

A STUDY OF LABOUR CONDITIONS AND WELFARE IN THE HARYANA CO-OPERATIVE SUGAR MILLS LTD, ROHTAK

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Abstract

The study was carried with the objective of examining the working conditions, extent of labour facilities provided, level of satisfaction among workers, shortcomings of management practices, factors of unsatisfactory working conditions and provide suggestions of improvements at The Haryana cooperative sugar mills ltd, Rohtak. The research methodology used was review of literature. A sample size of 100 workers was taken using stratified sampling technique. Primary data was collected through questionnaires and secondary data collected from various departments. The analysis of the data is reviewed, conclusions were drawn and suggestions were made.

Keywords: Labour, Age, Demography, Education, Management, Workers, Promotion, Training.

Introduction

Labour is an important factor of production. Without its cooperation, it is difficult to maintain efficient production. Working conditions and welfare activities have a close relation with the production. The conditions under which workers work influence workers health, efficiency and quality of work. The relation between the employer and the workers can be improved if the employer takes care of conditions under which workers have to work and leave. Bright and clean atmosphere should be maintained at the workplace.

Objectives of the Study

The proposed study is conducted to fulfill the following objectives:

- To examine the working conditions (like sanitation, ventilation, drinking water arrangement, temperature, cleanliness, working hours etc.)
- To what extent the labour facilities are provided to the workers by the mill like bonus, P.F., retaining allowance, education, housing and medical facilities etc.
- What is the level of satisfaction among workers from their job and study the problems faced by the labourers in the working environment.
- To assess the shortcomings of the management practices in regard to working, living conditions and welfare programmes
- To find out the responsible factors of unsatisfactory working conditions
- To suggest on the basis of conclusion drawn how to improve the working conditions of labour and their welfare

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Research Methodology

A thorough research was made through the review of literature related with labour conditions and welfare in different journals, books, research papers and reports etc.

Sample Design

A stratified sampling technique has been adopted to determine the size composition of the sample. Size of work force is large enough (824). The size of sample was fixed at 100 workers representing all categories viz. highly skilled, skilled, semi-skilled and unskilled. The selection has been made on random basis from all these categories.

Collection of Data

Primary data was collected on the basis of questionnaires and secondary data was collected from different departments of the sugar mill.

Limitations of the Study

The study has certain limitations and these are as following:

- There were some workers who were rude, illiterate and low on standard on education. Most of them were not able to fill the questionnaire themselves so they answered the questions orally.
- Labour was hesitating to provide all relevant information regarding their working conditions.
- As it is a sample study, the problems associated with sample selection are likely to restrict the usefulness of this research study.
- The executives of the company were not ready to provide the information beyond a limit. The researcher therefore had to depend on that much information only which was easily provided.

Institution Profile

The Haryana co-operative sugar mills ltd., Rohtak is a pioneer organization in the sugar industry in the co-operative sector in Haryana. It was registered on 24.05.1954 but madiden crushing was started on 31.01.1957. It came into existence in 1957 and the mills at present has share capital of Rs. 11462803.12 and crushing capacity of 1750 metric tonnes of cane per day. The mills provide employment to 842 workers out of which 236(28%) are permanent, 442 (53%) are seasonal and 164 (19%) are daily wagers. The area under cane cultivation of the mills is 27500 acre. Now mill is running in a loss making unit thus the alarming situation prevailing in the mill calls for immediate attention for bringing about improvement in the plant and workers productivity. It would then be possible to reduce the cost of production which has become necessary for existence of the mills. So mill is installing a new plant at village Bhali near Rohtak and Rohtak sugar mill land has been sold to "Haryana urban development authority" for a handsome amount of Rs. 100 crore.

Data Analysis and Interpretation

General Characteristics of the Workers

• Age Group

The age of the workers ranges from 18 years to 58 years but majority of the workers falls in the age group of 35-40 years. Most of the workers, who are youth, are having anxiety and innovative nature.

Table 1: Distribution of Workers According to Age Groups

S. No.	Age Groups	Percentage Distribution
1	18-25	5
2	25-30	16
3	30-35	16
4	35-40	21
5	40-45	17
6	45-50	10
7	50-55	10
8	55 & Above	5
Total		100

Source: Field Investigation

Marital Status

Regarding the marital status of the workers of the mills, the study has revealed that 90% of the workers are married and only 10% are unmarried. In our country, marriage is considered to be a lifelong sacred union of two souls and not merely a contract. Moreover in India, marriages of boys and girls take place in the early ages because of social customs and beliefs.

Table 2: Marital Status of the Workers

Marital Status	No. of Workers (%)
Married	90
Unmarried	10
Total	100

Source: Field Investigation

Size of the Family

The average size of family of the workers is about four to six members in a family.

Table 3: Size of Family of the Workers in the Mill

S. No.	Size of Family (Members)	Number of Families
1	1-3	8
2	4-6	45
3	7-9	41
4	9 & Above	6
Total		100

Source: Field Investigation

Occupation during off season

Most of the workers have agriculture as an occupational background as quite a large number of them come from village's area where agriculture is the pre dominant occupation. It is found that in case of seasonal workers, agriculture is the main source of their extra income.

Table 4: Occupation during the Off Season of the Workers

S. No.	Nature of work during the off season	Percentage of Workers
1	Agriculture	40
2	Labour	20
3	Carpenter	2
4	Others	38
Total		100

Source: Field Investigation

Educational Status

Regarding educational background of the workers of this mill, 10% of workers are quite illiterate and 90% of the workers are literate. 10% of the workers are upto primary, 20% upto middle, 28% upto metric and rest 32% of the workers are above matriculation. The low level of illiteracy of the workers has been responsible for the growth of large families amongst the workers. Most of the workers belonging to clerical staff are under graduate while majority of the employees in supervisory and administrative category are graduate/post graduate in various discipline viz. arts, science, commerce, law, agriculture and technology. Thus it is evident that work force of the mill presents spectrum of trained and untrained categories.

Table 5: Educational Status of the Workers in the Mill

S. No.	Educational Status	Percentage of Workers
1	Illiterate	10
2	Primary	10
3	Middle	20
4	Matric	28
5	Above Matric	32
Total		100

Source: Field Investigation

Length of Service

24% of the workers have upto 10 years of service in this factory while 76% of the workers have more than 10 years of service in the mill.

Table 6: Length of Service of the Workers in the Mill

Length of Service in Years	Percentage of Workers
Below 5	9
5-10	15
10-15	16
15 and Above	60
Total	100

Source: Field Investigation

Recruitment, selection, training and promotion of labour

• Recruitment and Selection

Recruitment procedure of the mills has been found to be on scientific lines. As for the recruitment sources are concerned, existing employees, mills gate, employment exchanges and advertisement in newspapers are the main sources of recruitment used by the mills. Majority of the workers i.e. 70% belong to Haryana state and rest 30% belongs to other states viz. Punjab, U.P. and Bihar etc. The method of recruitment appears to be satisfactory.

• Promotion

As far as promotion policy is concerned, seniority-cum-merit is the main criterion in case of supervisory, administrative and highly technical staffs where as seniority is the general rule in case of non technical staff and other staff.

- **Training**

Training is the act of increasing the knowledge and skill of an employee for doing a particular job. The study has revealed that there is no formal system of training for the workers. Training should be given to them. It may increase their efficiency and avoid unnecessary wastage. On conducting survey, it is found that workers also express themselves in the favour of training but mill is not so financially strong to conduct training programme.

Wage structure and income and expenditure of the workers

- **Income of the workers**

Wages including allowances have been found to be main source of income for the workers but 25% of the workers are earning below Rs. 8,000. The workers also supplement their income from other sources like agriculture, shop keeping, dairy farming etc. The employees of the mills are paid wages, salaries, other allowances and benefits recommended by the "Haryana sugar mills employees' board 2004". The investigation reveals that the workers are not satisfied with their wages. Daily wagers are getting only Rs. 3,510 per month and those daily wagers who are working in the mill for more than ten years are getting 3,640 per month and no other allowances are given to them. House rent allowance is paid to all categories of employees @ 5% of basic pay except those who are getting accommodation provided by the mills. City compensatory allowance is paid to all employees at Rs. 50 per month. Medical allowance is also paid to all categories of employees at Rs. 250 per month. Washing allowance is paid to those workers who have been provided dresses by the mill at Rs. 25 per month. Overtime allowance is paid in accordance with the factories act 1948 at the rate of double of their salary. In holidays or in off season, the overtime allowance is given equal to the pay of an employee.

- **Expenditure Pattern of the Workers**

The expenditure pattern of the workers determines the standard of living in which term has a direct bearing on the efficiency of the workers. The expenditure on food decreases with increase in income. The percentage of expenditure on food in wage group below Rs. 8,000 is 56.22% and above 14,000 is 36.18% and expenses on education are increasing with increase in income. It is highest in the income group of Rs. 12,000 – 14,000 and lowest in the income group of below Rs. 8,000.

Working and Service Conditions

- **Working Conditions**

Good working conditions have an effect not only on the efficiency of the workers but also on their wages, migratory character and industrial relations. Working conditions of the mills are satisfactory. There are proper exhaust fans, lighting and ventilation facilities and all the machines and equipments are fully covered with safety guard.

- **Service Conditions**

Seasonal, permanent employees and daily wagers are getting leaves like national, casual, sick and earned etc. To conclude it may also be said that service conditions are very apt and interview with some workers revealed that these provisions are not only in writing but they are followed in practice also. The disciplinary action taken by mills is also effective that is why the labour force is contended and the workers don't resort to the act of misconduct.

- **Labour Absenteeism**

The term "Absenteeism" simply means the absence of an employee from the workplace without prior notice to the employer. It is observed that rate of absenteeism is higher in night shifts and highest in the unskilled categories of workers having low income. Main reason of absenteeism of the workers in the mill are sickness, industrial accidents etc. but it is not a big problem in the mill.

- **Fringe Benefits**

The management of the mill has introduced many schemes of fringe benefits. There are three types of fringe benefits that are available to the workers viz. social security benefits, labour welfare facilities and bonus. The mill total expenditure on fringe benefits is Rs. 1,35,91,126/- during the year 2006 – 2007 and it is increasing in every year.

- **Social Security Benefits and Bonus**

These are the parts of fringe benefits. Both employer and employees contribute 12% of basic and D.A. in provident fund. Employer contribution in P.F. is Rs. 59,78,821, in family pension scheme is Rs. 29,91,756, in gratuity is Rs. 30,38,350, in bonus is Rs. 1,99,587 and bonus is reducing in every year because mills losses are increasing year to year.

- **Labour Welfare Activities**

The mill has introduced many schemes of labour welfare for the workers which include retaining allowance, canteen, uniforms, medical, housing, recreational, educational facility, labour welfare fund etc. The expenditure on medical facility is Rs. 2,79,546, on uniform are Rs. 6,41,998 and contribution in welfare fund is Rs. 3,19,745 during the year 2006-07.

- **Trade Union and Industrial Relations**

There is one trade union whose name is "Cooperative sugar mill employee association". The union is affiliated with the "Haryana cooperative sugar federation workers union". It helps to solve the disputes between management and workers. It is helpful to provide those better working conditions as well as good salaries, wages and other benefits. The main problem lies with daily wagers who are working in the mill since last 20 - 25 years but they are still temporary. Union is making efforts to make them permanent.

Research Conclusions

During the study, it was found that the sugar mill has incurred losses during the period under study. There are so many causes which are responsible for its unsatisfactory results like plant depreciation, excessive repairing charges, inefficiency of management, burden of loans etc. It is suggested that cooperation among cooperative should be motivated. The mill should be allowed to function as independent business concern with least interference from the state government.

General Characteristics of the Workers

Most of the workers are young, literate and married . They appear to be more articulate about their grievances. Sugar mill management should maintain good coordination with workers.

Recruitment, Selection, Training and Promotion

Recruitment policy of the cooperative sector should be consistent at least for key positions. Trainings too need to be arranged from time to time. Provision should be there for proper management education programmes and there must be proper guidelines in regards to the recruitment cum promotion and training programmes. There must be a centralized recruitment board for all the mills. A written test and interview by professionals should be taken as criteria for selection. In the selection of unskilled workers, undue favour and pressure should not be given. Balanced, democratic and rational approach need to be applied to the recruitment process. The study has revealed that there is no formal system of training for the workers. Training should be given to them and on the job extensive training must be imparted to the employees before and after their placement in the job. A performance based promotion scheme should be introduced for the employees of the mill. This will attract talented people to join it. "Seniority cum merit" basis should be strictly followed in promotions.

Income and Expenditure of the Workers

It is suggested that changes should be done in the wages structure. This is because 55% of the workers of the mill are earning less than Rs. 10,000 and only 5% are earning more than Rs. 16,000. Most of the workers are not able to fulfill the basic requirements of life because of the lack of sufficient income. It is therefore necessary to increase the monthly wages. It is suggested that efforts should be made to persuade the workers to avoid wasteful expenditure. This can be done through proper education of the workers so that they know the ill effects of wasteful expenditure. They should be educated to spend their limited income in better way.

Working and Service Conditions

Working and service conditions are very apt but still there should be rest rooms where the tired or minor injured workers can take rest and the hours of night shift should be reduced because working at night for a long time is a tiresome job. All the facilities should be provided to the daily wagers which are provided to the permanent employees.

Labour Absenteeism

Efforts should be made to improve the working and living conditions of the workers. Protection against accident, sickness and timely grant of leaves can reduce the absenteeism considerably.

Fringe Benefits

Housing conditions of the workers are not satisfactory. There is a need of providing housing facilities to the workers so mill should construct more houses. Only 13% of the total workers employed in the mill have been provided an accommodation. At present , most of the

workers live in slums. This affects their efficiency and health. Provision of suitable housing will go a long way in improving the health, efficiency and reducing the absenteeism of the workers in the mill. It may not be possible for the management to erect so many houses due to fund crunch. The government should pump in the funds for this. The canteen should be subsidized by the mill for lowering down the prices and improving the quality of the eatables. Most of the workers come from neighbouring villages so there should be a facility of lunch and dinner in the canteen. Emphasis should also be given on the education of workers' children. As far as social security benefits and bonus are concerned, only statutory schemes of social security benefits have been implemented in the mill. So mill must pay more attention in this regard. It has become need of time that comprehensive legislative measures be introduced concerning those welfare measures which are still voluntary and government should ensure active participation of the workers in organizational and administrative setup of welfare activities so that maximum benefits can be provided to the toiling labourers otherwise it would be futile to think of improvement in working force living.

Trade Union

Financial aid should be given by the mill to the trade union and management should always adopt the supportive attitude towards trade union. A union should be democratic in character and do maximum possible welfare of the workers. If the above suggestions are implemented and given a fair trial, they can do a lot of improvement in working conditions and welfare measures of the mill under review.

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