IMPACT OF LABOUR WELFARE MEASURES ON ECONOMIC FACTORS: AMONG UNORGNISED CONSTRUCTION WORKERS IN KERALA.

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ABSTRACT

Labour welfare is an voluntary efforts of employers to establish within the existing industrial system and cultural conditions of the employees. It is a very comprehensive and includes various types of activities undertaken for the economic, social, intellectual and moral benefit of the labour community. Construction workers are exploited because they are socially backward, unorganized, uninformed and poor. So a need was felt for the comprehensive and separate welfare measures. In this context, present study examines the relation between labour welfare and economic variables among unorganized construction workers. The sample of the study constitute 560 workers MANOVA technique has been applied to examine relationship. Findings of the study suggest thatthe effect of welfare benefits on economic factors is low among the workers according to the region. Likewise according to the category the effect of welfare benefits on economic factors is also low.

Key Words: *Labour welfare, Economic factors, Unorganized construction workers*

INTRODUCTION

Labour welfare plays a significant role forthe industrial and economic development of the nation. It brings many ideas, meaning to the state well-being, good health, happiness, prosperity and the development of human resources. It is an important fact that industrial relations and the extra dimensions give satisfaction to the workers than monetary benefits. The importance of labour welfare measures was identified as early as Royal Commission on Labour stated. The concept of labour differs from country to country, industry to industry and from time to time and region to region. It also depends on the kind of problems with which the society is confronted such as age group, sex, socio cultural background, economic status and educational level of the employees in various industries. Labour welfare work as a motivating force towards every labour and for those interested in it.

Construction industry is the second largest contributor to the Gross Domestic Products after the agricultural sector. Construction workers constitute one of the largest categories of workers in the unorganized sector. The Common Minimum Programme (CMP) of the UPA Government was to "enhance the welfare and wellbeing of farmers, farm labourers and workers, particularly those in the unorganized sector and assure a secure future for their families in every respect." Construction jobs are highly labor intensive and also highly mechanized. It provides substantial employment and growth inputs

to other manufacturing industries such as cement, chemicals, bricks, paints etc. The work in the construction sector is most vulnerable because of the poor employment conditions. The work is exposed to risk. The lack of safety, health and welfare facilities, coupled with uncertain working hours acts as bane to the workers. The social protection is virtually non-existent due to the reasons such as its casual nature, temporary relationship between employers and employees, lack of basic amenities and inadequacy of welfare facilities. The extent of unionization in the construction industry has been very low due to migratory, seasonal nature of workers and scattered location of work sites. The above conditions of the construction workers deserve consideration -'extensive and intensive' studies.

Genesis of the term "labour welfare measures"

The term 'Labour Welfare' is very comprehensive and includes various types of activities undertaken for the economic, social, intellectual and moral benefit of the labour community. The activities are so varied and so multifarious that the concept of labour welfare may vary from country to country. In the entire realm of economic thought, perhaps there is no other concept which has been so much a subject of intensive discussion and various approaches. Besides its historical background 'labour welfare' like the term 'welfare' remains even today as fresh and as full of suggestions to the earnest researcher as it ever was.

The Encyclopedia of Social Sciences (Vol. XV, 1935) defines labour welfare as, "The voluntary efforts of employers to establish within the existing industrial system working and sometimes living and cultural conditions of the employees beyond that which is required by law, the custom of the industry and the conditions of the market. M.V. Moorthy is of the view that, "Labour welfare work is associated on the negative side, with the counteracting of the benefit effects of the large scale industrial system of production, especially capitalistic, so far as India is concerned, on the personal, family and social life of the worker and his family for a good life as understood in its most comprehensive sense."According to the report of ILO, 'Workers welfare' should be understood as meaning such services, facilities and amenities which may be established in or in the vicinity of undertaking to enable the persons employed in them to perform their work in healthy and congenial surroundings, provided with amenities conducive to good health and high morale. However, it is a convenient term to cover all those aspects of industrial life which contribute to the well being of the worker. According to the study conducted by Dr.Bhajanga Rao (2017), welfare is a process of recognizing, motivating and retaining employees through that building up reputation for the company. Dr. P.Venugopal&T.Bhaskar(2011) conducted a study on impact of labour welfare measures on quality of worklife.. It was found that, there exist positive relationship between labour welfare and quality of work life. P.Anju(2016) conducted a study on relationship between rate of absenteeism and labour welfare measures. It was found that the rate of absenteeism can be reduced to a great extent through effective implementation and extension of labour welfare measures.

LITERATURE REVIEW

.**K .P Kannan (2002)** examines the evolution of the welfare funds for informal sector workers in the state of Kerala in India. The paper finds that welfare fund model of collective care arrangements for the informal sector in Kerala showed considerable innovation in its design and organization, its functioning is embedded in the bureaucratic system giving rise to a number of problems. The model offers a minimum of social security to the informal sector workers who are unprotected. The ever-increasing demand for more and more welfare funds for each and every sub-sector of the informal sector can be viewed as a

desperate reaction of the workers for measures of social security in an unprotected labour market. A long history of mobilization and organization and poor policies of the governments in power, the working and living conditions of an average worker in the informal unorganized sector in Kerala are perceptibly better than those of two / three decades ago. One of the biggest challenges facing Kerala is the problem of unemployment. Reducing unemployment and enhancing the social security cover to the majority of the people are two crucial issues that a liberalized economy will have to face. The welfare fund model of Kerala provides useful pointers to alleviating the problem of insecurity among the workers in the informal sector.

V. Krishnamurthy and R.P Nair (2003) focus on the welfare fund for construction workers, which commenced in November 1994 and provided a range of welfare measures such as benefits for fatal and nonfatal accidents as well as grants for education, marriage and funerals. Manual workers over the age of 15 can register with the Board and pay 25 rupees as an insurance premium to cover accidental death or disability. In practice, however, workers are registered through their trade unions but the level of registration is low - 18% of two million workers in the sector. Of the 90,000 members identified in a survey conducted under the study, only 200 had received any monetary benefit from their membership. Employers pay 0.3 % of each construction contract to the welfare fund but compliance is a problem and the benefits are too small to make a difference to living conditions. The study recommends that the contribution rate can be increased to 1% if the following two conditions are met 1) there is in-depth study done on the reasons for the large current surplus of the fund and 2) there is a clear plan about how the current surplus and the increased future resources will be used for greater coverage and improved benefits. It concludes that there is a need for the various welfare funds to operate on a more uniform basis and that consideration should be given to achieving a greater degree of integration under one single Board.**Beena Narayan (2010)** in the research paper states that construction workers and unorganized sector workers are most vulnerable in India. The relationship between employer and employee is temporary and their working hours are uncertain. Basic amenities and welfare facilities provided to these workers are inadequate. In the case of construction workers 72% have a choice for private hospitals, 14% have choice for government hospitals and 14% are aware about ESI hospital. By interviews with the construction workers it was understood that only limited first aid is available at the worksite. Larger construction companies follow rules regulating care for the workers. In the case of smaller construction sites no such rules for labour are followed. Construction workers are rarely paid any compensation. From the 153 construction workers surveyed 76% (117) accepted that there is no compensation for sickness or loss and 7% (10) workers accepted that some compensation is paid. In case of death some compensation is paid from the contractor's side while 17% (26) workers are unaware of the compensation policy. The paper concludes that ESIC can play an active role with the help of the media, non-government organizations, educational institutions and corporate groups so that unorganized sector workers get proper advantage of social security schemes. KamalaantMohapatra (2012) in International Journal of Humanities and Social Science conducted a study on women workers in informal sector in India with reference to construction industry.

The unorganized sector workers suffer from the cycle of excessive seasonal employment, there is no formal relation between employer and employee and lck of social protection. Construction is the sector which has registered a large increased in employment in the post reform decade. In construction an estimated 10.7 million construction workers, accounting for 83 percent of all construction workers in India in that year, were employed through contractors and did not receive minimum employment protection and benefits whatsoever. Sunil Kumar Padhi, (2012) in his article socio-economic conditions of construction workers in India: issues and challenges point out that, India's construction industry is

large and visible, engaging 3.2 crore workers nationwide. Construction workers come under the unorganized sector. Construction workers suffer from the cycle of excessive seasonal employment; there is no formal relationship between employer and employee, lack of social security and protection. The paper finds that Welfare Fund Model in Kerala offers a minimum of social security to the informal sector workers who are unprotected. Replicating this model with suitable modifications to other states n India, where there is no social security arrangements for informal sector workers is worth pursuing.

PRESENT STUDY

Construction work is characterized by its casual nature, temporary relationship between employer and employee, uncertain working hours, lack of basic amenities and inadequacy of welfare facilities. These unstable characteristics of unorganized construction workers make it difficult to implement labour welfare measures in this sector. The labor welfare measures being implemented in the state of Kerala through Kerala Building & Other Construction Workers Welfare Fund Board(KBCWWFB). It was formed in the year 1989, which came into effect from 1/1/1990. According to the KBCWWFB Act 1989 schedule-I, construction workers can be broadly classified into 26 categories and has formulated 23 types of welfare benefits. The Act also provides registration of construction workers as members of the Board, who are eligible for welfare benefits. The present study aims to find out relationship betweenlabour welfare benefits provided by the Board and economic variables among registered construction workers in Kerala.To understand how labour welfare measures influence on economic conditions many research studies have been conducted to find out the relationship, however negligible research has been conducted in case of unorganized construction workers particularly I state of Kerala.

OBJECTIVE

To examine relationship between labour welfare measures provided by KBCWWFB and economic variables among registered construction workers in Kerala.

RESEARCH METHODOLOGY

The present study is mainly based on primary sources of data. The population of the study comprises unorganized construction workers registered with KBCWWFB. Multi-stage random sampling technique was applied for collecting data from unorganized construction workers. The sample size is selected under propotional allocation method. The calculated sample size is 560. For the purpose of the study only seven categories of construction workers were selected – masons, technical worker, concrete workers, casual workers and sand workers. A structured questionnaire was designed in English and then translated into Malayalam to facilitate understanding of the respondents.

RESULTS

The response of different categories of construction workers is required to analyze the difference in opinion on the effects of labour welfare measures on economic factors such as, income of workers, savings of workers, workers' debt, income stability and household financial support and changes in the physical assets and contribution to family members' income according to region and categories of construction workers. MANOVA model is applied to identify the effects of welfare measures on economic factors. The following tables' shows the output of MANOVA such as estimated marginal means, test of between subject effects and multivariate test.

Region-wise marginal means of the responses regarding the effect of welfare benefits on economic factors of beneficiaries of the Welfare Board.

TABLE NO: 1

Dependent Variable	Region	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
income of workers	South	2.952	.072	2.811	3.094
	Central	3.006	.075	2.859	3.153
	North	3.281	.080	3.125	3.437
savings of workers	South	2.952	.072	2.811	3.094
	Central	3.006	.075	2.859	3.153
	North	3.281	.080	3.125	3.437
Workers' debt	South	3.051	.072	2.910	3.193
	Central	2.978	.075	2.831	3.125
	North	2.723	.079	2.567	2.879
income stability and household financial support	South	2.952	.072	2.810	3.093
	Central	3.014	.075	2.868	3.161
	North	3.280	.080	3.124	3.437
changes in physical assetsand contribution to family members' income	South	2.952	.072	2.810	3.093
	Central	3.014	.075	2.868	3.161
	North	3.280	.080	3.124	3.437

Source: primary data

Category-wise marginal means of the responses regarding the effect of welfare benefits on economic factors of beneficiaries of the Welfare Board

TABLE NO: 2

Dependent Variable	Category	Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Upper Bound
Income of workers	Mason	2.901	.067	2.769	3.033
	Technical workers	3.012	.068	2.880	3.145
	Concrete workers	2.864	.090	2.688	3.040
	Tile workers	3.016	.131	2.759	3.273
	Fabrication workers	3.341	.185	2.978	3.704
	Casual workers	3.107	.053	3.004	3.211
	Sand workers	3.317	.331	2.666	3.968
savings of workers	Mason	2.901	.067	2.769	3.033
	Technical workers	3.012	.068	2.880	3.145
	Concrete workers	2.864	.090	2.688	3.040
	Tile workers	3.016	.131	2.759	3.273
	Fabrication workers	3.341	.185	2.978	3.704
	Casual workers	3.107	.053	3.004	3.211

	Sand workers	3.317	.331	2.666	3.968
Workers' debt	Mason	3.098	.067	2.966	3.230
	Technical workers	2.989	.068	2.856	3.122
	Concrete workers	3.137	.090	2.961	3.313
	Tile workers	2.985	.131	2.728	3.242
	Fabrication workers	2.659	.184	2.296	3.021
	Casual workers	2.873	.053	2.770	2.976
	Sand workers	2.681	.331	2.030	3.331
income stability and household financial support	Mason	2.902	.067	2.770	3.034
	Technical workers	3.028	.068	2.895	3.161
	Concrete workers	2.863	.090	2.687	3.040
	Tile workers	3.015	.131	2.758	3.273
	Fabrication workers	3.341	.185	2.979	3.704
	Casual workers	3.107	.053	3.004	3.210
	Sand workers	3.318	.332	2.667	3.969
changes in physical assets, and contribution to family members' income	Mason	2.902	.067	2.770	3.034
	Technical workers	3.028	.068	2.895	3.161
	Concrete workers	2.863	.090	2.687	3.040
	Tile workers	3.015	.131	2.758	3.273
	Fabrication workers	3.341	.185	2.979	3.704
	Casual workers	3.107	.053	3.004	3.210
	Sand workers	3.318	.332	2.667	3.969

Source: primary data

Test of subject effects

TABLE NO: 3

Source	Dependent Variable	Type I Sum of Squares	df	Mean Square	F	Sig.
q1.1	income of workers	10.248	2	5.124	9.418	.000*
	savings of workers	10.248	2	5.124	9.418	.000*
	Workers' debt	9.845	2	4.923	9.060	.000*
	income stability and household financial support	10.034	2	5.017	9.215	.000*
	changes in physical assets,and contribution to family members' income	10.034	2	5.017	9.215	.000*
q1.6	income of workers	6.956	6	1.159	2.131	.048**
	savings of workers	6.956	6	1.159	2.131	.048**
	worker's debt	7.714	6	1.286	2.366	.029**
	income stability and household financial support	6.954	6	1.159	2.129	.049**

	changes in physical assets,and contribution to family members' income	6.954	6	1.159	2.129	.049**
Error	income of workers	299.794	551	.544		
	savings of workers	299.794	551	.544		
	Workers' debt	299.396	551	.543		
	income stability and household financial support	299.996	551	.544		
	changes in physical assets,and contribution to family members' income	299.996	551	.544		
Total	income of workers	316.998	559			
	savings of workers	316.998	559			
	Workers' debt	316.955	559			
	income stability and household financial support	316.984	559			
	changes in physical assets,and contribution to family members' income	316.984	559			

Source: primary data

MANOVA- effect of welfare benefits on economic factors of beneficiaries of the Welfare Board

TABLE NO: 4

	Effect	Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.999	231930.267[a]	3.000	549.000	.000*
	Wilks' Lambda	.001	231930.267[a]	3.000	549.000	.000*
	Hotelling's Trace	1267.379	231930.267[a]	3.000	549.000	.000*
	Roy's Largest Root	1267.379	231930.267[a]	3.000	549.000	.000*
q1.1	Pillai's Trace	.039	3.651	6.000	1100.000	.001*
	Wilks' Lambda	.961	3.662[a]	6.000	1098.000	.001*
	Hotelling's Trace	.040	3.674	6.000	1096.000	.001*
	Roy's Largest Root	.034	6.281[b]	3.000	550.000	.000*
q1.6	Pillai's Trace	.033	1.036	18.000	1653.000	.415**
	Wilks' Lambda	.967	1.038	18.000	1553.292	.413**
	Hotelling's Trace	.034	1.040	18.000	1643.000	.411**

	Roy's Largest Root	.026	2.401[b]	6.000	551.000	.027**

Source: primary data

DISCUSSION

Above tables shows the result of the MANOVA model for testing the variation in opinion on effects of welfare benefits on economic factors such as, income of workers, savings of workers, workers' debt, income stability and household financial support and changes in the physical assets and contribution to family income. As per the table 1, income of workers has improved among workers in northern region (mean 3.281) savings of workers has improved among workers belong to northern region (mean 3.281), debt of the workers' has improved among workers belong southern region (mean 3.051), income stability and household financial support has improved among workers belong to northern region (mean 3.280) and changes in the physical assets and contribution to family members' income of workers has improved among workers belong to northern region (mean 3.280). The mean variation of the factors is statistically significant in the multivariate test and also in the test of between subject effects (F values associated with their P values are statistically significant, as $P = <.05$).

As per the table 2, income of workers has improved among fabrication workers (mean 3.341), savings of workers has improved among fabrication workers (mean 3.341), workers' debt improved among concrete workers (mean 3.137), income stability and household financial support has improved among fabrication workers (mean 3.341) and also changes in physical assets and contribution to family members' income has improved among sand workers (mean 3.318). This mean variation of the factors is statistically not significant in the multivariate test (F values associated with their P values are statistically significant, as $P = >.05$).

The region wise difference in the opinion among the construction workers regarding the effects of welfare benefits on economic factors has been tested using MANOVA model. The result of multivariate test shows that, the difference in the opinion among construction workers on region wise regarding the effects of welfare benefits on economic factors is statistically significant (F values associated with their P values are statistically significant, as $P = <.05$).. So it can be concluded that the opinion among construction workers in different regions regarding the effects of welfare benefits on economic factors among construction workers according to region is different.

The category wise difference in the opinion among the construction workers regarding the effects of welfare benefits on economic factors has been tested using MANOVA model. The result of multivariate test shows that, the difference in the opinion among construction workers regarding the effects of welfare benefits on economic factors is statistically not significant (F values associated with their P values are statistically significant, as $P = >.05$). So it can be concluded that the opinion among different category of construction workers regarding the effects of welfare benefits on economic factors is same.

CONCLUSION

In nutshell, present study examined the relationship between labour welfare measures and economic factors among unorganized construction workers in Kerala. When we take the economic factors together, it is observed that the effect of welfare benefits on economic factors is low among the workers according to the region. Likewise according to the category the effect of welfare benefits on economic factors is also low. The study only examines the relationship between labour welfare and economic variables. So the findings of the study cannot be generalized for organized construction workers. Further studies can include organized construction workers in construction companies. Another limitation of the study is that, it only focus on seven categories of workers, it can be extended to other nineteen categories in future.

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