

Study of statutory labour welfare benefits with special reference to textile companies

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ABSTRACT

All organizations wish to excel in their field of operations. Besides managing other resources, labour management is equally important for any organisation as it is also a direct input. If directed rightly and utilized fully, it would make a great contribution to the prosperity of the organization. This can only be achieved through satisfaction of the labour as the worker feels that he is an active participant in the production process, and he does at most for increasing the production and his/her productivity.

Besides wages, ILO, constitution of India, labour laws especially the factories act, 1948 strive to make the working conditions more humane with a view to make workers not only satisfied but also productive. The paper studies the statutory welfare facilities as enumerated under Factories Act. The study was conducted in textile companies to know the perception of workers about the statutory welfare measures provided and also to know the impact of gender on perception level. The sample comprised of 170 workers employed with different textile companies. These textile companies had a varying strength of workers and are into manufacturing of apparels and technical textile. The results indicate that most of the workers are satisfied with the welfare facilities provided and there is no impact of gender on the perception of workers.

Keyword – Labour, Welfare, Textile, Gender.

INTRODUCTION

Higher productivity not only requires modern machinery and hard work, but it also calls for co-operative endeavor of the parties- labour and management. All organizations wish to excel in their field of operations. This is possible only when labour is given due importance and human element is taken into account at every stage besides other resources. With experience the worker develops a fund of knowledge and experience at his job. If directed rightly and utilized fully, it would make a great contribution to the prosperity of the organization. This can only be achieved through satisfaction of the labour as the worker feels that he is an active participant in the production process, and he does at most for increasing the production and his/her productivity.

Since time immemorial labour has played a significant role in yielding production irrespective of the modes (Chauhan, 1993). The term labour has different meanings. Marx's philosophy of labour was being "practical human activity" (Uberoi, 2012). As per business dictionary (2014), labour can be defined as "The aggregate of all human physical and mental effort used in creation of goods and services." Section 2(l) of Factories Act defines Worker as a person employed, directly or through any agency, whether for wages or not in any manufacturing process or in cleaning any part of the machinery or premises used for a manufacturing process in any other kind of work incidental to, or connected with the manufacturing process, or the subject of the manufacturing process. (Mallick, 2009) The amendment by Act 94 of 1976 furthers that if a work in the factory has been given on contract to be executed by the contractor and the contractor in execution of the work employs workmen, such workmen would be workers within the definition of worker under the act (Srivastava, 2000).

The term welfare is derived from the phrase 'welfare' which means "to fare well". (Rawat,1988). The term 'Welfare' expresses many ideas, meanings and connotations, such as the state of well being, health, happiness, prosperity and the development of human resources. It includes the three inter-related aspects - social, economic and relative. The social concept of welfare implies the welfare of man, his family and his community. The economic aspect of welfare covers promotion of economic development by increasing production and productivity. Welfare is also a relative concept, as it is related to time and space. Thereby the term suggests the state of well being and implies wholesomeness of the human being. It is a desirable state of existence involving the mental, physical, moral and emotional factor of a person (Srivastava, 2005).

The Oxford dictionary defines labour welfare as "Efforts to make life worth living for workers" (Rao, 2010). The Labour Investigation Committee (1944-46) includes under labour welfare activities "anything done for the intellectual, physical, moral and economic betterment of the workers, whether by employers, by government or by other agencies, over and above what is laid down by law or what is normally expected as per of the contractual benefits for which the workers may have bargained." (Sivarethinamohan, 2010).

The present study focuses on labour welfare in Textile industry. The textile industry plays an essential role in country's economy through its contribution to industrial output, employment generation and the export earnings. It contributes about 14% to the industrial production, 4% to the GDP and 11% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture. (Ministry of Textile, 2013). It is one of the many labour-intensive sectors (Roy, Nd) and the economic performance of the apparel and textiles industries in developing countries has large impacts on employment opportunities especially for women (Keane and Velde, 2008)

REVIEW OF LITERATURE

Sabarirajan, Meharajan and Arun (2010), were of opinion that textile industry being a highly labor intensive, needs to concentrate more on employee welfare. The findings of the research suggest that there is a significant positive relationship between welfare measures and level of work satisfaction. Most of the employees are highly benefited with the welfare measures provided by the mills. The employees show positive attitude towards the provision of the welfare measures. The study concludes that every organization provides statutory welfare measures but some organization provides beyond the statutory norms to the employees so that they may retain the employees and their quality of work life. By the result of improved quality of work life among the employees their involvement in job gets increased and results in increased productivity.

Swapna (2011), based on her analysis of 400 workers, the study concluded that maximum employees were satisfied with welfare facilities but still expect more from the company like free treatment after retirement to the retired employees for which the company can deduct money every month from their salary till their retirement and it can be used for this scheme. The company can also run literacy programme which would not only help workers to comprehend company matters in a better way but indirectly it would also help in the growth of the nation. Overall, these schemes may workout for the smooth functioning of the company.

Anjum and Thakor (2011) opined that the Indian textile industry has an awesome existence in the Indian economy. It is second largest employer after Agriculture in India. Their study found that the owners of powerloom units failed to provide basic amenities to the workers. The majority of the workers were not satisfied with the working conditions of the factory. They were working with dust and fumes, no proper lighting and ventilation, ignorance of cleanliness, no care on hygienic conditions and no safety measures to avoid accidents. Their jobs were unsecured and majority of the workers were not satisfied with their jobs in terms of welfare facilities and wages. The study suggested that the weavers should emphasise on the working conditions in the factory according to Factory Act 1948 & Maharashtra Factories Rules 1963. The weavers should also enforce the Industrial & Labour Laws for the welfare of the powerloom workers. They should provide basic facilities in the factory for the workers.

Bhardwaj (2012), in his paper labour welfare in India: an overview tracks the annals of welfare system from Arthashastra and reign of Asoka where labourers were treated kindly and were regularly paid too. But the conditions of workers deteriorated under the Muslim rule, especially in the Royal factories known as Shahi Karkhanas. The king knew little about the working of such factories. Workers were treated very harshly and were even flogged. The modern industrial working class grew up in the country after the advent of large scale industries. Most of the early industries were started by the Europeans. The temptation of cheap, helpless and submissive labour, used to long hours of work and a low standard of living, proved too strong for many who secured enormous profits by terrible sweating of men, women and children. Many attempts were made to improve their conditions by organising the workers. Government of the day also interfered by passing various laws in this direction. But it proved to be a futile exercise because of the fact that the object of the laws was not wholly the welfare of the workers but the measures were adopted either from the political point of view or from the point of view of increasing the cost of production of Indian industries. Industrialization gives birth to so many labour problems. Therefore, it is the paramount obligation of the State to deal with all such labour problems effectively and to enact laws relating to labour welfare.

Gurusamy and Princy (2012), in their study of labour welfare facilities in textile industries were of opinion that labours are the most valuable assets of any organization as they are responsible for achieving the goals of the business firms. Labour welfare activities are also the best investment for employees as they promote industrial performance. The study found that majority of respondents were aware of statutory welfare facilities and improving welfare may lead to increase in the work efficiency.

Jebadurai (2013), in his study on status of labours in spinning mills of Rajapalayam, Tamilnadu found that may add on welfare facilities like housing, communication and medical provision to improve the involvement of the labours in the job. Government enforced various laws, rules and regulations to safeguard the interest of labors and to promote the welfare of the labours but it is not effectively implemented and due to their poor knowledge level i.e. lack of awareness about the law related with labours. Frequent visit by government officials and making labours aware about welfare schemes would have positive impact.

The present study brings in clarity to employers regarding the perception of workers towards the welfare facilities provided by them and their adequacy. It would also help them identify the gaps in the present system and the measures to improve the same. Based on the literature search and to the best of the knowledge, no study till date has focused on this part of state. The studies done so far have focused on different parts of India but no formal research has been carried on labour welfare at Pithampur. Hence probably this is the first formal attempt in the Pithampur industrial estate.

OBJECTIVES OF THE STUDY

To study the perception of workers regarding the statutory welfare benefits provided by textile companies.

To study the impact of gender on the perception of workers regarding the statutory welfare measures.

HYPOTHESIS

H₀₁ - There is no difference in the perception of males and females towards the welfare facilities provided.

RESEARCH METHODOLOGY

Sample size – 170 workers spread across Pithampur industrial estate (M.P.).

Sample characteristics - the sample comprised of 124 (73%) males and 46 (27%) females. Mostly females are seen employed with 'soft work' like textile or technical textiles and even in this case also the gender ratio (male : female) is around 75 : 25.

Data Collection - The data of this study was collected from both primary and secondary sources. Primary data was collected through questionnaire. The questionnaire was constructed primarily according to welfare measures described in the Factories act, 1948; labour welfare inventory by Dr. S K Srivastava (2002) and

questions of similar nature were grouped together. The questions were categorized into six facilities, namely washing, shelter or rest room, medical, canteen, labour welfare officer and crèche. The statements in the questionnaire aimed at looking the adequacy of the facility. Secondary data comprised of publications from labour department, Government of India, ILO, and other national & International agencies and national & international journals, books and other relevant resources.

Tools for Data Analysis - In order to derive meaningful conclusion from data different statistical tools have been employed by the researchers. The tools used were frequency distribution, average and T-test. All the tools used were meant to answer specific questions in other words to fulfill certain objectives of this study. These tools were applied through SPSS

RESULTS & DISCUSSION

Data was collected from 170 workers and the analysis is presented below on the basis of these broad categories & sub – categories in table no – 1.1.

On an average 123 workers agree (including strongly agree) that washing facilities are adequate and 40 workers disagree (including strongly disagree) regarding the same. Most of the workers agree (including strongly agree) that shelter facility (125), medical facility (159), canteen facility (143), labour welfare officer carrying welfare work (116) and crèche facility (124) is adequate.

It can be inferred from above analysis that most of the workers opine that the facilities extended to them are adequate in other words companies are providing them with most of the facilities. However the rest workers either are in disagreement or neutral about the facilities provided being adequate. This should be equally taken care of for two reasons – one, workers who are neutral may slide towards either of the sides and if they slide towards disagreement of facilities extended then the percentage of disagreement or if we may use the liberty of saying 'dissatisfaction', would increase. Two, if we look beyond the averages and distribution, then also company should take care of these facilities. As per Herzberg's two factor classification, these would fall under hygiene factor. Hygiene factor are the minimum or floor requirement for maintaining satisfaction or avoiding dissatisfaction. The degree to which hygiene factors are absent from a job, dissatisfaction will occur. Therefore company should first provide for hygiene factors then motivators (Herzberg, 1959, cited in Ramprasad, 2013).

With a male averaging to 3.85 and females 4.03, it can be said that females have a better perception of welfare facilities (Table 1.2). Women workers are considered to be more compliant, loyal and law-abiding in nature than men. They are also more hard-working and sincere than their male counterparts (Afsar, 2002) and report significantly higher job satisfaction than men (Clark, 1997). But the result of T – Test (Table 1.3) indicate that $F = 1.900$, is not significant at .170. This means that the null hypothesis “There is no difference in the perception of males and females towards the welfare facilities provided” is not rejected. Similarly, Garg and Jain (2013) in their study of cotton textile industry in Punjab also found that there is no significant difference between gender and satisfaction from welfare facilities.

CONCLUSION

It can be concluded from the above analysis that most of the workers perceive the facilities to be adequate. Though the percentage of workers who opine that the facilities are less but nevertheless companies should look not only into the compliance with act but should equally look in how the facilities are perceived by the workers. Facilities would call for cost and investment would pay off in the manner when it add to the comfort level of workers and actually bring in welfare because that is what law and companies also indents. In nutshell when companies intend to abide by law they should do it in the manner which workers perceive it to be beneficial to them.

The study also found no difference between male and females regarding the welfare facilities and since textile employ females too, companies should provide for the gender specific welfare too. Being females more satisfied indicate that a little done for adding comfort would pay off better. Overall, companies should continue with the welfare work and expand it further.

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Appendix – 1

Table no. – 1.1

Facility \ Response	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Washing Facility					
Facility for washing	17	33	6	81	33
Separate washing facility for male and female workers	15	39	7	77	32
Availability of water	11	17	3	82	57
Place for keeping & drying clothes	11	18	13	89	39
Average	13.5	26.8	7.3	82.3	40.3
Shelter/Rest room					
Availability of Shelter or rest rooms	14	31	14	75	36
Quality of Shelter or rest rooms	14	32	10	76	38
Sitting Arrangement	5	1	5	92	67
Average	12.6	24.7	8.2	81.8	42.8
Medical Facility					
First – Aid Facility	1	0	0	65	104
Sick room	7	27	3	67	66
Medical officer	3	3	2	87	75
Worker is taken to hospital	0	0	0	56	114
Average	2.8	7.5	1.3	68.8	89.8
Canteen Facility					
Food / snacks available at concessional rate	12	22	6	64	66
Sitting arrangement in canteen	9	27	1	60	73
Drinking water	0	2	1	52	115
Average	7	17	2.7	58.7	84.7
Labour Welfare Officer					
Labour welfare officer carries welfare programmes	33	11	10	93	23
Crèche Facility					
Crèche	13	13	12	109	23
Availability of Aya	23	17	15	88	27
Average	18	15	13.5	98.5	25

Appendix – 2

Table 1.2 T-Test

Gender	N	Mean	Std. Deviation	Std. Error Mean
Male	124	3.85	.623	.056
Female	46	4.03	.546	.081

Table 1.3

	Levene's Test for Equality of Variances		t-test for Equality of Means				
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Equal variances assumed	1.900	.170	-1.728	168	.086	-.180	.104
Equal variances not assumed			-1.835	91.141	.070	-.180	.098