

## **CHAPTER –V**

# **LABOUR WELFARE ACTIVITIES IN MAHATMA PHULE, MAGASWARGIYA SAHAKARI SOOT GIRNI LTD PETH VADGAON**

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## CHAPTER –V

### LABOUR WELFARE ACTIVITIES IN MAHATMA PHULE, MAGASWARGIYA SAHAKARI SOOT GIRNI LTD PETH VADGAON

#### 5.1 Introduction

Labour is the key factor in any industrial production. The productivity of the labour depends on several aspects like services, rewards and incentives offered by the firm, working conditions and atmosphere, healthy and harmonious relationship between labour and management. If all these aspects are maintained properly by the management body of the firm then, the firm will move on the path of long term and sustain growth. All these aspects are concerned with supply side but there are also some demand side factors which play a very significant role in the determination of labour productivity. These factors have different dimensions like education level of the labour, skillness of the labour, social development, physiological condition, environmental healthiness and bargaining power.

In present chapter attempts are made to observe the working condition of labour in study area and made a review of various labour welfare schemes which were implemented by the mill. The chapter is based on primary data source therefore the information given by labour respondent is assumed as reliable. Whatever information gathered through self observation of the mill and personal interview has been presented in this chapter in descriptive manner.

## 5.2 Nature and Scope of Labour Welfare

The importance of labour welfare can be explained from various points of view. From humanitarian point of view industrial workers should be provided with certain facilities and amenities of life. From economic point of view, welfare is very essential and it improves the living standard of workers as well as working condition and productivity.

The satisfaction of the labour will have definitely affects on the labour productivity, which will leads into the growth of the production. The services like housing, medical services, social security (Pension), Provident fund, education facility, minimum wages and other promotional incentives are bound to increase the mental efficiency and economic productivity of industrial workers. The provision of various welfare measures such as good housing canteens medical and sickness benefits etc. make them relize that they also have some status in the undertaking any neckless action which might against the interest of undertaking.

The welfare measure such as cheep food in canteens free medical checkup and educational facilities etc. indirectly increase the real income of workers. If the workers go on strike they try to avoid industrial disputs as for as possible and do not go on strike on flimsy ground.

The welfare activities will reduce labour turnover and absenteeism and create a permanent settled labour force by making such units attractive to the labour.

This labour welfare activities carried on the mills would contribute:-

A) In making the service in mill attractive to the workers.

- B) In creating a permanent settled labour force.
- C) In reducing labour turnover and absenteeism,
- D) In improving relation between employers and employees.
- E) In improving the efficiency of workers.

Besides the social advantages of the welfare activities are also of great important.

- 1) Educational facilities increase the mental efficiency and economic productivity.
- 2) The provision of canteen were clean, and balanced food is available to workers health improves.
- 3) Medical maternity and child welfare facilities improve the health of the workers and their families and bring down the rates infant mortality and improve the health of workers.

### **5.3 Labour Welfare Activities in Mahatma Phule Magaswargiya Sahakari Soot Girni; Ltd; Peth Vadgan**

#### **Facilities provided to the workers**

By considering the importance of workers in the progress and development of the spinning mill the management of the spinning mill has provided following facilities to the workers.

#### **1) Canteen Facilities:**

There is a canteen facility made available to the workers. The workers have canteen facility so as to have food items at concessional rates. The worker's

representative has been included in the canteen management. The meeting of the canteen management is held once in a month so as to keep the good quality of the food items in the canteen. There are total 600 workers out of which around 400 workers daily use canteen facility more frequently. Near about 550 workers daily use canteen facility for breakfast and tea. The total expenditure of the mill on the canteen facility and food is around Rs 25000/- per month.

**Observation:**

The sixty total sample workers expressed their views that rates of items of canteen are higher than in outside hotel and quality of food is not comparable to the price.

**2) Medical Facility:-**

The mill is extended several medical facilities to its employees. It is providing first-aid facility and ambulance facility to the work force for minor illness, injuries due to accidents. If workers meet with accident on duty, the administrative staff of the mill admits them immediately in Government civil hospital. As per the factory act, if a mill is away from city by more than 5 km then mill has to have its own dispensary but this mill has not such dispensary. However mill has appointed one M.B.B.S doctor in peth vadgaon. Mill is giving TT injection two times in a year and arranging blood (Hemoglobin) test of labour. All these facilities are provided to them at free of cost.

The mill is not directly spending on medical service except the appointed doctor. From its opening, the total Rs 8.5 lakh has been spent by the mill on medical services. In an average annually Rs. 70 thousand has being spending

on the medical facility by the mill. Up to the end of March 2014, total 78 workers are received the benefits of the medical facility which is just 13 percent of the total workers.

**Obesevation –**

Out of sixty total sample workers respondents well (12 percentage total sample) satisfy medical facility. But this mill has not such dispensary.

**3) The Rest House:**

The mill has constructed rest house for workers so as to enable the workers to take rest in the rest house before and after working houses. In the rest, house mill have provided fan, beds, water, toilets etc. The mill has built up a rest house by investing Rs. 4 lakh in year 2004. Out of the total workers around 35 percent workers are using rest house facility regularly. Especially this facility is used by the night shift workers. The mill has invested newly Rs.16 lakh for building additional rest houses in the year 2009-10

**Observation –**

Out of total sample respondents four percentage are using rest facility regularly.

**4) Personality development facility:**

The mill has organised personality development programmes. Various competitions are also arranged on 1<sup>st</sup> May of every year. Winners are given prizes and certificates.

**Observation –**

Five percentage total respondents were benefited by this facility.

### **5) Ideal Workers Scheme:-**

The quality and skilled work motivation is essential as a part of appreciation of quality work. In order to enhance the potentials, their achievements and moral of the workers, ideal workers scheme is implemented. The workers are motivated every year. Department wise one labour is selected as a ideal worker on the basis of his performance during the year and they were felicitated by prizes Rs 501/-. Till 45 workers were felicitated as ideal workers. However the amount of Rs.22500/- which was spent on the ideal workers scheme which is very less.

### **6) Workers Participation in Management:**

The participation of the workers in management plays very crucial role in the development of the firm. The success of any enterprise depends upon the workers participation in decision making. The representative workers are included in the board of director.

### **Observation –**

Four percentage our interview we got information that there is not workers is taken in management.

### **7) Workers Colony:**

The Management has provided 10 quarters for the workers. Mill has built of bachelor type quarters. The mill has quarter (C type) provided to drivers and guards. The quarters are good in condition with regard to lighting, toilet. The mill has given the free quarters to important staff members. Up to the end of March 2014, total expenditure made on quarters was Rs. 45 lakh.

**Observation –**

Four percentage total sample respondents are benefited from disfacility.

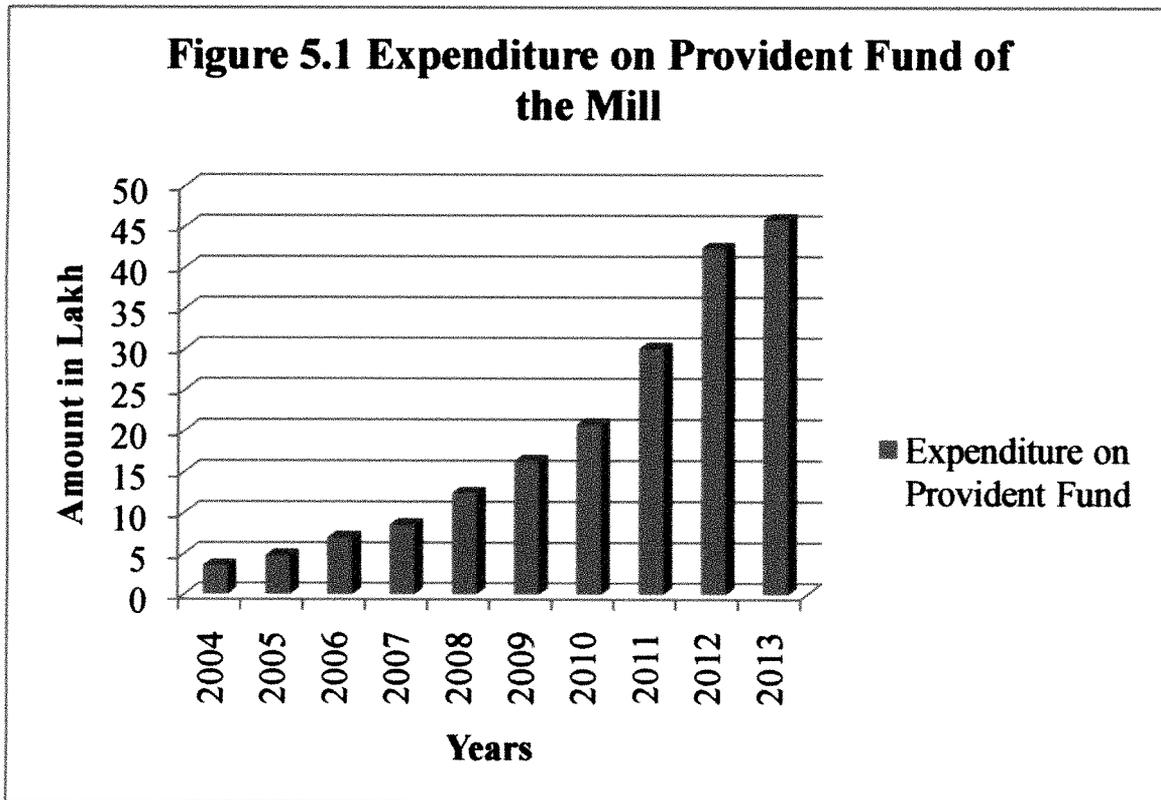
**8) Provident Fund Scheme:**

According to Co-operative rules, a provident fund scheme has been started in the mill.

**Table 5.1: Expenditure of the Mill on Provident Fund (Amt. in lakh)**

<b>Year</b>	<b>Expenditure on Provident Fund</b>	<b>SGR (%)</b>
2004	3.57	-
2005	4.75	33.05
2006	6.95	46.31
2007	8.54	22.87
2008	12.42	45.43
2009	16.29	31.15
2010	20.76	27.44
2011	30.07	44.84
2012	42.34	40.80
2013	45.84	33.05
Total	172.89	

**Source:** various annual report of the Mill



According to this scheme a subscription of 12% is deducted from workers pay and the proportionate amount is added by the mill. It is clear from figure 5.1 and table 5.1 that the expenditure on provident fund is increasing steadily and rapidly. It was just Rs 3.57 lakh in the year 2004 and reached to Rs 45.84 lakh in the year 2013. It mean that there is 15<sup>th</sup> fold increase in the provident fund expenditure during the study period.

#### **9) Family Pension Scheme:**

It is one of the best labour welfare practices in the mill, in which family members of the workers are protected from illness. A subscription of 2.75% is deducted from the payment of the workers and deposited in family pension account.

### Observation –

Near about total Five percentage of total simply respondents. They are were benefit by this family pension scheme.

### 10) Gratuity:-

According to a Co-operative rules the workers are provided with gratuity.

### 11) Bonus:-

The mill gives bonus every year to each worker at Diwali festival. Range of the bonus depends upon profit earned by the mill. Higher bonus rate is offered when there is high profit and vice versa. The bonus has government rules. The 8.33% of salary as bonus was declared for the year 2012-13. Though it is lower compare with other cooperative mills of the district, it is offering bonus even in losses. As this mill is being run by backward community it is noteworthy feature of mill.

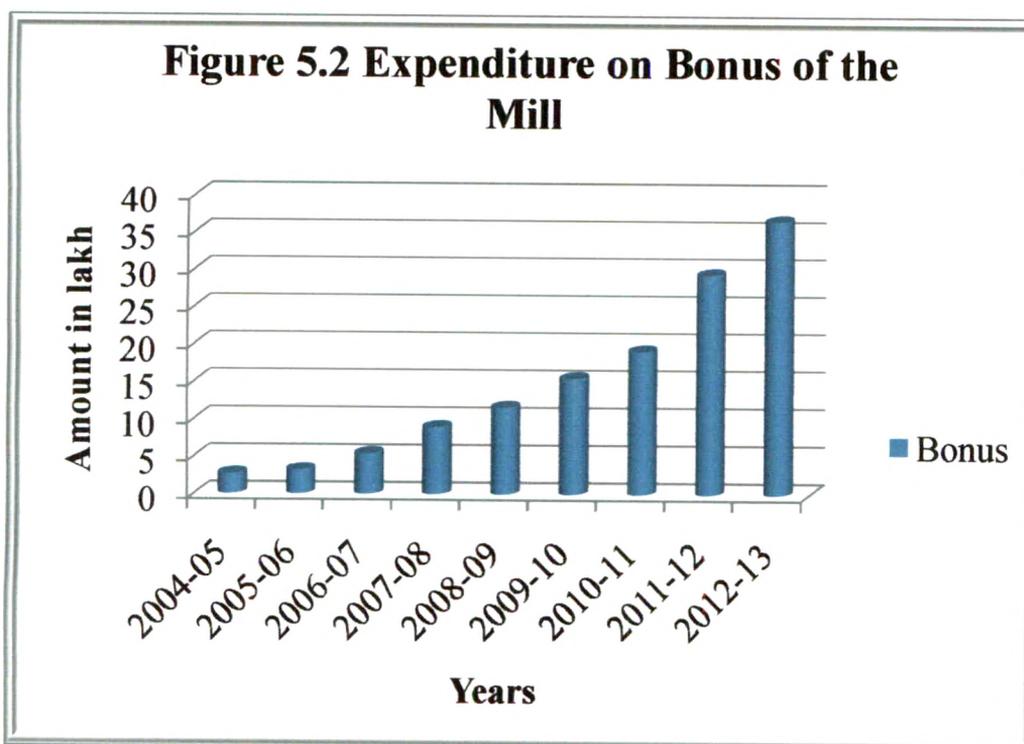
**Table 5.2 Bonus Expenditure of the Mill**

**(Amt. in Lakhs)**

<b>Year</b>	<b>Bonus</b>	<b>SGR (%)</b>
2004-05	2.69	-
2005-06	3.23	20.07
2006-07	5.41	67.49
2007-08	9.01	66.54
2008-09	11.66	29.41
2009-10	15.48	32.76
2010-11	19.18	23.90

2011-12	29.44	53.49
2012-13	36.65	24.49

Source: Various annual reports of the mill



It is observed from the figure 5.2 and table 5.2 that the expenditure on bonus of the mill is also increasing continuously and speedily. It is evidence from figure 5.2 and table 5.2 that the mill has more labour concern, even though it is suffering from heavy burden of losses.

## 12) Insurance Scheme:

The worker has to operate machines so they have to work in risky situation. Out of 600 labours, the only 45 labours are permanent. Accident occurs and a workers is likely to be seriously injured so mill has implemented the insurance scheme Rs. 1 lakh for serious injured to all permanent workers.

The mill is paying insurance for workers. Insurance compensation for serious accident to every workers is ranging between Rs.25,000 to 30,000/-.

**Table 5.3 Labour Insurance Expenditure of the Mill**

Year	Insurance (Amt. in Lakh)	SGR (%)
2003	2.56	-
2004	7.41	189.45
2005	9.65	30.22
2006	9.33	-3.31
2007	11.95	28.08
2008	5.97	-50.04
2009	3.65	-38.86
2010	3.47	-4.93
2011	2.71	-21.90
2012	2.05	-24.35
2013	2.48	20.97
Total	61.30	

**Source:** Various annual reports of the mill

In table 5.3 the expenditure of the mill on insurance has been depicted. It is seen from the table that there is ups and downs in the expenditure. The simple annual growth rate is highly fluctuating. It is negative during the year 2008 to 2012 and in 2006. The highest simple annual growth rate of 189.45 percent recorded in the year 2004. The cumulative total 65 workers were benefited from this scheme.

## **Observation –**

Out of total sample respondents total 40 percentage were received benefit of insurance scheme.

### **13) Family Planning:**

For the sake of welfare of family, family planning is essential. The family planning camps were arranged. Guidance was given by the experts. The workers were given information about family planning. The total 135 labours were participated in this camp.

### **14) Co-operative Credit Society:**

To meet the financial problems of the workers, Co-operative credit society has been started. The workers borrow the funds from society. Up to the end of March 2014 the total loan amount of Rs 69.28 lakh were distributed among the 46 workers by this cooperative society.

### **15) Ventilation:**

For fresh and pure air ventilation Electrical fans were fitted in the buildings of mill. A humilation system is maintained well.

### **16) Dress Facility:**

The mill had provided dress to maintain department, electrical department, security department workers, godawcn keepers and drivers. The mill had provided mask apron and air bag caps to the production department workers for their physical protection.

### **17) Cleanliness:**

The mill has 48 acres area. There are fruit gardens and beautiful plantations. Pollution free and pleasant healthy environment exist in the mill area. To keep clean, the mill had painted the walls and machineries. In mill, the toilets, all windows computers, tables and chairs are cleaned on every Sunday by using chemicals. So in the mill cleanness is maintained properly.

### **18) Lighting:**

In each and every department of the mill, sufficient lighting system is maintained properly.

### **19) Drinking Water:**

In the mill premises and in each and every department there is sufficient supply of drinking water. The mill has a warana river system of its own so that the regular supply of drinking water is made available. There is also a filter plant for water purification.

### **20) Labour Office:**

The mill has labour office department according to section 49 of the factories act of 1948. In the mill, attended grievances of the workers properly and solve the labour problems.

### **21) Safety Programmers:**

In this mill safety facilities like anti-fire cylinders are placed at every corner. The equipment like five hydrant electronic micro switches, hydrogen sand buckets etc. are maintained in each and every department of the mill.

## **22) Training and Development:**

Mill has separate training room new training equipments and one training supervisor. The mill always recruits new candidates so it gives proper training for six months to all candidates according to the requirement of department.

## **23) Waste Disposals:**

The mill has a proper arrangement for waste disposals. It will be used as fertilizer for garden and a forestation of the mill.

## **24) Labour Law and Practice**

The labour law like maternity benefit act is not applicable to the mill because there are no female workers in the mill. Child labour prevention act etc is practiced in the mill. All the provisions, in the other labour laws are strictly followed in the mill.

## **5.4 Conclusion**

Labour is the part and parcel of the production activity. It is an integrated part of any production. There is a vital role of the labour welfare activities from social and economic point of view. After having careful observation and taking interviews of the labours researcher can be strongly asserted that the mill administration and management is very much aware and serious about the labour welfare activities. As a result of that the workers are involving fully in the production system. As a being cooperative mill there should be strong involvement of the workers at the every step of the production (i.e from purchasing raw to selling product) and researcher has found such an involvement. The work done by mill administration and

management in context of labour welfare activities like family pension scheme, health check up camps, rest room and canteen etc are also not negligible. Thus even though mill is suffering from heavy losses, it is seriously under taking several labour welfare activities which are definitely charming.