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WOMEN IN PUBLIC SECTOR UNDERTAKINGS IN INDIA AND SOLAPUR DISTRICT.

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Abstract:

The Industrial Revolution in the West flourished at a time when India was under British rule. In India however, the Industrial Revolution left to the destruction of traditional Indian handicraft manufacturing centres without the development of modern factories. Right from the first industrial policy resolution of 1948, the role of public sector undertakings in Indian economy is progressive and active in the development of industries and so also in providing the various services of public utility. The move towards privatization started taking momentum particularly after 1991. It is essential to know the effects of the same on overall employment in Public Sector Undertakings and specifically on the working women. The winds of privatization of PSUs have been blowing very strongly since the 1991 Industrialisation policy.

KEY WORDS:

Public Sector Undertakings , development of industries , Industrial Revolution .

INTRODUCTION

This topic covers only the basic and most important factors of PSUs in India. More stress is laid on the working women in PSUs in India and in the district of Solapur than on the details of government policies regarding the PSUs, the investment patterns in PSUs and other statistics regarding the PSUs. However, the topic presents an bird's eye view of these aspects of PSUs in India.

The Genesis of PSUs in India

The Industrial Revolution in the West flourished at a time when India was under British rule. Due to the impact of this revolution on the country, Indian handicraft industries suffered badly, while on the other hand it promoted industries like textiles, jute, coal, tea and sugar in order to supply basic raw materials and semi finished products to feed the tremendous expansion of productive capacity in England arising out of industrial revolution. Obviously and naturally, no impetus was given to the establishment of large scale industries in India, as India was expected to play not a competitive role but only a complementary role to assist the industrial economy of Britain. In India however, the Industrial Revolution left to the destruction of traditional Indian handicraft manufacturing centres without the development of modern factories. Not only was there no technical know how of the Industrial Revolution, but also there was no impetus to the establishment of large manufacturing centres. The establishment of undisputed British rule in India was a sad take of systematic exploitation by an imperialistic government of people whom it had enslaved. The shrewd economic policies were strengthened by equally shrewd philosophical strategies of divide and rule. The benefits of British rule to Indians were only incidental, if any. The main motive of all British policies

was to serve the interests of England. Thus, in 1947, when the British transferred power to India, India inherited a nascent but crippled economy with a stagnant agriculture and a peasantry in poverty. Nevertheless, the wide network of railways, posts and telegraphs and irrigation did provide the basic infrastructure for future development. The Indian subcontinent got exposed to the industrial influences of developed countries in the west. This was also incidental since the Indian subcontinent occupied the top position for the basic industrial goods for mobilisation of war effort of Allies in the Middle East.

With such state of affairs, it was immediately after independence, in November 1947, that the All India Congress Committee (AICC) appointed the Economic Programme Committee with the then prime minister Pandit Jawaharlal Nehru as Chairman. The AICC resolution after delineations over the merits and demerits of development of the Industry stated:

"Our aim should be to evolve an economic structure which will yield maximum production without the operation of private monopolies and concentration of wealth and which will create a proper balance between urban and rural economies. Such a social structure can provide an alternative to acquisitive economy, of private capitalism and the regimentation of totalitarian state".

This resolution led to the philosophy of mixed economy in India's economic development and thus were sown the seeds of public sector undertakings in India.

On 6th April 1948, the First Industrial Policy of the National Government of India was announced. It outlined the future pattern of India's economic development. The growth of PSUs in India can be traced to the industrial policy resolutions of 1948 and 1956 which delineated the spheres of industrial activities in which the state would participate either exclusively or partially. The Industrial policy of 1956 proved as a milestone in the growth and development of PSUs in India. In order to realise the objective of socialistic pattern of society, it was essential to accelerate the rate of economic growth and to speed up industrialisation.

It was also essential to develop heavy and capital goods industries, to expand the public sector to build up a large and growing cooperative sector and to encourage the widest possible diffusion of ownership and management in private industry. The policy also underline the need for prevention of private monopolies and concentration of economic power, the role of cottage, village and small scale industries in the development of national economy, the need for balanced industrial development and other socio-economic objectives. For the first time, The industrial policy of 1956, classified industries into three categories, having regard to, the role which the state would play in each of them. Schedule 'A' included industries, the future development of which could be the exclusive responsibility of the state. Schedule 'B' included industries which would be progressively state owned and in which the state will generally take the initiative in establishing new undertakings but in which private enterprise will also be expected to supplement the efforts of the state. Apart from schedule 'A' and 'B' industries, in respect of all the other remaining industries, future development, in general, was to be left to the initiative and enterprise of the private sector.

Thus from the industrial policy of 1956, there was no looking back for the PSUs till the winds of privatisation which started blowing from 1990s. In spite of the winds of privatisation blowing very strongly in this century, the importance and role of PSUs in Indian economy is not affected much. PSUs in India have grown in number as well as in geographical area. Investment in these undertakings has phenomenally increased over the last four decades. Now they cover every area of human activity in India. The concept of provision of only utilities of transport, electric supply, water supply etc. for the public by public sector undertakings has undergone a sea-change, increasing the importance of PSUs in public life in the country.

The Conceptual Framework

There is often a misconception or confusion about the term 'Public Sector Undertakings'. Such confusion arises as these undertakings are called by a variety of names. For instance, they are stated as 'Public Enterprises', Nationalised Industries, State owned industries, state enterprises, government concerns etc. The annual report regarding the working of public enterprises, published by the Department of Public Enterprise, uses the term 'industrial and commercial undertakings of the central government'. The administrative reforms commission in its report has used the term 'Public Sector Undertakings'. The standing committee of parliament calls them as 'Public Undertakings'. In foreign countries, the term has been used in conformity with their political and administrative structures. They are known as Public Corporation (Great Britain), Crown Corporation (Canada), Statutory Corporation (Australia), Government Sponsored Corporation (Pakistan), Government Corporation (USA).

The definitions given by the authorities on the subject can do away with the difficulty of terminology and specify the features.

01) A. H. Hanson, "Public enterprises mean state ownership and active operation of industrial, agricultural, financial and commercial undertakings".

02) S. S. Khera, "By public enterprise is meant the industrial, commercial and economic activities carried on by the central government or by a state government and jointly by the central government or by a state government and in each case either solely or in association with private enterprise, so long as it is managed by a self contained management".

03) Friedmann defines Public Sector Undertakings as , "an institution operating in service of an economic or social character, on behalf of the government, but as an independent legal entity, largely autonomous in its management, though responsible to the public, government and parliament and subject to same direction by the government, equipped on the other hand with independent and separate funds of its own and the legal and commercial attributes of a commercial enterprise".

All the above definitions reveal government ownership, govt. control and management, public accountability, wide coverage of activities, autonomous functioning, and public purpose as the main characteristics of public sector undertakings.

TYPES OF PUBLIC ENTERPRISES

1. Commercial Public Sector Undertakings - They are not engaged in manufacture of any product or service. They actively participate in trading and marketing activities. The state trading corporation of India Ltd., the food corporation of india, the indian oil corporation are the examples of such undertakings.

2. Manufacturing Public sector Undertakings - Majority of PSUs can be put in this category. They produce capital as well as consumer goods. Undertakings engaged in the manufacture of steel, oil, machinery, chemicals, fertilizers, engineering equipments, transportation equipments, minerals etc can be classified under this category.

3. Financial Public Sector Undertaking - The government owned undertakings are engaged in the provision of finance for industries. Industrial Development Bank of India, Industrial Finance Corporation of India, Unit Trust of India, State Finance Corporations, State Bank of India, Nationalised Banks etc. are providing funds to commercial and industrial enterprises in public and private sector.

4. Promotional Public Undertakings - A few PSUs are engaged in the promotion of industries especially in SSI sector. national Small Industries Corporation, National Industrial Corporation, National Industrial Development Corporation Ltd, Indian Mines Bureau are engaged in promotional activities.

5 Public Utilities - A few public utilities like Doordarshan, Akashvani, Road Transport Corporation, State Electricity Boards, Railways, Post and Telegraphs etc. are providing services to general public. Their services are essential by nature and 'Public Interest' is kept uppermost.

There are various forms in which the PSUs can be organised. The important forms for organising PSUs are the Departmental Undertakings, Public Corporation, Government Company and other forms such as commissions, public trust, commodity board and operational contract.

Railways, Post and Telegraphs , Atomic Power project, Security and Currency Press, Government Printing Press, Income Tax Dept., Excise and Sales Tax Dept. etc. are the examples of departmental organisations. Again these departmental organisations are classified into departments of central govt and state govt and local govt bodies. The public corporations include life insurance corporation of India, general insurance corporation, unit trust of India, BSNL, road transport corporation, electricity boards etc. As in case of departmental organisations, the corporations are also classified into corporations of central govt and state government. The nationalised banks though coming under corporations are treated as quasi or semi govt organisation and are governed by negotiable instruments act. The govt companies are formed under the provisions of the companies act 1956. The Bharat electronics Ltd, the Hindustan Antibiotics Ltd, the Bharat heavy Electricals Ltd. etc. are the major examples of govt companies.

PUBLIC SECTOR IN INDIAN ECONOMY

Right from the first industrial policy resolution of 1948, the role of public sector undertakings in Indian economy is progressive and active in the development of industries and so also in providing the various services of public utility. The industrial policy resolution of 1956, categorically emphasised that all industries of basic and strategic importance or in the nature of public utility services should be in the public sector. The policies of 1973 , 1977 also stressed the role of PSUs in Indian economy and continued to follow

the policy resolution of 1956 without any major changes. Accordingly, the five year plans made necessary outlays for the PSUs so that, the industrial resolutions could be implemented. From the first five year plan i.e. 1951-56 to sixth plan i.e. 1980-85, the investment in PSUs increased from Rs.1559 crores to Rs.84000 crore. It was from the industrial policy resolution of 1990 that the role of PSUs started changing in the country. Though the government has not made any substantial change regarding the role of PSUs, the government opened the door of steel production to the private sector. This was undoubtedly a major change. Generation of power was also opened to the private sector. It was through the industrial policy resolution of 1991, that the government decided to take a series of measures to unshackle the Indian industrial economy from the cobwebs of unnecessary bureaucratic control. Thus, from the eighth five year plan i.e. 1985-1990 the PSUs became selective in the coverage of activities and its investment was focussed on strategic, high-tech and essential infrastructure. It was in the ninth five year plan 1997-2002 that the government started with disinvestment policy. The plan stated, there is no particular reason why government should retain a majority equity stake in public sector undertakings except for those that are in the strategic areas where national security is involved. The government affirmed that reduction in the government's holding in public sector equity will not have an adverse effect on the health of the public sector units. On the contrary, the removal of government interference should give these units the corporate freedom they need to function efficiently in a competitive market. From 1998-99 the disinvestment policy of the govt. is being implemented stage by stage, in spite of resistance from the employees.

WOMEN IN ORGANIZED SECTOR

The move towards privatization started taking momentum particularly after 1991. It is essential to know the effects of the same on overall employment in Public Sector Undertakings and specifically on the working women.

The overall trend of employment of women in organized sector shows that the flow of women towards private sector has increased between the decade of 1991 to 2001. Variety of reasons may be responsible for the same. Better prospects in private sector, highly paid jobs, ban on recruitment in Public Sector Undertakings, possibility of flexi time, the governments policy of Compulsory Voluntary Retirement are the general reasons for the decline of women employment in Public Sector Undertakings.

The Prime Minister and Finance Minister of India have already expressed their concern over the outflow of qualified staff from Public Sector Undertakings in search of 'Green Pastures' outside and have stated that efforts will be made to retain the able hands in Public Sector Undertakings.

Women in Organised Sector

Total and women employment in organised sector in India (Lakh persons as on 31st March)

Sector	Particulars	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Public Sector	Total	194.4	193.1	194.2	194.2	195.6	194.3	194.7	194.5	193.3	192.1	190.6
	Women	28.6	28.6	28.1	27.6	27.3	26.4	26.0	25.7	24.8	24.3	23.5
	Male	162.8	164.6	166.0	166.6	168.3	169.9	168.7	168.8	168.5	167.8	167.1
Private Sector	Total	86.5	86.5	87.0	87.5	86.9	85.1	80.6	79.3	78.5	78.5	76.8
	Women	20.9	20.7	20.2	20.1	19.1	17.9	16.3	15.9	15.5	14.8	14.3
	Male	65.6	65.8	66.8	67.4	67.8	67.2	64.3	63.4	63.0	63.7	62.4
Total	Total	277.9	279.6	281.1	281.7	282.5	279.4	275.3	273.8	271.8	270.6	267.3
	Women	49.5	49.2	48.3	47.7	46.4	44.3	42.3	41.5	40.3	39.1	37.8
	Male	228.4	230.4	232.8	233.9	236.1	235.1	233.0	232.2	231.5	231.5	229.5

Source: Economic and political weekly, April 24, 2004.

The table shows that, out of the total employment in organised sector in 2001, the percentage of women employees was just 17.9%. Out of the total women working in organised sector in 2001, the percentage of women employed in public sector was 56% while 34% of women were working in private sector. Out of the total employment in public sector undertakings in 2001, the percentage of women employees was 14.34, which was 28.6 lakhs in numbers. The total employment of women in public sector undertakings has gone up from 190.6 lakhs in 1991 to 194.4 lakhs in 2001, showing a total increase of 3.8 lakhs in a decade! As in case of private sector, the total employment of women has gone up from 14.3 lakhs in 1991 to 20.9 lakhs in 2001, showing a total increase of 6.6 lakhs in a decade; which in turn means that in the decade between 1991 to 2001, the employment of women in private sector has increased than in public

sector undertakings. Another glaring fact that is indicated in table is that, employment of male has gone down from 167.1 lakh persons in 1991 to 162.8 lakh persons in 2001, while during the same period employment of women in PSUS has increased from 23.5 lakhs in 1991 to 28.6 lakhs in 2001. This again indicates that total number of working women is organized sector whether in public or private shows a constant increasing trend, justifying the research to be conducted on the topic.

WOMEN IN PSUS IN SOLAPUR DISTRICT

The Solapur district which was hitherto known as the textile city, is facing acute problem of unemployment due to closure of majority of textile mills. Along with the problem of closure of textile mills, the district has suffered a lot due to unfavourable rain fall consistently for years and is now recognised as a drought prone one. The only hope of the city is developing service sector and majority of families are having employment in PSUs. The PSUs in the city and district of Solapur are more of public utilities and departments of government while there are no manufacturing and other types of public sector undertakings in the city and district. It can be said without much of exaggeration that the survival of this district is presently dependent upon the PSUs functioning in the service sector in the form of government departments, public corporations, state governments, nationalised banks as semi-government organisation and local government bodies.

As per 2001 census, the population of Solapur district was 38,49,543 out of which the urban population was 12,25,284 while the rural population was 26,24,259. The male population was 19,89,623 and the female population was 18,59,920. The literacy rate was 71.25% of which the male literacy was 81.99% and female literacy rate was 59.84%. The district of Solapur has Municipal corporation having 11 Talukas. There are in all 14, 113 women working in Solapur District in different Public Sector Undertakings. These are classified as Central Government, Public Corporations, Quasi or Semi Government, State Government and Local Government Bodies. The number of women working in Local Government Bodies is maximum to the tune of 11,060 followed by State Government where the number of working women is 2216 while there number in Central Government, Public Corporations and Quasi Government is very meagre.

The Winds of Privatization and Working women

The winds of privatization of PSUs have been blowing very strongly since the 1991 Industrialisation policy. Even the Ninth Finance commission in its report has voiced deep concern about low returns on the huge investments made in PSUs which should be an engine of growth rather than a drag on government resources. The commission has suggested that, "possibilities should be explored for restructuring and phasing out loss making enterprises in the non core sector by appropriate package of measures".

With the winds of privatization, if more and more PSUS are privatised, under the present scenario, working women will be the lot which will be affected severely. The problems of working women will be aggravated with privatization. This is because they have to be competitive, result oriented, skilful, ready to inculcate new trends and knowledge to keep pace with the competition and if they cannot do so, they will be thrown out, leaving them no option but to go back to same old household drudgery. If this situation is to be avoided, it is the need of the day to make women in general and working women in particular to be aware of the present scenario so that, they will improve their competitiveness, tap their potential, increase their educational qualification and skills making themselves perfectly fit in the changing scenario. If this happens, even the winds of privatization cannot shatter their position and they will be ready to take up any challenge!

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