

MYSORE STATE
RECORD OF DISCUSSIONS THEREIN
AND
REPLIES TO, AND MEMORANDA ON, THE
COMMISSION'S QUESTIONNAIRE RECEIVED
THEREFROM

VOLUME I

GOVERNMENT OF INDIA
NATIONAL COMMISSION ON LABOUR

NATIONAL COMMISSION ON LABOUR

MYSORE STATE

VOLUME I

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BHARAT EARTH MOVERS LIMITED
BANGALORE-17.

SECTION ONE

1. Name & address of the respondent: .. Bharat Earth Movers Limited,
Hindustan Aircraft Post,
Bangalore-17.

2. The name of the Central Organisation of employers/ workers to which you are affiliated. .. Nil.

3. If union, please give the number of members. When was the union formed? .. -

4. If an undertaking/establishment, please give .. -
 - a) Commodity produced/ nature of activity. .. Manufacture of Railcoaches and Earth Moving Equipment

 - b) Number of employees as on 1.1.1967.
 - i) Workers .. 2875
 - ii) Others .. 1367

 - c) When was the undertaking established? .. It is a public sector undertaking under the administrative control of Ministry of Defence, Government of India. Bharat Earth Movers Ltd., was incorporated on 11.5.1964, and the transfer of Railcoach and Earth Mover Divisions from PFI as decided by the Government of India took place with effect from 1.1.1965.

Q.5. How do the existing statutory provisions in regard to employment of women affect recruitment of women labour? Consistent with international conventions on conditions of work for women, what modifications would be necessary in the existing provisions for promoting employment of women?

Ans: We do not employ women labour. In our opinion the present statutory regulation which prohibits the employment of women in a factory except between the hours of 6.00 a.m. and 7.00 p.m. has affected the recruitment of women labour. The provisions of the Maternity Benefit Act has also affected recruitment of women labour in large numbers. We recommend liberalisation of the provisions of the Factories Act and also recommend a ceiling on the Maternity Benefit Act so as to provide payment for maternity benefit upto a maximum of 3 maternity.

Q.6. What are the advantages and disadvantages of recruitment of Casual Labour? If employment of casual labour is a disadvantage, what steps should be taken to decasualise such labour?

Ans. i) We do not employ casual labour for normal production in the factory.

ii) Employment of Casual Labour in an Industry for the purpose of occasional loading and unloading of wagons/lorries, clearing rank vegetation inside the factory premises etc., is inevitable.

Q.7. In view of the present unemployment situation, what place should be given to the absorption of 'physically handicapped' in recruitment policy? Should there be a statutory provision for reserving a portion of the vacancies to physically handicapped persons?

Ans. The problem of absorption of (physically handicapped persons) is now being tackled by an Agency attached to the Government Employment Exchange in the State. The present system is working satisfactorily to the extent that physically handicapped persons are absorbed subject to their suitability for the particular job functions.

In our opinion there is no necessity for statutory provisions on the subject.

Q.8. In establishments within your knowledge, is there any discrimination in the matter of recruitment on grounds of caste, community, region, language, etc., Under what circumstances is such discrimination justified?

Ans. No.

Induction

Q.9. Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought?

Ans. The existing procedure provides for adequate facilities for "on-the-job" training for workers. Further improvements can be added towards the direction of Career Planning.

Q.10. What steps should be taken to encourage an employee to avail of the facilities outside the place of work for improving his skill? Is there any system of granting study leave to the employees in your establishment? If yes, please give details.

Ans: Under the existing procedure, employees are encouraged to avail all the facilities outside the place of work for improving skill, by assigning them in the day shift so as to enable them to attend evening classes. The present rules also provide for grant of Study leave for specialised studies which are of advantage to the Company.

Q.11. (a) What should be the outline of a rational promotion policy? What place would you assign in this policy to seniority, merit and trade test?

(b) Should recruitment to positions at higher levels be made from among the existing employees only? If so, upto what level?

Ans. a) We are of opinion that our present promotion policy of seniority-cum-ability subject to pass in the trade test is rational.

b) (i) The recruitment to posts at higher levels from and among the existing employees will depend upon the nature of industry as well as the background under

which the recruitment policy of the company came into being. .

- ii) If suitably qualified men were inducted at various levels of recruitment it will only then be possible to fill higher levels from the existing employees. For instance if the minimum qualification for a worker was to be 18 months course in an industrial institute and if the minimum qualification for an Asst. Supervisor was to be a Diploma in Engineering and the minimum qualification for a Supervisor (Asst. Engineer) was to be a degree in engineering, it would then be possible to fill higher levels from the existing employees. Therefore, it becomes necessary at middle management level as well as higher levels to recruit qualified men from outside the industry. In case of candidates of exceptional experience and compensating merit, the qualifications are not insisted upon for filling the middle management levels. The same can be in the case of higher levels as well.

OF II. CONDITIONS/WORK

Working Conditions

Q.12.(a) Conditions of work in factories, mines and plantations, etc., are presently regulated by the Factories Act, 1948 the Plantations Labour Act, 1951 and the Mines Act 1952 etc. The main provisions of such acts inter alia relate to (i) Safety and welfare, (ii) hours of work, rest interval, weekly off, etc., (iii) employment of young persons and women, (iv) annual leave with wages (v) occupational diseases and (vi) overtime payment. What changes are necessary in these provisions? How should the implementation of these acts be improved? (See also Q.10).

(b) What other steps are needed to ensure proper working conditions?

Ans. (a) In our opinion, the existing regulations under the Factories Act 1948 are adequate. However, we recommend that the definition of "worker" should be re-defined with sufficient precision and clarity so as to exclude supervisory personnel. We also recommend that the existing provisions in regard to annual leave with wages may be modified so as to provide for

the closure of the factory for a minimum period of 7 days in a year for the purpose of annual maintenance and upkeep of the factory and also to give compulsory rest to workers. These seven days closure be adjusted against annual leave with wages for staff and workers.

(b) No comments.

Q.13. In the matter of national and festival holidays, what is the extent of difference in the total number of holidays from region to region? Is this difference justified? If not, is it possible to bring about uniformity in the total number of holidays in different regions?

Ans: The existing rules of the company provide for a grant of 12 holidays in a year consisting of 3 National Holidays and 9 Festival Holidays. The Festival holidays are selected according to local custom and in consultation with the Employees' Association. In this connection, it is pointed out that under the Mysore Industrial Establishments (National and Festival Holidays) Act 1963, employees in Industrial Establishments are entitled to only 7 holidays in a year consisting of 2 National Holidays and 5 Festival Holidays.

Q.14. What changes are necessary in the existing arrangements for regulating conditions of work in employments other than in factories, mines and plantations?

Ans: Since we are governed by the Factory Act, we have no comments.

Q.15. What, in your knowledge, is the extent of prevalence of employment of child labour? In what industries/activities is employment of child labour relatively high? Are you satisfied with the existing statutory provisions about employment of child labour and their implementation?

Ans. We do not employ child labour in our Factory. In our opinion the existing Statutory provisions on this subject are adequate.

have the existing
Q.16. How/ arrangements regarding regulation of conditions of work of contract labour and labour employed by contractors worked? In what directions are improvements necessary? (See also Q.209)

Ans. We do not employ contract labour.

Q.17. What are the statutory benefits/provisions, in the implementation of which trade unions and employers' organisations can jointly play a useful role? How should such arrangements be made effective at the plant level? Should there be any standing arrangements for this purpose?

Ans: Under the existing procedure, the Statutory Committees such as Works Committee, Canteen Managing Committee and Provident Fund Committee consist of representatives of employers and employees and are working effectively.

Safety and Health

Q.18. Is the existing rate of accidents high in establishments within your knowledge? What have been the main causes of such accidents?

Ans: The rate of accident in our establishment is comparatively low.

Q.19. What steps should be taken to establish training programmes with special emphasis on safety for the benefit of new entrants to industrial establishments? Are any refresher courses necessary for those who are already in employment? How should such courses be organised?

Ans. We recommend that the subject of "Safety" may be included in the curricula of Engineering Colleges, Industrial Training Institutes and also under the Apprentices Act so that new entrants in industrial establishments will be safety conscious. There is a full fledged safety Dept. in the company and it is the responsibility of this Department to give wide publicity on safety by showing posters, pamphlets and etc., This department can also organise refresher courses for the employees.

Q.20. Safety standards in some industries have been evolved by bipartite agreements. How have these agreements worked in practice? How can this bipartite approach be extended to other industries? How should be agreed arrangements be made effective at the plant level?

Ans. All problems connected with safety are discussed in the Works Committee. This arrangement is quite satisfactory.

Q.21. In view of the anticipated growth of new industries like machine building, chemicals, fertilisers, petro-chemicals, etc., requiring stricter safety standards, what steps should be taken to arouse safety consciousness among workers and employers?

Ans: Please refer to our answers under Question No.19 & 20 above.

Q.22. Against the background of expanding industry and advancing technology involving a faster tempo of production, how should provisions concerning industrial safety (Appendix T) in the Factories Act, 1948, the Mines Act, 1952 etc., be amended?

Ans: The existing provisions may be amended so as to enjoin the industries engaged on manufacture of machinery and Equipments to manufacture such items only with built-in safety controls and devices.

Q.23. (a) What are the difficulties experienced in procuring safety equipment for installation in industrial establishments?

(b) Is the supply of safety equipment to workers for their personal use adequate? Is there any reluctance on the part of workers to use such equipment? If so, what measures would you suggest to overcome this reluctance?

Ans: a) It has been experienced that the safety equipment sold in the country do not always have ISI mark for quality. Reputed manufacturers be encouraged to use "ISI" mark on their products for quality and industrial establishments should only buy safety equipments with ISI mark of quality.

b) The supply of safety equipment to the worker is adequate. It has been experienced that workers are sometimes reluctant to use some of the safety equipment such as Masks, goggles, gloves and a constant watch has to be kept by the Safety Department to ensure that they are using it.

Q.24. What should be elements of an 'Industrial Health Service' for introduction in India? How should the introduction of such a service be phased?

Ans: The Medical Officer attending first aid centre of the plant under factories act may have post graduate diploma in industrial

health and hygiene.

Q.25. As a corollary to replies to the above, do the provisions for workmen's compensation require to be amended? If so, in what manner?

Ans: There should be a statutory provision that a worker who declines to use safety equipment should be suspended without pay without going through normal procedure of disciplinary action. If the employers do not provide the safety equipments the workers should have the right of appeal.

III. TRADE UNIONS & EMPLOYERS' ORGANISATIONS

Federations of Employers' & Workers' Organisation

Q.26. What are the factors which have influenced the development and organisational pattern of trade unions/employers' organisations since Independence?

Ans: Education of workers and their awareness of improving their socio-economic conditions, directive principles of the constitution, establishment of socialistic pattern of society, the Factories and the Industrial Disputes Acts and other Labour Legislations, various tripartite resolutions, have all given impetus and development of trade union movement since independence. As far as organisational pattern is concerned, political parties in India have also influenced greatly the pattern and control of trade union movement. Corresponding to the development of trade union federations and their attachments to the political parties, employers' organisations have also tended to federate on all India basis.

Q.27. What has been the effect of legislative provisions on the growth of trade unions/employers' organisations? (See also Q.58).

Ans: Although legislation like Indian Trade Union Act, Industrial Disputes Act have helped the growth of trade union movement, but the present legislation does not discourage multiplicity of trade unions in an establishment. A trade union must

represent at least 25% of the workers before it should be registered.

Q.28. Do you think that the modus operandi of trade unions/employers' organisations have changed during the last decade? If so, what are the characteristics of this change?

Ans: Some years ago there was a tendency on the part of Trade Unions at plant level to build an image of independence from political affiliations or parties although behind the scenes political parties were influencing their deliberations. A decade earlier the trade union leaders used to be more disciplined in conforming to the constitutional methods of ventilating their grievances through direct negotiations, conciliation and adjudication etc. Of late, there is a growing tendency to depart from the constitutional methods and begin the ventilation of their grievances by a lightning strike, go slow, tcd down, hunger strike and other such methods. This tendency has further developed into militant and coercive methods like 'Gheraos' in some parts of the country. In our opinion, the rising prices and shortage of food, as well as undue delay in the deliberations in the adjudication machinery has to some extent driven them to desperate methods to achieve their objective.

Corresponding to the **change** in the modus operandi of the trade unions the employees organisations are seeking to federate on All-India basis and are looking to the State and Central Governments for help, and due to rising prices and recession in the industry, they are also driven to lay off the workers, declare lockout or otherwise slow down the tempo of production.

Q.29. Do you think that the attitude of the trade unions and employers' organisations towards (a) each other and (b) Government have undergone any change during the last decade? If so, state the direction of this change?

Ans: A partial answer to this has been given in Q.28 above. Further it has been observed that there is a tendency on the part of the union to look towards the State and the

Central Government for finding solution to their problems and expect that there should be a further legislation, rules and regulations made to their benefits. They are also aligning themselves with political parties who are likely to come to power and form the Government.

Q.30. The traditional role of trade unions/employers' organisations has been to secure protection to advance the interests of their members. In view of the national objectives of establishing a socialistic society and achieving planned economic development, (a) what should be the changes in the nature and scope of activities of the trade unions/employers' organisations? (b) What are the changes needed in their organisational pattern and attitudes (c) what are the fields of activity in which they have an independent role to play? (d) In what others should they function in cooperation (i) between themselves and (ii) jointly with Government (See also Q.75b)

Ans: (a) & (b) The existing attitude of the trade unions in placing the interest of their members above the interest of the organisation and the country should change. The trade union should really become independent of the political parties and organise themselves purely to secure protection to advance their legitimate interests within overall economy of the country. The trade union should also be productivity conscious. The labour unions should change their attitude from militant coercive agitations to decide matters at conferences by mutual discussions. The employer on their part should exercise all avenues above personal prejudices and so that a good rapport is maintained between them and the workers representatives and the employers should try to settle all their problems by mutual discussions and conciliation. The employers' should also change their attitude from mere profit-making to a broader interest of the welfare of the country as a whole.

(c) & (d) The trade unions have an independent role to play for measures like organising Cooperative Society, administration of cooperative credit societies, adult literary programme, family planning social and cultural activities. In matters

pertaining to collective bargaining, means and devices to increase production, service conditions they should function in cooperation with the Management, in matters relating to dispute which will hamper good industrial relations, they should work jointly with the Government.

Q.31. How have trade unions/employers' organisations helped in the evolution of a better society? How do they represent their views and discuss their affairs with Government and other public authorities and agencies? Does this system of communication need improvement? If so, in what direction? (See also Q.124 & 227).

Ans: Yes. By and large the unions and employers organisations have helped in evolution of better society by mutual discussion and bipartite decisions on wages and working conditions. They present their views through their federations to the advisory committee on labour of State and Central Government and through tripartite conferences Seminars etc., In this context, it is suggested that advisory committees at the centre and specially at state level should work more effectively.

Q.32. How can trade unions/employers' organisations contribute towards maintaining a high level of employment? Or is this solely the concern of Government?

Ans: Since planned economic development of the country has been undertaken by the Central Government, the essential condition precedent to such developments is supply of essential commodities like food, at reasonable prices should be created by the Central Government. If the above conditions were created by the government and the employees and the trade unions were productivity conscious it will be very much for unions/employers' organisations to contribute towards maintaining a high level of employment.

Q.33. Bipartite consultations being one of the effective means of reducing the areas of conflict between employers and their employees, what steps should trade unions/employers' organisations take for promoting such consultations?

Ans: i) The State and Central Advisory Committee on Labour should always prevail upon the parties to adhere to bipartite consultations.

ii) The tripartite conferences and seminars should also encourage bipartite machinery for collective bargaining and direct negotiations.

iii) The adjudication tribunals should continuously sit and dispose off cases referred to them.

Q.34. What are the existing arrangements for communication between the Central Organisations of employers and workers and their constituents? How should these arrangements be improved?

Ans: This question is already answered in Question 31 above.

Q.35. Are there occasions when central organisations of employers and workers refuse to affiliate employing units/unions at the plant level? If so, on what grounds.

Ans: We are not a member of any All India Organisation of employers

Q.36. To what extent are the obligations undertaken by the organisations of employers and workers at the national level implemented by their constituents? Are there any effective sanctions for non-compliance with these obligations? How far they been used in recent years? How could these sanctions be made more effective?

Ans: We have no comments.

Q.37. Do difficulties arise in reconciling the actions of the unions/employers at the plant level with national policies evolved jointly by trade unions/employers' organisations? Could you cite instances of such difficulties? How are such difficulties resolved?

Ans: No comments.

Q.38. What should be the responsibility of all-India organisations of employers and workers towards (i) promoting the interests of their constituents in all matters affecting industrial relations, (ii) implementation of laws, voluntary agreements, etc., (iii) training of management personnel (iv) providing guidance to constituent units, (v) settling of industrial disputes in constituent units and (vi) improving the efficiency of industry? (See also Q.166) How should they be equipped for discharging these responsibilities?

Ans: We are not member of any all India Organisation of Employers and as such we have no comments.

Q.39. How are trade unions constituted at the plant level? What are the different forms of constitution? Are there any common objectives mentioned under the rules of different trade unions? What are these common objectives?

Ans: We have a trade union registered under the Trade Union Act, called Bharat Earth Movers Employees Association. The constitution is broadly within the Indian Trade Union Act. We have no further information other than the objectives and rules and conduct of business.

Q.40. How are the officers who man the trade unions appointed? How many of them are paid?

Ans: The Officers of the trade union in our establishment are elected and work in honorary capacity.

Q.41. How does a trade union get new members? Are all membership applications expected? If not, by what criteria are applicants accepted or rejected? In what ways do unions compete for membership?

Ans: The trade union in our establishment get their new member by propaganda and by contacting workers individually and accept all applicants to become their members.

Q.42. What steps do trade unions take to encourage members to interest themselves in the conduct of unions' affairs? How effective are such steps?

Ans: By issue of pamphlets, area meetings, public meetings etc.,

Q.43. How are the activities of a trade union conducted? How is the policy decided? Who is responsible for implementing the policy once it is decided? To what extent does the rank and file influence the formulation of the policy?

Ans: The trade union activities are generally conducted by an Executive Committee of the Union who discuss the issues and decide the course of action to be taken. Decisions of this Committee are issued in the form of pamphlets by the trade union. In the case of major issues the decisions

of the Executive Committee are placed before the general council and the generally body. The evolution of the policy is at the level of the office bearers and the Executive Committee. According to our information the general and file follow their leaders decision.

Q.44. What in your opinion is the extent of prevalence of the system of 'closed shop' or 'union shop'? State its merits and demerits in Indian conditions.

Ans: The system of closed shops or union shops is not prevalent in Bangalore Area. In Indian conditions and varying regional development it may not be in the interest of the country to encourage 'closed shops' or 'union shop' system.

Q.45. Do trade unions have enough income to fulfil their role in promoting members' interests? If not, what steps should unions take for augmenting their resources? Is any statutory provision needed for enlarging trade union finances?

Ans: Although the unions claim the bulk of the workers as their members, some of the workers do not pay their subscriptions regularly. If all the workers pay the subscriptions regularly the unions would have sufficient funds for promoting their interests. In case at any time in future it becomes necessary for collecting the union subscription through payroll, the legislative measures must include a provision that union funds cannot be diverted to political parties. Even a separate fund by the union should not be permitted to be diverted for the political parties, purposes. Similarly they should not received any funds from political parties.

Q.46. What reasons, if any, are there against increasing members' subscription so as to provide an adequate income for trade unions?

Ans: Economical conditions are the main reasons for increasing members subscription.

Q.47. Is the introduction of 'check off' system advisable in Indian conditions? If it is, should the privilege of the system be given to recognised unions only or to all registered unions?

Ans. We do not agree the check off system in Indian conditions.

Q.48. In what ways do trade unions help members/dependents of members in their personal difficulties like unemployment, sickness and personal injuries? How are dependents helped in case of member's death?

Ans. Trade unions are not at present engaged in this type of activity because of their limited financial resources.

Trade Union - Leadership and Multiplicity

Q.49. What has been the impact of political parties on the pattern of trade union development in India?

Ans. Every trade union in the country in their day to day activity project the image of the political party to which they are either affiliated or towards whom they have their sympathies.

Q.50. Reference is often made to the influence of outsiders in trade unions. Please define the term 'outsider' and state what the influence of outsiders has been on trade unions?

Ans. The outsider is one who is not an employee of the industrial establishment from where the trade unions draw its members. The real motive of an outsider may not necessarily be ^{best} apparent to a trade union and it may not be in the/interest of the employee and employers' relations. The outsiders influence the ideological, political or personal gains and as such outsiders generally subject real interests of the workers to their own whims and fancies to meet their political ends.

Q.51. How should internal leadership in a union be built up and strengthened?

Ans. Internal leadership could be built up and strengthened by educating the employees in trade union philosophy, practices and administration as has been envisaged under the workers education schemes.

Q.52. Does the existing legislation encourage multiplicity of trade unions? If so, what are the remedial measures?

Ans: Yes. The trade unions act could be amended to lay down that at least 25% of the total strength of the industrial establishment should be members of a trade union before it can be registered instead of the existing minimum of only 7 members.

Q.53. How far has the Inter-union Code of Conduct (Appendix.II) adopted by the four central labour organisations in 1958 been effective in regulating inter-union relations and avoiding inter-union rivalries? How could the Code be made more effective?

Ans: We have no comments as our union is not affiliated officially to any central union organisation.

Trade Union Recognition

Q.54. What are the advantages and disadvantages of a union registration? Are there any aspects in which the powers of the Registrar of Trade Unions could be altered or enlarged with advantage?

Ans: The union registration has an advantage of placing the union on formal footing as far as the union relationship with employers and the Government go and also to a certain extent discourages fictitious union coming up. It also helps all concerned to know how many unions are existing in the States. The registered union has also to keep proper accounts, register all members etc.,

ii) The trade union act may be amended to register those unions which have got 25% of the labour of the industry on the roll. The registrar of trade union should have power of debarring any leader who has been convicted for malpractices as an office bearer of the Trade Union.

Q.55. Has there been a change in the attitude of employers towards trade unions, particularly in the matter of recognition of union? If yes, what have been the contributory factors?

Ans: We subscribe to the view that a strong healthy union would go a long way in the progress of the industry and therefore we have been dealing with the majority union from the very beginning of its registration.

Q.56. Has the Code of Discipline in Industry (Appendix-III) contributed towards securing recognition for trade unions?

Ans: We have no comments.

Q.57. Do the existing provisions under the Code of Discipline in regard to recognition of unions provide a satisfactory arrangement in this regard? Specifically, are the provisions regarding (i) the procedure for verification, (ii) the procedure for grant and withdrawal of recognition, (iii) the period of recognition and (iv) the rights of the recognised unions (Appendix IV) satisfactory? If not what improvements would you suggest in them (See also Q.111).

Ans: No comments.

Q.58. Would you suggest giving effect to the provisions of the Indian Trade Unions Amendment Act 1947 in the matter of recognition of unions? Or should provisions similar to the Bombay Industrial Relations Act 1946 or similar Acts elsewhere in India for recognition of unions (Appendix V) be written into the Indian Trade Unions Act, 1926. Are there any other suggestions in this regard? (See also Q.27).

Ans. We are of the opinion that the convention and practices should be established for recognition of one majority union in one establishment. The other comments have already been given against answers to question 27.

Q.59. What are the advantages of industrywise unions? What will be the difficulties in their recognition? How should the subjects to be dealt with by unions at the plant level and by the industry union be demarcated? (See also Q.86)

Ans: There are no advantages of industry-wise union in Indian conditions at our present stage of industrial development. The development of industry in various regions of the country is not at par with each other and the conditions of work vary from product to product and region to region in which the industry is located, even in the same industry.

Q.60. What are the advantages and disadvantages of naming a union as the sole bargaining agent in an industrial unit?

Ans: The advantages of naming one union as a sole bargaining agent are Management do not have to deal with different unions and different groups of workers having different ideologies, interests, etc., If it is one union there is always the possibilities of speedy and satisfactory agreement between the management and the union. The union may become more

responsible. The disadvantages are that the union may become more obstinate and unreasonable. Secondly if there is only one union for worker to look upon in his hours of anxiety, the union may tend to exploit the workers.

Q.61. For determining the representative character of a trade union for purposes of grant of recognition, should the method of election by secret ballot be adopted? If so, explain the details of the method and the administrative arrangements necessary for the purpose. (See also q.86).

Ans: Yes. The Government machinery should arrange secret ballot and it should be done outside the working hours just outside the premises of the industrial establishment.

Q.62. If a union is elected as the sole bargaining agent in an establishment, what should be rights and responsibilities of other unions in the establishment?

Ans. When a majority union is elected as the sole agent for collective bargaining they must be held responsible for implementing bipartite agreements/decisions. The minority union need not be debarred from a hearing.

Q.63. Considering that categorywise unions, particularly of technicians, are assuming greater importance how should their rights and obligations be defined in relation to (a) the employer and (b) unions of other categories of employees?

Ans. The growth of categorywise unions within the same industry will be very harmful at the present stage of industrial development and economic conditions in the country.

Q.64. What facilities should an employer extend at the work-place for the activities of unions?

Ans: The facilities for the activities of the union may be extended for the following:-

- (a) Notice Boards for Union pamphlets, notices etc.,
- (b) To hold discussions with the management during working hours,
- (c) To nominate representatives on various bi-partite committees,
- (d) Accommodation for the union office be arranged outside the factory

- (e) Some of the office bearers may be permitted to leave with pay for attending proceedings of conciliations, adjudication etc.,
- (f) one day's special casual leave with pay may be given, monthly, to all office bearers and executive committee members of the union for a monthly meeting.

Q.65. What has been the attitude of the Government as employer towards trade unions?

Ans: Not applicable.

IV. INDUSTRIAL RELATIONS

Introductory

Q.66. What should be the criteria for determining the effectiveness or otherwise of Government's industrial relations policy? In terms of these criteria, give your assessment of the working of the policy since independence, with special reference to the legislative and other arrangements for prevention and settlement of industrial disputes?

Ans: (a) The criteria for determining the effectiveness of the Government's industrial relations policy may be as under:-

- i) The loss of manhours in the country comparing the total number of manhours scheduled to work per year. This will include total or partial stoppage of work;
- ii) Number of strikes, lock outs during a year;
- iii) Number of strikes;
- iv) Number of disputes referred to adjudication etc.,
- v) Annual value of production in various industries.

(b) In addition to the industrial policy a number of other factors seriously affect industrial relations as under:-

- i) shortage of food and other essential consumable articles;
- ii) rise in cost of living index;
- iii) Policies of the important political parties through labour unions

(c) The present legislative machinery is enough to handle most of the situations but cannot prevent industrial unrest

due to economic reasons.

Q.67. Are the pattern of industrial conflict changing since Independence? In particular, how have the social, economic and political factors affected the intensity of industrial conflict?

Ans: The industrial disputes of late have been mainly on Wages and Profit Sharing Bonus due largely to the continuous rise of prices of food-stuffs and other essential commodities. The intensity of the conflict has mainly been economic. The deteriorating economic conditions have been made use of by some political parties to further their political ends.

Q.68. Is it possible to pick out some significant factors in units within your knowledge which in recent years have helped in improving industrial relations at the plant level? Will these factors continue to be of significance in future?

Ans: The existence of one strong union, bi-partite Committees, quick redressal of individual grievance through grievance procedure, subsidised canteen facilities and other welfare measures have contributed to limit the areas of industrial disputes and industrial unrest at plant level, but these by themselves have not been able to effectively control the economic disputes arising out of economic conditions.

Q.69. What have been the causes of industrial unrest since Independence. Have there been any special circumstances which have contributed to industrial unrest? How would their effect be minimised in future?

Ans: The causes of industrial dispute since independence are basically attributable to economic situation and conditions. The other causes for industrial disputes have been inter-union rivalries, interference by political parties, lack of responsibility in leadership in the trade unions. Apart from holding the price line, building up of responsible leadership in the trade unions and non-interference by political parties will help to minimise industrial unrest.

Q.70. What has been the impact of inter-union rivalry on industrial relations?

Ans: The inter-union rivalries for instance their energy in mutual bickerings than in any constructive action. On the other hand they have been acting as great retarding forces in good harmonious industrial relations.

Q.71. What improvements are necessary in the present arrangements for prevention of industrial disputes? What would be the role of mediation service in the prevention of disputes?

Ans: Accent must be placed on internal settlement of disputes at every stage by giving full recognition to trade union rights. The machinery for settlement of disputes should be streamlined for expeditious disposal of references.

Q.72. What is the role of fact-finding enquiries in improving industrial relations?

Ans: The fact finding enquiries at Plant level will provide an objective review of the entire industrial relation situation and would thus enable us to advise ways and means to forestall future industrial unrest.

Q.73. How is the state of industrial relations in a unit affected by the existence of trade unions? What difference if any, exists in the climate of industrial relations where the relevant trade union organisation is (a) strong (b) weak and (c) non-existent?

Ans: a) A strong responsible trade union under proper and enlightened leadership can definitely contribute to the maintenance of good industrial relations. It also gives Management confidence to communicate to the employees through the strong trade union.

b) Any political influence on strong unions will seriously undermine the industrial relations.

c) A weak trade union leads to disturbed climate of industrial relations because the trade union is always vulnerable to attacks by rivalry trade unions and other

or arrive at an agreement which will be ultimately carried out.

- d) Non-existence:- Where the trade union is not in existence the industrial relations may be quite good or may be very bad depending upon the policy of the management and type of labour.

Q.74. What has been the contribution of factors like (a) recognition of union, (see also Q.54 to 65) (b) arrangements for dealing with individual and collective grievances, and (c) strengthening bipartite consultative arrangements, in promoting industrial harmony?

Ans: Recognition of trade unions, arrangements for dealing with individual and collective grievances and strengthening of bipartite consultative arrangements will certainly go a long way in promoting the industrial harmony.

Q.75. In maintaining and promoting harmonious employer-employee relationship, what should be the respective obligations of (i) Central Organisations of employers and workers, (ii) local management (iii) local union and (iv) the Government-Central or State? (See also Q.30)

Ans: In promoting harmonious employer-employee relationship, the respective obligations of parties may be as under:-

- i) The Central Organisations of employers and workers should study in detail various problems faced by their constituents and take into consideration the active interest in legislative measures.
- ii) Tripartite decisions, Central Wage Boards and economical trends and national wage policy and ensure that their constituents implement effectively the decisions of the Central body.
- iii) The local management and the local union should endeavour their best to arrive at a settlement by mutual discussions and bi-partite agreements and any decision arrived at must be implemented by both the parties in full.
- iv) The Government both Central and State have an obligation of ensuring that local acts on the parts of employees and unions are dealt with effectively and immediately. Advisory Committees at State levels should work more effectively. The Government both at Central and State should ensure that no law and order problem is created either by the employer or union and when once it is created it should be dealt with effectively and immediately.

Q.76. What role have labour/personnel officers played in preventing disputes and maintaining harmonious employer-employee relationship? How far have they been effective? Suggest measures to improve their effectiveness?

Ans: (a) The Personnel Officers and the Labour Officers of the Companies have played a significant role in maintenance of harmonious relations between the employees and the employers. As far as effectiveness is concerned it varies from company to company and industry to industry depending upon the amount of responsibilities entrusted by the Management to these officers. As stated earlier the effectiveness of the personnel Officers and Welfare Officers have been limited because of continuous rise in prices of essential commodities keeping the industrial relations strained between the employers and the employees.

(b) It is suggested to make these officers more effective, they should be suitably qualified at the time of their appointment and qualifications may be laid down statutorily, during their employment should attend refresher courses to keep abreast with latest management and personnel problems.

Seminars may also be attended by them for exchange of views between the various industries.

Q.77. What should be arrangements for proper communication between workers and management at the plant level?

Ans: The arrangements for communication between workers and the management at the plant level may be as under:-

- (a) Issue of minutes of the bipartite committees;
- (b) Issue of bulletins by the management on the notice boards;
- (c) Issue of bulletins issued by the bipartite Committees of the union on the notice boards;
- (d) distribution of circulars, publication of house magazines;
- (e) suggestion boxes etc.,

Q.78. To whom do managements delegate their authority in dealing with employees? To what extent do managements include specialists for dealing with personnel matters?

- Ans: i) In our industry the management delegates its authority to deal with employees to Personnel Manager, Welfare Officers as far as the industrial relations are concerned.
- ii) They also delegate their authority to Chief Industrial Engineers as far as Incentives, job evaluations, time and motion study are concerned.
- iii) In regard to medical industrial health and hygiene problems, the medical officer deals with the problems
- iv) At the shop level the heads of departments deal with the employees of the first stage of grievance procedure.

Q.79. To what extent are the standing orders subject to agreement between employees and managements? In how many cases are they drawn up by management alone?

- Ans: Under the industrial employment (Standing Orders) Act 1948, the Standing Orders drafted by the Management have to be certified by the Certifying Officer of either the State or Central Government. This certification is done in discussion with the Management and the union. The major part of the Standing Orders are usually settled amicably and only on such points where the management and the union do not come together, the certifying authorities are authorised to certify the standing orders as they deem fit.

Q.80. To What extent do the employment standing Orders Act, 1946 and the Model Standing Orders formulated under that Act serve the purpose for which the Act was framed?

- Ans: It has served the purpose to a large extent. Model Standing Orders should be made more exhaustive.

Q.81. What are the disciplinary rules imposed by managements? Do the procedures prescribed under the Model Standing Orders in dealing with disciplinary cases require modification, and if so, on what lines?

Ans: For the purposes of enforcing proper discipline inside the factory premises various rules are laid down in the Standing Orders, the breach of which will constitute misconduct. ~~Copy of the Disciplinary action procedure is enclosed.~~ No uniform procedure can be laid down. The standing orders should be amended from time to time based on the experience gained in each industry and the region where located.

Q.82. Has the Model Grievance Procedure (Appendix-VI) evolved under the Code of Discipline served its purpose? If not, is there need for statutory provision for the formulation of an effective grievance procedure? What should be the main elements of such a provision? How would it affect existing bipartite arrangements?

Ans: As far as we are concerned we have a 3 tier grievance procedure which is functioning satisfactorily. We do not have a Grievance Committee envisaged in the Model Grievance Procedure (Appendix VI).

Q.83. What is the attitude of trade unions and employers' organisations to the introduction, either by voluntary agreement or statutory, of a system of grievance arbitration? Would such a system help in improving labour-management relations?

Ans: The statutory arbitration cannot solve basic problems arising out of economic policy of the Central/State Governments affecting problems of industrial relations.

ii) Lack of sufficient supply of food articles have created industrial unrest. Most of the grievances in recent times have been connected with wages, D.A. and Profit Sharing bonus. Since there are national problems how can an individual how so ever qualified to be an arbitrator can decide issues connected with the economy of the country and state of the health of the country as a whole. The system of a statutory grievances arbitration will

create more and new problems in matters of industrial relations than they are today., specially, so in Public Sector undertakings who are the major employers in the country.

Q.84. What are the existing facilities for training management and trade union personnel in industrial relations? To what extent are they used?

- Ans: a) The facilities exist for training management personnel on various levels to training schemes organised by the Productivity Council, Management Associations, Administrative Staff College, Institute of Personnel Management. In addition, various seminars organised by the various institutions are also attended by the Management Personnel.
- b) The Workers Education Scheme is made use of to train the trade union personnel.
- c) These facilities should be increasingly made use of.

COLLECTIVE BARGAINING

Q.85. What is the extent or valence of the system of collective bargaining in this country? How far has it succeeded? What has been the effect of legislation on the growth of collective bargaining? (See also Q.193).

- Ans: Collective bargaining is being increasingly utilised as a means of settlement of disputes. Of late it has been observed that major issues like Wage Structure, DA, Profit Sharing Bonus cannot be settled by collective bargaining mainly because even during the period of discussions the economical conditions deteriorated further.

Q.86. If collective bargaining has to be encouraged at the industry level, how should the representative character of the bargaining agent for workers be determined? (See also Q.59 and 61).

- Ans: The collective bargaining should be confined at the plant level. It will be very difficult at this stage of our development to the level of industry, where regional

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Ans: The collective bargaining should be confined at the plant level. It will be very difficult at this stage of our development to the level of industry, where regional

It will also add burden to small and medium scale units in the same industry.

Q.87. Do you agree with the statement that (a) collective bargaining has its uses when unions have sufficiently built up their strength and even for strengthening union and (b) adjudication system provides an arrangement by which satisfaction can be given to parties without open industrial conflict as also for protecting the weaker party?

Ans: (a) Yes.

(b) The adjudication system does protect the weaker party.

Q.88. What should be the role of (a) collective bargaining and (b) adjudication as method for safeguarding industrial peace in the years to come?

Ans: Collective bargaining which is basically wedded to the concept of industrial democracy and which is a strong influencing force for establishing enduring industrial peace should be given full scope at every stage of the dispute or threatened dispute. However, the adjudication system will have to continue in the interest of safeguarding industrial peace and to prohibit illegal and indiscreet strikes or lockouts. Adjudication should, no doubt, be the last and inevitable resort but this must be available as an alternative in case of serious differences.

Q.89. In disputes arising over a charter of demands, is it feasible to separate areas of difference between the employer and the union into those where collective bargaining could exclusively operate and others which could be left to adjudication?

Ans: We do not think that one could draw a line to separate the areas of differences between the employer and the union where collective bargaining would exclusively operate and the areas of differences which would be left to adjudication.

Q.90. What should be the limits of collective bargaining under conditions imposed by planned development? (See also Q.193).

Ans: Collective bargaining which would adversely affect the

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economy of the nation and brings about imbalance which results in price increase and affects production should not be allowed. In practice it will be very difficult to limit either the nature and the extent of the collective bargaining.

Joint Consultation

Q.91. Do Trade Unions, through collective bargaining and joint consultation, provide an effective form of democracy within the enterprise?

Ans: Yes. Collective bargaining and joint consultation do provide an effective form of democracy within the enterprise but individual cases where the unions are influenced by the outsiders, the collective bargaining does not succeed.

Q.92. The Industrial Disputes Act, 1947, provides for the setting up of works committees "to promote measures for securing and preserving amity and good relations between the employer and the workmen". Have they been functioning satisfactorily wherever they have been set up? If not, what factors have militated against their setting up and proper functioning?

Ans: The Works Committee has been functioning in our industry for a number of years. Some of the difficulties which were experienced with the formation and functioning of Works Committee persist even today. The basic causes are briefly (i) the employer regards such committees as a substitute for trade unions while the trade union leaders have regarded them as rival institutions; (ii) the defective education of the workers; (iii) the workers representatives of these Committees not realising the limitations and the scope of these Committees are attempting to discuss matters which come within the purview of collective bargaining (iv) the workers not realising the fact that this is a consultative machinery where all the members sit and discuss the day-to-day problems of the industry, freely and amicably, with a view to provide mutually satisfactory

solutions.

Q.93. To meet the criticism that works committees have been languishing for want of definition of their specific functions, an illustrative list of functions (Appendix:VII) of works committees was evolved by the Indian Labour Conference. Assuming that there can be a clash of functions between the trade union and works committee, can this list be the basis for demarcation/definition of works committee's functions?

Ans: Yes.

Q.94. Suggest measures for improving the utility of the works committees with particular reference to their composition and functions?

Ans: The utility of the Works Committee will remain limited as long as the collective bargaining remains in the hands of the labour union. The present composition and function appears to be satisfactory.

Q.95. Have joint management councils and emergency production committees been successful in achieving the objective of the better industrial relations and increasing production/productivity? Have they created a climate of mutual trust between employers and employees? (See Appendix VIII for Functions of Joint Management Councils)

Ans: We have no experience of Joint Management Councils.

Q.96. What effects do profit-sharing and co-partnership schemes have on relations between management and employees?

Ans: The effect of profit sharing bonus in practice has been only to increase the annual wage. As regards co-partnership we have no joint management councils in our establishment. We have no comments on co-partnership scheme except that we have been given to understand that Joint Management Councils have not been successful in a Public Sector Undertaking where it was tried.

Q.97.(a) Is it feasible to introduce a scheme of workers' participation in management by making the workers shareholders?

(b) If it is considered feasible, what steps should be taken to facilitate the introduction of such a scheme?

(c) Does such shareholding give adequate voice to workers in running of the establishment?

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(d) Are there any other methods by which workers can participate in management?

Ans: a) It is not feasible at present to introduce a scheme of workers participation in management by making the worker as shareholder in the public sector undertakings.

b) does not arise.

c) does not arise.

d) we have no comments.

CONCILIATION

Q.98. To what extent has the conciliation machinery given satisfaction to the parties to a dispute?

Ans: Our experience is that by and large conciliation machinery tries its best to give satisfaction to the parties to a dispute, but success of the attempt depends upon the approach and circumstances of each of these parties. Whenever there is an agreement between the parties on account of conciliation there will be some satisfaction.

Q.99. Statistics of settlement of industrial disputes show that conciliation machinery has played a pivotal role in maintaining industrial peace. At the same time, many major disputes may not be amenable to settlement through conciliation machinery. Do you agree with this assessment of the functioning and utility of the machinery?

Ans: Yes.

Q.100. What changes in the organisation and staffing of the machinery and powers of conciliation officers would you advocate? Please indicate the specific changes/improvements which will make for a more expeditious and effective disposal of conciliation work?

Ans: The Conciliation Officer should be suitably qualified and specialised in labour industrial relations. They should have experience of the industry as Personnel Managers/Industrial relations manager and should be recruited from and among the personnel managers/Industrial relations managers employed in the industry.

With the expansion of the industry and the problems arising in industrial relations due to various causes, it is necessary that the Conciliation staff is increased to meet these problems effectively.

Q.101. Should conciliators be named arbitrators in disputes handled by their colleagues?

Ans: Conciliators should not be named as arbitrators in disputes handled by their colleagues, because their position as independent and objective agents of mediation will be lost if they act as arbitrators. It should be left to the parties to agree to a particular arbitrator.

Adjudication

Q.102. What are the criteria for assessing the suitability or otherwise of the present system of adjudication? Do you think the system has played an important role in maintaining industrial peace? Should the system be retained?

Ans: The criteria for assessment of the suitability of the present system of adjudication may be as under:-

- (a) The total number of cases referred to the adjudication machinery during a year;
- (b) Number of awards given during a year;
- (c) Amount of time taken by the adjudication machinery to give their awards;
- (d) Number of awards implemented by the parties.

By and large the system has played a significant role in maintaining the industrial peace and should be retained. However steps be taken to expedite disposal of cases by the adjudication machinery.

Q.103. In case adjudication machinery is to be retained, what powers should it have in industrial disputes relating to discharge and dismissals?

Ans: The adjudication machinery should confine itself to ensure that there has been no mala-fide in discharge/dismissals.

The adjudication machinery should not become appellate authority for discharge/dismissals.

Q.104. Are the existing arrangements for reference of disputes to adjudication satisfactory? If not, how can the arrangements be improved?

Ans: The present arrangements are satisfactory.

Q.105. Should the authority for appointment of industrial tribunals be vested in the Labour Departments? If not, where should it lie?

Ans: We are not in favour of the authority for appointment of industrial tribunals to be vested in Labour Department. If a change has to be made the appointment should be made by the High Court.

Q.106. There is a section of opinion that the existing procedures and practices involving different stages like conciliation, adjudication, etc., in settlement of disputes take an unduly long time. What measures would you advocate for expeditious settlement of disputes?

Ans: We are of the opinion that a number of tribunals should be suitably increased depending upon the cases referred to them. The procedures also should be streamlined as far as possible. Further, there should be continuous hearing of cases for expeditious decision.

Q.107. Do you think the revival of the Labour Appellate Tribunal would help in the expeditious settlement of disputes?

Ans: No. The revival of the labour appellate tribunal would only act as another stage for appeals and delay the settlement of disputes.

Q.108. How should the cost of adjudication to the parties be reduced?

Ans: The cases of adjudication can be reduced by accepting the hearing and disposal of the cases and by increasing the courts.

Q.109. What measures should be taken to ensure full and speedy implementation of tribunal awards and agreements?

Ans: The Penal Provisions of the Industrial disputes act should be enforced more promptly and the necessary machinery for these purposes at state Level should be set up.

Code of Discipline

Q.110. Has the Code of Discipline served its purpose?

Ans: The Code of discipline has not fully achieved its purpose. Whenever the parties feel that it is not advantageous to them they would not hesitate to **break** the provisions of the Code of discipline. Unions are no exceptions.

Q.111. Which provisions, if any, of the Code of Discipline should be given a legal shape? (See also Q.57)

Ans: If any provision of the code of discipline were given a legal shape it will become a contentious matter in a court of law and will defeat the voluntary nature of Code of Discipline.

Voluntary Arbitration

Q.112. What is the role of voluntary arbitration in the achievement of good industrial relations? In what way can the Central Organisations of employers and workers promote voluntary arbitration? Should a provision for voluntary arbitration be incorporated in all collective agreements?

Ans: The voluntary arbitration is not a practicable solution for public sector undertakings for settlement of disputes because the plants are located in various regions. There will not be a common policy applicable to all the industrial units in the same ministry if not in the Public Sector Undertakings.

Q.113. Please indicate the areas of industrial disputes where voluntary arbitration could be preferred to adjudication?

Ans: Please see the answer to question No.112.

Q.114. Are you in favour of setting up standing arbitration boards? If so, indicate (a) their composition, (b) procedure for setting up such boards and (c) subjects to be referred to them.

Ans: We are not in favour of setting up any arbitration boards.

Q.115. What professional group provides the best arbitrators? Civil servants? Lawyers? Academics? Businessmen? Trade Unionists? Technicians? Others?

Ans: In view of our answer to Q.114, it does not arise.

Q.116. What should be the arrangements for meeting the expense of arbitration?

Ans: Does not arise due to 114 above.

STRIKES AND LOCKOUTS

Q.117. Do you consider that the existing restrictions on workers' right to strike and the employers' right to declare a lockout need to be modified in anyway? If so, please indicate these modifications together with reasons in support of these modifications?

Ans: There should be no strike or lockout without notice. We recommend that when a dispute is pending before Conciliation Officer and if the workers resort to a strike should be considered as an illegal strike.

Q.118. Do union rule provide for a procedure to be gone through before giving a call for strike? If so to what extent is this procedure observed in practice?

Ans: Although some of the unions provide for a strike ballot before resorting to a strike but in practice lightning strikes, tool down have taken place without a ballot. Penal provisions for strikes must be effectively and promptly enforced by the State Govts.

Q.119. If a strike is called/lockout is declared, is prior notice always given to the other party? In what cases if any, no such notice is given?

Ans: Under law, prior notice for a strike/lock out is not required in non-public utility establishment and many times strikes are resorted to without any notice.

Q.120. In how many cases within your knowledge have workers been able to secure wages for the strike period when the strike is declared legal? Are there cases where strike pay is given when the strike is illegal?

Ans: We have no information.

Q.121. In what ways do trade unions seek to prevent victimisation of their members? To what extent do they succeed?

Ans: To prevent victimisation the unions pass resolutions and send copies to management for further discussion, conciliation and adjudication, also by agitational methods. As far as the public sector undertakings, the question of victimisation of any worker does not arise.

Yes.

Q.122. Are there instances of workers going on strike without sanction of the union?

Ans: There have been instances of workers and a section of workers going on strikes without apparent sanction of the union and the union disclaims the responsibility. On closer scrutiny many strikes would be found having a tacit support of the union behind the scene.

Q.123. In what way in practice do trade unions and managements keep in touch with each other during a strike in order to facilitate a settlement? What is the role of Govt. machinery in such cases? Should Government intervene in cases where a strike is (i) legal, (ii) illegal?

Ans: Trade unions and managements may keep in touch with each other during the strike through correspondence and or through personal contacts and meetings.

In the case of strikes normally the State Conciliation Machinery will immediately intervene and arrange conciliation meetings between the employer and the employees. Sometimes during the conciliation the employer and employees agree to meet for discussion for a settlement. If no settlement is arrived at, the Governmental machinery may refer the dispute for adjudication. We are of the opinion that in the

interest of production and also in the interest of industrial relations the State Government should intervene in all cases of strikes whether legal or illegal.

GENERAL

Q.124. What has been the role of tripartite committees like the Indian Labour Conference, Standing Labour Committee, Industrial Committees, etc., in evolving through mutual discussions and agreements acceptable arrangements in the various fields of labour relations? (See also Q.31)

Ans. Tripartite Committees appear to have localised the various problems that are adversely affecting the industrial relations. They have been evolving through mutual discussions and agreement some acceptable arrangements in various fields of labour relations they have not been successful in inculcating amongst the members the spirit of these agreements and having these agreements implemented satisfactorily.

Q.125. Are you in favour of Central Government being made responsible for industrial relations in public sector undertakings under the control of the Central Government?

Ans: Since the public sector undertakings are situated in various States and Regions of the country and industrial relations will vary from region to region and State to State, It will be helpful if the State Government was made responsible for industrial relations in public sector undertakings situated in their States.

Since

the law and order situation arising out of labour disputes have to be handled by the State Government it will be better if they are in the complete picture of the labour situation from its very inception,

Q.126. How should public utilities be defined in the context of a planned economy? Should there be any special provisions for avoiding work stoppages in public utilities?

Ans: In a planned economy and under the present conditions work stoppages should be avoided in public utility and as

well as non-public utility concerns. We therefore, feel that some rules for work stoppage should be applicable to both the sectors.

Q.127. What steps should be taken to minimise industrial conflicts in (a) the public sector, (b) the cooperative sector?

Ans: The following steps may be taken to minimise the industrial conflicts:-

(a) PUBLIC SECTOR

i) Common wage structure, D.A., on the regional basis,

ii) Uniform service conditions, leave rules, welfare measures etc.,

b) CO-OPERATIVE SECTOR:

We have no comments.

Q128. For the purpose of labour-management relations, is there a case for treating the public/cooperative sector differently from the private sector?

Ans: Fundamentally there should be no difference for treating public and cooperative sectors differently from the private sector.

Q.129. Has collective bargaining been possible in the small-scale sector? To what extent does this sector make use of the industrial relations machinery?

Ans: We have no information.

V. W A G E S

Introductory

Q.130. How does the current availability of unskilled labour affect the level of wages?

Ans: The current availability of skilled labour does not affect the level of wages in Public Sector Undertakings.

Q.131. What has been the relationship between wages in agriculture and other unorganised sectors and wages in industry?

Ans: We have no information. Generally speaking the wages in

agriculture and un-organised sectors are lacking behind the wages in the industrial sector.

Q.132. Should wages in agriculture and unorganised industries be allowed to influence wages in industry?

Ans: Although in principle wages in agricultural industry may be allowed to influence the wages in industry in practice it may be found to be very complicated problem.

Q.133. To what extent is the existing level of wages a result of the traditional mode of wages settlement collective bargaining, awards, etc.,

Ans: In the public sector industries in Bangalore, the existing level of wages were followed as a result of collective bargaining and wage settlement and in one or two cases by awards also.

Minimum Wage

Q.134. As set forth in the report of the Committee on Fair Wages, "The minimum wage must provide not merely for the bare sustenance of life, but for the preservation of health and efficiency of the worker. For this purpose, the minimum wage must also provide for some measure of education, medical requirements and amenities." Should this concept of minimum wage be modified in any way?

Ans: In the context of our present economy specially in the agriculture and the unorganised sector in the country, the present concept of minimum wage may have to stay for a long time to come.

Q.135. The 15th Session of the Indian Labour Conference accented certain norms (Appendix IX) in regard to the size of the workers family and minimum requirements of the family relating to food, clothing, housing and other items of expenditure. Attempts made by some wage fixing authorities to quantify this minimum wage have brought out the difficulties in implementing the formula. In what respects do the standards require consideration?

Ans. Although various Wage Boards have considered this question as an ideal to be achieved but these Wage Boards have not accepted in toto.

The need based wage may not be possible in our present economic condition and as long as we import food and cotton.

Q.136. If it is not feasible to provide the minimum wage referred to above to the working class, is it possible to suggest a phased programme for implementing the need-based minimum as recommended by the Indian Labour Conference?

Ans: The question of need based minimum standard can only be possible for consideration when we have self-sufficiency in food in the country and its supply is assured at reasonable prices.

Q.137. The Committee on Fair Wages made its recommendations about minimum wage against the background of conditions in the industrial sector. Do these ideas require modification if they are to be relevant to non-industrial workers who predominate in the economy?

Ans: In principle, taking the population of the country as a whole, the minimum wage of the industrial and the unorganised sector must bear a reasonable relation with the industrial sector. The recommendation of the Committee on fair wages will require substantial modifications to take into account unseen benefits and other conditions to evolve a wage structure for agricultural workers.

Q.138. If the idea of fixing a National Minimum Wage is to be accepted into account the replies to questions 134 to 137 above, how is it to be worked out in practice?

Ans: The national minimum wage should be considered after we have achieved self-sufficiency in food and food supplied at reasonable prices.

Q.139. As between different regions in the country it is not only that prices of consumption goods vary, but the content of the minimum needs themselves can be different. How are these variations to be provided for in arriving at the National Minimum?

Ans: No comments in view of answer to 138 above.

Q.140. Would you favour any change in the definition of 'minimum' fair and 'living' wage given by the Committee on Fair Wages? What in your opinion could have been the concept of 'living

wage' referred to in the Constitution? (Appendix A)

Ans: This question has already been answered in question No.134, 135 and 136.

Dearness Allowance

Q.141. Considering the need for protecting real wage, how should one provide for revision of wages/wage rates for changes in price level? Should this be by revision of the wage itself or by a provision of a separate component to absorb price changes?

Ans: In view of the fluctuating nature of the price level and in view of the fact of price likely to come down after the self-sufficiency is achieved in food production it is desirable that "Dearness" as a component of the Wage be kept separate than the Wage Structure. In order to protect the real wage for changes in price level the DA may be linked with All India Cost of Living Index making provision for the extent of neutralisation as given by the Das Commission.

Q.142. In view of the prevalence of several methods to provide or the payment of a separate allowance to meet changes in cost of living, is it feasible to apply any one system on a uniform basis? Which system would be most appropriate?

Ans: We would recommend that there should be only two components of total wages:-

- 1) The basic wage and
- 2) The Dearness Allowance

The D.A. itself to meet the changes in cost of living index should include the House Rent Allowance, City Compensatory allowance and other elements constituting changes in cost of living. Subsidised lunch and transport facilities be taken into account. The various Wage Boards have also recommended a pattern of this type having two components - basic pay and Dearness Allowance.

Q.143. If a system in which dearness allowance adjusted to changes in cost of living is favoured:-

(a) Which index number viz: (i) All India, (ii) regional, or (iii) local should be preferred? (b) What should be the frequency at which revision should be made - monthly/quarterly/half-yearly, etc.,?

(c) What should be the extent of change in the index which should warrant such revision in dearness allowance - each point/slab of 5 points/slab of 10 points etc.,
Give reasons.

Ans: a) The D.A. should be based on All India Index of Cost of living or regional index with a common base of all India Index.

(b) Frequency of the revision should be based as recommended by the Das Commission for every rise of cost of living index by 10 points. It may however, be pointed out that all India Wage Board for Engineering Industries has already been considering this problem for the Engineering Industries, and we may have to follow a pattern decided by the Wage Board.

(c) The extent of change of index which would warrant revision in DA should be slab of 10 points based on Das Commission.

Q.144. In determining the quantum of dearness allowance what should be the principles governing the rate of neutralisation of price rise?

Ans: The Das Commission formula should govern the rate of neutralisation for price rise for various slabs.

Q.145. Considering that payment of a cost of living allowance is meant to ensure that real wage of employees is not eroded by price increases, should the capacity to pay of an industry/unit be a relevant consideration in fixing the rate of dearness allowance?

Ans: The question takes for granted rise in prices while the policy of the Government should be such that further prices rise should be avoided as far as basic necessities are concerned. In any case, if the prices do rise, the capacity of an industry to pay has to be

taken into account. The alternative would be that such industries will be forced to close down and if they close down the suffering will be greater than the question of erosion of prices.

Q.146. In areas/activities where part of the wage is in kind, what adjustments should be made in fixing the quantum of dearness allowance?

Ans: The Cash value of the wages in kind should be considered and adjusted while fixing the total of the Wage + D.A.

Fringe Benefits

Q.147. How should fringe benefits be defined? What should be their scope and content? To what extent do such benefits affect production costs?

Ans: Any benefits employees obtain by virtue of which on items like clothing, food, housing, transport medical facilities, education of children, provision of creches etc., should be considered as fringe benefits. The entire expenditure on fringe benefits affects the cost of production and the cost of production increases proportionately.

Q.148. How far can the fringe benefits be a substitute for higher money earnings?

Ans: The saving which an employee obtains in his expenditure on account of fringe benefits may be considered as cash earnings and to that extent they substitute for higher money. This principle is already accepted by various Wage Boards.

Wage Differentials

Q.149. Do the existing wage differentials in the plants within your knowledge appropriately reflect the considerations mentioned in the report of the Committee on Fair Wages, viz., degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue?

Ans: Yes. In all Public Sector Industries in Bangalore,

the wage differentials are fixed on the basis of job evaluation carried out by qualified industrial engineers where degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue, are all taken into account.

Q.150. What has been the effect of the existing systems of dearness allowance on wage differentials? What steps would you suggest to rationalise present arrangements?

Ans: The existing system of DA does affect the wage differentials but this cannot be helped in the present conditions because the price rise affects the lower paid workers more adversely than the comparatively higher paid workers who have a larger margin of sustaining it.

Methods of Wage Fixation

Q.151. As between different methods of wage fixation obtaining at present namely, statutory wage fixation, wage fixation through collective bargaining, fixation through wage boards, and wage fixation resulting from adjudication, etc., which method or methods would be more suitable for adoption in future? If one or the other arrangement is needed for different sectors, indicate sector-wise the arrangement needed.

Ans: As far as we are concerned we feel that Wage Board is the correct machinery for fixing the wages based on job evaluation as far as wage differentials are concerned.

Q.152. In collective bargaining for wage fixation should the principle emphasis be laid on national agreements? If so, what adjustments should be made to meet the local needs?

Ans: Due to disparities in the regional developments and the capacity of the industries to pay, the agreements at the plant level should be preferred. In the case of Wage Board awards they should also be on regional basis rather than national basis.

Q.153. Tripartite wage boards came in vogue because it was felt that an arrangement by which parties themselves can have a hand in shaping the wage structure in an industry could be more enduring than the one where an award is handed down by a third party. Has this expectation been fulfilled?

Ans: By and large the awards of the Wage Board have had enduring effects on various industries for which the Wage Boards has been established for fixation of wages.

Q.154. (a) In what respects should the operation of wage boards be modified to improve their working?

(b) Should wage Board recommendations have legal sanction?

Ans: The Wage Board proceedings take a long time.

(a) a time limit should be fixed within which they must complete their awards/recommendations. In addition, Wage Boards should always give their recommendations on the regional basis and not a single recommendations/Award applicable on National Basis.

(b) The Wage Board recommendations as accepted by the Government may have legal sanction.

Wage Policy

Q.155. How could the criteria of fairness to labour, development (a) of industry, capital formation, return to entrepreneur, etc., be taken into account in wage fixation?

(b) It is said that in the balance between fair wages to workers, fair profits to entrepreneurs and fair returns to treasury, the consumers are often left behind. How far is this criticism valid? How best can the situation be remedied?

Ans: We have no information on the criteria to be taken into account for wage fixation but we agree that fairness to labour, to industry, capital formation, entrepreneur and cost to the consumer be taken into account.

(b) i) The criticism is very valid at present in our country, the consumer's interests are not safeguarded in drawing any balance between fair wages, fair profits and return to treasury. Even the Government

policy for fixation of excise duty and Sales Tax does not appear to take into account the consumers' interest.

i) The situation can only be remedied if the consumer's interests can be taken as primary interests while fixing fair dividends, fair returns to the treasury.

Q.156. In the context of planned development, the question of taking an integrated view of policy in regard to wages, income and prices is often emphasised. What should be the objective and scope of such a policy? Indicate the guidelines for such a policy in the light of the perspective for the growth of the economy. Changes in the existing institutional arrangements for implementation of such a policy may also be indicated.

Ans: At the present time after a planned development of 20 years the industry is facing a recession, one of the reasons for the recession is that there is less demand of goods and less purchasing power with the consumer for such goods. This only shows the planned development must take into account the primary interest of the consumer to decide the question of integrated policy in regard to wages, profits and returns to treasury. The changes in the existing institutional arrangements for industrial production and industrial goods should be that the plant of sufficient capacity should only be licensed which can produce goods at C.I.F. value and not at landed values.

Q.157. Do you suggest a policy of 'wage freeze'? If so, how can it be implemented under the existing system? What are the implications of this policy for other incomes?

Ans: Until and unless food stuffs and other basic necessities of life cannot be provided at a reasonable level the wage freeze shall not succeed.

Q.158. Is there a need for sectoral balance in wage structure between the public and private sectors? If there is, how should it be achieved?

Ans: It is essential that there should be a sectoral balance in the Wage structure between Public and Private Sector. This can be achieved by the Constitution of Wage Boards for different industries.

Mode of Wage Payment

Q.159. What are the existing practices in regard to payment of wages in kind? Would you suggest its extension to units where it is not obtaining at present?

Ans: We have no system of payment of wages in kind and as such we are in favour of extending payment of wages in kind. In any case as long as there is food shortage even in the informal rationed areas the question of obtaining sufficient quantity of food stuff for urban labour is not possible.

Q.160. To what extent is the method of paying unskilled workers on time scale of pay common? Would you favour its extension?

Ans: As far as public sector industries are concerned the method of payment of unskilled workers on time-scale of pay, is widely prevalent and so is the case for other workers.

Q.161. Do you favour the suggestion that the total wage packet should consist of three components, namely, the basic wage, the other depending on price changes and the third which takes into account productivity changes? If so, how should this suggestion be made operative?

Ans: In all public sector undertakings in Bangalore, the total wage packet consists of 3 components, viz., the wage, D.A., and the incentive payment based on productivity. We favour this system and it is already being operated successfully.

General

Q.162. How far can the administration of the Minimum Wages Act, 1948 be considered to be satisfactory? Outline in detail the difficulties experienced in its implementation Offer suggestions against each difficulty on how best it could be overcome. (See also Q.210).

Ans. The Minimum Wages Act, 1948, is not applicable to Engineering Industries and we have no information on this.

Q.163. Is the scheme for payment of annual bonus embodied in the Payment of Bonus Act, 1965, satisfactory? If not, what are your suggestions? How does the latest decision of the Supreme Court affect the Scheme of the Act?

Ans: Number of disputes on bonus have arisen in the public sector undertakings on account of section 20(1). The section leads to innumerable arguments and different interpretations.

There is a possibility of a number of disputes on account of section 32 and 37 (a) of the Act which leads to different interpretations of the bonus being paid by different establishments.

A formula has been given for calculation of the available surplus based on which there can be dispute between the employer and employees.

We are of the opinion that the invalidation of Section 33, 34(2) and 37 of the Bonus Act by the Supreme Court which is the highest judicial authority in the country should be accepted.

According to us the latest decision of the Supreme Court does not affect the main Scheme of the Act.

Q.164. What should be the place of bonus payments in the future system of remuneration?

Ans: Bonus payments will continue to be paid in future system of remuneration as per the Bonus Act except for those provisions which have been struck by the Supreme Court

VI. INCENTIVE SCHEMES AND PRODUCTIVITY

Q.165. What steps should be taken to introduce a system of payment by results in industries/activities where this system would be appropriate?

Ans. We have introduced an incentive scheme for payment by results whereby the minimum wage is guaranteed and incentive payments are made on the percentage of efficiency achieved by individual workers or by groups of workers.

Q.166. Please state your views on the following guiding principles for introduction of incentive schemes.

(a) Employers and workers should formulate a simple incentive system at the unit level and implement it on some agreed basis through collective bargaining. In every case, introduction of incentive schemes should be preceded by an agreement with trade unions.

(b) In evolving wage incentive schemes, it should be ensured that these do not lead to rate-cutting. The workers' normal wages should be protected where it is not possible for him for circumstances beyond his control to earn an incentive.

(c) Individual or group incentives can be framed to cover both direct and indirect groups of workers.

(d) An incentive scheme cannot be evolved without a work study undertaken with the cooperation of workers. Nevertheless, it should always be open to employers and workers to evolve a scheme by agreement or any other acceptable basis.

(e) Efforts should be made to reduce time-rated categories to the minimum. This will ensure that all employees have an equal chance to increase their earnings with increase in productivity.

(f) Wage incentives should generally provide extra earnings only after a mutually agreed level of efficiency has been achieved.

(g) To ensure quality of production, incentive payments should be generally allowed only if the output has been approved on inspection by the management.

(h) Incentive earnings should not fluctuate very much. This requires certain degree of planning so that material delays, machine-breakdowns etc., are controlled.

(i) The scheme should itself safeguard adequately the interests of the worker if he is forced to remain idle due to circumstances entirely beyond his control such as non-supply of raw materials, machine breakdowns, etc.,

- (j) Apart from financial incentives, non-financial incentives like better security of employment, job satisfaction, job status, etc., have also a place in increasing productivity.

- Ans: a) The incentive schemes should be prepared by well qualified industrial engineers or a team of Industrial Engineers at plant level. The workers representatives can be consulted. It is desirable, before the introduction of the scheme to have an agreement with the trade union on incentive payment scheme, but in the absence of an agreement a trial of the scheme may remove suspicion and lead to final agreement.
- b) In our industry incentive schemes protects normal wages.
- c) The individual group incentives can more easily be framed to cover direct workers. The nature and extent of work for indirect workers cannot be easily defined and measured and therefore no incentive schemes can be introduced for indirect workers because the measurement of efficiency of the indirect worker cannot be easily controlled.
- d) We do not agree that there should be any scheme evolved on the basis of agreement other than the scientific study carried out by the qualified engineers. Further we agree that at the time of work study the co-operation of the worker should be invited and not insisted upon.
- e) We agree that efforts should be made to reduce the time rate categories to the minimum, but the categories of workers like those who work in maintenance tool rooms, electroplating, heat treatment and other processes cannot be easily put on incentives.

f) Although mutually agreed level of efficiency is a correct approach but if it is going to put a product out of market the industry and workers will suffer. Any enforcement by law to insist on mutual agreement of level of efficiency will be disastrous.

g) Agreed.

h) Agreed.

i) As long as the minimum is guaranteed no other safeguard is necessary.

j) Agreed.

Q.167. What should be the respective roles of labour, management and Government in raising productivity?

Ans: i) a) The Government should play its role by a sound industrial policy for licensing only economical units which will keep in view the cost of the product which the consumer can bear and which will also develop and expand the industry in time. Government should also ensure the implementation of the agriculture and food plan in such a way that that essential basic necessities are provided at reasonable rates to the consumers.

b) Government should ensure that the conciliation and adjudication machinery should dispose off the cases expeditiously.

ii) The management should be productivity conscious and interested in economy in cost of production. Further, they should implement both in letter and spirit all the provisions of labour legislation.

iii) The labour unions should be productivity conscious, maintain discipline and resort ^{to} constitutional methods for settling their disputes.

Q.168. How should the gains of productivity be measured? Can they be allocated to different factors of production? How should the gains be shared?

Ans: The question of adding any measurement of profit does not arise after the introduction of payment of Bonus Act. In an earlier question the introduction of incentive schemes have already been discussed.

Q.169. Have increases in productivity matched with wage increases in the years since Independence? Please give supporting statistics.

Ans: There has been no appreciable increase in productivity though the wages have been increasing due to increase in the DA since independence. However, the productivity has increased due to introduction of incentive schemes and not due to wage increase. The efficiency has increased from an average of 50% to ^{an average of} 75% by the introduction of incentive schemes.

Q.170. Has any undertaking within your knowledge experimented, in recent years, with productivity techniques? How did the employees react to these experiments? Did this result in increasing workload? If so, how was this situation met?

Ans: In our undertaking we have experimented with two productivity techniques, the incentive scheme and the suggestion award scheme. Employees have reacted to these reasonably well. Since incentive scheme was started along with the project of manufacture, we have not faced any major problem in this regard.

Q.171. What places would you assign to suggestion schemes and institution of awards for outstanding work to improve productivity?

Ans: The Suggestion Schemes and the institution of award for outstanding work does boostup morale in general. In some cases of suggestion schemes do directly improve productivity, we place the suggestion and merit award schemes second to incentive scheme for improving the productivity.

Q.172. What are the factors contributing to labour turnover and absenteeism? How do they affect improvement in productivity (See also Q.183).

Ans: Labour turnover is very low in our undertakings. As regards absenteeism, at the beginning of the year when the earned leave is available for use by the workers, the rate of absenteeism is higher.

The factors contributing to absenteeism are:-

- (a) The mis-use of ESI leave and sick leave;
- (b) Sporadic higher pay work available in the market;
- (c) Absence on receipt of bulk amount like annual production bonus or profit sharing bonus;
- (d) Festival and social obligations;
- (e) Lower aspirations for higher standard of life.

Q.173. What is the place of the motivation of worker for improving his standard of living in the successful working of incentive schemes?

Ans: The successful working of the incentive schemes have given a motivation to workers for retaining his present standard of living with the rising cost of living.

Q.174. What is the effect of (a) 'go-slow', (b) 'work to rule' and (c) 'unions' ban on overtime" on creating a climate for improving productivity?

Ans: 'Go-slow', 'work to rule' have an adverse effect on productivity. As far as 'work to rule' is concerned the effect is adverse simply because every minute of

working time cannot easily be defined for the indirect workers nor it can easily be measured. Any ban on overtime decreases the earnings of the workers and in order to have larger pay pocket they insist on overtime pay which is twice the normal working rate and demand it as a matter of right and are willing to work overtime in the factory.

Q.175. What is the role of rationalisation in improved productivity? The 15th Session of Indian Labour Conference had made some recommendations (Appendix-KII) for regulating the process of rationalisation. Have these recommendations helped rationalisation? Do these recommendations still provide a useful framework for the purpose? If not, what changes would you suggest?

Ans: For increased productivity, rationalisation is necessary. Recommendations of the 15th Session of Indian Labour Conference are reasonable.

Q.176. a) What should be the place of 'automation' in the perspective of developments?

b) How would automation affect labour-management relation?

c) Should there be a special machinery to study the problem?

Ans: The engineering industry in India is not even fully mechanised. Automation cannot take place before the industry can be mechanised. In our next few plans the prospective development can concentrate on mechanisation for Engineering industry and automation only for Chemical and Petro-chemical and other process industries.

b) The stage for automation in most of the engineering industries in the country has not yet arrived and shall not arrive for a decade or two, and with its arrival it will be a capital intensive industry in place of labour intensive. The labour force will be very much smaller than for any labour intensive industry. The problems of labour-management relations will be extremely small in an automated factory.

Q.177. How far has the National Productivity Council been effective in generating enthusiasm among employers and workers in increasing productivity?

Ans: The National Productivity Council have contributed in creating awareness in the middle management and higher management levels by organising seminars and discussions but it has had very little effect on generating enthusiasm among the workers to increase productivity.

VII. SOCIAL SECURITY

Q.178. (a) What effect do the social security schemes have on stability of employment and on industrial relations?

(b) Have some of the benefits, based as they are on a qualifying period for entitlement, led to larger labour turnover? If so, what should be the remedial measures?

Ans: (a) Social Security Schemes have largely given a sense of stability of employment in Industrial Undertakings.

(b) Labour turnover in factory is very low

Q.179. The Convention of Minimum Standards of Social Security adopted by the International Labour Organisation refers to the following branches of social security, namely, medical care, sickness benefit, unemployment benefit, old age benefit, employment injury benefits, family benefit, maternity benefit, invalidity benefit and survivor's benefit.

(a) To what extent is each one of the above benefits available at present?

(b) What is the cost of existing social security schemes in relation to the total cost of production? How has it varied over the last 15 years?

(c) Are the scope and coverage of each one of the benefits mentioned above adequate?

(d) What should be the priority for enlarging the scope and coverage of the various existing benefits?

(e) How should ^{the} ~~be~~ programme for introduction of the benefits not currently available be phased?

Ans: (a) Medical care and sickness benefits are available under the ESI Schemes. Employment injury benefit is available under the workmen's compensation Act. As regards unemployment benefits, family benefits, survivor's benefits are not available as at present.

- (b) The old age benefits is provided for the gratuity and the provident fund.

However, we have a Death Relief Fund, where the workers contribute normally. In any case of a death the family is given Rs.2000/- to Rs.3500/-.

- (c) The scope and coverage for the benefits of medical care schemes benefits and invalidity benefits are adequate for the present and should be revised as and when per capita income increases.
- (d) priority should be given for old age benefits in any new legislation;
- (e) It depends upon the economic condition and industrial development in the country. No fixed programme can be laid down.

The cost of the existing social security systems schemes in relation to the total cost of production has been varying from the last 2 years is as under:-

	<u>1965-66</u>	<u>1966-67</u>
	Rs.	Rs.
Medical (includes ESI Contributions & payment to HAL)	3,90,943	4,15,496
Cost of Sales ..	489,30,026	525,60,286
Percentage ..	0.78	0.79

Q.180. The benefits referred to in Question 179 are generally available only to persons who are in wage-paid employment; there will still be large numbers of persons like traders, artisans and small shopkeepers who are self-employed and who will remain uncovered by the scheme. What advance steps should be taken to bring these groups within organised social security schemes?

Ans: We have no information.

Q.181. The E.S.I.S. Review Committee has made a number of recommendations in its Report both for improving the administration of the ESIS and for introducing an integrated social security scheme. As regards the latter, it has recommended that planning should now proceed

to evolve a comprehensive social security scheme covering in a single enactment various risks of cessation of income or wage loss to which a wage earner is exposed. Towards this end it has specially suggested:-

- i) The Government should in consultation with the Indian Labour Conference set up an expert machinery to evolve a 'blue print' for a comprehensive scheme of social security which should also form a strong financial and administrative base for inclusion of benefits which are at present not available.
- ii) Action should be initiated forthwith to bring about an administrative merger of the ESI Scheme and the EPF Scheme. Steps should be taken to examine the problem in all its details and to accomplish this with the least delay.

What are your suggestions on the above recommendations?

Ans: i) A comprehensive social security scheme can only be evolved when the per capita income in the country has increased considerably beyond the bare subsistence level.

ii) Careful examination should be made before ESI & EPF schemes are merged. Our recommendations are that EPF scheme, can merge with some sort of insurance policy

Q.182. Should the provisions for exemption from the ESI Scheme be tightened? How should this be achieved?

Ans: Yes. The exemption should only be given to those industries who have well organised hospitals and other medical facilities, at par or better than ESI facilities.

Q.183. In so far as the ESIS Scheme is concerned, there is a view that the absenteeism among workers in the factories covered by the scheme has tended to increase consequent upon the introduction of the scheme. No concrete evidence has been forthcoming so far either in support of the above contention or against it. What is the experience in the industrial unit/units within your knowledge? What remedies would you suggest to minimise such absenteeism? (See also Q.172).

Ans: It is correct that after the introduction of ESI Schemes absenteeism of the workers in the factory has tended to increase. Statistics are not easily available.

Q.184. Should the administration of medical benefits under the ESI Scheme remain the responsibility of State Governments? Or should the Corporation itself take it over? If State Governments are to continue administering medical benefits, what should be done to ensure that a uniform standard of medical benefits is available to insured persons in all States?

Ans: A Corporation is preferable so that the practice should be uniform in all the States and there will be a speedy and efficient administration.

Q.185. What should be the respective shares of contribution from employers, workers and Govt. in any scheme of social security?

Ans: 45% by the employers, 45% by workers and 10% by the Government should be respective shares of contribution in any scheme of Social Security as long as the cost of products can easily be borne by consumers.

Q.186. Should the Employees' Provident Fund Scheme be continued as at present or should steps be taken to convert it into either ~~as~~ a pension scheme or a provident fund-cum-pension scheme?

Ans: The present Provident Fund Scheme be continued.

Q.187. If it is to continue in the present form, would you suggest any change in the pattern of investments of the funds and in the rate of interest accruing to beneficiaries?

Ans: We have a provident fund trust who are at present investing in 12 years National Plan Certificates. We consider this a satisfactory arrangement.

Q.188. Are any changes called for in the Scheme to make the administration more satisfactory?

Ans: We have no comments.

Q.189. Should a part of the provident fund be set apart for giving insurance cover to the members of the EPF Scheme?

Ans: Yes.

Q.190. What should be the place of gratuity payments in an overall social security programme?

Ans: We have a gratuity scheme by which $\frac{1}{2}$ months' pay for every year of service and upto a maximum of Rs.15,000/- is paid. The gratuity schemes should be introduced in all industries as a social security programme.

Q.191. Would you suggest any changes in the existing provisions relating to lay-off and retrenchment provided to employees against the hazards of job insecurity resulting from temporary employment and other fluctuations?

Ans: The present provisions are adequate.

Q.192. Should the administration of some of the social security benefits be handed over to trade union? What preconditions should trade unions satisfy for being eligible to take over such administration?

Ans: No. It is too early in our industrial development to entrust social security benefits scheme to trade unions. We have experience that the funds of some of the Cooperative Societies are not very well or scientifically managed.

ii) Does not arise.

VIII. LABOUR LEGISLATION

Q.193. To what extent should labour-management relations in a planned economy be governed by legislation/collective bargaining? (See also Q.85 and 90).

Ans: Normally Labour-Management relations in planned economy should be governed by Collective bargaining. However, the major disputes should have an additional machinery to sort out the differences as under:-

- (a) Wages, Wage Structure and DA by appointment of Wage Board is industry-wise on regional basis. The board might possibly be set up by legislation.
- (b) Service conditions should also normally be settled by collective bargaining failing which

by conciliation and adjudication as at present accepted. The adjudication machinery should be streamlined and done more effectively and expeditiously.

Q.194. What have been the factors that have affected the proper and effective implementation of the various labour laws? (Appendix XII). Have these laws achieved the purpose/objectives for which they were enacted? If not, what factors have hindered the achievement of these objectives? (See also Q.12).

Ans: We are of the opinion that by and large, the labour laws have achieved purpose and objectives for which they are enacted and to certain extent it is correct. However, we feel that inspection machinery at the State level should be strengthened and more experienced to ensure inspection.

Q.195(a) How have the existing legislation and other provisions for protecting the interest of labour worked in practice?

(b) To what extent have the above provisions helped to implement the directive principles of State Policy on labour matters as embodied in the Constitution?

(c) What changes or further improvements in the existing arrangements would you suggest for fuller realisation of the Directive Principles (Appendix XIII) keeping in view the present state of our economy and the country's development in the foreseeable future?

Ans: (a) As far as public sector undertakings are concerned the interests of labour are adequately protected under the existing legislation and other provisions.

(b) Legislative measures so far enacted have helped &

(c) to implement the directive principles of State

Policy on labour as embodied in the Constitution

except the provisions for unemployment and old

age, the legislation in this regard may be enacted

in due course. The economic well-being however of

the workers and ~~not~~ their families depend upon the

cost of living index and production of essential

goods and services for which of late there has been

a shortage affecting the workers and their families.

Q.196. Are the present constitutional arrangements under which labour is a concurrent subject satisfactory, particularly from the point of view of the administration of labour laws? Are any modifications by way of centralisation/ decentralisation of certain activities and functions necessary?

Ans: The present arrangements under which labour is concurrent subject to is satisfactory.

Q.197. What has been the influence, direct or indirect, of international labour conventions on the progress of labour legislation in India? To what extent has the Constitution helped or hindered such progress?

Ans: The International Labour Convention has been a guide-line in the progress of labour legislation in this country. In fact many of the labour legislation in the country have drawn its inspiration from the directives of International Labour conventions. The Constitution has helped this progress.

Q.198. On the basis of the principles evolved out of case law over a number of years, what are your suggestions for reviewing and amending labour legislation in this country?

Ans: The present legislation is adequate. There may be a case for reviewing the same, when the per capita income is doubled.

Q.199. Has there been too much legislation in the field of labour? If so, what are the aspects in regard to which there is over-legislation?

Ans: The present labour legislation is adequate.

Q.200. Is there need for consolidation and codification of existing labour laws? Please suggest the lines on which codification should be undertaken?

Ans: There is need for consolidation and codification of existing labour laws. The management and the labour have to consult simultaneously, the provisions of the Factories Act, the payment of Wages Act, the Workmen's Compensation Act, the Industrial Relations Act as well as provisions of the various other acts, to come. Some of the provisions of various acts are either complimentary or overlapping with each other. The Common provisions

of each one should be under one Enactment.

Q.201. Since 1958 the general emphasis in labour policy has been on voluntary approach in preference to legislation. This has resulted in fashioning tripartite instruments like the code of discipline, industrial truce resolution etc. Has this policy been successful? Should it be continued?

Ans: The Tripartite instruments have by and large succeeded in absorbing emotional shocks. Their function should be continued.

Q.202. Please comment on the suitability of (i) labour legislations so far enacted and (ii) voluntary arrangements so far built up

Ans: i) The labour legislation so far enacted has been found adequate and satisfactory, except to the extent of their modification and consolidation answered against question No.200 above.

ii) Voluntary arrangements so far have not fully succeeded mainly because of the problem created between the actual wages and the real wages of workers and outside influences on trade union activity.

Q.203. What is the extent of enforcement of labour legislation in public sector? Are exemptions from the applicability of certain provisions of labour laws more common in the public sector? What is the rationale for claiming such exemptions?

Ans: The labour legislation in public sector undertakings in Bangalore has been implemented.

Q.204. Are there instances of political or other rights which are normally available to an individual being denied to employees in public sector and their dependants? How are such details justified?

Ans: In some public sector undertakings, an employee is not allowed without prior permission of the Company to stand and contest any election of public bodies, like panchayats municipal corporations and in many such cases such permission may be refused when it adversely affects workers duty in the factory.

IX. RURAL & UNORGANISED LABOUR

Q.205 Rural labour faces two inter-related problems which demand urgent solution: One is social, centering round its low social status in the rural hierarchy and the handicaps resulting therefrom, and the other is economic, resulting from chronic lack of sufficient employment opportunities. What is your assessment of the effectiveness of the remedial steps taken by Government?

Ans: We have no comments.

Q.206. It is suggested that in countries with vast rural under-employment, special emphasis should be placed on a broad-based programme for the promotion of productive employment in rural areas by a combination of technical and institutional measures, relying to the extent possible on the efforts of the people concerned and based on adequate study of the nature, prevalence and regional distribution of rural under-employment. How should such a broad based programme be framed for implementation?

Ans: We have no comments.

Q.207. With a view to creating incentives and social conditions favourable to fuller and fruitful utilisation of local manpower in rural areas, the International Labour Organisation suggested the following action programmes:-

- a) Local capital-construction projects, more particularly projects making for a quick increase in agricultural production, namely, small and medium irrigation and drainage works, storage facilities and feeder roads;
- b) Land development and settlement;
- c) Labour intensive methods of cultivation and animal husbandry;
- d) Development of other productive activities, such as forestry and fishing;
- e) Promotion of social services, such as education, housing and health services;
- f) Development of viable small scale industries, such as, local processing of agricultural products and manufacture of simple consumers' and producers' goods needed by rural people;
- g) Special efforts to develop rural manufacturing activities that are ancillary and complimentary to large-scale urban industry etc.,

Which of these suggestions are feasible in the Indian context?

Ans: We have no comments.

Q.208. (a) There is a considerable body of workers, largely unorganised and employed in small industries in rural/urban areas, not covered by the protective provisions of the present labour legislation. How should such protection as is desirable be reached to them?

(b) Specially considering the nature of their employment, the size and location of the units/industries in which they are engaged, please suggest practical methods by which their position can be improved in regard to their employment, wages and working conditions.

Ans: We have no comments.

Q.209. What steps should be taken towards progressive reduction of contract labour? How should contract labour be brought effectively within the scope of state action? (See also Q.16).

Ans: We have no comments.

Q.210 To what extent are the difficulties in the implementation of Minimum Wages Act, 1948, in rural areas real? How could they be overcome? (See also Q.162)

Ans: We have no comments.

Q.211. Do you favour a separate agency for the effective implementation of the Minimum Wages Act, 1948, for agricultural labour? Or should it be merged with local village or the block of development staff?

Ans: We have no comments.

X. LABOUR RESEARCH & INFORMATION

Q.212. Most of labour statistics are a bye-product legislation. They suffer, therefore, inter alia, from the limitations arising out of lack of uniformity in the concepts, coverage and frequency of collection. The time-lag in their publication, non-response from primary units, inaccuracy of returns, changes in industrial classification are further difficulties in making labour statistics more useful. What steps should be taken to remedy the situation? Is the implementation of the Collection of Statistics Act, 1953 the answer?

Ans: It is agreed, that most of the labour statistics suffer from limitations mentioned in the question. Mere collection of statistics without analysis and scientific study will not produce desired results. It is suggested, that the whole matter of statistics be gone into and put on a rational basis.

Q.213. There is a feeling that the practice of entrusting the administration of labour laws to different officials, the statutory requirements of maintenance of different registers and sending of different filled-in returns under these Acts, result in a good deal of unproductive work and unnecessary duplication. If this feeling has a basis, what steps should be taken to improve the situation?

Ans: It is suggested that the Labour Commissioners' in the State be entrusted with the administration of all labour laws and various specialists in his organisations may administer all the steps coming under labour laws. And they should also be responsible, for collection of statistics reports and returns etc., This however, does not apply to adjudication machinery.

Q.214. Does the all India Consumer Price Index Number currently compiled reflect adequately price changes affecting urban working class? Should consumer price index numbers be compiled for every region of the country for the purposes of wage fixation? What principles should be followed in compiling the 'all India' and regional indices?

Ans: The All India Consumer Price Index currently compiled, reflects reasonably the price changes affecting the urban working class.

The Consumer price index numbers compiled by various States has not got the same base as the all India figure, therefore the first essential thing is that all States in India should have the common base figure before an effective consumer index can be compiled on regional basis.

The principles followed for all India index should be the same, as the principles followed for regional indices.

Q.215. Data presently collected and compiled in respect of work-stoppages (strikes and lockouts) mostly consist of: (a) number of work-stoppages, (b) number of workers involved (c) number of man-days-lost, (d) total wages lost in rupees, and (e) total production lost in rupees. Are they adequate for measuring industrial unrest in the country? If not, what other aspects of industrial unrest require quantification?

Ans: The data presently collected and compiled, in respect of work stoppages gives a fair idea of industrial unrest

in the country in general. However, there is an important aspect which requires quantification. The number of industrial disputes referred for adjudication per quarter, the number of industrial disputes adjudicated per quarter, the number of industrial disputes pending over six months in every State in India.

So long as the disputes are pending with the adjudication machinery in India, the industrial relations are affected and there is an inherent dis-satisfaction and go slow during that period which cannot be always measured.

Q.216. At present statistical data are collected only in respect of work-stoppages arising out of industrial disputes. Is it necessary to collect similar information on work-stoppages due to reasons other than industrial disputes?

Ans: Yes.

The 'go slow' which falls within the limitations to 'work to rule' or within the top and bottom limitations of the incentives schemes should also be statistically collected to have information regarding work stoppage due to other than industrial disputes.

Similarly the data should be collected for lay off caused for reasons other than the industrial disputes.

Further, the work stoppages due to want of orders, want of materials, want of power and water, etc., should also be collected in addition to the above.

Q.217. The current emphasis in the collection of labour statistics is on data which will help in understanding the economic aspects of workers' life. Social and sociological aspects have been comparatively neglected. What are your suggestions for filling up the gap? For better comprehension of labour problems which particular aspect of these statistics would you emphasise?

Ans: It will not be feasible to collect data from the workers on social and sociological aspects, however, specific

studies in specific areas may be periodically conducted for collecting the information.

Q.218. Statistical data (employment, unemployment, consumption expenditure, etc.,) are being collected in respect of rural population annually by the National Sample Survey. Would it be feasible to make these data available separately for rural labour for each State/region? What other statistics would be required for framing an operational programme?

Ans: No comments.

Q.219. Are the present arrangements for research and studies in the field of labour adequate to meet the requirements of policy-making in labour and economic matters?

Ans: We have no detailed information to offer any comments.

Q.220. What are your suggestions for improving the quality of labour research?

Ans: We have no detailed information to offer any comments.

Q.221. What is the present state of labour research undertaken by employers'/workers' organisations?

Ans: We have no detailed information to offer any comments.

Q.222. How should the trade unions be encouraged to strengthen their research activities?

Ans: We have no detailed information to offer any comments.

Q.223. How should labour research be promoted in universities and research organisations?

Ans: The Institutions conducting the Post Graduate Course of the Social Sciences should have also a special Cell for research on labour matters. From and among these institutions people who have specialised in labour laws and other subjects, the staff of the Labour Commissioner in the States should be recruited after they have had an experience as Personnel Managers/Asst. Personnel Manager in the industry.

Q.224. Are the present arrangements for associating the research personnel outside Govt. for a deeper analysis of data available with Central and State Governments adequate? What steps should be taken to strengthen this association?

Should co-ordination of research work done by different agencies be achieved?

Ans: Please refer to answer to Question No.223.

Q.225. What is the extent to which the existing information on labour matters is being put to use? Who are the main users? Give a critical assessment of the utility of the existing information.

Ans: No comments.

Q.226. Are the existing arrangements for publicising the research activities of the various agencies adequate? What has been the role of the press in such publicity? What improvements, if any would you suggest?

Ans: No comments.

Q.227. How do trade unions/employers' organisations inform the public of their activities? To what extent do they succeed? (See also Q.31).

Ans: The Trade Unions inform the public by issuing their pamphlets, bulletins, circulars and press notes giving their side of the picture. Generally, similar is the position taken by the employers.

Q.228. It is often said that while industrial conflict gets more than its due share of publicity, industrial harmony does not. Do you agree with this view? What are the reasons for this?

Ans: Yes. The reasons are that any industrial dispute has got a news value while industrial peace has'nt.

Q.229. What role has the press played in educating the public on labour matters and with what results? Would you suggest any improvement? If so, how should this be brought about?

Ans: The press has not yet played a significant role in educating the public on labour matters.

We would suggest that in any dispute, the press should publish 3 views, the labour unions' views; the management views and staff's views (views of the Supervisory staff) giving the background of the dispute.

Q.250. What role has the press played in shaping decisions on industrial disputes? Has it helped or hindered the promotion of just and good industrial relations?

Ans: We do not think that the press has played any significant role in shaping the decisions of Industrial disputes.

NATIONAL COMMISSION ON LABOUR

SECTION ONE

QUESTIONNAIRE

AND REPLIES

- 1. Name and address of the respondent: HINDUSTAN MACHINE TOOLS LTD.,
(Person/undertaking/organisation/
state) HMT P.O., Bangalore-31
- 2. The name of the Central Organisa- : The Employers' Federation
tion of employers/workers to of India.
which you are affiliated.
- 3. If union, please give the number : Not applicable
of members. When was the union
formed?
- 4. If an undertaking/establishment,
please give:
 - (a) Commodity produced/nature : Machine Tools & Watches
of activity.
 - (b) Number of employees as on :
1-1-67
 - i) Workers : 11063
 - ii) Others : 1331
 - (c) When was the undertaking :
established?

<u>HMT I&II</u> <u>Bangalore</u>	<u>HMT III</u> <u>Pinjore</u>	<u>HMT IV</u> <u>Kalamassery</u>	<u>HMT V</u> <u>Hyderabad</u>	<u>HMT Watch Factory</u> <u>Bangalore</u>
6.10.1955	2.5.1962	2.10.1964	27.12.1965	15.8.1963

Reply:

In May 1948.

Contd.....2

QUESTION 1.(a) How is labour recruited at present in industrial establishments? Is recruitment effected through (i) jobbers, (ii) contractors, (iii) advertisements, (iv) introduction by existing employees, (v) employment exchanges or (vi) any other method?

(b) How far are the present recruitment arrangements satisfactory for different types of employees and different levels of skill?

ANSWER 1.(a) Advertisements and employment exchanges.

(b) As far as highly skilled workmen are concerned apart from their basic craftsman and technical training from the Industrial Training Institutes and Engineering Colleges, it is realised that training ranging from 1 to 2 years is necessary before they can be gainfully engaged in the Industry.

(Q) 2. In what categories of employment is labour in short supply? What steps should be taken to minimise the effects of such shortages?

(A) 2. The position is by and large satisfactory.

(Q) 3. Does lack of mobility affect supplies in different categories of labour? If so, what remedial measures would you suggest?

(A) 3. No

(Q) 4. To what extent is industrial labour migratory in character? What problems does such labour pose in recruitment and retention?

(A) 4. The Industrial Labour in our region is not migratory in nature.

(Q) 5. How do the existing statutory provisions in regard to employment of women affect recruitment of women labour? Consistent with international conventions on conditions of work for women, what modifications would be necessary in the existing provisions for promoting employment of women?

(A) 5. Not applicable.

- (Q) 6. What are the advantages and disadvantages of recruitment of casual labour? If employment of casual labour is a disadvantage, what steps should be taken to decasualise such labour?
- (A) 6. No casual labour is recruited.
- (Q) 7. In view of the present unemployment situation, what place should be given to the absorption of 'physically handicapped' in recruitment policy? Should there be a statutory provision for reserving a portion of the vacancies to physically handicapped persons?
- (A) 7. No statutory provisions should be made to employ physically handicapped. Those who become physically handicapped due to accidents etc. pose a problem of rehabilitation already in the industry itself. Nature of industry comes in the way of engagement of physically handicapped persons.
- (Q) 8. In establishments within your knowledge, is there any discrimination in the matter of recruitment on grounds of caste, community, region, language, etc.? Under what circumstances is such discrimination justified?
- (A) 8. No discrimination on any account is made in case of recruitment nor according to us on any account discrimination should be allowed to exist anywhere.

Induction

- (Q) 9. Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought?
- (A) 9. The present training on job is found adequate.
- (Q) 10. What steps should be taken to encourage an employee to avail of the facilities outside the place of work for improving his skill? Is there any system of granting study leave to the employees in your establishment? If yes, please give details.
- (A) 10. The employees are permitted to join technical institutions outside their working hours. Shift changes are liberally made to accommodate them.

(...3)

- (Q) 11. (a) What should be the outline of a rational promotion policy? What place would you assign in this policy to seniority, merit and trade test?
- (b) Should recruitment to positions at higher levels be made from among the existing employees only? If so, upto what level?
- (A) 11. (a) We consider in any case seniority alone should not be considered as criterion for promotions. At the same time, we realise that seniority should be given due weightage. As such, seniority-cum-merit should be accepted as a rational criteria for promotions.
- (b) To provide promotional avenues to the employees, as far as possible, internal recruitment upto Chargehand i.e. Grade Rs.240-440 should be resorted to. In case of Supervisory staff also opportunities for higher positions should be created within the organisation to the extent possible.

These principles are effectively practised in HMT and even the employees in the higher cadre are recruited from within. It is only in case of non-availability of the right type of persons, recruitment is resorted to from outside.

II. CONDITIONS OF WORK

Working Conditions

- (Q) 12.(a) Conditions of work in factories, mines and plantations, etc., are presently regulated by the Factories Act, 1948, the Plantations Labour Act, 1951 and the Mines Act, 1952 etc. The main provisions of such acts inter alia relate to (i) safety and welfare (ii) hours of work, rest interval, weekly off, etc., (iii) employment of young persons and women, (iv) annual leave with wages, (v) occupational diseases and (vi) overtime payment. What changes are necessary in these provisions? How should the implementation of these acts be improved? (See also Q.19)
- (b) What other steps are needed to ensure proper working conditions?
- (A) 12. Working conditions are regulated by statutes such as the Factories Act 1948, which give adequate protection to the employees in respect of their working conditions.

- (Q) 13. In the matter of national and festival holidays, what is the extent of difference in the total number of holidays from region to region? Is this difference justified? If not, is it possible to bring about uniformity in the total number of holidays in different regions?
- (A) 13. 12 National and Festival holidays per year are observed. Holidays are declared in consultation with the recognised Union. More than 12 holidays are not justified on any account.
- (Q) 14. What changes are necessary in the existing arrangements for regulating conditions of work in employments other than in factories, mines and plantations?
- (A) 14. Not applicable
- (Q) 15. What, in your knowledge, is the extent of prevalence of employment of child labour? In what industries/activities is employment of child labour relatively high? Are you satisfied with the existing statutory provisions about employment of child labour and their implementation?
- (A) 15. Not applicable.
- (Q) 16. How have the existing arrangements regarding regulation of conditions of work of contract labour and labour employed by contractors worked? In what directions are improvements necessary? (See also Q.209)
- (A) 16. We do not employ contract labour.
- (Q) 17. What are the statutory benefits/provisions, in the implementation of which trade unions and employers' organisations can jointly play a useful role? How should such arrangements be made effective at the plant level? Should there be any standing arrangements for this purpose?
- (A) 17. The Managements and the Unions could effectively associate themselves jointly in administering the welfare activities such as Canteen, Education, Sports, Safety, and Township. Since there is a tendency on the part of Labour Unions to refuse to take such responsibilities, it may be worthwhile making it obligatory on the part of the Unions (recognised) to administer these amenities under the overall supervision of the Co-operative Societies/Managements.

Safety and Health

- (Q) 18. Is the existing rate of accidents high in establishments within your knowledge? What have been the main causes of such accidents?
- (A) 18. The incidents of accidents are very low. Safety Committee plays an important role in preventing accidents and educating the employees to become safety conscious.
- (Q) 19. What steps should be taken to establish training programmes with special emphasis on safety for the benefit of new entrants to industrial establishments? Are any refresher courses necessary for those who are already in employment? How should such courses be organised?
- (A) 19. Display of posters, short training programmes, safety weeks, Good House Keeping, competition, etc.
- (Q) 20. Safety standards in some industries have been evolved by bipartite agreements. How have these agreements worked in practice? How can this bipartite approach be extended to other industries? How should the agreed arrangements be made effective at the plant level?
- (A) 20. No bipartite agreement is in practice.
- (Q) 21. In view of the anticipated growth of new industries like machine building, chemicals, fertilisers, petro-chemicals, etc., requiring stricter safety standards, what steps should be taken to arouse safety consciousness among workers and employers?
- (A) 21. Making of safety Manual and educating the employees to use the Safety appliances, associating the Union in the Safety Committee's deliberations to create required awareness among the workers. Appointment of safety stewards in the Sections.
- (Q) 22. Against the background of expanding industry and advancing technology involving a faster tempo of production, how should provisions concerning industrial safety (Appendix I) in the Factories Act, 1948, the Mines Act, 1952 etc., be amended?
- (A) 22. The provisions in the Factories Act concerning the Safety seem to be adequate.

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- (Q) 23.(a) What are the difficulties experienced in procuring safety equipment for installation in industrial establishments?
- (b) Is the supply of safety equipment to workers for their personal use adequate? Is there any reluctance on the part of workers to use such equipment? If so, what measures would you suggest to overcome this reluctance?
- (A) 23.(a) The indigenous safety appliances are poor in quality and badly designed. Goggles respirators are examples.
- (b) Right type of Safety devices and safety appliances are not available in the market.

Trade Union - Leadership and Multiplicity

- (Q) 50. Reference is often made to the influence of outsiders in trade unions. Please define the term 'outsider' and state what the influence of outsiders has been on trade unions.
- (A) 50. According to us an outsider in the Trade Union means, a person who is not employed in the establishment as a regular employee yet he holds the leadership position in the trade Union of the establishment. Such an outsider brings the political influence and most often his actions are motivated and conditioned by political ideologies. The political influence has not done much good to the Trade Union Movement. The outsider is also not interested in developing the leadership within the organisation. In case of strikes or other agitations, his role has been of a free lancer without involving any personal stake. We are of the opinion that in various cases of agitation outside leadership has justified its involvement in the trade union activities at the cost of the employees.
- (Q) 51. How should internal leadership in a union be built up and strengthened?
- (A) 51. It should be the responsibility of the outside leaders to endeavour to develop the leadership from within. Unfortunately most of the outsiders do not have that attitude. There has been no training for the regular trade union activities. The Central Federations have also not taken much

interest in developing the union leadership at the unit level. Instances are not rare where the outside leadership has exploited the situations for the political purposes or personal gains. It is high time that the leaders at the national level give serious consideration to develop the leadership of the union and phase out programme to develop leaders after giving them a thorough training in running the unions activities.

(Q) 52. Does the existing legislation encourages multiplicity of trade unions? If so, what are the remedial measures?

(A) 52. Because of the present legislation viz. the Trade Union's Act wherein 7 persons may register as a union, the unions have grown like mush rooms. The mush room unions have not benefited the trade union movement at all. It is the call of the day that trade Union Act should be suitably amended to avoid the multiplicity of the unions as it is now. In this context it may be worthwhile to mention that the efforts should be made for one union in one industry (Mr.Giri's approach).

(Q) 53. How far has the Inter-union Code of Conduct (Appendix II) adopted by the four central labour organisations in 1958 been effective in regulating inter-union relations and avoiding inter-union rivalries? How could the Code be made more effective?

(A) 53. In our opinion inter-union code of conduct has not at all helped in avoiding the inter-union rivalries.

Trade Union Recognition

(Q) 54. What are the advantages and disadvantages of a union registration? Are there any aspects in which the powers of the Registrar of Trade Unions could be altered or enlarged with advantage?

(A) 54. Every Trade Union should be legally compelled to be registered. Obviously this would give them the benefit under the Trade Union's Act. The present powers of the Registrar of Trade

Unions are very inadequate. The administrative machinery of the Registrar of Trade Unions has been found slow, indifferent and without much powers to settle the trade union disputes.

(Q) 55. Has there been a change in the attitude of employers towards trade unions, particularly in the matter of recognition of unions? If yes, what have been the contributory factors?

(A) 55. There has been considerable change in the attitude of the employers towards the trade unions in general and in particular regarding the recognition of the Unions. In our opinion the effect of the growing trade union movement in the country has mostly contributory factor to this change. The progressive legislation as well as the courts have also helped in changing the attitude of the employers.

(Q) 56. Has the Code of Discipline in Industry (Appendix III) contributed towards securing recognition for trade unions?

(A) 56. The Code of Discipline has certainly helped in securing the recognition of the Trade Unions.

(Q) 57. Do the existing provisions under the Code of Discipline in regard to recognition of unions provide a satisfactory arrangement in this regard? Specifically, are the provisions regarding (i) the procedure for verification, (ii) the procedure for grant and withdrawal of recognition, (iii) the period of recognition and (iv) the rights of the recognised unions (Appendix IV) satisfactory? If not, what improvements would you suggest in them? (See also Q.111)

(A) 57. Implementation of Code of Discipline if scrupulously and implicitly done, it provides a satisfactory answer to all the items enumerated in the Code of Discipline. The real problem is infringement of the Code of Discipline or the half heartedness towards its implementation by the employers as well as the trade unions.

- (Q) 58. Would you suggest giving effect to the provisions of the Indian Trade Unions Amendment Act, 1947 in the matter of recognition of unions? Or, should provisions similar to the Bombay Industrial Relations Act, 1946 or similar Acts elsewhere in India for recognition of unions (Appendix V) be written into the Indian Trade Unions Act, 1926? Are there any other suggestions in this regard? (See also Q.27).
- (A) 58. The provisions in the Indian Trade Union's Amendment Act incorporating the similar provisions similar to the Bombay Industrial Relations Act 1946 could be considered to the advantage of both the employees and the employers.
- (Q) 59. What are the advantages of industrywise unions? What will be the difficulties in their recognition? How should the subjects to be dealt with by unions at the plant level and by the industry union be demarcated? (See also Q.86)
- (A) 59. Industrywise Unions might help the development of trade union movement more than the employers. As far as employers, unit-unions might be of more advantage. In India particularly it may be early to think of industrywise union but that should be the aim to be achieved in due course of time.
- (Q) 60. What are the advantages and disadvantages of naming a union as the sole bargaining agent in an industrial unit?
- (A) 60. The majority union should be the sole bargaining agent. Naming it as bargaining Agent would be leaving no ambiguity.
- (Q) 61. For determining the representative character of a trade union for purposes of grant of recognition, should the method of election by secret ballot be adopted? If so, explain the details of the method and the administrative arrangements necessary for the purpose. (See also Q.86)
- (A) 61. Secret ballot seems to be better method by which the representative character of the Trade Union be found without any bias.

- (Q) 62. If a union is elected as the sole bargaining agent in an establishment, what should be the rights and responsibilities of other unions in the establishment?
- (A) 62. Once a bargaining Agent in the establishment is notified, the minority union or unions in the establishment should have hardly any right or responsibility. This seems to be only the way through which multiplicity of the unions can be avoided.
- (Q) 63. Considering that categorywise unions, particularly of technicians, are assuming greater importance how should their rights and obligations be defined in relation to (a) the employer and (b) unions of other categories of employees?
- (A) 63. In India the unions are not based on the crafts. A single Union in our opinion should be able to take care of workmen, technicians etc.
- (Q) 64. What facilities should an employer extend at the work-place for the activities of unions?
- (A) 64. The facilities like Notice Boards, permission to inspect the places of dispute, permission to hold the General Body Meetings, collection of dues on the premises etc. could be considered as legitimate facilities.
- (Q) 65. What has been the attitude of the Government as employer towards trade unions?
- (A) 65. The Government in the past expected too much from the industrial employers towards their unions. Now it is the time for the Government to show as a progressive employer as to how to deal with the Trade Unions effectively. The test of employee and employer relations can no more be demonstrated through public sector alone. The Government itself has to show that attitude towards its own employees' trade unions and realise in this process the difficulties which make this task so difficult to the employers.

(.....11)

IV. INDUSTRIAL RELATIONSIntroductory

- (Q) 68. Is it possible to pick out some significant factors in units within your knowledge which in recent years have helped in improving industrial relations at the plant level? Will these factors continue to be of significance in future?
- (A) 68. The collective bargaining resulting into the Memorandum of Settlement settling the demands for a period of 3 years has brought about industrial peace and harmony in HMT I & II. This has been possible because the recognised union had the overwhelming majority membership in the unit. This goes to the credit of the Union that major demands were settled by mutual discussion and negotiation.
- (Q) 69. What have been the causes of industrial unrest since Independence? Have there been any special circumstances which have contributed to industrial unrest? How could their effect be minimised in future?
- (A) 69. Over a period of 19 years after the independence, there has been different phases of industrial unrest and industrial peace. Industrial peace particularly was demonstrated during the period of two aggressions. It was mostly due to emotional zeal to fight the aggressor, that the labour did not resort to any interruption in production. During the remaining period, there were strikes, lockouts, stoppages of work and agitation of various types in the country varying in intensity. The main reason for labour unrest has been higher cost of living due to persistent inflationary tendencies resulting into demand for higher wages and Dearness Allowance. Unjust terminations have also been a major area of unrest.
- (Q) 70. What has been the impact of inter-union rivalry on industrial relations?
- (A) 70. The inter-union rivalry generally brings about industrial unrest in the plant. It also negatives the strength of collective bargaining of the unions. The employers also find it difficult to satisfy either of the unions in the plant.

- (Q) 73. How is the state of industrial relations in a unit affected by the existence of trade unions? What difference, if any, exists in the climate of industrial relations where the relevant trade union organisation is (a) strong, (b) weak, and (c) non-existent?
- (A) 73. The industrial relations because of the strong union has been satisfactory. In our opinion, either there should be a strong union or no union at all.
- (Q) 74. What has been the contribution of factors like (a) recognition of union, (see also Q.54 to 65) (b) arrangements for dealing with individual and collective grievances, and (c) strengthening bipartite consultative arrangements, in promoting industrial harmony?
- (A) 74. Due to recognition of the Union, it has been possible to deal with the employees on collective bargaining matters. The Union in such circumstances may help in effecting certain change by mutual consultation. Due to the recognition of the Union, the Office Bearers also gain status and command respect from the Supervisory staff.
- (Q) 76. What role have labour/personnel officers played in preventing disputes and maintaining harmonious employer-employee relationship? How far have they been effective? Suggest measures to improve their effectiveness.
- (A) 76. The role of the Personnel Officers in settling the disputes, grievances and effecting the bipartite agreements have been commendable by and large. Due to their nature of work, they deserve proper status and position in the heirarchy of the organisation.

For better communication between the workmen and Management apart from traditional methods like Notice Boards, news bulletin, employees' hand book, social organisation might prove useful.

- (Q) 78. To whom do managements delegate their authority in dealing with employees? To what extent do managements include specialists for dealing with personnel matters?
- (A) 78. Since Managements have delegated authority to all the Operating staff to deal with the employees, Personnel Officers/Personnel Managers become important links between the Management and the employees. Personnel Department should be manned by trained, experienced and mature persons. The trend of taking retired Administrative Officers from the Armed forces need to be discouraged. Personnel Management has developed into a profession and only qualified and trained people should be allowed to hold these important positions.
- (Q) 79. To what extent are the standing orders subject to agreement between employees and managements? In how many cases are they drawn up by management alone?
- (A) 79. The Standing Orders are usually framed by the employers under the Employment Standing Orders Act and submitted to the Certifying Officer. The Union and the Management are called upon to discuss the various provisions of the Standing Order and are certified after discussion.
- (Q) 80. To what extent do the Employment Standing Orders Act, 1946 and the Model Standing Orders formulated under that Act serve the purpose for which the Act was framed?
- (A) 80. The present legislation adequately deals with the purpose for which these Acts are made.
- (Q) 81. What are the disciplinary rules imposed by managements? Do the procedures prescribed under the Model Standing Orders in dealing with disciplinary cases require modification, and if so, on what lines?
- (A) 81. Disciplinary rules are provided in the Standing Order. However it is not possible to give exhaustive lists of acts of mis-conducts. The difficulty is obviated due to case law developed over a period of time.

(...14)

- 14 -

- (Q). 82. Has the Model Grievance Procedure (Appendix VI) evolved under evolved under the Code of Discipline served its purpose? If not, is there need for statutory provision for the formulation of an effective grievance procedure? What should be the main elements of such a provision? How would it affect existing bipartite arrangements?
- (A) 82. According to us the Model Grievance Procedure under the Code of Discipline has served its purpose and it is not necessary to make any statutory provisions for the same. It is suggested that flexibility should be permitted in the model Grievance Procedure to enable bipartite arrangements possible.
- (Q) 83. What is the attitude of trade unions and employers' organisations to the introduction, either by voluntary agreement or statutorily, of a system of grievance arbitration? Would such a system help in improving labour-management relations?
- (A) 83. We do not think that compulsory system of Grievance Arbitration would be helpful in harmonising the labour management relations.
- (Q) 84. What are the existing facilities for training management and trade union personnel in industrial relations? To what extent are they used?
- (A) 84. The existing facilities for training the Management and trade union personnel in Industrial relations is far from satisfactory. Wherever there is some arrangement, present state of affairs has hardly left any useful impact.

V. WAGES

Introductory

- (Q) 130. How does the current availability of unskilled labour affect the level of wages?
- (A) 130. Unskilled labour is available in plenty at the rates prescribed under the Minimum Wages Act.
- (Q). 131. What has been the relationship between wages in agriculture and other unorganised sectors and wages in industry?
- (A) 131. There is hardly any relationship between the wages in the agriculture and other unorganised sector and wages in industry.

(Contd...15)

- (Q) 132. Should wages in agriculture and unorganised industries be allowed to influence wages in industry?
- (A) 132. Perhaps it is difficult to bring the agricultural labour wages on par with the Industrial Workers wages. However at present there is a great disparity between these two wages. Agricultural workers' wages require to be progressively improved.
- (Q) 133. To what extent is the existing level of wages a result of the traditional mode of wage settlement, collective bargaining, awards, etc?
- (A) 133. The wage level at present prevalent is mostly due to the awards of the tribunals or through the Wage Board awards. The wages through the collective bargaining have not been a very common occurrence in our Country.

Minimum Wage

- (Q) 134. As set forth in the report of the Committee on Fair Wages, "The minimum wage must provide not merely for the bare sustenance of life, but for the preservation of the health and efficiency of the worker. For this purpose, the minimum wage must also provide for some measure of education, medical requirements and amenities." Should this concept of minimum wage be modified in any way?
- A) 134. The concept of the Minimum Wage as reported in the Committee on Fair Wage should be maintained in future as well.
- Q) 137. The Committee on Fair Wages made its recommendations about minimum wage against the background of conditions in the industrial sector. Do these ideas require modification if they are to be relevant to non-industrial workers who predominate in the economy?
- A) 137. By and large the Committee on Fair Wages recommendation should remain the basis for the Minimum Wage in other sectors. However, it may be necessary to phase it out over a period of 5 years.

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- (Q) 138. If the idea of fixing a National Minimum Wage is to be accepted taking into account the replies to questions 134 to 137 above, how is it to be worked out in practice?
- (A) 138. The country cannot afford to have no National Minimum Wage any longer. Serious efforts are required in this direction.
- (Q) 139. As between different regions in the country it is not only that prices of consumption goods vary, but the content of the minimum needs themselves can be different. How are these variations to be provided for in arriving at the National Minimum?
- (A) 139. In arriving at National Minimum certain norms which are by and large prevalent, will have to be considered. Based on the minimum requirements of the human beings, irrespective of the region should be the basis of arriving at the minimum.
- (Q) 140. Would you favour any change in the definition of 'minimum', 'fair' and 'living' wage given by the Committee on Fair Wages? What in your opinion could have been the concept of 'living wage' referred to in the Constitution? (Appendix X)
- (A) 140. No change is warranted in the Definition of Minimum Fair and Living Wage which is given by the Committee on Fair Wages. Living Wage should remain ideal to be achieved, to rise the living standards of the workmen.

Dearness Allowance

- (Q) 141. Considering the need for protecting real wage, how should one provide for revision of wages/wage rates for changes in price level? Should this be by revision of the wage itself or by a provision of a separate component to absorb price changes?
- (A) 141. Unless the price level remains constant, it is difficult to protect the real wage. Any increase in wages will further erode the wages due to price spiral. However, it is admitted

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that basic wage of to-day requires to be revised in view of the increase in prices, as the bare sustenance of life has become costlier in terms of money over a period of time. The basic wage of today is no more a real wage for sustenance. There should be provision of separate wage, may be by way of DA to absorb future rise in prices.

- (Q) 142. In view of the prevalence of several methods to provide or the payment of a separate allowance to meet changes in cost of living, is it feasible to apply any one system on a uniform basis? Which system would be most appropriate?
- (A) 142. Efforts should be made to assess the cost of living on the zonal basis to bring about the uniformity. It would be desirable to have an All India Cost of Living Index, keeping a fair margin for the zonal cost of living index.
- (Q) 143. If a system in which dearness allowance adjusted to changes in cost of living is favoured:
- (a) Which index number viz., (i) All India (ii) regional, or (iii) local should be preferred?
- (b) What should be the frequency at which revision should be made - monthly/quarterly/half-yearly, etc.?
- (c) What should be the extent of change in the index which should warrant such revision in dearness allowance - each point/slab of 5 points/slab of 10 points, etc.? Give reasons.
- (A) 143. (a) Reply as given in 142.
- (b) Minimum Half yearly.
- (c) Minimum 10 points. The reason is to obtain the stability in wages and prices.
- (Q) 144. In determining the quantum of dearness allowance, what should be the principles governing the rate of neutralisation of price rise?
- (A) 144. In any case neutralisation is not warranted more than 85% keeping in view, the present economic position of the country.

- (Q) 145. Considering that payment of a cost of living allowance is meant to ensure that real wage of employees is not eroded by price increases, should the capacity to pay of an industry/unit be a relevant consideration in fixing the rate of dearness allowance?
- (A) 145. The cost of living should be related to the cost of living and in any case should be considered on the basis of the capacity of the industry to pay.
- (Q) 146. In areas/activities where part of the wage is in kind, what adjustments should be made in fixing the quantum of dearness allowance?
- (A) 146. If the aim is to achieve the uniformity, it is necessary that adjustments are made where the wages are paid in kind. This is also warranted for the sake of equity.

Fringe Benefits

- (Q) 147. How should fringe benefits be defined? What should be their scope and content? To what extent do such benefits affect production costs?
- (A) 147. Fringe benefits can be defined to represent monetary benefits in cash or kind which are extended to employees in an Industry to compensate either fully or partly the higher cost of living and also include retiral benefits. We feel that the extension of the above fringe benefits should as far as possible be limited to those areas where employees are likely to derive maximum benefits. For instance, allotting houses at subsidised rents, providing transport at subsidised rates, provision of free medical aid etc. The extension of such benefits which have a monetary bearing will directly affect the Production costs as they are covered under overheads. If the Industry is in a prosperous position enjoying good market potential for its products and at the same time achieving maximum production of the rated capacity, extension of fringe benefits in large measure to the employees will not affect the production cost

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very much. If, on the other hand, the Industry is unable to achieve its optimum rated capacity for want of demand for its products, the fringe benefits will affect the production cost directly and to some extent it may even affect the competitive ability of the Industry to sell its products in a Buyers' Market.

- (Q) 148. How far can the fringe benefits be a substitute for higher money earnings?
- (A) 148. The fringe benefits can be substituted in place of higher money earnings to some extent where the benefits derived from such benefits are directly felt by the employees. For example, subsidised housing, subsidised transport, subsidised meals, providing free education or at a nominal fee to the employees' children will give maximum benefits to employees instead of increasing their salary or D.A. to cover a meagre portion of the higher cost of living.

Wage Differentials

- (Q) 149. Do the existing wage differentials in the plants within your knowledge appropriately reflect the considerations mentioned in the report of the Committee on Fair Wages, viz., degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue?
- (A) 149. According to our knowledge, the wage differentials in the plants reflect the main considerations such as degree of skill, strain of work, length of work, training requirements, responsibilities undertaken, mental and physical strain, disagreeableness of the tasks, hazards of the work. All these factors taken into consideration while evaluating a job and keeping the wage differentials.
- (Q) 150. What has been the effect of the existing systems of dearness allowance on wage differentials, What steps would you suggest to rationalise present arrangements?
- (A) 150. The present system of granting D.A. on different wage scales based on Consumer Price Index has

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the effect of widening the disparity in the wage differentials. The low paid employees are not being compensated fully by the present system of fixing the increase in D.A. based on Consumer Price Index. On the other hand, employees drawing slightly high wages are being benefitted to a very large extent which in turn may more neutralise the higher cost of living represented by the consumer price index. We would even suggest rationalising the entire wage structure keeping in view the present as well as future trend of c.p.i. with a view to neutralising the higher cost of living.

Method of Wage Fixation

- (Q) 151. As between different methods of wage fixation obtaining at present, namely, statutory wage fixation, wage fixation through collective bargaining, fixation through wage boards, and wage fixation resulting from adjudication, etc., which method or methods would be more suitable for adoption in future? If one or the other arrangement is needed for different sectors, indicate sector-wise the arrangement needed.
- (A) 151. According to us, next to collective bargaining, the fixation of wages by the Wage Boards would be ideal. As the conditions are obtaining today, the collective bargaining has not made much headway. Wage Board seems to be the only appropriate agency for the present.
- (Q) 152. In collective bargaining for wage fixation, should the principal emphasis be laid on national agreements? If so, what adjustments should be made to meet local needs?
- (A) 152. It would be desirable to have Wage fixation through collective bargaining on national agreements. However, the feasibility of the same is very doubtful under the present circumstances.
- (Q) 153. Tripartite wage boards came in vogue because it was felt that an arrangement by which parties themselves can have a hand in shaping the wage structure in an industry could be more enduring than the one where an award is handed down by a third party. Has this expectation been fulfilled?
- (A) 153. Wage Boards have made valuable contribution towards shaping the Wage structure of the country on the industrywise basis.

- (Q) 154.(a) In what respects should the operation of wage boards be modified to improve their working?
- (b) Should wage board recommendations have legal sanction?
- (A) 154.(a) Wage Boards should taken into consideration the fringe benefits. The interim reliefs should be avoided. The recommendations of the Wage Board should be more expeditiously presented. Wage Board should also endeavour to link the wages to the productivity.
- (b) As far as possible, the Wage Board recommendations should not have any legal sanction, since the constitution of the Wage Board itself is of a voluntary tripartite nature. However, if the experience shows that the parties concerned do not implement the Wage Board recommendations, it may be necessary to give their recommendations legal sanction.

Wage Policy

- (Q) 155.(a) How could the criteria of fairness to labour, development of industry, capital formation, return to entrepreneur, etc., be taken into account in wage fixation?
- (b) It is said that in the balance between fair wages to workers, fair profits to entrepreneurs and fair returns to treasury, the consumers are often left behind. How far is this criticism valid? How best can the situation be remedied?
- (A) 155.(a) In the context of the present policy of the Government of India with regard to Industrial Development, social legislation etc. it has become rather difficult to define what should be the content of each partner of Industry and their ultimate share. It is, no doubt, true that labourers must be given a need based wage and also should be remunerated for their contribution to the prosperity of the Industry. But to define their maximum share in the Industry is rather difficult in the context of present labour legislation. This problem is all the more serious in view of the fact that the payment of Profit Sharing Bonus Act has

stipulated a compulsory payment of Bonus at 4% of the workers' annual earnings irrespective of profit or loss sustained by the Industry. This leaves very little or no scope either for capital formation or for returns to entrepreneur in an Industry. This is not conducive to the further development of Industry but on the other hand tends to retard the progress of the Industry.

- (A) (b) This criticism does hold good in the present circumstances. In view of the fact that most of the Industries will have to exist by depending on the consumers, the consumers' interest should always be treated as paramount along with fair profits to the entrepreneurs or returns to the treasury. We, therefore, feel that unless the wages of the employees and the general price level are controlled, it would be impossible to ensure fair return on capital to entrepreneurs and fair returns to the Treasury.
- (Q) 157. Do you suggest a policy of 'wage freeze'? If so, how can it be implemented under the existing system? What are the implications of this policy for other incomes?
- (A) 157. The implications of wage freeze requires to be examined by the economists in detail. However, it is felt that increase in wages, leads to increase in prices and this vicious circle leads to inflation. In what form the wage freeze should be adopted requires to be studied in greater detail.
- (Q) 158. There seems to be no justification for difference in wage structure between the Private Sector and the Public Sector. It may be noted that the Public Sector generally extends liberal fringe benefits and also many amenities to the employees. These should be borne in mind before any comparison can rightly be done between the wages of the Private and the Public Sector employees.

Mode of Wage Payment

- (Q) 159. What are the existing practices in regard to payment of wages in kind? Would you suggest its extension to units where it is not obtaining at present?
- (A) 159. We are not aware of general practice of payment of wages in kind in big industries and therefore unable to comment upon its implications in practice.
- (Q) 160. To what extent is the method of paying unskilled workers on time scale of pay common? Would you favour its extension?
- (A) 160. We find nothing wrong in keeping the unskilled workers on time scale according to the existing practices.
- (Q) 161. Do you favour the suggestion that the total wage packet should consist of three components, namely, the basic wage, the other depending on price changes and the third which takes into account productivity changes? If so, how should this suggestion be made operative?
- (A) 161. We would agree that the wages should consist of 3 components viz. Basic wage, the other dependent on price change and the third which takes into account the productivity changes. As far as the basic wage is concerned, national basis should be evolved. As regards the DA, we have already expressed that this should also be on an all India basis with slight regional adjustments. The other part of the wages should be linked to the productivity. The application of this principle, requires to be studied before it can usefully be implemented as a general policy.
- (Q) 163. Is the scheme for payment of annual bonus embodied in the Payment of Bonus Act, 1965, satisfactory? If not, what are your suggestions? How does the latest decision of the Supreme Court affect the Scheme of the Act?

- (Q) 164. What should be the place of bonus payments in the future system of remuneration?
- (A) 163 & 164. The Payment of Bonus Act 1965 is not satisfactory in one particular sense that it provides for minimum Bonus based on the workers annual earnings even in respect of Industries which have incurred losses. Since this is being enforced rigidly such industries which are in a very bad financial position due to market recession will be thrown out of business and may even resort to liquidation in view of their financial instability. So, to this extent Payment of Bonus should be made statutorily payable only in respect of Industries which have made profits and which are in a position to discharge their liabilities under the Act. We feel that the Bonus payments should be linked directly to Productivity achieved in Industries which will help both the employers and employees to share the fruits of their labour in agreed formula. If, on the other hand, bonus is linked to any other system, it will only result in increased payments to employees without any corresponding increase in productivity.

VI. INCENTIVE SCHEMES AND PRODUCTIVITY

- (Q) 165. What steps should be taken to introduce a system of payment by results in industries/activities where this system would be appropriate?
- (A) 165. When a group is covered by an incentive scheme particularly in the Public Sector Undertakings, the time scales of pay should be altered giving a greater weightage for earnings in relation to the effort. The base wage should be lower than the present time scales of pay.
- (Q) 166. Please state your views on the following guiding principles for introduction of incentive schemes.
- (a) Employers and workers should formulate a simple incentive system at the unit level and implement it on some agreed basis through collective bargaining. In every case, introduction of incentive schemes should be preceded by an agreement with trade unions.

- (b) In evolving wage incentive schemes, it should be ensured that these do not lead to rate-cutting. The workers' normal wages should be protected where it is not possible for him for circumstances beyond his control to earn an incentive.
- (c) Individual or group incentives can be framed to cover both direct and indirect group of workers.
- (d) An incentive scheme cannot be evolved without a work study undertaken with the cooperation of workers. Nevertheless, it should always be open to employers and workers to evolve a scheme by agreement or any other acceptable basis.
- (e) Efforts should be made to reduce time-rated categories to the minimum. This will ensure that all employees have an equal chance to increase their earnings with increase in productivity.
- (f) Wage incentives should generally provide extra earnings only after a mutually agreed level of efficiency has been achieved.
- (g) To ensure quality of production, incentive payments should be generally allowed only if the output has been approved on inspection by the management.
- (h) Incentive earnings should not fluctuate very much. This requires a certain degree of planning so that material delays, machine-breakdowns etc., are controlled.
- (i) The scheme should itself safeguard adequately the interests of the worker if he is forced to remain idle due to circumstances entirely beyond his control such as non-supply of raw materials, machine breakdowns, etc.
- (j) Apart from financial incentives, non-financial incentives like better security of employment, job satisfaction, job status, etc., have also a place in increasing productivity.

- (A) 166.(a) The Agreements/Settlement in respect of the incentive Schemes, should have a built-in safeguard for altering the Scheme if it is found to be disadvantageous to either the labour or the Management even before the expiry of the Agreement/Settlement. To protect the rights of both the Parties, a provision can be made in the Agreement/Settlement that as and when this scheme requires to be altered the same will be referred to the Arbitrator mutually agreed upon by both the parties.
- (b) The introduction of an incentive Scheme, should ensure a general rise in the workers' earnings. The base wage plus the incentive earnings should not be less than the total take home pay before introducing the Scheme. When it is not possible for the workers for circumstances beyond their control to earn an incentive base wage should be applicable.
- (c) Individual incentive schemes for certain types of indirect services such as repair and maintenance are difficult to formulate. In such cases only Group incentives should be considered.
- (d) Yes
- (e) Yes
- (f) Yes. The term efficiency must cover both the rate of output and the total quantum of output during a given period.
- (g) Yes. In addition, some form of rating and penalisation for persistent low quality output from a workman should either be built into the incentive scheme or be installed separately.
- (h) Yes.
- (i) The base wage only should be payable to the worker, if he is forced to remain idle due to circumstances beyond his control. Similarly, in times of economic depression etc. when output is reduced for reasons beyond the control of the employer himself, there should be sufficient protection to the employer by enabling him to suspend the incentive schemes temporarily.

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(j) Non-financial incentives have an indirect effect on productivity which cannot be easily measured. Job satisfaction, job status etc. have been recognised as motivating factors; but absolute security of employment as in the Public Sector undertakings today has in fact been one of the reasons for low productivity.

(Q) 167. What should be the respective roles of labour, management and Government in raising productivity?

(A) 167. All the 3 Agencies viz. labour, management and government contribute to higher productivity. As far as labour is concerned, we feel that their awareness of their higher efficiency, output, quality and meeting the job schedules will go a long way to increase the productivity. The contribution of labour unions in creating this awareness on labour in the past has been insignificant. Similarly Management must try to plan all organisational activities to keep down the incidence of labour idleness.

(Q) 168. How should the gains of productivity be measured? Can they be allocated to different factors of production? How should the gains be shared?

(A) 168. The gains of productivity should be equitably distributed among labour, management and the consumer. However, the question of sharing the gains should not arise until an organisation can make a reasonable profit on investment.

(Q) 169. Have increases in productivity matched with wage increases in the years since Independence? Please give supporting statistics.

(A) 169. No

(Q) 171. What place would you assign to suggestion schemes and institution of awards for outstanding work to improve productivity?

(A) 171. We have a suggestion Scheme which is quite popular. The Award is of the 10% of the 1st year's saving. The highest Award so far given is Rs.520/-.

- (Q) 172. What are the factors contributing to labour turnover and absenteeism? How do they affect improvement in productivity? (See also Q.183)
- (A) 172. High turnover and absenteeism naturally reduce productivity.
- (Q) 173. What is the place of the motivation of worker for improving his standard of living in the successful working of incentive schemes?
- (A) 173. Motivation of the worker for meeting the standard of living is necessary. How to motivate the large numbers of people in an organisation is still not known.
- (Q) 174. What is the effect of (a) 'go-slow', (b) 'work to rule' and (c) 'unions' ban on overtime' on creating a climate for improving productivity?
- (A) 174. These factors will be a drag on production.
- (Q) 175. What is the role of rationalisation in improved productivity? The 15th Session of Indian Labour Conference had made some recommendations (Appendix XI) for regulating the process of rationalisation. Have these recommendations helped rationalisation. Do these recommendations still provide a useful framework for the purpose? If not, what changes would you suggest?
- (A) 175. In case of major issues connected with rationalisation, the recommendations made by the 15th Session of the Indian Labour Conference still seems to hold good.
- (Q) 176. (a) What should be the place of 'automation' in the perspective of development?
- (b) How would automation affect labour-management relations?
- (c) Should there be a special machinery to study the problem.
- (A) 176. This has not caused any serious problem in HMT.

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- (Q) 177. How far has the National Productivity Council been effective in generating enthusiasm among employers and workers in increasing productivity?
- (A) 177. The National Productivity Council, through its seminars, literature and training schemes, has created an awareness of the need for increase in productivity only among Supervisory and Managerial staff. It is very doubtful whether this awareness has percolated to the labour force.

VII. SOCIAL SECURITY

- (Q) 178.(a) What effect do the social security schemes have on stability of employment and on industrial relations?
- (b) Have some of the benefits, based as they are on a qualifying period for entitlement, led to larger labour turnover? If so, what should be the remedial measures?
- (A) 178.(a) Social Security scheme plays a vital role on the stability of employment and industrial relations, as the Social Security Schemes include medical and sickness benefits, coverage of family against employment injury, Survivors benefits etc. The employee feels that the Scheme covers him and his dependents against the contingencies which might arise any time in life. As far as the industrial relations are concerned, we feel, these benefits have come to be recognised as one needed in the interest of fair play, equity and justice. The Social Security regulated through the legislation has settled down many of the demands of the workmen and consequently in practice, the number of disputes arising out of security measures are far and few.
- (b) We feel that the Social Security based on qualifying period of entitlement, prevent the turnover to a large extent.

- (Q) 179. The Convention on Minimum Standards of Social Security adopted by the International Labour Organisation refers to the following branches of social security, namely, medical care, sickness benefit, unemployment benefit, old age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivors benefit.
- (a) To what extent is each one of the above benefits available at present?
- (b) What is the cost of existing social security schemes in relation to the total cost of production?
- (c) Are the scope and coverage of each one of the benefits mentioned above adequate?
- (d) What should be the priority for enlarging the scope and coverage of the various existing benefits?
- (e) How should the programme for introduction of the benefits not currently available be phased?

- (A) 179. (a) In HMT the following branches of social security exist viz., Medical Care, Sickness Benefit, employment injury benefit, Maternity Benefit, invalidity benefit and Survivors Benefit.

In addition to the above there exist Employees' Provident Fund and Gratuity Schemes.

- (b) The cost of the existing Security Scheme in relation to the total cost of production for a period of 4 years is as follows:

(Rupees in lakhs)

	Cost of produc- tion	Welfare Expenditure	% to cost of produc- tion
1962-63	465.76	27.43	6
1963-64	593.43	39.39	7
1964-65	680.02	44.09	7
1965-66	568.87	49.81	9

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From the above data it will be clear that the cost of existing Social Security Schemes has been progressively going up in relation to the cost of production.

- (c) The existing Scheme and coverage of the people seem to be adequate.
- (d) The question does not arise in view of our reply in 'C'. In fact, we feel that the Social Security measures should not exceed any more in order to keep the production cost in proper proportions.

In addition to the Social Security, in view of the large fringe benefits provided, there seems to be no logic in extending more financial benefits in the form of social security measures.

- (e) The question does not arise.

(Q) 180. The benefits referred to in question No. 179 are generally available only to persons who are in wage-paid employment; there will still be large numbers of persons like traders, artisans and small shopkeepers who are self-employed and who will remain uncovered by the scheme. What advance steps should be taken to bring these groups within organised social security schemes?

(A) 180. Regarding the feasibility and the administrative ability to cover certain categories which are not at present covered under the Social Security measures, it is difficult for us to comment.

(Q) 181. The E.S.I.S. Review Committee has made a number of recommendations in its Report both for improving the administration of the ESIS and for introducing an integrated social security scheme. As regards the latter, it has recommended that planning should now proceed to evolve a comprehensive social security scheme covering in a single enactment various risks of cessation of income or wage loss to which a wage earner is exposed. Towards this end it has specifically suggested:-

- (1) The Government should in consultation with the Indian Labour Conference set up an expert machinery to evolve a 'blue print' for a comprehensive scheme of social security which

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(ii) Action should be initiated forthwith to bring about an administrative merger of the ESI Scheme and the EPF Scheme. Steps should be taken to examine the problem in all its details and to accomplish this with the least delay.

What are your suggestions on the above recommendations?

- (A) 181. In principle, it appears to be reasonable to amalgamate or fuse the two schemes to make it more comprehensive social security scheme. However, it is difficult for us to suggest any concrete measure in this respect.
- (Q) 182. Should the provisions for exemption from the ESI Scheme be tightened? How should this be achieved?
- (A) 182. In our opinion all those who are engaged by the Industry/Enterprise/Factory should be covered under the ESI Scheme. This means, the scope of the definition of the employee under ESIS requires to be widened.
- (Q) 183. In so far as the ESI scheme is concerned, there is a view that absenteeism among workers in the factories covered by the scheme has tended to increase consequent upon the introduction of the scheme. No concrete evidence has been forthcoming so far either in support of the above contention or against it. What is the experience in the industrial unit/units within your knowledge? What remedies would you suggest to minimise such absenteeism? (See also Q. 172).
- (A) 183. We do not agree that the ESI Scheme has not encouraged undue absenteeism among the workmen and so far, it has not been proved with proper statistics. We are not aware of the efforts being made in this connection to find out the effect of the employees State Insurance on absenteeism. Our personal experience shows that the employees remain absent based on the certificates of the ESIS more than necessary. In a small way, we can say with our own experience that the scheme has encouraged absenteeism.

It is unfortunate that the employees take the maximum benefit of ESI whereas they get 50% of the pay despite remaining absent from duty. The effect of the Scheme works out to provide him enough incentive to remain absent from work as under:

1. ESI leave	.. 56 days with half pay per year.
2. Sick leave	.. 8 days with full pay per year
3. Casual leave	.. 7 days with full pay per year
4. Earned leave	.. 18 days with full pay per year.

Therefore, out of 300 total working days the employees may choose to remain absent 89 days away from duty. This appears to be too high in the interest of production.

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- (Q) 184. Should the administration of the medical benefits under the ESI Scheme remain the responsibility of State Governments? Or should the Corporation itself take it over? If State Governments are to continue administering medical benefits, what should be done to ensure that a uniform standard of medical benefits is available to insured persons in all States?
- (A) 184. We feel that the Corporation should take over the administration of the State Insurance Scheme including the administration of the Medical Benefits to have a uniform standard throughout the country. Certain norms should be developed on all India basis.
- (Q) 185. What should be the respective shares of contribution from employers, workers and Government in any scheme of social security?
- (A) 185. All the 3 Agencies should contribute equally towards the functioning of the Social Security Scheme.
- (Q) 187. If it is to continue in the present form, would you suggest any change in the pattern of investments of the funds and in the rate of interest accruing to beneficiaries?
- (A) 187. We are of the opinion that the Trustees of the Provident Fund should be given wider powers to invest the surplus funds in any security, they those having an eye on security and rate of interest, instead of the present scheme of investing only in the Government of India securities.
- (Q) 188. Are any changes called for in the Scheme to make the administration more satisfactory?
- (A) 188. The existing Scheme of PF appears to be working satisfactorily.
- (Q) 189. Should a part of the provident fund be set apart for giving insurance cover to the members of the EPF scheme?
- (A) 189. As per the Employees' Provident Fund Scheme, the employees are already allowed to finance their Insurance policies out of their subscription. If the intention is to set apart a part of Provident Fund Scheme as a compulsory measure, it might be welcomed.

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- (Q) 190. What should be the place of gratuity payments in an overall social security programme?
- (A) 190. It is rather difficult to suggest any preference to Gratuity over Provident Fund. Both seems to be equally important.
- (Q) 191. Would you suggest any changes in the existing provisions relating to lay-off and retrenchment provided to employees against the hazards of job insecurity resulting from temporary employment and other fluctuations?
- (A) 191. In the present economy, it is rather difficult to think of unemployment Insurance only for the Industrial Workers. As such, the Social Security Measures should not be burdened with the cases of lay off and retrenchment.
- (Q) 192. Should the administration of some of the social security benefits be handed over to trade unions? What pre-conditions should trade unions satisfy for being eligible to take over such administration?
- (A) 192. The present Scheme of Provident Fund and the ESIS covers the participation of the Trade Unions in the Administration of these Schemes. To handover the administration entirely to the Trade Unions is fraught with great risks in view of the present state of backwardness.

VIII. LABOUR LEGISLATION

- (Q) 193. To what extent should labour-management relations in a planned economy be governed by legislation/collective bargaining? (See also Q.85 and 90)
- (A) 193. Time has come when most of the industrial workers have organised themselves into Unions to safeguard their economic and social interests. After independence plethora of legislation has guaranteed them adequate protection. Hereafter, it is necessary in the interest of the workers that their future betterment should be regulated through collective bargaining.

- (Q) 194. What have been the factors that have affected the proper and effective implementation of the various labour laws? (Appenx.XII) Have these laws achieved the purpose/objectives for which they were enacted? If not, what factors have hindered the achievement of these objectives? (See also Q.12)
- (A) 194. It is admitted that the labour laws have given great relief to the workmen by way of regulating their working hours, safety, employment conditions and protection to the wages. The legislation has also given them the freedom to organise themselves into unions. It is only over a period of 8 years that the Government has tried to legislate, every aspect concerning the employment and industrial relations which leaves much less for the unions to get through the collective bargaining.
- (Q) 195.(a) How have the existing legislation and other provisions for protecting the interest of labour worked in practice?
- (b) To what extent have the above provisions helped to implement the Directive Principles of State Policy on labour matters as embodied in the Constitution?
- (c) What changes or further improvements in the existing arrangements would you suggest for fuller realisation of the Directive Principles (Appendix XIII) keeping in view the present state of our economy and the country's development in the foreseeable future?
- (A) 195.(a)(b)(c). Most satisfactory. Overall improvement in the conditions of the workmen will have to be considered within the future economic development of the country. In the present economic crisis through which the country is passing, every citizen irrespective of his vocation has to sacrifice what is otherwise may be most desirable.

- (Q) 196. Are the present constitutional arrangements under which labour is a concurrent subject satisfactory, particularly from the point of view of the administration of labour laws? Are any modifications by way of centralisation/decentralisation of certain activities and functions necessary?
- (A) 196. With reference to Public Sector, it is desired that irrespective of the locations of the industry, the administration of the labour laws should be the responsibility of the Central Government. Suitable amendments in this respect required to be taken up.
- (Q) 197. What has been the influence, direct or indirect, of international labour conventions on the progress of labour legislation in India? To what extent has the Constitution helped or hindered such progress?
- (A) 197. International labour conventions had its bearing on our labour legislation to some extent.
- (Q) 198. On the basis of the principles evolved out of case law over a number of years, what are your suggestions for reviewing and amending labour legislation in this country?
- (A) 198. On the basis of case laws decided by the Tribunals and Supreme Court, such principles should be codified and suitably brought in the existing labour legislation.
- (Q) 199. Has there been too much legislation in the field of labour? If so, what are the aspects in regard to which there is over-legislation?
- (A) 199. It would not be correct to say that there is too much of legislation in the field of labour, but it is true that under the Industrial Disputes Act 1947, there has been tremendous litigation and the industrial courts from time to time have interpreted and laid down different norms, principles and points on industrial jurisprudence.

- (Q) 200. Is there need for consolidation and codification of existing labour laws? Please suggest the lines on which there is over-legislation?
- (A) 200. There is dire need to codify the existing laws in relation to the case law developed in the country.
- (Q) 201. Since 1958 the general emphasis in labour policy has been on voluntary approach in preference to legislation. This has resulted in fashioning tripartite instruments like the code of discipline, industrial truce resolution, etc. Has this policy been successful? Should it be continued?
- (A) 201. Emphasis in future years should be to rely on codes, ethics and voluntary arrangements. The tendency of the Unions to codify every aspect of the industrial life into legislation requires to be strongly resisted. However, the present legislation could be continued to exist.
- (Q) 202. Please comment on the suitability of (i) labour legislation so far enacted and (ii) voluntary arrangements so far built up.
- (A) 202. Existing legislation gives proper safeguards to the workmen and there seems to be no necessity to increase it in future years. Due to protection under law, voluntary arrangements have not made much headway. It is desirable that in future our policy should be oriented towards putting more reliance on voluntary labour management relations.
- (Q) 203. What is the extent of enforcement of labour legislation in public sector? Are exemptions from the applicability of certain provisions if labour laws more common in the public sector? What is the rationale for claiming such exemptions?
- (A) 203. There should not be any disparity in the enforcement of labour laws in Private or Public Sector. As far as HMT is concerned, all the provisions of the labour laws are scrupulously complied with. Wherever the compliance could not be made, it was partially due to reluctance of the Union. Example is non-constitution of Workers Committee.

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- (Q) 204. Are there instances of political or other rights which are normally available to an individual being denied to employees in the public sector and their dependants? How are such denials justified?
- (A) 204. Political or other rights as are available to any industry are available to employees of HMT and we find no justification for denial of the same. Any restriction to any industrial worker in a private sector should be as applicable to the employees of the public sector. What is important to recognise is their status as industrial workers.
-

Section One

1. Name and address of the respondent:
(Person/undertaking/organisation/State)

Reply:

Indian Telephone Industries Limited,
Dooravani Nagar, Bangalore-16,
Mysore State - South India.

2. Name of the Central Organisation of employers/
workers to which you are affiliated.

Reply:

Notaffiliated to any central organisation of
employers.

3. If union, please give the number of members.
When was the union formed?

Reply:

Does not arise.

4. If an undertaking/establishment, please give:
(a) Commodity produced/nature of activity.

Reply:

Manufacture of telephonic and telecommunication
equipment including telephone switching systems,
Strowger and Crossbar, long distance electronic
transmission systems including co-axial cable
and microwave systems, special ruggedised
multi channel electronic transmission equipment
for Defence Services, electronic test instruments
and components etc.

- (b) Number of employees as on 1-1-1967

(i) Workers 11,903
(upto & including grade
Rs.240-18-420-20-440)

(ii) Others 487
(Officers in the grade
Rs.350-25-600 & above).

- (c) When was the undertaking established?

Reply:

In May 1948.

I. RECRUITMENT AND INDUCTION

RECRUITMENT:

1. (a) How is labour recruited at present in industrial establishments? Is recruitment effected through (i) Jobbers, (ii) Contractors (iii) advertisements, (iv) introduction by existing employees, (v) employment exchanges or (vi) any other method?

Reply:

Recruitment is effected through advertisements and Employment Exchanges.

- (b) How far are the present recruitment arrangements satisfactory for different types of employees and different levels of skill?

Reply:

The present recruitment arrangements are considered satisfactory.

2. In what categories of employment is labour in short supply? What steps should be taken to minimise the effects of such shortages?

Reply:

We do not find shortage of labour in any category. However, we find difficulty in obtaining suitable candidates for certain categories like stenographers and sign-writers.

3. Does lack of mobility affect supplies in different categories of labour? If so, what remedial measures would you suggest?

Reply:

We do not feel that there is lack of mobility. Lack of mobility has not directly affected our organisation.

4. To what extent is industrial labour migratory in character? What problems does such labour pose in recruitment and retention?

This is reflected in the turn over. Our labour turn over is however not high, it is ^{only} about 2%.

5. How do the existing statutory provisions in regard to employment of women affect recruitment of women labour? Consistent with international conventions on conditions of work for women, what modifications would be necessary in the existing provisions for promoting employment of women?

Reply:

Restrictions on the working hours for women, prescribed by the Factories Act come in the way of women being employed in night shifts and overtime involving work in the night. This places a great handicap in the employment of women. Another statutory requirement which discourages the employment of women is the existing provision regarding maternity benefit available to the women employees and that too without any limitation as to the number of times it can be avail of. Provision of compulsory creche facilities by the employer for children of women employees will to some extent attract women, but this also discourages the employer as it makes such employment expensive

In keeping with modern trend permitting employment of women in various shifts in the Hospital, Telephone Exchanges etc., more flexibility should be given to the States in framing rules regarding the working hours of women. Secondly, considering the acute unemployment in our country, maternity benefits may be limited to women employees to not more than 2 or 3 times upto superannuation.

Contd...4

6. What are the advantages and disadvantages of recruitment of casual labour? If employment of casual labour is a disadvantage, what steps should be taken to de-casualise such labour?

Reply:

Casual labour should only be employed for work of a casual nature and not for permanent work.

Casual labour is generally employed for unskilled casual work when skilled labour is employed on casual basis, it is for temporary work.

It is not possible to completely eliminate casual labour. However, we may give certain weightage to the existing casual labourers in any organisation in the recruitment of permanent hands so that progressively such casual labourers who have served the organisations off and on as casual workmen over a long period may be absorbed. This is the practice in ITI.

7. In view of the present unemployment situation what place should be given to the absorption of "physically handicapped" in recruitment policy? Should there be a statutory provision for reserving a portion of the vacancies to physically handicapped persons?

Reply:

We have employed about 30 blind persons, a few deaf & dumb persons and a few other orthopaedically handicapped persons.

Though, to a limited extent, such handicapped persons could be accommodated in industry, employment for the physically handicapped should be through ancillary units specially equipped for employing the physically handicapped. ITI has been able to give work to the physically handicapped

by specially designing jigs and fixtures for them.

Any statutory compulsion to enable the physically handicapped to be provided with jobs may not be desirable and may in a majority of cases ^{add} to the cost of production.

Moreover the number of jobs where such employment is possible is also limited.

8. In establishments within your knowledge, is there any discrimination in the matter of recruitment on grounds of caste, community, region, language, etc.? Under what circumstances is such discrimination justified?

Reply:

No.

INDUCTION:

9. Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought?

Reply:

Yes.

We have got a training establishment where training is imparted to our employees, both theoretical and practical, which is supplemented with on the job training in the shops.

We recruit candidates of the age group, 18 & 21 years, who are given both theoretical and on the job training. The duration of the training is one year.

Institutional Trainees i.e, students from different Engineering Colleges - Training is given in the respective branches of engineering ranging from 1 to 6 months (unpaid trainees).

Apprentice 'B' for diploma holders for two years.

Apprentice 'C' for matriculates with minimum 1 year experience in ITI, duration of the training being 3 years.

Government of India Stipendiary - Junior Senior - for Engineering Diploma holders and degree holders respectively. The period of training for Junior Stipendiary is 2 years and for senior, one year.

We also take Engineering Graduates as Officers. They are given appropriate training under senior officers for the work they are required to do.

We consider these training facilities adequate.

10. What steps should be taken to encourage an employee to avail of the facilities outside the place of work for improving his skill? Is there any system of granting study leave to the employees in your establishment? If yes, please give details.

Reply:

Adequate publicity should be given to such facilities so that employees who want to improve their skills know about them. In our organisation if an employee obtains any recognised certificate or diploma indicating an improvement in his skill, such information is posted in his personal records and it helps in his advancement in the organisation. The ITI has also sponsored the ITI Technical Institute which provides a two year Diploma Course for the employees who want to acquire higher skills. This affords them further advancement opportunities.

Study leave is given based on the merits of each case.

11. (a) What should be the outline of a rational promotion policy? What place would you assign in this policy to seniority, merit and trade test?

Reply:

Generally promotions should depend on

seniority-cum-merit/suitability. All other things being equal seniority should be given weightage for promotion. Promotions should not be decided only on the assessment of one individual but should be considered and decided by Departmental Promotion Committees consisting of a minimum of three members.

- (b) Should recruitment to positions at higher levels be made from among the existing employees only? If so, upto what level?

Reply:

There should always be a proportion of direct recruitment from outside at certain level to induct the best talent with requisite higher educational qualifications. A certain proportion of higher posts should also be reserved for promotions of suitable candidates from lower grades.

The recruitment policy should be flexible & afford opportunities to qualified candidates from amongst the employees. This is the policy in ITI.

Copies of Recruitment, Promotion proceedings followed in the ITI are enclosed.

II CONDITION OF WORK

Working conditions:

12. (a) Conditions of work in factories, mines and plantations, etc., are presently regulated by the Factories Act, 1948, Plantations Labour Act 1951 and the Mines Act, 1952 etc. The main provisions of such acts inter alia relate to (i) safety and welfare, (ii) hours of work, rest, interval, weekly off, etc. (iii) employment of young persons & women, (iv) Annual leave with wages, (v) occupational diseases and (vi) overtime payment. What changes are necessary in these provisions? How should the implementation of these acts be improved? (See also Q.19).

Reply:

We are of the opinion that provisions of the

acts mentioned in the question are adequate. According to the Factories Act, Payment for over-time work is at double rate. Double rate payment makes overtime work attractive to workmen. In practice, overtime is being demanded as of right only on account of double rate payment. Overtime work also affects to some extent the productivity of the workmen during their normal working hours.

Double rate for payment for overtime work was fixed as a discouragement for the employers and to reduce overtime and to discourage workmen being exploited by the employers. However, this position is no longer valid in actuality. We consider that payment for overtime at double rate should be subject to prescribed out turn as determined and accepted by work study during normal working hours.

We recommend that the definition of worker in the Indian Factory Act should be sufficiently precise and clear so as to exclude supervisory personnel.

(b) What other steps are needed to ensure proper working conditions?

Reply:

We feel that the provisions of the various acts specifying rules and regulations for working conditions like safety, ventilation, working places, etc., etc., are adequate.

13. In the matter of national & festival holidays, what is the extent of difference in the total number of holidays from region to region? Is this difference justified? If not, is it possible to bring about uniformity in the total number of holidays in different regions?

Reply:

We have 12 paid National & Festival holidays in

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Reply:

We have 12 paid National & Festival holidays in

ITI in a year. In Mysore State there is an act which provides a minimum of 7 national and festival holidays in a year in every industry.

It may be difficult to bring about uniformity in the total number of festival holidays in different regions. We are of the opinion that each State should be allowed to enact its own legislature to suit conditions prevailing in the State.

We have no other information.

14. What changes are necessary in the existing arrangements for regulating conditions of work in employments other than in factories, mines and plantations?

Reply:

No comments.

15. What in your knowledge, is the extent of prevalence of employment of child labour? In what industries/activities is employment of child labour relatively high? Are you satisfied with the existing statutory provisions about employment of child labour & their implementation?

Reply:

We do not employ child labour. We have no other information in this respect.

We are satisfied with the existing statutory provisions of the Factories Act in respect of Employment of Child Labour in Factories.

16. How have the existing arrangements regarding regulation of conditions of work of contract labour and labour employed by contractors worked? In what directions are improvements necessary? (See also Q.209).

Reply:

We do not employ contract labour. We have no information regarding employment of contract labour in other industries.

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Reply:

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17. What are the statutory benefits/provisions, in the implementation of which trade unions and employers' organisations can jointly play a useful role? How should such arrangements be made effective at the plant level? Should there be any standing arrangements for this purpose?

Reply:

Under the existing procedure the statutory committees such as Works Committee, Canteen Managing Committee, and Provident Fund Committee, consist of representatives of employers and employees and are working effectively.

SAFETY & HEALTH

18. Is the existing rate of accidents high in establishments within your knowledge? What have been the main causes of such accidents?

Reply:

In ITI the rate of accidents is low.

In our establishment we have taken all the required safety measures.

Most of the accidents arise on account of the negligence by workers of safety rules and non-use of safety equipment provided to them.

We have no other information regarding accidents in other industries.

19. What steps should be taken to establish training programmes with special emphasis on safety for the benefit of new entrants to industrial establishments? Are any refresher courses necessary for those who are already in employment? How should such courses be organised?

Reply:

Induction programmes should be introduced for new entrants with lectures and demonstrations on safety. Separate safety departments should be organised in charge of a qualified Safety Officer. The employees should be persuaded to observe the safety rules and use the safety devices provided without exception. Safety committees where workers are represented

should be formed to ensure implementation of safety rules and regulations. This procedure is being followed in ITI.

Negligence to observe safety precautions and instructions should be made a punishable offence under the Standing Orders of the Company.

20. Safety standards in some industries have been evolved by bi-partite agreements. How have these agreements worked in practice? How can this bipartite approach be extended to other industries? How should the agreed arrangements be made effective at the plant level?

Reply:

Safety is not a matter of collective bargaining. We feel that there is no need for specific bipartite agreement though it is necessary that there should be a combined effort to educate the workers on safety and also to ensure proper respect for implementation of safety measures.

21. In view of the anticipated growth of new industries like machine building, chemicals, fertilisers, petro-chemicals, etc., requiring stricter safety standards, what steps should be taken to arouse safety consciousness among workers & employers?

Reply:

Please see para 19.

22. Against the background of expanding industry and advancing technology involving a faster tempo of production, how should provisions concerning industrial safety (Appendix I) in the Factories Act, 1948, the Mines Act, 1952 etc., be amended?

Reply:

As far as possible, the Factories Act should make it compulsory on the part of machinery manufacturers to provide the necessary safety contacts and devices integral with the machinery itself.

23. (a) What are the difficulties experienced in procuring safety equipment for installation in industrial establishments?

Reply:

We have not experienced any difficulty.

- (b) Is the supply of safety equipment to workers for their personal use adequate? Is their any reluctance on the part of workers to use such equipment? If so, what measures would you suggest to overcome this reluctance?

Reply:

Supply of safety equipment for workers are adequate and their reluctance to wear such equipment could in our opinion be overcome by constant education and training, supervision, persuasion and enforcement of discipline.

24. What should be the elements of an "Industrial Health Service" for introduction in India? How should the introduction of such a service be phased?

Reply:

These should be elements of the Industrial

Health Service:-

- (i) To ascertain by examination before recruitment the physical and mental fitness of employees for work in a particular factory taking into account the type of product and environmental conditions.
- (ii) Prevention of diseases or injury in industry by establishing proper medical supervision over the situation of factories, over industrial materials, processes, environments and workers. To maintain and improve the health, and efficiency of those already employed by physical supervision and education.
- (iii) Medical & surgical care to restore health and earning capacity as promptly as possible following industrial accidents or disease.

25. As a corollary to replies to the above, do the provisions for workmen's compensation require to be amended? If so, in what manner?

Reply:

In our opinion, the provisions for workmen's compensation do not require any amendment.

III. TRADE UNIONS & EMPLOYERS' ORGANISATIONS.

Federations of Employers' and Workers' Organisations-

26. What are the factors which influenced the development and organisational pattern of trade unions/employers' organisations since independence?

Reply:

Labour legislation, growth of industries, increasing awareness of the practice in other countries, enlightened approach of majority of managements and also increase in literacy and education among workmen are some of the important factors influencing the development of trade union.

The organisational patterns that have developed of Trade Union are the result of the growth of political parties in a democratic set up. The legislation and the desire on the part of the managements to pool their knowledge and resources etc. have influenced the development and organisational patterns of the employers' organisations.

27. What has been the effect of legislative provisions on the growth of trade unions/employers' organisations? (See also Q.58).

Reply:

We are of the opinion that legislations like Indian Trade Unions' Act, the Industrial Disputes Act, etc., particularly provisions in respect of collective bargaining and the right to strike have helped the growth of the trade union movement. Legislation has also tended

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to weaken the trade union movement viz., encouragement of multiplicity of unions in a single industry and tendency to reduce the effectiveness of mutual negotiations with the management. We recommend that there should be a law, one trade union for one establishment.

28. Do you think that the modus operandi of trade unions/ employers' organisations have changed during the last decade? If so, what are the characteristics of this change?

Reply:

There is an attempt on the part of trade unions to build up an image of themselves as being independent of the political parties with whom they are generally associated. The trade unions and employers' organisations have professed faith in the various tri-partite agreements like code of discipline and generally try to follow the principles laid down in such agreements. But of late, agitation has become a means of trade union office bearers to retain their leadership. The latest modus operandi viz., Gherao being followed in some parts of the country has been a very undesirable form of such an agitational approach.

29. Do you think that the attitudes of trade unions and employers' organisations towards (a) each other and (b) Government have undergone any change during the last decade? If so, state the direction of this change.

Reply:

- (a) Yes
- (b) Yes. The direction of change seems to be towards an increased willingness to consult each other at the level of the central organisation of employers' and employees and also at the unit level.

The Government seems to have been accepted as the cementing factor bringing the employer and employees organisations together for discussions in tripartite conferences.

There is also a tendency on the part of the unions to look upon the Government for solutions to their problems and expect that there should be more rules and regulations made to their benefit. It is also felt that the atmosphere of suspicion on either side still prevails because of not unfrequent political influences operating on labour.

30. The traditional role of trade unions/employers' organisations has been to secure protection to advance the interests of their members. In view of the national objectives of establishing a socialist society and achieving planned economic development: (a) what should be the changes in the nature and scope of activities of the trade unions/employers' organisations? (b) What are the changes needed in their organisational pattern and attitudes? (c) What are the fields of activity in which they have an independent role to play? (d) In what others should they function in co-operation (i) between themselves and (ii) jointly with Government? (See also Q.75).

Reply:

The Unions will have to take a wider view of the country's problems and think not only in the narrow grooves of agitational methods to achieve their objectives in the matter of wages and better conditions of service. They will have to become more productivity conscious and to think of constructive lines in order to increase productivity. These changes in attitudes cannot be brought about within a short span of time, but will have to be gradual and will depend on improvement in their educational standards and civic sense.

The Trade Unions have at present shown no interest in activities like running of canteens,

organisation of co-operative societies, adult literary programmes, family planning etc. They should take more interest in such constructive activities and not confine themselves purely to agitational methods.

It is imperative that the employers should organise seminars and exhibit films to make workers productivity consciousness and bring about a sense of importance to the worker for the part he plays in the company's economy.

- (b) A code of ethics for trade unions should be drawn up by jointly by trade union leaders and employers. Government should not be a party to these bipartite discussions and the code of ethics drawn up jointly the employers and the trade unions should be submitted to the government for approval.
- (c) The Employers responsibilities should be to communicate effectively with labour the role they play in the company's progress and prosperity, and the benefits that occurs to labour. The results of co-operation between employers and employees should be high light.
- (d) They should function jointly and also with the Government in organising educational programmes to foster management-union relations, safety education programmes, etc.,

31. How have trade unions/employers' organisations helped in the evolution of a better society? How do they represent their views and discuss their affairs with Government and other public authorities and agencies? Does this system of communication need improvement? If so, in what direction? (See also Q.124 & 227).

Reply:

By organising themselves into effective groups

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Reply:

By organising themselves into effective groups

of employers and employees, the employers' organisations and trade unions respectively have helped to increase the standard of living of the industrial employees. The employers' organisations have through research, education etc., helped the economic as well as technical developments of the industries. The trade unions and employers organisations represent their views and discuss with the Government, other public authorities and agencies in conferences and seminars through memorandum and joint meetings. Often the questionnaires released by the Government, public authorities and agencies also serve as media through which such views are expressed. We find that the system of communication is fairly satisfactory.

Of late, the Unions have adopted more and more undesirable methods of communication like demonstrations, illegal strikes, hunger strikes and of late, gheraos, which are certainly unsatisfactory methods of communications. An immediate check should be put and, what is more than any legislation, attempts should be made to change the attitudes of people responsible for these things.

32. How can trade unions/employers' organisations contribute towards maintaining a high level of employment? Or is this solely the concern of Government?

Reply:

By keeping the wheels of industrial production moving, the trade unions and employers' organisations can contribute towards maintaining a high level of employment. Where the situation demands rationalisation, trade unions should be prepared to accept such a move. Of course, the employers'

organisations should ensure that as far as possible the sufferings of the individual workers due to the rationalisation is minimised by planning such rationalisation in such a way that it leads to minimum retrenchment.

Labour should be made to understand the advantages of automation, computerisation etc. which lead to rapid industrialisation and hence employment.

It is only by the quality of ^{our} products and their cost that we can earn a large export market which would offer larger opportunities for employment.

33. Bipartite consultations being one of the effective means of reducing the areas of conflict between employers and their employees, what steps should trade unions/employers' organisations take for promoting such consultations?

Reply:

The trade unions and employers' organisations should develop faith in bipartite consultations amongst its members. This is possible only in an atmosphere of reasonableness, mutual trust and confidence. Trade Unions should be asked to evolve their own code of ethics so that agitation is not resorted to for its own sake. The profit motive of the employer should not be made to appear as unethical.

34. What are the existing arrangements for communication between and the central organisations of employers and workers and their constituents? How should these arrangements be improved?

Reply:

We are not a member of any central employers' organisation. We have no information.

35. Are there occasions when central organisations of employers' and workers refuse to affiliate employing unions/units at the plant level? If so, on what grounds?

Reply:

The trade union in our factory is not affiliated to

any central organisation. We are not affiliated to any of the central employers' organisation.

36. To what extent are the obligations undertaken by the organisations of employers and workers at the national level implemented by their constituents? Are there any effective sanctions for non-compliance with these obligations? How far have they been used in recent years? How could these sanctions be made more effective?

Reply:

We find that the trade union has violated the principles of the code of Discipline and these violations have been brought to the notice of the labour department at State level. There is no remedy even when these violations are brought to the notice of the Implementation and Evaluation authority. As far as we know, there are no effective sanctions for non-compliance of these obligations.

37. Do difficulties arise in reconciling the actions of the unions/employers at the plant level with national policies evolved jointly by trade unions/employers' organisations? Could you cite instances of such difficulties? How are such difficulties resolved?

Reply:

Does not arise. Please see our reply to Question No..35.

38. What should be the responsibility of all-India organisations of employers and workers towards (i) promoting the interest of their constituents in all matters affecting industrial relations. (ii) implementation of laws, voluntary agreements, etc., (iii) training of management personnel, (iv) providing guidance to constituent units, (v) Settling of industrial disputes in constituent units and (vi) improving the efficiency of industry? (See also Q. 156) How should they be equipped for discharging these responsibilities?

Reply:

We have no comments.

Trade Unions - Constitution & Finance

39. How are trade unions constituted at the plant level? What are the different forms of constitution? Are there any common objectives mentioned under the rules of different trade unions? What are these common objectives?

Reply:

We have a trade union called the ITI Employees' Union which is registered under the Indian Trade Unions' Act and recognised by the management.

All the trade unions must satisfy the conditions laid down under the Trade Unions Act.

We have no other information regarding the constitutions of different trade unions.

40. How are the officers who man the trade unions appointed? How many of them are paid?

Reply:

In the ITI Employees' Trade Union, the office bearers and the executive members of the union are elected by the members of the trade union. The elections are held every two years. As far as we know, none of the office bearers are paid, except the President of the Union, who is an outsider.

41. How does a trade union get new members? Are all membership applications accepted? If not by what criteria are applicants accepted or rejected? In what ways do unions compete for membership?

Reply:

The trade union in our establishment get their new members by propoganda and by contacting the employees individually. As far as we know all applications for membership are accepted.

42. What steps do trade unions take to encourage members to interest themselves in the conduct of unions' affairs? How effective are such steps?

Reply:

By issue of pamphlets, conducting meetings etc.

43. How are the activities of a trade union conducted? How is the policy decided? Who is responsible for implementing the policy once it is decided? To what extent does the rank and file influence the formulation of the policy?

Reply:

The trade union activities are generally conducted

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by an ~~Executive~~ Committee of the Union who discuss the issues and decide the course of action to be taken. Decisions of this Committee are issued in the form of pamphlets by the trade union. In the case of major issues the decisions of the Executive Committee are placed before the general council and the general body. The evolution of the policy is at the level of the office bearers and the Executive Committee.

44. What in your opinion is the extent of prevalence of the system of "closed shop" or "union shop"? State its merits and demerits in Indian Conditions.

Reply:

We have neither the system of "closed shop" nor "union shop" in our concern. As far as we know, no industry in Bangalore either private or public sector have these systems.

We are against "closed shops" as it restricts the fundamental rights of the employer to employ or not to employ a particular person. Also if the system is prevalent the union would be in a strong position to influence and even to exploit the applicants for employment. We are against "union shop" as it restricts the rights of the employee to join or not to join a particular union. The union must prove its own usefulness and integrity to attract membership.

45. Do trade unions have enough income to fulfil their role in promoting members' interests? If not, what steps should unions take for augmenting their resources? Is any statutory provision needed for enlarging trade union finances?

Reply:

Although the Unions claim the bulk of the workers as their members, some of the workers do not pay their subscriptions regularly. If all the workers pay the subscriptions regularly the union would

have sufficient funds for promoting their interests. As economic condition improve the rate of subscription may also be increased.

46. What reasons, if any, are there against increasing members' subscription so as to provide an adequate income for trade unions?

Reply:

The only reason can be low income, of the members. However, this depends upon the circumstances of each union.

47. Is the introduction of "check off" system advisable in Indian conditions? If it is, should the privilege of the system be given to recognised unions only or to all registered unions?

Reply:

It is not advisable to introduce the check off system in our country because it may give an artificial boost to the strength of any particular union and where there is more than one union it may lead to frictions especially if one union is given the check off system in preference to the other. Generally the employees are not very vigilant as far as the union's administration goes. Instead of the Employer helping the union to collect union dues, the union members should be in a position to withhold payment of their subscriptions if they are not satisfied with the way the union has been functioning. Collection of dues through personal contact is the best way of ensuring such contacts.

48. In what ways do trade unions help members/dependents of members in their personal difficulties like unemployment, sickness, and personal injuries? How are dependents helped in case of members death?

Reply:

Trade Unions are not at present engaged in this type of activity because of their limited financial resources.

Trade Union-Leadership and Multiplicity

49. What has been the impact of political parties on the pattern of trade union development in India?

Reply:

Though the trade unions try to build up an image of purely independent trade union movement, it cannot be denied that most of the trade unions are only a part of important political parties. Even where the unions may not be strictly affiliated to any central organisation still the leadership comes from the political parties. Therefore, whenever there have been differences in political parties these differences directly or indirectly influence the trade union movements and its developments in our country.

50. Reference is often made to the influence of outsiders in trade unions. Please define the term outsider and state what the influence of outsiders has been on trade unions.

Reply:

By "outsider" it is meant a person who is not a workman or an employee of the organisation from which the trade union claims to draw its members. Such outsiders may not be in a position to understand the actual situation within an industrial organisation. Further they may be influenced by motive other than the progress and interest of the workers and the organisation. The personal and party interest of the outsider will influence the policies and the activities of the union. Many employees mistakenly believe that by having an outsider as a leader they could command better respect from the employer. On the other hand, many of the outside leaders may create problems to obtain a grip on the unions.

51. How should internal leadership in an union be built up and strengthened?

Reply:

Internal leadership could be built up and strengthened by educating the employees in trade union philosophy, practices and administration as has been envisaged under the workers' Education Scheme.

It is also be built up by the management and the Government giving the internal leaders of the trade unions as much respect and weightage as is given to the leaders if they are outsiders.

52. Does the existing legislation encourage multiplicity of trade unions? If so, what remedial measures?

Reply:

Yes. The trade union's act could be amended to lay down that atleast a certain percentage, minimum being 50% of the total strength of the industrial establishment should be members of a trade union if it has to be registered instead of the existing minimum of only 7 members.

A suitable law should also be made or practices established for criteria for recognising one trade union in one establishment; only the recognised union should be treated as the bargaining agent for the employees and afforded privileges provided by labour law.

53. How far has the Inter-Union Code of Conduct (Appendix - II) adopted by the four Central Labour Organisations in 1958 been effective in regulating inter-union relations and avoiding inter-union rivalries? How could the code be made more effective?

Reply:

We have only one union in our establishment which is not affiliated to any central organisation of the trade union.

Trade Union Recognition

54. What are the advantages and disadvantages of a union registration? Are there any aspects in which the powers of the Registrar of Trade Unions could be altered or enlarged with advantage?

Reply:

The Union's registration has an advantage of placing the union on a formal footing as far as the union relationship with their employers and the Government goes. It also to a certain extent discourages fictitious unions coming up. Thirdly, it helps one to know how many unions are existing in the State. It also helps the union to be run in a satisfactory manner as far as possible viz., the registered union has to keep proper accounts, membership etc. We feel that the trade unions registrar should have the power to blacklist any leader/leaders/office bearers of a trade union/s for certain serious malpractices apart from the existing power to de-recognise the concerned unions.

55. Has there been a change in the attitude of employers towards trade unions, particularly in the matter of recognition of unions? If yes, what have been the contributory factors?

Reply:

As far as ITI is concerned, from the beginning, it has been of the view that a strong and healthy union would go a long way in the progress of the industry. It ^{has} given recognition of its union from the very beginning of its registration.

Generally the employers feel that it is better to have one strong trade union duly recognised. This attitude has grown out of the fact that the employers have come to realise that workers are conscious of their legitimate rights.

56. Has the code of discipline in industry (Appendix III) contributed towards securing recognition for trade unions?

Reply:

We have recognised the ITI Employees' Union from its inception. The code of discipline only provides guidance for recognition of only those unions which are affiliated to central trade union organisations and not for the independent unions which are not affiliated. In the ITI, as already stated, we have recognised the Union since its inception and before the code of discipline in industry was formulated.

57. Do the existing provisions under the Code of Discipline in regard to recognition of unions provide a satisfactory arrangement in this regard? Specifically, are the provisions regarding (i) the procedure for verification, (ii) the procedure for grant and withdrawal of recognition, (iii) the period of recognition and (iv) the rights of the recognised unions (Appendix IV) satisfactory? If not, what improvements would you suggest in them? (See also Q. 111).

Reply:

We are of the opinion that under para 2 of annexure I (Criteria for recognition of union) the minimum percentage should be atleast 35% instead of 15% of the workers in the establishment concerned. Similarly, in para 3 of the percentage should be 50% instead of 25% of the workers of that industry in that area. In para 4, the period should be five years instead of 2 years. The other unions which are not recognised under code of discipline should not have any rights to represent any of the workmen in the establishment.

58. Would you suggest giving effect to the provisions of the Indian Trade Unions Amendment Act, 1947 in the matter of recognition of unions? Or should provisions similar to the Bombay Industrial Relations Act, 1946 or similar Acts elsewhere in India for recognition of unions (Appendix V) be written into the Indian Trade Unions Act, 1926? Are there any other suggestions in this regard? (See also Q. 27) c 37.

Reply:

We are of the opinion that convention and practices should be established for recognition of one union in one establishment. If convention does not work legislature should be resorted to.

59. What are the advantage of industry-wise unions? What will be the difficulties in their recognition? How should the subjects to be dealt with by unions at the plant level and by the industry union be demarcated? (See also Q.86)

Reply:

Our Union is at the plant level and is not affiliated to any industry-wise union, or to any Central Organisation.

There are no advantages of industry-wise union in Indian conditions at our present stage of industrial development. The development of industry in various regions of the country is not at par with each other and the conditions of work vary from product to product and region to region in which the industry is located.

60. What are the advantages and disadvantages of naming a union as the sole bargaining agent in an industrial unit?

Reply:

The advantages of naming one union as a sole bargaining agent are:-

- (a) The management do not have to deal with different unions and different groups of workers having different ideologies, interests. If it is one union, there is always the obvious advantage of speedy and satisfactory agreements between the management and the union.
- (b) The union may become more responsible. The disadvantages are that the union may become more obstinate and unreasonable. Secondly

since there is only one union for a worker to look upon in his hours of anxiety, it may begin to exploit the worker. This however depends upon the concepts, the union is wedded to. If it is a reasonable one, only advantages may accrue, otherwise it may bring more harm than good.

61. For determining the representative character of a trade union for purposes of grant of recognition, should the method of election by secret ballot be adopted? If so, explain the details of the method and the administrative arrangements necessary for the purpose. (See also Q. 86)

Reply:

Yes, the Government machinery should arrange the secret ballot and it should be done outside the working hours and outside the premises of the industrial establishment.

62. If a union is elected as the sole bargaining agent in an establishment, what should be the rights and responsibilities of other unions in the establishment?

Reply:

When a union is elected as the sole agent for collective bargaining in an establishment, the other unions in that establishment should not have any rights.

63. Considering that categorywise unions, particularly of technicians, are assuming greater importance how should their rights and obligations be defined in relation to (a) the employer and (b) unions of other categories of employees?

Reply:

The growth of craft-union/category wise union will lead to same problems that result out of multiplicity of unions. If, however, the category wise union do become popular, a separate code of conduct may have to be drawn out regarding the rights and responsibilities of category wise unions in relation to each other and also the management.

64. What facilities should an employer extend at the work-place for the activities of the union?

Reply:

We have provided an office to the recognised union in our township at a nominal rent. The Union has also been permitted to hold its executive committee meetings inside the premises of the Company. A certain quota of special leave with pay not debitable to the employees leave account is sanctioned every year to the Union for attending meetings with the management and for attending their executive committee, general council etc., meetings. Some of the Union office bearers are given internal telephones at their workspot on nominal rent. We have courtesy notice boards in each hanger where Union notices are allowed to be displayed, after approval of the Management. We are of the opinion that no other facility should be provided for any other union activities during the working hours.

65. What has been the attitude of the Government as employer towards trade unions?

Reply:

We have no comments.

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INTRODUCTORY:

IV INDUSTRIAL RELATIONS:

66 What should be the criteria for determining the effectiveness or otherwise of Government's Industrial Relations Policy? In terms of these criteria give your assessment of the working of the policy since independence, with special reference to the legislative and other arrangements for prevention and settlement of industrial disputes.

REPLY:

The effectiveness or otherwise of Government's Industrial Relations policy should be measured by (i) loss of working hours in the country by strikes or lockouts/^{compared} to total number of hours scheduled for work and (ii) the number of industrial disputes that have been received for conciliation and the number that have been settled at that level or by voluntary arbitration compared to the total number of such disputes.

A practical method, for determining the effectiveness of the Government Industrial Relations policy would be by:

- a) Total number of disputes
- b) How many out of (a) have been settled by (i) conciliation (ii) voluntary arbitration.
- c) Number of disputes referred for adjudication etc.
- d) Strikes/lockouts & number of man days lost during a particular year.
- e) The increase in productivity and production in various industries etc., etc.

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However, in addition to the industrial policy a number of economic factors affect the industrial relations like continuous increase in prices of essential commodities, availability of consumer articles etc. The Industrial Relations are also to a very great extent affected by the policies being followed by the various important political parties as evidenced by the attitudes of their party organs.

In our opinion, on account of continuous rise of prices of essential and other commodities shortage of food stuffs, non-availability or difficulty in obtaining raw material, the agitational policies being followed by some of the All India organisations, gheraos etc., the number of disputes strikes/lockouts, number of man days lost etc., are on the increase.

67 Are the patterns of industrial conflict changing since Independence? In particular, how have the social economic and political factors affected the intensity of industrial conflict?

R E P L Y:

Yes, the patterns of industrial conflicts are changing since Independence. The conflicts are more intense and are of shorter duration compared to the pre-Independence days. Conflicts not only involve the employees and the employers alone, but also the Government. The desire on the part of the working classes to attain a better standard of living,

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the consequent increase in economic wants, increase in prices, the problems of developing economy and a political awareness of the working classes have all resulted in making the field of industrial relations vulnerable to frequent and intense conflicts.

- 68 Is it possible to pick out some significant factors in units within your knowledge which in recent years have helped in improving industrial relations at the plant level? Will these factors continue to be of significance in future?

R E P L Y:

The existence of one strong union, bipartite Committees, quick redressal of individual grievance through grievance procedure, subsidised canteen facilities and other welfare measures have contributed to limit the areas of industrial disputes and industrial unrest at plant level. But these by themselves have not and cannot effectively control the economic disputes arising out of economic conditions.

- 69 What have been the causes of industrial unrest since Independence? Have there been any special circumstances which have contributed to industrial unrest? How could their effect be minimised in future?

R E P L Y:

As already pointed out, the friction among political parties, the economic problems of a developing nation and the rapid growth of industries have contributed to industrial unrest. By adopting measures to control the price structure, by encouraging co-operatives, by building internal leadership in the Union & by supplying consumers articles unrest

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can to a large extent be minimised.

70 What has been the impact of inter-union rivalry on industrial relations?

REPLY:

To catch the eye of the employees each union tries to put up higher and higher demands often opposed to reality, apart from upsetting the climate hardly any chance is given for the settlement of the disputes through negotiations. From the point of view of the employees inter-union rivalry is very harmful because the resources of the union get distributed thus weakening the union. From the point of view of the employers, inter-union rivalry discourages the employer from coming to a settlement with any union because he will not be sure whether that union can be depended upon for an effective settlement/and is harmful to industrial relations.

71 What improvements are necessary in the present arrangements for prevention of industrial disputes? What would be the role of mediation service in the prevention of disputes?

R E P L Y:

Any improvement in the arrangements will not help to any great extent in preventing industrial disputes as industrial disputes cannot be completely prevented.

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They could be minimised by having
 (i) recourse to labour legislation
 (ii) making legislation of trade unions stricter so that growth of irresponsible trade union is discouraged (iii) taking serious steps to punish illegal acts on the parts of the parties concerned in industrial disputes. The mediation service should be quicker in action.

72 What is the role of fact-finding enquiries in improving industrial relations?

REPLY:

Fact finding enquiries do help in reaching an objective assessment of a situation.

73 How is the state of industrial relations in a unit affected by the existence of trade unions? What difference, if any, exists in the climate of industrial relations where the relevant trade union organisation is (a) strong, (b) weak, and (c) non-existent?

R E P L Y:

The existence of trade unions make the management more vigilant of their own policies and procedures, also, it gives confidence to the management in communicating to the employees as the trade union would be an organised group. These factors certainly lead to sounder industrial relations. Where a strong trade union exists the industrial relations will be more permanent. A weak trade union leads to a disturbed climate of industrial relations because of the vulnerability of the trade

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unions being open to attacks of rival trade union and other groups.

Where the trade union is not in existence industrial relations may be quite sound or may be very bad depending upon the policies of the management. This seemingly sound industrial relations may be only superficial.

74 What has been the contribution of factors like (a) recognition of union (see also Q 54 to 65) (b) arrangements for dealing with individual and collective grievances and (c) strengthening bipartite consultative arrangements, in promoting industrial harmony?

R E P L Y:

Recognition of trade unions, arrangements of dealing with individual and collective grievances and strengthening of bipartite consultative arrangements will certainly go a long way in promoting industrial harmony. But unless these factors are reviewed periodically they may lose their good effect on promoting good human relations. Strengthening of bipartite consultative arrangements will improve industrial harmony as the parties involved are bound by the commitments they make.

75 In maintaining and promoting harmonious employer-employee relationship, what should be the respective obligations, of (i) central organisations of employers & workers, (ii) local management (iii) local union and (iv) the Government - Central or State (See also Q-30).

REPLY:

Central organisations of employees and employers should be aware of the various problems faced by their constituents and ^{/should} discuss ^{amongst them-} lay down an over-all guidance to the members. ^{selves} They should keep in touch with the various ^{these pro-} blems and

legislative measures proposed by the Government and represent the view point of their members keeping in view the total picture of industrial relations in the country. They should also advise their members regarding the various obligations arising out of such enactments or bipartite or tri-partite agreements.

(ii) Local managements have the obligation to implement the various provisions under law, take resort, as far as possible, to mutual negotiations and in consultation with the workers' organisations educate their supervisory personnel in administering various measures like grievance procedure, works committee, safety committee etc.

(iii) The local unions have to organise themselves as responsible unions, advise their members properly to desist from illegal or irregular strike and such other actions, seek redressal of their grievances, as far as possible, through negotiations and discussions with the managements and co-operate with the managements in successfully organising the various welfare measures.

(iv) The Government has an obligation of ensuring that illegal acts on the part of employer/employees are dealt with effectively and immediately, advise/help the employers in implementing the provisions of the various

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acts, organise educational programmes to the workers, call joint meetings of workers and management when necessary and place the services of their officials connected with the industrial relations machinery at the disposal of the employers and employees in promoting a harmonious employe-employer relation. The Government should ensure that only that amount of labour legislation which is absolutely necessary is enacted.

76 What role have labour personnel officers played in preventing disputes and maintaining harmonious employer-employee relationship? How far have they been effective? Suggest measures to improve their effectiveness.

REPLY:

Labour/Personnel Officers have within the limited area available to them been advising their employers and employees on pursuing policies which can promote harmonious industrial relations. Since most of the Personnel Officers are trained in this field they have been able to assist in establishing good industrial relations.

77 What should be the arrangements for proper communication between workers and management at the plant level?

R E P L Y:

Face to face communication between Supervisor & their workmen, bulletin boards, public address system, management-union discussions, departmental heads

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meetings, works committee discussion, house organs and news letters, are some of the methods which could be successfully exploited to maintain good communication.

- 78 To whom do managements delegate their authority in dealing with employees? To what extent do management include specialists for dealing with personnel matters?

R E P L Y:

Officers like Personnel Managers, Chief Industrial Engineers, Medical Officers, are being consulted by the managements in personnel matters.

- 79 To what extent are the standing orders subject to agreement between employers and managements? In how many cases are they drawn up by management alone?

R E P L Y:

Under the Industrial Employment (Standing Orders) Act 1946, the standing Orders drafted by the management have to be certified by the certifying officer of either the State or the Central Government. This certification is done in discussion with the Management and the Union. The major part of the Standing Orders are usually settled amicably and only on such points where no agreement is reached does the certifying authority exercise his judgment.

- 80 To what extent do the Employment Standing Orders Act, 1946 and the Model Standing Orders formulated under that Act serve the purpose for which the Act was framed?

R E P L Y:

It has served the purpose to a large extent. Model Standing Orders should be more

- 81 What are the disciplinary rules imposed by managements? Do the procedures proscribed under the Model Standing Orders in dealing with disciplinary cases require modification, and if so, on what lines?

R E P L Y:

The disciplinary rules are according to the Standing orders of respective institutions.

Model Standing Orders should be more comprehensive taking a realistic approach to the latest happenings in the field of industrial relations and the procedure for disciplinary action must be simpler to be effective and ensure speedy disposal. The present procedure is very cumbersome, lengthy and time consuming.

- 82 Has the Model Grievance procedure (Appendix VI) evolved under the Code of Discipline served its purpose? If not, is there need for statutory provision for the formulation of an effective grievance procedure? What should be the main elements of such a provision? How would it effect existing bipartite arrangements?

R E P L Y:

The model grievance procedure has more or less fulfilled the purpose.

It is felt that the time limits fixed for a decision on the grievance at each stage are inadequate and some more time should be given at each stage. In ITI, a modified grievance procedure has been evolved in consultation with the Union which is working satisfactorily.

The main elements in a grievance procedure are (1) that it must be easy to be understood by all employees (2) It must be so flexible that an employee should have the satisfaction of bringing it to the highest authority if he is not satisfied by the decision. There should not be undue delay.

It is not desirable to have any statutory provision for formulation of a grievance procedure. It is best that a grievance procedure is evolved by mutual agreement of management and union which is suited to a particular establishment.

- 83 What is the attitude of trade unions and employers' organisations to the introduction, either by voluntary agreement or statutorily, of a system of grievance arbitration? Would such a system help in improving labour management relations?

R E P L Y:

Though in principle the idea of grievance arbitration may be considered desirable, under the existing circumstances in our country the employers cannot place full faith in grievance arbitration. This is because independent professional arbitrators with necessary qualifications, training and objective approach are yet to be developed.

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In our country arbitrators are not always devoid of political colour. Their decisions tend to be biased. Secondly, there is a tendency on the part of the union to refer each case to an arbitrator as they do not lose anything if the decision goes against them.

On the otherhand if a financial imposition is also laid on the union to share the financial burden of arbitration, they may hesitate to be drawn unto arbitration over every trivial thing. In view of what is stated above we do not feel that such an arbitration arrangement would help in improving labour-management relations.

- 84 are
What/the existing facilities for training management and trade union personnel in industrial relations? To what extent are they used?

R E P L Y:

We are deputing our management personnel at various levels to training schemes organised by the Productivity Council, Management Associations, Administrative Staff College, etc. Supervisory development Programme are being conducted for our supervisors and potential supervisors. As far as we know, Workers' Education Scheme is intended inter alia to train the trade union personnel.

Collective bargaining:

- 85 What is the extent of prevalence of the system of collective bargaining in this country? How far has it succeeded? What has been the effect of legislation on the growth of collective bargaining? (See also Q 193):

R E P L Y:

The ICI believes in collective bargaining and as far as possible, tries to settle various problems of mutual interest through discussions with the union. The Indian Trade Union Act has helped in collective bargaining. Sometimes the Union prefers to settle things through collective bargaining and sometimes it prefers to go to Court.

Collective bargaining is being increasingly utilised as a means of settlement of disputes. Of late it has been observed that major issues like Wage Structure, Da, Profit Sharing Bonus cannot be settled by collective bargaining mainly because of the All-India repercussions.

86 If collective bargaining has to be encouraged at the industry level, how should the representative character of the bargaining agent for workers be determined? (See also Q 59 & 61):

REPLY:

There should be one recognised union in an establishment and such recognised union should be the sole bargaining agent. In reply to previous questions, we have already indicated as to how the recognised union should be determined.

87 Do you agree with the statement that (a) Collective bargaining has its uses when unions have sufficiently built up their strength and even for strengthening unions and (b) adjudication system provides an arrangement by which satisfaction can be given to parties without open industrial conflict as also for protecting the weaker party?

REPLY:

- a) Yes, we agree
- b) Yes. Adjudication may or may not satisfy the parties, depending upon the award and the industrial strife may be renewed. To a certain extent adjudication protects the weaker party or at least gives it the satisfaction of going to an industrial impartial tribunal.

88 What should be the role of (a) collective bargaining and (b) adjudication as methods for safeguarding industrial peace in the years to come?

R E P L Y:

Collective bargaining which is basically wedded to the concept of industrial democracy and which is a strong influencing force for establishing ensuring industrial peace should be given full scope at every stage of the dispute or threatened dispute.

Collective bargaining should be the main method of settling disputes and should be encouraged. If a dispute cannot be settled by collective bargaining adjudication should be resorted to but it should be quicker.

89 In disputes arising over a charge of demands, is it feasible to separate areas of difference between the employer and the union into those where collective bargaining could exclusively operate and others which could be left to adjudication?

R E P L Y:

It is difficult to draw a line of separation in all cases between disputes to be settled by adjudication. /collective bargaining &

90 What should be the limits of collective bargaining under conditions imposed by planned development? (See also Q 193):

R E P L Y:

Yes, there should be some limits to collective bargaining to prevent imbalance in economy and price increases.

JOINT CONSULTATION: - 44 -

- 91 Do trade unions, through collective bargaining and joint consultation, provide an effective form of democracy within the enterprise?

R E P L Y:

Yes. However, many unions ignore their responsibilities and do things on account of some outside consideration like political pressure etc.

- 92 The Industrial Disputes Act, 1947 provides for the setting up of works committees "to promote measures for securing and preserving amity & good relations between the employer and the workmen". Have they been functioning satisfactorily wherever they have been set up? If not, what factors have militated against their setting up and proper functioning?

R E P L Y:

We have a Works Committee functioning over a long period. Though, by and large, it has been working satisfactorily, we have the following problems which minimise the effectiveness of this committee: (a) the elected members representing the employees feel that they attain a special status immediately they are elected to the Works Committee and expect whatever they say to be implemented. (b) The Works Committee also becomes a grievance committee ignoring such vital issues like inculcating productivity consciousness reducing absenteeism etc., which primarily concern it. To a certain extent there is an overlapping in the functions of the Union and Works Committee. When there is a Union which is a strong one it can effectively demarcate the responsibilities of both bodies.

- 93 To meet the criticism that Works Committees have been languishing for want of definition of their specific functions, an illustrative list of functions (Appendix VII) of works committees was evolved by the Indian Labour Conference. Assuming that there can be a clash of functions between the trade union and works committee, can this list be the basis of demarcation/definition of works committee's functions?

REPLY:

In the illustrative list of items which works committees will normally deal with as concluded by the tripartite committee on works committees (17th Session - Indian Labour Conference 1959) canteens are included. The Factories Act also lays down that a canteen managing committee should be set up. There may be a clash between the works committee and canteen managing committee. It is also felt that the works committee can only deal with the subjects mentioned in appendix VII and make recommendations to the management but not administer any subject.

- 94 Suggest measures for improving the utility of the works committees with particular reference to their composition and functions.

REPLY:

There should be a general improvement in the levels of education of the workers. The attitude of the workers & management needs a change. The workers' representatives on the works committee should realize that they have not only their rights but duties & responsibilities also and educate the workers to be more reasonable in their demands/also be conscious

of their responsibility to the country
Similarly management should try to install
in the Works Committee members a certain
amount of confidence towards the management.

- 95 Have joint management councils & emergency production committees been successful in achieving the objective of better industrial relations and increasing production/productivity? Have they created a climate of mutual trust between employers and employees? (See appendix VIII for functions of Joint Management Councils)

R E P L Y:

We do not have a Joint Management Council
We had production committees much earlier
to the formation of emergency production
committees. These production committees
are functioning satisfactorily.

- 96 What effects do profit sharing and co-partnerships schemes have on relations between management and employees?

R E P L Y:

We feel that is not merely monetary
advantages that minimise grievances.
There are other factors such as social
security which bind the worker to his
organisation although profit sharing
also acts as an incentive.

We have no Joint Management Council in
our establishment. We have no comments
except that we have been given to under-
stand that Joint Management Councils have
not been successful in some places where
they have been tried.

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- 97 (a) Is it feasible to introduce a scheme of workers' participation in management by making the workers shareholders?
- (b) If it is considered feasible, what steps should be taken to facilitate the introduction of a such a scheme?
- (c) Does such shareholding give adequate voice to workers in running of the establishment?
- (d) Are there any other methods by which workers can participate in Management?

REPLY:

- (a), (b) & (c):

No. Even if the workers are made shareholders in the company they only have the rights which a shareholder has. This would not enable them to participate in actual management.

- (d) Workers should take over the management of canteens and co-operative societies involving monetary responsibilities and if these are successful we may consider extension of participation in other management functions.

CONCILIATION:

- 98 To what extent has the conciliation machinery given satisfaction to the parties to a dispute?

REPLY:

Although conciliation machinery tries its best to give satisfaction to the parties in a dispute, success of the attempts depends upon the approach to the problem and the circumstances.

Whenever there is an agreement between the parties on account of conciliation there will be some satisfaction.

99 Statistics of settlement of industrial disputes show that conciliation machinery has played a pivotal role in maintaining industrial peace. At the same time, many major disputes may not be amenable to settlement through conciliation machinery. Do you agree with this assessment of the functioning and utility of the machinery?

R E P L Y:

Yes. Conciliation machinery has its own utility in trying to widen the area of agreement between the parties. It sometimes also brings in a fresh point of view which might have escaped the parties involved in the dispute.

100 What changes in the organisation and staffing of the machinery and powers of conciliation officers would you advocate? Please indicate the specific changes/improvements which will make for a more expeditious and effective disposal of conciliation work?

R E P L Y:

We find that the conciliation machinery often faced with inadequacy of staff.

101 Should conciliators be named arbitrators in disputes handled by their colleagues?

R E P L Y:

Conciliators should not be named as arbitrators in disputes handled by their colleagues, because their position as independent & objective agents of mediation will be lost if they act as arbitrators. It should be left to the parties to agree to a particular arbitrator.

ADJUDICATION:

102 What are the criteria for assessing the suitability or otherwise of the present system of adjudication? Do you think the system has played an important role in maintaining industrial peace? Should the system be retained?

R E P L Y:

The criteria for assessing the suitability or otherwise of the present system of adjudication are (i) the number of awards that have been implemented by the concerned parties (ii) the amount of time taken by the adjudication machinery to give awards and (iii) the amount of money spent by all the parties to the dispute and the concerned Government.

In our opinion it has played an important role in maintaining industrial peace and the system should be retained; however, adequate & immediate steps should be taken to decide issues expeditiously.

103 In case adjudication machinery is to be retained, what powers should it have in industrial disputes relating to discharge & dismissals?

REPLY:

Adjudication machinery should ensure that there has been no malafide in discharge/dismissals. The adjudication machinery should not be considered as an appellate authority for discharge/dismissals.

104 Are the existing arrangements for reference of disputes to adjudication satisfactory? If not, how can the arrangements be improved?

REPLY:

Yes, they are satisfactory.

105 Should the authority for appointment of industrial tribunals be vested in the Labour Departments? If not, where should it lie?

R E P L Y:

We have no ~~any~~ comments.

106 There is a section of opinion that the existing procedures and practices involving different stages like conciliation, adjudication, etc., in settlement of disputes take an unduly long time. What measures would you advocate for expeditious settlement of disputes?

R E P L Y:

Yes. We agree. The process and procedure for adjudication should be simplified to make it quicker.

107 Do you think the revival of the Labour Appellate Tribunal would help in the expeditious settlement of disputes?

R E P L Y:

No. The revival of the Labour Appellate Tribunal would only act as another stage for appeals and delay the settlement of disputes.

108 How should the cost of adjudication to the parties be reduced?

R E P L Y:

By making procedures much simpler and by appointing more tribunals, so that the disputes are expeditiously settled. At present the tribunals and Labour Courts are practically following the same procedure as in Civil Courts, in respect of submission of documents, evidence and arguments.

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- 109 What measures should be taken to ensure full & speedy implementation of tribunal awards & agreements?

R E P L Y:

The Governmental Stage machinery should be strengthened and given enough power to take actions against the defaulting parties.

CODE OF DISCIPLINE:

- 110 Has the Code of Discipline served its purpose?

R E P L Y:

The Code of discipline has not fully achieved its purpose, because, whenever the parties feel that it is not advantageous to them they would not hesitate to break the provision of the code of discipline.

- 111 Which provisions, if any, of the Code of Discipline should be given a legal shape? (See also Q 57):

R E P L Y:

We do not think it desirable to give the code of discipline a legal shape as it then deprives it of its flexibility and voluntary nature.

VOLUNTARY ARBITRATION:

- 112 What is the role of voluntary arbitration in the achievement of good industrial relations, in what way can the Central Organisations of employers and workers promote voluntary arbitration? Should a provision for voluntary arbitration be incorporated in all collective agreements?

R E P L Y:

Voluntary arbitration under the present circumstances in our country has restricted

use in achieving good industrial relations. This is so because of the attraction of compulsory adjudication and lack of experienced and objective ^{men} /who can constitute the right type of arbitration machinery.

The central organisations of employers & ~~employ~~ workers can promote voluntary arbitration by building up institutes which can cater to this need. It can also provide information on successful arbitration cases to its members and advise the members on the prior conditions required for successful arbitration.

Yes, it should be left to the parties concerned.

113 Please indicate the areas of industrial disputes where voluntary arbitration could be preferred to adjudication?

REPLY:

Under the present circumstances trained, impartial independent arbitrators are not available. It may be difficult to prefer arbitration to adjudication.

114 Are you in favour of setting up standing arbitration boards? If so, indicate (a) their composition, (b) procedure for setting up of such boards and (c) subjects to be referred to them.

REPLY:

No. We are not in favour. We are in favour of independent organisation of trained and impartial arbitrators.

- 115 What professional group provides the best arbitrators? Civil Servants? Lawyers? Academics? Businessman? Trade Unionists? Technicians? Others?

R E P L Y:

Acadamecians and Lawyers with special aptitude and training for arbitration.

- 116 What should be the arrangements for meeting the expenses of arbitration?

R E P L Y:

The expenses of arbitration should be met in equal proportion by the parties involved.

STRIKES & LOCKOUTS:

- 117 Do you consider that the existing restrictions on workers' right to strike and the employers' right to declare a lockout need to be modified in any way? If so, please indicate these modifications together with reasons in support of these modifications.

R E P L Y:

We consider the existing restrictions as adequate except that a strike and lockout should be prohibited without notice even in non-public utility concerns. There should not be any strike without notice. No lock out should be declared without notice unless there is an illegal strike by the Union.

- 112 Do Union rules provide for a procedure to be gone through before giving a call for strike? If so, to what extent is this procedure observed in practice?

R E P L Y:

The rules of ITI Employees' Union provide that the Union should call for a strike

strike ballot before going on a strike.
The strike ballot should be conducted as
a secret ballot.

This procedure is generally being followed.
In practice however, we find that no secrecy
is maintained in polling and many times
strike ballots are conducted under mental
and physical duress.

119 If a strike is called/lockout is declared,
is prior notice always given to the other
party? In what cases, if any, no such
notice is given?

R E P L Y:

Under law prior notice for a strike/
lockout is not required in non-public
utility establishments and many times
strikes are resorted without any notice.

120 In how many cases within your knowledge
have workers been able to secure wages
for the ~~strike~~ period when the strike is
declared legal? Are there cases where
strike pay is given when the strike is
illegal?

R E P L Y:

We do not have any information.

121 In what ways do trade unions seek to
prevent victimisation of their members?
To what extent do they succeed?

R E P L Y:

To prevent victimisation the Union adopts
discussions with the employer, conciliation
and adjudication. It also takes recourse to
agitational methods.

On account of labour legislation like

Industrial Disputes Act, Union organisational strength, Government labour policy etc., employer will find it had to victimise its employees.

122 Are there instances of workers going on strike without sanction of the Union?

R E P L Y:

There will be many instances where workers have gone on strike without the sanction of the Union. There would also be many instances where workers would go on strike behind the scenes with the full knowledge and support of Union although officially Union will disclaim all knowledge of it.

In the ITI during December 1966, the ITI Employees' Union (which is the only Union in the establishment) gave a call for the employees to lift the strike and return to work but the workers did not pay any heed to the call of the union and continued the strike for about another week.

123 In what way in practice do trade unions and managements keep in touch with each other during a strike in order to facilitate a settlement? What is the role of (a) Government machinery in such cases? Should Government intervene in cases where a strike is (i) legal, (ii) illegal?

R E P L Y:

Trade Unions & Managements may keep in touch during the strike through correspondence and or through personal contacts and meetings.

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In the case of strikes normally the Stage Conciliation Machinery will immediately intervene and arrange conciliation meetings between the employers & the employces. Sometimes during the conciliation, the employer and employces agree to meet for discussion for a settlement. If no settlement is arrived at, the Governmental machinery may refer the dispute for adjudication. We are of the opinion that in the interest of production and good industrial relations, the State Government should intervene in all cases, of strikes, whether legal or illegal.

GENERAL

124 What has been the role of tripartite committees like the Indian Labour Conference, Standing Labour Committee, Industrial Committees, etc., in evolving through mutual discussions and agreements acceptable arrangements in the various fields of labour relations (see also Q 31):

R E P L Y:

Tripartite committees appear to have localised the various problems that are adversely affecting industrial relations. They have been able to evolve through mutual discussions and agreements some acceptable arrangements in various fields of labour relations, but they have not been successful, in inculcating amongst the members the spirit of these agreements and having these agreements implemented satisfactorily.

- 125 Are in favour of Central Government being made responsible for industrial relations in public sector undertakings under the Control of the Central Govt.?

REPLY:

No. Since the public sector undertakings are situated in various states and since labour is a concurrent subject it will be more effective if the State Government is made responsible for industrial relations. We feel for the purposes of labour relations the public sector undertakings should be treated on par with the private sector undertakings. Another advantage is that the entire labour machinery of the State Government is available on the spot which is not the case with the Central Government labour machinery.

- 126 How should public utilities be defined in the context of a planned economy? Should there be any special provisions for avoiding work stoppages in public utilities?

REPLY:

In a planned economy and under the present Indian conditions, work stoppages should be avoided in public as well as non-public utilities. We therefore feel that the same rules for work stoppages should be applicable to both the sectors.

- 127 What steps should be taken to minimise industrial conflicts in (a) the public sector, (b) the co-operative sector?

REPLY:

By formulating definite personnel policies.
By improving methods of communication so

that the policies are sufficiently known and properly interpreted to the workers. The channel of communication should in all the directions so that the grievances of the workers come to the knowledge of management and also find a redressal expeditiously.

2. By implementing the personnel policies formulated etc., efforts should be made on the part of the management to give due recognition to the union in settlement of the conflicts and demands.

128 For the purpose of labour-management relations, is there a case for treating the public/co-operative sector differently from the private sector?

R E P L Y:

~~It~~ NO. In our opinion public sector and private sectors should be treated in the same way.

129 Has the collective bargaining been possible in the small scale sector? To what extent does this sector make use of the industrial relations machinery?

R E P L Y:

We have no information.

W A G E S

Introductory:

130 How does the current availability of unskilled labour affect the level of wages?

Reply:

The wages of the unskilled labour are not fixed on the basis of demand and supply, but largely from economic pressures through collective bargaining, mutual negotiations etc.

131 What has been the relationship between wages in agriculture and other unorganised sectors and wages in industry?

Reply:

We have no definite information. However, we are of the opinion that wages in agriculture and other unorganised sectors are very much lagging behind the wages in the industrial sector. We are of the opinion that there is a disproportionate difference between industrial, agricultural and other unorganised sectors wages.

132 Should wages in agriculture and unorganised industries be allowed to influence wages in industry?

Reply:

Yes, we feel that at present there is a wide disparity between the wages of industrial labour, agricultural labour and unorganised sectors labour. This only goes to create a privileged class in future, if attempts are not made right now to check and bring about a balanced wage structure for all working class, irrespective of the trade and profession.

133 To what extent is the existing level of wages a result of the traditional mode of wage settlement, collective bargaining, awards, etc?

Reply:

In Industrial Sector, to a very large extent, the existing wage settlement is a result of collective bargaining, awards etc.

MINIMUM WAGE:

134 As set forth in the report of the Committee on Fair Wages, "The minimum wage must provide not merely for the bare sustenance of life, but for the preservation of the health and efficiency of the worker. For this purpose, the minimum wage must also provide for some measures of education, medical requirements and amenities." Should this concept of minimum wage be modified in any way?

Reply:

The concept of minimum wage does not require any modification, but the question whether we can under the existing circumstances attain this minimum goal in all sectors of labour is doubtful.

135 The 15th Session of the Indian Labour Conference accepted certain norms (Appendix IX) in regard to the size of the workers' family and minimum requirements of the family relating to food, clothing, housing and other items of expenditure. Attempts made by some wage fixing authorities to quantify this minimum wage have brought out the difficulties in implementing the formula. In what respects do the standards require reconsideration?

Reply:

Under the present circumstances, the standard kept for payment of minimum wage is not possible by all employers, as some may not have the capacity to pay.

136 If it is not feasible to provide the minimum wage referred to above to the working class, is it possible to suggest a phased programme for implementing the need-based minimum as recommended by the Indian Labour Conference?

Reply:

It is difficult to give a phased programme not knowing what would happen in future. However, we are of the opinion that the effective minimum wage will be automatically adjusted depending upon the economy.

137 The Committee on Fair Wages made its recommendations about minimum wage against the background of conditions in the industrial sector. Do these ideas require modification if they are to be relevant to non-industrial workers who predominate in the economy?

Reply:

We do not have information to make any comments.

138 If the idea of fixing a National Minimum Wage is to be accepted taking into account the replies to questions 134 to 137 above, how is it to be worked out in practice?

Reply:

We have no comments.

139 As between different regions in the country it is not only that prices of consumption goods vary, but the content of the minimum needs themselves can be different. How are these variations to be provided for in arriving at the National Minimum?

Reply:

We have no comments.

140 Would you favour any change in the definition of "minimum", 'fair', and "living" wage given by the committee on Fair Wages? What in your opinion could have been the concept of "living wage" referred to in the Constitution? (Appendix X):

Reply:

We do not consider that any change is required in the definition of "Minimum", "Fair" and "Living" wage.

DEARNESS ALLOWANCE:

- 141 Considering the need for protecting real wage, how should one provide for revision for wages/wage rates for changes in price level? Should this be by revision of the wage itself or by a provision of a separate component to absorb price changes?

Reply:

We would prefer price changes to be absorbed by a separate component i.e., dearness allowance as at present.

- 142 In view of the prevalence of several methods to provide or the payment of a separate allowance to meet changes in cost of living, is it feasible to apply any one system on a uniform basis? Which system would be most appropriate?

Reply:

In our opinion the system of payment of dearness allowance in cash would be the most suitable system to meet changes in the cost of living.

- 143 If a system in which dearness allowance adjusted to changes in cost of living is favoured:-
- (a) which index number viz., (i) All India, (ii) regional or (iii) local should be preferred?
 - (b) What should be the frequency at which revision should be made - monthly/quarterly/half-yearly, etc.
 - (c) What should be the extent of change in the index which should warrant such revision in dearness allowance - each point/slab of 10 points etc.? Give reasons.

Reply:

- (a) In our opinion in big industrialised cities the All India index number should be preferred.
- (b) The revisions should be not be too frequent and should also not be at a lengthy intervals. We would prefer quarterly periods.

(c) We would prefer a slab of 10 points

144 In determining the quantum of dearness allowance, what should be the principles governing the rate of neutralisation of price rise?

Reply:

The rate of neutralisation should not be 100% at any level. The maximum neutralisation could be 75% of price increase.

The neutralization should be maximum for lower paid employees and progressively less for higher paid employees. Some neutralization should be awarded to employees at all stages.

145 Considering that payment of a cost of living allowance is meant to ensure that real wage of employees is not eroded by price increases, should the capacity to pay of an industry/unit be a relevant consideration in fixing the rate of dearness allowance?

Reply:

We do not agree. There has to be some erosion in the real wages (see reply to Q.143) on account of price increases.

The capacity to pay of an industry is one of the most important element/relevant factor for consideration while fixing the Dearness Allowance.

If Dearness Allowance is fixed without considering the capacity of the industry, to pay, the industry has at one stage to be closed when the employees themselves would suffer and the economy of the country adversely affected. (It has already happened in many units).

146 In areas/activities where part of the wage is in kind, what adjustments should be made in fixing the quantum of dearness allowance?

Reply:

The cash value of such wage being paid in kind should be considered and adjusted while fixing the dearness allowance.

FRINGE BENEFITS:

147 How should fringe benefits be defined? What should be their scope and content? To what extent do such benefits affect production costs?

Reply:

Any benefit employees obtain by virtue of which they save expenditure on essential items like clothing, food, housing, transport, medical facilities, provision of creche etc., etc., should be considered as fringe benefits.

The entire expenditure on fringe benefits go to the cost of production and the cost of production increase proportionately.

148 How far can the fringe benefits be a substitute for higher money earnings?

Reply:

The saving accruing to^{an} employee from fringe benefits should be considered as cash earnings.

Wage Differentials:

149* Do the existing wage differentials in the plants within your knowledge appropriately reflect the considerations mentioned in the report of the Committee on Fair Wages, viz., degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue?

Reply:

Yes. In all the well established concerns, the wage differentials are fixed on a scientific job evaluation by industrial engineers, where degree of skill, training requirement, qualifications required, mental and manual effort required etc., are taken into consideration.

150 What has been the effect of the existing systems of dearness allowance on wage differentials? What steps would you suggest to rationalise present arrangements?

Reply:

The balance in the wage differentials on account of Dearness Allowance is effected to a certain extent as the percentage of neutralization on account of increase in cost of living. We feel this is inevitable under present situation.

Methods of Wage Fixation:

151 As between different methods of wage fixation obtaining at present, namely, statutory wage fixation, wage fixation through collective bargaining, fixation through wage boards, and wage fixation resulting from adjudication etc., which method or methods would be more suitable for adoption in future? If one or the other arrangement is needed for different sectors, indicate sector-wise the arrangement needed.

Reply:

We consider that the wages should be fixed by adjudication on a plant level. Statutory wage fixation should be only for the minimum wage. Adjudication for this purpose should not be oftener than every two years.

152 In collective bargaining for wage fixation, should the principal emphasis be laid on National agreements? If so, what adjustments should be made to meet local needs?

Reply:

If wages are fixed by adjudication, it will be on plant level.

153 Tripartite wage boards came in vogue because it was felt that an arrangement by which parties themselves can have a hand in shaping the wage structure in an industry could be more enduring than the one where an award is handed down by a third party. Has this expectation been fulfilled?

Reply:

The expectations have not been fulfilled due to:

(i) Inordinate delay in submitting reports and recommendations by the Wage Boards.

(ii) The recommendations in many cases are not unanimous. There is a wide area of disagreement between the representatives of the employers and employees with the result that the recommendations as accepted by the Government in a way become an award by a third party i.e., the Government.

- 154 (a) In what respects should the operation of wage boards be modified to improve their working?
- (b) Should wage board recommendations have legal sanctions?

Reply:

Wage boards cannot be expected to function expeditiously. There should be adjudication (see para 151) for fixing wages and the Presiding Officers of the courts should be drawn from an expert body at the national or regional level. The expert body should consist of ^{experience} persons of industry in the region.

WAGE POLICY:

- 155 (a) How could the criteria of fairness to labour, development of industry, capital formation, return to entrepreneur, etc., be taken into account in wage fixation?
- (b) It is said that in the balance between fair wages to workers, fair profits to entrepreneurs and fair returns to treasury, the consumers are often left behind. How far is this criticism valid? How best can the situation be remedied?

Reply:

(a) We do not have sufficient data or information to make comments. However, we feel that while fixing wage all these points should be considered as also the interest of the consumer, which ultimately affects every citizen.

(b) The criticism is very valid. As at present in India on account of shortage of practically all commodities, it is a sellers market and the consumers interest are not safeguarded by any party including the Government.

An atmosphere should be created for increasing production, when there is a balance in supply and demand; the prices will be automatically stabilized at reasonable level in the interest of all.

- 156 In the context of planned development the question of taking an integrated view of policy in regard to wages, incomes and prices is often emphasised. What should be the objective and scope of such a policy? Indicate the guidelines for such a policy in the light of the perspective for the growth of the economy. Changes in the existing institutional arrangements for implementation of such a policy may also be indicated.

Reply:

We do not have sufficient data available to make any comments.

157 Do you suggest a policy of " Wage freeze "?
If so, how can it be implemented under the
existing system? What are the implications
of this policy for other incomes?

Reply:

It is not possible to have wage freeze in
isolation. Income from other sources have
also to be controlled.

158 Is there a need for sectoral balance in wage
structure between the public and private
sectors? If there is how should it be
achieved?

Reply:

It is essential there should be a sectoral
balance in wage structure as well as in
other payments like the dearness allowance,
bonus etc., between the private sector and
public sector.

The balance can be achieved by constitution
of Wage Boards. The recommendations of the
Wage Board as accepted by the Government of
India will be applicable to private as well
as public sector.

Mode of Wage Payment:

159 What are the existing practices in regard to
payment of wages in kind? Would you suggest
its extension to units where it is not obtain-
ing at present?

Reply:

We have no system of payment of wages in kind
as such. We are not in favour of extending
the system of payment of wages in kind.

Payment of wage in kind will create adminis-
trative and other difficulties. It also
restricts the right of employee to spend
his earning as he likes. Provision of

Matter continued on

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fringe benefits like supply of heavily subsidized food in the canteens, supply of free uniforms etc., medical facilities, housing facilities, may be considered as payment of wages in kind. However, in our opinion, these facilities should not be extended.

160 To what extent is the method of paying unskilled workers on time scale of pay common? Would you favour its extension?

Reply:

As far as we know the method of payment to unskilled workers on time scale is widely prevalent. Subject to minimum pay based on time scale/schedule we would prefer payment based on productivity.

161 Do you favour the suggestion that the total wage packet should consist of three components namely, the basic wage, the other depending on price changes and the third which takes into account productivity changes? If so, how should this suggestion be made operative?

Reply:

Yes. We are of the opinion that a minimum basic wage can be fixed based on time scale. Extra payment should be linked only based on productivity. This suggestion can be implemented by the introduction of incentive schemes when feasible. The incentive scheme should suit the particular company.

GENERAL:

162 How far can the administration of the Minimum Wages Act, 1948 be considered to be satisfactory? Outline in detail the difficulties experienced in its implementation. Offer suggestions against each difficulty on how best it could be overcome? (See also Q.210)

Reply:

We have no information. The Act is being followed in Indian Telephone Industries Ltd., wherever applicable. 71

163 Is the scheme for payment of annual bonus embodied in the Payment of Bonus Act, 1965, satisfactory? If not, what are your suggestions. How does the latest decision of the Supreme Court affect the scheme of the Act?

Reply:

One of the unsatisfactory provisions is that a minimum of 4% bonus is payable whether an establishment is making profit or is a losing concern. Actually it is therefore not a bonus but a minimum increase of 4% in the earnings.

Number of disputes on bonus have increased and are likely to increase in the public sector undertakings on account of Section 20(1). The Section has led to different interpretations and innumerable arguments.

There is possibility of disputes on account of Section 32(vii)(a) of the Act which leads to different interpretation, of the bonus being paid by different establishments.

A formula has been given for calculation of available surplus based on which there can be disputes between the employer and employees.

In our opinion, the latest decision of the Supreme Court does not affect the main scheme of the Act.

164 What should be the place of bonus payments in the future system of remuneration?

Reply:

Any increase in remuneration in future system of bonus payment should only be linked to productivity. Otherwise, the increase in earnings by payment of bonus only leads to inflation and increase in prices.

VI INCENTIVE SCHEMES & PRODUCTIVITY

165 What steps should be taken to introduce a system of payment by results in industries/ activities where this system would be appropriate?

Reply:

It is not always feasible, except under conditions of tight production control, to introduce a scheme of payment by results. It has been found that production control becomes difficult if not inoperative when a scheme of payment by results is introduced as labour in order to earn incentive payment frequently proves unamenable to production and quality control.

In order to effect payment by results in particular Company, a suitable scheme should be introduced. Work study should precede introduction of a system of payment by results. A suitable scheme should be drawn up in consultation with the Employees' Union under condition of strict production control and quality control. An agreement between the Management and Union should be entered into, covering the broad principles of the scheme.

166 Please state your views on the following guiding principles for introduction of incentive schemes.

(a) Employees and workers should formulate a simple incentive system at the unit level and implement it on some agreed basis through collective bargaining. In every case, introduction of incentive schemes should be preceded by an agreement with trade unions?

(b) In evolving wage incentive schemes, it should be ensured that these do not lead to rate-cutting. The worker's normal wages should be protected where it is not possible for him for circumstances beyond his control to earn an incentive.

- (c) Individual or ⁷³ group incentives can be framed to cover both direct and indirect groups of workers.
- (d) An incentive scheme cannot be evolved without a work study, under-taken with the co-operation of workers. Nevertheless, it should always be open to employees and workers to evolve a scheme by agreement or any other acceptable basis.

Reply:

- (a),)
 (b))
 (c)) We agree with the views expressed.
 (d))

- (e) Efforts should be made to reduce time-rated categories to the minimum. This will ensure that all employees have an equal chance to increase their earnings with increase in productivity.

Reply:

We are of the opinion that a minimum wage should be guaranteed based on time rate. The incentive earnings should be in addition to their minimum basic wage which is time rated.

- (f) Wage incentives should generally provide extra earnings only after a mutually agreed level of efficiency has been achieved.
- (g) To ensure quality of production, incentive payments should be generally allowed only if the output has been approved on inspection by the Management.
- (h) Incentive earnings should not fluctuate very much. This requires a certain degree of planning so that material delays, machine-breakdowns etc., are controlled.

Reply:

- (f))
 (g)) We agree with the views expressed.
 (h))

- (i) The scheme should itself safeguard adequately the interests of the worker if he is forced to remain idle due to circumstances entirely beyond his control such as non-supply of raw materials, machine breakdowns etc.

Reply:

As long as the minimum wage is guaranteed no other safe guard is necessary.

- (j) Apart from financial incentives, non-financial incentives like better security of employment, job satisfaction, job status etc., have also a place in increasing productivity.

Reply:

We agree with the view expressed.

- 167 What should be the respective roles of labour, management and Government in raising productivity?

Reply:

Productivity is increased by Methods Improvement and improvement in labour efficiency.

Labour should try to understand the productivity techniques and co-operate in the implementation of methods improvement & improved tooling and automatic. They should co-operate in increasing productivity through higher labour efficiency. Management should educate all employees on productivity techniques and clear mis-understandings, if any, and provide all assistance necessary to increase productivity. Management should be progressive in outlook in introducing new techniques originated either by labour or by technological developments. They should help in creating good understanding between middle management and labour. Government should help create industrial peace, educate the public to make them productivity conscious and help in raising national wealth and standards of living.

- 168 How should the gains of productivity be measured? Can they be allocated to different factors of production? How should the gains be shared?

Reply:

Gains of productivity could be measured as ratio of output to input. The raise in productivity

is the result of better utilisation of all the factors of production like men, machine and equipments, materials and money.

Gains should be shared by Management through increased profits, labour through higher incentive earnings and the public through cheaper and good services.

- 169 Have increases in productivity matched with wage increases in the years since Independence? Please give supporting statistics.

Reply:

We have no statistics. In many cases there have been wage increases even without increase in productivity.

- 170 Has any undertaking within your knowledge experimented, in recent years, with productivity techniques? How did the employees react to these experiments? Did this result in increasing workload? If so, how was this situation met.

Reply:

Application of productivity techniques is a continual process in ITI. The reaction of the employees have been favourable. The application of productivity techniques have not resulted in any increasing workload.

- 171 What place would you assign to suggestion schemes and institution of awards for outstanding work to improve productivity?

Reply:

The suggestion scheme helps in improving productivity. Firstly, it opens an additional channel of communication. Secondly, suggestions are useful as by the acceptance and implementation of the suggestion, the worker is monetarily rewarded.

When the suggestion is accepted and implemented, it will normally increase productivity or save money sometimes.

Awards for outstanding suggestions are also a method to increase productivity and boost up morale.

172 What are the factors contributing to labour turn-over and absenteeism? How do they affect improvement in productivity? (See also Q183).

Reply:

The factors which contribute to labour turn-over and absenteeism are:

- 1) Workers who come from the rural area have a tendency to get back to their place, to their traditional family profession or to fulfil other social obligations.
- 2) A few may quit jobs because of better prospects.
- 3) Absenteeism may be attributed to lack of productivity consciousness, improper or total absence of induction programmes in establishments.
- 4) It may also be due to a low level of aspiration among the workers, i.e., they do not aspire to raise the standard of living or they have a tendency of complacency in them.

173 What is the place of motivation of worker for improving his standard of living in the successful working of incentive schemes?

Reply:

Motivation both to fulfil the biological and social needs and for improving his standard of living takes the highest place.

- 174 What is the effect of (a) 'go-slow' (b) 'Work to rule' and (c) "Unions' ban on overtime" on creating a climate for improving productivity?

Reply:

These things have a bad and adverse effect in maintaining and improving productivity.

- 175 What is the role of rationalisation in improved productivity? The 15th Session of Indian Labour Conference had made some recommendations (Appendix XI) for regulating the process of rationalisation. Have these recommendations helped rationalisation? Do these recommendations still provide a useful framework for the purpose? If not, what changes would you suggest?

Reply:

In the interest of improving productivity rationalisation is necessary. The recommendations made by the 15th Session of Indian Labour Conference are reasonable.

- 176 (a) What should be the place of "automation" in the perspective of development?

Reply:

Automation is a very important factor in raising productivity and for development of the country. Automation leads not only to increased productivity but also to increased employment.

- (b) How would automation affect labour-management relations?

Reply:

Automation is generally introduced under conditions of increasing production. Employment opportunities in various spheres such as material management, Production Control, Purchase, promotion to higher supervisory cadres in the factory, marketing and sales etc., therefore arise. Some categories of labour particularly may be rendered surplus, but because of +

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total increase in the Company's activities, it should not be difficult to find employment for them. Automation except in the case of continuous process industries can only be introduced gradually and labour should not be affected by proper planning to avoid retrenchment.

(c) Should there be a special machinery to study the problem?

Reply:

It is advisable to create a study group on a national level to study the problems.

177 How far has the National Productivity Council been effective in generating enthusiasm among employers and workers in increasing productivity?

Reply:

We do not find any perceptible effects.

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- 178 (a) What effect do the social security schemes have on stability of employment and on industrial relations?

Reply:

Social Security scheme have got a good effect on both stability of employment and to some extent on industrial relations.

- (b) Have some of the benefits, based as they are on a qualifying period for entitlement, led to larger labour turnover? If so, what should be the remedial measures?

Reply:

No.

- 179 The ~~convention~~ convention of Minimum Standards of Social Security adopted by the International Labour Organisation refers to the following branches of social security, namely, medical care, sickness benefit, unemployment benefit, old age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivor's benefit?

- (a) To what extent is each one of the above benefits available at present?

Reply:

Medical care and sickness benefits are to a certain extent available under the Employees' State Insurance Scheme. Unemployment benefits are not available except for lay off periods under the Industrial Disputes Act. Old age benefit is available in the form of provident fund, gratuity and pensions. Employment injury benefit is available under the Workmen Compensation Act. Family benefit is not available. Maternity benefit and survivors benefit in the form of Death Relief Fund is available.

- (b) What is the cost of existing social security schemes in relation to the total cost of production? How has it varied over the last 15 years?

Reply:

The figure is not readily available.

- (c) Are the scope and coverage of each one of the benefits mentioned above adequate?

Reply:

The Scope and Coverage of these benefits are continuously under the examination of Govt. and are being extended, whenever possible in a reasonable way. We therefore feel that the present coverage and scope are adequate.

- (d) What should be the priority for enlarging the scope and coverage of the various existing benefits?

Reply:

See our reply to (c) above.

- (e) How should the programme for introduction of the benefits not currently available be phased?

Reply:

It depends upon the economic condition, industrial development etc., etc. No fixed programme can be laid down for such introduction.

- 180 The benefits referred to in question No.179 are generally available only to persons who are in wage-paid employment; there will still be large numbers of persons like traders, artisans and small shopkeepers who are self-employed and who will remain uncovered by the scheme. What advance steps should be taken to bring these groups within organised social security schemes?

Reply:

We have no comments.

- 181 The E.S.I.S. Review Committee has made a number of recommendations in its Report both for improving the administration of the ESIS and for introducing an integrated social security scheme. As regards the latter, it has recommended that planning should now proceed to evolve a comprehensive social security scheme covering in a

single enactment various risks of cessation of income or wage loss to which a wage earner is exposed. Towards this end it has specifically suggested:

- i) The Government should in consultation with the Indian Labour Conference set up an expert machinery to evolve a 'blue print' for a comprehensive scheme of social security which should also form a strong financial and administrative base for inclusion of benefits which are at present not available.
- ii) Action should be initiated forthwith to bring about an administrative merger of the ESI Scheme and the EPF Scheme. Steps should be taken to examine the problem in all its details and to accomplish this with the least delay.

What are your suggestions on the above recommendations?

Reply:

The suggestion that there should be a comprehensive scheme of social security forming a strong financial and administrative base will be highly welcome and would go to help the worker feel more secure.

The merging of ESI and EPF scheme will be more economical.

182 Should the provisions for exemption from the ESI scheme be tightened? How should this be achieved?

Reply:

Yes. This would help in providing a uniform facility to all industrial workers. The rules providing for exemption should be tightened and exemption should be agreed to only under very special circumstances.

183 In so far as the ESI Scheme is concerned, there is a view that absenteeism among workers in the factories covered by the scheme has tended to increase consequent upon the introduction

of the scheme. No concrete evidence has been forthcoming so far either in support of the above contention or against it. What is the experience in the industrial unit/units within your knowledge? What remedies would you suggest to minimise such absenteeism? (See also Q.172).

Reply:

We are of the opinion that except in the initial stages of the scheme, the rate of absenteeism has not been to any appreciable level affected by ESI Scheme. However there may be some cases of misuse of ESI facilities.

- 184 Should the administration of the medical benefits under the ESI Scheme remain the responsibility of State Governments? Or should the Corporation itself take it over? If State Governments are to continue administrative medical benefits, what should be done to ensure that a uniform standard of medical benefits is available to insured persons in all States?

Reply:

A corporation is preferable, so that the practice could be uniform in all the States and there is a speedy and efficient administration.

- 185 What should be the respective shares of contribution from employers, workers and Government in any scheme of social security?

Reply:

Major share of contribution should be from the employer and employees in equal proportions. Government may have a token contribution so that the employee also does not feel that the task to provide social security is only left to employer.

- 186 Should the Employees' Provident Fund Scheme be continued as at present or should steps be taken to convert into either a pension scheme or a provident fund-cum-pension scheme?

Reply:

We favour a Provident Fund-cum-Pension Scheme which will be more beneficial to a worker going a long way in creating the right concept of social security.

187 If it is to continue in the present form, would you suggest any change in the pattern of investments of the funds and in the rate of interest accruing to beneficiaries?

Reply:

We are at present investing in National Defence Certificates.

We consider this a satisfactory arrangement as other investments may be more risky and unfair advantage may be obtained by the employers.

188 Are any changes called for in the scheme to make the administration more satisfactory?

Reply:

Yes. The cases should be disposed of more expeditiously and to this effect an overhaul in the administration is necessary.

189 Should a part of the provident fund be set apart for giving insurance cover to the members of the EPF scheme?

Reply:

It need not be made a compulsory one. At present the employee may opt to give a portion of his provident fund collection towards the insurance premium. We feel this method is quite satisfactory.

190 What should be the place of gratuity payments in an overall social security programme?

Reply:

Gratuity payment is a good social security programme. We suggest that uniform rules may be made about the scheme wherever gratuity payment is prevalent.

- 191 Would you suggest any changes in the existing provisions relating to lay-off and retrenchment provided to employees against the hazards of job insecurity resulting from temporary employment and other fluctuations?

Reply:

We do not see that any changes are necessary over the present scheme.

- 192 Should the administration of some of the social security benefits be handed over to trade unions? What pre-conditions should trade unions satisfy for being eligible to take over such administration?

Reply:

It is too early to hand over any such scheme to the trade union, as the trade unions have still to organise themselves. The absence of minimum educational levels on the part of trade union representatives is an added handicap.

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- 193 To what extent should labour - management relations in a planned economy be governed by legislation/collective bargaining? (See also Q.85 & 90).

Reply:

In most matters collective bargaining should continue to be applied. In the matter of fixation of wages adjudication appears to be the only satisfactory procedure (please see paras 151 and 153).

- 194 What have been the factors that have affected the proper and effective implementation of the various labour laws? (Appendix XII). Have these laws achieved the purpose/objectives for which they were enacted? If not, what factors have hindered the achievement of these objectives? (See also Q.12).

Reply:

We are of the opinion that by and large the labour laws have achieved the purpose and objectives for which they are enacted.

- 195 (a) How have the existing legislation and other provisions for protecting the interest of labour worked in practice?

Reply:

In practice the interest of labour are being over protected especially under the Industrial Disputes Act.

- (b) To what extent have the above provisions helped to implement the Directive Principles of State Policy on labour matters as embodied in the Constitution?

Reply:

We do not have enough information to make comments.

- (c) What changes or further improvements in the existing arrangements would you suggest for fuller realisation of the Directive Principles (Appendix XII)

keeping in view the present state of our economy and the country's development in the foreseeable future?

Reply:

We have no information to comment.

196 Are the present constitutional arrangements under which labour is a concurrent subject satisfactory, particularly from the point of view of the administration of labour laws? Are any modifications by way of centralisation/decentralisation of certain activities and functions necessary?

Reply:

The present arrangements are satisfactory.

197 What has been the influence, direct or indirect, of international labour conventions on the progress of labour legislation in India? To what extent has the Constitution helped or hindered such progress?

Reply:

The international labour convention has been a guide line in the progress of labour legislation in this country. In fact much of labour legislation in the country has drawn inspiration from the directives of International Labour Convention.

The Constitution has only helped its achievement.

198 On the basis of the principles evolved out of case law over a number of years, what are your suggestions for reviewing and amending labour legislation in this country?

Reply:

The present legislation is quite adequate. The employer should be placed in a position to maintain discipline in his establishment adequately. At present the processes of taking disciplinary action are so elaborate and cumbersome

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as in a court of law that discipline suffers to a large extent by default.

199 Has there been too much legislation in the field of labour? If so, what are the aspects in regard to which there is over-legislation?

Reply:

We feel that the present legislation in this field is quite adequate. The one effect it has left on the minds of the workers is that they have become so conscious of labour and industrial law that they tend to look to it for solutions to all conflicts. This has in a way led to an increase in litigations and sometimes unnecessary recourse to law courts.

200 Is there need for consolidation and codification of existing labour laws? Please suggest the lines on which codification should be undertaken.

Reply:

Yes, there is a need for consolidation and codification of the existing labour laws. It will be handy for guidance both for employer and employee.

201 Since 1958 the general emphasis in labour policy has been on voluntary approach in preference to legislation. This has resulted in fashioning tripartite instruments like the code of discipline, industrial truce resolution etc.? Has this policy been successful? Should it be continued?

Reply:

Yes, The policy might not have been cent percent successful, but should be continued in the interest of industrial relations.

202 Please comment on the suitability of (i) labour legislation so far enacted and (ii) voluntary arrangements so far built up.

Reply:

We feel that the existing labour legislation is adequate. However, ^{under} the Industrial Disputes Act, a dispute should be recognised as an industrial dispute only if it is supported by a majority recognized union and the individual should not be empowered to take up his case in conciliation himself.

203 What is the extent of enforcement of labour legislation in public sector? Are exemptions from the applicability of certain provisions of labour laws more common in the public sector? What is the rationale for claiming such exemptions?

Reply:

There are no exemptions. Both private and public sectors are treated alike as far as the enforcement of labour legislation is concerned.

204 Are there instances of political or other rights which are normally available to an individual being denied to employees in the public sector and their dependants? How are such denials justified?

Reply:

In some public sector undertakings an employee is not allowed without prior permission of the Company to stand and contest for election to public bodies like Panchayats, Municipal Corporations, Legislative Assemblies and Parliament etc., and in many such cases such permission may be refused.

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IX RURAL AND UNORGANISED LABOUR

205 Rural labour faces two inter-related problems which demand urgent solution: one is social, centering round its low social status in the rural hierarchy and the handicaps resulting therefrom, and the other is economic, resulting from chronic lack of sufficient employment opportunities. What is your assessment of the effectiveness of the remedial steps taken by Government?

Reply:

We have no adequate information. We have no comments.

206 It is suggested that in countries with vast rural under-employment, special emphasis should be placed on a broad-based programme for the promotion of productive employment in rural areas by a combination of technical and institutional measures, relying to the extent possible on the efforts of the people concerned and based on adequate study of the nature, prevalence and regional distribution of rural under-employment. How should such a broad-based programme be framed for implementation?

Reply:

Firstly, the efforts should be made to bring about literacy and social education among the rural population. If this is brought to a satisfactory level, rural labour may be awakened to their share of responsibilities.

207 With a view to creating incentives and social conditions favourable to fuller and fruitful utilisation of local manpower in rural areas, the International Labour Organisation suggested the following action programmes:

- (a) Local capital-construction projects, more particularly, projects making for a quick increase in agricultural production namely, small and medium irrigation and drainage works, storage facilities and feeder roads;
- (b) Land development and settlement;
- (c) Labour intensive methods of cultivation and animal husbandry;

- (d) Development of other productive activities, such as, forestry and fishing;
- (e) Promotion of social services, such as education, housing and health services;
- (f) Development of viable small scale industries such as, local processing of agricultural products and manufacture of simple consumer's and producer's goods needed by rural people;
- (g) Special efforts to develop rural manufacturing activities that are ancilliary and complementary to large-scale urban industry etc.

Which of these suggestions are feasible in the Indian context?

Reply:

Each one suggested from (a) to (g) are feasible provided there is a social awakening with the minimum literacy among the rural population.

- 208 (a) There is a considerable body of workers, largely unorganised and employed in small industries in rural/urban areas, not covered by the protective provisions of the present labour legislation. How should such protection as is desirable be reached to them?

Reply:

We have no information.

- (b) Specifically, considering the nature of their employment, the size and location of the units/industries in which they are engaged, please suggest practical methods by which their position can be improved in regard to their employment, wages and working conditions.

Reply:

It requires the setting up of a special committee which could examine by actually visiting the spots, such aspects as employment, wages and working conditions. This should also be brought under the purview of the State Government machinery for labour.

209 What steps should be taken towards progressive reduction of contract labour? How should contract labour be brought effectively within the scope of State action? (See also Q.16)

Reply:

We have no information with regard to the contract labour in rural areas.

210 To what extent are the difficulties in the implementation of Minimum Wages Act, 1948, in rural areas real? How could they be overcome? (See also Q. 162)

Reply:

We have no information.

211 Do you favour a separate agency for the effective implementation of the Minimum Wages Act, 1948, for agricultural labour? Or should it be merged with local village or the block development staff?

Reply:

We have no comments.

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X LABOUR RESEARCH AND INFORMATION

212 Most of labour statistics are a by-product of labour legislation. They suffer, therefore, inter alia from the limitation arising out of lack of uniformity in the concepts, coverage and frequency of collection. The time-lag in their publication, non-response from primary units, inaccuracy of returns, changes in industrial classification are further difficulties in making labour statistics more useful. What steps should be taken to remedy the situation? Is the implementation of the Collection of Statistics Act, 1953 the answer?

Reply:

The Collection of Statistics Act, 1953 becomes an administrative routine rather than giving a correct picture of the situation. An independent, autonomous body like a corporation for labour statistics and research may do better.

213 There is a feeling that the practice of entrusting the administration of labour laws to different officials, the statutory requirements of maintenance of different registers and sending of different filled-in returns under these Acts, result in a good deal of unproductive work and unnecessary duplication. If this feeling has a basis, what steps should be taken to improve the situation?

Reply:

A thorough examination is necessary to detect any duplication of effort. The forms devised for various returns may also require redevising.

214 Does the All-India Consumer Price Index Number currently compiled reflect adequately price changes affecting urban working class? Should consumer price index numbers be compiled for every region of the country for the purpose of wage fixation? What principles should be followed in compiling the "All-India" and regional indices?

Reply:

The prices in the market will be higher than the figures taken into consideration for calculating indices.

We are of the opinion that prices should be taken on a regional basis.

215 Data presently collected and compiled in respect of work-stoppages (strikes & lockouts) mostly consist of: (a) number of work-stoppages, (b) number of workers involved, (c) number of man days lost, (d) total wages lost in rupees, and (e) total production lost in rupees. Are they adequate for measuring industrial unrest in the country? If not, what other aspects of industrial unrest require quantification?

Reply:

Besides collecting the enumerated items, attention may also be paid to the mode of settlement employed to remove a particular work stoppage and the level of satisfaction achieved on the part of the workers as a result of such settlement. The result of satisfaction cannot be presented in quantification, but there can be an opinion index to denote it.

216 At present statistical data are collected only in respect of work stoppages arising out of industrial disputes. Is it necessary to collect similar information on work-stoppages due to reasons other than industrial disputes?

Reply:

Yes. We feel that it is necessary to survey other aspects such as work stoppage besides industrial disputes.

217 The current emphasis in the collection of labour statistics is on data which will help in understanding the economic aspects of workers' life. Social & sociological aspects have been comparatively neglected. What are your suggestions for filling up the gap? For better comprehension of labour problems which particular aspect of these statistics would you emphasise?

Reply:

Social and sociological aspects play a vital role in giving a better picture of economic

aspects of workers' life. An equal weightage should be given to the socio-economic and psycho social aspects of the worker. This presents a better and comprehensive picture.

218 Statistical data (employment, unemployment, consumption expenditure, etc.) are being collected in respect of rural population annually by the National Sample Survey. Would it be feasible to make these data available separately for rural labour for each state/region? What other statistics would be required for framing an operational programme?

Reply:

We have no comments.

219 Are the present arrangements for research and studies in the field of labour adequate to meet the requirements of policy-making in labour and economic matters?

Reply:

We have no information. We have no comments.

220 What are your suggestions for improving the quality of labour research?

Reply:

We have no information. We have no comments.

221 What is the present state of labour research undertaken by employers'/workers' organisations?

Reply:

We have no information. We have no comments.

222 How should the trade unions be encouraged to strengthen their research activities?

Reply:

We have no information and no comments.

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Reply:

We have no information and no comments.

223 How should labour research be promoted in universities and research organisations?

Reply:

A separate department like Labour Research Department may be set up and post graduate courses may be opened in these fields with stipends to attract students with correct aptitude to undertake courses and research.

224 Are the present arrangements for associating the research personnel outside Government for a deeper analysis of data available with Central and State Governments adequate? What steps should be taken to strengthen this association? Should co-ordination of research work done by different agencies be achieved?

Reply:

We have no information and we have no comments.

225 What is the extent to which the existing information on labour matters is being put to use? Who are the main users? Give a critical assesment of the utility of the existing information.

Reply:

There is not much to commend on the existing information being put to use. Employers who are the main users of such researches in making policies etc., should have a direct liasion with labour research agencies by having a special cell in their own establishment in this field.

226 Are the existing arrangements for publicising the res-earch activities of the various agencies adequate? What has been the role of the press in such publicity? What improvements, if any, would you suggest?

Reply:

Special periodicals and journals should be brought out on labour research data.

Books on labour research giving Indian data should be offered at a cheaper cost. Press may also take some part in this direction.

227 How do trade unions/employers' organisations inform the public of their activities? To what extent do they succeed? (See also Q.31)

Reply:

Trade Unions resorting to strikes, demonstrations, processions, audio-visual methods, gherao give wide publicity to such activities in the press. The employers also use the press as their media to communicate to the public.

228 It is often said that while industrial conflict gets more than its due share of publicity, industrial harmony does not. Do you agree with this view? What are the reasons for this?

Reply:

Yes. Efforts should be made to give equal publicity to solutions achieved in the industrial area. Research cells opened for such purpose may bring about periodicals giving details about the conflict as well the solutions and harmony achieved.

229 What role has the press played in educating the public on labour matters and with what results? Would you suggest any improvement? If so, how should this be brought about?

Reply:

Press has not yet played a significant role in educating public on labour matters. Press publishes news about labour unrest without giving the background and details and it does not necessarily follow up with the solutions and harmonies achieved.

If this is done, press will have played a vital role in educating public and labour.

230 What role has the press played in shaping decisions on industrial disputes? Has it helped or hindered the promotion of just and good industrial relations?

Reply:

Comments in the press are largely influenced by its policies and political leanings.

These are seldom impartial, but by and large we do not think that decisions on industrial disputes are influenced by the press.

Biased comments in the press can do harm to industrial relations. If the press adopts a constructive attitude it can play a useful role in educating the public and promoting better industrial relations.

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PROMOTION PROCEDURE FOLLOWED IN THE INDIAN TELEPHONE INDUSTRIES LTD.

Generally, all promotions are based on seniority cum fitness. and when posts are created and are required to be filled up by promotion, the recommendations of the Head of the Department are rutinised by the Departmental Promotion Committees. There are three Departmental Promotion Committees as below:

- (a) Departmental Promotion Committee I
- (b) Departmental Promotion Committee II
- (c) Departmental Promotion Committee III

1) Departmental Promotion Committee I consists of General Manager, Joint General Manager, Financial & Accounting Manager. They can co-opt members to the committee. Normally, Chief Engineer, Transmission, Works Manager, Transmission, Works Manager, MAK are co-opted to the committee. This committee recommends filling up of all posts in the grade Rs.350-25-600 and above. The approving authority for the above will be Managing Director in respect of posts in the scale of Rupees 300-600, 500-900 and 700-1250. In respect of others, the recommendations of the Departmental promotion committee I, after approval by the Managing Director, will be put up to the Board for approval.

2) Departmental Promotion Committee II consists of Works Manager, MAK, Works Manager, Transmission, Assistant Works Manager (General), Personnel Manager and Administrative Officer. The Committee can co-opt as many members as are required for filling up the posts. This committee recommends filling up of all posts in the grade Rs.195-15-375 and Rs.240-18-420-20-440. The recommendations of the Departmental Promotion Committee II are approved by the Management Officer (General Manager, Joint General Manager or Financial & Accounting Manager).

3) Departmental Promotion Committee III consists of the following Officers.

- i) Heads of the Department or his nominee not below the rank of Deputy Engineer i.e., Scale Rs.500-900.
- ii) Personnel Manager
- iii) Administrative Officer

The recommendations of the Departmental Promotion Committee III are approved by the Management Officers (General Manager, Joint General Manager or Financial & Accounting Manager).

A minimum of two years service in one grade is generally necessary to get promoted to the next higher grade. In exceptional cases, however the minimum period may be relaxed at the discretion of the Departmental Promotion Committee/Management.

In the shops, posts will ordinarily be filled up by employees who are in the line i.e., who are doing the particular job or trade in which the higher posts exist irrespective of the seniority position of other people in the same category in the shop.

Promotions are subject to satisfactory records.

Employees in the Stores/Shipping and Inward Goods Departments can have promotions only in that department.

All employees in the clerical categories working in all departments other than Accounts Department are eligible for promotion to higher categories in any department other than Accounts Department.

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7. Employees in the Accounts Department are eligible for promotion to higher categories only in the Accounts Department except for Stenographers, Typists, Peons/Attenders and Daftaries.
8. Planner Grade 'C'/Shop Clerks working in the Production Departments of MAX Factory and Transmission can look forward for promotion only in the Planning side.
9. The effective date of promotion will be indicated by the authority competent to approve such promotions. The date indicated by such authority while approving promotions will be indicated in the promotion orders. The employees should be present on the date from which he is promoted. If the employee is not present on that day, the promotion will be effective from the date from which he is present subsequent to the above date. He will not lose seniority on this account.
10. If no suitable candidate is available to be promoted from among those eligible for promotion, then the post may be advertised and selection made. (First internal advertisement is issued). Internal candidates are also eligible to apply.
11. Promotions are also made on the basis of efficiency attained by the employees as per standards laid down irrespective of seniority position in the shops. (At present Relay Adjusters, Uniselector Adjusters, Switch Adjusters, are covered under this scheme).
12. All promotions will be made in officiating capacity in the first instance and confirmation in that post will ordinarily be after six months subject to satisfactory report from the Head of the Department in the new assignment and availability of permanent post.
13. In certain categories all the posts are filled up by promotion by selection from persons working the next lower category and in certain categories posts are filled up on 50-50 basis i.e. by promotion and open recruitment.

"TRUE COPY"

INDIAN TELEPHONE INDUSTRIES LTD.
Dooravaninagar, Bangalore - 16.

M/PRO

Dated: 23rd APRIL 1966.

PROCEDURE ORDER NO.247 - Issue No.2Sub: RECRUITMENT PROCEDURE.

The above Procedure Order dated 1st September 1961, is re-issued incorporating the latest amendments as approved by the Board of Directors.

1.1. SANCTION FOR CREATION OF POSTS:

A statement of anticipated personnel requirements of all Departments will be prepared in October each year for budgetary purposes. On approval of funds, the posts will be created on requisition by the various departments. The requisitions should contain full justification for creation of such posts.

1.2. AUTHORITIES COMPETENT TO CREATE POSTS:

The authorities competent to create posts are given below:-

Sl. No.	Description of Category	Scale of Pay Rs.	Authority competent to create posts:	
			Temporary for 6 months	Permanent.
1.	Officers Gr.I and above	1100-1400	Chairman, Board of Directors (Subject to Budget Provision)	Board of Directors
2.	Officers Gr.II	700-1250	Managing Director (Subject to Budget Provision)	_do_

NOTE: In any case where a post being created temporarily for a period of six months is to last for a longer period, the Managing Director should come up to the Board in the first instance itself before the post is created, unless the creation of the post cannot wait till Board's approval is obtained at least by circulation.

3.	Officers Gr.III	500-900		Managing Director
4.	Officers Gr.IV	350-600		_do_
5.	Category 1	240-440		_do_
6.	Category 2	195-375		_do_
7.	Category 3	160-310		_do_
8.	Category 4	130-210		_do_
9.	Category 5	100-160		_do_
10.	Category 6	85-135		_do_

Sl. No.	Description of Category	Scale of Pay Rs	Authority competent to create posts	
			Temporary for 6 months.	Permanent.
11.	Category 7	70-110		Managing Director
12.	Category 1(a)	160-310		-do-
13.	Category 2(a)	185-255		-do-
14.	Category 3(a)	150-210		-do-
15.	Category 4(a)	100-160		-do-
16.	Category 5(a)	95-145		-do-
17.	Category 6(a)	70 85-135		-do-
18.	Category 7(a)	70-110		-do-
<u>TRAINEES</u>				
19.	Apprentice 'B'	115/-pm plus DA 140/-pm plus DA		-do-
20.	Apprentice 'C'	85/-pm plus DA 95/-pm plus DA 110/-pm plus DA		-do-
21.	Learners	70/-pm plus DA		-do-

1.3. The Managing Director may sub-delegate powers to other Management Officers for creation of posts under Sl.No.5 to 21 mentioned above.

2. SOURCES OF RECRUITMENT.

The following are the sources of recruitment:

- (1) Advertisement
- (2) Employment Exchange
- (3) Direct applications
- (4) For recruitment in respect of Unskilled Labour, Watch & Ward Guard, Peon and Attender, etc., the following institutions will also be contacted:
 - (a) Ex-servicemen's Association, Bangalore,
 - (b) The Bangalore Soldiers, Sailors & Air-Men's Board, Bangalore.

3. RESERVATION OF POSTS:

12½% of posts proposed to be filled up in the Ministerial cadres will be reserved for candidates from recognised Scheduled Castes/Tribes. Such reservation for Ministerial/Clerical posts will be carried forward for two years.

4. PRINCIPLES GOVERNING RECRUITMENT:

Merit, efficiency and competence will be the only considerations governing recruitment.

5. REGISTRATION AND PRELIMINARY SELECTION:

5.1 All applications received in response to advertisement or otherwise will be sorted out and registered by the Personnel Department according to date of receipt of application.

5.2. The Personnel Department will call the required number of candidates for interview/test normally on the basis of six candidates for each post and according to seniority of applications in the waiting list unless otherwise decided by the Management.

6.1 SELECTION:

The selection of candidates will be made by the following methods:

STAFF SELECTION COMMITTEE.

The composition of Staff Selection Committees for selection of candidates for various posts will be as follows:-

<u>Sl. No.</u>	<u>Description of Category</u>	<u>Composition of Staff Selection Committee.</u>
1.	Officers Grade III and Above	Management officers presided over by the Managing Director
2.	Officers Grade IV and Category 1, 2 and Apprentices Grade 'B'	Two officers in Grade I and above presided over by a Management Officer.
3.	Category 3 to 5 and 1(a) to 4(a)	Three officers in Grade I or Grade II depending on the job.
4.	Category, 6,7 & 5(a) to 7(a)	Three officers in Grade IV or above.

The above Committee will have powers to co-opt any officer of the Indian Telephone Industries Ltd., or any outsider at their discretion to assist selection of candidates.

6.2. Appointment to the following posts by direct recruitment will be made by the Managing Director on the recommendations of the Staff Selection Committee. He may sub-delegate these powers to other Management Officers, except Sl.No.1 to 4.

<u>Sl. No.</u>	<u>Description of Category</u>	<u>Scale of pay</u> Rs.
1.	Officers Grade I	1100-1400 Temporary for 6 months.

S1. No.	Description of category	Scale of pay
2	Officers Grade II	Rs 700-1250
3	Officers Grade III	500-900
4	Officers Grade IV	350-600
5	Category 1	240-440
6	Category 2	195-375
7	Category 3	160-310
8	Category 4	130-210
9	Category 5	100-160
10	Category 1(a)	160-310
11	Category 2(a)	145-255
12	Category 3(a)	130-210
13	Category 4(a)	100-160
14	Apprentice 'B' grade	Rs.115 + DA I year Rs.140 + DA II Year
15	Learners	Rs.70 + DA

6.3 Appointment to Categories 5(a), 6(a), 7(a) and 6 & 7 will be made by an officer nominated by the Managing Director.

6.4 Appointment of officers in Grade I in the scale of Rs.1100-1400 and above will be made by the Board of Directors.

6.5 Selection will be made by examination and/or trade test; and/or interview. Appointments will be made by the competent authority in accordance with paras 6.2 to 6.4.

7 APPOINTMENTS:

7.1 Medical Test: Before appointment at the Indian Telephone Industries Ltd., a Medical Test will be carried out by the Company's Medical Officer at Bangalore and at outstations by other authorised Registered Medical Practitioners and appointments will be made subject to satisfactory medical report.

7.2 VERIFICATION REPORT:

Appointments will be subject to reports from the Police authorities regarding the character and antecedents of the prospective employees. Reports from referees given by the employees will also be called for.

7.3 CONDITIONS OF APPOINTMENT:

The following will be the conditions to be mentioned in the appointment orders:

- i) Starting pay and grade
- ii) All persons appointed will normally be on six months' probation during which period, their services will be liable for termination without assigning any reason.
- iii) They will be confirmed after probation subject to satisfactory report regarding work and conduct. The probationary period can be extended at the discretion of the Management.
- iv) Increments can only be granted for efficient and approved service as and when decided by the Management and ~~the~~ if the financial position of the Company makes increments possible.
- v) They will be liable to be transferred to any place in India or abroad.
- vi) They will be required to perform duties as may be allocated to them by the Management from time to time.
- vii) During the period of employment, they will be governed by the Rules, Regulations and Standing orders, of the Company in force which may be amended or altered or extended from/to time and their /time acceptance of the appointment order on the above conditions will imply their agreement to all such Rules and Regulations and Standing Orders.
- viii) They will be given staff Numbers in the Appointment order.
- ix) All Engineering Graduates and Medical Graduates shall, if so required by any Government Order be liable to serve in any defence service or post connected with the defence of India. The period specified for the time being shall not be less than four years including the period spent on training, if any; provided that such person
 - a) shall not be required to serve as aforesaid after the expiry of ten years from the date of appointment.
 - b) shall not ordinarily be required to serve as aforesaid after attaining the age of 40 years in the case of Engineering Graduates and 45 years in the case of Medical Graduates.

Sd. P.K. Verghese,
Joint General Manager,
INDIAN TELEPHONE INDUSTRIES LIMITED.

TRUE COPY.

CENTRAL SERICULTURAL RESEARCH AND TRAINING INSTITUTE
Central Silk Board
(Ministry of Commerce - Government of India)

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NATIONAL COMMISSION ON LABOUR
SECTION ONE

QUESTIONNAIRE

QUESTION:

1. Director, Central Sericultural Research and Training Institute, Mysore.
2. Central Silk Board, (Ministry of Commerce, Government of India), Bombay-2.
3. -----
4. Government Institute.
 - (a) Sericulture Research & Training.
 - (b)
 - (i) 114
 - (ii) 6
 - (c) Established by Mysore Government in 1948 and subsequently taken over by the Central Silk Board in April, 1961.

p.t.o.

saal

I RECRUITMENT AND INDUCTIONRecruitment

1. (a) Direct recruitment.
- (b) Present arrangements satisfactory.
2. No shortage at present is noticed.
3. Does not arise.
4. -do-
5. -do-
6. Advantages are could be engaged for temporary period and later disbanded when there is no work.
7. The provision for "Physically handicapped" may help in certain industrial concerns - Not in this institute.
8. There is no such discrimination within my knowledge.
9. Yes.
10. Permitted to attend evening classes. No study leave for labourers.
11. (a) At present labour in this institute are all of casual nature.
- (b) Yes. Up to the level of skilled labour.

Sd/-
 Assistant Director
 Central Sericultural Research
 & Training Institute,
 Mysore.

saa:

N.C.L.Ref.No. MR-III.29

CENTRAL SILK BOARD
 (Minis-try of Commerce-Govt. of India)

95-B, Marine Drive,
 Bombay-2. (BR).
 Dated: 21.9.67.

No. CSB/1/67/Coord

To

The Joint Director,
 National Commission on Labour,
 D-27, South Extension, Pt.-II,
New Delhi.

Sir,

Sub: National Commission on Labour-Questionnaire.

I am directed to refer to above questionnaire and to forward herewith a copy of replies to questionnaire pertaining to the Central Sericultural Research & Training Institute, Mysore. It will be seen therefrom that the Institute in Mysore is employing only agricultural labour of semi skilled and unskilled type required for mulberry cultivation and rearing of silkworm and most of the questions raised in the questionnaire are not of direct relevance.

2. We have a few more institutions of this type in Srinagar (Kashmir), Ranchi (Bihar) Coonoor (Madras) and Lakha (M.P.) replies from which are still awaited. It may however be added that the details in respect of them will be on lines furnished by above Institute at Mysore and will be sent as soon as received.

3. This has also reference to your telegram No. 16(8)/67-NCL(T-IV), dated the 20th September, 1967.

Yours faithfully,

Sd/- S.R. Ullal,
 Secretary.

- 1 -

CENTRAL SERICULTURAL RESEARCH AND TRAINING INSTITUTE
 Central Silk Board
 (Ministry of Commerce - Government of India)

NATIONAL COMMISSION ON LABOUR
 SECTION ONE

QUESTIONNAIRE

- | | |
|---|--|
| 1. Name and address of the respondent:
(Person/undertaking/organisation/state.). | Director, Central Sericultural Research and Training Institute, Mysore. |
| 2. The name of the Central Organisation of employers/workers to which you are affiliated. | Central Silk Board, (Ministry of Commerce, Govt. of India), Bombay-2. |
| 3. If union, please give the number of members. When was the union formed? | ---- |
| 4. If an undertaking/establishment, please give: | Government Institute. |
| (a) Commodity produced/nature of activity. | Sericulture Research and Training. |
| (b) Number of employees as on 1.1.67. | |
| (i) Workers | 114 |
| (ii) Others | 6 |
| (c) When was the undertaking established? | Established by Mysore Govt. in 1948 and subsequently taken over by the Central Silk Board in April 1961. |

I. RECRUITMENT AND INDUCTION

Recruitment:

- | | |
|---|------------------------------------|
| 1. (a) How is labour recruited at present in industrial establishments? Is recruitment effected through (i) contractors, (iii) advertisements (iv) Introduction by existing employees, (v) employment exchanges or (vi) any other method? | Direct recruitment. |
| (b) How far are the present recruitment arrangements satisfactory for different types of employees and different levels of skill? | Present arrangements satisfactory. |

Contd...2...

2. In what categories of employment is labour in short supply? What steps should be taken to minimise the effects of such shortages? No shortage at present is noticed.
3. Does lack of mobility affect supplies in different categories of labour? If so, what remedial measures would you suggest? Does not arise.
4. To what extent is industrial labour migratory in character? What problems does such labour pose in recruitment and retention? -do-
5. How do the existing statutory provisions in regard to employment of women affect recruitment of women labour? Consistent with international conventions on conditions of work for women, what modifications would be necessary in the existing provisions for promoting employment of women. -do-
6. What are the advantages and disadvantages of recruitment of casual labour? If employment of casual labour is a disadvantage, what steps should be taken to decasualise such labour? Advantages are- could be engaged for temporary period and later disbanded when there is no work.
7. In view of the present unemployment situation, what place should be given to the absorption of 'Physically handicapped' in recruitment policy? should there be a statutory provision for reserving a portion of the vacancies to Physically handicapped persons. The provision for "Physically handicapped" may help in certain industrial concerns-Not in this institute.
8. In establishments within your knowledge is there any discrimination in the matter of recruitment on grounds of caste, community, region, language, etc.,? Under what circumstances is such discrimination justified? There is no such discrimination within my knowledge.
9. Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought? Yes.

- 3 -

10. What steps should be taken to encourage an employee to avail of the facilities out-side the place of work for improving his skill? Is there any system of granting study leave to the employees in your establishment? If yes, please give details.
- Permitted to attend evening Classes
No study leave for labourers.
11. (a) What should be the outline of a rational promotion policy? What place would you assign in this policy to seniority, merit and trade test?
- At present labour in this institute are all of casual nature.
- (b) Should recruitment to positions at higher levels be made from among the existing employees only? If so, upto what level?
- Yes, Up to the level of skilled labour.

Sd/-
Director,
Central Sericultural Research
& Training Institute,
Mysore.

Jalahalli P.O. :: Bangalore-13

REPLIES TO QUESTIONNAIRE ISSUED BY
NATIONAL COMMISSION ON LABOUR.

SECTION ONE

1. Name and address of the respondent : BHARAT ELECTRONICS LIMITED,
: JALAHALLI P.O., BANGALORE-13.
2. The name of the Central Organization of employers/Workers to which you are affiliated : NIL
3. If union, please give the number of members. When was the union formed? : ..
4. If an undertaking/establishment please give:-
 - a) Commodity produced/nature of activity : Manufacture of Electronic Equipments and Electronic Components.
 - b) Number of employees as on 1.1.1967
 - i) Workers : 5,580
 - ii) Others : 429
 - c) When was the Undertaking established? : It is a Public Sector Undertaking under the administrative control of Ministry of Defence, Government of India. Bharat Electronics Limited was incorporated on 21st August 1954.

..

Recruitment:

Q. 1(a): HOW IS LABOUR RECRUITED AT PRESENT IN INDUSTRIAL ESTABLISHMENTS? IS RECRUITMENT EFFECTED THROUGH (I) JOBBERS, (II) CONTRACTORS, (III) ADVERTISEMENTS, (IV) INTRODUCTION BY EXISTING EMPLOYEES, (V) EMPLOYMENT EXCHANGES OR (VI) ANY OTHER METHOD?

(b) HOW FAR ARE THE PRESENT RECRUITMENT ARRANGEMENTS SATISFACTORY FOR DIFFERENT TYPES OF EMPLOYEES AND DIFFERENT LEVELS OF SKILL?

Ans.

Insofar as BEL is concerned, recruitment is effected through advertisements released to the Press on local/South India/All India basis. Vacancies are notified to the appropriate Employment Exchanges first and the candidates sponsored by the Employment Exchanges are interviewed and assessed along with others.

(b) All executive posts, technical and non-technical, in the scales of pay Rs. 350-600 and above are advertised on an All India basis. This ensures selection of the right type of personnel. Even among the non-executive posts in the scale Rs. 240-440 and below, the technical posts are advertised on an All India basis while the non-technical posts are on the regional basis. Only posts in the lower cadres like Semiskilled Helpers etc. are advertised in the local Press with a view to provide employment opportunities to the citizens living in the neighbourhood of the project which is in conformity with the policy of the Ministry of Industry, Government of India.

Standard selection committees are set up for recruitment to the different categories of posts and objective norms are laid down to ensure proper selection. Qualification, Trade Knowledge, experience, personality and such other relevant factors are given due consideration in the evaluation and assessment of a candidate. Appropriate trade tests/aptitude tests and/or interview form the nexus of selection.

In cases of recruitment to certain categories of posts through internal promotions, seniority-cum-merit is the basis of selection.

The above arrangements from experience have proved reasonably satisfactory for recruitment of the right type of personnel-technical/non-technical.

Q. 2: IN WHAT CATEGORIES OF EMPLOYMENT IS LABOUR IN SHORT SUPPLY? WHAT STEPS SHOULD BE TAKEN TO MINIMISE THE EFFECTS OF SUCH SHORTAGES?

Ans

By and large, availability of suitable and qualified technical personnel is always scarce and more so in the electronic field. The Company, however, takes following measures to meet the needs:

- (i) Promotional opportunities are indicated in the advertisement;
- (ii) Grant of advance increments are also considered to deserving cases at the time of interview and selection;
- (iii) Selection Committees visit the various Industrial Training Institutes and interview the candidates;
- (iv) Raw SSLCs are taken and provided with sufficient training in our Technical Training Centre in different trades to meet the requirements of the Factory.

Q. 3: DOES LACK OF MOBILITY AFFECT SUPPLIES IN DIFFERENT CATEGORIES OF LABOUR? IF SO, WHAT REMEDIAL MEASURES WOULD YOU SUGGEST?

Ans. No, it does not affect.

Q. 4: TO WHAT EXTENT IS INDUSTRIAL LABOUR MIGRATORY IN CHARACTER? WHAT PROBLEMS DOES SUCH LABOUR POSSE IN RECRUITMENT AND RETENTION?

Ans. This does not present a serious problem in our industry. The average annual turnover in our Industry is about 1.8%.

Q.5: HOW DO THE EXISTING STATUTORY PROVISIONS IN REGARD TO EMPLOYMENT OF WOMEN AFFECT RECRUITMENT OR WOMEN LABOUR? CONSISTENT WITH INTERNATIONAL CONVENTIONS ON CONDITIONS OF WORK FOR WOMEN, WHAT MODIFICATIONS WOULD BE NECESSARY IN THE EXISTING PROVISIONS FOR PROMOTING EMPLOYMENT OF WOMEN?

Ans. This is not a major problem for us. Recruitment of women labour is always smooth and there has been no violation of the existing statutory provisions.

Restrictions regarding hours of work under the Factories Act for women would come in the way of employing women in night shifts. Provision for creche and maternity benefit dislocate shifts. Restrictions on maternity benefit limiting it to three occasions during the service of an employee are recommended.

Q. 6: WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF RECRUITMENT OF CASUAL LABOUR? IF EMPLOYMENT OF CASUAL LABOUR IS A DISADVANTAGE, WHAT STEPS SHOULD BE TAKEN TO DECASUALISE SUCH LABOUR?

Ans. As far as we are concerned, recruitment of casual labour has a number of advantages as it can meet periodical spurts or casual workload. There could be no disadvantage if casual labour is employed on casual work only. They are not to be employed on permanent work.

Q. 7: IN VIEW OF THE PRESENT UNEMPLOYMENT SITUATION, WHAT PLACE SHOULD BE GIVEN TO THE ABSORPTION OF 'PHYSICALLY HANDICAPPED' IN RECRUITMENT POLICY? SHOULD THERE BE A STATUTORY PROVISION FOR RESERVING A PORTION OF THE VACANCIES TO PHYSICALLY HANDICAPPED PERSONS?

Ans. The problem of absorption of physically handicapped persons is now being tackled by an agency attached to Govt. Employment Exchange in the State. However, the employer should give sympathetic consideration at the time of appointment of physically handicapped persons taking into consideration the nature and extent of the handicap. In our opinion, there is no necessity for statutory provisions on the subject.

Q. 8: IN ESTABLISHMENTS WITHIN YOUR KNOWLEDGE, IS THERE ANY DISCRIMINATION IN THE MATTER OF RECRUITMENT ON GROUNDS OF CASTE, COMMUNITY, REGION, LANGUAGE, ETC.? UNDER WHAT CIRCUMSTANCES IS SUCH DISCRIMINATION JUSTIFIED?

Ans. No.

Induction:

Q. 9: ARE THE EXISTING PROGRAMMES FOR 'ON-THE-JOB' TRAINING OF WORKERS ADEQUATE? WHAT ARE THE DIRECTIONS IN WHICH IMPROVEMENT SHOULD BE SOUGHT?

Ans. The existing arrangement for 'on-the-job' training for our employees is satisfactory. The engineering degree holders who are taken as Probationary Engineers, are given 'on-the-job' training for a period of one year; the diploma holders taken as Technical Assistant Trainees are given general training for 2 years; the Craftsmanship Certificate holders of Government of India are trained for one year in different trades; artisan trainees (SSLC passed) are given two years training and non-craftsmanship certificate holders but with experience in the trade/are given 6 months in-plant training. Further improvements can be added towards the direction of career planning. Some more trades have to be opened.

Q. 10: WHAT STEPS SHOULD BE TAKEN TO ENCOURAGE AN EMPLOYEE TO AVAIL OF THE FACILITIES OUTSIDE THE PLACE OF WORK FOR IMPROVING HIS SKILL? IS THERE ANY SYSTEM OF GRANTING STUDY LEAVE TO THE EMPLOYEES IN YOUR ESTABLISHMENT? IF YES, PLEASE GIVE DETAILS.

Ans. Encouraging the employees to take higher training; deputing an employee for specialised training in India/abroad; sponsoring employees for advanced training programmes arranged by various organisations like the National Productivity Council, Colombo Plan, Asian Productivity Organisation etc; providing opportunities to employees to avail the benefit of Refresher courses, seminars etc. Organised by National Productivity Council, N.I.T.I.P., Indian Institute of Management etc.

Yes. Employees are granted study leave without pay/with half pay/with full pay as the case may be. In the case of employees sponsored by the Company for further training/studies, their absence is treated as leave with full pay. In cases where the initiative is taken by the employee, leave is granted on half pay.

The Company also provides study loans, repayable in easy instalments, provided the nature of the training/studies is found useful to the organisation and to the employee in discharging his work more efficiently. Suitable shift assignments are also done subject to no dislocation of work, to enable the employees to attend classes.

Q. 11(a): WHAT SHOULD BE THE OUTLINE OF A RATIONAL PROMOTION POLICY? WHAT PLACE WOULD YOU ASSIGN IN THIS POLICY TO SENIORITY, MERIT AND TRADE TEST?

(b) SHOULD RECRUITMENT TO POSITIONS AT HIGHER LEVELS BE MADE FROM AMONG THE EXISTING EMPLOYEES ONLY? IF SO, UPTO WHAT LEVEL?

Ans. (a) Our promotion policy based on 'merit-cum-seniority' subject to passing the trade test/interview is rational. Merit and trade test would no doubt rank higher than seniority in any recruitment policy.

(b)(1) The recruitment to posts at higher levels from among the existing employees would depend upon the nature of the industry as well as the background under which the recruitment policy of the Company came into being.

(2) If recruitment is made at 3-levels viz., certificate holders, diploma holders and graduates against the vacancies of a worker in the lower cadre, technical Assistant (Assistant Supervisor) and Assistant Engineer respectively, it would then be possible to fill higher levels from the existing employees by internal promotions. This is so in the case of indirect workers also wherein suitable minimum qualifications for each level should be laid down. Therefore, it becomes necessary at middle management level as well as higher level to recruit qualified personnel from outside the industry. However, in case of candidates of exceptional experience and compensating merit internal promotion could be adopted.

II. CONDITIONS OF WORK.

Working conditions:

Q. 12(a) CONDITIONS OF WORK IN FACTORIES, MINES AND PLANTATIONS ETC., ARE PRESENTLY REGULATED BY THE FACTORIES ACT, 1948, THE PLANTATIONS LABOUR ACT, 1951 AND THE MINES ACT, 1952 ETC. THE MAIN PROVISIONS OF SUCH ACTS INTER ALIA RELATE TO (i) SAFETY AND WELFARE, (ii) HOURS OF WORK, REST INTERVAL, WEEKLY OFF, ETC. (iii) EMPLOYMENT OF YOUNG PERSONS AND WOMEN, (iv) ANNUAL

LEAVE WITH WAGES, (v) OCCUPATIONAL DISEASES AND (vi) OVERTIME PAYMENT. WHAT CHANGES ARE NECESSARY IN THESE PROVISIONS? HOW SHOULD THE IMPLEMENTATION OF THESE ACTS BE IMPROVED (See also Q. 19).

(b) WHAT OTHER STEPS ARE NEEDED TO ENSURE PROPER WORKING CONDITIONS?

Ans. (a) The existing provisions appear to be satisfactory, and by and large, in conformity with I.L.O. Conventions. However, provisions regarding overtime payment are not very precise and specific. The definition of 'worker' which has a bearing on overtime payment is not precise and clear. Supervisory staff should not be included in the definition. Single wage for overtime payment may also reduce the incidence of overtime. It is also recommended that the annual leave for all employees could be given in one stretch (at least half of it) so that the factory could be closed at one time in a year for the purpose of annual maintenance and upkeep of the factory and also to give rest to workers. Provisions on annual leave could be modified to this extent.

(b) The implementing machinery of State Government under the Factories Act could exercise their jurisdiction effectively to ensure this.

Q. 13: IN THE MATTER OF NATIONAL AND FESTIVAL HOLIDAYS, WHAT IS THE EXTENT OF DIFFERENCE IN THE TOTAL NUMBER OF HOLIDAYS FROM REGION TO REGION? IS THIS DIFFERENCE JUSTIFIED? IF NOT, IS IT POSSIBLE TO BRING ABOUT UNIFORMITY IN THE TOTAL NUMBER OF HOLIDAYS IN DIFFERENT REGIONS?

Ans: The existing rules of the Company provide for 12 holidays in a year consisting of three National holidays and 9 festival holidays selected according to local custom and in consultation with the workers.

While the extent of differences from region to region is not known, there appears to be no uniformity in this behalf. Insofar as Mysore State is concerned, the statutory requirement is 2 National Holidays and 5 Festival holidays. In the absence of a Central Act in this regard, there is bound to be differences.

As far as National holidays are concerned, there should be uniformity to preserve its all-India character. The number of festival holidays may of course vary from region to region, subject, of course, to a minimum number being prescribed in this behalf.

Q. 14: WHAT CHANGES ARE NECESSARY IN THE EXISTING ARRANGEMENTS FOR REGULATING CONDITIONS OF WORK IN EMPLOYMENTS OTHER THAN IN FACTORIES, MINES AND PLANTATIONS?

Ans: Since we are governed by the Factories Act we have no comments.

Q. 15: WHAT, IN YOUR KNOWLEDGE, IS THE EXTENT OF PREVALENCE OF EMPLOYMENT OF CHILD LABOUR? IN WHAT INDUSTRIES/ACTIVITIES IS EMPLOYMENT OF CHILD LABOUR RELATIVELY HIGH? ARE YOU SATISFIED WITH THE EXISTING STATUTORY PROVISIONS ABOUT EMPLOYMENT OF CHILD LABOUR AND THEIR IMPLEMENTATION?

Ans: We do not employ child labour in BEL. We are satisfied with the existing statutes.

Q. 16: HOW HAVE THE EXISTING ARRANGEMENTS REGARDING REGULATION OF CONDITIONS OF WORK OF CONTRACT LABOUR AND LABOUR EMPLOYED BY CONTRACTORS WORKED? IN WHAT DIRECTIONS ARE IMPROVEMENTS NECESSARY? (See also Q. 209).

Ans: The existing arrangement of conditions of work of contract labour has not come to any adverse notice on either side and we don't feel any improvements are necessary at this stage.

Q. 17: WHAT ARE THE STATUTORY BENEFITS/PROVISIONS, IN THE IMPLEMENTATION OF WHICH TRADE UNIONS AND EMPLOYERS' ORGANISATIONS CAN JOINTLY PLAY A USEFUL ROLE? HOW SHOULD SUCH ARRANGEMENTS BE MADE EFFECTIVE AT THE PLANT LEVEL? SHOULD THERE BE ANY STANDING ARRANGEMENTS FOR THIS PURPOSE?

Ans: Under the existing procedure the statutory committees such as the Works Committee, Canteen Managing Committee, Provident Fund Committee etc. are working satisfactorily.

Safety and Health:

Q. 18: IS THE EXISTING RATE OF ACCIDENTS, HIGH IN ESTABLISHMENTS WITHIN YOUR KNOWLEDGE? WHAT HAVE BEEN MAIN CAUSES OF SUCH ACCIDENTS?

Ans: The existing rate of accidents are moderate. The main causes of such accidents are due to negligent and unsafe acts of employees and not due to lack of Safety measures in the Plant.

Q. 19: WHAT STEPS SHOULD BE TAKEN TO ESTABLISH TRAINING PROGRAMMES WITH SPECIAL EMPHASIS ON SAFETY FOR THE BENEFIT OF NEW ENTRANTS TO INDUSTRIAL ESTABLISHMENTS. ARE ANY REFRESHER COURSES NECESSARY FOR THOSE WHO ARE ALREADY IN EMPLOYMENT? HOW SHOULD SUCH COURSES BE ORGANISED?

Ans: Safety consciousness is a primary requirement for all working on machines. Induction courses on safety and other pe-riodical information regarding modern methods of industrial safety should be arranged through a safety agency employed by the Company with a planned safety programme. Seminars also could be arranged. We have a Safety Engineer employed by the Company. Safety should also be included in the curricula of engineering colleges, industrial training institutes and also under the Apprentices Act so that new entrants in industrial establishments will be safety conscious.

Q. 20: SAFETY STANDARDS IN SOME INDUSTRIES HAVE BEEN EVOLVED BY BIPARTITE AGREEMENTS. HOW HAVE THESE AGREEMENTS WORKED IN PRACTICE? HOW CAN THIS BIPARTITE APPROACH BE EXTENDED TO OTHER INDUSTRIES? HOW SHOULD THE AGREED ARRANGEMENTS BE MADE EFFECTIVE AT THE PLANT LEVEL?

Ans: We have no bipartite agreement. We have a bi-partite Safety Council. Decisions taken by the Council on any aspect of safety are implemented. Further, there is also a Works Committee where these matters are discussed. No further statutory provisions appear necessary.

Q. 21: IN VIEW OF THE ANTICIPATED GROWTH OF NEW INDUSTRIES LIKE MACHINE BUILDING, CHEMICALS, FERTILISERS, PETRO-CHEMICALS, ETC., REQUIRING STRICTER SAFETY STANDARDS, WHAT STEPS SHOULD BE TAKEN TO AROUSE SAFETY CONSCIOUSNESS AMONG WORKERS AND EMPLOYERS?

Ans: Partly answered in 19 and 20. Safety standards can be aroused among the workers and employers by (i) enforcing stricter safety rules, (ii) safety education, through refresher courses; display of safety notices and by giving wide publicity on safety.

Q. 22. AGAINST THE BACKGROUND OF EXPANDING INDUSTRY AND ADVANCING TECHNOLOGY INVOLVING A FASTER TEMPO OF PRODUCTION, HOW SHOULD PROVISIONS CONCERNING INDUSTRIAL SAFETY (APPENDIX I) IN THE FACTORIES ACT, 1948, THE MINES ACT, 1952 ETC. BE AMENDED?

Ans: As far as manufacturing process is concerned the existing statutory provisions are adequate. Whenever machines are purchased the manufacturer should be made responsible to suggest measures for safe handling of the machinery.

Q. 23(a) WHAT ARE THE DIFFICULTIES EXPERIENCED IN PROCURING SAFETY EQUIPMENT FOR INSTALLATION IN INDUSTRIAL ESTABLISHMENTS?

(b) IS THE SUPPLY OF SAFETY EQUIPMENT TO WORKERS FOR THEIR PERSONAL USE ADEQUATE. IS THERE ANY RELUCTANCE ON WHAT MEASURES WOULD YOU SUGGEST TO OVERCOME THIS RELUCTANCE?

Ans: (a) Standard of safety equipment is not always to the mark. ISI may lay down standards and industrial establishments should only buy safety equipments with ISI mark of quality.

(b) Supply of safety equipment to the worker is adequate. Yes, the workers are reluctant to use the personal protective equipment, like mask, goggles, gloves. This can be overcome through safety education, by enforcing safety rules strictly and by constant watch by the Safety Department to ensure use of these equipments.

Q. 24: WHAT SHOULD BE THE ELEMENTS OF AN 'INDUSTRIAL HEALTH SERVICE' FOR INTRODUCTION IN INDIA? HOW SHOULD THE INTRODUCTION OF SUCH A SERVICE BE PHASED?

Ans: The medical officer attending first aid centre of the plant under Factories Act may have a specialised course in industrial health and hygiene. Our Resident Chief Medical Officer is well qualified in this regard.

Q. 25: AS A COROLLARY TO THE ABOVE, DO THE PROVISIONS FOR WORKMEN'S COMPENSATION REQUIRE TO BE AMENDED? IF SO, IN WHAT MANNER?

Ans: The existing provisions to compensate the worker for employment injuries are adequate. Where a worker has ignored supervisor's instructions on safety, such an act could be considered as a misconduct and to this extent there should be statutory provision.

III TRADE UNIONS AND EMPLOYERS' ORGANISATIONS:

Federations of Employers' and Workers' Organisations:

Q. 26: WHAT ARE THE FACTORS WHICH HAVE INFLUENCED THE DEVELOPMENT AND ORGANISATIONAL PATTERN OF TRADE UNIONS/EMPLOYERS' ORGANISATIONS SINCE INDEPENDENCE?

Ans: (1) Awareness on the part of the leaders of the need for greater production to restore normal socio-economic conditions which were seriously disrupted by war and partition.

(2) During this period workers became more alive to the need for improving their socio-economic condition and realised that this could be effectively achieved through organised labour movement.

(3) There was also a change in the attitude of the employers who began to realise that the trade union movement had come to stay and that they had to deal with the union in the running of the industries smoothly and profitably.

(4) The directive principles and fundamental rights of the constitution, establishment of a socialistic pattern of society, various labour legislations and tripartite resolutions, the need to implement the recommendations of the Royal Commission on Labour, necessity to gear up the economic activities of the country - all these factors gave a great impetus to the development and growth of trade union movement in India since Independence. Political parties have also greatly influenced the organisation and pattern of the trade union movement. Corresponding to the development of trade union federations, employers' organisations have also tended to federate on all-India basis.

Q. 27: WHAT HAS BEEN THE EFFECT OF LEGISLATIVE PROVISIONS ON THE GROWTH OF TRADE UNIONS/EMPLOYERS' ORGANISATIONS? (See also Q. 58).

Ans: While the Indian Trade Union Act, Industrial Disputes Act, have helped the growth of trade union movement in India they have at the same time added to the already existing factionalism in the movement and encouraged multiplicity of trade unions. Instead of compounding differences and creating solid, healthy and responsible trade union it had given scope for splits and rivalry. Only one Union should be recognised in one industry.

Q. 28: DO YOU THINK THAT THE MODUS OPERANDI OF TRADE UNIONS/EMPLOYERS' ORGANISATIONS HAVE CHANGED DURING THE LAST DECADE? IF SO, WHAT ARE THE CHARACTERISTICS OF THIS CHANGE?

Ans: There has been conspicuous change in the modus operandi of both employers and employees in settling their grievances. It is very clearly seen that militant trade union is coming up eventhough it had a partial set back during the early years of the decade. Earlier there was a tendency on the part of trade unions to be independent of political affiliations. The trade union leaders are also disciplined and conformed to the constitutional methods in ventilating their grievances. Of late, there is a growing tendency to seek redressal through agitational approaches. This tendency has further deteriorated into militant methods like 'Gherao' in some parts of the country. Corresponding to the change in the attitude of the labour, employers are forced to go to third parties for settlement which process is generally time consuming. Expartite agreements are thus flouted.

Q. 29: DO YOU THINK THAT THE ATTITUDES OF TRADE UNIONS AND EMPLOYERS' ORGANISATIONS TOWARDS (a) EACH OTHER AND (b) GOVERNMENT HAVE UNDERGONE ANY CHANGE DURING THE LAST DECADE? IF SO, STATE THE DIRECTION OF THIS CHANGE?

Ans: Yes. Partially answered in 28. There has been a perceptible change in the attitude of trade unions and employers' organisations between themselves and in their dealings with the Government. Compulsory adjudications provided in the Industrial Disputes Act is responsible to this change, to a very large extent. There is a tendency on the part of the union to look upon the Governments for solution and expect further legislation, rules and regulations, made to their advantage. They are also aligning themselves with political parties who are likely to come to power and form the government. Attitude of employers has also changed to the effect that they look upon Government for solution with trade unions. The change has been to seek solution through militant agitation and to influence through political pressures rather than the constitutional methods available to them.

Q. 30: THE TRADITIONAL ROLE OF TRADE UNIONS/EMPLOYERS' ORGANISATIONS HAS BEEN TO SECURE PROTECTION TO ADVANCE THE INTERESTS OF THEIR MEMBERS. IN VIEW OF THE NATIONAL OBJECTIVES OF ESTABLISHING A SOCIALIST SOCIETY AND ACHIEVING PLANNED ECONOMIC DEVELOPMENT: (a) WHAT SHOULD BE THE CHANGES IN THE NATURE AND SCOPE OF ACTIVITIES OF THE TRADE UNIONS/EMPLOYERS' ORGANISATIONS? (b) WHAT ARE THE CHANGES NEEDED IN THEIR ORGANISATIONAL PATTERN AND ATTITUDES? (c) WHAT ARE THE FIELDS OF ACTIVITY IN WHICH THEY HAVE AN INDEPENDENT ROLE TO PLAY? (d) IN WHAT OTHERS SHOULD THEY FUNCTION IN COOPERATION (i) BETWEEN THEMSELVES AND (ii) JOINTLY WITH GOVERNMENT? (See also Q. 75).

Ans: 30 In view of the urgent need of advancing the national prosperity by increased production, the trade unions/employers' organisations should acquire a full understanding of constitutional and legal rights and must try to exhaust them adequately to secure and promote their interests. The traditional means of achieving their ends through violence, intimidation and other allied techniques, must give way to responsible, responsive and conciliatory attitudes realising their role as partners in an Industry. At the same time, employers' organisations also should realise fully their obligations towards the workers and see that these obligations are duly fulfilled. Both employers and trade unions must cease to work at cross-purposes. Both must realise that it never pays to quarrel and must recognise the value of response and co-operation. There should be real change of hearts on both sides. There is as yet no evidence of the willingness of those in control of industry to work it for the benefit of the nation and to be content with a reasonable return, which hampers the real progress in the matter of increased industrial production. This will help a good deal in the building up of a socialistic pattern of the society.

In order to develop such responsible and healthy attitudes training in leadership of trade unions/employers' organisations is absolutely necessary. Political factions, ideological controversies and manoeuvring of outside political leadership need to be eschewed from the field of trade unionism.

In matters pertaining to welfare of the workers, the trade unions may perhaps play an independent role.

In all matters pertaining to collective bargaining, means and devices to increase production, service conditions etc. they should function in co-operation, while in matters relating to disputes which will hamper good industrial relations, they should work jointly with Government.

Q. 31: HOW HAVE TRADE UNIONS/EMPLOYERS' ORGANISATIONS HELPED IN THE EVOLUTION OF A BETTER SOCIETY? HOW DO THEY REPRESENT THEIR VIEWS AND DISCUSS THEIR AFFAIRS WITH GOVERNMENT AND OTHER PUBLIC AUTHORITIES AND AGENCIES? DOES THIS SYSTEM OF COMMUNICATION NEED IMPROVEMENT? IF SO, IN WHAT DIRECTION? (See also Q. 124 & 227).

Ans: The declared goal of India is a welfare state. If a Socialistic Pattern of Society is to be built, the concept of co-operation in Industry has to be made effective and fruitful. But the present trade union movement in India with all its factions have not made much progress in this direction. Their actions, policies and programmes do not seem to have public sanction. The Indian trade union movement must bestir itself to this great task of evolving a better society, by adhering strictly to the principles of democracy.

They represent their views in seminars, meetings, committees, tripartite conferences etc. Demonstrations, illegal strikes, Gheraos etc. are not in their interest. In this context the advisory committees on labour at Centre and State levels should function more effectively. Improvement is required in avoiding agitational approaches.

Q. 32: HOW CAN TRADE UNIONS/EMPLOYERS' ORGANISATIONS CONTRIBUTE TOWARDS MAINTAINING A HIGH LEVEL OF EMPLOYMENT? OR IS THIS SOLELY THE CONCERN OF THE GOVERNMENT?

Ans: Apart from the responsibility of the State, in providing employment, the trade unions/employers' organisations could assist the State considerably by improving the national economy and helping the State to further expand the industrial programmes which would ameliorate the present unemployment problem in the country.

Q. 33 BIPARTITE CONSULTATIONS BEING ONE OF THE EFFECTIVE MEANS OF REDUCING THE AREAS OF CONFLICT BETWEEN EMPLOYERS AND THEIR EMPLOYEES, WHAT STEPS SHOULD TRADE UNIONS/EMPLOYERS' ORGANISATIONS TAKE FOR PROMOTING SUCH CONSULTATIONS?

Ans: Trade Unions/employers' organisations should seriously realise the necessity of securing settlement of their problems through the machinery of collective bargaining and voluntary negotiations. The tendency among them to depend upon outside authority rather than solving differences among themselves by direct negotiations, needs to be discouraged. These organisations must begin to play effective role in establishing good traditions in this direction. The State and Central Advisory Committee on the labour should always prevail upon the parties to adhere to bipartite consultations. The tripartite conferences and seminars should also encourage bipartite machinery for collective bargaining and direct negotiations.

Q. 34: WHAT ARE THE EXISTING ARRANGEMENTS FOR COMMUNICATION BETWEEN THE CENTRAL ORGANISATIONS OF EMPLOYERS AND WORKERS AND THEIR CONSTITUENTS? HOW SHOULD THESE ARRANGEMENTS BE IMPROVED?

Ans: Partly answered in 31 above. The acceptance of the code of conduct emphasises the method of agreement among the central organisations. However, it should be realised that the result could be achieved only by the determination of these central organisations to influence the affiliated unions to fulfil their obligations in this respect.

Q. 35: ARE THERE OCCASIONS WHEN CENTRAL ORGANISATIONS OF EMPLOYERS AND WORKERS REFUSE TO AFFILIATE EMPLOYING UNITS/UNIONS AT THE PLANT LEVEL? IF SO, ON WHAT GROUNDS?

Ans: We have no information.

Q. 36: TO WHAT EXTENT ARE THE OBLIGATIONS UNDERTAKEN BY THE ORGANISATIONS OF EMPLOYERS AND WORKERS AT THE NATIONAL LEVEL IMPLEMENTED BY THEIR CONSTITUENTS? ARE THERE ANY EFFECTIVE SANCTIONS FOR NON-COMPLIANCE WITH THESE OBLIGATIONS? HOW FAR HAVE THEY BEEN USED IN RECENT YEARS? HOW COULD THESE SANCTIONS BE MADE MORE EFFECTIVE?

Ans: We have no comments.

Q. 37: DO DIFFICULTIES ARISE IN RECONCILING THE ACTIONS OF THE UNIONS/EMPLOYERS AT THE PLANT LEVEL WITH NATIONAL POLICIES EVOLVED JOINTLY BY TRADE UNIONS/EMPLOYERS' ORGANISATIONS? COULD YOU CITE INSTANCES OF SUCH DIFFICULTIES? HOW ARE SUCH DIFFICULTIES RESOLVED?

Ans: Does not arise.

Q. 38: WHAT SHOULD BE THE RESPONSIBILITY OF ALL-INDIA ORGANISATIONS OF EMPLOYERS AND WORKERS TOWARDS (i) PROMOTING THE INTEREST OF THEIR CONSTITUENTS IN ALL MATTERS AFFECTING INDUSTRIAL RELATIONS, (ii) IMPLEMENTATION OF LAWS, VOLUNTARY AGREEMENTS, ETC., (iii) TRAINING OF MANAGEMENT PERSONNEL, (iv) PROVIDING GUIDANCE TO CONSTITUENT UNITS, (v) SETTLING OF INDUSTRIAL DISPUTES IN CONSTITUENT UNITS AND (vi) IMPROVING THE EFFICIENCY OF INDUSTRY? (See also Q. 166). HOW SHOULD THEY BE EQUIPPED FOR DISCHARGING THESE RESPONSIBILITIES?

Ans: Does not arise.

Trade Unions--Constitution and Finance:

Q. 39: HOW ARE TRADE UNIONS CONSTITUTED AT THE PLANT LEVEL? WHAT ARE THE DIFFERENT FORMS OF CONSTITUTION? ARE THERE ANY COMMON OBJECTIVES MENTIONED UNDER THE RULES OF DIFFERENT TRADE UNIONS? WHAT ARE THESE COMMON OBJECTIVES?

Ans: We have two trade unions viz., Bharat Electronics Employees' Union and Bharat Electronics Karnika Sangha registered under the Trade Union Act functioning in BEL. The constitution are broadly under the Trade Union Act. The objectives of both the trade unions are in conformity with the trade union laws.

Q. 40: HOW ARE THE OFFICERS WHO MAN THE TRADE UNIONS APPOINTED? HOW MANY OF THEM ARE PAID?

Ans: The Officers of the trade unions are elected and work in honorary capacity.

Q. 41: HOW DOES A TRADE UNION GET NEW MEMBERS? ARE ALL MEMBERSHIP APPLICATIONS ACCEPTED? IF NOT, BY WHAT CRITERIA ARE APPLICATIONS ACCEPTED OR REJECTED? IN WHAT WAYS DO UNIONS COMPETE FOR MEMBERSHIP?

Ans: The trade unions enroll members through propaganda and canvassing with the workers individually.

Q. 42: WHAT STEPS DO TRADE UNIONS TAKE TO ENCOURAGE MEMBERS TO INTEREST THEMSELVES IN THE CONDUCT OF UNIONS' AFFAIRS? HOW EFFECTIVE ARE SUCH STEPS?

Ans: By issue of pamphlets, bulletins, hand-bills, area meetings, public meetings etc.

Q. 43: HOW ARE THE ACTIVITIES OF A TRADE UNION CONDUCTED? HOW IS THE POLICY DECIDED? WHO IS RESPONSIBLE FOR IMPLEMENTING THE POLICY ONCE IT IS DECIDED? TO WHAT EXTENT DOES THE RANK AND FILE INFLUENCE THE FORMULATION OF THE POLICY?

Ans: Trade Union activities are generally conducted by the executive committee wherein the issues are discussed and decisions are taken. Executive Committee decisions are issued through bulletins. In the case of major issues, the decisions of the Executive Committee are placed before the General Body for obtaining the consensus. Policies are made at the level of the office bearers on the executive committee.

As per the question to be asked

The rank and file constitute the general body and the executive committee elected by the general body, and to this extent the general body have a supreme say in all major matters.

Q. 44: WHAT IN YOUR OPINION IS THE EXTENT OF PREVALENCE OF THE SYSTEM OF 'CLOSED SHOP' OR 'UNION SHOP'? STATE ITS MERITS AND DEMERITS IN INDIAN CONDITIONS.

Ans: These do not seem to have received wide acceptance in the Indian conditions. Those who have anything to do with the formation of democratic and independent trade union will not support this idea. The workers themselves should strengthen their organisation from within and secure the best results for themselves. Bringing workers compulsorily under the purview of one union is also not constitutionally sound.

Q. 45: DO TRADE UNIONS HAVE ENOUGH INCOME TO FULFIL THEIR ROLE IN PROMOTING MEMBERS' INTERESTS? IF NOT, WHAT STEPS, SHOULD UNIONS TAKE FOR AUGMENTING THEIR RESOURCES? IS ANY STATUTORY PROVISION NEEDED FOR ENLARGING TRADE UNION FINANCES?

Ans: The slender finances of trade union appear to be mainly due to default of the members in paying their subscriptions regularly. Statutory provisions in this regard do not appear necessary.

Q. 46: WHAT REASONS, IF ANY, ARE THERE AGAINST INCREASING MEMBERS' SUBSCRIPTIONS SO AS TO PROVIDE AN ADEQUATE INCOME FOR TRADE UNIONS?

Ans: Economic reasons of members.

Q. 47: IS THE INTRODUCTION OF 'CHECK OFF' SYSTEM ADVISABLE IN INDIAN CONDITIONS? IF IT IS, SHOULD THE PRIVILEGE OF THE SYSTEM BE GIVEN TO RECOGNISED UNIONS ONLY OR TO ALL REGISTERED UNIONS?

Ans: No, refer to 44 above.

Q. 48: IN WHAT WAYS DO TRADE UNIONS HELP MEMBERS/DEPENDENTS OF MEMBERS IN THEIR PERSONAL DIFFICULTIES LIKE UNEMPLOYMENT, SICKNESS AND PERSONAL INJURIES? HOW ARE DEPENDENTS HELPED IN CASE OF MEMBER'S DEATH?

Ans: They could do so by introducing benefit funds, labour welfare funds, death relief funds etc. But the limited financial resources of the trade unions in our country come in the way of implementing the schemes.

Trade Union--Leadership and Multiplicity:

Q. 49: WHAT HAS BEEN THE IMPACT OF POLITICAL PARTIES ON THE PATTERN OF TRADE UNION DEVELOPMENT IN INDIA?

Ans: While it must be acknowledged that the early ~~and~~ trade union movement in India was nurtured and guided by political stalwarts it cannot be denied that the existence of political parties and affiliations has resulted in the absence of genuine trade unionism in India.

Q. 50: REFERENCE IS OFTEN MADE TO THE INFLUENCE OF OUTSIDERS IN TRADE UNIONS. PLEASE DEFINE THE TERM 'OUTSIDER' AND STATE WHAT THE INFLUENCE OF OUTSIDERS HAS BEEN ON TRADE UNIONS.

Ans: Outside leadership is other than working class leadership. In other words, leadership of those who are not actually engaged or employed in an industry with which the trade union is concerned.

Outsiders in the past have played a notable part in the building up of the trade union movement to its present dimensions and strength. They did champion the causes of the illiterate working class who were incapable of looking after themselves, against the superior organisation and resources of employers. However, time has come when a reorientation of this policy is desirable by a switch over to working class leadership, to avoid outsiders exercising their influence on ideological, political or personal gains to the detriment of the real interest of the workers.

Q. 51: HOW SHOULD INTERNAL LEADERSHIP IN A UNION BE BUILT UP AND STRENGTHENED?

Ans: Through training in trade unionism, education through trade union journals, awareness of the workers to be self-reliant and through workers' education scheme.

Q. 52: DOES THE EXISTING LEGISLATION ENCOURAGE MULTIPLICITY OF TRADE UNIONS? IF SO, WHAT ARE THE REMEDIAL MEASURES?

Ans: Yes. The existing clause of providing for registration of trade union with 7 or more members should be suitably amended.

Q. 53: HOW FAR HAS THE INTER-UNION CODE OF CONDUCT (APPENDIX II) ADOPTED BY THE FOUR CENTRAL LABOUR ORGANISATIONS IN 1958 BEEN EFFECTIVE IN REGULATING INTER-UNION RELATIONS AND AVOIDING INTER-UNION RIVALRIES? HOW COULD THE CODE BE MADE MORE EFFECTIVE?

Ans: 53 The inter-union code of conduct does not seem to have produced appreciable results in avoiding inter-union rivalries. The desired results could be achieved only by the determination of these central organisations to influence the affiliated unions to fulfil their obligations.

Trade Union Recognition:

Q. 54: WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF A UNION REGISTRATION? ARE THERE ANY ASPECTS IN WHICH THE POWERS OF THE REGISTRAR OF TRADE UNIONS COULD BE ALTERED OR ENLARGED WITH ADVANTAGE?

Ans: The union registration is absolutely necessary inasmuch as it places the union in a formal footing and discourages fictitious unions coming up. Trade Union acts may be amended to register only those unions which have got at least 25% of the labour of the industry on its role. The Registrar of Trade Unions should have power of debarring any leader who has been convicted for malpractices as an office bearer of a trade union.

Q. 55: HAS THERE BEEN A CHANGE IN THE ATTITUDE OF EMPLOYERS TOWARDS TRADE UNIONS, PARTICULARLY IN THE MATTER OF RECOGNITION OF UNIONS? IF YES, WHAT HAVE BEEN THE CONTRIBUTORY FACTORS?

Ans: Yes. The resolutions in this behalf adopted by the tripartite labour conference have contributed to this change.

Q. 56: HAS THE CODE OF DISCIPLINE IN INDUSTRY (APPENDIX III) CONTRIBUTED TOWARDS SECURING RECOGNITION FOR TRADE UNIONS?

Ans: The matter is still under consideration insofar as BFL is concerned.

Q. 57: DO THE EXISTING PROVISIONS UNDER THE CODE OF DISCIPLINE IN REGARD TO RECOGNITION OF UNIONS PROVIDE A SATISFACTORY ARRANGEMENT IN THIS REGARD? SPECIFICALLY, ARE THE PROVISIONS REGARDING (i) THE PROCEDURE FOR VERIFICATION, (ii) THE PROCEDURE FOR GRANT AND WITHDRAWAL OF RECOGNITION, (iii) THE PERIOD OF RECOGNITION AND (iv) THE RIGHTS OF THE RECOGNISED UNIONS (APPENDIX IV) SATISFACTORY? IF NOT, WHAT IMPROVEMENTS WOULD YOU SUGGEST IN THEM? (See also Q. 111).

Ans: No comments.

Q. 58: WOULD YOU SUGGEST GIVING EFFECT TO THE PROVISIONS OF THE INDIAN TRADE UNIONS AMENDMENT ACT, 1947 IN THE MATTER OF RECOGNITION OF UNIONS? OR, SHOULD PROVISIONS SIMILAR TO THE BOMBAY INDUSTRIAL RELATIONS ACT, 1946 OR SIMILAR ACTS ELSEWHERE IN INDIA FOR RECOGNITION OF UNIONS (APPENDIX V) BE WRITTEN INTO THE INDIAN TRADE UNIONS ACT, 1926? ARE THERE ANY OTHER SUGGESTIONS IN THIS REGARD? (See also Q. 27).

Ans: No. Legislation may not provide solution to the problem.

Healthy conventions and practices require to be established.

Q. 59: WHAT ARE THE ADVANTAGES OF INDUSTRYWISE UNIONS? WHAT WILL BE THE DIFFICULTIES IN THEIR RECOGNITION? HOW SHOULD THE SUBJECTS TO BE DEALT WITH BY UNIONS AT THE PLANT LEVEL AND BY THE INDUSTRY UNION BE DEMARCATED? (See also Q. 86).

Ans: Industry-wise union if they act on a constitutional and democratic manner, a time may come when workers would realise the efficacy of a single organisation and the multiple unions by slow degrees, will give up their individual identity and merge into a single union which will be ideal.

The constituent unions could evolve an agreed basis between them. While domestic grievances could be dealt by the unions at the plant level, major issues affecting the workers of the industry in general could be tackled by the larger body.

Q. 60: WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF NAMING A UNION AS THE SOLE BARGAINING AGENT IN AN INDUSTRIAL UNIT?

Ans: The advantages override the disadvantages. Naturally "one union one industry" concept acknowledges the efficacy of a single union as the sole bargaining agent.

Q. 61: FOR DETERMINING THE REPRESENTATIVE CHARACTER OF A TRADE UNION FOR PURPOSES OF GRANT OF RECOGNITION, SHOULD THE METHOD OF ELECTION BY SECRET BALLOT BE ADOPTED? IF SO, EXPLAIN THE DETAILS OF THE METHOD AND THE ADMINISTRATIVE ARRANGEMENTS NECESSARY FOR THE PURPOSE. (See also Q.86).

Ans: Yes. Government machinery should arrange secret ballot and it should be done outside the working hours and outside the premises of the industrial establishment.

Q. 62: IF A UNION IS ELECTED AS THE SOLE BARGAINING AGENT IN AN ESTABLISHMENT, WHAT SHOULD BE RIGHTS AND RESPONSIBILITIES OF OTHER UNIONS IN THE ESTABLISHMENT?

Ans: When a single union is elected as sole bargaining agent the rights of the other unions should be limited and discouraged from negotiating on major issues. However, minor day-to-day grievances could be handled by them. They should be made responsible to toe with the greater representing body.

Q. 63: CONSIDERING THAT CATEGORYWISE UNIONS, PARTICULARLY OF TECHNICIANS, ARE ASSUMING GREATER IMPORTANCE, HOW SHOULD THEIR RIGHTS AND OBLIGATIONS BE DEFINED IN RELATION TO (a) THE EMPLOYER AND (b) UNIONS OF OTHER CATEGORIES OF EMPLOYEES?

Ans: Not to be encouraged in the present state of industrial development and prevailing economic conditions.

Q. 64: WHAT FACILITIES SHOULD AN EMPLOYER EXTEND AT THE WORK-PLACE FOR THE ACTIVITIES OF UNIONS?

Ans: 1. Notice board facilities;
2. To hold discussions with Management;
3. To nominate its representatives on the various bipartite committees;

4. Accommodation facilities to meet the workers to collect grievances etc.;
5. Some of the office bearers may be permitted to leave with pay for attending proceedings of conciliation, adjudication etc.

The above are illustrative.

Q. 65: WHAT HAS BEEN THE ATTITUDE OF THE GOVERNMENT AS EMPLOYER TOWARDS TRADE UNIONS?

Ans: No comments.

IV. INDUSTRIAL RELATIONS

Introductory:

Q. 66: WHAT SHOULD BE THE CRITERIA FOR DETERMINING THE EFFECTIVENESS OR OTHERWISE OF GOVERNMENT'S INDUSTRIAL RELATIONS POLICY? IN TERMS OF THESE CRITERIA, GIVE YOUR ASSESSMENT OF THE WORKING OF THE POLICY SINCE INDEPENDENCE, WITH SPECIAL REFERENCE TO THE LEGISLATIVE AND OTHER ARRANGEMENTS FOR PREVENTION AND SETTLEMENT OF INDUSTRIAL DISPUTES.

Ans: The success or otherwise of the industrial relations policy is best revealed through the statistics on industrial unrest like stoppages of work, lock-outs, loss of production, industrial disputes etc.

In addition to the industrial policy, a number of other factors seriously affect industrial relations as under:

- (1) shortage of food and other essential commodities;
- (2) dearness in living;
- (3) Policies of the important political parties through labour unions.

The present legislative machinery is enough to handle most of the situation but cannot prevent industrial unrest due to economic reasons. The general consensus of opinion is that collective bargaining and mutual settlement by direct negotiations should replace compulsory adjudication. Such a policy will, in the long run, pay full dividends.

Q. 67: ARE THE PATTERNS OF INDUSTRIAL CONFLICT CHANGING SINCE INDEPENDENCE? IN PARTICULAR, HOW HAVE THE SOCIAL, ECONOMIC AND POLITICAL FACTORS AFFECTED THE INTENSITY OF INDUSTRIAL CONFLICT?

Ans: Not perceptibly. The rapid socio-economic changes in the society eroding the value of the real wages of the workers have given rise to industrial disputes arising out of inadequacy of the wages against mounting cost of living. Most disputes appear to relate to wages/bonus only. Political factors have also been responsible to precipitate industrial unrest.

Q. 68: IS IT POSSIBLE TO PICK OUT SOME SIGNIFICANT FACTORS IN UNITS WITHIN YOUR KNOWLEDGE WHICH IN RECENT YEARS HAVE HELPED IN IMPROVING INDUSTRIAL RELATIONS AT THE PLANT LEVEL? WILL THESE FACTORS CONTINUE TO BE OF SIGNIFICANCE IN FUTURE?

Ans: Grievance procedure, existence of works committees and various bipartite committees have helped towards improving industrial relations.

Yes. However, these factors by themselves have not been able to effectively arrest the industrial disputes arising out of economic reasons.

Q. 69: WHAT HAVE BEEN THE CAUSES OF INDUSTRIAL UNREST SINCE INDEPENDENCE? HAVE THERE BEEN ANY SPECIAL CIRCUMSTANCES WHICH HAVE CONTRIBUTED TO INDUSTRIAL UNREST? HOW COULD THEIR EFFECT BE MINIMISED IN FUTURE?

Ans: The major causes of the industrial unrest since independence have been due to economic reasons. The other causes have been inter-union rivalries, lack of proper trade union leadership and interference by political parties. Besides, holding the price line, responsible leadership requires to be built up, and political parties should cease to interfere in order to minimise industrial unrest.

Q. 70: WHAT HAS BEEN THE IMPACT OF INTER-UNION RIVALRY ON INDUSTRIAL RELATIONS?

Ans: The inter-union rivalries have only exhausted their energy in mutual bickerings than in any constructive actions. On the other hand, they have been acting as a great retarding force in good harmonious industrial relations.

Q. 71: WHAT IMPROVEMENTS ARE NECESSARY IN THE PRESENT ARRANGEMENTS OF PREVENTION OF INDUSTRIAL DISPUTES? WHAT WOULD BE THE ROLE OF MEDIATION SERVICE IN THE PREVENTION OF DISPUTES?

Ans: Accent must be placed on internal settlement of disputes at every stage by giving full recognition to trade union rights. The machinery for settlement of industrial dispute should be streamlined for speedy disposal.

Q. 72: WHAT IS THE ROLE OF FACT-FINDING ENQUIRIES IN IMPROVING INDUSTRIAL RELATIONS?

Ans: The fact-finding enquiries will undoubtedly provide an objective review of the entire industrial relations situation and would thus enable to device ways and means to improve the climate.

Q. 73: HOW IS THE STATE OF INDUSTRIAL RELATIONS IN A UNIT AFFECTED BY THE EXISTENCE OF TRADE UNIONS? WHAT DIFFERENCE, IF ANY, EXISTS IN THE CLIMATE OF INDUSTRIAL RELATIONS WHERE THE RELEVANT TRADE UNION ORGANISATION IS (a) STRONG, (b) WEAK, AND (c) NON-EXISTENT?

Ans. 73 (a) Strong and responsible trade union should definitely contribute to the promotion of enduring industrial relations.

Any political influence on strong union will seriously affect the industrial relations.

(b) A weak trade union loses its bargaining power and is always vulnerable to attacks by rival unions. Such a situation is not conducive for good industrial relations.

(c) Where a trade union is not in existence the industrial relations may be quite good or may be very bad depending upon the policy of the Management and the type of labour.

Q. 74: WHAT HAS BEEN THE CONTRIBUTION OF FACTORS LIKE (a) RECOGNITION OF UNION, (See also Q. 54 to 65)(b) ARRANGEMENTS FOR DEALING WITH INDIVIDUAL AND COLLECTIVE GRIEVANCES AND (c) STRENGTHENING BIPARTITE CONSULTATIVE ARRANGEMENTS, IN PROMOTING INDUSTRIAL HARMONY?

Ans: All the factors referred to above will decidedly promote the industrial harmony.

Q. 75: IN MAINTAINING AND PROMOTING HARMONIOUS EMPLOYER-EMPLOYEE RELATIONSHIP, WHAT SHOULD BE THE RESPECTIVE OBLIGATIONS OF (i) CENTRAL ORGANISATIONS OF EMPLOYERS AND WORKERS, (ii) LOCAL MANAGEMENT, (iii) LOCAL UNION AND (iv) THE GOVERNMENT--CENTRAL OR STATE? (See also Q. 30).

Ans: Partly answered against question 30. Further to that the following obligations will also promote good relationship:

(i) the central organisations of employers and workers should be keenly alive to the various problems and take active interest in legislative measures;

(ii) Tripartite decisions and other conventions should be faithfully implemented;

(iii) The trade unions and the managements should endeavour their best to settle disputes through bipartite decisions and agreements which should be faithfully carried out;

(iv) the Government, both Central and State, have an obligation of ensuring that local acts on the part of employers and unions are dealt effectively and immediately. Advisory committees at state-level should work more effectively. The Government, both Central and State, should ensure that no law and order problem is created either by the employer or by the union and should take effective measures to check them.

Q. 76: WHAT ROLE HAVE LABOUR/PERSONNEL OFFICERS PLAYED IN PREVENTING DISPUTES AND MAINTAINING HARMONIOUS EMPLOYER-

EMPLOYEE RELATIONSHIP? HOW FAR HAVE THEY BEEN EFFECTIVE? SUGGEST MEASURES TO IMPROVE THEIR EFFECTIVENESS.

Ans: The labour/personnel officers with their knowledge and skill in human relations have played a significant role in widening the frontiers of labour-management co-operation and good will to mutual advantages. The effectiveness of these officers have however been limited because of continuous rise in prices of essential commodities keeping the industrial relations strained.

It is suggested for these officers to be more effective they should be suitably qualified at the time of their appointment and during their employment should attend refresher courses to keep abreast with latest management and personnel problems. Seminars may also be attended by them for exchange of views between the various industries.

Q. 77: WHAT SHOULD BE THE ARRANGEMENTS FOR TROTTER COMMUNICATION BETWEEN WORKERS AND MANAGEMENT AT THEIR PLANT LEVEL?

Ans: Issue of minutes of the bipartite committees distribution of circulars, notice board facilities, publication of house magazines, suggestion boxes are to name a few of the measures for effective communication.

Q. 78: TO WHOM DO MANAGERMENTS DELEGATE THEIR AUTHORITY IN DEALING WITH EMPLOYEES? TO WHAT EXTENT DO MANAGERMENTS INCLUDE SPECIALISTS FOR DEALING WITH PERSONNEL MATTERS?

Ans: (1) The management delegates its authority to the Administrative Manager/Personnel Manager/Personnel Officers/Welfare Officers as far as personnel and industrial matters are concerned;

(2) Authority is delegated to Manager, Production Control as far as the incentive, job evaluation, time and motion study are concerned;

(3) In regard to medical, industrial health and hygiene problems the Resident Chief Medical Officer deals with them;

(4) At the shop-level the departmental authorities deal with the employees.

Q. 79: TO WHAT EXTENT ARE THE STANDING ORDERS SUBJECT TO AGREEMENT BETWEEN EMPLOYEES AND MANAGERMENTS? IN HOW MANY CASES ARE THEY DRAWN UP BY MANAGEMENT ALONE?

Ans: In so far as BFL is concerned it is a contract of employment with the worker validly certified under the Industrial Employment (Standing Orders) Act, 1946.

Q. 80: TO WHAT EXTENT DO THE EMPLOYMENT STANDING ORDERS ACT, 1946 AND THE MODEL STANDING ORDERS FORMULATED UNDER THAT ACT SERVE THE PURPOSE FOR WHICH THE ACT WAS FRAMED?

Ans: It has served its purpose considerably. The model standing orders could be made more exhaustive.

Q. 81: WHAT ARE THE DISCIPLINARY RULES IMPOSED BY MANAGERMENTS? DO THE PROCEDURE PRESCRIBED UNDER THE MODEL STANDING ORDERS IN DEALING WITH DISCIPLINARY CASES REQUIRE MODIFICATION, AND IF SO, ON WHAT LINES?

Ans: For the purposes of enforcing proper discipline inside the factory premises various rules are laid down in the Standing Orders, the breach of which will constitute misconduct.

Q. 82: HAS THE MODEL GRIEVANCE PROCEDURE (APPENDIX VI) EVOLVED UNDER THE CODE OF DISCIPLINE SERVED ITS PURPOSE? IF NOT, IS THERE NEED FOR STATUTORY PROVISION FOR THE FORMULATION OF AN EFFECTIVE GRIEVANCE PROCEDURE? WHAT SHOULD BE THE MAIN ELEMENTS OF SUCH A PROVISION? HOW WOULD IT AFFECT EXISTING BIPARTITE ARRANGEMENTS?

Ans: As far as we are concerned we have a three-tier grievance procedure which is working satisfactorily.

Q. 83: WHAT IS THE ATTITUDE OF TRADE UNIONS AND EMPLOYERS' ORGANISATIONS TO THE INTRODUCTION, EITHER BY VOLUNTARY AGREEMENT OR STATUTORILY, OF A SYSTEM OF GRIEVANCE ARBITRATION? WOULD SUCH A SYSTEM HELP IN IMPROVING LABOUR-MANAGEMENT RELATIONS?

Ans: Arbitration is not acceptable to defence establishments for security reasons.

Q. 84: WHAT ARE THE EXISTING FACILITIES FOR TRAINING MANAGEMENT AND TRADE UNION PERSONNEL IN INDUSTRIAL RELATIONS? TO WHAT EXTENT ARE THEY USED?

Ans: Management personnel are nominated to various seminars and programmes on personnel and industrial management organised by National Productivity Council, Institute of Personnel Management etc. from time to time.

Workers' Education classes essentially oriented to industrial relations matter are conducted periodically to educate the workers. They are also helped to undertake tours to visit various industries to acquaint themselves with conditions of work etc. in those industries.

Collective Bargaining:

Q. 85: WHAT IS THE EXTENT OF PREVALENCE OF THE SYSTEM OF COLLECTIVE BARGAINING IN THIS COUNTRY? HOW FAR HAS IT SUCCEEDED? WHAT HAS BEEN THE EFFECT OF LEGISLATION ON THE GROWTH OF COLLECTIVE BARGAINING? (SEE ALSO Q. 193).

Ans: The concept of collective bargaining in our country has not yet gained the grounds and may not be said to have received popular acceptance. The provision of compulsory adjudication in the Industrial Disputes Act has further retarded the acceptance of collective bargaining concept. The sad lack of well-organised, enlightened and democratic trade unions have been largely responsible for the collective bargaining system not operating successfully.

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Q. 86: IF COLLECTIVE BARGAINING HAS TO BE ENCOURAGED AT THE INDUSTRY LEVEL, HOW SHOULD THE REPRESENTATIVE CHARACTER OF THE BARGAINING AGENT FOR WORKERS BE DETERMINED? (SEE ALSO Q. 59 AND 61).

Ans: Where there are industry-wise unions having a number of local unions affiliated to it, a master negotiations should be carried on with an organisation of the different employers of the same industry. This negotiation should produce the basic major clauses of the contract while subsequent negotiations to be held by the local unions with their respective employers could work out terms applicable to working conditions in each plant. It will, however, be difficult to follow this at this stage of our development where regional, local and other factors will complicate the situation. It will also add burden to small and medium scale units in the same industry.

Q. 87: DO YOU AGREE WITH THE STATEMENT THAT (a) COLLECTIVE BARGAINING HAS ITS USES WHEN UNIONS HAVE SUFFICIENTLY BUILT UP THEIR STRENGTH AND EVEN FOR STRENGTHENING UNIONS AND (b) - ADJUDICATION SYSTEM PROVIDES AN ARRANGEMENT BY WHICH SATISFACTION CAN BE GIVEN TO PARTIES WITHOUT OPEN INDUSTRIAL CONFLICT AS ALSO FOR PROTECTING THE WEAKER PARTY?

Ans: (a) Yes.

(b) Internal settlement of all disputes at the level of the industry is always desirable. Nevertheless in the present conditions of militant trade unions coming up, adjudication seems to be a satisfactory arrangement in spite of all its drawbacks.

Q. 88: WHAT SHOULD BE THE RULE OF (a) COLLECTIVE BARGAINING AND (b) ADJUDICATION AS METHODS OF SAFEGUARDING INDUSTRIAL PEACE IN THE YEARS TO COME?

Ans: Collective bargaining which is basically wedded to the concept of industrial democracy and which is a strong influencing force for establishing enduring industrial peace should be given full scope at every stage of the dispute or threatened dispute. However, for some years to come the adjudication system may have to continue in the interest of safeguarding industrial peace and to prohibit illegal and indiscreet strikes and lock-outs. Adjudication should, no doubt, be the last and inevitable resort.

Q. 89: IN DISPUTES ARISING OVER A CHARTER OF DEMANDS, IS IT FEASIBLE TO SEPARATE AREAS OF DIFFERENCE BETWEEN THE EMPLOYER AND THE UNION INTO THOSE WHERE COLLECTIVE BARGAINING COULD EXCLUSIVELY OPERATE AND OTHERS WHICH COULD BE LEFT TO ADJUDICATION?

Ans: It is quite feasible. On all issues like conditions of work, amenities, safety measures, distribution of holidays, welfare facilities etc. it is possible to settle through collective bargaining while certain major issues on wages and allowances, bonus and profit sharing bonus, disciplinary cases etc. may have to be left to adjudication.

Q. 90: WHAT SHOULD BE THE LIMITS OF COLLECTIVE BARGAINING UNDER CONDITIONS IMPOSED BY PLANNED DEVELOPMENT? (SEE ALSO Q.193).

Ans: Planned development requires smooth uninterrupted and efficient functioning of the industries, avoiding all causes which might retard or hamper the level of production. To ensure this collective bargaining must be recognised to play an effective role and requires to be given maximum scope.

Joint Consultation:

Q. 91: DO TRADE UNIONS, THROUGH COLLECTIVE BARGAINING AND JOINT CONSULTATIONS, PROVIDE AN EFFECTIVE FORM OF DEMOCRACY WITHIN THE ENTERPRISE?

Ans: Yes. Collective bargaining and joint consultation do provide an effective form of democracy within the enterprise. But such a measure will be successful where the unions are not influenced by the outsiders and where the workers conduct in a responsible way and eschew all agitational approaches and become competent to negotiate across the table with the management.

Q. 92: THE INDUSTRIAL DISPUTES ACT, 1947, PROVIDES FOR THE SETTING UP OF WORKS COMMITTEES "TO PROMOTE MEASURES FOR SECURING AND PRESERVING AMITY AND GOOD RELATIONS BETWEEN THE EMPLOYER AND THE WORKMEN." HAVE THEY BEEN FUNCTIONING SATISFACTORILY WHEREVER THEY HAVE BEEN SET UP? IF NOT, WHAT FACTORS HAVE MILITATED AGAINST THEIR SETTING UP AND PROPER FUNCTIONING?

Ans: The works committee has been functioning in our industry for a number of years quite satisfactorily. Some of the difficulties which are experienced generally with the formation and functioning of works committees persist even to-day. The basic causes are briefly (i) the employer regards such committees as substitutes for trade unions while trade union leaders have regarded them as rival institutions; (ii) the defective education of the workers; (iii) the workers' representatives on these committees not realising their limitation and the scope of these committees and attempting upon matters which come within the purview of collective bargaining; (iv) the workers not realising the fact that this is a consultative machinery where all the members sit and discuss the day-to-day problems of the industry freely and amicably with a view to provide mutually satisfactory solutions.

Q. 93: TO MEET THE CRITICISM THAT WORKS COMMITTEES HAVE BEEN LANGUISHING FOR WANT OF DEFINITION OF THEIR SPECIFIC FUNCTIONS, AN ILLUSTRATIVE LIST OF FUNCTIONS (APPENDIX VII) OF WORKS COMMITTEES WAS EVOLVED BY THE INDIAN LABOUR CONFERENCE. ASSUMING THAT THERE CAN BE A CLASH OF FUNCTIONS BETWEEN THE TRADE UNION AND WORKS COMMITTEE, CAN THIS LIST BE THE BASIS FOR DEMARCATION/DEFINITION OF WORKS COMMITTEES' FUNCTIONS?

Ans: Yes.

Q. 94: SUGGEST MEASURES OF IMPROVING THE UTILITY OF THE WORKS COMMITTEES WITH PARTICULAR REFERENCE TO THEIR COMPOSITION AND FUNCTIONS.

Ans: If the basic barriers indicated against Q.92 are overcome and with a little amount of understanding and co-operation

the works committees should provide satisfactory results. Nevertheless the utility of the works committee will remain limited as long as collective bargaining function is in the hands of the union. The present composition and function appear to be satisfactory.

Q. 95: HAVE JOINT MANAGEMENT COUNCILS AND EMERGENCY PRODUCTION COMMITTEES BEEN SUCCESSFUL IN ACHIEVING THE OBJECTIVE OF BETTER INDUSTRIAL RELATIONS AND INCREASING PRODUCTION/PRODUCTIVITY? HAVE THEY CREATED A CLIMATE OF MUTUAL TRUST BETWEEN EMPLOYERS AND EMPLOYEES? (SEE APPENDIX VIII FOR FUNCTIONS OF JOINT MANAGEMENT COUNCILS).

Ans: We have not set up Joint Management Council in BEL. Emergency Production Committee has been functioning satisfactorily.

Q. 96: WHAT EFFECTS DO PROFIT-SHARING AND CO-PARTNERSHIP SCHEMES HAVE ON RELATIONS BETWEEN MANAGEMENT AND EMPLOYEES?

Ans: This is as yet a debatable issue. However, in the interest of social justice and considering that labour is a primary factor of production, it could be conceded that profit-sharing will certainly promote the common interests of both capital and labour. Profit-sharing will, no doubt, help in promoting good industrial relations and in inculcating a sense of partnership in the prosperity of an industry. It should also accelerate the productive efficiency of the industry. As regards co-partnership we have no Joint Management Council in our establishment. However, the Joint Management Councils in Public Sector undertakings are not reported to be successful. These measures have their limitations.

Q. 97: (a) IS IT FEASIBLE TO INTRODUCE A SCHEME OF WORKERS' PARTICIPATION IN MANAGEMENT BY MAKING THE WORKERS SHAREHOLDERS?

(b) IF IT IS CONSIDERED FEASIBLE, WHAT STEPS SHOULD BE TAKEN TO FACILITATE THE INTRODUCTION OF SUCH A SCHEME?

(c) DOES SUCH SHAREHOLDING GIVE ADEQUATE VOICE TO WORKERS IN RUNNING OF THE ESTABLISHMENT?

(d) ARE THERE ANY OTHER METHODS BY WHICH WORKERS CAN PARTICIPATE IN MANAGEMENT?

Ans: (a) No. Not in the present state of conditions.

(b) Does not arise.

(c) Does not arise.

(d) Yes. Through works committees and various other joint consultative committees.

Conciliation:

Q. 98: TO WHAT EXTENT HAS THE CONCILIATION MACHINERY GIVEN SATISFACTION TO THE PARTIES TO A DISPUTE?

Ans: If human touch is employed in the shape of conciliation it seldom fails to produce results. However, conciliatory

spirits or reasonable attitude of the party which is so essential for successful conciliation is sadly lacking if not absent. Under these circumstances, conciliations have more often than not proved failure. The workers also try to increase the number of demands without reason or rhyme.

Q. 99: STATISTICS OF SETTLEMENT OF INDUSTRIAL DISPUTES SHOW THAT CONCILIATION MACHINERY HAS PLAYED A PIVOTAL ROLE IN MAINTAINING INDUSTRIAL PEACE. AT THE SAME TIME, MANY MAJOR DISPUTES MAY NOT BE AMENABLE TO SETTLEMENT THROUGH CONCILIATION MACHINERY. DO YOU AGREE WITH THIS ASSESSMENT OF THE FUNCTIONING AND UTILITY OF THE MACHINERY?

Ans: Yes.

Q.100: WHAT CHANGES IN THE ORGANISATION AND STAFFING OF THE MACHINERY AND POWERS OF CONCILIATION OFFICERS WOULD YOU ADVOCATE? PLEASE INDICATE THE SPECIFIC CHANGES/IMPROVEMENTS WHICH WILL MAKE FOR A MORE EXPEDITIOUS AND EFFECTIVE DISPOSAL OF CONCILIATION WORK.

Ans: The conciliation officer should be suitably qualified and specialised in the field of labour. They should have experience of the industry and should be preferably recruited from among the Personnel Managers or Industrial Relations Managers employed in the industry. With the expansion of the industry and the problems arising in industrial relations it is necessary that the conciliation staff is increased.

Q.101: SHOULD CONCILIATORS BE NAMED ARBITRATORS IN DISPUTES HANDLED BY THEIR COLLEAGUES?

Ans: No, because their position as independent and objective agent of mediation will be lost if they act as arbitrators. It should be left to the parties to agree to a particular arbitrator.

Adjudication:

Q.102: WHAT ARE THE CRITERIA FOR ASSESSING THE SUITABILITY OR OTHERWISE OF THE PRESENT SYSTEM OF ADJUDICATION? DO YOU THINK THE SYSTEM HAS PLAYED AN IMPORTANT ROLE IN MAINTAINING INDUSTRIAL PEACE? SHOULD THE SYSTEM BE RETAINED?

Ans: The following criteria may assess suitability of the present system of adjudication:

- (a) Total number of disputes referred for adjudication during the year;
- (b) Number of awards given;
- (c) time taken to give awards;
- (d) Number of awards implemented by the parties.

The adjudication system has, by and large, played a significant role in industrial disputes and deserves to be retained. However, measures are required to be taken for speedy disposal of cases and effective implementation of the awards.

Q.103: IN CASE ADJUDICATION MACHINERY IS TO BE RETAINED, WHAT POWERS SHOULD IT HAVE IN INDUSTRIAL DISPUTES RELATING TO DISCHARGE AND DISMISSALS?

Ans: It is desirable that the adjudication machinery confines itself to ensure that there has been no mala fides in discharge/dismissal, instead of acting as appellate authorities.

Q.104: ARE THE EXISTING ARRANGEMENTS FOR REFERENCE OF DISPUTES TO ADJUDICATION SATISFACTORY? IF NOT, HOW CAN THE ARRANGEMENTS BE IMPROVED?

Ans: The present arrangements are satisfactory.

Q.105: SHOULD BE AUTHORITY FOR APPOINTMENT OF INDUSTRIAL TRIBUNALS BE VESTED IN THE LABOUR DEPARTMENTS? IF NOT, WHERE SHOULD IT LIE?

Ans: We are not in favour of the authority for appointment of industrial tribunals be vested in the Labour Department. Preferably this may be done by the High Court.

Q.106: THERE IS A SECTION OF OPINION THAT THE EXISTING PROCEDURES AND PRACTICES INVOLVING DIFFERENT STAGES LIKE CONCILIATION, ADJUDICATION ETC. IN SETTLEMENT OF DISPUTES TAKE AN UNDULY LONG TIME. WHAT MEASURES WOULD YOU ADVOCATE FOR EXPEDITIOUS SETTLEMENT OF DISPUTES?

Ans: By suitably increasing the conciliation staff, number of tribunals and by streamlining the procedures as far as possible, this could be remedied.

Q.107: DO YOU THINK THE REVIVAL OF THE LABOUR APPELLATE TRIBUNAL WOULD HELP IN THE EXPEDITIOUS SETTLEMENT OF DISPUTES?

Ans: The revival of Labour Appellate Tribunal will only be a superfluous stage for appeal and further delay in settlement of disputes.

Q.108: HOW SHOULD THE COST OF ADJUDICATION TO THE PARTIES BE REDUCED?

Ans: Through quick and speedy disposal of cases.

Q.109: WHAT MEASURES SHOULD BE TAKEN TO ENSURE FULL AND SPEEDY IMPLEMENTATION OF TRIBUNAL AWARDS AND AGREEMENTS?

Ans: The penal provisions of the Industrial Disputes Act should be promptly enforced and necessary machinery for this purpose at State level should be set up.

Code of Discipline:

Q.110: HAS THE CODE OF DISCIPLINE SERVED ITS PURPOSE?

Ans: Does not arise, as the implementation of Code of Discipline in our industry is still under consideration.

Q.111: WHICH PROVISIONS, IF ANY, OF THE CODE OF DISCIPLINE SHOULD BE GIVEN A LEGAL SHAPE? (SEE ALSO Q. 57).

Ans: Legal sanction will reduce it to a formality and defeat the essential spirit and voluntary nature lying behind it.

Voluntary Arbitration:

Q.112: WHAT IS THE ROLE OF VOLUNTARY ARBITRATION IN THE ACHIEVEMENT OF GOOD INDUSTRIAL RELATIONS? IN WHAT WAY CAN THE CENTRAL ORGANISATIONS OF EMPLOYERS AND WORKERS PROMOTE VOLUNTARY ARBITRATION? SHOULD A PROVISION FOR VOLUNTARY ARBITRATION BE INCORPORATED IN ALL COLLECTIVE AGREEMENTS?

Ans: Ours being a defence establishment, arbitration is not desirable for security reasons.

Q.113: PLEASE INDICATE THE AREAS OF INDUSTRIAL DISPUTES WHERE VOLUNTARY ARBITRATION COULD BE PREFERRED TO ADJUDICATION?

Ans: Does not arise in view of our answer to Q. 112.

Q.114: ARE YOU IN FAVOUR OF SETTING UP STANDING ARBITRATION BOARDS? IF SO, INDICATE (a) THEIR COMPOSITION, (b) PROCEDURE FOR SETTING UP OF SUCH BOARDS AND (c) SUBJECTS TO BE REFERRED TO THEM.

Ans: Does not arise in view of our answer to Q. 112.

Q.115: WHAT PROFESSIONAL GROUP PROVIDES THE BEST ARBITRATORS? CIVIL SERVANTS? LAWYERS? ACADEMICS? BUSINESSMEN? TRADE UNIONISTS? TECHNICIANS? OTHERS?

Ans: Does not arise in view of our answer to Q. 112.

Q.116: WHAT SHOULD BE ARRANGEMENTS FOR MEETING THE EXPENSES OF ARBITRATION?

Ans: Does not arise in view of our answer to Q. 112.

Strikes and Lockouts:

Q.117. DO YOU CONSIDER THAT THE EXISTING RESTRICTIONS ON WORKERS' RIGHT TO STRIKE AND THE EMPLOYERS' RIGHT TO DECLARE A LOCK-OUT NEED TO BE MODIFIED IN ANY WAY? IF SO, PLEASE INDICATE THESE MODIFICATIONS TOGETHER WITH REASONS IN SUPPORT OF THESE MODIFICATIONS.

Ans: Yes. There should also be provision for restricting and punishing various subtle forms of coercive methods like go slow, etc. The provisions need be strictly enforced and parties responsible for violation should be promptly penalised.

Q.118: DO UNION RULES PROVIDE FOR A PROCEDURE TO BE GONE THROUGH BEFORE GIVING A CALL FOR STRIKE? IF SO, TO WHAT EXTENT IS THIS PROCEDURE OBSERVED IN PRACTICE?

Ans: Yes. Seldom followed in practice.

Q.119: IF A STRIKE IS CALLED/LOCKOUT IS DECLARED, IS PRIOR NOTICE ALWAYS GIVEN TO THE OTHER PARTY? IF SO, TO WHAT EXTENT IS THIS PROCEDURE OBSERVED IN PRACTICE?

Ans: Most of the strikes are lightning strikes and hardly the workers comply with the provisions of law.

Q.120: IN HOW MANY CASES WITHIN YOUR KNOWLEDGE HAVE WORKERS BEEN

ABLE TO SECURE WAGES FOR THE STRIKE PERIOD WHEN THE STRIKE IS DECLARED LEGAL? ARE THERE CASES WHERE STRIKE PAY IS GIVEN WHEN THE STRIKE IS ILLEGAL?

Ans: We have no knowledge. We have not paid wages for illegal strike periods.

Q.121: IN WHAT WAYS DO TRADE UNIONS SEEK TO PRESENT VICTIMISATION OF THEIR MEMBERS? TO WHAT EXTENT DO THEY SUCCEED?

Ans: Through the medium of their bulletins, letters to the management and through the conciliation machinery.

Lately the tendency of trade unions is to colour any thing as victimisation, unfair labour practice even in bona fide action of the employers, and under these circumstances, the extent of success of the attempt is doubtful.

Q.122: ARE THERE INSTANCES OF WORKERS GOING ON STRIKE WITHOUT SANCTION OF THE UNION?

Ans: Most of the strikes are engineered by the trade unions only. In cases where they disclaim responsibility the tacit support of the union is always found.

Q.123: IN WHAT WAY IN PRACTICE DO TRADE UNIONS AND MANAGERMENTS KEEP IN TOUCH WITH EACH OTHER DURING A STRIKE IN ORDER TO FACILITATE A SETTLEMENT? WHAT IS THE ROLE OF GOVERNMENT MACHINERY IN SUCH CASES? SHOULD GOVERNMENT INTERVENE IN CASES WHERE A STRIKE IS (i) LEGAL, (ii) ILLEGAL?

Ans: The labour representatives are always invited to sit with Management and negotiate across the table and all necessary measures are taken to settle the issues. The government conciliation machinery should be set in motion in all such contingencies whether the strike is legal or illegal in order to check such agitational approaches to the detriment of production. All the considerations like whether the strike is legal or illegal become only secondary.

General:

Q.124: WHAT HAS BEEN THE ROLE OF TRIPARTITE COMMITTEES LIKE THE INDIAN LABOUR CONFERENCE, STANDING LABOUR COMMITTEE, INDUSTRIAL COMMITTEES etc. IN EVOLVING THROUGH MUTUAL DISCUSSIONS AND AGREEMENTS ACCEPTABLE ARRANGEMENTS IN THE VARIOUS FIELDS OF LABOUR RELATIONS? (SEE ALSO Q. 31).

Ans: The various tripartite bodies have played a significant role in the labour field in determining the labour policies of the Government, for prescribing norms and standard of labour measure. This has been universally recognised. In fact, the whole structure of the ILO itself is based on the principle of tripartite deliberations.

Q.125: ARE YOU IN FAVOUR OF CENTRAL GOVERNMENT BEING MADE RESPONSIBLE FOR INDUSTRIAL RELATIONS IN PUBLIC SECTOR UNDERTAKINGS UNDER THE CONTROL OF THE CENTRAL GOVERNMENT?

Ans: Since the public sector undertakings are located in various

-: 29 :-

states and regions of the country, and industrial relations will vary from region to region and state to state it will be helpful if the state government is made responsible for the industrial relations, in those undertakings situated in their states. Further, the law and order situation arising out of industrial dispute have to be handled by State Government, in the existing set up.

Q.126: HOW SHOULD PUBLIC UTILITIES BE DEFINED IN THE CONTEXT OF A PLANNED ECONOMY? SHOULD THERE BE ANY SPECIAL PROVISIONS FOR AVOIDING WORK STOPPAGES IN PUBLIC UTILITIES?

Ans: The existing definition in the ID Act seems to be adequate. None at present. However, the penal provision for violation could be strictly enforced.

Q.127: WHAT STEPS SHOULD BE TAKEN TO MINIMISE INDUSTRIAL CONFLICTS IN (a) THE PUBLIC SECTOR, (b) CO-OPERATIVE SECTOR?

Ans: In general efforts must be made to adjust the social and economic mechanism in such a way as to assure to the workers the satisfaction of at least the minimum human needs, security of service etc. Education of the workers to recognise and appreciate his rights and duties is also necessary. Efforts must be done to bring labour and management closer in a realistic manner and reducing legal complexity. Thus, it may be possible to minimise industrial conflict. In so far as public sector is concerned the following steps may be taken to minimise the industrial conflicts:

- i) Common wage structure, D.A., on the regional basis;
- ii) Uniform service conditions, leave rules, welfare measures etc.

We have no comments in respect of Co-operative Sector.

Q.128: FOR THE PURPOSE OF LABOUR-MANAGEMENT RELATIONS, IS THERE A CASE FOR TREATING THE PUBLIC-CO-OPERATIVE SECTOR DIFFERENTLY FROM THE PRIVATE SECTOR?

Ans: Fundamentally there should be no difference for treating public and Co-operative sector differently from the private sector.

Q.129: HAS COLLECTIVE BARGAINING BEEN POSSIBLE IN THE SMALL-SCALE SECTOR? TO WHAT EXTENT DOES THIS SECTOR MAKE USE OF THE INDUSTRIAL RELATIONS MACHINERY?

Ans: We have no knowledge.

V. W A G E S

Introductory:

Q.130: HOW DOES THE CURRENT AVAILABILITY OF UNSKILLED LABOUR AFFECT THE LEVEL OF WAGES?

Ans: The current availability of unskilled labour has not affected the level of wages insofar as public sector undertakings are concerned. On the other hand, the level of wages in general has considerably increased in recent times due to the activities of Fair Wages Committee, Wage Boards etc. and on the advent of the Minimum Wages Act.

Q.131: WHAT HAS BEEN THE RELATIONSHIP BETWEEN WAGES IN AGRICULTURE AND OTHER UNORGANISED SECTORS AND WAGES IN INDUSTRY?

Ans: We have no information. Generally speaking the wages in agriculture and other unorganised sector lag behind the wages in industrial sectors. Standardisation of the wages has not been arrived at in this country in view of complexity of the problem. Wage differentials between different sectors of the industry and among the different units of the same industry do persist.

Q.132: SHOULD WAGES IN AGRICULTURE AND UNORGANISED INDUSTRIES BE ALLOWED TO INFLUENCE WAGES IN INDUSTRY?

Ans: No. Wages are correlated with the nature of the industry and the type of labour engaged in an industry.

Q.133: TO WHAT EXTENT IS THE EXISTING LEVEL OF WAGES A RESULT OF THE TRADITIONAL MODE OF WAGE SETTLEMENT, COLLECTIVE BARGAINING, AWARDS etc.?

Ans: Insofar as we are concerned the level of wages obtaining in our industry is as a result of collective bargaining and settlement in this behalf.

Minimum Wage:

Q.134: AS SET FORTH IN THE REPORT OF THE COMMITTEE ON FAIR WAGES, "THE MINIMUM WAGE MUST PROVIDE NOT MERELY FOR THE BARE SUSTENANCE OF LIFE, BUT FOR THE PRESERVATION OF THE HEALTH AND EFFICIENCY OF THE WORKER. FOR THIS PURPOSE, THE MINIMUM WAGE MUST ALSO PROVIDE FOR SOME MEASURE OF EDUCATION, MEDICAL REQUIREMENTS AND AMENITIES." SHOULD THIS CONCEPT OF MINIMUM WAGE BE MODIFIED IN ANY WAY?

Ans: The present concept of minimum wage may have to stay for a long time to come in the present context of our economy especially in the agriculture and unorganised sectors.

Q.135: THE 15TH SESSION OF THE INDIAN LABOUR CONFERENCE ACCEPTED CERTAIN NORMS (APPENDIX IX) IN REGARD TO THE SIZE OF THE WORKER'S FAMILY AND MINIMUM REQUIREMENTS OF THE FAMILY RELATING TO FOOD, CLOTHING, HOUSING AND OTHER ITEMS OF EXPENDITURE. ATTEMPTS MADE BY SOME WAGE FIXING AUTHORITIES TO QUANTIFY THIS MINIMUM WAGE HAVE BROUGHT OUT THE DIFFICULTIES IN IMPLEMENTING THE FORMULA. IN WHAT RESPECT DO THE STANDARDS REQUIRE RECONSIDERATION?

Ans: While the standards laid down in determining the content of minimum wages are reasonably fair and objective, difficulties in quantifying these norms are bound to arise due to various factors, they can be overcome to some extent if family budget surveys, cost of living indices with a

common base, are done with precision and care, taking into account consideration the traditions and social usages of the people. The need based wage may not be possible in our present economy when we still continue to depend on foreign imports.

Q.136: IF IT IS NOT FEASIBLE TO PROVIDE THE MINIMUM WAGE REFERRED TO ABOVE TO THE WORKING CLASS, IS IT POSSIBLE TO SUGGEST A PHASED PROGRAMME FOR IMPLEMENTING THE NEED-BASED MINIMUM AS RECOMMENDED BY THE INDIAN LABOUR CONFERENCE?

Ans: The question of need-based minimum standard can only be possible for consideration when we reach self-sufficiency in all the essential commodities, and their supply is assured at reasonable price.

Q.137: THE COMMITTEE ON FAIR WAGES MADE ITS RECOMMENDATIONS ABOUT MINIMUM WAGE AGAINST THE BACKGROUND OF CONDITIONS IN THE INDUSTRIAL SECTOR. DO THESE IDEAS REQUIRE MODIFICATION IF THEY ARE TO BE RELEVANT TO NON-INDUSTRIAL WORKERS WHO PREDOMINATE IN THE ECONOMY?

Ans: As far as need-based minimum wage is concerned there does not appear to be any basic difference between an industrial worker and non-industrial worker so long the basic consumption pattern among them do not differ much.

Q.138: THE IDEA OF FIXING A NATIONAL MINIMUM WAGE IS TO BE ACCEPTED TAKING INTO ACCOUNT THE REPLIES TO QUESTIONS 134 to 137 ABOVE, HOW IS TO BE WORKED OUT IN PRACTICE?

Ans: National minimum wage could be considered only after we have reached the reasonable standard of self-sufficiency in essential commodities.

Q.139: AS BETWEEN DIFFERENT REGIONS IN THE COUNTRY IT IS NOT ONLY THAT PRICES OF CONSUMPTION GOODS VARY, BUT THE CONTENT OF THE MINIMUM NEEDS THEMSELVES CAN BE DIFFERENT. HOW ARE THESE VARIATIONS TO BE PROVIDED FOR IN ARRIVING AT THE NATIONAL MINIMUM?

Ans: If the various states in the first instance co-ordinate and maintain a modicum of uniformity at least on basic principles and lay down minimum standards, this might serve as a guideline for fixing national minimum. The differences in economic conditions and wage level existing in various states, regions have to be borne in mind.

Q.140: WOULD YOU FAVOUR ANY CHANGE IN THE DEFINITION OF 'MINIMUM', 'FAIR' and 'LIVING' WAGE GIVEN BY THE COMMITTEE ON FAIR WAGES? WHAT IN YOUR OPINION COULD HAVE BEEN THE CONCEPT OF 'LIVING WAGE' REFERRED TO IN THE CONSTITUTION? (APPENDIX X).

Ans: No. This has been answered in Q. 134, 135 and 136.

Dearness Allowance:

Q.141: CONSIDERING THE NEED FOR PROTECTING REAL WAGE, HOW SHOULD ONE PROVIDE FOR REVISION OF WAGES/WAGE RATES FOR CHANGES IN PRICE LEVEL? SHOULD THIS BE BY REVISION OF THE WAGE ITSELF OR BY A PROVISION OF A SEPARATE COMPONENT TO ABSORB PRICE CHANGES?

Ans: In view of the fluctuating nature of the price level and in view of the fact that prices are likely to come down sooner or later there should be a provision of a separate component to absorb price changes in order to protect the real wages. This could be done preferably by linking the dearness allowance with all-India cost of living index neutralising to the extent recommended by the Das Commission.

Q.142: IN VIEW OF THE PREVALENCE OF SEVERAL METHODS TO PROVIDE OR THE PAYMENT OF A SEPARATE ALLOWANCE TO MEET CHANGES IN COST OF LIVING, IS IT FEASIBLE TO APPLY ANY ONE SYSTEM ON A UNIFORM BASIS? WHICH SYSTEM WOULD BE MOST APPROPRIATE?

Ans: The wages of an employee should constitute only two components viz., basic pay and dearness allowance. The dearness allowance itself should meet the changes in the cost of living index and include the house rent allowance, city compensatory allowance and all other elements related to cost of living. Subsidised facilities like transport, accommodation, lunch, etc. should be taken into account.

Q.143: IF A SYSTEM IN WHICH DEARNESS ALLOWANCE ADJUSTED TO CHANGES IN COST OF LIVING IS FAVOURED:-

(a) WHICH INDEX NUMBER VIZ., (i) ALL INDIA, (ii) REGIONAL or (iii) LOCAL SHOULD BE PREFERRED?

(b) WHAT SHOULD BE THE FREQUENCY AT WHICH REVISION SHOULD BE MADE--MONTHLY/QUARTERLY/HALF-YEARLY, ETC.?

(c) WHAT SHOULD BE THE EXTENT OF CHANGE IN THE INDEX WHICH SHOULD WARRANT SUCH REVISION IN DEARNESS ALLOWANCE--EACH POINT/SLAB OF 5 POINTS/SLAB OF 10 POINTS ETC. GIVE REASONS.

Ans: (a) The Dearness Allowance should be based on All India index cost of living or regional index with a common base.

(b) The Second Pay Commission recommended revision of DA when there is a rise of 10 points during the period of 12 months. Das Commission felt that some modification of this formula is necessary. It may, however, be pointed out that the Wage Board for Engineering Industries is fully seized of the matter and the pattern that they will have to suggest may be awaited.

(c) The extent of change of index warranting revision in dearness allowance should be slab of 10 points based on cost of living.

Q.144: IN DETERMINING THE QUANTUM OF DEARNESS ALLOWANCE, WHAT SHOULD BE THE PRINCIPLES GOVERNING THE RATE OF NEUTRALISATION OF PRICE RISE?

Ans: The percentage of neutralisation should be maximum in the case of low income brackets who are more vulnerable to changes in the cost of living and must gradually diminish on a sliding scale. "Higher the salary lower is neutralisation" was the dictum followed by Das Commission.

Q.145: CONSIDERING THAT PAYMENT OF COST OF LIVING ALLOWANCE IS MEANT TO ENSURE THAT REAL WAGE OF EMPLOYEES IS NOT ERODED BY PRICE INCREASES, SHOULD THE CAPACITY TO PAY OF AN INDUSTRY/UNIT BE A RELEVANT CONSIDERATION IN FIXING THE RATE OF DEARNESS ALLOWANCE?

Ans: The capacity of an industry to pay is a very relevant consideration in fixing the rate of dearness allowance. If this is ignored it will lead to many establishments being closed down on economic reasons.

Q.146: IN AREAS/ACTIVITIES WHERE PART OF THE WAGE IS IN KIND, WHAT ADJUSTMENTS SHOULD BE MADE IN FIXING THE QUANTUM OF DEARNESS ALLOWANCE?

Ans: The cash value of all fringe benefits and other perquisites should be taken into consideration. They should form substantial part of the dearness allowance.

FRINGE BENEFITS:

Q.147: HOW SHOULD FRINGE BENEFITS BE DEFINED? WHAT SHOULD BE THEIR SCOPE AND CONTENT? TO WHAT EXTENT DO SUCH BENEFITS AFFECT PRODUCTION COSTS?

Ans: Fringe benefits should include all those amenities and facilities like housing, transport, canteen, medical facilities, educational assistance, leave travel concession, supply of uniforms, supply of essential consumer goods through co-operative or fair price shops etc. provided by the employer with a view to protect real wages of the worker. These fringe benefits affect the production cost considerably.

Q.148: HOW FAR CAN THE FRINGE BENEFITS BE A SUBSTITUTE FOR HIGHER MONEY EARNINGS?

Ans: These fringe benefits expressed in terms of money will easily substitute higher money earnings by at least 30 to 40 per cent. This principle is already accepted by the various Wage Boards.

WAGE DIFFERENTIALS:

Q.149: DO THE EXISTING WAGE DIFFERENTIALS IN THE PLANTS WITHIN YOUR KNOWLEDGE APPROPRIATELY REFLECT THE CONSIDERATIONS MENTIONED IN THE REPORT OF THE COMMITTEE ON FAIR WAGES, VIZ., DEGREE OF SKILL, STRAIN OF WORK, LENGTH OF WORK, TRAINING REQUIREMENT, RESPONSIBILITY UNDERTAKEN, MENTAL AND PHYSICAL STRAIN, DISAGREEABLENESS OF THE TASK, HAZARDS OF WORK AND FATIGUE?

Ans: Yes. In all public sector undertakings in Bangalore the wage differentials are fixed on the basis of job evaluation carried out by qualified work study engineers taking the degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue into account and also taking into account and also taking into consideration the practices obtaining in comparable undertakings.

Q.150: WHAT HAS BEEN THE EFFECT OF THE EXISTING SYSTEMS OF DEARNESS ALLOWANCE ON WAGE DIFFERENTIALS? WHAT STEPS WOULD YOU SUGGEST TO RATIONALISE PRESENT ARRANGEMENTS?

Ans: Dearness allowance may be variable depending upon regional or local considerations, but wage differentials which are mainly regional and occupational in nature, are justified so long as they reflect only differences in the productivity of the different types of labour or of the labour of the same type in different places. However, these disparities should be kept to the minimum and on justifiable grounds and gradually eliminated.

METHODS OF WAGE FIXATION:

Q.151: AS BETWEEN DIFFERENT METHODS OF WAGE FIXATION OBTAINING AT PRESENT, NAMELY, STATUTORY WAGE FIXATION, WAGE FIXATION THROUGH COLLECTIVE BARGAINING, FIXATION THROUGH WAGE BOARDS, AND WAGE FIXATION RESULTING FROM ADJUDICATION ETC. WHICH METHOD OR METHODS WOULD BE MORE SUITABLE FOR ADOPTION IN FUTURE? IF ONE OR THE OTHER ARRANGEMENT IS NEEDED FOR DIFFERENT SECTORS, INDICATE SECTOR-WISE THE ARRANGEMENT NEEDED.

Ans: Wage fixation should be done through a tripartite machinery like the Wage Boards which will have the acceptance of all the parties and the recommendations could be more enduring.

Q.152: IN COLLECTIVE BARGAINING FOR WAGE FIXATION SHOULD THE PRINCIPAL EMPHASIS BE LAID ON NATIONAL AGREEMENTS? IF SO, WHAT ADJUSTMENTS SHOULD BE MADE TO MEET LOCAL NEEDS?

Ans: Within the framework of national agreement consideration to the local needs such as regional parties, occupational differences, productivity of labour, availability of labour, quality of labour, capacity of the industry to pay etc. must be given in collective bargaining at the plant-level. In the case of wage board awards they should also be on regional basis rather than on national basis.

Q.153: TRIPARTITE WAGE BOARDS CAME IN VOGUE BECAUSE IT WAS FELT THAT AN ARRANGEMENT BY WHICH PARTIES THEMSELVES CAN HAVE A HAND IN SHAPING THE WAGE STRUCTURE IN AN INDUSTRY COULD BE MORE ENDURING THAN THE ONE WHERE AN AWARD IS HANDED DOWN BY A THIRD PARTY. HAS THIS EXPECTATION BEEN FULFILLED?

Ans: The Wage Board awards have by and large been satisfactory and acceptable to all parties and therefore have had enduring effects.

Q.154: (a) IN WHAT RESPECTS SHOULD THE OPERATION OF WAGE BOARDS BE MODIFIED TO IMPROVE THEIR WORKING?

(b) SHOULD WAGE BOARD RECOMMENDATIONS HAVE LEGAL SANCTION?

Ans: (a) At present the wage board set up on industry basis being on an all-India basis, takes unduly long time to complete its mission in view of the enormity of work involved. Apart from a national wage board, there could be smaller wage boards on regional basis for the same industry. The national wage board could co-ordinate the

activities of the constituent wage boards and might be able to evolve standardisation of wages at a reasonably short time. A definite time limit should be fixed within which the Wage Board should complete its work and submit recommendations.

(b) The awards of the wage boards may have preferably legal sanction.

WAGE POLICY:

Q.155: (a) HOW COULD THE CRITERIA OF FAIRNESS TO LABOUR, DEVELOPMENT OF INDUSTRY, CAPITAL FORMATION, RETURN TO ENTREPRENEUR ETC. BE TAKEN INTO ACCOUNT IN WAGE FIXATION?

(b) IT IS SAID THAT IN THE BALANCE BETWEEN FAIR WAGES TO WORKERS, FAIR PROFITS TO ENTREPRENEURS AND FAIR RETURNS TO TREASURY, THE CONSUMERS ARE OFTEN LEFT BEHIND. HOW FAR IS THIS CRITICISM VALID? HOW BEST CAN THE SITUATION BE REMEDIED?

Ans: (a) Progressive increases in wages is only possible through increased productivity. In order to reconcile the various criteria adopted in wage fixation, the system should be such as would give an incentive to the worker and at the same time, ensure higher productivity and a fair return to the entrepreneur. This may be accomplished through the system of payment by results due care being given to proper time and motion studies, proper safeguard to the health of the workers and a guarantee of a minimum wage to fall back.

(b) In any system of wage fixation, the needs of the worker, entrepreneur and consumer assume equal considerations.

Q.156: IN THE CONTEXT OF PLANNED DEVELOPMENT, THE QUESTION OF TAKING AN INTEGRATED VIEW OF POLICY IN REGARD TO WAGES, INCOMES AND PRICES IS OFTEN EMPHASISED. WHAT SHOULD BE THE OBJECTIVE AND SCOPE OF SUCH A POLICY? INDICATE THE GUIDELINES FOR SUCH A POLICY IN THE LIGHT OF THE PERSPECTIVE FOR THE GROWTH OF THE ECONOMY. CHANGES IN THE EXISTING INSTITUTIONAL ARRANGEMENTS FOR IMPLEMENTATION OF SUCH A POLICY MAY ALSO BE INDICATED.

Ans: The capacity of the industry to pay, the productivity of labour, prevailing rates of wages, the place of the industry and the economy of the country, the level of national income and its distribution, the primary interest of the consumer taking into consideration his purchasing power -- all these should form the guidelines in any wage policy.

Q.157: DO YOU SUGGEST A POLICY OF 'WAGE FREEZE'? IF SO, HOW CAN IT BE IMPLEMENTED UNDER THE EXISTING SYSTEM? WHAT ARE THE IMPLICATIONS OF THIS POLICY FOR OTHER INCOMES?

Ans: Wage freeze should not be contemplated until effective measures to hold the price line are taken and basic necessities of life are made available at reasonable level.

Q.158: IS THERE A NEED FOR SECTORAL BALANCE IN WAGE STRUCTURE BETWEEN THE PUBLIC AND PRIVATE SECTORS? IF THERE IS, HOW SHOULD IT BE ACHIEVED?

Ans: It is essential that sectoral balance in the wage structure between public and private sectors should be maintained. This can be achieved through wage boards for different industries.

MODE OF WAGE PAYMENT:

Q.159: WHAT ARE THE EXISTING PRACTICES IN REGARD TO PAYMENT OF WAGES IN KIND? WOULD YOU SUGGEST ITS EXTENSION TO UNITS WHERE IT IS NOT OBTAINING AT PRESENT?

Ans: Insofar as we are concerned, the system of payment of wages in kind is not in vogue. In any case as long as there is food shortage we are not in favour of it.

Q.160: TO WHAT EXTENT IS THE METHOD OF PAYING UNSKILLED WORKERS ON TIME SCALE OF PAY COMMON? WOULD YOU FAVOUR ITS EXTENSION?

Ans: As far as public sector undertakings are concerned, the method of paying unskilled workers on time scale as is the case of other workers is widely prevalent. Yes. We favour its extension.

..... 37.

Q. 161 DO YOU FAVOUR THE SUGGESTION THAT THE TOTAL WAGE PACKET SHOULD CONSIST OF THREE COMPONENTS, NAMELY, THE BASIC WAGE, THE OTHER DEPENDING ON PRICE CHANGES AND THE THIRD WHICH TAKES INTO ACCOUNT PRODUCTIVITY CHANGES? IF SO, HOW SHOULD THIS SUGGESTION BE MADE OPERATIVE?

Ans: Productivity aspect is taken into account in the wage fixation itself. Hence there is no need to have it as a separate component. Insofar as our employees are concerned, they are getting the basic wage, dearness allowance and also incentive pay-ment based on productivity.

GENERAL:

Q. 162: HOW FAR CAN THE ADMINISTRATION OF THE MINIMUM WAGES ACT, 1948 BE CONSIDERED TO BE SATISFACTORY? OUTLINE IN DETAIL THE DIFFICULTIES EXPERIENCED IN ITS IMPLEMENTATION. OFFER SUGGESTIONS AGAINST EACH DIFFICULTY ON HOW BEST IT COULD BE OVERCOME. (See also Q. 210).

Ans: Limitations of the Minimum Wages Act are broadly
(i) the Act does not define the minimum wage and its content;
(ii) the minimum wages should not be fixed so high which the industry may not be able to bear. This is so in some stages;
(iii) the scope of the Act is narrow. It would be desirable if the Act is extended to all employment;
(iv) another limitation is that the minimum wage rate shall not be fixed unless there are thousand employees. A large number of small and unregulated industries has therefore been excluded;
(v) the machinery provided in the Act is not quite satisfactory. The minimum wage fixing machinery should be created.

Q. 163: IS THE SCHEME FOR PAYMENT OF ANNUAL BONUS EMBODIED IN THE PAYMENT OF BONUS ACT, 1965, SATISFACTORY? IF NOT, WHAT ARE YOUR SUGGESTIONS? HOW DOES THE LATEST DECISION OF THE SUPREME COURT AFFECT THE SCHEME OF THE ACT?

Ans: Whether the Bonus Scheme is best in the circumstances or a more equitable method could have been devised is a matter still open to controversy and debate. If it can be established satisfactorily, a scheme linking payments to productivity ratio than linking to profits would be more appropriate.

Nevertheless the Bonus Act scheme involves departure in many respects from the Full Bench Formula which was in existence prior to the passing of the Act. Under the Full Bench Formula, bonus to the percentage of a total wage not inclusive of dearness allowance and in the computation of available surplus rehabilitation allowance was admissible as a deduction. It was also well settled that an establishment which suffered loss in an accounting year was not liable to pay bonus and a reference under the ID Act on a claim to bonus could

be adjudicated upon only if the claimant were workmen as defined under the ID Act. The above requires to be taken into consideration.

Number of disputes on bonus have arisen in the public sector undertakings on account of Sec. 21 and which lends itself to different interpretations, and Sections 6 and 7 in regard to income tax elements to be allowed as a prior charge.

There is a possibility of number of disputes coming up on account of Sec. 32 and 35(a) of the Act which lead to different interpretations of the bonus being paid by different establishments.

Even the formula provided for calculation of the available surplus is controversial.

The Supreme Court struck down sections 33, 34 and 37 of the Bonus Act as discriminatory and ultra vires to the Constitution. Sec. 33 of the Act related to the retrospective application of the Act to any industrial dispute regarding bonus pending since 1962 and any subsequent accounting year before the appropriate Government or before any Tribunal. This provision created an onerous liability on the employer which was not fair. The Supreme Court decision has removed that liability, and all pending disputes would now have to be disposed of in accordance with the old bonus formula.

The second provision (Sec. 34) that was annulled sought to protect the benefits of higher bonus which was available to the workers prior to the commencement of the new formula. The severance of this clause does not affect the scheme of the rest of the Act for all cases pending before the Act came into force would be governed by the Full Bench Formula.

The third provision (Sec. 37) that was annulled, conferred powers on the Central Government to pass rules making the provision to remove any difficulty or doubts in the working of the Act. This was held to be an infraction of the executive on the powers of the legislature. The deletion of this clause may not seriously affect the working of the scheme. It may, however, be said that the power to remove difficulties is generally reserved to the Government in hundreds of statutes which power of exemption is seldom used.

Q. 164: WHAT SHOULD BE THE PLACE OF BONUS PAYMENTS IN THE FUTURE SYSTEM OF REMUNERATION?

Ans: Bonus payments are increasingly accepted to be equitable payments and all reservations in this respect require to be shed down in the light of social justice and in the interest of good industrial relations. Now that it has statutory sanction it will continue to be paid in future.

VI. INCENTIVE SCHEMES AND PRODUCTIVITY

Q. 165: WHAT STEPS SHOULD BE TAKEN TO INTRODUCE A SYSTEM OF PAYMENT BY RESULTS IN INDUSTRIES/ACTIVITIES WHERE THIS SYSTEM WOULD BE APPROPRIATE?

- Ans:
- (a) Setting up and organising of Methods Engineering/ Process Planning Department for working out the standard/ economical method and manufacture;
 - (b) Setting up and organising of Industrial Engineering/Work Study Department for (1) conducting Method Study, (2) working out of standard time, (3) conducting Job Evaluation. The use of a system of Job Evaluation may facilitate the development and maintenance of an equitable relationship among the rates for different jobs;
 - (c) Education of workers, supervisors, trade-union leaders in productivity techniques through training programmes;
 - (d) The system should be introduced only after fulfilling the essential pre-requisites and in an atmosphere of good industrial relations.

Q. 166: PLEASE STATE YOUR VIEWS ON THE FOLLOWING GUIDING PRINCIPLES FOR INTRODUCTION OF INCENTIVE SCHEMES.

- (a) Employers and workers should formulate a simple incentive system at the unit level and implement it on some agreed basis through collective bargaining. In every case, introduction of incentive schemes should be preceded by an agreement with trade unions.

An incentive scheme should be as simple as possible to understand. Issues should be decided according to principles and not according to relative bargaining power or other extraneous factors. Every introduction of incentive schemes should be preceded by an agreement with trade unions. However, where production is diversified and consist of many products and when such products are new, and employees have to be switched on from time to time to different equipments, and jobs are not repetitive fixation of incentives becomes difficult and complicated.

- (b) In evolving wage incentive schemes, it should be ensured that these do not lead to rate-cutting. The worker's normal wages should be protected where it is not possible for him for circumstances beyond his control to earn an incentive.

Standards should only be altered if materials, equipment, methods or physical conditions change. The workers's normal wages should be protected where it is not possible for him due to circumstances beyond his control to earn an incentive.

- (c) Individual or group incentives can be framed to cover both direct and indirect groups of workers.

Individual or group direct incentive can be framed to cover both direct and indirect group of workers wherever the measurement of output and productivity are possible.

(d) An incentive scheme cannot be evolved without a work study undertaken with the co-operation of workers. Nevertheless, it should always be open to employers and workers to evolve a scheme by agreement or any other acceptable basis.

The first portion is correct. This has been covered in answer to Q. 165 above.

(e) Efforts should be made to reduce time-rated categories to the minimum. This will ensure that all employees have an equal chance to increase their earnings with increase in productivity.

If an incentive scheme is to be installed it should have as wide an application as possible. The remarks at item (c) above hold good in this case also.

(f) Wage incentive should generally provide extra earnings only after a mutually agreed level of efficiency has been achieved.

An efficiency level of 60% - 65% to be attained before considering installation of any incentive scheme.

(g) To ensure quality of production, incentive payments should be generally allowed only if the output has been approved on inspection by the Management.

This is quite true. Safeguards must be provided against quality deterioration.

(h) Incentive earnings should not fluctuate very much. This requires a certain degree of planning so that material delays/machine-breakdowns etc., are controlled.

The variations in Incentive earnings is normally due to the variations in skill and effort of operatives. For any fluctuations in the incentive earnings, attributable to material delays/machine breakdowns, the normal wages should be guaranteed.

(i) The scheme should itself safeguard adequately the interests of the worker if he is forced to remain idle due to circumstances entirely beyond his control such as non-supply of raw materials, machine breakdowns etc.

Refer (b) above. The safeguard need only be in the form of guaranteed minimum wages.

(j) Apart from financial incentives, non-financial incentives like better security of employment, job satisfaction, job status etc., have also a place in increasing productivity.

Security of employment is a deterrent to incentives. In our opinion, the non-financial incentives like job satisfaction, job status etc., act as an incentive for increasing productivity to some extent only under the present conditions.

Q. 167: WHAT SHOULD BE THE RESPECTIVE ROLES OF LABOUR, MANAGEMENT AND GOVERNMENT IN RAISING PRODUCTIVITY?

Ans: The Industrial policy of the Government should be streamlined so as to licence only economical units which will keep the consumers interests in mind and which will also develop and expand the industry in time. Government should also take measures to see the essential basic necessities of life are made available at reasonable rates.

The industrial disputes that go for conciliation/adjudication should be disposed of expeditiously.

Management should be productivity conscious and employ all measures of austerity to reduce cost of production.

Workers should also be productivity conscious, maintain discipline and avoid militant approaches.

Q. 168: HOW SHOULD THE GAINS PRODUCTIVITY BE MEASURED? CAN THEY BE ALLOCATED TO DIFFERENT FACTORS OF PRODUCTION? HOW SHOULD THE GAINS BE SHARED?

Ans: The gains in productivity may be measured on the basis of "output" with reference to input of resources, mainly in the form of capital invested and man-power which naturally should have an increasing trend. Evaluation of direct material and direct labour costs with reference to manufacturing cost/unit and periodic comparison will help in the assessment of measurement of productivity.

The gains of productivity should be shared as follows:

- (1) Portion to be retained by the industry for improvement in technology, expansion and developmental plans;
- (2) the customer of the product by way of reduction in selling price;
- (3) the employees by way of additional emoluments as a reward for increased productivity; and
- (4) the shareholder through increase in return to stimulate capital formation.

Q. 169: HAVE INCREASES IN PRODUCTIVITY MATCHED WITH WAGE INCREASES IN THE YEARS SINCE INDEPENDENCE? PLEASE GIVE SUPPORTING STATISTICS.

Ans: Increase in wages does not seem to have given appreciable rise in productivity. However, the incentive payments have contributed to rise in efficiency and productivity.

Q. 170: HAS ANY UNDERTAKING WITHIN YOUR KNOWLEDGE EXPERIMENTED, IN RECENT YEARS, WITH PRODUCTIVITY TECHNIQUES? HOW DID THE EMPLOYEES REACT TO THESE EXPERIEMENTS? DID THIS RESULT IN INCREASING WORKLOAD? IF SO, HOW WAS THIS SITUATION MET?

Ans: We have incentive schemes like production bonus, special increment, suggestion award, attendance bonus etc. The employees have reacted favourably to these schemes. These schemes did not result in increasing workload.

Q. 171: WHAT PLACE WOULD YOU ASSIGN TO SUGGESTION SCHEMES AND INSTITUTION OF AWARDS FOR OUTSTANDING WORK TO IMPROVE PRODUCTIVITY?

Ans: A good and well-planned suggestion scheme can contribute a great deal in improving productivity. In our opinion, this should be given preference over other productivity techniques.

Q. 172: WHAT ARE THE FACTORS CONTRIBUTING TO LABOUR TURNOVER AND ABSENTEEISM? HOW DO THEY AFFECT IMPROVEMENT IN PRODUCTIVITY? (See also Q. 183:).

Ans: The factors contributing to labour turnover are:

- (1) Disputes in wage scales for similar jobs in the same area;
- (2) Lack of non-financial incentives;
- and (3) Absence of motivation techniques.

The factors contributing to absenteeism are:

- (1) Misuse of FSI leave and sick leave;
- (2) Absence on receipt of bulk amounts like production bonus/profit sharing bonus;
- (3) Festival and social obligations;
- and (4) Lower aspirations for higher standard of life.

Q. 173: WHAT IS THE PLACE OF THE MOTIVATION OF WORKER FOR IMPROVING HIS STANDARD OF LIVING IN THE SUCCESSFUL WORKING OF INCENTIVE SCHEMES?

Ans: Educating the workers to appreciate the long range gains of productivity through an incentive scheme as one of the means is a pre-requisite. A general increase in productivity will gradually reflect in improved standards of living.

Q. 174: WHAT IS THE EFFECT OF (A) 'GO-SLOW', (B) 'WORK TO RULE' AND (C) "UNIONS' BAN ON OVERTIME" ON CREATING A CLIMATE FOR IMPROVING PRODUCTIVITY?

Ans: 'Go-slow', 'work to rule' have an adverse effect on productivity. As far as 'work to rule' is concerned the effect is adverse simply because every minute of working time cannot easily be defined nor can it be easily measured especially so in the case of indirect workers. As regards overtime it may be said that imperceptibly a tendency has grown among the workers to claim overtime as a matter of right even for the legitimate normal work. If unions themselves could ban on overtime work this will decidedly have a salutary effect.

Q. 175: WHAT IS THE ROLE OF RATIONALISATION IN IMPROVED PRODUCTIVITY? THE 15TH SESSION OF INDIAN LABOUR CONFERENCE HAD MADE SOME RECOMMENDATIONS (APPENDIX XI) FOR REGULATING THE PROCESS OF RATIONALISATION. HAVE THESE RECOMMENDATIONS HELPED RATIONALISATION? DO THESE RECOMMENDATIONS STILL PROVIDE A USEFUL FRAMEWORK FOR THE PURPOSE? IF NOT, WHAT CHANGES WOULD YOU SUGGEST?

Ans: Rationalisation of basic wage structure before the implementation of any system of payment by results will improve the labour productivity in many situations. Rationalisation and standardisation can contribute a great deal in the effective utilisation of the various factors of production. Incentive schemes should be integrated with other functions of the business, e.g. standardise job description with job evaluation schemes and incentive groupings with cost centres where possible.

- Q. 176: (a) WHAT SHOULD BE THE PLACE OF 'AUTOMATION' IN THE PERSPECTIVE OF DEVELOPMENT?
 (b) HOW WOULD AUTOMATION AFFECT LABOUR-MANAGEMENT RELATIONS?
 (c) SHOULD THERE BE A SPECIAL MACHINERY TO STUDY THE PROBLEM?

Ans: (a) In the export oriented industries and industries facing internal competition, the introduction of automation is inevitable. However, before automation, automation must find the place in the perspective of development.

(b) With the introduction of automation the industry will become capital intensive in place of labour intensive. In other words, the labour force will be very much less than for any labour intensive industry. The problems of labour-management relations will be considerably reduced in an automated industry. If automation to enter a reorientation of labour-management relations is necessary.

(c) Yes.

- Q. 177: HOW FAR HAS THE NATIONAL PRODUCTIVITY COUNCIL BEEN EFFECTIVE IN GENERATING ENTHUSIASM AMONG EMPLOYEES AND WORKERS IN INCREASING PRODUCTIVITY?

Ans: The National Productivity Council has no doubt contributed in creating productivity consciousness in the middle and higher management levels. But its influence on the workers to increase productivity appears to be negligible.

VII. SOCIAL SECURITY.

- Q. 178: (a) WHAT EFFECT DO THE SOCIAL SECURITY SCHEMES HAVE ON STABILITY OF EMPLOYMENT AND ON INDUSTRIAL RELATIONS?
 (b) HAVE SOME OF THE BENEFITS, BASED AS THEY ARE ON A QUALIFYING PERIOD FOR ENTITLEMENT, LED TO LARGER LABOUR TURNOVER? IF SO, WHAT SHOULD BE THE REMEDIAL MEASURES?

Ans: (a) Social security scheme plays an effective role in creating a healthy and efficient industrial force besides providing a fertile ground for good industrial relations.

(b) In our opinion, the qualifying period for entitlement to certain benefits have not led to larger labour turnover. In case of non-statutory social security measures like gratuity for example, the qualifying period for this terminal benefit is not uniform everywhere. A uniform minimum period is absolutely necessary to minimise labour turnover.

Q. 179: THE CONVENTION ON MINIMUM STANDARDS OF SOCIAL SECURITY ADOPTED BY THE INTERNATIONAL LABOUR ORGANISATION REFERS TO THE FOLLOWING BRANCHES OF SOCIAL SECURITY, NAMELY, MEDICAL CARE, SICKNESS BENEFIT, UNEMPLOYMENT BENEFIT, OLD AGE BENEFIT, EMPLOYMENT INJURY BENEFIT, FAMILY BENEFITS, MATERNITY BENEFIT, INVALIDITY BENEFIT AND SURVIVOR'S BENEFIT.

- (a) TO WHAT EXTENT IS EACH OF THE ABOVE BENEFITS AVAILABLE AT PRESENT?
- (b) WHAT IS THE COST OF EXISTING SOCIAL SECURITY SCHEMES IN RELATION TO THE TOTAL COST OF PRODUCTION? HOW HAS IT VARIED OVER THE LAST 15 YEARS?
- (c) ARE THE SCOPE AND COVERAGE OF EACH ONE OF THE BENEFITS MENTIONED ABOVE ADEQUATE?
- (d) WHAT SHOULD BE THE PRIORITY FOR ENLARGING THE SCOPE AND COVERAGE OF VARIOUS EXISTING BENEFITS?
- (e) HOW SHOULD THE PROGRAMME FOR INTRODUCTION OF THE BENEFITS NOT CURRENTLY AVAILABLE BE PHASED?

Ans: (a) Medical care, sickness benefits, maternity benefit, survivor's benefit (dependant's benefit) are available under the FSI scheme. Employment injury benefit is available under the Workmen Compensation Act.

Unemployment benefit is not available at present. The old age benefit is provided for under the gratuity and the provident fund.

(b) We have no information.

(c) The scope and coverage of the benefit are adequate for the present and need be revised as and when per-capita income increases.

(d) Priority should be given to old age benefit, health and risks arising out of employment in any new legislation.

(e) Depending upon the resources of the country more and more social security measures like unemployment insurance, survivorship pension for widows and orphans etc. should be gradually introduced after enlarging the scope and applicability of the existing scheme to the wider section of the society.

Q. 180: THE BENEFITS REFERRED TO IN QUESTION No. 179 ARE GENERALLY AVAILABLE ONLY TO PERSONS WHO ARE IN WAGE-PAID EMPLOYMENT: THERE WILL STILL BE LARGE NUMBERS OF PERSONS LIKE TRADERS ARTISANS AND SMALL SHOPKEEPERS WHO ARE SELF-EMPLOYED AND WHO WILL REMAIN UNCOVERED BY THE SCHEME. WHAT ADVANCE STEPS SHOULD BE TAKEN TO BRING THESE GROUPS WITHIN ORGANISED SOCIAL SECURITY SCHEMES?

Ans: Legislative measures to raise the coverage and applicability of these measures should be taken.

Q. 181: THE F.S.I.S. Review Committee has made a number of RECOMMENDATIONS IN ITS REPORT BOTH FOR IMPROVING THE ADMINISTRATION OF THE F.S.I.S. AND FOR INTRODUCING AN INTEGRATED SOCIAL SECURITY SCHEME. AS REGARDS THE LATTER IT HAS RECOMMENDED THAT PLANNING SHOULD NOW PROCEED TO EVOLVE A COMPREHENSIVE SOCIAL SECURITY

SCHEME COVERING IN A SINGLE ENACTMENT VARIOUS RISKS OF CESSATION OF INCOME OR WAGE LOSS TO WHICH A WAGE EARNER IS EXPOSED. TOWARDS THIS END IT HAS SPECIFICALLY SUGGESTED

- (i) THE GOVERNMENT SHOULD IN CONSULTATION WITH THE INDIAN LABOUR CONFERENCE SET UP AN EXPERT MACHINERY TO EVOLVE A 'BLUE PRINT' FOR A COMPREHENSIVE SCHEME OF SOCIAL SECURITY WHICH SHOULD ALSO FORM A STRONG FINANCIAL AND ADMINISTRATIVE BASE FOR INCLUSION OF BENEFITS WHICH ARE AT PRESENT NOT AVAILABLE.
- (ii) ACTION SHOULD BE INITIATED FORTHWITH TO BRING ABOUT AN ADMINISTRATIVE MERGER OF THE ESI SCHEME AND THE EPF SCHEME. STEPS SHOULD BE TAKEN TO EXAMINE THE PROBLEM IN ALL ITS DETAILS AND TO ACCOMPLISH THIS WITH THE LEAST DELAY.

WHAT ARE YOUR SUGGESTIONS ON THE ABOVE RECOMMENDATIONS?

ans: (i) The present ESI Scheme is no doubt a modest one. This requires bigger and bolder expansions and these social security measures should be unified under the administrative responsibility of a single ministry of social security with a single social insurance fund. A comprehensive scheme can only be feasible when there is considerable increase in the percapita income in the country.

(ii) This requires careful consideration.

Q. 182: SHOULD THE PROVISIONS FOR EXEMPTION FROM THE ESI SCHEME BE TIGHTENED? HOW SHOULD THIS BE ACHIEVED?

ans: Yes. The seasonal factories and other unorganised industries should also be brought under the purview of the scheme. Further, exemption should be given only to those industries who can afford facilities and benefits that are superior to those provided under ESI.

Q. 183: IN SO FAR AS THE ESI SCHEME IS CONCERNED, THERE IS A VIEW THAT ABSENTEEISM AMONG WORKERS IN THE FACTORIES COVERED BY THE SCHEME HAS TENDED TO INCREASE CONSEQUENT UPON THE INTRODUCTION OF THE SCHEME. NO CORRECT EVIDENCE HAS BEEN FORTHCOMING SO FAR EITHER IN SUPPORT OF THE ABOVE CONTENTION OR AGAINST IT. WHAT IS THE EXPERIENCE THE INDUSTRIAL UNIT/UNITS WITHIN YOUR KNOWLEDGE? WHAT REMEDIES WOULD YOU SUGGEST TO MINIMISE SUCH ABSENTEEISM? (See also Q. 172).

ans: To some extent correct. The ESI doctors should exercise greater care and responsibility before issuing medical certificate and ensure that certificates are issued for genuine reasons only.

Q. 184: SHOULD THE ADMINISTRATION OF THE MEDICAL BENEFITS UNDER THE ESI SCHEME REMAIN THE RESPONSIBILITY OF STATE GOVERNMENTS? OR SHOULD THE CORPORATION ITSELF TAKE IT OVER? IF STATE GOVERNMENTS ARE TO CONTINUE ADMINISTERING MEDICAL BENEFITS, WHAT SHOULD BE DONE TO ENSURE THAT A UNIFORM STANDARD OF MEDICAL BENEFITS IS AVAILABLE TO INSURED PERSONS IN ALL STATES?

Ans: 184: Administration of medical benefits should be taken over by Corporation. The existing dual arrangement does not appear to be working satisfactorily. If the Corporation itself takes over this it might exercise greater control and effective supervision over the medical side and ensure that better conditions of treatment and care are provided. The above arrangement will also ensure uniform, speedy and efficient administration.

Q. 185: WHAT SHOULD BE THE RESPECTIVE SHARES OF CONTRIBUTION FROM EMPLOYERS, WORKERS AND GOVERNMENT IN ANY SCHEME OF SOCIAL SECURITY?

Ans: 45% by employers, 45% by workers and 10% by the Government should be the respective share contribution in any scheme of social security as long as the cost of product can easily be borne by consumers.

Q. 186: SHOULD THE EMPLOYERS' PROVIDENT FUND SCHEME BE CONTINUED AS AT PRESENT OR SHOULD STEPS BE TAKEN TO CONVERT IT INTO EITHER A PENSION SCHEME OR A PROVIDENT FUND-CUM-PENSION SCHEME?

Ans: Provident Fund-cum-Pension Scheme is desirable. Alternatively, the present Provident Fund Scheme should be continued and provision may be made to raise an insurance policy for each worker out of this fund.

Q. 187: IF IT IS TO CONTINUE IN THE PRESENT FORM, WOULD YOU SUGGEST ANY CHANGE IN THE PATTERN OF INVESTMENTS OF THE FUNDS AND IN THE RATE OF INTEREST ACCRUING TO BENEFICIARIES?

Ans: The present arrangement with regard to investment of the funds and the rate of interest accruing to beneficiaries appear to be satisfactory.

Q. 188: ARE ANY CHANGES CALLED FOR IN THE SCHEME TO MAKE THE ADMINISTRATION MORE SATISFACTORY?

Ans: We have no comments.

Q. 189: SHOULD A PART OF THE PROVIDENT FUND BE SET APART FOR GIVING INSURANCE COVER TO THE MEMBERS OF THE PPF SCHEME?

Ans: Yes. This is already suggested against Q. 186.

Q. 190: WHAT SHOULD BE THE PLACE OF GRATUITY PAYMENTS IN AN OVERALL SOCIAL SECURITY PROGRAMME?

Ans: Gratuity payment should have equal importance with that of Provident Fund or any other social security measure. Each measure is supplement to the other measure.

Q. 191: WOULD YOU SUGGEST ANY CHANGES IN THE EXISTING PROVISIONS RELATING TO LAY-OFF AND RETRENCHMENT PROVIDED TO EMPLOYEES AGAINST THE HAZARDS OF JOB INSECURITY RESULTING FROM TEMPORARY EMPLOYMENT AND OTHER FLUCTUATIONS?

Ans: The present provisions are adequate.

Q. 192: SHOULD THE ADMINISTRATION OF SOME OF THE SOCIAL SECURITY BENEFITS BE HANDED OVER TO TRADE UNIONS? WHAT PRE-CONDITIONS SHOULD TRADE UNIONS SATISFY FOR BEING ELIGIBLE TO TAKE OVER SUCH ADMINISTRATION?

Ans: No. Not desirable at this stage when trade unions have not yet developed responsible leadership.

VIII. LABOUR LEGISLATION

Q. 193: TO WHAT EXTENT SHOULD LABOUR-MANAGEMENT RELATIONS IN A PLANNED ECONOMY BE GOVERNED BY LEGISLATION/COLLECTIVE BARGAINING? (See also Q. 85 and 90.)

Ans: Labour-management relations in a planned economy should normally be governed by collective bargaining. Nevertheless major issues and disputes should have to be dealt by additional machinery like:-

(a) Wages, dearness allowance and other issues to be dealt by Wage Board on industrywise-cum-regional basis. The recommendations of the Wage Boards may have legislative sanction behind them.

(b) The normal conciliation/adjudication machinery should function to settle industrial disputes.

Q. 194: WHAT HAVE BEEN THE FACTORS THAT HAVE AFFECTED THE PROPER AND EFFECTIVE IMPLEMENTATION OF THE VARIOUS LABOUR LAWS? (APPENDIX XII). HAVE THESE LAWS ACHIEVED THE PURPOSE/OBJECTIVES? FOR WHICH THEY WERE ENACTED? IF NOT, WHAT FACTORS HAVE HINDERED THE ACHIEVEMENT OF THESE OBJECTIVES?

Ans: It will be a fair assessment to say that the labour laws have achieved purpose/objectives for which they have been enacted. However, the militant trade unions with their agitational approaches have more often than not thwarted the object underlying these legislations. The inspection machinery at the State level should be strengthened to ensure effective implementation of the labour laws.

Looking at the state of agitation and illegal strike, one finds that labour is no longer in a mood to adopt constitutional methods. The ID Act should be suitably amended to provide the Government with power to prohibit immediately the continuance of illegal strike without first having to refer the dispute in such cases to a labour court, tribunal etc.

Q. 195: (a) HOW HAVE THE EXISTING LEGISLATION AND OTHER PROVISIONS FOR PROTECTING THE INTEREST OF LABOUR WORKED IN PRACTICE?

(b) TO WHAT EXTENT HAVE THE ABOVE PROVISIONS HELPED TO IMPLEMENT THE DIRECTIVE PRINCIPLES OF STATE POLICY ON LABOUR MATTERS AS EMBODIED IN THE CONSTITUTION?

(c) WHAT CHANGES OR FURTHER IMPROVEMENTS IN THE EXISTING ARRANGEMENTS WOULD YOU SUGGEST FOR FULLER REALISATION OF THE DIRECTIVE PRINCIPLES (APPENDIX XIII) KEEPING IN

VIEW THE PRESENT STATE OF OUR ECONOMY AND THE COUNTRY'S DEVELOPMENT IN THE FORESEEABLE FUTURE?

- Ans: (a) The interests of labour are adequately protected under the existing legislations and other provisions.
- (b) & (c) Legislative measures so far enacted have helped to implement the directive principles of State policy as embodied in the Constitution. Provisions for unemployment and old age may have to be enacted in due course. The economic well-being of the workers and their families depend upon cost of living and production essential goods and services, for which there has been of late a shortage.

Q. 196: ARE THE PRESENT CONSTITUTIONAL ARRANGEMENTS UNDER WHICH LABOUR IS A CONCURRENT SUBJECT SATISFACTORY, PARTICULARLY FROM THE POINT OF VIEW OF THE ADMINISTRATION OF LABOUR LAWS? ARE ANY MODIFICATIONS BY WAY OF CENTRALISATION/DECENTRALISATION OF CERTAIN ACTIVITIES AND FUNCTIONS NECESSARY?

Ans: The present arrangements are satisfactory.

Q. 197: WHAT HAS BEEN THE INFLUENCE, DIRECT OR INDIRECT, OF INTERNATIONAL LABOUR CONVENTIONS ON THE PROGRESS OF LABOUR LEGISLATION IN INDIA? TO WHAT EXTENT HAS THE CONSTITUTION HELPED OR HINDERED SUCH PROGRESS?

Ans: The ILO has influenced the course of labour legislation in India considerably. Many of their conventions have been ratified and incorporated in the labour laws of the country. The Constitution has also further influenced in guaranteeing the dignity and liberty of human labour in this country.

Q. 198: ON THE BASIS OF THE PRINCIPLES EVOLVED OUT OF CASE LAW OVER A NUMBER OF YEARS, WHAT ARE YOUR SUGGESTIONS FOR REVIEWING AND AMENDING LABOUR LEGISLATION IN THIS COUNTRY?

Ans: The existing labour legislations need to be reviewed and amended in various respects. For example, (1) Even though a strike is illegal, under the ID Act, its continuance cannot be prohibited unless the dispute is referred to a labour court or tribunal etc. The Act should be suitably modified whereby Govt. should have the authority to prohibit immediately continuance of illegal strikes.

It should also be amended suitably so that the persons sponsoring and conducting illegal strike are held responsible for the loss in production and are made liable for damages.

(2) The Trade Union Act also requires to be amended to prevent the multiplicity of unions coming up and also to prevent outside leadership of the trade unions.

(3) The Factories Act also requires to be amended so as to make the definition of 'workman' specific and clear and also to provide overtime payment at single rate only.

(4) The ESI Act needs to be reviewed so as to include wider coverage of benefits to the dependants of employees, irrespective of insured person being a male or a female.

Q. 199: HAS THERE BEEN TOO MUCH LEGISLATION IN THE FIELD OF LABOUR? IF SO, WHAT ARE THE ASPECTS IN REGARD TO WHICH THERE IS OVER-LEGISLATION?

Ans: The present labour legislations adequate.

Q. 200: IS THERE NEED FOR CONSOLIDATION AND CODIFICATION OF EXISTING LABOUR LAWS? PLEASE SUGGEST THE LINES ON WHICH CODIFICATION SHOULD BE UNDERTAKEN?

Ans: The first thing is the co-ordination of the various measures in different states and to ensure uniformity in the labour laws because of the concurrent nature of the subjects in the Constitution. There must also be uniformity in the administration of labour laws.

Q. 201: SINCE 1958 THE GENERAL EMPHASIS IN LABOUR POLICY HAS BEEN ON VOLUNTARY APPROACH IN PREFERENCE TO LEGISLATION. THIS HAS RESULTED IN FASHIONING TRIPARTITE INSTRUMENTS LIKE THE CODE OF DISCIPLINE, INDUSTRIAL TRUCE RESOLUTION ETC. HAS THIS POLICY BEEN SUCCESSFUL? SHOULD IT BE CONTINUED?

Ans: The tripartite instruments have been successful and it is desirable that they should continue.

Q. 202: PLEASE COMMENT ON THE SUITABILITY OF (i) LABOUR LEGISLATION SO FAR ENACTED AND (ii) VOLUNTARY ARRANGEMENTS SO FAR BUILT UP.

Ans: 1. The labour legislation so far enacted have been adequate and satisfactory except to the extent of their modification and consolidation answered against Q. 198, 199 and 200 above.

2. Voluntary agreements have not been fully successful because of the mounting rise in cost of living and because of outside influences on trade unions.

Q. 203: WHAT IS THE EXTENT OF ENFORCEMENT OF LABOUR LEGISLATION IN PUBLIC SECTOR? ARE EXEMPTIONS FROM THE APPLICABILITY OF CERTAIN PROVISIONS OF LABOUR LAWS MORE COMMON IN THE PUBLIC SECTOR? WHAT IS THE RATIONALE FOR CLAIMING SUCH EXEMPTIONS?

Ans: In our opinion public sector undertakings in Bangalore have complied with the provisions of labour legislations. Exemptions wherever be are few and far and that too on valid grounds of security, national interest etc. only.

Q. 204: ARE THERE INSTANCES OF POLITICAL OR OTHER RIGHTS WHICH ARE NORMALLY AVAILABLE TO AN INDIVIDUAL BEING DENIED TO EMPLOYEES IN THE PUBLIC SECTOR AND THEIR DEPENDANTS? HOW ARE SUCH DENIALS JUSTIFIED?

Ans: In some public sector undertakings an employee is not allowed without prior permission of the Company to

stand and contest any election of public bodies and permission is not generally granted when it affects adversely worker's duty in the factory.

IX. RURAL AND UNORGANISED LABOUR

Q. 205: RURAL LABOUR FACES TWO INTER-RELATED PROBLEMS WHICH DEMAND URGENT SOLUTION: ONE IS SOCIAL, CENTERING ROUND ITS LOW SOCIAL STATUS IN THE RURAL HIERARCHY AND THE HANDICAPS RESULTING THEREFROM, AND THE OTHER IS ECONOMIC, RESULTING FROM CHRONIC LACK OF SUFFICIENT EMPLOYMENT OPPORTUNITIES. WHAT IS YOUR ASSESSMENT OF THE EFFECTIVENESS OF THE REMEDIAL STEPS TAKEN BY GOVERNMENT?

Ans: We have no comments.

Q. 206: IT IS SUGGESTED THAT IN COUNTRIES WITH VAST RURAL UNDER-EMPLOYMENT, SPECIAL EMPHASIS SHOULD BE PLACED ON A BROAD-BASED PROGRAMME FOR THE PROMOTION OF PRODUCTIVE EMPLOYMENT IN RURAL AREAS BY A COMBINATION OF TECHNICAL AND INSTITUTIONAL MEASURES, RELYING TO THE EXTENT POSSIBLE ON THE EFFORTS OF THE PEOPLE CONCERNED AND BASED ON ADEQUATE STUDY OF THE NATURE, PREVALENCE AND REGIONAL DISTRIBUTION OF RURAL UNDER-EMPLOYMENT. HOW SHOULD SUCH A BROAD-BASED PROGRAMME BE FRAMED FOR IMPLEMENTATION?

Ans: We have no comments.

Q. 207: WITH A VIEW TO CREATING INCENTIVES AND SOCIAL CONDITIONS FAVOURABLE TO FULLER AND FRUITFUL UTILISATION OF LOCAL MANPOWER IN RURAL AREAS, THE INTERNATIONAL LABOUR ORGANISATION SUGGESTED THE FOLLOWING ACTION PROGRAMMES:

(a) Local capital-construction projects, more particularly, projects making for a quick increase in agriculture production, namely, small and medium irrigation and drainage works, storage facilities and feeder roads;

(b) Land development and settlement;

(c) Labour intensive methods of cultivation and settlement;

(d) Development of other productive activities, such as, forestry and fishing;

(e) Promotion of social services, such as education, housing and health services;

(f) Development of viable small scale industries, such as, local processing of agricultural products and manufacture of simple consumers' and producers' goods needed by rural people;

(g) Special efforts to develop rural manufacturing activities that are ancillary and complementary to large-scale urban industry etc.

Which of these suggestions are feasible in the Indian context?

Ans: We have no comments.

- Q. 208: (a) THERE IS A CONSIDERABLE BODY OF WORKERS LARGELY UN-ORGANISED AND EMPLOYED IN SMALL INDUSTRIES IN RURAL/URBAN AREAS, NOT COVERED BY THE PROTECTIVE PROVISIONS OF THE PRESENT LABOUR LEGISLATION. HOW SHOULD SUCH PROTECTION AS IS DESIRABLE BE REACHED TO THEM?
- (b) SPECIFICALLY, CONSIDERING THE NATURE OF THEIR EMPLOYMENT, THE SIZE AND LOCATION OF THE UNITS/INDUSTRIES IN WHICH THEY ARE ENGAGED, PLEASE SUGGEST PRACTICAL METHODS, BY WHICH THEIR POSITION CAN BE IMPROVED IN REGARD TO THEIR EMPLOYMENT, WAGES AND WORKING CONDITIONS.

Ans: We have no comments.

- Q. 209: WHAT STEPS SHOULD BE TAKEN TOWARDS PROGRESSIVE REDUCTION OF CONTRACT LABOUR? HOW SHOULD CONTRACT LABOUR BE BROUGHT EFFECTIVELY WITHIN THE SCOPE OF STATE ACTION? (See also Q. 16).

Ans: We have no comments.

- Q. 210: TO WHAT EXTENT ARE THE DIFFICULTIES IN THE IMPLEMENTATION OF MINIMUM WAGES ACT, 1948, IN RURAL AREAS REAL? HOW COULD THEY BE OVERCOME? (See also Q. 162).

Ans: We have no comments.

- Q. 211: DO YOU FAVOUR A SEPARATE AGENCY FOR THE EFFECTIVE IMPLEMENTATION OF THE MINIMUM WAGES ACT, 1948, FOR AGRICULTURAL LABOUR? OR SHOULD IT BE MERGED WITH LOCAL VILLAGE OR THE BLOCK DEVELOPMENT STAFF?

Ans: We have no comments.

X. LABOUR RESEARCH AND INFORMATION.

- Q.212: MOST OF LABOUR STATISTICS ARE A BYE-PRODUCT OF LABOUR LEGISLATION. THEY SUFFER, THEREFORE, INTER ALIA, FROM THE LIMITATIONS ARISING OUT OF LACK OF UNIFORMITY IN THE CONCEPTS, COVERAGE AND FREQUENCY OF COLLECTION. THE TIME-LAG IN THEIR PUBLICATION, NON-RESPONSE FROM PRIMARY UNITS, INACCURACY OF RETURNS, CHANGES IN INDUSTRIAL CLASSIFICATION ARE FURTHER DIFFICULTIES IN MAKING LABOUR STATISTICS MORE USEFUL. WHAT STEPS SHOULD BE TAKEN TO REMEDY THE SITUATION? IS THE IMPLEMENTATION OF THE COLLECTION OF STATISTICS ACT, 1953, THE ANSWER?

Ans: It is agreed that most of the labour statistics suffer from the limitations mentioned above. Mere collection of statistics without analysis and scientific study may not produce desired results. Collection, compilation and analysis will have to be done with interest and a genuine understanding of the utility of statistics. Education in this direction is an immediate requirement. Legal enforcement to collect statistical data appears to be the solution in the present circumstances.

Q. 213: THERE IS A FEELING THAT THE PRACTICE OF ENTRUSTING THE ADMINISTRATION OF LABOUR LAWS TO DIFFERENT OFFICIALS, THE STATUTORY REQUIREMENTS OF MAINTENANCE OF DIFFERENT REGISTERS AND SENDING OF DIFFERENT FILLED-IN RETURNS UNDER THESE ACTS, RESULT IN A GOOD DEAL OF UNPRODUCTIVE WORK AND UNNECESSARY DUPLICATION. IF THIS FEELING HAS A BASIS, WHAT STEPS SHOULD BE TAKEN TO IMPROVE THE SITUATION?

Ans: Educating the employer on the utility of the statistical details and strict enforcement of the provisions of the Act.

Q. 214: DOES THE ALL-INDIA CONSUMER PRICE INDEX NUMBER CURRENTLY COMPILED REFLECT ADEQUATELY PRICE CHANGES AFFECTING URBAN WORKING CLASS? SHOULD CONSUMER PRICE INDEX NUMBERS BE COMPILED FOR EVERY REGION OF THE COUNTRY FOR THE PURPOSES OF WAGE FIXATION? WHAT PRINCIPLES SHOULD BE FOLLOWED IN COMPILING THE 'ALL-INDIA' AND REGIONAL INDICES?

Ans: The all-India consumer price index reflects reasonably the fluctuating changes of the price level.

The Consumer price index number compiled by various states has not uniform base, and this is necessary preferably the base year of 1960 in view of the rapid socio-economic changes.

The principles followed for all-India index should be the same for regional indices also.

Q. 215: DATA PRESENTLY COLLECTED AND COMPILED IN RESPECT OF WORK-STOPPAGES (STRIKES AND LOCKOUTS) MOSTLY CONSIST OF: (a) NUMBER OF WORK-STOPPAGES, (b) NUMBER OF WORKERS INVOLVED, (c) NUMBER OF MAN-DAYS LOST, (d) TOTAL WAGES LOST IN RUPEES, and (e) TOTAL PRODUCTION LOST IN RUPEES. ARE THEY ADEQUATE FOR MEASURING INDUSTRIAL UNREST IN THE COUNTRY? IF NOT, WHAT OTHER ASPECTS OF INDUSTRIAL UNREST REQUIRE QUANTIFICATION?

Ans: The data presently collected and compiled in respect of work stoppages reasonably reflect the industrial relations situation in the country in general. However, certain important aspects require quantification like number of disputes referred for adjudication per quarter, causes of disputes, results of the disputes, and the number of disputes pending over six months in every state. Details of various awards, settlement and agreements should also be compiled. Details on the adherence or breaches of the various tripartite conventions should also be maintained.

Q. 216: AT PRESENT STATISTICAL DATA ARE COLLECTED ONLY IN RESPECT OF WORK-STOPPAGES ARISING OUT OF INDUSTRIAL DISPUTES. IS IT NECESSARY TO COLLECT SIMILAR INFORMATION ON WORK-STOPPAGES DUE TO REASONS OTHER THAN INDUSTRIAL DISPUTES?

Ans: Yes. The "go-slow", "work to rule" and other subtle forms of work-stoppages due to reasons other than Industrial Disputes should also be statistically collected.

Similarly data should be collected for lay-off caused for reasons other than industrial dispute. Work-stop-pages due to want of order, want of materials, want of power etc. should also be collected in addition to the above.

Q. 217: THE CURRENT EMPHASIS IN THE COLLECTION OF LABOUR STATISTICS IS ON DATA WHICH WILL HELP IN UNDERSTANDING THE ECONOMIC ASPECTS OF WORKERS' LIFE. SOCIAL AND SOCIOLOGICAL ASPECTS HAVE BEEN COMPARATIVELY NEGLECTED. WHAT ARE YOUR SUGGESTIONS FOR FILLING UP THE GAP? FOR BETTER COMPREHENSION OF LABOUR PROBLEMS WHICH PARTICULAR ASPECT OF THESE STATISTICS WOULD YOU EMPHASISE?

Ans: Collecting data from the workers on social and sociological aspects may not be feasible. However, specific studies in specific areas may be periodically conducted on the above.

All these aspects should be taken together to get the proper perspective of the labour problems. In view of the fact most of the problems are socio-economically oriented.

Q. 218: STATISTICAL DATA (EMPLOYMENT, UNEMPLOYMENT, CONSUMPTION EXPENDITURE, ETC.) ARE BEING COLLECTED IN RESPECT OF RURAL POPULATION ANNUALLY BY THE NATIONAL SAMPLE SURVEY. WOULD IT BE FEASIBLE TO MAKE THESE DATA AVAILABLE SEPARATELY FOR RURAL LABOUR FOR EACH STATE/REGION? WHAT OTHER STATISTICS WOULD BE REQUIRED FOR FRAMING AN OPERATIONAL PROGRAMME?

Ans: We have no comments.

Q. 219: ARE THE PRESENT ARRANGEMENTS FOR RESEARCH AND STUDIES IN THE FIELD OF LABOUR ADEQUATE TO MEET THE REQUIREMENTS OF POLICY-MAKING IN LABOUR AND ECONOMIC MATTERS?

Ans: Detailed information on the above are not available with us and hence no comments.

Q. 220: WHAT ARE YOUR SUGGESTIONS FOR IMPROVING THE QUALITY OF LABOUR RESEARCH?

Ans: The quality of labour research should be improved through wider publicity, periodical seminar and education in these directions. Qualified and research oriented personnel should be selected for these functions.

Q. 221: WHAT IS THE PRESENT STATE OF LABOUR RESEARCH UNDERTAKEN BY EMPLOYERS'/WORKERS' ORGANISATIONS?

Ans: Although certain bodies like Ahmedabad Textile Research Association, South India Textile Research Association, Institute of personnel Management etc., conduct research periodically on various aspects of labour problems, the present state of labour research undertaken by private bodies is not adequate. The trade unions and other workers organisations do not appear to be doing much in this direction.

Q. 222: HOW SHOULD THE TRADE UNIONS BE ENCOURAGED TO STRENGTHEN THEIR RESEARCH ACTIVITIES?

Ans: Trade Union personnel require lot of education and training in this direction. The government may also encourage them through generous grants exclusively for research purposes.

Q. 223: HOW SHOULD LABOUR RESEARCH BE PROMOTED IN UNIVERSITIES AND RESEARCH ORGANISATIONS?

Ans: University education should be made research oriented. The Institutions running Post-graduate courses on social sciences, and labour welfare should place more accent on research programme.

Q. 224: ARE THE PRESENT ARRANGEMENTS FOR ASSOCIATING THE RESEARCH PERSONNEL OUTSIDE GOVERNMENT FOR A DEEPER ANALYSIS OF DATA AVAILABLE WITH CENTRAL AND STATE GOVERNMENTS ADEQUATE? WHAT STEPS SHOULD BE TAKEN TO STRENGTHEN THIS ASSOCIATION? SHOULD COORDINATION OF RESEARCH WORK DONE BY DIFFERENT AGENCIES BE ACHIEVED?

Ans: The research cell of the labour department should have liaison with the various research associations, and universities and co-ordinate the research activities with these agencies.

Q. 225: WHAT IS THE EXTENT TO WHICH THE EXISTING INFORMATION ON LABOUR MATTERS IS BEING PUT TO USE? WHO ARE THE MAIN USERS? GIVE A CRITICAL ASSESSMENT OF THE UTILITY OF THE EXISTING INFORMATION.

Ans: The existing information on labour matters available from research agencies and from the reports of the various commissions set up from time to time have influenced the labour policies of the Government, to promote labour interests. The existing information is no doubt meagre and suffer from various limitations.

Q. 226: ARE THE EXISTING ARRANGEMENTS FOR PUBLICISING THE RESEARCH ACTIVITIES OF THE VARIOUS AGENCIES ADEQUATE? WHAT HAS BEEN THE ROLE OF THE PRESS IN SUCH PUBLICITY? WHAT IMPROVEMENTS, IF ANY, WOULD YOU SUGGEST?

Ans: Publicity of the research activities of the various agencies needs improvements through wider circulations among the employer-employees, organisation of the employers-employees; publication of these reports in simple language understandable to all; through audiovisual publicities etc.

Q. 227: HOW DO TRADE UNIONS/EMPLOYERS' ORGANISATIONS INFORM THE PUBLIC OF THEIR ACTIVITIES? TO WHAT EXTENT DO THEY SUCCEED? (See also Q. 31).

Ans: The trade unions/employers' organisations inform the public of their activities through press, publication of journals, news bulletins, pamphlets etc.

Q. 228: IT IS OFTEN SAID THAT WHILE INDUSTRIAL CONFLICT GETS MORE THAN ITS DUE SHARE OF PUBLICITY, INDUSTRIAL HARMONY DOES NOT. DO YOU AGREE WITH THIS VIEW? WHAT ARE THE REASONS FOR THIS?

Ans: Yes. News on industrial disputes has got more news value than on industrial peace.

Q. 229: WHAT ROLE HAS THE PRESS PLAYED IN EDUCATING THE PUBLIC ON LABOUR MATTERS AND WITH WHAT RESULTS? WOULD YOU SUGGEST ANY IMPROVEMENT? IF SO, HOW SHOULD THIS BE BROUGHT ABOUT?

Ans: The Press has played a significant role. However, Press should endeavour to be more objective in its approach and report. The Press should give equal publicity to both sides of the problem— Industrial harmony as well as industrial conflict. They should always take a non-aligned attitude and present a correct picture of the problem.

Q. 230: WHAT ROLE HAS THE PRESS PLAYED IN SHAPING DECISIONS ON INDUSTRIAL DISPUTES? HAS IT HELPED OR HINDERED THE PROMOTION OF JUST AND GOOD INDUSTRIAL RELATIONS?

Ans: The Press in several instances failed in its duties to express objectively and has laid accent on the wrong end and thereby hindered the promotion of good industrial relations. The Press being an important vehicle of communication and publicity, should guard itself against such draw-backs presumably arising out of the political leanings.

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Q. 229: WHAT ROLE HAS THE PRESS PLAYED IN EDUCATING THE PUBLIC ON LABOUR MATTERS AND WITH WHAT RESULTS? WOULD YOU SUGGEST ANY IMPROVEMENT? IF SO, HOW SHOULD THIS BE BROUGHT ABOUT?

Ans: The Press has played a significant role. However, Press should endeavour to be more objective in its approach and report. The Press should give equal publicity to both sides of the problem— Industrial harmony as well as industrial conflict. They should always take a non-aligned attitude and present a correct picture of the problem.

Q. 230: WHAT ROLE HAS THE PRESS PLAYED IN SHAPING DECISIONS ON INDUSTRIAL DISPUTES? HAS IT HELPED OR HINDERED THE PROMOTION OF JUST AND GOOD INDUSTRIAL RELATIONS?

Ans: The Press in several instances failed in its duties to express objectively and has laid accent on the wrong end and thereby hindered the promotion of good industrial relations. The Press being an important vehicle of communication and publicity, should guard itself against such draw-backs presumably arising out of the political leanings.

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ANSWERS TO THE QUESTIONNAIRE ISSUED
BY
THE NATIONAL COMMISSION ON LABOUR.

SECTION ONE.

1. The Kolar Gold Mining Undertakings, P.O. Oorgaum, Kolar Gold Field, Mysore State.
 2. It is a Departmentally run Undertaking of the Ministry of Finance (Department of Economic Affairs), Government of India.
 3. -
 4. (a) Gold Mining.
(b) (i) 13,099.
(ii) 115.
(c) The Mines commenced working in about the year 1880 (or even before) and were being managed by a Private Limited Company when these were nationalised in 1956 by the Mysore State Government. On and from 1-12-1962 these were taken over by the Central Government, Ministry of Finance (Department of Economic Affairs).
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I. RECRUITMENT AND INDUCTION.

Recruitments:

1. (a) All recruitment is done through the Employment Exchange except in the case of Watch & Ward personnel in whose case, in addition, a register of ex-servicemen introduced by the existing employees is maintained for purposes of future employment. The names of candidates for employment in this Department are also received from the Soldiers/Sailors and Airmen Boards.
(b) The present recruitment arrangements are satisfactory.
2. Availability of labour is in excess to actual requirements.
3. Not experienced in this Undertaking.
4. Although the Mines are located in the State of Mysore, nearly 90% of labour is from the neighbouring States of Madras and the remaining 10% comprise of local labour and those who hail from Andhra Pradesh and Kerala. The Pioneers who had come from the neighbouring States in search of employment had settled down here and it is not uncommon to find that the parents and even the grand parents of several of the present employees were employed in these Mines. We have not encountered any problems with regard to their recruitment or retention.
5. In this Undertaking about 400 women are employed on surface jobs. As per provisions of the Mines Act, women cannot be employed underground. It is believed that due to the liberal benefits provided for under the Maternity Benefits Act, employers are generally reluctant to employ women workers.

6. The advantages of recruitment of casual labour are:

- a) Their emoluments are usually less;
- b) The question of terminal benefits does not arise;
- c) When necessary their services can be easily terminated (especially when the work on which they are employed is not likely to last for a long time);
- d) They turn out good production.

The disadvantages are:-

- a) Usually they cannot be relied upon;
- b) For obvious reasons loyalty or sense of belonging is lacking in them.

It will be observed that it is not always disadvantageous to recruit casual labour. However, such recruitment should be confined to jobs of a casual nature.

7. It is felt that the Society has an obligation to provide work for the physically handicapped. This can be achieved only through statutory measures.
8. In the matter of recruitment no discrimination on grounds of caste, community, region or language is observed except that in the case of watch & ward establishment a certain proportion of the employees are taken from other regions (States in the North). This is done to ensure proper enforcement of security measures.

Induction:

9. Periodically some apprentices are taken who learn while working and their period of training is spread over from 4 - 5 years after which they are fitted into skilled trades such as wiremen, linesmen, fitters, machinists etc. Besides this we have had no specific programme for the training of workers. However, recently (14th August 1967) a training class for training of new recruits was set up under the Mines Vocational Training Rules, 1966 and the same is functioning satisfactorily.
10. If recruitment were to be confined only to the base (lower jobs) and all other jobs were to be required to be filled up by promotion that would generate sufficient enthusiasm amongst the employees to learn and amongst the employers to give to the employees adequate facilities for learning. There is no system of granting any study leave to the workmen in this Establishment.
11. (a) There should be a set Promotion Procedure. Promotions should not be granted on ad hoc basis. Such procedure should take into account merit, performance and seniority in the order mentioned.
- (b) It will not be conducive to the maintenance of discipline if all recruitment to positions at higher levels is made from amongst the existing employees only. It is also not considered correct to man such positions always by direct recruitment. A happy mean would be that 50% of such positions are filled up by promotion and 50% by direct recruitment. This system may be adopted in case of all positions commencing from the lower management level i.e., from Foreman upwards.

II. CONDITIONS OF WORK.

Working Conditions:

- 12. a) The provisions of the Mines Act, Mines Rules and the & b) Metalliferous Mines Regulations are quite elaborate and are considered adequate. The implementation of the provisions of the above Act, Rules and Regulations is taken care of by the Directorate General of Mines Safety and is considered enough and at times in following the letter of the law it is very hard on the operating staff.
- 13. The Central Government observes 16 National and Festival holidays while in this Undertaking which is run departmentally we observe only 6 such holidays. This difference is due to the fact that this Undertaking which was originally a Private Limited Company was taken over by the State Government in 1956 and subsequently by the Central Government in 1962 and in spite of the take over the terms and conditions of service of the employees continue to remain as before. Such conditions of service in the Undertaking are much more liberal than they are obtaining elsewhere.
- 14. -
- 15. -
- 16. With regard to employment of contract labour which lends itself to several abuses, we support the provisions as envisaged in the Bill (69 of 1966) introduced in the Lok Sabha on the 1st of November, 1966.
- 17. The obligation to comply with the statutory provisions is invariably on the employers. The Institution of Trade Unions which has come to stay, has by now become sufficiently aware of its rights and it ensures that the employers do comply with the statutory provisions in so far as they concern the grant of benefits to the workmen. It is not considered necessary that any further machinery be set up to look into these arrangements.
- 18. The number of accidents in this establishment during the past five years has been as follows:-

<u>Year.</u>	<u>No. of Accidents</u>	<u>No. of workmen involved.</u>	
		<u>Fatal.</u>	<u>Serious.</u>
1962 ..	776	19	785
1963 ..	823	11	831
1964 ..	535	9	539
1965 ..	393	4	398
1966 ..	360	12	357

It will be observed that the number has steadily come down. Most of the accidents were due to the fall of objects and the main cause was reluctance on the part of the workmen to use safety equipment.

- 19. Training classes for the benefit of new entrants in which special emphasis is laid on safety have already been started (please see answer to item No.9 above). Under the Mines Vocational Training Rules, 1966 Refresher Courses for the workmen already employed are also envisaged and arrangements for the same will be made in the near future.

20. In the matter of safety the workmen's Unions/Associations have generally co-operated with the managements and any effort in this direction would be welcome. In this Undertaking a Safety Week is organized annually with the full co-operation of the Unions/Associations of the workmen. During this Week various competitions like the following are held:

1. Selection of Accident-Free-Man;
2. Selection of Best-Hoist Driver;
3. Safety Slogan Contest;
4. Safety Suggestion Contest;
5. Safety Poster Contest;
6. Safety Talk.
7. Group Discussions;
8. Safety Drama; and
9. First Aid Competition.

These celebrations have had a very good effect in educating and making the workers safety minded.

21. Celebrations of Safety Weeks as above.

22. The provisions of the Mines Act, Mines Rules and the Metalliferous Mines Regulations provide sufficiently elaborate measures for securing safety of workmen.

23. (a) We have not experienced any difficulty in procuring safety equipment.

(b) The supply of safety equipment is adequate but it is observed that the workers are generally reluctant to use all such equipment that is made available to them. Educating the workers through Safety Weeks etc. is one such method suggested to overcome this reluctance.

24. We have been affording all medical facilities. Speaking of elsewhere certain progressive employers provide reasonably good standards of medical facilities while others have not paid much attention in this direction. It is, therefore, considered a good idea to introduce an 'Industrial Health Service' in the country. This it is considered should be on the lines of the Contributory Health Service provided for Central Government servants in certain selected cities. While such a service may cater to the needs of the workmen and their families it should be controlled and managed by an autonomous body and its finances met out of contributions made by the workmen, employers and also the Government.

To begin with such a service may be started in large industrial cities and thereafter it may progressively cover the entire country.

25. The Workmen's Compensation Act provides for the payment of compensation in cases resulting in loss of earning capacity due to accidents arising out of and in the course of employment. Introduction of an Industrial Health Service would only provide for treatment and recuperation of workmen where necessary, and certainly would not cater to compensate workmen for loss of earning capacity. Similarly education on safety measures or improving implementation of safety regulations etc. might reduce the number of accidents and hence it appears that there is no need to amend the provisions of the Workmen's Compensation Act which is meant for quite a different purpose as explained above.

III. TRADE UNIONS AND EMPLOYERS' ORGANISATIONS.

Federations of Employers' and Workers' Organisations:

26. Political beliefs have had a lot to do with the development and organisational pattern of Trade Unions. In this Undertaking itself we have Unions influenced and run by Congressmen, Republican Party and Communists.
27. The present provisions of the Trade Unions Act have given rise to multiplicity of Trade Unions with all its ill-effects.
28. The Trade Unions, to press their demands, have come to adopt new methods like hunger strikes, pen-down strikes, stay-in-strikes, sit-down-strikes, pay-strikes and of late Gheroas and Dharnas. On the other hand the employers organisations have become more conciliatory and prepared to talk to their employees across the table for the solution of their (employees) various problems.
29. The employers do not now consider that the Trade Unions as institutions must be out-lawed. They have come to accept their existence and have realised that they have to live with them. They, however, feel that there is too much interference by the Government in regulating their relations with the Trade Unions/workmen. In so far as the Trade Unions are concerned they now deem it as their right to be recognised by the employers and also look to the Government as a matter of right to secure redress of their grievances.
30. While the employers should not look to profits alone, the Trade Unions should not press for furthering their demands at any cost. The attempt should be to look at things more objectively from the National point of view/in the interest of the community at large. The objective should generally be to produce more and at lesser cost so that the community at large may benefit from this. Measures should be taken to discourage/eliminate multiplicity of Trade Unions. While the workmen/their organisations should be encouraged to organise welfare measures for themselves they should be given all encouragement/facilities by the Managements and wherever necessary by the Government.
31. While it is good to know ones rights, one should also be aware of his duties. The Trade Unions have certainly helped the workmen to become aware of the former but they have not exercised their influence to the same extent to make the workmen aware of the latter. To the extent that the workmen have become aware of their rights is itself a good thing and it will be still better if they also become aware of their duties. The workmen's Unions and the Employers' Organisations are represented on the Indian Labour Conference, Standing Labour Committee and the various Industrial Committees constituted by the Ministry of Labour & Employment and thus enjoy adequate facilities to express their views in connection with industrial matters. These arrangements are considered quite satisfactory.
32. Trade Unions and Employers' Organisations can certainly contribute towards maintenance of high level of employment by working in co-operation and by producing more and better products at cheaper costs. When good products are made available cheaply to the community the demand

for it is bound to rise tremendously which in turn would help in maintaining a high level of employment.

33. While the Managements should build up traditions to effect changes only after consultation with their employees, the Unions on their part should build up traditions not to take any precipitate action, which would hamper production, without talking over with the Managements on the subject matter of their grievance. If such traditions are built up, bipartite consultations would automatically get boosted up.
34. -
35. -
36. -
37. Although at the National Level decisions have been taken that no strike will be called without notice, instances are not wanting and very many strikes are called without notice. Again although at the National Level a decision has been taken that unresolved disputes would be submitted to arbitration it has been observed that by and large the employers are generally reluctant to submit such disputes to arbitration. The only way to solve this difficulty is to continue to educate both Unions and Employers' Organisations that they should in their own interest honour National Policies which have been evolved jointly by the Trade Unions and the Employers' Organisations.
38. It is desirable that the items enumerated are accepted as a responsibility by the All India Organisations of Employers and Workers. But there are certain difficulties in this connection e.g., in the case of the Workers' Organisations they would be particularly handicapped for want of funds and in the case of Employers' Organisations perhaps for want of sufficient interest.

Trade Unions - Constitution and Finance:

39. The Trade Unions functioning in this Undertaking are all politically affiliated or aligned. All of them have a common objective to improve the terms and conditions of service of their members and generally to do all other things to protect their members' interest.
40. The Officers of the Trade Unions are usually elected by their members. Some of the non-employee Officers of the Trade Unions are said to be in receipt of honoraria.
41. Either by taking up a grievance of a worker or by appealing to his political belief. Usually all membership applications by workmen are accepted. The Unions seem to compete for membership by pitching their demands higher than each other and by occasionally appealing to the workmen in their trade union meetings to become their members.
42. The Trade Union leaders are usually interested in collecting subscriptions and desire to have their meetings largely attended. They do not at all appear to encourage members to interest themselves in the conduct of the Union's affairs.

43. The policies of a Trade Union are decided in its executive which is also responsible for its implementation. Usually notices are distributed and public meetings convened to propagate the desired action to be taken. The rank and file appear to have little to do with the formulation of the policy of the Union.
44. The system of 'closed shop' or 'union shop' is not prevalent in this Undertaking. Introduction of such a system would be contrary to the democratic principles where freedom of association is said to be guaranteed.
45. In the case of the Unions functioning in this Establishment they seem to have enough income (collected by way of subscriptions) to fulfil their role in promoting members' interest. We do not consider desirable to make any statutory provision for enlarging Trade Union finances. It is advisable that the Unions grow by themselves.
46. While usually the Unions in this Establishment collect 25 Paise per month as their subscription occasionally some special reasons or incidents are devised to collect donations either at the rate of 50 Paise or Re.1 as the case may be. Under these circumstances, it is not deemed necessary that the Unions should raise their monthly subscriptions.
47. Subject to the members giving in writing their willingness to subscribe to a Union a 'check off' system of collection may be introduced with advantage only in the case of members belonging to a recognised Union.

Trade Union - Leadership and Multiplicity:

48. The Unions do not appear to have paid much attention in this direction.
49. But for the interest taken by the political parties, there would have been less of Trade Union multiplicity.
50. When a non-employee (one who has never been connected with the industry) takes active interest in furthering Union activities we call him an 'Outsider'. An ex-employee may not be deemed as an 'Outsider'. In the Unions functioning in this Establishment the outsiders have always exercised considerable influence in shaping their policies and in their working.
51. This can be done by educating the workers, towards which a great deal has already been done by the Workers' Education Scheme. The Managements can also help in this direction by not only assuring but by actual demonstration that internal leadership will not be victimised. Perhaps some facilities could also be given to such internal leadership to do Union work.
52. Yes. Perhaps legislation could provide constitution of only one Union in an Establishment. In such an event those who wish to lead the one Union in an Establishment should get themselves democratically elected by the workmen belonging to the Establishment concerned.
53. We are not sure if the Unions functioning in this Establishment are even aware of the Inter-Union Code of Conduct. We have besides inter-union rivalries a number

of long standing intra-union frictions. In one instance the matter was taken to Courts in 1962 and its disposal is still pending in the High Court. The Code could be made more effective by the education of the Union leaders.

Trade Union Recognition:

54. We favour registration of Unions for it is only then that they can be made to stick to certain way of conducting themselves e.g., maintaining of registers, accounts, drawing up of a suitable Constitution and adhering to the same. The Registrar of Trade Unions should be empowered to determine as to who is or who are the correct office-bearers of a registered Union. Presently he has no such powers and he declines to interfere in such cases with the result that whenever two parties claim to represent the same Union they have to seek redress in Courts. In one instance in this Undertaking where the matter was taken up in a Court in 1962 it has still not been finalised and is presently pending in the High Court. During this period as a result of the judgment in the lower Courts or obtaining of Stay Orders the Management has had to deal with different sets of office-bearers at different times on behalf of the same Union. This has made matters very difficult for the Management as one set of office-bearers tried to undo what the other had done. Presently we have such disputes pending in the case of two Unions.
- If an election of office-bearers of a Trade Union is disputed, the Registrar or his nominee should have powers to conduct elections and to declare the rightful office-bearers of a Trade Union. This procedure would hasten recognition of proper office-bearers rather than leave the matter to litigation which takes enormously long period to arrive at a conclusive decision.
55. The Employers have generally now come to realise that they have to live with the Unions and, therefore, are willing and readily grant recognition to a Union that can deliver the goods. The fact that the Unions can be legally constituted and further that they find a place in several of the legislations have been contributory factors for the employers to change their attitude towards the Unions.
56. Yes. In this Establishment recently two Unions were recognised under the Code of Discipline. In both the cases, these Unions were recognised after proper verification and after it was found that the former Unions that were recognised in their places had lost the following of the workmen. As verification of membership was done by an independent authority (C.L.C's. Organisation) its decision was accepted with grace and there were no disputes arising therefrom. Had the Management of its own decided to accord recognition to these Unions it is felt that there would have been heart-burning and disputes raised on this subject.
57. The provisions under the Code of Discipline with regard to recognition of Unions are considered satisfactory except that it is felt that the percentages laid down for purposes of recognition and for being considered as a representative Union in an industry should be enhanced from 15% ~~to~~ 25% to at least 25% and 40% respectively.
58. As stated earlier (see answer to item 52) there should be only one Union in an Establishment whose office-bearers

- should be democratically elected and as such there should be a provision for the automatic recognition of the only Union functioning in the Establishment. Such a provision could find place in the Trade Unions Act itself.
59. We favour only one Union in an Establishment (see answer to item 52) and such Unions in turn may form an industry-wise Federation of Unions. In such an event while the Union at the plant level may deal with either local or individual matters, the Industry-wise Federation may take up larger issues which concern the entire Industry.
 60. Since we envisage only one Union in an Unit, that alone would naturally be the sole bargaining agent and it would not be necessary to name a particular Union.
 61. The workmen should be left alone to organise by themselves the election of officers of their Unions. Only in cases of disputes should the Registrar of Trade Unions intervene (also see answer to item 54) and conduct elections by secret ballot to determine as to who are the rightful office-bearers of a Union in the Establishment.
 62. As we envisage only one Union in an Establishment the question of rights and responsibilities of other Unions in the same Establishment does not arise.
 63. In view of the fact that we favour only one Union in an establishment there will be no room for category-wise Unions.
 64. Facilities as detailed in Appendix IV of the Questionnaire are considered sufficiently adequate which the Employers should be required to provide to the only Union functioning in the Establishment.
 65. The Government as an employer has always welcomed strong, representative and responsible type of Unions.

IV. INDUSTRIAL RELATIONS.

Introductory:

66. The Government is interested in maintaining industrial peace and encouraging employer-employee co-operation in order to achieve maximum production for the benefit of the community. The Government has only partially been successful in achieving these objectives for, since Independence there have been periods of comparative industrial peace followed by periods of industrial strife. The employers generally complain of too much of labour legislation - while the Unions perhaps ask for more and more of it. Arrangements arrived at under the Code of Discipline in Industry and subsequently under the Industrial Truce Resolution have worked very well both in the interest of the employers and the employees and in the prevention and settlement of industrial disputes.
67. Peaceful demonstrations and strikes have now given way to new methods of protests such as hunger strikes, pen-down strikes, stay-in-strikes, sit-down-strikes, pay-strikes and of late Gheroas and Dharnas. The inflationary tendencies followed by a steep rise in prices of articles of daily use have contributed a lot in intensifying

- industrial conflict. Occasionally political leanings of particular Unions have also helped in prolonging disputes which otherwise might have been settled more quickly.
68. Occasions arise in the life of an Industrial Unit when retrenchment has necessarily got to be resorted to. In such an event merely following the law would at times lead to industrial unrest. Foreseeing this, recently in this Establishment, on an occasion arising, a Voluntary Retirement Scheme was operated with the co-operation of the Unions and we were able to wean away 671 workmen in a peaceful manner and without giving rise to any industrial conflict. Another instance which has helped us to maintain industrial peace is the operation of long term agreements on the subject of wages and dearness allowance. Last such agreement was arrived at on 21st October 1965 to cover the period from 1st April 1965 to 31st March 1968. It is felt that such measures, on suitable occasions, if adopted in future would help in maintaining and promoting good industrial relations.
69. Since Independence there has been a general feeling that the standards of living must quickly improve. There is also a feeling that the workmen should have a say in determining certain matters concerning them. These desires do not appear to have been met to the extent expected thus leading to certain amount of industrial unrest. Of late steep rise in the cost of living has also contributed greatly to this industrial unrest. Adoption of measures which will improve the standards of living faster and holding of price line and also giving opportunities to workmen to associate themselves with the decision making authorities would go a long way in contributing to industrial peace.
70. Inter-Union rivalry has certainly not helped in improving industrial relations.
71. It is the grievances that in course of time turn into disputes. If, therefore, there are proper arrangements to look into the grievances of workmen the number of disputes would stand reduced. For the solution of grievances there should be a mutually accepted procedure which should provide that at a certain level the decision should be accepted by both the parties. A healthy convention should be built up for this purpose. The mediation service should help in the formulation of such procedures which should work to the mutual advantage of both the employers and the employees. It should also give constructive suggestions from time to time to both the parties to prevent differences taking the shape of disputes.
72. Fact Finding Enquiries help a lot in moulding public opinion. As a result of such findings a cause may either lose or gain public sympathy and if there is strong public opinion it is bound to help the erring party to see reason and thus perhaps prevent an industrial conflict.
73. Trade Unions can help to improve or mar industrial relations. A strong and responsible Trade Union is always welcome. A weak Trade Union can create more problems than it can solve and perhaps contribute to bad industrial climate. Where there are no Trade Unions the relationship is that between the individual and the employer and collective bargaining as such would be unknown. The Managements would occasionally land themselves into trouble on the

introduction of new measures for they would not be able to ascertain the reaction that would result from such introduction.

74. These factors certainly help in promoting industrial harmony.
75. The Central Organisations of Employers and Workers should be able to correct their erring members. Since they would be away from the scene they can look at things more objectively and properly advise their affiliates. Local Managements and local Unions should be reasonable in their approach to the various problems that may arise from time to time. While the Unions should not make extravagant demands the Managements should be willing to meet all reasonable demands. The Government, as far as possible, should leave the employers and employees alone unless its assistance is sought for by both the parties either severally or jointly.
76. The Labour/Personnel Officers have played a very useful role in preventing disputes and in maintaining harmonious employer-employee relationship. They have been very effective where they have been able to win the confidence of both the sides. Their effectiveness can be further improved if they can be delegated with certain decision making powers at least in matters which are of not much consequence.
77. The operation of Committees like Works Committees, Accident Prevention and Safety Committees, Canteen Committees, Sports Committees, Welfare Committees, Suggestion Scheme and a proper Grievance Procedure are considered adequate for maintaining communication between the workers and the Managements.
78. The authority is usually delegated to the line-Management in dealing with the employees. It is only in the case of the progressive employers that they include specialists for dealing with personnel matters. By and large the industry has still not realised the need for including specialists to deal with personnel matters. Perhaps the establishment of an Advisory Service to educate the employers in this direction would be of great assistance.
79. Usually there will be differences between the Management and the employees in respect of Standing Orders proposed to be adopted. The appropriate authority under the Industrial Employment Standing Orders Act usually uses his influence to bring about agreed Standing Orders. In the case of this Establishment the Standing Orders were adopted with the help and mediation of the Regional Labour Commissioner (Central).
80. It is believed that the purpose for which the Employment Standing Orders Act and the Model Standing Orders were formulated have served the same fairly well.
81. In connection with discipline to be observed by their employees, usually the Managements provide that they (their employees) shall be punctual, regular, honest, obedient, respectful to their superiors, law abiding and careful in the performance of their duties. If the employees are found wanting in any of these respects

suitable action by way of warning, fines, suspension or discharge/dismissal is provided for.

The Model Standing Orders may perhaps specifically provide that a workman against whom a misconduct is alleged may produce witnesses and cross-examine those giving evidence against him.

82. Yes, to a considerable extent. Even where employers have been reluctant to adopt the Model Grievance Procedure, they have at least adopted some sort of a procedure to deal with the employees' grievances. It is felt that any machinery set up for the redress of grievances to be effective must be on a voluntary basis. It should come about as a result of a realisation that it pays in the long run to deal with the grievances as and when they arise rather than being allowed to be accumulated. Any Grievance Procedure whether statutory (this is not favoured) or voluntary should provide for giving to a workman full opportunity to explain his case and to defend himself. Whatever the decision, he should not be left with a feeling that he has been abruptly dealt with. He should also have a feeling that the grievance has been justly and fairly dealt with and at some stage has also been looked into by an unconcerned person (other than his Departmental Executive).
83. A system of Grievance Arbitration would perhaps be welcomed by Trade Unions but it is doubtful whether the employers would relish it. As the employers are likely to feel that this will be an interference in their prerogatives to deal with their employees, introduction of such a system is not likely to improve labour-management relations.
84. In so far as the Managements are concerned they usually employ officers who are trained in the work of Industrial Relations at the various Universities conducting such courses. Sometimes officers who are not already trained are sent on short-term courses like Diploma In Social Work Course at Calcutta and to the Training Wing of the C.L.C.'s. Organisation at Delhi. Recently two Institutes of Management one each at Calcutta and Ahmadabad have been set up but it appears advantage of these Institutes has been taken by private industry only. In so far as training of Trade Union personnel in this Field is concerned not much appears to have been done.

Collective Bargaining:

85. Collective bargaining so far in this country has been confined to well-established industries in which there are strong Unions functioning. The system of collective bargaining has gradually been gaining ground and would become more popular as Trade Unions become stronger and responsible.
86. If as envisaged earlier there is only one Union in each Establishment and these federate into a Union of the industry then it will be for the federated Unions to elect their representatives for bargaining on their behalf at the industry level.
87. While we agree with the statement at (a), we do not agree with the statement at (b) for adjudication never leaves both the parties satisfied. The party against

which the decision is given would always continue to nurse a grievance and would endeavour to upset the same by any or all means at its disposal.

88. While the system of collective bargaining may be encouraged taking recourse to adjudication may be reduced.
89. Generally not, but if any facts happen to be under dispute, these could probably be looked into by an independent person to determine what the facts are.
90. To maintain the tempo of production, under planned economy disputes, if any, should be quickly resolved. If as a result of collective bargaining these are unreasonably prolonged, an independent authority should be able to look into it and apprise the public about the same. The force of public opinion should be brought to bear upon the erring party so as to restore normalcy.

Joint Consultation:

91. Yes.
92. *Deferre*
In some Establishments Works Committees are reported to have been functioning satisfactorily - but it is also known that in certain other sectors they have been quite a failure. They have not functioned properly either because of a lack of interest on the part of the employers or some times when the Unions themselves have opposed their formation. It is believed that they can serve a very useful purpose if the employers take it seriously and also if the Unions co-operate in their proper functioning.
93. Yes.
94. For improving the utility of the Works Committees, it is suggested that the Head of the Establishment should invariably be the Chairman of the Works Committee. In Establishments where there is only one Union and its leaders are democratically elected such Unions should have the right to nominate the members on the Works Committees rather than having to go through the process of elections once again. There should be a general desire on the part of the Managements to ascertain and resolve workers difficulties and not to treat Works Committees in a casual manner because of a feeling that they are imposed on them. Sufficient publicity should be given to the proceedings of the Works Committees and occasionally some workmen should be allowed to observe its proceedings. Recommendations of the Works Committees where possible should be complied with expeditiously and where it is not possible to comply, reason therefor should be explained to the members and also given due publicity.
95. Emergency Production Committees have been set up in this Establishment and they have done/are doing useful work. It has not been possible to constitute a Joint Management Council in this Establishment because of the existence of Inter-Union and Intra-Union rivalries.
96. A Scheme of Profit Sharing and co-partnership is likely to bring the Management and the Employees nearer to each other and would perhaps help to reduce industrial conflict.

97. (a) Yes.
- (b) The bonus to be paid to the employees may be paid in the form of shares.
- (c) In the beginning perhaps not but over a period of time the workers will acquire adequate voice in running the Establishment.
- (d) -

Conciliation:

98. The Conciliation Machinery has generally been helpful and has given satisfaction to both the parties to a dispute.
99. While the Conciliation Machinery does play a useful role it must not be forgotten that behind the scene the Personnel Departments of the Undertakings have been doing a lot on the quiet to prevent disputes arising and thus helping in the promotion of harmonious relations and maintenance of industrial peace.
100. Conciliation work by its very nature is such that requires more time. The Conciliation Officers should have more discretion in regulating the time in which they must complete conciliation in any one case. On certain occasions because of the limitation of time the Conciliation Officers are either forced to close the case or submit a failure report. Even in cases where there are good prospects of a settlement they are obliged to do so.
101. Generally this should not be done and in any case the initiative in this regard should not come from the Conciliators. If, however, the parties of their own accord are very keen to have a Conciliator to arbitrate in a dispute his services may be made available.

Adjudication:

102. The system of resolving industrial disputes should be such as would give satisfaction to both the parties. It is believed that legal adjudication of disputes cannot give such satisfaction to both the parties. While this system might have maintained apparent industrial peace it does leave behind a feeling of bitterness and discontent which affects adversely the production of a Unit. This system of resolving industrial disputes should be abandoned.
103. -
104. Yes.
105. Yes.
106. It is true that adjudication takes considerably long time. For instance, an industrial dispute concerning this Establishment was referred to adjudication in January 1965 and the same is still pending before the Industrial Tribunal. We are not sure but it is possible that the delays are due to too many disputes having to be handled by a few Tribunals.

107. No. .
108. Perhaps by keeping out the legal practitioners from appearing before the Tribunals altogether.
109. More often than not the obligation to implement an award of a Tribunal or Agreement is on the part of the employers and a provision for prosecution for non-implementation of Awards or Agreements can bring them round to give effect to the same. However, if on any rare occasion there were to be some obligation on the part of the workmen it is not certain how an implementation of such an Award or Agreement can be brought about for it may not be possible to prosecute the workmen where a large number of them are employed.

Code of Discipline:

110. Yes, to a fairly large extent.
111. The provision that there should be no strike or lock-out without notice may be given a legal shape.

Voluntary Arbitration:

112. Voluntary Arbitration can play a very important role in the achieving of good industrial relations. The Central Organisations of Employers and Workers can promote Voluntary Arbitration in various ways e.g.,
- (a) by agreeing to refer all disputes that cannot be resolved mutually to Voluntary Arbitration;
 - (b) by jointly drawing up an agreed list of Arbitrators and
 - (c) by evolving a machinery for settlement of disputes at the local level, regional/industry level and at National level.

Subjects pertaining to industrial disputes could be demarcated so as to be settled at each of the above levels or be referred to Arbitration and others which should go up to a higher level for negotiation and settlement and on the failure of which again submitted to Arbitration. It is desirable to invariably incorporate a provision for Voluntary Arbitration in all the Collective Agreements.

113. Voluntary Arbitration should be preferred to Adjudication in the matter of all industrial disputes.
114. Arbitrators for a settlement of an industrial dispute should be drawn from an agreed list of Arbitrators which should be drawn up in advance. Agreed list of Arbitrators should be available to the parties for them to draw upon and perhaps there need not be any Standing Arbitration Boards.
115. Known intelligent men of integrity, regardless of the profession they belong to, should find a place on the agreed list of Arbitrators.
116. As the State is interested in the maintenance of industrial peace and for maximising production, the expenses of arbitration may perhaps be met by it.

97. (a) Yes.
- (b) The bonus to be paid to the employees may be paid in the form of shares.
- (c) In the beginning perhaps not but over a period of time the workers will acquire adequate voice in running the Establishment.
- (d) -

Conciliation:

98. The Conciliation Machinery has generally been helpful and has given satisfaction to both the parties to a dispute.
99. While the Conciliation Machinery does play a useful role it must not be forgotten that behind the scene the Personnel Departments of the Undertakings have been doing a lot on the quiet to prevent disputes arising and thus helping in the promotion of harmonious relations and maintenance of industrial peace.
100. Conciliation work by its very nature is such that requires more time. The Conciliation Officers should have more discretion in regulating the time in which they must complete conciliation in any one case. On certain occasions because of the limitation of time the Conciliation Officers are either forced to close the case or submit a failure report. Even in cases where there are good prospects of a settlement they are obliged to do so.
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115. Known intelligent men of integrity, regardless of the profession they belong to, should find a place on the agreed list of Arbitrators.
116. As the State is interested in the maintenance of industrial peace and for maximising production, the expenses of arbitration may perhaps be met by it.

Strikes and Lock-outs:

117. At present a notice is required to be given only in respect of strikes and lock-outs concerning Public Utility Services. This clause may be made applicable to all strikes and lock-outs instead of only in Public Utility Services. This is recommended, as very often unjustified strikes have been resorted to the detriment of production. Perhaps with an advance notice the losses could be minimised or alternative arrangements made.
118. Union rules generally do provide for a procedure to be gone through before giving a call for strike. However, this rule is observed more in the breach rather than in actual practice.
119. Very often than not no prior notice of a strike is given to the employers - while, in the case of a lock-out perhaps invariably a notice is first given.
120. In this Establishment wages for the strike period have never been given.
121. To prevent any victimisation the employee-members of the Trade Unions usually do not take a leading part and always work behind the scene. It is the non-employee members of Trade Unions that usually take the leading part in the activities of the Union and they of course cannot be victimised.
122. Very often the Unions do not officially call a strike although when the workmen go on strike (even if it be on their own accord) they certainly support the same.
123. The Union leaders are always in touch with the Personnel Departments even during a strike and the Managements get in touch with the Union leaders during the period of a strike through their Personnel Officers. In this Establishment whenever there has been a strike the Union leaders have generally readily made themselves available to facilitate talks and ultimate settlement. There may be instances where the Managements and the Unions may not be in talking terms during the period of strike and in such cases the Conciliation Machinery of the Government can play a very useful part. In cases of all illegal strikes, the Government should intervene but how and to what extent exactly that will help the situation cannot be stated.

General:

124. The Tripartite Committees like the Indian Labour Conference, Standing Labour Committee and the various Industrial Committees have played a very useful role in building up goodwill between labour and Management.
125. Yes.
126. As stated earlier there should be no work stoppage without prior notice and all industrial activity should be regarded as a Public Utility Service.
127. To minimise industrial conflict the following measures may be adopted:

- (a) expeditious decisions on problems that arise from day-to-day administration;
- (b) evolving of procedures in consultation with the Unions in respect of matters like promotion, allotment of houses etc. and then sticking to the same. Ad hoc decisions should be avoided at all costs;
- (c) those in authority should themselves set an example of integrity and hard work and they should not only be interested in production but also appear to be so; and
- (d) if any changes or new methods are to be adopted, these should be done in consultation and after educating the Unions on the subject.

128. There is no case.

129. -

V. W A G E S.

Introductory:

- 130. The current availability of unskilled labour tends to keep the level of wages low.
- 131. Generally wages in industry have been more than in Agriculture or other unorganised sectors and these wages/ perhaps the reason why there is always a great flow of labour from the country side to the industrial centres. /are assured and this is
- 132. It is felt that wages in Agriculture and other unorganised industries and those in industry cannot be kept apart in two water-tight compartments. They are bound to influence each other.
- 133. Wages as a result of Collective Bargaining have been fixed only in a few organised industries where there are strong Unions. To some extent wages have also been fixed by Awards but this is confined to only certain industrial centres. To a very large extent the traditional mode of wage settlement still prevails.

Minimum Wage:

- 134. No.
- 135. -
- 136. Any industry should be able to provide a minimum wage to its labour, otherwise perhaps it has no right to exist.
- 137. -
- 138. Steps should be taken to improve the efficiency of the workmen and all other measures adopted that will be conducive to greater production. Under such conditions it should be possible to achieve a minimum level of wages corresponding to the National Minimum Wage.

139. In view of what has been stated perhaps a Regional Minimum may be evolved rather than a National Minimum.
140. The definition of minimum, fair and living wage as already given by the Committee on Fair Wages is considered satisfactory and when the term 'Living Wage' has been referred to in the Constitution, it perhaps has had the same concept as was given to it by the Committee on Fair Wages.

Dearness Allowance:

141. Once a dearness allowance is granted it tends to stay unless absorbed in wages. Dearness allowance as a separate component may, therefore, as well be done away with.
142. -
143. -
144. -
145. Industry's capacity to pay should be the prime consideration before any revision of wages on account of increase in the cost of living is effected.
146. -

Fringe Benefits:

147. All benefits/amenities which an employee is able to secure from his employer, free of cost, and for which he would otherwise have had to pay may be regarded as Fringe Benefits. These should cover all activities which would go to make the work of the employee easier and his living a little more comfortable than it would otherwise have been. The cost of Fringe Benefits do reflect in the production costs but these are a worthwhile investment.
148. Fringe Benefits cannot be a substitute for higher money earnings. They have got to be provided for maintaining goodwill and a higher tempo of production irrespective of the fact whether the earnings are high or low.

Wage Differentials:

149. Yes, to a large extent.
150. The existing system of dearness allowance has tended to narrow down the wage differentials. If dearness allowance as a separate component were to be abolished perhaps that would rationalise the position.

Methods of Wage Fixation:

151. We favour fixation of a statutory minimum wage and anything beyond that by collective bargaining.
152. Wages by collective bargaining may be fixed on a region/industry-wise basis.
153. To a fairly large extent.

154. (a) At present the Wage Boards take unduly long time to finalise their decisions. Some action should be taken to expedite their deliberations.
- (b) We do not favour the recommendations of the Wage Board being given a legal sanction for that would more or less amount to an Award of an Adjudicator.

Wage Policy:

155. (a) The first charge on an industry should be a fair wage to labour followed by a fair return to the entrepreneur and thereafter provision may be made for development of industry/capital formation.
- (b) The criticism appears to be fairly valid and the remedy to the situation is by making the workmen more efficient, better management, increasing productivity and by producing more goods at lesser cost.
156. Any policy which denies fair wages to labour cannot be conducive to the development of the economy and hence payment of fair wages to labour should be the prime concern of any policy meant for the development of the economy. It will be appreciated that when fair wages are paid that by itself will generate demand and help in the growth of industry.
157. The policy of 'Wage Freeze' does not appear to be very practical just as holding of 'Price Line' is easily talked about than put in practice. There are several factors both seen and unseen which work all the time against achieving success of such policies.
158. There is no need for creating an artificial sectoral balance in the wage structure of the Public and Private Sectors. Economic factors should be allowed a free play to bring about the necessary balance in the wage structure of the two Sectors.

Mode of Wage Payment:

159. The practice of payment of wages in kind is not very popular in the industrial sector. It can lend itself to abuses and is, therefore not recommended.
160. Payment of unskilled labour on Time Scale of Pay is fairly common in well established industries. We favour its extension as it would ensure a certain minimum wage to the labour.
161. Total wage packet may consist of the basic wage (which itself should be revised in the event of price changes subject to the capacity of the industry) and a productivity wage i.e., an addition to the basic wage dependent upon the productivity achieved by labour.

General:

162. -
163. Bonus should become payable only when there are profits in a concern. If a minimum bonus has to be paid compulsorily regardless of profits as at present embodied in the Payment of Bonus Act, it really amounts to payment of deferred wages and has no relation to the

prosperity of the concern. This appears to us to be anomalous.

164. As stated already bonus should be payable only if there are profits in a concern.

VI. INCENTIVE SCHEMES AND PRODUCTIVITY.

165. Any scheme of payment by results should be explained to the workmen and should be attractive enough so as to win their co-operation in running the same.

166. (a) We agree.

(b) We agree.

(c) Yes.

(d) Yes.

(e) While it is agreed that there should be increased earnings with an increase in productivity, a certain minimum of earnings should, however, be guaranteed to all workmen.

(f) Yes.

(g) Yes.

(h) Yes.

(i) Yes.

(j) Yes.

167. Labour and Management are directly concerned in raising productivity. Government can at best only indirectly encourage to raise the productivity.

168. There are several factors that go to increase productivity. Normally it is difficult to single out any one factor which increases productivity. The gains of productivity should be shared in a reasonable and fair manner taking into account all factors that have contributed to increase in productivity.

169. Will follow.

170. -

171. Operation of Suggestion Schemes and institution of awards for outstanding work certainly do help in increasing productivity.

172. Monotony of work, hazardous work, uncongenial surroundings, general discontent and unresponsive management can bring about an increase in labour turnover and absenteeism which do hamper improvement in productivity.

173. The desire to improve one's standard of living by and large is always there. It is only a very small minority who are always satisfied with their lot. Of course Incentive Schemes can work where such desire is present.

174. While 'Go Slow' and 'Work To Rule' do hamper productivity it is believed that a ban on overtime need not necessarily have the same effect.
175. The belief that one can do better tomorrow than what he is doing to-day is necessary for achieving improved productivity and this necessarily means rationalisation so that rationalisation plays a very important part in improving productivity. The recommendations of the 15th Session of the Indian Labour Conference have certainly helped rationalisation. It is considered that they still provide a useful frame-work for the purpose.
176. a) Gradual automation is welcome. In established &) industries automation may be introduced in b) consultation with labour. This is not necessary in the case of new industries.
177. The National Productivity Council by its activities has certainly made the Employers "Productivity Conscious" and they now appear to be taking some interest in this direction. In so far as the workers are concerned it does not appear that the same amount of enthusiasm has been aroused in them.

VII. SOCIAL SECURITY.

178. (a) The Social Security Schemes have had a good and desirable effect on stability of employment and on industrial relations.
- (b) -
179. (a) The following benefits are presently available to the workmen of this Undertakings:-
- (i) Medical care;
 - (ii) Sickness Benefit;
 - (iii) Employment Injury Benefit;
 - (iv) Maternity Benefit and
 - (v) Old Age Benefit.
- (i) Medical care is available to the workmen and his family.
- (ii) Daily rated workmen, during the period of sickness (period being unlimited) get 3/4th of pay and full dearness allowance. The monthly rated employees get full pay and dearness allowance for a period of three months in a year and thereafter their emoluments are regulated at the discretion of the Management.
- (iii) Employment injury benefit is given as per the Workmen's Compensation Act.
- (iv) Maternity benefit is given under the Maternity Benefits Act and the Rules framed thereunder.
- (v) Gratuity Scheme and Contributory Provident Fund Scheme are in operation in this Undertaking and the respective amounts are payable in full on retirement.
- (b) Will follow.

- (c) Yes.
- (d) -
- (e) -
180. -
181. We support the recommendations made by the E.S.I.S. Review Committee as that would not only bring down the administrative expenditure on running the current Schemes but will also give an opportunity for inclusion of benefits which are at present not available.
182. -
183. The E.S.I.S. is not applicable to this Undertaking.
184. -
185. While the employers and workers may contribute equally towards benefits to be derived by the workers, the Government might bear the administrative cost of running such a Scheme.
186. Steps might be taken to convert the present Employees Provident Fund Scheme into a Provident Fund-Cum-Pension Scheme.
187. -
188. We are in favour of the present Provident Fund Scheme being merged with the E.S.I. Scheme.
189. Insurance cover to the workmen from out of their provident funds may be provided at their option.
190. -
191. The present provisions with regard to lay-off and retrenchment are considered satisfactory.
192. Trade Unions should be associated with the administration of the Social Security Benefits. We do not consider that time is ripe for handing over the administration of these Schemes to the Trade Unions.

VIII. LABOUR LEGISLATION.

193. For the regulation of labour-management relations recourse to legislation should be the very minimum. Collective bargaining should be developed and allowed to play its role.
194. Wherever there is a special machinery (like the Factories Inspectorate, the Mines Directorate) to enforce the various labour laws, the Acts have been fairly well implemented and the objectives achieved.
195. (a) Fairly well.
- (b) Considerably.
- (c) By better implementation of the existing labour laws.

196. At present labour laws are administered by different authorities - in some instances by the State Governments and in some others by the Central Government. It would be better if all labour laws were to be administered by the same authority. Whatever constitutional changes may be necessary to bring about such a change would be welcome.
197. The International Labour Conventions have had a healthy influence on labour legislation in India.
198. Yes, it may be done.
199. Employers have generally complained of too much of legislation in the field of labour e.g., maintenance of various forms and registers, a detailed drill in cases of retrenchment, lay-off, punishments including dismissal, fines etc., too detailed requirements for the constitution of Works Committees and Canteen Managing Committees.
200. Yes. Codification may be done on the basis of the industry run e.g., if a person is running a Mine, he should be able to get all labour laws in a consolidated form that concern him. Similarly if a person is running a factory or owns a plantation, he should be able to get at one place all labour laws concerning that particular trade or business.
201. Yes. This policy should be continued.
202. Labour legislation should be curtailed in the spheres indicated in answer to item 199. As for voluntary arrangements so far built, they are considered satisfactory.
203. Labour laws should be enforced and exemptions given on the merits of each case regardless of the fact whether the industry is in the private sector or in the public sector. For enforcing labour laws a practical view should be taken whether such enforcement is in the interest of production or otherwise. Too much literal adherence to the rules should be avoided. The complaint against the public sector is perhaps not that they obtain too many exemptions but that when they violate any provisions of the labour laws they just get away with it.

204. -

IX. RURAL AND UNORGANISED LABOUR.

205)
to) -
211)

X. LABOUR RESEARCH AND INFORMATION.

212. Most of the difficulties envisaged could be got over by creating a special agency to collect labour statistics. Instead of leaving it to the employers to furnish the information, such information should be collected by persons trained in this respect.

213. Suggestion as given against item 212, if accepted would also overcome this situation.
214. Region-wise consumer price index if compiled would be more real and advantageous.
215. The present details for measuring industrial unrest in the country are considered satisfactory.
216. It would perhaps be advantageous to have additional information regarding work stoppages due to reasons other than industrial disputes.
- 217)
to)
227)
228. We agree with the views that industrial conflict gets more publicity than industrial harmony the reason being that when everything is normal (that is the state when there is industrial harmony) - this is assumed and, therefore, there is no publicity given just as when there is peace amongst nations or when people die in a natural way no publicity is given but if there is a war or people die as a result of some accident or disaster publicity is effectively given.
229. The Press does not appear to have given enough thought to educating the public on labour matters. Perhaps publicity could be given of success in industry where it was due to good labour management relations. Short articles on various aspects of labour laws may be published periodically. As the Press has to cater to the needs of the reading public it is not considered advisable to force any action on them in this regard. However, some sort of persuasion could probably be made use of.
230. We do not consider that the Press has played any considerable role in shaping decisions on industrial disputes. The Press has generally been indifferent in this regard.

NATIONAL COMMISSION ON LABOUR.REPLIES TO QUESTIONNAIRE.

- | | |
|---|--|
| 1. Name and address of the Respondent:
(Person/undertaking/organisation/State). | HINDUSTAN AERONAUTICS LIMITED,
Head Office,
Indian Express building,
Vidhana Veedhi,
Bangalore-1. |
| 2. The name of the Central Organisation of employers/workers to which you are affiliated: | Nil. |
| 3. If union, please give the number of members. When was the union formed? | - |
| 4. If an undertaking/establishment, please give: | |
| (a) Commodity produced/nature of activity: | Design, Development and Manufacture, repair and overhaul of Aircraft and Engines. |
| (b) Number of employees as on 1-1-1967: : | 28,275 |
| (i) Workers : | 25,808 |
| (ii) Others : | 2,467 |
| (c) When was the undertaking established? | The organisation was established on 24th December, 1940, as Hindustan Aircraft Limited, Bangalore, and on amalgamation on 1st October, 1964, it is known as Hindustan Aeronautics Limited. |



I RECRUITMENT AND INDUCTION

RECRUITMENT:

QUESTION: 1. (a) How is labour recruited at present in industrial establishments? Is recruitment effected through (i) jobbers, (ii) contractors, (iii) advertisements, (iv) Introduction by existing employees, (v) employment exchanges or (vi) any other methods?

(b) How far are the present recruitment arrangement satisfactory for different types of employees and different levels of skill?

ANSWER: 1. (a) In this establishment all vacancies to be filled by recruitment are notified to the appropriate Employment Exchanges, as required under the Employment Exchanges (Compulsory Notification of vacancies) Act. In so far as posts upto and inclusive of grade of Rs.145-225 are concerned, the vacancies are filled from among candidates referred to by the Employment Exchanges, by interviews and tests.

Posts in the grade of Rs.160-310 and above are simultaneously advertised in the Press. Candidates who respond to the advertisement and possess the required qualifications are considered along with the candidates referred to by the Employment Exchanges.

In addition to the above, candidates referred by Industrial Training Institutes and the Polytechnics are also considered. Dependents of employees, who possess the requisite qualifications are also considered along with others.

(b) The present recruitment arrangements is satisfactory.

QUESTION: 2. In what categories of employment is labour in short supply? What steps should be taken to minimise the effects of such shortages?

ANSWER: 2. For most of the trades, there is no difficulty in getting the required labour. However in the categories of Designers, Electrical Mechanics, Radar & Electronic Technicians, Radio & Instruments Mechanics, Tool Makers, Die Scrapers, Crane Operators and Stenographers, shortages are felt. It is suggested that the Polytechnics and the ITIs should cater for training more number of candidates in trades which are in short supply.

QUESTION: 3. Does lack of mobility affect supplies in different categories of labour? If so, what remedial measures would you suggest?

ANSWER: This has been a problem in some of the newly constituted Divisions, particularly Koraput Division. While, on the one hand, there is great scarcity of qualified workmen in this region, it is difficult to persuade workmen in other Divisions or regions to accept transfer to Koraput, because of the trying conditions of living there and the inherent aversion of workers to leave their home town. Project allowance paid to workmen of Koraput is an inducement, but this has not been of a substantial help to the situation.

QUESTION: 4. To what extent is industrial labour migratory in character? What problems does such labour pose in recruitment and retention?

ANSWER: With the exception of a few specialised trades mentioned above, this has not posed any problem for us. Higher wage scales in such case would help retention of such labour.

QUESTION: 5. How do the existing statutory provisions in regard to employment of women affect recruitment of women labour? Consistent with international conventions on conditions of work for women, what modifications would be necessary in the existing provisions for promoting employment of women?

ANSWER: In this undertaking, women are at present employed only for administrative work and in a few technical posts like Inspectors, Radio Wires and Radio Technicians.

Restrictions on the working hours for women prescribed by the Factories Act has some discouraging effect on the employment of women. The existing maternity benefit is another factor which has discouraged the employment of women. In keeping with modern trend, which permits the employment of women in various shifts in Hospital, Telephone Exchanges etc., more flexibility in the act and rules regarding the working hours for women is considered necessary. A restriction limiting the maternity benefit to the women employees to not more than three children may also be considered.

QUESTION: 6. What are the advantages and disadvantages of recruitment of casual labour? If employment of casual labour is a disadvantage, what steps should be taken to decasualise such labour?

ANSWER: 6. In an Engineering Industry like ours, the employment of casual labour is resorted to only for work which is occasional. Engagement of casual labour for such type of work is inevitable. The problem of decasualising does not arise in this undertaking.

QUESTION: 7. In view of the present unemployment situation, what place should be given to the absorption of 'Physically handicapped' in recruitment policy? Should there be a statutory provision for reserving a portion of the vacancies to physically handicapped persons?

ANSWER: 7. The problem of absorption of physically handicapped persons has been entrusted to an agency attached to the Employment Exchange in the State. The present system is working satisfactory. Statutory provisions on the subject do not appear to be necessary.

QUESTION: 8. In establishments within your knowledge, is there any discrimination in the matter of recruitment on grounds of caste, community, region, language, etc.,? Under what circumstances is such discrimination justified?

ANSWER: 8. Not to our knowledge.

QUESTION: 9. Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought?

ANSWER: 9. Every new entrant is given a general on-the-job training for a period of about 3 months after his appointment. It is only thereafter he is assigned to his regular work.

Under the Apprenticeship Training Scheme, the trainees are imparted, in the Training School, both theoretical as well as practical on-the-job training. At present, however, the Apprenticeship Training Scheme covers only a few designated trades. It is suggested that more trades be added to suit the requirements of the particular industry.

It is also suggested that a system of further on-the-job training should be available to workers giving them opportunity to improve themselves and better their prospects, particularly in trades where new techniques of production and operation of complicated machines etc. arise.

QUESTION: 10. What steps should be taken to encourage an employoe to avail of the facilities outside the place of work for improving his skill? Is there any system of granting study leave to the employees in your establishment? If yes, please give details?

ANSWER: 10. Employees desiring to avail of the facilities outside the place of work for improving their skill are given facilities such as assigning them to day shift so as to enable them to attend evening classes. Where specialist training is necessary, workmen are deputed to outside institutions for receiving such training.

Study leave is also granted to employees where such studies are to the advantage of the Company. A copy of the study rules of the company is attached. (Annexure-A)

QUESTION: 11. (a) What should be the outline of a rational promotion policy? What place would you assign in this policy to seniority, merit and trade test?

(b) Should recruitment to positions at higher levels be made from among the existing employees only? If so, upto what level?

ANSWER: 11. (a) A sound promotion policy should give due regard to seniority and merit, subject to the suitability of the candidates as assessed by the trade tests. The suitability of the employee for the particular job will have to ^{be} determined through trade tests and thereafter the promotions should be determined on the basis of seniority.

(b) It would not be feasible to recruit, from among the existing employees, to posts at all levels. It will be necessary to resort to recruitment from outside at various levels because the requirement of educational and technical qualifications will

Sub: Overseas Training - Study Leave Rules.

1. 'Study Leave' may be granted from time to time at the discretion of the Board of Management to such employees as they consider will benefit by short courses of instruction or visit to factories abroad for the purpose of a general or special course of study or investigation in connection with the Production posts held or likely to be held by them. The number of employees to be granted study leave from time to time will necessarily be restricted and the number would be determined by the Board of Management keeping in view the requirements of work at H.A.L.
2. Applications for 'Study Leave' with particulars stating clearly the study or investigation contemplated should be submitted to the Board of Management by intending candidates on or before the 1st April or 1st September of every year. Applications for study leave should be submitted two clear quarters before the date of the proposed visit.
3. The Board of Management will not consider any application unless they are satisfied that the facilities for training envisaged by the candidate do exist, are adequate and will be available. Applications should therefore be supported by sufficient evidence in this regard. The place or places of training abroad, the method and duration of training should be determined before study leave can be granted.
4. Candidates selected for study leave will be granted extra leave called 'Study Leave' for a period not ordinarily exceeding four months. It may be combined with earned vacation leave, but total period of absence should not ordinarily exceed six months.
5. The leave will count as service for Progress Increments, Provident Fund benefits, and for promotion, but not for earning leave.
6. Study Leave will be on full pay, but no dearness allowance will be granted.
7. No further concessions by way of passages or other expenses will be admissible.
8. The grant of the leave will be conditional on the candidates giving a written undertaking that they will serve the company for at-least two years on their return from such leave.
9. On completion of the Study Leave, candidates should submit a report of the work they did during the leave supported by certificates wherever possible from the institutions or organisations at which they studied or worked.

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be different at different levels. Promotional opportunities should, however, be available to every entrant at least to reach two to three higher levels. For this purpose, a certain percentage of posts, at certain specified levels should be reserved for being filled by promotion from among the existing employees.

II. CONDITIONS OF WORK

WORKING CONDITIONS.

QUESTION: 12. (a) Conditions of work in factories, mines and plantations, etc., are presently regulated by the Factories Act, 1948, the Plantations Labour Act, 1951 and the Mines Act 1952 etc. The main provisions of such acts inter alia relate to (i) safety and welfare, (ii) hours of work, rest interval, weekly off, etc., (iii) employment of young persons and women (iv) annual leave with wages, (v) occupational diseases and (vi) overtime payment. What changes are necessary in these provisions? How should the implementation of these acts be improved? (See also Question No.19).

(b) What other steps are needed to ensure proper working conditions?

ANSWER: 12. (a) The conditions of work as regulated under the existing provisions of the Factories Act, 1948 are satisfactory. The present definition of 'worker' under the Factories Act is not clear and precise, leading to certain difficulties. It is suggested that the term 'worker' should be re-defined so as to exclude supervisory personnel to avoid difficulties in demarcating workers and non-workers for the purpose of various benefits under the Factories Act. The desirability of imposing a salary limit as under the other Labour Laws may also be considered.

(b) The rules framed under the Factories Act, 1948 etc., should be fairly comprehensive to ensure that the working conditions are satisfactory. It is suggested that the State Governments must have adequate machinery to ensure that the provisions of the Act and the Rules are properly implemented, including positioning of adequate personnel within the Factory charged with the responsibility of implementing these provisions.

QUESTION: 13. In the matter of national and festival holidays, what is the extent of difference in the total number of holidays, from region to region? Is this difference justified? If not, is it possible to bring about uniformity in the total number of holidays in different regions?

ANSWER: 13. According to the rules of this establishment, 12 holidays in a year, consisting of 3 National Holidays and 9 Festival holidays, are granted. The Festival holidays are determined in

consultation with the trade union, taking into consideration the local customs. It is relevant to point out that under the Mysore Industrial Establishment (National & Festival Holidays) Act, 1963, employees in industrial establishments in Mysore State are entitled to only 7 holidays consisting of 2 National holidays and 5 Festival holidays in a year.

It is felt that there should be uniformity with regard to the total number of Festival holidays in different regions and for this purpose, it is suggested that there should be a central law on the subject. The choice of the Festival holidays will necessarily have to vary from place to place to meet local customs.

QUESTION: 14. What changes are necessary in the existing arrangements for regulating conditions of work in employments other than in factories, mines and plantations?

ANSWER: 14. We have no comments.

QUESTION: 15. What, in your knowledge, is the extent of prevalence of employment of child labour? In what industries/activities is employment of child labour relatively high? Are you satisfied with the existing statutory provisions about employment of child labour and their implementation?

ANSWER: 15. Child labour is not employed in this undertaking.

QUESTION: 16. How have the existing arrangements regarding regulation of conditions of work of contract labour and labour employed by contractors worker? In what directions are improvements necessary? (See also Question No: 209).

ANSWER: 16. In this establishment, the employment of contract labour is limited to largely for loading and unloading work. The employment of contract labour is through labour contractor. The existing arrangement in this regard is quite satisfactory. So long as contract labour is essential and inevitable in certain types of operations which are temporary or intermittent in nature, it would not be possible to do away with this system. With a

view to eliminating abuses of contract labour and ensuring better conditions of work, it may be desirable to insist on the provision of certain basic amenities and a "fair wage clause", as in the case of contract labour employed by the Central Public Works Department. Decasualisation of contract labour can be examined in major industries where they are employed on large scale on the lines of decasualisation scheme of contract labour in Dockyards of some major ports.

QUESTION: 17. What are the statutory benefits/provisions, in the implementation of which trade unions and employers' organisations can jointly play a useful role? How should such arrangements be made effective at the plant level? Should there be any standing arrangements for this purpose?

ANSWER: 17. The implementation of the statutory benefits and provisions are best left to the parties at the Plant level itself. Neither the employers organisations nor the trade unions can play any effective role in this regard. The existing arrangements at the plant level are working satisfactorily.

The employers organisations and trade unions participate at the Indian Labour Conference etc., wherein policy matters relating to such benefits and provisions are discussed. Decisions arrived at could form guidelines for the industries at the plant level.

SAFETY AND HEALTH

QUESTION: 18. Is the existing rate of accidents high in establishments with your knowledge? What have been the main causes of such accidents?

ANSWER: 18. The rate of accident in this establishment is very low.

Generally, the rate of accident is moderate in establishments where there is an organised accident prevention work.

Main causes of accidents are due to non-observance of safety provisions under the Factories Act.

QUESTION: 19. What steps should be taken to establish training programmes with special emphasis on safety for the benefit of new entrants to industrial establishments? Are any refresher courses necessary for those who are already in employment? How should such courses be organised?

ANSWER: 19. A sound training programme may be developed by taking into consideration the need for training, the objectives, methods and techniques. Proper selection and induction for the new employees, by way of suitable induction programmes, to educate on the accident prevention policy of the establishment, explaining the risks involved in the trade, necessity to use safeguards and personal protective appliances, the danger involved in trying to adjust or alter settings while the machine is in motion, and the authority to whom defects should be reported, would help to inculcate safety consciousness amongst the employees.

Job Safety Training of supervisors should emphasise the need for accident prevention, the cause of injuries, factors common to most of the accidents, how supervisors can prevent accidents by safeguarding the working area and the worker with practical demonstration or audio-visual aids.

Refresher courses are necessary whenever there is high accident rate, excessive scrap, production bottle-necks or drop in production and revision or improvements in methods or techniques. The establishments should first determine the need for training and the type of training and organise the same to suit their own requirements.

QUESTION: 20. Safety standards in some industries have been evolved by bipartite agreements. How have these agreements worked in practice? How can this bipartite approach be extended to other industries? How should the agreed arrangements be made effective at the plant level?

ANSWER: 20. There are no bipartite agreements existing in this establishment so far as safety standards are concerned. We feel that safety standards may not be subject matters for bipartite agreements. It can be effectively enforced by an efficient safety organisation which can be assisted by a Safety Committee consisting of representatives of Management and Labour. The safety arrangements at the plant level can be made effective by implementing the useful and unanimous recommendations of the Safety Committee.

QUESTION: 21. In view of the anticipated growth of new industries like machine building, chemicals, fertilisers, petro-chemicals etc., requiring safety standards, what steps should be taken to arouse safety consciousness among workers and employers?

ANSWER: 21. The following steps are suggested :-

(1) Adopt safety standards by compilation from recognised safety codes and recommendation of organisations like International Labour Organisation and other National Standards Associations or Institutes of advanced countries as a guidance.

(2) Implement standard method, that has been agreed upon or used, all men are taught the same work method, and deviations from the standard are easily observed and corrected.

- (3) Prepare a job safety procedure showing hazards, the work place, the machine operation, material handling, use of tools and protective appliances to be used.
- (4) Invite employees participation or consult experienced employees on procedures and methods.
- (5) Train the operators with job safety instructions.
- (6) Maintain follow-up by supervision on the methods with a view to guide and correct as and when necessary.

The employer at the planning stage of the process should study to discover hazards and type of methods consistent with practical comforts and complete safety of the worker and take measures to : -

- a) Avoid hazards from the machine, methods and environment;
- b) provide guarding or take steps to minimise hazards at the source if the hazards cannot be eliminated; and
- c) protect the operators by providing suitable protective appliances and ensure that they are used regularly.

QUESTION : 22. Against the background of expanding industry and advancing technology involving a faster tempo of production how should provisions concerning industrial safety (Appendix I) in the Factories Act, 1948, the Mines Act, 1952 etc., be amended ?

ANSWER : 22. With expanding industry and advancing technology, revision in processes necessitates periodical review of the safety provisions of the Act. Taking into consideration the harmful effects of process and methods etc., the Acts should be amended suitably. This may be done on the lines of the Factory orders issued by the Ministry of Labour and National Service, U.K.

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QUESTION : 23. (a) What are the difficulties experienced in procuring safety equipment for installation in industrial establishments ?

(b) Is the supply of safety equipment to workers for their personal use adequate? Is there any reluctance on the part of workers to use such equipment? If so, what measures would you suggest to overcome this reluctance ?

ANSWER : 23. (a) At present, there are no firm of specialists capable of manufacturing and installing safety equipment, specially on processes involving dusts, fumes and fire risks. The I.S.I. has issued standards on few items of safety appliances. But there are no reputed manufacturers marketing the appliances with the standard markings.

(b) The indigenous items of protective appliances are adequate, except in respect of items like goggles with lenses capable of impact resistance and filter lenses and respirators. Since the indigenous products are not of reasonable quality and due to lack of comfort for continued wear, the workers are reluctant to wear the items like goggles and respirators. A good design of goggles to suit to the facial contour of the workers and respirators have to be manufactured in the country.

QUESTION : 24. What should be the elements of an 'Industrial Health Service' for introduction in India? How should the introduction of such a service be phased ?

ANSWER : 24. There is at present no organised Industrial Health Service in India. Considering the present knowledge on this subject and the possible danger to the health of the industrial workers from industrial diseases and hazards, it is necessary to make a beginning towards the introduction of an Industrial Health Service.

To start with, major undertakings may be advised to employ Medical Officers who are specially trained in Industrial diseases to look after the employees who are susceptible to Industrial diseases and to take preventive measures against industrial diseases and hazards. The Medical Officers appointed may be attached either to the Safety Department or the Health Department of the Undertaking. The State Factory Inspectorate can also employ Medical Inspectors specially trained in Industrial health so that they can advise the industries on industrial health problems and enforce effective measures to control and prevent industrial diseases and hazards.

QUESTION : 25. As a corollary to replies to the above, do the provisions for workmen's compensation requires to be amended ? Is so, in what manner ?

ANSWER : The existing provisions for workmen's Compensation both under the Workmen's Compensation Act and E.S.I. Act are quite adequate and satisfactory. Even the amount of lumpsum compensation payable in the event of death or, total or partial permanent disablement has been recently enhanced. There is already a provision in Workmen's Compensation Act and E.S.I. Act for payment of adequate compensation in the case of Occupational diseases. In the light of further experience and knowledge on chronic industrial diseases, it may be necessary to include some more occupational diseases in the relevant schedule. Suitable amendment of the provisions relating to workmen's compensation can be considered in this regard.

It has also been found by experience that the percentage of absenteeism has gone up after the introduction of ESI Scheme and this is mainly due to the misuse of ESI facilities by the employees. It is therefore considered necessary that issue of ESI Certificates in cases sickness of employees should be properly regulated and made stricter than at present. Suitable rules under the Act may therefore be framed for this purpose so that the misuse of ESI by the employees can be effectively controlled.

III TRADE UNIONS AND EMPLOYEES ORGANISATIONS.

Federation of Employers' and Workers' Organisations.

QUESTION: 26. What are the factors which have influenced the development and organisational pattern of trade unions/employers' organisations since independence?

ANSWER: Historically, the trade unions have developed in the wake of political movement led by the political leaders in the early stages of the evolution of trade union movement. This political influence has considerably affected the development and pattern of trade unions and ultimately brought about the existence of four National Trade Union Organisations unlike in other countries like U.K., U.S.A.,

The growth of large scale industries during post independence period, an increasing awareness amongst the workers for improving their social and economic conditions the spate of labour legislation covering many aspects of labour, the directive principles of constitution, the pronounced objective of establishing a socialistic pattern of society, various tripartite resolutions, the labour policy of the Government in recognising the workers as partners in the Industry and influence and pressure exerted by National and International Trade Unions have all given an impetus to the development of trade union movement since independence.

In HAL, there are seven active Trade Unions. Out of these, the Management deals with five majority Unions. The one in our Bangalore Division is the oldest and strongest out of the five Unions. There is an attempt to form a federation of HAL trade Unions, but the fact that outsiders are office-bearers of certain unions and there are certain differences in the needs and aspirations of workmen in different Divisions, appear to hinder formation of the Federation.

QUESTION: 27. What has been the effect of legislative provisions on the growth of trade unions/employers' organisations? (See Question No.58).

ANSWER: The provisions contained in the Indian Trade Union Act gave legal and concrete basis to the trade unions and offered immunity to their office bearers and members against several criminal actions. It also provided certain rights and privileges for the unions and imposed certain obligations on them. These gave an impetus to the formation of trade unions.

The Coming into being of the Industrial Disputes Act further accelerated the growth of these trade unions. Corresponding to the growth of these trade unions and Labour legislations, the employers have tended to form organisations to protect their interests.

The existing provisions in the Trade Unions Act do not impose any restriction on the number of trade unions in a Plant or at Industry level. The increasing awareness on the part of the workmen of their rights, has led to the growth of trade unions in general and multiplicity of trade unions within an industry in particular, and the workers have become more union minded so much so inter-union rivalry is posing a great problem.

Consequently more than one Union exist in our Bangalore Division. Though the Management deals only with the majority union, industrial disputes are raised by minority unions and conciliation proceedings in connection with settlement of such disputes consume a good deal of the time of the Management without any corresponding advantage. Rivalry between the Unions also result in indiscipline and an atmosphere of industrial unrest.

QUESTION:28. Do you think that the modus operandi of trade unions/ employers' organisations have changed during the last decade? If so, what are the characteristics of this change?

ANSWER: The modus operandi of the trade unions has undergone a gradual change during the last few years. In the early days, the trade Unions at the Plant level tries to build an image of independence from political affiliations or parties, although the political parties were influencing their deliberations. The trade union leaders conducted the unions in a disciplined manner by conforming to constitutional methods for ventilating their grievances through direct negotiations, conciliation and adjudication etc. Recently, however, there has been a growing tendency on the part of the trade unions to depart from constitutional methods for ventilating the grievances of the workers. Lightning strikes, go-slow, tool-down strike, hunger strikes and such other methods are being adopted increasingly. This tendency has further developed into militant and coercive methods like gherao in some parts of the country.

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The modus operandi of the trade union, functioning in HAL (HAEA) is not an exception to this recent trend towards coercive and illegal methods of agitation.

Certain Unions in HAL have been adopting agitational means for pressing their grievances. Lightning strikes, go-slow tactics, tool-down strikes, hunger strikes and gheraos have been adopted by Unions in different Divisions, inspite of settlements in which the workmen affirmed their faith in constitutional methods of settling industrial disputes.

So far as the management of HAL is concerned there has been no significant change in their modus operandi.

STIN:29. Do you think that the attitudes of trade unions and employers' organisations towards (a) each other and (g) Government have undergone any change during the last decade? If so, state the direction of this change.

VER: Further to what has been stated above, the cordial relationship which once existed between the trade unions and the employers' organisations towards each other, has tended to decrease. The trade unions have also tended to look towards the State and Central Governments for support and aligned themselves with political parties as that helps them to bring pressure on Government and employers for conceding their demands. The present economic conditions have been partly responsible for this attitude. As far as the trend in HAL is concerned, there has been of late increasing tendency to refer the disputes for conciliation and seek Government intervention in the matter of settling industrial disputes. The industrial dispute on the question of Profit-Sharing Bonus is still pending with the Industrial Tribunal, Bangalore and certain other individual and minor disputes are also pending with the Asst. Labour Commissioner for conciliation. Though the HAEA is not directly affiliated to any of the All India Labour Organisations, the indirect influence of the political parties is noticeable in some of the activities of the Union. This influence has affected to

some extent the settlement of disputes at the level of the plant.

By and large State Government's have been assisting HAL Management in satisfactory settlement of industrial disputes. There was however one instance where a certain State Government adopted an unhelpful attitude. In this case Police did not interfere when workmen resorted to violence in ventilating their grievances.

QUESTION:30. The traditional role of trade unions/employers' organisations has been to secure protection to advance the interests of their members. In view of the national objectives of establishing a socialist society and achieving planned economic development; (a) What should be the changes in the nature and scope of activities of the trade unions/employers' organisations? (b) What are the changes needed in their organisational pattern and attitudes? (c) What are the fields of activity in which they have an independent role to play? (d) In what others should they function in co-operation (i) between themselves and (ii) jointly with Government? (See also Q.75).

ANSWER: The current attitude of the trade unions in placing the interests of their members above the interests of the industry and the nation should change. The trade unions should be independent of political parties and organise themselves only for the purpose of securing protection and advancement of the legitimate interests of the workers, taking into account the overall economy of the country. The trade unions should also be productivity conscious. The trade unions should observe constitutional methods for the redressal of grievances and desist from adopting coercive and agitational methods. The employers' attitude should not be merely profit making, but should take into consideration the broader interests of the Welfare of the country as a whole and in this background, they should settle the grievances of the workers through mutual discussion and conciliation. The employers also should use all their resources and strive to solve problems through mutual discussions at the plant level so that the trade unions will not seek the assistance of outside agencies.

Associating the labour increasingly in the social and welfare activities of the Plant level will help to improve the attitude towards each other. This kind of association largely depends on the attitude of the trade union towards welfare activities and the encouragement given by the management in this regard. It may not however be practicable or even desirable to make such association compulsory by law.

The trade unions have an independent role to play in measures like Workers' Education, Organisation and administration of co-operative societies, family planning and other social activities. In matters relating to collective bargaining, working ways and means for increasing production, improving service conditions etc., they should function in co-operation with the

Management. In matters arising out of general economic conditions in the country, national defence etc., they should work fully co-operating with the Government by offering constructive suggestions, avoiding industrial unrest etc.

QUESTION 31. How have trade unions/employers' organisations helped in the evolution of a better society? How do they represent their views and discuss their affairs with Government and other public authorities and agencies? Does this system of communication need improvement? If so, in what direction? (See also 124 & 227).

ANSWER The employer's organisations and the trade unions have contributed to the development of the Society by maintaining industrial peace, increasing the national wealth through production, although of late, there is a noticeable increase in industrial unrest affecting industrial production. The trade unions have endeavoured to improve the working conditions of the workers and the employers' organisations endeavoured to increase the production.

The employers represent their views through their federations and the trade unions through their organisations at the state and Central level, the advisory Committees on labour and through tripartite conferences and seminars. They also bring their views to the notice of the Government and others through Wage Boards, Study Groups etc. which are set up by the Government. It is suggested that the Industrial Relations Advisory Committees at the state level should be utilised more effectively.

QUESTION: 32. How can trade unions/employers' organisations contribute towards maintaining a high level of employment? Or is this solely the concern of Government?

ANSWER: The employers' organisations can contribute towards maintaining a high level of employment by working and maintaining their Plants to full capacity and running them efficiently. The trade unions can help the employers' organisations towards this end by not resorting to any actions which would hamper production. A high level of production would generate additional employment. It may, however, be mentioned that Government policy on

industrial development will have its effect on the extent to which the trade unions and the employers organisations can contribute towards creating additional employment opportunities.

QUESTION: 33. Bipartite consultations being one of the effective means of reducing the areas of conflict between employers and their employees, what steps should trade unions/employers' organisations take for promoting such consultations?

ANSWER: The employers and the trade unions at the plant level should endeavour to settle and reduce the areas of conflict by mutual negotiations and discussions and collective bargaining. Towards this objective, the employers' organisations and the trade unions at the State or National Level, should bring moral pressure on the trade unions at the Plant Level, so as to encourage settlement of disputes through bipartite consultations. They should ensure that the trade unions or the employers' organisations do not take any steps which would disturb the status-quo pending settlement of disputes through discussions.

QUESTION: 34. What are the existing arrangements for communication between the central organisations of employers and workers and their constituents? How should these arrangements be improved?

ANSWER: No comments.

QUESTION: 35. Are there occasions when central organisations of employers and workers refuse to affiliate employing units/unions at the plant level? If so, on what grounds?

ANSWER: We are not a member of any all-india organisations of employers.

QUESTION: 36. To what extent are the obligation undertaken by the organisations of employers and workers at the national level implemented by their constituents? Are there any effective sanctions for non-compliance with these obligations? How far have they been used in recent years? How could these sanctions be made more effective?

ANSWER: The obligations undertaken by the Organisations of employers and workers at the national level in the All India Labour Conferences standing Labour Committees etc. are at present implemented on a voluntary basis. At present there are only

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moral sanctions for observing these obligations; for instance the various obligations under the code of discipline have to be observed both by the organisations of employers and workers purely on the basis of moral sanctions. In the event of any breach of these obligations by one of the parties, the opposite party has the right to refer the matter to the Evaluation and Implementation Cell established both at the Central and State Levels, who in turn, bring it to the notice of the concerned All India Organisations of the employers or the workers, as the case may be the breach of code in any particular respect. At best, the All India Organisations can only persuade the erring member to observe the obligations under the code strictly and they normally do not resort to the sanction of disaffiliating from their organisations on the ground of breach of the code. It can thus be seen that the existing sanction is not quite effective to enforce compliance of the various obligations. The sanctions ^{can} be made effective either by suitable method of strict action against the erring members committing breach of the obligations or by legislative action in respect of certain very important obligations.

QUESTION:

37. Do difficulties arise in reconciling the actions to the unions/employers at the plant level with national policies evolved jointly by trade unions/employers' organisations? Could you cite instances of such difficulties? How far such difficulties resolved?

ANSWER:

No comments.

QUESTION:

38. What should be the responsibility of all-india organisations of employers and workers towards (i) promoting the interest of their constituents in all matters affecting industrial relations, (ii) implementation of laws, voluntary agreements etc., (iii) training of management personnel, (iv) providing guidance to constituent units, (v) settling of industrial disputes in constituent units and (vi) improving the efficiency of industry? (See also Q.166) How should they be equipped for discharging these responsibilities?

ANSWER:

No comments.

QUESTION:

39. How are the trade unions constituted at the plant level? What are the different forms of constitutions? Are there any common objectives mentioned under the rules of different trade unions? What are these common objectives?

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ANSWER:

The constitutions of the various trade unions at the plant levels are more or less based on the provisions of the Indian Trade Unions Act. The objectives mentioned under the rules of Hindustan Aeronautics Employees' Association in Bangalore are:-

- a) to organise the employees employed in Hindustan Aeronautics Limited, secure for them fair, just and reasonable conditions of work and life and promote their well being by all peaceful legitimate and constitutional methods;
- b) to create amongst the employees a healthy spirit of fellowship and co-operation and develop in them a proper sense of their duties, responsibilities and obligations;
- c) to promote cordial and harmonious relationship between the employees and their employer and secure redress for their difficulties;
- d) to secure fulfilment of the obligations of the employees to their employer for the faithful, efficient and punctual discharge of their duties, and the maintenance of proper conduct, discipline and respect for authority;
- e) to organise and render relief to employees during sickness, unemployment, old age, accident and death and also during the period of legitimate strikes or disputes with the employer and in accordance with the bye-laws framed by the Association from time to time;
- f) to provide legal assistance to employees in respect of all matters arising out of, or incidental to their employment;
- g) to promote among the employees habits of thrift, temperance and co-operation and organise social insurance and co-operative societies;
- h) to provide opportunities for the educational and cultural development of employees and their families and the proper utilisation of their leisure by organising and conducting school, reading rooms, libraries, recreation, sports, entertainments etc.
- i) to organise medical relief, maternity and child welfare and promote the ideals of health and better living;
- j) generally to co-operate with the endeavours of the Government Local Bodies, employers and public institutions to promote the welfare of employees;
- k) the general funds of the Association will be spent only for objects mentioned under section 15 of the Indian Union Act 1926.

Trade

Besides the above, certain constitutions of trade unions also provide for setting up separate funds for political parties.

The most common objective in various constitutions of the trade unions are securing reasonable conditions of work and the welfare facilities for the benefit of the workmen.

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QUESTION: 40. How are the Officers who man the trade unions appointed? How many of them are paid?

ANSWER: The Officers of the trade unions in this establishment are selected from amongst the members by the members by secret ballot, once in two years. Casual vacancies are filled by co-option or election. They work in honorary capacity.

QUESTION: 41. How does a trade union get new members? Are all membership applications accepted? If not, by what criteria are applicants accepted or rejected? In what ways do unions compete for membership?

ANSWER: 1. New members are enrolled by propaganda and by personal contact by the union representatives.

Generally, all applications are accepted.

QUESTION: 42. What steps do trade unions take to encourage members to interest themselves in the conduct of unions' affairs? How effective are such steps?

ANSWER: 2. They appraise the members of their activities through information bulletins, Area meetings, General Body meetings, Personal approaches etc. The Hindustan Aeronautics Employees' Association utilises their active workers and volunteers also to approach the workers and explain their activities. By and large, these methods have been very effective.

QUESTION: 43. How are the activities of a trade union conducted? How is the policy decided? Who is responsible for implementing the policy once it is decided? To what extent does the rank and file influence the formulation of the policy?

ANSWER: 3. In HAL, the trade union activities are generally conducted by an Executive Committee of the trade union, which discusses the issues and decide the course of action to be taken. Decisions of this Committee are communicated to the members through pamphlets etc. On major issues, the approval of the General Council and the General Body are also obtained. The formulation of the policy is initiated at the level of the Office Bearers and the Executive Committee.

To our knowledge, the rank and file are generally led by the decisions of the Executive Committee of the trade union.

QUESTION: 44. What is your opinion is the extent of prevalence of the system of 'closed shop' or 'union shop'? State its merits and demerits in Indian conditions.

ANSWER: The system of 'closed shop' or 'union shop' is not prevalent in our country in general and HAL in particular.

This practice is in vogue in certain industrial undertaking in U.S. as one of the union security clauses in respect of certain craft unions. The merit of the system as far as trade union is concerned is that it ensures job protection for the skilled workers who are members of the trade union. This practice is also expected to promote good industrial relations since the trade unions will be able to effectively bargain with the employers and at the same time command confidence of the trade unions for the acceptance of the union commitments and agreements.

As regards its demerits, this practice will not work effectively in our country as the trade unions have been divided and not yet firmly established. Further this will also restrict the employers' choice in the selection and appointment of right type of skilled personnel for the requirement of the industries and may compel them to recruit personnel not on merits but because of their union membership. As a matter of fact even in the United States, this practice aroused so much opposition amongst the employers that Taft-Hartly Act listed out as 'unfair labour practice' on the part of the unions to put pressure on the employer to adopt a 'closed shop' policy.

QUESTION: 45. Do trade unions have enough income to fulfil their role in promoting members' interests? If not, what steps should unions take for augmenting their resources? Is any statutory provision needed for enlarging trade union finances?

ANSWER: Ordinarily, if the trade unions collect their subscriptions through members regularly, the income should be sufficient to meet the needs of normal trade union activities. Where it is necessary to augment their resources to meet certain specific requirements, they also collect ad-hoc sums from the members as subscriptions to meet that particular need. It is suggested that collection of subscriptions from the members for political funds should be stopped and such subscriptions should be diverted to the union funds for their own activities. Similarly, the trade unions should be debarred from receiving any funds from political parties. There is no need to enlarge the scope of the statutory provisions for increasing the trade union finances.

QUESTION: 46. What reasons, if any, are there against increasing members' subscription so as to provide an adequate income for trade unions?

ANSWER: 46. Increasing membership subscriptions may adversely affect the strength of membership of the trade unions.

QUESTION: 47. Is the introduction of 'check off' system advisable in Indian conditions? If it is, should the privilege of system be given to recognised unions only or to all registered unions?

ANSWER: 47. The introduction of the 'check off' system is not advisable under the existing state of trade union development in the country.

QUESTION: 48. In what ways do trade unions help members/dependents of members in their personal difficulties like unemployment, sickness, and personal injuries? How are dependents helped in cases of members' death?

ANSWER: 48. The trade union here has not yet extended its activities to such purposes as mentioned above.

Trade Union - Leadership and multiplicity:

QUESTION: 49. What has been the impact of political parties on the pattern of trade union development in India?

ANSWER: 49. Trade Unionism in India has developed along side the growth of the political parties and this pattern of trade union development has, therefore, been greatly influenced by the political parties. Majority of the trade unions are either directly aligned or indirectly draw the support from the political parties. This has also led to the formation of four major National Federations of trade unions. This has also been the cause for the formation of more than one trade union, having different political affiliation, in the same industry. This has also resulted in some of the office bearers of the trade unions being also members of different political parties and the interests of the trade union members itself is sometimes subordinated to the interests of the political parties.

QUESTION: 50. Reference is often made to the influence of outsiders in trade unions. Please define the terms 'outsider' and state what the influence of outsiders has been on trade unions.

ANSWER: Trade Unions Act provides that not less than one half of the total number of office bearers of every registered trade unions shall be persons actually engaged or employed in the industry with which the trade union is connected. Outsiders could thus be defined as persons who are not employees of the industrial establishment from which the trade union draws its members.

At the time the Trade Unions Act was passed it was difficult to find out effective and enlightened office-bearers from amongst the workers. It was, therefore, natural that outsiders were allowed to become members of the trade union and they actually took part in organising the unions. The practice has continued and even today many outsiders are working as wholetime trade unionists. Besides, the key posts of the trade union are very often offered to outsiders, specially to men of some social status like Members of Parliament or Legislative Assembly. But of late their presence has often been criticised bitterly and not without reasons. These Outsiders have been found to be exploiting the union for their personal and political gains. The workers, on their part, being uneducated and comparatively unconscious about the real purpose of the trade union, have frequently become a victim of the personal aspirations of their leaders.

QUESTION: 51. How should internal leadership in a Union be built up and strengthened?

ANSWER: In order to encourage healthy trade unionism and build up internal leadership, a policy should be evolved in which the outsiders are gradually eliminated. Because of the existence of the outsiders, a spirit of dependence has grown amongst the

workers and in every time of distress, the workers have looked upon these outsiders for help and guidance. This has not been an encouraging trend since it impedes self-confidence. Steps must, therefore, be taken for the elimination of the outsiders, so that the leadership from within may be built up.

Encouragement to Workers' Education Scheme should assist the development of leadership within the trade unions.

QUESTION:

52. Does the existing legislation encourage multiplicity of trade unions? If so, what are the remedial measures?

ANSWER:

52. The present Act provides that any seven or more members may apply for registration of a trade union. In other words, under the Act, atleast seven persons are required to form a union and that is the minimum limit of membership. When the Trade Unions Act was passed more than four decades ago, the conditions were very different. In those days it was difficult to find even seven willing persons to form a union. There was the fear of incurring the displeasure of the Management and of consequent victimisation. At present, however, things have changed and the workers have become union minded, so much so inter-union rivalry is posing a great problem. There are numerous cases, where a small section of the dissatisfied members has come out of the union on some unimportant issue and has formed a new one. If healthy trade unionism is to be developed, it is necessary to check such a tendency. The minimum qualifying number of members for registering trade union should be related to a fixed percentage of the total strength of workers in individual establishments.

The other aspect is the absence of any provisions in the Trade Union Act imposing an obligation on the employer to recognise and deal with registered trade unions. The need for amending the Act, so as to provide for compulsory recognition of trade unions, should be seriously considered. For this purpose,

certain conditions may be laid down and trade unions claiming recognition must comply with these conditions. Insertion of a provision of compulsory recognition in the Act will help raise the status and strength of the unions and will also help to promote mutual understanding.

The third aspect is to empower the Registrar of Trade Unions to cancel the registration of a union, the executives of which have been found to have been violating the registered rules. Fairly good number of cases of violation of registered rules by the trade unions are noticed every year. The Registrar of Trade Unions who is responsible for the administration of the Act, has no power at present to deal with such defaulting trade unions. This does not seem to be a happy state of affairs.

Unless something is done to remedy it, the internal administration of the registered trade unions may soon face confusion. It is, therefore, necessary that in the larger interests of trade unionism, some deterrent penalty for violation of registered rules should be imposed. There will be no meaning in making rules if the office bearers violate the same as per their sweet will and allowed to escape without any explanation. It is suggested that suitable provisions should be incorporated in the Act to provide for penalties being imposed on the executives of the trade unions if they are found guilty of violating the rules. If the situation does not improve and the violation persists, then Registrar should be given the power to cancel the registration.

QUESTION: 53. How far has the Inter-union Code of Conduct (Appendix II) adopted by the four central labour organisations in 1958 been effective in regulating interunion relations and avoiding inter-union rivalries? How could the code be made more effective?

ANSWER: 53. The code does not appear to have contributed much for reducing the inter-union rivalries. Unless the Central organisations have considerable influence over the local unions, it is unlikely the code will become effective.

Trade Union Recognition.

QUESTION: 54. What are the advantages and disadvantages of a Union registration? Are there any aspects in which the powers of the Registrar of Trade Unions could be altered or enlarged with advantage?

ANSWER: 54. The Trade Unions Act, 1926, provides for registration of trade unions and defines the law relating to the registered trade unions in certain respects. It gives legal and corporate status to trade unions and offers ^{an} immunity to the office bearers and members against civil and criminal action. It also provides certain rights and privileges for the unions and impose certain obligations on them. These rights and obligations are applicable only in cases of trade unions registered under the Act. The Act is silent about the status of unregistered trade unions which are not necessarily unlawful. In other words, registration is voluntary and not compulsory under the Act. A trade union may or may not take the advantage of registration. An unregistered trade union may perform all the normal functions of a union. It may enjoy the rights and privileges without complying with the corresponding obligations and in such cases, no action can be taken. The Act does not confer any right upon unregistered trade unions nor does it put forward any restriction on them. It is, therefore, felt that the registration should be made compulsory.

The Registrar of Trade Unions should be given powers with a view to ensure effective implementation of various obligations of Trade Unions under the Trade Union Act. With the growth of large number of trade unions in recent years, it would be necessary to appoint a responsible and full time officer with adequate inspection staff to exercise sufficient supervision over the functioning of the Trade Unions in accordance with the bye-laws approved for certification. It is our feeling that this kind of supervision which is absolutely essential is at present lacking for want of an effective machinery. Instead of the present practice of notifying the Labour Commissioners or the Deputy Labour Com-

missioners as Registrar of Trade Unions we would recommend the appointment of a separate senior full time officer of the Labour Department for administering the Trade Unions Act effectively.

QUESTION: 55. Has there been a change in the attitude of employers towards trade unions, particularly in the matter of recognition of Unions? If yes, what have been the contributory factors?

ANSWER: 55. The Trade Unions Act does not impose legal obligation on the employer to recognise unions. The state legislations of some States have, however, provided for recognition of trade unions. Except in those States where the procedure to confer recognitions on unions is governed by a statute, the condition and procedure for recognition are at present governed by the provisions of the code of discipline. In spite of the position being as indicated above, the employers have generally been dealing with the union which represent majority of the workers as it is in their own interests to have a union which can function as an agent for collective bargaining. The main object in dealing with the union has been to ensure industrial harmony in the industry.

In some cases, the influence of the political party on the trade unions have made the employers reluctant to deal with such trade unions.

QUESTION: 56. Has the code of discipline in industry (Appendix III) contributed towards securing recognition for trade Unions?

ANSWER: 56. The Code of Discipline has not made any substantial contribution towards securing recognition for trade unions.

QUESTION: 57. Do the existing provisions under the Code of Discipline in regard to recognition of unions provide a satisfactory arrangement in this regard? Specifically, are the provisions regarding (i) the procedure for verification, (ii) the procedure for grant and withdrawal of recognition, (iii) the period of recognition and (iv) the rights of the recognised unions (Appendix XI) satisfactory? If not, what improvements would you suggest in them? (See also Q.III)

ANSWER: 57. It is suggested that the membership of the union proposed

to be recognised should cover atleast 25 per cent of the workers in the establishment concerned, instead of 15 per cent mentioned in the Criteria for Recognition of Trade Unions.

QUESTION: 58. Would you suggest giving effect to the provisions of the Indian Trade Unions Amendment Act, 1947 in the matter of recognition of Unions? Or, should provisions similar Acts elsewhere in India for recognition of unions (Appendix V) be written into the Indian Trade Unions Act, 1926. Are there any other suggestions in this regard? (See also Q.27)

ANSWER: The voluntary approach of the code of discipline has been found to be rather ineffective in solving the question of recognition of trade unions in many industries, though theoretically it may appear to be a sound approach. Taking a realistic and practical view, we would rather recommend legislative action on the lines envisaged under the Indian Trade Unions Amendment Act of 1947, for enforcing compulsory recognition of Unions. There appears to be no alternative but going in for legislative action under the existing prevalence of multiplicity of unions in different industries since voluntary approach has proved to be ineffective as can be seen from the experience gained in the non-implementation of the Code of Discipline in many industries.

QUESTION: 59. What are the advantages of industry-wise unions? What will be the difficulties in their recognition? How should the subjects to be dealt with by unions at the plant level and by the Industry union be demarcated? (See also Q.86)

ANSWER: 59. At our present stage of industrial development, it is premature to consider formation of industry-wise unions. Negotiations within the plant or unit has the advantage that a careful approach can concentrate, bargaining on the economic issues which are the main concern of the rank and file of the union members, and can largely eliminate the purely political considerations which might loom largely in the minds of the professional negotiators or organisers of national or industrial unions. Negotiations within the establishment can be more closely related to the facts of the situation which are known to both sides and to the points at issue that really matters most. In a confusing

situation, concentration on the economic facts rather than on disturbing general principles may help to clear the way towards the agreement.

In other words, the advantages of bargaining at plant level lies in the fact that it reduces argument on theoretical differences, limits negotiation to the more realistic issues, takes account of the actual situation in the undertaking and makes discussions more intimate and practical. It enables production and incentive problems to be discussed from the practical angle and brings into play the experience of the man on the job, rather than the dogmatic theories. It encourages internal leadership of a union and avoids the danger of diversification of union officials from the rank and file of the members, which elsewhere has led to unofficial strikes. It provides valuable education for both managerial men and workers and makes them both concentrate on fact-finding in investigating problems and a constructive approach in resolving differences.

QUESTION:

60. What are the advantages and disadvantages of naming a union as the sole bargaining agent in an industrial unit?

ANSWER:

60. By naming a union as a sole bargaining agent in an industrial unit, the employer will have the advantage of dealing with one union which can speak for the workers as a whole and need not deal with different unions and different groups of workers with different ideologies, interests, etc. This will help quicker agreements being reached between the employers and the unions. On the other hand, the exclusion of other unions as bargaining agent may compel the workers to support the sole bargaining agent even when they feel that the union is not acting in their best interests. Knowing that it is the only bargaining agent, the particular union may become more obstinate and unreasonable in pursuing their demands.

QUESTION: 61 For determining the representative character of a trade union for purposes of grant of recognition, should the method of election by secret ballot be adopted? If so, explain the details of the method and the administrative arrangements necessary for the purpose (See also Q.86)

ANSWER: The method of election should be by secret ballot and it should be conducted under the supervision of the Registrar of Trade Unions or his nominee.

QUESTION: 62. If a Union is elected as the sole bargaining agent in an establishment, what should be the rights and responsibilities of other unions in the establishment?

ANSWER: The other Unions should be deprived of the right to agitate or raise demands on the issue for which the larger union has been elected as the sole bargaining agent. The agreement arrived at between the employer and the sole bargaining agent should be binding on all the workmen.

QUESTION: 63. Considering that categorywise unions, particularly of technicians, are assuming greater importance how should their rights and obligations as defined in relation to (a) the employer and (b) Unions of other categories of employees?

ANSWER: At the present stage of industrial development, it is premature to consider this.

QUESTION: 64. What facilities should an employer extend at the work-place for the activities of Unions?

ANSWER: The following facilities have been provided in this establishment at the workplace, for the activities of the Union with which the Management is dealing:-

- a) Provision of Office accommodation outside the factory premises wherever possible at nominal rent. Electricity and water charges are being borne by the Union.
- b) Telephone facilities for the Office free of rent, but charges for local and trunk-calls are recovered.
- c) Permission to instal Notice Boards for publication of the Trade Union Notices, Pamphlets, Bulletins at agreed places.
- d) Grant of special leave with pay to the members of the Executive Committee for attending meetings of the Committees once a month irrespective of the shift in which they are working.

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- e) Special leave with pay to the Office Bearers for attending Conciliation proceedings, Industrial Tribunals where disputes between Management and the Association are pending.
- f) The time spent by the Office Bearers in attending meetings with the Management is treated as on duty.
- g) Trade Union Representatives are permitted to assist employees when personal hearing is given under the established grievance procedure and the time spent for this purpose is treated as on duty.
- h) Trade Union Representatives are permitted to assist delinquent employees in the domestic enquiry proceedings where such assistance is sought by the employees and the period of their absence for this purpose is treated as on duty.
- i) The Trade Union is granted permission to hold general body meetings in front of their Office premises. Such meetings are, however, permitted to be held after the prior permission of the Management is obtained in each case.
- j) Employees attending general body meetings are provided with transport facilities to return home after meetings subject to the availability of transport and provided further, this arrangement is without disturbing the normal transport services at scheduled timings.
- k) Grant of certain facilities for conducting Unit Level Classes under the Workers' Education Scheme

QUESTION: 65 What has been the attitude of the Government as employer towards trade unions?

ANSWER: We have no comments.

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IV. INDUSTRIAL RELATIONS:

QUESTION : 66. What should be the criteria for determining the effectiveness or otherwise of Government's industrial relations policy? In terms of these criteria, give your assessment of the working of the policy since Independence, with special reference to the legislative and other arrangements for prevention and settlement of industrial disputes.

ANSWER : The effectiveness or otherwise of Government's Industrial relations policy may be determined with reference to the following :

- (i) Loss of man-days.
- (ii) Number of strikes and lock-outs.
- (iii) Number of disputes referred to adjudication.
- (iv) Increase or decrease in the production.

While considering the above in assessing the effectiveness of the policy, it is also necessary to take into account other factors influencing industrial relations like the economic conditions in the country, including the rise in cost of living, ~~and~~ failure of crops etc.

The legislative and other arrangements for prevention and settlement of disputes have generally helped in maintaining stable industrial relations. On the whole, the industrial relations policy has worked effectively. In majority of cases, the causes for industrial unrest can be attributed to economic conditions prevailing in the country, rather than to the failure of the industrial relations policy as such.

QUESTION : 67. Are the patterns of industrial conflict changing since Independence? In particular, how have the social, economic and political factors affected the intensity of industrial conflict ?

ANSWER : During the period immediately after Independence, the pattern of industrial conflicts was of a mixed nature covering working conditions, social security benefits, wage, bonus etc. Of late, the disputes have mainly centered on wages and bonus issues and this is largely due to worsening economic conditions in the country. This has also been taken advantage of by some political parties to further their own political objectives.

The various social security legislations undertaken by the Central and State Governments have largely removed the social factors which were causes for industrial unrest.

QUESTION : 68. Is it possible to pick out some significant factors in units within your knowledge which in recent years have helped in improving industrial relations at the plant level? Will these factors continue to be of significance in future?

ANSWER : A progressive policy which inter alia contain quick and effective redressal of grievances through a proper grievance procedure, provision of adequate welfare facilities, good working conditions, proper functioning of the bipartite committees in a spirit of co-operation - all these help in maintaining proper industrial relations at the Plant level.

These will continue to be significant factors in future also. The existence of a strong, single trade union is also an important factor in maintenance of industrial relations.

QUESTION : 69. What have been the causes of industrial unrest since Independence? Have there been any special circumstances which have contributed to industrial unrest? How could their effect be minimised in future?

Industrial unrest since Independence may generally be attributed to rise in prices, interference by political parties, lack of responsible leadership in the trade unions, and multiplicity of trade unions. Non-interference by political parties in trade unions, building up of responsible leadership in the trade unions from within the Plants, encouraging settlement of disputes through bipartite agreements, would help to prevent or minimise disputes.

QUESTION : 70. What has been the impact of inter-union rivalry on industrial relations ?

ANSWER : 70. The impact of inter-union rivalry has had adverse effect on industrial relations. In some cases employers have utilised the inter-union rivalry to their advantage and to the detriment of the workers. Arriving at settlement through negotiations and consultations, becomes difficult and the settlement of disputes gets considerably delayed. The rival unions will tend to put conflicting demands competing with each other with a view to enlisting larger members to their own folds and assume the leadership. The result has been, the industry suffers loss of production.

QUESTION : 71. What improvements are necessary in the present arrangements for prevention of industrial disputes? What would be the role of mediation service in the prevention of disputes ?

ANSWER : 71. The present arrangement for prevention of industrial disputes are adequate, but in order to make them effective it is necessary to ensure that they act expeditiously in settlement of disputes. Although emphasis should be on settlement of disputes by direct negotiations, mediation service has still an important role to play in the prevention

of industrial disputes. The effectiveness of the mediation services depends on the personality of the mediator.

QUESTION : 72. What is the role of fact-finding enquiries in improving industrial relations ?

ANSWER : The fact-finding enquiries at Plant level will assist in taking an objective view of the industrial relations position in the Plant and enable the employer and the trade union to devise ways and means for avoiding conflicts and taking corrective and preventive action.

QUESTION : 73. How is the state of industrial relations in a unit affected by the existence of trade unions? What difference, if any exists in the climate of industrial relations where the relevant trade union organisation is (a) strong, (b) weak, and (c) non-existent?

ANSWER : The existence of trade unions affects the state of industrial relations according to the type of attitude and approach taken by the trade union. A strong, independent trade union with internal leadership and a proper approach solely directed towards getting a fair deal to the employees can contribute greatly towards maintaining industrial harmony within the Plant. They will also command respect from the employees and will be able to bargain effectively with them. A weak trade union, being vulnerable to attacks by rival trade unions and other groups, would not only be not effective in dealing with the employers, but is likely to indulge in activities which will disturb industrial peace. The employer also is uncertain in dealing with a weak union as he will not be sure as to how far the union will carry the workers with it. Industrial relations depend on the policy adopted by the employer and the type of labour itself. In all cases, influence by political parties adversely affect

the industrial relations, in as much as the posture taken by political parties depends more on the political expediency rather than on the genuine interest of the workers themselves.

QUESTION : 74. What has been the contribution of factors like (a) recognition of union, (see also Q.54 to 65), (b) arrangements for dealing with individual and collective grievances, and (c) strengthening bipartite consultative arrangements, in promoting industrial harmony ?

ANSWER : (a) Recognition of Union: The advantages of having a recognised Union which has the status of a sole bargaining agent have already been answered against Questions 54 to 65.

(b) Arrangements for dealing with individual and collective grievances: A proper grievance procedure and a method to deal with individual and collective grievances at the point where the grievances arise is an essential pre-requisite in any industry. This will destroy the seeds of industrial unrest at the source itself.

(c) By having a good and effective bipartite consultative arrangement, it would be possible to transmit the employers' views to the workers and vice versa and take suitable actions so that the industrial harmony could be promoted.

All the factors mentioned above are essential and necessary pre-requisites in an industry for promotion of industrial harmony.

QUESTION : 75. In maintaining and promoting harmonious employer-employee relationship, what should be the respective obligations of (i) Central Organisations of employers and workers, (ii) local managements, (iii) local union and (iv) the Government-Central or State? (Sl. also Q.30).

ANSWER

In addition to the reply given to Question 30, the following should receive the consideration from the parties concerned:

(i) The Central Organisations of employees and workers should study in detail various problems faced by their constituents and suggest methods to overcome them. They should take active interest in the legislative measures and direct their constituents to implement them. They should ensure that their constituents implement the decisions arrived at Tripartite Conferences, awards of the Central Wage Boards etc. to which the industries are parties.

(ii) The local Management and the local Trade Union should endeavour to arrive at settlements through bipartite arrangements and implement the decisions in good faith.

(iii) Both Central and State Governments should ensure that statutory obligations are fulfilled at the Plant level by the employers and they should have adequate machinery to ensure that these are implemented.

The effective implementation of the statutory obligations would itself contribute largely towards the maintenance of proper industrial harmony/relations. The advisory committees at the State Level should meet, discuss, and review industrial relations at State Level, so that effective action could be taken on agreed decisions.

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QUESTION: 76. What role have labour/personnel officers played in preventing disputes and maintaining harmonious employer employee relationship? How far have they been effective? Suggest measures to improve their effectiveness.

ANSWER: The Personnel/Labour Officers have to play an important role in the maintenance of harmonious relationship between employer and employees. But their effectiveness with which they can function varies from plant to plant and industry to industry depending on the responsibility entrusted and the confidence they enjoy both from the employers and the trade unions or workers in general.

Since the reallink is the middle management functioning in the shops and offices in direct contact with the workers on one side and senior management on the other, the Personnel/Labour Officer should primarily perform advisory or staff functions in relation to the line Management at different levels. While advising the line management on labour matters, they should also interpret and explain correctly to the workers or the trade unions the policy of the management on all matters affecting the interest of the employees so that such policies will be appreciated in the proper perspective. They should also try to promote welfare measures both statutory and non-statutory which will help to a large extent towards the promotion of harmonious industrial relations.

The employers should periodically depute their Personnel/Labour Officers to the various seminars, discussions and conferences held by various Institutes etc. so that they can keep themselves abreast with the modern thinking and development, in labour-management relations.

QUESTION: 77. What should be the arrangements for proper communication between workers and managements at the plant level?

ANSWER: The arrangements for communication between workers and the Management at the Plant Level may be as under:--

- (a) Issue of minutes of the bipartite committees;
- (b) Issue of bulletins by the Management on the notice boards;
- (c) Issue of bulletins issued by the bipartite committees on the notice boards;
- (d) Distribution of circulars/publications of house magazines;
- (e) Suggestion Boxes etc.

QUESTION : 78. To whom do managements delegate their authority in dealing with employees? To what extent do management include specialists for dealing with personnel matters?

ANSWER : The delegation of authority by the Management varies from plant to plant. Generally problems at the Shop level, both personnel and industrial relations are dealt with by the persons in-charge of the Shop. Where the problems are not solved, should they relate to personnel/industrial relations, the Personnel/Labour Officers deal with such problems. Where the problem requires the attention of the specialists, Personnel/Labour Officers deal with the matter in consultation with the specialists.

QUESTION : 79. To what extent are the standing orders subject to agreement between employees and managements? In how many cases are they drawn up by management alone?

ANSWER : The procedure for the certification of Standing Orders has been laid down under the Industrial Employment (Standing Orders) Act, 1946. Although the Standing Orders may be drafted by the Management, the certification is done only after the parties have discussed, with the certifying officer, the provisions which they do not agree.

QUESTION : 80. To what extent do the employment Standing Orders Act, 1946 and the Model Standing Orders formulated under that Act serve the purpose for which the Act was framed?

ANSWER : The Act and the Model Standing Orders formulated have ensured that there is broad uniformity in the matter relating to the formulation of Standing Orders. It is suggested that the Model Standing Orders could be re-drafted to make them more exhaustive taking into account the experience gained since 1946.

QUESTION : 81. What are the disciplinary rules imposed by management? Do the procedures prescribed under the Model Standing Orders in dealing with disciplinary case require modification, and if so, on what lines?

ANSWER : The disciplinary action taken by Employer for punishment of the workmen for acts of misconduct are normally (a) warning or

censure, (b) fines, (c) stoppage of increments, (d) demotions in grade or pay, (e) suspension and (f) dismissal or discharge. The procedure followed before awarding such a punishment are that the workman is given a memo of charge explaining the misconduct committed by him, a reasonable opportunity for submitting his explanation and in cases where the misconduct is grave warranting dismissal or discharge, the workman is given a further opportunity to defend himself before an enquiry committee at which he is provided all reasonable opportunities to cross examine the witnesses produced before the committee in support of the charges, producing his own witnesses in defence of his case, taking assistance of a co-workman or a representative of a recognised trade union. An appeal against the punishment imposed is also included in the procedures. In certain organisations when the workman is kept under suspension, subsistence allowance is also granted. The principles of natural justice are observed before the punishment is awarded.

The Model Standing Orders prescribe only a few punishments, viz. fine, suspension for four days and discharge or dismissal. In certain cases, the loss of lien on the employment is also provided for under the Model Standing Orders. These punishments sometimes do not meet the requirements of all types of misconduct committed by the workman. Addition of other intermediate forms of punishment are, therefore, necessary so as to ensure that the punishment is either not inadequate for the misconduct committed or is too harsh. It is, therefore, suggested that, other forms of punishment like stoppage of increments, reduction in wages or grade etc. should be introduced in the model standing orders. An amendment has already been made in the Model Standing Orders by inclusion of a provision for payment of subsistence allowance during the period of suspension of a workman pending enquiry. This is a step in the right direction.

QUESTION: 82. Has the Model Grievance Procedure (Appendix VI) evolved under the Code of Discipline served its purpose? If not, is there need for statutory provision for the formulation of an effective grievance procedures? What should be main elements of such a provision? How would it affect existing bipartite arrangements?

ANSWER: In this Establishment a grievance procedure with three stages is in force. The procedure has functioned satisfactorily. There is no Grievance Committee as envisaged in the Model Grievance Procedure. In view of the fact that the grievance procedure arrived through bipartite agreement have been functioning satisfactorily, there is no need for any statutory provision for the formulation of an effective grievance procedure.

QUESTION: 83. What is the attitude of trade unions and employers' organisations to the introduction, either by voluntary agreement or statutorily, of a system of grievance arbitration? Would such a system help in improving labour-management relations?

ANSWER: Though the system of grievances arbitration has not made much headway at present, there is at any rate no resistance for such a system from the trade unions as well as the employers' organisations. As a matter of fact, in the Industrial Truce Resolution adopted in the wake of the declaration of emergency at the joint meeting of the industrial organisation of employers and workers held on November 3, 1962 it has been emphasised that there should be maximum recourse to voluntary arbitration and that adequate arrangements should be made for this purpose. It has been further emphasised in the same resolution that all complaints pertaining to dismissal, discharge, victimisation and retrenchment of individual workman not settled mutually should be settled through arbitration and that for this purpose the Officers of the conciliation machinery may if the parties agree to serve as arbitrators. In line with the spirit of Industrial Truce Resolution, the system of arbitration as a method of settling grievances/disputes is worthwhile trying both by the employers and the trade unions. With a proper approach and sincere faith in this system and exercise of voluntary restraint as emphasised in the Industrial Truce Resolution this will bound to help in improving labour management relations.

QUESTION: 84. What are the existing facilities for training management and trade union personnel in industrial relations? To what extent are they used?

- ANSWER:**
- (a) Facilities for training management personnel at various levels exists in schemes organised by the productivity Council, Management Associations, Administrative Staff College, Institute of Personnel Management etc. In addition, various seminars organised by the various institutions are also utilised by the Management personnel.
 - (b) The Workers' Education Scheme is made use of for the training of the trade union personnel.
 - (c) These facilities should be increasingly used both by the employers and the trade unions.

COLLECTIVE BARGAINING

QUESTION : 85. What is the extent of prevalence of the system of collective bargaining in this country? How far has it succeeded? What has been the effect of legislation on the growth of collective bargaining? (See also Q.193)

ANSWER : Collective bargaining can be classified under three heads. Firstly, there are bipartite agreements drawn up with voluntary negotiations with the Management and the Union. The second type is known legally as a settlement i.e. it is reached in conciliation proceedings and is, therefore, tripartite in nature. They arise as a result of a dispute referred to the appropriate Labour Department and the Conciliation Officer plays an active part in bringing about the reconciliation of the different views of the parties. The third type are agreements known as consent award. These are negotiated between the parties when a dispute is actually proceeding or pending before one of the Industrial Courts and then incorporated in the adjudicators award. Here, though the agreement is reached voluntarily, it becomes part of a binding award. A study of the prevalence of collective bargaining shows that collective bargaining now embraces companies of various size and importance in different parts of the country. It is not only the large and well established undertakings or even the most profitable which have found it possible and worthwhile to make mutual settlements with the representative bodies of employees, nor is it only limited to those concerns with a stable relationship for a considerable period that collective bargaining has proved assistance. A fair cross-section of Industry can be said to be represented in this move towards mutual settlement of terms and conditions of service.

Ever since Independence it has been the declared policy of the Central Government to encourage trade union development and settlement of disputes in Industry by mutual agreement. The Industrial Policy Resolution of 1956 declared that "In a

socialist democracy, labour is a partner in the common task of development", thus following out the resolution of the Lok Sabha of 1954 which laid India on a path towards socialistic pattern of society. The Second Five Year Plan in 1956 was more specific and declared "for the development of an undertaking or an industry, industrial peace is indispensable. Obviously, this can be best achieved by the parties themselves. Labour legislation and the enforcement machinery get up for its implementation can only provide a suitable framework in which the employers and workers can function. The best solution to common problems, however, can be found by mutual agreement".

The emphasis of the declared policy was clearly on the voluntary settlement of differences in industry. However, a study of industrial legislation since Independence, though it shows Government intervention to establish various standards of working conditions and machinery for compulsory arbitration of disputes, shows no single instance of legislative encouragement of collective bargaining, either by defining its framework or by laying down standards for recognition of trade unions as representing bargaining agents.

The most important legislation which has its effect on collective bargaining is the Industrial Disputes Act of 1947 and the system of conciliation and arbitration that has been set up. These provisions even within their limitations, have contributed to some extent towards the growth of collective bargaining.

QUESTION: 86. If collective bargaining has to be encouraged at the industry level, how should the representative character of the bargaining agent for workers be determined? (See also Q.59 and 61).

ANSWER: 86. Please refer to our replies to Question Nos. 59 and 61.

QUESTION : 87. Do you agree with the statement that (a) collective bargaining has its uses when unions have sufficiently built up their strength and even for strengthening unions and (b) adjudication system provides an arrangement by which satisfaction can be given to parties without open industrial conflict as also for protecting the weaker party?

ANSWER : (a) A strong and fully representative union is not necessarily essential before an attempt can be made to introduce collective bargaining. For a fully developed collective bargaining situation an established union, able to carry its members within implementation of agreements and in day to day processing of grievances, is necessary, but, given a reasonable union leadership with willingness to try alternatives to direct action and Government intervention to resolve differences, a satisfactory settlement can be reached in the first instance, even if it is of limited scope. Such a settlement will give the union a chance to develop and mature, helped by the prestige which accrues from successful negotiations. In India, where there is no legislation to compel recognition or to enforce the rights of unions to bargain collectively, the achievement of an agreement on a purely voluntary basis is bound to make an impression on the employees as a whole.

(b) It is agreed that the adjudication system provides an arrangement by which satisfaction can be given to parties without open industrial conflict, as also protecting the weaker party.

QUESTION : 88. What should be the role of (a) collective bargaining and (b) adjudication as methods for safeguarding industrial peace in the years to come?

ANSWER : Collective bargaining which is basically related to the concept of industrial democracy, is a strong, influential force for establishing enduring industrial peace. It should be given full scope at every stage of threatened or existing disputes. The adjudication system will still have to prohibit illegal and ~~undisputed~~ strikes or lock-outs. Adjudication should, however, be the last and inevitable resort.

QUESTION: 89. In disputes arising over a charter of demands, is it feasible to separate areas of difference between the employer and the union into those where collective bargaining could exclusively operate and others which could be left to adjudication?

ANSWER: Collective bargaining implies settlement of all disputes between the two parties and any attempt to draw a line to separate the areas of difference between the employer and the trade union will defeat the very purpose of collective bargaining. Attempt to settle all disputes through collective bargaining should receive first consideration and disputes which are not settled could go for adjudication.

QUESTION : 90. What should be the limits of collective bargaining under conditions imposed by planned development? (See also Q.193).

ANSWER : In a planned economy collective bargaining must have certain self-imposed limitation unlike in a free enterprise economy. Demands on major issues like wages, dearness allowance, profit sharing bonus etc. should not be over-pitched by the trade unions in the process of collective bargaining to the detriment of the targets envisaged in the plan. Similarly, the employers also should keep in mind the objectives of a welfare state while considering certain demands which seek to promote the welfare of the workers. It is felt that if collective bargaining is resorted to, keeping in view the limitations mentioned above, it will make an enduring contribution to industrial peace.

JOINT CONSULTATION

QUESTION: 91. Do trade unions, through collective bargaining and joint consultation, provide an effective form of democracy within the enterprise?

ANSWER: Yes. They provide full opportunity for the employees to seek redressal of their demands through this machinery.

QUESTION: 92. The Industrial Disputes Act, 1947, provides for the setting up of works committees 'to promote measures for securing and preserving amity and good relations between the employer and the workmen'. Have they been set up? If not, what factors have militated against their setting up and proper functioning?

ANSWER: The Works Committee has been functioning in this establishment for a number of years. The following factors have generally militated against its proper functioning:-

- (a) inter-union rivalry.
- (b) the attitude of the Management in some cases to treat the Works Committee as a substitute for trade unions.
- (c) Lack of appreciation of the limitations and the scope of the trade unions regarding the subjects to be handled by Works Committee.
- (d) Lack of proper leadership and responsibility for taking a constructive approach in discussing day to-day problems in the Works Committees.

QUESTION: 93. To meet the criticism that Works Committees have been languishing for want of definition of their specific functions, an illustrative list of functions (Appendix VII) of Works Committees was evolved by the Indian Labour Conference. Assuming that there can be a clash of functions between the trade union and works committee, can this list be the basis for demarcation/definition of Works Committees' functions?

ANSWER: The illustrative list of functions of Works Committee as evolved by the Indian Labour Conference can be the basis for demarcation/definition of works committee functions. In the light of experience gained, the illustrative functions could be enlarged, keeping in view that the functions of the Works Committee do not place it in a position of being an agency competing with the trade union.

QUESTION: 94. Suggest measures for improving the utility of the works committees with particular reference to their composition and functions.

ANSWER: The present composition and functions of the Works Committee appear to be satisfactory. The utility of the Works Committee will remain limited to the illustrative functions mentioned in the answer to the preceding question, but their effectiveness will be felt more if there is a positive approach from the employers

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towards the agreed recommendations of the Works Committee. For the proper functioning of the Works Committee it is suggested that the Chairman of the Works Committee should always be a representative of the employer and the Secretary always be a representative of the workers, without any retation as provided for the Rules framed by some states.

QUESTION: 95. Have joint management councils and emergency production Committees been successful in achieving the objective of better Industrial Relations and increasing production/productivity? Have they created a climate of mutual trust between employers and employees? (See Appendix VIII for functions of Joint Management Councils).

ANSWER: We have no joint management councils in this establishment and we have no comments.

QUESTION: 96. What effects do profit-sharing and co-partnership schemes have on relations between Management and employees?

ANSWER: The system of profit-sharing bonus has now gone to stay and has been also recognised as a legitimate industrial claim of labour under two conditions Viz., (a) if wages fall short of the living wage standard and (b) when an industry makes huge profit part of which is due to the contribution of the workmen. Any profit-sharing scheme is therefore, to be considered as essential for promoting good industrial relations though it may lead to certain amount of litigation.

As regards co-partnership scheme, it is rather too early to experiment this scheme in an industrially backward country like India. Introduction of any co-partnership scheme pre-supposes the existence of an enlightened and progressive management and well-organised and responsible trade unions. Since we have not yet reached this stage of development, any hasty attempt to introduce the co-partnership scheme is likely to have adverse effects on relations between Management and employees and on the industrial growth and production itself.

QUESTION: 97. (a) Is it feasible to introduce a scheme of workers' participation in Management by making the workers shareholders?

(b) If it is considered feasible, what steps should be taken to facilitate the introduction of such a scheme?

(c) Does such shareholding give adequate voice to workers in running of the establishment?

(d) Are there any other methods by which workers can participate in Management?

ANSWER: Our answers to this question will follow.

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CONCILIATION.

QUESTION : 98. To what extent has the conciliation machinery given satisfaction to the parties to a dispute ?

ANSWER : The conciliation machinery has generally functioned well. By bringing the parties together and helping them discuss their problems in the presence of the Conciliator, the conciliation machinery has generally helped to reduce the areas of differences and avert threatened strikes etc.

QUESTION : 99. Statistics of settlement of Industrial disputes show that conciliation machinery has played a pivotal role in maintaining industrial peace. At the same time, many major disputes may not be amenable to settlement through conciliation machinery. Do you agree with this assessment of the functioning and utility of the machinery ?

ANSWER : We agree with the assessment of the functioning and utility of the machinery as stated in the question.

QUESTION : 100. What changes in the organisation and staffing of the machinery and powers of conciliation officers would you advocate? Please indicate the specific changes/improvements which will make for a more expeditious and effective disposal of conciliation work ?

ANSWER : The effectiveness of the conciliation machinery is dependant on the speed with which it can act. With the expansion of industry and increased number of problems of industrial relations arising, the manning of the machinery with the right type and number of personnel needs periodical review so that the conciliators have adequate capacity and time to deal with the industrial disputes speedily and effectively.

QUESTION : 101. Should conciliators be named arbitrators in disputes handled by their colleagues ?

ANSWER : Conciliators should not be named as arbitrators in disputes handled by their colleagues, because their position as independent and objective agents of mediation will be lost if they act as arbitrators. It should be left to the parties to agree to a particular arbitrator.

ADJUDICATION.

QUESTION : 102. What are the criteria for assessing the suitability or otherwise of the present system of adjudication? Do you think the system has played an important role in maintaining industrial peace? Should the system be retained?

ANSWER : The following may be considered for assessing the suitability or otherwise of the present system of adjudication :

(a) Total number of cases referred to adjudication during a year.

(b) Number of awards given to in a year.

(c) The time taken by the adjudication machinery to give its award in each case.

(d) Number of awards implemented by the parties concerned.

The system has played a significant role in maintaining industrial peace and would continue to be so for some years to come. Steps however should be taken to ensure that the disposal of the cases by the adjudication machinery is speeded up.

QUESTION : 103. In case adjudication machinery is to be retained, what powers should it have in industrial disputes relating to discharge and dismissals?

ANSWER : The adjudication machinery should confine itself to ensuring that there has been no malafide in discharge/dismissal and should not become an appellate authority for discharge or dismissal.

QUESTION : 104. Are the existing arrangements for reference of disputes to adjudication satisfactory? If not, how can the arrangements be improved?

105. Should the authority for appointment of industrial tribunals be vested in the Labour Departments? If not, where should it lie?

ANSWER : 104 & 105 : Under the Industrial Disputes Act, the parties cannot directly approach the Industrial Tribunal for adjudication of an Industrial Dispute. A reference by the appropriate Government is necessary before the tribunal can become seized of an industrial matter. Further, even when a reference has been made to an Industrial Tribunal, its jurisdiction is confined to the points referred to it for adjudication. Thus it would appear that the appropriate Government has the absolute power to decide whether an Industrial dispute should be referred for adjudication and on the issues on which the matter requires to be adjudicated. Once the matter is referred for adjudication, Government stands outside the reference/proceedings except for the powers conferred on it under Section 33(B) of the Industrial Disputes Act by which it can transfer the case from one Industrial Tribunal to another Tribunal for reasons to be stated in writing. The Government has also the power under Section 10(5) of the Act under which it can include other Establishments which might be interested in the results of the dispute/proceedings. The reason for vesting the right in Government to refer or not to refer an Industrial dispute for adjudication is based on the assumption that the Government is the best judge to decide what precisely is required in the interest of industrial peace. This argument proceeds on the assumption that the Government must always be actuated by a desire for industrial peace and there will be no extraneous factors working on it in exercise of its discretion. This, however, ignores the fact that the Government (generally speaking) is run by a party and it would be unnatural to expect that the Government can in all circumstances act absolutely impartially in dealing with the various situations. A fact which should also be taken note of is that there are not one but at least

3 or 4 main all India trade union organisations, each of them owing allegiance to a different party. The intervention of Government in a dispute (whether in a positive or negative way) may, therefore, display a party bias and have an important bearing on the ultimate result.

In view of these considerations, it is worth considering adoption of the Australian System, which makes a reference to Government/^{unnecessary} Under Australian Law, a party to an industrial dispute is entitled to apply to the Conciliation Commissioner to have the dispute referred to the Commissioner on the grounds that the issue is one of public interest. In the Australian Law (Commonwealth Conciliation Arbitration Act) both the conciliation and arbitration in respect of industrial disputes are compulsory and a Commission has been constituted for this purpose presided over by a Conciliation Commissioner. Upon the receipt of application, it is the duty of the Commission to consult the President of the Commission as to whether the dispute should be dealt with by the Commissioner. If the President is of the opinion that the dispute should be dealt with by the Commission in the public interest, he may direct accordingly. On such directions, the Commission is to hear and determine the dispute after hearing the parties to the dispute. Powers have been given to the President to regulate to some extent the conduct of the proceedings before the Commissioner including the right to transfer the dispute from a Single Commissioner to a full bench of the Commission. An appeal lies to the Commission under certain circumstances provided under the Act. Once the Commission gives an award it is binding on the parties as it is under Indian law. Qualifications have been prescribed for persons to be eligible to become members of the Commission and they are given full security of service under the Act.

Under our Industrial Disputes Act, subject to certain prescribed qualifications for the Presiding Officer, Government has the absolute power to appoint the Presiding Officer for a Labour Court or Tribunal without anyone's prior sanction or even consultation. The tenure of the Presiding Officer is normally left to the discretion of the Government. Since there is always a keen competition from the retired Judges of the High Courts or District Courts to seek appointment as Presiding Officer, the appointment of a Presiding Officer may not be decided on the merits of the person concerned but on other considerations. This cuts at the very root of the independence of the judiciary since

appointment and the continuation in service of the Presiding Officer of the Tribunal is always subject to the control of the executive. This dependence on the executive is likely to affect the independent functioning of the Tribunal and giving impartial awards on matters in which the executive is interested either directly or indirectly.

In the light of what has been stated it is suggested that the existing machinery for adjudication of industrial disputes should be changed as under:-

- (i) The Industrial Disputes Act should be amended so that the present uncontrolled discretion vested in the Government for referring or not referring disputes for adjudication is taken away. This should be left to be decided by an impartial commission. This is particularly urgent now that different parties are in control of the Government in various states.
- (ii) If the Commission is established, the Commissioner/President should enjoy full security of tenure.
- (iii) If the change to a Commission system is not possible, immediately, amendment to the Industrial Disputes Act should be made, providing that the appointment of Presiding Officers of Industrial Tribunals, Labour Courts and National Tribunals should be made in consultation with the Chief Justice of the Supreme Court/High Court concerned. Their appointments should be guaranteed to a particular age and they should be removed only on grounds of proved misbehaviour or incapacity as in the case of judges of High Courts.

QUESTION: 106. There is a section of opinion that the existing procedures and practices involving different stages like conciliation, adjudication etc. in settlement of disputes take an unduly long time. What measures would you advocate for expeditious settlement of disputes?

ANSWER: The delay in settlement of disputes is not very much due to the existing procedures and practices involving different stages like conciliation, adjudication etc., but is due to inadequate staffing of these machinery, as the persons concerned are unable to deal with the numerous cases that are being referred to them. The number of disputes that may be referred

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to these authorities would considerably increase because of the latest amendments to the Industrial Disputes Act, giving rights to individual workers to raise disputes. A proper staffing of the machinery at all stages would help expeditious settlement of disputes.

QUESTION: 107. Do you think the revival of the Labour Appellate Tribunal would help in the expeditious settlement of disputes?

ANSWER: The revival of the Labour Appellate Tribunal would only prolong litigation on the appellate side even after the Labour Court or the Tribunal has passed an order or given an award so much so the settlement of the dispute will be further delayed thereby aggravating the discontentment amongs workers on a particular issue pending for a decision and causing considerable inconvenience and difficulties for the employer also. This will also make the settlement of Industrial Disputes very complicated and expensive for both sides. Even the awards given by the Appellate Tribunal will not bring about any lasting solution to the issue involved and may even generate further discontentment on the same issue. The presence of Appellate Labour Tribunal itself will discourage effective collective bargaining. For these reasons, it is felt that the revival of the Labour Appellate Tribunal will not help expeditious settlement of industrial disputes.

QUESTION: 108. How should the cost of adjudication to the Parties be reduced?

ANSWER: The cost can be reduced, by having increased number of Tribunals to dispose off the increased number of cases that are being referred to them and thus ensuring speedy disposal of the cases.

QUESTION: 109. What measures should be taken to ensure full and speedy implementation of tribunal awards and agreements?

ANSWER: The enforcement machinery at the State Level should be properly staffed, so that they may invoke the penal provisions of the Industrial Disputes Act on the erring parties.

Code of Discipline.

QUESTION: 110. Has the Code of Discipline served its purpose?

ANSWER: It is too early to make an assessment on the Code of Discipline.

QUESTION: 111. Which provisions, if any, of the Code of Discipline should be given a legal shape (See also Q.57).

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ANSWER: The voluntary nature of the Code of Discipline should be preferred and any attempt to give a legal shape to any of its provisions would only breed litigation. With regard to the recognition of trade unions, however, our reply to Question No.58 may be seen.

VOLUNTARY ARBITRATION.

QUESTION: 112. What is the role of voluntary arbitration in the achievement of good industrial relations? In what way can the Central Organisations of employers and workers promote voluntary arbitration? Should a provision for voluntary arbitration be incorporated in all collective agreements?

ANSWER: Voluntary arbitration has to be accepted as a civilised mode of settlement of disputes and efforts should be made to see that this method is resorted to increasingly. The problem of maintaining industrial peace is very urgent and to solve the problem, reliance cannot and should not be placed on legislation only. The success of voluntary arbitration is dependent on the parties making a unanimous effort to translate ideals into practice on a large scale. This is possible only if certain principles are adhered to and attention is paid to their development. They are: recognition of trade unions; representative nature of trade unions; the strength of the trade unions judged by their ability to keep their rank and file in line with their implementing the award, the willingness on the part of the Managements to carry out their part of the agreement. Arbitration being a new experience, care should be taken to see that the arbitrator possess certain essential qualifications, impartiality, confidence in the parties, patience and intelligence to deal with people of different levels of education, etc. and a knowledge of labour laws as well as social psychology to understand the human aspect of the problem. It would, however, not be correct on the part of the Government to force the pace with a view to thrusting voluntary arbitration down the throat of the reluctant employer, firstly because it would be contrary to the very spirit of voluntary arbitration, and secondly, the change-over at the present juncture might become inconsistent with the implementation of the plans.

The Central Organisations of Employers and Workers can promote voluntary arbitration by promoting the principles of voluntary arbitration, and in creating a panel of able arbitrators.

In view of certain good features of voluntary arbitration as an instrument for promotion of Industrial peace, it may be desirable to include a provision for voluntary arbitration to all collective agreements. Any difference on the interpretation of the terms of the agreement can be settled by having recourse to arbitration as is widely practiced at present in the United States. But the scope for this practice in our country is rather limited since the collective agreements are in vogue only in few large-scale undertakings and major portion of the industrial sector is not covered by collective agreements.

QUESTION: 113. Please indicate the areas of industrial disputes where voluntary arbitration could be preferred to adjudication.

ANSWER: The areas of industrial disputes where voluntary arbitrations should be preferred to adjudication need not be circumscribed by definition. However, the areas which were mentioned in the Industrial Truce Resolution of 1962, mostly pertaining to dismissal, discharge, retrenchment of individual worker etc. could be the areas where voluntary arbitration may be preferable.

QUESTION: 114. Are you in favour of setting up standing arbitration boards? If so, indicate (a) their composition, (b) procedure for setting up of such boards and (c) subjects to be referred to them.

ANSWER: In the present stage of development of voluntary arbitration itself as a move for settlement of industrial disputes, it is premature to set up standing arbitration boards. This will also have to await the development of strong and responsible trade unions.

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QUESTION: 115. What professional group provides the best arbitrators? Civil Servants? Lawyers? Academics? Businessmen? Trade Unionists? Technicians? Others?

ANSWER: It will be difficult to say which professional group provides best arbitrators. An arbitrator will have to be chosen from any of the careers mentioned, but personality of the arbitrator should be the ever-rising consideration.

QUESTION: 116. What should be the arrangements for meeting the expenses of arbitration?

ANSWER: The expenses of arbitration should be borne by the employer and the workmen equally.

STRIKES AND LOCKOUTS.

QUESTION: 117. Do you consider that the existing restrictions on workers' right to strike and the employers' right to declare a lockout need to be modified in any way? If so, please indicate these modifications together with reasons in support of these modifications.

ANSWER: It is considered necessary to impose certain restrictions on the existing conditions of workers' right to strike with a view to avoiding lightning and unjustified strikes. Under the existing provision of the Industrial Disputes Act, there is no statutory obligation to give notice of strike as far as non-public utility undertakings are concerned. Industrial undertakings which have not been declared as public utility undertakings can also be brought on par with the public utility undertakings in the matter of giving notice of strike as required under Sec. 22 of the Industrial Disputes Act.

There is also a lacuna under the existing provisions of Sec. 23(a) under which resorting to strike by workmen during the pendency of conciliation before Conciliation Officer (as distinguished from Conciliation Board) is not considered illegal.

This lacuna can be rectified by inserting a suitable clause under sec.23 (a) declaring strikes resorted to during pendency of conciliation before the Conciliation Officer also illegal.

QUESTION: 118 Do union rules provide for a procedure to be gone through before giving a call for strike? If so, to what extent is this procedure observed in practice?

ANSWER: The relevant provision of the bye-laws of the trade unions functioning in this establishment is given belows:-

(1) Hindustan Aeronautics Employees' Association:

(a) No member of the association shall strike work without the permission and special direction of the Executive Committee of the Association and any member who acts in contravention of this rule shall be not entitled to any help and shall also be subject to such disciplinary action as may be decided by the Executive Committee.

(b) The executive committee of the association shall alone have the power to call for, conduct and call off a strike and such action shall be taken by the executive committee only after exploring all possible avenues for the settlement of disputes between the association and the industry, in which the members are employed and in strict accordance with the law in force in this behalf. No strike shall be called unless at least Seventy Five percent of the members of the association have voted at a meeting of the General Body of the Association specially convened for the purpose and three fourths of the votes polled have declared themselves in favour of the strike and such number in favour of the strike is not less than forty percent of the total number of the employees in the undertaking. Contd

(c) Save in emergent cases, the Executive Committee of the Association shall not call for strike without the previous approval of the General Body of the Trade Union.

(11) Hindustan Aeronautics Drivers' Union:

"15. (a) No member of the Union shall strike work without the permission and specific direction of the Executive Committee of the Union and any member who sets up such a strike shall not be entitled to any help and shall also be subject to such disciplinary action as may be decided by the Executive Committee.

(b) The Executive Committee of the Union shall have the power to call for conduct and call off a strike and such action shall be taken by the Executive Committee only after exploring all possible avenues for the settlement of the disputes between the Union and the Management, in which the members are employed and in strict accordance with the Law in force, in this behalf. No strike shall be called for unless decision is taken in a General Body in which 75% of the members are present and also 60% of the members present vote in favour of the strike and that the number voted for strike forms atleast 40% of the total of employees of the Union".

In practice, the procedure is, however, not strictly observed.

QUESTION: 119 If a strike is called/lockout is declared, is prior notice always given to the other party? In what cases, if any, no such notice is given?

ANSWER: The Industrial Disputes Act does not require the parties to give a notice for calling of strike or declaring a lock-out except in the case of a public utility establishment. In many cases, it is found that strikes are resorted to without any notice.

QUESTION: 120. In how many cases within your knowledge have workers been able to secure wages for the strike period when the strike is declared legal? Are there cases where strike pay is given when the strike is illegal? 362

ANSWER: We have no information.

QUESTION: 121. In what ways do trade unions seek to prevent victimisation of their members? To what extent do they succeed?

ANSWER: The trade unions approach the employers directly on such matters. Where they do not succeed, they seek the assistance of the conciliation and adjudication machinery. Of late they are increasingly adopting agitational methods with a view to bringing pressure on employers.

QUESTION: 122. Are there instances of workers going on strike without sanction of the union?

ANSWER: There are instances of workers or a section of workers going on strike without obtaining the sanction of the trade union. In some cases, the workers may not belong to the trade union and may go on strike on their own responsibility. In still other cases, although the workers may have gone on strike without the sanction of the trade union, on closer scrutiny it would be found that they had the tacit support of the union behind the scene.

QUESTION: 123. In what way in practice do trade unions and management keep in touch with each other during a strike in order to facilitate a settlement? What is the role of Government machinery in such cases? Should Government intervene in cases where a strike (i) legal, (ii) illegal?

ANSWER: Because of the tension prevailing during a strike, the trade unions and employers are rarely able to meet each other directly. They may keep in touch with each other through correspondence. Normally, the State Conciliation machinery will intervene and arrange conciliation meetings between the employer and the trade unions and it is possible that as a result of conciliation, the employer and the trade unions may meet to discuss issues with a view to reaching a settlement. If no settlement is arrived at even with aid of the conciliation machinery, the State Government may refer the dispute for adjudication. In the interest of keeping up production and also in the interest of industrial relations, the State Government should

intervene in all cases of strike whether they are legal or illegal

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GENERAL

QUESTION : 124. What has been the role of tripartite committees like the Indian Labour Conference Standing Labour Committee, Industrial Committees, etc. in evolving through mutual discussions and agreements acceptable arrangements in the various fields of labour relations? (See also Q.31).

ANSWER : 124. The tripartite committees have substantially contributed towards the formulation of labour policy and legislation and towards the maintenance of industrial peace.

QUESTION : 125. Are you in favour of Central Government being made responsible for industrial relations in public sector undertakings under the control of the Central Government?

ANSWER : 125. We are in favour of Central Government being made responsible for industrial relations in public sector undertakings under the administrative control of the Central Government. Such a relationship will lead to better understanding and appreciation of the problems of the employees in public sector undertakings and expeditious settlement of such problems.

QUESTION : 126. How should public utilities be defined in the context of a planned economy? Should there be any special provisions for avoiding work stoppages in public utilities?

ANSWER : As already suggested in reply to Question No.119, the provisions for avoiding work stoppages should be applicable in the same manner to non-public utility concerns as for public utility concerns. It is essential that in the context of a planned economy, work stoppages should be avoided at all costs.

QUESTION : 127. What steps should be taken to minimise industrial conflicts in (a) the public sector, (b) the co-operative sector?

ANSWER : With a view to minimise industrial conflicts in Public Sector and co-operative sectors, the following steps are recommended :-

-) Ensuring better working conditions in respect of wages, allowances, fringe benefits, etc.

- b) Progressive and sympathetic approach to Workers' problems.
- c) Strict implementation of the various provisions of the labour laws.
- d) Promotion of welfare amenities.
- e) Encouraging the formation and functioning of a responsible and single Trade Union for the Industry.
- f) Proper motivation and education of trade union leaders and their membership.
- g) A responsible and reasonable approach to the demands of workers by trade unions without detriment to the interest of the industry in particular and national interest in general.
- h) Strict observation of Code of Discipline and Conduct by the employers as well as trade unions.
- i) Promotion of bipartite committees and encouraging their proper functioning.
- j) Progressive personnel policies on all matters affecting employees and quick redressal of grievances through a proper grievance procedure machinery.
- k) Introduction of an effective communication system.
- l) Inculcating productivity consciousness amongst workers.

QUESTION : 128. For the purpose of labour-management relations, is there a case for treating the public/co-operative sector differently from the private sector?

ANSWER : Basically, there is no reason for treating the public/co-operative sector differently from private sector in the matter of labour-management relations.

QUESTION: 129. Has collective bargaining been possible in the small-scale sector? To what extent does this sector make use of the industrial relations machinery?

ANSWER : Collective bargaining is possible in the small scale sector but the scope is limited because of absence of a stable and well organised trade union. Most of the industries in the small scale sector resort to the use of industrial relations machinery

V. WAGESINTRODUCTORY:

QUESTION : 130. How does the current availability of unskilled labour affect the level of wages?

ANSWER : The large availability of unskilled labour has had an affect on depressing the level of wages, especially in the unorganised industries.

QUESTION : 131. What has been the relationship between wages in agriculture and other unorganised sectors and wages in industry?

ANSWER : The wages in agricultural and unorganised sectors are lagging behind the wages in the industrial sector.

QUESTION : 132. Should wages in agriculture and unorganised industries be allowed to influence wages in industry?

ANSWER : Theoretically, wages in agricultural sector should be allowed to influence the wages in industry, but in practice, it will not be possible to relate one with the other, because of the very different conditions of work in the two sectors.

QUESTION : 133. To what extent is the existing level of wages result of the traditional mode of wage settlement, collective bargaining, awards, etc.?

ANSWER : In majority of cases, the existing level of wages is a product of collective bargaining, awards etc. With the constitution of Wage Boards for different industries, the awards of the Wage Boards are tending to set up new wage structures for different industries.

MINIMUM WAGE

QUESTION : 134. As set forth in the report of the Committee on Fair Wages, "The minimum wage must provide not merely for the bare sustenance of life, but for the preservation of the health and efficiency of the worker. For this purpose, the minimum wage must also provide for some measure of education, medical requirements and amenities". Should this concept of minimum wage be modified in any way?

ANSWER : Under present economic conditions in the Country, the concept of minimum wage as set forth in the report of the Committee on Fair wages will have to continue for sometime to come.

QUESTION : 135. The 15th Session of the Indian Labour Conference accepted certain norms (Appendix IX) in regard to the size of the worker's family and minimum requirements of the family relating to food, clothing, housing, and other items of expenditure. Attempts made by some wage fixing authorities to quantify this minimum wage have brought out the difficulties in implementing the formula. In what respects do the standards require reconsideration?

ANSWER : The standards laid down in Appendix IX may remain as guidelines for the wage fixation authorities while considering the minimum wage. The wage authorities would have to take into account various factors like the capacity of the industry, the general economic conditions in the country etc., in implementing the formula, but the formula itself need not be modified.

QUESTION : 136. If it is not feasible to provide the minimum wage referred to above to the working class, is it possible to suggest a phased programme for implementing the need-based minimum as recommended by the Indian Labour Conference?

ANSWER : Though the conception of need based wage evolved at the 15th Session of the Indian Labour Conference has been recommended as a minimum wage for the working class, it has been found to be not feasible by the Supreme Court and successive Wage Boards. However, the ideal of need based wage is worthy of achievement and this can be achieved only through a phased programme by increasing the production and thereby the national income. In all the existing recommendations of the Wage Board, there is emphasis only on 'fair day's wage'

and not on 'fair day's work'. Hence, the objective of need-based wage can be achieved only by linking wage to productivity or by a system of payment by results. For this purpose we would suggest a specific 'Wage Plan' for achieving this objective of need based wage which target should be reached during a period of years by increasing production also side by side. Work norms should be fixed by Industrial Engineering Department in Co-operation with the Trade Unions if necessary and a system of payment by results introduced on the basis of work study. This will be the correct approach to the realisation of the objective of need-based wage and even living wage in different stages. The present method of fixing the need based minimum wage without any relevance to productivity for different period is not going to ensure either need-based wage or industrial peace.

QUESTION : 137. The Committee on Fair Wages made its recommendations about minimum wage against the background of conditions in the industrial sector. Do these ideas require modification if they are to be relevant to non-industrial workers who predominate in the economy?

ANSWER : The pattern of minimum wage recommended by the Fair Wages Committee no doubt presents a great disparity between the wage levels of industrial and non-industrial workers who predominate in the economy. Though higher wage levels to the industrial workers may be justified in the background of certain special conditions, there should not be any wider disparity in this respect and the gap has got to be narrowed down in the interest of social justice. Any attempt to boost up the wage levels of industrial workers is evidently opposed to the principles of social justice and will also upset the economic equilibrium. From this point of view, the concept of minimum wage for the industrial workers as recommended by the Fair Wages Committee may require a modification.

QUESTION : 138. If the idea of fixing a National Minimum Wage is to be accepted taking into account the replies to questions 134 to 137 above, how is it to be worked out in practice ?

ANSWER : The idea of fixing National Minimum Wage as prevalent in countries like Australia, Norway and Sweden is a laudable one but it would not be feasible in an industrially backward country like India at the present level of national income. It has to be gradually aimed at by increasing production and the level of national income as suggested in our answer to question No.136.

QUESTION : 139. As between different regions in the country it is not only that prices of consumption goods vary, but the content of the minimum needs themselves can be different. How are these variations to be provided for in arriving at the National Minimum ?

ANSWER : It is true that in a vast country like India apart from the price of the consumption goods, the content of the minimum needs themselves are different in different regions. However, we do not recommend that these variations need be reflected in the proposed national minimum wage which should be the same all over the country. The differences can be provided for in some other form over and above the national minimum wage depending on the variations in different regions.

QUESTION : 140. Would you favour any change in the definition of 'Minimum', 'fair' and 'living' wage given by the Committee on Fair Wages? What in your opinion could have been the concept of 'living wage' referred to in the Constitution ? (Appendix X).

ANSWER : We do not propose any change in the definition of 'minimum', 'fair', and 'living' wage given by the Committee on Fair Wages. After all, these wage concepts are only theoretical and also not static but subject to alternations at different periods of country's economic development.

DEARNESS ALLOWANCE:

QUESTION : 141. Considering the need for protecting real wage, how should one provide for revision of wages/wage rates for changes in price level? Should this be by revision of the wage itself or by a provision of a separate component to absorb price changes?

ANSWER : In view of the fluctuating nature of the price level, revision of wages/wage scales to meet changes in the price level can only be made by varying the Dearness Allowance rates. The revision of wage itself is not recommended whenever there is a price change, and a provision for a separate component viz., Dearness Allowance, to absorb price changes, should be made.

QUESTION : 142. In view of the prevalence of several methods to provide for the payment of a separate allowance to meet changes in cost of living, is it feasible to apply any one system on a uniform basis? Which system would be most appropriate?

ANSWER : There should be only two components of the total wages, viz., the basic wage and the Dearness Allowance. The Dearness Allowance should meet the changes in the cost of living index and include allowances like the house rent allowance, city compensatory allowance and other elements which influence changes in the cost of living. Subsidised lunch, transport and other fringe benefits provided at subsidised rates should be taken into account in arriving at the quantum of the Dearness Allowance. The same has been adopted by the various wage boards in recommending the wage patterns in recent times.

QUESTION : 143. If a system in which dearness allowance adjusted to changes in cost of living is favoured : -

- (a) Which index number viz., (i) All India, (ii) Regional, or (iii) local should be preferred?
- (b) What should be the frequency at which revision should be made monthly/quarterly/half-yearly, etc?
- (c) What should be the extent of changes in the index which should warrant such revision in dearness allowance—each point/slab of 5 points/slab of 10 points, etc.? Give reasons.

ANSWER : (a) It would be preferable to link the Dearness Allowance to the changes in the All India Index of cost of living, as this would achieve a uniform pattern of wages linked to a standard cost of living index.

(b) and (c) The frequency of the revision may be automatic and over a period of 3 months, basing on the rise or fall of the cost of living index. It may, however, be mentioned that the Wage Board for Engineering Industries set up by the Government of India is already seized of this problem in so far as it concerns the engineering industries and the pattern as may be decided by the Wage Board could be adopted for this purpose.

QUESTION : 144. In determining the quantum of dearness allowance, what should be the principles governing the rate of neutralisation of price rise?

ANSWER : The Das Commission formula may govern the rate of neutralisation for price rise for various slabs.

QUESTION : 145. Considering that payment of a cost of living allowance is meant to ensure that real wage of employees is not eroded by price increases, should the capacity to pay of an Industry/Unit be a relevant consideration in fixing the rate of dearness allowance?

ANSWER : The capacity to pay of an industry/unit will not be a relevant consideration in fixing the rate of Dearness Allowance for wages at the lowest level, as every industry has to ensure payment of minimum wage. The capacity of the industry would be relevant in so far as the fixing of the rate of Dearness Allowance is concerned for higher income groups.

QUESTION : 146. In areas/activities where part of the wage is in kind, what adjustments should be made in fixing the quantum of dearness allowance?

ANSWER : The cash value of the wages in kind should be taken into account and adjusted while fixing the quantum of Dearness Allowance.

FRINGE BENEFITS:

QUESTION : 147. How should fringe benefits be defined? What should be their scope and content? To what extent do such benefits affect production costs?

ANSWER : Any benefit employees obtain in the form of goods and Services which enters into the employees' basket, should be considered as fringe benefits. The goods and services which are given to the employees should be such as are readily accepted by the employees and not forced on them. Their scope and content would vary from employer to employer and may include such items like clothing, housing, transport, medical facilities, education of children etc. at subsidised rates. Expenditure on certain types of fringe benefits, although it may add to the wage bill of the industry, might help in increasing production, thereby reducing the production cost to a certain extent. Certain other facilities may only contribute directly towards increasing the cost of production.

QUESTION : 148. How far can the fringe benefits be a substitute for higher money earnings?

ANSWER : The savings which a worker obtains on account of fringe benefit may be considered as cash earnings and to that extent they should be regarded as substitutes for higher wages. Wage Boards have accepted this principle.

WAGE DIFFERENTIALS:

QUESTION : 149. Do the existing wage differentials in the plants within your knowledge appropriately reflect the considerations mentioned in the report of the Committee on Fair Wages, viz., degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue?

ANSWER : In this establishment, the wage differentials have been fixed on the basis of job evaluation carried out by competent Industrial Engineers, taking into account the degree of skill, strain of work, length of work, training requirement, responsibility undertaken, mental and physical strain, disagreeableness of the task, hazards of work and fatigue etc.

QUESTION : 150. What has been the effect of the existing systems of dearness allowance on wage differentials? What steps would you suggest to rationalise present arrangements ?

ANSWER : The existing pattern of rate of neutralisation for price rise has the effect of narrowing down the wage differentials, but this cannot be helped under present conditions because of the acceptance of the principle that neutralisation at the lowest level has to be on a very high percentage so that the wage/wages rate at the lowest level is maintained above the subsistence level.

METHODS OF WAGE FIXATION:

QUESTION : 151. Is between different methods of wage fixation obtaining at present, namely, statutory wage fixation, wage fixation through collective bargaining, fixation through wage boards, and wage fixation resulting from adjudication, etc., which methods or methods would be more suitable for adoption in future? If one or the other arrangement is needed for different sectors, indicate sector-wise the arrangement needed.

ANSWER : 151. With the formation of Wage Boards for fixation of wages for different types of industries, Wage Boards are becoming accepted machinery for the fixation of wages and wage differentials.

QUESTION : 152. In collective bargaining for wage fixation, should the principal emphasis be laid on national agreements? If so, what adjustments should be made to meet local needs ?

ANSWER : 152. It is unlikely that national agreements will have any significant effect on collective bargaining for wage fixation at plant level. The fixation of wages should be left to be decided at the plant level, depending on the local conditions. If emphasis is laid too much on national agreements, it may affect the chances of collective bargaining succeeding at plant level.

QUESTION : 153. Tripartite wage boards came in vogue because it was felt that an arrangement by which parties themselves can have a hand in shaping the wage structure in an industry could be more enduring than the one where an award is handed down by a third party. Has this expectation been fulfilled ?

ANSWER : By and large, the awards given by the Wage Boards have had enduring effect on the various industries for which the Wage Boards have been established for fixation of wages.

QUESTION : 154(a). In what respects should the operation of wage boards be modified to improve their working.
(b) Should wage board recommendations have legal sanction ?

ANSWER : (a). Steps should be taken for ensuring that the Wage Boards complete their tasks expeditiously. For this purpose, the desirability of fixing a time limit within which they must complete their study and give their recommendations may be considered. The Wage Boards may also be directed to give their recommendations on regional basis as the wages would necessarily have to be different for different regions.

(b). Since the Wage Boards are tripartite bodies, it is necessary to ensure that the recommendations of the Wage Boards as accepted by Government are implemented. To a certain extent, current industrial unrest may be attributed to employers' not implementing wage awards. For this purpose, it may be necessary to have legal sanction for the same.

WAGE POLICY:

QUESTION : 155(a) How could the criteria of fairness to labour, development of industry, capital formation, return to entrepreneur, etc., be taken into account in wage fixation ?

(b). It is said that in the balance between fair wages to workers, fair profits to entrepreneurs and fair returns to treasury, the consumers are often left behind. How far is this criticism valid? How best can the situation be remedied ?

ANSWER : (a). Wage determination is influenced by a number of factors, economic as well as social, interacting upon themselves. With the development of social conscience of the community, however, the social and ethical implications assume greater importance. At the same time, in a planned economy, wage policy is not a matter of exclusive concern to workers and employers only. The wider considerations of planning for the benefit of the community as a whole have also to be borne in mind. It is against this background that wage determination will have to be undertaken.

(b) The criticism that the consumers are often left behind in striking a balance between fair wages to workers, fair profits to entrepreneurs and fair returns to treasury, is

ANSWER : true to a considerable extent. The situation can be remedied by taking into consideration the consequential effect of wage increase on the price of the consumers' goods which the industry is producing and its effect on the consumers.

QUESTION : 156. In the context of planned development, the question of taking an integrated view of policy in regard to wages, income and prices is often emphasised. What should be the objective and scope of such a policy? Indicate the guidelines for such a policy in the light of the perspective for the growth of the economy. Changes in the existing institutional arrangements for implementation of such a policy may also be indicated.

ANSWER : Please see the reply to the question 155(a).

QUESTION : 157. Do you suggest a policy of 'wage freeze'? If so how can it be implemented under the existing system? What are the implications of this policy for other incomes?

ANSWER : A policy of wage freeze cannot be considered in isolation. It will have to be considered in relation to stabilisation of prices at a reasonable level and its effect on other incomes.

QUESTION 158. Is there a need for sectoral balance in wage structure between the public and private sectors? If there is, how should it be achieved?

ANSWER : There is no justification for treating the public and the private sectors differently. Sectoral balance

in wage structure is being achieved with the constitution of Wage Boards for different industries, bringing under their purview both private and public sector industries.

MODE OF WAGE PAYMENT :

QUESTION 159. What are the existing practices in regard to payment of wages in kind? Would you suggest its extension to units where it is not obtaining at present?

ANSWER : Practices in regard to payment of wages in kind are gradually decreasing, as they are difficult to administer.

QUESTION 160. To what extent is the method of paying unskilled workers on time scale of pay common? Would you favour its extension?

ANSWER : The most common practice for payment of unskilled workers in most of the industries is on time-rated basis.

The system does not require modification.

QUESTION 261. Do you favour the suggestion that the total wage packet should consist of three components, namely, the basic wage, the other depending on price changes and the third which takes into account productivity changes? If so, how should this suggestion be made operative?

ANSWER : We favour the suggestion that total wage packet should consist of three components viz., basic wage, Dearness Allowance and the third which takes into account productivity changes. Ordinarily, the wage packet would consist of the basic wage and the Dearness Allowance. The earnings of the workers on account of productivity changes like incentive bonus, production bonus etc., would vary from time to time and is paid along with the monthly wages.

QUESTION : 162. How far can the administration of the Minimum Wages Act, 1948 be considered to be satisfactory? Outline in detail the difficulties experienced in its implementation. Offer suggestions against each difficulty on how best it could be overcome. (see also Q.210).

ANSWER : The Minimum Wages Act, 1948, is not applicable to this industry and we have no comments.

QUESTION : 163. Is the scheme for payment of annual bonus embodied in the Payment of Bonus Act, 1965, satisfactory? If not, what are your suggestions? How does the latest decision of the Supreme Court affect the Scheme of the Act ?

ANSWER : It is too early to say whether the scheme of payment of annual bonus embodied in the Payment of Bonus Act, 1965, is satisfactory or not. Section 20(i) has, however, led to a number of disputes on bonus concerning public sector undertakings. The decision of the Supreme Court does not affect the main scheme of the Act.

QUESTION : 164. What should be the place of bonus payments in the future system of remuneration ?

ANSWER : Bonus payments have come to stay and has now been recognised as an industrial claim and will have to remain a part and parcel of the future system of remuneration.

INCENTIVE SCHEMES AND PRODUCTIVITY:

QUESTION : 165. What steps should be taken to introduce a system of payment by results in industries/activities where this system would be appropriate ?

ANSWER : An equitable operation of the system of payment by results requires :

- (a) That workers should be guaranteed minimum earnings for any period in which output is affected beyond their control ;
- (b) The assurances, any conditions laid down by employers or agreements with favourable earnings obtained in the carrying out of a job or in the course of a given period, will not be used to compensate for low earnings obtained for other jobs or any other periods ;

(c) further, wage modification should only arise for an agreed reason such as changes in job content, methods of organisation, or the correction of clerical errors. Workers' performance should be measured over as short a period as possible in order to enable them to check with records between their efforts and their earnings. Employers should maintain adequate records of bonus earnings and production achievements so as to enable the working of the system to be accurately assessed and modify the system where necessary. Adequate steps should be taken to control the quality of output by inspection etc. As many of the workers in a factory as possible should ultimately be included in the scheme so as to avoid ill-feelings over differences in opportunities for the increased earnings.

QUESTION : 166. Please state your views on the following guiding principles for introduction of incentive schemes.

- (a) Employers and workers should formulate a simple incentive system at the unit level and implement it on some agreed basis through collective bargaining. In every case, introduction of incentive schemes should be preceded by an agreement with trade unions.
- (b) In evolving wage incentive schemes, it should be ensured that these do not lead to rate-cutting. The Worker's normal wages should be protected where it is not possible for him for circumstances beyond his control to earn an incentive.
- (c) Individual or group incentives can be framed to cover both direct and indirect groups of workers.
- (d) An incentive scheme cannot be evolved without a work study undertaken with the co-operation of workers. Nevertheless, it should always be open to employers and workers to evolve a scheme by agreement or any other acceptable basis.
- (e) Efforts should be made to reduce time-rated categories to the minimum. This will ensure that all employees have an equal chance to increase their earnings with increase in productivity.
- (f) Wage incentives should generally provide extra earnings only after a mutually agreed level of efficiency has been achieved.
- (g) To ensure quality of production, incentive payments should be generally allowed only if the output has been approved

- (h) Incentive earnings should not fluctuate very much. This requires a certain degree of planning so that material delays, machine-breakdowns etc., are controlled.
- (i) The scheme should itself safeguard adequately the interests of the worker if he is forced to remain idle due to circumstances entirely beyond his control such as non-supply of raw materials, machine breakdowns, etc.
- (j) Apart from financial incentives, non-financial incentives like better security of employment, job satisfaction, job status, etc. have also a place in increasing productivity.

ANSWER :

(a) No doubt the scheme should be simple, but it should be evolved taking the Factory as a whole so that there will be no anomalies in the scheme from unit to unit. Collective bargaining may be essential in certain industries, but in some other industries certain principles which govern the scheme should not be bargained. It is advisable that the Union should be consulted before introducing the scheme.

(b) As far as possible the incentives should not lead to ratecutting. In cases where the time standards require revision due to introduction of special machinery, equipment and tools, the rate can be revised suitably. There must be guaranteed basic wages and the incentives should always be according to the philosophy "extra work extra pay".

(c) It is quite possible, and this has been done in our establishment

(d) The Incentive scheme evolved with proper work study will be fair to the workers and the employer. It would provide the method of working and fair norms to measure the efficiency, of the worker.

A scheme evolved by just agreement or any other acceptable basis may lead to frequent demand for revision.

(e) This should be done as far as possible.

With a guaranteed basic wage, all employees whose effort can be measured should be put on incentives.

(f) Yes, incentive earnings should start only after achieving the level of efficiency mutually agreed upon.

(g) Yes, This is being followed in our establishment.

(h) Yes. It is one of the disadvantages associated with incentive schemes, that the workers earnings of incentive will fluctuate, and hence upset his budget. Delays due to machine breakdown, etc., should be minimised.

(i) There should not be any incentive payment for idle hours. But he should be given his minimum guaranteed wage.

(j) Job satisfaction and job status will play a positive role in increasing productivity, but it is difficult to say whether the security of employment will increase productivity. On the otherhand, the security of employment may be a deterrent to higher productivity, if terms of employment are not enjoined by approved standing instructions.

QUESTION : 167. What should be the respective roles of labour, management and Government in raising productivity ?

ANSWER : LABOUR: Labour should get adequately trained in their trades; should study existing conditions in their trades and suggest improvements; should follow instructions on the job; should well maintain and use the tools and equipment, which in turn would give the desired service; should possess quality consciousness and avoid waste; avoid unnecessary waste of time; possess safety consciousness; should obtain redressal of any grievance through establishment procedures; and should be keen on self elevation through promotion opportunities.

MANAGEMENT: Managements should plan ahead and establish proper communication in the organisation. They should effectively co-ordinate the activities and establish well-defined company policy. They should instal trade training and supervisory development programmes. They should establish proper systems and procedures and properly evaluated results. They should be receptive to new ideas, maintain good industrial relations and *from* proper welfare amenities and fringe benefits to the workers. They should adopt new and modern techniques and encourage labour in devising ways and means of increasing the productivity through proper suggestions/ schemes etc.

GOVERNMENT: The Government should ensure that the Industries plan their programmes and policies well ahead of their implementation and ensure that quick decisions and approvals are given to them on subjects referred to them by the industries. They should ensure that the various statutory obligations on welfare of labour are implemented by the industries so that industrial peace is ensured.

QUESTION: 168. How should the gains of productivity be measured? Can they be allocated to different factors of production? How should the gains be shared?

- ANSWER:**
- (1) Increased utilisation of labour against budgetted figures.
 - (2) Increased utilisation of machines against budgetted figure
 - (3) Other resources spent per unit of production against budgetted figures.
 - (4) The value of end product against budgetted value.

The ~~can~~ can be allocated to different factors of production. The gains should be shared through proper incentive and profit sharing bonus schemes.

QUESTION: 169. Have increases in productivity matched with wage increases in the years since Independence? Please give supporting statistics.

ANSWER: The wage increases are not normally linked up with productivity. In fact, we are yet to determine the fair wage for a worker. The wage fixation as it exists now, is more an evolution than anything scientific.

We do not have any supporting statistics.

QUESTION: 170. Has any undertaking within your knowledge experimented, in recent years, with productivity techniques? How did the employees react to these experiments? Did this result in increasing workload? If so, how was this situation met?

ANSWER: Work-study techniques are employed in this establishment, which has an Industrial Engineering Department. The employees are co-operative and have not shown any resentment so far. It cannot be said that the productivity techniques have resulted in increasing the workloads.

QUESTION: 171. What place would you assign to suggestion schemes and institution of awards for outstanding work to improve productivity?

ANSWER: In this establishment, there is a Suggestions Branch. Wide publicity is given through hand-cards which explain the details of the Scheme. The suggestions received are scrutinised by Methods Engineering and Industrial Engineering Departments and savings which may be derived are assessed and awards are made in different forms, like commendations cash awards, etc. Suggestion Schemes and Merit Awards should be properly maintained and given good recognition.

QUESTION: 172. What are the factors contributing to labour turnover and absenteeism? How do they affect improvement in productivity? (See also Q.183).

ANSWER: Labour turnover is due to:

- (1) Rapid industrialisation;
- (2) Workers preferring to move over to the industries established in their native states;
- (3) Better remuneration offered in other industries;
- (4) Acquiring additional qualifications, and changeover to suitable jobs.

Absenteeism is due to the following factors:-

- (1) Indiscipline on account of poor supervision and/or bad management.
- (2) Due to taking up of outside work by certain trades like Carpenters, Motor Mechanics, and Welders;
- (3) Due to certain advantage the employees are getting out of ESI Scheme like Medical leave for 56 days with sickness benefit etc

The labour turnover will affect the productivity since new people may frequently have to be hired and trained, and there may be occasions when there will be considerable time lag in positioning the men.

High absenteeism will disrupt the proper allocation of work and will result in under utilisation of resources like machines, facilities etc

QUESTION : 173. What is the place of the motivation of worker for improving his standard of living in the successful working of incentive schemes ?

ANSWER : As higher productivity leads to improved standard of living, the incentive schemes which motivate the workers to produce more have an important role in raising the living standard.

QUESTION : 174. What is the effect of (a) 'go slow', (b) 'work to rule' and (c) 'Union's ban on overtime' on creating a climate for improving productivity ?

ANSWER : 'Go slow' will result in underutilisation of resources. 'Work to rule' and 'Union's ban on overtime' will make the organisation less flexible to meet their commitments.

QUESTION : 175. What is the role of rationalisation in improved productivity? The 15th Session of Indian Labour Conference had made some recommendations (Appendix XI) for regulating the process of rationalisation. Have these recommendations helped rationalisation? Do these recommendations still provide a useful framework for the purpose? If not, what changes would you suggest ?

ANSWER : For increased productivity, rationalisation is necessary. The recommendations of the 15th Labour Conference provide a useful framework for this purpose.

QUESTION : 176. (a) What should be the place of 'Automation' in the perspective of development ?

(b) How would automation affect labour management relations ?

(c) Should there be a special machinery to study the problems ?

ANSWER : (a) Human energy should be utilised for better type of work, and as such, all repetitive and monotonous jobs should be as far as possible carried out by automation, and also where better quality can be achieved by automation. In certain mass production organisation automation will be necessary to bring down cost of manufacturing.

(b) If the industrial expansion in the country is quite rapid, the automation should not affect the labour management relation.

(c) Yes.

QUESTION : 177. How far has the National Productivity Council been effective in generating enthusiasm among employers and workers increasing productivity ?

ANSWER : In the field of training personnel (closely related to productivity), the National Productivity Council has made considerable achievement. There appears to be no appreciable effect of the activities of the National Productivity Council for increasing productivity in the Industries. Only good Management can utilise productivity techniques. National Productivity Council has little say in establishing good management.

VII. SOCIAL SECURITY:

QUESTION : 178. (a) What effect do the social security schemes have on stability of employment and on industrial relations ?

(b) Have some of the benefits, based as they are on a qualifying period for entitlement, led to larger turnover ? If so, what should be the remedial measures ?

ANSWER : (a) Social Security schemes have largely promoted stability of employment and have also contributed towards maintenance of better industrial relations by ensuring certain immediate and future social security benefits to the employees.

(b) The workers are attracted by the quantum of social security benefits they get from any industry rather than by the qualifying period for entitlements of these benefits. However, because of the legislative actions, the social security benefits are becoming uniform in majority of the industries and the labour turnover is not significantly affected by this.

QUESTION : 179. The convention on Minimum Standards of Social Security adopted by the International Labour Organisation refers to the following branches of social security, namely, medical care, sickness benefit, unemployment benefit, old age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit and survivor's benefit.

(a) To what extent is each one of the above benefits available at present ?

(b) What is the cost of existing social security schemes in relation to the total cost of production? How has it varied over the last 15 years ?

(c) Are the scope and coverage of each one of the benefits mentioned above adequate ?

(d) What should be the priority for enlarging the scope and coverage of the various existing benefits.

(e) How should the programs for introduction of the benefits not currently available be phased ?

ANSWER : (a) The Medical care, sickness benefit, employment injury benefit, maternity benefit, invalidity benefit, dependants benefit are all available under the Employee's State Insurance Scheme. Employment injury benefit is also provided under the Workmen's Compensation Act. As regards unemployment benefit and family benefits, there are no schemes at present in operation. Only out-patient treatment is given to the family of the insured persons under the ESI Scheme. The old age benefit is provided for under the Gratuity, Provident Funds and Pensions Scheme.

(b) We have no information.

(c) The scope and coverage of the benefits can be considered as adequate under the present level of national income of the country. We have no further comments.

(d) In view of our reply to (c) above, we have no comments.

(e) This depends on the economic conditions and industrial development of the country.

QUESTION : 180. The benefits referred to in Question No. 179 are generally available only to persons who are in wage paid employment; there will still be large numbers of persons like traders, artisans and small shopkeepers who are self-employed and who will remain uncovered by the scheme. What advance steps should be taken to bring these groups within organised social security schemes ?

ANSWER : It does not appear feasible at the present time to include the class of persons mentioned above within the organised social security schemes.

QUESTION : 181. The E.S.I.S Review Committee has made a number of recommendations in its Report both for improving the administration of ESIS and for introducing an integrated Social Security Scheme. As regards the latter, it has recommended that planning should now proceed to evolve a comprehensive social security scheme covering in a single enactment various risks of cessation of income or wage loss to which a wage earner is exposed. Towards this end it has specifically suggested : -

(i) The Government should in consultation with the Indian Labour Conference set up an expert machinery to evolve a 'blue print' for a comprehensive scheme of social security which should also form a strong financial and administrative base for inclusion of benefits which are at present not available.

(ii) Action should be initiated forthwith to bring about an administrative merger of the ESI Scheme and the EPF Scheme. Steps should be taken to examine the problem in all its details and to accomplish this with the least delay.

What are your suggestions on the above recommendations ?

ANSWER : While agreeing with the suggestions made above, it is necessary to bear in mind the present level of income in the country and the likely effect they have on production costs.

QUESTION : 182. Should the provisions for exemption from the ESI Scheme be tightened? How should this be achieved ?

ANSWER : Yes. The exemptions should only be given to those Industries who have well organised hospitals and other medical facilities at par, or better than those provided by the ESI Scheme.

QUESTION : 183. In so far as the ESI Scheme is concerned, there is a view that absenteeism among workers in the factories covered by the scheme has tended to increase consequent upon the introduction of the scheme. No concrete evidence has been forthcoming so far either in support of the above contention or against it. What is the experience in the industrial unit/units within your knowledge ? What remedies would you suggest to minimise such absenteeism ? (See also Q.172).

ANSWER : It has been found from the experience gained so far that absenteeism among workers in factories covered by the scheme has tended to increase consequent on the introduction of E.S.I. Scheme. Perhaps, the extent of absenteeism in different industries before and after the introduction of E.S.I. Scheme could be brought out by a statistical survey by a study group. It may be practically difficult to eliminate the abuse of the E.S.I. Scheme; but this can be reduced by tightening up the issue of medical certificates by the E.S.I. Medical Officers to only genuine cases. Introduction of Attendance Bonus Scheme may also help to reduce the extent of absenteeism on this ground.

QUESTION : 184. Should the administration of the medical benefits under the ESI Scheme remain the responsibility of State Governments? Or should the Corporation itself take it over. If State Governments are to continue administering medical benefits, what should be done to ensure that a uniform standard of medical benefits is available to insured persons in all States ?

ANSWER : The administration of medical benefits under the E.S.I. Scheme may remain the responsibility of the E.S.I. Corporation instead of the State Government as at present. The State Government has to cater to the medical needs of large number of non-insured public in addition to the insured employees belonging to industrial sector, so much so, they will not be in a position to improve the medical service upto the expectations of the insured employees. They can, at best maintain the same standard of medical benefit as are available to the members of the public at large in the Government General Hospitals. The drawbacks that may be prevalent in certain Government General Hospitals may be reflected to some extent in the E.S.I. Hospitals and dispensaries also if they are to be administered by the

state medical authorities. The insured industrial workers expect a better service since they are contributing along with the employers to the various medical benefits. It is, therefore, considered desirable to vest this responsibility with the Corporation and this will also enable the Corporation to maintain a comparatively efficient and uniform standard of medical benefits to insured persons in different States.

QUESTION : 185. What should be the respective shares of contribution from employers, workers and Government in any scheme of social security ?

ANSWER : The bulk of the contribution in any scheme of social Security should come from the employers and the workers, Government making only a nominal contribution.

QUESTION : 186. Should the Employees' Provident Fund Scheme be continued as at present or should steps be taken to convert it into either a pension Scheme or a provident fund-cum-pension scheme ?

ANSWER : The Scheme could be enlarged to include a pension scheme or a Provident Fund-cum-Pension Scheme, giving the option to the employees to choose any one.

QUESTION : 187. If it is continued in the present form, would you suggest any change in the pattern of investment of the funds and in the rate of interest accruing to beneficiaries ?

ANSWER : The pattern of investment of the funds should continue to be in the present form and investments in securities other than Government or Government guaranteed, should be inadvisable.

QUESTION : 188. Are any changes called for in the scheme to make the administration more satisfactory.

ANSWER : None.

QUESTION : 189. Should a part of the Provident Fund be set apart for giving insurance cover to the members of the EPF Scheme ?

ANSWER : Yes.

QUESTION : 190. What should be the place of gratuity payments in an overall social security programme ?

ANSWER : Gratuity payments should form part of an integrated social security programme.

QUESTION : 191. Would you suggest any changes in the existing provisions relating to lay-off and retrenchment provided to employees against the hazards of job insecurity resulting from temporary employment and other fluctuations ?

ANSWER : The present provisions are adequate.

QUESTION : 192. Should the administration of some of the social security benefits be handed over to trade unions ? What pre-conditions should trade unions satisfy for being eligible to take over such administration ?

ANSWER : It is too early to think of entrusting Social Security benefit schemes to trade unions for administration. They could, however, be associated and their suggestions taken in the administration of the schemes.

VIII LABOUR LEGISLATION

QUESTION: 193. To what extent should labour management relations in a planned economy be governed by legislation/collective bargaining? (See also Q.85 and 90).

ANSWER: Labour legislations since Independence and agreements arrived at generally between the representatives of workers and employers, and its working proceed on two basic concepts. Firstly, the relationship between the workers and employers is one of partnership in the maintenance of production and the building up of the national economy. Secondly, the community as a whole, as well as individual employers, are under obligation to protect the well-being of the workers and to secure to them their due share in the gains of economic development. The important legislative measures that were enacted between 1947 to 1952 provide the main structure of protective labour legislation. In recent years, greater emphasis is sought to be placed on the role of collective bargaining, on mutual agreements reached in the Indian Labour Conferences and other tripartite bodies and on agreed schemes such as those embodied in the Code of Discipline, the Inter-Union Code of Conduct and the Industrial Truce Resolution. The tripartite arrangements can, on the whole, be said to have responded well to changing needs and aspirations and helped to a certain extent achieved labour solidarity and strengthen national unity.

The legislation already enacted and the voluntary arrangements mentioned will have to continue to form the basis of labour policy in a planned economy. It is inevitable that labour problems and industrial relations should be influenced by wider economic developments to a greater extent than before. Development concerning price levels and cost of living, availability of foreign exchange for supply of raw materials, conditions for the utilisation of existing capacities, measures to raise levels of productivity and the overall rate of economic

and industrial growth are of great importance for industrial peace and for policies relating to wages and the welfare of workers. The labour movements and the trade unions will have, therefore, to assume larger responsibilities. It will also be necessary to evolve practical ways in which they can make an increasing contribution to national development and national policy. Labour has a vital role in increasing productivity, and Management has to help create conditions in which workers can make maximum contribution towards this objective. Labour policy and labour programmes have to be broadened steadily to provide for other groups of un-organised labour like contract labour etc.

QUESTION : 194. What have been the factors that have affected the proper and effective implementation of the various labour laws? (Appendix XII). Have these laws achieved the purpose/objectives for which they were enacted? If not, what factors have hindered the achievement of these objectives? (See also Q.12).

ANSWER : By and large, the labour laws that have been enacted have achieved substantially the purpose/objectives for which they have been enacted. However, their implementation call for special attention in the coming years. There is room for considerable improvement in the administration of the legislation which has been enacted for the protection, safety and welfare of industrial workers. Important schemes such as Works Committee have made only limited progress and it is, therefore, necessary to orientate both workers and employers to these changes and find ways of meeting the practical problems which have been encountered. There are several directions in which execution of programmes which have a large bearing on the welfare and prospects of workers have to be strengthened, for instance, the workers education, provision of facilities for imparting higher skills and training the workers, social security and labour research. The enforcement of labour legislation is mostly left to the State Governments and it is necessary that the State Governments have adequate and competent machinery to ensure compliance of

the various legislative requirements. There is also need for simplification of the procedures prescribed under the labour laws so that their implementation can be more easily enforced.

QUESTION:

- 195(a) How have the existing legislation and other provisions for protecting the interest of labour worked in practice?
- (b) To what extent have the above provisions helped to implement the Directive Principles of State Policy on labour matters as embodied in the Constitution?
- (c) What changes or further improvements in the existing arrangements would you suggest for fuller realisation of the Directive Principles (Appendix XIII) keeping in view the present state of our economy and the country's development in the foreseeable future?

ANSWER:

- (a) The existing labour legislation is adequate and satisfactory for protecting the interests of labour. With the present level of economic development, it may not be desirable to increase the number of labour laws which are said to be far ahead of the existing state of our economic development. Necessary steps should however be taken to implement the existing labour laws strictly rather than adding more labour laws in the Statute Book.
- (b) & (c) Matters like health and strength of the workers, protection of women and children, social security schemes as embodied in the Directive Principles of State Policy are already provided for in the existing labour laws to a large extent. Though we have not reached a stage of assuring 'a living wage' and a decent standard of living to all the workers in accordance with the Directive Principles, continuous efforts are being made to realise this objective in a manner consistent with the growth of the national income of the country. Of late, wage levels of the workers at least in the industrial sector have been considerably increased by means of wage settlements and awards of Tribunals and Wage Boards. Minimum wage also has been fixed in many of the sweated industries under the Minimum Wages Act.

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More attention has got to be paid now to improve the working conditions of workers in the agricultural sector whose level of wages and standard of living is lagging far behind the industrial workers. This disparity has to be reduced gradually, though some degree of disparity is quite inevitable because of the special circumstances existing in the industrial sector.

QUESTION: 196. Are the present constitutional arrangements under which the labour is a concurrent subject satisfactory, particularly from the point of view of the administration of labour laws? Are any modifications by way of centralisation/decentralisation of certain activities and functions necessary?

ANSWER: The present constitutional arrangements under which the labour is a concurrent subject have led to enactments of different labour laws on the same subject in different States. For example, in the field of industrial disputes, in addition to the Industrial Disputes Act, 1947 which is a Central Legislation, States like Maharashtra, Madhya Pradesh, Uttar Pradesh have their own state enactments for industrial disputes. Different types of practices and procedures in dealing with the industrial disputes have, therefore, arisen in these states. With a view to ensuring uniformity in the matter of labour laws and practices, it would be preferable for Central Legislation on all matters and the implementation of the Labour Laws should be vested with the State Governments who can frame the rules and regulations to suit the local requirements.

QUESTION: 197 What has been the influence, direct or indirect of international labour conventions on the progress of labour legislation in India? To what extent has the constitution helped or hindered such progress?

ANSWER: The influence of the International Labour Conventions on the progress of labour legislation in India is well known. Though India has not accepted yet all the International Labour Conventions, a large number of conventions have since been accepted and incorporated in the recent labour legislation. India holds a better position in this regard when compared with other Asian Countries. The Constitution and the Directive Principles embodied therein has considerably helped the progress of labour legislation in recent years.

QUESTION: 198. On the basis of the principles evolved out of the case law over a number of years, what are your suggestions for reviewing and amending labour legislation in this country?

ANSWER: It may not be desirable to amend the Labour Legislation very frequently basing on the new principles evolved in different case laws over a number of years. However, amendments should be only confined to the incorporation in the statute only very important and far-reaching principles enunciated in the decisions of the High Courts or the Supreme Court. Case Laws on labour matters should be allowed to be built up in its own way in accordance with the conception of social justice at different period as interpreted by the highest courts which will be taken into consideration while appreciating and implementing the provisions of the labour laws.

QUESTION: 199. Has there been too much legislation in the field of labour? If so, what are the aspects in regard to which there is over-legislation?

ANSWER: The present legislation in the field of labour is adequate and it cannot be said that there is over-legislation.

QUESTION: 200. Is there need for consolidation and modification of existing labour laws? Please suggest the lines on which codification should be undertaken.

ANSWER: The number and variety of labour laws put in the Statute Book during the post-independence period have been considerable and it is, therefore, desirable at this stage to consolidate and codify the labour laws under certain broad divisions instead of legislating different labour laws on matters having a common objective and purpose. It is suggested that the codification may be undertaken under the following broad heads:-

- a) Welfare Legislation.
- b) Wages Legislation.
- c) Protective Legislation.
- d) Social Security Legislation.
- e) Industrial Relations Legislation.

The above are the broad basic objectives which are ordinarily protected by labour legislation. The existing

large number of labour laws may be consolidated into smaller but comprehensive code of labour laws under the above broad heads. An attempt in this direction may require a thorough review and overhaul of the existing labour legislation but it is worthwhile examining and undertaking labour legislation on these lines.

QUESTION: 201. Since 1958 the general emphasis in labour policy has been on voluntary approach in preference to legislation. This has resulted in fashioning tripartite instruments like the code of discipline, industrial truce resolution etc. Has this policy been successful? Should it be continued?

ANSWER: Although the weaknesses in the implementation of Code of Discipline and other tripartite agreements are known, at the same time, the importance of settlement of disputes through these methods should be recognised and they must be given a long and purposeful trial.

QUESTION: 202. Please comment on the suitability of (i) labour legislation so far enacted and (ii) voluntary arrangements so far built up.

ANSWER: The Labour Legislation so far enacted have no doubt achieved to a large extent the objectives for which they have been enacted, but this cannot be said about voluntary arrangements like Code of Discipline, Joint Management Council, Wage Boards etc. The successful functioning of any voluntary arrangements pre-supposes the existence of well-organised and responsible trade unions and enlightened management oriented with current trends on management and industrial relations. In our country, we have not reached this stage as yet so much so the effectiveness of voluntary arrangements for resolving labour problems is very limited in scope and much reliance has to be made on labour legislation for some time to come.

QUESTION: 203. What is the extent of enforcement of labour legislation in public sector? Are exemptions from the applicability of certain provisions of labour laws more common in the public sector? What is the rationale for claiming such exemptions?

ANSWER: Labour legislation and tri-partite agreements apply equally to undertakings in the private sector and the public sector. Studies of industrial relations and the working of labour laws undertaken by the Implementation and Evaluation Division of the Ministry of Labour & Employment suggests that the position

concerning the implementation of the labour legislation in public sector undertakings has been generally satisfactory, but some instances of inadequate observance of safety provisions have been noticed. It is not correct to say that exemptions from the applicability of certain provisions of labour laws are more common in the public sector.

QUESTION: 204 Are there instances of political or other rights which are normally available to an individual being denied to employees in the public sector and their dependants? How are such denials justified?

ANSWER: We are not aware of any denials, political or otherwise, to employees in public sector and their dependants.

IX RURAL AND UNORGANISED LABOUR.

QUESTION: 205. Rural labour faces two inter-related problems which demand urgent solution; one is social, centering round its low social status in the rural hierarchy and the handicaps resulting therefrom, and the other is economic, resulting from chronic lack of sufficient employment opportunities. What is your assessment of the effectiveness of the remedial steps taken by Government?

QUESTION: 206. It is suggested that in countries with vast rural under-employment, special emphasis should be placed on a broad-based programme for the promotion of productive employment in rural areas by a combination of technical and institutional measures, relying to the extent possible on the efforts of the people concerned and based on adequate study of the nature, prevalence and regional distribution of rural under-employment. How should such a broad-based programme be framed for implementation?

QUESTION: 207. With a view to creating incentives and social conditions favourable to fuller and fruitful utilisation of local manpower in rural areas, the International Labour Organisation suggested the following action programmes:-

- a) Local capital-construction projects, more particularly, projects making for a quick increase in agricultural production, namely, small and medium irrigation and drainage works, storage facilities and feeder roads;
- b) Land development and settlement;
- c) Labour intensive methods of cultivation and animal husbandry;
- d) Development of other productive activities, such as village forestry and fishing;
- e) Promotion of social services; such as education, housing and health services;
- f) Development of viable small scale industries, such as, local processing of agricultural products and manufacture of simple consumers' and producers' goods needed by rural people;

(g) Special efforts to develop rural manufacturing activities that are ancillary and complementary to large-scale urban industry etc.

Which of these suggestions are feasible in the Indian context?

QUESTION: 208. (a) There is a considerable body of workers, largely unorganised and employed in small industries in rural/urban areas, not covered by the protective provisions of the present labour legislation. How should such protection as is desirable be reached to them?

(b) Specifically, considering the nature of their employment, the size and location of the units/industries in which they are engaged, please suggest practical methods by which their position can be improved in regard to their employment, wages and working conditions.

QUESTION: 209. What steps should be taken towards progressive reduction of contract labour? How should contract labour be brought effectively within the scope of the state action? (see also Q.16)

QUESTION: 210. To what extent are the difficulties in the implementation of minimum wages Act 1948, in rural areas real? How could they be overcome? (see also Q.162).

QUESTION: 211. Do you favour a separate agency for the effective implementation of the Minimum Wages Act, 1948, for agricultural labour? Or should it be merged with local village or the block development staff?

ANSWER: 205 to 211. We have no comments.

LABOUR RESEARCH AND INFORMATION

QUESTION: 212. Most of labour statistics are a by-product of labour legislation. They suffer, therefore, inter alia, from the limitations arising out of lack of uniformity in the concepts, coverage and frequency of collection. The time-lag in their publication, non-response from primary units, inaccuracy of returns, changes in industrial classification are further difficulties in making labour statistics more useful. What steps should be taken to remedy the situation? Is the implementation of the Collection of statistics Act, 1953 the answer?

ANSWER: It is a fact that most of the labour statistics are a by-product of labour legislation and, therefore, they suffer from the limitations mentioned in the question. There is considerable delay in the publications of statistics compiled. The State Governments usually have to undertake considerable correspondence with primary units to rectify the defects noticed in many returns. There is also paucity of adequate trained staff and equipment for compilation of statistics. Consequently, returns from some of the States are bound to be defective and their rectification causes further delay in the finalisation of all India statistics.

(Contd....)

Sometimes, the all India figures have to be compiled without including figures for certain States which, inter alia, affects comparability of serial statistics. Because of these limitations, the correct trend is not revealed by the published serial statistics in many cases. To eliminate the defects, the Government of India had appointed a Committee in 1956 to go into the difficulties of collection and defects in labour statistics and suggest ways and means for improving the same. On the basis of the recommendations of this Committee, a scheme for improving labour statistics has been launched by the Labour Bureau. These include (a) brief training courses to be arranged at the Primary Unit at the State Level for clarifying the precise meaning of various terms, the method of filling in the prescribed forms and the internal check for consistency that will be applied to ensure accuracy of statistics; (b) giving suitable financial assistance to State Governments for additional technical staff and calculating machines to strengthen their statistics cells responsible for compilation of labour statistics; (c) Checking on a sample basis the accuracy of labour statistics furnished by the Primary Units by means of field inspections. A successful implementation of the scheme may result in improving the quality of labour statistics appreciably. By giving proper interpretation to these statistics, after making suitable estimates for missing figures to maintain comparability between two characteristics differing in scope and/or coverage for any comparative study, it should be possible to formulate some conclusions useful for the formulation of labour policy for the country.

213. There is a feeling that the practice of entrusting the administration of labour laws to different officials, the statutory requirements of maintenance of different registers and sending of different filled-in returns under these Acts, result in a good deal of unproductive work and unnecessary duplication. If this feeling has a basis, what steps should be taken to improve the situation?

(Contd.....)

ANSWER:

In reply to another question, it has been stated that there is need for codification of labour laws. Comollary to that, is the need for rationalisation of standard forms for the collection of labour returns and maintenance of registers. This will not only avoid duplication and unproductive work but would also help in quick submission of the returns by the primary Units and their process at different levels.

QUESTION:

214. Does the all-India Consumer Price Index Number currently compiled reflect adequately price charges affecting urban working class? Should consumer price index numbers be compiled for every region of the country for the purposes of wage fixation? What principles should be followed in compiling the 'all-India' and regional indices?

ANSWER:

Ans. We have no comments to offer.

QUESTION

215. Data presently collected and compiled in respect of work-stoppages (strikes and lockouts) mostly consist of: (a) number of work-stoppages, (b) number of workers involved, (c) number of man-days lost, (d) total wages lost in rupees, and (e) total production lost in rupees. Are they adequate for measuring industrial unrest in the Country? If not, what other aspects of industrial unrest require qualification?

ANSWER:

The data presently collected and compiled in respect of work stoppages gives an idea of open industrial unrest in the country. This does not give any indication of the latent industrial unrest.

Information relating to the number of industrial disputes referred for adjudication during a particular period, the number of industrial disputes adjudicated, the number of industrial disputes pending during the period, the number of cases taken in conciliation by the Conciliation Machinery and the number of cases in which the settlements were arrived at etc., and the important issues involved in these would also be relevant to indicate the trend and nature of industrial unrest prevalent in the country.

QUESTION:

216. At present statistical data are collected only in respect of work -stoppages arising out of industrial disputes. Is it necessary to collect similar information on work-stoppages due to reasons other than industrial disputes?

(Contd.....).

ANSWER:

Apart from collection of statistical data in respect of work-stoppages arising out of industrial disputes it may be necessary and useful to collect similar information on work-stoppages due to reasons other than industrial disputes. E.g., hartals, sympathetic strike etc. This will enable us to have a comparative assessment of work-stoppage by causes in different industries.

QUESTION:

217. The current emphasis in the collection of labour statistics is on data which will help in understanding the economic aspects of workers' life. Social and sociological aspects have been comparatively neglected. What are your suggestions for filling up the gap? For better comprehension of labour problems which particular aspect of these statistics would you emphasise?

ANSWER:

Specific studies in respect of certain industries on the social and sociological aspects could be taken, with a view to getting a comprehensive understanding of the labour problems affecting those industries. These studies may be taken up in industries where there are recurrent or frequent industrial unrests.

QUESTION:

218. Statistical data (employment, unemployment, consumption expenditure, etc.) are being collected in respect of rural population annually by the National Sample Survey. Would it be feasible to make these data available separately for rural labour for each state/region? What other statistics would be required for framing an operational programme.

ANSWER:

No comments.

QUESTION:

219. Are the present arrangements for research and studies in the field of labour adequate to meet the requirements of policy-making in labour and economic matters?

QUESTION:

220: What are your suggestions for improving the quality of labour research?

ANSWER:

219 & 220: There is need for broadening the research base for formulating and executing plans for the well-being of workers. A number of schemes have been initiated during the past few years. The more important among ^{them} are the family budget enquiries, wage census and surveys of labour conditions in different industries. The Central and Regional Labour Institutes have also conducted some studies in the field of industrial hygiene,

industrial medicine, industrial physiology, rationalisation of workloads, etc. Some studies on industrial relations have been undertaken in Universities and Research Institutes under grant from the Research Programmes Committee. Professional organisations like the National Productivity Council have also undertaken research studies. To encourage labour research three Labour Research Centres have been set up in Bombay, Delhi and Lucknow. It is necessary to strengthen the existing base of information and study the matters pertaining to labour by extending it to include areas which have not yet been covered and improve the quality by emphasising research in depth. There is also need for developing a trained cadre of research workers in this field. So far, the main effort in this direction has been from the Government. It is important that Trade Unions and Management should also enter this field to supplement official effort and promote the study of problems of special interest to workers. Research Institutes like Sri. Ram Institute of Industrial Relations, etc., could be encouraged to undertake research and study of labour problems, through grant of financial assistance to research workers.

QUESTION: 221. What is the present state of labour research undertaken by employers'/workers' organisations?

ANSWER: We have no information.

QUESTION: 222. How should the trade unions be encouraged to strengthen their research activities?

ANSWER: No comments.

QUESTION: 223. How should labour research be promoted in universities and research organisations?

ANSWER: 223. Since the subjects connected with labour is gradually becoming a field for ^{Specialisation} ~~specification~~ with considerable scope for research, it may be necessary to promote research in this field in Universities and research organisations. It is worthwhile starting a separate chair on the subject of labour

in universities, with a view to promoting labour research in all aspects. Professional organisations and recognised institutes engaged in teaching Management and Labour subjects can be assisted by way of grants and other forms of assistance to promote labour research with a view to offering solutions to the various complicated labour problems that are arising and likely to arise with the expansion of large-scale industries both in the private and public sectors.

QUESTION: 224. Are the present arrangements for associating the research personnel outside Government for a deeper analysis of data available with Central and State Governments adequate? What steps should be taken to strengthen this association? Should co-ordination of research work done by different agencies be achieved?

ANSWER: We have no comments to offer.

QUESTION: 225. What is the extent to which the existing information on labour matters is being put to use? Who are the main users? Give a critical assessment of the utility of the existing information?

ANSWER: At present information regarding labour matters is disseminated through the labour journals, enquiry reports, publications and bulletins on specific subjects published by Government, and employers' and Employees' Organisations, awards of Tribunals and Wage Boards etc. This information is made use of by the various industrial undertakings, Trade Unions, Professional Organisations, Training Institutions, Research scholars etc.

As regards the utility of the existing information on labour matters, it may be stated that they are largely made use of by the above agencies in promoting Labour Welfare Schemes, framing Labour policies and in suggesting solutions to a variety of labour problems. In view of the inadequacy of the existing available information from the present sources, the scope for its utility can be said to be rather very limited.

A fuller and purposeful use can be achieved only through the availability of adequate and specialised information in all the matters connected with labour which may be possible only with the expansion and encouragement of research in this field as suggested above.

QUESTION

226. Are the existing arrangements for publicising the research activities of the various agencies adequate? What has been the role of the press in such publicity? What improvements, if any, would you suggest?

ANSWER:

At present most of the research studies are published only in certain restricted labour journals which do not have a wider circulation so much so the benefit of these studies are not shared by a large number of persons concerned. A wider publicity can be given by means of bringing out cheaper books and bulletins on research studies and giving publicity in the press in the form of articles, editorials press reports in all important dailies and popular journals.

QUESTION:

227. How do trade unions/employers' organisations inform the public of their activities? To what extent do they succeed? (See also Q.31).

ANSWER:

There is practically no organised channel of informing the public of the activities of the trade unions and employers' organisations. Such information is mainly given in their annual reports and bulletins which are circulated amongst their members only.

QUESTION:

228. It is often said that while industrial conflict gets more than its due share of publicity, industrial harmony does not. Do you agree with this view? What are the reasons for this?

ANSWER:

It is a fact that news regarding industrial conflict are given wider publicity because such information only constitute 'news' in the strict journalistic term whereas news regarding industrial harmony do not ordinarily constitute 'news'

(Contd.....)

In other words, there is nothing much to be reported regarding industrial harmony in a particular industry since it is something subjective to the industry itself. An industry which does not come into the lime light with regard to industrial conflicts are generally considered by the public as one which maintain good industrial progress and industrial relations. No publicity is therefore considered necessary in this regard.

QUESTION:

229. What role has the press played in educating the public on labour matters and with what results? Would you suggest any improvement? If so, how should this be brought about?

ANSWER:

The role of the press at present in educating the public on labour matters is very limited ~~at present~~. Most of the newspapers publish news only regarding industrial conflicts in different parts of India. The Labour Journals published by the Government and Employers' Organisations and trade unions have a limited circulation mostly amongst the members. Hence the public at large are not fed with any specialised or constructive information in this field by the press in general.

In view of the increasing importance on labour problems in the national life of the country, it is considered necessary that the press should play a vital role in disseminating proper and correct information on all aspects of labour. The question of publishing papers and journals at reasonable prices by Government and private agencies giving importance to labour news items also can be considered, with a view to educating the public on labour matters so that a proper and healthy public opinion on this subject can be created in National interest.

(Contd.....)

QUESTION:

230. What role has the press played in shaping decisions on industrial disputes? Has it helped or hindered the promotion of just and good industrial relations?

ANSWER:

In an educationally backward country like ours, the impact of public opinion shaped through the press does not have any far-reaching effect on industrial disputes as in countries like United States and United Kingdom in the matter of shaping opinions on industrial disputes. It is not uncommon that wrong and hasty reports and conflicting versions in different papers on industrial disputes have sometimes aggravated the intensity of industrial disputes in certain sectors rather than solved the same through pressure on public opinion generated out of such publicity. With a proper and dispassionate approach, the press can no doubt play an important role in promoting good industrial relations.

THE MYSORE IRON & STEEL LIMITED BHADRAVATIREPLIES TO THE QUESTIONNAIRE ISSUED BY THE NATIONAL COMMISSION ON LABOUR, GOVERNMENT OF INDIA.

1. The Mysore Iron & Steel Limited, Bhdravati, Mysore State.
2. (1) The Engineering Association of India, Calcutta.
(2) All-India Organisation of Industrial Employers, New Delhi-1.
3. - -
4. (a) Pig Iron, Steel, Alloy & Special Steel, Ferro Silicon, C.I.Pipes, Cement etc.
(b) 9,449 (inclusive of the establishment of the Mining areas owned by the Mysore Iron & Steel Limited).
(c) 1923.

RECRUITMENT AND INDUCTION:Recruitment:

1. (a) Labour is being recruited by the Labour Recruitment Committee constituted by the Management Labour is recruited through Employment Exchanges. When suitable candidates are not available from Employment Exchange the recruitment is made after advertising the vacancies in important News-papers.
(b) The present recruitment policy is quite satisfactory. Vacancies of skilled posts at different levels are being filled up by Trade Tests conducted by a Committee from among the employees in the Company.
2. No short supply of labour in any category at present.
3. No short supply of labour at present. Hence no suggestions to make.
4. The industrial labour in this Undertaking is not of migratory character.
5. We do not generally recruit women labour in Steel Plant in view of the arduous nature of work.
6. Advantages: Casual labours or 'badlies' are necessary to take care of absenteeism.
7. Statutory provision for appointment of physically handi-capped is desirable.

Contd...2....

8. No.

9. Yes.

10. Training classes have been arranged in the evenings in the Polytechnic maintained by the Company in various trades for improvement of theoretical and practical knowledge. Technical magazines and books are made available in the library. Study leave is being granted to the employees.

11. (a) The promotions must be generally on the basis of seniority-cum-merit. The factor of seniority may be taken into consideration while making promotions in the ranks of unskilled employees.

All skilled posts of operatives are to be filled up after conducting Trade Test/Competency Test. Merit coupled with seniority may be given due consideration while making promotions in the cadres of lower and higher supervisory staff.

(b) Yes. Upto the level of the Asst. Foreman.

II. CONDITIONS OF WORK:

Working Conditions:

12. (a) Changes are not necessary. The machinery envisaged in these Acts should be more effective to improve the implementation.

(b)

16. The existing arrangements are satisfactory.

SAFETY & HEALTH:

18. Yes. Ignorance of safety precautions.

19. Safety induction programme in vocational training for the new entrants is necessary.

Refresher courses are also necessary. The Safety Department of the Establishment should organise such courses.

20. The agreed arrangements may be made effective by the Establishment of Safety Committee comprising of Labour and Management at both the departmental level and the Plant level.

21.

22.

Contd...3....

23. (a). No.
- (b). Yes. There is reluctance among the workers to use masks goggles etc. Using of such equipment should be made compulsory by the inclusion of provision in the Standing Orders 'that non-use of such equipment is a misconduct'.

TRADE UNIONS AND EMPLOYERS' ORGANISATIONS:

33. The Union and the employers should meet as frequently as possible at the plant level and discuss policy matters before implementation. The federations of union and the employers organisation should also meet occasionally and discuss matters of national importance and guide their constituents in such matters.
34. The Central organisation of employers communicate their constituents by letters, circulars etc.,
37. No.
38. (i) & (ii) All India Organisation of employers and workers should advice management and union respectively for faithful implementation of tripartite agreements and other labour laws for improvement of Industrial relations and also to reduce the area of conflicts.
- (iii) The All India Organisations of employers may arrange for training of management personnel on labour management administration for the middle and top executive of the industries. Similarly the workers organisation should arrange training courses for short periods to understand the rights and responsibilities and union in general and individual in particular for achieving higher production in the interest of management as well as unions and for immediate settlement of the industrial disputes.
39. The Trade Union at the plant level are constituted as per provisions of the Indian Trade Union Act. The common objectives are to bargain for better wages and better working and living conditions.
51. - - -
55. - - -
56. Yes.
57. (i). Yes.
- (ii). Yes.
- (iii). Yes.
- (iv). Yes.

Contd...4...

60. By naming a union as the sole bargaining agent in an Industrial Unit, it will contribute to better production, better discipline, better understanding between the union and the Management and Industrial Peace.
There will be no disadvantages.

61.

62. The other unions may be permitted to take up individual grievances relating to discharge, dismissal and other disciplinary measures. They should also abide by the decisions agreed to in the bipartite agreement entered into with the recognised union.

63.

64. Union activities should always be outside the premises of the Plant and therefore no facilities need be extended by an employer at the work place. However the Representatives of that Union may be permitted to attend the meetings with the Representatives of the Management and their absence during the period may be treated as on duty.

IV. INDUSTRIAL RELATIONS:

Industry:

68. Consultations and meetings of the Management and Union will help in improving industrial relations. It will be significant in future also.

70. If one of them is having a strong majority it will not have any impact on industrial relations.

73.

74. (a) It is beneficial to the management to recognise one union and deal with them on all industrial disputes when there are more than one union and it would help in minimising grievances.

(b) It would help in forming uniform policy to take decision on individual and collective grievances.

(c) Bipartite consultative arrangements would help to maintain harmonious relations and hence it is desirable to encourage Bipartite consultative arrangement.

75.

76. The Personnel Officers should keep in touch with labour interpreting to them the policies of the management.

and also appraising the Management of the possible re-action of labour to their various schemes. By this role the number of disputes could be restricted to a great extent.

- 77. The Joint Consultative Committee consisting of representatives of the union and management should be constituted at the departmental level and the Plant level.
- 78. The Officers of the Line Management who are directly incharge of the departments are to be delegated to deal with employees. The specialists will have to be associated for the extent that they render advice to the line management.
- 81. The disciplinary rules of this unit are detailed in the Standing orders - copy enclosed.
- 82. Yes.
- 83. Voluntary agreement will help in improving labour management relations.
- 84. - - -
- 89. It is feasible to separate areas of difference between the employer and union. Many differences may be got settled by mutual discussion and those which cannot be settled by discussion should be referred to Voluntary arbitration.
- 94. - - -
- 95. - - -
- 96. As profit sharing is compulsory according to Bonus Act 1965, there may not be much effect on relations between Management and employees.
- 97.(a). - - -
- (b). - - -
- (c). - - -
- (d). The workers can participate in Management by serving on the Committees like Welfare Committee, Production Committee, Labour Committee, Safety Committee, Sports and recreation Committee etc.,

CONCILIATION:

- 98. Conciliation machinery will go a long way to solve disputes in the industry. Hence the function of the conciliation machinery is satisfactory.
- 99. Yes.

100.

106.

110. Yes.

111. To ensure better discipline in industry it is laid down in the Code of Discipline that there should be no strike or Lockout without notice. This provision may be given the legal shape.

VOLUNTARY ARBITRATION:

112. It plays an important role in achieving good industrial relations. The provision of Voluntary arbitration may be incorporated in all collective agreements.

113. All matters not settled in the Bipartite Consultative Committee may be referred to voluntary arbitration.

114.

115.

Lawyers.

116.

117. No.

119. If a strike is called, prior notice is not given in the industries which are not declared as Public Utility Serv

120.

121.

122. Yes.

123. When employees strike work, the Management will immediately intimate the Union detailing the particulars of strikes and request the union to advise the labour to resume work and also the union will be asked to come forward for negotiation for purpose of amicable settlement of dispute

The Conciliation Officer should be present to conciliate the matter between the management and labour during the strike.

The Govt. should intervene when the strike is illegal.

V. Wages:

147. ~~Single~~ benefit may be defined as those benefits granted to the workmen over and above their wages including

D.A. and Production Bonus either in cash or in kind. It should be limited to the annual profit Bonus, and House rent allowance. The fringe benefits will have their impact on production cost.

159. Nil.
160. -
161. Yes.
165. In order to introduce Incentive Scheme the relationship between the employer and the employees should be cordial. A systematic workstudy has to be undertaken. After this is done, incentive scheme has to be worked and explained to the employees. Then the Incentive Scheme may be introduced.
166. (a) It is desirable to implement the Incentive Scheme on an agreed basis through collective bargaining.
- (b) The workers' normal wage should be protected.
- (c) The Incentive Scheme should cover both direct and indirect groups of workers.
- (d) Work study should be undertaken with the co-operation of workers whenever it is possible. It is desirable to evolve a scheme by agreement with the Trade Unions.
- (e) The Incentive Scheme should be such that all employees will have equal chance to increase their earnings with increase in productivity.
- (f) Wage incentive should be generally provided when the efficiency above a particular level is achieved and this should be done on mutual agreement wherever possible.
- (g) Yes.
- (h) Yes.
- (i) No incentives should be paid when there is no supply of raw materials which is beyond the control of the employer and when there is machine breakdowns etc.
- (j) Yes.
171. The suggestion scheme resulting in increase in productivity should also result in rewarding the workmen adequately.
172. The following are the factors contributing to labour turnover:-
- 1) Migratory character of labour

- 2) Migration on account of improvement in prospects.
- 3) Availability of jobs in Home Town.
- 4) Disagreeableness of the job.

The following are the factors contributing to the absenteeism generally:-

1. Social obligations
 2. Lack of transport facilities
 3. Disagreeableness of work
 4. Sickness
 5. Climatic vagaries
 6. Agricultural operations
 7. Supplementary avocations followed by the workmen. When a worker is absent the machine will be idle. When a Key worker is absent his absence sets in motion chain reaction affecting productivity all along the line. When a new worker is employed he will have to be trained on the job, and until he gets adequate training productivity is bound to suffer.
174. All these factors affect productivity and production.
182. ESI scheme has not been extended to our factory.

Sd/-
for General Manager.
