

TOPIC NO : V

CONCLUSIONS, OBSERVATIONS AND SUGGESTIONS.

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In the light of the foregoing discussions, tabular analysis and conclusions arrived at, it will not be out of place to formulate our findings, conclusions and suggestions in the nut-shell. With a view to bringing about the clear and consolidated picture of the labour remuneration with reference to Laxmi Co-op. Processors Ltd., Ichalkaranji.

The following aspects of Labour remuneration emerge clearly after a careful study of the working condition and living conditions of the labour at Ichalkaranji.

CONCLUSIONS :

1) The comparative study of income of the Process House on one hand and expenditure on wage and salaries on the other during the period from 1979 to 1983-84, clearly indicates a decreasing trend in the percentage of expenditure on wages and salaries. As compared to income of the process house the wage bill percentage comes down from 18.22% to 9.56%. It is observed that the number of workers remaining more or less constant in spite of the rate of increase of income.

The higher rate of increase of income as compared to average expenditure on wage and salaries has resulted in the decrease in per unit cost of labour. It is therefore, safe to conclude that the labour productivity has been considerably increased during the five years under review. It is to be concluded that the efficiency of the worker has been increased, from the fact that the labour productivity has been increased in spite of the decrease in per unit labour cost.

2) One of the factor responsible for the increase in the productivity of the labour is the company's policy of recruiting young and energetic employees in the process. The table showing distribution of employees according to ages (vide table 2) is a pointer to the fact that 80% of the workers belongs to the Age Group between 18 to 38 years whereas less than 20% of workers are in the process house above 48 years. It is needless to comment that, the policy of recruitment of young employees in process house has been resulted in the high efficiency of the labour, and higher productivity in the end.

3) As to the educational qualifications of the employees in the process, it has been observed that only a small percentage of the workers is illiterate, whereas more than 91% of the workers have received some kind of education. The striking fact however, is that not more than 7% of the workers have benefitted themselves with education at the collegiate level. The general impression prevailing at the process is that advanced education is not essential for the job at the process, as the nature of the job needs little skill, other than clerical and mechanical one. It is however, felt that with advanced training in the managerial field and technical know-how, the quality of the total output can be improved.

4) As it has been already tabularised, 90% of the employees working in the process are from the vicinity of Ichalkaranji town, who have settled themselves in the catchment area of the textile town within the radius of 6 k.m. ( table No.5).

5) Our enquiries in order to probe into the satisfaction of the workers with their present wages revealed that 63 workers out of 80 were dissatisfied with their income. This is surprising because the process house is giving better wage in comparison with other processors in the town. But the fact

remains that only one person out of five is satisfied with his wages. ( vide table No.6)

6) It is reviewed that bonus of the process house is comparatively higher than other process houses. The process also favoured the employees with 'Sanugrah Anudan' in the year 1982-83 and 1983-84 in addition to the yearly bonus, at the time of Diwali Festival.

In spite of the higher wages, bonus and 'Sanugrah Anudan', the workers are not in a position to save money, as their saving capacity is next to nothing due to the rising cost of living in Ichalkaranji. They have to utilise the bonus for the purposes of clearing their debts incurred while meeting with the every day needs of the family in spite of the fact that most of them have supplementary income from the sources like land, side business, house property and other sources (table No.7)

7) The deductions from the wages of the employees made at the source by the company bring home the extent of debt the workers incur, as 80% of them have their wages deducted for recovery of advances and loans. Other deductions, at the source, include the deductions for

payment of Employees Co-operative Society and the deductions for providend fund contribytion. Very few workers, it seems, are in a position to take the full amount of salary to their home. (table No.8). This, indeed, presents a bleak picture of the economic conditions of the workers employed in the process.

8) In view of the short distances they have to cover from their residences, 80% of workers prefer the bicycle as the mode of conveyance, and the rest travel by the city bus run by the state transport. Only a few workers, however report on their duties on foot or by scooter. (table No.9).

9) The employees in the process do not receive medical grants and other provisional or special allowances, as the process house is covered under the Employees State Insurance Scheme, from which the worker is duly compensated in case of accidents or injuries while on work. Such accidents, however, are very rare.

OTHER OBSERVATIONS :

1) The employees of the Laxmi Co-op. Processors

Ltd. are exclusively males, and though only 6.25 per- cent of them have received education at the college level, the number of illeterate employees is 8.75 per- cent, a negligible number by the standards of our country. The company has not recruited any worker below 18 years.

2) As already has been pointed out, the wages of the employees of the process are higher in comparision with other process in Ichalkaranji. It should however, be noted that the salaries and wages of the employees of the process are low as compared to those of the employees working in spinning mills, weaving indust- ries and engineering industries in Ichalkaranji.

3) The company has adopted time-rate system of payment in the processunit, which has proved to be instrumental in bringing about increased productivity.

4) The relations between the supervisor and the workers have been observed to be cordial and friendly, which has been resulted in the smooth conduct of the routine. The incidence of insubordination is less, and the team spirit has encouraged productivity and efficiency of the ~~work~~ process.

- 5) The Process is well-equipped with the latest machinery and technicians skilled enough to employ new and developed techniques of production.
- 6) Provident fund, gratuity, casual, sick and privilege leave are granted to the employees according to the relevant acts of central and state government.
- 7) Processing activities is not included in the minimum wage act. Therefore minimum wage act is not applicable to this industry.

SUGGESTIONS :

It will not be out of place to put forth a number of practical suggestions with a view to bringing about reforms in the industry and welfare of the labour in the process.

- 1) It has been observed that the employees do not have sufficient amount of money to purchase essential commodities at the end of the month. It is, therefore, to be suggested that essential goods be supplied to the employees on credit, instead of the present practice of advancing them loans or advances against next month's salaries.



2) The table showing the length of service of the employees of the process house clearly indicates that the majority of workers are working in the experience group of 5 to 10 years which means only quite a small number of workers will be retiring from the higher posts in the near future. Added to this is the present textile policy of the Central Government encouraging production of polyester cloth which has left the powerloom industry at Ichalkaranji in a shambles. Under these circumstances, the process is in no position to offer chances of promotion to the young and ambitious employees, at least in the near future. Hence, the present state of dissatisfaction amongst the workers. As the problem has a far reaching impact on the powerloom industry in general, it is time the right thinking industrialists in the field came together to thrash out the problem to devise ways and means by which the talent can be attracted in the field. Specialised and intensive training in the various fields, additional increments to the efficient and dynamic workers and a large scale recruitments of technical hands etc. would be some of the ways that can be suggested to attract talent in the field. It must be noted that there are two textile training institutes, in the textile town and that one textile

institute viz. Dattaji Kadam Textile Institute is conducting the degree course in the textile (B.Text.) the only college to do so in Shivaji University. Under the competent leadership of Principal Ajagaonkar and the highly educated staff of the college, the institute will be turning out the first batch of graduates in the Textile manufacturing and engineering, as the present year i.e. 1986. The absorption of the skilled hands will go a long way into accelerating the growth rate of production of the process.

3) Though the percentage of illiterate workers in the process is comparatively low, it is not less than 9 per cent - a fact we cannot afford to neglect. Even those that have received some instruction at primary or secondary level are not always in a position to make intelligent and economic planning. Their general knowledge and the level of understanding leaves much to be desired. Such workers can be easily swayed in the wrong direction by the selfish politicians and corrupt leaders who use them as tools for fighting their battles. The process, therefore, would do well to start adult education centres of their own to make them socially aware and politically conscious, knowledge of provision of wages, apart from imparting them reading and writing skills.

4) The housing problem in Ichalkaranji, as in any industrial city, is very acute. The 'houses' are not available; and almost all workers have to manage with a room which they have to share between them. Their living conditions are beastly, to say the least. The process, therefore, should immediately undertake to provide them with quarters on moderate rental basis. In lieu of this a house rent allowance should be provided.

5) Productivity linked payment schemes such as good service rewards should be adopted in order to give incentive to the employee. For example, if a worker reports on duty without missing a day in a month, he may be given a reward of Rs. 30/- as an extra benefit. It is hoped that this practice will bring in dynamism and sense of belonging amongst the labour.

6) The common practice in India is to employ sportsmen in their organisations. The process also should recruit sportsmen in the company and expend some money on sports.

7) For effective Labour Remuneration processing activities should be included in the Minimum Wage Act.