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MILL MAZDOOR SABHA, BOMBAY

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REPLIES

TO THE QUESTIONNAIRE OF THE

NATIONAL COMMISSION ON LABOUR

1967

39, Patel Terrace,  
PAREL, BOMBAY-12

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Replies to the Questionnaire of the

NATIONAL COMMISSION ON LABOUR

Submitted by

MILL MAZDOOR SABHA, BOMBAY.

Question No.1:- Name and address of the respondent:  
( Person/undertaking/organisation/state )

Answer:- Name and Address of Respondent:

Mill Mazdoor Sabha, Bombay,  
39, Patel Terrace, Parel,  
Bombay-12.

Question No.2:- The name of the Central Organisation of employers/workers to which you are affiliated.

Answer:- Affiliated to Hind Mazdoor Sabha.

Question No.3:- If Union, please give the number of members.

When was the union formed?

Answer:- Total membership approximately 17000. Union was formed and registered in the year 1947.

Question No.4:- If an undertaking/establishment, please give:

a) Commodity produced/nature of activity.

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

(i) Workers

(ii) Others

c) When was the undertaking established?

Answer:- (a) The Mill Mazdoor Sabha, Bombay, is a registered trade union organising the employees in the following industries in Greater Bombay and Thana District.

1) Art Silk Industry

2) Textile Processing Industry

3) Hosiery Industry.

Under the Bombay Industrial Relations Act, it is registered as a representative union in each of these industries for the local area of Greater Bombay and for some local areas in Thana District.

(b) The estimated numbers of employees in the abovementioned

industries are as follows:

Art Silk Industry	16000
Textile Processing Industry	7000
Hosiery Industry	2000

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### I. RECRUITMENT AND INDUCTION

#### Recruitment

Question No.1:- (a) How is labour recruited at present in industrial establishment? 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:- (a) There is no organised system of recruitment in any of these industries. Workers are recruited normally through jobbers or through acquaintances already employed in the undertaking. No recruitment is done through the employment exchange.

(b) The present methods of recruitment are far from satisfactory for any type of employees. They lead to favouritism, corruption and Groupism and discrimination against employees with trade union background.

A particularly harmful practice widely prevalent is that persons are recruited, permitted to work for a few months, then discharged and after a few days reemployed as fresh hands. They are thereby denied various benefits accruing from steady continuing service.

Question No.2:- In what categories of employment is labour in short supply? What steps should be taken to minimise the effects of such shortages?

Answer:- There is no shortage of labour in any of these industries in any categories. In fact due to technological changes there is constant problem of redundance in various categories.

Besides, due to various factors, the industries have been normally operating far below their capacity and there is always adequate supply of unemployed workers of various categories available when needed.

Question No.3:- Does lack of mobility affect supplies in different categories of labour? If so, what remedial measures would you suggest?

Answer:- As stated above these industries have not suffered from any shortage of labour for any reason.

Question No.4:- To what extent is industrial labour migratory in character? What problems does such labour pose in recruitment and retention?

Answer:- The labour in these industries is not migratory. It is stable and committed to employment in industry.

Question No.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:- There has been a tendency not to employ women in these industries as far as possible and the total employment of women has fallen. This is because many employers take the view that women employees involve the employer in additional burdens on account of maternity benefits, creches etc. They also feel that the bar on employing women on night-shifts causes some difficulties in organising shift working. Average absenteeism among women employees is also believed to be somewhat higher than among men due to various causes. Certain kinds of work in the Folding Department are better performed by women and hence there is still considerable employment of women on such jobs as labeling, decorating, packing etc. Employment of women can be encouraged by making a careful survey of the different jobs so as to choose <sup>those</sup> which are best suited for women and then giving special training to women for doing those jobs. Thereby

their productivity and efficiency can be ensured and it will not be disadvantageous for employers to employ women on such jobs.

Question No.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:- There is no advantage in the employment of casual labour in any of these industries except that it enables employers to escape the obligations arising towards workers if they are permanent. To the workers who are employed as casual labour, this practice is a great injustice, since the work that they are called upon to perform is always of a very regular nature in the industries covered by the Sabha.

A decasualisation scheme for these industries will be difficult to operate since there are a large number of small and very small units in each of these industries. The proper course will be to prescribe by law that all casual employees will be entitled to the same wages and other benefits as permanent employees and that after a certain period of employment they shall be deemed to be permanent. The Industrial Tribunals have in recent years been awarding that temporary or badli employees who put in a certain length of service in the aggregate with a particular employer should be deemed to be permanent. The same principle can be applied in the case of casual employees.

Question No.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:- It is unlikely that mere statutory provisions will encourage the employment of physically handicapped persons. What is more important is that:

a) The handicapped persons should be fully trained to become competent workers in specific occupations; and

b) Employers should be convinced of the fact that handicapped workers are not necessarily less efficient or productive than able-bodied workers. Today, neither of these conditions obtains. Employers are reluctant to continue in employment even their own employees if they<sup>are</sup>/partially disabled because of industrial injuries. Again, the handicapped workers come to seek jobs in the unskilled categories where because of the heavy unemployment they have to compete with able-bodied job seekers. In this competition they are obviously at a disadvantage.

To begin with, at least a few of the larger and more enlightened employers should be persuaded through education to take up a few trained handicapped workers and then the actual performance of such handicapped workers under factory conditions should be widely publicised in order to educate employers as a whole.

Question No.8:- In establishment 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:- Generally in the industry in which this union functions, there is no discrimination in recruitment on grounds of caste, community, region, language etc. It sometime happens that if a particular jobber or officer in an establishment comes from a particular part of the country, he prefers to take up workers from that part who may be his acquaintances or relatives. This happens in the case of all castes, communities and languages.

Induction:-

Question No.9:- Are the existing programmes for 'on-the-job' training of workers adequate? What are the directions in which improvement should be sought?

Answer:- There are no organised programmes for 'on-the-job' training of workers. All the same, workers do pick up the skills required for higher jobs and in course of time quality for promotion. This does not lead to adequate proficiency or

productivity. There should be continuing organised schemes for training workers to perform their own jobs efficiently and also to enable them to learn higher jobs and pass from the ranks of the unskilled to the skilled. Apart from the volume of the output itself the training on the job should be directed towards maintenance of quality, economy of materials, care of machine and equipment and safety. Today, since workers are left to pick up the work by themselves these most important factors get completely ignored.

Question No.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.

Answer:- There are hardly any facilities in these industries outside the workplace at which employees can improve their skill. The exception is the recent scheme prepared by the Silk & Art Silk Mills' Research Association to train weavers. There is no system of employers' granting study leave to workers for this or any other kind of training.

Question No. 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:- (a) A rational promotion policy should be as follows: A few senior workmen in a particular category should be given opportunities of acting in higher categories and picking up the work involved in such higher categories. The necessary instruction and guidance should also be given to them for the purpose. When a substantive vacancy arises in the higher category, the seniormost from among those who have been trained for the job as suggested above should be given the first opportunity to work in that post on probation for a predetermined period. If his performance is not found to be satisfactory the next in order of seniority from among

- the trained persons should be similarly promoted on probation.

Trade tests can be used only for certain jobs namely the engineering trades. In our industries, such jobs are few. For the regular production jobs the performance of a workman can be easily judged by the quality and quantity of output, care of the machine, utilisation of raw materials and so on.

The procedure suggested above will ensure that due consideration is given to seniority as well as merit and causes for dissatisfaction will be minimised.

(b) As far as possible recruitment to positions at higher levels should be done from amongst existing employees only. This will ensure that the employees will have hope of promotion and, therefore, interest in their work. The practice should be followed at all levels unless it is found that at a particular level no competent person from the immediately lower rank is available for promotion. Direct recruitment may be permissible to those jobs which require specialised technical knowledge and training such as engineers, accountants, statisticians, etc.



II CONDITIONS OF WORK

Working Conditions

Question No.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?

Answer:- So far as this Sabha is concerned the working conditions are regulated by the Factories Act, 1948. The Act is sufficiently comprehensive in its coverage. It is not, however, very effectively implemented. While certain improvements could certainly be thought about in the provisions of the Act itself, we feel that proper implementation of the existing provisions is of far greater urgency and will give much better protection to workers than any improvement in the Act itself without effective implementation. We, therefore, suggest that attention should be concentrated for some time on improving implementation rather than on improving provisions of the Act.

As an example of possible improvement in the provisions of the Act we would mention only one: Under Section 79 it is provided that any leave with wages enjoyed in respect of the previous year shall be calculated towards the computation of the minimum qualifying number of days for the purpose of the grant of leave with pay. However, the act permits the accumulation of leave with wages for two years. If a worker so accumulates it and takes it at one time, as many workers in fact do, under the present provisions of Section 79, the entire accumulated leave with wages so availed of, cannot be included in the qualifying number of days but only the number of days in respect of one year immediately preceding are included. This seems to be obviously illogical. If the law permits

accumulation of leave for two years and taking it at one time, there is no understandable reason why the leave in respect of only one year should be included in the qualifying working days for the next year.

Similarly any festival holidays with pay available to the workers under agreements or awards, absence due to industrial injuries or certified sickness are also not included in attendance. Due to these various causes many workers lose the benefit of the holidays with pay for no fault of theirs.

In order to secure better implementation of the provisions of the Act it is necessary that the Factory Inspectorate should be sufficiently strengthened. Today, the workload on the Factory Inspectors appears to be so heavy that they cannot possibly ensure the proper implementation of the Act in all the factories. There is a great deal to be desired in respect of motivation of the Inspectorate also. It is found that their inspections of the factories are usually very casual. Even when specific breaches of the Act are reported to the Inspectors by the trade unions, the Inspectors never take the help of the union or even of the workers on the shop - floor, when enquiring into the complaint. Usually, the union lodging the complaint receives a standard reply after a few days saying that after due investigation the complaint was not found to be justified. This attitude of the Inspectorate has become so common that trade unions no longer consider it worthwhile to send complaints to the Inspectorate.

At present the penal provisions in the Factories Act are hardly ever made use of by the Government. It is possible that the reluctance of the Government to use the penal provisions creates a feeling of helplessness in the Inspectorate. On the other hand, this leads the employers generally to believe that the provisions of the Act can be flouted with impunity. It is necessary, therefore, that a Government should make proper use of the penal provisions of the Act. It is also suggested that the power of initiating legal proceedings under the Act against erring employers should be given to the registered trade unions also. Since the workers

are the main sufferers of breaches of the Factories Act, it is logical to assume that they will be alert in the matter of its implementation. There is no ground to fear that trade unions will use such powers frivolously or vexatiously.

The powers of the Government in the matter of licencing of factories should also be more effectively utilised so that factories where the provisions of the factories act are not properly implemented may be refused or may forfeit the licence.

Question No.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:- The number of national or festival holidays is not very much anywhere and the range of variations is also quite limited. In the vast majority of undertakings this range is from 4 to 10 days per year. We do not feel that the variations is so wide or that the whole question of holidays is so important as to call <sup>for</sup> any enforced uniformity on the national level.

About 15 years ago an effort was made by the Union Labour Minister to arrive at some national figure of festival holidays by appointing a tripartite committee. The effort however, failed.

Question No. 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:- In the industries in which this Sabha operates, there is no child labour in employment.

Question No. 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)

Answer:- There are hardly any arrangements at present for regulating conditions of contract labour. This system is one of the worst forms of exploitation in these as well as in other industries. We are

strongly of the view that the abuses of the system can be minimised only by legislation banning the system entirely in accordance with the principles laid down by the Supreme Court and in accordance with the recommendations of the Indian Labour Conference.

Question No. 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:- We are of the opinion that the trade unions and employers' organisations can jointly play a useful role for the implementation of all kinds of statutory benefits and provisions and even of non-statutory ones. There are no limits to the field in which such joint role can be useful. It is, however, a precondition of such a joint role that the employers must be willing to accept the union as an equal partner in such a joint role. Unfortunately, this precondition does not obtain in most of the industries in

India at present.

Safety and Health

Question No. 18:- Is the existing rate of accidents high in establishments within your knowledge? What have been the main causes of such accidents?

Answer:- While the accident rate in the industries in which the Sabha operates is not exceptionally high, we feel that there is room for further reduction in the frequency of accidents. The main causes of the accidents are:

- 1) bad house-keeping and congestion on work-floor;
- 2) poorly maintained machines without proper safety guards;
- 3) Lack of training in safety to the operatives and even to the floor-level supervisors;
- 4) indifference of the management towards safety.

It is necessary that courses for training in safety should be organised on the widest possible scale for industrial workers. In our opinion, such courses should be organised jointly by the Chief Advisor of Factories and the State Factory

Inspectorate, and the employers and the central organisations of workers should be invited to participate in the planning and running for such courses. It should be made obligatory that every worker employed in the industry takes a minimum specified number of hours of safety training during the first 3 months of his employment failing which he may lose any claim to permanency. The employers also will have to be enjoined to relieve such new workers for this training. For the existing employees also similar training should be made obligatory though the permissible period in their case should be longer and if they are already permanent then their permanency should not be affected by the obligation of taking safety training.

The contents of the courses should include both the basic safety training that would be useful in all industries and also specialised training related to the industry and the occupation of the worker concerned.

Question No.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:- In the industries in which the Sabha operates safety standards are not evolve by bipartite agreements.

Question No.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?

Answer:- We agree that the anticipated growth of new industries would call for stricter safety standards. However, the measures of achieving such standards would not be basically different from those required from improving safety in existing industries. Most of such measures, have been already mentioned in the replies above.

Question No.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:- To our knowledge there are no particular difficulties in the matter of procuring safety equipment for use in industries. There is some reluctance on the part of workers in using some of the equipment because it is often uncomfortable or inconvenient to use. The workers, in the absence of proper training are also not aware of the hazards in not using the equipment. The reluctance can be overcome by 1) ensuring that the equipment is designed to be used without undue discomfort or inconvenience. 2) educating the worker about the hazards in not using the equipment. 3) Making the management also responsible for ensuring that the equipment is used.

Question No.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:- In our opinion an industrial health service for whole country is a some-what vague and over-ambitious concept. For a fairly long time to come, such a service will be beyond the financial, technical and administrative resources of the country. It will be far more profitable to concentrate attention at present on ensuring that the benefits of the prevailing laws and schemes are in fact available to the workers.

Question No.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?

Answer:- The ESIS Review Committee has made certain recommendations regarding the desirable amendments to the Workmens' Compensation laws. We invite the Commission's attention to them.

### III. TRADE UNIONS AND EMPLOYERS' ORGANISATION

#### Federation of Employers' and Workers' Organisations.

Question No. 26:- What are the factors which have influenced the development and organisational pattern of trade unions/employers' organisations since Independence?

Answer:- The following factors have influenced the development and organisational pattern of trade unions since independence.

- a) Rapid growth of industry and consequent increase in number of workers,
- b) The climate of political freedom,
- c) Labour legislation,
- d) Role of political parties in trade union organisations,
- e) Attitude of the Government discriminating among different trade union organisations,
- f) Slightly higher educational level of the new generation of workers,
- g) Economic changes.

Question No. 27:- What has been the effect of legislative provisions on the growth of trade unions/employers' organisations?

(See also Q. 58)

Answer:- The absence of a clear provision in law regarding recognition of trade unions and the emphasis on compulsory adjudication as well as the complicated machinery under the industrial relations legislation, has hindered the growth of strong united and responsible trade unions. (Kindly also refer to the replies given to questions under Chapter IV, Industrial Relations and Chapter VIII, Labour Legislation.)

Question No. 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 trade unions has changed not so much during the last decade but rather during the last 20 years. The change has mainly been as follows:

- a) A large increase in the number of small and very small trade unions at the unit level.

- b) Increasing dependence on the Government or the Industrial Tribunals and Courts in place of collective bargaining.
- c) Pressure exercised through mass actions like 'Bundh' in order to influence Government policies and actions.
- d) Greater attention to trade union education.
- e) More systematic functioning of trade union offices.

Question No.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.

Answer:- There has been some change in the attitudes of trade unions and employer organisations towards each other. The employers seem to be getting reconciled to the inevitability of trade unions. The efforts to suppress trade unions seem to be less wide-spread. However, it cannot be still said that the employers' are genuinely willing to take trade unions into confidence and bargain collectively with them. There is even less willingness among employers to seek the cooperation of trade unions in questions of productivity, welfare and discipline.

The attitude of trade unions towards Government has been one of increasing dependence.

Question No.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).

Answer:- (a) We do not think that any fundamental change in the nature and scope of activities of trade unions is called for.



The trade unions can never successfully pursue their own primary objectives of protecting and advancing the interests of their members without taking due heed of the broad social conditions and interest. We do not see any unavoidable conflict between the two. At the same time, it is certainly necessary for trade unions to increase their activities in the fields of trade union education, publicity, research and so on. They also need to develop within themselves much greater expertise in questions of workloads, productivity, incentives, etc.

(b) We feel that organisationally the unions should adopt the industrial/regional pattern and the vast number of small and very small factory unions should come together into larger industrial unions at the regional level.

Even more important is the need for a reintegration of the movement which today is woefully fragmented.

c) The trade unions have an independent role to play in education, welfare, etc.

d) The trade unions should function in cooperation among themselves in promoting cooperative organisations, participating in tripartite bodies, sending representatives to municipalities, state legislatures and the parliament etc. In cooperation with the Government, the trade unions should participate in every sphere of public activity which touches the life of the workers in any manner whatsoever.

We would stress, however, that such cooperation is not possible today because the opportunities are not given to the trade unions.

Question No. 313:- 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 direction? (See also Q. 124 & 227).

Answer:- Trade unions have helped in the evolution of a better society by:

1) creating a sense of strength and self respect among the workers.

- 2) raising the standards of workers' conditions of service.
- 3) agitating for and securing social security and similar other benefits for workers.
- 4) educational and cooperative activities among workers.

There are not many opportunities of systematic discussions and representation of trade unions views before the Government and other public authorities. The existing tripartite bodies meet at long intervals and do not give any real scope for full representation. The system needs to be extended and also made continuous where exploration of various points in depth may be possible.

Question No. 32:- How can trade unions/employers' organisations contribute towards maintaining a high level of employment? Or is this solely the concern of Government?

Answer:- There is not much that trade unions can do for maintaining a high level of employment except trying to influence Government policy and the actions of the employers through organised pressure.

Question No. 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:- Bipartite consultation can succeed only if there is a willingness on the side of the employers to consult the union or workers on important matters and give due weight to their views. In India, this willingness does not seem to be very common. Hence, any steps that trade unions can take to promote bipartite consultations do not go very far. If the basic willingness of the employers is there, then such devices as works committees joint production committees, grievance procedure, etc. can prove useful.

Question No. 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:- The communications between the central organisation of workers and their constituents are mainly of the following types.

- 1) Normal exchange of correspondance.
- 2) Periodicals issued by the central organisation.
- 3) Personal contacts between the officials of the central organisation and of the constituents.
- 4) Deliberations at annual conventions and on special occasions.

These can be improved by use of greater resources which the trade union do not have at present and through more skillful use of existing resources which the trade unions need to learn.

Question No.35:- Are there occasions when central organisations of employers and workers refused to affiliate employing units/unions at the plant level? If so, on what grounds?

Answer:- The central organisation of workers may refuse to affiliate a trade union if:

- 1) the trade union is known to follow policies contrary to those of the central organisation.
- 2) if in the same industry-cum-region another bonafide union is already affiliated.

Question No.36:- To what extent are the obligations undertaken by the organisations of employers and workes 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:- Trade unions generally implement the obligations undertaken by their respective national organisations but from the employers side such implementation is much less. There are hardly any sanctions against non-compliance. Sanctions cannot improve compliance unless the willingness to comply is there.

Question No.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:- The All India organisations of trade unions should  
(a) actively plead for a proper industrial relations policy at the National level, and  
(b) On specific questions represent the interests of their constituents before the Government and/or employers' organisation.

In most of the other items under this question the primary responsibility falls upon the unions themselves and the central organisation can only play the role of helping the union where its help is sought.

#### Trade Unions - Constitution and Finance

Question No.40:- How are the officers who man the trade unions appointed? How many of them are paid?

Answer:- The officers of the Mill Mazdoor Sabha are elected every year at the Annual General Meeting by the elected delegates of the primary members. The Officers are paid salaries from the general funds of the Sabha. The scales of salaries and dearness allowance are fixed by decisions of the Central Executive Committee of the Sabha.

Question No.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:- A trade union gets new members through propoganda, publicity and enrolment drives. The Mill Mazdoor Sabha has no practice of asking for applications for membership. Normally, workers paying the prescribed membership fees are accepted as members unless they have a record of anti-Sabha activities. Other unions also follow similar methods.

Question No.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:- The Mill Mazdoor Sabha has regular educational programmes and follows democratic procedure of holding frequent group and plenary meetings to encourage members to take interest in union affairs. There is scope for improvement in the effectiveness of such steps.

Question No.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:- The activities of the Mill Mazdoor Sabha are directed from its office. About 10 paid full-time officers and staff keep contact with the members in different factories to understand their grievances and process them. A staff of about 6 works in the Office. Most of the legal work is handled by the paid officers and the staff of the Sabha itself.

Policy is decided in the Annual General Meeting, the Central Executive Committee meetings and the Sectional Executive Committees through full discussion and majority vote. The Officers are responsible for implementing the policy decided. The rank and file exercises quite considerable influence on formulation of policy on questions of immediate concern to them but not much on questions which may be somewhat remote from their every day interests.

Question No.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.

Answer:- There is no system of 'closed shop' or 'union shop' in India. In the situation of acute trade union rivalries we are of the view that these systems may not be very useful here.

Question No.45:- Do trade unions have enough income to fulfil their role in promoting members' interests? If not, what steps should unions take of augmenting their resources? Is any statutory provision needed for enlarging trade union finances?

Question No. 46:- What reasons, if any, are there against increasing members' subscription so as to provide an adequate income for trade unions?

Answer:- Trade unions definitely do not have enough income for all their functions. Their resources can be augmented by raising the rates of subscription and fuller collections of dues. Statutory provision is not likely to go very far in this respect.

Question No.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?

Answer:- The system of check off may be workable in India only after a positive and impartial procedure for recognition of unions is evolved and enforced. Check off should be available only to recognised unions.

Question No. 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?

Answer:- The Mill Mazdoor Sabha has a members' welfare scheme under which modest financial assistance is given to the members from the general funds of the Sabha in cases of death, or prolonged illness. Members do not pay any special contributions to qualify for these benefits.

#### Trade Union - Leadership and Multiplicity

Question No.49:- What has been the impact of political parties on the pattern of trade union development in India?

Answer:- The role of political parties in trade unions has resulted, on the one hand, in unorganised workers being organised; but on the other hand, in acute trade union rivalries.

Question No.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?

Answer:- An outsider can be defined either as (a) person whose

primary activities are not in trade unions but who holds positions of office in unions; or as (b) a person who has never been an employee in the industry concerned. The outsiders falling in category (a) do not contribute much to the movement. The outsiders falling in category (b) have been primarily responsible for the growth of the movement to its present size. However, they have also been the cause of trade union rivalries to a large extent and it is time that the workers themselves come forward to take the leadership of unions.

Question No.51:- How should internal leadership in a union be built up and strengthened?

Answer:- Internal leadership of a union may be built up by (a) educating the active cadres of the union, (b) by placing the responsibility of running the union on such cadres in stages. (c) withdrawal of the outsiders within a predetermined period.

Question No.52:- Does the existing legislation encourage multiplicity of trade unions? If so, what are the remedial measures?

Answer:- Please refer to the replies under Chapter VIII.

Question No.53:- How far has the Inter-union Code of Conduct (Appendix II) adopted by the four central labour organisations in 1953 been effective in regulating inter-union relations and avoiding inter-union rivalries? How could the Code be made effective?

Answer:- The Inter-Union Code of Conduct was dead letter from the day it was formulated.

#### Trade union recognition

Question No.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:- There is no need to enhance the powers of the trade union Registrar.

Question No.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:- Please refer reply to the question No. 29 above.

Question No. 56:- Has the Code of Discipline in Industry (Appendix III) contributed towards securing recognition for trade unions?

Answer:- Not to any significant extent.

Question No. 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)

Question No. 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)

Question No. 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:- We are of the view that the procedure for recognition of unions should be simple and speedy and should be based upon the ballot vote of the workers in the particular bargaining unit. The other problems in this field will fall into place once the problem of recognition is satisfactorily resolved.

Question No. 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)



Answer:- There are no real difficulties in the recognition of industrywise unions. Their advantages are obvious.

Question No.60:- What are the advantages and disadvantages of naming a union as the sole bargaining agent in an industrial unit?

Answer:- There are no disadvantages but all advantages in recognising a single union as the sole bargaining agent in a unit. We feel that this is the pre-requisite of sound industrial relations and healthy collective bargaining.

Question No. 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:- Provided the bargaining status of a union is decided satisfactorily and impartially, the other unions should have no rights other than enrolling members outside the workplace and of carrying on their own publicity. All collective and individual interests of members must be handled only by the recognised unions.

Question No. 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?

Answer:- This is a very minor problem. If technicians choose to keep their unions separate, there should be no objection to this. Their rights and obligations will naturally be restricted to their own category. Among the workers and the clerical staff, no distinction should be permitted.

Question No. 64:- What facilities should an employer extend at the work-place for the activities of unions?

Answer:- These should be in accordance with the tripartite decision in the Indian Labour Conference, 20th Session.

Question No. 65:- What has been the attitude of the Government as employer towards trade unions?

Answer:- The attitude of the Government as employer towards trade unions has not been different from the traditional attitude of all employers. This is marked by suspicion and distrust of unions. The Government has shown marked partiality to one particular organisation of workers.

#### IV INDUSTRIAL RELATIONS

##### Introductory

Question No. 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 criteria for determining the effectiveness of the Government's industrial relations policy should be:

- 1) Development of sound industrial relations at the plant, regional and national level;
- 2) Increasing resort by employers and trade unions to genuine collective bargaining;
- 3) Growth of strong and responsible trade unions;
- 4) Minimisation of industrial conflict;
- 5) Better conditions of service and working conditions for workers;
- 6) Development of high morale among the workers;
- 7) Speedy resolution of industrial disputes to the maximum satisfaction of both the parties.

In terms of these criteria, the industrial relations policy of the Government cannot be said to have succeeded very much. It has certainly not given any positive encouragement to collective bargaining and it is doubtful if it has minimised industrial conflict either. The workers still suffer very serious inequities and their morale is still not high.

The present legislation is not calculated to promote sound trade unions and bipartite industrial relations. These aspects of the present legislation are discussed more fully in the reply to the questions in VIII Labour Legislation.

The machinery provided for achieving the industrial relations policy of the Government is far from speedy, efficient or impartial. In fact, one of the major causes adversely affecting industrial relations in the past has been the partiality of the Government towards one particular set of

trade union organisations.

Question No. 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:- The patterns of industrial conflict do appear to be changing since independence due to the prevailing legislation. There is not much scope for trade unions to resort to strikes openly. The conflict, therefore, is frequently without the official backing of trade unions. It is sporadic and not very effectively led. It takes undisciplined forms. Much of this conflict appears to be of a defensive nature and is precipitated by some act of provocation by the employers such as victimisation, non-recognition of the majority union, non-implementation of laws or settlements and so on. Offensive action by labour in support of specific demands has been relatively limited.

The steady increase in prices without corresponding increase in money wages, deterioration of housing conditions and general frustration have been among the factors causing industrial conflict. In recent years the generally unsettled social and political climate in the country has also adversely affected the intensity of conflict.

Question No. 68:- Is it possible to pick out some significant factors in units within your knowledge which in recent years have helped improving industrial relations at the plant level? Will these factors continue to be of significance in future?

Answer:- It appears from experience that the following factors can help in the establishment and maintenance of good relations at the plant level:

- 1) Existence of and recognition to a bonafide trade union enjoying the support of the majority of workers, as sole bargaining agent of the workers;
- 2) Purposefully built-up traditions of resolving labour management differences through collective bargaining;
- 3) Avoiding recourse to legal machinery;

- 4) Competant personnel management and sound human relations practices by the management;
- 5) Suitable <sup>training</sup> to middle and floor level managers in labour relations;
- 6) Effectivtwo way communications between the management on the one hand and workers and their trade unions on the other;

There is every reason to hope that these factors will continue to be effective in the maintenance of good relations in future also.

Question No. 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?

Answer:- The causes can be listed as follows:

- 1) Independence gave to the working class a new hope that they would get a position in the industry and would get much better living conditions compared to pre-independence days. In short, they had hoped for a new chapter in their life. However, their hopes were belied. There was no radical change in their position. Moreover, their living conditions did not improve compared to the industrial development and the ever-increasing cost of living. This brought frustration to the working class resulting in the industrial unrest.
- 2) Political independence gave to the working class an impetus to achieve economic freedom and they, therefore, organised themselves. Through their organisations, they could voice their grievances which they were experiencing even during the pre-independence days. The industrial unrest, therefore, became more vocal after independence.
- 3) Industrial peace depends on the balance of strength of the employers and the labour unions. However, the state labour policy as experienced in its day-to-day working and through the labour legislation has always made the unions very weak as bargaining agents. Except for a few state enactments like the B.I.R.Act, the labour legislation does not even provide for recognition of

a union and the issue of recognition of union itself becomes many a times, a cause for long-drawn industrial conflict.

4. Employers have been slow in changing their attitudes towards workers and unions. They continue to be authoritative and generally resist every proposal for increased benefits for workers whether the proposal comes as a demand from a union or as proposed legislation.

5. The Government followed a policy of actively supporting one particular set of trade unions.

Question No. 70:- What has been the impact of inter-union rivalry on industrial relations?

Answer:- Industrial relations have been adversely affected by inter-union rivalries. In the absence of any clear provisions for recognition of unions, the rivalries as well as their undesirable effects have been inevitable.

Question No.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:- Prevention of industrial disputes cannot be the ultimate goal of labour policy. The objective is to ensure social justice. Where social justice can be secured only through disputes and conflict, these have to be accepted as necessary and even desirable. Further, prevention of conflict would not be desirable if it also means denial of social justice. The objective of preventing conflict must be viewed in this broad context. The effort must be to resolve rather than to prevent disputes. In the every nature of labour-management relationship, disputes are bound to arise; but they can be resolved by appropriate efforts by the parties themselves and constructive help from the Government.

The role of mediation service in resolving disputes is already clearly understood. The difficulty, however, is that the conciliation officers who mediate in industrial disputes do not have adequate training, their motivation is indifferent and frequently their status and emoluments, are such that they cannot command respect from employers. Moreover, the process

of conciliation is extremely time-consuming and often defeats its own purpose.

Question No. 72:- What is the role of fact-finding enquiries in improving industrial relations?

Answer:- Fact-finding committees cannot become a regular part of the processes of regulating industrial relations. They may, however, be helpful as case studies to illuminate the various aspects of a particularly complicated situation and may yield useful lessons in dealing with other situation.

Question No. 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:- Existence of a trade union brings order into the field of industrial relations in any unit.

(a) A strong union ensures not only that the workers will be fairly treated but also that the agreements reached between the employer and the union will be respected by the workers. This is a great help to the managements also. A strong union can keep the work-force contented and raise its morale.

(b) A weak union cannot achieve these ends. It may actually become a tool of the employer himself.

(c) The absence of a union means lack of legitimate protection to workers.

Question No. 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:- The present conditions in respect of recognition of unions, grievance procedure and bipartite consultations are very unsatisfactory and they do not seem to have made much impact on industrial relations. In the few cases where these are effectively practiced they have undoubtedly strengthened the relations.

Question No. 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.).

Answer:- The employer-employee relationship in a given situation depends primarily on the local management and the local unions. Central organisations of employers and workers can provide only the broad guidelines for their constituents and evolve broad norms to regulate their behaviour. The Government has the responsibility of framing proper laws and of ensuring that unfair labour practices are discouraged.

Question No. 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:- In most cases the labour/or personnel officers have made very limited contribution in maintaining good industrial relations. The reason for this is that these officers do not usually command sufficient status and influence with top management and even with line management. Their expert opinion is rarely respected by management. They are merely used as instruments of implementing policy which they have no voice in framing.

This state of affairs can change only when management themselves recognise labour officers as experts in their own field whose opinion and advice <sup>are</sup> entitled to the highest consideration. No external measures are likely to be of much help.

Question No.77:- What should be the arrangements for proper communication between workers and management at the plant level?

Answer:- Communications between workers and management at the plant level cannot be reduced to any cut-and-dried procedures. Communications can be helpful if there is the willingness to communicate something worthwhile from the side of the management and the readiness to listen sympathetically to what is

communicated to management by the workers. If this willingness is there, then such simple devices like works committees, joint production councils and ad hoc meeting between representatives of workers and management, can prove quite useful. But in the absence of the genuine will to communicate, the most refined techniques of communication will prove useless.

Question No. 78:- To whom do managements delegate their authority in dealing with employees? To what extent do managements include specialists for dealing with personnel matters?

Answer:- A large majority of managements do not delegate the authority of dealing with the employees to anybody at all. In the few cases where such delegations takes place specialists are entrusted with such function. However, the views or advice of such specialists is not always given sufficient weight by management.

Question No. 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:- In almost all cases, the Standing Orders are drawn up by the management. The onus of proving any of them to be unlawful or unjust, is upon the workers. Where the workers do raise, some objections, these are disposed of in a legalistic way without adequate consideration of equity.

Question No. 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 Employment Standing Orders Act and the Model Standing Orders do not fully serve the purpose for which they were enacted. They do not place any real restriction on the employer while the workers are rigidly bound by the Standing Orders. In effect the Standing Orders become the charter to the employer to do much as he likes with his employees.

Question No.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?

Answer:- The procedure prescribed in the Standing Orders for disciplinary actions is wholly inequitable. Under it the employer is the prosecutor, judge and executor. The employee has virtually no protection thereunder. It is impossible to ensure even a correct record of a disciplinary action, not to speak of a fair enquiry. The position can be rectified only by taking the disciplinary powers out of the hands of the employer.

Question No.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 grievance procedure? What should be the main elements of such a provision? How would it affect existing bipartite arrangements?

Answer:- The model grievance procedure prescribed under the Code of Discipline is hardly in force anywhere. It is doubtful if a statutory grievance procedure will prove any more effective. To be so effective, the procedure will have to be voluntarily decided between the parties themselves and the employers are unlikely to agree to any procedure unless the trade unions are given the freedom of resort to direct action in all cases of wrongful disciplinary actions.

Question No. 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:- The trade unions would be favourable to grievance arbitration, whether voluntary or statutory, provided the arbitrator has full freedom of examining every aspect of the grievance and is not bound down by such concepts as sanctity of the domestic enquiry or discharge simplicitor. The employers, however, are sure to oppose any such system except where they are forced by union pressure to accept it.

Question No. 84:- What are the existing facilities for training management and trade union personnel in industrial relations? To what extent are they used?

Answer:- At present there are the following kinds of facilities for training trade union personnel in industrial relations.

- 1) Training courses of the Central Board for Workers' Education.
- 2) Courses run by specialised institutions like ICFTU Asian Trade Union College, Delhi.
- 3) Ad-hoc training courses run by trade unions themselves.

While these are being used more and more by the trade unions, there is still vast scope for greater training facilities for trade union personnel.

### Collective Bargaining

Question No.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)

Question No. 88:- What should be the role of (a) collective bargaining and (b) adjudication as methods for safeguarding industrial peace in the years to come?

Question No.90:- What should be the limits of collective bargaining under conditions imposed by planned development? (See also Q.193)

Question No.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:- Please refer to note on Labour Legislation.

Question No.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:- Representative character of the bargaining agent at the industry level should be determined on the lines of the provisions of the B.I.R.Act. A union having the maximum membership in an industry in a local area should be given the representative character.

Question No. 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:- We do not fully agree with the statements. Collective bargaining certainly has its uses when the unions are strong. However, there is no justification for its complete denial to weak unions. The weak unions gather strength only through the process of collective bargaining and if that is denied to them, they would remain weak for ever. Adjudication system does help the weaker party in the initial stage. However, its continuance beyond that stage has a crippling effect on the parties and, therefore, is not desirable.

Question No. 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:- It is not feasible to separate the areas like that.

### Conciliation

Question No. 98:- To what extent has the conciliations machinery given satisfaction to the parties to a dispute?

Question No. 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?

Question No. 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:- As far as B.I.R. Act is concerned, conciliation machinery is reduced to a mere formality. The conciliator has hardly any place in the negotiations since the parties either settle the matters amicably or refer the dispute to Industrial Court. The job of the Conciliator is, therefore, confined to either recording a settlement, or giving an adjournment or issuing failure certificate to be followed by a failure report. Its only effect is to delay the progress of a dispute. The stage of conciliation appears to be superfluous and unnecessary. The Conciliation machinery may, therefore, be abolished altogether.

Question No. 101:- Should conciliators be named arbitrators in disputes handled by their colleagues?

Answer:- There does not seem to be anything objectionable about it.

### Adjudication:

Question No. 102:- What are the criteria for assessing the suitability 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 should be the criteria for assessing

the suitability or otherwise of the present system of adjudication.

1) To what extent has it promoted healthy relations between the parties?

2) To what extent has it established social justice in the industrial field?

3) How speedy is justice given to the aggrieved parties?

4) Has it helped the growth of responsible, strong trade unions?

Also refer to Question No. 87.

Question No.103:- In case adjudication machinery is to be retained, what powers should it have in industrial disputes relating to discharge or dismissals?

Answer:- 1) Aggrieved employee must have a direct access to the Court.

2) A definite time limit should be fixed within which the Courts must complete the proceedings.

3) The employer concerned should be made to deposit in the Court every month an amount equal to the employee's monthly wage.

This will not only facilitate the payment of compensation to the employee if awarded by the Court, but shall also have the effect of curbing the tendency of employers to delay the court proceedings in such cases.

4) In cases where prima facie case is not made by the employer to justify his action, the Court should have powers to make interim order reinstating the employee subject to the final order.

5) In cases of victimisation or malafide discharge or dismissal the Court should have powers to award heavy compensation in addition to reinstatement and full compensation for the period of the employee's involuntary unemployment.

6) The Courts should have powers to set aside the proceedings of the domestic tribunal and to hold fresh enquiry if there is the slightest doubt that the enquiry was, irregular or unfair. The union should be free to resort to direct action in cases of victimisation.

Since a workman against whom an enquiry is held is likely to be under coercion or undue influence of his employer, the domestic tribunal cannot be treated on par with law courts or tribunals. There is, therefore, more reason in such enquiries why benefit of doubt should go to the accused, unlike the present system which gives the benefit of doubt to the employer. Moreover, under the present system, while the workman is forbidden to lead further evidence in a Court or Tribunal and is strictly taken by what he has stated in the domestic tribunal, the employer is given an opportunity in Court to rectify his errors in his domestic enquiry including that of leading evidence against the workman even if he has not cared to hold an enquiry before punishing the workman. This system is most inequitable and encourages the employers to flout the provisions of Standing Orders and the principles of natural justice. This system, therefore, must be radically changed.

7) The weapon of discharge simpliciter placed in the hands of the employers must be immediately withdrawn. The device of discharge simpliciter is a free license to the employers to effect malafide retrenchment or victimisation by the backdoor. It has the effect of neutralising the various provisions of Standing Orders and the principles of natural justice meant to protect the workmen from the whims of the employer.

Question No. 104:- Are the existing arrangements for reference of disputes to adjudication satisfactory? If not, how can the arrangements be improved?

Answer:- As far as B.I.R. Act is concerned, the existing arrangements are by and large, satisfactory. However, the arrangements under the Industrial Disputes Act are not satisfactory. They may, therefore, be amended on the lines of B.I.R. Act.

Code of Discipline

Question No. 110:- Has the Code of Discipline served its purpose?

Question No. 111:- Which provisions, if any, of the Code of Discipline should be given a legal shape? (See also Q.57).

Answer:- Please see reply to Question No. 201.

Voluntary Arbitration

Question No. 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 arbitrations? Should a provision for voluntary arbitration be incorporated in all collective agreements?

Answer:- Voluntary arbitration can play a very important role in the field of industrial relations. It forms the golden mean between adjudication and trial of strength.

Question No. 113:- Please indicate the areas of industrial disputes where voluntary arbitration could be preferred to adjudication.

Answer:- Voluntary arbitration should replace adjudication in all areas of industrial disputes.

Question No. 114:- Are you in favour of setting up standing arbitrations boards? If so, indicate (a) their composition, (b) procedure for setting up of such boards and (c) subjects to be referred to them.

Answer:- We are not in favour of standing arbitration boards which in due course are likely to become revised forms of Courts or Tribunals. Instead, a permanent list of deserving persons ready to work as arbitrators should be kept ready for the benefit of parties to industrial disputes.

Question No. 115:- What professional group provides the best arbitrators? Civil servants? Lawyers? Academics? Businessmen? Trade Unionists? Technicians? Others?

Answer:- There cannot be any privileged group that can provide the best arbitrators. Arbitrators have to be selected from all the groups.

Question No. 116:- What should be the arrangements for meeting the expenses of arbitration?

Answer:- Major part will have to be borne by the Government and the employers. A token contribution should be taken from the unions depending on their financial strength.

Strikes and Lockouts

Question No. 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?

Question No. 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:- Union rules usually do provide for such a procedure. Generally, the rules provide for a ballot of the workmen on the issue of going on a strike and provide for a notice to the other side. Such a procedure is followed by the unions in cases of planned strikes. However, in case of lightning strikes which take place as a result of a provocative action by the employer, the procedure is not and cannot be followed.

Question No. 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?

Answer:- Under the B.I.R. Act, there is hardly any possibility of a strike being declared legal. The question of wages for the strike, therefore, does not arise.

Question No. 121:- In what ways do trade unions seek to prevent victimisation of their members? To what extent do they succeed?

Answer:- Trade unions usually seek to prevent victimisations of their members by using their organisational strength through a direct action or by taking the matter to a Court of Law. The extent of success in both the cases is very limited.

Question No. 122:- Are there instances of workers going on strike without sanction of the union?

Answer:- There are quite a few instances of workers going on strikes without the sanction of the Unions.



Question No.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 Government machinery in such cases? Should Government intervene in cases where a strike is (i) legal, (ii) illegal?

Answer:- While a strike is on, trade unions and management frequently keep in touch through the efforts of the Government Labour Office. The effort of the Government Labour Office in such cases is to bring about the immediate end of a strike rather than an equitable settlement of the issues involved in the strike.

In our opinion, the Government should intervene and try to bring about a settlement in strikes regardless of whether they are legal or illegal, because under the present system of laws, almost all strikes are illegal. However, if a strike is calculated as a challenge to the representative union recognised bonafide, the Government should refuse to mediate on the side of the striking union.

#### General

Question No.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 acceptance arrangements in the various fields of labour relations? (See also Q.31)

Answer:- The tripartite bodies have done valuable work in evolving broad guidelines and norms which should regulate the behaviour of the parties and of the Government. However, such norms have not been uniformly effective in practice. The Government, especially, has not always attached enough weight to the tripartite decisions.

Question No.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:- We are not in favour of the Central Government being

made responsible for industrial relations in the public sector undertakings under the control of the Central Government.

Experiences show that the management in the public sector pays little heed to the advice or the directions of the Labour Department.

Question No.126:- How should public utilities be defined in the context of planned economy? Should there be any special provisions for avoiding work stoppages in public utilities?

Answer:- There is no need to make any distinction between the so-called public utilities and the other undertakings so far as the labour laws are concerned. A certain freedom of direct action ought to be provided to the parties in all undertakings without distinction. Only in specific instances where immediate and serious harm to national interest is likely to be caused by a particular stoppage in a particular unit, should the Government have any powers to intervene. In such situations also, the powers should apply to all undertakings without distinction. However, there should be some provisions for appeal against the exercise of this power by the Government.

Question No. 127:- What steps should be taken to minimise industrial conflicts in (a) the public sector, (b) the cooperative sector?

Question No.128:- For the purpose of labour-management relations, is there a case for treating the public/cooperative sector differently from the private sector?

Answer:- The steps to minimise the industrial conflict in the public sector and the cooperative sector are not in any way different than those useful in the private sector. No distinction need be made among them.

Question No.129:- Has collective bargaining been possibly in the the small-scale sector? To what extent does this sector make use of the industrial relations machinery?

Answer:- There is no reason to assume that collective bargaining is not possible in the small-scale sector. It may be necessary to give some extra protection to the trade unions in this sector against victimisation and unfair labour practice by the employers. With such protection, the workers in the small-scale sector will soon get strongly organised and will be able to successfully engage in collective bargaining.

Some part of the small-scale sector are already fairly well organised and these do make some use of the industrial relations machinery.

V. WAGES

Question No. 130: How does the current availability of unskilled labour affect the level of wages?

Answer: The widespread unemployment in the country makes unskilled labour freely available. The result is that wage levels in organised industry tend to be pulled down. The unemployed people are prepared to take unskilled jobs at very low wages. Even where wages are fixed by agreements or awards or under the Minimum Wages Act, employers find various ways of paying lower wages through employment of casual or contract labour or by flouting the legally fixed wages outright.

Question No. 131: What has been the relationship between wages in agriculture and other unorganised sectors and wages in industry?

Answer: Wages in industry are in most cases higher than those in agriculture and in other unorganised sectors. This is natural since productivity in the organised industry is far higher than that in the other sectors. In fact the higher wages in industry do not fully reflect the productivity gap between industry and agriculture.

Question No. 132: Should wages in agriculture and unorganised industries be allowed to influence wages in industry?

Answer: There is no justification for industrial wages to be dragged down by those in agriculture and in the unorganised sector. Apart from the higher labour productivity, industrial work calls for substantially higher skill, responsibility, training, hazard etc. If, as is sometimes argued, industrial wages are to be allowed to be depressed by those in agriculture, industries will be unable to attract any stable and committed labour force and their efficiency will be undermined.

Question No. 133: To what extent is the existing level of wages a result of the traditional mode of wage settlement, collective bargaining, awards, etc.?

Answer:- It is difficult to talk about 'existing level of wages' as if there is any single or uniform level. Actually, there are many different levels of wages depending upon the industry, region, the degree of organisation of the employees and various other factors. These different levels of wages in their respective sectors are determined in different ways. In unorganised employment the levels are determined in most cases unilaterally by the employer following the law of supply and demand of labour. In a part of the unorganised sector the prevailing wages are the result of notification issued under the Minimum Wages Act. In a large part of the organised industry in the private sector, the prevailing wages are the result of collective bargaining and, more commonly, awards of Industrial Tribunals, recommendations of Wage Boards etc. In the public sector, by and large, the prevailing levels of wages and salaries are the result of recommendations of various Committees and Commissions, modified unilaterally in some cases by the Government.

Question No.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?

Question No. 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?

Question No. 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?

Question No. 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?

Question No. 140:- Would you favour any change in the definition of 'minimum', 'fair' and 'living' wage given by the Committee Fair Wages? What in your opinion could have been the concept of 'living wage' referred to in the Constitution? (Appendix X)

Answer:- The concepts of minimum wage, fair wage and living wage have been discussed in our country for many years and they have become sufficiently distinctly recognised. However, we have not moved any closer to the achievement of minimum wages, not to speak of fair or living wages, during all these years. In fact, the gap between the present wages and the minimum wage norm is much wider today than it was 15 years ago. No serious efforts have been made to secure a purposeful progress towards the minimum wage norm. This lack of effort is certainly not due to any lack of clarity in the concept itself. As such any further discussion of these concepts sounds highly academic and unrealistic. No useful purpose will be served by such discussion. What is more important is that the levels of wages in real terms should improve.

The feasibility or otherwise of a particular wage level depends to some extent on the economic orientation and priorities adopted by the Government in a planned economy like ours. The fact that we have moved away from the need-based minimum wage during the past 15 years is not due to problems of feasibility but due to a lack of purpose. Where the purpose is lacking, of course all kinds of difficulties can be thought about for not moving towards the objective of the need-based minimum wage.

Question No. 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 a National Minimum Wage should not

be mixed up with the theoretical concepts of the minimum wage, fair wage and living wage. To do so is the surest way of killing the idea of a National Minimum Wage. This idea is really a practical device by which at least some minimum protection in respect of wages can be guaranteed to every wage earner in the country regardless of the sector in which he is employed. The Minimum Wages Act does not provide such comprehensive protection. Its protection is only selective. Admittedly, a National Minimum Wage fixed by statute will not be high. It may be well below the need-based minimum of the 15th Indian Labour Conference.

Allthesame, it will protect a vast number of wage earners who do not have any kind of protection at present. Moreover, once such a National Minimum Wage is fixed and enforced by law, it will also be possible to raise it by stages to more viable levels in course of time.

The National Minimum Wage must be supplemented by fixing regional minimum wages so that those regions in the country where wage levels and economic development are relatively high will be required to fix regional minimum wages correspondingly higher than the National Minimum Wage.

It must be further stipulated that the declaration of a particular National or Regional Minimum will not in any way prejudice the claim of any organised group of employees for higher wages through normal trade union methods.

Question No.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:- The variation in prices of consumption goods in different parts of the country is not as wide as is sometimes made out. It is certainly not as wide as the variations in wage rates in the same industries in different regions in the country. The idea that the minimum needs can vary very widely from region to region is also equally fallacious. Today people in some regions have to make do with less because they cannot afford more.

This does not mean that they need less; It means that they are deprived more.

In any case, as we have stated above, any National Minimum Wage to be fixed at present will have to take into consideration other factors besides the needs and the prices. The primary purpose in the National Minimum Wage should be to provide some floor to wages, albeit low, rather than securing in the immediate context a viable level of wages to all wage earners.

### Dearness Allowance

Question No. 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?

Question No.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?

Answer:- It is no doubt necessary to protect real wages against increasing prices, especially when the price rise is as rapid as it has been in India in the past. Among all the prevailing methods of protecting wages against price increases the one that is most equitable from the point of view of labour is that which links the dearness allowance directly to the consumer price indices, the quantum of dearness allowance being fixed at a certain rate of neutralisation of the rise in prices at a given wage level. All the other methods in existence cause great delays in the adjustment of the wages to the prices and the workers go on losing continuously and heavily due to the time-lag. Particularly objectionable are the systems such as the one recommended by the first Central Wage Board for the Sugar Industry and the practice that is followed in the field of Government employment. Under the



scheme of the first Sugar Wage Board the dearness allowance payable from October in a particular year is based upon the average of the consumer price index prevailing in the year ending the previous June. Further, the adjustment of dearness allowance can be made only once a year and that too, only if the average All India Consumer Price Index rises by at least 10 points. Actually the calculations show that on an average this involves a loss equivalent to approximately 10 to 25 points between the index actually prevailing and the index taken for computing the dearness allowance. The recurring tensions and bitterness caused by the complicated and time-consuming processes by which the dearness allowance of the Central Government employees is revised from time to time, are too well known to need comment here.

However, even the system of linking the dearness allowance directly with the consumer price indices has a number of snags in it:

- 1) The rate of neutralisation is invariably based on the minimum unskilled wage for a particular industry and since the actual amount paid as dearness allowance is usually uniform for all the categories of workmen, the amount which provides  $x\%$  neutralisation at the minimum wage level provides a much lower rate of neutralisation for the unskilled, skilled and high-skilled workers. These workers thus suffer a continuous loss in real wages inspite of the dearness allowance.
- 2) Even when basic wage structure is revised from time to time the basis of computation of dearness allowance usually remains unchanged. Thus a rate of dearness allowance which provides  $x\%$  neutralisation at a time when the minimum wage is say  $M$  will provide much lower neutralisation when the minimum wage is revised to  $M + N$ .
- 3) In course of time the amounts accruing as dearness allowance get larger and larger in relation to the basic wages. Eventually, the relative sizes of the basic wage and the dearness allowance get absurdly out of proportion. For instance,

in Bombay in many industries the minimum basic wage is about Rs. 35 to 40 per month and the dearness allowance at present is about Rs. 170/- per month. Since many of the fringe benefits like gratuity, etc. are based on the basic wage, this lack of proportion between the basic wage and the dearness allowance is prejudicial to the interest of the workers.

4) When the dearness allowance amount becomes very large in relation to the basic wages it completely distorts the relative differentials between the earnings on different kinds of jobs. For example, the ratio of the basic wages of an unskilled and skilled worker in a particular industry may be approximately 1:2.5 or 1:3. However, the ratio between their total earnings may be only of the order of 1:1.3 or 1:1.5. Thus the workers doing skilled and highly skilled jobs get earnings which are only slightly higher than those of unskilled workers. This adversely affects the incentive to acquire higher skills and increased efficiency and productivity.

In view of all this, it is necessary to take a fresh look at the whole question of protecting the real wages against rising prices. The problem should be viewed separately in its long-range aspect and the short-range one. In the short run a separate dearness allowance linked to the consumer price indices and added to the basic wages, can give a reasonable degree of protection to the real wages. As indicated above, however, this protection breaks down and leads to various anomalies in the long run. The long-range aspect of the problem can be taken care of only by making the whole process of wage revision more speedy and frequent. At present the basic wage structure is revised at relatively long intervals. For instance, the wage structure fixed for the Cotton Textile Industry in Bombay

by the Industrial Court over 20 years ago is still in force with only a few modifications and the addition of a flat increase of Rs. 10/- per month to all categories. The differentials that were fixed 20 years ago are still in force in absolute terms. In most other countries, wages are renegotiated every 2 or 3 years and in many cases, even annually. This gives an opportunity of keeping -the differentials continuously under review and bringing the whole wage structure in line with the prevailing prices rather than with the price levels obtaining 10, 15 or even 20 years ago. By introducing this kind of frequency and speed in the process of wage revision, the anomalies arising out of disproportionately large dearness allowances can be avoided. As suggested earlier the price changes between two wage revisions will be moderate if the revisions themselves are frequent enough and such moderate changes can be suitably taken care of by the payment of separate dearness allowances.

Question No. 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.

Answer:- Wherever possible, the local price index should be taken as the basis for adjustments of dearness allowance. Where local indices are not computed, the regional index should be taken. If that too is not available, then the All India Index may be used. The All-India Index should be used only if there are any compelling factors for doing so.

b) The revision of dearness allowance should be done monthly.

c) The revision should be for every point variation in the consumer price index. The introduction of the slab system causes delays and invariably works against the interests of the workers.

Question No. 144:- In determining the quantum of dearness allowance, what should be the principles governing the rate of neutralisation of price rise?

Question No. 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:- It is the accepted principle in wage fixation that wages should not be permitted to fall below some rock-bottom minimum regardless of the capacity of an employer to pay. Consistent with this principle, a certain minimum rock-bottom rate of neutralisation should be obligatory on all employers as, in the absence of it, the erosion of the real wage will militate against the abovementioned principle of fixation of minimum wages.

The rate of neutralisation should be full where the wages are below the subsistence level since at that level any erosion of the real wages will result in immediate and actual starvation for the worker and his family. For wages which are higher than the subsistence level, somewhat lower rates of neutralisation may be permissible; but only in those sectors where the employer does not have the capacity to grant full neutralisation. Where the capacity exists, full neutralisation at all levels

of wages should be the rule.

The present system in many industries of relating the rate of neutralisation only to the minimum basic wage, is illogical and imposes substantial losses on the semi-skilled, skilled and highly skilled workers. Even where the rate of neutralisation for the minimum wage rate is near 100%, the same amount of dearness allowance will result in only about 35% neutralisation for the skilled or highly skilled worker. The neutralisation must, therefore, be applied at various wage levels and the appropriate rates of dearness allowance calculated therefor.

Question No. 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:- Where a part of the wage is paid in kind, the dearness allowance will naturally have to be related to that <sup>Part</sup> /of the wage which is paid in cash and not in kind. The calculation of the correct price index in such a situation will become highly complicated and in practice it may be unavoidable to use the overall index for the particular region or locality. The cash part of the wages may be calculated as a ratio of the total wage and the corresponding ratio of the full dearness allowance should be payable in such instance.

This, of course, presupposes that the commodities supplied as wages in kind, are constant in quality and quantity, and are adequate to meet fully the respective requirements of the workers' family.

#### Fringe Benefits

Question No. 147:- How should fringe benefits be defined? What should be their scope and content? To what extent do such benefits affect production costs?

Answer:- It would be difficult to define fringe benefits in any formal way. This is because content <sup>of</sup> /fringe benefits are subject to continuous alteration and innovation and new items of benefits under this category are being thought about all the time. Nor would any useful purpose be served by attempting any

formal definition of fringe benefits.

The term fringe benefits is broadly applied to all those benefits which a worker claims and obtains apart from the major service conditions of wages and hours of work and in addition to the minimum standards prescribed by legislation in respect of matters such as paid holidays, sickness benefit and such other conditions.

The fringe benefits do not add significantly to production costs. Their money value is only a small fraction of the total labour cost which itself is a small part of the total production cost.

Question No.148:- How far can the fringe benefits be a substitute for higher money earnings?

Answer:- Fringe benefits can never be a substitute for satisfactory wage levels as such.

Wage Differentials

Question No.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:- The present wage differentials in the industries in which the Mill Mazdoor Sabha operates emphatically do not reflect the actual work content involved in the various occupations.

For instance, at present a completely unskilled new begari earns about Rs. 190/- per month including dearness allowance. An experienced worker running a calender machine or an old-model stenter machine earns only about Rs. 196/- p.m. The difference between their total earnings is only about 3%, though the machineman needs experience, knowledge of the machine and the processes and is responsible for satisfactory quality and quantity of the output. Similarly, a drawer which is a skilled job earns in all about Rs. 250/- p.m. i.e. about 30% more than unskilled worker. Again the weaver who is the key production worker in the industry earns on 2 looms about Rs. 235/- p.m.

and even on 4 looms, about Rs. 280/- p.m.. Considering the skill, responsibility and the other factors that go into a weaver's job, the difference between these wages and those of a begari is not adequate.

Question No. 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:- Please refer to reply to questions 141 to 142.

Methods of Wage Fixation

Question No. 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.

Answer:- Wherever possible the method of collective bargaining should be adopted for fixing the wages. In those sectors where the inherent capacity of the workers to get organised and achieve a parity of bargaining strength with the employers does not exist, wages should be fixed by statute. Adjudication and Wage Boards have not proved to be very satisfactory for fixing wages. Arbitration, wherever the parties themselves prefer it can yield good results; but not where it is imposed by law.

Question No. 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:- In collective bargaining it would be unwise to place an excessive emphasis on national agreements. Neither the organisations of employers nor of workers are today in a position to engage in bargaining on a national scale. Quite satisfactory results can be achieved by bargaining on an industry-cum-region basis and this is the form which should be favoured at the present stage. Unit level bargaining

cannot, however, be ruled out in many sectors.

Question No.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:- The purpose with which Wage Boards were set up has not been achieved. While Wage Boards have introduced some degree of participation by the parties themselves in wage fixation, such participation is very limited. The pressure to reach unanimous recommendations usually compels the representatives of workers to go on making concessions while there is no similar pressure on the representatives of employers. If unanimity is not achieved the employers do not stand to lose anything. Hence, there is a premium on rigidity on the side of the employers. Secondly, the process of wage fixation through Wage Boards has proved to be extremely time-consuming. The stagnation in wages for several years while the Wage Board is sitting, is prejudicial to the workers interests. Finally, there are hardly any clear, generally accepted policy guide-lines for Wage Boards. Consequently, the Wage Boards have failed to come up to expectations.

We have indicated earlier the need for a greater frequency in adjusting the wage structures to changing conditions. The Wage Boards by imposing 5 year moratorium on wages in addition to the long time they themselves take, have introduced an undesirable degree of rigidity and stagnation in wages.

Question No.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:- It is doubtful if the Wage Boards of the kind that we have at present, will prove adequate for the task of establishing proper wages in the various industries. The whole approach to wages and to wage fixation must be re-examined and the emphasis should be on taking positive steps for introducing greater flexibility and frequency into wage revision as also actively



encouraging wage fixation by collective bargaining. For instance, the question needs to be examined whether in industries where only a limited number of units are in operation and the workers are adequately organised, such as steel or ports and docks, it was wise to set up Wage Boards rather than place the responsibility of fixing wages squarely on the parties themselves.

(b) If Wage Boards have to continue inspite of their limitations, it is necessary that their recommendations should be given legal status.

Wage Policy

Question No. 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:- The different factors enumerated in this question are broad concepts that are difficult to quantify. Further, the relative priority to be given to the various factors depends upon the particular socio-economic philosophy that one accepts. Besides, they are not at all totally independent of each other; but do interact in a very real sense. For instance, higher wages to labour cannot be viewed merely as additional costs to industry or adrain on capital formation. By securing better standards of nutrition and housing higher wages can actually contribute to greater productivity and profitability in industry and, therefore, increased capital formation. It is, therefore, not possible even in theory to lay down any simple formula that will relate wages to the various factors like the needs of workers, development of industry, capital formation, profits and so on.

Even assuming for the sake of argument that such a theoretical formula could be developed, it is unlikely that it will gain general acceptance, because the assumptions that will need to be made before such a formula can be constructed will

necessarily be subjective. Further, the person or persons producing such a formula will have to be credited with a degree of omniscience which is neither vindicated by experience nor consistent with a democratic set up.

There is no substance at least in our country <sup>in the plea</sup> that the interest of consumers suffer because of the workers demand for fair wages. It is true on the other hand that the industrialists, unending hunger for high profits and the excessive levies by the Government, as in the case of the Sugar Industry, do affect consumer interests. The trade unions in our country are not still so strong that they can achieve wages of such an order as to become a burden on the consumer. Besides, in most industries wages are only a small part of the costs. Reasonable increases in wages do not, therefore, add so much to the costs as to harm the interest of the consumers. So far as wages are concerned, the consumers' interest is a bogey raised by employers in order to create a climate of opinion against rising wages.

Question No.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.

Answer:- An integrated view of wages, incomes and prices is more easy to talk about than to adopt in practice. It is a fallacy to assume that some automatic relationship exists in these. The socio-economic objectives are the most important determinant of the relationship among these factors. Besides, the difficulties of quantifying them and of creating an operational mechanism for securing their regulation are proverbial. We are definitely not in favour of the idea that in a country like India any integrated wages, incomes and prices policy is possible or desirable. Such a policy, we fear, may be a guise for

restricting wages and other benefits to labour at unfairly low levels. Experience has shown that the ability of the Government to exercise any kind of control on incomes and prices is negligible.

Question No. 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:- We are emphatically opposed to any policy of 'wage freeze' in India. Such a policy will be a gross injustice to workers and will not serve any national interest. By aggravating the discontent among the working people, such a policy will undermine the efforts for rapid industrialisation and raising productivity. It must be clearly understood that the trade unions will not accept any kind of wage freeze.

Question No. 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:- The implications of the expressions 'sectoral balance' are not very clear. It is perhaps suggested that wages in the public and private sectors may be different but a balance should be maintained between them. If this is the implication, then we are emphatically opposed to it. In our opinion there is no justification of any kind for wages in the two sectors being different for the same industries and regions or for similar kinds of employments. This is also the view taken by the Supreme Court of India in the Hindustan Anti-Biotics (Pimpri) case.

#### Mode of Wage Payment

Question No. 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:- There is no payment of wages in kind in the industries covered by this Sabha.

There is no advantage in payment of wages in kind unless two conditions are assured (1) that the quality and prices of the commodities supplied as part payment of wages are constant

and (2) the actual distribution of the commodity is made through agencies not under the control of the employer. If these conditions can be ensured then we would <sup>favour</sup> payment of wages in kind in the present context of rapidly rising prices.

Question No.160:- To what extent is the method of paying unskilled workers on time scale of pay common? Would you favour its extension?

Answer:- In our industry unskilled workers are paid on time-rates but there are no incremental scales. We are definitely in favour of incremental time scales being introduced for all workers including the unskilled.

Question No. 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?

Answer:- Normally, in our opinion, payment by time is the most satisfactory mode of wage payment and such wages should be be frequently adjusted to the prices.

The payment of production bonus as a permanent, part of wages is not a very desirable or practicable proposition though as short range devices to improve labour performance. productivity bonuses are useful. Production bonus is related to workers' performance and does not ensure that the worker will benefit also from rise in productivity resulting from various other factors. Again, viewing production bonus as part of the wage militates against the principle that such bonuses should not be made an excuse for keeping the substantive wage rates at low levels.

#### General

Question No.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 administration of the Minimum Wages Act has been far from satisfactory mainly for the following reasons.

1. The appropriate governments have been most indifferent & lethargic in taking action under the Act.
2. The revision of minimum wages once fixed has been done at very long intervals, if at all.
3. The minimum wages fixed have not taken enough note of even the bare subsistence need of the workers concerned. They have been fixed purely on considerations of the employers' profits. This has really defeated their very purpose.
4. The machinery for enforcing the minimum wages has been largely ineffective.

We have already suggested a different, and in our opinion a better approach to the question of fixing minimum wages, in reply to questions Nos. 138 and 139 above.

Question No. 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:- The Payment of Bonus Act, 1965, after the decision of the Supreme Court striking down Sections 33 and 34, is grossly unfair to workers. In our opinion since these two sections have been struck down, the law should be amended to give effect to the original majority recommendations of the Bonus Commission.

Question No. 164:- What should be the place of bonus payments in the future system of remuneration?

Answer:- In the foreseeable future, there seems to be no possibility that bonus will cease to be looked upon by worker as a part of their total remuneration. Perhaps, when the general wage level rises to sufficiently high levels and when wage revision becomes a frequent and effective process the importance of bonus as a part of the remuneration may decrease.

VI. INCENTIVE SCHEMES AND PRODUCTIVITY

Question No.165:- What steps should be taken to introduce a system of payment by results in industries/activities where this system would be appropriate?

Answer:- In the Art Silk Industry and the Hosiery Industry a large proportion of workers are paid by straight piece-rates. However, due to the irregularity in the availability of raw materials and other factors beyond the control of the workers, they are not assured a steady and adequate flow of work. Disputes are common about the loss in earnings because of these factors as also due to the unsatisfactory conditions of the machines, poor quality of material and so on.

Our experience is that those industries which cannot ensure a reasonably steady supply of work to the workers have great difficulty in introducing or operating any system of payment by results.

Question No.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 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 equality 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.

Answer:- We agree that an incentive scheme should never be introduced without an agreement with the trade unions concerned. However, we would stress that it is necessary to ensure in the first place that conditions in the industry are suitable for the successful introduction of an incentive scheme.

(b) Agree.

(c) Agree.

(d) It is possible to frame incentive schemes without a work study. However, it is not very wise to do so, since in the absence of a proper work study, reliable estimates cannot be made about the prevailing index of performance and the possible increase in output. What is more important, incentives are generally considered to be a technique to be adopted after the conditions, and methods of production have been studied and improve as much as possible. Hence, in the absence of proper work study the success of an incentive scheme may be in doubt and problems may arise later on, which may prove very difficult to resolve.

e) We do not agree. Even the best incentive schemes have their own draw-backs and generally lead to various kinds of complaints from the workers. We are of the view that time-rated systems are the best mode of wage payment, and incentives should be adopted only to secure an improvement in the workers' performance where it is unduly low. Once such improvement is achieved, the average amount earned as incentive should be incorporated into the time-wages. It is unlikely that a level of performance once achieved will slide back even in the absence of an incentive scheme provided, of course, that the total pay packet of the worker is not reduced.

f) Since the present levels of wages apply at the present levels of output, any increase in the output above the present should be rewarded by incentive payments.

g) Sometimes a part of the output of a worker may be defective due to causes not within the control of the worker. In such cases it would be wrong to exclude such production from the calculation of incentives. However, if the worker himself is responsible for any defective production then that part of his output may be excluded from the calculation of incentive earnings.

h) Agree. In our view this <sup>is</sup> very important.

i) Agree. In our view this is very important.

j) Agree. Present day managements, in our opinion, pay hardly any attention to the non-financial incentives.

Question No. 167:- What should be the respective roles of labour, management and Government in raising productivity?

Answer:- The role of labour in raising productivity is mainly a responsive one. Where suitable assurances are given to workers about security of their jobs, equitable sharing of the benefits and protection against excessive workloads, labour generally responds positively to the efforts to raise productivity. The climate of industrial relations in the particular work place, however, has a decision influence on the attitude which workers will take to productivity. The initiative in raising



productivity does not usually lie with the workers. Where special efforts are made by management through joint consultation, suggestion schemes and so on, to tap the resourcefulness of the workers, spectacular results can be achieved in raising productivity.

Management, of course, has the primary responsibility in raising productivity. Most of the decisions that affect productivity lie at present within the powers of management. They must be keenly alive to the need for raising productivity, must have the necessary expertise about the organisational, technological and human factors which affect productivity and should make proper use of such expertise. They must have a broad national outlook rather than a narrow profits-centred one.

The Government has to provide a healthy economic, social and political climate where both labour and management can feel assured that a continuously rising level of productivity is both possible and desirable, and that the benefits of such productivity can be equitably secured for all. This implies an adequate rate of growth of the economy, political stability, genuine democratic rights for all social groups, equality of opportunity and purposeful measures to ensure social justice.

The Government also has the responsibility of providing an adequate infra-structure for the nation's economy so that the availability of the basic requisites for raising productivity can be ensured.

It is of the utmost importance that the economic and social policies pursued by the Government are such as to ensure a rapid rise in the standard of living of the workers, and greater opportunities for them to raise their own standards. It is also equally important that the present very high incomes of the privileged few be cut down and their vast control of the nation's economy be ended.

Question No. 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:- The gains of productivity can be measured in various ways and there are well-recognised techniques for doing so. They will not, however, yield any simple or ready formula for allocating the gains to different factors or for sharing the gains.

We would stress here that the whole idea of allocating the gains to different factors is falacious and potentially dangerous. It is sometimes argued by employers that workers can claim extra rewards only if they have directly contributed to any increase in productivity. This is not acceptable to us. In the long run, any major increases in productivity can come only through better methods and higher technology. What can be achieved purely through workers' efforts must at best be limited. To shut out the workers from the benefits of higher productivity resulting from improved methods and higher technology will, in effect, amount to condemning them to a low standard of living for all time and raising the wealth and power of a privileged few beyond all proportion. A high standards of living in the developed countries has been achieved through higher technology and improved methods and not through proportionately greater efforts by workers. If that is not the philosophy to be adopted in India also, there is no valid reason why the workers should cooperate in the improvement of methods and technoligy.

Question No. 169:- Have increases in productivity matched with wage increases in the years since Independence? Please give supporting statistics.

Answer:- All available statistics show that improvement in labour productive have not be matched by improvement in wages since independence. The index of labour productivity in real terms in manufacturing industries stands today at approximately 160 while that in mines at approximately 130. (base 1951=100) On the other hand real wages today are considerably lower than in 1951, both in factories and in mines.

Question No.170:- Has any undertakings 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:- In the industries covered by this Sabha hardly any units have initiated any productivity efforts, apart from introduction of some modern machinery. The response of the workers has been positive where the appropriate safe-guards were provided to them.

There have also been a number of instances where the workload on the workers has been raised by changing over from 2 to 4 looms per weaver, and such other changes.

Question No. 171:- What place would you assign to suggestion schemes and institution of awards for outstanding work to improve productivity?

Answer:- Suggestion schemes and awards to workers have some place in raising productivity only if they are adopted as a part of a total effort and are backed by the correct management attitudes, industrial relations and institutional devices. In the absence of the latter, the suggestion schemes or awards by themselves are totally ineffective.

Question No.172:- What are the factors contributing to labour turnover and absenteeism? How do they affect improvement in productivity? (See also Q. 183)

Answer:- The factors contributing to labour turn-over and absentism are: (1) deplorable housing conditions of workers (2) poor industrial relations. (3) disturbed social and political conditions (4) poor standard of nutrition and health of the workers. (5) poor working conditions. These do affect productivity adversely; but their effect is not any greater than several other factors for which workers are not responsible, such as, inefficiency and selfishness of management a bad working conditions poor maintenance of machinery, and so on.

Question No.173:- What is the place of the motivation of worker for improving his standard of living in the successful working of incentive schemes?

Answer:- Workers are anxious that their own standard of living should rise and so motivation already exists in that respect. That alone has very little influence on the success of incentive schemes. The various other factors are far more important in this respect. They are: (1) the attitude of the management (2) state of industrial relations (3) the availability of right techniques and skills. (4) the conditions of the industry itself (5) the broad social, economic and political climate in the country.

Question No.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?

Answer:- Go-slow, work-to-rule and bar on over-time are pressure devices adopted by workers and their unions for pursuing their demands or resisting injustices from the employers. They have no direct relationship to productivity. In the immediate context, they no doubt impede production, but that is a part of their intended impact. It would be misconceived and unrealistic to link up these with productivity and to ask the unions to desist from them on the ground that they affect productivity adversely. The proper steps for avoiding them lie in the field of industrial relations and not in the field of productivity.

Question No. 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:- The concept of productivity implies the best possible utilisation of the available resources. Mechanisation in this sense is an extraneous factor and should be treated as such.

Better utilisation of labour is the essence of rationalisation, but in practice it is rarely viewed as such. What is commonly understood by rationalisation is increase in the workloads of workers. The contribution that this alone can make to productivity is strictly limited in the absence of efforts

simultaneously in other fields also.

The recommendations of the 15th session of the Indian Labour Conference are sound as far as they go. Their effective implementation, however, has proved to be almost impossible. The Industrial Tribunals and Courts, which, in the last resort, have to decide these questions are guided more by legalistic considerations than by recommendations of the Indian Labour Conference. Thus they have not given any protection to the workers from retrenchment resulting from rationalisation, their technical understanding of the problems of workloads has been very inadequate and the rewards that they have passed on to the workers have been generally meagre.

We are of the view that problems arising from rationalisation can best be handled in a bipartite manner through collective bargaining and the widest possible opportunities should be provided along with appropriate technical advice and help to the unions.

Question No.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?

Answer:- (a) In the present phase and perspective of development we feel that automation is not likely to bring any benefits to the national economy.

(b) Automation will invariably aggravate labour-management relations.

(c) There should not only be a special machinery to study the problem but there should be rigid restrictions on the adoption of automation without first fully examining and resolving the problems that are anticipated to arise from it.

Question No.177:- How far has the National Productivity Council been effective in generating enthusiasm among employers and workers in increasing productivity?

Answer:- The National Productivity Council has generally succeeded in spreading the awareness about productivity and,

to a lesser extent, in spreading the knowledge and techniques regarding them. The work done by the Productive Councils actually on the shop floors has been very limited.

In our view the efforts of the Productivity Councils have not reached the medium and the smaller undertakings where the prevailing productivity is the lowest. So far as the industries with which the Sabha deals are concerned, the efforts of the Productivity Councils do not seem to have made any impact whatsoever.

VII. SOCIAL SECURITY

Question No. 178:- (a) What effect do the social security schemes have on stability 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?

Answer:- (a) In the factories, where the social security scheme, is applicable, it has a good effect on stability of employment. It has discouraged excessive turnover among the workers. Industrial relations are also improved.

(b) Yes. A qualifying period for entitlement of these security schemes has led to larger Labour turnover. Workers are finding difficult to get job immediately after their retrenchment, in other factories. For example, because of six months' period for withdrawal in Provident Fund Scheme, employer refuse to employ them till he withdraws Provident Fund amount. Secondly, there is a tendency to stop workers from work before the completion of qualifying period.

Once an employee becomes qualified under Provident Fund Act, he should be treated as qualified even if he withdraws the amount.

Question No. 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 programme for introduction of the benefits not currently available be phased?

Answer:- (i) Medical Care:- Yes. As per E.S.I.S. Scheme.

(ii) Sickness benefit:- As per E.S.I.S. Scheme.

(iii) Unemployment benefit:- No. A scheme to provide this is reported to be under study.

(iv) Old age benefit:- No old age benefit except Provident Fund Scheme.

(v) Employment injury benefit:- As per Workmen's Compensation Act and E.S.I.S.

(vi) Family benefit:- No.

(vii) Maternity benefit:- Only as per the provisions of the Maternity benefit Act and E.S.I.S.

(viii) Invalidity benefit and Survivor's benefit:- No.

b) The cost of existing Social Security Schemes in relation to the total cost of production is quite low.

c) The benefits are not adequate.

d) First priority should be given to unemployment benefit, then old age benefit, Invalidity benefit and Survivor's benefit, employment injury benefit, sickness benefit, Medical care, family benefit and then Maternity benefit.

Question No.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:- Those who remain uncovered by the Scheme should be brought under the Scheme immediately. It is not desirable to keep this gap in Security.

Question No. 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?

Answer:- We fully agree with the recommendations of the E.S.I.S. Review Committee. It will be very useful to have a single enactment covering various social security schemes.

Question No.182:- Should the provisions for exemption from the ESI Scheme be tightened? How should this be achieved?

Answer:- The recommendations of the ESIS Review Committee should be adopted.

Question No. 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:- There is no evidence that the absenteeism among workers in Factories covered by the E.S.I.Scheme has tended to increase. Some few individuals may abuse the facility, but not many do.

Those workers who are not taking advantage of this

E.S.I.Scheme, should be given some reward. It will minimise the tendency of absenteeism.

Question No. 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 administrating medical benefits what should be done to ensure that a uniform standard of medical benefit is available to insured persons in all States?

Answer:- The Corporation should take over the administration of medical benefits under the E.S.I.Scheme.

Question No.185:- What should be the respective shares of contribution from employers, workers and Government in any scheme of social security?

Answer:- Government should also be one of the contributors of different social security funds along with employers and employees. If the Government is also made to contribute, the increasing burden on the employers and employees can be somewhat reduced.

Percentage should be as follows:

Government	---	40%
Employers	---	40%
Employees	---	20%

Question No.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:- In Provident Fund Scheme, steps should be taken to convert it into a pension scheme only.

Question No.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?

Answer:- If the present scheme is to continue the pattern of investments must be changed. The entire amount should be invested in other social benefits such as Housing etc.

Question No. 188:- Are any changes called for in the Scheme to make the administration more satisfactory?

Answer:- Yes. The present administration is not satisfactory because of the delay in payment as well as in receipts.

Question No.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 No. 190:- What should be the place of gratuity payments in an overall social security programme?

Answer:- The gratuity is a sum which is useful to a worker immediately after his retirement and, therefore, it should continue. There should be uniformity in the gratuity scheme in all the industries as well as in all the states.

Question No. 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:- Provisions of Lay-off Compensation should be made applicable to all employees irrespective of the number of workers working in a factory (i.e. limits of fifty should go).

As per the present legal provisions, employers can deduct an amount of lay-off compensation from the retrenchment compensation. This provision should not be there.

Question No.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:- The administration of the social security benefits is a primary duty of the trade unions. But in the present condition of the trade union movement in the Country it may not be possible to hand over it immediately. But it can certainly be the aim and object. Till the trade union become capable of administering the social security schemes they should make available full cooperation to administer the scheme efficiently and it should be handed over to independent corporation consisting of representatives of Employers, Employees and State Government.

VIII LABOUR LEGISLATION

It is said that the best Government is one which governs the least. That is more true in the field of labour. The best labour policy is one which necessitates the least interference of the Government and which enacts the least legislation. Such has been the policy in a number of countries where the labour matters are left to the parties themselves who settle them through collective bargaining. It is true that all such matters are not settled through peaceful negotiations. In quite a number of cases, direct pressure through strikes or lockouts, is used or threatened. However, there is nothing to be panicky about that since such occasions are exceptional because the threat of direct pressure in case of failure of negotiations, makes the parties more realistic and sincere about negotiations. The parties, therefore, leave no stone unturned to settle the matters during the negotiations. Besides, in many cases, the parties have a mutual agreement to refer the disputes to arbitration in case of failure of negotiations. Thus the advantages of leaving the labour disputes to the parties themselves outweigh the risks of stoppage of work through strikes or lockouts.

However, in the labour field in our country, the emphasis has always been on legislation and state intervention. Firstly, the labour legislation is framed with the intention of regulating the industrial relations in all its details leaving practically no scope for collective bargaining. Secondly, at all stages the parties have to be at the mercy of the Government machinery which instead of bringing about an early settlement makes the negotiations very formal and prolongs the proceedings needlessly.

It is said that an underdeveloped country cannot afford to lose production and, therefore, should not leave any scope for the parties to resort to direct action and hence the need for elaborate labour legislation. However, this argument is based on an unfounded presumption that free

collective bargaining would necessarily mean recourse to stoppage of work. On the contrary, collective bargaining without much intervention of the Government would bring the parties much nearer and would help develop healthy relations between the parties. It cannot be denied that a few stoppages might occur. But they do take place even now when they are prohibited under the present legislation. Many times, direct pressure becomes a necessity to make a break-through in a given situation when the things do not move at all through other channels. In such cases, direct action acts like a surgery/<sup>which</sup>ultimately protects the health of the patient though disabling him for the time being. Industrial relations, therefore, must be left to collective bargaining rather than made a subject of labour legislation. . .

However, that does not mean there should not be any legislation at all on labour matters. In an underdeveloped country like ours, sizable part of the labour force would be working in very small industries or on farms where their bargaining strength would always remain very poor. In such cases, laws shall have to be enacted to protect the interests of such working class and to ensure them a minimum standard of living and other conditions. Laws shall also have to be framed to punish the parties committing a breach of the awards or agreements or the provisions of law. In all other cases, the legislation should be conspicuous by its absence.

The Government on its part should not intervene in industrial matters except in cases of <sup>grave</sup>threat to law and order and in cases of prolonged stoppages of work seriously affecting the security or economy of the country.

As regards the legislation like the Factories Act and that on Social Security Schemes, employees do not suffer so much from inadequate provisions as from the non-implementation of the present provisions due to lack of initiative of the Government authorities in whom the executive powers are vested. In such cases also, if the labour is given the latitude of using

organisational pressure against the guilty employers, it will ease the situation to a great extent.

In respect of legislation on minimum wage, though it is quite understandable to fix industrywise minimum wage, it is very desirable that a certain minimum wage should be fixed state-wise whereby no workman in a given state shall be paid less than that minimum irrespective of which industry he works in. Here again, the non-implementation of the present provisions is a big problem which may be tackled on lines suggested hereinabove.

In the above few lines, only our broad approach towards the labour legislation in India is indicated. It may not, therefore, cover all the questions on this topic. It is, therefore, proposed to reply only to such questions as are not already answered hereinabove.

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Question No.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/objective for which they were enacted? If not, what factors have hindered the achievement of these objectives? (See also Q.12).

Answer:- The labour laws have not satisfactorily achieved the objective. The factors that have hindered the achievement are:

1. Faulty drafting which leaves much scope for different interpretations and leads to litigation.
2. Government authorities and the Courts, Tribunals, etc. attach too much importance to the letter rather than the spirit of the laws.
3. Delay in the implementation of the provisions of law at all levels defeats the very purpose of the laws.
- 4) Easy access to High Courts and Supreme Court in industrial matters encourages litigation which strikes at the root of healthy industrial relations.
5. Government authorities are very reluctant and slow in exercising the powers vested in them to implement or getting the various provisions of law implemented.

Question No.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:- They have not worked satisfactorily. Especially they have failed in preventing victimisation has been permitted through the emphasis on the sanctity of the domestic enquiry the back door methods like discharge-simpliciter or simple retrenchment. In case of retrenchment, once the conditions of notice and retrenchment compensation are fulfilled, employers get a green signal to shut out his workers which in many cases is either victimisation or lock-out. These innocent-looking weapons in the hands of the employers are being used very often to suppress the legitimate trade union activities.

A very important lacuna in the present labour legislation has been that freedom of action is given to the employers while it is totally denied to workmen. The employer can rightly or wrongly dismiss, discharge or retrench his workmen without the fear of being questioned in the near future. By the time ( which is very long ) he is perchance brought to book for any illegal act, he would have already secured his objective of suppressing the legitimate trade union activities of his employees. On the other hand, the workmen have no freedom of action against the employer under the present legislation. He has to submit to all the orders and the atrocities of the employer lest he has to face the termination of service in which case he has to starve for years before, if at all, he gets justice from courts. Here again, the tendency of the Courts or Tribunals has

been very peculiar in as much as even a small technical breach of the provisions of law by an illiterate workman is held to be sufficient to justify the highest punishment to him while even major, intentional violations of law by the employers are connived at even by the courts as mere 'technical irregularities'. This has created a major imbalance in the process of collective bargaining.

(b) Except for sickness and disablement benefits available to the employees of selected industries and areas, most of the other directive principles on labour matters have not been taken seriously so far.

Question No.196:- Are the present constitutional arrangements under which labour is a concurrent subject satisfactory, particularly from the point of view of the administration of law laws? Are any modifications by way of centralisation/decentralisation of certain activities and functions necessary?

Answer:- The constitutional arrangement of Labour being a concurrent subject is quite satisfactory. However, that should not allow a part of the labour force in one state being governed by the Central Acts and the rest by the local Acts. Except in cases of employees in Central Government Administration, all other employees in one state must be covered by the same set of labour legislation. Centralisation of labour administration is altogether undesirable. However, the legislation in various states should be on as uniform a basis as possible.

Question No. 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:- There has been some favourable influence of international labour conventions on the progress of labour legislation in India. Constitutional provisions on labour matters have proved to be ineffective so far.

Question No.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?

Question No.200:- Is there need for consolidated and codification of existing labour laws? Please suggest the lines on which codification should be undertaken.

Answer:- The impression that there is too much labour legislation in India is created because the labour legislation is enacted in piecemeal manner and, therefore, produces many Acts. Therefore, there is great necessity of consolidation of labour laws in broadly divided subjects.

Consolidation of labour legislation shall have to be done very cautiously. Care shall have to be taken to see that the process of consolidation does not lead to making the industrial relations rigid. These ought to be kept flexible and should leave room for genuine of collective bargaining. The purpose of codification should be to remove from the present legislation the vagueness and ambiguity leading to litigation in various provisions which require to be clearly laid down on paper.

Question No.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:- The tripartite instruments like the code of Discipline, Industrial Truce, Resolution etc. have not been successful. The main reason of the failure lies in the fact that there was too much formality in the proceedings which ultimately became a revised form of conciliation. A part of the responsibility of the failure also lies on the central organisations of employers as well as labour who were found to be too weak or unwilling to discipline their guilty affiliates.

LABOUR INFORMATION AND STATISTICS AND RESEARCH

Labour information and statistics are important not only as means to the proper appreciation of the different aspects of the prevailing labour situation but also as tools for framing policy for the future and for evaluating the results of present policy. But, to be really useful in these respects the information and statistics have to be adequate in coverage and reasonably recent and accurate. The statistics collected at present are lacking in all these respects. This is conceded in question 212 of the questionnaire of the commission itself. Evidently, they cannot serve the purpose which they are intended to serve.

2. The information and statistics that reach the Government at present are not the result of active, purposeful efforts but the bye-product of the administration of labour laws. The agencies which administer the laws can hardly be expected to comprehend fully the value of the facts and figures that are contained in the various returns filed with them, as tools for framing and evaluating policy. Pressed as they are with the burden of routine administrative or inspection work, it is not surprising that they are not conspicuously attentive or prompt in securing the prescribed information and figures or in compiling and forwarding it to whoever is supposed to receive it from them.

3. In many cases the information coming to the field administrative agencies has to go first to the State Government who in turn forwards it to the specialised bureaus where it is analysed and processed. This introduces a stage which serves no purpose other than causing further delays in the onward transmission of the information, since the State Governments have not so far shown any interest in the analysis or interpretation of the information or in using it for its own policy decisions.

4. The attitude and approach of the Government towards the collection of information and statistics must, therefore, change basically. The responsibility of collecting the basic factual information is clearly that of the Government and no other agency can do it equally well. The importance of this work demands that it should be looked upon by the Government as a substantive task and not just an incidental one. Instead of waiting passively for information and returns to be submitted by factories and employers, information must be actively sought in an organised manner keeping in view the purpose it is to be put to.

5. It must, on the other hand, be recognised that to the individual employer or factory, submission of a wide variety of information and figures at frequent intervals to a number of different authorities is a job which brings no obvious or tangible returns, whatever may be the value of such information to the Government. Any excessively heavy, elaborate or time-consuming demands upon him for information and figures may, therefore, prove self-defeating. Nor is legal compulsion likely to prove very effective unless the demands upon the factories and employers are kept reasonably simple and manageable in the first place. Needless duplication or details must be particularly irritating and have to be avoided.

6. The collection of information and statistics must, therefore, be conceived, planned and carried on as an integrated task. The precise figures and information to be collected, the form in which it can best be done and the organisation to carry

on such collection must be fully examined at an expert level and carefully planned. In such examination, the objectives must be (a) adequate coverage both physical and topicwise, (b) Speed of collection, tabulation, analysis and publication, (c) Accuracy of the collected information and (d) simplicity and convenience of the parties submitting the information.

7. Conceived and planned in an integrated way as suggested above, it will be possible to bring uniformity in the definition of various items and ensure a fair degree of comparability in the statistics. Further, far from adding to the work of those from whom information is to be obtained, it will be possible to actually reduce and simplify their work and thereby secure improved response from them. The agencies which administer labour laws can be relieved of the job of receiving and forwarding a lot of information and figures most of which are of little direct use to them in their own administrative work. This could lead to better utilization of their time and energies. Such of the facts and figures as are of direct help to such agencies in their administrative work may be regularly supplied to them by the specialised information gathering agency, thus reversing the direction of the present flow of information.

8. There are certain administrative agencies which are already doing a good job of collection and compilation of information and statistics. The Employees' Provident Fund and the Employees' State Insurance Corporation obtain in the normal course a vast volume of information and figures on important questions like wages and earnings, employment, labour turnover, morbidity and so on. What is more, this information is far more fresh than is normally available to the Labour Bureau from other channels. This, perhaps, is due to the fact that they receive the information directly from the primary sources, which seems to confirm the view that direct, integrated collection of information may be more efficient than the present system.

9. In the few instances like those mentioned above, where administrative agencies do gather much valuable information and statistics which are quite fresh, they should not be divested of this function. It is doubtful, however, if these agencies make any further use of such information by analysing and interpreting it and using it for framing policy. Such information, especially on earnings employment etc, could prove useful in cross-checking that on these subjects gathered through other channels. It is necessary that whichever specialised agency is responsible for compilation, analysis and interpretation of the information and statistics should make all possible use of the material available with the E.P.F., ESIC and other similar agencies.

10. Collection of facts and figures necessarily be a vast exercise. Trying to ensure an equally high degree of comprehensiveness, speed and accuracy in every sector of this vast field may prove self-defeating. A selective approach may prove more fruitful. Not all kind of information is equally useful in understanding prevailing trends and framing and evaluating policy. The need for speed, accuracy and comprehensiveness is especially high in respect of such information as is particularly useful in these ways. The collection of such information must, therefore, be organised on a priority basis, while other kinds of information can be permitted to take somewhat

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longer. Even in that, however, correctness and adequate coverage may not be sacrificed.

11. The selective approach suggested above should give high priority to information on the following topics:

1. Employment
2. Wages and Earnings,
3. Consumer price indices,
4. Accidents and occupational diseases, and
5. Industrial disputes.

Apart from the above, data on social security is gathered fairly satisfactorily by the administering agencies themselves as noted above.

12. We have suggested above that the collection of information and statistics should be conceived, planned and carried on as an integrated task. A central specialised agency like the Labour Bureau should be responsible for this as also for processing the data. Since the area to be covered is geographically very large, the central bureau will have to have a field organisation of its own doing the actual collection of information directly under its instruction and forwarding the information directly to it. The central bureau should arrange to make available to the State Governments the information relating to their respective States as promptly as possible.

13. What information needs to be collected is primarily for the experts concerned to decide, keeping in view the conditions in our country. For instance, under the head 'industrial disputes' at present, figures of strikes and lockouts are published. In our country, the more usual channels of processing disputes are the conciliation machinery and the Industrial Tribunals. Little information is available at present about the number, classifications, results etc. of disputes processed through this channel, the time factor involved in it and so on. Such information is necessary to assess the effectiveness of the present methods of dispute-processing.

14. Again the vast number of settlements and awards that are continuously coming out cumulatively result in significant changes in service-conditions. Yet, systematic and continuing efforts to extract, analyse, classify and compile the information contained in these settlements and awards are not undertaken yet.

15. Thus a systematic examination of the present practice will suggest several topics on which information and figures could be usefully collected.

#### Consumer Price Indices.

16. Compilation of Consumer Price Indices is still in an unsatisfactory state. The family living surveys on which the indices are constructed, are carried out at inordinately long intervals, in an ad hoc way. It is now generally recognised that such surveys should be made at intervals of not more than 10 years so that the indices compiled do not become largely unrelated to the changing pattern of consumption. Family living surveys and construction of fresh indices are a time-consuming job especially when it has to be done for a large number of

centres. It must be so planned and organised that it can be repeated at ten-year intervals. The problems created by failure to do so were sharply brought into focus by the findings of expert committees that the indices in Bombay and Ahmedabad needed correction. There is little doubt that those for other centres are incorrect to varying degrees. And unless the indices for the various centres are correct, the All India index will also be incorrect.

17. Assuming that the correctness of the individual indices for the various centres is ensured, the validity of weightages given to the centres themselves in computing the All India and Regional indices will determine the correctness of these indices. These weightages must be based on the number of workers employed in the different centres. With rapid changes in the pattern of distribution of industries, the relative concentrations of workers in different centres must change continuously. Hence the weightages given to the different centres must also be reviewed at fairly short intervals and brought in line with the changed worker populations. This is not being done at present and hence, the All India Indices cannot be considered very accurate.

18. Regional indices which are not computed at all at present should be computed in future.

19. The compilation of consumer price index numbers is necessarily a complex process and the results obtained are at best only approximations. Absolute accuracy in compilations of this kind is not conceivable. All the same, it is important that there should be a continuous effort to secure the highest possible accuracy. It is equally important that those affected by these indices should feel satisfied that such an effort is made. The trade unions have been demanding for many years that their representatives should be associated in some way with the collection and checking of price data collected every month and the compilation of the indices. For some unknown reason, the Government has been reluctant to do this.

#### Social and Sociological Aspects.

20. Study of social and sociological aspects of the workers' conditions is, no doubt, necessary. These aspects may not, however be amenable to treatment in the same way as some of the other aspects like employment, wages or disputes which have been discussed so far. Collection and compilation of serial statistics may not be very practicable or useful in social and sociological fields. These studies could be better organised as specific projects from time to time and carried out by various competent specialised institutions in social studies and research. A few examples of such studies in labour markets, trade union leadership etc. have been made in limited areas. By entrusting them to such independent institutions, their expertise could be properly utilised, the official machinery relieved of burden to that extent and the objectivity of the studies reasonably ensured. Speed of execution may also be improved thereby. Some typical topics for such studies, which should be periodic, would be: (i) housing conditions, family planning, (ii) Educational facilities available to and availed of by workers' children, (iii) effects of considerations of region, language, caste etc. on the pattern of composition of work-force and its

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distribution among the skill-grades, (iv) cultural and recreational facilities available to and utilised by workers, (v) recruitment of labour, (vi) Proportion of fresh immigrants from villages in the total work-force in organised industry, (vii) upward social and occupational mobility and so on.

21. While the findings of such studies will lend themselves to statistical treatment, analysis and presentation, compilation of serial statistics may not be practicable or useful. Much of the work involved in the studies suggested above would be in the nature of social research though a part of it may be the collection and compilation of information which is already available.

### Research

22. Till a few years ago, there was hardly any genuine research work being done in the field of Labour in our country. Even today, it is by no means very extensive. Around the year 1961, the Government of India had mooted the idea of setting up a Central institute for labour research. The proposal had been discussed and approved in the Standing Labour Committee and some preliminary planning was also begun. Later, however, nothing further was done and the idea has, presumably, been dropped for some reason.

23. The present arrangements for labour research need to be vastly increased. To yield valid conclusions on complex questions, the findings of a number of independent investigations into such questions have to be brought together, assessed and reconciled. It is, therefore, necessary that as large a number of independent agencies as possible engage in labour research on as wide a range of problems as possible.

24. Fortunately, the universities are showing growing interest in labour as a field for research and a few institutions of social studies are also doing some work in this field. Again, a few institutions devoted to labour studies are getting established. It should also be possible for the institutions giving training in labour relations and welfare, can be induced to expand the field of their work and undertake research projects.

25. On the other hand, much of the work being done in the universities at present is of indifferent quality. It consists mostly of doctorate theses prepared by university students and there is hardly any attempt at basic investigation into any questions. University faculties have not themselves initiated many major research projects in this field as a part of their regular activities. Moreover most of such work in the universities is in the fields of economics and some in sociology. Little or nothing is being done in the fields of industrial psychology, the behavioural sciences or of industrial engineering, which are of vital importance in industry.

26. The following suggestions are offered to improve the present state of labour research:

i. A adequate financial resources should be provided for the purpose and should be provided for the purpose and should be made available to universities and other reputed

institutions engaged in social studies, training and research.

ii. The agencies working on research projects should have full freedom of choice of problems and techniques and of interpreting and publishing the results of their research. But it should be emphasised that the work should be such as will contribute to better conceptual understanding of particular aspects of labour problems or to deeper insight into them. Beyond this, the Government should not seek to direct or control the research activities of such agencies.

iii. The continuation of financial aid should depend upon the quality and value of the research already done. The quality and value should be judged not on whether the results of the research support a particular officially held view or not, but on the scope of the study, the correctness of the techniques, additional knowledge or insight developed skill and validity of analysis and interpretation and of course, the economical use of financial resources. Only persons of proven excellence should be recognised for directing labour research.

iv. Research institutions including universities should draw upon the experience and insight of persons in industry and trade unions in planning and execution of their labour research projects. At present research workers do sometimes consult management or trade union people in the execution of their projects. But a regular organised exchange of ideas and experience could be more useful in planning labour research activities as a whole and in carrying them out.

v. Facilities for training in labour research should be expanded.

vi. Much of labour research has to be done in live situations in the field. Willing co-operation of employers and trade unions is needed for it. This is often difficult to obtain because of the attitudes of employers and sometimes of trade unions too. Besides, the employers may feel put off by such research projects especially if they are asked to fill out lengthy and complicated questionnaires. Efforts should, therefore, be made with the help of the employers' Organisations and Trade Union Federations to create more favourable attitudes among their respective affiliates towards labour research. Research projects should also be so planned and carried out as not to make excessive demands upon the time and attention of employers and trade unionists.

vii. Handsome awards should be granted to persons completing research of outstanding quality and value. Persons directing such research should also be suitably decorated.

27. A central clearing house for labour research information should be set up where material on labour research being conducted all over the country should be continually brought together. Deserving parts of such work should be published in a standard periodical journal which is sure to have a wide readership. At present a few institutes do publish their own periodicals and some information on research is often found in the Indian Labour Journals. But the coverage of these is necessarily limited and so is their circulation. The Clearing house

should act in close liason with the central labour information bureau proposed earlier herein. Further the Government should undertake to finance the publication of important research projects in full since such full publication will not be possible through the journal only.

28. Trade unions in India do not do any research worth the name. This is partly due to lack of finance. But it is also equally, if not more, due to the fact that they do not seem to attach high priority to this function and therefore, have no motivation for it. It is for the trade movement itself to examine what place research should have in their activities. Any outside aid or encouragement can come only in response to a felt need within the movement itself.

29. On the other hand, availability of help and guidance in organising research activities could bring out any inceptent urge within the movement to organise such activities.

30. The facilities for training research personnel and the offer of grants for genuine labour research suggested above, should be open for trade unions also subject to appropriate qualifying conditions. It must be recognised that trade union research will necessarily be aimed at specific, more or less immediate objectives and their contribution to fundamental theory or concepts may not be much. Their worth must, therefore, be assessed within this context and not on their academic value.

31. Beyond making available the same facilities and help on similar conditions as offered to the other agencies, there is little that the Government can do to encourage genuine research activities by trade unions.

32. Employers organisations do engage in considerable research aimed at their own immediate or long term objectives. They have the resources to devote to this work and can employ trained personnel for it. As in the case of trade unions, there research can only be in response to felt needs and it is for them to choose their own areas of enquiry. There are no instances in our country like the famous Hawthorne project in the USA or the Glacial project in Britain where employers invite research into the working of their own organisations.

33. Since the specialised information gathering bureau suggested above will be the main repository of factual information and statistics relating to labour, it is necessary that all other research agencies in the country should have a ready access to such information. This, incidentally, implies that the bureau should be located at an easily accessible place. Normal analysis of the information coming into the bureau should be the responsibility of the bureau itself. But any special analysis or use of the information by the other research agencies should be welcome and all facilities for the purpose should be provided. An apex advisory body of experts can help the bureau in drawing up the broad guidelines for normal analysis special analysis being viewed as ad hoc exercises. No special standing arrangements appear to be called for such special analysis.

34. Trade unions have hardly any organised publicity activities aimed at the people as a whole. It is true.



that a number of unions and central organisations of workers run periodicals of their own. But these mostly circulate among their own members only and do not reach the general public. Occasional press-notes or publicity handouts are issued by unions when necessary. But the general press in the country is not known to give much publicity to them, except when some major strikes or other sensational developments are involved. The large volume of positive, day-to-day achievements of unions get little publicity.

35. The unions are not to blame for this state of affairs. The press in the country is owned and controlled mostly by big business and has little sympathy for labour or trade unions. The resources that would be needed to organise an independent labour press would be quite beyond the means of the trade union movement, especially since such a labour press will, for obvious reasons, be unable to attract a large advertisement income which alone can sustain periodicals. Hence, even if initial finance could be raised by the movement itself, - by no means an easy task - the running costs would still be difficult to meet.

36. Employers' organisations are in much happier position in this respect. They have the resources to organise their own publicity service adequately and the general press in the country is only too willing to provide the outlets for their publicity. They have, thereby, succeeded in creating a general impression in the country that Indian workers are lazy, overpaid in relation of productivity, indisciplined, unmindful of social interest and so on. The trade unions have been successfully projected as irresponsible organisations run by 'outsiders' seeking party-political or personal gain, inciting workers to rowdism and violence for exorbitant demands and eternally quarreling among themselves, causing harm to industry and to the country. All strikes by workers are successfully represented as anti-social and unpatriotic. The employers themselves, however, are painted as high-minded and progressive patriotse struggling to run industries on negligible profits, against heavy odds and oppressive labour legislation, people who take paternal care of their workers. The unions have been wholly unable to counter the publicity activities of the employers.

37. Heavily biased as the country's press is against workers, and trade unions, it is incapable of playing any positive role in educating public opinion on labour questions in general. Its assessment of industrial disputes has usually been so one-sided that it is powerless to even visualise equitable settlement of the disputes not to speak of shaping it. Indeed their influence has mostly been the opposite.