

# **ANALYSIS OF HEADLOAD LABOUR MARKET IN KOZHIKODE DISTRICT**

Thesis submitted to the  
UNIVERSITY OF CALICUT  
in partial fulfillment for the requirements  
for the award of the degree of  
**Doctor of Philosophy in Economics**

*By*

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(U.O. No. 9236/2014 Admn dated 24.09.2014)

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**February 2021**



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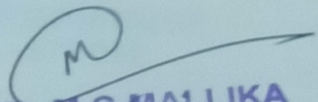
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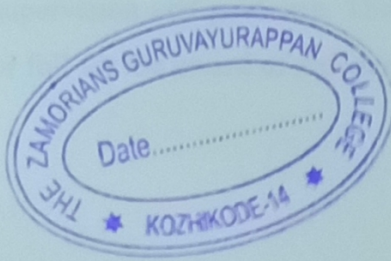


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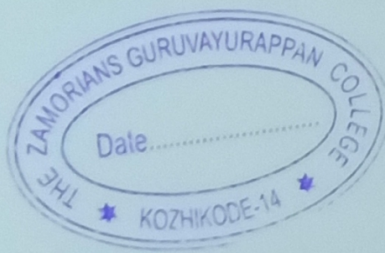
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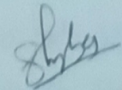
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## DECLARATION

I hereby declare that the thesis entitled "**Analysis of Headload Labour Market in Kozhikode District**" is a bonafide record of research work carried out by me at P.G. & Research Department of Economics, The Zamorin's Guruvayurappan College, Kozhikode, under the guidance of Dr. M G Mallika, and no part of this thesis has been previously presented or submitted elsewhere for the award of any degree or diploma or similar title to this or any other University

Place: Z.G. College

Date: .0 . 2021



**Ms. Shyba M.**

## ***Acknowledgment***

*My thesis would not have been in the present form without the valuable support of persons who help in one way or another throughout my research study. So here, I am thankful for all and express my sincere gratitude to all with immense pleasure.*

*I pray to our Almighty God for his grace and blessing throughout my life.*

*I express my deep and profound gratitude to my lovable guide Dr. M. G. Mallika, HoD, Department of Economics, Zamorin's Guruvayurappan College, Calicut, for giving me an opportunity to work under his distinguished guidance and for her advice, valuable comments, critical remarks and emotional support .Above all for her love, care and motherly affection throughout the period of completion of work.*

*I express my sincere gratitude, thanks and indebtedness to Dr. K.P Rajesh, Assistant Professor of Botany, ZGC for his immense efforts behind to get My deserved Scholarship fund from U.G.C. I wish to convey my gratitude to Dr. Ramachandran T former principal on this matter.*

*I wish to acknowledge my thanks to the staffs and officers of Kerala headload workers Welfare Board, Kozhikode district Committee, staffs of subcommittee of Vadakara and Ramanattukara for their cooperation.*

*I take this opportunity to express my gratitude to Labour officer of Kozhikode, and staffs of labour office, for giving vital data .I also thankful to office staffs of labour office of Feroke and Vadakara.*

*I wish to express my deep sense of gratitude to Rajan (C.I.T.U, leader) and Salam (railway good shed headload worker) for their support and help.*

*I extend my sincere thanks to all the respondents participated in the survey for spacing their valuable time and providing information for the study.*

*I convey my thanks to librarian and staffs of ZGC and Calicut University for their help. I also extend my thanks to all teachers of department economics and all the non-teaching staff of the College, for their assistance, encouragement and support.*

*The next I wish to my sincere gratitude to my friend and degree mate Dr. Smitha for her assistance and support.*

*I express my heartfelt thanks and indebtedness to my lovable friends Sumitha (my friend and class mate from my degree class onwards) Prajisha, Reshmi, Jesla, nimi and Bindhu miss for their love, care, concern, entertainment and above all for their emotional support throughout my research.*

*I express my thanks to PhD friends of other department Sharfudden, Vinjusha, Krishnapriya etc. for all their support. I also express my gratitude to my juniors Drishya and Balkees for their love and concern.*

*Last but not least, I would like to pay best regards and gratefulness to my father, mother, my elder sisters Shyni, Shyja and Shyfi for their sincere encouragement, inspiration, love, care, and support throughout my academic life. I also express my best regards to my sister's son Hrishik Shankar for his innocent fun.*

*I would like my sincere gratitude to each and every one for the help and whole hearted cooperation during my studies. My PhD thesis is dedicated to the fond memory of my lovable sister (Shyma.M).*

**Shyba M.**

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## **LIST OF ABBREVIATIONS**

<b>K.H.W.W.B</b>	<b>:</b>	<b>Kerala Headload Workers Welfare Board</b>
<b>C.I.T.U</b>	<b>:</b>	<b>Center of Indian Trade Union</b>
<b>I.N.T.U.C</b>	<b>:</b>	<b>Indian National Trade Union Congress</b>
<b>A.I.T.U.C</b>	<b>:</b>	<b>All India Trade Union Congress</b>
<b>B.M.S</b>	<b>:</b>	<b>Bharatiya Mazdoor Sangh</b>
<b>S.T.U</b>	<b>:</b>	<b>Swatantra Thozhilali Union</b>
<b>A.L.O</b>	<b>:</b>	<b>Assistant Labour Officer</b>
<b>D.L.O</b>	<b>:</b>	<b>District Labour Officer</b>



# INTRODUCTION

## 1.1 Introduction

The concept of informality was first coined by Keith Hart in 1970 (ILO, 2019). The informal economy consists of a significantly different group of workers and enterprises. The enterprises are unaccounted and unregistered and the workers are unprotected and unsecured, work in both formal and informal sectors. By considering the real-world work, we can see that most of the employed population works in the informal sector, it consists of about 2 billion workers that are 60 per cent of all workers including the agricultural sector (ILO, 2019). In recent times, it grows at a rapid rate, and most of the developing economy witnessed a rapid expansion of the informal economy. In Africa, the informal economy contributes to 50 to 80 per cent of GDP, which almost contributing 60 to 80 per cent of employment and 90 per cent of new jobs. The informal work in the Asia Pacific region is comparatively high, especially in South-Eastern Asia, the Pacific and Southern Asia, where it reaches 54.1 per cent and 73.6 per cent respectively in 2015 (Subair, 2018).

The dominance of informal employment is a vital feature of in Indian labour market. At present, over ninety per cent of the Indian workforce constitutes in the informal sector, and this sector provides more than 50 per cent of national income (Srija and Shirke, 2014). That gives labour market segmentation in the Indian market with the formal and informal sector. In the formal sector, the workers are engaged in salaried work in proper working conditions and organized. Whereas, in the informal sector primarily consist of casual workers and self –employed workers in both the formal and informal sector (Shonchoy and Junakar, 2014).

After the formulation of the liberalization policy, the formalization of employment is a matter of concern (Srija and Shirke, 2014). The subsequent process of globalization accelerates informalisation through greater freedom in the

movement of capital across national boundaries. This informalization leads to a lack of job security, lack of wage revision and other benefits (Goyal and Singh, 2014). So the informalization of the labour market has happened with the introduction of globalization and labour market flexibility argument. Headload labour market is having specific characteristics of the formal labour market before globalization. After globalization, it created flexibility in the headload labour market may impact the demand and income of the unattached labourers in the headload labour market. Hence, it is essential to discuss the impact of globalization on the labour market.

The labour market flexibility, a theme for debate today comes next to globalisation. Most of the developed and developing countries try to implement labour market flexibility by thinking that it creates more employment opportunities and output growth in the economy. The flexibility in the labour market is defined as its ability to adapt and respond to changes (Rubery & Grimshaw, 2003). “The most flexible labour market from an employer point of view would be one where the terms and conditions of employment were set unilaterally by employers to maximize production efficiency or in other words, if workers were just an input to production as machinery or raw materials” (Rodges, 2007).

In simply labour market flexibility means free ‘hire’ and ‘fire’ policy of the labour market. In a wider sense, it includes several forms of labour market flexibility that identified in the literature, they are numerical flexibility where the number of workers adjusted changes in market demand and technology; functional flexibility where reorganization workforce according to technological change; wage flexibility in which adjustment in the wage is in the market; temporal flexibility which involves adjusting and utilising working times (Sen and Gupta, 2009).

Then a flexible market is one where firms are under fewer regulations on the labour force can therefore set wages (no minimum wage) fire employees at will and change work hours. A labour market with low flexibility has rules and regulations, such as minimum wage restrictions and trade union requirements (Sharma, 2006). So globalization and labour market flexibility downsize state intervention in the market and weaker the trade union role. “The Centre of Indian Trade union (CITU)

stated at the fifth conference held in Bangalore in 2006, view that sixteen years of globalization had been severe on the Indian working-class with the downsizing of manpower, increasing workload price, rise of price of essential commodities, removal of social security net and marginalization of the trade union”.

Labour market flexibility hastened casualisation and contractualisation workforce that affects traditional trade union activities and subsequently affects employer and employee relations. So labour market institution faces serious challenges in the globalisation era (Sundar, 2010) In the wake of globalization, corporate firms and industries have been up roaring for flexibility. Because the Indian labour market is highly regulated due to rigidity involve in the use of labour in enterprises that cause high transaction costs, reduce efficiency in production and that creates trouble for them to freely operate in a competitive field( Papola&Pais, 2007).

In India, both the central and state government has the number of rules and laws for managing the employer and employee relationship. The Minimum Wage Act 1948; the Industrial Dispute Act, 1947; the Industrial Employment Act, 1956; the Employees State Insurance (ESI) Act, 1948; the Employees Provident Fund (EPF) Act, 1952; the Contract Labour Regulation and Abolition Act, 1970; and the Shops and Commercial Establishments Act, 1953 are a few of these Acts, which are considered to be very rigid and protectionist in India. Employers think that protective labour law creates barriers to the actual functioning of the labour market (Nath, 2006) and they argued that, in a highly competitive and uncertain market in a globalized era, high doses of labour laws and restrictive practices of trade unions impose “rigidities”, which affect not only economic efficiency, but also workers welfare and employment (Sundar, 2011).

Globalization and related flexibility measures may influence the headload labour market, hence, that directly affects the demand conditions and thereby the wages of the headload labour market. It has been associated with weakening labour regulation and the introduction of new laws allowing contract labourers within the formal industry in India (Chattergy, 2008). As a result number and share of

permanent workers decreased and the contract and casual worker increased and the employer used to employ 'Flexi- workers'. Hence, globalisation changes the role of the state from active to passive, that is formerly state actively intervenes in the labour market to bring about labour discipline now state not concerned about labour status in the market and the trade union strength weakening due to inadequate political support. So labour market institution faces serious challenges in the globalisation era (Sundar, 2010).

Hence, informalisation of the workforce is expanded with labour market flexibility and it relates to the downfall of formally secured, organized, and protected workforce on one hand and on the other hand it enhances the causal, unorganized and largely unprotected workforce. Informal workers in India face many problems as they are segregated, unskilled, lack organisational strength and social protection. In this context, Kerala, a south Indian state, its informal sector especially headload market is a special mention, known for its organizational strength and labour laws. Present study analyses the so-called "labour militant" nature of headload labour market on the basis of its demand and supply conditions. In this context, it is relevant to discuss the importance of trade unions in Kerala, especially in the headload labour market.

Trade unions are the most influential social institution in modern society and organize a large number of workers into a single entity (Das, 2008). Globalisation creates a new social, political and economic order in the economy through global competition and it is difficult for a trade union to function in traditional ways (Nepagen, 2008). The labour union played a major role in the economic development of Kerala. The political parties were taken initiative to organize labourers in Kerala. Heller (1996) states that the labour movement in Kerala was largely the work of the Communist Party which organised unions as primarily as an instrument of class struggles. Studies of state-informal sector dealings have shown aspects of top-down clientelism Under pressure from labour unions. The state government stopped technological changes, resulting in employers migrating to other regions where lower wages are compared to Kerala(Kannan, 1998). The head

load workers is an example of politically and socially mobilized workers in India (Chatterg, 2016).

In this context, the present study tries to analyse the existing condition of the strength of unions and their influence on working conditions and wages. Due to the existence of strong labour unions, it was argued that the headload labour market is considered to have the characteristics of an organized or formal labour market. Hence it is relevant to analyse the characteristics of the formal and informal market and tries to connect it with the head load labour market of Kerala.

## **1.2 Context of The Study**

The studies related to Kerala Head Load Workers are very few in numbers. Shankar(1986) focus on the evolution of the headload labour market in Trisur town, Kerala in the post-independence period. Pillai (1996) study has concentrated on the functioning of the Kerala Headload Workers Welfare Scheme and its impact on workers in the Eranakulam district. Heller (1998) focused on the evolution of the cooperative relationship between state and labours in Kerala. Wait (2001) has studied the effect of effort intensity of head load workers on their well-being. The present study analyses the demand and supply conditions of the unattached headload labour market conditions, that is not the agenda of the mentioned studies. Nornoha (2006) has discussed the impact of globalization on head load workers in Calicut city. The study shows globalization leads to poor wage bargaining and poor wage revision. Further, he found ‘de-trading’ is happening to the job market. Though the present study is having some elements of the study of Normoha(2006), the time period is very important. After the study, so many years over and the labour market conditions have changed a lot. Hence, the present study tries to analyse what has happened in the headload labour market in the full-fledged era of globalization and liberalization. Subair (2018) concentrated on the social security of head load workers. None of the above analyzed the structure, demand and supply condition of head load labour market, wage fixation and working condition of workers. Hence the present study is trying to fill the empty space.

### **1.3. Statement of the problem**

As it is a much-discussed fact that globalization increased the labour market flexibility and that reduces the strength of labour unions and formal employment. From literature, it is found that the headload labour market in Kerala is considered to be having some characteristics of a formal market. It is relevant to analyse this formal sector argument of the headload labour market. There are a lot of theoretical explanations existing in the labour market. Which theory is most suitable to analyse the headload labour market in Kerala? The answer to this question will be available only by studying the working conditions of the headload labour market. How the wages are fixed? What is the characteristic of demand and supply conditions in the market? How the supply is behaving? From what kind of socio-economic status the headload workers are coming? Is there any health issues related to the working conditions? Whether labour unions are highly influential in deciding wages and the working conditions of labourers? Is there any difference in the socioeconomic status of women headload labourers with male labourers?

After globalisation the plight of workers in the informal sector has generally been much discussed, some of the heterogenous sectors are less addressed among academic discourse and the public domain. Head Load Workers are one of such groups, which were labelled under 'serfs' from the historic period onwards. But the studies argued that in Kerala, the headload labour market is considered as a labour militant market. And the social opinion that these labourers are getting very high wages when compared to any other job market. Hence, it is relevant to analyse the wage and working conditions of the market and to compare it with the usual casual labour market. Whereas, rigorous attempts have been taking place in this sector to reinforce unionization and working conditions. Even though this hardship is ongoing on one side, technological advancement makes loading and unloading much easier by using machines and most modern technologies which question the existence of this sector in future. Furthermore, this sector is characterized by a lack of proper employer-employee relationship, no permanent income. The Headload labour market is considered a well-secured labour market in Kerala. This context

necessitates study about head load workers which will help to draw hard ground reality of this sector. The study is going to address the following research questions.

#### **1.4. Research Questions**

- What is the structure of the head load market in Kerala? How they are working?
- What are the characteristics of the market? How the wages are determined?
- What are the socioeconomic characteristics of the labourers in this market?
- What is the impact of globalization on the head load labour market in Kerala?

#### **1.5 Objectives**

The main objectives of the study are:

- to analysis the socio-economic status of head load workers
- to analysis the structure and character of demand and supply of head load market
- to analysis the wage fixation method of the head load labour market
- to examine the impact of globalization on the head load market.

#### **1.6 Hypothesis**

- Headload labour market is having the peculiarities of a formal labour market.

#### **1.7. Methodology**

The present study is a theoretical and empirical one. It uses internal data such as dispute settlement documents and labour registration documents along with external data. The dispute settlement document is used to analyze the level of bargaining capacity of the labourers. Labour registration documents for analyzing the change in the market structure. The study uses the data published by the head

load workers welfare board in “Sramapatham” magazine for analysing social security schemes for workers. The analysis of the labour legislations details is downloaded on 11/08/2015 from [www.IC,Kerala.gov.in](http://www.IC,Kerala.gov.in). For comparing the wages of head labourers with other casual labour wages are done by using data from Kerala economic review 2016. The approach of the study is quantitative and qualitative. It used a structured schedule for collecting quantitative information to analyse the socio-economic condition of the workers. Moreover, it used Focus group discussions, case studies, photographs, field notes etc. for analyzing the working of the labour market and bargaining capacity of the labourers.

Though the study is about the head load labour market of Kozhikode district, it mainly focused on the unattached section of the head load labour who is registered in the welfare board. It is because from the literature review it is found that the head load labour market is heterogeneous in nature in terms of its working and labour relations. Headload labour market can be broadly divided into three; such as attached, unattached and scattered. The character and labour relations in the attached labour market are different from other markets. Its working is not much different from other regular salaried job markets. The employee-employer relationship and the fixation of wages are exactly the same as ordinary regular salaried labour market conditions. On the other hand, a scattered market is having the characteristic of an ordinary casual labour market. But in the case of the unattached headload labour market is having a peculiar characteristic of both casual and regular salaried labour market and this section is the most predominant market type in the headload labour market in Kerala. Moreover, their working conditions and labour relations demand and supply conditions are different from other states in India and that is why they are receiving special mention in academic discourse. Hence, the present study is concentrating more on the unattached head load labour market for the analysis.

The population of the study includes all those unattached head load labourers who are registered in the Kerala headload workers welfare board in Kozhikode district. The Kerala head load workers welfare Board was established under section 14 of the head load workers Act, 1978. The Head Office of the board is located in



Ernakulam and it has 14 district Committees along with and Cochine port trust Committee and their subcommittees. The present study analysis the headloads labour market in Kozhikode district because historically Kozhikode is famous for trade and commerce and head load workers emerged and developed with the development of trade and commercial establishment in the state. The Kerala head load workers welfare board, Kozhikode district committee started on 2<sup>nd</sup> March 1987. Now the district Committee has 5 sub-offices, they located in Vadakara, Koyilandi, Perambra, Kuttiyadi and Ramanatukara. The present study had taken the Kozhikode district committee and Vadakara sub-office as samples for quantitative data collection. Kozhikode district committee is taken because it constitutes head load workers of Calicut city, major trade and commerce hub of north Kerala. The Vadakara sub-office is taken because where we can see female head load workers.

Kozhikode district committee is having a total of 2150 registered head load workers distributed in 80 pools. On the basis of the type of articles loaded and unloaded, the study divided the pools into 27. By using the Cochran sample size method, we had collected 330 samples from the total 2150 from the 27 pools by using the population proportionate method. Vadakara subcommittee is the only headload market where women are working under the Kozhikode subcommittee. The population of female workers is only 20. The present study collected data from 20 female workers for the analysis. Moreover, qualitative data is collected from areas of different sub-committees like Ramanattukara, Feroke, and Pantheernakavu for analyzing the working of the market.

### **1.7.1 Sample design**

Sample design of the Kozhikode welfare committee, the total 2150 unattached workers in Committee and they assigned in 80 pools. The present study combines the 80 pools into 27 based on similarities in the article loaded. On the basis of 'Cochran sample size method for a small population, get a sample size of 327 for a total population of 2150 and take 330 samples from the Committee. Table 1.1 clears the sample size of 27 pools according to the population proportion of each pool.

### Cocharan Sample Size of Small Population Formula

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}}$$

Where,

n = Sample size

n<sub>0</sub> = Cocharan Sample Size of large population

N = Total population

Here,

n<sub>0</sub> = 385

N = 2150

$$\begin{aligned} n &= \frac{385}{1 + \frac{(385 - 1)}{2150}} \\ &= 327 \end{aligned}$$

Table 1.1

#### *Sample Size of Different Pools*

Pool no	Population	Sample	Pool no	Population	Sample
1	411	63	15	34	5
2	351	54	16	23	4
3	97	15	17	38	6
4	225	35	18	78	12
5	58	9	19	64	10
6	59	9	20	104	16
7	46	7	21	44	7
8	27	4	22	48	7
9	28	4	23	55	8
10	22	3	24	25	4
11	38	6	25	99	15
12	44	7	26	24	4
13	39	6	27	40	6
14	29	4			

Total population : 2150, Sample : 330

Source: Kerala Headload Workers Welfare Board, Kozhikode District Committee

From Vadakara subcommittee take one pool where women are working. Women pool named number 28 and the present study has drawn that pool total population (20). Table 1.2 depicts the total sample of the present study.

Table 1.2

*Number of Sample of The Study*

Kozhikode Committee	Vadakara Subcommittee	total
330	20	350

Source: Kerala Headload Workers Welfare Board, Kozhikode District Committee, Vadakara Committee

### 1.7.2 Conceptual definition

**Head load worker:** a head load worker is a person who takes the load on his head or trolley for a wage. But does not include a person engaged by an individual for domestic purposes

**Attached head load worker:** Attached head load worker are those head load worker who is permanently employed by an employer

**Un- attached worker:** un-attached workers are employed by more than one employer and they have no permanent employee-employer relation. They are registered members of the Welfare Committee and acquired total wage per month from the respective Committee.

**Scattered worker:** scattered workers located in the bus stand and semi-urban areas and they have no permanent employee-employer relation.

### 1.8 Limitation of the study

The official details of the unattached labourers before legislation are not available. Hence the study depended on the labour register data which is kept in the labour office. This data is available only after 1990 when globalization actually started. Hence the impact of globalization cannot be studied due to the non-availability of data before the globalisation period. Another limitation is that the study mostly relied on the response of head load workers. The non-availability of

adequate secondary data makes the study concentrate largely on the primary survey. The next limitation is that the study confined only at the Kozhikode district.

### **1.9 Chapter scheme:**

The present study is organized into eight chapters. The first chapter gives the introduction of the entire work. It discusses the context, statement of the problem and methodology. In the second chapter, a detailed review of the literature is given. The third chapter provides a detailed description of the different legislations which are relevant for the working of a labour market. The fourth chapter explains the market structure and the theoretical framework of the study. Fifth chapter analyses the socioeconomic status of the headload workers. In the sixth chapter, a detailed analysis of the demand-supply conditions along with the wage determination process by using primary data and working conditions of the workers by using qualitative data are discussed in detail. The seventh gives a brief picture of the impact of globalization on the headload market. The last chapter consists of the summaries and conclusions of the present study.

## CHAPTER II

### REVIEW OF LITERATURE

#### **2.1 Introduction**

Labour is one among the important factors of production and inseparable with the labourer. In classical literature, the value of a commodity is determined on the basis of labour hour involved in the production of that good. So the labour market is an important place in the economic discussion. It ensures an adequate supply of labour for the production of goods and services on the one hand and the other, it provides wages as the main source of income. This chapter explores ideas, methodology, concepts and conclusions of other studies that are relevant to the present study. This chapter is divided into three parts. First part reviews existing literature related to the headload labour market, state intervention and trade union. The second part discusses reviews literature related to the impact of globalisation on the labour market and labour market reforms in India. The third part mentions the important reviews of the informal sector, informal workers and workers social security in India.

#### **2.2 Studies Related to Headload Labour Market, State Intervention and Trade union**

Shankar (1986), analyse the evolution of the head load labour market in Trichur, Kerala during the post-independence period from a historical perspective. So his study mainly relies on secondary data sources. He used trade union histories of the period, gazettes, government reports, memos of old workers and files of the various trade union offices and the head office of the Vyapari Vyavasayi –Ekopana Samiti and also used primary sources of data from three field trips covering nearly three years ( 1984-1986). The study found that the number of head load workers during the end of 1950s nearly 500 and in early 1980s 2500, the unspecialised labour at the end of 50s and market specialized in during early 1980s, there are no barriers

to entry in 50s and strong barriers to entry in 80s, no uniformity in wage rate in 50s and wage schedule can be seen in the 80s, competitive market in 50s and it segmented in 80s. The study says that unionization constitutes the single most important difference between the urban casual labour market in Kerala and the rest of India. The present study focus on the characteristics of the demand and supply of the market, its working condition, socio-economic status of workers.

Pillai (1996) focus on the functioning of one of the oldest fund schemes, the Kerala Headload Workers welfare scheme. He used primary data and collect 78 workers out of 782 workers covered in KHWWS in the state. The empirical study finds that most of the head load workers are migrant labour force from rural to urban areas, less educated, there is no permanent employee-employer relation in the market and they earn relatively larger than other casual workers. He finds that the welfare fund scheme makes a drastic change in the living conditions of the workers. The scheme regulated the employment and behaviour of head load workers in the market.

Thamphy (1997) examine the impact of trade unionism on the industrial development of Kerala. For this, he conducts a primary survey of 201 small scale industrial units of Kerala. He constructs a 'phobia index' for industrialists, it measures the psychological status of the entrepreneurs. To construct a 'phobia index' he used the 'Scalogram' technique for quantifying qualitative information given by the entrepreneurs during the survey. He finds that industrialist compares cost with revenue or profit. In cost industrialist analysis wage cost, ie cost of labour in Kerala it is higher than the productivity of labour due to labour militancy of trade union and psychic cost connect with the phobia among the industrialist makes from industrial disputes. He finds that due to the presence of trade unions with labour militancy, the small scale sector in Kerala faced high labour costs and along with the low productivity and phobia forced the investors to shift the small industries to neighbouring states of Kerala, where charged low cost and showed high productivity. He concludes that labour militancy is an important reason for the industrial backwardness of Kerala. In this context, it is relevant to discuss

Subrahmaian (1990) findings in connection with the argument of labour militancy or higher wages in Kerala paved the way for its industrial backwardness. He states that this argument has no empirical support through examine or compare Kerala wage and productivity major industry with national level and neighbouring states level. He tested the wage rate and productivity difference of major industries at the national level by using the ASI data shows the average wage rate of the factory sector is not higher than or it is less than with the national or neighbouring state. So he negates the argument that high wage or labour militancy paved the way for the backwards of the state. Thomas (2005) examine the association between labour and industrialisation in Kerala. He discusses features of the Kerala labour market, low rate of workforce participation, educated unemployment etc. He points out that the labour movement in Kerala, and their success in formalising the working conditions of several casual workers and noted the best example of the headload section in Kerala. The Labour union has made a significant improvement in the wages of the workers in Kerala. A few traditional industries are migrated to neighbouring regions of Kerala to got the advantage of the low cost of that market. But the study found there is no relationship between labour disputes and industrial growth in Kerala through a Granger causality analysis and also showed there is a little relation between rising wage cost and labour disputes in Kerala. The above studies are helpful to understand the labour militancy and high wage cost argument and give a framework to the present study.

Heller (1998) explore the evolution of the collaborative relationship between state and labours in India take Kerala as a Case study. He finds that in contrast to the fragmented nature of the national labour movement, the movement in Kerala is broad-based and have organisationally strength. He also finds that Kerala's large segment of workers in traditional industries; cashew and coir and its larger casual labour markets; construction and head load work have been unionised. The Kerala state actively intervened in the unorganised sector through regulatory and institutional reforms. The study found that the most well-known example of cooperation between state and union in formalising labour relation is the headload

section, historically they are degraded section and unorganised and now organised and bureaucratised exchange relation.

Kannan (1998) gives a critical look at the political economy of labour and the development of Kerala by examining the roles of a labour union, state and capital. The paper discusses 3 dilemmas faces by Kerala in relation to social development with economic growth. The first dilemma, the defective technological changes in labour-intensive activities affected output and employment. Second, the mismatch between labour supply and labour demand, the result is that the large reserves of the young educated labour force. And the state has failed to attract investment activities even when it becomes an investment-friendly place with foreign remittance. The trade union strategy of securing better conditions of work and enhancing wage rates along with halting technological change shifted labour-intensive manufacturing units to other areas and declining in new investment activities in Kerala.

Deshpande ( 1999) study organizing the unorganized workers by taking the case of Hamal panchayath in Pune, the organization of load carriers /coolies, the important urban unorganized workers working in the service sector, set up in 1955. By primary survey, more than half of these workers are Marathas along with Muslim and Dalit entered the market and there is a significant absence of OBC. It is very difficult for Hamal panchayath to mobilise workers because hamals are engaged on a contract basis, no definite employer-employee relation, no fixed rate of payment, scattered nature of workplace etc. Gradually panchayath monopolized hamals works in the market. It played a main role in the implementation of Maharashtra Mathadi Hamal And Other Manual Workers (Regulation of Employment and Welfare). The act provides social security to informal workers. The hamal panchayath ensures various welfare schemes to workers and has an organizational set up to manage various welfare schemes.

Wait (2001) give a new conceptual framework to question from work to well-being in the context of informal labour market intervention in Kerala and taken head load workers in Kerala as a case. He used available literature connected with



the informal sector in Kerala. He analyses whether effort intensity limits the well-being benefits of employment and the state intervention improved the negative effects of energy-intensive employment. The question from work to well-being is answered through looking at bodily, economic, symbolic and social capital pathways from work to well being. It shows that the energy-intensive work of the headload workers negatively affected their body well being. The physical intensive nature of the job of a headload worker restricts the entry of non-able body person to the market and physically strong person earn higher in their active working age. He finds out that state intervention in this market gave some protection and income to the even weak members of the market and that create social recognition of head load section and change earlier patron-client relation to formal relation and so state intervention in the informal sector seemed to improve some of the negative effects energy-intensive work of the informal sector.

Josph (2004), analysis formalisation of informal workers on the basis of state intervention. The study focuses on head load workers in Kerala. The primary data collected from unattached workers who register in Ernakulam and Kollam welfare committee, a total of 158 workers are taken for study. He found that the state intervened in the head load market through legislation and welfare measures. A welfare board and committee are constituted to regulate employer-employee conflict. The study found social welfare scheme brought about positive changes social, family and personal life of head load workers.

The study by Noronha (2006), analysed the impact of de trading on the job market of head load workers in Calicut city, Kerala found that along with globalisation lack of development of strong communication networks, imports of agricultural goods, restrictive practices of labour, social provisions under Headload workers Act 1978, and marketing strategies resulted in competition between workers which impacted on their wages.

Das (2008) examines the structure and function of the trade union in India and critically evaluates the issues involved in the computation of union membership and union density. Then examine how they are changed over time and then noted the

contradictory result of the computation of registered trade unions in India, 2002 estimation of registered trade unions showed 56.7 million union membership in India and 6.3 million reported in the Indian Year Book. So the study discusses the problems in the estimation of union membership and union density due to the inadequacy of standard procedure in India to compute union membership and union density.

Rajesh & Manoj (2014) study the politicisation of trade unions and challenges to Industrial relations in India by concentrating study on northern Kerala for a period of '6' months from July 2012 to December 2014 and data collected from employers, workers and trade union leaders. The study found that the politicisation trade union badly affect the actual trade union strength and that reduce the welfare of workers. Political parties incorporated political issues on trade union matters and this adversely affected healthy industrial relations in the labour market. So the study suggested that there should be a need to free the trade union from political control.

Chattaraj (2016) study the relationship between union membership and earnings of urban informal workers in India. For this, they used 61<sup>st</sup> round NSSO data conducted from 2004-2005 and used a stratified multi-stage survey that covered 124,680 households. She used a logistic model to find the peculiarities of workers who take membership in trade union and it changes in membership by different social classes. The NSSO data shows that large informal workers in India are unionised. According to the 2004-2005 data, 8 percentage of informal sector workers belongs to a registered trade union. In her sample survey, about 19 per cent of informal male workers (15-60, age) report membership in the union but the proportion of female workers in those are lower at 5%. The study test whether union membership increased the material well being of workers and find out that union members have significantly increased higher earnings. The relationship between union membership and earnings of women show statistically insignificant. Using the logistics model she also tested the association between union membership and satisfaction with earnings and find that union membership is strongly related to

satisfaction with earnings. She finds that there is no positive relationship between union membership and increased earnings for women workers. She also finds age has a positive effect on the earnings of men but a negative on that of women. The study shows Muslim, women, home-based workers are less likely to join trade unions and self-employed, educated workers are more likely to join the trade union. In certain industry workers like the tobacco industry more likely to join the union.

Morage Shital (2017) analysis the working condition and social security of mathadi workers (head load workers) in railway goods shed in Ahmednagar district, Maharashtra. The study found that most of the workers are youngsters and after 45 years most of them retired from the job. Most of the workers belong to a scheduled caste. Women mathadi workers engaged in packing, sorting, cleaning and other preparatory work. The mathadi workers work 10 hours per day and their working conditions are so poor. In the workplace, there is no drinking water facility and their resting place is unclean and untidy. The workers suffered from serious health problems like dust allergy, back pain, shoulder and neck pain, injuries and wounds etc.

Nilesh (2017) study -the socio-economic condition of mathadi workers( head load workers) in Maharashtra. The snowball sampling technique is used for the data collection and data collected from the Agriculture Product Market Committee (APMC) located in Vashi, Navi Mumbai. The study discusses mathadi laws passed in 1969 in Maharashtra, mathadi board, mathadi hospital etc. The study found that there are registered workers and unregistered workers, the registered workers are protected social benefits provided by the board and unregistered workers are not part of the board and they are exempted from social protection. The study found that the physical nature of mathadi workers was replaced by machine due to technological up-gradation in the market. Female mathadi women workers rarely find due to masculine nature work.

Subair (2018), has studied social security and labour welfare in Kerala, with special reference to head load workers in Kerala. Both primary and secondary data are used for this study. The primary data are collected from 1080 registered workers

KHWBB, 540 from unattached workers and another 540 from scattered categories. He found that implementing social security has a positive consequence on moral and behaviour of headload workers because workers become disciplined, cooperative, loyal to the board and they care for each other in the workplace. The study finds both scattered and unattached workers have moderate awareness about all aspects of welfare schemes such as type of various schemes implemented, about the maximum benefits of each scheme, coverage of various schemes etc. The study also found that both types of workers have moderate level satisfaction in various aspects of social security schemes of the welfare board. The study found there is a positive relationship between social welfare and job satisfaction of workers.

The above-mentioned literature related to headload market, state intervention and trade unions give some ideas of an earlier stage of head load market, its welfare scheme, the role of trade union in the market. These views help to the framework of the present study.

### **2.3 Studies related to the impact of globalization on Labour Market and labour market reforms in India**

Roychowdhury (2004) study globalization impact on labour. She says that after globalisation organized employment becomes reduced. But liberalisation has created an enabling environment for cutting down regular, salaried jobs through VRS, contractual employment, subcontracting, outsourcing and so on. The reduction in the organised sector has been followed by increasing informal workers. The increasing informalisation in the context of globalisation raise several issues like low wage, no job security, long and unregulated works, absence of accident and other insurance and so on. The scheme of voluntary retirement of the public sector and golden shake hands give attractive benefits to redundant workers. These displaced workers can find a place in the informal sector. As the organised sector has shrunk, concomitantly the numerical strength, as well as the bargaining leverage of unions, has been eroded. She concludes that globalisation leads to shrinking of organized sector or workers and weakened the union power in the labour market. The same conclusion reached Garg (2005) when he studies the impact of globalization on the

labour force. The globalization creates an environment for cutting down a regular salaried job in organized sector through VRS, contractual employment, subcontracting, outsourcing, feminization etc. and weakening trade unions. Hence, globalization procedure badly affects the workers in the informal sector, reducing the workforce in the organized sector and weakening trade unions. The government regulating mechanism cannot work in the face of heightened international economic competition.

Papola (2005) focus on the impact of globalization on employment and working condition of workers. The study finds there is the growth of employment in the post-globalization period increased but most of the employment is generated in the non-agriculture sector and primarily in the unorganized segment. The employment growth in 1994-2000 only 0.56 per cent per annum as against 1.12 per cent in the unorganized sector. After 2000 there must be an absolute decline in organized employment in India. Apart from that, the domination of the unorganized sector with an irregular and insecure job, low productivity and earnings with lack of social protection become the feature of the Indian labour market. It further leads to a decline in the share of protected labour and increases the share of unprotected workers. This trend strengthened after the use of labour market flexibility in the labour market. The paper suggests that the faster growth of employment is needed but serious care takes to provide adequate protection to workers.

Reddy (2005) discuss the serious challenges faced by workers in the globalized world. The paper point out that globalization along with market flexibility making the world of work increasingly lean, mean and indecent. The experience of globalization during the last decades had shown a devastating effect on income employment of less-skilled workers and growing insecurity of labour in the market. So the paper suggested markets especially labour markets should be regularized in order to prevent workers from social disruptions.

Guha and Atulan (2006) critically evaluate favour argument for introducing labour market flexibility in the Indian labour market through empirical inquiry of neo-liberal proposition that the labour market flexibility increase output and

employment growth. The study focuses on the organized manufacturing sector in India. For this, they make use of the data at 3 digits of NIC 1998 sector level for the period of 1994-95 to 2003-04. He measures labour market flexibility by the ratio of contract workers with the total number of workers employed in a particular industry. By analyzing the relationship between growth in labour market flexibility and output growth rate at 1993-94 prices and employment growth, get correlation coefficient zero. Taking panel data from 44 sectors author estimates the relationship between labour market flexibility and output growth along with labour market flexibility and employment growth during the period 1996-97 to 2003-04 and the result of the relationship between labour market flexibility and growth rate of output was negative. The result of panel data estimation of the relationship between labour market flexibility and employment growth shows that there is no significant influence of labour market flexibility on employment growth. So he concludes that the neoliberal proposition that increases in labour market flexibility leads to higher output growth and employment growth is not valid in the Indian manufacturing industries case and it only helped to redistribute income from workers to capital. The same conclusion is drawn by Jha and Golder (2011) examines the empirical evidence in the context of debates on labour market flexibility. For this, they used cross country empirical studies. They found that there is a zero correlation between labour market flexibility with output growth and employment. In their study, they say that most of the studies related to labour market flexibility could not give empirical support that labour market rigidity tampered with the growth of output and employment of the country. So they conclude that the neo-liberal proposition that labour market flexibility would increase employment and output growth is not valid.

Bhattachrjea (2006) critically review the empirical evidence on the impact of labour regulation on Industrial performance in India. In first she analyses Fallon and Lucas, Bessley and Bergas approach to the effect of the Industrial Disputes Act (IDA) in India and its amendment in 1976 and 1982 on industrial performance in India. The first approach gives a contradictory result that first, their estimation of census sector of ASI data covers plants with at least 100 workers using econometric tools they find that IDA amendment does cause a decline in employment and same

estimation conduct among registered manufacturing firms employing less than 100 workers shows the number of a significant reduction in employment. The second approach, Bessley and Bergas, exploits variations in a state-level amendment to the IDA through make an index of regulation. She classifies amendment as pro-worker, neutral or pro-employer and assigning scores of +1,0 and -1 respectively to each state for a particular year and add these scores over the period. This index gives flawed results in some states due to a problem in assigning a score to the amendment. And she finds a methodological shortcoming in other papers and so she suggests that India should first rationalise and reduce inconsistencies in existing labour laws before formulating new labour laws. She cites the real problem in the Indian labour market is its multiplicity of labour laws and this creates a problem in the Industrial performance of the country.

Sharma (2006) debates on the issue of reforming the Indian labour market. He shows that labour market flexibility increased in India despite restrictive labour laws in the Indian labour market due to employing of contract labourers. The number of contract workers in Indian manufacturing increased from about 12 per cent in 1990 to about 25 per cent in 2002. He argues that there are different labour laws in the Indian labour market and its complexity make a problem in the market. So the study suggests that there is an urgent need to simplify, rationalise and consolidate different labour laws into simple labour legislation. And those labour laws must consider both the needs of the employer and employee.

Vaithegi (2007) focuses on decentralized production and labour market flexibility in the leather footwear industry. The study carries out in Ambur village in Tamil Nadu, 50 leather footwear manufacturing units are taken out of it 32 per cent are large units, 12 per cent are medium-sized 465 small units and 10 per cent are tiny units. The result shows that the decentralized production system and labour market flexibility exist in those areas. The study found that most of the permanent workers and temporary workers include women, work without labour protection and they worked long hours with low wages and unhealthy conditions. So the study

concludes that the decentralise production system with labour market flexibility badly affect the working section.

Rodgers (2007) tries to check the relationship between labour market flexibility and employment by reviewing literature from both industrialized and developing countries. He says that most of the literature reviews do not give any clear evidence to support labour market flexibility to create more employment opportunities. He argues that there is a need for universal policies and institutions to achieving decent work; flexibility in employment relationships was needed (employer, workers and union) rather than labour market flexibility. So he suggested balance social security and labour market flexibility (flexicurity). Whereas Papola and Pais (2007) discuss the need for labour market flexibility in the Indian labour market. They examine the important labour reforms in India, and their coverage, significance and effectiveness. They focus on ten important labour regulations relating to the condition of work, wages, social security and industrial relation. The important regulation in wages is the minimum wages act, applicable to skilled, unskilled, and manual workers. Most of the unorganised workers are outside of the purview of social security measures. The Indian labour market is highly inflexible due to the multiplicity of labour laws and its limited coverage. Among the labour laws, the minimum wage law has the highest coverage and by definition, minimum wage law covered 38 percentages of total workers and 83 percentages of hired workers but it covered 3.6 of the total workforce and 7.8 per cent of hired workers. The paper concludes that there is an urgent need to change the regulatory nature of Indian labour laws to par with the changes in the competitive environment. The study also says reducing labour regulation do not means reduce labour protection and aims at reducing complexity and duality in labour laws. There is a need for a unification of labour laws in India.

Dath and Silly (2007) give major issues on labour laws of the Indian government in the context of government decided to frame labour laws by recognizing the need and importance of labour market flexibility. Go through the available literature in these fields they argue that the labour market flexibility



increases employment opportunity in the short-run and not in the long run and also increase the number of contract workers but that workers face many problems, lack of minimum wages, house and health facilities. So they conclude that the Indian government give importance to the better enforcement of present law, that beneficial to both employer and workers before framing new labour laws to attain more flexibility in the labour market.

Dhas and Jacquelin (2008) discuss the impact of globalization and economic reforms on employment in India. They find organized sector employment shows a declining trend during economic reforms. As a result, a large number of the labour force has pushed to the unorganized sector but the excess labour supply creates an imbalance in the labour market. This excess labour supply creates casual or partial employment with low wages and no job security. So this situation would affect unorganized workers social and economic conditions. The unorganized workers will be in a highly disadvantageous position as there would be a shift in the technology from labour to capital intensive and the use of unskilled to skilled workers.

Neethi (2008) examines the implication of the flexible labour market on the quantity and quality of employment taking the case of India's manufacturing sector. She uses ASI data, NIC-70, NIC-87, NIC-98 etc. and tries to analyze the flexibility through contract workers at three levels, all India level, Industrial level and regional level. In all, India level contract workers increased from around 9 lakh to 15 lakh during years 1995-96 to 2003-04, but during the years the growth rate of total workers and direct workers decreased. At the industrial level, there is a skewed distribution of contract workers among industries in India. Contract workers are highest in the tobacco industry, about 70 per cent of workers are contract workers. The contract workers are least in the electronics industries. In the regional level analyze she find that contract worker intensity is highest in Gujarat, Andhra Pradesh and Orissa and lowest in Kerala and West Bengal due to strong trade union presents in these two states. She concludes that contract worker intensity on average increased in almost all the states during the years. The major implication of a flexible market is, contract work a substitute of direct workers, a complement to

capital intensive production and re-distributive strategies of factor shares. Jain and Garg (2014) analyze the problems and challenges of contract labour in India and recommend some remedial measures to improve the condition of contract workers. They say that the Contract Labour Act, 1970 in India prohibited employers to employ contract workers for long time nature jobs but 85 percentages of the total workforce in the private sector and 50 per cent of the total workforce in the public sector, India is used, contract workers. So they discuss certain issues of contract labour, the issue is contract workers get lesser wages to compare to permanent workers for the same job, they are not considered equally with permanent workers by the trade union, lack of social security etc. They also show labour unrest that happened in recent years in Indian manufacturing due to unequal treatment of contract workers. For a remedy to contract workers problems they suggest that there is a need for a social security package or fund that should be controlled by the principal employer and contractor with contribution from workers, contractor and employer and that could be managed by an independent trust. Hence Contract Labour Act, 1970 should be considering the welfare measures aspect of contract workers in India.

Ghose (2008) analyses the employment effect of globalisation in developing countries. He makes use of available secondary resources and relies on cross country comparison. He finds that after globalization low skilled workers located in developing countries and capital and skilled workers found a place in developed countries. In developing countries there exist a dual-sector, modern and traditional sector; the study shows that there is no theoretical and empirical evidence of the positive employment effect of globalization on the modern sector and instead there was evidence of negative employment effect of globalization on the traditional sector. Hence the study says that the employment effect of globalization in developing countries is negative.

Rajeev (2009) conduct a study among sixty industrial groups in Karnataka, India through a panel session model. He focuses on contract labours, regular workers, managers and other officials. From the sample survey, the study finds a

large discrepancy between large and small private firms on their work securities, protections and wage. Private firms provide all protection and securities to their permanent workers along with high wages and they do not employ low-cost contract workers, whereas, small firms largely employ low educated contract workers at low labour cost with below minimum wage. These contract workers give a remarkable contribution to the production process through their conditions are so critical. The paper addresses the need for an urgent mechanism to protect these categories of workers.

Sundar (2011) study the labour regulatory system and debate on labour reforms in India, highlighting their implications for non-regular work arrangements. The study points out the number of non-regular workers especially contract workers increased in India during the post-liberalisation period. He finds contract workers are highest in the public sector compared to the private sector but their working conditions are so pathetic, their earn wages are less than that of permanent workers for the same job and also the exempted from social protection. The trade unions start to incorporate the non-regular workers when regular workers numbers slow down and have negotiated with employers for regularising contract workers but employers show a negative attitude to non-regular workers. So the study gives three policy implications for the improvement of non-regular workers in India, first, it was needed to strengthen the collective institution, secondly, the similar wage for similar work and long-serving workers should be regularised. Thirdly income, social security and minimum wage security would be extended to the Flexi category workers. So the paper suggests that labour flexibility in employment is necessary, but income and social security of contract workers get to be attention from the part of the government.

The Indian Labour Employment Report (2014) examines the emerging agenda for policies and action. The report says that there has been increasing informalisation of the workforce in the last 3 decades and the transfer of workers from agriculture to non -agriculture has been slow with some acceleration in recent years, but most of the employment generated is informal and insecure. The

percentage share of contract workers in the organized manufacturing sector has increased from 13% in 1998 to 34% in 2011. The report suggests that debates on labour market flexibility must be resolved in a way that meets the needs of both workers and enterprises. The modernisation and simplification of existing labour laws are the main agenda of the report.

Goyal and Singh (2017) concentrate on the effect of globalization on the informal sector. This paper focused on employment and workers working conditions by using secondary data taken from the various report of the NSSO survey. There is a drastic change in informal sector employment in the post-reform period, in NSSO survey 2004-05, 92.3 per cent workers are informally employed. Due to globalization, informal sector employment is also increasing and no job security and other benefits to the workers. The 68<sup>th</sup> NSSO survey reveals that 82.4 per cent of employed persons in the agriculture and non -agriculture sectors are working without any written job contract. The proportion of no job contracts is slightly higher in rural areas compared to urban areas. It is estimated that about 92.5 per cent of the casual workers do not have any job contract.

Chaudhary (n.d) tries to discuss the impact of globalization on the labour force in India especially the unorganized sector workers. The first part of the paper discusses labour laws and labour welfare in India and the impact of globalization on the unorganized sector. He says that the unorganized sector constitutes a total of 90 per cent of the working population in India, so it is the greatest challenge in the globalization era to improve the working condition of deprived sections especially women and child labour. The unorganized sector social security act 2008 ensures social security to unorganized sector and paper says that 'mathadi' workers board in Maharashtra and 'Jathu hamal' board in Andhra Pradesh is a good model to follow the other states in India. The paper stresses the point that globalization badly affect the deprived section and in order to avoid challenges of globalization government, employers and trade union take a collective effort to impart adequate social security to the unorganized sector workers.

Bhalerao and Bhlerao (2017) highlight the effect of globalization on trade unions. After globalisation, the income gap between workers of different education levels has widened. He says that with the expanding of the informal sector in which work does not imply regular hours, regular income or even fixed working place. The street vendors, domestic workers, illegal immigrants and migrant farmworkers fall in this category and it is a challenge to the union in order to incorporate these workers. Women largely work in the informal sector and irregular workers, trade unions change their traditional strategy of including a male in the mining and manufacturing industry and employ a new strategy to incorporate women and informal sector. The various groups of workers have various issues, so it is difficult for a trade union to reconcile the different issues. The solidarity of labour unions has been decreased because of the inability of the labour movement to unite behind a few fundamental issues.

The above-mentioned studies about the impact of globalisation on the labour market and labour market reforms in India give some ideas about labour market flexibility and informalisation of the market. This helps to the making of the present study.

#### **2.4 Studies related to the informal sector, informal workers and workers social security**

Cherunilam (1981) in his study mentions that the ease of entry and exit is one of the important characteristics of the informal section and almost all sessions of the people can get a job in the sector. He also discusses that the majority of the workers in the informal sector is the primary earners of the household. Field (1990) evaluates the compatibility of a theoretical model of the urban informal sector and empirical evidence of working that labour market and analyzed it in the context of developing countries. He pointed out that the urban labour market is divided into two on the basis of the type of employment; formal employment and informal employment. Informal sector characterized by easy entry, low wage, self-employment income, lack of protection and regulation. The study finds that there exists another category of urban employment where we can see self-employed

workers and they are formerly employed in the formal sector and quit that job because by working by own they get better wage and working conditions. But the feature of their new employment sector is that it is not a free entry sector a sizeable factor of human capital and finance is required to enter this sector. He denoted this sector as an upper-tier informal sector. Swaminathan (1991) explains different approaches to the informal sector; the first approach identifies formal and informal dualism based on specific characteristics of activities, this approach applies to studies of developing countries. Another approach the economy is fragmented with different sectors rather than divided into two different sectors. The third approach is a flexible specialization approach applicable to developed countries including flexibility of labour. The last approach is the absence of state regulation, defining characteristics of the informal sector and applicable to developing and developed countries. Above mentioned studies provide a framework for the present study. The present study tries to fix the type of headload market on the basis of the definitions and explanations which had given in the above literature.

Eapen(2001) studies women in the informal sector in Kerala. This study highlighted the issue of wage discrimination in the informal sector on the basis of gender. The present study analyses the gender difference in working conditions and the level of remuneration among headload workers.

Shonchoy and Junankar (2014) explores the urban informal sector in India and find whether internal migrants, rural to urban areas treat this sector as a temporary place to move the organized sector or formal sector. They argue that the Indian urban market mostly segmented the labour market and people from the lower social classes are more likely to work in the informal sector. They find getting more education paved the way to getting a job in the formal sector. They find that when rural migrant moves to the urban sector, they get in a job in the informal sector and their occupation in lower grades. They find caste and religion play an important role in employment; Brahmins and higher caste are more likely in higher-level employment whereas Muslims and Dalit's is mostly employed in non -agricultural day labour. They estimate the model of the probability of working in the informal

sector as the function of demographic characteristics, education, fathers education and occupation, caste and religion and duration of migrants in his/her present occupation. They find that individual education and fathers' education and occupation play a significant role in their placement of the job. They find Muslims and other backward classes are more likely to work in the informal sector. The important finding of their study is that duration of migration from rural areas, inversely related to the probability of employment in the informal sector. The longer the length of staying of migrant labour in urban areas is higher the chance of getting a job in the formal sector. The present study tries to analyse the socioeconomic status of headload labourers and trying to connect it with the job conditions.

Srija and Shirke (2014) explain the extent of informalisation and its challenges. She makes use of NCEUS definition to identify formal informal employment in the organized and unorganized sector. There is increased organized sector employment from 13 per cent in 2004-05 to 17 percent 2011- 15, but it is informal, the organized formal employment decreased between these periods. In sector-wise 97 per cent of the agriculture sector employment is highly informal. The manufacturing and service sector also informal employment is higher than formal employment. In informal employment, the share of self-employed and casual workers is increased than regular salaried works during 2004-05 and 2011-12. They say that around half of the formal sector workers are informal workers.

Naik (2015) tries to study the employment of the informal sector in India by using the new definition of the informal sector and informal worker provide by NCEUS (National Commission for Enterprises in the unorganized sector). The study makes use of the NSSO 1999-2000 and 2004-05 survey report. The share of informal sector workers constitutes more than 86 per cent of the total workers in India in 2004-05. The study finds that the share of female participation in the informal sector in the rural area of India is greater than that of the male in the rural area. The growth rate of formal sector workers is a little bit higher than the informal sector from the 55<sup>th</sup> NSSO round survey to the 61<sup>st</sup> NSSO survey. The growth rate of rural formal sector workers is higher than that of informal sector workers but the

reverse happens in an urban sector where urban informal sector workers growth rate is higher than formal sector workers during the period 1999-2000 and 2004-05.

Abraham (2016) finds determinants of forms of informal employment in India. She used the 68<sup>th</sup> employment and unemployment survey of NSSO and the multinomial probit model technique. The result shows young and uneducated are informally employed in informal enterprises. The old and highly educated are work relatively in informal employment in formal enterprises. Hence, her result challenges the conventional assumption that very old or very young and illiterate or less educated enter into informal employment. The young educated graduates are more likely to come to informal employment in formal enterprises.

Kalayani (2016) tries to analysis the Indian informal sector. As per the NSSO survey 1999-2000, 92 per cent of the total workforce employed in the unorganized sector and 60 per cent of national product contributed by this sector. The NSSO employment data for the 55<sup>th</sup> and 61<sup>st</sup> rounds explain that country is currently in the state of informalisation of the formal sector and entire increasing employment in organized sectors are informal. This unorganized sector is characterized by the seasonality of work, predominance of contractual and casual employment, absence of social security measures, welfare legislation, and absence of minimum wages and so on. The study criticizes the social security measures of the government, both central and state governments formulated a certain scheme for unorganized workers but which fails to meet the real needs and requirements of the unorganized sector workforce. Deepa (2018) examines the growth and characteristics of Kerala informal sector employment. Various round NSSO round data were used for this analysis. By analyzing NSSO data it is found that urban informal workers are growing continuously in Kerala. She discusses characteristic features regarding gender, age, religion, social group, marital status and education qualification and these characteristics lead to the growth of the informal sector and workers. Looking into education, most of the workers have secondary and below secondary and no technical education. By analyzing Usual Principal Status it can be found that self-employed and casual workers are the highest positions among informal workers in



Kerala. Finally, she finds that most of the informal workers work without any written job contract and social security ensured by the government.

The above-mentioned literature related to the informal sector provides a framework for the present study. The characteristics of the informal sector are going to connect with the headload labour market of Kerala and in that manner, the literature is relevant for the study.

In India 96 per cent female works in the unorganized sector. Mohapatra (2012) study on women workers in the informal sector in India. She conducted a field survey at the selected municipality of Odisha and interviewed 500 women workers engaged in different occupations, such as rag picking, household work, construction work, garment making, beauticians and others through a semi-structured questionnaire. The study finds that 53 per cent of sampled respondents have migrated from rural to the city and they have no fixed place and hours to work. Most of them coming from a low economic background, poor housing, and sanitation, lack of adequate and potable water supply; unhygienic surroundings of the living and working area are some of the factors that affect the health of the respondents. Most of the respondent workers suffered from some health issues due to poor living and working environment. She concludes that poor literacy and lack of awareness among women in the informal sector are the main reasons for the self-exclusion of workers from mainstream opportunities.

Muthuswamy and Ibrahim (2013) study problems faced by informal workers in different sectors in India. The proportion of informal workers is high in the agricultural sector. They find problems of the agriculture sector are seasonal jobs, low wage low status of workers compared to other income groups and unemployment due to technology. The problems of home-based workers are unprotected by labour laws, poor remunerative policies, lack of bargaining power and social protection. The problems of street vendors are fear of harassment from authorities, low income, poor working condition etc. The study suggests that the social security scheme of workers implemented based on unorganized workers Social security Act 2008, credit facility available to investment activity of informal

workers, grievance cell should formulate to listen to the grievance of informal workers, the severe act should be enacted to protect female informal workers etc.

Sathya (2013) focuses on the problems of the unorganized sector in India. Ninety per cent of workers in India are employing in the informal sector, they are employed in a hazardous situation, at a low wage, working long hours and without any social security. The informal sector suffers from low productivity, seasonality of job, predominates of casual or contract employment, poor human capital base etc. The study suggests the unorganized sector should provide social security benefits like maternity allowances, accident relief, natural death compensation, education support to children, pension etc. Besides this, both central and state governments formulate policies to meet the real needs of unorganized workers.

Kapur and Sethy (2014) try to analyze studies related to the working and living conditions of unorganized workers. Through the review literature, they observed that the unorganized sector workers have no permanent job, permanent income, no legal protection system, no permanent employee and employer relation, the unequal wage for males and females, poor health/medical care and poor working condition. They suggest that more research is needed in this area to find a practical solution to the workers' problem.

Kalyani (2015) explore unorganized workers in India. The Indian economy is characterized by a vast majority of unorganized or informal workers. She discusses major characteristics of the unorganized sector such as excessive seasonality of employment, scattered and fragmented nature of employment, there is no permanent employer and employee relationship, do not get attention from the trade union, inadequate and ineffective labour laws etc. The study shows that among the unorganized workforce of the country 90.7 per cent are male and 95.9 per cent are female workers. She criticizes the Unorganised Sectors Social security Act, 2008 does not deal with the issue of unemployment, its regulation, wages and condition of works and lack of serious legislative backup. Both central and state governments have formulated some schemes to provide adequate social security but failed to give real needs of workers. The study concluded that the comprehensive act that deals

with vulnerable sections food, nutrition, health, housing, employment, income, accident and old age remain a dream in India.

Narayanan (2015) investigate the difference in the wages of formal and informal workers. He finds that the weekly nominal wage of formal male workers is greater than an informal male worker. The mean formal and informal wage gap of males is 3195 and that for females is 2963. The education of formal workers both males and females is higher than informal workers by considering years of schooling. Technical education gives higher returns to informal workers than formal workers. To test labour market segmentation he uses the polychotomous choice model. The result finds that the Indian labour market is segmented with formal and informal employment and workers chose informal employment as a last resort.

Rani and Lavanya (2018) explain that unorganized workers are an inseparable part of the Indian economy. Unorganized sector workers constitute 88 per cent of the total labour force in India. But workers are working with a lack of job security, no minimum wage, no bargaining power, no employer-employee relation etc.

Banerjee and De (2018) try to find what happened to informal employment in India after globalization. For this, they used various rounds of NSS data, NSS data 43<sup>rd</sup> (1987 -88), 50<sup>th</sup> (1993-94), 55<sup>th</sup> (1999-2000), 61<sup>st</sup> (2004-2005), 66<sup>th</sup> (2009-2010) and 68<sup>th</sup> (2011-12) rounds of trend and pattern of informal employment of both men and women in the rural and urban area. The study finds that informal sector employment increased over the years except in 2009-10 and formal employment more or less constant over the period. The number of informal workers in the formal sector increased up to 2009-2010 but decrease in the 68<sup>th</sup> round 2011-2012, their opinion is that this is not an improvement because at that time total employment decrease due to the economic crisis. Considering causal self-employed workers, self-employment together with casual employment among rural females is higher than that of rural males, urban females and urban males. The study concludes that the work participation of females increased but most of the work is informal in nature and they refer to this situation as the casualization of the workforce.

Unni (2018) analysis formalizing the informal economy on the perspectives of capital and labour. By capital, it implies that the governments regulate small enterprises and bring them under the tax system. In the labour view consider that bring the workers under the social protection system. The study argues that the capital view only normalizing the enterprises whereas the labour view is an actual formalization of the informal economy. The labour perspective has a redistributive effect on society it tackles poverty, inequality and vulnerability.

Upadhaya (2019), focuses on unorganized sector workers in India and tries to differentiate between the organized and unorganized sectors. The organized sector is governed by various labour laws whereas the unorganized sector is governed by the Unorganized sector social security act, in the organized sector workers, get monthly salary and the unorganized sector get a daily wage, organized sector workers enjoys social security and unorganized workers exempted from it and organized sector workers have fixed working hours than unorganized workers. The unorganized workers classify different subgroups like street market vendors, home-based workers, Garment workers, waste pickers, women workers, agriculture workers. The major challenges faced by unorganized workers are most of them get a temporary and seasonal job and their bargaining power is lower than the organized workers. He suggests India need a strong social security system to protect these unorganized workers. In this context, the analysis of the forthcoming literature is on the topics of social security of the informal sector.

K. P. Kannan (2002) examines the evolution of the welfare fund model of the informal sector in Kerala, India. The earlier welfare fund of Kerala is the Toddy tappers welfare fund established in 1969. In the 1980s nine welfare funds are established such as loading and unloading, motor transport workers, the clerk working with legal advocates, artisans, fish workers and handloom workers and 90s seven welfare funds are established. These welfare funds provide some sort of social security to informal workers. The political parties and their union take initiative to set up of welfare fund for workers in Kerala. The coverage of most of the welfare funds constitutes different for different welfare funds some have 100 per cent or 90

per cent and most of them have limited per cent coverage. The coverage of welfare funds of head load workers is limited to the urban area.

Sakthivel and Joddar (2006) study the trend, pattern and social security coverage of the unorganized sector workforce in India. They have adopted two approaches for estimating unorganized workers, residual and direct approaches. In the residual approach, getting the result of deducting estimates of organized employment from total employment data derived from employment-unemployment surveys (EUS) of National Sample Survey and indirect approach, estimation involves arriving at organised/unorganised segment of workers directly from EUS. The study uses the last four rounds of employment-unemployment of national sample survey. The estimate of residual approach find 92 per cent Indian workforce engaged in the unorganized sector and that of direct approach find 91 per cent Indian workforce engaged in the unorganized sector. By considering social security they find only 10 per cent of unorganized workers get provident fund benefit and whereas 95 per cent organised workers get the provident fund. The unit-level NSSO data reveals 85 per cent of informal workers are SC and OBC category and most of them are exempted from social security.

Rajendran and Hema (2008) study unorganised sector social security in Nagapattinam district regarding the Unorganised workers Social Security Act, 2008. The study is based on the primary data collected from the workers and employers in the Nagapattinam district of Tamil Nadu. The sample respondents constitute 1870, which include 1648 workers and 222 employers. They classify workers are eleven categories, Accountant, Server, salesman, driver, mason, helper, manual work, barber, pot maker, washerman, and fitter. Most of the workers are manual workers. They found 69.96 per cent of unorganised sector workers get at least one social security from the employer. The majority of employers provide social security for their workers (55.41 per cent) and 44.59 per cent of employers do not provide any social security scheme for workers. They conclude that the unorganized sector workers are the most vulnerable and deprived section of society and there must be a need for protection and social security for workers.

Naagrajan (2010) attempt to examine the issue of social protection measures for informal sector workers in the Coimbatore district of Tamil Nadu. He takes the sample from the engineering industry, 1022 workers are taken from which 537 are from the foundry and 485 are from the pump industry. He finds that 97 percentages of workers are casual workers they have no social securities. Most of the workers of the pump industry are backward communities and SC/ST workers are higher in the foundry industry. The estimation of earning function shown an interesting result, age is found to be an important variable influencing earnings of workers, male earned a higher income than the female counterpart, the trade union has no influence over earnings and education give a positive impact on both industries, the educated workers earned higher income in pump industry than compared to the foundry industry. The study finds that casual workers are working in unhealthy conditions and suffered many health problems. There are no health mechanisms to protect workers. The study shows that the aged, educated and male workers are more likely to join in health insurance. He suggests that the deregulation of the labour market or labour market flexibility that increased employment and productivity is short-lived, so maximum care should be taken to safeguarding the needs and rights of workers.

Goswami (n.d) study presents a scenario informal workers social security scheme in Kerala. The concept of welfare fund in Kerala originated through the establishment of the welfare fund of Toddy tappers in 1969. And subsequently 1980s and 1990 a large number of informal workers welfare funds are originated in the state. The efficiency of the welfare fund is evaluated on the basis of the coverage of the welfare fund in the state and the coverage ratio is calculated on the basis of workers enrolled in the welfare fund divided by the total number of workers. He finds the coverage of certain welfare funds is very poor like Khadi and autorickshaw. And the coverage head load workers concentrated only on the urban area but considering whole workers in Kerala for calculating coverage ratio. The study overlooks the administrative cost of certain welfare funds is higher than the benefits acquired. By considering the sex ratio of welfare funds, from 2015 to 60.8 per cent of the welfare fund male-dominated whereas 39.1 female-dominated. the sectors like tailoring, coir, cashew, khadi, beedi and cigar are female-dominated and

the sectors such as toddy, headload, motor transport, fisherman, Akbari and ration dealers are male-dominated. He says that the welfare fund of Kerala is a remarkable achievement for the vulnerable section of workers, organized informal workers and reduce clashes between employer and employee. He concludes that though the state social security fund is working satisfactorily and a new form of benefits is still needed.

The above-mentioned literature related to the informal sector provides a framework for the present study. The characteristics of the informal sector are going to connect with the headload labour market of Kerala and in that manner, the literature is relevant for the study.

## **2.5 Research Gap**

None of the above studies related to the headload labour market in Kerala analyses the character of demand and supply of the market, structure and working of the market, and socioeconomic status of the headload workers in the context of the full-fledge era of globalisation or its subsequent wave of labour market flexibility. The present study tries to fill the void space. The major barrier to labour market flexibility is the state intervention, through labour market regulations. Then it is essential to discuss the major legislations in the labour market. So the next chapter tries to discuss the major labour legislation in India and also Kerala headload labour market legislation.

## CHAPTER III

# LABOUR LEGISLATION AND HEADLOAD LABOUR MARKET IN KERALA

### 3.1 Introduction

The labour laws and labour welfare are equally important since it directly approaches to the working condition of workers (G.O.K, 2017). The various labour laws in India are covered in different aspects such as improvement of physical working conditions, create industrial harmony and peace, provide mechanisms for the settlement of industrial disputes, ensuring workers participation in management, the prohibition of unfair labour practice, restrictions of strikes and lockouts, provision for social security and welfare, regulation of working hours and extent of economic development (Choudhary,n.d).

Since the independence of India, the interpretation of labour laws has been continuously changing. So the labour laws can be called dynamic and a piece of social welfare measures. At present information technology has developed a lot. As a result, various opportunities exist in the economy in connection with information and communication development. Therefore the multinational companies are largely attracted to this field and many Companies and Business Process Outsourcing have come to India for investment. But Indian labour laws are mostly strict and regulatory and Companies believe in the policy of Hire and Fire and then they are pressing the government for the amendment of regulatory labour laws.<sup>1</sup>

This screaming for labour market flexibility rose to start during the 1990s. Their objective lies to liberalise the economy, ease restrictions on business, and boost investments.<sup>2</sup> In past India had a well-protected economy, with a high rate of

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<sup>1</sup> [http://nclcil.in/infobank/act/planning\\_commission.pdf](http://nclcil.in/infobank/act/planning_commission.pdf) accessed 5/05/20

<sup>2</sup> [https://shodhganga.inflibnet.ac.in/bitstream/10603/32178/8/08\\_chapter%203.pdf](https://shodhganga.inflibnet.ac.in/bitstream/10603/32178/8/08_chapter%203.pdf) accessed on 5/5/20.



protection and control of the labour market, when workers were working under the roof of social security legislations and industrial labour laws.

In the 1990s, after the arrival of new economic policy Indian society is almost out of its protectionist policy and now exposed challenges of globalization, liberalization and privatization. The government of India in 2014 announces big-bang economic reforms, these reforms could include changes in labour laws. It will aim to incorporate 44 central labour laws into four labour codes- wages, social security and welfare, industrial relation and occupational safety, health and working condition with the neo-liberal framework.

In this context, the present chapter discusses major labour legislation in India that influencing wages in the market and Kerala headload labour market legislations. Hence, the study is divided into two-part in the first part discuss the major labour legislation in India and the second part, the major legislation in the headload labour market in Kerala.

### **3.2 Major Labour Legislations in India**

India has a long history of legislation that focused on protecting the rights of workers. It makes even labour policy based on these labour laws. For making labour laws in independent India, take views of nationalist leaders, constituent assembly and also make use of international labour conventions and its recommendations. These labour laws include, right to work, social security; organize trade unions and collective bargaining. The government of India appointed a labour commission and shape labour laws as per the recommendation of the respective commission.

The labour included in the concurrent list of India, then central and state governments have equal right to make labour legislation. There are about ten labour laws applicable to workers in the unorganized sector covering wages, contract and migrant workers, child and bonded labour and welfare ceases (Kumar & Bingguin, 2007). Here, discuss some labour laws that influencing the wages and workers in the labour market.

Table 3.1

*Labour Legislations influencing wage in the Market*

Labour legislation	Type of intervention
The Minimum Wages Act, 1948	To provide minimum compensation for work. Workers in scheduled employment to be paid minimum wage.
The Trade Unions Act, 1926	To enable workers of several small units to form unions, who can bargain wages and other condition of work.
The Industrial Disputes Act, 1947	To enable unions to raise industrial disputes on wages and the conciliation machinery to intervene.
The Equal Remunerations Act, 1976	Assure equal wage to women for the same or similar work.
The Payment of Wages Act, 1936	To regulate the manner of payment of wages and their realization <sup>12</sup> in case of non-payment.
The Contract Labours (Regulation and Abolition) Act, 1970	The contractor is required to pay wages. But in case of failure from his part for the settlement of wage, then the Principal Employer is liable to pay the same.

Source: Varkey and Mehta(n.d)

### **3.2.1 Trade Union Act (1926)**

The collective bargaining process with legal backup started in the Indian labour market with the implementation of the Trade union act, 1926. The act is one of the oldest labour laws and gives legal protection to workers to form an organization. The act reaches the whole part of India and is appropriate to all types of labourers and employers and aims at good employer-employee relations. As per the act, the trade union refers to any organisation established temporarily or permanently to regulate the employer and employee relation or employee and employee relation in the labour market and also settle disputes in the market

As per the Act, the trade union with seven members or more may apply to the registrar of trade unions, appointed by central and state governments. For its registration and its application procedure involves certain formalities. Trade union registration is not compulsory as per the act. So many trade unions are still outside

the purview of the act. The act provides minimum rates per annum subscription for union membership in rural, unorganized and organized industries constitutes Rs. 1, 3 and 12 respectively (Saini, 2009).

The act mentions the general fund and political fund, the general fund spent for the maintenance of office, payment to staff and office bearers, expenses incurred in defending; members and office-bearers involved in legal proceedings for trade union work, prosecution and defence of Trade disputes, payment to workers of unemployment, old-age, sickness benefits, expenses incurred for publication of a periodical, etc.<sup>3</sup> Whereas the political fund is spent mainly on; payment of expenses of a candidate for election as a member of any legislative body constituted under the Constitution of India or any local authority. But the Act does not impose any compulsion to contribute to the political fund and those who do not contribute to the political fund are not exempted from benefits enjoyed by the trade union.

The registration of Trade unions enhances the status of unions in the eyes of the general public and of the employer (Josph, 2004). The trade union presence in the market, with the legal support that helps to enhance wage payment of workers.

### **3.2.2 Payment of Wage Act (1936)**

The payment of the wage act was passed in 1936 to avoid exploitation in the labour market in connection with the wage payment. So the act provides legal support to workers from the malpractice happening in the market such as delayed wage payment and reduction in the wage payment. Hence, It is aimed to regulate the manner of the payment system and make sure that regular payment without any delay and any reduction based on fines and penalties (Papola &Kanan, 2017).

At the commencement of the act, it guarantees security to workers who were employed in factories and railways but later extends to other areas through the provision mentioned in it. The law is applicable and extends to various industrial establishments including oil and mines fields, and further extended to motor

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<sup>3</sup> [https://shodhganga.inflibnet.ac.in/bitstream/10603/32178/8/08\\_chapter%203.pdf](https://shodhganga.inflibnet.ac.in/bitstream/10603/32178/8/08_chapter%203.pdf) accessed on 5/5/20

transport workers and shops and commercial establishments ( Prakash (n.d). The administration of the act relies on both central as well as state government according to respective jurisdiction through an inspector.

Through the provision of the act, an employee can approach the respective authority within 6 months for claiming unpaid or delayed wages. The penalty is imposed for the violation of the act (Saini,2009).

### **3.2.3 Industrial disputes Act (1947)**

Another important law that affects the labour market is the Industrial disputes act in India, which came into existence in April 1947. Before it, the Trade dispute Act 1929 prevailed in India but its various drawbacks led to the introduction of the industrial disputes bill in the legislature and enactment of industrial disputes Act of 1947.

The act consists of forty sections and is divided into seven-chapter. Chapter one comprises the title, definition, etc mentioned in the act. The second chapter related to various authorities to administer the law such as Conciliation officers, labour courts and tribunals. The third chapter deals with the labour disputes of labour courts and industrial tribunals. The fourth chapter covers the power, duty and procedures of authorities depicts in the act. The fifth chapter deals with provisions to resist strikes like malpractices in the market, and provisions relating to leave off and retrenchment and shutdown. Chapter sixth include various penalties relating to the violation of the act and the last chapter deals with miscellaneous provisions.<sup>4</sup>

Act definition of the industrial dispute gives a whole picture of disputes in the market. The definition of the dispute depicts the discourse between employers and employees, employees and employees about employment and non-employment of the labour in the market.

The industrial dispute act enacts to minimise the discourses in the labour market. So the main purpose of the act is to make harmony and peace in the market

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<sup>4</sup> [https://ncib.in/pdf/ncib\\_pdf/Labour%20Act.pdf](https://ncib.in/pdf/ncib_pdf/Labour%20Act.pdf) accessed on 5/5/20

through the arrangement of industrial disputes. The main objective of the industrial disputes act is to secure industrial peace and harmony through arrangements of industrial disputes. Act applicable to all industrial startups, manufacture, or distribution of goods and services. The act also applies to part-time workers who are employed in a business establishment, manual, clerical, skilled, unskilled and supervisory level workers.<sup>5</sup> So headload labour comes under the purview of this act.

The act has provisions to impose penalties to offences committed by employers or employees in the working establishment. The offences include dismissal or curtailment without prior permission – violate the provisions of section 25-M or 25-N (section 25-Q), the penalty of this offence is workman enabled to draw to all benefits as if they had not been in dismissal and employer shall be punishable with imprisonment up to one month and a fine up to Rs.1000.

The offence of illegal shut down (section 25-R(1)) and penalty consist of workman enabled to draw all requirements as if there had not been any shut down and the employer shall be punishable with imprisonment up to six months or fine up to Rs. 5000. The offences include committing an unfair labour practice (section 25-T, 25-U), illegal strikes by a workman (section 26 (1)) and illegal lockout-employer (section 26(2), penalties include imprisonment up to six months and fine up to Rs.1000, imprisonment for one month and a fine up to Rs.50 and imprisonment for one month or fine up to Rs. 1000 respectively for the offences.

The authorities for restricting or prevention of settlement of dispute under the Act include grievance settlement Authority, Works Committee, Conciliation officer, Board of conciliation, the court of inquiry, Labour court, tribunal, national tribunal and arbitrator. A fair percentage of dispute settlement is related to wages. As per the report of the Indian Labour Statistics (2011), 17.9% and 21.2% of industrial disputes related to wage and allowances during 2008 and 2009 and besides, 3.6% and 4.9% of industrial disputes related to bonuses in the respective years (Papola & Kannan, 2017).

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<sup>5</sup> [https://ncib.in/pdf/ncib\\_pdf/Labour%20Act.pdf](https://ncib.in/pdf/ncib_pdf/Labour%20Act.pdf) accessed on 5/5/20

The law was amended many times among them the amendment of 1982 was a comprehensive one, provide speedier resolution of industrial disputes by avoiding procedural delay. The main recommendations of the act include removal of difficulties in the interpretation of the expression appropriate government, the definition of the term ‘industry’, the establishment of a time-bound grievance redresses procedure in every industrial undertaking employing 100 or more workmen, modifications of the provisions relating to the closure of industrial establishments etc.

The second national commission had suggested some modifications in industrial disputes, layoff, retrenchment, closure, trade unions, standing orders and workers participation in management in the changing context of globalisation. Employers frequently demand the deletion of the restrictive provision of the industrial dispute act, according to section 25-F of the Act, if any worker completes 240 days of continuous service in a year that worker is enabled to get termination notice or compensation. This discourages employers in India from employing workers continuously for more than 239 days due to fear of accepting the demand for their permanency (Shyam sunder, 2012).

#### **3.2.4 Minimum wages Act, 1948**

The minimum wage for workers is first introduced by ILO in 1928 to ensure acceptable wages to the vulnerable section of workers who are not well organized and have weaker bargaining power. In India, the Minimum wage bill legislation comes to power on 15<sup>th</sup> March 1948. Both state and central governments have the power to fix and revise minimum wages in certain employments under this Act. As per the law, the minimum wage rate may be settled at a rate, piece rate, time rate, guaranteed time rate and overtime rate (Varkkey & Mehta, n.d). But different rates of wages may be set for the various scheduled employment, distinct classes of work in same schedule employment and rates also vary for the different locality.

Various minimum rates of wages may be fixed for different scheduled employments, different social classes and different regions. Presently there are 45 scheduled employments in the central sphere and around 1679 scheduled

employment in the state sphere are covered under the minimum wages Act. The minimum rates of wage altered at an interval and but its maximum period of revision not exceeding five years. The minimum rates and other requirements are associated with the consumer price index.

The act mentions two different procedures for the fixation of minimum rates of wages, the government appoint a committee for different areas to enquire and to advise on the fixation of wage. Accepting the recommendation of the respective committee the government whether state or central fix the minimum wages for scheduled employment and notify the rates in the official gazette. The second procedure is that government first publishes its proposal to minimum wage rate persons likely to be affected and government specifies the date of submission of the proposal, it is not less than two months from the date of notification. Considering all representative proposals government will fix the minimum rate of wages in respect of employment and publish the rates in the official gazette.

The Indian Labour Conference 1957 has recommended certain norms for fixing minimum wage it includes three consumption units per worker, minimum food sufficient for 2700 calories for an average adult, a cloth that satisfies the 72 yards for a family in a year and the expenses spend for fuel, electricity and miscellaneous expenses and this expense constitute twenty per cent of the total minimum wage. Then in 1992, the Supreme Court include further norms for medical expenses, Children education, minimum entertainment including festivals/ceremonies and benefits for old age, marriage etc. should further constitute 25% of the total minimum wage by considering the case of Reptakos& Co. Vs.<sup>6</sup>

Among the states in India, there is a wide disparity that can be seen in the level of the minimum wage system adopted by them, the number of scheduled employments differs from state to state. Intending to reduce disparity in the rate of minimum wages among the states in India, the government introduced National Floor Level Minimum Wage on a non-statutory basis according to the recommendation of the National Commission on Rural Labour, 1991.

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<sup>6</sup> <https://labour.gov.in/sites/default/files/44thILCAGENDA.pdf> accessed on 6/5/20

Initially, the national floor of minimum wages for unskilled workers was fixed at Rs 35 per day in 1996 and subsequently, the central government raised the rate Rs,45, 50, 80, 100, 115 and 160 respectively during the period 1999, 2002, 2007, 2009, 2011 and 2015. However, there is a wide variation in the minimum wages in the states /UT's. Among the states, Assam has the highest scheduled employment at 105 and Mizoram is the least at one according to the report of the Labour Bureau report, 2015 (Hoda & Rai, 2017).

Considering agriculture, the most important occupation of India, the 33 states/ UT's have reported different rates, wherein Delhi has the highest minimum wage of Rs.279 and the Union Territory of Puducherry (Yanam region) the lowest wage of Rs.558. The difference seen in the also minimum wages within the state, in Andhra Pradesh the highest minimum wage constitutes Rs 298.59 and lowest is Rs 69.27.

The wide difference in the range between the minimum and maximum wage in fixing minimum wage can be seen in states like Andhra Pradesh, Gujarat, Madhya Pradesh, Maharashtra, Karnataka, Kerala, Tamil Nadu, Tripura etc( Srija,2014). The minimum wages vary from employment to employment, skill to skill level, and different Zonal area in a state. In the Central, the Ministry of Labour and Employment uses a mix of employments (e.g., agriculture, stone mines, construction, and non-coal mines) and types of activity (e.g., sweeping and cleaning, watch and ward, and loading and unloading) to fix minimum wages( Hoda&Rai, 2017).

The main drawback of the act is its poor implementation and this does not affect organized workers as much as it does unorganized sectors workers. The unorganized sector workers are scattered and who are employed with millions of employers and so it becomes difficult to cover them under the act. The drawback is its poor enforcement of the law, prevalent in most of the states in India. This arises due to a lack of awareness about minimum wage provisions amongst the workers (Varkkey & Mehtha, n.d).



### **3.2.5 Contract Labour Act, 1970**

The Contract Labour Act restricts the employment of contract labour and regulates their condition of work. It applies to an industry employing 20 or more contract workers and to contractors employing 20 or more workers. The important and controversial part of this Act is section 10(1) which empowers the state government to prohibit contract labour in circumstances whether the process or work incidental or necessary for the establishment, perennial nature of work if it is done ordinarily by regular workers and it is sufficient to employ a considerable number of full-time workers.

From time to time on the one side workers and trade unions demanding the prohibition of employment of contract labour from different categories of work in various establishments on the other side employer increasing their resistance against the act. During the economic liberalization, the government constitutes a group of ministers to consider the recommends or proposals of amendment of the act during 2000-2003. One of the proposed amendments under consideration is to exempt certain activities from section 10 under the existing Act.

The group of ministers identifies the 10 activities for exemption in which loading and unloading sessions include. But after the change in government, there was no such improvement, the Only state government of Andhra Pradesh has made amendments by differentiating core and non –core activities, prohibiting contract labour in all core activities except those normally done through contractors, part-time work or in the case unexpected increase of work in core activities.<sup>7</sup>

### **3.2.6 Equal remuneration Act, 1976**

The equal remuneration legislation is mainly concentrated on avoiding wage disparity among male and female workers for equal work. Most of the countries passed equal remuneration laws to prohibit discrimination between men and women on matters relating to wage payment of equal or same work. Article 39 of the Indian constitution enjoins upon the state to secure equal remuneration for an equal task for

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<sup>7</sup> [http://nclcil.in/infobank/act/planning\\_commission.pdf](http://nclcil.in/infobank/act/planning_commission.pdf) accessed 5/05/20

both men and women. To give effect to this constitutional provision the ordinance of equal remuneration was issued in 1975. Then in 1976, this ordinance is replaced by the equal remuneration act.

The act contains 3 chapters. The first chapter depicts important titles of the act. The second chapter starts with the duty of an employer to pay equal remuneration to his or her employee for the same work without any discrimination with male and female workers.

The same work means work about which the effort, skill and liability required are the same for those working similar working conditions. No discrimination is to be made by an employer while recruiting men and women workers on the same or similar nature of work except the work where employment of women workers are prohibited by law.

The act gives provision to appoint an advisory committee to provide more employment opportunities for women. This advisory committee consists of not less than 10 members are appointed by the government and its one half shall be women. The appropriate government may issue direction regarding women employment by considering the advice of the Advisory Committee (sec.6 of the act).

The act was implemented by the central and state government about the nature of employment. Employment in railways, banking, a mine, oil field or major port or any corporation comes under the central government. The remaining all other employment is handled by the state government (Papola and Kanan, 2017).

Another important law that affects the work and life of informal sector workers is the Workmen Compensation Act,1923.

### **3.2.7 Workmen Compensation Act of 1923**

The workmen compensation act is passed in the legislature on 5<sup>th</sup> March 1923. The act envisages the payment of compensation for accident or injury of workers by their employer. This provides great relief to workers who are suffered from serious injury and accidents. Before the enactment of the Act, when a person suffering from a serious injury caused by an accident during the course of employment in the work site, could claim damages in a civil court as a usual procedure in the common law.

The workman, or in the case of his death, his dependent had to file a civil suit claiming damages for the losses suffered. The court would award damages whether the workman could prove that the accident was due to inadequate care or negligence on the part of the employer. Now an injured workman or his heir in case of his death, possible to utilize either the remedies available under the Common law or in the provisions of workmen's Compensation Act, but action under one rules out the action under another ( Sinha, 2014, page no. 427). The act does not apply to workmen who are covered under the ESI act of 1948.

The Act gives protection to workmen included in Schedule II of the act. A person consists of manufacturing, mining, loading and unloading, constructing, repairing, excavating, driving, toddy tapping etc. field but the persons who work clerical jobs are excluded from the provisions of the Act. The act is also applicable to railway servants not employed in offices. The amendment of 1995 includes more hazardous employments under schedule II of the Act. The most important amendment of the Act is in 2000, according to this amendment worker or their family can draw compensation at a greater rate when death or disability happened on the job.

The second labour commission in 2002 made a certain recommendation in connecting with the amendment of the Workmen's Compensation Act, 1923. Based on the recommendation of the respective commission the government appointed a standing committee on labour in October 2008 and the committee submits its report in December 2008, wherein the committee made the certain recommendation. The

central government passed the Workmen's Compensation amendment bill in 2009 in LokaSabha by incorporating certain recommendations of the standing committee. This amendment makes comprehensive changes in the act, they are following;

- 1) The amendment act substitutes "workmen" by the "employee" and includes the clerical type employment under the laws of the Act. After the change of employees in place of workmen in the act, the act became known as the Employees compensation law.
- 2) The compensation rate enlarge to Rs.120000 from 80,000 for death and enlarge to 1,40,000 from Rs. 90,000 for permanent disability and empower the central government to enhance the respective compensation from time to time.
- 3) To confer power upon the central government to account for the monthly minimum wages with an employee for aforesaid compensation. Based on this in recent years the central government declared to enhance the basic wage from Rs. 4,000 to 8,000.
- 4) Impart subsection 2(A) after the implication of subsection 2 and make a procedure to draw the real medical expense of injured employees from their employer.
- 5) For widening eligibility criteria for appointment of employees compensation commissioner and disposal of cases relating to compensation by the commissioner within 3 months from the date of reference and makes some amendment in schedule 2 of the act.
- 6) The funeral expenses are enhanced from Rs. 2500 to 5000 and its provision is given to the central government to increase the respective amount from time to time.

### **3.2.7.1 Employee's Compensation Act and Headload Workers**

Headload workers are those workers who are employed in a hazardous situation in a society. The headload labour market act in Kerala, 1978, chapter 8<sup>th</sup> give provision to apply workmen's compensation act, 1923 to workers employed every establishment. So workers are right to draw their medical expenses and compensation from employers.

The registered employers in the headload workers welfare board already paid the compensation relief fund together with the levy paid to the board, so where the board has to impart compensation for the needy situation of the registered workers in the board. Following are the important benefits acquired by workers through the employees' compensation act

- 1) According to Section 4(1), A. ensure compensation for the dependents of a worker who died in the accident.
- 2) Complete and permanent disability compensation under section 4(1) B.
- 3) Section 4(1) C mention permanent and partial deprivation compensation.
- 4) Section 4(1) D allow half-year wage during the disadvantage period.
- 5) Section 4(2) A permitted the original treatment for injuries associated with the accident.

According to K.O George, the joint labour Commissioner and chief executive K.H.W.W.B remarks in Sramapadam journal 2014-15 December –January edition that the following instructions are carefully followed by employees, employers, pool leaders and officials to getting the above benefits from the board without any lag.

- 1) When an accident happened in relating to loading and unloading work the employee/dependent should report it with a letter from the employer and pool leaders to the respective sub-office. In case of death or serious injury, it

must be informed to the chief executive of the Board and district chairman on that day itself.

- 2) The head of the sub-office must be visited the place where the accident happened and checked the injured worker who was presented in the pool on that day and makes sure that the accident happened at work and also recorded the statement from the employer, employee and witnesses. And its clear report along with documents of worker one year wage, age certificate, work card and medical certificates must be submitted chief executive through district chairman. If the compensation of the accident does not come under the board, he must be reported it to the board along with the reason.
- 3) In any case, in which a worker died or was seriously injured, the district chairman and account officer must be visited the accident place and worker. And check the report of the sub-officer and report to the chief executive.
- 4) The reported medical certificates relating to treatment must be original and Photostat is not accepted.

### **3.3 Important Legislation in Headload Market in Kerala**

The Kerala government enacted some legislation to regulate the head load market in Kerala.

#### **3.3.1 Kerala head load workers Act, 1978**

It is the first law passed by the Kerala government to regulate loading and unloading sectors. The Act regulates the employment of headload workers in whole Kerala. The Act contains 43 sections in 11 chapters, the first chapter includes mainly the title of the Act and the second section consist of the definition of important terms used in the act.

The third section and fourth section mention the appointment of Conciliation Officers and Appellate Authorities respectively. The Conciliation Officer must be an officer his or her rank not below the rank of Deputy Labour officer and Appellate

officer not must be below the rank of District labour officer. The fifth section consists of the appointment of an Inspector.

The sixth section ensures that no headload worker is required to work more than 8 hours on any day. Section 7(1) ensured no headload worker carries more than 75-kilogram weight on the head.

Section 7(2) of the act mention the retirement age of headload workers is sixty years. Section eight deals daily intervals for workers to rest, no headload worker shall work beyond three hours continuously before he had a short interval for rest. The ninth section deals with every employer shall pay any head load worker employed by him such a wage as may be prescribed. Section ten provides the overtime wage rate for head load workers working at the time between 7 Pm and 7 AM and for such work 1.5 times wage payable to him under section 9.

Section eleven deals with if an employer pays less than or refuses to pay the wage to head load worker, he or his union make an application to Conciliation officer under section 2. Section twelve specify the provision of an appeal given to Appellate authorities within 30 days of the order issued by the conciliation officer under section 11.

The 13<sup>th</sup> section of the act enables the government to formulate different welfare schemes for head load workers. As per the provision the State government established the Kerala Headload Workers welfare Scheme 1983, to regulate the employment of unattached head load workers. Workers acquired registration and identity card from registering authorities as per the Kerala head load workers welfare act session 26(a). Registered workers assigned in the particular region are decided by the district committee where the headload workers welfare scheme is adopted. In those regions, employers who require the service of head load workers should register accordingly Kerala head load workers welfare scheme session 7(1).

The board implemented so many benefits relating to the treatment of workers, children's education, building of the house, their marriage etc. The board provides a maximum of Rs 15000 for a person who needed 24 hours of litigation

treatment. Under the scheme, special medical assistance is provided to cancer, kidney and heart patients and the board provide up to Rs 50000 grant.

The workers' dependents get Rs 10000 special medical reimbursement, for emergency treatment get loan Rs 1000, for fatal illness get Rs. 50000, for accidents during work, provides Rs.10000 emergency loan, Rs 5400 for treatment relief, Rs 3000 for medical assistance plan to dependence of workers, Rs. 5000 for family planning assistance and besides these workers get employees compensation when accidents occurred in the worksite.

For marriage expenses of workers or workers daughters or sisters, the board provides Rs 5000 interest-free loans and Rs 25000 loans with interest. Besides these the board allows Rs. 5000 as marriage grant to workers. There are many plans for the education of workers children, at the time school open Rs.1000 financial fund was given to children, from Rs 250 to Rs. 5000 scholarship for children studying from 5<sup>th</sup> standard to professional course. This scheme also provides Rs 25000 as an educational loan for those who study medicine, engineering and postgraduate course. Children who got an 'A' plus in all subjects in SSLC, get Rs 300 per month as a scholarship for studying in plus two.

The board gives Rs. 10000 as death exgratia when member worker who died and provides his or her dependents Rs 2500 for 3 months, it calculates from the date of worker died. Besides, Rs. 50000 has been given as special death exgratia. The board gives Rs.2000 maternity benefits to female head load workers and Rs1000 to male head load workers wives.

The scheme provides other benefits include bonuses, festival advances, invalid pensions, superannuation assistant, housing loans, housing maintenance loans, special relief grants, calamity relief and multipurpose loans. All expenses relating to employment and welfare of workers are meted by the board itself and no help is received from either centre or state government. There are 37492 workers enrolled in the scheme in the year 2016-17.



In 1995 the attached section welfare scheme is introduced by the Kerala head load workers welfare board to incorporate attached workers. The main objective of this welfare scheme is to assure a unifying nature of benefits in addition to wages including benefits getting to them. Attached workers under the age between 18 and 58 are taken membership in this scheme. For this scheme employer pay, Rs.15 per month and employee payment constitute Rs.10 per month. Besides this welfare scheme, use grants provided by the centre-state government, semi-government/autonomous institutions and social organizations. Under this scheme, various benefits provided to workers include death exgratia, marriage grant, and educational aid to children, funeral expense, invalid grant, invalid pension, family pension and superannuation pension. There are 664 attached workers enrolled in the year 2016-17.

The board started scattered workers welfare scheme in 1999. A worker who registered and acquired an identity card from the second-grade assistant labour officer according to Kerala head load workers act section 26(A), can apply to become a member of the scheme before the local committee chairman or district committee chairman along with fees. The enrolled person in this scheme takes any one of the monthly subscriptions Rs 20, Rs 30, Rs40 and Rs 50. This welfare scheme includes the benefits of education aid, marriage grant, superannuation assistance, family pension, death exgratia, dependent death benefit, medical aid, invalid pension and invalid grant. There are 33763 workers registered in this scheme in 2016.17.

Through these three welfare Schemes, the Kerala Headload Workers Welfare Board bring out a wide range of activities by indulging matters of a family of a head load worker such as birth, education, marriage, funeral ceremonies etc. Now through these three schemes, there are 72449 members are on the welfare Board (Sramapadam, January – June 2017). The state-level institutional agency to execute these schemes is the Kerala Headload Workers Welfare Board, established in 1984 under section 14 of the Act and started with a few welfare programs for unattached

workers and now the Board has given more than 25 incentives for workers and also incorporating other two categories of workers.

The Board is an apex body to regulate the welfare scheme, it consists of 15 members with an equal representation of five members each from the government, employers and head load workers. The workers are represented by their respective trade unions.

The institutional set up to the execution of schemes in a particular area is the local committee, constituted under section 18 of the act. Similar to the welfare board, a local committee is also a corporate body consisting of fifteen members, five each from the government, employers and the workers. The committee is working under the control and supervision of the Board. The head office of the board is in Ernakulum, it has 34 local committees and 126 sub-office throughout Kerala. But the amendment of the Kerala head load workers Act, 2008 change the 34 local committees into 14 district committees with exception of the Cochinport trust committee.

Section 21 deals with the settlement of disputes in connection with employment and unemployment or terms and condition of employment in the head load labour market. Assistant Labour Officer must settle the labour dispute in the market as a conciliation officer. If the dispute is not settled in conciliation conference and report send to conciliation officer and he started conciliation proceedings. If settlement arrived at conciliation proceedings and he sends a report to Appellate authority. If the settlement has not arrived, the conciliation officer decides on the issue. If any people have an objection to the decision taken by the conciliation officer can file an appeal before the Appellate authority against such a decision.

Hence, the state attempt to provide a formalised set-up in the market through legislation and provide a disciplinary situation in the market.

### **3.3.2 Kerala loading and unloading Act, 2002**

The act aims to regulate and control malpractices in loading and unloading sections in Kerala. Kerala head load market at that time there was a practice of Nooku or kandakuli and the government enact the law to flexible the labour market to make an attractive zone for foreign direct investment. The Act extends to the whole of Kerala and consists of six chapters and schedules.

The first chapter consists of an important term and its definition, the second chapter includes the right to employment and protection of property, gave a provision to the employer to carry on loading or unloading work for the domestic purpose by himself or employ workers for his own choice and employment of non-domestic purpose also gave a choice to the employer and it prohibits an authorized entry of workers into the property of the employer.

The third chapter deals with the notified wages of the head load market and ensures that no employer can employ head load workers in less than notified wages, no worker can engage the loading and unloading activity by asking for more wages than notified wages.

Chapter four consists of the appointment and powers of labour inspector or inspectors and chapter five include penalties and procedure. The last chapter of the act consists of the miscellaneous provision. Hence this act completely aims to impart the labour market flexibility in the market.

### **3.4 Conclusion:**

In this chapter, we have discussed major labour legislation of India and important legislation of Kerala head load market. The labour legislation and policies of India ensure social security to labour not only formal labour but also the informal labour market. The Kerala head load workers act to provide formalized set-up to the head load market in Kerala. As per the act, Kerala head load workers welfare Board was established in 1983 and the board categorized workers into three categories, attached workers, unattached workers and scattered workers. In this context, the next session discusses the structure of the headload labour market in Kerala.

## CHAPTER IV

# **STRUCTURE AND WORKING OF THE HEADLOAD LABOUR MARKET**

### **4.1 Introduction**

The labour market is the 'place' where labour supply and labour demand comes together, to determine the prices and quantities of labour services exchanged (Fleetwood, 2014). Like the goods market, demand and supply play an important role in the labour market. Here, supply means the supply of labour and demand means demand for labour in the market which meets or contact with each other in the labour market.

In India labour market is segregated into the agricultural sector, industrial and tertiary sector, in these three sectors we can see the formal and informal workers. As per the NSSO, (2011-12) more than 94 per cent of the agriculture sector and 74 per cent of the nonagricultural sector falls under the informal category and 84.7 percentage of employment or job of Indian economy lies in the informal or unorganized sector.

There are five states in India including Kerala, having informal workers less than that of the national average. Kerala has clear cut experience in India in organizing informal workers. The workers are vigilant about their rights and privileges through political mobilization. Trade union organized many informal workers and head load workers organization is noted one among them (Sony, 2015).

### **4.2 Evolution of HeadloadLabour Market in Kerala**

Headload workers are a rapidly growing section of Kerala (Pillai,1996). According to Josph (2004), the development of headload workers has come across three stages. In the first stage, they were not unionized and considered as a degraded section of society which occupied the lowest position in the hierarchical distribution

of labour in the society. Only those people who had no education, skill or another alternative to live joined the section of head load workers. Nornoho (2006) gives a similar view about the first stage of the head load workers growth. For him, the status of head load workers equated to that of 'serfs' compelled to attend even the domestic task of employers. They had no specific place to sit and wages were determined by employers will. In this period bargaining power of headload workers was too weak and employers were so powerful, there were no labour disputes in the market in those periods. In this stage, they were only informal labour.

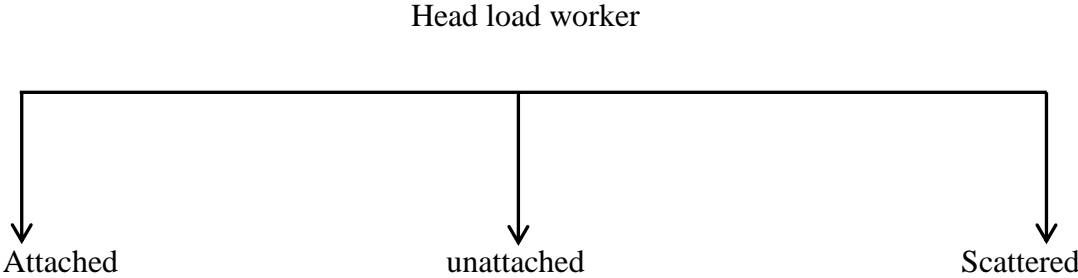
In the second stage, the market unionizing procedure has started. Before unionization employer gave a work pass to the workers for systemizing the work organization or work sharing. The employer gave work pass only to those who were disciplined in the market and appoint an agent issuing work permit and distributing wages. The agent was commonly known as 'Moopan' (Kannan,1998). A 'Moopan' was a headload worker who supplied workers to the employers and received total wages from them and distributed it to the workers but the main portion of wages extracted by him. 'Moopan' system and work pass system has led to the formalization.

Even though, this system of the market has led to exploitation which ended with labour disputes and strikes. Employers mainly used policemen to suppress disputes and employees were taken help from political leaders. This entry has paved the way for the unionization of the headload market. In 1957, the formation of the Communist government in Kerala further strengthened this unionization. During this period employees get high bargaining strength in the market.

In the third stage, the state is actively involved in the head load market due to labour problems. The state passed enactive legislation in the market. The political power enjoyed by the labour unions enabled them to establish labour cooperatives or 'closed shop strategies' to prevent a sharp decline in the employment of their registered members in the trade union.

**4.3. Headload Labour Market Structure**

This section of the chapter provides a detailed analysis of the structure of the headload labour market in Kerala. Broadly speaking based on the character of employer and employee and their relationship in the market and also their registrations in welfare scheme, we can divide head load labourers into three namely 1. attached 2. Unattached and 3. Scattered (see figure 4.1). A detailed discussion of the different categories will be given below (Table 4.1).



*Figure 4.1:* Classification of Headload Workers

Table 4.1

*Characteristics of the market*

Character Of the market	Head load market		
	Attached	Unattached	Scattered
Labour relation	One employer and one or more than one employee. Employees are working under one employer, Employer is powerful than an employee.	Total work will be done by the employees together. Employers and employees are equally powerful.	Employers are scattered and employees are unionized. Employees are powerful.
Entry	Labour demand is restricted by unattached labour market supply	Labour supply restricted by the trade union	Labour supply is restricted by the trade union
Wage	Fixed salary decided by labour demand and supply along with minimum wages implemented by the government.	Wage according to the average productivity of the workers. Per piece, wages are decided based on the employer-employee bargaining power along with minimum wage fixed by the government.	Minimum rate/piece rate is fixed. Earnings will be decided by the marginal productivity of the worker. An employee is more powerful in deciding the wage/ piece. Employers are powerless and employees are having a monopoly power hence the elasticity of the work decides the wage rate.

Source: Primary Survey

### 4.3.1 Attached Headload Workers

The attached workers are those headload workers who are regularly or permanently engaged by an employer for their own business purposes. A permanent employer-employee relationship can be seen in the case of the attached head load labour market. In this market, workers are working for a specific employer and they

are located around the compound of employer's shops and separated from outside main head load workers market. This market is having the character of a regular salaried job market. The employer will have the full right to appoint the labourers according to their norms and conditions.

The trade union is not much strong here. The selection process, the fixation of wages is entirely different from the other two segments of the head load labour market. The salary is related to the demand and supply conditions along with the minimum wages fixed by the government. After the appointment, the worker can register as a head load worker in the labour office as attached head load workers. From the labour office, they will get an identity card after registration under section 26(A) of the head load workers act 1978 in Kerala.

But it is interesting to mention that the attached labour market is not able to work in an area where an unattached labour market exists. It is worth mentioning a case filed by Calicut polymer firm in the Kerala High court for appointing two attached labourers in their firm which is situated under the territorial boundary of a pool of eight registered head load workers. The high court judgment was against the company because section 26(A) of headload workers Act is not allowing any firm to operate an attached labour market in the area of an unattached labour market is existing((K.T Shankaran, Judge, W.P.(C). No.19944 of 2016).

Due to the restrictions from registered unattached workers unions, the entry of the head load workers into the attached market is not easy. The reason for the resistance is due to the fear of employment loss due to a reduction in demand for their work when the firm employs attached workers in their shops. From an unofficial interaction with an official in the Kerala welfare board (Ramanattukara Branch), it is reported that a lot of applications are received from the labour office seeking permission to appoint attach head load workers in their area, but the board will provide permission only that application is outside the boundary of the unattached registered pool.

If the registered workers demand more wages fixed by the board, then the firms can complain about it. Only if the labourers are adamant to charge higher



wages than the one which is fixed by the board, the firm can appoint their own labourers with the support of police forces. From this, it is clear that though the attached labour market is one of the particular segments of the headload labour market, their working is completely related to the working of unattached registered head load workers union and the pool in the existing area.

From this, it is clear that the demand for the attached labour market is closely related to the strength of the trade union in the unattached labour market. From table 4.2 it can be seen that the strength of the attached labour market is increasing which shows that the strength of trade unions in the unattached labour market declines. This is a sign of labour market flexibility in the head load labour market of Kerala.

Table 4.2 gives the registration of head load workers as un-attached and attached workers from the period 1990 to 2016 in the first circle of Kozhikode labour office. The areas under the first circle include Palayam, Puthiyara, MM Ali Road, S.M Street. Mavoor road etc. It can be seen that the attached worker's registration started only after 1996. In 1990, the number of registered attached workers is zero, whereas, in 2016, the number of registered attached workers increased to 129 in the first circle under the labour office in Kozhikode.

Table 4.2

*Number of Registered Headload Workers in Kozhikode*

Year	Un-attached	Attached	Total
1990	620	0	620
1991	615	0	615
1992	910	0	910
1993	338	0	338
1994	154	0	154
1995	165	0	165
1996	398	0	398
1997	91	6	97
1998	200	7	207
1999	101	13	114

Year	Un-attached	Attached	Total
2000	66	16	82
2001	62	6	68
2002	73	7	80
2003	40	3	43
2004	75	1	76
2005	95	8	103
2006	69	7	76
2007	96	10	106
2008	115	4	119
2009	89	5	94
2010	63	4	67
2011	55	4	59
2012	58	4	62
2013	81	6	87
2014	58	0	58
2015	64	7	71
2016	131	11	142
Total	4882	129	5011

Source: Records of assistant labour office in circle one in Kozhikode.

#### 4.3.1.1 The working of the attached labour market

An attached labourer is receiving a wage which is mainly decided on the basis of the demand and supply conditions and the minimum wage fixed by the government. Normally employer is more powerful than the employee; hence there is the possibility that the wages can be less than the minimum wages which are fixed by the government if the government implementing machinery is not powerful. The supply condition is having more influence on deciding the salary which is above or below the minimum market wage.

$$W_a = W_m \text{ or } W_a < W_m \text{ or } W_a > W_m$$

Here  $W_a$  = average wage of the attached worker

$W_m$  = minimum wage

The wages in the attached labour market is decided mainly with the supply condition. If supply is very high, there is the possibility of attached labour wages to be less than government fixed minimum wages. But in Kerala, due to scarcity in the manual labour market, especially among males along with the existence of political and legal awareness, the attached labour wages are above the minimum wage fixed by the government. But this wage cannot be higher than the unattached labour wages, because if the attached labour wage is above, the employers can hire unattached labourers.

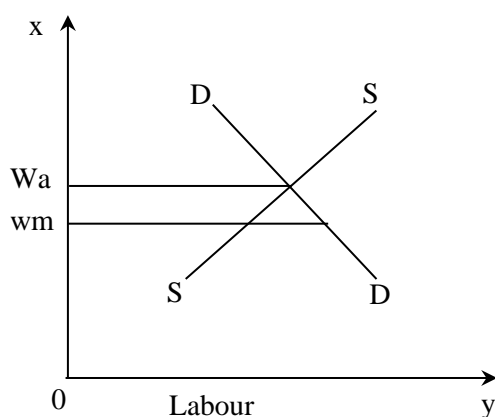


Figure 4.2 (a): Graphical Representation of Attached Headload Market Wage

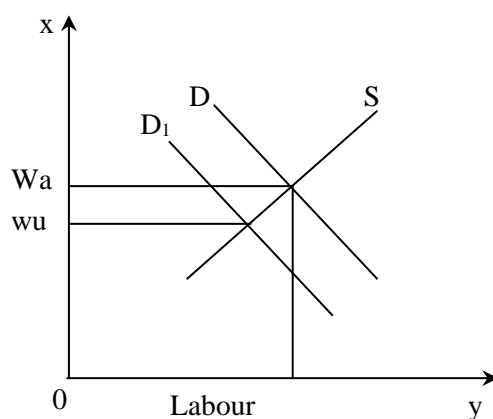


Figure 4.2 (b): Graphical Representation of Attached Headload Worker Wage

If the  $W_a > W_u$ ,  $DD$  shifts to  $DD^1$ . If  $W_a = W_u$  for the long run,  $DD'$  again shift back further because it is not beneficial for the employer to keep attached

labourers. Hence it can be argued that the rate of work for an attached labourer market will not tend to move above the rate per work of the unattached market rate.

Before analyzing the unattached labour market, it is relevant to analyse the scattered labour market.

#### **4.3.2 Scattered Headload Workers**

The scattered groups are those who are employed at the bus station, village centres and in the forest area (Pillai, 1996). The supply of labourers is restricted by trade union action. Hence, in scattered labour market workers are mainly located in the bus stand of the village and semi-urban area. An unofficial local committee in a different bus station with a specific boundary takes the major decisions related to the fixation of rates and labour supply.

The entry of this market is possible only through existing strong unions in this area. The committee will decide whether to increase or not to increase the labour supply while considering the demand conditions. The dominating labour unions will have the power to appoint more labour than a weaker union in that area. The notification for a worker is pasted in the union office if any vacancy occurs or a decision to increase labourers. Then after selecting workers through the union, they can apply to register respective labour office for getting a work permit card with a fitness certificate from a medical officer. Labour officer give work permit card after checking the details given in the respective application form of head load worker.

The main difference between scattered labourers and unattached head load labourer is mainly for the characteristics of employers and the way the earnings are decided. Earnings for the former are on the basis of the marginal productivity of the individual labourer and the earnings of the latter are the average product from the total earnings of all the employees.

##### **4.3.2.1 Working of the Scattered Labour Market**

The scattered workers are daily wage earners and their earned income neither deposit in welfare board nor not shared with existing workers in the market. The

earnings of an individual worker are depending only on the marginal productivity of that worker. Their daily wage may be greater or lesser than unattached workers according to the demand and supply of the market. This category, though is having a working card, is just like casual labour. Though the average rate/ per piece is decided by the local committee, the bargaining capacity of the labourer and the employer decides the final rate. This rate will be equal to or higher than the minimum rate fixed by the committee. The committee is fixing the rate on the basis of the existing market demand and the wage of casual labour. The supply is restricted with the consideration of the demand condition and the market wage of a casual labourer. In the short run, labour supply will be constant due to the supply restrictions by the trade union action. If in the long run demand increases, the local committee will decide whether to increase the number of labourers. The per-piece rate will be decided to keep the average earnings of the labourer is not less than the per day wage of casual labour.

$$W_s \geq W_c = Q * Pr / \text{number}$$

Here,  $W_s$  – wage of scattered workers

$W_c$  – wage of casual workers

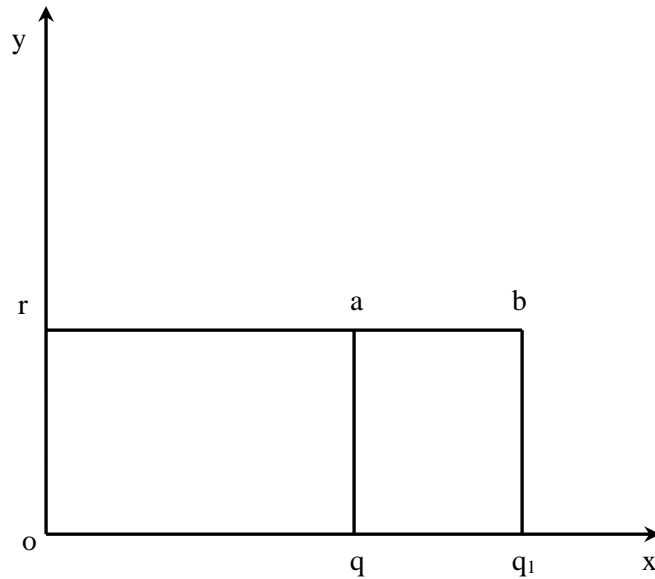
$Q$  = Quantity of work

$n$  = number of workers

$Pr$  - piece rate

$Pr$  is decided to keep the  $W_s$  is at least equal to  $W_c$ .

If 'Q' increases, in the long run, the committee will try to increase the number of labourers in such a way that the expected average earning/day of a scattered labourer should be above or at least equal to the per day wage of a casual labourer. The piece rate is fixed by the committee on the basis of the average per day work /worker and the average wage of casual labour. The difference between the minimum rate and the actual rate will be decided by the elasticity of the work and the bargaining capacity of labour unions.



*Figure 4.3:* Graphical Representation of Scattered Headload Workers Labour Market

Figure (4.3) depicts the rate fixation of an individual scattered labourer on the basis of the average expected work. , the ‘Y’ axis shows the rate per unit of work. ‘X’ axis represents the expected quantity of daily work per worker. With ‘oq’ amount of average work, ‘r’ is the minimum rate which equates the head load labourers wage to the daily wage of a casual labourer in that area.

So in this market, the supply of scattered labour is fixed by a local committee in such a way that an average labourer should be able to receive a daily wage not less than casual labour in that particular area. When the expected average daily quantity of works increase for a long period or this increase is not a short-run phenomenon, ie., ‘oq’ to ‘oq<sub>1</sub>’ there is a possibility of increasing the supply of workers in the market by a trade union.

Actually, the rate of wage/ unit of work which will be fixed in the scattered market is above or equal to ‘r’. The positive difference from the actual rate from ‘r’ will be decided by the bargaining capacity of the individual labourer in relation with the elasticity of work they are doing because employers are scattered and workers are somewhat unionized, hence worker is more powerful compared to the

employer. But the employer can reduce the rate by not purchasing the service and doing it by themselves. There is a lot of legal interference by the government after 2002, which reduced the bargaining capacity of head load labourers in the scattered segment.

It is a fact that an individual labourer may get a wage which is less than, equal or greater than a casual labourer because the per day earnings will be in accordance with the marginal productivity of the individual. But on an average, a scattered labourer receives a daily income which is equal to or greater than an average casual labour daily wage.

### **4.3.3 Unattached Workers**

The unattached labourers are those head load workers who are doing the works of registered employers and receiving a salary from the board from the payment for the collective work done by all the employees which are paid by all the employers. They have no permanent employer-employee relationship, while the board is playing a vital role in deciding the major activities of the market.

This is the powerful section among the head load workers, and the characteristics of working in the market are different from the other two categories. Though the market is actually informal, through government intervention (Josph, 1996) it achieved certain characteristics of the formal market. The present study had taken an unattached labour market for the analysis mainly because of its peculiarities along with the importance of this market in the socio-political context of Kerala's trade union activities and labour militancy arguments. Before analyzing the working of this market in detail, it is better to specify this market as formal or informal based on the characteristics of such markets. The major characteristics of the formal sector will be discussed and it can be connected with the head load unattached labour market which are registered in the welfare board.

## The unattached labour market, a formal market or informal market?

Table 4.3

### *Characteristics of the market*

Formal market	Informal market
1. Entry restriction	1. Free entry
2. Government protection	2. Lack of government protection
3. Trade union	3. Absence of trade union
4. Higher income and wage	5. Lower-income and wage
6. Sufficient job security	6. Little job security
7. Mostly relies on capital intensive technology	7. Labour intensive technology
8. Hygienic and decent working environment	8. Unhygienic and indecent working environment
9. Written rules and agreement	9. No written rules and agreement
10. Skill acquired through the formal way of schooling	10. Skill acquired through outside the formal way of schooling
11. High wage for ability and experience	11. Wage not connected to ability and experience

Source: Author own Classification

From table (4.3) it can be hypothesized that the unattached labour market is having certain characteristics of the formal market such as the entry barriers and the role of the trade union. So trade union presence resembles the formal market. The other characteristics of the formal market the government protection and social security are present in the market. The workers in the market have skills acquired outside the formal way of schooling. The market relies on labour-intensive technology, they use physical power to load and unload without the use of adaptive technology.

### **4.3.3.1 Working of Unattached Labour Market**

The unattached workers are working in different pools allotted by the committee based on the work availability of each pool. So the number of employers and employees are fixed in a short period. A wage contract prevailed in the market



for two or three years in each pool. In wage, contract depicts the rate articles that loaded and unloaded in the pool and this contract made by both employer and employee union on the behalf of the Committee official. But Committee officials have only a mediator role not indulge in the rate of fixation whereas the other two parties are collectively bargained. Workers with their strong trade union representative argue for huge increment in the existing rate and employers with their trade union representative argue for reducing increment and finally, both parties agree that feasible to both parties. Here, we can see Adam Smith explanation to 'wage,' the common wage depends upon the contract usually made between those two parties, whose interests are by no means the same. The workmen desire to get as much, the masters give as little as possible. The former are disposed to combine to raise, the latter to lower the wages of labour' (Smith, 1776; chapter 8). The bargaining strength of trade union measured through the difference in the average wage of unattached workers with an average wage of other main casual workers in Kerala

If  $W_u > W_c$ , Trade union bargaining strength is strong  
 $W_u < W_c$ , Trade union bargaining strength decreased  
 $W_u = W_c$ , No trade union bargaining power in the market

Here,  $W_u$  = unattached head load workers

$W_c$  = causal workers in Kerala

The trade union in this market restricts the supply of workers in this field. The trade union restricts the entry by charging an amount as security to the market. This amount varies according to more business area to less business area. More business areas charge a high price and fewer business areas charge lesser prices to enter this market. Hence, workers deposited security amount is the function of expected returns of the market.

$$SA = F (Er)$$

Here, SA = security amount

Er = Expected returns of the market

In the market, each worker draws an average wage because they equally shared the total money wage they get from the market. In each pool collect work card from employers each day and submit it to in Committee in a week along with each day workers presents the report. Then, officers tally each workers wage of each pool and on the other side draw the total money wage from the respective employers of each pool who either deposit fund earlier or later, the work card get to the Committee. Then Committee transfer the total wage of the month to the respective account of each worker after deducting a 10 per cent levy. Then they keep daily wage cards and their payment in a week and its end they paid to the board. This salary or wage per person increase either in more day they presented in the field or more works have they got in each day from their employers. Hence, the market provides wages according to the average productivity labourer. We can see classical economist J.S Mill wage fund theory applicable to this market. The head load market or pool wage is equal to the total wage fund divided by the number of workers presented in that pool.

Wage rate = total wage fund / total number of workers present in the pool.

Like the wage fund theory, head load labour market per person wage increase when wage fund increase and decrease when the number of workers increased. Therefore, the trade union of head load workers tries to restrict the entry of workers to the market to get more wages to the existing workers and so, the supply of workers fixed in the market. The wage fund increased only through more works get from their employers or in otherwise more demand for labour in the market. So, in the market trade union tries to make a wage hike by restricting the supply of head load workers.

The formal labour market wage increased with age and experience but in the manual labour market workers invest their body capital to earn their income, so their efficiency decreased with age increased and this difference is reflected in their wage. But in the unattached head load labour market the wage sharing system exist in the market each worker draw average. So wage not decreased or increased with age both younger and older people get the same wage even though two generations have a

productivity difference. The younger person marginal productivity is greater than the wage they get in the current period and the older person productivity is less than their wage. Due to wage sharing the younger and healthy person excess income passed to an older generation or intertemporal transfer of benefits from one generation to another is possible in this market.

#### **4.4 Conclusion**

The present chapter tries to give the whole picture of the headload labour market and its working principles and theories. The headload labour market is divided into three attached, unattached and scattered according to the character of employee and employer relation and its registration in the welfare scheme. The present study concentrated on unattached head load workers because it is a powerful segment among the head load workers and its interesting characteristics. Hence the next chapters discuss the unattached headload market workers socio-economic condition, the character of demand and supply, wage fixation, and globalization and its impact on the headload market.

## CHAPTER V

### SOCIO-ECONOMIC STATUS OF THE WORKERS

#### 5.1 Profile of the study area

Among the 14 districts of Kerala, Kozhikode district has its own importance and it is the capital city of powerful Zamorin's. Historically Kozhikode is famous for its trade and commerce and it has trade relations with the Far East. In world history, Kozhikode district was marked as an important place after the discovery of the sea route to India in 1498 by Portuguese Navigator Vasco Da Gama. He landed at Kappad sea shore with three vessels and 170 men. A monument is constructed at Kappad to commemorate the historical landing.<sup>1</sup>

The Kozhikode district is located on the southwest coast of India. The boundary of Kozhikode district, in north Kannur district, on east Waynad district, on the south Malappuram district and the west by the Arabian Sea. The geographical area of the district is 2344 sq km. It lays between 11°08' and 11°50' North latitudes and 75°30' and 76°08' East Longitudes. The district consists of 4 taluks, Kozhikode, Vadakara, Koilandy and Thamarassery which are subdivided into 118 revenue villages. The district is subdivided into 12 Blocks of Panchayats and 71 GramaPanchayats.<sup>2</sup>

#### 5.2 Socio-economic profile of the workers

Any study in the realm of social science has to start with a basic understanding of the socio-economic profile of the respondents which is highly relevant. Socio-economic status (SES) is an economic and sociologically combined total measure of a person's work experience along with an individual's or family's

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<sup>1</sup> <https://kozhikode.nic.in/about-district/history/> accessed on 12/06/20

<sup>2</sup> <https://spb.kerala.gov.in/kozhikode> accessed on 12/06/20

economic and social position relative to others, based on age-sex, marital status, services and amenities available to them, income, education, and occupation<sup>1</sup>. The unattached workers are the strongest section of head load workers in Kerala whose socio-economic condition gives a ground reality of the head load workers in Kerala.

### **5.2.1 Age and Gender wise Distribution of Respondents**

The age composition of the population is influencing the supply of labour in society. The gender of workers influences the labour market entry of the workforce or labour market supply. In the headload labour market, male get more employment opportunity than that of the female. It is because the head load work is regarded as physically demanding work, more physical strength is needed to loading and unloading of articles.

Therefore, historically this is a highly male-dominated sector. Hence, female head load workers are rarely found in this market. However, the present study gets a meager representation of female head load workers. Among the respondents 94.3 per cent are male and it is 5.7 per cent for females. The female head load workers are mainly located in Vadakara old bus stand and engaged in loading and unloading of vegetables in the market.

The age category 15– 59 is generally considered as a working-age group as per the Employment and Unemployment Survey of India. Here, table 5.1, shows the age category of workers in the study area. It is clear from the analysis; most of the workers belong to a middle-aged group. 61 per cent of the male headload workers and 90 per cent of females are from middle-age groups. Only 4.5 per cent male is between 20-30 age groups, and all of the females are above the age of 35 (table 5.1).

In the case of male workers, this is because of the entry restriction policy of unions in the headload market; the union restricted the new entry due to fear to lose of the employment opportunities of existing workers. But in the female case, we can find so many factors other than the entry restriction policy of the union. In the field survey, female head load workers reveal that when their pool started in 1987 there were 35 female workers, now it is 20 and added the comment

that “none of the women in the present generation is interested in this kind of job and whenever you come again in future this pool may not exist ”.

From the above response, it is clear that after the retirements no new female workers entered into this field. So, the female head load workers pool in the city may be vanished in the future. Devi (2002) expressed the preference of educated females towards a white-collar job and reluctant to do manual labour. Moreover, it is seen that the probability of a female worker entering the manual job is very low (Mallika 2012) and when the economy develops female labour market participation declines due to the U shaped relationship between female labour market participation and human development index (Mallika, 2014).

It may be due to the fact that the majority of the female are entering the labour market due to poverty. This pattern is evident in the female labourers in the head load labour market also. The mean age of males is 43.33 whereas in the case of females it is 47.95. The average age of the total sample population constitutes 43.59. This may be due to fact that the young generation is not much attracted in this labour market in the female labour market is concerned and in the case of the male, it may be due to restriction in labour supply.

Table 5.1

*Age and Gender wise Distribution of Respondents*

Gender	Age Group								Total
	20-25	25-30	30-35	35-40	40-45	45-50	50-55	55-60	
Female	0 (0)	0 (0)	0 (0)	2 (10)	6 (30)	5 (25)	6 (30)	1 (5)	20 (100)
Male	3 (0.9)	12 (3.6)	45 (13.6)	69 (20.9)	58 (17.6)	84 (25.5)	42 (12.7)	17 (5.2)	330 (100)

Source: Primary Survey

## 5.2.2 Marital Status

Marital status influences the labour market supply and marriage affects the labour market entry of both men and women. The estimates of marriage and labour supply relationship generally show the tendency that marriage increases the working hours of men and decrease that of women (Ahituv & Lerman, 2005). Of the total respondents, 92 per cent are currently married. Among the total males, 94 per cent are currently married whereas it is 60 per cent in the case of females. Among males, the percentage of the widower is only 0.3 per cent whereas among females widowed and separated constitute 40 per cent. It is found that separated, the widowed or the divorced (Devi;2002, Mallika;2012) are more likely to take up jobs than women whose husbands are alive. Hence, it is seen that the females who are the primary bread earners are compelled to enter this headload labour market due to poverty. This also confirmed the fact that female headload labourers are entered into the labour market due to economic compulsion. Hence, when economic pressure is reduced, they will automatically withdraw from the labour market and do their domestic work alone at home.

Table 5.2

### *Marital Status of Workers*

Marital status	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
Currently Married	311	94.2	12	60
Unmarried	18	5.5	0	0
Widower/widow	1	0.3	5	25
Separated/ divorced	0	0	3	15
Total	330	100	20	100

Source: Primary Survey

### 5.2.3 Caste and Religion

Caste and religion play an important role in labour force participation among workers. One of the most important features of the unorganized labour market in India is its deep segmentation of working conditions and entry barriers. The basis of this division mainly relies on caste, gender and regional level ( Heller, 1996). Junkar and Shonchoy( 2012), argues that Brahmins and other high class are more likely to work in the formal sector and Muslims and other backward are likely to work in the informal sector. The Headload labour market is not contrasted with the above-said viewpoints; most of the workers belong to Muslim and other backward castes. Here, out of the total sample, 58 per cent constitutes Muslim and 32.3 per cent belongs to the OBC Hindu category. However, the study gets a meager representation of general caste and scheduled caste. The higher representation of Muslims is signaling a number of regional and migration issues. In Kerala, the Muslim community was comparatively backward compared to the educational standard of other communities (Misiriya, 2013). Some of the workers shared their view during the Focus group discussion conducted in Palayam market on 11 November 2018 that ex – gulf Muslim person enter into this field after quitting gulf job which is highly unstable nowadays. The recent gulf countries ‘Nithaqath’ issues have become one of the reasons for more Muslims enter in to headload labour market.

Table 5.3

*Caste of Workers*

Caste	Number	Percentage
Scheduled Caste	20	5.7
Other Backward Classes	Muslims	205
	Hindu	113
General	12	3.4
Total	350	100

Source: Primary Survey

The headload work occupies the lowest position in the hierarchical distribution of labour due to its manual labourer status ( Josph, 2004). So the general



castes may have been reluctant to join this kind of manual works. Within the general caste, all are from the Nair community. No other higher caste can be seen in the market. In this context, it is worth mentioning the historic light of job grading in Kerala. Historically in Kerala, the scheduled caste and tribes were mainly engaged in agricultural works.

By considering the OBC category ‘Thiyya’ or ‘Ezhava’ dominated in the loading and unloading because traditionally Ezhava caste engaged in loading and unloading activity. In the second half of the nineteenth century, there were growth prospects in various traditional activities of the Ezhava community such as coir making, coconut trade, trade-in other coconut produce, trade of toddy and arrack, drawing of toddy, various handicrafts, headload work, artisanal occupations, etc. ( Isaac &Tharakkan, n.d ).

From table 5.4, it is seen that in Kerala, the caste-based division of labour was seen traditionally. Muslims and other backward communities were engaged with trade-related activities and other manual jobs which are less social status and that pattern was not changed till date though Kerala reached in the highest ladder of human development.

Table 5.4

*Caste and agrarian Hierarchy in Traditional Kerala Society*

Role	Agriculture land	Caste
Priests, Rulers, administrative officials	Jenmom (ownership) Rights inland	Brahmins, rajas, aristocratic Nayars
Militia, In charge of law and order, petty officials	Kanon (superior lease) rights	Nayars and Nambiars
Petty producers, traders, artisans, dry land labour	Verumpattom (Inferior lease rights)	Non aristocratic nayars, ezhavas, Christians and muslim
Wet land labour	Agriculture labour	Ezhavas, pulayyas, cherumams

Source: Isacc and Tharakkan (n.d)

#### **5.2.4 Education**

Education is one of the important determinants of the labour supply decisions of different labour markets. It is argued that educated people are most likely to enter into the formal sector and they are reluctant to enter into the manual labour market and preferred to be unemployed than entering in a low profile labour market. It is argued that this may be the reason for educated unemployment in Kerala compared to other states of India.

While analyzing the educational status of the head load labourers it is seen that 89.7 per cent of male workers are having education of middle school and below category. But it is seen from the data of 2004-05 that Kerala's male labour force, middle school and below constitute only 67% (Mallika 2012 pp.143) whereas, in that period itself, graduation and above qualified constitute 6.5%. While considering the educational status of the general labour force, the head load labourer is considered to be less educated.

In the case of females, though in 2004-05 data shows that only 53.9% of the labour force is having an educational qualification middle school and below (ibid), in the head load labour market, this percentage is 89.7% in 2018. This clearly indicates that the head load labourers are from the lower strata of the education ladder, especially in the female labour market. It is seen that in 2004-05; 13.6% of the total female labour force in Kerala is having graduation and above qualification, in 2018, no female labour is having graduation in the head labour market.

Mohan Pillai (1996) study found that about 68 per cent of head load workers in Ernakulum urban centre had only less than primary education but it is argued that due to high level of earnings from this job in near future it is expected that more educated persons will be attracted to this job market. In that study, it is argued that due to higher economic benefit in this field compared to other casual jobs, this sector may have a more educated labour intake. But that kind of labour market structural change had not happened during this period. In the socio-educational status of head load labourers are in the lower strata, and there is not much change happened in that structure.

It is found that a graduate labourer in the vegetable market at Palayam in Calicut is having is taking private tuitions to children after head load work. Though the workers are not highly educated, there is some rare experience from some of the less educated labourers. While collecting information from the group of labourers in Pushpa junction Calicut, a 55-year-old head load worker fills the Malayalam Schedule questions in English, and his co-worker commented that “He is an old 9<sup>th</sup> standard”.

In the white-collar hypothesis(Mathew (1995) it is argued that when the wage was sufficiently attractive educated people did not reluctant to take the manual job by pinpointing educated people engaged in the manual or blue-collar job in gulf countries. But our study had not provided any evidence in support of this argument.

Table 5.5

*The Educational Standard of Headload Workers*

Education	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Illiterate	0	0	0	0
Literate without formal education	10	3	4	20
Primary	14	4.2	8	40
Upper primary	59	17.9	4	20
Secondary	190	57.6	4	20
Higher secondary	48	14.5	0	0
Degree	9	2.7	0	0
Total	330	100	20	100

Source: Primary Survey

### 5.2.5 Size of Family and Status of Ration Card

From table 5.6, it is clear that 69.4% of sampled male workers and 75 % of female workers belongs to a family having less than five members. This indicates that most of the headload workers are living in the nuclear family system.

Table 5.6

*Size of Family*

Family size	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
1-5	229	69.4	15	75.0
6-10	95	28.8	5	25.0
>10	6	1.8	0	0.0
Total	330	100	20	100

Source: Primary Survey

Table 5.7

*Status of Ration Card*

Ration card colour	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Yellow	36	10.9	5	25
Pink	188	57	14	70
Blue	100	30.3	1	5
White	2	0.6	0	0
No ration card	4	1.2	0	0
Total	330	100	20	100

Source: Primary Survey

The colour of the ration card indicates the poverty level of workers. The yellow card indicates the most economically backward section of society (Antyodaya Anna Yojana Beneficiaries), the pink card indicates priority or below the poverty line, the blue card depicts middle-income group while the white card indicates non-priority.<sup>3</sup>

The majority of the head load labourers belong to priority or below the poverty line. It is seen from table 5.7 that 67.9 per cent of male labourers and 95%

<sup>3</sup> <https://www.indiafilings.com/learn/kerala-ration-card/> accessed on 20/08/20

of female labourers belong to the poor category. It is striking to note that 10.9% of male labourers are included in the severely poor category, while in the case of females it is 25%. This analysis proves our argument that the labour market participation of females in the headload labour sector is due to poverty.

### 5.2.6 House of the worker

The shelter is one of the basic needs of human beings. It is seen that 11.5% of male labourers and 10% of female labourers are having a rented house. The majority are living in pucca houses. It reflects the improved housing status of the Kerala people.

Table 5.8

#### *Housing status of workers*

House	Male		Female	
	Number	Per cent	Number	Per cent
Owned	292	88.5	18	90
Rented	38	11.5	2	10
Total	330	100	20	100

Type of house	Male		Female	
	Number	Per cent	Number	Per cent
Thatched	2	0.6	1	5
Tiled	60	18.2	2	10
Terraced	255	77.3	16	80
Partially tiled and terraced	13	3.9	1	5
Total	330	100	20	100

Source: Primary Survey

Table 5.9

*Owned house of workers*

If owned House	Male		Female	
	Number	Per cent	Number	Per cent
Build	83	28.4	13	72.2
Bought	122	41.8	2	11.1
Hereditary	87	29.8	3	16.7
Total	292	100	18	100

Source: Primary Survey

From table 5.9, it is seen that only 29.8 % of male workers and 16.7% of female labourers are living in their hereditary or ancestral property. The majority either purchased or built their houses, which shows that the labourers in this sector are coming from lower economic strata.

Table 5.10

*Houses built or bought by head load income*

House built or bought	Male		Female		Total	
	Number	percent	Number	percent	Number	Percent
Fully head load works	41	20	2	13.3	43	19.5
Partially head load works	81	39.5	12	80	93	42.3
Other way	83	40.5	1	6.7	84	38.2
Total	205	100	15	100	220	100

Source: Primary Survey

Table 5.10 checks whether head load works income is used for making or buying of houses of workers, it is clear from the table that 19.5 per cent of the workers build or buy houses by using head load works income only. Out of the total workers, 42.3 per cent of the workers partially used head load works income to build or buy houses. By looking at the table it is clear that 80 per cent of the female partially use head load income to build or buy their houses. Out of the total workers, 40.5 per cent of the male and 6.7percent of the female workers build or buy houses

by using other sources of income other than head load income. This data indirectly indicated that the head labour market is not an attractive sector economically.

### 5.2.7 Landholdings of head load workers

Landholdings are another parameter to analyse the economic stability of head load workers. The average landholding of workers is 5.72, for males, it is 5.64 lower than that of its counterpart 7 cents ( Table 5.13). Even though the majority of the workers hold some land, 29.7 per cent of the male and 10 per cent of the female workers not possessing any land. Among those who have land, 56% of the male workers possess less than five cents of land whereas this percentage is 50 in the case of females.

Table 5.11

*Number of landholders among workers*

Land	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Land hold	232	70.3	18	90.0
No land	98	29.7	2	10.0
Total	330	100	20	100

Source: Primary Survey

Table 5.12

*Landholdings in cent*

Land /cent	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
1-5	130	56.0	9	50
5-10	74	31.9	7	38.9
10-15	15	6.5	1	5.6
15-20	5	2.2	0	0
20 and above	8	3.4	1	5.6
Total	232	100	18	100

Source: Primary Survey

Table 5.13

*Acquisition of land*

Land acquired	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Buy	133	57.3	9	50
Hereditary	99	42.7	9	50
Total	232	100	18	100

Source: Primary Survey

Table 5.13, shows the acquisition of land by workers is either through bought and hereditarily get. Out of the respondent male workers, 57.3% and 50% of female workers are bought their land. Among the male workers, 42.7% hereditarily get land. In females, it is 50 per cent.

It is relevant to analyze the role of headload workers income to buy the land. From table 5.14, it is evident that only 15.8 per cent of the male who bought land assets by using the head load income. Out of the 39.1 % of the male and 33.3% of the female workers are partially using head load incomes to buy lands. Among the male respondents, 45.1 per cent of workers and 66.7% of the female workers are bought land assets from other sources of income. All these analyses pointed out a fact that the socio-economic condition of the head load labour market is very low.

Table 5.14

*Land Bought*

Land buy	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Fully head load works	21	15.8	0	0
Partially head load income	52	39.1	3	33.3
Other way	60	45.1	6	66.7
Total	133	100	9	100

Source: Primary Survey



Table 5.15

*Average Land Holdings of Workers*

Workers	Average landholding in cent
Male	5.64
Female	7.00
Total	5.72

Source: Primary Survey

**5.2.8 Household amenities**

Household amenity shows their lifestyle and socio-economic status. The local administration of Kerala always keens towards providing basic amenities to the poor. Kerala is the first state to provide electricity to every household. Table 5.16 data reflects the mirror image of the amenities of an average Malayalee family in Kerala. Which depicts the social development state already achieved. There is no evidence to say that the labourers in the head load sector are having better accessibility in household amenities concerned when compared to an average Malayali casual labour.

Table 5.16

*Household Amenities*

Household amenities	Male		Female	
	Number	Per cent	Number	Per cent
Electricity	330	100	20	100
TV	301	91.2	19	95
Fan	328	99.4	20	100
Washing Machine	101	30.6	0	0
Gas	320	97	20	100
Mobile	324	98.2	20	100
Fridge	228	69.1	14	70
Mixer	308	93.3	20	100
Bike	227	68.8	3	15

Household amenities	Male		Female	
	Number	Per cent	Number	Per cent
Scotty	71	21.5	10	50
Cycle	26	7.9	0	0
Car	11	3.3	0	0
Auto	2	0.6	0	0
Lorry	2	0.6	0	0
News Paper	152	46.1	20	100

Source: Primary Survey

### 5.2.9 Household Income

Household income is an important determinant to access standard of living. Here, household income constitutes the monthly income of the family from all sources. Based on the survey data, it is found the range of household income of the female constitute between 5000 to 20000. More than three fourth of female household income belongs between 5000 to 15000. Whereas male household income is better than that of its counterpart. The data relating to the household income of the labour confirms the earlier analysis that the average head load worker belongs to the lower economic strata. It is seen that 67.5% of male labourers reported that their family income is below Rs.15,000/month, while that of females this percentage was 80. This clearly indicates that the female headload labourers entered the labour market due to poverty and an average male labourer is not living in a better condition when compared to an average casual labourer.

Table 5.17

*Household Income of Workers*

Income	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
5000-10000	79	23.9	6	30
10000-15000	144	43.6	10	50
15000-20000	47	14.2	4	20
20000-25000	34	10.3	0	0
25000-30000	15	4.5	0	0
30000-35000	7	2.1	0	0
35000-40000	4	1.2	0	0
Total	330	100	20	100

Source: Primary Survey

**5.2.10 Household Expenditure:**

Housing expenditure is a major factor that determines the income-expenditure gap and the level of debt. Household income and expenditure varies over his life cycle. The household monthly expenditure of females lies between 10000 to 20000. Whereas, almost 69 per cent of male household expenditure belongs to the same expenditure category.

Table 5.18

*Family Expenditure of Workers*

Expenditure /monthly	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
5000-10000	103	31.2	0	0
10000-15000	192	58.2	17	85
15000-20000	35	10.6	3	15
Total	330	100	20	100

Source: Primary Survey

From table 5.19 it is seen that on average, a headload worker spent 38 per cent of their expenditure on food items. As it is a fact that as far as a poor person is concerned, the majority of their income is used for food items. But this is not a very high share may be due to the efficient working of our public distribution system. It is already mentioned that 66.57 per cent of head load workers are holding a priority ration card and this may help them to reduce their food expenditure in this percentage. Moreover, it is seen that health expenditure is 7 per cent of their budget share.

Table 5.19

*Percentage of Household Expenditure on Different items*

Items	Per cent
Food	38
Electricity	5
Fuel	12
Health	7
Education	6
Cloth	6
Miscellaneous	26

Source: Primary Source

### **5.2.11. Total Savings**

Subtracting the expenditure from an individual's disposable income, we will get savings. It is interesting to note that while analyzing the savings of the head load workers, it is seen that only 1.63 per cent reported that they have some savings other than welfare board. This shows that an average head load worker is consuming what they are receiving as salary. While analyzing the household durables, they are having only limited amenities. Moreover, the majority of the head load workers reported that they are having some type of debt. The average debt of a head load worker is given as Rs 141734.6 and the average savings (including the compulsory savings in the welfare board) is only Rs. 126821.42. This clearly

confirms the earlier analysis that head load workers belong to the lower economic strata.

Table 5.20

*Average Saving and Debt*

Average	Total workers
Saving	126821.42
Debt	141734.6

Table 5.21

*Percentage of Saving in Different sources*

Sources	Percentage
Welfare board	98.2
Post office	0.3
Bank	1.63
Kudumbasree	0.06
Miscellaneous	0.02
Total	100

Source: Primary Survey

Table 5.22

*Total Debt of Workers*

Total debt	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
0	38	11.5	1	5
1-100000	185	56.1	9	45
100000-200000	46	13.9	5	25
200000-300000	17	5.2	1	5
300000-400000	7	2.1	1	5
400000-500000	17	5.2	2	10
500000 and above	20	6.1	1	5
Total	330	100	20	100

Source: Primary Survey

From focus group discussions it is clear that the maximum amount a head load worker can avail as a loan from the welfare board is Rs. 100000, hence they have to depend on other sources for the loan. Table 5.23 shows that out of total debt, 8.83% of the debt is from the welfare board whereas 82 per cent from commercial banks.

It is found from focus group discussions that the majority loan amount is used for conducting marriages of their children. This also rejects the hypothesis that head load labourers are leading a better lifestyle when compared to an ordinary casual labourer.

Table 5.23

*Percentage of Different Sources of Debt*

Source of Debt	Percentage of loan
Welfare Board	8.85
Bank	82
Post Office	0.53
Kudumbasree	0.53
Miscellaneous	8.09
Total	100

Source: Primary Survey

### **5.3 Conclusion**

This chapter analyses the socio-economic status of head load workers in Kozhikode district. From the analysis, it is seen that there is a clear that head load labourers are coming from lower socio-economic and educational category exactly like any other casual labourer. The hypothesis of the high-level salary of the head load worker is not evident from the living status of an ordinary head load labourer. Moreover, it is seen that female headload workers are entered this job market due to economic compulsion. The very high percentage of female head load labourers are either widowed or separated. This also shows that due to poverty pressure, they are ready to enter the manual labour market.

## CHAPTER 6

# ANALYSIS OF UNATTACHED HEADLOAD LABOUR MARKET IN KOZHIKODE

### 6.1 Introduction

The analysis of demand and supply conditions is a must for classifying a market into a formal or informal market. This chapter tries to analysis the demand and supply conditions of the head load labour market in the Kozhikode district. The first part of this chapter tries to analysis the supply and demand characteristics and the second part wage and benefits and the third part about the working condition of workers.

### 6.2 Supply of Labour

It is a well-known fact that those persons who are ready to work in the existing wage rate are normally considered as labour supply. In the unattached head load labour market, unlike an ordinary casual labour market, supply is restricted by the labour unions and security deposits along with the availability of vacancy. This characteristic of this market is creating an understanding that this labour market is having certain features of a formal sector. The supply was restricted by trade unions through entry prevention techniques followed by them long years ago. The following section discusses the characteristics of supply in the headload labour market of Kozhikode district.

#### 6.2.1 Labour Market Entry

The main characteristic of informal markets in the mainstream economic discussions is that there is free entry into the labour market. This notion is not valid for those who wish to be a headload worker as his career. The able-bodied person can be entered into this type of market because who invested his or her body as capital to get income (Wait,2000). However, the able-bodied person cannot be

directly entered into the head load labour market as supply without any hereditary backup or political influence.

From focus group discussions and informal discussions with the workers, it is clear that any registered union membership is necessary for entering into the loading and unloading market as a labour supply. Apart from union membership, workers must deposit a certain amount of money as security in the union office before entry, and the depositing amount varies in different areas or pools depending upon the demand for labour in that area. If it is a high profile business area, pools will charge a higher security amount than that of lesser prosperous areas. So the amount charged as security is a positive function of expected returns. When expected returns from the market are high the security amount will be high.

There is an important question which emerges will be the purpose of this security amount which is collected from the new entrant. From the discussions from the workers and labour unions, it is found that the number of labour supply is restricted in each pool according to the demand for work and hence, normally an entry is possible only when someone is retiring. The retirement benefit will be met by the security deposit collected from the new entrant for that post. This transaction is not recorded anywhere, that means it is not officially recorded. From this, it can be modelled that, if a person is allowed to enter this labour market, He is depositing some money as a security for his retirement benefit. His money will be transferred to his older generation and he will be benefitted from the money from his younger generations. Hence, in this market, an intertemporal transfer of funds is seen from younger generations to older generations. Hence, it can be seen that the retirement benefit of a person is indirectly related to the expected returns of the market. This can be expressed as

$$S=f(R)$$

$$RB=F(S)$$

Hence  $RB =F(R)$ ,

Where  $S$  is the amount of security,  $RB$  is the retirement benefit of the person retired.  
 $R$  is the expected returns.



From unofficial discussions, it is seen that if new labour is allowed to enter the market due to an increase in the demand not in the vacancy of retirement, the security amount is distributed between the union and the existing labourers. Whenever new workers are needed, the existing workers of the pool demanded the committee for the appointment of new workers. This happens when the particular pool is getting more works from an employer than the supply of workers or existing workers feel over the burden of works.

But, the union membership is needed for a worker to enter this market and the different union's presents can be seen in each pool or area. Then whenever, a new worker is needed, the chance to appoint the new worker is given to the dominant union. In one of the pools under the Ramanattukkarra welfare committee, recently appointed 10 additional workers and among them, 6 are appointed by STU, which dominates in the Ramanattukkara area and the remaining 4 are appointed by the union CITU. This information was shared by one of the employees in the Ramanattukkara committee office. Whenever the existing labourer exit from the market before retirement, it is not easy to re-enter. From these discussions, it can be concluded that the headload labour market is having entry restrictions and exit free. But when a person exit, it is a permanent exit. While considering the characteristics of formal and informal markets, it can be seen that the entry restriction is one of the important characteristics of the formal labour market that is seen in the headload labour market of Kerala.

The headload workers from the Pantheerankavu area shared an experience of the exit of five workers. They exit the labour market due to lack of demand and income but when the demand condition improved, they are not allowing to re-enter the market by the rest of the workers. The working of this market can be explained by using an insider-outsider model of the labour market. Another interesting fact is that due to the entry restriction the existing workers can trade their membership at a high price whenever they are ready to quit the market.

### 6.2.1.1 Reasons for Entry

In Kerala generally, people are reluctant to do manual works in both the agriculture and non-agriculture sector. That is why our manual job market is dominated by interstate migrants, Bengalis, Assamese etc. But in the field survey in the un-attached head load labour market, could not find any interstate migrant workers except in one pool existed in Calicut city, where one person from Tamilnadu in origin but he settled with his family in Kozhikode over 25years. His union activity paid a way to get this job. From the survey, it is clear that most of the workers are migrated from rural areas to urban areas.

Their reasons for entry into the market are diverse. Many reasons for entry are identified from the survey and it is categorized into four divisions:

- i) Personal interest
- ii) Secured job
- iii) Hereditary
- iv) Getting no other job in the market

Table 6.1

*Reasons for Entering the Market*

Reasons	Male		Female	
	Number	Percentage	Number	Percentage
Personal interest	108	32.73	5	25
Secured job	91	27.58	12	60
Hereditary	41	12.42	1	5
No other job	90	27.27	2	10
Total	330	100	20	100

Source: Primary Survey

The major section of the workers in informal sectors are working in an alienated working condition, not by their choice but lack of better job opportunities force them to select these jobs. Contrary to the main perception, head load workers joined this job mainly because of job security. They get work at least three days per

week and they strongly believe supremacy of trade union take part in the work security, moreover the political backup protect their employment than other casual labour markets in Kerala. Personal choice is the other key reason for entry into the market. According to a head load worker in Cherootti road, Kozhikode; “By doing this job, ‘when we leave the house in the morning we can tell surely to our householders to put water in a pot on the oven for ready to boil and we will return with rice’”.

Among the respondents, 12.42 per cent succeeded his fathers or close relatives. The remaining 27.27 per cent are selecting this job without getting another good job in the market. Hence, the growing unemployment in the state provokes the youth to enter this manual labour market. Whereas, for female respondents, 25 per cent selected this job by personal interests. From the survey, most of them shared that earlier they went to work in the mud quarry, the loading and unloading of mud as usual causal works in earlier days in that area, where they engaged in loading and unloading activity and so they have no reluctance to enter into this field.60 per cent of them are entered by looking at the job security of the market. Among them, 5per cent follows the path of their relatives and 10 per cent select this job without getting another job in the market. In this condition, we can just analysis the earlier job workers and their reason to quit that job.

Table 6.2

*Earlier Job of Workers*

Earlier job	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
No job	28	8.5	2	10
Head load works	10	3	5	25
Fishing	24	7.3	0	0
Farming	8	2.4	1	5
Coolie works	187	56.7	10	60

Earlier job	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Sand mining	1	0.3	0	0
Self-employment	11	3.3	0	0
Regular salaried works in private	18	5.5		
Regular salaried works in government	0	0	0	0
Gulf	26	7.9	0	0
Others	17	5.1	1	5
Total	330	100	20	0

Source: Primary Survey

From table 6.2 clears that the earlier job of most of the workers are coolie works, 56.7% of male workers and 70 per cent of the female workers are earlier coolie workers. 3 % of male workers and 5% of the female were engaged in loading and unloading activities locally. Table 6.2 Indicates the fact that the majority of the earlier employed workers had engaged in local nature of work and only 5.5 per cent male workers in a regular salaried job in the private sector. It is also noted that no workers were engaged in a regular salaried job in the government sector. Hence, most of them have some kind of job before entering the headload labour market. Then the relevant question is raised about the major reason to quit that earlier job.

On table 6.3, clears that most of the workers quit the earlier job due to its instability. 62.7% of the male workers and 95% of female workers quit the earlier job due to this reason. By analysing Table 6.3, it very much understood the comments of the worker from Cherootiroad earlier mentioned that they gave a surety to their family that a subsistent wage they get to run their family. This indicates that they avoid risk in the market and they are risk-averse.

Table 6.3

*Reasons for Quit Earlier job*

Reasons to quit the job	Sex				Total	
	Male		Female		Number	Per cent
	Number	Per cent	Number	Per cent		
Not a stable job	207	62.7	19	95	226	64.6
Family liability	56	17.	0	0	56	16
Low income	13	3.9	0	0	13	3.7
Others	26	7.9	0	0	26	7.4
Not affected	28	8.5	1	5	29	8.3
Total	330	100	20	100	350	100

Source: Primary Survey

**6.2.1.2 Way of Entry**

By analyzing their way of entry into the labour market, it finds that union participation is essential to enter into this market. Among the male respondent, 66.7 Per cent enter into the market through trade union support whereas, it is 95 per cent in the case of female labour. However, 20.9 per cent of male workers are directly entered into this market and most of them are old workers. Only 12.4 per cent of male workers are entered in a hereditary way and for females, it is 5 per cent. Even though they are entered directly or hereditary, later they took membership in one of the trade unions in this field. Hence, the trade union played a major role in the entry of workers into the market or influences the supply of the market.

Table 6.4

*Way of Entry of Workers*

Entry	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Directly	69	20.9	0	0
Union	220	66.7	19	95
Hereditary	41	12.4	1	5
Total	330	100	20	100

Source: Primary Survey

**6.2.1.3 Trade Union**

The trade union can influence the labour supply of the market. Now India has more than 84642 registered trade unions along with a large number of unregistered ones. But no clear data about the union membership and its density due to inadequate standard procedure in India ( Das,2008). In Kerala, trade union holds its strength not only in the formal labour market but also in the informal labour market. The Trade union has made a significant improvement over the wages of the workers in Kerala( Thomas, 2005).

So, the roles of trade unions have been central in deciding the course of Kerala economic development ( Nornoha, 2006). In the second half of the 20<sup>th</sup>-century head load workers in Kerala became unionized in their market and then gradually state-led formalization started in the market ( Josph, 2004). Subsequently, the membership of the recognized union is essential to enter this kind of market and the union monopolizes the market. (Nornoha,2006). From the field survey, it is clear that all workers have union membership in the head load market and the respective prominent union in a locality recruits new workers whenever that locality needed workers. From table 6.5, it is clear that all respondents have a union, around 62 % of the male respondent and 95 per cent of female workers are members of the CITU union. It is due to that CITU dominate in this field in Kerala. Among the male

respondents, 29.1 per cent have entered through the market with INTUC membership. The membership of BMS is only 2.1 per cent.

Table 6.5

*Union Representation of Worker*

Union	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
CITU	204	61.8	20	100
INTUC	96	29.1	0	0
BMS	7	2.1	0	0
AITUC	10	3.0	0	0
STU	13	3.9	0	0
Total	330	100	20	100

Source: Primary Survey

By analyzing the reason for the selection of unions by workers, it is clear that most of the respondents chosen unions based on its strength. Among the male respondents, 46.6 per cent have chosen union based on its strength and this percentage is 35 in the case of female labourers are concerned. Out of the total male respondent, 38.8 per cent have chosen union on account of their political interest and only five per cent of the total female has chosen union due to political interest. Among the total male respondents, 7.9 % of male participants have chosen union due to both their political interest and union strength and in the female case out of the total female, 60 per cent chose the union by looking at the political strength of the union and their political interest. The remaining 7 per cent of total male workers have chosen union due to reasons other than political interest and union strength. This category shares the fact that they select union on account entry option to the market. Hence this indicates that workers are political empowerment is a matter of concern. They have no definite interest and opinion in this matter like an ordinary informal worker.

Table 6.6

*Reasons to Select Union*

Reasons	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
Political interest	128	38.8	1	5
Union strength	153	46.4	7	35
Both	26	7.9	12	60
Others	23	7	0	0
Total	330	100	20	100

Source: Primary Survey

From table 6.6, it is seen that 79.1 per cent of the total male and all of the female respondents have chosen the union at the time of the entry of the field and 20.9 per cent of the total male workers have acquired the union membership after the entry to this field. From the field survey, it is clear that these 20.9 per cent of workers are senior workers who have more experience in this field and they directly enter into this field in earlier days without any union support and later takes part in the union.

Table 6.7

*Selection of Union*

Union select	SEX			
	Male		Female	
	Number	Percentage	Number	Percentage
At the time of entry	261	79.1	20	100
After the entry	69	20.9	0	0
Total	330	100	20	100

Source: Primary Survey

By analyzing the role of the union on the problem solving of the workers, 99.4% of the total male workers and all of the female workers respond that the union is actively involved in their problem-solving. But even though the union role is



active in their problem solving the 32.7 per cent of the total male respondents' opinion that the role of trade unions decrease after the establishment of the welfare board and only 15 per cent of the total female respondents have the same opinion.

The 32.7 per cent male respondent and 50.9 per cent of females have the opinion that the role of trade union decreases after the establishment of the welfare board. Among the total male respondents 16.4 per cent opinion that the union role increase after the establishment of the welfare board in their area and 15 per cent of the female have the same opinion. This indicates the fact that the bargaining strength of trade unions decreased.

Table 6.8

*Union Role in the Market*

	Male		Female	
	Number	Per cent	Number	Per cent
<i>Union role in problem-solving</i>				
Active	328	99	20	100
Passive	2	0.6	0	0
<i>Union role after welfare board</i>				
Increase	54	16.4	3	15
Decrease	108	32.7	3	15
Stagnant	168	50.9	14	70
<i>The inevitability of union in the field</i>				
Yes	329	99.7	20	100
No	1	0.3	0	0

Source: Primary Source

By analyzing the supply characteristics, it is seen that the Headload market has some characteristics of the formal sector that as entry restriction and trade union participation. Moreover, it is seen that the expected returns from the market are high when compared to the other types of work which is available for these workers. This may be due to the job security which they are expecting or due to the high-risk nature of the next best alternative job which is available to the worker.

### **6.3 Labour Market Demand**

The Headload labour market demand is derived from demand; the demand for Headload workers services related to the products they have handled. The demand for those products affects the demand for head load workers in the market. So they have more opportunities to work in more business areas. From the primary survey, it is clear that the board or committee head load workers in each market according to the demand of each market. But the demand for labour varies in each market according to the product-market situation.

In the field survey, it is clear that the GST and Demonetization seriously affect labour market demand of Gandhi Road Pool in Calicut city, where one important business establishment shut down after that (workers shared and showed shut downed godown) issue. And ‘ Nipah’ case affect the loading and unloading workers of fruits markets in Calicut city. The headload workers in the fruits market shared that they are unemployed for around 3 months during the Nipha period in Kerala. Though the organized trade union and government intervention through the establishment of the welfare board give an organized set-up to unattached workers, they suffer from market uncertainty.

From the focus group discussion, most of the workers revealed that their market area lost their customers due to the sprouting of small markets and shopping complex as a part of globalization in all the parts of Kozhikode district and its nearby districts. Headload workers Puthiyangadi in Calicut recalled the earlier days they loaded articles to Mancherri and Trisur area and now they loaded articles to nearest areas. New centers of trade, Trisur, Palakkad, Ramannatukara, Mancheri, Angmali, Kannur and Vadakara have emerged after the infrastructure development in Kerala (Nornoho;2006). Along with the infrastructure development, Middle East remittances have led to the setting up of supermarkets and cooperative stores further break up the market at Calicut.

From the survey, some of the workers revealed the fact that though the Welfare scheme is having some job security, it is having some drawbacks also. Due

to the feeling of overburden related to the registration and other formalities, some shop owners relocate their shops or establishment to other areas.

Table 6.9

*The number of employers*

Number of employers	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
Increasing	46	13.9	0	0
Decreasing	203	61.5	19	95
Constant	81	24.5	1	5
Total	330	100	20	100

Source: Primary Survey

From table no 6.9, it is seen that 61.5% male and 95 per cent female have expressed their opinion that the number of employers declined after the establishment of the welfare board. According to them, it is due to the segregation of the market due to the registration norms of the welfare board. Along with the registered shop owner's work, the labourers are getting some work from non-registered employers. This is known as "general work". For the general work payment, the shop owners give the remuneration to the headload labourers and they will go and deposit it in the board. So the supply of the headload market is already determined in each pool and demand varies in each pool according to the market condition.

The head load labour market is an imperfectly competitive market where we can see institutional barriers like government intervention and trade union presence. Hence, in this type of market other than demand and supply forces, the government and trade union have some roles. In this context, the following section discusses the wage fixation of un-attached workers in the Kozhikode district.

## **6.4 Wage and Benefits of the Market**

Wage is an important factor in the labour market that affects both supply and demand for labour in a particular market. Wages of the workforce are considered as the indicator status of living of people in a society. The levels of wages are the fundamental importance to the standards of living of workers who earn wages and their families irrespective of economic development. They are also an important indicator of social justice and economic progress (Papola and Kannan, 2017). Generally, wages are determined by the demand and supply of labour in the market. But in developing countries wages is affected by strict labour market dualism and severe entry barriers of the different section of the labour market (Sakthivel& Karan,2016). The labour market of head load workers in Kerala is a manifestation of the dual labour market (Pillai,1996).

### **6.4.1 Wage Fixation of The Market**

Wage is a payment made for the service of labour. From the field survey, it is clear that there is no fixed wage for workers in this market. Committee fix rate of articles loaded and unloaded. The Committee assigned workers in different markets according to the demand of the workers in each pool. The employers of each pool who are usually employee head load workers must register in that particular Committee.

In every pool, workers and employers signed two or three-year contracts which listed the rate of articles loaded and unloaded in those areas. This contract influences the daily wages of each worker in the head load labour market. But each pool is different from each other according to articles loaded and unloaded, and the number of employers and employees. Some pool specializes only one article and others take all available articles in their pool. So every pool is different from each other and that difference is also reflecting in their wage.

Registered employers deposit money in the welfare committee earlier or after they employ workers and then the employer has given work cards to workers in work card depicts the employer register number, workers pool no, the number of

workers employed with their registered number, the quantum of work and amount of wage. It is clear from the survey that, each worker in every pool draw an average wage per day because they equally shared the total money wage they get from the market. In each week each pool should submit the daily work cards from each employer along with the attendance register of the workers.

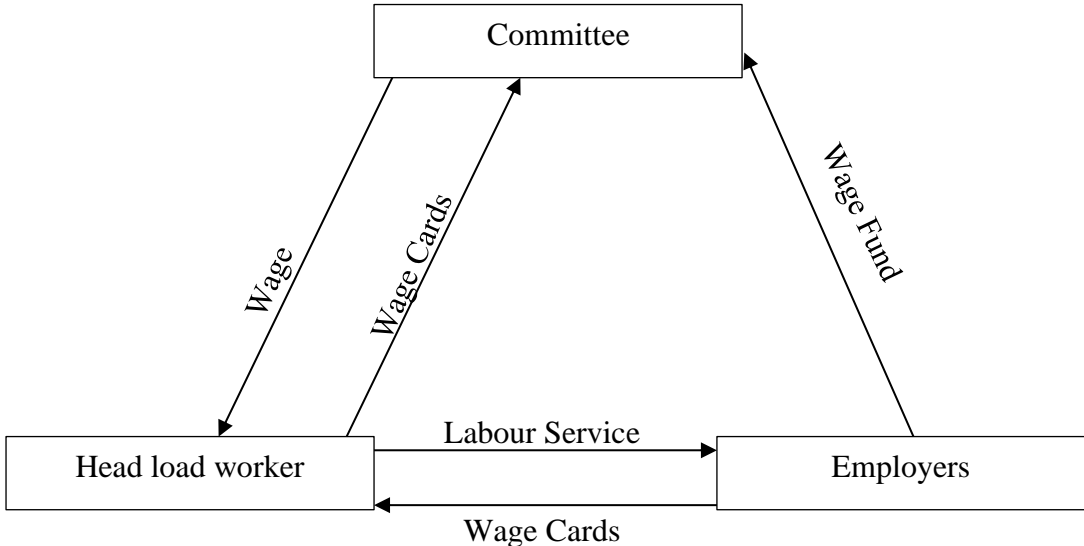


Figure 6.1: Circular Flow of income in the head load labour market

From figure 6.1, it is cleared that, Committee regulate the head load labour market and it plays a mediator role. Committee accepts wage cards from workers and wage funds from their employers and finally, Committee distributes wage to the respective bank account of each worker at the end of the month.

Another interesting point is that in some pools the disguised unemployment can be seen, this is because of the shrink in demand due to demonetization and GST. This, according to the workers from pools no 22 that, is due to the shutdown of the main business establishment after demonetization. Finally, employers compel to shut down their establishment and the headload workers lost their works. Hence, there is a demand reduction and the number of workers remains the same. This reduces the remuneration of the workers and the availability of works can be done by the lesser number of workers. But due to entry restrictions, labourers are not able to exit. The expectation of new establishment and increase in demand, compel the

surplus labour to exist in the market, and that reduces the average wage of all the labourers.

On the other hand, in some areas where business flourished, they get more works and wages. This is evident that when the researcher approaches the workers for data collection, in busy areas they are not having time in the daytime. They asked the researcher to visit them in the early morning. But in some other areas, the labourers are free the majority of the time and they are sitting and talking without any work burden.

Table 6.10

*Average Wage of Workers Per Day*

Pool no.	Average wage per day	Pool no.	Average wage per day
1	967.59	15	735.42
2	581.48	16	454.17
3	800	17	526.39
4	579.07	18	779.17
5	486.36	19	604.17
6	583.33	20	1350
7	691.67	21	1292.31
8	516.67	22	399.48
9	662.5	23	701.19
10	391.67	24	502.78
11	516.67	25	488.89
12	739.88	26	964.01
13	658.33	27	742.86
14	672.92	28	625

Source: Primary Survey

Table 6.10, shows that the average wage is drawn by each pool in the study area, each pool gets a different average wage according to the demand and supply of the pool. The average wage of workers in studied pools is range from 390-1400. Table 6.10 shows the head load market heterogeneity rather than homogeneity, each

pool has its demand and supply and contract about the rate of loading and unloading of articles.

By observing the scattered market areas it can be found that they have wage contracts with employers in two or three years but they are paid wages directly by an employer on a daily basis. So scattered workers receive wages according to their marginal productivity and no wage sharing system in that market, those who work more per day get more wage that day and vice versa.

From table 6.10, it is clear that pool 20, have the highest average wage of Rs 1350 per day followed by pool 21, Rs 1292.3 and pool one, 967.59. Pool 20 and 21 comprised the vegetable market at Pallayam in Kozhikode; it is one of the busiest areas. Pool one includes a railway good shed in the West hill and Kallayi good shed. The lowest average wage is drawn by pool number 10, Rs 391.67 and pool number 22, Rs 399.48. Pool number 10 includes Kallai general and 22 include Puthiyara in Calicut, where workers get fewer works compared to another pool in Calicut. Here, pool number 28 comprise women pool at Vadakara town in Kozhikode, they receive an average daily income of Rs. 625. This clearly indicates the fact that there are no fixed earnings for the headload worker as a whole is concerned. Wage is determined by the demand condition of the market as the supply is constant in the short run.

Table 6.11

*Average Per Hour Wage of Workers*

Pool no.	Per hour wage	Pool no.	Per hour wage
1	189.2	15	91.93
2	68.41	16	56.77
3	88.89	17	61.93
4	111.35	18	91.67
5	60.75	19	70.25
6	64.81	20	245.45
7	76.88	21	234.96
8	57.40	22	46.45

Pool no.	Per hour wage	Pool no.	Per hour wage
9	73.61	23	72.29
10	48.95	24	62.85
11	60.78	25	61.11
12	82.20	26	128.53
13	65.8	27	70.08
14	82.20	28	62.50

Source: Primary Survey

From table 6.11, it is clear that pool numbers 20 and 21 per hour a wage, Rs 245.45 and 234.96 due to higher demand in that pool and also lower working hours compared to the other pools. The lowest hour income 46.45, pool no.22, where lower their works or their wage fund and their hour of work is 8.6 hours from the table 6.12.

Table 6.12

*Workers Average Hours of Work Per Day*

Pool No	Average hour work	Pool No	Average hour work
1	5.1	15	8
2	8.5	16	8
3	9	17	8.5
4	5.2	18	8.5
5	8	19	8.6
6	9	20	5.5
7	9	21	5.5
8	8.5	22	8.6
9	9	23	9.7
10	8	24	8
11	8.5	25	8.5
12	9	26	7.5
13	10	27	10.6
14	8.5	28	10

Source: Primary Survey



Table 6.12, clears the average hour of work of each pool. The highest hour of work is 10 or 10.6. Pool 28 is a women pool, they work 10 hours per day, and they also do unaccounted household works too. So actually their working hour more than 10 hours if we account their domestic works too. The lowest mean working hour is 5.1 and the highest 10.6 hours.

Table 6.13

*Average Incomes of the Workers*

Income/ per hour works	Sex	
	Male	Female
Daily average income	688.69	625
Average Per hour works	7.8	10.0
Average Hour income	88.29	62.50

Source: Primary Survey

By looking at table 6.13, it is clear that the daily average income of female head load workers is 625 and male workers earn Rs.688.69 on an average daily wage. The female workers work 10 hours to get an average income of Rs 625 whereas male workers work 7.8 hours to get Rs 688.69. Hence, the average hourly income of male workers is greater than that of female workers. The female workers earn Rs 62.5 per hour, whereas male workers earn Rs 88.29. The women average hour work is higher than men and income is less compared to their men counterparts. Hence, in the headload market male workers have more opportunities to get employment and income than female workers.

It is interesting to compare the average daily wage of sample unattached head load workers wage with other main non-agriculture workers in Kerala

Table 6.13, clears the idea that the average daily wage of the total respondent is Rs. 685.5 which is less than other casual workers average daily wage in Kerala. It contrasts the findings of Pillai (1996) study, in his study he found that head load workers got higher income than unskilled construction workers in Kerala. So it is clear that the bargaining strength of trade unions weakening in the market.

Table 6.14

*The Average Daily Wage Rate of Non-Agricultural Workers in Kerala*

Non –agricultural workers	Daily wage
Mason	737
Carpenter	726
Plumbers	696
Electricians	689
Construction workers	783

Source: Economic Review 2016, state planning board Kerala

Headload workers wages can be influenced by the weight loaded by workers. In the Headloadlabour market, the state government fix the weight loaded by workers through legislation. Now Kerala government fix the weight of loading and unloading articles at 55 Kg, earlier the weight 75 kg at a time as per the Kerala Head workers act, 1978. However, it is not implemented yet. So in the market, it can find that the head load workers are load and unload articles more than 55 kg. Some workers shared the fact that in the market some item weight cannot be fixed at 55kg. example flooring tile and marble, iron wire, electronic equipment etc.

Table 6.15

*Weight Loaded or unloaded by Workers*

Weight loaded in Kg	Sex			
	Male		Female	
	No	per cent	No	Per cent
Below 40	1	0.3	0	0
40-50	100	30.3	20	100
50-60	31	9.4	0	0
60-70	22	6.7	0	0
70-80	110	33.3	0	0
80-90	3	0.9	0	0
90-100	57	17.3	0	0
100 and above	6	1.8	0	0
Total	330	100	20	100

Source: Primary Survey

From table 6.15, it is clear that most of the male workers take weight more than 55 kg fixed by the government. All the female workers and 30.3 per cent of male workers take weight 40 to 50 range. Among male workers, 33.3 per cent take 70 -80 kg weight range and 17.3 per cent of male workers have taken 90-100 weight range.

Only one head load workers take weight below 40, that person from Attimary section in Calicut city, he is a heart patient cannot take the more weighted load. His co-workers are more careful with him and very cautious about his health. They give only simple works to him, that is account works, collect wage cards etc. The wage sharing system in the pool enables that person to get some income in this market. This kind of help can be seen in the female head load workers pool during the survey, where one lady has a kidney-related problem and others ensure that she does not take too heavy articles and adjust her income through wage sharing system.

From the table 6.15 it is also clear that 6 male take-ups are too heavy a load compare to others. This corporation or wage sharing system attract the workers into the market, this security is not provided by the government but they get security within the group work. So in the market, inter-temporal transfer of benefits from one generation to another generation can be seen in the market that is some part of higher productivity of the younger and healthy person transferred to elder or unhealthy person when they presented in the market. Then there is no difference in the earnings of the old and younger people in the market due to the feature of the wage sharing system in the market.

Table 6.16

*Average Weight Loaded by Workers*

Sex	Average weight loaded in kg
Male	71.8
Female	50
Total	70.5

Source: Primary Survey

Wage can be increased by taking overtime works in the market table no 6.9 shows the overtime taken by workers.

Table 6.17

*Overtime Works of Workers*

Overtime	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Take	52	15.8	0	0
Not take	278	84.2	20	100
Total	330	100	20	100

Source: Primary Survey

We can see from table 6.17, that only a limited number of workers are taken over time works. Among the sample male workers, 15.8 male respondent workers are taken overtime work. From the field survey, it is clear that most of the overtime is taken at night. So, no female can take overtime works. By overtime works, workers get an additional Rs.100 or 200 than their usual loading and unloading rates in the respective pool or market.

Table 6.18

*Additional Amount get to Workers*

Amount	Number	Per cent
100	8	15.4
150	16	30.8
200	15	28.8
250	4	7.7
300	4	7.7
350	1	1.9
400	1	1.9
500	3	5.8
Total	52	100

Source: Primary Survey

From table 6.18, catch the point that over time works can be drawn a minimum of Rs 100 to a maximum of Rs 500 gets extra along with wage. Most of the overtime works at night, so no women have taken overtime works and drawn extra money along with wages.

Headload market wage can be changed with a particular season in some areas or pools. Vegetables and fruits markets have more busy in the summer season and difficult in the rainy season to get customers or consumers. These directly affect the loading and unloading of workers in those areas or pools. When the field survey the head load workers in M.M. Ali Fruits, Calicut, shared that they had no works and wages during the 3 months in 2018 due to breaking out of the ‘Nipah’ virus in Kozhikode. They are engaging in loading and unloading of fruits in the market, so at that time people feared buying fruits and this badly affects their employment.

Table 6.19

*The Season for More Work and Wage*

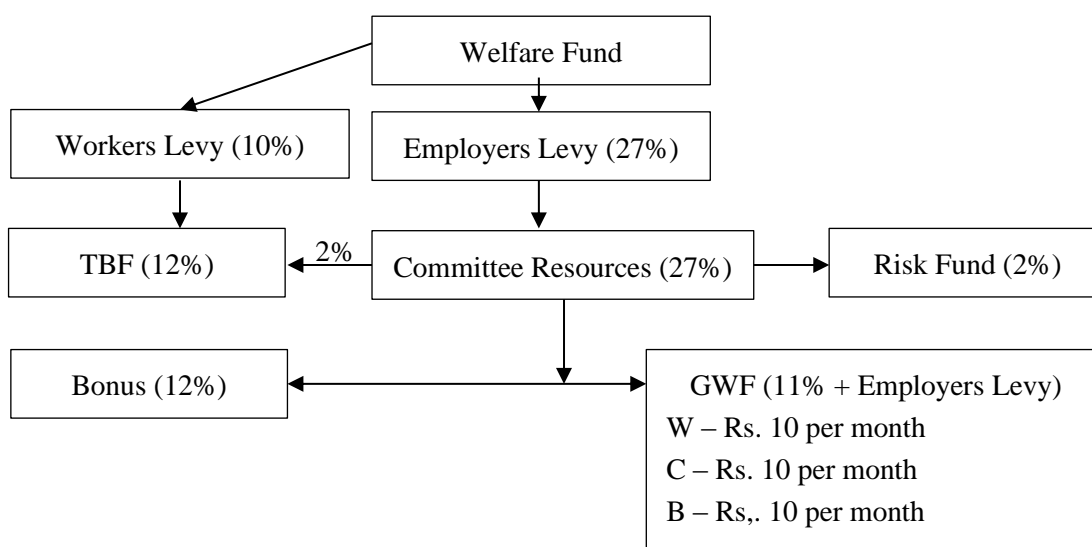
Season	Sex			
	Male		Female	
	Number	per cent	Number	Per cent
Festival season	33	10	20	100
Pujadays	1	0.3	0	0
Both	80	24.2	0	0
Summer season	24	7.3	0	0
Not affected	192	58.2	0	0
Total	330	100	20	100

Source: Primary Survey

In table 6.19, it is clear that 41.8 per cent of the male worker's works and wages are affected by a particular season. The remaining 58.2 per cent have no particular season for their employment and wages. In women cases, all-female workers get more works and wages in the festival season like Onam, Backreeth etc. Only 10 per cent and 0.3 per cent of male respondents have been affected by festival season and puja days respectively. Hence, it is clear that the particular season affects their works and wages.

## 6.4.2 Benefits of the market

Kerala head load workers welfare board was established to give adequate social security to head load workers in Kerala. In welfare funds generally collect funds from employees, employers and the government. But here most of the funds are contributed by employers and employees. In the unattached head load market, the employer contribution to fund 27 % and 10 % of the employee are led to this welfare scheme. From this fund 12% going to Bonus items, 12% TBF( Terminal Benefit fund), 2% goes to the risk fund and from remaining 11% of the fund only can meet the other benefits of workers and administrative cost of respective Board or committee ( ShramaPadham, 2017). The employees 10 % levy directly goes to TBF, this return to the particular worker as superannuation or termination without any interest rate.



TBF – terminal Benefit fund; GWF general welfare fund w- workers contribution, C- committee contribution and B- board’s contribution

Figure 6.2. Flow of fund

Sources: 1. MohananPillai article “ social security for workers in unorganized sector experience of Kerala” in Economic and political weekly, August 3 1996.

2. Shramapadem Journal, January-June 2017

The welfare schemes of the board are financed from the General Welfare fund, which constitutes the 11 per cent contribution employers levy and Rs 10 per month from the workers, committee and board. GWF is used for the board administrative cost and benefits other than wages like special death exgratia, payment of retirement benefits, superannuation, festival advance, Scholarship, housing loan, educational grants, marriage advance etc.(Subair, 2018). The resource flow from the committee to the board include 2 per cent of wages earned by workers and Rs 1 per worker per month. (Subair, 2018). The table mentioned the important benefits received by head load workers.

Table 6.20

*Welfare Schemes of The Workers*

Medical aid		
Beneficiary	Amount	Direction
Dependants of worker	15000	
Cancer, kidney and heart the related disease depends	25000	1. stroke and serious injury included 2. workers widow daughters are included in depends schedule
Workers treatment aids	30000	
Cancer, kidney and heart the related disease of workers	100000	
Other benefits		
1. Maternity benefits		
Women workers	10,000	
Wife of workers	5000	
2. death exgratia	10,000	
3. calamity relief	20,000	
4.family planning	5,000	
5. superannuation assistance	25,000	
6. death relief fund	7500	
8. education funding	1000	

Scholarship	
5-9 class	250
8, 9 60% and above the mark	300
10 class	500, 700, 800, 1000
Higher studies MBBS, Engineer, BSC, Veterinary, Ayurvedam, agriculture etc	4000
Loan	
1. Marriage loan	With interest 50,000 Without interest 10,000
2. Multi-purpose loan	Loan up to Rs 100,000 for the employee who has received a salary of not less than Rs 25,000 in 18 months ( per month) just before that.

Source: Sramapadham January –June 2017

Through analysing table 6.20 it can be understood that so many benefits and security in this sector. Then it is very essential to check the number of workers receiving the various social benefits provided by the Board.



Table 6.21

*Various Social Security Benefits Received by Workers*

Benefits	Bonus			
	Sex			
	Male		Female	
	Number	Percentage	Number	Percentage
Yes	323	97.9	20	100
No	7	2.1	0	100
Children scholarship				
Yes	240	72.7	20	100
No	90	27.3	0	0
Medical aid				
Yes	122	37	12	60
No	208	63	8	40
Marriage allowance				
Yes	84	25.5	4	20
No	246	74.5	16	80
Festival advance				
Yes	308	93.3	20	100
No	22	6.7	0	0
Multipurpose loan				
Yes	201	60.9	11	55.0
No	129	39.1	9	45.0
Housing loan				
Yes	9	2.7	0	0
No	321	97.3	20	100
Other benefits				
Yes	26	7.9	1	5.0
No	304	92.1	19	95.0

Source: Primary Survey

By considering bonus and festival advance it can be seen that almost all workers received it is from the Committee or board. Only meagre per cent of the male workers not receiving these benefits because they are recently entering into the market as head load workers, their paper works in the board are processing and so they only receiving wages from their pool or market. In the case of students scholarship, it is clear that 72.7 per cent of male workers and all of the women workers received the children scholarship.

The head load workers welfare scheme provides medical aid to workers and his or her family members. From table 6.21, it is clear that 63.3 per cent of the male workers are not received medical aid from the board. From the field survey, the male worker in some pool reported that they deserve to draw medical aids from the board but they could not apply because of a lot of administrative procedures involved in its application either in Committee or government offices. For its application, they need 2 or three working days. So, by calculating the opportunity cost of the application of medical aid and other aids, most of them are forced to give up benefits. Out of them, 37 per cent of the male workers efficiently drew or used medical aid benefits of the board whenever they are facing serious health issues themselves or their family members. The fund details of the medical aid and other benefits are mentioned in table 6.20. In female cases, 60 per cent received medical aids from the Committee.

The Welfare board provides a marriage allowance to workers and their family members. Board give both interest paid and interest-free paid loan on marriage to workers. Interest paid loan Rs. 50000 and interest-free paid loan Rs. 10000. Table 6.21 depicts the number of the beneficiary of the marriage allowance from the board. From the table, it is clear that 74.5% of male workers and 80% of female workers are not receiving marriage allowance from the committee or board. Some workers shared that they avoid Rs 5000 due to administrative formalities in the offices; they think it is better to avoid it than skipping one or two working days. In the table, it is clear that 25.5 per cent of the male workers and 20 per cent of women workers are received marriage allowance from the board.

The welfare scheme provides a multipurpose loan to workers on the basis of income earned by them. On this loan, the board charges an interest rate. From the field survey, some of the workers criticize the procedure of this loan they said that the board charge approximately the same interest rate as commercial bank charges; they needed loans without interest rates or low-interest rates. By looking at table 6.20, it is clear that among the male workers, 60.9 per cent have used multipurpose loan schemes and 39.1 per cent have not drawn yet. Among the female, 55 per cent have used a loan scheme and 45 per cent have not taken. Board or committee provides housing loans to workers, the table 6.20 shows that only meagre per cent of workers are taken housing loan scheme committee or board. The number of the other benefits receivers is also limited. Hence, it is clear that some of the major benefits are not reached to the workers like medical aid due to administrative lag in the board.

### 6.4.3: Board Intervention

The Welfare board or committee act as employers to workers and ensure employment and wage security to the workers. The following table checks attitude of workers towards the intervention board or committee on this market.

Table 6.22

#### *Board intervention*

Board intervention	Sex			
	Male		Female	
	Number	Per cent	Number	Per cent
Likes	103	31.2	20	100
Dislikes	227	68.8	0	0
Total	330	100	20	100

Source: Primary Survey

The table clears that the majority of male workers dislikes the board intervention. Infield survey, they explained that they like board mode of payments

and social security provision but the board must reduce its rigidity and be feasible to whole workers. All-female is satisfied with the board or committee activities.

#### 6.4.4: Disciplinary action from Board

If any indiscipline behaviour from workers part in the market, the board or committee take disciplinary action against workers. From the field survey, it can be found that workers get punishment by the board or committee. The punishment generally includes one and two day suspension of workers and sometimes workers get a one-week suspension.

Table 6.23

##### *Disciplinary Action from The Board*

Subject to disciplinary action	Sex			
	Male		Female	
	Number	Per cent	Number	Percent
Yes	14	4.2	0	0.0
No	316	95.8	20	100
Total	330	100	20	100

Source: Primary Survey

From table 6.23 It is understood from the table that only 14 male workers got punishment and no female have had punishment get from the board.

Table 6.24

##### *Number of times punishment of workers*

Times of punishment	Sex			
	Male		Female	
	Number	Percent	Number	Percent
Once	6	42.86	0	0.0
Twice	4	28.57	0	0.0
Thrice	4	28.57	0	0.0
Total	14	100	0	0

Source: Primary Survey

Table 6.25

*Reasons For The Punishment Workers*

Reasons	Male	
	Number	Percent
Clash with Committee	10	71.43
Clash with workers	1	7.14
Clash with employers	3	21.43
Clash with union	0	0
Others	0	0
Total	14	100

Source: Primary Survey

From table 6.25 clears that most of the workers were punished due to a clash with the board or committee. Next to it is the clash with employers and the clash with workers.

#### **6.4.4 Nokkukooli**

We discuss the wage and benefits of the market in detail and it is relevant to discuss the 'nokkukooli'. It is a diverse characteristic of this market and most seriously discussed among the public in the state and it gives a bad reputation to the market. This practice started to protect the employment of existing workers in the market. The workers ask nokkukooli or kandakooli from the public or employer when they lost their deserved work. Then the employer not attempted to employ his own workers. But the workers started to ask high nookukuli from the public or business people and this create problems in the labour market, then the state government passed a law in 2002 to restrict the malpractice from the headload labour market. it is discussed in 3<sup>rd</sup> chapter of the present study. However, the state government did not fully succeed in this attempt, some parts of the state reported nookukuli issue after the implementation of the law in the market. Then after on May 1<sup>st</sup> 2018 onwards Kerala government banned Nokkukooli through the ordinance( Sramapadam Jan –June 2018). The study area Kozhikode is already free from Nokkukooli as earlier as 2018. Among the districts in Kerala

Thiruvananthapuram is the first district free from the nookkukuli issue. The present study just looks at or check the attitude of sampled workers on nokkukooli.

From table 6.26, it is clear most of the sampled workers have a negative attitude towards nokkukuli . From the field survey, most of them expressed the opinion that they are against the nokkukuli and they are not interested to buy kuli without any works. Some of them have no opinion about nokkukuli and some comment that “we ask nookukulito avoid skipping of our deserved work to other nonmembers in the market “. The table shows 99.1 per cent of male workers and 100 per cent of female workers oppose the concept of nokkukooli..

Table 6.26

*The attitude of Workers Towards 'Nookukooli'*

Attitude of workers	Sex			
	Male		Female	
	Number	Percent	Number	Percent
Positive	0	0	0	0
Negative	327	99.1	20	100
Neutral	3	0.9	0	0
Total	330	100	20	100

Source: Primary Survey

Through discussion, we can conclude that each worker in the market is getting an average wage according to the average productivity of the workers. The wage rate is associated with the contract made by the employers and employees through a collective bargaining process in each pool about the rate of articles loaded and unloaded. The wage rate change with wage funds deposited by employers and the total number of workers presented in the market. The wage fund each pool vary according to the total works or demand of each pool and the number of workers associated with the supply of workers in each pool that is fixed by the supply restriction policy of the union. Hence, the wage rate is indirectly fixed by the demand and supply of the market. Recently the demand of the market decreased, the Committee and board are failed to give sufficient employability to unattached

workers and also the bargaining strength of trade unions goes to decreasing. So these reflected on their wage, they get less wage in compared to other major causal workers in Kerala and this negates the high wage argument related this sector. In this context, it is very relevant to analysis workers working conditions.

### **6.5 Working condition of Headload workers:**

A good working environment is essential for a person to indulge in any kind of activity or work and not considering whether it is formal work and informal work. But the fact is that most of the governments now days failed to ensure good or healthy working conditions for workers. Present study concentrated area Calicut and Vadakara, where most of the head load workers are engaging in loading and unloading activity without any proper resting place. In Vadakara study mainly concentrated women pool. For meeting the workers, the researcher enquired about them to the persons in street in the new bus stand in Vadakara, they said that they could be seen in the old bus stand vegetable market in Vadakara. Then I went there to meet them and one male head load worker showed me their resting place of them. It is a small concrete building not too old and I felt they were working in an improved situation than I earlier visited head load workers in Calicut city. But later I cleared the information about their building from male head load workers working in the nearest pool to that of females. When I interviewing them, I jokingly asked if they were in a shed covered with coconut leaves and women workers have a nice concrete building to relax. By hearing my words one of the male head load workers laughed aloud and said that “it is not their resting place but Municipality toilet building not working yet and even if that place they got after we struggled lot ’.

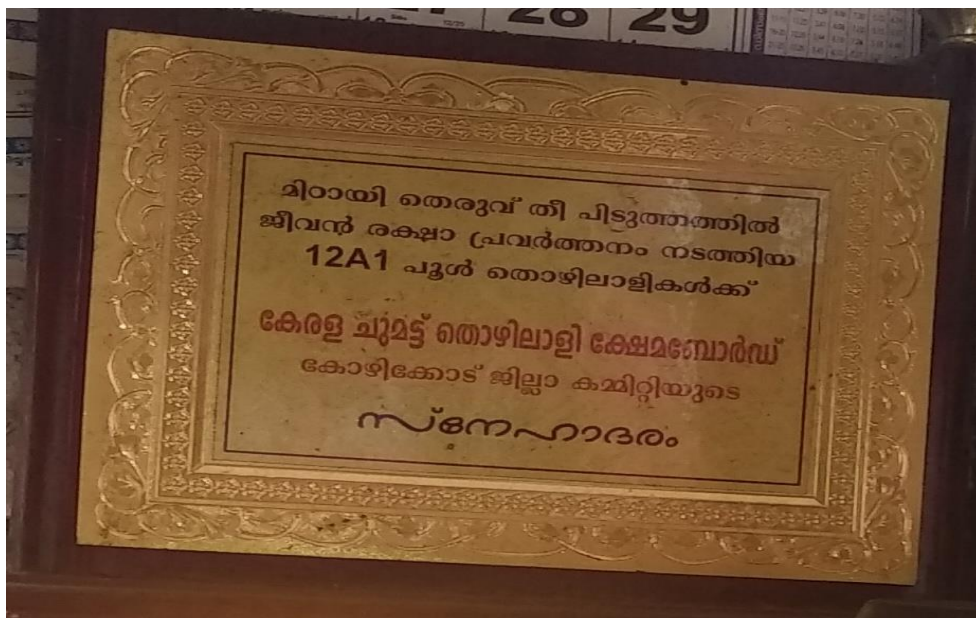
When I entered the building, I realized that it was a tiny hall in which three women are resting, one of them laid on the bunch, one just lying on the mat on the ground and one was calculating accounts on a notebook. They warmly welcome me when I introduced myself to them. Then they arranged a seat for me, the lady who cleared the accounts clarified most of the questions I asked because she has a more experienced person in this field and is also educated than others in the hall. Then she became busy when more females entered to list bills of works taken by them.

They all wear a long blue shirt over the sari. The blue shirt is the uniform of most of the workers in Kozhikode district who registered in Kerala head load workers welfare Board. They were all very cordial to me and invited me for lunch. It was the time around 2 pm, most of them brought lunch box from their house and two members went nearby hotel. When I noticed that there was no wash base and water facility. The workers used their full bottle of water bought from their home for drinking and washing. I kept the breakfast item in the bag and ate it with them. During that time they discussed their family matters and surrounding matters. It is very interesting to hear their Vadakara slang conversation. After lunch, some of them set ready to works called by someone through mobile phone during the lunch, without any rest. Two of them changed dresses went to the hospital. After their departure, the other members discussed the health issue of one of them. When I asked the leader of workers presented there about her illness. The leader said that 'X' had a kidney narrowing disorder and she was on treatment. The leader also adds she consumed costly medicine daily. By hearing those I was thought about a male head load worker situation when I met in a field survey in Calicut, his one kidney not functioning and he also under treatment. So I asked the lady why are those problems happening? She replied that "Madam, our job were such that". By primary survey, it is clear that they take 20- 50 kg weight on their head at a time. Hence most of them are severely affected by pain in the neck, arms, shoulder, hands and legs. Dust and gases in the market cause an allergic reaction like itching, skin rashes etc. Some of them have respiratory problems and keep inhalers and medicines in their bag. Dust allergy faces most of the workers in Calicut city also. Women workers come under Kerala head load workers welfare committee at Vadakara, as registered workers in committee or board they get monthly income that credited to their account. They work 6 days per week and working time consist normally 7 am to 5 pm and the time may be increased up to full works completed, in some busy days in the market.

Most of the respondent workers resting places are shed or bus stand where they keep their registers and other equipment. Many of the pools own goods auto, mini lorry, trolley etc . workers buy these vehicles by taking a loan from the board



or take an equal share in the pool. Many of them are involved in social welfare activities. When interviewing a trade union leader, he said that in their area workers fix a box for social welfare and every day each worker contribute some money to the box. When the box is full they use it for charity work. When I visit one of the pools at SM street in Kozhikode, where I can see memento get to workers from the District committee for their active involvement in life rescue operation in SM street fire. From Sramapadham journals Jan-Jun 2019 it is clear that the head load workers in Kerala contribute Rs. 3 crore to Kerala government flood relief fund.



Some of the workers revealed to me when field survey. Many benefits are ensured to workers by board other than wage, bonus, scholarships to children, medical aid, marriage allowance, festival advance, holiday allowance, housing loan etc. But they get limited one because for getting these benefits they need to submit so many papers in front of the board or committee. Table 6.22 clears the idea. For acquiring these papers they have to go to the government office several times. It is because according to them the government offices are not at all user friendly or flexible. So their two or three working days are lost for getting a medical allowance or other benefits. Hence the opportunity cost of getting allowances from the board is higher, so most of them give up the major benefits prescribed in the Headload workers welfare scheme in Kerala.

One of the head load workers in beverages corporation outlet, Kozhikode comment that “ I was taken two months rest due to broken leg bone and after two month I went to the board, submitted documents and demanded festival advance but board officer not ready to give advance. The officer said that you were on leave and they got no report from the pool. The pool leader must inform the board about the workers leave and its reason. Then some arguments between me and the officer and finally I said to an officer if you cannot give I don't want it. Then a lady staff help me, she gave a form and I fill it, after that the officer ready to give the advance”.



The resting place of male workers is also the same condition, some of them rest in the bus stand and some of them have no resting place at all. When field survey finds a resting place where one head load worker sleeps on a bunch and in his sidewall a sneak foot found.





One of the head load workers in Calicut city explained the challenges they faced in the market “the earlier there were coming 100 kg vegetable sack to the market, now it is 75 kg, the government had decided to 55 kg but not implemented it yet to in this field. That is why most of the workers are bedridden. Our employability is reducing due to the shifting of trade establishment to other areas. The vegetables that import from outside Kerala consisted excessive insecticides application and by loading these make respiratory problems and allergy”.

The head load work is a type of manual works where workers invest their physical capital to earn wages. Hence, a most healthy person can earn higher income in their peak age period, after that their physical strength is decreasing as natural law. So insurance security is essential in this market. Most of the workers share that they have no PF and ESI facilities. From the field survey, one head load worker share his co-worker experience, from the work site he became seriously injured when loading a glass sheet, that fell to his leg and Calicut medical college doctor prescribed a leg to cut. But the co-workers approach a private hospital to protect the leg. After spending a huge amount of money at last his leg is protected. But the board provided only Rs 15000. So their work is so critical serious attention is needed to them. By analyzing the year of experience of workers in this field and the

reason for the number of workers take long leave confirms the work-related health hazards in this sector.

Year of experience as a headload worker as depicted in table 6.27, it is clear that 26.4 per cent of male workers and 20 per cent of female workers have had below 10 years of experience. Only 5.5 per cent of the male workers and 10 per cent of female workers have above 30 years of experience. Most of the male workers constitute 10-20 years of experience whereas most of the female workers have 20 to 30 years of experience. It is clear that in a manual job market workers are can't remain in long because doing manual works frequently deteriorating their health. In comparison to males, the female head load workers have more experience. Hence, the mean year of experience of female workers 18.5 and that of males constitute 15.4. This difference may be because of the fact that it is already mentioned that the new generation is not entering this field from the women community though unemployment is severe among them in Kerala.

Table 6.27

*Experience of Headload Workers in The Field*

Year	Male		Female	
	Number	Percent	Number	Percent
0- 10	87	26.4	4	20
10-20	162	49	6	30
20-30	63	19.1	9	45
30-40	18	5.5	1	5
Total	330	100	20	100

Source: Primary Survey

Table 6.28, depicts workers take long leave from head load works. It shows that 32.7 % of the male workers and 60 % female workers take long leave during head load works.

Table 6.28

*Workers Take long leave*

Taken long leave	Sex			
	Male		Female	
	Number	Percent	Number	Percent
Taken	108	32.7	10	50
Not taken	222	67.3	10	50
Total	330	100	20	100

Source: Primary Survey

Most of the workers take long leave due to health issues. Among them, 5.7 per cent of total respondents take long leave for going to the gulf. The 0.6 per cent take long leave due to lack of employment in the market.

Table 6.29

*Reason to Take Long Leave*

Reason	Sex			
	Male		Female	
	Number	Percent	Number	Percent
Health issue	84	77.78	15	75
For going to gulf	20	18.52	0	0
Lack of employment in the market	2	1.85	0	0
Others	2	1.85	0	0
Total	108	100	20	100

Source: Primary Survey

By analyzing the working condition of workers it is clear that they are working in pathetic conditions same as the working condition of usual informal sector workers.

## 6.6 Conclusion

By analyzing the unattached head labour market in Kozhikode district gives some points for answering the question that whether the head load labour market resembles the characteristics of the formal sector raised in the fourth chapter. The first part of this chapter discusses the important supply condition of the market. It can be seen that the supply of the market is restricted by trade unions through security deposits. Hence, entry restrictions and trade union presents can be seen in the market like the formal market. By analysing the demand of the headload market it can be seen that demand of the headload market mostly determine the wage in the headload market because the supply of the market is fixed for the short period. By analysing the wage of the market it is seen that a wage contract exists in the market, behind the wage contract we can see the bargaining theory. The distribution of the wage to the workers according to the average product of the market behind this we can see the wage fund theory. The wage of the market can either increase the wage fund (demand) or decrease the number of workers ( supply). The average wage of the unattached head load workers are less or the same as the other informal workers in Kerala and this negates the argument of the high wage hypothesis in the market.

The third section described the working condition of respondent workers. By illustrating the working condition of female headload workers, it is clear that they have no proper resting place and temporarily rest in Municipality not working bathroom building. The workers have no drinking water facility and bathroom facility. Many of the respondent workers are working in shed and bus stand buildings. They are suffered from serious ailments and back pain, shoulder pain, dust allergy, rashes etc. are usual health problems for most of them. Most of the workers are involved in social activities. The board ensure so many benefits to head load workers but they get limited one because most of the benefits they have given up due to complexity procedure on the part of the board. And workers have no ESI benefit and PF benefits, so presently their conditions are usually informal market workers no improvement are visible in the market even though board provides so many benefits to the head load workers. So the Board is necessary to take action to

ensure adequate working facilities for each worker who registered in it and make sure to all benefits that specify in the head load workers welfare acts reaches the workers who are eligible to draw the benefits. Hence by analysing the working condition of the market it is very clear that it is very pathetic and resembles the characteristics of informal labour market conditions.



## CHAPTER 7

### GLOBALIZATION AND HEAD LOAD WORKERS

#### 7.1 Introduction

In 1990 India has adopted a new economic policy, liberalization, privatization and globalization and drastic change in the economic growth of the country. The growth process has largely been 'exclusionary' in the sense that it has by-passed the majority belonging to socially underprivileged groups in both the rural and urban areas (Jain, 2010). Globalization integrating the world market through introducing new technology, in the labour market created a distinction between skilled/unskilled, male/female and formal/informal workers. (Goyal & Singh, 2017). It enhances the informalisation in the economy and affects different workers in different ways, some workers who employed informal sector whose wage and employment increase and others whose wages decline and working conditions deteriorate (Carr & Chen, 2001). The word informal sector is associated with the name of Keith Hart, the term introduced for the first time in his paper 'Informal income opportunities and urban employment in Ghana' (Thomas, 2004). After globalization there is declining in the organized workforce, trade unions are becoming weak and their political advantage is declining (Goyal & Singh, 2017). It has led to the establishment of new social, political and economic condition which have made increasingly difficult for the trade union to function in a traditional way (Nepegen, 2008). In this context present chapter discusses the impact of globalization on the headload labour market, where trade unions play an important role. In this chapter, brief scrutiny of the impact of globalization on the unattached headload labour market is given. The analysis mainly uses qualitative data collected from the employees.

## **7.2 Impact of globalization on head load workers:**

After globalization, there is a drastic change in the labour market supply and demand of both formal and informal sectors. In the headload labour market, globalization affects the demand for headload workers.

### **7.2.1 Impact on demand for head load workers:**

For the searching impact of globalization on demand for head load workers no specific data to get only the experiences shared by workers and traders in the studied area. Due to the globalization effect, Calicut lost its position as one of the main trading center of the state, the new small –small markets sprout near the region of Calicut that reduce the customers to the main marketplace that indirectly affect demand for head load workers of the main market. The old headload workers of ‘Puthiyara’ shared that in earlier periods they were very busy due to high business area and now shops or business establishments shut down or replace to other areas because of losing adequate customers for them.

The infrastructural and communication technology development help the people to get adequate goods and services at their doorstep without engaging or depending on a middleman service. The big companies take orders from customers directly via the internet and deliver goods to them at their own effort or without engaging registered head load workers. For this, they opened their goods warehouse at the hilly area, outside the purview registered head load workers and built roads to warehouses. They employ their own attached workers to loading and unloading activities and most of them are mainly interstate migrant workers. This activity reduced the demand for registered head load workers. The setting up of supermarkets and cooperative stores further deteriorate their condition. Nornoho ( 2006) find that the new way of packaging especially in cooperative stores, margin free markets and supermarkets gave adequate inspiration to decentralization of the market and it made an easier for the truck owner to unload on the way of Calicut rather than to enter into the market.

### **7.2.2 Impact on the supply of head load workers:**

From the above section, it is clear that globalization reduces the demand for headload workers, this badly affects the employment of workers. From fieldwork, it is clear that some workers take leave and engage in other causal works and some pools find leaved workers went to gulf countries when job opportunities decreased in this field. In some pools supply greater than demand for workers and all workers presented in the pool and the marginal productivity of additional workers zero, this played way to disguised unemployment to a particular market. In the women workers pool, at the time pool establishment in 1987, there were 35 workers now only 25 workers. May globalization and related increased in family income may be the reason for the women to withdraw from the market.

### **7.2.3 Impact on wage:**

It is found that the head load workers demand decrease when the main market centers lost their business due to infrastructural and communication technology development and supply remain constant, this affects their wage. When demand was decreasing existing workers is ready to work at a low wage in order to remain employed in this market. De-trading of Calicut City, one worker commented that “the only way to increase work was to work without wage “. In earlier periods they monopolized work with the trade union,’ engages them or do not engage anybody ‘’ was their motto at that time. Now the situation changed the bargaining strength of trade unions decreased after globalization, workers have a fear of losing their employment and so they not are not trying to charge exorbitant wages from employers. Nornoho (2006) comments that “now the workers have anxiety to losing employment, so they give concessions to employers, if they unload 450 bags they accept wages for 350 bags”. This is because they are aware of the market situation, employers get cheap labour from outside that is interstate migrant workers ready to take a job at a low rate.

Kanan, 1992 comments that in mid-1980 the urban head load worker charges 75 per cent higher than the wage of factory workers of Kerala. Now the present study finds the average daily wage of sample respondent constitute Rs.685.5 that is

less than other main causal workers in Kerala such as carpenter, mason, plumber and construction worker.

In every market, there is a wage contract between workers and employers for 2 or three years but now the workers are ready to extend the period of wage contract if any inefficiency on the part of the employer. And the wage revisions could not be taken place at workers desired level. By analyzing the dispute settlement files it can be seen that the employer is strong in bargaining power, which reduce the wage hike demanded by the workers with the trade union. The dispute settlement files will be used to analysis the impact of globalization on the bargaining capacity of labour unions. So many disputes settlement files of the headload labour market in Kozhikode district can be found in the district labour office. Among them, the three cases are taken for analysis.

**In case 1: the dispute settlement of Sreevidya gas agency in Panteerankavu regarding renewal of service wage systems of head load workers from the period**

The head load workers union in panteerankavuarea (BMS and CITU) complaint a file against Sreevidya gas agency in Panteerankavu in front of Assistant labour officer at Feroke regarding the renewal of their payments of wage. They said that there were 18 headload workers work in the Pantheerankavu area and the Sreevidya gas agency works in their locality. So they took the work of the agency, they unloaded gas cylinder from the usual lorry that includes 306 cylinders and 'toras lorry' that include 450 cylinders and loaded empty cylinder to respective lorries. For loading and unloading 306 cylinders from lorry they charged Rs.750 and for 450 cylinders from 'toras lorry' they charged Rs. 1125 according to the wage renewal report of Kozhikode DLO in 2012. The validity of the order ended in 2014 and hence two unions recommended jointly to gas agency for increment or renewal of their wage payments. But management not considers their words and they took further steps.

A discussion called with representatives of both union of workers and the gas agency by ALO in Feroke became failed to solve the problem because the gas

agency offer only 10 per cent increments of wage payments and workers denied their offer due to they waited 4 years for wage renewal. Then ALO failed report went to DLO and also DLO called discussion with union leaders of workers and gas agency so many times. But the agency stood firm in a 10 per cent increment in wage payment and so each discussion failed. Then the workers union demanded they get the wage rate of the gas cylinder mentioned in the prevailing unified wage schedule issued in Kozhikode for the period from 1.11.2016 to 31.10.2018. In that situation, the Kozhikode district office issued an order on 28/02/2017 to solve the dispute.

The order mentioned that there were discussions conducted at the district labour office level on the dates 30/11/2016, 2/12/2016, 28/12/2016, 04/01/2017, 20/01/2017 and 15/02/2017 but failed due to the lack of uniformity of opinion between employer gas agency, LPG truck transport agency association and trade unions. The order point out there was no doubt that the management had failed to raise wages in a timely and praised the workers' attitude to seek the legal root to solve the problem without making a job stunt as essential service. The order also stressed that it was not acceptable to the demand of increment of wage rate from the part of workers according to the unified wage rate prevailed in the Kozhikode district. The unified wage rate was not intended to be a viable service and did not apply to a large number of commercial purpose works. The labour officer said that “ considering the above arguments and facts, the following orders are issued using the authority vested him under the workers' Act –21(4) in keeping to protect the employment of the workers and the need for a better work environment “.

1. The loading and unloading wage rate Sreevidhya agency increased 35 per cent from the prevailing wage rate.
2. This increment was implemented and effected from 01/03/2017 to 28/02/2018.

The last order stressed that those who were disgusted with the order could be appealed an appeal in front of the Deputy labour officer within the specified time limit according to 21(6) of the head load workers Act. ( order no. I.R(1) 4832/16 dated 28/02/2017, Kozhikode district labour officer).

There were no further appeals for this matter and so both parties agreed and implemented the order of the labour officer in the market. By analyzing this dispute settlement it is very clear that the workers of a particular area wait for 4 years for wage increment from the part of the employer without going to strikes and further severe steps. This shows a shrink in the labour militancy in this field due to the intermediation of the labour office.

### **Case 2: Loading and unloading wage rate renewal EllettilVattolli Area, Kozhikode**

The head load workers in the EllettilVattoli area file a complaint against traders (their employers) in their area in front of the ALO of Thameresserri, Kozhikode. In the complaint, they mentioned that their wage contract was formed in 2015 January ended in 2016 December and it was a step forward they sent a demand notice to traders to renew their wage rates. But in the traders' reply, they had called for the continuation of the current contract for another two years and they were not to accept the traders' views. They requested to ALO to intervene in their issue and action be taken to renew the contract. The respective ALO sent a failure report to the DLO of Kozhikode after the failure of a discussion called by him with traders and trade unions. In the report, he mentioned that there were three discussions held on the matter on the date 09/01/17, 13/10/17 and 18/01/17 but employers were not ready to renew the existing wage schedule due to demonetisation and other financial problems affecting their trades. He also mentioned, instead of that another dispute between workers and traders raised in connection with the unloading of footers on 17-01-17.

The Kozhikode labour officer issued an order about this matter after a number of discussions called by DLO of Kozhikode with head load workers and traders of Ellattilevattolli area at office level but neither party reached a compromise. The workers argue that the traders association took a negative stance in each assistant labour office and deputy labour office-level negotiations. The union demanded a 60 per cent increase and they stand to allow at least a 50 per cent increase. The merchant association claimed that presently in EllaittilVattoli market

rates were higher than the nearby main centers Narrikkunni and Poonnoor. So they are ready to increase only 12 per cent from the existing rates. After hearing the two parties negotiation and study earlier wage contract details the labour officer ordered to 1) increase the wage rate of EllettilVattolli area 20 per cent from the existing level  
2) The incremented effected from 01/01/2017 to 31/12/2018.

**Case: 3 dispute in the wage settlement of articles loaded of Reliance fresh for Chakkorrothukkullam, Nadakavue**

The manager of Reliance fresh files a complaint to the Assistant labour officer in the first circle in Kozhikode against head load workers who asked for a higher wage for loading accessories of the company. The head load workers demand Rs 52000 for loading but the company says that when the company's godown was shifted from Ramanattukara, head load workers charged only Rs.5000 for the same kind of loading. The head load workers are arguing that accessories of Nadakavue have more weight than Ramanattukara, so they need more money. The negotiation between the two parties on this matter had been held on behalf of the Assistant labour officer in the first circle but failed due to the head load workers being ready to reduce only Rs 37000 and reliance fresh ready to pay Rs. 15000. Then had a discussion on 29/04/2017 at the labour office level but the workers were not ready to submit an accurate list consisting of the rates of items loaded. Subsequently, the workers were instructed to produce the amount for each item along with the list of inventory. But the workers could not produce a list and provide any information about it yet to 02/05/2017. After that, the labour officer asked the Assistant labour officer in the first Circle to directly inspect the list of inventory of the institution and its wage rates based on the unified wages list approved by the trade union in Kozhikode district. The ALO submitted a list of inventories and its wage rate schedule. By considering the wage schedule and other documents submitted by Reliance Fresh, the labour officer ordered to fix the rate Rs 8502 for loading of accessories of the company.

The wage settlements clear that the employers in the market are even not ready to pay the actual wage for head load workers then what about the high wage

demanded by the union. This negates the view of the high wage argument of this field.

In the era of globalization, the Kerala government tries to impart labour market flexibility and formulate new labour laws to loosen existing labour market rigidity. Kerala government recently tries to liberalize labour laws in the head load labour market to averse to its bad reputation of labour problem state or investment unfriendly state among the Indian states.

### **7.3 Conclusion**

By considering the wage of head load workers it can be seen that the average wage of workers is not as high as other causal workers in Kerala. Trade union tries to its strategy to restrict the supply of workers in this market in order to make wage hike in this market but after globalization in the demand side, employer bear wage level up to certain level, after that employer relocate demand to other area or other workers. Due to decreasing demand of the head load workers, they charge feasible wages from employers and so high wage hikes and militant labour unionism not much to see in the market in the globalized era.



## CHAPTER 8

### SUMMARY CONCLUSION

The present study “An Analysis of the Headloadlabour market in Kozhikode District” tries to analysis the demand and supply conditions and the working of the unattached headload labour market. The socio-economic condition of the workers and the impact of globalization on the labour market are also analyzed. It uses quantitative and qualitative approaches for the analysis. The study develops a theoretical model of the working of the headload labour market of Kerala on the basis of the qualitative and quantitative data collected from the field. It used a structured schedule for collecting quantitative information from workers. Moreover, it used Focus group discussions, case studies, photographs, field notes etc for analyzing the working of the labour market and bargaining capacity of the labourers. Kozhikode district committee is having a total of 2150 registered head load workers distributed in 80 pools. On the basis of the type of articles loaded and unloaded, the study divided the pools into 27. By using the Cochran sample size method, we had collected 330 samples from the total 2150 from the 27 pools by using the population proportionate method. Vadakara subcommittee is the only headload market where women are working under the Kozhikode subcommittee. The population of female workers is only 20. The present study collected data from 20 female workers for the analysis.

The present study is organized into eight chapters. The first chapter gives the introduction of the entire work. It discusses the context, statement of the problem and methodology. In the second chapter, a detailed review of the literature is given. The third chapter provides a detailed description of the different legislations which are relevant for the working of a labour market. The fourth chapter explains the market structure and the theoretical framework of the study. Fifth chapter analyses the socioeconomic status of the headload workers. In the sixth chapter, a detailed

analysis of the demand-supply conditions along with the wage determination process by using primary data and working conditions of the workers by using qualitative data are discussed in detail. The seventh gives a brief picture of the impact of globalization on the headload market. The last chapter consists of the summaries and conclusions of the present study. The major summary of the analysis part discusses in the forthcoming section.

The headload workers in Kerala are classified into three; attached unattached and scattered workers. The attached workers are those workers who are permanently employed by an employer or business establishment. The unattached workers are those workers who are employed by more than one employer and receive the wage from the board or committee for their collective work in the market. The scattered workers are those workers employed in the bus station, village and forest area.

The trade union is not much strength in the attached market, workers get fixed income from the employer-based on demand and supply conditions along with minimum wages implemented by the government. The wages may be higher or lower or the same as the minimum wage fixed by the government. When the supply is greater than demand workers wage is less than the minimum wage. But in Kerala, it is always above the minimum wage, due to scarcity in the manual labour market, especially among males along with the existence of political and legal awareness. In the scattered market the workers are daily wagers and their earned income neither deposit in welfare board nor not shared with existing workers in the market. The entry of this market is possible only through existing strong unions in this area. The main difference between scattered labourers and unattached head load labourer is mainly for the characteristics of employers and the way the earnings are decided. Earnings for the former are based on the marginal productivity of the individual labourer and the earnings of the latter are the average product from the total earnings of all the employees. The workers have work cards in the market and a local committee fixes the average rate per piece of work on the basis of the existing market demand and the wage of casual labour.

The working conditions of the Unattached market have some peculiarities from the other two markets. Some theories behind the working of the unattached headload labour market are explained in it, Such as wage fund, contract theory, bargaining theory and intertemporal transfer of benefits from the younger generation to the old generation.

The Headload labour market demand is derived from demand; the demand for Headload workers services related to the products they have handled. The board or committee assigned head load workers in each market according to the demand of each market. But the demand for labour varies in each market according to the product-market situation. Though the organized trade union and government intervention through the establishment of the welfare board give an organized set-up to unattached workers, they suffer from market uncertainty. Though the Welfare scheme is having some job security, it is having some drawbacks also. Due to the feeling of overburden related to the registration and other formalities, some shop owners relocate their shops or establishment to other areas. The head load market is segregated in nature. Each pool has its demand and supply and contracts about the rate of loading and unloading of articles. There is no fixed earnings for the headload worker as a whole is concerned. Wage is determined by the demand condition of the market as the supply is constant in the short run. In the headload market, male workers have more opportunities to get employment and income than female workers. The average daily wage of the total respondent is Rs. 685.5 which is less than other casual workers average daily wage in Kerala. It contrasts the earlier argument that the headload labour market is having comparatively high wages and labour militancy. Head load market wage can be changed with a particular season in some areas or pools. Vegetables and fruits markets have more busy in the summer season and difficult in the rainy season to get customers or consumers. These directly affect the loading and unloading of workers in those areas or pools.

In the unattached head load labour market the wage sharing system exist the market. Each worker draws the average product of the market. So wages have not decreased or increased with age. Both younger and older people get the same wage

even though the two generations have productivity differences. Usually, it is a fact that the younger generation is having higher marginal productivity than the wage they get in the current period and the older generation is having a lower marginal product and it is less than their wage. Due to wage sharing the younger and healthy person's excess income is passed to the older generation, or inter-temporal transfer of benefits from one generation to another is happening in this market

From the analysis, it is seen that head load labourers are coming from lower socio-economic and educational categories exactly like any other casual labourer. The hypothesis of the high-level salary of the head load worker is not evident from the living status of an ordinary head load labourer. Moreover, it is seen that female headload workers are entered this job market due to economic compulsion. The very high percentage of female head load labourers are either widowed or separated. This also shows that due to poverty pressure, they are ready to enter the manual labour market.

By analyzing the unattached head labour market in Kozhikode district gives some points for answering the question that whether the head load labour market resembles the characteristics of the formal sector. It can be seen that the supply of the market is restricted by trade unions through security deposits. Hence entry restrictions and trade union presents can be seen in the market like the formal market. By analyzing the demand of the headload market it can be seen that demand of the headload market mostly determines the wage in the headload market because the supply of the market is fixed for the short period. By analyzing the wage of the market it is seen that a wage contract exists in the market, behind the wage contract we can see the bargaining theory. The distribution of the wage to the workers according to the average product of the market behind this we can see the wage fund theory. The wage of the market can either increase the wage fund (demand side) or decrease the number of workers (supply). The average wage of the unattached head load worker is less or the same as the other informal worker in Kerala and this negates the argument of the high wage hypothesis in the market.

By analyzing the female headload workers working condition, it is clear that they have no proper resting place. The unused bathroom building of the Municipality is the temporary resting room for them. The workers have no drinking water facility and bathroom facility. Many of the workers are using shed and bus stand building for their rest place. Many of them having work-related health hazards such as severe ailments and back pain, shoulder pain, dust allergy, rashes etc.

The board ensures so many benefits to head load workers but they get limited because most of the benefits they have given up due to complexity procedures on the part of the board. And workers have no ESI benefit and PF benefits. While analyzing the working condition, the unattached head load labour market has the characteristics of an informal labour market. The board is necessary to ensure adequate working facilities to each worker who registered in it and provide all benefits that specify in the headload workers welfare acts reach the eligible workers to draw the benefits. Hence by analyzing the working condition of the market, it is evident that it is very pathetic and resembles the characteristics of informal labour market conditions.

The average wage of a headload worker is not as high as other casual workers in Kerala. Trade union tries to its strategy to restrict the supply of workers in this market to make a wage hike in this market. After globalization in the demand side, employers bear wage level up to a certain level, after that employer relocates demand to other areas other workers. Due to decreasing demand for the head load workers, they charge feasible wages from employers and so high wage hike and militant labour unionism, not much to see in the globalized era.

### **8.1 Major Findings**

- ❖ The average age of the workers in the market is 43.59, for males, it is 43.3 whereas in the case of females it is 47.95
- ❖ 94 per cent male head load workers are currently married and in female 40 per cent are constituted separated and divorced

- ❖ Most of the workers are include other backward castes. Muslim comes to 58.6 per cent, and Ezhava constitutes 32.3 per cent.
- ❖ The headload workers are from the lower strata of the education ladder, especially females.
- ❖ Most of the workers belong to priority or below the poverty line.
- ❖ The average landholdings of workers are 5.72.
- ❖ Most of the workers household income constitute below Rs.15000.
- ❖ The average debt of the head load worker is given as Rs. 141734.6 and average savings ( including the compulsory savings in the welfare board Rs.126821.4
- ❖ The entry and exit in the market are like the insider-outsider model of the labour market.
- ❖ Most workers reported that their reason for entry into the market is job security. From this, it can be argued that most of the workers are risk-averse.
- ❖ Most of the workers select the union by considering its strength.
- ❖ Supply is fixed for a short period, then wage is determined by demand condition in the market and demand fluctuates with market conditions.
- ❖ The majority of workers expressed the opinion that the number of employers declined as compared to an earlier period of their joining to the field.
- ❖ Each worker draws an average product of the pool as a wage.
- ❖ The inter pool difference in wage can be visible in the market and this difference connected with the variation in demand
- ❖ The average daily wage of the total respondent is Rs.685.5. The male has got Rs. 688.69 and that of female Rs. 625.

- ❖ The average hour of working for a male is 7.8, whereas females were 10 hours per day.
- ❖ The average weight loaded and unloaded by workers are 70.5 k.g, for male, it 71.8 k.g and female 50 k.g
- ❖ The majority of the workers have a negative attitude towards ‘ nookkukuli’
- ❖ Working condition of workers is very pathetic, especially women.
- ❖ Globalization badly affects the demand of the market and this is reflected in their wage.

## **8.2 Conclusion**

Globalization and its subsequent notion of labour market flexibility is a matter of discussion among policymakers in recent years. Most countries try to impart the labour market flexibility to compete with the competitive environment. The informalisation of, the formal or organized sector is started. In India, the restrictive trade legislation reforms began to protect the employer free hire and fire policy. In this context, the present study analyses the character of demand and supply, wage fixation process, working condition of the market, and checks the hypothesis that the head load labour market has the peculiarities of formal market and checks the argument of the high-wage hypothesis market. By analyzing the characteristics of the entry in the unattached market, it resembles the formal market. Supply restriction can be seen in the market. It is the trade union that restricted entry into the market. So trade union presence resembles the formal market. The other characteristics of the formal market like government protection and social security are present in the market. Still, by qualitative and quantitative analysis, major social security's not reached to the beneficiaries due to administrative lag in the board or committee. The workers in the market skill acquired outside the formal schooling and working conditions are very pathetic, especially in women workers. The market relies on labour-intensive technology, they use physical power to load and unload without adaptive technology. The average weight they loaded in the market constitutes 70.5 kg this badly affect their health. The worker's wage is not associated

with workers' ability and experience due to the market's wage sharing system. The market's average wage is more or less the same as other casual market wages in Kerala. Because of the globalization effect reflected in the head load market; the online market, setting up of the cooperative store, supermarket etc. shifted their employment opportunity to shop attached workers. Hence, most of the characteristics of the market rely on the informal market

### **8.3 Policy Implication**

- ❖ By going through the benefits provided to Kerala head load workers, it can be seen that so many benefits are mentioned in it but most of the workers give up the major social security benefits in the welfare board due to the inflexibility of government offices in Kerala.

### **8.4 Suggestion for further study**

- There are limited micro-level studies about manual labour in Kerala
- The present study concentrate on the unattached head load workers there is scope for the study of scattered head load workers in Kerala.



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**ANALYSIS OF HEADLOAD LABOUR MARKET  
IN KOZHIKODE DISTRICT**

**I. Personal Profile**

1. Name :
2. Age :
3. Sex : M....0 F.... (1) Other....(2)
4. Religion : Hindu...(0) Muslim...(1)  
Christian... (3) Others..(4)
5. Caste : SC... (0) OBC...(1) General...(2)
6. Marital status : Never married ... (0)  
Currently married... (1)  
Widowed ... (2)  
Divorced/Separated.. (3)
7. Education : Illiterate.... (0)  
literate, without formal education.... (1)  
Primary.... (2)  
Secondary.... (3)  
Higher Secondary.... (4)  
Above Higher secondary (5)
9. Native place :

**II. Family details**

1

Sl No	Members name	Relationship with worker	Age	Education qualification	Occupation	Average monthly income

2. Father occupation
3. Attitude of family to your job
  - positive...(0),
  - negative...(1)
  - neutral....(2)
4. Your house
  - 4.1 If own
    - owned...(0)                      rented...(1)
    - Built...(0),
    - inherited...(1), purchased...(2)
  - 4.2 If built or purchased through by doing head load work
    - fully ....(0),
    - partially ....(1) other way....(2)
  - 4.3 Type of house
    - Thatched...(0),
    - tiled .... (1), concreted....(2)
5. Are you holding land
  - 5.1 If yes holding in cents...
  - 5.2 holding land
    - hereditary....(0), purchased...(1)
  - 5.3 If purchased through
    - fully head load work ....(0),
    - partially head load work...(1),
    - other way ...(2)
6. House hold amenities
  - 6.1 Electricity
  - 6.2 T.V
  - 6.3 Fan
  - 6.4 Mixer
  - 6.5 Fridge
  - 6.6 washing machine
  - 6.7 LPG
  - 6.8 Mobile phone
  - 6.9 Bicycle
  - 6.10 Car
  - 6.11 Lorry/Bus
  - 6.12 News paper
7. Income
  - 7.1 monthly family incomes from all sources
  - 7.2 income from head load works

## 8. Expenditure

Items	Monthly expenditure
1. Food items	
2. Cloths	
3. Education	
4. Health	
5. Fuel	
6. Electricity	
7. Miscellaneous	
Total	

## 9. Savings in

- 9.1 Bank
- 9.2 Board
- 9.3 Kudumbasree
- 9.4 Post office
- 9.5 others

## 10. Debt in

- 10.1 Bank
- 10.2 Board
- 10.3 Kudumbasree
- 10.4 Post office
- 10.5 others

## 11. The colour of your ration card

### III. Employment details

- 1. Registration, year and No. :
- 2. Name and No. of pool
  - 2.1 Number of co-workers in your pool:
  - 2.2 Details of recent entry and exit in your pool

a) Reg No.	b)Name	c)Sex	d)Age	e) Entry/exit	f) year

c ) Male.... 0, female....1, e) entry....(0), exit....(1)

- 3. Entry to this field : Direct ...(0), Herditory...  
(1), through trade union...(2)

Any other (please specify)

4. Year of your entry
5. Number of co-worker when you start work :
6. Reason for take this kind of job :      Personal interest...(0) Secured...(1)  
Hereditary ...(2) others (specify) ...(3)
7. Previous employment details:
8. Reason for quit previous employment:
9. How long have you been working in this field?
10. Whether are you taking any gap in this employment? : Yes..(0), No...(1)  
10.1 If yes, duration of gap :
11. You usually handle the articles, please tick mark:  
Vegetable, Rice and related crops  
Cements, Bricks, Electronics equipments, Furniture, tile, marble, granite and others.
12. Number of traders or business men in your pool who give works:
13. The number of traders or business men in your pool or working locality when you start work:
14. Number of working days in a week? ..... days
15. Work timings..... Arrival....., Departure.....
16. Normal working hours in a day.....hrs
17. Take over time work: Yes...(0), No...(1)  
17.1. If Yes , previous over time get..... Rs.
18. Do you think your availability of work improved when you start work : yes/no  
18.1.If no reason :
19. how much weight are you taken
20. In which season you get higher income and employment

**IV. Wage**

1. Can you roughly say how much do you get out of this work?

In previous	Rs	Take over time..	
		Yes (0)	No (1)
Day			
Week			
Month			



## **VI. Trade union**

1. Mention the trade union in which you are member  
CITU...(1), INTUC...(2), BMS...(3), AITUC...(4), Others...(5)
2. In which basis you select trade union
  - a) Your political taste b) strength of trade union
3. You joined in the trade union : before entry....(0), after entry....(1 ), not applicable....(2)
4. Trade union participation to solve your problem in the market
  - a) Active b)passive
5. The role trade union after the implementation of welfare scheme(tick mark)
  - a) increased b) decreased c) no change
6. If you think trade union role is inevitable in this field
  - a) Agree b) strongly agree c) disagree d) strongly disagree

## **VII. Welfare Scheme:**

1. Specify benefits you are received from this Scheme (tick
  - 1.1 Bonus
  - 1.2 Scholarships to children
  - 1.3 medical aid
  - 1.4 marriage allowance
  - 1.5 festival advance
  - 1.6 holiday allowance
  - 1.7 housing loan
  - 1.8 multi purpose loan
  - 1.9 family planning assistance
  - 1.10 miscellaneous aid:
3. Do you like board intervention to head load market : Yes / No
4. Do you think disciplinary actions of committee or Board helpful to correct behavior of worker?
5. Did you subject to any disciplinary action from board or committee: Yes / No
  - 5.1 If yes how many times and its reasons: