

Empowerment of Women and Youth through Labour Cooperatives

B.D. Sharma

Former Chief Executive NCUI

Present Context

Modern times are characterized by globalization led competition, high rate of growth but skewed distributive system constraining the equitable and wider dispersal of gains of growth. While information technology has had increasing impact on urban higher middle class and corporate sector of national economy, it has only made marginal effect on primary sector comprising agriculture, rural labourers both women and youth, artisans and other workers. Similarly this section of population also has not derived much benefits from increased economic growth.

India, too, is confronted with similar situation. In spite of implementation of policy steps like National Rural Employment Guarantee Scheme, not so significant progress is witnessed in poverty alleviation and socio-economic development of workers in unorganized sector. Growing suicide cases of small farmers gripped in debt trap and unabated migration of rural labour to urban areas leading to bulging slum population are self speaking indicators of the fact that benefits of growth have been pocketed by only a few. The problem has been further confounded by prevailing global economic and financial crisis.

According to available statistical data the total working population in India is 297 millions. Of which only 30 million are in organized sector, Of the remaining 267 millions nearly 10% earn Rs. 250 to Rs. 500 per month and remaining 90% only Rs. 60 to Rs. 300 per month. In terms of occupation 100 million are agricultural labourers, 18 million are construction workers, 17 millions child labourers, 6 million beedi rollers. Remaining 48 millions are either under employed or unemployed. 90% of total workforce in unorganized sector comprise with women. The weak economic and resource potential, absence of steady employment, low wages, sub-human working conditions throw them in the grip of money lenders, middlemen and labor contractors.

Dimensions of Empowerment

Viewed in the above context, empowerment parameter and process to activate it need to be designed or worked out. Empowerment signifies that women and youth workers have opportunities to work dignity on equality basis without and discrimination in wages and employment conditions. They have equal opportunities to establish any association of their own and participate in decision making process in the management of the organization they are associated with.

There are three dimensions of empowerment. Social dimension signifies respectable and non discriminatory positioning in the society and dismantling of all the taboos and social barriers through education and legal steps. Political dimension of empowerment relates to their involvement in the governance of the nation from panchayat to national parliament level. Economic empowerment means to enable women and the youth workers to have equality of opportunities for economic development in the employment, ownership of production means and active participation in management decision making process of their association of which they are members.

While at macro level the Government has taken various steps in legal and policy spheres. From Fifth Plan onwards there has been a policy shift from welfare to development. In this context the Government brought out National Policy for women empowerment 2001, 73rd and 74th amendments in Indian Constitution reserving quota for women in panchayats and local bodies, establishment of National Commission for Women and Rashtriya Mahila Kosh and implementation of schemes for support for training and employment(STEP), support to set up training - cum - production centers and women entrepreneurship development programmes. Promotion of Self Help Group and women cooperatives has been recognized as an important mechanism to enhance women empowerment. Notwithstanding significance of these steps in creating enabling policy and legislative environment for women empowerment, much more remains to be done in view of the magnitude of the problem.

Cooperatives and Empowerment

Conceptionally speaking, cooperatives are socio economic enterprises setup on the basis of equity and democratically managed to empower their members to deal with the challenges of market competition and to safeguard themselves against the exploitation. Each Principle of cooperation gives direction towards empowerment. The first principle of cooperation "open and voluntary membership" entitles members to join or leave cooperatives without any discrimination. The principal of democratic control enjoins upon members to participate in decision making process on equality basis. The third principal "members economic participation" enables members to achieve economic empowerment by actively participating in the business of their cooperatives. Autonomy and independence imbibes in the members a trait of responsibility and independence in participation and management decisions. While principle of education and training information brings out positive attitudinal changes, "cooperation among cooperatives" leads to institutional empowerment of cooperatiave sector itself. The last principle "Concern

for Community" calls upon cooperatives as economic organization to address the needs of the community and to work for its sustainable development and thereby impacting all the sections including women and

Labour Cooperatives and Empowerment of Women and Youth

Concept of cooperation has been accepted as an effective institutional framework to mobilize and organize the workers and other weaker sections of the community. Important segment of labour cooperatives includes to labour contract and construction, cooperatives and forest cooperatives. There are nearly 34164 labour contract and construction cooperatives and 4715 forest labour cooperatives. The membership of these cooperatives comprises with 25.75 laks labourers. These cooperatives have set up 123 District Cooperative Federations and 15 State level Federations. These cooperatives have emerged as an alternative system to private labour contacting system which generally exploits labourers who are uneducated and ignorant of their rights and without any bargaining power. Labour Cooperatives by organizing the workers instill in them self reliance, self help, self responsibility and collective bargaining power. Unlike trade unions, labour cooperatives build up economic empowerment as a tool for political and social empowerment. Recognizing the importance of such cooperatives, various State Governments are providing a number of concessions in awarding contract for implementing public works. However, their role in dealing with multifarious problems of unorganized labour has been very limited or rather insignificant. Of the total population of 267 millions of labourers in informal sector, the sector of labour cooperatives covers only 25.75 millions. Thus major portion of informal sector is yet to be brought under umbrella of cooperative sector and still remains exposed to exploitation by contractors. Another important dimension of the problem is application of concept of cooperation only to construction and forest labour and leaving other type of workers untouched.

Weak organizational structure, poor resources base, absence of professional management, ignorant and weak membership, entry of vested interests, leak of technology are some of the problems that beset the labour cooperatives and limit their impact.

Future Strategy

The future strategy to strengthen labour cooperatives to enhance women and youth empowerment with a focus on informal sector workers needs to be formulated keeping in view the following:-

- (a) Present day context of globalization and global economic crisis.
- (b) Limitations of labour cooperatives
- (c) Policies of the Government
- (d) Possible synergy between Trade Unions and Labour Cooperatives.

viewed in the context of the above a multi-pronged strategy needs to be formulated and implemented.

I.L.O. View Point

The Governing Council of ILO, in its statement spelled out broad parameters of strategy that could be adopted to meet the present day challenges of globalization:

- (a) Extension of benefits of social protection and employment benefits to workers.
- (b) Facilitating training and retraining of workers.
- (c) Social protection and emergency employment schemes for young women and men, informal and precarious workers, migrant workers.
- (d) Support to small productive, profitable and sustainable enterprises Raising infrastructure investment tailored to small enterprises and cooperatives.
- (e) Implementation of ILOs Decent Work Agenda.

In the backdrop of these broad considerations, important components of future strategy may be as follows:

1. Expand the scope of Labour cooperatives by including all types of workers in informal sector.
2. Introduce the concept of joint membership (wife and husband) in labour cooperatives.
3. Reserve at least 33% seats to women in the management committees of labour cooperatives.
4. Bridge the structural gaps by strengthening district, state and national federation of labour cooperatives.
5. Adopt Self Help Group approach to enhance involvement of women and youth. In the first stage emphasise on savings followed by income generation activities. After Self Help Group achieve maturity convert them into cooperatives. The Federation should effectively undertake promotional and support services.
6. The Government, both Central and State, should allocate specific budget to strengthen labour cooperatives and their Federations with the condition that 50% beneficiaries will be women and youth.

7. Establish synergy between labour cooperatives and Government schemes of women and youth development and employment generation scheme e.g. National Rural Employment Guarantee Scheme.
8. Strengthen and expand skill development programme being implemented by National Labour Cooperatives Federation of India.
9. Strengthen collaboration between Panchayati Raj institutions and Labour Cooperatives for implementing construction works / infrastructure development undertaken by village panchayats.
- 10 National Labour Cooperative's Federation may collaborate with the organizations like SEWA & WWF women forum to take advantage of their expertise in the sphere women empowerment through cooperatives..