages; whereas the
informal sector is completely devoid of any form of social security.

(iv) labour mobility across these two sectors is absent in reality.

Notions of a simple duality in labour markets were developed further by more radical segmentation theories. Edwards et al. (1975) proposed a three-way model which distinguished between routine 'subordinate' jobs where work is completely monotonic, mechanical and creative, self-initiating 'independent' occupations within the primary workforce, in addition to the secondary sector. Segmentation theory has subsequently been developed by a number of writers (for example, Friedman, 1977; Piore, 1982; Gordon, Edwards and Reich, 1982) in which concepts of workers resistance, unionization and bargaining on the one hand and divisions between core-periphery and monopoly-competitive sectors on the other have been added to the basic model to produce intra- as well as inter-sector labour market divisions.

Segmentation in the labour market based on different factors. Recent attempts to develop models of labour market segmentation have moved away from the more simple two-, three-, or four-way typologies. This has led to the notion of 'discontinuous labour markets' where the stress is placed on the conflict between labour and capital as the central feature of labour market structure (Kreckel, 1980; Cooke, 1983). The degree of labour organization is seen to be of major importance in this relationship, with unionized workers being resistant to attempts by management to impose unfavourable working practices and wage settlements. Non-unionized workers are, by default, excluded from the benefits that stem from organized bargaining power (Allen and Hamnett, 1991 p. 20).

However, the above description of the dichotomised idea of formal and informal sectors in the labour market is not adequate to describe a labour market. There are characteristics attached to every job that can tell us where and how that special task of work may be classified. Such characteristics can be a worker's uncertain prospects of promotion or the security against dismissal, access to labour rights, the possibility of union membership and safe-net for ones level of salary. A job as a vegetable seller, running his own business, is defined as being part of the informal sector because it is without an employer. A worker in the handloom
industry works within the formal sector because it is regulated through a set of rules that provides labour rights. Veronique Dupont (1995, p.277) in his study on ‘The Case of Jetpur in West India’ (Jetpur is in the Saurastra district of Gujarat) has mentioned a new pattern of segmentation according to the personal characteristics of the workers. He observed that the structure of the Jetpur labour market is still marked by notable caste-based differentiation. Caste and religious affiliations also influence the female labour force participation rates. Moreover, low-caste workers tend to be associated with more irregular and unprotected jobs. Although, in-migrant workers are found in all the occupational groups and all levels of labour status, a distinct pattern of employment emerges in relation to cohorts of arrival and geographical origin. This shows that specific migratory and recruitment channels are also operating, and they draw new demarcation lines in the urban labour force.

Under the regime of globalisation, new types of labour market segmentation are taking place in the labour market. Nature of organisation generates segmentation in the labour market. There are two characteristics. One is the weaker role of the firm in structuring the employment relation. More is now left to the market. The second is that there has been a shift of some labour market functions and costs to households and communities. There is a restructuring of labour demand in many firms towards bipolarity – a demand for highly specialized and educated workers alongside a demand for basically unskilled workers – whether for clerical work, services, industrial services or production jobs. The decentralization of large, vertically integrated manufacturing firms, has contributed to a decline in the share of unionised workforce, the deterioration of wages and the expansion of sweatshops and industrial homework. This process includes the downgrading of jobs within existing industries and also downgrading the job supply patterns of some of the new industries, notably electronics assembly. Generally, many of these occupations expected to produce the largest numbers of jobs are characterized by low wages and few advancement opportunities.
1.2.5 Globalisation and Changes in Urban Labour Market in Less Developed Countries

Implication for Tertiarisation

Cities are location of trade and commerce and harbour, factories and production. In the early 19th Century, when the world economy consisted largely of trade, the crucial sites were harbours, plantations, factories and mines. Cities were typically developed alongside waterfronts, and trading companies were dependent on multiple industrial, banking, and other commercial services located in the cities. But today, in the early 21st Century, cities have slowly transformed to a centre of information trading. Finance and specialised services have emerged as the major components of international transactions. This new circumstance demands a highly advanced infrastructure of specialised services and top-level concentrations of telecommunications facilities. Cities are central locations for both. Thus one of the factors influencing the changing role of an urban labour market is the change in the composition of international transactions in the economy.

The social transformations of the last few decades in the name of globalisation have led to a serious change in the urban labour market. The new changes result from the varying combined impact of the increasingly important role of services and the decline in stable employment in the big manufacturing factories. The substitution of the employment regime dominated by the large manufacturing concerns with the service employment regime has occurred. There is also a change in the centre of the family income. There is a steady decline in the family wage of the adult male breadwinner as the dominant form of the social division of labour and a new system has evolved centred on the multi-income household. In the advanced urban economies, since the early 1980s the volume of employment has considerably increased, particularly due to the number of married women employed part- or full-time.

With the process of globalisation, three processes of economic and spatial organization takes place in the labour market.

The first process of economic and spatial organization that takes place in the labour market is the expansion and consolidation of the producer services and
corporate headquarter sector into the economic core of major cities. Although this sector may not account for the majority of jobs, it creates a new regime of economic activity and the associated spatial and social transformations evident in these cities.

A second process is the downgrading of the manufacturing sector. It is the informalization of a growing array of economic activities, which encompasses only some components of the downgraded manufacturing sector. Informalization represents a mode of reorganizing the production and distribution of goods and services under conditions where a significant number of firms have an effective local demand for their goods and services but cannot compete with cheap imports or cannot compete for space and other business needs with the new high-profit firms engendered by the advanced corporate service economy. Escaping the regulatory apparatus of the formal economy enhances the economic opportunities of such firms.

The third process is the diluting the provisions of labour welfare legislation on minimum wages, compensation for workplace damage and also diluting the job securities in the labour market. There is a strong advocacy for free operation of market forces. Labour market regulations are cited specifically as constraints to successful reform. Globalisation seeks total, unobstructed mobility of capital and commodities across national frontiers, but would not allow labour to move without restrictions.

Now we focus on ‘the impact of globalisation’ on the labour market. Two systemic trends are relevant in this context of Globalisation. One concerns the growing demand for services by firms, a trend directly feeding job supply and new employment regimes in cities. The other is the question of ongoing economic significance of cities in a context where the leading economic sectors are increasingly operating globally, are intensive users of telematics and produce hyper-mobile outputs. The ‘Service Intensity’ of the urban economy is growing over the last decade.

An important new development from the perspective of the urban economy is the growing demand for services by firms in all industries and the fact that cities are the preferred production sites for such services, whether at the global, national or regional level. Referred to this process as the growing service intensity in the
organization of all industries has contributed to a massive growth in the demand for services by firms in all industries, from mining and manufacturing to finance and consumer services. Most importantly, this demand is increasingly met by buying such services from outside firms rather than producing them in-house as used to be the case. This has had a significant growth effect on cities, beginning in the 1980s, in so far as cities are key locations for producer services firms and sites for the production of these services.

The growth in services for firms is evident in cities at different levels of a nation's urban system. Some of these cities cater to regional or sub-national markets; others cater to national markets and yet others cater to global markets. Regionally oriented firms do not need to negotiate the complexities of international borders and the regulations of different countries but they face a regionally dispersed network of operations that requires centralized control and servicing, and they need specialized inputs from a wide array of service industries. It is these developments that help to explain the sharp growth of producer services in an urban labour market.

In this context, there is a formation of a new urban economy. This is so in at least two regards. First, even though the cities have long been centres for business and finance, since the late 1970s there have been dramatic changes in the structure of the business and financial sectors, as well as sharp increases in the overall magnitude of these sectors and their weight in the urban economy.

Second, the ascendance of the new finance, particularly international finance, and services engenders what may be regarded as a new economic regime. That is to say, although this sector may account for only a fraction of the economy of a city, it imposes itself on that city's larger economy. Mainly this sector is offering employment opportunities to the young educated population of the city. Particularly, in Calcutta the young population, in greater numbers, are engaged in selling various schemes of different financial institutions. But it is not to say that everything in the economy of the cities has changed. On the contrary, there exist a great deal of continuity and similarities with earlier cities. Thus manufacturing remains a crucial sector in many of these economy, even when it may be has ceased to be a dominant sector in major cities.

The implantation of global processes and markets in the city economy has
changed the situation fast. The internationalised sector of the economy has expanded considerably and has cornered the other traditional sectors in the economy. A new set of criteria for valuing or pricing various economic activities have emerged. High prices and profit levels in the internationalised sector and its ancillary activities, such as top-of-the-line restaurants and hotels, have made it increasingly difficult for other sectors to compete for space and investments. Many of these other sectors have experienced considerable displacement. The neighbourhood shops catering to the local needs make way for the boutiques and restaurants catering to a new group of urban elites. Its impact on the urban labour market is very crucial. In one hand, there is an increasing demand for specialised personnel in the urban labour market and on the other hand, sluggish growth of the other sectors reduces the labour demand drastically in this market.

Though at a different order of magnitude, these trends also became evident during the late 1980s in a number of major cities in the developing world that have become integrated into various world markets. Also in these cities, the new urban core has been fed by the deregulation of financial markets, ascendance of finance and specialized services, and integration into the world markets. The opening of stock markets to foreign investors and the privatisation of what were once public sector firms have been crucial institutional arenas for this articulation.

The concentration of producer services in major cities and the occupational and income distribution that characterizes these services have contributed to major changes in the urban labour market. Globalisation accentuates the wage differential in the market and changes the nature of the supply of jobs. New economic sectors are reshaping the supply of the jobs. Components of the work process which even twenty years ago took place on the shop-floor and were classified as production jobs, today have been replaced by a combination of machine / service or worker / engineer. Activities that were once all consolidated in a single-service retail establishment have now been divided between a service delivery outlet and central headquarters. Simultaneously, the nature and requirement of the jobs have also changed. New type of flexibility in the labour market arises. Large array of activities that were being carried out under standardised forms of organizing work a decade ago, are today increasingly characterized by informalisation. Under the pressure of
international competition, unstable product markets, and a weakening of political support for public sector programmes, the employers are now seeking a new flexibility in the work process. This new flexibility tends to mean more part-time, temporary jobs and low wage rate. There are only two groups. One is highly placed with fabulous monthly earnings and the second group is daily wage earner only. On the supply side, a key factor has been the persistence of high unemployment among the labour force. This high incidence of unemployment increased the bargaining position of the employer, and the insecurity or marginalisation of the most disadvantaged groups in the labour market. These major developments in the urban labour market have induced, on the one hand, a growing destabilization of employment with increasing casualisation and or / informalisation of jobs and, on the other hand, an increasing polarization of employment opportunities with new types of social divisions.

1.3 Urban Labour Market in Calcutta: A Historical Perspective

Calcutta’s labour market consists of heterogeneous labour with diverse mechanism of labour allocation and labour market entry. In many sectors the modern and the antiquated arrangements exist side-by-side, and technologically advanced processes coexist with outdated ones, even in the same branch of production. For instance, the offset colour printing press and trade machine run side by side in printing industry. Underground metro rail and hand-pull rikshaws, both meet the transport demand of the city. Water carriers supply drinking water to many houses from local road side corporation hand tube-well along side the supply through pipelines and taps.

The roots of this heterogeneity may be traced to the historical process of the emergence of the urban labour market in Calcutta.

The resident labour households are from various religion backgrounds; Hindu, Muslim, Christian, Buddhist, Jain and Sikh, and also from different provinces like Bihar, Orissa, Uttar Pradesh, Punjab, Gujarat, Rajasthan which were connected with Calcutta by railway tracks. The migrants in a city play a significant role in an urban labour market. Participation of migrant workers in city's labour
market changes the pattern of occupation of the city. Calcutta did not attract the migrants by offering better quality of life. As in any other Indian cities, the immigrants found in Calcutta poverty as severe and dehumanising as in the villages. But the city offers a quick opportunity of new income through placement in the urban economy as handyman or casual worker in the transport, trade, manufacturing, conservancy or domestic sector. There was a high demand for low status jobs in the city. Admission into such jobs was mainly restricted to newcomers bearing good references from those already in employment. In issuing such references, kinship, caste, and regional, local, religious or linguistic affiliations play the prime role. As a result, there was a concentration of immigrants from specific regions and backgrounds in different occupations in Calcutta. For instance, jobs of sweepers (zamadars) in Calcutta Municipal Corporation are mostly done by immigrants from Gaya and Giridi districts of Bihar (More details are given in Appendix 6A.1 in Chapter 6).

1.3.1 Labour in Calcutta during Colonial Period

The development of the urban labour market in Bengal was the outcome of the colonial economy. With the consolidation of the British rule in India, a continuous rise in the demand for labour took place in the urban labour market in Bengal with Calcutta was its focal point. It was mainly based on the export trade and was de-linked from the developments in the rural areas. During the British rule a market for Bengal textiles has grown steadily; trade took a new dimension when the European trading companies, one after another, entered the Indian market, and began purchasing quality Bengal textiles for their continental markets. Bengal’s comparative advantage in quality textiles production was established. The East India Company noted that the price of the raw silk was half in Bengal, while the skilled artisans were one-third cheaper, than in other parts of India. (Dasgupta, Biplab 2001, p. 444). and its share in the purchase by the foreign companies continued to grow. Calcutta was emerged as an important trading centre in British India.

Continued upsurge in the demand for textiles products create large employment opportunities for the weavers. The weavers of Bengal produced many
different varieties of cloths — mulmul (thin plain muslin), tanjib (ornament of the body), abroan (thin texture, its translucency was compared to that of limpid running water), sarbati (semi-transparent), jamdanee (flowered muslin), seeubund (muslin worn as turban), etc. The productivity of the weavers differ largely and the wage rate also varies accordingly. According to one estimate, the earnings of the weavers at Golagore, who made middling soot rumals which being the main article regulated all others, could be thus tabulated.

Table 1.1: Wage rate for a workman in weaving: Golagore (Calcutta) during 18th century
An indifferent workman could gain per piece
for his labour ................................................ 1 rupee
a middling one ............................... 1-4 //
a good one ...................... 1-8 //

An indifferent workman could make per month
a middle workman ........................... 4 pieces
a good workman ............................. 5 pieces


Calcutta—Emerging as a Trading Centre: The major contribution of the British rule to the Indian urban scene was the creation of three metropolitan port cities. After the decline of Satgaon, the medieval port of Bengal in the sixteenth century, the trade centre of this part of the province shifted to Hughli in the down stream of the river. More adventurous merchants came down further along the river and developed Betore in Howrah into a big trading mart. “There were four families of Basacks and one of Setts who colonised the east bank of the Hughli, just above its junction with the Adi-Ganga, and founded the village of Govindpur. They cleared the jungle, excavated the tanks, and built houses for themselves ...; and in short space of time they opened, on the north side of Calcutta, a place for the sale of cloth which was soon to become celebrated as Sutanuti Hat, the Cotton-Bale market” [Ghosh. Benoy, 1960] and subsequently become a major centre of textile trade. Between 1690 and 1741, Calcutta emerged as the largest centre of trade in Bengal, dwarfing other centres including Dhaka and Murshidabad. The town Calcutta grew as the trade grew, and drew migrants as a magnet. With the passing of the Charter
Act of 1833 and the establishment of Bengal Chamber of Commerce in 1834 in Calcutta, private trade in opium, jute, cotton, piece-goods, indigo began to flourish.

The colonial interest of the British Empire exploited the Indian market in favour of British manufacturers. Prior to the Company's rule, Calcutta had sufficient number of weavers. But after gaining the political power in this province, the company tried to dislodge the artisans gradually from their fields of works. Cotton-goods export from England to India multiplied in the close of the eighteenth century (Hobsbawm, E. J. 1978, p. 49). Until first world war, the urban labour market in West Bengal has flourished with Calcutta as its centre. The newly constructed jute mills and silk mill in Calcutta and its periphery (in northern part of Calcutta, two jute mills named Baranagar North and South jute Mills and in Ultadanga, Sura jute Mill, Bengal Silk Mill started during that period) created greater employment opportunities. In 24-parganas (adjacent district of Calcutta) forty six mills, presses and factories were at work at the close of the year 1889-1890. An oil mill in Baranagar (Outer-North periphery of present Calcutta) exported large quantities of oil to Europe. All of these industrial units employed a large number of workers where a major portion were daily employer (Banerjee, P. 1975, pp. 77-78). In the forty years from 1881 to 1921 the jute textile labour force increased more than seven fold; from 40551 in 1881 to 280321 in 1921. (Dasgupta Ranajit, 1994, p.5).

Insufficient local supply of labour: The consolidation of the political and economic power by the British rulers created a demand for different types of employment in the city. These demands were originated mainly from the demand of the rulers. Different types of servants like coachman, bagpiper, theatre attendant, huntsman, cook-feeder, sweeper, washer-man, etc. have born to serve the British rulers and Indian Babus. During that period, the usual mode of travelling in Calcutta was by palanquins. Three hundred palanquin bearers from Burdwan were to carry palanquins from Calcutta to Murshidabad. Labourers from Orissa came Calcutta to work as palanquin-bearer, gardener and cook. (Sreemani, Soumitra, 1994, p.157).

Jobs were created when the Company undertook the construction of the new
fort. Insufficient local supply of labour created an excess demand for labour in the city’s labour market.

The salary of the officials was comparatively very low during that period. Due to low rate of wages, Calcutta suffered a shortage of skilled and unskilled workmen. An organised migration took place in Calcutta during that time. The Labour Sardar or Arkathi played the pivotal role in this process of organised migration in Calcutta, who brought people from both other states and other part of the state to Calcutta for jobs.2

The formation and expansion of jute mills, cotton textile mills, railway workshops and the machinery and engineering enterprises increased the demand for labour and invite migrant workers, mainly from Bihar, Orissa and the United Provinces to the metropolitan labour market. Throughout the nineteenth century this migration continued to increase. Large numbers of people from Bihar came to the Calcutta metropolitan area for permanent or temporary employment in mills and warehouses, on brick making and tank digging and various other jobs; and many Oriyas came to work as palki bearers, punkha pullers and coolies.3

During the British colonial period, Calcutta was emerging slowly but steadily as an important trade and business centre. The labour market expanded but the son of the soil, Calcuttans, who suffered from poverty could not take to business and trade. Jute textile emerged as a major cash crop and export item.

1 Between 1757 and 1761, the fort offered jobs to unskilled labourers whose numbers varied between 16 or 17 thousands and 30 thousand (Marshall. P.J. 1987, p. 25).
2 In 1770, the Governor asked the Foujdar of Hughli to send workmen in Calcutta with an assurance that they would receive same wages that were then paid by the French. To allure the coolies from the 24-Parganas, their wages were raised from monthly 3 sonat rupees to 3 sicca rupees from 14th July 1773. From the next year all the coolies engaged in the fort were paid on the rate (Sreemani. Soumitra, 1994, p. 156).
3 In 1881, migrants coming from outside Bengal formed 7% of the population of the four Calcutta metropolitan districts (Dasgupta. Ranajit, 1994, p.13).
1.3.2 The Partition and Labour Market of Calcutta

The partition of British India into India and Pakistan in 1947 left 15.6 million non-Muslims (i.e. nearly 42% of the Hindu population of undivided Bengal) in East Pakistan (presently known as Bangladesh). After partition, in 1947 alone, 258000 migrants sought shelter in West Bengal. This number increased by 590000 in 1948 and 182000 in 1949 [Chaudhuri S. (ed.) 1990 p. 72].

A major part of the flood of refugees poured into Calcutta in the 1950s and changed the character of the city’s labour market. City’s labour market now had an excess supply of labour and a problem of unemployment and housing shortage developed. The insufficient local labour supply has changed to excess local supply. During this period, the city grew even faster with the end of British colonial rule due to refugees. “The population of the city jumped from 1.15 million in 1931 to 2.7 million in 1951” [Chaudhuri. S. (ed.) 1990 p. 97]. Even these figures do not show the full picture, because several millions of refugees settled in the outskirts of the city. The city had a horizontal expansion.

These displaced middle-class persons from East Pakistan came with their families and settled in the periphery of Calcutta and the metropolitan area districts of Calcutta, 24- Parganas and Nadia. There was a sharp difference in the character of these two type of migrants; one that from Bihar, Uttar Pradesh, Orissa and the other from East Pakistan. The migrants from Bihar, Orissa or United provinces maintained their root with their native land. They gave frequent visits to their native land. Their families were in the native villages and a continuous outflow of money took place to these villages from Calcutta. But the refugee migrants from East Pakistan had to link themselves from their native land. They had their families with them and tried to settle permanently in this state. A social assimilation was started and ultimately they became part and parcel of the existing economy, society and politics of West Bengal.

Calcutta housing market was not ready to accommodate such large-scale migration. A considerable number of refugees took shelter in rented houses in middle-class localities or in slums. But the majority of these refugee migrants settled in the squatters. Squatting ranged from the forcible occupation of Barracks in the Dhakuria Lake area and New Alipore by individual families to the collective
takeover of private, government and wastelands. Refugee colonies were established near existing cities. These Refugees took chunks of lands of large sizes forcefully from the feudal lords and constructed low-rise high-density housing stock with cheapest materials. These lands were obviously without any urban services. These Refugees formed islands of ill-serviced, unhygienic, congested, poorly ventilated and shabbily constructed settlements. “By 1949 there were over 40 colonies in the South – East of the Calcutta Metropolitan District, in Jadavpur, Kasba, Santoshpur, Garia and Behala, and about 65 in Dum Dum and Panihati zone in the North.” (Chaudhuri. S (ed.), 1990, p.73).

The partition of Bengal after Independence dramatically changed the labour market of Calcutta. These migrant refugees were mainly middle-class groups, whose level of education was higher than that of the general population of West Bengal, had concentrated in service occupations and in trade. Refugees from the urban areas of East Pakistan who were in the labour force had mostly been engaged in public administration and other services, while those from rural areas had mostly been occupied in trade and commerce. (Lubell, 1974, p.37). Nearly, 60% of the refugee migrants up to 1949 were non-agriculturists [Chaudhuri S. (ed.) 1990. p.72].

The partition also affected the supply conditions of the city’s labour market. After partition, refugees from East Pakistan (Now Bangladesh) increased the number of permanent settlers in the city many times. This led to an increase in the settled workforce in Calcutta who replaced the migrant workers from other states in the city. Some of the important effects of partition on the city’s labour market were:

- Growth of local labour supply and population growth,
- Increased tertiarisation and service activities,
- Rising self-employment activities in the informal sector,
- Increased participation of female workforce,
- Expansion of public sector employment,
- Creation of permanent workforce in the city.

Partition has also an important bearing on the institutional arrangements of the city’s labour market.
1.3.3 Post-Independence Changes in Calcutta’s Labour Market - An Overview

The evolution of the labour market in Calcutta is the outcome of the colonial economy. It is mainly based on the export trade and was de-linked from the developments in the rural areas. During the British rule, a market for Bengal textiles has grown steadily. Bengal’s comparative advantage in quality textiles production was established and its share in the purchase by the foreign companies continued to grow. The East India Company noted that the price of the raw silk was half in Bengal, while the skilled artisans were one-third cheaper, than in other parts of India. (Dasgupta, Biplab 2001, p. 444). Calcutta as a port city, was emerged as an important trading centre in British India. Emerged as a capital city of British India, Calcutta’s labour market gradually became an important source of employment to the people coming from different parts of India and particularly from Eastern India.

As we know, migration to a city constitutes the very foundation of the city’s labour market. One view is that urbanisation stops when migration to urban centres stops (Rao, Prakasa, V.L.S, 1983 p.43). Continuing migration over a long period from polyglot source areas into a resource potential areas like plantation area, industrial area, transforms the migrant groups into miniature plural societies. The size of the working population in metropolitan Calcutta is affected by two kinds of migration flows – on the one hand seasonal immigration and emigration (mainly the migrants from other States), and on the other, inflows of persons seeking to settle for longer periods (particularly the refugee migrants from East Pakistan). The workers who reside in metropolitan Calcutta without their families may return to their places of origin for considerable stretches of time in the course of the year. The migrants from other states maintained links with their place of birth or place of origin. The links were both ways – migrants visiting native places, and friends and relations visiting the migrants in the city. Distance from the native place, duration of stay, the cultural background of the migrant, and property links, determined the frequency of visits and the strength of links. Social compulsions like wedding provided the most common occasions for the migrants’ visits. Nevertheless, the rate of immigration in Calcutta has been falling. The percentage of migrants from outside the Calcutta Urban Agglomeration (CUA) in the city’s total population has been steadily
declining since the 1950s, as seen in Table 1.1. Although a third of the population still consists of fresh migrants the rate of migration into the city seems to be slowing down. This slowing down is due to a state of saturation. The economic advantages are gradually eroded, and the advantage of scale outweighed by the growing diseconomies of agglomeration (Ghosh, A. 1990 p.51).

The situation of migrants to the Calcutta city in the mid-1950s is well described in the report of a sample survey carried out by S. N. Sen. This survey classified the Calcutta population into three groups: residents, normal migrants from other Indian states and refugees from East Pakistan. It showed that the labour force participation rates were much higher for the normal migrants most of whom came without their families than for the resident population or for the refugees (who arrived with their families) (Sen, S.N. 1960 p. 228).

The language spoken is important since it indicates the geographical and, in some cases, religious origin of a resident in Calcutta. In 1957-'58, 61% of the inhabitants of Calcutta were Bengali-speaking, 25% being Hindi-speaking, 6% Urdu-speaking, 2% Oriya-speaking and 1% English speaking people. The 1961 census shows that 53% of the city's enumerated population had been born outside the city. Work participation rate was considerably higher among migrants than among the resident population (Table 6.12). Concentration of migrant workers were relatively more in other services, and 'transport', communication and storage as seen from 1971 census data. The pattern of distribution of the city’s work force between the various sectors of the economy and between migrants and non-migrants in 1971 has shown in the Table 1.2

Table 1.2: Migration Flow in The Calcutta UA

<table>
<thead>
<tr>
<th>Year</th>
<th>1921</th>
<th>1931</th>
<th>1941</th>
<th>1951</th>
<th>1961</th>
<th>1971</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migrants (‘000)</td>
<td>885</td>
<td>897</td>
<td>1407</td>
<td>2748</td>
<td>3439</td>
<td>3589</td>
<td>3004</td>
</tr>
<tr>
<td>% in total</td>
<td>45.9</td>
<td>40.8</td>
<td>42.3</td>
<td>56.2</td>
<td>52.9</td>
<td>45.1</td>
<td>31.3</td>
</tr>
</tbody>
</table>

Table 1.3: Percentage Distribution of Workers According to Sector of Activity Among Migrants & non-Migrants in Calcutta, 1971

<table>
<thead>
<tr>
<th>Activity</th>
<th>All workers</th>
<th>Non-</th>
<th>All Migrants</th>
<th>Other states</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>0.08</td>
<td>0.19</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>0.43</td>
<td>0.39</td>
<td>0.47</td>
<td>0.80</td>
</tr>
<tr>
<td>Manufacturing &amp; Processing</td>
<td>27.79</td>
<td>30.33</td>
<td>25.74</td>
<td>23.67</td>
</tr>
<tr>
<td>Construction</td>
<td>2.40</td>
<td>2.30</td>
<td>2.48</td>
<td>1.86</td>
</tr>
<tr>
<td>Commerce &amp; Trade</td>
<td>28.99</td>
<td>30.90</td>
<td>27.44</td>
<td>28.99</td>
</tr>
<tr>
<td>Transport, Storage &amp; Comm</td>
<td>13.55</td>
<td>10.75</td>
<td>15.81</td>
<td>20.21</td>
</tr>
<tr>
<td>Other services</td>
<td>26.74</td>
<td>25.14</td>
<td>28.06</td>
<td>24.47</td>
</tr>
<tr>
<td>Total workers (‘000)</td>
<td>1166</td>
<td>521</td>
<td>645</td>
<td>376</td>
</tr>
</tbody>
</table>


Note: A migrant is classified as non-migrant after residence over two successive surveys, one being held every tenth year.

Declining Importance of the Calcutta as a Source of Employment

After independence, the status of Calcutta as a primate city has been consistently decreasing by degrees. During the period from 1951, growth of urbanisation in the neighbouring cities of Calcutta was much higher than Calcutta. Urbanisation in West Bengal was taking place more rapidly in cities other than Calcutta. Between 1901 and 1981, Calcutta has grown bigger by 352%; whereas, Burdwan has grown by 478%, Hoogly-Chinsura has grown by 4440%, Howrah has grown by 421% and Chandannagar by 378% (Table 1.3).

Spread of the growth of urbanisation in the surrounding cities of Calcutta dispersed the labour force of Calcutta towards these surrounding cities. After independence, a regional concentration of large, medium and small industries such as jute mills, textile industry, metal products, chemical works, handlooms, small scale engineering industries etc. was observed in the neighbouring districts of Calcutta. In 1952, 54.5% of the total number of registered factories in West Bengal was situated in the three districts of West Bengal (24-Parganas, Howrah and Hooghly). By 1970, this number has increased to 69.40%. The post-independent
urban labour market of West Bengal was developed mainly in these three districts that are closer to Calcutta. Over the last two decades, the important position of the city's labour market has declined. Organised employment has reduced and a rise in marginal employment and informal activities has observed (chapter 2). Inter state and intra-state migration to Calcutta for employment reduced considerably (chapter 6). Calcutta has lost its economic supremacy in the context of a labour market in the eastern India. The closure of many industrial units particularly engineering and jute industries in Calcutta and its surrounding had an adverse effect on the city's labour market. A low wage tertiarisation has taken dominant place in the occupational structure of the city (chapter 4).

Table 1.4: Population growth rate in five cities in West Bengal (Population of 1901 = 100)

<table>
<thead>
<tr>
<th>Cities</th>
<th>Year</th>
<th>1901</th>
<th>1951</th>
<th>1961</th>
<th>1971</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcutta</td>
<td>100</td>
<td>289</td>
<td>313</td>
<td>337</td>
<td>352</td>
<td></td>
</tr>
<tr>
<td>Burdwan</td>
<td>100</td>
<td>215</td>
<td>309</td>
<td>409</td>
<td>478</td>
<td></td>
</tr>
<tr>
<td>HooglyChinsura</td>
<td>100</td>
<td>193</td>
<td>283</td>
<td>358</td>
<td>440</td>
<td></td>
</tr>
<tr>
<td>Howrah</td>
<td>100</td>
<td>282</td>
<td>360</td>
<td>419</td>
<td>421</td>
<td></td>
</tr>
<tr>
<td>Chandannagar</td>
<td>100</td>
<td>186</td>
<td>250</td>
<td>280</td>
<td>378</td>
<td></td>
</tr>
<tr>
<td>West Bengal</td>
<td>100</td>
<td>304</td>
<td>413</td>
<td>531</td>
<td>599</td>
<td></td>
</tr>
</tbody>
</table>

Source: Singh, Arun Kumar. 1990: p. 51
Note: In table 1.4 we have used 1901 population figures as base (index = 100) and have expressed the population figures of the subsequent dates in ratio-percentum of this base index. This gives us a measure on the quantum of absolute growth of individual surrounding cities.
1.4. Outline of the Present Work

The present study aims at examining the features and functioning of Calcutta’s urban labour market with reference to the concepts and theories observed in the urban labour market literature is supported or not. The study also examines what changes has took place in Calcutta’s urban labour market in recent years, compared to its historical perspective. Finally it examines the institutional dimension of urban labour market in Calcutta. It is primarily a descriptive study of the urban labour market in Calcutta.

Before giving the scheme of the study, it is better to make explicit the geographical space of Calcutta city that will be studied and also the time span. The inner city of Calcutta formally consists of Calcutta Municipal Corporation area (at present there are 141 wards) and some special areas, namely, fort, canals and port. The Calcutta Municipal Corporation area, and therefore the city area, has changed over time because of inclusion of contiguous towns into Calcutta Corporation.4 In 1981, there were 100 wards in Calcutta Municipal Corporation (it had an area of 98.79 sq. km. in 1981) but in 1985, 41 new wards were added with Calcutta Municipal Corporation (In 1991 census, it had an area of 185 sq. km.). For a comparable study, we consider first 100 wards as the inner city area of Calcutta (comparative study has done in chapter 4). Figure 1 shows the geographical boundary of the present Calcutta Municipal Corporation.[Based upon Calcutta Municipal Corporation Map and 141 wards shown as per records of 1985].

Apart from the introductory and concluding chapters (Chapter 1 & Chapter 8) there are six more chapters. Chapter 2 begins with an analysis of the salient features of the labour market of Calcutta. Here we study the size and different characteristics of the labour market in Calcutta. In chapter 3 we discuss the functions of an urban labour market. Chapter 4 deals with spatial dynamics of an urban labour market. In this chapter, spatial dimensions of the city’s labour market have been studied by looking at the

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4 Earlier the Cossipore-Chitpore and Maniktala were separated towns. In 1931, they were included in Calcutta. Tollygunge, a separate town till 1951, merged to Calcutta in 1953.
distribution of resident population and workforce in the core of the city. This chapter discusses the activity composition of the workers and the spatial concentration in the inner city. Ward level workers’ data given by different census has been extensively used here.

Chapter 5 discusses role of women in the emerging labour market. More than 50% of the total population in India are women. Women in recent years have become an important dimension in the development process. Today, they are the integral part of a labour market. Many social and economic factors influence women’s participation in the labour market. This chapter analyses the nature and dimension of women participation in the labour market and also the relative importance of women in the total workforce of the city. This Chapter also analyses the occupational structure of women workers in Calcutta’s labour market and tries to identify the nature of activities done by the city’s women workers broadly.

In chapter 6 we discuss on migrant workers in the labour market. Migrant workers are an important component of a city’s labour market. Different aspects of the migrants like age structure, academic level (quality of the human capital), nature of occupation, reason for migration, nature of migration (that is, rural – urban, urban – urban, inter-state or intra-state) influences an urban labour market. In this chapter we discuss these different components of migration with respect to an urban labour market like Calcutta.

Chapter 7 highlights the institutional aspects and different social security measures taken by the Government for the workers. Central and State government make many laws and regulations for the workers, both formal and informal. But in reality the informal workers are mostly deprived section and they are never touched by the very sophisticated laws and regulations provided by the government. Chapter 7 also tries to analyse the efficacy of these labour laws and regulations, particularly for the informal workers.

Finally, Chapter 8 is the concluding chapter.
Figure 1: Calcutta District in 1985.