CHAPTER VII

SUMMARY OF FINDINGS, CONCLUSION AND SUGGESTIONS

7.1. Introduction

The construction workers constitute one of the largest categories of workers in the unorganised sector. Construction in recent years has emerged as a growing activity, the growth rate in labour absorption recorded by construction sector is almost thrice as large. It has been generating employment at a rate faster than the industrial sector and thereby manifesting its significance in the city’s development. Eminent economists argue that liberation from poverty, inequality, unemployment, illiteracy and mass deprivation should be recognised as the grand goals of any development efforts. Construction workers, as an integral constituent of the labour stock and supply, contribute considerably in the effort of realizing them grand goals. Hence, the present study is an attempt to analyse the socio-economic conditions of construction workers in Virudhunagar district of Tamil Nadu.

The specific objectives of the study are

1. To analyse the trend and growth of the construction workers in Virudhunagar District.
2. To study the living and working conditions of the sample construction workers.

3. To examine the relationship between the profile variables and level of economic conditions of construction workers.

4. To identify and analyse the factors which influence the working conditions of construction workers.

5. To analyse the problems faced by construction workers in the study area.

6. To offer suitable suggestions on the basis of the findings of the study.

The study is confined to Virudhunagar district of Tamil Nadu. Virudhunagar district has a large number of construction workers and the construction industry has shown significant growth in the district. Both primary and secondary data have been used for the present study. Six hundred construction workers were randomly selected from six taluks in Virudhunagar district. The primary data collected pertain to the year 2006-07. The secondary data relating to construction workers, male and female construction workers in Virudhunagar districts for 15 years from 1991 to 2005 were obtained from the Office of the Labour and Employment in Virudhunagar district.

In the foregoing chapters, trend and growth of construction workers in Virudhunagar district, profile of the sample construction workers, living and working conditions, relationship between the profile variables and level of
economic conditions, perceptions towards their working conditions and problems faced by the construction workers were discussed. The major findings along with conclusion and suggestions are not presented in this chapter.

7.2 Summary of Findings

The semi-log trend equation was fitted to fulfil the first objective of the present study.

The fitted results of semi-log trend model showed that a significant and positive trend was found in all six taluks of Virudhunagar district regarding the male construction workers. It means that per annum on an average, the rate of increase in construction workers was 1.09 per cent, 1.09 per cent, 1.08 per cent, 1.08 per cent, 1.09 per cent and 1.08 per cent in Rajapalayam, Srivilliputhur, Sivakasi, Sattur, Virudhunagar and Aruppukottai taluks respectively. The compound growth rate varied from 8 to 9 per cent in their taluks.

In the case of female construction workers, the trend and growth rate was found to be statistically significant in all the six taluks. The higher growth rate was found in Sivakasi (11 per cent) and Arupukottai (11 per cent) followed by Virudhunagar (10 per cent).
In the case of overall construction workers, trend and growth rates were statistically significant in all six taluks. The growth of construction workers in all six taluks was found to be the same percentage (9 per cent) per annum.

On the whole, the trend and growth rates in the State were found significant for both male and female construction workers.

In order to achieve the second objective, profile of sample construction workers, their living and working conditions were analysed by using percentage, score value for constructing standard of living index and consumption function.

It is observed from the analysis that the potential range of age for construction workers was found to be between 30 and 40 years. It is followed by 20 to 30 years and 40 to 50 years. Out of 600 sample workers, nearly 96 per cent were male and only 3.67 per cent were female. About 88 per cent were married. Majority of the sample workers (49.33 per cent) belong to backward class (BC) category followed by Most Backward Class (MBC) (23.67 per cent).

Most of the sample workers (43.33 per cent) were found to be illiterate. Actually, many of them are not able to put their signature. Illiteracy is also a cause of their ignorance. It does not means that the construction workers lack common sense and innate wisdom.
Majority of the sample workers (75.5 per cent) have 3 to 5 dependents in their family. It is followed by above 5 (17.33 per cent). 63 per cent of the sample workers have own living house. More than 65 per cent of the sample workers have concrete houses.

Regarding the income from main occupation, about 43 per cent of the sample workers earned Rs.3000 to 5000 per month. It is followed by Rs.5000-7000 and above Rs.7000. The total monthly income of Rs.7500 to 10000 received was 52.33 per cent followed by above Rs.10000 (22.33 per cent).

Consumption is a measure of standard of living of workers. The analysis showed that the most of the construction workers are able to meet their necessaries for living. Majority of the workers (40.83 per cent) spent Rs.3000 to 5000 per month followed by Rs.5000-7000 (35.50 per cent).

Debt is a very common feature among the construction workers. Very often they lead to debt traps. It is inferred from the analysis that only 37.33 per cent have debts. The majority of the workers have debt only below Rs.5000.

Majority of the workers (38.39 per cent) have borrowed money for family ceremonies followed by marriage (37.50 per cent) and family consumption (36.61 per cent).
There are three major sources of borrowings namely contractors (64.29 per cent), local money lenders (39.29 per cent) and friends and relatives (38.39 per cent).

About 65 per cent of the workers have some type of savings. Out of 390 workers, 81.59 per cent, 10.77 per cent and 7.69 per cent have Rs. below 25,000, above Rs. 50,000 and Rs. 25,000-50,000 as savings per annum.

The sources of savings were chit fund, LIC and money lending. Only below 5 per cent of the sample workers have no assets. More than 95 per cent have assets in the form of agricultural land, buildings, jewels and the like.

The computed results of consumption function revealed that the annual disposable income had a greater influence followed by the family size on the annual consumption expenditure. An examination of the values of the marginal propensity to consumer (MPC) and the marginal propensity to save (MPS) highlights the direct and indirect precautionary motive of the workers to tide over the rainy days.

The standard of living of construction workers was analysed by using the standard of living index (SLI) which comprises the index of consumption expenditure (ICE), index of the quality of residence of the households (IQH) and index of basic facilities (IBF). The values of per capita annual consumption and
total family expenditure are worked out, with care to standard norms and
classifications. This exercise reveals that on an average, the standard of living of
construction workers is only one half which is required for a decent living in the
study area.

In order to identify the factors influencing the standard of living, a multiple
log linear regression model was fitted.

The results revealed that the variables, consumption expenditure, levels of
employment and wage rate were statistically significant and they were positively
related to the standard of living index. Whereas in the dependency ratio, it had a
negative relation with the standard of living index.

Regarding the working conditions of the construction workers, majority of
the workers choose the job only because of compulsion by parents. Illiteracy was
another push factor. More than 65 per cent of the workers have been motivated
by the contractors to choose this job. Out of 600 sample workers, 72.17 per cent
of them have got job regularly. Nearly 91 per cent of them have been satisfied
with the present job.

More than 70 per cent of the workers have no fears while stand in top place
at work site. About 83 per cent of the workers have received financial assistance
from their contractors.
Out of 600 workers, majority of them (45.50 per cent) are mazdoors followed by masions (30.84 per cent). Majority of the workers (75.17 per cent) were recruited on wage basis.

The construction activities normally commence at 8 A.M. and go upto 7 P.M. with a lunch break of about 45 minutes. It is understood that the working hours may be from eight to 10 hours per day. Nearly 16 per cent of workers have engaged in overtime work for getting overtime payment which is double the amount of normal work.

Regarding the duration of employment, about 61 per cent of the total respondents were getting employment almost on all the days except Sunday.

Wages are the main motivating factor for employment. The wage rates of masons represent a combination of time and piece rate. Usually, the contractors and sub-contractors fix wages in the study area. The payment of wage has been given daily, weekly, fortnightly and monthly respectively.

Out of 600 workers, about 54 per cent of them have felt, the good working conditions prevailed at work place. Only 18.67 per cent have opined that the working condition was bad at work place. Majority of the construction workers (67.33 per cent) got their refreshment at work place.
The cash as gift during the festival has been given to the workers in the study area. Majority of the workers (87 per cent) were in good health conditions. Nearly 98 per cent of the workers have bought the necessary things from fair price shops as to save their money.

In order to find out the relationship between profile variables of the respondents and level of working conditions, Chi-square test was used.

The Chi-square results revealed that out of 31 profile factors, eleven variables namely educational qualifications, taluks, occupation, mode of recruitment, condition of work place, gifts during festival, nature of wage, income from main occupation, total monthly income, amount of savings and job satisfaction were associated with the level of economic conditions of the construction workers. The remaining 20 profile factors were not associated with the level of economic conditions.

Factor analysis was used to identify and examine the perception, factors of the construction workers on working conditions, social security and welfare measures, savings and income and health status.

The factor analysis revealed the fact that the perception factors like minimum wage fixation, recognizing job, industrial development, bargaining
power and nature of the job were found to influence the economic conditions of the construction workers.

The factors namely, compensation procedure, secured life, expenditure pattern and occupational pattern have influenced the social security and welfare measures.

The factors, savings activities, wage pattern, expenditure activities, economy measures and monetary conditions have influenced their savings and income.

The factors identified for influencing health status were health conditions, entertainment activities and refreshment status.

Regarding the problem faced by the construction workers, Garrett Ranking technique has been used.

The major factors affecting the working conditions as revealed by the analysis were proper training should be given, good friendship with co-workers and to feel delighted to come to the working place.

The problems relating risk were identified as unhygienic painting job, skin problems and risk in electrical works.
In the case of problems relating in general, commission received by the contractors, price of mosaic stone and exercises, meditations can be practised to workers were ranked first, second and third places.

7.3. Conclusion

Very often the job of construction workers suffers from insecurity. Adequate protection is not available. Different types of risks and hazards challenge the workers. Most of the workers feel hapless and helpless. A fairly high degree of unemployment is also found. Instability of employment is the worst form of discouragement to any worker.

Any one can easily understand that accidents are quite probable in the construction field, that too in highly elevated areas. They do occur but no scientific provision of compensation is presented. Mercy may play a role and some very nominal compensation may be offered. If a worker loses any of his vital parts of the body, he becomes invalid throughout his life. Such pathetic situations are ignored if the worker has not become a member of a union.

Again, holidays have become built-in in modern societies these days. The construction workers are not fortunate enough to have paid holidays. ‘No work, no pay’ is the rule of the day. Effective steps have not so far been taken for the provision of paid holidays to construction workers.
Employees’ State Insurance (ESI), Medical Allowances and Insurance coverage are not made available for all the construction workers. One can understand if the casual workers are deprived of such benefits. It is beyond logic and reason that even the permanent workers go without such benefits in a large measure.

7.4. Suggestions

The above conclusions have a few specific implications for policy makers. They are:

- The labour market for construction workers is imperfect and buyer dominated. Therefore, the workers have little bargaining power. The only remedy is to organise them in trade unions. However, many are not aware of the benefits of union. A few who are members of unions have gained nothing, not even the benefits of welfare schemes, not to speak of fair wages. Union leaders demand money and it spoils the hope, if any, of the workers. The contractors and maistries enjoy the market power and they are sure to resist any effort to organise the workers. Therefore, there are only two options. Non-government agencies can educate the construction workers to build awareness and conviction in the workers about the institutional advantages of the organised market. However, in the context of widespread illiteracy, this course will take a very long time.
The second approach is to constitute a labour welfare board and make registration of construction workers compulsory. This arrangement is already there, but it is to be made more effective. For the registered workers the board can arrange employment and fix wages. This is a short-term measure but needs high levels of efficiency and commitment of the bureaucracy and it is difficult to come and be free of corruption. Probably a combination of both the options may succeed.

The Minimum Wages Act is applicable to construction workers. Its enforcement is weak. Efforts may be taken to improve enforcement of the Act. Here again, organised buyers of the labour market (contractors and maistries) may work against it. Even if it is successfully implemented, the Act can assure only a fair wage but not sufficient days of employment. Therefore, the possible solution is to promote a system of formal contracts and to create an independent authority to enforce it. This system should allow recruitment of workers only from the list of registered workers and by the registered contractors. This measure also implies strong and effective market intervention by the government in the market for the labour of construction workers.

High cost of construction materials, seasonality in employment and lack of skill are the real constraints of construction workers. Huge investment by
the government in construction of buildings - public facilities and houses for sales and free distribution to the poor - will increase the market demand for construction workers. Benefits of additional days of employment and high wages would follow ‘House for all’ may be the motto then.

- Skilled workers are economically well off. Therefore, promotion of skill will help the construction workers. This can be arranged by special training centres for construction workers; giving them both literacy and work related skill. Alternatively, construction practices may be included in vocational courses at high school level.

- The government has already formulated several welfare schemes for the benefit of manual workers, including construction workers. Results of this study show that the benefits have not reached the needy. So, the schemes must be reviewed and operational guidelines be issued.

- Most of the construction workers run the risk of accidents, some of them even fatal. The results of this study show that the victims do not get due compensation. Therefore, suitable legislative and administrative actions must be taken to remove legal loopholes, and ensure justice to the affected that is fool proof.
Finally, it is also necessary to give top priority for literacy and family welfare drives. Large families are also seen as a cause of low standard of living, especially among unskilled workers. Something proactive should be achieved in this direction.

It is sincerely hoped that the authorities concerned would initiate prompt measures to carry out the suggestions offered in the light of a close study of the unorganised labourer in Virudhunagar District of Tamil Nadu. It is to be remembered that quick action is the key. Justice delayed is justice denied.