

Industrial growth is okay, but what about workers' welfare?



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According to the 2020-21 survey, Tamil Nadu holds the second slot next to Maharashtra in the Gross Domestic Product (GDP). Gujarat has attained the third position. But in terms of the number of registered industrial establishments (38,837), Tamil Nadu tops the list, leaving Maharashtra to the second slot (25,610).

The 2020-2022 assessment says that Tamil Nadu's agricultural production value was Rs.55.66 lakh crore; industrial production value Rs.29.30 lakh crore; construction sector's value Rs.13.85 lakh crore and service sector's value Rs. 61.23 lakh crore. Besides, what makes us proud is the fact that our state stands front and centre in education and health sectors too.

Last year's allocations

A sum of Rs.3,276 crore was allocated in the last year budget for the state's industrial progress. Moreover, Rs.912.50 crore was

earmarked for small industries' development, Rs. 254.21 crore for information technology and Rs.175 crore for new industrial ventures. So, a total of Rs.4,617.71 crore was allotted. Besides, the Tamil Nadu government allocated Rs. 2,877 crore for modernizing industrial training and generating employment.

However, in these promising circumstances, some important features have to be highlighted. The following questions are worth a deep examination: Have workers progressed in proportion to the industrial development? Have all youths got employment opportunities? Does economic progress reflect in the workers' lifestyle and welfare? Do the job opportunities for the highly educated in Tamil Nadu basking in the glory of higher education growth match the industrial growth?

In fact, schemes have to be drawn up in such a way that industrial growth and workers' welfare go hand in hand and the requisite funds earmarked.

TN, Indian ground reality in workforce

According to the 2020-21 assessment of the periodic workforce in the country, the laborers dependent on agriculture in Tamil Nadu make up 29.64 per cent. The figure at the national level is 46.46 per cent.

This is one of the healthy trends in Tamil Nadu. The trend of migrating from agriculture in search of alternative jobs and generating more revenue is the state's next phase of growth. In the state, the contribution of the workforce is 16.78 per cent. The Indian average is 10.91 per cent. The contribution of workforce in the construction sector in Tamil Nadu is 16.63 per cent and the national figure is 12.08 per cent. Tamil Nadu witnesses the workforce making 11.56 per cent contribution in the wholesale and retailing business whereas the national average is 10.55 per cent.

These statistics have thrown up the fact that the workforce rate in all sectors except the wholesale and retail sale has recorded big changes. But it is worth examining that these changes have not reflected in workers' welfare and job opportunities.

The state of workers

Since 1991 the Tamil Nadu rural unemployment rate has been much higher than the national average. According to the recent evaluation (2020-21), the rural unemployment rate in TN is 4.8 per cent while the national figure is 3.3 per cent whereas the national urban unemployment rate is 6.7 per cent and Tamil Nadu's 5.8 per cent only which gives a little consolation.

Features of job opportunities

The average rate of the self-employed people at the national level is 55.6 per cent and in TN 33.9 per cent. The salaried in non-farm sectors constitute 21.1 per cent at the national level and 31.2 per cent in TN which is, of course, a healthy trend. The rate of the temporary workers is 23.3 per cent at the national level and 34.9 per cent in TN.

Though job opportunities have mushroomed as a result of industrial growth in TN, they are all only temporary or part-time jobs. This is one of the liberalization effects.

State of unorganized workers

Of the workers in TN, 60.1 per cent are in the unorganized sector. The national figure is 71.4 per cent. About 14.8 per cent of workers are in the TN public sector enterprises and the national rate is 12.3 per cent. About 16.7 per cent of workers are in the private sector and the national figure is 9.9 per cent. All these datasets point out that most of the workers are in the unorganized sector.

Of course Tamil Nadu has witnessed industrial growth. But the quality of workers' life and jobs has not improved considerably. About 20.40 per cent of the people in the 15-29 age group are unemployed. This is 7 per cent higher than the national average.

Tamil Nadu has 11.6 per cent of the unemployed people who are graduates and post-graduates. The national figure is 9.1 per cent.

Workers social security

About 60 per cent of the TN workers have no contract. The national rate is 64.3 per cent. About 39 per cent of the monthly salaried workers are unable to avail themselves of leave with pay. At the national level it is worse at the rate of 47.9 per cent. The workers who work without any social security in TN are 48.6 per cent whereas the national average is 53.8 per cent. The temporary workers and the self-employed have no social security. The TN workers' average monthly salary is Rs. 15,154; it is Rs. 2,500 less than the national average. This may be one of the reasons for a lot of industrial enterprises coming to TN.

The average monthly income of the self-employed in TN is Rs.12,357 and the national average is Rs.10,756. No big difference!

What's to be done

From the statistical review given above, it is manifest that in Tamil Nadu industrial growth and economic progress have not gone hand in hand with workers' welfare. An economic growth that hardly generates employment opportunities will not pay off fully.

The number of unorganized workers is on the rise. There's no social security even for the monthly salaried. Even if one gets job, there is no guarantee for sufficient income. Both industrial and economic growths must be in tandem. That alone will be a healthy trend.

In the last budget Rs.2,353 crore was allocated for the workers' welfare. In the years to come, this allocation must go up. Policies conducive to standard job opportunities must be drawn up. Besides, laws and measures must be put in place to raise the contribution of the industrial enterprises.

Translated by V. Mariappan.