

# DEPARTMENT OF MANAGEMENT STUDIES

# II YEAR/III SEMESTER

# **BA4016 - INDUSTRIAL RELATIONS AND LABOUR LEGISLATIONS**

**COURSE MATERIAL** 



Anna University Chennai

Regulation 2021

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2	MBA Dept - Mission/ Vision	3	
3	PEO'S/PO's	3	
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# Jeppiaar Nagar, OMR Salai, Semmencherry , Chennai -600119

# **VISION**

To build Jeppiaar Engineering College as an institution of academic excellence in technology and management education, leading to become a world class university.

#### **MISSION**

• To excel in teaching and learning, research and innovation by promoting the principles of scientific analysis and creative thinking.

• To participate in the production, development and dissemination of knowledge and interact with national and international communities.

• To equip students with values, ethics and life skills needed to enrich their lives and enable them to contribute for the progress of society.

• To prepare students for higher studies and lifelong learning, enrich them with the practical skills necessary to excel as future professionals and entrepreneurs for the benefit of Nation's economy.

# DEPARTMENT OF MANAGEMENT STUDIES

#### VISION

To be a prominent management institution developing industry ready managers, entrepreneurs and socially responsible leaders by imparting extensive expertise and competencies.

#### **MISSION**

• To provide management education to all groups in the community.

• To practice management through scholarly research and education.

• To advance in the best practices of management which enable the students to meet the global industry demand.

• To promote higher studies, lifelong learning, entrepreneurial skills and develop socially responsible professionals for empowering nation's economy.

# **PROGRAMME EDUCATIONAL OBJECTIVES (PEOs):**

MBA programme curriculum is designed to prepare the post graduate students

• To have a thorough understanding of the core aspects of the business.

• To provide the learners with the management tools to identify, analyze and create business opportunities as well as solve business problems.

- To prepare them to have a holistic approach towards management functions.
- To inspire and make them practice ethical standards in business.

# PROGRAMME OUTCOMES (POs)

On successful completion of the programme,

- Ability to apply the business acumen gained in practice.
- Ability to understand and solve managerial issues.

• Ability to communicate and negotiate effectively, to achieve organizational and individual goals.

- Ability to understand one's own ability to set achievable targets and complete them.
- Ability to fulfill social outreach
- Ability to take up challenging assignments

# **COURSE OBJECTIVES:**

• To explore contemporary knowledge and gain a conceptual understanding of industrial relations.

• To have a broad understanding of the legal principles governing the employment relationship at individual and collective level.

# **COURSE OUTCOMES:**

1. Industrial relations system and Trade unions

2. Industrial Disputes and labour welfare measures

3. Labour legislation introduction and legal provisions for factory workers, wages and Bonus

4. Legal provisions for equal remuneration, gratuity, compensation, industrial employment and Apprenticeship

5. Legal provisions for EPF, ESI, Maternity, contract labours, and child labour prevention.

Course	Program Outcomes						
Outcomes	PO1	PO2	PO3	PO4	PO5	PO6	
CO1	3	1	2	0	2	0	
CO2	3	3	2	0	2	0	
CO3	3	1	2	0	2	0	
CO4	3	1	2	0	2	0	
CO5	3	1	2	0	2	0	
Average	3	1.4	2	0	2	0	

# **BA4016 INDUSTRIAL RELATIONS AND LABOUR LEGISLATIONS**

#### **UNIT I INDUSTRIAL RELATIONS 9**

Concept, scope- objectives- Importance - Approaches to IR- Industrial relations system in India. Trade Unions Act,1926- trade union movement in India- objective -role - functions-procedure for registration of trade unions- Rights and responsibilities- problems- Employee relations in IT sector.

#### UNIT II INDUSTRIAL CONFLICTS AND LABOUR WELFARE 9

The Industrial Disputes Act, 1947-Disputes – Impact – Causes – Strikes – Prevention – Industrial Peace – Government Machinery – Conciliation –Arbitration –Adjudication. Labour welfare- statutory-Voluntary welfare funds-welfare of unorganized labour

UNIT III LABOUR LEGISLATIONS-I 9 Origin and growth of labour legislation in India-Principles of labour legislations-Factories Act 1948- Minimum Wages Act, 1948- Payment of Wages Act, 1936- Payment of Bonus Act, 1965-

UNIT IV LABOUR LEGISLATIONS-II 9 The Industrial employment (standing orders) Act, 1946- The Apprentices act, 1961-The Equal Remuneration act, 1976- Payment of Gratuity act 1972- Employee compensation act in 2013

UNIT V LABOUR LEGISLATIONS-III 9 Employees' Provident fund and Miscellaneous provisions act, 1952- Employees' state insurance (ESI) Act, 1948- Maternity Benefit Act, 1961- Contract Labour Regulations and Abolition Act, 1970 - The Child Labour Prevention and Regulation Act, 1986.

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# UNIT 1

# **INDUSTRIAL RELATION**

#### **1.1 Concepts of Industrial Relations.**

#### **Industrial Relations**

The Term —Industrial Relationsommonly denotes —employee – employee relations, in both organized and unorganized sectors of the economy. Industrial Relations (also known as labour – management relations or labour relations) will be treated here as the study of employee – employer relationship and the outcome of such relationship.

#### Definition

According to Kapoor defined as the —Industrial Relations is a developing and dynamic concept and such no more limits itself merely to the complex relations between the unions and management but also refers to the general web of relationships normally obtaining between employees – a web much more complex than the single concept of labour capital conflict.

#### **Features of Industrial Relations**

- □ Industrial Relation do not emerge in vacuum they are born of employment relationship in an industrial setting. Without the existence of the two parties, i.e., labour and management, this relationship cannot exist.
- It provides the environment for industrial relations.
- <sup>1</sup> Industrial Relation are characterized by both conflict and co-operations.
- <sup>□</sup> The focus of Industrial Relations in on the study of the attitudes, relationships, practices and procedure developed by the contending parties to resolve or at least minimize conflicts.

# The main objectives of industrial relations system are

- <sup>1</sup> To safeguard the interest of labor and management by securing the highest level of mutual understanding and good-will among all those sections in the industry which participate in the process of production.
- <sup>□</sup> To avoid industrial conflict or strife and develop harmonious relations, which are an essential factor in the productivity of workers and the industrial progress of a country.
- <sup>1</sup> To raise productivity to a higher level in an era of full employment by lessening the tendency to high turnover and frequency absenteeism.
- <sup>1</sup> To establish and promote the growth of an industrial democracy based on labor partnership in the sharing of profits and of managerial decisions, so that ban

individuals personality may grow its full stature for the benefit of the industry and of the country as well.

- To eliminate or minimize the number of strikes, lockouts and gheraos by providing reasonable wages, improved living and working conditions, said fringe benefits.
- To improve the economic conditions of workers in the existing state of industrial managements and political government. Socialization of industries by making the state itself a major employer
- Vesting of a proprietary interest of the workers in the industries in which they are employed.

# Scope of industrial relations

- Protecting the interest of the employees
- Providing reasonable wages to employees
- Providing safe and hygienic working conditions
- Providing social security measures
- Maintaining strong Trade Unions
- Collective bargaining

## Industrial peace and democracy could be developed and maintained by:

- Settlement of industrial disputes through mutual understanding and agreements
- > By evolving various statutory measures
- > By formation of various machineries such as works committee, boards of conciliation labour courts etc.
- > Workers participation in management
- Recognizing human rights

#### The main aspects of Industrial Relations are:-

Labor Relations, i.e. relations between union and management Employer-employees relations, i.e. relations between management and employees Group relations, i.e. relations between various groups of workmen

- Community or Public relations, i.e. relations between industry and society.
- Promotions and development of healthy labor-managements relations.
- Maintenance of industrial peace and avoidance of industrial strife
- Development of true industrial Democracy

# **1.2 Importance of industrial relation**

- Uninterrupted production
- **Reduction in Industrial Dispute**
- High morale Industrial relation improves the morale of employees
- Mental revolution
- Economic growth and Development
- Discourages unfair practices
- Enactment of statutory provisions

#### **Uninterrupted Production**

To ensure continuity of production.

continuous employment for all from manager to workers

 $^{\Box}$  The resources are fully utilized, resulting in the maximum possible production. There is uninterrupted flow of income for all.

# **Reduction in Industrial Disputes**

Good industrial relation reduces the industrial disputes.Disputes are reflections of the failure of basic human urges or motivations to secure adequate satisfaction or expression which are fully cured by good industrial relations.

## High morale

Good industrial relations improve the morale of the employees. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one and the same, i.e. to increase production.

#### **Mental Revolution**

The main object of industrial relation is a complete mental revolution of workers and employees. The industrial peace lies ultimately in a transformed outlook on the part of both. It is the business of leadership in the ranks of workers, employees and Government to work out a new relationship in consonance with a spirit of true democracy.

# **New Programmes**

New programmes for workers development are introduced in an atmosphere of peace such as training facilities, labor welfare facilities etc. It increases the efficiency of workers resulting in higher and better production at lower costs.

#### **Reduced Wastage**

Good industrial relations are maintained on the basis of cooperation and recognition

of each other. It will help increase production. Wastages of man, material and machines are reduced to the minimum and thus national interest is protected.

## **Functional Requirements of a Successful Industrial Relations Programme**

# **Top Management Support:**

Since industrial relations is a functional staff service, it must necessarily derive its authority from the line organization. This is ensured by providing that the industrial relations director should report to a top line authority to the president, chairman or vice president of an organization.

#### **Sound Personnel Policies:**

These constitute the business philosophy of an organization and guide it in arriving at its human relations decisions. The purpose of such policies is to decide, before any emergency arises, what shall be done about the large number of problems which crop up every day during the working of an organization. Policies can be successful only when they are followed at all the level of an enterprise, from top to bottom.

# Adequate Practices should be developed by professionals:

In the field to assist in the implementation of the policies of an organization, a system of procedures is essential if intention is to be properly translated into action. The procedures and practices of an industrial relations department are the —tool of management which enables a supervisor to keep ahead of his job that of the time-keeper, rate adjuster, grievance reporter and merit rater.

#### **Detailed Supervisory Training:**

To ensure the organizational policies and practices are properly implemented and carried into effect by the industrial relations staff, job supervisors should be trained thoroughly, so that they may convey to the employees the significance of those policies and practices. They should, moreover, be trained in leadership and in communications.

#### **Follow-up of Results:**

A constant review of an industrial relations programme is essential, so that existing practices may be properly evaluated and a check may be exercised on certain undesirable tendencies, should they manifest themselves. A follow up of turnover, absenteeism, departmental morale, employee grievances and suggestion; wage administration, etc. should be supplemented by continuous research to ensure that the policies that have been pursued are best fitted to company needs and employee satisfaction. Hints of problem areas may be found in exit interviews, in trade union demands and in management meetings, as well as in formal social sciences research.

#### Difference between industrial relations and human relations:

The term —Industrial Relationsis different from —Human Relations<sup>II</sup>. Industrial relations refer to the relations between the employees and the employer in an industry. Human relations refer to a personnel-management policy to be adopted in industrial organizations to develop a sense of belongingness in the workers improves their efficiency and treat them as human beings and make a partner in industry.

Industrial relations cover the matters regulated by law or by collective agreement between employees and employers. On the other hand, problems of human relations are personal in character and are related to the behavior of worker where morale and social elements predominated. Human relations approach is personnel philosophy which can be applied by the management of an undertaking. The problem of industrial relations is usually dealt with a three levels – the level of undertaking, the industry and at the national level. To sum up the term —Industrial Relations more wide and comprehensive and the term —Human Relations is a part of it.

#### **Suggestions to Improve Industrial Relation**

Both management and unions should develop constructive attitudes towards each other

All basic policies and procedures relating to Industrial Relation should be clear to everybody in the organization and to the union leader. The personnel manager must make certain that line people will understand and agree with these policies.

The personnel manager should remove any distrust by convincing the union of the company's integrity and his own sincerity and honesty. Suspicious, rumors and doubts should all be put to rest.

The personnel manager should not vie with the union to gain workers' loyal to both the organization. Several research studies also confirm the idea of dual allegiance. There is strong evidence to discard the belief that one can owe allegiance to one group only.

Management should encourage right kind of union leadership. While it is not for the management to interfere with union activities, or choose the union leadership, its action and attitude will go a long way towards developing the right kind of union leadership. —Management gets the union it deserves is not just an empty phrase.

# 1.2 Industrial relations problems in the public sector

#### **Public Enterprise**

Company whose shares are available and traded on the stock market or other over-thecounter market. Subject to more regulation than a privately owned company, a public enterprise has greater access to financing. Shareholders own a percentage of the company based on the amount of stock they own.

## Wage differentials

It is an area where comparison between the public and private sectors is becoming common. The policy of settlement of wage structure, equal pay for equal work, wage differentials due to levels of responsibilities etc are all the issues that concern the labour in public enterprises.

# **Industrial relations**

—Industrial Relations is a developing and dynamic concept and such no more limits itself merely to the complex relations between the unions and management but also refers to the general web of relationships normally obtaining between employees – a web much more complex than the single concept of labour capital conflict.

#### **Surplus labour**

This problem is the outcome of indiscriminate recruitment on account of political pressures, reduction of activities, structural changes and improvement in technology.

# **Over centralization**

Management decisions taken at local shop level are turned down by the higher authorities. This type of over centralization the local management lose the prestige and confidence.

#### **Multipricing of unions**

The existence of multiple union has brought the evils of inter union rivalaries.

# **Political and bureaucratic influence**

Public enterprises are highly prone to be influenced by political and bureaucratic set up.Generally political people influenced decision making process

# 1.4 Growth of Trade Union

#### **Trade Union**

In the words of Indian Trade Union Act, 1926, —A trade union is any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen, between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions.

## **Define Trade Union.**

According to Dale Yoder defined as —A trade union is a continuous association of wage– earners for the purpose of maintaining or improving the conditions of their working lives.

The growth and development of the labour movement, and for that part of the trade unions, in India, can be divided into following periods, each of them revealing different tendencies that mark it from others.

# **Functions of Trade Unions**

- $^{\square}$  To secure fair wages for workers.
- $^{\square}$  To safeguard the security or tenure and improve conditions of service.
- <sup>L</sup> To enlarge opportunities for promotion and training.
- $^{\square}$  To improve working and living conditions.
- <sup>□</sup> To provide for educational, cultural and recreational facilities.
- <sup>□</sup> To cooperate and facilitate technological advancement by broadening the understanding of workers in the issues involved in their jobs.
- $\Box$  To promote identity of interests of the workers with their industry.
- <sup>□</sup> To offer responsive cooperation in improving levels of production and productivity, discipline and high standards of quality.
- <sup>□</sup> To promote individual and collective welfare.

# Features

The main characteristics of the trade unionism are: Small size of membership, Lack of adequate finance, Non fulfillment of welfare schemes, Control of political parties, Outside interference in the activities of labor unions

# Social Welfare period, from 1875 to 1918

The development of industries led to large scale production on the one hand and social evils like employment and exploitation of women and child labour and the deplorable working conditions, the government's attitude of complete indifference in respect of protection of labour from such evils, on the other

# Early Trade Union period, from 1918 to 1924

The year 1918 was an important one for the Indian trade union movement. —It market the start of a new era, an era of growth and one in which the leadership of the trade unions was to pass from the hands of the social workers into the hands of the politicians

# Left-wing Trade Unionism period, from 1924 to 1934

In 1924, a violent and long-draw-out strike by unions led to the arrest, prosecution, conviction and imprisonment of many communist leaders. The AITUC emerged as the representative of the Indian working class. By 1927 it united 57 unions with a membership of 150,555. the rapid growth of the trade unionism was facilitated by the growth anti-imperialist national movement;

- <sup>1</sup> The brutal violence and repressive measures let loose by the British government, particularly the Jallianwala Bagh massacre, Rowlatt Act, indiscriminate arrest and imprisonment of national leaders and Satyagrahis;
- <sup>1</sup> The phenomenal profits earned by the capitalist in the face of falling real ages during the post-war period.

## Trade Unions' Unity period from 1935 to 1938

In mid-thirties of the 20th century the state of divided labour movement was natural thought undesirable and soon after the first split, attempts at trade union unity began to be made through the efforts of the Roy Group on the basis of \_a platform of unity'. The imitative taken by All-India Railwaymen's Federation (s neutral body) had shown fruitful results.

This Federation in its conference at Bombay, formed a Trade Union Unity committee in 1932. The Committee adopted the following —platform of unity. —A trade union is an orange of class-struggle; its basis task is to organize the workers for advancing and defending their rights and interests. Negotiation, representations and other methods of collective bargaining must remain an integral part of the trade union activates.

# Second World War period from 1939 to 1945

The Second World War, which broke out in September 1939, created new strains in the united trade union movement. These strains arose because of the different political factions in the AITUC related in different ways to the role of India as a protagonist in the war.

# Post – independence period from 1947 to date.

As pointed out earlier, when attempts to restructure the AITUC failed, those believing in the aims and ideals other than those of the AITUC separated from the organization and established the Indian National Trade Union Congress (INTUC) in May, 1947

# **1.5 CODE OF CONDUCT.**

A code of conduct is a set of rules outlining the social norms and rules and responsibilities of, or proper practices for, an individual, party or organization. Related concepts include ethical, honor, moral codes and religious laws

#### **Objectives of Code of Conduct**

To ensures that the employees and employees recognize each other's rights and obligations.

- To avoid work stoppage.
- $^{\Box}$  To facilitate the free growth of trade unions.
- To maintain discipline in industry.

#### **Principles of code of conduct.**

Every employee in industry or unit shall have the freedom and right to join a union of his choice. No coercion shall be exercised in this matter.
There shall be no dual membership of unions.

- There shall be regular and democratic elections of executive bodies.
- Casteism, communalism and provincialism shall be eschewed by all unions.

There shall be no violence, cocercion, intimidation, or personal vilification in inter – union dealings.

All Central unions shall combat the formation or continuance of company unions.

## What a Code Can Help to Accomplish

- A quality code of conduct can go a long way in improving a company's success. Companies that view a code merely as a way to communicate legal rules miss much of the value that a code can provide. A well-developed code can help a company to:
- Prevent legal and regulatory violations. This is the first objective that most companies attach to a code of conduct. When violations do occur, a code can help to detect them and mitigate their effects.
- Foster greater employee loyalty and retention. When employees feel included and engaged in the company's culture and success, they feel more committed.
- Encourage greater customer loyalty and retention. When customers learn about and then experience in practice a company's high standards of conduct, customers are more likely to show their appreciation.

- <sup>□</sup> Build stronger relationships with suppliers and other business partners. As with employees, the more that they understand what the company expects of them and what they can expect from the company the stronger the alliance.
- □ Strengthen trust and respect of other stakeholders, such as local communities, regulators, NGOs, even from competitors. As codes become publicly available publications, more outside stakeholders are reviewing them and setting their expectations of the company partly based on its code. The more that a company lives up to the expectations that it has established, the greater goodwill it engenders.
- <sup>□</sup> Build a stronger reputation for integrity by helping the company to do what it says it will do.

#### How a Code Works

- A quality code of conduct helps a company's leadership to accomplish its strident objectives because of how the code functions. As part of an overall code of conduct program, a code works because it:
- Articulates leadership's expectations. Simply establishing these expectations regarding what leadership expects is worthwhile. It provides clarity and transparency so that staff does not have to guess at leadership's expectations.
- <sup>□</sup> Establishes leadership's commitment. Much as been addressed regarding the importance of —tone at the top<sup>||</sup>; regarding expectations of responsible conduct, this tone rises in importance.
- <sup>□</sup> **Provides staff with a roadmap and tools for their daily work.** With clarity regarding leadership's expectations that an employee can easily and regularly reference, staff can act with consistency. Further, employees can turn to the code for guidance on questions or concerns. It is especially important to help employees to make good decisions when they face ambiguous situations or other issues that the code does not directly address.
- **Provides staff with comfort and confidence.** As ethics consultant Frank Navran puts it, a code can provide staff with comfort that the company will support them when they act according to the code and confidence that the decisions they make when they are in line with the code.
- <sup>⊥</sup> Encourages staff to serve the company's aspirations. A good code can encourage employees to strive to achieve the company's mission, vision and values in a constructive way.

## **Elements of an Effective Code**

- A code of conduct publication does not work in a vacuum. Important factors for a successful code include:
- Foundations that support a successful code program.
- $\Box$  Components of a successful code program.
- $\square$  Dimensions for an effective code publication.

#### **Foundations for a Program**

- <sup>⊥</sup> These foundations serve as important considerations for a successful code of conduct program. While not all of the foundations are mandatory and in fact they will exist in each company in varying forms the more firmly that they are established, the more likely that the code (and the larger ethics and compliance initiative) will lead to success.
  - Leadership commitment to the program Without senior leadership's commitment, any code initiative is unlikely to truly engage employees and demonstrate to them the —tone at the tophat is so critical to any business initiative especially one focused on \_doing the right thing.'
  - Ethics and compliance processes Leadership's commitment means so much

more when the organization can point to procedures and processes that support a code standards and expectations. Otherwise, employees are right to wonder about how leadership expects to achieve adherence to the company's standards and address concerns.

- Company culture A company culture focused around an enduring mission or vision and supported by lasting values sets the best foundation for a proper focus on long-term value and success. These core foundations help a code rise about a narrow focus only on the law to other commitments, promises and aspirations that the company seeks to achieve.
- □ Understanding of risk A company's awareness of the ethics and compliance risks that it faces is central to a code of conduct. With the hundreds of issues that a code could possibly address, a more targeted risk identification and assessment effort helps to focus the code's contents to those issues that are most important to the company's operations and that will provide it with a higher chance of success.
- □ Coordination with policies A company's policies often provide the detail underlying its expectations. Policies also can provide the initial framework for a new code of conduct and serve as additional resources to support a code's standards. Where policies exist, they provide important context for a code development or revision effort.

# **Four Parts**

Part 1: Contains the duties and responsibilities of employers, workers, and the government in maintaining discipline in industry

- Part 2: Enlists the common obligations of Management and unions
- Part 3: Deals with obligations of management only

Part 4: Relates to those unions only

#### **Part1:** To maintain Discipline in Industry(Both in public and Private sector)

- <sup>1</sup> Recognition of employers and workers must be defined by laws and agreements.
- Proper and willing discharge by either party of its obligation consequent on such recognition.

#### **Part2: To Ensure Better discipline in Industry , Management and Union(s) Agree** No Unilateral action should be taken

- Existing machinery for settlement of dispute.
- □ No strike or lockout without notice
- Must follow the democracy principles by mutual negotiation, conciliation and voluntary arbitration
- <sup>U</sup> Must promote constructive cooperation
- $^{\square}$  In Grievance based speedy and full investigation must be followed.
- <sup>L</sup> Educate the Management and workers regarding obligations

#### **Part3: Management Agrees**

- <sup>□</sup> Not to increase workloads
- <sup>□</sup> Not to support or encourage any unfair labor practice as interference, discrimination, victimization
- <sup>□</sup> To take prompt actions as settlement of grievance Implementation of settlements, awards, decisions and orders

- To take appropriate disciplinary action against officers and members in which they are responsible for indiscipline among employees.
- Warning, reprimand, suspension will appeal through normal grievance procedure.
- Must follow the rules of Indian Labor conference held in May 1958.

# Part 4:Union(s) Agree

- Not to encourage any form f physical duress
- Not to Permit demonstrations
- Unless law, agreement or practice the employee must not engage in any union activity during working hours Discourage unfair labour practices as damage to property, careless operation
- To take prompt action to implement awards, agreements and decisions.
- To display the rules in local languages at important places in union offices.
- Moral sections of code of conduct
- To ask the unit to explain the infringement of the code
- To give notice to the unit within specific period
- Not to give countenance to non members who did not observe the code
- A dispute must not be referred for strikes and lockouts

# UNIT 2

# INDUSTRIAL CONFLICTS AND LABOUR WELFARE

# **2.1 Industrial Disputes.**

Industrial Disputes mean any dispute or difference between employers and employers, or between employers and workmen or between workmen and workmen, which is connected with the employment or non - employment or r term of employment or with the conditions of labour of any person<sup>||</sup>.

# Definition

According to the Industrial Disputes Act, 1947, Section 2(k); —Industrial Disputes mean any dispute or difference between employers and employers, or between employers and workmen or between workmen and workmen, which is connected with the employment or non – employment o r term of employment or with the conditions of labour of any person<sup>II</sup>.

# 2.2 Impacts of industrial relations conflict for a business

Industrial relations conflict can affect the business in the following way.

- □ Reduced productivity
- $\Box$  Loss of profits
- Damage to public image
- <sup>⊥</sup> Difficulty in recruiting & keeping staff
- $\square$  Wasted time and energy
- Increased costs

# 1. Reduced productivity

Due to lack of interests, labour will not concentrate in quantity and quality of production. It leads to loss of profit.

## 2. Loss of profits

Even though all companies and organizations are targeting in profits, they can't proceed for that goals because of labour absence and decrease in production.

## **3. Damage to public Image**

Company's good will and self image is very important in this competitive world. So, due to industrial disputes and strikes that image will be get down in people mind.

# 4. Difficulty in recruiting & keeping staff.

## 5. Wastage of time and Energy

If unnecessary disputes arises inside the organization and it is continuing means it will result in major discussion and finally it leads to wastage of time and energy.

# 6. Increased costs

The mantra for perfect business is decrease in cots and increase in profits, but the increase in industrial disputes will have the main problem of increase in costs and decrease in production and also the profit

#### Major impacts:

1. Unrest and unnecessary tensions engulf the hearts and minds of all the people involved - labour and senior management.

2. There is economic loss due to conflicts because conflicts may result in strikes and lockouts. This causes low or no production resulting in industrial loss.

3. Industrial loss may cause economic depression because many industries are interlinked. A problem in one industry may drastically affect another industry.

4. The lives of low-level labourers become worse when they are out of work. They may be the only working members of the family, and their joblessness may lead everyone in the family to poverty.

5. When industrial conflicts get out of hand, they become a threat to peace and security. Workers may resort to violence and indulge in sabotage.

#### **2.3 Causes Of Industrial Disputes**

Handling employee misconduct is a very critical task to be performed by the senior managers. Misconduct and other offensive behaviors often lead to decreased levels of productivity as they affect the individual performance of the employees. To manage discipline among employees, every company opts for a discipline policy which describes the approach it will follow to handle misconduct.

The causes of industrial disputes can be broadly classified into two categories: economic and non-economic causes. The economic causes will include issues relating to compensation like wages, bonus, allowances, and conditions for work, working hours, leave and holidays without pay, unjust layoffs and retrenchments. The non economic factors will include victimization of workers, ill treatment by staff members, sympathetic strikes, political factors, indiscipline etc.

- □ Wages and allowances
- Personnel and retrenchment
- □ Indiscipline and violence
- Bonus
- Leave and working hours

#### Wages and allowances

Since the cost of living index is increasing, workers generally bargain for higher wages to meet the rising cost of living index and to increase their standards of living. In 2002, 21.4% of disputes were caused by demand of higher wages and allowances. This percentage was 20.4% during 2003 and during 2004 increased up to 26.2%. In 2005, wages and allowances accounted for 21.8% of disputes.

## **Personnel and retrenchment**

Personnel and retrenchment: The personnel and retrenchment have also been an important factor which accounted for disputes. During the year 2002, disputes caused by personnel were 14.1% while those caused by retrenchment and layoffs were 2.2% and 0.4% respectively. In 2003, a similar trend could be seen, wherein 11.2% of the disputes were caused by personnel, while 2.4% and 0.6% of disputes were caused by retrenchment and layoffs. In year 2005, only 9.6% of the disputes were caused by personnel, and only 0.4% were caused by retrenchment.

#### Indiscipline and violence:

From the given table, it is evident that the number of disputes caused by indiscipline has shown an increasing trend. In 2002, 29.9% of disputes were caused because of indiscipline, which rose up to 36.9% in 2003. Similarly in 2004 and 2005, 40.4% and 41.6% of disputes were caused due to indiscipline respectively. During the year 2003, indiscipline accounted for the highest percentage (36.9%) of the total time-loss of all disputes, followed by cause-groups wage and allowance and personnel with 20.4% and 11.2% respectively. A similar trend was observed in 2004 where indiscipline accounted for 40.4% of disputes.

#### **Bonus:**

Bonus has always been an important factor in industrial disputes. 6.7% of the disputes were because of bonus in 2002 and 2003 as compared to 3.5% and 3.6% in 2004 and 2005 respectively

#### Leave and working hours:

Leave and working hours: Leaves and working hours have not been so important causes of industrial disputes. During 2002, 0.5% of the disputes were because of leave and hours of work while this percentage increased to 1% in 2003. During 2004, only 0.4% of the disputes were because of leaves and working hour

#### **Consequences of Industrial Conflicts**

 $^{\rm {}}$  Unrest and unnecessary tensions engulf the hearts and minds of all the people involved - labourers and senior management.

 $^{\square}$  There is economic loss due to conflicts because conflicts may result in strikes and lockouts. This causes low or no production resulting in industrial loss.

<sup>1</sup> Industrial losses may cause economic depression because many industries are interlinked. A problem in one industry may drastically affect another industry.

 $^{\square}$  The lives of low-level labourers become worse when they are out of work. They may be the only working members of the family, and their joblessness may lead everyone in the family to poverty.

 $^{\square}$  When industrial conflicts get out of hand, they become a threat to peace and security. Workers may resort to violence and indulge in sabotage.

## 2.4 Strikes

- <sup>□</sup> Strike is —a temporary cessation of work by a group of employees in order to express their grievance or to enforce a demand concerning changes in work conditions.
- <sup>□</sup> Section 2(q) of the Industrial Disputes Act, 1947, defines a strike as —a cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal under a common understanding of a number of persons who are or have been so employed to continue to work or to accept employment.

#### **Types of Strikes**

- <sup>⊥</sup> **Go slow -** Go slow does not amount to strike but it is a serious case of misconduct.
- <sup>L</sup> **Hunger strike-**Some workers may resort to fast on or near the place of work or residence of the employer
- Lightning or wildeat strike -It is an unofficial strike ie., a strike not sanctioned by the union. Such strikes occur in violation of the no strike pledge in collective bargaining agreements
- <sup>1</sup> Stay in, sit down, pen down or Tool down strike- In all such cases the workmen after taking their seats, refuse to do work by their combination
- <sup>□</sup> Symapathetic strike-Cessation of work in the support of the demand workmen belonging to their employer. The management can take disciplinary actions for the absence of workmen.
- **Economic Strike-**In this type the members of trade union stop work to enforce their economic demands such as increase in wages, bonus and other benefits.
- General strike-It means a strike by members of all or most of the unions in region or an industry. It nay be a strike of all or most of the unions in region or an industry.
- Lock outs-It is declared by the employers to put pressure on their workers. It is an act on the part of the employers to close down the place of work until the workers

agree to resume work on the terms and conditions specified by the employers.

- <sup>□</sup> **Lay off-**Lay off means failure, refusal or inability of an employer, shortage of power or raw materials or accumulation of the stocks or the breakdown of the machinery or for any other reason not to give employment to a workman.
- **Retrenchment-I**t means the termination of the service of a workman for any reasons by the employer. It does not include the voluntary retirement of the workman.
- <sup>□</sup> **Gherao-**It denotes collective action by the workers which members of the management will be imprisoned by them.
- <sup>⊥</sup> **Picketing-**When workers are dissuaded a certain men at the factory gates it is called as picketing. It is perfectly legal . It is to draw the attention of public.
- **Boycott-**The workers may decide to boycott the company by not using its products. It affects marketability of its products.

#### 2.5 Industrial peace

Industrial peace is not merely a negative concept signifying the absence of industrial unrest, or the reconciling of hostile forces in order to avoid ruinous strife, but it also signifies the active presence of harmonious and good industrial relations generating amity and goodwill between the partners in an industry – a condition which is both the cause and effect of fruitful co – operation

- 1. Strong trade union with democratic norms
- 2. Employers should have progressive outlook
- 3. Employers should recognize the rights of the workers
- 4. Both (workers and management) should faith in collective bargaining and settlement disputes.
- 5. Encouragement of workers participative management.
- 6. Two communication between both the parties
- 7. Govt should play an active role for promoting industrial peace. It should make law for the compulsory recognition of a representative union in each industrial unit.

## 2.6 Government Machinery

The various methods and machinery under the industrial disputes act can be classified as under the following heads:

# (I) Conciliation

Works committee Conciliation officer Board of conciliation

## (II) Arbitration

Court of inquiry

# (III) Adjudication

Labour court Industrial tribunal and National trinal

# 2.6.1 Conciliation:

Conciliation, is a form of mediation. Mediation is the act of making active effort to bring two conflicting parties to compromise. Mediation, however, differs from conciliation in that whereas conciliator plays only a passive and indirect role, and the scope of his functions is provided under the law, the mediator takes active part and the scope of his activities are not subject to any statutory provisions.

Conciliation is the —practice by which the services of a neutral party are used in a dispute as a means of helping the disputing parties to reduce the extent of their differences and to arrive at an amicable settlement of agreed solution.

The Industrial Disputes Act, 1947 provides for conciliation, and can be utilised either by appointing conciliation officers (permanently or for a limited period) or by constituting a board of conciliation. This conciliation machinery can take a note of a dispute or apprehend dispute either on its own or when approached by either party.

With a view to expediting conciliation proceeding, time-limits have been prescribed— 14 days in the case of conciliation officers and two months in the case of a board of conciliation, settlement arrived at in the course of conciliation is binding for such period as may be agreed upon between the parties or for a period of 6 months and with continue to be binding until revoked by either party. The Act prohibits strike and lock-out during the pendency of conciliation proceedings before a Board and for seven days after the conclusion of such proceedings.

#### **Conciliation Officer:**

The law provides for the appointment of Conciliation Officer by the Government to conciliate between the parties to the industrial dispute. The Conciliation Officer is given the powers of a civil court, whereby he is authorised to call the witness the parties on oath. It should be remembered, however, whereas civil court cannot go beyond interpreting the laws, the conciliation officer can go behind the facts and make judgment which will be binding upon the parties.

On receiving information about a dispute, the conciliation officer should give formal intimation in writing to the parties concerned of his intention to commence conciliation proceedings from a specified date. He should then start doing all such things as he thinks fit

for the purpose of persuading the parties to come to fair and amicable settlement of the dispute.

Conciliation is an art where the skill, tact, imagination and even personal influence of the conciliation officer affect his success. The Industrial Disputes Act, therefore, does not prescribe any procedure to the followed by him.

The conciliation officer is required to submit his report to the appropriate government along with the copy of the settlement arrived at in relation to the dispute or in case conciliation has failed, he has to send a detailed report giving out the reasons for failure of conciliation.

The report in either case must be submitted within 14 days of the commencement of conciliation proceedings or earlier. But the time for submission of the report may be extended by an agreement in writing of all the parties to the dispute subject to the approval of the conciliation officer.

If an agreement is reached (called the memorandum of settlement), it remains binding for such period as is agreed upon by the parties, and if no such period is agreed upon, for a period of six months from the date on which the memorandum of settlement is signed by the parties to the dispute, and continues to be binding on the parties after the expiry of the period aforesaid, until the expiry of two months from the date on which a notice in writing of an intention to terminate the settlement is given by one of the party or parties to the settlement.

# **Board of Conciliation:**

In case Conciliation Officer fails to resolve the differences between the parties, the government has the discretion to appoint a Board of Conciliation. The Board is tripartite and ad hoc body. It consists of a chairman and two or four other members.

The chairman is to be an independent person and other members are nominated in equal number by the parties to the dispute. Conciliation proceedings before a Board are similar to those that take place before the Conciliation Officer. The Government has yet another option of referring the dispute to the Court of Inquiry instead of the Board of Conciliation.

The machinery of the Board is set in motion when a dispute is referred to it. In other words, the Board does not hold the conciliation proceedings of its own accord. On the dispute being referred to the Board, it is the duty of the Board to do all things as it thinks fit for the purpose of inducing the parties to come to a fair and amicable settlement. The Board must submit its report to the government within two months of the date on which the dispute was

referred to it. This period can be further extended by the government by two months.

# 2. Court of Inquiry:

In case of the failure of the conciliation proceedings to settle a dispute, the government can appoint a Court of Inquiry to enquire into any matter connected with or relevant to industrial dispute. The court is expected to submit its report within six months. The court of enquiry may consist of one or more persons to be decided by the appropriate government.

The court of enquiry is required to submit its report within a period of six months from the commencement of enquiry. This report is subsequently published by the government within 30 days of its receipt. Unlike during the period of conciliation, workers' right to strike, employers' right to lockout, and employers' right to dismiss workmen, etc. remain unaffected during the proceedings in a court to enquiry.

A court of enquiry is different from a Board of Conciliation. The former aims at inquiring into and revealing the causes of an industrial dispute. On the other hand, the latter's basic objective is to promote the settlement of an industrial dispute. Thus, a court of enquiry is primarily fact-finding machinery.

#### 2.6.2 Arbitration

On failure of conciliation proceedings, the conciliation officer many persuade the parties to refer the dispute to a voluntary arbitrator. Voluntary arbitration refers to getting the disputes settled through an independent person chosen by the parties involved mutually and voluntarily.

In other words, arbitration offers an opportunity for a solution of the dispute through an arbitrator jointly appointed by the parties to the dispute. The process of arbitration saves time and money of both the parties which is usually wasted in case of adjudication.

Voluntary arbitration became popular as a method a settling differences between workers and management with the advocacy of Mahatma Gandhi, who had applied it very successfully in the Textile industry of Ahmedabad. However, voluntary arbitration was lent legal identity only in 1956 when Industrial Disputes Act, 1947 was amended to include a provision relating to it.

The provision for voluntary arbitration was made because of the lengthy legal proceedings and formalities and resulting delays involved in adjudication. It may, however, be noted that arbitrator is not vested with any judicial powers.

He derives his powers to settle the dispute from the agreement that parties have made between themselves regarding the reference of dispute to the arbitrator. The arbitrator should submit his award to the government. The government will then publish it within 30 days of such submission. The award would become enforceable on the expiry of 30 days of its publication.

Voluntary arbitration is one of the democratic ways for setting industrial disputes. It is the best method for resolving industrial conflicts and is a close' supplement to collective bargaining. It not only provides a voluntary method of settling industrial disputes, but is also a quicker way of settling them.

It is based on the notion of self-government in industrial relations. Furthermore, it helps to curtail the protracted proceedings attendant on adjudication, connotes a healthy attitude and a developed outlook; assists in strengthening the trade union movement and contributes for building up sound and cordial industrial relations.

# 2.6.3 Adjudication

The ultimate remedy for the settlement of an industrial dispute is its reference to adjudication by labour court or tribunals when conciliation machinery fails to bring about a settlement. Adjudication consists of settling disputes through intervention by the third party appointed by the government. The law provides the adjudication to be conducted by the Labour Court, Industrial Tribunal of National Tribunal.

A dispute can be referred to adjudication if hot the employer and the recognised union agree to do so. A dispute can also be referred to adjudication by the Government even if there is no consent of the parties in which case it is called \_compulsory adjudication'.

As mentioned above, the dispute can be referred to three types of tribunals depending on the nature and facts of dispute in questions.

# These include:

(a) Labour courts,(b) Industrial tribunals, and(c) National tribunals.

The procedure, powers, and provisions regarding commencement of award and period of operation of award of these three bodies are similar. The first two bodies can be set up either by State or Central Government but the national tribunal can be constituted by the Central Government only, when it thinks that the adjudication of a dispute is of national importance. These three bodies are into hierarchical in nature. It is the

Government's prerogative to refer a dispute to any of these bodies depending on the nature of dispute.

# (a) Labour Court:

A labour court consists of one person only, who is normally a sitting or an ex-judge of a High Court. It may be constituted by the appropriate Government for adjudication of disputes which are mentioned in the second schedule of the Act.

#### The issues referred to a labour court may include:

(i)The propriety or legality of an order passed by an employer under the Standing Orders.

(ii) The application and interpretation of Standing Orders.

- (iii) Discharge and dismissal of workmen and grant of relief to them.
- (iv) Withdrawal of any statutory concession or privilege.
- (v) Illegality or otherwise of any strike or lockout.

(vi) All matters not specified in the third schedule of Industrial Disputes Act, 1947. (It deals with the jurisdiction of Industrial Tribunals).

#### (b) Industrial Tribunal:

Like a labour court, an industrial tribunal is also a one-man body. The matters which fall within the jurisdiction of industrial tribunals are as mentioned in the second schedule or the third schedule of the Act. Obviously, industrial tribunals have wider jurisdiction than the labour courts.

Moreover an industrial tribunal, in addition to the presiding officer, can have two assessors to advise him in the proceedings; the appropriate Government is empowered to appoint the assessors.

## The Industrial Tribunal may be referred the following issues:

- 1. Wages including the period and mode of payment.
- 2. Compensatory and other allowances.
- 3. Hours of work and rest intervals.

4. Leave with wages and holidays.

5. Bonus, profit sharing, provident fund and gratuity.

6. Shift working otherwise than in accordance with the standing orders.

7. Rule of discipline.

8. Rationalisation.

9. Retrenchment.

10. Any other matter that may be prescribed.

## (c)National Tribunal:

The Central Government may constitute a national tribunal for adjudication of disputes as mentioned in the second and third schedules of the Act or any other matter not mentioned therein provided in its opinion the industrial dispute involves —questions of national importance or —the industrial dispute is of such a nature that undertakings established in more than one state are likely to be affected by such a dispute.

The Central Government may appoint two assessors to assist the national tribunal. The award of the tribunal is to be submitted to the Central Government which has the power to modify or reject it if it considers it necessary in public interest.

It should be noted that every award of a Labour Court, Industrial Tribunal or National Tribunal must be published by the appropriate Government within 30 days from the date of its receipt. Unless declared otherwise by the appropriate government, every award shall come into force on the expiry of 30 days from the date of its publication and shall remain in operation for a period of one year thereafter.

# 3.1 Concept of labour welfare

Labour welfare is an important dimension of industrial relation, labour welfare includes overall welfare facilities designed to take care of well being of employee's and in order to increase their living standard. It can also be provided by government, non government agencies and trade unions.

The concept of labour welfare is flexible and elastic and differs widely with time, region, industry, social values and customs, degree of industrialization, the general socio – economic development of the people and the political ideologies prevailing at a particular time. It is also molded according to the age – group, sex, socio – cultural background, marital and economic status and educational level of the workers in various industries.

#### Labour Welfare- Definition

According to the Committee on Labour Welfare, welfare services should mean:

—Such services, facilities, and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities, arrangements for travel to and from place of work, and for the accommodation of workers employed at a distance from their homes; and such other services, amenities and facilities, including social security measures, as contribute to the conditions under which workers are employed.

- The employers need welfare activities to discharge their social responsibility, raise the employees morale use the work force more effectively and to reduce
- function with workers and to avoid Welfare facilities besides removing dissatisfaction help to develop loyalty in workers towards the organization.
- Welfare may help minimize social evils, such as alcoholism, gambling, prostitution and drug addiction.
- To create harmonious industrial relationship.

#### **History Of Labour Welfare**

- In India the labour welfare started sometime during the 1<sup>st</sup> world war (1914-1918). Till then wellbeing of workers in factories was hardly thought by anybody.
- □ Industrial Labour Organization has played a very significant role for labour welfare.
- Formed by Indian central government and state governments for welfare of labour in Industries
- Government has laid down minimum standards for employment and working conditions in organizations.
- <sup>1</sup> trade unions and various social organizations also function as agencies for implementation of labour welfare measures.

#### **3.2 Objectives of Labour Welfare.**

- <sup>L</sup> To increase the standard of living of the. Working class The labourer is more prone to exploitation from the capitalists if there is no standardized way of looking after their welfare.
- <sup>1</sup> To make the management feel the employees are satisfied about the work and working conditions.
- $\Box$  To reduce the labour problems in the orgnisaton: There are various problems

affecting the workers, problems like absenteeism, turnover ratio, indebtedness, alcoholism, etc., which make the labourer further weak both physically and psychologically. Labour Welfare looks forward to helping the labourer to overcome these problems.

- <sup>L</sup> To recognize human values Every person has his own personality and needs to be recognized and developed. It is in the hands of the management to shape them and help them grow. The management employs various methods to recognize each one's worth as an individual and as an asset to the organization.
- Labour Welfare helps to foster a sense of responsibility in the industry: A person works both in a group and as an individual. If the person is given

responsibility he will act better or else he will be only a slave to the direction of the superiors and will not show any initiative to prove his worth,

- <sup>□</sup> Labour Welfare improves industrial relations and reduces industrial disputes: Industrial dispute in any industry is a sign of unsatisfied employees. Labour Welfare measures act as a preventive tool to most of these disputes.
- <sup>1</sup> To retain the employees There should be fixed policies: This calls in to prepare the policies, to conduct different training programmes, to have various motivational schemes, to create interest in the job. The employees who feel secure in an organisation, backed by fixed welfare policies have less chance of looking for a job elsewhere.
- <sup>1</sup> To show up their positive mind in the work: Positive mind refers to the development of one's attitudes. This is to change the negative attitude into positive.
- <sup>1</sup> To influence over other employees: This means Labour Welfare helps to change one's personality - presentation skills, communication skills, inter-personal relationships, etc. This is best achieved when their morale is kept high by the different welfare schemes.
- □ To increase the bargaining power of the employees: Bargaining means to systematically extract something from the opponent. The better bargaining power, the better influence on the opponent. Labour welfare measures like formation of works committee, worker's participation, Trade Union, etc., will surely help them to have better bargaining power.

#### **3.3 Scope of Labor welfare**.

#### **Working Environment**

Favourable working environment enhances efficiency of workers and includes proper illumination, safety, temperature, vetilation, sanitation, cleanliness and canteen facilities.

Workplace sanitation and cleanliness is very important for making workplace favourable to workers. Following points should be considerdered to make workplace favourable to workers.

- <sup>1</sup> Proper ventilation, lighting, temperature, cleanliness, seating arrangements etc.
- $^{\square}$  Proper safety measures for workers should be there.

 $^{\perp}$  Sufficient urinals, lavatories and bathing facilities should be provided and cleaned regularly.

- Proper gardening and cleanliness of open spaces.
- Pure drinking water should be provided.
- Can't Seen services.

# Healthfacilities

- Health center should be provided within factory.
- Ambulance service should be provided within factory in case of any emergency.
- Free medical checkup of workers and health and diet counselling of workers.
- Availability of Doctor inside the factory for emergency.
- Women and child welfare work.
- Recreation facilities inside the organization
- Education and library services

# **Nature of Welfare**

- Schemes of labour welfare shall be updated time to time according to needs of workers.
- Labour welfare provides facilities in addition to regular wages and other economic benefits.
- Employers, government, NGOs etc. introduce labour welfare measures.
- Labour welfare provides facilities which improves workers work-life balance.

# **3.4 Need of Labour welfare**

- The employers need welfare activities to discharge their social responsibility, raise the employees morale use the work force more effectively and to reduce function workers and avoid with to Welfare facilities besides removing dissatisfaction help to develop loyalty in workers towards the organization.
- Welfare may help minimize social evils, such as alcoholism, gambling, prostitution and drug addiction. To create harmonious industrial relationship.

# **Approaches to labour welfare**

- Approaches to labour welfare gives a clear idea about the attitudes, beliefs and traditions applied by the labour welfare agencies. Many organisations are becoming aware of the welfare facilities being
- provided to its employees.
- employers are enthusiastically. establishing welfare standards voluntarily, willingly an
- Welfare benefits not only extended to self but the society also.
- Many approaches have been designed in this perspective.

# I) The Policing Theory

This theory is basically meant for making the employees and the workers availed

with the basic facilities needed. E.g- latrines, drinking water, enough rest and lunch intervals, etc.

- In this approach the government has introduced the practices to control the exploitation of workers by their management/ employer. E.g- heavy work load and less payments, very small time intervals, no freedom of speech, etc.
- In case of non completion of the above, the management is liable to get a severe punishment.
- **II**) The religion Theory
- This theory believes in two key approaches:-
- The Investment. & The Atonement (punishment)
- The Investment theory explains the welfare benefits provided to the workers is the current Investment made for future progress. —Man is a religious animal
- -Raw fruit today, flourish to tomorrow.
- The atonement approach says,
- If the employees/workers are not getting availed with the benefits, it is a part of there sins in the past.. They need to be atone for that purpose.

#### **III**) Philantropic approach

This is a benevolent approach which has a keen interest in —giving strategy.

- Provisions for good conditions of work, day-care facilities for children, canteens, washing facilities. (In regards to the employees)
- And rehabilitation of disabled people, working boys/girls hostel facilities, donations to NGO's,
- Rewards to the educational institutions, etc.
- This theory is only encouraged for the well being of internal and external environment.

#### **IV)** Paternalistic Approach

- In this theory, the owner, occupier or the employer, holds the funds of the Industry in a trust.
- This trust consist of board or trust members, and any amount to be spent in favor of the employees and the society is first being taken in discussion.
- It creates a good moral for the internal and external envoirnment.
- Also known as the trusteeship theory of labour welfare.

#### **V)** The Placating theory

- This theory mainly responds to the peaceful measures applicable for the workers and employees.
- Application of this theory is basically meant for the organized and committable/ enthusiastic.
- This theory enables the employees to be pleased and oblige with the provided welfare benefits.
- **VI) Public Relations Theory**
- This theory basically focuses on the attraction or goodwill for the industry.
- In this theory the welfare benefits are directly related to the impression of the Industry.
- Impression with the point of view of internal and external envoirnment.
- E.g- the In -house employees and the visitors too.

#### □ VII) Functional Theory

- <sup>□</sup> This theory believes the high productivity/ outcome of employees, by providing them the welfare benefits.
- Approach expects the results in the employees/workers efficiency and effectiveness on work.
- $\square$  This concepts is commonly used in nature.
- Also known as the efficiency theory of labour welfare.

# VIII ) Social theory

- This theory believes in well being of the society with the employees.
- $^{\square}$  Various provisions related to the society are to be established with this theory.
- $^{\square}$  Therefore this theory results in enhancing the condition / state of the society .

## 3.5 Voluntary welfare activities.

**Personal Health Care (Regular medical check-ups):** Some of the companies provide the facility for extensive health check-up

**Flexi-time:** The main objective of the flextime policy is to provide opportunity to employees to work with flexible working schedules. Flexible work schedules are initiated by employees and approved by management to meet business commitments while supporting employee personal life needs

**Employee Assistance Programs:** Various assistant programs are arranged like external counseling service so that employees or members of their immediate family can get counseling on various matters.

**Harassment Policy:** To protect an employee from harassments of any kind, guidelines are provided for proper action and also for protecting the aggrieved employee.

**Maternity & Adoption Leave** – Employees can avail maternity or adoption leaves. Paternity leave policies have also been introduced by various companies.

**Medi-claim Insurance Scheme:** This insurance scheme provides adequate insurance coverage of employees for expenses related to hospitalization due to illness, disease or injury or pregnancy.

**Employee Referral Scheme:** In several companies employee referral scheme is implemented to encourage employees to refer friends and relatives for employment in the organization.

#### 3.6 Various statutory welfare activities

Statutory welfare measures mainly include welfare facilities provided within the precincts of an industrial establishment. They form part of the employers" statutory obligations. All welfare states provide welfare to the labour by securing and protecting social order to ensure social, economic and political justice.

## **PROVISIONS REGARDING THE WELFARE OF WORKERS**

**Washing**. In every factory adequate and suitable facilities for washing shall be provided and maintained. They shatI be conveniently accessible and shall be kept clean. There must be separate provisions for male and female workers.-Sec. 42.

**Storing and drying**. The State Government may make rules requiring the provision of suitable facilities for storing and drying clothing.-Sec. 43.

**Sitting**. Sitting facilities must be provided for workers who have to work in a standing position. so that they may take rest when possible. When work can be done in a sitting position efficiently the Chief Inspector may direct the provision of sitting arrangements. Sec. 44.

**First aid.** Every factory must provide first aid boxes or cupboard. They must contain the prescribed materials and they must be in charge of persons trained in first aid treatment. Factories employing more than 500 persons must maintain an ambulance roam containing the prescribed equipment and in charge of the prescribed medical and nursing staff-Sec. 45.

**Canteens.** Where more than 250 workers are employed, the state Government may require the opening of canteen or canteens for workers. Rules may be framed regarding the food served, its management etc.,..-Sec.

**Shelters**. In every factory where more than 150 workers are employed there must be provided adequate and suitable shelters or rest. rooms and a lunch room (with drinking water supply) where workers may eat meals brought by them. Such rooms must be sufficiently lighted and ventilated and must be maintained in a cool and clean condition~. The standards may be fixed by the State Government. -Sec. 47

**Creches.** In every factory where more than 30 women a employed, a room shall be provided for the use of the children (below 6 years) of such women. The room shall be adequate size. well lighted and ventilated, maintained in a clean and sanitary condition and shall be in charge of a woman trained in the care of children and infants. The standards shall be laid down by the State Government.Sec. 48.

**Welfare officers**. Welfare officers must be appointed in every factory where 500 or more workers are employed. The State Government may prescribe the duties, qualifications etc. of such officers. Sec. 49.

Rules. The State Government may make rules regarding the welfare of workers.-Sec. 50.

## NON STATUTORY SCHEMES

Many non statutory welfare schemes may include the following schemes:

## Personal Health Care (Regular medical check-ups)

Some of the companies provide the facility for extensive health check-up

# **Flexi-time**

The main objective of the flextime policy is to provide opportunity to employees to work with flexible working schedules. Flexible work schedules are initiated by employees and approved by management to meet business commitments while supporting employee personal life needs

## **Employee Assistance Programs**

Various assistant programs are arranged like external counseling service so that employees or members of their immediate family can get counseling on various matters.

#### **Harassment Policy**

To protect an employee from harassments of any kind, guidelines are provided for proper action and also for protecting the aggrieved employee.

Maternity&AdoptionLeaveEmployees can avail maternity or adoption leaves. Paternity leave policies have also been<br/>introduced by various companies.

#### **Medi-claim Insurance Scheme**

This insurance scheme provides adequate insurance coverage of employees for expenses related to hospitalization due to illness, disease or injury or pregnancy.

#### **Employee Referral Scheme**

In several companies employee referral scheme is implemented to encourage employees to refer friends and relatives for employment in the organization.

#### 6. Different Categories of Labour Welfare

Some of the major categories of labour welfare are: (1) Intra-mural Facilities (2) Extra-

mural Facilities (3) Statutory Facilities (4) Mutual Facilities and (5) Voluntary.

It is very difficult to classify the welfare activities into certain broad categories.

# (1) Intra-mural Facilities:

The facilities provided inside the factory are known as intra-mural facilities. These facilities include activities relating to minimisation of industrial fatigue, provision of safety measures like fencing and covering of machines, good layout of the plant and machinery, sufficient lighting conditions, provision of first aid appliances etc.

Provisions of such facilities are also obligatory in all industrial establishments all over the world.

# (2) Extra-mural Facilities:

Facilities offered to the workers outside the factory are known as extra-mural facilities. They include better housing accommodations, indoor and outdoor recreation sports, educational facilities etc. The provision of these facilities is voluntary. Earlier, due attention was not given to the provision of extra-mural facilities to the workers but now it is realised that these facilities are very important for the general welfare and upliftment of the workers.

#### (3) Statutory Facilities:

Under this category, welfare facilities are provided according to the labour legislations passed by the Government. The nature and coverage of these facilities vary from country to country. Again these facilities may be either intra-mural facilities or extra-mural facilities. These facilities must be provided by all the employers and cannot be ignored. Any contravention of the statutory provisions shall render the employer punishable under the Act concerned.

# The National Commission of Labour has divided all the statutory measures under two distinct heads:

1. Facilities which have to be provided irrespective of the size of the establishment e.g., drinking water.

2. Facilities which are to be provided subject to the employment of a specified number of persons, e.g., creches.

#### (4) Mutual Facilities:

These facilities are usually outside the scope of the statutory facilities. These activities are

voluntarily undertaken by the workers themselves for their own interest. As such the employer has no say in it.

## (5) Voluntary:

The facilities which are voluntarily provided by the employers come under this category. Hence these are not statutory. No doubt, the activities under this category ultimately lead to increase in the efficiency of workers.

# 3.7 Labour welfare funds

Labour welfare funds are created as a measure of social security provided to the working class. Social security is one of the working class. Social security is one of the three categories of labour welfare activities classified by the study group appointed by the Government of India to examine the labour welfare activities

The Government constitutes Labour Welfare Fund, as per section 3, to which the following are credited to -

a) All Unpaid Accumulations due to workers

b) All fines realised from the workers

c) Deduction made under the proviso to Sub-section(2) of section 9 of the Payment of Wages Act,1936 and the proviso to Sub-section (2) of section 36 of the Tamil Nadu Shops and Establishments Act, 1947.

d) Contribution from Employees, Employers and Government,

e) Any interest by way of penalty, paid under Section 14 of the Tamil Nadu Labour Welfare Fund Act, 1972.

f) Any Voluntary Donation.

g) Any amount raised by the Board from other sources to augment the resources of the Board.

h) Any fund transferred under Sub-section 5 of Section 17 of the Tamil Nadu Labour Welfare Fund Act, 1972.

i) Any sum borrowed under Section 18 of Tamil Nadu Labour Welfare Fund Act, 1972

j) Any unclaimed amount credited to the Government in accordance with the rules made under the Payment of Wages Act, 1936 and Minimum Wages Act, 1948

. k) Grants or Advances made by the Government.

#### **3.8 Education and training programme.**

**Employee's Education:** 

In the word of William Flayed, —Worker Education is an attempt on the part of organized labour to educate its own members under an educational system in which the workers prescribe the courses of instructions, select the teachers and in a considerable measure, furnish the finance.

# **Features of employees education**

i.The scope of workers' education is much wider than that of trade union education but is narrower than that of adult education.

ii. The workers' education is designed to create trade union consciousness among workers, besides making them good citizens and training them to understand their status, rights and responsibilities.

iii.In workers' education, the workers themselves prescribe the curriculum and select the teachers who have full sympathy with the working class.

The Board has developed a need based, three tier training programme for education officers, workers and teachers. In first state education officer are trained. The period or training is four months. Then they give training for different regional centres.

Second stage is to get selected workers trained as worker teachers at the regional and sub -regional centres by the educational officers. The duration of training programme is three months.

# **Workers Education Scheme**

#### **Aims and Objectives**

- It is important for Industrial peace and Harmony, healthy Management-labour relations.
- Develop Effective trade unions through better trained officials and more enlightened members.
- Enhance the leadership skills which enables the worker in his development.
- Increase the total labour mass literacy.
- Better understanding of the problem, with effective solutions
- To fulfill the Organisations requirements through proper responsibility handling.
- The pre-condition of workers education literacy.
- Important consideration at the present stage of developing country.
- To understand the workers privileges, rights and obligations.
- Time-to-time training programs to upgrade the workers knowledge.
- Minimize the Industrial Accidents and other mishaps on the shop floor.
- National Commission on Labour, has said that the labour's/ workers education should have the following key areas to be studied:-This should employee independent, intelligent and innovative.

- He should be responsible, alert, and self-disciplined.
- Also Guided the National trade union centers to arrange for the quality programs with the Collaboration with some of the universities and Institutions.

# **Craftsmens Training Programme.**

- To promote the efficiency of craftsmen
- To conduct various types of test for selection of craftsmen trainees
- <sup>□</sup> The duration of the course is one to two years
- National trade certificate is issued for successful candidates

# **Craft Instructors Training.**

Education- ITI or diploma is required

# Advanced Vocational Training System.

To give training to advanced skill workers &technicians.

# **Foremans Training.**

For the training of foreman an institute was set up

Training is provided to the existing and potential shop foremen and supervisors in theoretical and managerial skills and workers from industry in advanced technical skills

# **Apprenticeship Training Scheme.**

- <sup>□</sup> Apprenticeship act,1961
- <sup>□</sup> Employers are required to engage apprentices

# Part Time Training for Industrial Workers.

To conduct part time evening classes are organized to improve the standards of working

## **Vocational Training Programme for Women.**

It includes instructor training, basic training and advanced training in selected trades particularly suitable for women

#### UNIT 3

# LABOUR LEGISLATIONS-I

#### **Factories Act 1948**

I. Factories Act 1948 In India the first Factories Act was passed in 1881. This Act was basically designed to protect children and to provide few measures for health and safety of the workers. This law was applicable to only those factories, which employed 100 or more workers. In 1891 another factories Act was passed which extended to the factories employing 50 or more workers. —Factorly is defined in Section 2(m) of the Act. It means any premises including the precincts thereofi. Where on ten or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on; or ii .Where on twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on; But does not include a mine subject to the operation of the MinesAct, 1952 or a mobile unit belonging to the Armed forces of the Union, a railway running shed or a hotel, restaurant or eating place. Employer to ensure health of workers pertaining to Cleanliness Disposal of wastes and effluents -Sec 12 Ventilation and temperature dust and fume -Sec 13 Overcrowding Artificial humidification Lighting – Sec. 14 Drinking water Spittoons.- Sec. 18 Safety Measures Fencing of machinery - Sec. 21 Work on near machinery in motion. - Sec 22 Employment prohibition of young persons on dangerous machines. - Sec 23 Striking gear and devices for cutting off power. -Sec 24 Self-acting machines.- Sec 25 Casing of new machinery.- Sec 26 Prohibition of employment of women and children near cotton-openers.- Sec27 Hoists and lifts.- Sec 28. Welfare Measures • Washing facilities – Sec 42 • Facilities for storing and drying clothing – Sec 43 • Facilities for sitting – Sec 44 • First-aid appliances – one first aid box not less than one for every 150 workers– Sec 45 • Canteens when there are 250 or more workers. – Sec 46 • Shelters, rest rooms and lunch rooms when there are 150 or more workers. – Sec 47 • Creches when there are 30 or more women workers. – Sec 48 • Welfare office when there are 500 or more workers. - Sec 49 Working Hours, Spread Over & Overtime of Adults • Weekly hours not more than 48- Sec: 51 • Daily hours, not more than 9 hours. - Sec: 54

Employer to ensure health of workers pertaining To Cleanliness Disposal of wastes and effluents -Sec 12 Ventilation and temperature dust and fume -Sec 13 Overcrowding Artificial humidification Lighting – Sec. 14 Drinking water Spittoons.- Sec. 18 39

Safety Measures Fencing of machinery – Sec. 21 Work on near machinery in motion. – Sec 22 Employment prohibition of young persons on dangerous machines. – Sec 23 Striking gear and devices for cutting off power. – Sec 24 Self-acting machines.- Sec 25 Casing of new machinery.- Sec 26 Prohibition of employment of women and children near cotton-openers.- Sec27 Hoists and lifts.- Sec 28.

#### **THE PAYMENT OF WAGES ACT, 1936**

#### **OBJECT OF THE ACT**

To regulate the payment of wages to certain classes of employed persons. Two fold: First the date of payment of wages and Secondly the deductions from wages whether as fine or otherwise.

APPLICABILITY OF THE ACT Persons employed in:- Any factory (a saw mill, ginning factory, godowns, yards etc as defined in Factories Act, 1948). Tramway service or motor transport service engaged in carrying passengers or good or both by road for hire or reward. Air transport service Dock, Wharf or Jetty, Inland vessel, mechanically propelled Mine, quarry or oil-field plantation Workshop or other establishment etc. WAGE Wage includes any remuneration:- Payable under any award or settlement between the parties or order of a Court; Over time work or holiday or any leave period; Any additional remuneration under the terms of employment. Wage does not includes any bonus, pension fund or provident fund, travelling allowance and any gratuity. WAGES TO BE PAID IN CURRENT COINS OR CURRENCY NOTES a . All wages shall be paid in current coins or currency notes or in both. After obtaining the authorization, either by Cheque or by crediting the wages in employees banks Account {Section 6} TIME OF PAYMENT OF WAGES The wages of every person employed is paid. When less than 1000 persons are employed shall be paid before the expiry of the 7th day of the following month. When more than 1000 workers, before the expiry of the 10th day of the following month. (Section 5). Drawing average wage up to Rs.6500 pm as amended with effect from 6th September 2005. COVERAGE OF EMPLOYEES Deduction made from wages Deductions such as, fine, deduction for amenities and services supplied by the employer, advances paid, over payment of wages, loan, granted for house-building or other purposes, income tax payable, in pursuance of the order of the Court, Provident Fund contributions, cooperative societies, premium for Life Insurance, contribution to any fund constituted by employer or a trade union, recovery of losses, Employees State Insurance contribution etc. (Section 7). DEDUCTION FOR ABSENCE FROM DUTIES FOR UNAUTHORISED

ABSENCE Absence for whole or any part of the day – If ten or more persons absent without reasonable cause, deduction of wages up to 8 days {Section 9} For default or negligence of an employee resulting into loss. Show cause notice has to be given to the employee. {Section 10}

# III. Payment Of Bonus Act, 1965

Applicability: Applicability every factory or an establishment employing not less than 20 employees during an accounting year. The establishment once covered under the Act shall continue the coverage even if the number of employees falls below 20 subsequently.

Employee : Employee any person other than apprentice, engaged for hire or reward Includes supervisors Includes Managers. Includes all administrative staff. Includes a person who has worked not less than 30 days in an accounting year. But does not include any person whose salary exceeds 10000/- pm.

Can a person drawing wages more than 10000 make a claim? : Can a person drawing wages more than 10000 make a claim? No. It is not maintainable under the Act.

Maximum salary: Maximum salary Employees drawing salary up to Rs. 10000/- are eligible for Bonus. But their salary will be limited to Rs. 3500/- for the purpose of Bonus.

Max and Min Bonus: Max and Min Bonus Maximum of 20% and Minimum of 8.33% of the Salary/Wages. Maximum amount of Bonus is limited to Rs.84000/- (3500x12x20/100)

Can Bonus be denied to an employee on the condition that on the day of declaration of Bonus he was not in employment ? :

Can Bonus be denied to an employee on the condition that on the day of declaration of Bonus he was not in employment? NO. It violates the provisions of Sec. 8 of the Act.

Whether a Probationer is eligible for Bonus ? :

Whether a Probationer is eligible for Bonus ? A probationer will be eligible for bonus as there is no exclusion in the definition of \_employee' under the Act

Forfeiture of Bonus. : Forfeiture of Bonus. Sec. 9.Bonus can be forfeited to an employee who has been dismissed from service on grounds of fraud, theft, misappropriation, or sabotage of any property of the establishment

# UNIT IV LABOUR LEGISLATIONS-II

# Child labour

Children have to be taken care and must be protected frombeing exploited by the society. Children of any age, whether, male or female should be not only protected but also safeguarded and developed to grow in a healthy atmosphere.

# Laws pertaining to the prohibition of Child Labour

- 1. Children (Pledging of Labour] Act (1933)
- 2. Employment of Children Act (1938)
- 3. The Bombay Shop and Establishments Act (1948)
- 4. Child Labour (Prohibition and Regulation Act) 1986
- 5. The Indian Factories Act (1948)
- 6. Plantations Labour Act (1951)
- 7. The Mines Act (1952)
- 8. Merchant Shipping Act (1958)
- 9. The Apprentice Act (1961)
- 10. The Motor Transport Workers Act (1961)
- 11. The Atomic Energy Act (1962)
- 12. Bidi and Cigar Workers (Condition of Employment) Act (1966)
- 13. State Shops and Establishments Act

# Some of the Statutory Provisions on Child Labour

The child shall enjoy special protection and shall be given opportunities and facilities, by law and other means, to enable him to develop, physically, mentally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose, the best interest of the child shall be the Paramount Consideration

#### Main provisions of child labour act, 1986.

The Act came into force from 23rd December 1986. Its main objectives are to prohibit the employment of children in certain categories of industries and to regulate the conditions of work of children in certain industries. It was amended in 1988.

# (1)Scope

The Act is applicable to all establishments such as workshop, farm, residential hotels, restaurants, eating houses, theatre or other places of public amusement where child labour

is largely employed. The Act extends to the whole of India.

-Child means a person who had not completed fourteen years of age.

# Main Provisions of the Act

# (1)Prohibition of employment of children in certain occupations and processes:

(2)No child can be employed, or permitted to work in nay of the occupations set forth in Part A of the Schedule or in any workshop wherein any of the processes set forth in Part B of the schedule is carried on.

# (3)Hours and period of work:

- <sup>□</sup> No child shall be allowed to work in any establishment in excess of such number of hours as many be prescribed for such establishment or class establishment;
- <sup>□</sup> The daily hours or work shall be so fixed that no child shall be allowed to work for more than three hours without prior interval of an hour:
- The hours of work shall be so arranged that inclusive of rest interval, time spread and the time spend in waiting for the work shall not exceed six hours a day;
- No child shall be allowed to work between 7. P.M and 8 P.M

# (3)Weekly Holiday

Every child employed in any establishment shall be given one weekly holiday of 24 hours.

# (4)Healthy and Safety

(i)The appropriate government by notification in the Official Gazette, can make rules for health and safety of children employed or permitted to work in any establishment or class of establishment.

(ii)Without any prejudice to the generality of the foregoing provisions, the rules for health and safety may provided for all or any of the following matters namely;

- <sup>C</sup> Cleanliness in the place of work and its freedom from nuisance
- <sup>□</sup> Disposal of wastes and effluents
- <sup>□</sup> Ventilation and temperature
- Dust and fumes
- <sup>L</sup> Lighting
- Drinking water
- Artificial humidification
- Latrine and urinal
- Spittoons
- Fencing of machines

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- <sup>□</sup> Work at or near machinery in motion
- <sup>L</sup> Employment of children on dangerous machines
- Instructions training and supervision in relation to employment of children on dangerous
- Device for cutting off power
- □ Self-acting machines
- $\Box$  Casing of new machinery
- $^{\square}$  Floor, stairs and means of access
- $^{\square}$  Pits, sumps, opening in floors etc.
- Excessive weights
- $\square$  Protection eyes
- Explosive or inflammable dist gas etc
- Precaution in case of fire; maintenance of buildings; and safety of buildings and machinery.

## **Female Labour**

Participation of women in economic activity is common in all countries. But in developing countries, the incomes of women labour by and large are low. Moreover, if women have to work, she needs more protection than man in her working environment in developing countries and in traditional occupations.

# **RESTRICTIONS ON THE EMPLOYMENT OF WOMEN**

(a) Maximum daily work is 9 hours: No exemption from the provisions of Section 54 (which lays down that the maximum daily hours of work shall be nine hours) can be granted in respect of any women.

(b) prohibition of night work: No women shall be required or  $\neg$  allowed to work in any factory except between the hours of 6 a.m. and 7 p.m. The State Government may by notification in the official Gazette vary the limits for any factory or group or class or description of factories. But such variation must not authorise the employ $\neg$ -ment of women between the hours 10 p.m. and 5 a.m.

**Exception:** There is an exceptional case. The State Government may make rules providing for the exemption from the afore~aid restrictions (wholly or partially or conditionally) of women working in fish-curing or fish-canning factories. In factories, mentioned above, the employment of women beyond the hours specified is necessary to prevent damage to or deterioration in any raw material. But such rules shall remain in force for not more than three years at a time.

Other restrictions: There are other restrictions on the employment of women workers

1. Work on or near machinery in motion. No woman or young person shall be allowed

to clean, lubricate or adjust any part of the machinery while the prime mover or transmission machinery is in motion or to work between moving parts, or between fixed and moving parts of any machinery which is in motion.-Sec. 22(2).

2. **Cotton openers.** No woman or child shall be employed in any part of a factory for pressing cotton in which a cotton opener is at work. If the feed-end of a cotton opener is in a room separated from the delivery-end by a partition extending to the roof or to such height as the Inspector may in a particular case specify in writing , women and children may be employed on the side of the partition where the feed-end is situated.-Sec. 27.

3. **Excessive weights.** The State Government may make rules prescribing the maximum weights .which may be lifted, carried. or moved by adult men, adult women, adolescents and children employed in factories or in any class or description of factories or in carrying on any specified process.-Sec. 34.

4. **Creches.** In every factory wherein more than thirty women workers are ordinarily employed there shall be provided and maintained a suitable room or rooms for the use of children under the age of six years of such women.-Sec. 48.

5. **Dangerous operations**. The State Government is empowered to make special rules for the purpose of controlling and regulating factories which carry on operations exposing women, young persons and other workers to a serious risk of bodily injury, poisoning or disease.-Sec. 87

#### **Contract Labour**

<sup>□</sup> The contract labour is labour which is not carried on the payroll and is not directly paid. It is usually divided into two categories.

<sup>1</sup> Those employed on job contracts; and Those employed on labour contracts

 $^{\cup}$  The large establishments offer job contracts for such operations as the loading and unloading of the metals by the mining industry or the construction of roads or buildings by Public Works Department.

#### The Contract Labour Act, 1970.

#### **Scope and Coverage**

The Act came into force from 10th February 1971. It extends to the whole of India and applies to every establishment in which twenty or more workmen are or were, employed on any day during the preceding twelve months as contract labour, and to every contractor

The Act does not apply to establishments where work is of a casual (irregular or occasional

or intermittent (interrupted or non-continues) nature. The work performed in an establishment is not considered to be of an intermittent nature:

(i) If it is performed for more than one hundred and twenty days in the preceding twelve months;

(ii) It is not of seasonal character if it is performed for more than sixty days in a year.

# THE MAIN PROVISIONS OF THE ACT

## (1) Setting Up of Advisory Boards

The Act requires that the Central and State Advisory Boards are to be set up by the Central and State Governments, respectively to advise them on such matters arising out of the administration of the Act as may be refereed to them, and carry out any other functions assigned to them under the Act. Besides, the government nominees, the Boards havemembers representing industry, contractors, workers, and any other interesgovernment may consider should be represented on the Boards. The number of nominees of the workers is to be equal to that of industry and contractors, both on the State and the Central Boards (section 3,4)

# (2) Registration of Establishment

Every principal employer who wishes to employ contract labour has to get the establishment is accepted for registration. the registration officer issues a registration certificate if the establishment is accepted for registration. This certificate can be cancelled if it has been obtained by misrepresentation or suppression of any material fact, or if the registration has become useless or ineffective or requires to be revoked.

The contract labour cannot be employed so long as the registration certificate has not been issued or after it is revoked. The employer has to play a registration fee of twenty rupees to five hundred rupees depending on the number of workers to be employed (Section 6, 7, 8, 9)

## (3) Prohibition of employment of Contract Labour

Both the Central and State Governments can prohibit the employment of contract labour in any process, operation or other work in any establishment after consulting their Advisory Boards, and consider the conditions of work and benefits provided for contract labour in the establishment. The employment of contract labour may not be permitted for any process, operation and other work if it is:

(a) incidental to or necessary for the industry, trade, business, manufacture or occupation that is carried on in the establishment;

(b) of perennial or perpetual nature or of a sufficient duration

(c) done ordinarily through regular workmen in that establishment or an similar thereto:

(d) capable of employing considerable number of wholetime workmen.

# (4) Licensing of Contractors

Every contractor has to obtain a licensing for employing contract labour from the licensing officer appointed by the government for this purpose. In this application for a licensing he has to mention the location of his establishment, the nature of the operation or the work for which contract labour is to be employed, and such other particulars as may be required by the licensing officer. He is charged a licence fee, which may vary from fivec rupees to one hundred and twenty five rupees, depending on the number of workers to be employed

# (5) Welfare and Health of Contract Labour

- <sup>□</sup> A contractors are required to provide and maintain:
- A Sufficient supply of wholesome drinking water at convenient places;
- A sufficient number of latrines and urinals of the prescribed type conveniently situated and accessible.

# Washing facilities;

A first –aid box equipped with prescribed contents at every place where contract labour is employed; One or more canteens if the work is to continue for more than 6 months and 100 or more workers are employed. The number of canteens, the standard of their construction, furniture and equipment, and the type of food to be supplied will be as prescribed under the rules framed by the government

# (6) Responsibility for payment of Wages

<sup> $\Box$ </sup> The contractor is also to be responsible for making regular and timely payment of wages to his workers. The payment is to be made in the presence of the authorized representative of the principal employer. If the contractor does not make payment, the principal employer will do the same and recover the amount so paid from the contractor (Section 16 to 21)

 $^{\square}$  Get his establishment registered with the registering officer appointed by the government (Section 7);

<sup>□</sup> Obtain a license from the licensing officer for employing contract labour and comply with the terms and conditions of the grant of the license (Section 12);

<sup>1</sup> Not to employ contract labour without obtaining a registration certificate and license, or

after the registration certificate and license are revoked or suspended (Section 9, 12, 1);

<sup> $\Box$ </sup> Provide welfare and health facilities as required under the Act and its rules (Section 16, 19);

<sup>D</sup> Pay wages to workers before the expiry of the wages period (Section 21);

<sup>C</sup> Co-operate with the inspectors in the inspection of premises, documents and records and examining any person to determine if the provisions of the Act and the rules framed there under are being complied with (Section 28);

<sup>□</sup> Maintain the registers and records with such particulars of contract labour, as nature of work performed, rates of wages and other information specified in Rules 74 and 78 of the Act (Section 29);

<sup> $\Box$ </sup> Exhibit in the premises of the establishment where contract labour is employed a notice showing hours of work, rates of wages, wage periods, dates of payment of wages, nature of duties and other particulars as mentioned in Rule 81 of the Act (Section 29 (2)); and

 $^{\Box}$  Send a half-yearly return to the licensing officer and yearly return to the registration officer, and to supply such information and statistics as may be required by the government from time to time.

# (9) Rights of Contract Labour

<sup> $\Box$ </sup> Claim such working conditions, facilities and other benefits as are provided for under the Act and the rules framed there under (Section 16 to 22); and

<sup> $\Box$ </sup> They can be represented by their representatives on the Central and State Advisory Boards (Section 4)

Nature of difference	Organized Labour	Unorganized Labour
Place of work	Constant at Regular place	Inconstant of Irregular
		Place
Membership	Can join in a union	Can join in any union
Recognition	They are recognized as a	No negotiation to them as
	Labour	a labour
Retirement	Are limit for retirement	No age limit

# **Organized Labour and Unorganized Labour**

Age	Complete the age 18 years	No age limit
Benefit as per Act	They can get all benefit	No benefit for them
Security of job	Fully secured	No security

# **Construction Labour**

Construction industry employs around three million workers and the nature of work is considered hazardous. Large number of unskilled and semiskilled labour both male and female is employed on various form of building operation and road constructions.

# Agriculture labour &Differently abled Labour

A handicapped person is one who is having some shortcoming or infirmity which detracts a person from being a normal human being.

Handicapped may be divided into different categories viz.

\*Physically handicapped, \*Mentally handicapped, \*Socially handicapped, and \*Aged persons.

# **Disablement Benefit**

A person who sustains disablement for not less than 3 days, in entitled to periodic payment (at the rate of 40% more than the standard benefit rate which of `.14 or more depending upon his wages).

A person who sustains permanent disablement whether total or partial is entitled to periodical payment at such percentage of benefit payable in the cage of disablement as of proportionate to the percentage of loss of earning capacity.

#### Various schemes for differently abled persons.

<sup>□</sup> Assistance to Disabled Persons for Purchase / Fitting of Aids and Appliances (ADIP Scheme)- External website that opens in a new window

<sup>D</sup> Deendayal Disabled Rehabilitation Scheme to promote Voluntary Action for Persons

with Disabilities- External website that opens in a new window

 $^{\sqcup}$  Scheme of National Awards for Empowerment of Persons with Disabilities-External website that opens in a new window

 $^{\perp}$  Scheme of National Scholarships for Persons with Disabilities- External website that opens in a new window

<sup>L</sup> Scheme of Integrated Education for the Disabled Children Scheme for providing Employment to Persons with Disabilities in the Private Sector - Incentives to the Employers-External website that opens in a new window

<sup>1</sup> Conveyance Allowance- External website that opens in a new window

<sup>1</sup> Income Tax Concessions- External website that opens in a new window

 $^{\scriptscriptstyle \square}$  Reservation of Jobs & Other Facilities For Disabled Persons- External website that opens in a new window

Financial Assistance to Person with Disabilities- External website that opens in a new window

<sup>1</sup> Equal Insurance Benefits- External website that opens in a new window

# UNIT V LABOUR LEGISLATIONS -III

# KPO &BPO Labour

Communication and information technology industry is an important enabler in enhancing productivity. The structure and functions of IT industries are largely different than the conventional organizations which demand a different rule of the game to manage effectively.

# **KPO and BPO in Detail**

	BPO	КРО
Definition	BPO provides services like customer care, technical support through voice processes, tele-marketing, sales, etc.	KPO provides in-depth knowledge, expertise and analysis on complex areas like Legal Services, Business and Market Research, etc.
Stands for	Business Processing Outsourcing	Knowledge Processing Outsourcing
Requires	Good communication skills and basic computer knowledge	Specialized knowledge
Services	Low end services	High end services
Process	Pre-defined process	Requires application and understanding of business
Employees	Not so qualified employees	Skill and expertise of knowledge employees
Expertise in	Low end services	High end services

# Social assistance Meaning of Social Assistance

Social Assistance schemes are funded from the consolidated fund of the state rather than from individual contributions, with statutory scales of benefit adjusted according to a person's means.

## Definition

According to I.L.O define as, —A service or scheme which provides benefits to persons of small means as right in amounts sufficient to meet minimum standards of need and financed from taxation.

1995: The NSAP is launched with the aim of providing social assistance to destitutes 'defined as any person who has little or no regular means of subsistence from his/her own source of income or through financial support from family members or other sources'. The NSAP includes three components:

- National Old Age Pension Scheme (NOAPS);
- National Family Benefit Scheme (NFBS);
- National Maternity Benefit Scheme (NMBS)
- 2000: Annapurna Yojana is introduced to provide eligible beneficiaries, who were not covered under NOAPS, 10 kg of free rice.
- 2001: NMBS is transferred to the Department of Family Welfare.
- 2006: Monthly pension amount for NOAPS raised from Rs. 75 to Rs. 200
- 2007: The NSAP is extended to cover all individuals living below the poverty line. The NOAPS is renamed Indira Gandhi National Old Age Pension Scheme (IGNOAPS).
- 2009: The NSAP is expanded to include the Indira Gandhi National Widow Pension Scheme (IGNWPS) - for widows aged 40–64 years - and the Indira Gandhi National Disability Pension Scheme (IGNDPS) - for persons with multiple or severe disabilities aged 18–64 years living below the poverty line.

2011: Age limit for IGNOAPS is lowered from 65 to 60 years under IGNOAPS and monthly pension amount for those 80 years and above is raised from Rs. 200 to Rs. 500.

Age limits for IGNWPS and IGNDPS are changed to 40-59 and 18-59, respectively.

012: Monthly pensions under IGNWPS and IGNDPS increased from Rs. 200 to Rs. 300. Age limit changed to 40–79 years and 18–79 years, respectively.

2013: Report of the Task Force on Comprehensive Social Assistance Programme submitted to the Government of India. Recommends raising monthly pension and expanding coverage.

# Social security and its implications **Meaning of Social Security:**

Social Security means the security provided by the society to the needy citizens on the principles of human dignity and social justice. Social Security Programmes are now sincreasingly being accepted as useful and necessary instrumented for the protection and stability of the labour force.

# **Definition:**

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According to Friedlander define as, —The programme of protection provided by society against the contingencies of modern life, sickness, unemployment, old age dependency, industrial accidents and invalidism against which the individual cannot be exploited to protect himself and his family by his own ability for foresight.

# Important social security measures were introduced by the Government

- <sup>⊥</sup> Workers Compensation Act, 1923
- <sup>□</sup> Employees State Insurance Act, 1948
- □ Maternity Benefits Act By State and Central Gover nment
- <sup>□</sup> Coal Mines Provident Fund and Bonus Act, 1948
- Employees Provident Fund Act, 1952
- Family Pension Schemes, 1971
- <sup>D</sup> Payment of Gratuity Act, 1952
- <sup>□</sup> Deposit Linked Insurance Scheme
- <sup>1</sup> Social Security Certificate Scheme, 1982

# Social Insurance Definition:

—Giving in return for contribution, benefits upon subsistence level as if right and without means tests so that an individual may build freely upon it. Thus social insurance implies that it is compulsory and that men stand together with their follows.

# The Principle Elements of Social Insurance

- <sup>□</sup> Participation is compulsory with few exceptions.
- <sup>□</sup> Contributions are accumulated in special funds out of which benefits are paid.
- $^{\square}$  Surplus funds, not needed to pay current benefits are invested to earn further income.

 $^{\square}$  A person's right to benefit is secured by his contribution record without any list of need or means.

## THE WORKMEN'S COMPENSATION ACT, 1923

It applies from first day of employment till after death — The Growing complexity of industry in this country, with the increasing use of machinery and consequent danger to workmen, along with the comparative poverty of the workmen themselves renders it advisable that they should be protected, as far as possible, from hardship arising from accidents Gazette of India 1922

# **OBJECT OF THE ACT :**

To provide some means of livelihood for the workman who, by reason of accidental injury arising out of his employment, has suffered a loss of earning capacity.

This act is the important piece of social legislation. Employer is legally responsible for work related injuries and deaths. This act is written in simple language to understand.

# SCOPE & APPLICATION :

The Act applies to workmen employed in factories, mines, transport establishments, construction works, railways, plantations, ships and other hazardous occupations and employments specified in schedule II to the Act.

# EMPLOYER'S LIABILITY FOR COMPENSATION:

An employer is liable to pay compensation to a workman- For personal injury caused to him by accident For any occupational disease contracted by him

Facts must be proven The concerned person must be a workman. That the injury or death had arisen out off or during and in the course of employment.

During & in the course Its covered for all official duties If your boss instructs you to do any work apart from your usual scope of work, its official.

TYPES OF INCAPACITY Temporary Permanent MINIMUM QUALIFICATION 3 & more consecutive days. less then 3 days – work -man's does not cover. must produce medical certificate. WAGES PAYABLE 2/3rd of the weekly earnings Until declared fit by doctor MAXIMUM PERIOD 260 weeks, that is for 260 weeks one could be paid 2/3rd weekly wages PERMANENT TOTAL INCAPACITY 260 weeks earnings Or minimum of – \$6,000 – 00 Maximum of – \$32,000 - 00 PERMANENT PARTIAL INCAPACITY Percentage of incapacity multiply by (x) 260 weeks earnings = compensation payable. AMOUNT PAYABLE Minimum of \$6,000 : 00

# THE EMPLOYEES' STATE INSURANCE ACT, 1948

OBJECTIVE : The object of the Act is to secure sickness, maternity, disablement and medical benefits to employees of factories and establishments and dependents' benefits to the dependents of such employees.

APPLICABILITY : To all Factories & establishments employing 20 or more employees. Every employee drawing wages up to Rs. 10,000/- per month.

Contribution under ESI Act,1948 : 1. Employees : 1.75% on total monthly wages 2. Employer : 4.75% on total monthly wages

Time & Method for payment of Contribution : Both the employer's and the Employees' contribution are to paid in cash or by cheque, into the State Bank of India or any other bank authorized by the ESI Corporation, by filling in a prescri-bed Challan in quadruplicate within 21 days following the end of the calendar month in which the contribution falls due. The Bank will

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retain two copies of the Challan and return other two to the employer, one for submitting to the Regional Office of the Corporation and the other for the record of the employer.

Procedure for Registration : The employer of a factory or an establishment desirous of registering it under the Act has to send to the Regional Office within 15 days from the Act becomes applicable to it a Declaration of Registration in the prescribed form. Upon receipt of the Declaration of Registration the Regional Office shall if satisfied that the factory or the establishment is covered by the Act, allot to it a Code Number and thereupon the factory or the establishment shall stand registered under the Act.

Benefits under the Act : Six kinds of benefits are provided under the Act: Sickness benefit Maternity benefit Disablement benefit Dependents' benefit Medical benefit and Funeral expenses. 1. Sickness benefit : Insured employees is entitled to receive for the period of his sickness as the daily --standard benefit. ratinimum 78 days of the corresponding contribution is must. Benefit is not available for the first 2 days of sickness. Maximum period for benefit is 91 days in one year. Standard benefit rate : The daily rate which sickness benefit is payable to an insured employee during the period of his sickness. Lowest rate is Rs. 14/- Highest rate is Rs. 195/- 2. Maternity benefit : Confinement, miscarriage or medical termination of pregnancy, Sickness arising out of pregnancy, confinement, premature birth of child or miscarriage or medical termination of pregnancy. Minimum 80 days in the immediately preceding two consecutive contribution periods is must. Maximum period for benefit is 91 days in one year. 3. Disablement benefit : Permanent disablement, whether total or partial, as a result of an employment injury (personal injury caused by an accident arising out of and in the course of employment). Benefit for the whole of life. 4. Dependents' benefit : When an insured employee dies as a result of an employment injury, his widow and children and in case the employee does not leave behind him a widow or children, his other dependants, are entitled to receive periodical payments. 5. Medical benefit : Sickness of Insured employee or (where medical benefits is extended to his family) a member of his family. Available to the employee during any period for which contributions are paid in respect of him or in which he can claim sickness benefit. 6. Funeral expenses : In case of death of an insured employee, the eldest surviving member of his family, and if the employee had no family or was not living with his family at the time of his death, then the person who actually incurs expenditure on the funeral of the employee, is entitled to receive the a payment called -funeral experimentation permissible amount of such payment is Rs. 2500/-

# **QUESTION BANK**

# UNIT I

# <u>PART A</u> 1.Define Industrial Relations.

According to Kapoor defined as the —Industrial Relations is a developing and dynamic concept and such no more limits itself merely to the complex relations between the unions and management but also refers to the general web of relationships normally obtaining between employees – a web much more complex than the single concept of labour capital conflict.

# 2. What do you mean by Industrial Relations?

The Term —Industrial Relations<sup>II</sup> commonly denotes —employee – employee relations<sup>II</sup>, in both organized and unorganized sectors of the economy. Industrial Relations (also known as labour – management relations or labour relations) will be treated here as the study of employee – employer relationship and the outcome of such relationship.

# 3.Write down some important objectives of Industrial Relation?

<sup>□</sup> To enhance the economic status of the worker by improving wages, benefits and by helping the workers in evolving sound budget.

To establish a proper channel of communication between workers and management.

 $^{\square}$  To provide an opportunity to the workers to have a say in the management and decision making.

- <sup>2</sup> To avoid industrial conflicts and to maintain harmonious relations.
- $^{\perp}$  To increase the morale and discipline of workers.

# 4. What is the scope of Industrial Relation?

- <sup>1</sup> Safeguard the interest of the workers.
- Fixing reasonable wages.
- Providing good working atmosphere.
- $\frac{1}{2}$  By collective bargaining. The industrial peace could be attained.
- <sup>1</sup> By Setting industrial disputes through mutual understanding and agreement.

## 5. Write down the causes of poor industrial relations?

- <sup>Unhealthy Working Conditions.</sup>
- Indiscipline.
- Inadequate fixation of wage.
- <sup>1</sup> Lack of human relations skill on the part of supervisors and other managers.

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- □ Inadequate welfare facilities.
- <sup>1</sup> Dispute on sharing the gains of productivity.

### 6. Define Trade Union.

According to Dale Yoder defined as —A trade union is a continuous association of wage – earners for the purpose of maintaining or improving the conditions of their working lives.

#### 7. What do you mean by Trade Union?

In the words of Indian Trade Union Act, 1926, —A trade union is any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen, between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions.

#### 8. Define Trade Dispute.

A trade dispute was defined by TULRA as —A dispute between workers and employers which is "connected with" one or more of the following: terms and conditions of employment, engagement or non -engagement or termination or suspension of employment of workers, allocation of work, discipline, membership or non-membership of a union, union facilities, and management -union procedures.

# 9. What are the Objectives of Code of Conduct?

□ To ensures that the employers and employees recognize each others rights and obligations.

- $\square$  To avoid work stoppage.
- To facilitate the free growth of trade unions.
- $^{\square}$  To maintain discipline in industry.

## **10.** Write a short note Reformist Union.

These unions are those which aim at the preservation of the capitalist society and the maintenance of the usual employer – employee relationship, elimination of competitive system of production. They neither seek comprehensive change nor wish to destroy the existing social, economic or political structure of the State.

## 11. What is Craft Union?

It is an organization of workers employed in a particular craft or trade or in a single or two or three related trades / crafts / occupations. Such organizations link together those workers who have similar skills, craft training and specialization. This Union is also called as Horizontal Union.

#### **12. What is Employee Discipline?**

Discipline is management action to encourage compliance with organization standards. According to Decenzo and Robbins, discipline refers to a condition in the organization where employees conduct themselves in accordance with the organization's rules and standards of acceptable behavior.

## 13.What you mean by Public Enterprise?

Company whose shares are available and traded on the stock market or other overthe-counter market. Subject to more regulation than a privately owned company, a public enterprise has greater access to financing. Shareholders own a percentage of the company based on the amount of stock they own.

#### 14. Define ILO

The International Labour Organization (ILO) is a United Nations agency dealing with labour problems, particularly international labour standards, social protection, and work opportunities for all. The ILO has 187 member states: 186 of the 193 UN member states plus the Cook Islands are members of the ILO.

## 15. Define code of conduct.

A well-written code of conduct clarifies an organization's mission, values and principles, linking them with standards of professional conduct. The codearticulates the values the organization wishes to foster in leaders and employees and, in doing so, defines desired behavior.

#### 16. What the limitations of code of conduct?

i) Legal and Cultural Challengesii)Time investment

#### 17. List out the importance of Industrial Relations

- i) Promote Industrial Democracy
- ii) Benefits to workers
- iii)Improve Productivity

#### **18. Illustrate the various types of trade unions**.

- i. General Unions.
- ii. Industrial unions.
- iii. Craft Unions.
- iv. White-collar Unions.

# **19.** Elaborate the objectives of code of conduct

 $\Box$  To ensures that the employers and employees recognize each other's rights and obligations.

To avoid work stoppage.

## **20.** What are the features of Industrial Relations?

- ✓ Industrial relations are the relations between two parties connected with industrial/ manufacturing activity, namely employer and employees. ...
- ✓ The concept of industrial relations is complex and multi- dimensional. ...
- ✓ In the olden days, industrial relations were cordial and peaceful.

# 21. Why link industrial relations with productivity?

- Labour is a human factor that interacts with, reacts with and controls the productivity of other factors. Labour is not a commodity.
- It is one of the important factors of production and is universally used in all production and distribution processes.
- ▶ It is a relatively simple concept of the ratio of output to the input of labour.

## 22. How to develop positive industrial relations?

high or improved individual and group performance;

- cost effectiveness;
- productivity improvement;
- improvement in the quality of life and work satisfaction; and
- the development of human potential and its full realization.

# PART B

1. Briefly explain about the concepts of industrial relation..

2.Explain about importance of industrial relation.

3.Explain the present status of Industrial Relations in India.

4.Explain the growth of trade unions in India.

5.Briefly explain about objectives and basic principles of code of conduct.

6. How would you classify the functions of trade unions

7. How would you summarize the contents of code of conduct?

8. What are the causes of Industrial relations problems in public sector

# UNIT II

# **INDUSTRIAL CONFLICTS**

# <u>PART A</u>

# **1.Define Industrial Disputes.**

According to the Industrial Disputes Act, 1947, Section 2(k); —Industrial Disputes mean any dispute or difference between employers and employers, or between employers and workmen or between workmen and workmen, which is connected with the employment or non – employment or r term of employment or with the conditions of labour of any person<sup>II</sup>.

## 2. What do you mean by Industrial Conflicts / Disputes?

Industrial Disputes mean any dispute or difference between employers and employers, or between employers and workmen or between workmen and workmen, which is connected with the employment or non – employment or r term of employment or with the conditions of labour of any person $\mathbb{I}$ .

# 3. What do you mean by Impact of Industrial Disputes?

The consequences of industrial disputes are far – reaching, for they disturb the

economic, social and political life of a country.

□ Industrial disputes also affect the national economy.

 $^{\square}$  Prof. Pigou has observed: When labour and equipment in the whole or any part of an industry are rendered idle by a strike or lockout, national dividend must suffer in a way that injures economic welfare.

#### 4. What do you mean by Strike? Define Strike?

Strike is —a temporary cessation of work by a group of employees in order to express their grievance or to enforce a demand concerning changes in work conditions. Section 2(q) of the Industrial Disputes Act, 1947, defines a strike as —a cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal under a common understanding of a number of persons who are or have been so employed to continue to work or to accept employment.

#### 5. Write about lock out, layoff

# Lock – out:

Under the Industrial Disputes Act, 1947, Section 2(1), —A lock – out means the closing of a place of business or employment or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him.

# Lay – off:

Lay – off means failure, refusal or inability of an employer, shortage of power, or raw material or accumulations of the stocks or the breakdown of the machinery or for any other reason to give employment to a workman whose name is borne on the muster rolls of his industrial establishment and who has not been retrenched.

## 6. What do you mean by Retrenchment?

Retrenchment means the termination of the service of a workman for any reasons by the employer what so ever otherwise than as a punishment inflicted by the way of disciplinary action but does not include voluntary retirement of the workman or retirement of the workman reaching the superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf, or termination of the service of a workman on the ground of continuous ill health.

#### 7. Define & meaning of Collective Bargaining Definition

According to Richardson, defines —Collective Bargaining takes place when a number of work people enter into negotiation as a bargaining unit with an employer or a group of employers with the object of reaching agreement on conditions of the employment of the work people.

# Meaning:

Iaat means collective negotiations between the employer and the employees relating to their work situations. The success of these negotiations depends upon mutual understanding and give and take principles between the employers and employees.

#### 8. Write a short not on Industrial Peace.

Industrial peace is not merely a negative concept signifying the absence of industrial unrest, or the reconciling of hostile forces in order to avoid ruinous strife, but it also signifies the active presence of harmonious and good industrial relations generating amity and goodwill between the partners in an industry – a condition which is both the cause and effect of fruitful co - operation.

#### 9. What you mean by Voluntary conciliation?

Conciliation is a voluntary proceeding, where the parties involved are free to agree and attempt to resolve their dispute by conciliation. The process is flexible, allowing parties to define the time, structure and content of the conciliation proceedings. These proceedings are rarely public. They are interest-based, as the conciliator will when proposing a settlement, not only take into account the parties' legal positions, but also their; commercial, financial and / or personal interests.

#### **10.Define collective bargaining.**

According to Richardson, defines —Collective Bargaining takes place when a number of work people enter into negotiation as a bargaining unit with an employer or a group of employers with the object of reaching agreement on conditions of the employment of the work people.

#### **10.What is Arbitration?**

According to Kurt Brenn, —the objective of arbitration is not com – promise, but adjudication, through the parties is at liberty to compromise. A wise arbitrator will certainly promote such agreements; but, as a rule, there is no place for compromise in the awards. This basic difference between the settlement approach and the quasi – judicial approach must be appreciated.

## 11. Write a short not on grievances.

Grievances are feelings, sometimes real, sometimes imagined which an employee may have in regard to his employment situation. It is a broad concept and cover dissatisfaction.

#### 12.What do you mean by Adjudication?

- <sup>i.</sup> Adjudication consists of settling disputes through intervention by the third party appointed by the government.
- <sup>ii.</sup> A dispute can also be referred to adjudication by the Government even if there is no consent of the parties in which as it is called \_compulsory adjudication'.
- iii. Adjudication means a mandatory settlement of an industrial dispute by labour court or tribunal.

# 13. What are the different forms of strike?

- i. Unfair labor practice strikes, which protest employers illegal activities.
- ii. Economic strikes, which may occur when there are disputes over wages or benefits.
- iii. Recognition strikes, which are intended to force employers to recognize unions.

#### 14.Define compulsory adjudication.

Compulsory adjudication is used to mean the mechanism of dispute resolution from the stage of the conciliation ta the Tribunal-award implementation.

#### 15.What do you mean by conciliation?

Conciliation is an alternative dispute resolution (ADR) process whereby the parties to a dispute use a conciliator, who meets with the parties both separately and together in an attempt to resolve their differences. They do this by lowering tensions, improving communications, interpreting issues, encouraging parties to explore potential solutions and assisting parties in finding a mutually acceptable outcome.

#### 16.List the role of conciliator.

The conciliator will be guided by principles of objectivity, fairness and justice, giving consideration to, among other things, the rights and obligations of the parties, the usages of the trade concerned and the circumstances surrounding the dispute, including any previous business practices between the parties.

## 17.What are the functions of labour court?

(1) The conciliator shall assist the parties in an independent and impartial manner in their attempt to reach an amicable settlement of their dispute.

(2) The conciliator shall be guided by principle of objectivity, fairness and justice, giving consideration to, among other things, the rights and obligations of the parties, the usages of the trade concerned and the circumstances surrounding the dispute, including any previous business practices between the parties.

## **18.What is a labour court?**

A labor court (or labour court or industrial tribunal) is a governmental judiciary body which rules on laboror employment-related matters and disputes. In a number of countries, labor cases are often taken to separate national labor high courts.

## **19.What are the types of collective bargaining?**

- ✓ Conjunctive or Distributive Bargaining: In this form of collective bargaining, both the parties viz. ...
- ✓ Co-operative or Integrative Bargaining: Both the employee and the employer sit together and try to resolve the problems of their common interest and reach to an amicable solution.

# 20.What are the steps involved in collective bargaining?

- ✓ Preparation
- ✓ Discussion
- ✓ Proposal
- ✓ Bargaining
- ✓ Final Agreement

# 21. What is concession bargaining?

Concession bargaining is a method of collective bargaining that sometimes takes place when the employer is in distress. In this situation, the union may give the employer back a previous agreement in exchange for job security for the largest number of employees. For example, a union may give up paid time off in exchange for protection for layoffs.

# PART B

1. Enumerate the term conflict and briefly explain about impact of industrial relations conflict for a business.

- 2. Briefly explain about various causes of industrial disputes.
- 3. Brifely explains about various types of strike with neat sketch.
- 4. Explain the various steps helps to promote industrial peace.
- 5. Explain the various machinery for preventing industrial disputes.
- 6. What are the impact of industrial relations?
- 7. What are the different types of negotiation?
- 8. Elaborate the mediation process and the role of mediator.
- 9. Define grievance and list the types of arbitration process

10. Give a brief idea of adjudication machineries to settle disputes.

#### LABOUR WELFARE

## PART A

# 1. Write a short note on Labour Welfare.

The concept of labour welfare is flexible and elastic and differs widely with time, region, industry, social values and customs, degree of industrialization, the general socio – economic development of the people and the political ideologies prevailing at a particular time. It is also molded according to the age – group, sex, socio – cultural background, marital and economic status and educational level of the workers in various industries.

#### 2. Define Labour Welfare.

According to the Committee on Labour Welfare, welfare services should mean: —Such services, facilities, and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities, arrangements for travel to and from place of work, and for the accommodation of workers employed at a distance from their homes; and such other services, amenities and facilities, including social security measures, as contribute to the conditions under which workers are employed.

## 3. What do you mean by Recreation?

Recreation also has an important role in the development of an individual personality and his capacity to contribute to social development. These facilities bring out the hidden talents of employees. These facilities improve the performance and job satisfaction of the employees. Recreation are dance clubs, craft centres, cultural programmes, music clubs, festival celebrations, study circles, reading room and library, swimming pool, athle tics, gymnasium.

#### 4. Write a short note on Employee's Education .

In the word of William Flayed, —Worker Education is an attempt on the part of organized labour to educate its own members under an educational system in which the workers prescribe the courses of instructions, select the teachers and in a considerable measure, furnish the finance.

#### 5. Write a short note on Employee's Training Programme?

The Board has developed a need based, three tier training programme for education officers, workers and teachers. In first state education officer are trained. The period or training is four months. Then they give training for different regional centres. Second stage is to get selected workers trained as worker teachers at the regional and sub -regional centres by the educational officers. The duration of training programme is three months.

#### **6.What is Labour Funds?**

Labour welfare funds are created as a measure of social security provided to the working class. Social security is one of the working class. Social security is one of the three categories of labour welfare activities classified by the study group appointed by the Government of India to examine the labour welfare activities.

# 7. Write about Social Security Measures.

Social security can be said to be measures of protection provided by society against certain contingencies of modern life, namely, sickness unemployment, old age, dependency, industrial accidents and invalidation against which the individual cannot be expected to protect him.

# 8. Write a short note on Statutory Welfare Measures.

Statutory welfare measures mainly include welfare facilities provided within the precincts of an industrial establishment. They form part of the employetatutory obligations. All welfare states provide welfare to the labour by securing and protecting social order to ensure social, economic and political justice.

# 9. List out the theories of labour welfare.

- Policy theory
- Religious theory
- Philanthrophic theory
- Public relations theory
- Social theory

# **10.List out the different types of housing scheme.**

- Integrated subsidized housing scheme
- Subsidized housing scheme for plantation workers
- Income grouping housing scheme
- Village housing projects scheme

#### 11. What are the measures involved in non statutory welfare measure?

Health Education Recreation Transport

## **12. State the Objectives of Labour Welfare**

- To build up stable labour force to reduce labour turnover and absenteeism
- To make the industrial employment more attractive and enable the workers to live a richer and more satisfactory life.
- To increase the mental efficiency and economic productivity of industrial workers and efficiency of the enterprise.
- To raise the standard of living of the workers by indirectly reducing the burden on their means of living. To win over employees loyalty and increase their moral.
- To make recruitment more effective.

## 13.What are the needs for Welfare Services

The employers need welfare activities to discharge their social responsibility,

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raise the employees morale use the work force more effectively and to reduce function with workers and to avoid Welfare facilities besides removing dissatisfaction help to develop loyalty in workers towards the organization.

- Welfare may help minimize social evils, such as alcoholism, gambling, prostitution and drug addiction. To create harmonious industrial relationship.

## 14. What are voluntary welfare measures?

Voluntary welfare includes all those activities which employers undertake for their employees on voluntary basis. It is philanthropic approach on the part of the employer to provide various welfare facilities to the workers over and above the statutory measures  $\Box$  (eg) housing, education, recreation, transportation and cooperatives Non-statutory welfare measures 1. Canteen facility 2. Holidays and leave entitlement 3. Employment state insurance scheme 4. Medical re-imbursement 5. Housing facilities 6. Conveyance 7. Tour facilities 8. Residential quarters 9. Recreation facilities 10. Library facilities 11. Telephone Charges 12. Magazine and newspaper

#### 15. What is CBWE?

The Central Board for Workers Education (CBWE) is an autonomous body under the Ministry of Labour & Employment, Government of India. It is registered under the Societies Registration Act, 1860. Started in 1958, the Workers Education Scheme in India has been playing a very significant role in our national development; creating an enlightened and disciplined work force and bringing about desirable behavioral changes in our workforce in the organized, unorganized and rural sectors. It gets grants-in-aid from the Ministry of Labour & Employment to operate its activities.

#### 16. State the different levels of worker's education.

1. The national level: It is the top most level worker's education. At this level, education officers are trained. The participants for the programme are selected by CBWE and are trained at a central place by the board officials

2. The regional level: The regional level programmes are aimed at imparting necessary training to selected workers. The workers so educated are known as workers' teacher

3. The unit/village level: this is the final stage of the programme. The workers' teacher on completion of their return to their work place and conducts programme for rank and file of workers at their respective units

#### **17. What is DGET?**

Directorate General of Employment and Training (DGE&T in Ministry of Skill Development And Entrepreneurship is the apex organisation for development and coordination at National level for the programmes relating to vocational training including Women's Vocational Training and Employment .Under this scheme, training to earlier school leavers and existing workers specially in a unorganized sector are trained for employable skills.

#### **18.Justify the necessity of workers education**

Workers' Education concerns itself basically with the development of workers and understanding of labor problems in the broadest sense of the concept. Workers' Education, therefore, is a basic instrument or tool for building an effective, sound and responsible labor movement in any given Country.

## 19. How would you list statutory welfare measures?

The statutory welfare benefits schemes include the following provisions:

- 1. Drinking Water
- 2. Facilities for sitting: .
- 3. First aid appliances: .
- 4. Latrines and Urinals:
- 5. Canteen facilitiesSpittoons:
- 6. Lighting: Washing places:
- 7. Changing rooms:
- 8. Rest rooms
- 9. Maternity & Adoption Leave
- 10. Medi-claim Insurance Scheme
- 11. Sexual Harassment Policy

# 20. What are the qualifications of Labour Welfare Officer?

In every factory wherein five hundred or more workers are ordinarily employed, the occupier shall employ welfare officer in the factory.

A person should possess following qualifications for appointing as a welfare officer:

a. a Degree in Arts/Science/Commerce or in Law of any University;

b. a Degree or Diploma in Industrial Relations and Personnel Management covering Labour Welfare, as special subject.

c. Person who is directly or indirectly interested in any factory or any patent of machinery cannot be appointed as a welfare officer.

d. Should have knowledge of regional language.

# 21.State the objectives of Labour Welfare.

1. To build up stable labor force to reduce labor turnover and absenteeism

2. To make the industrial employment more attractive and enable the workers to live comfortably and more satisfactorily

3. To increase the mental efficiency and economic productivity of industrial workers and efficiency of the enterprises

4. To raise the standard of living of the workers by indirectly reducing the burden on their means of living

5. To win over employees loyalty and increase their moral

6. To make recruitment more effective

# 22. What are the Benefits of labour welfare?

1. Increased productivity

2. More effective recruitment

3. Improved morale and loyalty

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- 4. Lower turnover and absenteeism
- 5. Good public relations
- 6. Reduced influence of unions
- 7. Reduced threat of further governmental intervention.

# 24. Classify the theories of labour welfare



# 25. State the Objectives of Workers Education.

Objectives of workers' education

The basic objective of workers' education is to make the worker an efficient individual, disciplined TU member and an intelligent corporate citizen

1. To foster workers' loyalty towards the union and imparting the necessary training to them for intelligent and efficient participation in union activities. Besides teaching them TU dynamics, history, etc,.

2. To develop the worker for good and respectable civic life

3. To promote among workers a greater and understanding of the problem of the country's economic environment and their privileges rights and obligations as union members and as

citizens 4. To develop TU leadership from among the rank and file thereby keeping the union away from the clutches of politicians, leading to democratization of TU administrations

5. To familiarize the workers with the capitalist culture and this philosophy is the soul of modern industrial system

6. To inculcate among workers a better understanding of their duties and responsibilities, and intricacies of work, so that they can effectively carry out their jobs

7. To enable the worker to realize the purpose of human life and raise him to the height of achievement

8. To equip organized labor to take its place in a democratic society so that it plays a dominant role in the process of economic development and fulfills effectively its social and economic functions and responsibilities

# 26. State the different training schemes of DGET.

To build up the career of young persons and to supply a constant stream of trained personnel to industries, the director-general of Employment and training (DGET) has designed a number of training programmes 1. Craft men's training programme 2. Craft instructor's training programme 3. Advanced vocational training 4. Foreman's training 5. Apprenticeship training scheme 6. Part time training for industrial workers 7. Vocational training programme for women.

# 27. What is Worker's Education?

Florence Peterson observed: "The term workers' education as commonly used, is not a generic term, but has specific connotation. It is a special kind of adult education designed to give workers a better understanding of their status problem, rights and responsibilities as workers, as union members, as consumers and as citizens

# <u>PART B</u>

1. Briefly explain about Needs for Welfare Services & objectives of Welfare.

- 2. Explain the scope of Labor welfare.
- 3 .Explain various voluntary welfare activities.
- 4. Explain various statutory welfare activities.
- 5. Explain about Education and training programme.
- 6. Explain voluntary welfare measures with illustrations and also its features

7. What are the various non-statutory welfare measures practiced in Indian Industries?

8. What are the objectives and functions of CBWE?

9. What are the features of training schemes of DGET?List out the employment functions of DGET

10. Explain how the effectiveness of welfare assessed

# UNIT IV INDUSTRIAL SAFETY

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# PART A

# **1.Define Accident.**

According to Worker's Compensation Act, 1923, —An occurrence mishap or untoward event which is not expected or designed for and arising out of and in the course of employment of an industrial worker.

# 2. Define Industrial Injury.

According to Factories Act, 1948, —A Personal Injury to an employee which has been caused by an accident or an occupational disease and which arises out of or in the course of employment and which could entitle such employee to compensation under Workers Compensation Act, 1923.

# 3. What are the methods for preventing industrial accidents?

The organization should have strong voluntary machinery for the prevention of accidents

and should follow strictly the guidelines issued by the Government. The machinery for prevention of accident and can be studied under heads (a) voluntary machinery and (b) regulatory machinery.

# 4. What is Safety Committee?

Some organization primarily constitutes a safety committee.

- This committee ensures the establishment of safe working conditions in an organization.
- The size of the committee depends on the size of an organization and generally includes one or more persons from among the employees.
- The workers suggestion of safety programmes, procedures to be adopted by the organization.

#### 5. What is Industrial Health?

The Joint I.L.O AND W.H.O committee on organizational health held in 1950 defined organizational health as

- The promotion and maintenance of physical, mental and social well-being of workers in all occupations.
- Preventing among workers of ill health caused by the working conditions.
- Protection of workers in their employment from risk factors adverse to health.
- Placing and maintenance of worker in an occupational environment adapted to his physical and psychological equipment.

#### 6. Write down some importance of Industrial Health?

- As the large member of workers spend a great deal of their time in an organization,

- As the large member of workers spend a great deal of their time in an organization, their environment is not usually conducive to a health life. Malnutrition, insanity and psychological conditions and the stress and strain under which they work is very injurious to their health. The symptoms of bad health are a high rate of absenteeism and turnover and indiscipline, poor performance and low productivity. Industrial health programmes are very useful for reduction in the rate of labour turnover, absenteeism, accidents, lower performance and occupational diseases.

## 7. Write down some important Objectives of Industrial Hygiene. **Objectives of Industrial Hygiene:**

Protecting the labour working in all the occupations from diseases

1. Maintaining the highest standard of their physical, mental and social welfare

2. Protecting the workers from diseases and accidents caused by their working conditions and its ill effects on their health

3. Making adjustments between the work and the nature of individual

# 8. Write down the Principles of Industrial Hygiene:

- Environmental health hazards in the work place can be measured quantitatively
- Continuous surveillance
- Occupational exposure limits be adhered to
- The health effects of hazards in the workplace usually show a dose-response relationship.

#### 9. What is Occupational Hazards ? Occupational Hazards:

"An injury or ailment resulting from the work one does or from the environment in which one works"

#### 10. What is Occupational Diseases?

An occupational disease is a health problem caused by exposure to a workplace health hazard. Occupational disease, any illness associated with a particular occupation or industry. Such diseases result from a variety of biological, chemical, physical, and psychological factors that are present in the work environment or are otherwise encountered in the course of employment.

#### 11. What is Psychological Hazards?

Psychological Hazards may develop due to the workers inability to live in harmony with his environment, both at home and place of work.

- \* Psychological Hazards are now assuming more important than physical or chemical hazard.
- \* Psychological Hazards are lack of job satisfaction, emotional tension, sense of insecurity, fear, worry and anxiety.

## **12.Define Employee Counselling?**

According to British Association of Counselling define as —The task of counselling is to give the client an opportunity to explore discover and clarity ways of living more resourcefully and towards greater well-being.

#### **13.What is Industrial Safety?**

Industrial safety is primarily a management activity which is concerned with Reducing, Controlling and Eliminating hazards from the industries or industrial units

#### 14.Summarize the provisions under Factories Act, 1948.

**PROVISIONS REGARDING HEALTH:**1) Cleanliness2) Disposal of Wastes & Effluents3) Ventilations & Temperature4) Dust & Fumes5) Artificial Humidification6) Overcrowding7) Lighting8) Drinking Water9) Latrines & Urinals10) Spittoons

**PROVISIONS REGARDING SAFETY:**1) Fencing of Machinery2) Work on or near Machinery in motion3) Employment of Young Persons on Dangerous Machines4) Striking Gear and Devices for cutting off power5) Self Acting Machines6) Casing of New Machinery7) Prohibition of Employment of Women & Children near Cotton openers8) Hoists, lifts, Lifting Machines and others9) Revolving Machinery10) Pressure Plant.

**PROVISIONS REGARDING WELFARE OF WORKERS1**) Washing Facilities2) Facilities for Storing & Drying clothing3) Facilities for Sitting4) First Aid facilities5) Canteens, Shelters, Rest Rooms & Lunch Rooms6) Creches7) Welfare Officers

#### **15.Identify the needs for Industrial Safety**.

Industrial safety is needed as it safeguards human life, especially in high risk areas such as nuclear, aircraft, chemical, oil and gases, and mining industries, where a fatal mistake can be catastrophic. Industrial Safety reduces risks to people, and processes. Process control and safety systems are usually merged. Maintaining a safe and healthy working environment is not only an important human resources issue, it's the law. Whether they're entry-level workers, seasoned veterans, supervisors, or plant managers, the employees need to understand health and safety risks, the steps they need to take to minimize those risks, and common safety standards and compliance procedures.

#### 16. What can you say about National Safety Council?

National Safety Council (NSC) was set up by the Ministry of Labour, Government of India (GOI) on 4th March, 1966 to generate, develop and sustain a voluntary movement on Safety, Health and Environment (SHE) at the national level. It is an apex nonprofit making, tripartite body, registered under the Societies Registration Act 1860 and the Bombay Public Trust Act 1950.

To fulfill its objective NSC carries out various activities. These include organising and conducting specialised training courses, conferences, seminars & workshops; conducting consultancy studies such as safety audits, hazard evaluation & risk assessment; designing and developing HSE promotional materials & publications; facilitating organisations in celebrating various campaigns e.g. Safety Day, Fire Service Week, World Environment Day. A computerised Management Information Service has been setup for collection, retrieval and dissemination of information on HSE aspects.

# 17. Why is Industrial Safety important?

Industrial causes a great loss to both the Employer & Employee, as it has impact on the following Cost of compensation ,Cost of medical-aid ,Cost of training a new worker ,Cost of the lost time ,Cost of investigation ,Cost of supervision & inspections ,Cost to the Govt. in terms of factory inspectors, & public health services Significance of Industrial Safety Industrial Safety Solutions,Cost of spoilage of materials,Cost of the damage of machinery,Cost of cost of wages payable during injury,Cost of loss of morale,Cost of loss to the worker and his family Significance of Industrial Safety Industrial Safety Solutions

#### 18. State the Objectives of Industrial Safety.

- To prevent accidents in the plant by reducing the hazard to minimum
- To eliminate accident caused work stoppage and lost production.
- To achieve lower workmen's compensation, insurance rates and reduce all other direct and indirect costs of accidents

- To prevent loss of life, permanent disability and the loss of income of worker by eliminating causes of accidents
- To evaluate employee's morale by promoting safe work place and good working condition
- To educate all members of the organization in continuous state of safety mindless and to make supervision competent and intensely safety minded.

# 19. What are the causes of accidents?

- 1. Unsafe conditions
- a. The job itself
- b. Work schedules
- c. Psychological conditions
- d. Machinery & Equipment
- 2. Unsafe Acts
- 3. Miscellaneous Causes

## 20. What are the objectives of Factories act?

The main objective of Factories Act, 1948 is to ensure adequate safety measures and to promote the health and safety and welfare of the workers employed in factories. The act also makesprovisions regarding employment of women and young persons(including children & adolescents), annual leave with wages etc.

# PART B

- 1. Explain various Types of psychological problems.
- 2. Explain about objectives, advantages of counseling.
- 3. Briefly explain about various provision of Statutory Safety.
- 4. Explain about occupational diseases in detail.
- 5. Briefly explain about occupational hazards and its type
- 6. Can you enlist the causes of industrial accidents and mention the safety
- 7. measures to be taken to prevent the same?
- 8. State the features of industrial relations? Describe the nature and need for industrial safety.
- 9. Define industrial hygiene. Explain the importance of industrial hygiene
- 10. Identify the statutory provisions for industrial health.
- 11. Define counseling. Can you list the important statutory provisions for counseling (11

# UNIT V WELFARE OF SPECIAL CATEGORIES OF LABOUR

# PART A

#### 1. Difference between Organized Labour and Unorganized Labour?

Nature of difference	Organized Labour	Unorganized Labour
Place of work	Constant at Regular place	Inconstant of Irregular Place
Membership	Can join in a union	Can join in any union
	They are recognized as a	No negotiation to them as a
Recognition	Labour	labour
Retirement	Are limit for retirement	No age limit
Age	Complete the age 18 years	No age limit
Benefit as per Act	They can get all benefit	No benefit for them
Security of job	Fully secured	No security

#### 2. What do you mean by Contract Labour?

 $^{\square}$  The contract labour is labour which is not carried on the payroll and is not directly paid. It is usually divided into two categories.

 $\frac{1}{2}$  Those employed on job contracts; and Those employed on labour contracts

<sup>□</sup> The large establishments offer job contracts for such operations as the loading and unloading of the metals by the mining industry or the construction of roads or buildings by Public Works Department.

## 3. What is Child Labour?

The concept of child labour is complex in its nature. The word 'child labour' is a combination of two components, i.e. 'child' in terms of his chronological age, and 'labour' in terms of its nature, quantum and income generating capacity

Children have to be taken care and must be protected from being exploited by the society. Children of any age, whether, male or female should be not only protected but also safeguarded and developed to grow in a healthy atmosphere.

# 4. Describe some of the Statutory Provisions on Child Labour?

The child shall enjoy special protection and shall be given opportunities and facilities, by law and other means, to enable him to develop, physically, mentally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose, the best interest of the child shall be the Paramount Consideration.

### 5. State the factors that induced the child labour

There are various socio-economic and cultural factors which force children into work and these factors can be broadly classified into supply side factors, refer to the conditions under which families are engaging children in work. i.e. families force them to send their children for work. Demand side factors refer to the preference of employers for employing children. Factors can be categorized as follows

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### **Social Aspects of Child Labour**

Poverty, Illiteracy and Ignorance, Population Explosion and Large Family Size,

Unemployment and Under Employment, Parent's Illiteracy, Improper Implementation of Compulsory Primary Education

# **Economic Aspects of Child Labour**

Economic Status of Child Labour's Family, Adult Unemployment, Insufficient Incomes of Adults, Lack of Resources

# **Cultural Aspects**

Tradition of Learning Family Craft, Prevalence of Cultural Myths about Child Labour

# Other Aspects

Increasing Employment Opportunities in Unorganized Sector, Ineffective Enforcement of Legal Provisions, Employer's Preference for Child Labour, Lack of Strong Sense of Responsibility of Government Officials and Political Leaders

# 6. Outline the problems faced by female labour.

In women Occupational stress is stress involving work. Work and family are the two most important aspects in women's lives. Balancing work and family roles has become a key personal and family issue for many societies. There are many facets in working mother's lives that subject to stresses. They deal with home and family issues as well as job stress on a daily basis. Imbalance between work and family leads to occupational stress. Imbalance between work and family life arises due to a number of factors. Various factors are following

- 1. Mental harassment
- 2. Sexual harassment
- 3. Discrimination at Workplace
- 4. No Safety of Working Women While Traveling
- 5. Lack of Family Support
- 6. Insufficient Maternity Leaves
- 7. Job insecurity
- 8. Workplace Adjustment

# 7. Discuss the Labour Welfare measures to be adhered under Contract Labour.

(1) The facilities required to be provided under sections 18 and 19 of the Act, namely, sufficient supply of wholesome drinking water, a sufficient number of latrines and urinals, washing facilities and first-aid facilities, shall be provided by the contractor in the case of the existing establishment within seven days of the commencement of these rules and in the case of new establishment within seven days of the commencement of the employment of contract labor therein.

(2) If any of the facilities mentioned in sub-rule (1) is not provided by the contractor within the period prescribed the same shall be provided by the principal employer within seven days of the expiry of the period laid down in the said sub-rule.

The following facilities need to be provided to them within prescribed period

- Rest-rooms
- Canteens
- Dining-hall
- Furniture and utensils
- Reasonable Charges for Foodstuff

- Latrines and urinals
- Washing facilities
- First-aid facilities

## 8. Compare contract and construction labour.

Contract labour generally refers to "Workers employed by or through an intermediary on work of any establishment". Such labour can be distinguished from the direct workers in terms of employee-employer relationship and the method of wage payment. The contract labour does not have any direct relationship with the principal employer. The workers are recruited by an outside agency or person and are supplied to an establishment or engaged on its work. Unlike direct labour, they neither feature on the muster roll of principal employer/ establishment nor are paid directly. These labourers are governed under Contract Labour (Regulation and Abolition) Act, 1970

Construction laborers work in every phase of building activity. Although laborers are unskilled workers, no building project could be completed without their work. Laborers are usually the first workers to arrive at the job site and are the last to leave the completed project. They work on the construction sites of homes and high-rise buildings, airports and highways, dams and bridges, and water and sewer projects. They perform many tasks that require great physical strength. Laborers load and unload equipment, put up and take down scaffoldings, clear work areas, and carry materials to skilled workers.

### 9. How would you classify the agricultural labour?

- 1. Bonded or Semi-Free Labourers
- 2. Dwarf-Holding Labourers:
- 3. Under-Employed Landless Labourers
- 4. Full Time Land-Less Labourers:

#### 10. Compare BPO and KPO.

BPOs usually deal with fringe business activities such as customer care, finance and HR and at the same time, the USP of a BPO is their being cost effective. Companies usually outsource such processes to BPOs which are not directly linked to its value chain. And the motive behind such outsourcing is directly linked to cost reduction. On the other hand, highly specialised and knowledge based services are outsourced to KPOs. These activities are directly related to core offering of parent company. The motive behind such outsourcing is not only to reduce cost but to get specialised solutions for which availing in-house resources might be tough.

The difference in BPOs and KPOs can also be judged by the way they hire people. While basic education may be enough for you to get a BPO job but a KPO job requires you to be competent in a particular field.

# 11. What is Female Labour?

Participation of women in economic activity is common in all countries. But in developing countries, the incomes of women labour by and large are low. Moreover, if women have to work, she needs more protection than man in her working environment in developing countries and in traditional occupations.

# 12 List out the statutory provisions for women welfare

- \* Maternity Provision 1919
- \* Night Work 1919
- \* Underground work 1935
- \* Equal Remuneration 1951 and
- \* Discrimination (Employment and Occupation) 1958.

# 13. What is Construction Labour?

Construction industry employs around three million workers and the nature of work is considered hazardous. Large number of unskilled and semiskilled labour both male and female is employed on various form of building operation and road constructions.

# 14. Describe Handicapped and Disabled Workmen? Write down its categories?

A handicapped person is one who is having some shortcoming or infirmity which detracts a person from being a normal human being.

Handicapped may be divided into different categories viz.

\*Physically handicapped, \*Mentally handicapped, \*Socially handicapped, and \*Aged persons.

#### 15. Write down the disablement benefit?

A person who sustains disablement for not less than 3 days, in entitled to periodic payment (at the rate of 40% more than the standard benefit rate which of `.14 or more depending upon his wages).

A person who sustains permanent disablement whether total or partial is entitled to periodical payment at such percentage of benefit payable in the cage of disablement as of proportionate to the percentage of loss of earning capacity.

### **16. Define Social Security?**

According to Friedlander define as, —The programme of protection provided by society against the contingencies of modern life, sickness, unemployment, old age dependency, industrial accidents and invalidism against which the individual cannot be exploited to protect himself and his family by his own ability for foresight.

# 17. What is meant by Social Security?

Social Security means the security provided by the society to the needy citizens on the principles of human dignity and social justice. Social Security Programmes are now increasingly being accepted as useful and necessary instrumented for the protection and stability of the labour force.

18. Write down some important social security measures were introduced by the Government?

- Workers Compensation Act, 1923
- Employees State Insurance Act, 1948
- <sup>1</sup> Maternity Benefits Act By State and Central Gover nment
- Coal Mines Provident Fund and Bonus Act, 1948
- Employees Provident Fund Act, 1952
- Family Pension Schemes, 1971
- Payment of Gratuity Act, 1952
- Deposit Linked Insurance Scheme
- <sup>□</sup> Social Security Certificate Scheme, 1982

#### **19. Define Social Assistance.**

According to I.L.O define as, —A service or scheme which provides benefits to persons of small means as right in amounts sufficient to meet minimum standards of need and financed from taxation.

### 20. What is mean by Social Assistance.

Social Assistance schemes are funded from the consolidated fund of the state rather than from individual contributions, with statutory scales of benefit adjusted according to a person's means.

### 21. Define Social Insurance. Write down the principle elements of social insurance.

#### **Definition:**

Giving in return for contribution, benefits upon subsistence level as if right and without means tests so that an individual may build freely upon it. Thus social insurance implies that it is compulsory and that men stand together with their follows.

# The Principle elements of Social Insurance:

- <sup>□</sup> Participation is compulsory with few exceptions.
- Contributions are accumulated in special funds out of which benefits are paid.
- $^{\square}$  Surplus funds, not needed to pay current benefits are invested to earn further income.

 $^{\perp}$  A person's right to benefit is secured by his contribution record without any list of need or means.

#### 22. What do you mean by BPO & KPO Employees?

Communication and information technology industry is an important enabler in enhancing productivity. The structure and functions of IT industries are largely different than the conventional organizations which demand a different rule of the game to manage effectively.

#### **23. Write a note on 3B's.** Buying talents. Borrowing talents and Building talents.

#### 24. State the categories of child labour.

Kulashresta says that the 'Child Labour' is at times used as a synonym for 'employed child' or 'working child' whereas Gray Rodgers and Gay standing have classified 2 child labour into four categories which include (1) Domestic work; (2) Non-domestic work and non-monetary work; (3) Bonded Labour; 4) Wage Labour.

# PART B

- 1. Briefly explain about main provisions of child labour act, 1986.
- 2. Briefly explain about The Contract Labour Act, 1970.
- 3. Discuss about various schemes for differently abled persons.
- 4. Difference between KPO and BPO in Detail
- 5. List out the various schemes for social assistance.
- 6. Explain the welfare measures provided for BPO and KPO labour force and its implications.
- 7. Can you list out and explain the other construction workers act 1996.
- 8. What are the various Statutory Labour Welfare measures available to protect the Agricultural Labour. Mention the Social assistance available to them.
- 9. What can you say about the welfare of special categories of labour?
- 10. List the importance of social security? What are the implications of social security?

#### CASE STUDIES

1. Profit Sharing and Organizational Progress

PP Ltd. is a profit-making firm. To retain its status in the market the management stressed and monitored quality and productivity from the initial stage itself. An individual incentive scheme has been in place for 20 years. During the last decade, the company had to launch new products thanks to the proliferation of electronic systems. The new product entailed additional investments in machineries and on additional manpower. The new comers were raw hands requiring training at extra cost. During the year, due to heavy investment on the new project, the interest charges and depreciation completely wiped out the profit. This means only the statutory minimum bonus of 8.33% of surplus was to be offered as against the usual 20% that

the workers are used to receive in the last several years. The management needs to ensure maximum cooperation from employees to maximize productivity. There was a dispute that bonus payment is finance oriented and it does not necessarily reflect the productivity of the employees. The personnel officer felt that if payments were based on the Bonus Act, it would deprive and demotivate employees during a crucial period.

#### Questions

1. Do you agree with the personnel officer? (8)

2. Arrive at the settlement considering the conflicting ideas of productivity-linked and profitsharing bases of bonus? (7) 2. "But Ms.Richa, this isn't fair I'm away from the conveyor belt for five minutes and your're going to suspend me for two weeks? Aw, come on, Ms.Richa" "listen," replied Richa, "you know the rules, kiran no one is allowed to leave their work station without permission from their supervisor. I'm your supervisor and you left your job without permission. And don't give me that five minutes crap. I glanced at my watch when you left – it was 10.20. You came back at 10.40"

"That's not right," Ms. Richa, retorted kiran."I had to check with my daughter's nursery school. She's been sick for the past few days. I was away less than five minutes without getting permission. This just isn't fair. I've been here for two years and I know I didn't do anything wrong.""look, kiran. That's the whole problem around here. I may have only been a supervisor for a few months, but I'm not stupid. People around here get away with murder. You break the rules and your boss looks the other way. Well, no more we're going to shape up this department"

"But why me, Ms.Richa? You know I need this job. I just can't afford two weeks without pay, explained kiran. "well, that's too bad. You should have thought about that before you broke the rule. No, kiran. You knew the rules around here. You left your work station without permission. The dismissal stands."

#### **Questions:**

- 1. Has richa treated kiran fairly? (3)
- 2. Comment on richa's disciplinary action with earlier rules.(5)
- 3. Has would you have handled this situation?(3)
- 4. Reflect upon the legality of the action taken?(4)

3. M/S XYZ limited is private company making tyres with their HQ at Cochin. Labor management relations were cordial. They have three years wage agreement renewed periodically without any strike or lockout for the last ten years. There were three main Unions ENTUC, AITUC and CITU owing allegiance to respective political parties. Current wages agreement is likely to expire shortly. Mr.Joseph, Director, HR was holding negotiations with union leaders for the last three months. During this period, he sorted out differences on all seven out of 8 points. The 8th point was in regard to the wages increase. Union originally demanded a wage raise of 30% whereas the management was prepared to go only for 15%. After a series of discussion, Union leaders agreed to come down to 25% and the management has agreed to increase to 17%. The stalemate continued for the next 20 days. Finally the management has accepted 18% increase. Union leaders did not agree and called for a strike. Even after one week strike, the management did nothing. The Union gave a public advertisement stating its side and the management has also given an advertisement that the strike is unwarranted and they have no other alternative except to go for a lockout. It also stated that their offer of present agreement will remain valid only for the next three days.

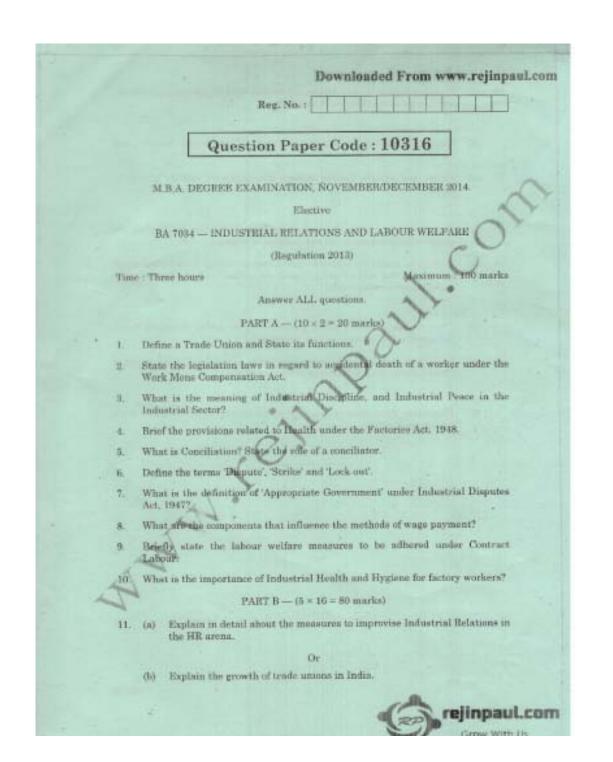
#### **Questions:**

1. Explain the Unions rationale of the latest demand.(3)

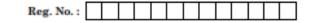
2. Explain the reasons for management action.(4)

3. Predict the outcome, of this dispute.(5)

4. Suggest additional gestures from management or union to break the statement.(3)



12.	a) Compare Industrial conciliation, arbitration with adjudication procedures and bring out the differences among them.	aul.com
	Or	
	b) Explain in detail the term industrial relation. Bring out its objectives and importance.	
10.	a) Define and explain Labour Welfare Classifications and its growth in India.	2
	Or	Y
	b) Define the term wage and salary under Workers Welfare Act. Explain the components influencing and the methods of wage payment.	7
14.	a) Explain in depth the statutory provisions governing workers industrial safety and the role of psychological counseling and the impediments encountered in this process.	
	Or V	
	b) What are the statutory safety provisions to be under in regard to the industrial safety and prevention measures?	
15.	a) Describe the various welfare measure to a scopted within the ambit of Child Labour, Female Labour and Contract abour.	
H.	b) Enumerate the welfare measures provided for BPO and KPO isboar fores and its implications	
	2 10316	



# Question Paper Code : BS2123

#### M.B.A. DEGREE EXAMINATION, AUGUST/SEPTEMBER 2017.

#### Fourth Semester

General Management

#### DBA 7004 - INDUSTRIAL RELATIONS AND LABOUR WELFARE

(Common to Human Resource Management)

(Regulations 2013)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

#### PART A --- (10 × 2 = 20 marks)

- 1. What do you mean by industrial relations?
- 2. What are trade unions?
- 3. Define the term industrial dispute.
- 4. What is conciliation board?
- 5. What is labour welfare?
- 6. Why labour welfare fund is essential?
- 7. What is counseling?
- 8. What is occupational hazard?
- 9. Define the term 'Child Labour'.
- 10. What is social security?

#### PART B --- (5 × 13 = 65 marks)

11. (a) Examine the growth of trade unions in the recent past.

#### Or

(b) Emphasize the significance of industrial relations and elaborate the IR problems in the public sector.  (a) Explain the causes for industrial disputes and examine its impact on industrial relations.

#### Or

- (b) Explain the duties and powers of conciliation officers, works committee and boards of conciliation in settlement of industrial disputes.
- 13. (a) Elaborate the objectives, scope and need for labour welfare.

#### Or

- (b) Elaborate both statutory and voluntary labour welfare measures.
- (a) Explain the causes for accidents in industries. Suggest preventive measures and safety provisions to ensure industrial safety.

#### Or

- (b) Explain occupational hazards and psychological problems faced by employees of industrial units and point out the statutory provisions available to safeguard their interest.
- (a) Explain the welfare measures available to contract labour, construction labour and differently abled labour.

#### Or

(b) Examine the implications of social security available to the special categories of labour.

#### PART C --- (1 × 15 = 15 marks)

 (a) Discuss the merits and demerits of politics based trade union and presence of multiple unions in India.

Or

(b) As a Head, Human Resource Department what are the practices most suitable to Indian scenario to have industrial peace.

BS2123