

# Relevance of Welfare Facilities in Sugar Industry



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## Abstract

Sugar is a sector of significant importance to the national economy. It is the largest agro based industry in Bihar. The industry generates sizeable employment directly in the farm sector and indirectly through ancillary industries and related activities. It is estimated that about 5 lakh farmers are engaged in the cultivation of sugar cane and, approximately, another half a lakh as unskilled and skilled workers. There are also trained technologists, directly engaged in sugar industry in the state.

Because of being more labour intensive industry it needs to concentrate more in the area of employees welfare measures. But if we make an overall survey of the living and working conditions of these industrial workers, the need for, and the necessity of, labour welfare in sugar industry would immediately become apparent. These welfare services have become necessary to "counteract the handicaps to which the workers are exposed, both in their work-life and folk-life and to provide opportunities and facilities for a harmonious development of the worker's personalities. Therefore labour welfare has an important, positive and dynamic part to play in the industrial economy, particularly in developing countries where, paradoxically, substandard socioeconomic conditions, exist despite the vast programmes of industrial development undertaken in a planned way.

Today Sugar industry is faced with a drastically different economic environment today as compared to that prevailing in the 80's and 90's. The problems have become all the more acute in view of the world phenomenon of "Liberalisation, Privatisation, Globalisation." Thus Sugar industry faces a future of accelerated changes triggered by some for reaching fundamental changes through the process of economic liberalization and globalisation unleashed by the adoption of new economic policy by the Government of India in June 1991. Under the New Economic Policy Sugar Industry has been forced to reform itself to earn profit.

**Keywords:** Labour Welfare, Liberalisation, Privatisation, Globalisation.

## Introduction

Labour welfare means any kind of activity undertaken by the employer, trade unions, government, industrial institution and other agencies for the overall development of workers. The word overall development encompasses the development in following respects. i.e. It includes social development, educational development, economical development, spiritual development, moral development and medical development.

Adequate level of earnings, safe and human conditions of work and access to some minimum social security benefits are the major qualitative dimensions of employment which enhance quality of life of workers and their productivity. Institutional mechanisms exist for ensuring these to workers in the organized sector of the economy. These are being strengthened or expanded to the extent possible. However workers in the unorganized sector, who constitute 90 per cent of the total workforce, by and large, do not have access to such benefits. Steps need to be taken on a larger scale than before to improve the quality of working life of unorganized workers. Labour welfare is a key to smooth employer employee relations. Hence, better the industrial relation better will be the productivity.

## Concept of Labour Welfare

Labour welfare may be viewed as a total concept, as a social concept and a relative concept. The total concept is a desirable state of existence involving the physical, mental, moral and emotional well-being. These four elements together constitute the structure of welfare, on which its totality is based. The social concept of welfare implies the welfare of

man, his family and his community. All these three aspects are inter-related and work together in a three-dimensional approach. The relative concept of welfare implies that welfare is relative in time and place. It is a dynamic and flexible concept and hence its meaning and content differ from time to time, region to region, industry to industry, and country to country, depending upon the value system, level of education, social customs, political system, and degree of industrialization and general standards of the socio-economic development of the people. Labour welfare implies the setting up of minimum desirable standards and the provision facilities like health, food, clothing, medical, assistance, education, insurance, job security, recreation, and so on. Such facilities enable the worker and his family to lead good work life, family life and social life. Labour welfare also operates to neutralize the harmful effects of large-scale industrialization and urbanization

#### **Labour Welfare has been Defined in Various Ways**

1. The Oxford Dictionary defines labour welfare as "efforts to make life worth living for worker."
2. Encyclopedia of social Sciences defines labour welfare as "Labour welfare establishes working and living conditions of the employees beyond what is required by the law."

This Means that Labour Welfare Facilities can be Classified Into Two Categories:

#### **Statutory Labour Welfare Facilities**

Facilities provisions for which have been included under some legislation. e.g.- Factories Act, 1948, Mines Act 1952, Plantations Labour Act 1951 etc.

#### **Non-Statutory or Voluntary Welfare Facilities**

Facilities provisions for which have not been included under law but employer provides to its employee based on his will. e.g. Transportation etc.

#### **Problem studied**

To study and evaluate the different types of statutory and non statutory welfare facilities in the sugar Industry and to examine whether they identify and maintain a desirable level of welfare facilities in the organisation

#### **Review of Literature**

In the view of K.K. Chaudhary, in his Human Resources: A Relook to the workplace, states that HR policies are being made flexible. From leaves to compensations, perks to office facilities, many companies are willing to customize policies to suit different employees segments.

The older employees want social security benefits, younger employees want cash in hand because they can't think of sticking to a company for many years and retire from the same company. Therefore one jacket fits all will not be right to motivate the talents and retain them. Conventions and recommendation of ILO (1949) sets forth a fundamental principle at its 26<sup>th</sup> conference held in Philadelphia recommended some of the measures in the area of welfare measures which includes adequate protection for life and health of workers in all

occupations, provision for child welfare and maternity protection, provision of adequate nutrition, housing and facilities for recreation and culture, the assurance of equality of educational and vocational opportunity etc. Report of National Commission on labour (2002), Government of India, made recommendations in the area of labour welfare measures which includes social security, extending the application of the provident fund, gratuity and unemployment insurance etc., Shobha Mishra and Manju Bhagat, in their "Principles for successful Implementation of Labour Welfare Activities." Stated that labour absenteeism in Indian industries can be reduced to a great extent by providing good housing, health & family care, canteen, educational and training facilities and provision of welfare activities. The principle for successful implementation of labour welfare activities is nothing but an extension of democratic values in an industrialized society. P.L. Rao, in his "Labour Legislation in the Making," opines that professional bodies like National Institute of personnel Management should constitute a standing committee to monitor the proceeding in the parliament regarding the labour welfare measures.

#### **Objectives of Study**

1. The study and evaluate the different types of statutory and non statutory welfare facilities in the sugar industry in the context of Indian scenario.
2. To apprise how effectively and efficiently various welfare facilities are controlled and utilized in sugar industry.
3. To highlight the major shortcomings in the employees with regard to welfare facilities in sugar industry and also to suggest some suitable measures to remove the same.

#### **Research Design**

For the purpose of research, the focus was on Sugar Industries in Bihar. This approach was taken to ensure that the findings would be more relevant.

To achieve the objective of the study a Descriptive Research was conducted to assess the level of services provided in these industries.

Data were collected from both primary and secondary sources. Primary data has been collected through questionnaires. Particular strength of the study was its interview. Secondary data was collected gathered from government publications like Indian Sugar Mill Association, Department of agriculture, Government of Bihar, Department of Planning and development etc.

#### **Hypothesis**

The following issues were proposed to be tested in the present study.

1. Labour welfare facilities in sugar industry are not sufficient as they should have been.
2. In the post liberalisation, privatisation, globalisation whether the labour welfare facilities have improved the production, productivity, quality of work life and employee's satisfaction in sugar industry.

**Data Analysis and Interpretation****Statutory Facilities**

Welfare Facilities	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Washing facilities	60	10	8	12	10
Facilities for sitting	40	10	30	10	10
Canteen facilities	30	50	10	04	06
Rest, Shelter & Lunch room	32	22	26	12	08
Drinking facilities	20	52	10	10	08

**Non-statutory Facilities**

Welfare Facilities	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Transport facilities	60	10	16	10	04
Education facilities	40	15	15	20	10
Housing facilities	35	21	20	20	04
Medical facilities	10	50	16	20	04
Recreational facilities	10	30	20	25	15
Regarding grievance	65	15	10	08	02

**Findings**

1. Most of the employees in the industry were male.
2. 70% of the employees are satisfied with the Washing facilities whereas 22% are not satisfied.
3. 50% of the respondents are satisfied with the sitting facilities provided. 30% are neutral and 20% are not satisfied.
4. Majority are satisfied with the canteen facility. 10% are dissatisfied whereas 10% showed neutral reaction.
5. The employees responded positively towards rest, shelter and lunch room. 20% are dissatisfied.
6. Majority are highly satisfied and satisfied with the drinking facility provided therein. 70% of the respondents are highly satisfied and satisfied with the transportation facility.
7. 55% of the individuals are satisfied and highly satisfied with the educational facility whereas 30% are dissatisfied. Similarly, majority are satisfied with the housing facilities provided.
8. However 40% are not satisfied and highly dissatisfied with the recreational facility.

**Suggestion**

1. Maintenance of Urinals was comparatively not good than other statutory welfare measures. It has to be implemented.
2. Recreation is not given due priority, and has to be implemented.

3. Maintenance of housing, education, washing and sitting facilities requires proper implementation.
4. Sanitation facilities must be improved by taking care of hygienic conditions at the work place.

**Conclusion**

To conclude, that investment in welfare facilities was not a deadly investment but was a profitable one. Labour welfare has an important, positive and dynamic part to play in the industrial economy, particularly in developing country like India where, paradoxically, substandard socioeconomic conditions, exist despite the vast programmes of industrial development undertaken in a planned way.

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