

Problems and Prospects of Working Conditions of Labour Contractors: A Study

Dr. Mure Sateeshnadha Reddy¹, Dr. JMJ.Vinodini²

¹Academic Consultant, Department of Econometrics, Sri Venkateswara University, Tirupati-517502

²Associate Professor, Department of Econometrics, Sri Venkateswara University, Tirupati-517502.

Abstract

Labour contractors play a significant role in supplying and managing manpower across various sectors, including construction, manufacturing, agriculture, transportation, and other industrial activities. They act as intermediaries between employers and workers by recruiting labourers, arranging employment, supervising work, and facilitating wage payments. Despite their important contribution to economic development and employment generation, labour contractors face several challenges related to working conditions, wage administration, labour welfare, occupational safety, legal compliance, and the management of employer–employee relationships.

The present study aims to examine the problems and prospects associated with the working conditions of labour contractors, with particular emphasis on their employment practices, income levels, working hours, job security, occupational health and safety, access to social security benefits, and relationships with employers and workers. The study also seeks to identify the major difficulties faced by labour contractors in meeting the changing demands of the labour market, complying with labour laws, and ensuring fair and transparent employment practices. The findings of the study are expected to contribute to a better understanding of the role of labour contractors in the labour market and provide useful recommendations for improving employment practices, protecting workers' rights, and promoting sustainable industrial relations.

Keywords: Labour Contractors, Working Conditions, Labour Welfare, Employment Practices, Occupational Safety, Social Security, Labour Laws, Industrial Relations.

INTRODUCTION

Labour is one of the most important factors of production and plays a significant role in the economic and industrial development of a country. In developing economies such as India, labour-intensive activities continue to provide employment to a large section of the population. Construction, manufacturing, agriculture, mining, infrastructure development, transportation, hospitality, and several service-sector activities depend substantially on the availability of labour. Within this employment structure, labour contractors occupy an important intermediary position between employers and workers. A labour contractor may broadly be described as an individual, agency, or organization that recruits, supplies, supervises, or manages workers for a principal employer or establishment in return for a contractual payment. Labour contractors often perform several functions, including identification and recruitment of workers, transportation, allocation of work, supervision, wage-related coordination, attendance management, and communication between workers and employers. Their role becomes

particularly important where enterprises require a flexible workforce, seasonal labour, temporary workers, migrant workers, or workers with specific skills.

The labour contracting system has developed as an important component of the Indian labour market. The increasing demand for flexible labour, rapid expansion of infrastructure and construction activities, outsourcing of non-core functions, seasonal fluctuations in production and migration of workers have contributed to the growth of labour contracting arrangements. Labour contractors can facilitate the movement of workers from areas where employment opportunities are limited to areas where demand for labour is high. At the same time, the system can create concerns relating to job security, wages, working hours, occupational safety, social security, welfare facilities, and the legal status of workers.

The profile and working conditions of labour contractors therefore constitute an important area of socioeconomic and labour research. Contractors operate within a complex environment involving employers, workers, government agencies, trade unions, recruitment networks, financial institutions, and regulatory authorities. Their working conditions and business practices may be influenced by the size and nature of their operations, educational and professional background, experience, access to finance, number of workers handled, nature of contracts, payment arrangements, competition, labour availability, government regulations, and relationships with principal employers.

CONCEPT OF LABOUR CONTRACTING

Labour contracting is a system in which workers are engaged through an intermediary rather than being recruited directly by the principal employer. Under this arrangement, the contractor generally enters into an agreement with an employer to provide a specified number of workers for a particular activity, project, period, or service.

The contractor may undertake responsibility for recruiting and organizing workers, while the principal employer benefits from access to a workforce without necessarily undertaking all recruitment and administrative responsibilities directly. Depending on the nature of the agreement, the contractor may also be responsible for supervision, attendance, transportation, wage distribution, accommodation, and other worker-related arrangements.

Labour contracting can take several forms. Some contractors operate on a small scale by supplying a limited number of workers to local establishments, while others manage large workforces across multiple projects and locations. Some specialize in particular categories of labour, whereas others provide general workers according to the requirements of employers.

NEED FOR THE PRESENT STUDY

Despite the importance of labour contractors, research has often concentrated primarily on the conditions of workers and the responsibilities of principal employers. Comparatively less attention has been given to the socioeconomic profile, occupational conditions, business challenges, and welfare needs of labour contractors themselves. Contractors occupy a unique position because they operate between employers and workers. They are expected to satisfy employer requirements while simultaneously managing worker expectations. Their success depends on maintaining relationships with both groups. The changing nature of employment, expansion of outsourcing, increasing mobility of workers, technological developments, digital wage payments, changing regulatory requirements, and growing demand for skilled labour make it necessary to examine the contemporary profile and working conditions of labour contractors.

The present study is therefore intended to provide a systematic understanding of the socioeconomic characteristics, occupational environment, economic conditions, problems, and prospects of labour contractors. The study proposes to adopt a descriptive research design using both primary and secondary data. Primary data may be collected from selected labour contractors through structured questionnaires and personal interviews, while secondary data may be obtained from books, journals, government reports, labour legislation, and relevant research publications. Appropriate statistical tools, such as percentages, averages, and other relevant analytical techniques, may be employed to interpret the collected data.

RESEARCH DESIGN

From a research perspective, the profile and working conditions of labour contractors can be examined using both quantitative and qualitative approaches. Quantitative analysis can be used to study variables such as income, number of workers, years of experience, working hours, contract size, profitability, and frequency of employment. Qualitative methods can provide deeper insights into contractors' experiences, challenges, relationships, perceptions, and expectations. A comprehensive study may therefore examine the relationship between contractors' personal characteristics, business characteristics, working conditions, and occupational satisfaction. It may also identify factors that influence their business sustainability and capacity to provide better employment arrangements.

RESEARCH GAP

The existing literature provides substantial insights into informal employment, migrant labour, non-standard employment, labour welfare, and job security. However, these broad discussions do not necessarily explain the specific socio-economic conditions, income patterns, financial practices, and administrative problems experienced by labour contractors in individual districts.

The present study seeks to address this gap by examining the problems and prospects associated with the working conditions of labour contractors, with particular reference to Srikakulam, West Godavari, and Chittoor districts of Andhra Pradesh. It focuses on annual income, provision and recovery of advances, facilities at work sites, employment-related difficulties, and the prospects for improving working conditions and professional effectiveness.

WORKING CONDITIONS OF LABOUR CONTRACTORS

The working conditions of labour contractors are influenced by the nature of their business and the environment in which they operate. Unlike regular employees, contractors are generally responsible for generating business, obtaining contracts, recruiting workers, managing payments, and dealing with employers and regulatory authorities. Their working conditions may include long working hours, irregular schedules, financial uncertainty, pressure from employers, difficulties in retaining workers, delayed payments, competition from other contractors, and administrative responsibilities.

Contractors working in construction and infrastructure projects may have to travel frequently between work sites. Seasonal contractors may experience fluctuations in income depending on labour demand. Contractors handling migrant labour may face additional responsibilities relating to transportation, accommodation, documentation, worker retention, and communication. Therefore, the working conditions of labour contractors cannot be assessed only in terms of income. A comprehensive

assessment should consider economic, occupational, social, psychological, administrative, and regulatory dimensions.

REVIEW OF LITERATURE

A review of literature is an essential component of social science research. It provides a theoretical and empirical foundation for understanding the problems and prospects associated with working conditions. Labour contractors play an important role in connecting employers with workers in sectors such as construction, manufacturing, agriculture, and other economic activities. They facilitate labour recruitment, wage payments, advances, supervision, and the supply of manpower according to employers' requirements. However, their activities are often influenced by irregular employment opportunities, financial constraints, workers' welfare requirements, occupational safety concerns, and labour regulations. The present review examines relevant studies, books, and institutional reports concerning labour contracting, informal employment, working conditions, labour welfare, and industrial relations.

Keith Hart (1973), Keith Hart, in his study of informal income opportunities and urban employment in Ghana, highlighted the importance of informal economic activities in providing livelihoods to people who could not secure employment in the formal sector. His work provides a useful foundation for understanding labour contracting as part of the wider informal labour market, where employment arrangements and income opportunities may be uncertain.

Jan Breman (1996), Jan Breman, in *Footloose Labour: Working in India's Informal Economy*, examined the employment experiences of migrant and casual workers in India. He discussed insecure employment, labour mobility, economic vulnerability, and the dependence of workers on intermediaries. His work provides an important perspective for examining the relationship between labour contractors and workers, particularly in situations where workers depend on contractors for employment and financial advances.

International Labour Organization (ILO, 2002), The International Labour Organization, in its work on decent work and the informal economy, emphasised the need to improve working conditions, employment security, social protection, and workers' rights. The report highlighted the vulnerability of workers engaged in informal employment and the importance of extending labour protection and welfare measures to them. These concerns are relevant to the study of labour contractors and their responsibilities towards workers.

National Commission for Enterprises in the Unorganised Sector (NCEUS, 2007), The National Commission for Enterprises in the Unorganised Sector, in its report on conditions of work and promotion of livelihoods in the unorganised sector, examined issues such as low earnings, insecure employment, limited social security, and inadequate working conditions. The report recommended measures to improve workers' welfare, livelihood opportunities, and access to social protection. These findings are relevant to understanding the economic and occupational challenges associated with labour contracting.

Niraman Mazdoor Shakti Sangathan (2008) conducted survey on the Condition of Construction Workers in Delhi. The survey of the various DMRC sites revealed that the workers had no knowledge of the existence of any compensation package. The story of Welfare Board has hitherto been that of an abject failure in protecting and furthering the cause of the construction workers in Delhi. It has become

the fief of some and has lost its justification for existence. It has failed to get the workers welfare act implemented and has on the other hand been blatantly violating it.

Sujata Madhok (2008) conducted survey of construction workers in Delhi. The survey found that the construction workers were extremely mobile, moving frequently from site to site within the city and peripheral townships. They also move back and forth between the city and peripheral townships. They also move back and forth between the city and the village, depending on the availability of work and familial needs. Most workers do not get the official minimum wage. Nor do they get paid weekly day off. Women are paid lower wages and are restricted to laborious ‘unskilled’ tasks. Since living costs in the city are higher, migrant families spend most of their income on food. The difficult and hazardous nature of their work, the rudimentary housing, the lack of facilities like toilets and water impacts their health. One out of three workers were in debt, either in the village or in the city. Ill health was largest single factor responsible for debt.

International Labour Organization (ILO, 2015), The International Labour Organization, through its research on non-standard forms of employment, examined employment arrangements such as temporary work, casual employment, and other forms of work outside traditional permanent employment relationships. It highlighted concerns relating to job security, wages, occupational safety, and access to social protection. These issues provide a useful framework for examining the challenges encountered by labour contractors and workers operating under contractual employment arrangements.

International Labour Organization (ILO, 2016), The ILO report *Non-standard Employment Around the World: Understanding Challenges, Shaping Prospects* analysed the growth of non-standard employment and its implications for workers and enterprises. It discussed concerns relating to income stability, employment security, working conditions, and collective representation. The report also highlighted the importance of effective labour regulation and social dialogue in improving employment outcomes.

International Labour Organization (ILO, 2022), The International Labour Organization's research on decent work and social protection continued to emphasise the need for safe working environments, adequate remuneration, social security, and effective labour administration. These issues are particularly important in employment arrangements involving multiple parties, where responsibility for workers' welfare and compliance with labour standards must be clearly established.

MAJOR THEMES EMERGING FROM THE LITERATURE

The literature reviewed above highlights several important dimensions relevant to the present study:

1. **Employment and income security:** Labour contracting may provide employment opportunities, but irregular demand for labour can result in fluctuations in income and employment.
2. **Wages and financial advances:** Advances may help workers meet immediate financial needs; however, repayment arrangements and deductions from wages require transparency and fairness.
3. **Working conditions and basic facilities:** Adequate drinking water, sanitation, shelter, rest facilities, and first-aid services are important for maintaining workers' health, safety, and productivity.
4. **Occupational health and safety:** Workers engaged in physically demanding occupations may face risks arising from unsafe workplaces, inadequate protective equipment, and insufficient safety training.
5. **Social security and labour welfare:** Access to health protection, accident benefits, pensions, and other applicable welfare measures is important for workers' long-term security.

6. **Labour regulations and administrative responsibilities:** Labour contractors must manage recruitment, wage arrangements, workplace coordination, and applicable legal obligations while maintaining effective relationships with employers and workers.
7. **Prospects for improvement:** Better training, transparent wage and advance-recovery procedures, improved workplace facilities, access to finance, and effective implementation of labour standards can contribute to better employment relationships.

IMPORTANCE OF STUDYING LABOUR CONTRACTORS

The study of labour contractors is important for several reasons. First, contractors play a significant intermediary role in the employment market. Second, their activities influence the recruitment and working conditions of a substantial number of workers, particularly in labour-intensive sectors. Third, contractors themselves constitute an occupational and entrepreneurial group whose socioeconomic conditions require systematic examination.

A detailed study can help identify the relationship between contractors' socioeconomic characteristics and their business performance. It can also reveal the difficulties experienced by contractors in recruitment, finance, compliance, workforce management, and contract administration. Furthermore, understanding contractors' working conditions can assist policymakers, employers, labour organizations, and researchers in developing appropriate measures to improve employment relationships and strengthen labour-market efficiency.

Labour contractors play an important and significant role in the construction sector. They act as an intermediary between construction workers and employers or project owners by facilitating the supply of labour required at construction sites. Their primary function is to mobilise and supply manual labour to construction projects and to coordinate between workers and employers. In return for providing these services, labour contractors generally receive a commission or service charge from the employers.

The engagement of labour contractors is a common practice in the construction industry. Before commencing a construction project, an individual, Construction Company, institution, or other employer often approaches a labour contractor for the supply of workers. The labour contractor, in turn, mobilises workers from his or her existing network or pool of labourers and deploys them according to the requirements of the construction project. This arrangement enables employers to obtain the required workforce without directly recruiting and managing individual workers.

Generally, persons seeking employment as construction labourers approach local labour contractors in their respective areas. The contractors maintain informal networks of workers and, depending upon the availability of work and labour requirements, include such workers in their pool. When a construction project requires labour, the contractor selects and mobilises workers from this pool and arranges their employment at the worksite.

An important function performed by labour contractors is negotiating the terms and conditions of employment between workers and employers. These negotiations may include wages, working hours, duration of employment, nature of work, accommodation, transportation, food, and other facilities, depending upon the nature and location of the construction project. Thus, the labour contractor serves as an important connecting link between the demand for labour created by employers and the supply of labour provided by construction workers.

For the purpose of understanding the role, functions, working conditions, and position of labour contractors in the construction sector, a total of 150 labour contractors were selected for the present

study. The sample consisted of 50 respondents from each of the three selected districts—Chittoor, West Godavari, and Srikakulam. The respondents were interviewed through field-level investigation to obtain information regarding their role in labour mobilisation, relationship with workers and employers, wage negotiations, working arrangements, and other aspects of their occupation.

It is important to clarify the nature of the respondents included in the present study. The labour contractors who were contacted and interviewed by the research team during the field investigation were registered as workers rather than formally registered as labour contractors. Nevertheless, they perform several functions associated with labour contracting, particularly the mobilisation and supply of workers to construction sites. In view of their actual occupational role, they are treated as labour contractors or labour suppliers for the purposes of the present study.

Therefore, the term *labour contractor* in this study refers primarily to persons who, irrespective of their formal registration status, undertake the practical responsibility of mobilising, supplying, and coordinating construction labour between workers and employers. Their position is particularly important in understanding the informal employment structure of the construction sector, where recruitment and labour mobilisation frequently take place through personal networks and local intermediaries.

SOCIAL CATEGORY

Table No.1 presents the caste wise distribution of labour contractors. Out of the total labour contractor respondents 58.67% are from Backward Castes followed by 22% from other castes, 12.67% from Scheduled castes and 6.66% from Scheduled tribes. Seen caste wise more than half of them (58.67%) are from Backward Castes followed by 22% from Other Castes, 12.67% from Scheduled Castes and 6.66% from Scheduled Tribes. On the whole overwhelming majority of the labour contractors come from the weaker sections (Table No.1).

Table No.1: Social category wise distribution of respondents

Sl. No.	Caste	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	OC	16	32.00	11	22.00	6	12.00	33	22.00
2	BC	28	56.00	34	76.00	26	52.00	88	58.67
3	SC	6	12.00	5	10.00	8	16.00	19	12.67
4	ST	-	-	-	-	10	20.00	10	6.66
	Total	50	100.00	50	100.00	50	100.00	150	100.00

SEX WISE DISTRIBUTION

As mentioned earlier, a total of 150 labour contractors were selected for the study. The gender-wise distribution of the respondents indicates a predominance of male labour contractors. Out of the total sample, 148 respondents (98.67%) were males, whereas only 2 respondents (1.33%) were females. The two female labour contractors were from West Godavari and Srikakulam districts, respectively, as presented in Table No. 2.

The findings clearly indicate that labour contracting continues to be a predominantly male-oriented occupation. The very limited representation of women may be attributed to factors such as the physically demanding nature of labour contracting, the requirement for extensive mobility and field-level supervision, social and cultural factors, and the traditional involvement of men in labour-management activities. Nevertheless, the presence of two female labour contractors indicates that women are also gradually entering this occupation.

Table No.2: Sex wise distribution of respondents

Sl. No.	Sex	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Male	50	100.00	49	98.00	49	98.00	148	98.67
2	Female	-	-	1	2.00	1	2.00	2	1.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

MARITAL STATUS

The marital status of labour contractors provides an important indication of their social and family background. As presented in **Table No. 3**, the findings reveal that 97.33 per cent of the total labour contractors are married, whereas only 2.67 per cent are unmarried.

Table No.3 : Marital status of the respondents.

Sl. No.	Marital status	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Married	50	100.00	48	96.00	48	96.00	146	97.33
2	Un married	-	-	2	4.00	2	4.00	4	2.67
	Total	50	100.00	50	100.00	400	100.00	150	100.00

AGE

The age-wise distribution of the sample labour contractors indicates that the majority of the respondents belong to the age group of 31 years and above. This suggests that labour contracting is predominantly undertaken by individuals with considerable age and, presumably, work experience in the field. In contrast, only 10 per cent of the total sample labour contractors are found in the 20–30 years age group (Table No. 4).

Table No.4 : Age wise distribution of the respondents

Sl. No.	Age	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	20-25	2	4.00	2	4.00	4	8.00	8	5.33
2	26-30	2	4.00	2	4.00	3	6.00	7	4.67
3	31-35	4	8.00	12	24.00	6	12.00	22	14.67

4	36-40	17	34.00	8	16.00	13	26.00	38	25.33
5	41-45	10	20.00	11	22.00	11	22.00	32	21.33
6	46-50	5	10.00	11	22.00	7	14.00	23	15.33
7	51 and above	10	20.00	4	8.00	6	12.00	20	13.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

The relatively lower representation of younger labour contractors may indicate that entering the labour-contracting occupation requires substantial practical experience, knowledge of labour management, and established contacts with employers and workers. The higher proportion of respondents in the older age groups further indicates that labour contracting is generally an occupation pursued by experienced individuals who have acquired the necessary skills and networks over a period of time. Thus, the age-wise distribution reveals that labour contracting is largely concentrated among middle-aged and older persons, while the participation of younger individuals is comparatively limited.

LEVEL OF EDUCATION

The educational status of the sample labour contractors reveals an interesting pattern. It is observed that 96 per cent of the respondents are literates, while only 4 per cent are illiterates. This pattern is broadly consistent across the three selected sample districts, indicating that literacy is relatively widespread among labour contractors.

Out of the total 150 respondents, 17.33 per cent are literates without formal education, while 25.33 per cent have primary-level education. A significant proportion, 42.67 per cent, have attained secondary-level education. Further, 6 per cent of the respondents have completed intermediate education, whereas 4.61 per cent are graduates. The distribution indicates that the majority of labour contractors possess at least a basic level of formal education, with secondary education being the most common educational category.

A district-wise analysis of respondents with secondary-level education shows that 38 per cent of the sample labour contractors in West Godavari district, 46 per cent in Srikakulam district, and 44 per cent in Chittoor district have attained secondary education. The comparatively higher proportion of secondary-educated contractors in Srikakulam and Chittoor suggests some variation in educational attainment across the selected districts.

The overall findings indicate that literacy and basic education play an important role in the labour-contracting occupation. A labour contractor has to deal with workers, employers, government departments, wage payments, records, documentation, and other administrative matters. Therefore, a certain level of literacy and educational awareness may contribute to effective management and success in the occupation. The data presented in Table No. 5 supports the conclusion that a labour contractor requires at least a basic level of literacy and education to perform the occupation successfully.

Table No.5 : Level of Education of the respondents

Sl. No.	Education	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Illiterates	2	4.00	2	4.00	2	4.00	6	4.00

2	Literate without formal education	10	20.00	7	14.00	9	18.00	26	17.33
3	Primary	10	20.00	17	34.00	11	22.00	38	25.33
4	Secondary	22	44.00	19	38.00	23	46.00	64	42.67
5	Intermediate	5	10.00	2	4.00	2	4.00	9	6.00
6	Graduation	1	2.00	3	6.00	3	6.00	7	4.67
	Total	50	100.00	50	100.00	50	100.00	150	100.00

EXPERIENCE

All the sample labour contractors have been working in this occupation between 5 to 11 years and above. Within this 92% of them have been in this occupation for more than 11 years (Table No.6), It is interesting to note that all the 150 labour contractors including the 2 women started as labourers in the construction work under a labour contractor. Having learnt the intricacies of contract work while working as labourers they converted themselves into labour contractors. For all of them it took more than 2 to 3 years to stabilize and sustain.

The two women contractors reported that they faced many difficulties in the beginning like resentment from male labour contractors and doubts on their capability from the employers as well as from the members of the respective families. They said that they had to struggle hard to stabilise themselves when compared to the efforts of the men who have become labour contractors.

Table No.6: Experience as labour contractor of the respondents

Sl. No.	Experience (in Years)	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	5-10	-	-	7	14.00	5	10.00	12	8.00
2	11 and above	50	100.00	43	86.00	45	90.00	138	92.00
	Total	50	100.00	50	100.00	50	100.00	150	100.00

NUMBER OF WORKERS WORKING UNDER LABOUR CONTRACTORS

An enquiry was made how many workers each labour contractor commands, Table No.7 provides the distribution of this information.

Table No.7 : Number of workers working under labour contractor

Sl. No.	Number of workers	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	5	5	10.00	4	8.00	6	12.00	15	10.00
2	10	17	34.00	6	12.00	10	20.00	33	22.00
3	15	7	14.00	9	18.00	6	12.00	22	14.67
4	20	10	20.00	13	26.00	14	28.00	37	24.67
5	25	8	16.00	9	18.00	9	18.00	26	17.33
6	26 and	3	6.00	9	18.00	5	10.00	17	11.33

	above								
	Total	50	100.00	50	100.00	50	100.00	150	100.00

The range is between 5 to 26 and above labourers. 10% of the total contractors command 5 labourers followed by each 22% have 10 labourers under them 14.67% have 15 labourers, 24.67% have 20 labourers, 17.33% have 25 labourers and 11.33% have above 26 labourers. Besides supplying the labour the small labour contractor also works as labourers on daily wages usually at the same site where his / her labourers are working. The contractors with large number of labourers distributes his labour at different worksites and visits the work sites almost every day to see and supervise their work.

DISPARITY IN THE ALLOCATION OF WORK AND WAGES BETWEEN GENDER

94% of the respondents agreed that there is a disparity between men and women labourers in the type of work allocated. The contractors reported that women are usually assigned with the work of carrying bricks, concrete mixture, earth and sand etc. On the other hand men labour assist the masons, rod benders, slab layer etc.

Table No.8 : Gender difference in the allocation of work

Sl. No.	Opinion	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Difference	43	86.00	50	100.00	48	96.00	141	94.00
2	No Difference	7	14.00	-	-	2	4.00	9	6.00
	Total	50	100.00	50	100.00	50	100.00	150	100.00

Table No.9 : Gender discrimination in the payment of wages

Sl. No.	Opinion	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Discrimination	42	84.00	50	100.00	48	96.00	140	93.33
2	No Discrimination	8	16.00	-	-	2	4.00	10	6.67
	Total	50	100.00	50	100.00	50	100.00	150	100.00

The underlying assumption being that men are skilled or semi skilled while women are unskilled. Tradition seems to be playing its own role in the division of labour between men and women in the construction industry also,. The research team did not come across at the construction sites not even a single women engaged in skilled work. In addition to this all the respondents from west Godavari district, 96% from Srikakulam district and 84% from Chittoor district said that there is gender disparity between men and women in the payment of wages also, men are paid higher wages than the women even for the same work (Table Nos. 8 and 9).

REASONS FOR GENDER DISCRIMINATION IN THE WAGES

The reasons for disparity of wages between men and women given by the respondents are interesting.

Majority of the respondents (81.33%) of the total as well from the 3 districts felt that the women being physically weak, cannot sustain longer period of work. They either slow down or take rest five or ten minutes once in one or two hours. 18.67% of the respondents said women receive low wages compared to men because the former are unskilled (Table No.10).

Table No.10 : Reasons for gender discrimination in the payment of wages

Sl. No.	Reasons	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Cannot sustain long hours of working	37	74.00	41	82.00	44	88.00	122	81.33
2	Un skilled	13	26.00	9	18.00	6	12.00	28	18.67
	Total	50	100.00	50	100.00	50	100.00	150	100.00

LOAN ADVANCES TO THE WORKERS

Labour contractors sometimes provide financial assistance to workers by advancing small amounts of money to meet their immediate financial needs. These advances may help workers manage household expenses, medical emergencies, and other unforeseen expenditures. The study reveals that 54% of the total respondents reported that they occasionally advanced loans to the workers employed under them. A district-wise analysis indicates that 56% of the respondents in both Srikakulam and West Godavari districts provided small loan advances to their workers, while the corresponding proportion in Chittoor district was 50% (Table No. 11).

The findings indicate that providing financial assistance is a common practice among labour contractors, although the extent of such assistance varies across the districts. This practice reflects the supportive role played by labour contractors in addressing the immediate financial needs of workers. At the same time, the provision of advances creates a financial relationship between contractors and workers, making transparent loan terms and reasonable repayment arrangements important for maintaining healthy working relationships.

Table No.11 : Facilitation of loans advances

Sl. No.	Loan	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Advances	25	50.00	28	56.00	28	56.00	81	54.00
2	No advances	25	50.00	22	44.00	22	44.00	69	46.00
	Total	50	100.00	50	100.00	50	100.00	150	100.00

METHOD OF RECOVERY OF ADVANCES

With regard to the method of recovery of advances, 86.42% of the respondents reported that they recovered the advance or loan amount on a weekly or monthly basis at the time of wage payment. The

remaining 13.58% of the respondents stated that they recovered the advance amount once a month (Table No. 12).

The findings indicate that the recovery of advances is generally linked to the wage payment system. The majority of the respondents follow a regular recovery mechanism, which helps them manage outstanding advances and maintain financial transactions with workers. However, the recovery process may affect the take-home wages of workers, particularly those who depend on advances to meet their immediate financial needs. Therefore, a transparent and mutually agreed repayment system is essential to maintain good relations between labour contractors and workers.

Table No.12 : Method of recovery of advances

Sl. No.	Method	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Weekly	22	88.00	24	85.71	24	85.71	70	86.42
2	Monthly	3	12.00	4	14.29	4	14.29	11	13.58
	Total	25	100.00	28	100.00	28	100.00	81	100.00

CO-OPERATION FROM WORKERS

Cooperation between labour contractor and the workers under him / her should be satisfactory other wise progress of work will be less and the employer would suffer. Seen from this perspective 57.33% of the respondents said that cooperation between them and their workers is good and 41.33% reported cooperation between the two is satisfactory. Only two contractors reported that cooperation between them and some of their workers is not satisfactory. To the question why they did not fire the workers who are not co-operating with them the answer was that those workers owe some money and they cannot recover if they are fired (Table No.13).

Table No.13 : Level of co-operation from the workers

Sl. No.	Co-operation	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Good	33	66.00	27	54.00	26	52.00	86	57.33
2	Satisfactory	17	34.00	22	44.00	23	46.00	62	41.33
3	Not satisfactory	-	-	1	2.00	1	2.00	2	1.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

CO-OPERATION FROM EMPLOYERS

Labour contractor has to maintain good relations and cooperate with the employer because the employer pays the wages of the workers to the labour contractor who in turn disburses it to the workers. Seen from the point of co operation between the labour contractor and the employer, 58.67% reported that they have good cooperation and 41.33% said co operation between them and the employer is satisfactory (Table No.14).

Table No.14 : Level of co-operation from the employers

Sl. No.	Co-operation	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Good	33	66.00	27	54.00	28	56.00	88	58.67
2	Satisfactory	17	34.00	23	46.00	22	44.00	62	41.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

OPINION ON THE FACILITIES AT WORK SITE

Table No.15 shows the distribution of opinion of the respondents on the facilities available at the work sites. Out of the total respondents 72.67% are not satisfied with the facilities available at work site and 27.33% felt that they were satisfied with the facilities at work sites (Table No.15).

Table No.15 : Opinion on the facilities available at worksite

Sl. No.	Opinion	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Not satisfied	37	74.00	34	68.00	38	76.00	109	72.67
2	Satisfied	13	26.00	16	32.00	12	24.00	41	27.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

The findings indicate that a considerable majority of the respondents were dissatisfied with the existing working conditions and facilities at their work sites. This dissatisfaction may be associated with inadequate drinking water, sanitation, rest facilities, shelter, first-aid services, and other basic amenities. The lack of essential facilities can adversely affect workers' health, safety, comfort, and overall productivity.

HELP TO THE WORKERS DURING ILLNESS

As seen from the Table No.16, 64.67% of the total respondents did help the workers financially when workers fell sick. They said since they are not rich they help them with small amounts like doctors fee, purchase of few medicines etc. 35.33% of the respondents reported they are not extended help to their workers when the workers fall sick (Table No.16).

Table No.16 : Extension of help during the illness of workers

Sl. No.	Opinion	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Help	31	62.00	32	64.00	34	68.00	97	64.67
2	Do not help	19	38.00	18	36.00	16	32.00	53	35.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

ANNUAL INCOME

The annual income of labour contractors from this occupation ranges between Rs.10,000 to 50,001 and

above. 64.00% of them are found in the annual income range of 50001 and above. Examined district wise highest percentage (74%) of the sample of Srikakulam district are found in this income range followed by 68% from west Godavari and 50% from Chittoor district. Next largest sample in the total is earning an annual income of Rs.30,001- 40,000 followed by 15.33 % between Rs.40,001-50,000. The rest, a small percentage of sample is found in the income range of Rs.10,000-30,000. It may be mentioned here that some of them particularly those earning below Rs.30,000 per year, in addition to the contract activity also engage themselves in other occupations including labour to supplement the income earned from labour contract work (Table No.17).

Table No. 17 : Annual income (from this occupation)

Sl. No.	Income (in Rs.)	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	10000-20000	3	6.00	2	4.00	1	2.00	6	4.00
2	20001-30000	-	-	1	2.00	-	-	1	0.67
3	30001-40000	8	16.00	9	18.00	7	14.00	24	16.00
4	40001-50000	14	28.00	4	8.00	5	10.00	23	15.33
5	50001 and above	25	50.00	34	68.00	37	74.00	96	64.00
	Total	50	100.00	50	100.00	50	100.00	150	100.00

AWARENESS ABOUT BUILDING AND OTHER CONSTRUCTION WORKERS ACT OF 1996

An enquiry was made among the labour contractors about their awareness about building and other construction workers Act of 1996, welfare schemes etc. As seen from table No.18, 80.67% of the total respondents are aware of the Act of 1996. Seen district wise 90% from Chittoor district, 76% from each from west Godavari and Srikakulam are aware of this Act. Only 19.33% are not aware of this Act (Table No.18).

Table No.18 : Awareness of Building and other construction workers Act, 1996

Sl. No.	Opinion	Chittoor		West Godavari		Srikakulam		Total	
		No.	Percentage	No.	Percentage	No.	Percentage	No.	Percentage
1	Aware	45	90.00	38	76.00	38	76.00	121	80.67
2	Not Aware	5	10.00	12	24.00	12	24.00	29	19.33
	Total	50	100.00	50	100.00	50	100.00	150	100.00

SOCIAL AND OCCUPATIONAL CONDITIONS

Labour contracting is a people-oriented occupation. Contractors frequently interact with workers, employers, government officials, recruitment intermediaries, and other stakeholders. Consequently, interpersonal relationships are an important component of their occupation. Contractors may face difficulties in maintaining a stable workforce because workers can move between employers or locations in search of better wages and working conditions. Migrant workers may also return to their native places during festivals, agricultural seasons, or family emergencies, creating difficulties in maintaining workforce availability.

Occupational pressure can also arise from the need to resolve disputes between workers and employers. Contractors may have to address issues concerning wages, working hours, absenteeism, accommodation, transportation, workplace discipline, and worker grievances.

LEGAL AND REGULATORY ENVIRONMENT

Labour contracting operates within a legal and regulatory framework designed to protect workers and establish responsibilities among contractors and principal employers. Contractors may therefore be required to comply with provisions relating to worker registration, wages, social security, occupational safety, working conditions, record maintenance, and other statutory requirements, depending on the nature of employment and applicable law.

The regulatory environment is particularly important because labour contractors act as intermediaries in employment relationships. Lack of awareness of legal requirements may result in compliance difficulties, financial penalties, disputes, or exploitation of workers. Therefore, awareness of labour laws and regulations is an important variable for studying the profile and working conditions of labour contractors.

ECONOMIC CONDITIONS

Economic stability is one of the major factors affecting labour contractors. Contractors generally require working capital to recruit and maintain workers before receiving payments from principal employers. Delays in receiving contractual payments can create considerable financial pressure.

Major economic issues may include:

- Delayed payments from employers
- Requirement of working capital
- Wage payment obligations
- Recruitment and transportation expenses
- Administrative costs
- Competition among contractors
- Changes in labour demand
- Contract cancellation or reduction
- Dependence on a limited number of employers
- Fluctuation in profitability

Small and medium-sized contractors may be particularly vulnerable to financial difficulties because they often have limited access to institutional credit and may depend on personal savings or informal sources of finance.

PROBLEMS FACED BY LABOUR CONTRACTORS

Labour contractors may face numerous challenges in their day-to-day operations. Some of the important problems include:

1. Shortage of skilled and reliable workers.
2. High worker turnover.
3. Increasing wage expectations.
4. Delayed payments from principal employers.
5. Competition among contractors.
6. Difficulty in obtaining new contracts.
7. Rising transportation and administrative costs.
8. Compliance with labour regulations.
9. Disputes between workers and employers.
10. Seasonal fluctuations in labour availability.
11. Migration-related difficulties.
12. Lack of institutional finance.
13. Inadequate social protection.
14. Occupational stress and long working hours.
15. Uncertainty regarding continuation of contracts.

These problems may affect the profitability, sustainability, and quality of services provided by labour contractors.

CONCLUSIONS

The review of literature indicates that labour contracting is closely associated with informal employment, labour mobility, income generation, and the organisation of manpower. At the same time, the sector faces challenges relating to financial insecurity, workplace facilities, occupational safety, labour welfare, and regulatory compliance. The reviewed literature provides a conceptual basis for investigating these issues. The present study attempts to develop a district-level understanding of the problems faced by labour contractors and to identify practical measures for improving their working conditions, economic prospects, and relationships with workers and employers.

Labour contractors constitute an important but comparatively less studied component of the labour market. They serve as intermediaries connecting employers with workers and contribute to the availability and management of labour in several economic sectors. At the same time, they face a variety of economic, occupational, social, administrative, and regulatory challenges.

The profile of labour contractors provides an understanding of who they are, how they enter and operate their businesses, the scale of their activities, and the nature of their relationship with workers and employers. The study of their working conditions helps to understand the pressures, risks, opportunities, and difficulties associated with labour contracting.

A systematic investigation into the profile and working conditions of labour contractors can therefore contribute to a better understanding of labour-market institutions and employment practices. It can also provide useful information for policymakers, employers, labour organizations, and other stakeholders concerned with improving the efficiency, transparency, and fairness of labour contracting arrangements.

In this context, the proposed study on **“Profile and Working Conditions of Labour Contractors”** is both academically relevant and socially significant. It seeks to bridge an important gap in labour and

management research by examining the contractor not merely as an intermediary but as an occupational group with its own socioeconomic characteristics, working conditions, challenges, and future prospects.

REFERENCES

1. Breman, J. (1996). *Footloose Labour: Working in India's Informal Economy*. Oxford University Press.
2. Hart, K. (1973). Informal income opportunities and urban employment in Ghana. *The Journal of Modern African Studies*, 11(1), 61–89.
3. International Labour Organization. (2002). *Decent Work and the Informal Economy*. International Labour Conference, 90th Session.
4. International Labour Organization. (2015). *World Employment and Social Outlook 2015: The Changing Nature of Jobs*.
5. International Labour Organization. (2016). *Non-standard Employment Around the World: Understanding Challenges, Shaping Prospects*.
6. National Commission for Enterprises in the Unorganised Sector. (2007). *Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector*. Government of India.
7. Anna Mathew, *Awareness of social issues among Indian women construction workers*, international social work, vol.48 (1), sage publications, New Delhi, 2005.
8. Sujata Madhok, *Report on the status of women workers in the construction industry*. National Commission for Women, New Delhi, 2005.
9. Sujata Madhok, *Creating the common wealth ?*, InfoChange News & Features, September, 2008.