



# AN ECONOMIC ANALYSIS OF EMPLOYMENT AMONG CONSTRUCTION WORKERS

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Article DOI: <https://doi.org/10.36713/epra26265>

DOI No: 10.36713/epra26265

## ABSTRACT

The construction sector plays a pivotal role in national economic development by generating employment opportunities and contributing significantly to GDP growth. This paper explores the dynamics of employment among construction workers, highlighting both the economic importance and the challenges faced by labor in this industry. While the sector provides large-scale job opportunities for skilled, semi-skilled, and unskilled workers, employment is often characterized by informality, wage disparities, and limited social security. The analysis underscores the vulnerability of workers due to project-based contracts, unsafe working conditions, and lack of skill development initiatives. At the same time, the sector's expansion through infrastructure and real estate projects demonstrates its potential to drive inclusive growth if labor policies, training programs, and safety standards are strengthened. The study concludes that improving employment quality in construction is essential not only for worker welfare but also for sustaining long-term economic progress.

**KEY WORDS:** Construction sector employment Informal labor market Occupational health and safety Labor migration patterns.

## 1.1 INTRODUCTION

The Construction workers provide a large volume of employment. Under the succeeding five-year plans, the importance of construction work has increased various in terms of employment generation. With the introduction of industrialization and modern developments, this worker is playing a key role in the construction of buildings, roads, bridges etc. The workers involved in this construction often fall victim to several occupational disorders and psychosocial stresses. In India, the construction workers belong to the organized and unorganized sectors. But data in respect to their occupational health and psychosocial stress are very scanty. It is a fact that a sizable number of the workforce is from the unorganized sectors. The working hours are for more than the stipulated hours of work, the workplace is not proper, the working conditions are quite unfavorable in most of the cases and hence all these involve risk factors. Their wages are also not adequate, making it difficult for them to maintain their families. The hazards include handling of different materials required for construction and exposure to hard environmental conditions like hot sun, rain and cold weather. These adverse conditions result in coincidences and adverse health conditions Causing psychosocial strain and stress. The Global construction Report, sponsored by Price Waterhouse Coopers, predicts that the volume of construction output will grow by more than 70% worth \$ 15 trillion worldwide by 2025.

**Meaning:** A construction workers is a worker employment in the physical construction of the built environmental and its infrastructure.

### Requires Skilled Construction Workforce for Economic Growth:

India's employment in the construction sector is projected to grow to 100 million to attain economic growth targets, according to a report by Knight Frank India. The construction sector, which is the second-largest employment generator in the country, is estimated to employ 71 million of the workforce by 2023. More than 80% of this workforce is unskilled, and only 19%, that is 1.3 million of the workforce in the rea sector are skilled employees, the report mentioned. Whereas 4.4 million are core skilled employees,

### Construction Sector and India's Economic Growth

In the last ten years, the output from India's construction sector (infrastructure and real estate) has grown at a CAGR of 11%. The construction sector, along with the output generated from real estate services and ownership



of dwellings, contributes 18% to the economy's total output, as per the report. Between FY 2012-22, India's construction sector attracted a cumulative FDI inflow of \$35 billion.

## 1.2 REVIEW OF LITERATURE

**Joel Marumo Mosenogi (2015)<sup>1</sup>** this study describes how the significance of infrastructure development and maintenance in every economy cannot be overemphasized. Literature has proved that ventures in infrastructure have the potential to profit positive and long-term results in the economy, and the results of expenditure in construction sector actions have also shown the spillover effects on infrastructure development through indirect and induced impact. Application of the Social Accounting Matrix (SAM) in the study has allowed the perceptive analysis of the relationship between construction workers, economic growth, and household income in South Africa.

**Neelmani Jaysawal Mr. & Mrs. Sudeshna Saha (June 2014)<sup>2</sup>** The construction workers are disreputable for the refusal of basic workers' rights, predominantly of freedom of association and the right to collective bargaining. Harsh behavior by employers and contractors in trying to prevent the organization of trade unions is every day. There are many examples of construction workers being sacked or neglected for legitimate union movements. As with all informal economy workers, government regulation affects every aspect of workers' livelihoods, rights, and conditions of work. A fundamental and crucial objective of construction workers' organizations is, therefore, to win recognition and representation in government agencies that have jurisdiction over the sector.

**Erik Bengtsson & Svante Prado (2020)<sup>3</sup>** in these article reviewed that the Economic- historical research on wage difference has focused too much on differences among blue collar workers. We have in that way deserted socially and economically important associated between the middle class and the working-class. Middle-class professions such as primary school teachers and nurses advanced rapidly in the nineteenth century. At the same time, the supply of expert employees continued relatively low, and it is likely that it did not increase to match the demand.

**Gopalakrishnan S., Mohan Kumar P. (2020)<sup>4</sup>** In this article researcher reviewed that in order to overcome these risk issues and risk behavior, the construction firms must confirm showing of its workers regularly for identifying any existing health issues for early finding and prompt treatment. During the screening process, the habits of consumption of alcohol or matter abuse or tobacco use should be identified and apt counseling sessions carried out in order to reduce their risk behaviors. It is vital to provide the necessary personal protective devices and medical aids for these workers who are at all times at risk.

**Joel Marumo Mosenogi Mr. (2015)<sup>5</sup>** this study describes significance of infrastructure development and maintenance in every economy cannot be over emphasized. Literature has proved that venture in infrastructure has the possible to profit positive and long term results in the economy and the results of expenditure in construction sector actions has also showed the spillover effects on infrastructure development through indirect and induced impact. Application of Social Accounting Matrix (SAM) in the study has allowed the perceptive analysis of the relationship between construction workers, economic growth and household income in South Africa

## 1.3 OBJECTIVE OF THE STUDY

1. To study the construction workers growth and development India and Karnataka.
2. To know the study of status the construction workers in Kalaburagi district.
3. To examine the socio-economic status of the construction workers in the study area.
4. To suggest remedial measures to improve the conditions of construction workers.

## 1.4 RESEARCH METHODOLOGY

The Designing a suitable methodology and selection of analytical tools are important for a meaningful analysis of the research problem. An attempt has been made to describe the methodology which includes sampling procedures, period of study, and collection of data and tools of analysis. The study is made on the basis of the primary data collected from the construction workers in Kalaburagi district of Karnataka State.

### A). Selection of study Area

The Kalaburagi District is identified for the present study, 7 taluks selected namely Afzalpur, Aland, Chincholi, Chitapur, Gulbarga, Jevargi and Sedum these taluks have selected for the study i.e. to be identified for area which are using Construction Workers Development by, Karnataka State Construction Workers Central Union (KSCWCU).

**B).Data Collection**

The present study is mainly based on both primary and as well as secondary sources there are two important sources of data collection the primary data have gathered with the help of a survey method suitable questionnaire has developed and collected the required information to the topic related. A suitable interview schedule is adopted. Secondary data collected from books published various Reports, Journals, Census, newspapers, magazines etc.

**Table Total Registered of construction workers through Karmika 1 & Seva Sindhu as on Feb. 2020 in Karnataka State**

Particular	Population
Registration through KARMIKA 1	6,81,192
Registration through Seva Sindhu portal	91,741
<b>Total Registration of construction workers through Karmika 1 &amp; Seva Sindhu as on Feb.2020</b>	<b>7,72,933</b>

Sources: Karnataka Evaluation Authority, 2021 report

**Challenges and issues in the construction worker**

Construction problems are all too common throughout a project's life cycle. Project managers tasked with safeguarding projects remain on schedule, within budget, compliant with safety regulations, and running easily know that it can be problematic with the amount of potential and unanticipated issues that tend to crop up. Here are some of the top challenges and problems in the construction workers.

**Table Challenges and issues in the construction worker**

Challenge Name	Problem	Solution
<b>1. Cost Overrun</b>	Exceeds budget due to poor estimates, design changes, and payment delays.	Improve planning, manage changes, and ensure timely payments.
<b>2. Delays</b>	Projects often face delays from uncontrollable factors and management issues.	Leverage technology for scheduling and data accuracy.
<b>3.Slow Adaptation to Emerging Technologies</b>	Hesitance towards new tech adoption limits efficiency improvements.	Invest in new technologies for Management and communication improvements.
<b>4. Inadequate Communication</b>	Communication gaps lead to unrealistic expectations and missed tasks.	Use clear guidelines and technology for better communication.
<b>5. Labour Shortage</b>	Skill gaps and a declining workforce challenge the workers.	Invest in tech and partnerships with schools for apprenticeships.
<b>6. Poor Planning, Forecasting, and Budgeting</b>	Goalsunmet due to improper planning, forecasting, and budget issues.	Set realistic goals, communicate effectively, and plan finances carefully.
<b>7. Lacking Organization and Haphazard Document Management</b>	Manual documentation prone to errors.	Shift to digital, paperless document management.
<b>8.Problems with Cash Flow</b>	Payment delays disrupt the ability to pay for labour and materials.	Implement modern payment systems and manage finances efficiently.

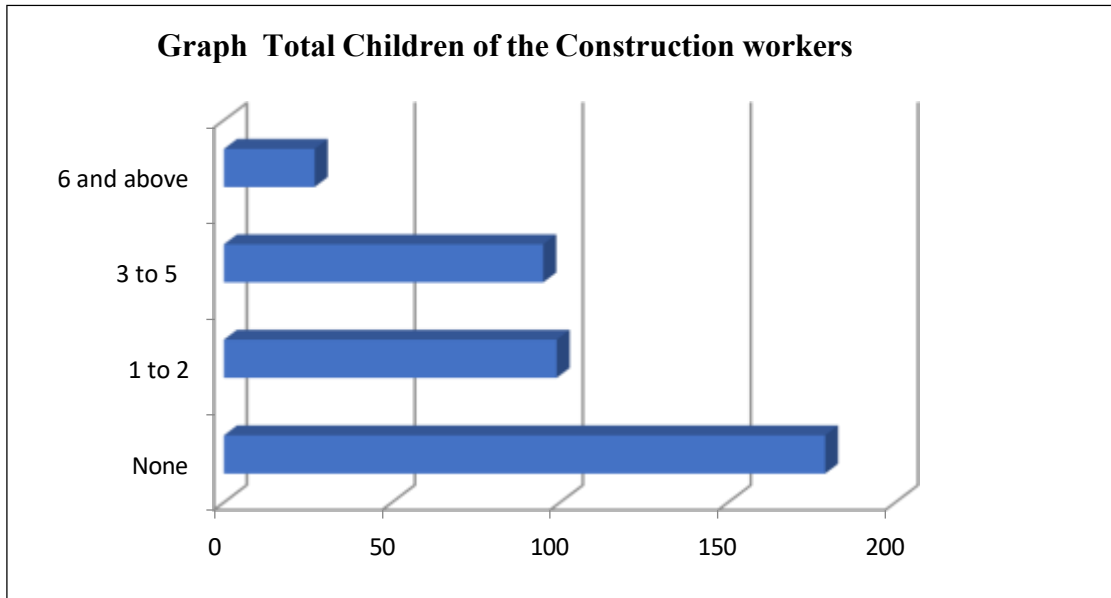
**TABLE NO-1**

**TOTAL CHILDREN OF THE CONSTRUCTION WORKERS**

Children	Respondents	Percentage
None	179	44.75
1 to 2	99	24.75
3 to 5	95	23.75
6 and above	27	6.75
<b>Total</b>	<b>400</b>	<b>100.00</b>

Sources: Field Survey.

This table clarifies that total Children of the Construction worker's family. Maximum 179 (44.75%) respondents don't have children means they are living single or only couples in their family, 99 (24.75%) construction workers have 1 to 2 children in their family followed by 95 (23.75%) respondents have 3 to 5 children and 27 (6.75%) workers have more than 6 children in their family.

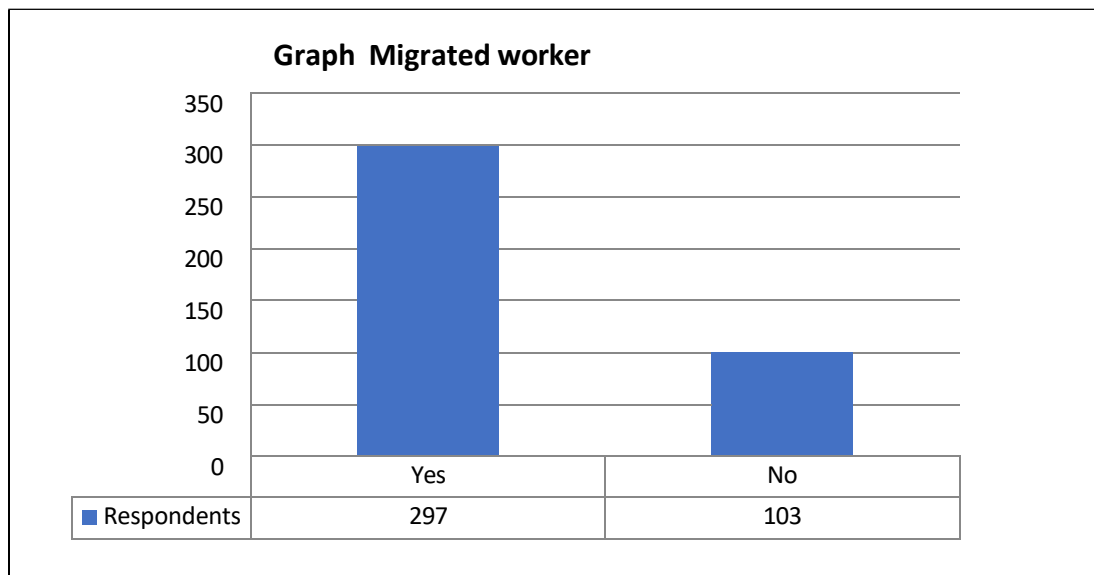


**TABLE NO-2 MIGRATED WORKER**

Migrated Worker	Respondents	Percentage
Yes	297	74.25
No	103	25.75
<b>Total</b>	<b>400</b>	<b>100.00</b>

Sources: Field Survey

The above table portrays that the migrated workers from different places to Kalaburagi district or within the district from one place to other place. Out of 400 construction workers majority 297 (74.25%) respondents were told migrated from other district, state and within district but living near to the construction area and 103 (25.75%) respondents told that we are not migrated workers since from many years we are living in this area so it helpful to come to do this work

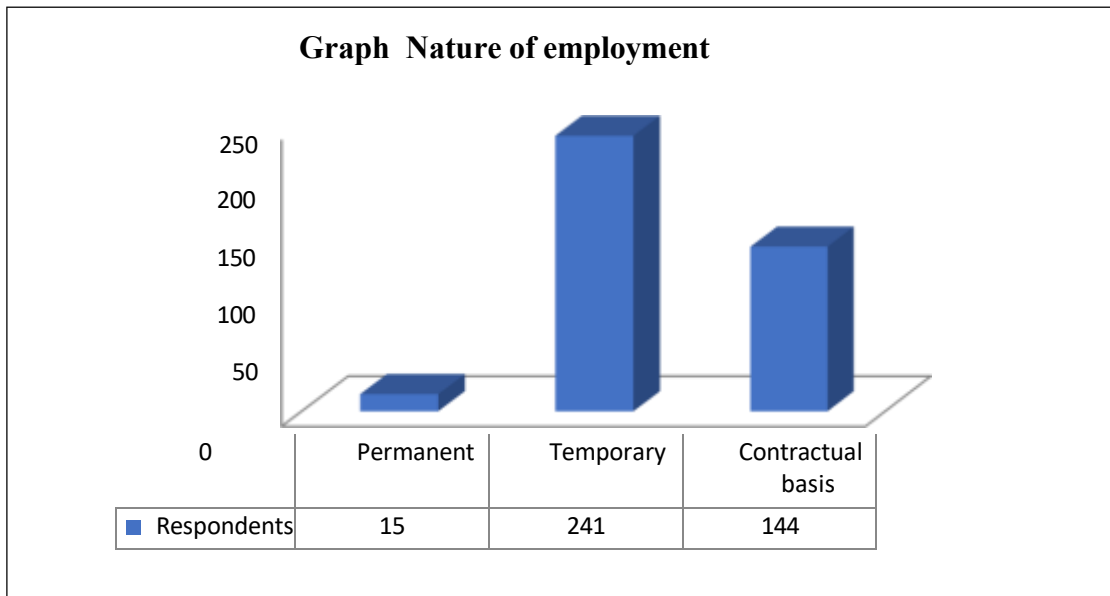


**TABLE NO-3 NATURE OF EMPLOYMENT**

Nature of employment	Respondents	Percentage
Permanent	15	3.75
Temporary	241	60.25
Contractual basis	144	36.0
<b>Total</b>	<b>400</b>	<b>100.00</b>

Sources: Field Survey

The above table explains that the nature of employment in the construction industries in Kalaburagi district of Karnataka state. Out of 400 respondents, majority 241 (60.25%) construction workers were told working on temporary basis no guaranty job security, 144 (36%) respondents were told working on Contractual basis but little financial burden will solve in our family but less secure the job condition and 15 (3.75%) respondents were informed working as permanent workers in this field like engineers, machine operators etc.



## 1.5 CONCLUSION

In both cases, one can see the regularization of 'irregularity' but through different means, as the agency of labourers is manifested differently. While labourers working in small private projects would seemingly be more exploited, this study shows that they retain a degree of agency and mobility that cannot be neglected. On the other hand, we see the bondage of labour in big sites, often part of the public sector, which is seemingly more legal, regulated and standardized. This study of two kinds of labour relations within the construction sector shows that this sector is not homogeneous in nature.

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