Introduction
CHAPTER - I

INTRODUCTION

1.1 INTRODUCTION TO THE STUDY

Labour welfare is undertaken by various groups within and outside an organization to improve the living conditions of workers. Employee welfare facilities enable workers to live a richer and more satisfactory life. Labour welfare and social security measures are also known as employee services programmes or fringe benefits. Employees enjoy these services (such as canteens, crèches, and education and recreation facilities) without any reference to the specific work done by them. In the case of economic benefits (such as compensation for disability and injury, and retirement, medical and maternity benefits), their amount is not predetermined and can be ascertained only after the event.

According to the Concise Oxford Dictionary Employee Welfare or Labour Welfare means “the efforts to make life worth living for workman”. In the words of Arthur James Todd, “Labour Welfare means anything done for the comfort and improvement of the employees over and above the wages paid”.¹ According to an International Labour Organization report “Workers” welfare may be understood as including such services, facilities and amenities as may be established in the vicinity of undertakings to perform their work in healthy and congenial surroundings and to avail themselves of facilities which improve their health and bring high morale.² N.M. Joshi describes labour welfare covers all the efforts which employers make for the benefits of their employees over and above the minimum standard of working conditions fixed by the factories act and over and above the provision of the social legislation providing against accident, old age, unemployment and sickness.

¹ A Sociological Appraisal of Modern Industrialisation, p.250.
² Report on provision of Facilities for the promotion of workers welfare, Asian Regional Conference, Ceylon, p.3.
Labour comprises all human efforts of body and mind, which are exchanged for a consideration of cash or kind or both. Welfare is a broad concept, referring to a condition of living of an individual or group, in a desirable and happy state of relationship with the whole environment – ecological, economical and social. Ecological welfare is environmental friendly existence, ecological balance, pollution-free atmosphere, and proper sanitation. Social welfare is the prevention of discrimination based on caste, creed, sex, and establishment of equity and fairness, ensuring safety, health and social security. The object of economic welfare is increasing individual earning and at the same time promoting economic development of society by increasing production, productivity, and quality of product and services.

There are three dimensions of the concept of welfare – total, social and relative, the total concept of welfare is the achievement of a desirable state of existence involving physical and mental, moral and emotional well-being. The social concept of welfare is the well being of an individual and his harmonious relationship with the primary group (his family, his working group) welfare is a relative to time, place and persons. This is called the relative concept of welfare labour welfare is a flexible term. It varies from time to time and place to place, industry to industry, country to country. It also varies between individuals and groups within the establishment, industry or country. The perceptions of welfare measures by the people also vary depending on value system, levels of education, social customs and expectations.

1.1.1 Labour Welfare Schemes – Tamil Nadu

Tamil Nadu is one of the well developed states in terms of industrial development. It has enjoyed a significant position in India’s geopolitical space and economic progress. Logistical advantages due to presence of three major seaports, an international airport and several domestic airports, quality of human resources, a peaceful industrial climate and a positive work culture have strengthened Tamil Nadu’s sustainance in the industrial world. The State’s business-friendly policies and proactive initiatives have played a key role in this resurgence.
The State has a well diversified manufacturing sector. Even before the liberalization wave hit Indian shores, Tamil Nadu had established itself on the industrial map of India as a hub for Automobile and Auto components, Textile, Leather, Paper, Cement, Sugar and Engineering industries. In the post-liberalization era, the State has witnessed growth of new knowledge-based industries such as Information Technology (IT), Information Technology Enabled Services (ITES) and Biotechnology. The State has emerged as one of the front-runners in attracting a large amount of domestic and foreign investments in all these areas.


In order to evaluate the labour welfare facilities offered by the organization, researcher has chosen Tamil Nadu Newsprint and Papers Limited (TNPL), which belonging to paper industry. It may ensure the labour welfare in two perspectives. Since TNPL is government organization, it may reflects the state government’s scheme and being reputed organization which helps to measure the organization culture with respective to labour welfare.

1.1.2 Paper Industry

The Indian paper industry, which is more than 100 years old and covers pulp, paper and paper board, is one of the 35 high priority industries in which foreign equity participation is permitted by the Government. The industry contributes over Rs.2,000 crores annually to the exchequer. Its turnover is around Rs.10,000 crores a year and it provides employment to more than 3 lakhs persons directly and about 10 lakhs indirectly.
Tamil Nadu continues to be one of the forerunners in the production of paper and paper products. There are 74 paper mills in operation in Tamil Nadu. Tamil Nadu Newsprint and Papers Limited (TNPL) was established by the Government of Tamil Nadu during early eighties to produce Newsprint and Printing & Writing Paper using bagasse, a sugarcane residue, as primary raw material. The Company commenced production in the year 1984 with an initial capacity of 90,000 tonnes per annum (tpa). Over the years, the production capacity has been increased to 2,45,000 tpa and the Company has emerged as the largest bagasse based Paper Mill in the world consuming about one million tonnes of bagasse every year. The Company completed a Mill Expansion Plan during December 2010 to increase the mill capacity to 4,00,000 tpa.\(^3\)

1.2 STATEMENT OF THE PROBLEM

The need of the hour is to note why an individual works harder than another or why one group of employees restricts its output while another group works energetically or one group of employees strikes while another does not. The studies conducted in this regard attribute, strike or insincerity to the unsound relationship between the employer and the employees. Sound human relations depend on the attitude of the management towards the employees. Therefore, it is imperative to recognize that employees are not merely cogs in a wheel but they are human beings.

In India, where the ideal of a socialistic pattern of society has to be achieved, the human relations practice presupposes an enhancement of the status of the employees, especially at lower levels. The employee at a lower level should not be regarded only as a useful partner in an industrial or business venture but also as a self-respecting citizen of the country. In fact each employee should be made to feel that in his own way, he is helping to build a progressive state.

Social security is one of the important aspects of the modern world which has a significant impact on the social and economic policies of several countries. Once, Franklin Roosevelt felt that the first objective of any nation would be the security of

\(^3\) www.tnpl.com
men, women and children. This security for the individual and the family concerns itself primarily with three factors. People want decent homes to live in; they want to locate them where they can engage in productive work; they want some security against misfortunes which cannot be wholly eliminated in this man made world of ours. The concept of social security varies from country to country with different political ideologies. In the socialist countries, the avowed goal is complete protection to every citizen from the cradle to the grave. In other nations with less regimented economics, a measure of protection is afforded to all the needy citizens by means of schemes evolved by democratic processes consistent with the resources of the state.

Labour have significant influence on success of an organization, which constitutes the industry. Studying the attitude and effectiveness of labour welfare measures enforced in TNPL may reveal the efficiency of Tamil Nadu in labour welfare schemes. Thus researcher has aimed to study the labour welfare measures in Tamilnadu Newsprint and Papers Limited with respect to workers, Kagithapuram.

1.3 OBJECTIVE OF THE STUDY

In statistics, efficiency is a term used in the comparison of various statistical procedures and in particular, it refers to a measure of the optimality of an estimator of an experimental design\(^4\) or of a hypothesis testing procedure. This section describes objective of the study.

**Primary Objective**

- To study the labour welfare measure in Tamilnadu Newsprint and Papers Limited with respect to workers.

**Secondary Objectives**

- To evaluate the knowledge of social welfare measures provided by the organization.
- To ascertain the level of agreeability and its influence towards feature dimensions considered for this study.

• To find the labour attitude towards labour welfare measure offered by the organization.
• To offer valid suggestions for better implementation of labour welfare facilities in Tamilnadu Newsprint and Papers Limited (TNPL).

1.4 SCOPE OF THE STUDY

The present study is confined to TamilNadu News Print and Papers Ltd and analyses its achievements in the field of labour welfare measures. In this study researcher has identified the specific key areas of labour welfare measures, to know their Impact on TamilNadu News Print and Papers Ltd.

➢ Working conditions
➢ Wages
➢ Management and Employee
➢ Amenities to labourers
➢ Superior – subordinate relationship
➢ Union activities

The researcher has focused on the above key areas.

1.5 RESEARCH METHODOLOGY

Research in common parlance refers to a search for knowledge. One can also define research as scientific and systematic search for patient information on a specific topic. In fact research is an art of science investigation. The Advanced Learner’s Dictionary of current English Lays down the meaning of research as A careful investigation or inquiry specially through search for new facts in any branch of knowledge. Redman et al., define the research as a Systematized effort to gain new knowledge.

1.5.1 Data Collection

The study required both primary and secondary data. Secondary data were collected from books relating to industrial relations, journals, publications, websites, and records and annual reports of TNPL.
Primary data were collected from the sample respondents i.e. labours of TNPL. Before collecting primary data from the sample labours, a pilot study was conducted with an interview schedule for the purpose of pilot study, 65 labours were contacted and data were collected. The suggestions and modifications suggested by the labours were considered, analysed and then a well structured questionnaire was prepared to collect primary data from the labours. Some respondents hesitated to provide some information. However data were collected from 512 labours of TNPL with the help of well structured questionnaire schedule.

1.5.2 Sampling Method

Sampling is that part of statistical practice concerned with the selection of a subset of individual observations within a population of individuals intended to yield some knowledge about the population of concern, especially for the purposes of making predictions based on statistical inference. A probability sampling scheme is one in which every unit in the population has a chance (greater than zero) of being selected in the sample, and this probability can be accurately determined. The combination of these traits makes it possible to produce unbiased estimates of population totals, by weighting sampled units according to their probability of selection.

Simple random sampling is type of probability sampling. In a simple random sample (SRS) of a given size, all such subsets of the frame are given an equal probability. Each element of the frame thus has an equal probability of selection: the frame is not subdivided or partitioned. Furthermore, any given pair of elements has the same chance of selection as any other such pair (and similarly for triples, and so on). This minimizes bias and simplifies analysis of results. In particular, the variance between individual results within the sample is a good indicator of variance in the overall population, which makes it relatively easy to estimate the accuracy of results.
1.5.3 Sample Size

There are 1144 labours working in TNPL, out of which 520 labours were involved in this study. After collecting data, the preliminary investigation performed. It reveals that 512 respondents were final considered as sample of the study and due to invalid & missing data 8 respondents were omitted.

1.5.4 Period of the Study

This study was conducted during Aug-2010 to Oct-2010 at TNPL campus Kagithapuram. Sufficient information regarding our questionnaire, language translation has been assisted to extract the real feedback from workers.

1.5.5 Statistical Tools for Analysis

The data collected from sample were suitably tabulated and used in the appropriate place for interpretation. Reports, journals, articles and books were also referred to collect secondary data. The primary data collected were analyzed by using the following statistical tools.

Descriptive Analysis

The descriptive analysis was used to express the percentage respondents falling under each category. It describes the total frequency of respondents/responses in percent format.

Chi-Square Analysis

A chi-square test ($\chi^2$ test) is any statistical hypothesis test in which the sampling distribution of the test statistic is a chi-square distribution when the null hypothesis is true, or any in which this is asymptotically true, meaning that the sampling distribution (if the null hypothesis is true) can be made to approximate a chi-square distribution as closely as desired by making the sample size large enough. The chi-square analysis is used to test the independence of two attributes. It is also used to test the significance of one factor over the other.
Five Point Scaling Technique

Likert’s five point scaling technique has been applied in this study, which is used to convert the qualitative information into a quantitative one.

Average Score Analysis

Based on the consolidated opinion obtained from five point scaling technique for different categories of respondents, the weighted average score was calculated to assess the level of satisfaction/agreeability of the respondents.

Average Rank Analysis

Average rank analysis is used to assess the priority of the different categories of respondents on various issues. The average rank was calculated based on the collective opinion of respondents and the final rank is allotted using the criterion “lesser the average rank more is the priority”.

Regression Analysis

The regression analysis is a technique for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables. More specifically, regression analysis helps us understand how the typical value of the dependent variable changes when any one of the independent variables is varied, while the other independent variables held fixed.

ANOVA

The ANalysis Of VAriance is a powerful and common statistical procedure in the social sciences. The ANOVA is used to test the significant difference in the mean values of more than two groups.

T-Test

A t-test is any statistical hypothesis test in which the test statistic follows a Student's t distribution, if the null hypothesis is supported. It is most commonly applied when the test statistic would follow a normal distribution if the value of a scaling term in the test statistic were known.
Factor Analysis

Factor analysis is a statistical method used to describe variability among observed variables in terms of a potentially lower number of unobserved variables called factors. Factor analysis searches for joint variations in response to unobserved latent variables. The observed variables are modeled as linear combinations of the potential factors, plus "error" terms. Factor analysis is related to principal component analysis (PCA), but the two are not identical. Factor analysis estimates how much of the variability is due to common factors (communality).

Discriminant Analysis

Discriminant analysis is a statistical method that is used by researchers to help them understand the relationship between a "dependent variable" and one or more "independent variables." A dependent variable is the variable that a researcher is trying to explain or predict from the values of the independent variables. Discriminant analysis is similar to regression analysis and analysis of variance (ANOVA). The principal difference between discriminant analysis and the other two methods is with regard to the nature of the dependent variable.

1.6 LIMITATIONS OF THE STUDY

The conclusion of this research can be arrived only on the basis of responses given by the sample respondents. The process of collection of data was a real challenge as it consumes more time. Further, there was reluctance on the part of the respondents to provide data. However, adequate care has been exercised to collect the unbiased data. The result is limited to the geographical location where the research is conducted. Since, welfare scheme offered by the company may differ from organization to organization.
1.7 CHAPTER SCHEME

The present study has been divided into six chapters.

The first chapter describes the introduction, statement of problem, research methodology, sampling, statistical tools and chapter scheme.

The second chapter deals with review of related literatures, which is obtained from various sources like articles, books, and journals.

The Third chapter describes the complete overview of labour welfare measure, profile of TNPL and welfare schemes offered by TNPL.

The fourth chapter reveals analysis of socio-economic profile of the respondents and labour welfare measures.

The fifth chapter evaluates data with respect to research objectives using appropriate statistical tools. Further analysis and interpretations are given for the objectives.

The sixth chapter describes summary of findings, suggestions and conclusion of this study.