

## **CHAPTER 4**

# **LABOUR – WELFARE FACILITIES IN PANCHGANGA SUGAR FACTORY**

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## Chapter 4

### Labour – Welfare Facilities in Panchganga sugar factory

#### 4.1 Introduction:

The term labour is used in various senses. In economics any work whether manual or mental which is undertaken for monetary consideration is called labour. It has been defined Marshall A. - as “Any exertion of mind or body undergone partly or wholly with a view to earn some good other than the pleasure derived directly from the work. It may be defined as any hard or brain work, which is undertaken for monetary consideration.

Nicholson, defined labour as –“The very high professional skill of all kinds as well as the labour of unskilled workers and artisans and of those employed in education in the fine arts, in literature, in science, in the administration of justice and in government in all its branches and we must include also not only the labour that results in the permanent form, but also that which renders services which perish in the act.” Welfare in Indian industry implies the provision of medical and educational services, a congenial work atmosphere etc. The need for providing such services and facilities arises from the social responsibility of industry a desire for upholding democratic values and a concern for employees.

The Encyclopedia of social science (Vol. XV. 1935) defines labour welfare as “The voluntary efforts of the 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”.<sup>1</sup>

“The report of the committee on labour welfare set up by the Government of India in 1969 refers to welfare as a broad concept, a condition of well-being. It speaks of measures which promote the physical psychological and general well-being of the working population.” Welfare covers the families of workers especially in India, where because of strong family workers; well-being encompasses that of their families. Labour welfare implies providing better work conditions, such as proper lighting, heat control, cleanliness, low noise level, toilet and drinking-water facilities, canteen and rest rooms health and safety measures, reasonable hours of work and

holidays and welfare service, such as housing, education, recreation transportation and counseling. 2

The necessary welfare facilities are provided in order to increase the efficiency of the workers and contented labour force plays an important role in stabilizing the industrial relations of any company. The labour Welfare Activities of the employers in particular and of the state in general is not only conducive to an improvement in the conditions of the working class but are the best kind of investment to employers for promoting industrial efficiency. Besides, labour welfare has tremendous potentialities for pestering good industrial relations.3

## **4.2 Why welfare?**

In India, welfare is of the statutory and the non-statuary kinds. Though statutory welfare ensures a bare minimum of facilities and reasonably good working conditions, employers are free to provide or not to provide non-statutory welfare. However, practically all organization in India provides non-statutory measures in varying degrees. Why is such organization involved in extensive welfare measures? This question can be viewed from the point of view of the workers, the unions and the employers.

From the view point of workers welfare measures must eliminate risk and insecurity. This is to ensure their personal safety and provide them with the equipment and atmosphere needed to draw a fair day's wage without and feeling of guilt. Given the workers economic constraints, probably due to large families, organization should provide faculties such as transport, medical aid, crèches, and subsidized food required by the worker.4

Unions would like to secure several benefits to maintain their image. The role of unions in welfare has also been influenced by the sociopolitical and legal environment and the economy. Their role in labour welfare stems the workers need for welfare services apart from those available to them as citizens and members of the community. Therefore, unions feel that such services ought to be provided either by the Government or the employers. However, much depends on the initiative of the unions, their bargaining strength and the priority given by them to the rights of the workers. In organizations where unions have been considerable, while in unorganized sectors workers have not been able to derive sufficient benefits form their employers.

Employers provide amenities to discharge their social responsibility raise the employee's moral use the work force more effectively and reduce turnover and absenteeism. Benefits such as bonus, etc. are bound by length of service, thus ensuring that employee will remain for a certain minimum period at least. Though paternalism may be out-moded many managers feel, while others are convinced that welfare benefits not only raise employee morale but make it easier for employees to attract and hire competent personnel. Welfare helps build a positive image of the organization and facilitates dealings with the union.

### **4.3 Labour – welfare facilities in Panchganga Co-operative Sugar Factory, Ichalkaranji.**

The necessary welfare facilities are provided in order to increase an efficiency of the workers and contented labour force plays an important role in stabilizing the industrial relations of any company. This chapter deals with labour welfare facilities implemented in Panchganga Co-operative Sugar factory. The facilities are available in the Panchganga Co-operative Sugar Factory.

#### **4.3.1 Statutory welfare facilities:**

##### **4.3.1.1 Working hours and shifts:**

The administrative officer work starts from 9 a.m. to 5 P.M. The factory has provided half an hour of interval for lunch. The working hours in the factory are approximately 8 hours per day.

##### **4.3.1.2 Holiday:**

The workers of Panchganga co-operative sugar factory Ichalkaranji get 10 holidays in a year. They enjoy three National holidays and seven festival holidays. The following national and festival holidays are observed in Panchganga co-operative sugar factory.

##### **National holidays:**

- 1) Republic day
- 2) Independence day
- 3) Gandhi Jayanthi

**Festival holiday:**

- |                     |                           |
|---------------------|---------------------------|
| 1) Ramzam           | 2) May Day                |
| 3) Ganesh Chaturthi | 4) Dasara (Vijaya Dashmi) |
| 5) Diwali           | 6) Christmas etc.         |

**4.3.1.3 Leave facilities:**

The following types of leave with full pay are granted to the workers –

- i) Casual leave - 06 days
- ii) Earned leave or privilege leave or annual leave with wages. As per Factories Act 1948.
- iii) Half pay leave/sick leave - 12 days
- iv) Maternity leave - 12 weeks
- v) Leave without pay - 5 days

**4.3.1.4 Drinking water:**

The factory has provided pure drinking water in order to preserve the health of employees. Drinking water facility is provided in every section of the factory. During hot season factory provides air-cooler to every department.

**4.3.1.5 Canteen:**

The Panchganga Co-operative Sugar Factory has made available a canteen in the premises itself. The canteen consists of a big hall equipped with furniture, utensils and other equipments. The canteen is run by contractor. In the canteen tea, snacks, meals etc. are available at subsidized rates. Coupons are provided to workers on credit. The company offers provision regarding ration. The factory provides canteen subsidy of Rs. 90 per head per month.

**4.3.1.6 Washing and bathing facilities:**

The factory has allowed suitable, washing and bathing facilities for all employees in order to maintain their health and efficiency. Bath rooms are kept clean also.

#### **4.3.1.7 Better working conditions:**

Better working conditions improve the health and efficiency of workers. According to the provision of Factories Act 1948 suitable arrangements are made for ventilation in every department by open windows and fans in order to have circulation of fresh air. The building of the factory is big enough to allow sufficient light and fresh air. Cleanliness is maintained in the factory by employing special staff for cleaning the factory compound, departments, washing places, latrine blocks and for while washing. Effective arrangements are made for the disposal of wastes and effluents. The factory has made avail of natural and artificial lighting facility in every part of the factory. Glazing window and skylights are kept clean. The premise of the factory is clean.

#### **4.3.1.8 Safety Appliances:**

In order to prevent accidents in the history the factory is using safety appliances. Fire suckers and minimal fire extinguishers are kept in every department of the factory. Modern machines are provided with safety guards. Effective arrangements are made to prevent inhalation of dust and fumes and their accumulation. The other safety equipments such as rubber gloves, gumboots, uniform etc. are provided to each and every worker in every room.

### **4.3.2 Non – Statutory welfare facilities:**

#### **4.3.2.1 Educational Facilities:**

At present the need of education is the most urgent as the country is under the process of industrialization in which adjustment from agriculture to industry. The employers should provide the labourer and their children with necessary facilities for education. This education should be varied and diversified.

It is also important that the children to the workers should be provided with educational facilities, libraries, reading room, schools, financial assistance etc.

#### **4.3.2.2 Housing Facilities:**

Housing is one of the basic human necessities of all the requirements of workers, decent and cheap housing accommodation is of great significance. The problem of housing is one of the main causes for fatigue and worry among employees

and this comes in the way of discharging their duties effectively. Most of the organizations built quarters nearer to the factory and provided cheap and decent housing facilities to their employees.

#### **4.3.2.3 Medical facilities:**

These benefits shall be provided to an insured employee or to a member of his family where the benefit is extended to his family. Therefore medical care and health facilities for industrial workers form an integral part of labour welfare programmes. The factory has established a hospital primarily for its workers but the facilities are also made available to the rural population. Moreover the factory periodically organizes free medical camps to make available to common experts advice of specialist doctors in different branches.

#### **4.3.2.4 Recreational Facilities:**

The management has taken keen interest in stimulating the sports and cultural activities amongst sugar factory. The recreation club is also there. The club has library facility. The workers celebrate Ganesh Utsav every year. The recreation club has also made avail of T.V., newspaper, books, libraries etc.

#### **4.3.2.5 Gratuity:**

According to the provision of payment of Gratuity Act 1972 gratuity is paid to every worker.

- a) On his superannuation.
- b) On his retirement or resignation due to ill health.
- c) On his death or disablement due to accident or disease.
- d) On his resignation or termination of payment for any reason other than for serious misconduct.

Employees who complete 5 years of service or minimum 240 days service per year are eligible for gratuity.

#### **4.3.2.6 Provident Fund:**

According to the provision of employees Provident Fund Act 1952. The employees of co-operative sugar factory who contribute towards employees Provident fund are eligible to receive an advance against their accumulated fund amount. The

employees provident fund scheme covers all the employees who actually work for not less than 60 days continuous service in the company. This scheme covers casual workers also. Each employee contributes 10% of his salary and employer contribution 20%.

#### **4.3.2.7 The Employees State Insurance Scheme:**

This factory has covered all workers under E.S.I. scheme. The employees covered under the scheme are entitled to medical, sickness, dependents, maternity accident, disablement and funeral benefits. All these benefits are paid in cash except medical which is paid in kind.

#### **4.3.2.8 The workmen's Compensation Act. 1923:**

Benefits provided under this Act are not available to those who are covered under the provision of the E.S.I. scheme, according to the provision of the Act. The company has to bear costs.

#### **4.3.2.9 Bonus:**

The factory provides bonus and productive incentive to its workers as per Bonus Act. The percentage of bonus depends upon profit of the factory. Since last 05 years factory has not provided bonus.

#### **4.3.2.10 Good attendance benefit:**

In order to reduce absenteeism the factory provides good attendance benefit to its workers. The factory provides 4 days wages to the workers who have completed service of 240 days to 250 days in a year and 6 days wages to those who have completed service of 250 and above.

#### **4.3.2.11 Ration Facilities:**

Ration facilities have also become an important part of labour welfare. In many places employers have provided ration facilities for their workers. These facilities help them to get goods of daily use at concessional prices. Therefore, that establishment of consumer's co-operative stores should be encouraged.

Accordingly, consumer co-operative societies are formed in the industries in order to provide to the members good quality food grains, cloth and all necessary



articles of daily consumption and to keep the prices at a fair and reasonable level, lower than the market rate.<sup>6, 7.</sup>

#### **4.4 Conclusions:**

Labour welfare as the voluntary efforts of the employers to establish within the existing industrial system, working and sometimes living and cultural conditions. Welfare as a broad concept. Labour welfare implies providing better work conditions, such as proper lighting, heat control, cleanliness, low noise level, toilet and drinking-water facilities, canteen and rest rooms health and safety measures, reasonable hours of work and holidays and welfare service, such as housing, education, recreation transportation and counseling. Why welfare? Getting to the worker. From the view point of workers welfare measures must eliminate risk and insecurity. Following facilities are available in the Panchganga Co-operative Sugar Factory, statutory and the non-statuary in this way increasing the economic and social condition.

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