

## Problems of Labour Co-operative Societies in Latur City

**Dr. Rahul Sambhaji Dombé**

Asst. Professor

Dayanand College of Commerce, Latur

### Introduction

In India 70 percent of the population lives in rural areas. Majority of the population depends on agricultural. So development of agriculture, agro-based industries, employment generating activities, infrastructure facilities like roads, drinking water, water for irrigating the crops, electricity, telephones, markets, etc. form part of the rural development. After independence, national policy of India reaffirmed their faith in the co-operative movement as a crucial instrument for economic development and as a vehicle of social change and social justice.

Agriculture is the main industry of the farmers in state of Maharashtra. But farmers have facing a number of socio-economic problems. Such as- lack of credit availability for small farmers, persecution by moneylenders, inability to repay debts following crop loss, high interest rate charged by the moneylenders and rising cost of the cultivation. However, the agriculture sector has been witnessing low growth and productivity, non-remunerative prices for the produce, input and output marketing constraints, institutional credit, insurance, infrastructure and investment. These have resulted in poor performance of the sector in spite of healthy overall economic growth.

As per the lines of the Central Government, Maharashtra Government has also identified the importance of the co-operative movement as the best source through which to apply it for rural development, people's empowerment and poverty alleviation programme. The fundamental nature of the co-operative societies is to encourage the 'values of self-help, democracy, equality, and solidarity. Members of the co-operatives believe in the ethical values of honesty, openness, and social responsibility and caring for others. The movement was welcomed with enormous enthusiasm. The movement teaches the ordinary farmers, downtrodden community and landless labourers to live with prestige and self-confidence. Co-operative movement helps in all round development of the rural areas. It may possible through unity, trustworthiness and consistency of membership. The government hopes that the revival is successful co-operative societies could well

become the biggest employer in the country and will create new employment opportunities for the people, especially, in rural areas.

The co-operative movement began in India dates back to 1904, when official efforts were made to create a new type of organization based on the principles of co-operative ideology. Co-operative organizations considered to be the best solution for the problems especially to the Indian conditions relating to the overall rural development. Co-operatives are enormous and powerful instruments which are engaged in the field of production, processing, marketing, distribution, servicing and banking in Indian economy. Co-operative organizations shown effectiveness in various fields like abolition of poverty by reducing member's indebtedness, increasing productivity and thrift, lowering the cost of disposal of their produce and interest rates and discouraging unwanted social expenditure. Co-operation has done something to lift up the standard of living and to increase the country's banking facilities.

"Literally, Co-operation means working together. To be more appropriate, we may define Co-operation as acting together to achieve the common goal through Co-operative principles". Likewise, Co-operative society may be defined as an organization of individuals with small means, created for running in common of business, the profits being shared in accordance with the amount of labour or capital contributed by each.

### Need of the study

This study examines the potential for a stronger and more significant labour co-operative sector in Latur District and probes some of the development barriers that prevent it.

### Objectives of the study:

- 1) To study the economic problems of labour co-operative societies in Latur City.
- 2) To study the barriers for expansion of labour co-operative societies in Latur City.

### Hypothesis:

- 1) There are multiple barriers for expansion of labour co-operative societies in Latur City.

2) Mostly the members of the societies are illiterate, unskilled and have no technical and financial knowledge. They are always depending on others.

**Research Methodology and Data Collection:**

This research has tried to collect more and more relevant information with tools like Primary and secondary collection of data. Primary data is original, collected by researcher through structured questionnaire for the first time for any investigation and used for statistical analysis. The primary data collection is made by personally visiting the labour co-operative societies in the district. The sample of 50 respondents 5 members from each society has been selected for the study.

Collection of secondary data is a purposive gathering of information relevant to the subject matter of the study from the units under investigation. Secondary data are collected from others and used by others. It is mostly published in newspapers, periodicals Journals and authentic websites etc. Secondary data has been collected from the websites, annual audit reports as well as related information from office of the district deputy registrar and auditor of labour co-operative societies.

**A] Primary Data:**

A well designed, structured and orderly formed questionnaire has been used to collect responses from the targeted respondents. Feedback is obtained through it by personally visiting the respondents at their workplace. Proportion of unattended responses has also been considered to frame aptitude of respondents for specific question(s).

**B] Secondary Data**

In Latur district there are 501 labour co-operative societies from which only 90 societies are in the city. 10 labour co-operative societies has been selected randomly and studied.

Published data like government publications, Co-operatives bulletin, journals, books, magazines, newspapers, annual audit reports, publish interviews and periodicals are major secondary data sources. It is easily collected and comprehensive in nature. It can be easily mobilized form published information. As secondary data is subject to biasness errors and need proper evaluation.

**Data Analysis and Interpretation**

**1) Major barriers for expansion of Labour Co-operative societies**

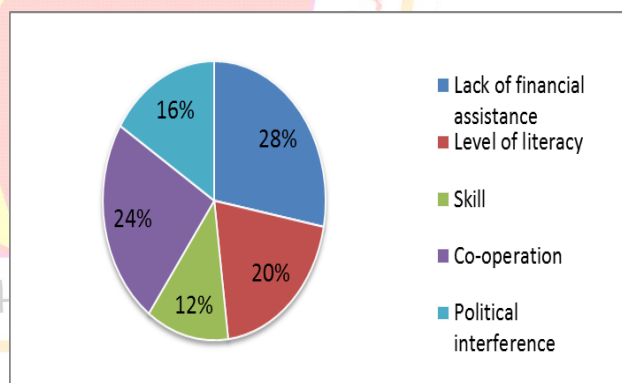
Any society working for the betterment of its members faces certain problems. These barriers are about lack of financial assistance, member’s level of literacy, their skills, co-operation among members and political interferences. Without expansion or

growth of societies, member growth cannot be expected. To understand the exact impact of different factors on the expansion of labour co-operative societies, researcher asked the question and sought answers as a point rating. Researcher asked members to rate the factors from 0 to 10 and final scene is converted into percentages. Following Table 1.1 and Graph 1.1 depicts the picture.

**Table No. 1.1**  
**Major barriers for expansion of Labour Co-operative Societies**

Sr.No.	Particulars	No. of Respondents	Percentage %
1	Lack of financial assistance	14	28
2	Level of literacy	10	20
3	Skill	06	12
4	Co-operation	12	24
5	Political interference	08	16
<b>Total</b>		<b>50</b>	<b>100</b>

**Graph No. 1.1**  
**Major barriers for expansion of Labour Co-operative Societies**



Researcher tried to get answers about different factors individually by point rating method. After converting points into percentage result was as shown in the above Table 1 and Graph 1.

Due to lack of financial assistance the overall performance of the society affects by 28%. Literacy level also has impact on the performance by 20%. Skills are required for certain work and if necessary skilled are not possessed by the members then 12% impact is there on the performance. Most important factor after financial assistance is co-operation. There should be good co-operation among members of the society. If co-operation is not there then there will be 24% impact on the expansion of labour co-operative societies. Another factor is also impact on the performance of the society i.e. political interference which is 16%.



**2) Possess any special skills for work**

The technical skills that construction worker's have been essential to completing any job. The ability to coordinate the crew, supplies, and equipment is a great skill. It's beneficial for any superintendent. It is a good indicator of a great leader, something business owners and managers should always be on the lookout for. Construction workers need to be able to do basic math and some algebra to ensure that the right amount of building materials will be there. Construction workers have to write emails, texts, and other documents to ensure the work continues correctly on any job. The modern construction worker has to be willing to learn the new software, apps, and devices that make construction easier. Critical reasoning skills also help prevent accidents on the work site. Construction workers with this skill don't require intense supervision because they can reason their way through any problems they may encounter. Researcher tried to ask question and found out the result.

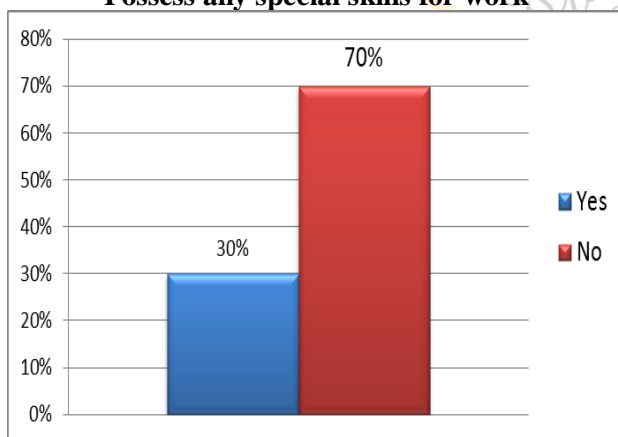
**Table No. 1.2**

**Possess any special skills for work**

Sr.No.	Particulars	No. of Respondents	Percentage %
1	Yes	15	30
2	No	35	70
<b>Total</b>		<b>300</b>	<b>100</b>

**Graph No. 1.2**

**Possess any special skills for work**



The above table 1.2 and Graph 1.2 throws light on special skills acquired by respondents. 70% respondents does not have any special skills required for work. Most of the respondents are below Xth educated that's why they don't have any technical skills, reasoning skills, writing skills etc. only 30% respondents have special skills.

From the above we can conclude that only 31% members are skilled and huge members i.e. 70% don't have any special skills for completing the work.

**3) Adequate working skills for successful growth of Labour Co-operative Societies**

Adequate skills are required to provide quality service and to complete the work smoothly. To complete the projected work labours have some special skills like operating the machines, JCB machines, mixture machine etc. Growth of labour co-operative societies is depends on skilled manpower. Labour has become more efficient and skilled due to increased competition and inflow of foreign knowledge. Researcher tried to ask question whether there is impact of skills on the growth of labour co-operative societies. Table No. 1.3 and Graph 1.3 shows the results.

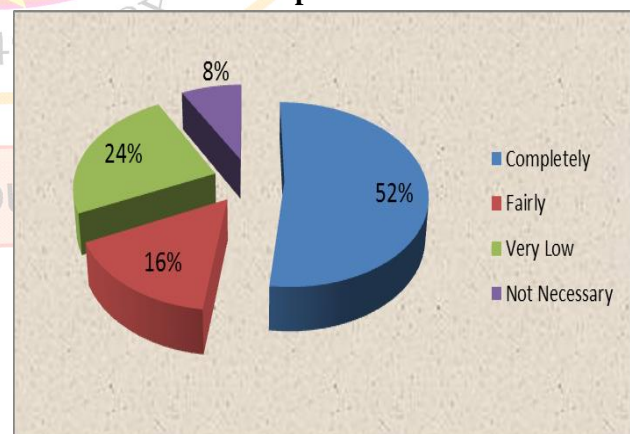
**Table No. 1.3**

**Adequate working skills for successful growth of Labour Co-operative Societies**

Sr.No.	Particulars	No. of Respondents	Percentage %
1	Completely	26	52
2	Fairly	08	16
3	Very Low	12	24
4	Not Necessary	04	8
<b>Total</b>		<b>300</b>	<b>100</b>

**Graph No. 1.3**

**Adequate working skills for successful growth of Labour Co-operative Societies**



The above Table 1.3 and Graph 1.3 shows that 52% member responded that yes there is positive impact having skilled man power who can give quality output. 24% members responded that it does not matter whether some are possessing skills or not. 16% responded fairly that to complete the projected work labour should acquire some skills whereas 8% replied that it is not necessary to have any skills.

From the above we may conclude that adequate skills are required for the completion of projected work. Society has to concentrate to improve skills of its members for qualitative work. Maximum members responded that for gaining more contracts and giving quality service skills are required.

**4) Importance of Financial and Technical knowledge for running Labour Co-operative Societies**

Financial assistance to labour co-operative societies is very important. Financial support and knowledge is required to handle any critical situation in the organization. Technical knowledge also required to overcome the technical problems in the organization. One cannot complete the projected work efficiently and smoothly within time. Financial knowledge is helpful to run the organization efficiently. In the same way technical knowledge is also most important to operate the organization smoothly. Researcher tried to know whether financial and technical knowledge is important or not. Feedback from member of the co-operative societies was as follows.

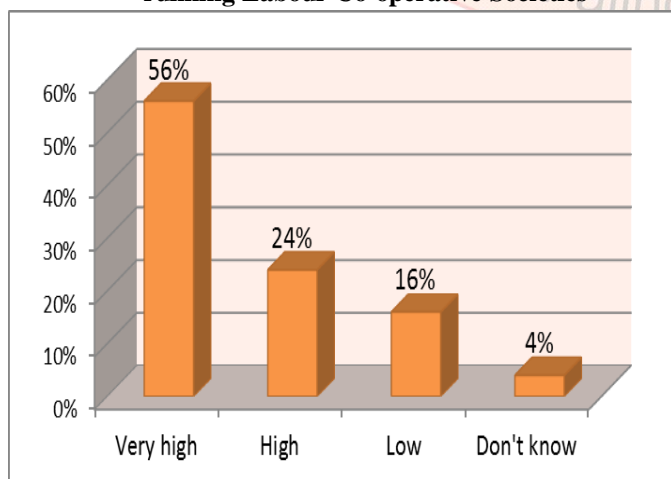
**Table No. 1.4**

**Importance of Financial and Technical Knowledge for running Labour Co-operative Societies**

Sr.No.	Particulars	No. of Respondents	Percentage %
1	Very high	28	56
2	High	12	24
3	Low	08	16
4	Don't know	02	4
<b>Total</b>		<b>300</b>	<b>100</b>

**Graph No. 1.4**

**Importance of Financial and Technical Knowledge for running Labour Co-operative Societies**



The above Table 1.4 and Graph 1.4 shows that 56% respondent responded that members must possess financial and technical knowledge. They felt that without financial and technical knowledge it is not possible to run the societies efficiently. 24% responded that yes there is necessary to possess financial and technical knowledge. 16% members responded very low that for labour co-operative societies financial and technical knowledge is somewhat required. As per them societies can run smoothly even its members don't know the financial and technical aspects. 4% members replied that they can't give any reply because they did not know anything about this.

**Findings and Conclusion:**

By all counts, with proven results this effort of research work is concluded as follows; Low degree of co-operation among the members and lack of financial assistance are the major barriers. Majority of the members won't possess adequate working skills for successful growth of the society. Adequate financial and technical knowledge is essential for running the society successfully.

- The major barriers for expansion of labour co-operative societies were lack of financial knowledge, literacy ratio, skill required and poor co-operation among members and political interference.
- Proportion of possessing special skills among the members for the work in labour co-operative societies is weak.

**Suggestions:**

- ❖ Barriers like lack of financial assistance, literacy, skills and non co-operation among members of the labour co-operative societies are the major factors responsible for non-expansions of contracts gaining and completion. Improvement is necessary in above factors.
- ❖ Various awareness programmes regarding financial and technical parameters require for the member of the society will definitely improve the financial state of the stake holders.
- ❖ Competitive skills of labour co-operative society must be improved so as to retain its existence in the era of privatization and aggressive marketing.

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