

Situational analysis of construction labour market of Ahmedabad city

Executive summary:

The labour studies have started differentiating between labourers (unskilled or semi-skilled) and workers (skilled) based on skills, wages earned, working hours, temporary nature of work, ability and opportunity to negotiate wages in existing the market.

The **objectives** of the study are as follow:

- 1) To document status of living and working conditions of 'building workers' working in Ahmedabad city.
- 2) To identify areas of advocacy for effective implementation of concerned laws.
- 3) To articulate needs and concerns of 'building workers'.



Primary data is collected between end of October 2008 and January 2009. Of total 970 labourers from Ahmedabad city,

- ⇒ 279 (35.7%) are from eastern region and 501 (64.3%) are from western region.
- ⇒ The study covers total 19 places for primary data collection, of which 14 are labour *naka* (8 from Eastern and 6 from Western regions) and 5 are construction / work sites *chawls*.
- ⇒ Total 702 (72.4%) are male labourers and 268 (27.6%) are female labourers.
- ⇒ Total 306 (32%) are skilled (262 workers from *nakas* and 44 workers from work site) while 664 (68%) are unskilled, (518 workers from *nakas* and 146 workers from work site)
- ⇒ 258 are engaged in masonry; 40 plaster of paris (PoP), 40 in colour work, 6 carpentry and 9 are in plumbing.

Major findings

There are 658 developers, 59 construction companies, 132 builders and building contractors, 199 architects and 34 civil engineers registered in Ahmedabad city. However, except labour contractors, none of the above deal directly with the labourers or bother about their issues.

Looking at the number of developers and construction companies, the employment opportunities seemed to be encouraging.

Employment possibilities and mode of recruitment

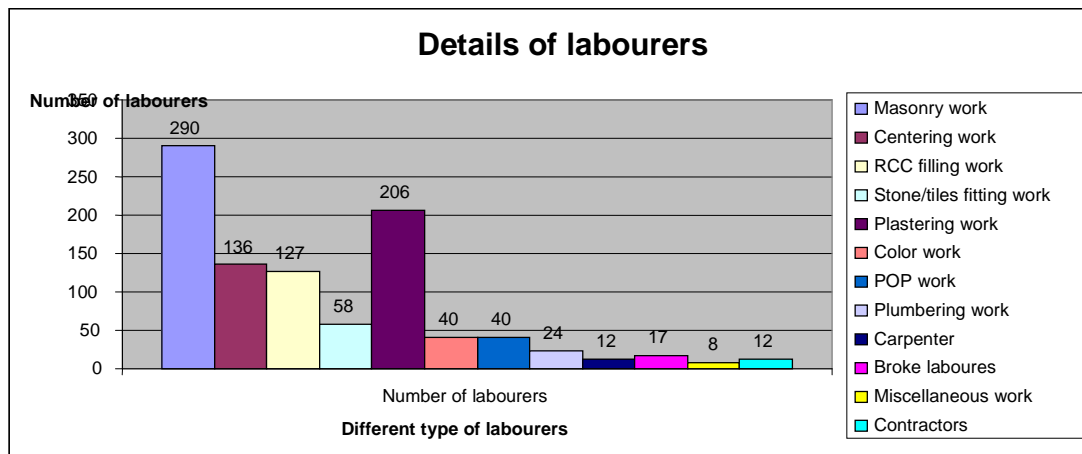
The labourers and workers reported more than 432 construction sites in Ahmedabad city; as per their estimate, the industry is providing employment to about 43,186 labourers and 8,275 skilled workers.

The mode of recruitment revolves around labour contractor and they have larger share and stake in the industry and supplying labour. The problem is poor enforcement of laws due to loopholes at implementation level.

The developers / builders assign work to the labour contractors on square foot basis and assessment of their track record, i.e. quality of work and whether work is completed within stipulated time. The developers are not bothered about whether the contractor is registered or having license to supply labour. In case of legal problem, the developers support labour contractor by putting him in touch with a lawyer.

Migrant labourers

About 90% labourers or workers get is through the labour contractor. The size of *naka* varies to 150 to more than 1000 labourers.



The largest number (60%) is of seasonal migrant labourers; migrating from 5 states, namely Rajasthan, Maharashtra, Uttar Pradesh, Madhya Pradesh and Bihar. They are largely engaged in colour and PoP related work. From Rajasthan, number of women is higher. From Gujarat, the labourers come from Bhavnagar, Banaskantha, Mehsana, Dahod, Panchmahal and Ahmedabad districts and are largely engaged in carving in plaster / cement is a craft of workers from Saurashtra (Gujarat).

Type of work

The highest number (620) of labourers engaged in masonry, plastering and RCC filling, which are largely Adivasis migrant labourers from Panchmahal (Gujarat) and Rajasthan.

Wages and employment in a month

The contractor and labourers are mutually dependent. The labourers appointed by the contractor get lesser wages than labourers from *naka*. The labourer from *naka* get Rs. 150-200/- as daily wages while the labourers employed by a labour contractors get about Rs. 80-100/-. The only difference between them is regularity and consistency in getting employment and sense of security.

Comparing the labourers from *naka* and construction sites, the major difference observed is in terms of working days; of total 780 labourers from *naka* informed that 613 (79%) get employment for 10-12 days in a month, 76 (10%) get employment for 13-15 days in a month and 91 (11%) get for 16-20 day a month while the labourers and workers on site continue to get employment for a longer period of time, say 6 months to 2 years.

The wages are paid based on skill level and requirement of the work in the market. The following table shows that the daily wages vary between 90 to 500 rupees.

The situation of women labourers is restricted to defined tasks and low wages in the industry. The daily earning of women ranges between Rs.90 and Rs.150/- while the earning of men ranges between Rs.50 - Rs.500/-.



The major complaints of the labourers are: (i) Lack of basic amenities; (ii) Lack of compensation for accidents and death of labourer; (iii) Women's vulnerability; (iv) Fearing accidents; and (v) lack of regular payment. The labour contractors are rather blind towards issues of safety and better living conditions of labourers, as their main motive is their profit margin.

Total 56% of labourers live in *chawls* out of which 80% have facilities of drinking water, bathroom/toilet and electricity in their room; total 24% labourers live on the worksites or in open areas/footpaths.

Not more than 10% labourers know about labour union – its role, importance and functioning. Not more than 5 out of 970 labourers know about laws, especially none knows

about Minimum Wages Act and 2 other acts for Construction Labourers. Very few labourers are aware of legal provisions; as many as 90-95% labourers avoid litigation.

While discussing about unionising them, they opined that creating and maintaining labour union is difficult. There is no precedence or pioneer work done for improving living and working conditions of these labourers and therefore the importance of organizing them is the utmost felt need of the hour.

The organization which wishes to take up the work to unionise these labourers should consider the following aspects –

- ⇒ talking to developers and informing them about labour contractors having license to supply labour;
- ⇒ talking to contractor – making him more human oriented, explaining labour costs and advantages of implementation of labour laws
- ⇒ understanding varied nature of work in the industry and having dialogue with each type of labourer / worker
- ⇒ keeping different levels of skills and availability of labourers for the work available in the industry
- ⇒ wide geographic areas to cover with needs of different types of labourers / workers
- ⇒ Some work is done in case of providing skills and employment to the labourers but it has very limited impact on the industrial structure or legal binding. Looking at unorganized nature of work and industry, strategic planning should be done at micro level and can be upscaled.
- ⇒ Lack of details about Gujarat High Court interim order and actions taken by Department of Labour in Gujarat, the scope for legal intervention should be assessed and suitable strategies could be developed.