



IMPACT OF LABOUR WELFARE MEASURES ON PRODUCTIVITY OF LABOUR

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ABSTRACT

The study is of paramount importance as labour welfare measures influence the attitude of the workers toward work resulting in impact on their productivity. These labour welfare measures constitute an important factor in raising productivity in association with other factors of production including an efficient management. The productivity may be enhanced in various ways such as training, education, health, recreation facilities, social security measures e.t.c. However these labour welfare measures have huge importance in enhancing labour productivity. These labour welfare measures may be classified as extra-mural and intra-mural as well as statutory and non-statutory and may be undertaken by the employers, Govt., trade unions or voluntary organizations. In this paper, correlation has been established between labour welfare measures and labour productivity. For this purpose, 30 units of various categories has been selected out of 82 large scale industries and 15 labour welfare practices has been focused on for the study. On the basis of which conclusions have been drawn by adopting research methodological tools of sound judgement and understanding. In brief, at last, it may be concluded that welfare measures improve the physique, intelligence, morality and standard of living of the workers which in turn will improve their efficiency and productivity.

Keywords : productivity, extra-mural, intra-mural, correlation, morality.

INTRODUCTION

The economic development of a country depends upon the production of commodities and services. The production is the result of five factors of production ex. Land, labour, capital, organization or management & entrepreneurship. Out of these five factors, the labour is the active factor of production. The productivity of labour has gained the greatest attention of industrial psychologists and researchers in the field of economics and management. The productivity of labour depends upon its efficiency. The happiness and the efficiency of workers are the mirror of the prosperity of an industry. This prosperity of an industry is the end result of productivity. To neglect the labour class is to neglect the productivity, so labour welfare measures become crucial because of the reasons like low level of wages, irregular working hours, inability of trade unions to undertake welfare work, to build up a stable labour force for creating a genuine welfare state, to create good psychological feelings and to create good moral habits.

Under such conditions labour welfare can be only relief to laboring class. 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 services, such as housing, education, recreation, transportation and counseling.



MEANING AND DEFINITIONS OF LABOUR WELFARE MEASURES

The concept of 'labour welfare' is necessarily flexible and elastic and differs widely with time, region, industry, social values and customs, degree of industrialization, the general socio-economic development of the people and the political ideologies prevailing at a particular time.

A few definitions of labour welfare measures are given as under:

According to the **Committee on Labour Welfare**, welfare services should mean, "Such Services, facilities and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities, arrangements for travel to and from place of work, and for the accommodation of workers employed at a distance from their homes; and such other services, amenities and facilities, including social security measures as contribute to the conditions under which workers are employed."

The **International Labour Organisation (ILO)** report refers to labour welfare as, "Such services, facilities and amenities as may be established in or in the vicinity of undertakings to enable the persons employed in them to perform their work in healthy, congenial surroundings and provided with amenities conducive to good health and high morale."

LABOUR PRODUCTIVITY

As given output is the result of combination of many different factors of inputs such as raw materials, machines, power, worker time and entrepreneurship. These factors are effectively utilized in producing given volume of output. Productivity is the ratio between net output and factor input.

$$\text{Productivity} = \frac{\text{Net Output}}{\text{Factor Input}}$$

If productivity is to be calculated as a ratio between output and labour, then it is known as labour productivity. Labour productivity in terms of labour input given as under:

$$\text{Labour Productivity} = \frac{\text{Net Output}}{\text{No. of Workers}}$$

Labour productivity measurement is an important tool of economic and social analysis. 'Productivity' establishes relationship between output and labour.

IMPORTANCE OF THE STUDY

The study of labour welfare measures which influence the attitude of the workers towards work occupies an important place in the study relating to productivity of an industry. These labour welfare measures constitute an important factor in raising productivity in association with other factors of production including an efficient management. The importance of the study focuses mainly on the importance of labour welfare measures because of the following reasons:

- i) The welfare activities influence the sentiments of the workers.
- ii) The provision of various welfare measures makes the workers realize that they also have some stake in the undertaking in which they are engaged.
- iii) The welfare measures like subsidized food in canteens, free medical and educational facilities etc. indirectly increase real income of the workers resulting in avoidance of industrial disputes and strikes.
- iv) Welfare activities help in reducing labour turnover and absenteeism.
- v) Lastly, welfare measures improve the physique, intelligence, morality and standard of living of the workers.



OBJECTIVE OF THE STUDY

The present study has strived to find out:

- i) What is the relationship between labour welfare measures and labour productivity?
- ii) Is the labour welfare measures are conducive in enhancing the labour productivity?
- iii) What is the workers' responsiveness to labour welfare measures?

HYPOTHESES

The following hypotheses have been undertaken to conduct the study and test results thereof:

- i) Is there any relationship exists between labour welfare measures and labour productivity?
- ii) Is labour productivity has any bearing upon the profitability of an enterprise.

SCOPE OF THE STUDY

The present study is confined to:

- (i) Study of large scale industries of Kumaun region only.
- (ii) Study of labour welfare measures adopted by the large scale industries only.
- (iii) Study of effectiveness of labour welfare measures on labour productivity only.
- (iv) Study of economic variables of labour welfare measures only.

RESEARCH DESIGN AND METHODOLOGY

The present study is based on both the primary as well as secondary data. The primary data have been collected through (i) schedules; (ii) mailed questionnaire; (iii) personal interviews; (iv) personal discussions and (v) indirect oral investigations. The questionnaires was put before the-

- (i) Executives of the large scale industrial units of Kumaun region.
- (ii) Workers employed in the large scale industrial units of Kumaun region.

The secondary data have been collected from the Annual Reports and other relevant material of the sample large scale industries; statistical journal issued by the District Statistical Officers of Kumaun Division. Indepth discussions have been undertaken with the executives of these large scale samples units and the authorities of Government agencies responsible for labour welfare and enactment of various Acts which have provisions of labour welfare.

SAMPLING

A field survey 30 sample of large scale industrial units of Kumaun region was undertaken out of total 82 units. The sample have been chosen taking into consideration the products manufactured by these units.

Name of Product	No. of Sample Units
Sugar	2
Paper Products	2
Glycols	1
Pharmaceuticals	2
Plywood	1
Polyester Film, Chips	1
Confectionery items	2
Healthcare items	2
Electronic items	2
Electrical items	4
Edible Oil	2
Automobiles & Auto-parts	2
Plastic Products	2
Heavy Engineering Equipments	1
Engineering goods	4
Total	30



Ten workers from each sample large scale industrial unit were selected taking into consideration their nature of job, skill level, sex, caste and inhabitation. The present study is based on in-depth case studies of 30 large-scale industrial units of Kumaun Region of different units. As regards responsiveness of the workers towards welfare measures is concerned Likert's 5 point behavior Likert's scale formula has been applied to judge the order of the acceptance of the worker. For this 15 labour welfare measures have been identified. Likert's 5 point has been used as under:

Level of Labour Welfare Work	Very High	High	Average	Low	Very Low
Scores	5	4	3	2	1

The scoring technique was found to be more relevant for qualitative data. These labour welfare work scores exhibit at best the close approximations of the actual labour welfare practices of large scale industrial units under study. The total labour welfare scores thus obtained have been divided by 15 total no. of labour welfare practice variables- to compute the mean or average score as given in table:

Labour welfare practices	Category of Units														
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1 Health facilities	3	2	3	3	3	2	1	2	3	4	2	1	3	2	2
2 Education facilities	3	1	1	1	2	1	1	1	1	2	1	1	2	1	1
3 Recreation facilities	1	2	2	2	1	1	2	1	2	2	1	1	1	2	2
4 Safety measures	3	2	3	2	2	3	2	1	2	3	2	1	2	3	3
5 Training facilities	2	2	3	2	1	3	4	3	3	2	2	2	3	3	2
6 Housing facilities	1	1	3	2	1	1	1	1	1	1	1	3	1	3	3
7 Enhancing productivity	3	3	2	3	2	2	1	1	2	2	1	1	2	1	2
8 Skill development	3	3	2	3	2	2	1	1	2	2	1	1	2	1	2
9 Efficiency up graduation	2	2	1	2	1	1	3	3	1	1	1	3	2	1	1
10 Social security measures	3	3	3	3	2	1	1	1	2	3	1	1	2	3	2
11 Sound working environment	3	3	2	3	2	2	2	1	3	3	2	3	2	3	3
12 Supply of daily use items at concessional rates	3	2	3	2	1	1	1	1	1	1	1	1	1	3	3
13 Personal growth measures	2	3	3	3	2	1	3	3	3	2	1	2	1	3	1
14 Child cure and maternity benefits	2	2	1	2	1	2	1	1	1	2	1	2	1	1	1
15 Quality improvement techniques	2	2	2	2	1	3	2	1	2	2	2	3	2	3	3
Total Scores	36	33	34	35	24	26	16	22	29	32	20	20	27	33	31
Mean Scores	2.40	2.20	2.27	2.34	1.6	1.74	1.74	1.47	1.94	2.14	1.34	1.74	1.8	2.20	2.06

From the analysis of the above table, it is clear that sugar, paper products, glycols and pharmaceuticals industries have high mean score in comparison to other industries. It implies that workers are quite satisfied in these industries. As in Kumaun region and specially in UdhamSingh Nagar District, sugar, paper and glycols industries are most focused on. And large number of manpower are employed on these industries, besides it also provides indirect employment to as much as persons who are employed. Heavy Engineering Equipments and Engineering goods industries also scored quit good. Though it is quite difficult to comment that labour welfare practices have any bearing on labour productivity, but it cannot be deny that categories of some units have adopted good practices as they have scored on Likert's scale 3 or even 4 too. It may be concluded at last that sugar, paper products, glycols and heavy engineering goods industries have adopted fair labour welfare practices. It may also be noted annual growth rate in terms of sales is these industries is much higher than any other industries. So these industries think to invest more in welfare practices to keep the morale high of workers and thereby enhancing their productivity.



CONCLUSION

Although there has been growing awareness among the employers of the fact that the welfare activities have got beneficial impact, reflecting improved health, increased happiness of the workers, better industrial relations, increased efficiency & productivity resulting in higher level of output, there has yet been wide variation in the nature and quality of welfare amenities provided in different industrial undertakings. Another notable feature of labour welfare work is that with rare exceptions the provision of welfare measures seems to owe its existence more to possession of adequate funds rather than to deliberate planning. In view of the fact that welfare work, if provided in a spirit of sympathy, fairness, mutual compromise and respect welds the employer-employee relations into a potential and peaceful entity, every attempt has to be made to enlist workers' cooperation and active participation. On the whole, the success of welfare schemes depends as much on the manner in which they are administered and introduced as on the nature and quality of facilities offered.

JOURNALS AND PERIODICALS

- Business India
- Economic & Political Weekly
- Indian Labour Journal
- Indian Journal of Labour Economics
- Industrial Labour Review
- Labour Gazette
- Manpower Journal
- Management and Labour Studies
- Yojna

