CHAPTER VI

SUMMARY OF CONCLUSION, MAJOR FINDINGS AND SUGGESTIONS
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SUMMARY OF CONCLUSION:

The issue of providing social security to the workers of unorganized sector of developing countries like India has become a matter of serious concern, especially in the context of Economic Reforms regime. During the period of economic reforms, many people are by-passed in the process of development. It is especially true in the case of workers of unorganized sector. This calls for a need for conducting an investigation into some aspects of existing social security schemes and their impact on the workers of unorganized sector in general and construction workers in particular.

The Concept of Social Security:

The concept of social security has been viewed differently by different authors to widen the scope of the study. Accordingly, it may broadly be defined to include aspects like capability, vulnerability, risk and uncertainty. It also combines measures of promotional, protective and preventive nature. These are the results of definitional analysis of social security.

The important components of social security are food, employment, health, education, nutrition and women.
The approach to provide social security differs from country to country. Broadly, in the context of developed countries, the major approaches are labour-market related approach and poverty eradication and asset distribution approach. But in the Indian context, the approaches are called citizen-based and work-based. Whatever be the approach at different levels and at different contexts, the aim is to provide safety nets to the needy.

**Unorganized Sector:**

It may be defined as one of the many economic and productive activities which is contractual, unorganized and diverse as well as informal in nature. The labour market for the informal sector is unregulated and highly competitive on the supply side. Anyone enters freely without any restrictions in the informal sectors. Therefore, they would be forced to enter into informal sector activities either as full-time employees or as self-employed or causal or part-time employees. As a result, they would have to face the problems of under-employment and low wages. Unorganized employment is characterized by large-scale exploitation, undergoing long hours of work, unsatisfactory work condition and occupational health hazards. The organized sector takes advantages of this vulnerable position of the labour in the unorganized sector.

It is against these background, workers of the construction activity have been chosen to study at a greater detail as to know whether the benefits of social security measure have been availed by them.
Construction Activity and Workers:

Construction is one of the largest sectors of economic activity, second largest to agriculture in developing countries. It provides most of economic infrastructure for the manufacturing sector and, in fact, provides greater employment opportunities to a large number of unskilled labourers.

Keeping the above framework in view, a review of related literature has been undertaken to identify the gaps. This has been done under three sections as shown below:

I. Social security and its related aspects;
II. Focuses on workers in the unorganized sector and social security; and
III. Construction of workers and social security.

The major studies having focussed attention on social security and unorganized workers are made by Guhan, S., Gerry Rodgers, ILO recommendations, Getbig, Amarthasen, Watkinson, Friedlander, William Beveriadge, Dreze and Sen, at the global levels, Mahendra Dev, Agarwal, Seetha Prabhu, Jeemol Unni, Alluwalia, S.S., at the national level. All these studies pointed out the problems of workers of the unorganized sector and the need for the social security measures in their own perspective.

Keeping the above in view, an attempt is made in this study to examine the conditions of the workers of unorganized sector and the impact of the social security measures on them.
OBJECTIVES OF THE STUDY:

The major objective of the study is to assess role of social security measures in improving the living standard of workers of unorganized sector in general and construction workers in particular. The specific objectives of the study are as follows:

1. To analyze the socio-demographic and economic characteristics of the sample respondents;
2. To find out the reasons for opting for the job and to ascertain pattern of employment of the respondents;
3. To assess economic status of the respondents by analyzing factors like income, asset, indebtedness, expenditure pattern and savings;
4. To study the mode of recruitment, wage payment, transportation, level of job satisfaction and involvement towards trade unions;
5. To study the awareness about the social security measures available in the area for the benefit of workers in general and construction workers in particular in the study area;
6. To assess the extent of benefits of social security schemes availed by the construction workers of unorganized sector in the area under study;
7. To analyze the factors which are more beneficial for the construction workers of the unorganized sector in the area; and
8. To suggest suitable measures which emerge from the research for policy purpose, exclusively for the benefit of workers in unorganized sector.
HYPOTHESES OF THE STUDY:

1. It is hypothesized that workers of the unorganized sector, in particular, of construction workers in the study area are not fully aware of the existing schemes of social security.

2. There are no exclusive associations being formed for the benefit of the workers excepting membership of trade union.

3. The workers of the unorganized sector have not availed the benefit of existing social security schemes to a large extent.

METHODOLOGY:

The present study on social security and the workers of unorganized sector with special reference to construction workers is based on both primary and secondary sources of data. The case of workers of organized sector has been attended to with all seriousness and concerned by the governments of all the nations world over. However, the plight of the workers of unorganized sector was never heard for quite a long time. The need for it arose only recently with some seriousness when the policy changes have taken place in the context of developing country.

Choice of the Study Area:

The present study is an attempt to examine the socio-economic conditions of the unorganized workers in construction activity in Kolar District and their coverage in terms of social security.

Sampling Design:

This study is exclusively based on empirical data. The present study covers the eleven taluks in Kolar district viz., Kolar, Srinivasapur.
Bangarpet, Malur, Gauribidanur, Gudibande, Bagepalli, Chikkaballapur, Chintamani, Mulabagal and Sidlaghatta. To ensure that the sample is statistically representative of every 100 respondents from each taluk, the investigator has selected 35 sample respondents on random basis and a total of 385 samples is taken.

**Period of Study:**

The study covers a period of one year from April 2000 to March 2004. Data relating to this period have been collected from the sample respondents.

**Collection of Data:**

For the present study, both primary and secondary data are used. Regarding the primary data, an interview schedule was designed to collect the data relating to the sample respondents’ socio-economic background, the method of recruitment, migration, their occupational hazards, the nature of exploitation, wage gap, job satisfaction, year of experience, contribution of family income and other aspects relating to the overall objectives of this study. The schedule was canvassed for collection of information by personal interview method.

Secondary data relating to the study area were gathered from administrative reports, census, study reports, district profile of Kolar district, journals, articles, union office records and books. The data thus collected from various reliable sources enhanced the validity, accuracy and reliability of the study.
Techniques of Analysis:

For this study, employment, income, education level of the workers and their relations with social security measures have been considered for analysis purpose and thereby to understand the conditions of the workers and the extent of social security benefits availed.

STATISTICAL TOOLS AND TECHNIQUES:

The various statistical tools used in the present study are furnished below. Information collected through field survey was analyzed by using different conventional statistical techniques like percentages, ratios, averages, classification and tables. Apart from this, simple regression model was used to analyze the factors which play an important role in their socio-economic conditions and thereby to find out the role and extent of influence of social security measures.

LIMITATIONS OF THE STUDY:

Though large number of books are available on labour in general, publications regarding the social security measures benefiting unorganized workers, in particular, of construction workers in a country like India are not available in sufficient numbers. The study is confined to workers of unorganized sector particularly of construction activity in Kolar district.

Exploration of the area of research on social security for the unorganized sector workers is still at the stage of infancy and so this study also suffers from lack of systemized body of knowledge.
CHAPTER SCHEME:

This study has been organized and presented in VI Chapters.

Chapter-I deals with introduction in terms of some aspects of social security, unorganized sector, construction activity as a case in point, the need for the study and a resume.

Chapter-II gives the review of literature in terms of social security and its related aspects, unorganized sector, construction workers and an assessment.

Chapter-III presents, the problem, objectives and the methodology.

Chapter-IV describes profile of the area and sample respondents.

Chapter-V focuses on Employment, its related aspects and social security: an analysis. Under this heading, it discusses two sections:

Section I : employment and related aspects
Section II : social security measures and their impact

Chapter-VI gives a summary of conclusion, major findings and suggestions.

On the basis of the above methodological framework, the researcher has collected data on the socio-economic demographic profile of both the area of study and the sample respondents with a view to make an analysis of the situation and to focus on the issue concerned. Accordingly, the
present study was conducted in 11 taluks of Kolar district in the state of Karnataka: The area profile includes factors such as landholding pattern, population of Kolar district five decades, education institutions and number of students in Kolar district, financial institutions, similarly the sample respondents profile include factors like, age composition and average age, religious composition, caste composition, marital status, literacy status and educational level, migration, reasons for migration, attitude towards family planning, age at Sterilization. Size of the family, earner-dependent ratio, nature of housing, ownership of housing amount of rent, recapitalation.

An analysis of all the above factors has been summarized at the end of the chapter to capture the crux of the problems under consideration.

Against this background, the researcher has collected data on some important information for tabulation and analysis purpose; these informations further classified conveniently under two sections:

Section-I deals with employment and its related aspects such as age at construction work, reasons for opting job, nature of employment, type of work undertaken, quantum of work and weight carried, year of experience, method of recruitment, working hours, working days, mode of wage payment, amount of wage per day, daily wage difference between male and female, overtime work and payment, subsidiary occupation, levels of earning from subsidiary occupation, household income, saving
pattern, expenditure pattern, level of indebtedness, level of job satisfaction, mode of transportation, health status.

Similarly section-II relates to social security measures and their impact on the workers in terms of occurrence of accidents, no. of accidents more than once, compensation paid by the employer, amount of compensation received, compensation amount and level of satisfaction, awareness of accident benefit act/and minimum wage act, facilities and conditions of the workplace, awareness about the social security schemes, sources of knowing the scheme, the benefit of schemes availed, trade union and involvement of workers.

In order to find out the extent of influence of certain variables on employment, income, nature of work at the work place, education level, social security measures and their influence etc. a simple linear regression technique was adopted to regress certain variables and to find out their relationship. Accordingly the results have been interpreted.

From the foregoing analysis it can be inferred that the workers of the unorganized sector are facing a number of problems either in the case of activity-specific or generally in nature. The national standard norms in respect of a hours of work, the minimum wage, the basic facilities may not be adhered to by the employer. Nor is there any awareness among the workers regarding this. Even in the case of the social security measures which are specific to the work workers are unaware of it to a large extent. The unions or the associations of the concerned workers are in a position
to give them either. All this leads to some amount of exploitation, subordination, and subjugation of the workers in the unorganized sector. Therefore, a comprehensive policy framework consisting of activity / location / group specific facilities have to be made available on a mandatory basis so as to ensure "development with human face".

MAJOR FINDINGS OF THE STUDY:

- Majority of the respondents are found in the age group between 21-45 in all most all taluks of the study area. In terms of percentage it works out to be 74.3. The average age of the workers in the study area is 34.59 (Table No. 4.5 and 4.6).

- It is found from the study that a substantial number of the respondents of the study area belongs to Hindu religion (table No. 4.7).

- It is found in terms of caste composition that majority of SCs/STs respondents, that is, 79.2 percent are working in the unorganized sector. The other major category of respondents is found from OBCs to the extent of 17.7 percent (table No. 4.8).

- Nearly 77 percent respondents of the study area are married and 22 percent of them are unmarried (table No. 4.9).

- There is high incidence of illiteracy (41.3 percent) and low levels of education among the respondents of the study area (Table No. 4.10).

- The migrants from outside the district among the workers in the study area are found to the extent of 49 percent (table No. 4.11).
• Migration of workers has taken place to a greater extent in the study area due to many factors of which poverty and unemployment are predominant ones (Table No. 4.12).

• Regarding family planning measures, nearly 84 percent of the respondents are fully aware of it (Table No. 4.13).

• It is found that 51 percent of the sample respondents of the study area undergone sterilization at the age 31 plus and 47 percent have not undergone sterilization at all. There is also a wide inter-taluk differences in awareness and willingness to undergo sterilization (table No. 4.14).

• The average size of the family in the study area is 4.74, the minimum being 3.86 in the taluk of Kolar and the maximum being 5.86 in the taluk of Srinivaspur (Table No. 4.15).

• The earner-dependent ratio for the entire sample area of the study is 1:1.31 meaning that for every one earner there is more than one dependent. Blockwise, it is highest in Mulabagal taluk with 1:2.11 and the lowest in Sidlaghatta with 1:0.88 (Table No. 4.16).

• 20 percent of the sample respondents of the study area is still living in thatched house. Blockwise, it is highest in the taluk of Gouribidanur with 51.7 percent and the lowest in the taluk of Bangarpet with 2.9 percent (Table No. 4.17).

• It is found from the study that about 30 percent respondents have entered the job before attaining 18 years of their age. Similarity, there
is a large majority of sample respondents who have entered into the job in the age group between 18-30 (Table No. 5.0).

- The major reasons responsible for their entry into the job are family maintenance, employment, food, marriage and poverty (Table No. 5.1).

- A little more than 50 percent respondents have got jobs on regular basis and the rest of the workers is on causal basis (Table No. 5.2).

- About 36 percent sample respondents used to carry weight of less than 15 kg in the study area (Table No. 5.4).

- More than 40 percent workers have less than 5 years experience in the sample size (Table No. 5.5).

- Majority workers have been recruited by contractors (Table No. 5.6).

- The average working hours per day of the sample respondents in the study area works out to be 7.62 hours a day.

- 56 percent of the respondents have the work on an average between 11-15 days in a month.

- 64 percent workers have been paid wages on daily basis.

- 47.3 percent workers receive less than Rs.50 a day as daily wage.

- There is a persistence wage difference between male and female in the sample area the average wage for a day in the case of male is Rs.62.99/- and in the case of female Rs.39.2/- for the sample respondents.
Availability of the overtime work to the workers of the study area is relatively less and the difficulties faced by the workers working overtime are also relatively less (Table No. 5.12).

Since construction work is not guaranteed in all the seasons most of them depend on subsidiary occupation to supplement their family income and to eke out their living. However, income from such subsidiary occupation is very meager, (Table No. 5.13).

The annual average household income of the respondents of the study area works out to be Rs.2888.61/. Only 6 taluks of the study area are having the income above the overall average and the other taluks are far below the average (Table No. 5.15).

Though the level of earnings is less, yet there is an habit of savings through some institutional sources. The predominant among them is Chit Fund (Table No. 5.16).

It is found from the study of expenditure pattern that food and clothing constitute the major expenditure items (Table No. 51.7).

It is found from the study that more than 63 percent of the respondents have resorted to borrowing from either money lender or contractor (Table No. 5.18).

As regards job satisfaction, majority respondents have expressed their dissatisfaction with varying degrees due to low wages, long duration, insecurity and poor working conditions (Table No. 5.20).
• Regarding mode of transportation, majority of the respondents that is 57 percent, use public transport to reach their place of work. About 35 percent of go by walk (Table No. 5.21).

• It is found from the study that nearly 20 percent of workers are suffering from construction work related health problems such as, body pain, knee-pain, back-pain and the like (Table No. 5.23).

• Workers in the unorganized sector are generally more prone to health hazards and accidents. This is especially true in the case of construction activity. It is found 24.4 percent workers reported to have met with accidents during the period of their work. The occurrence of such incidents is more in the case of Chikkaballapur and Bagepalli with 60 percent each, Mulabagal 42.9 percent, Gudibande 40 percent and Chintamani 14.3 percent. The rest of the taluks have less than 10 percent of the occurrence of accidents (Table No. 5.24).

• It is found from the study that about 18.7 percent respondents have met with one accidents and 5.5 percent with two accidents thereby establishing a fact that during the course of work, accidents take place to some extent (Table No. 5.25).

• When accident occurred, a relatively less percentage of respondents has been given compensation by the employer with wide variation between the taluks of the study area (Table No. 5.26).

• The amount of compensation received by respondents in times of accidents varies from Rs.300/- to Rs.2000/- (Table No. 5.27).
• About 8.3 percent respondents expressed their dissatisfaction about the amount received as compensation (Table No. 5.28).

• The percentage of awareness about accident benefit and minimum wage Act is just to the extent of 15 percent in the sample area (Table No. 5.29).

• It is found that the employers have not given adequate attention to the welfare aspects of the workers as facilities such as, latrine, rest shelter, storage of cloth, refreshment, creche recreation etc., are not given (Table No. 5.30).

• Regarding the awareness about the activity-specific social security scheme such as sickness/medical care, occupational injury, maternity, death benefit, it is found that less than 8 percent of the total sample is aware of them indicating a fact that either the ignorance of the workers or the scant attention of government or NGOs or workers organizations. As regards the awareness about the general measures of the social security schemes such as food subsidy, housing, group insurance, old age benefit, the extent of awareness varies from scheme to scheme for the area under study. About 90 percent respondents are aware of food subsidy and about 57 percent respondents are aware of housing scheme where as, only 5 percent and 3.64 percent respondents respectively are aware of group insurance and old age pension (Table No. 5.31-32).

• It is found that to some extent NGOs and media are considered to be important sources. Yet, relatives, friends and village level workers are
found to be dominant sources through which social security schemes are known to the workers of unorganized sector (Table No. 5.33).

- It is found from the study that the extent to which the benefit of the scheme availed is very limited and spread very unevenly over the space with only two schemes, namely yellow card and housing in the study area (Table No. 5.34).

- It is found that about 76 percent of the workers are having membership with some trade union activities out of which only 16 percent workers are involved in trade union activities. Despite this, the extent to which the workers who are aware of the existing social security schemes is very less (Table No. 5.35).

- Using the Linear Regression Model some factors like nature of employment, nature of work, household income, age of the respondents, educational level and their relationship with the social security measures in general and activity specific have been regressed and the results of the technique is as follows:

We carried out 8 multiple regression and none of the regressions shows any strong linear dependence. None of the dependent variables seemed to be highly dependent on the independent variables chosen for the study.

Accordingly, however, it must be remarked that some of the variables are qualitative and their influences may not be captured by a linear model. Thus, non-linear model may be helpful to investigate such relations.
SUGGESTIONS:

An analysis of the Socio-economic characteristics the respondents of the study area in terms of age at work, caste or religious composition, martial status, levels of literacy and education, the extent of migration, causes for migration, awareness about family planning, size of the family, earner -dependent ratio, the housing condition, etc., would suggest that most of the workers of the unorganized sector are from poor socio-economic background. They do not have any income generating assets or any other economic base or any specific skill excepting their physical labour. Whether they are local or migrated, due to economic compulsions such as poverty and/or unemployment, they are forced to take up jobs in unorganized sector. Naturally, they depend on some wage employment found in unorganized sector like agriculture, cottage and small scale industries, construction activity etc. Even this is also not guaranteed. It is either seasonal or causal and not regular nature of work.

Such people are to be supported and supplemented by some sort of safety nets existing either in the form of promotional or in the form of protective social security measures. Infact, economists felt that employment guarantee would be meaningless without a review of the existing social security scheme. It is, therefore, suggested that employment guarantee scheme of Maharastra pattern should be implemented throughout the country with the components of not only guaranteed employment of certain specified period but also of continuous employment by ensuring minimum statutory wages. This is also to be
supported by other existing social security measures. This would be meaningless unless it is accompanied by an effective monitoring and delivery system.

In so far as activity specific nature of job like construction activity is concerned, majority workers have been recruited by contractors for some period and their wage is often below the national standard norms with a persistent wage differential between the male and female workers. Moreover, in order to supplement the insufficient family income they are prepared to take up overtime work. But the availability of over time work is relatively less. Therefore, they depend on certain other subsidiary occupation. Even the earning from subsidiary occupation is found to be meager. This situation suggests for the effective integration of the existing targeted public distribution system (TPDS). Similarly, suitable measures which are location/sector-specific in nature are to be ensured at the place of the work to improve the working conditions.

The work efficiency of the person depends upon the health conditions of the body. The work related health problems are many. They are prone to health hazards and accidents. This requires health care system for the workers. These are the days for health care system. In view of this, workers of the unorganized sector are to be covered under health care system and NGOs can play a very effective role in identifying, and in ensuring such facilities to these workers and in the event of serious injury or death, they must help getting their due compensation as most of
the workers are unaware of the existing facilities. At the same time, employers must be made to realize to provide certain adjunct facilities. It may be mentioned here that there are a large number of laws to safeguard the organized workers like the Industrial Dispute Act, the Bonus Act and the Workmen's compensation Act. Besides workers in organized sector are entitled to PF, gratuity, Retirement benefits and so on. They also enjoy fringe benefits like conveyance allowance, subsidised canteens, uniforms, housing loan, education allowance and so on. In contrast, the conditions of millions of workers in the unorganized sector is pathetic. Many of these workers do not have even basic facilities. The working class can not win their due by legislation alone however, they equip them with the weapons needed in the struggle against exploitation. For example, Karnataka Government has passed a legislation recently to protect the interests of the workers in the unorganized sector. This alone is not sufficient. To make it really effective, awareness about it has to be created both for the workers and for the employers.

The relevance of any scheme lies in the effective utilization of the same. But, it depends on certain factors. Important among them are awareness, its sources, type of benefit, the extent of benefit availed etc. Keeping this in view, enquiries were made and it is found from the study that more than 90 percent respondents are unaware of the existing activity specific social security schemes. In contrast to this, 90 percent respondents are aware of food subsidy, about 57 percent respondents are aware of housing scheme. This explains the fact that the schemes which
are generally popular are utilized by the concerned only. It is, therefore, suggested that every effort must be made to create awareness among the workers about the general as well as specific schemes of social security. Very often, the workers have collected some piece of information regarding these schemes through their relatives, friends and village level workers. It is therefore, suggested that in these days of revolution in information and communication technology, efforts must be made to disseminate information through print media as well as electronic media. For example, schemes like yellow/green card and housing are popular. In these cards message of social security schemes must be printed in bold letters in the local language and made them known. Even with regard to the association of the workers with trade unions or the other type, the extent which the workers are aware is limited. It is, therefore, suggested through some NGOs, workers’ organizations are to be formed and their participation be ensured.