

CHAPTER TWO

THEORETICAL BASE OF THE STUDY

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2.1 INTRODUCTION

This chapter unfolds the theoretical basis of the study. We propose to give in this chapter a brief review of various definitions, the aims and objectives associated with Social Security and Labour Welfare Measures.

A detailed discussion of the various types of provisions of various Acts coming under the umbrella of Social Security and Labour Welfare Activities has also been given as a backdrop for further probe into the implementation of various Acts and Schemes in the Organisation under study.

2.2 SOCIAL SECURITY

"No lasting peace without social justice
No social justice without social security"

Leo Killbmann

Social security is as old as society itself. But its meaning, significance and institutional structure have undergone changes with the changes in needs, requirements and the level of social consciousness of the people. Modern science and technology have effected profused changes on human life. It is, therefore, that in modern times, the basic framework of social security has been fastly changing from that of assistance to insurance which is a progressive and welcoming step.

2:2.1 DEFINITION

Security is a state of mind as well as an objective fact. While social security is a provision made by the society against scertain risks and mishaps to which its members are exposed. It is 'social' because it represents the culmination of collective effort.

The International Labour Conference puts it as follows:

Social security is the security that the society furnishes, through appropriate organization, against certain risks to which the members are exposed. These risks are essentially contingencies against which the individual of small means, or the worker, cannot effectively provide for by his own ability or foresight alone or even in private combination with his fellows.¹

These contingencies hamper the ability of the working man to support himself and his dependents in health and decency.

According to National Commission on Labour,

Social Security envisages that members of a community shall be protected by collective action against social risks, causing undue hardship and privation to individuals whose private resources can seldom be adequate to meet them.²

These definitions pinpoint that in the present day industrialised society, the worker is exposed to several hazards, accidents, pressure, strain and general wear and tear. He is confronted with several insecurities

like:

1. Income insecurity - inadequate wages, retrenchment, etc.
2. Occupational insecurity - occupational diseases arising out of improper working conditions.
3. Natural insecurity - old age, sickness, maternity, death of the bread winner.

Such insecurities hamper the industrial worker to shoulder the risks and challenges of the process of industrial development. Hence there is a need for engineering a device against such insecurities and infuse in him a sense of confidence that the benefits will be available when required.

2:2.2 AIMS OF SOCIAL SECURITY

There are triple aims of social security measures, namely,

1. Compensation;
2. Restoration; and
3. Prevention

1. Compensation - is based on the idea that during spells of risks, the individual and his family should not be subjected to double calamity involving both destitution and loss of health, limb, life or work.

2. Restoration - implies the cure of the sick and invalid.
3. Prevention - is designed to avoid the loss of productive capacity due to sickness, unemployment or invalidity.

Social security is a dynamic and comprehensive term. In an economically advanced country it is an indispensable chapter of the national programme to strike at the root of poverty, unemployment and disease.

The social security measures are normally divided into two categories, namely,

1. Social Assistance; and
2. Social Insurance.

1. SOCIAL ASSISTANCE

Social assistance schemes seek to provide assistance to the poor and needy persons. They are not linked to the contributions made by the persons. They are financed from the general revenue of the State.

2. SOCIAL INSURANCE

Social insurance is one of the devices to prevent an individual from falling to depths of poverty and misery and to help in times of emergencies. The social insurance may be defined as:

... a co-operative device which aims at granting adequate benefits to the insured on the compulsory

basis, in times of unemployment, sickness and other emergencies, with a view to ensure a minimum standard of living, out of a fund created out of the tripartite contributions of the workers, employers and the State, and without any means test, and as a matter of right of the insured.³

Thus unlike Social Assistance, the Social Insurance schemes are contributory in nature. The employees, employers and the State contribute towards the fund.

2.3 SOCIAL SECURITY PROVISIONS IN INDIA

Social security measures constitute the bedrock of any democratic industrial economy. In a welfare-oriented planned economy like India, the importance of social security provisions needs no special emphasis.

The case of social security provisions becomes stronger when we observe that majority of the workers are caught in the cobweb of poverty, misery and helplessness. In industries like, matches, beedi-making, smithy, etc., the labour is paid less than subsistence wage where it is difficult to meet both the ends. He is housed under most unhygienic and unhealthy conditions. When he falls sick, there is nobody to take care, when he is thrown out of employment, there is none to sympathise with him, to help him, when he is disabled, partially or totally, he is neglected like a scrap, when he becomes old, he is thrown out like waste.

In view of such visitations of tranquilities, miseries and misfortunes, the case of properly-devised, effectively-controlled and adequately-financed social security scheme is most strongly desirable. The provision of social security measures would not merely relieve the industrial worker from physical and mental distress but also enable him to live as a respectful member of a civilized society.

Being in knowledge of these facts, the welfare-motivated Government has tailored several social security schemes. The Constitution of India, in its Directive Principles of the State Policy, has clearly laid down that the State shall make -

... effective provisions for securing the right to public assistance in cases of unemployment, old age, sickness and disablement.

Accordingly, the Government took several steps in compliance with these Constitutional requirements like:

1. Workmen's Compensation in case of industrial injury and disease;
2. Maternity Benefits to women workers;
3. Health Insurance, Provident Funds, Old-age and Family Pensions, Gratuity, etc.

A brief account of these measures is displayed as under:

2.4 WORKMEN'S COMPENSATION IN INDIA

2:4.1 NEED FOR COMPENSATION

Workers need protection against industrial injury, accidents and diseases. With increasing use of machinery and mechanical power in organised industries, the number of industrial accidents has increased. Provisions for safety devices like, fencing machines, safety-first posters, fire extinguishers, etc., have been included in various Labour Laws. In spite of this, accidents do occur, partly due to the absence of adequate safety-guards against dangerous machinery and partly due to the carelessness of the workers. Some people are 'accident-prone', i.e., they 'go out' for accidents. Accidents mean death or disablement (partial or permanent). Consequently, they result into waste of economic resources, human energy and subsequent suffering of the workers and their dependants. Hence provision of compensation against such mishappenings has become an integral part of labour legislation.

Payment of compensation can be advocated on both humanitarian and economic grounds. On humanitarian ground, it is an identity of affixing supreme importance to human life. On economic ground, it infuses a sense of security into the mind of labour, stimulates him to put his mind and soul into the work. Further it makes the industrial work less attractive. It cautions the employers to make adequate provisions for safeguards against such mishaps.

2:4.2 WORKMEN'S COMPENSATION ACT OF 1923

The Workmen's Compensation Act was enacted in March 1923. It came into force on July 1st, 1924. Since then it has been amended several times. Its latest amendment was effected in 1984. The main provisions of the Act are as follows:

2:4.3 APPLICATION OF THE ACT

The Act has a broad spectrum of coverage. It is applicable to all workers employed in Railways, factories, mines, plantations, construction and blasting operations, mechanically-propelled vehicles and certain hazardous works mentioned in the Act. The persons engaged in clerical, administrative occupations, armed forces and the employees covered under Employees' State Insurance Act of 1948 have been excluded from the purview of the Act.

Till its latest amendment in 1984, wage limit was an important criterion for the purpose of coverage. The wage limit which was Rs. 400/- p.m. in 1946 was raised to Rs. 1,000/- p.m. in 1976. Since its amendment in 1984, the wage limit has been removed. In fact, it is a landmark modification in the Act since its enactment in 1923.

The application of the Act is generally confined to the workers employed in organised industries and hazardous occupations. The State Governments are however empowered to extend its application to other classes of workers whose occupations are deemed to be hazardous. For example, the Government of Karnatak and U.P. have extended the Act

to persons employed in loading and unloading of goods in any mechanically-propelled vehicles or in handling of transport of goods. The Governments of Maharashtra and Punjab have extended the Act to farm workers employed in handling of tractors or other mechanical contrivances.

2:4.4 PAYMENT OF COMPENSATION

Section 3(1) of the Act lays down that the employer is liable to pay compensation to his worker for the personal injury caused to him by accident arising out of and in course of employment.

An occupational disease such as poisoning by lead fumes, phosphorus, etc. is deemed to be an injury by accident and the employer is liable to pay compensation for it.

However, no compensation is payable if the incapacity does not last for more than three days and when the injury (not resulting in death) is caused by the fault of the worker. The waiting period of three days is included if the injury lasts for twentyeight days or more. In case, the injury results in death, the employer is liable to pay compensation under all circumstances.

2:4.5 AMOUNT OF COMPENSATION

The Act provides for compensation for injury resulting in death; permanent total disablement, permanent partial disablement or in temporary disablement. Based on the nature of injury, the amount of compensation depends on monthly average wages of the injured person. The compensation

is worked out as follows:

1. In case of death - the amount of compensation shall be equal to 40 per cent of the monthly wages of the deceased workman multiplied by the relevant factor indicated in the schedule or an amount of Rs. 20,000/-, whichever is more.
2. In case of permanent total disablement - the amount of compensation shall be equal to 50 per cent of the monthly wages of the disabled workman multiplied by the relevant Factor indicated in the schedule or an amount of Rs. 24,000/-, whichever is more.
3. In case of permanent partial disablement, the amount of compensation shall be calculated according to percentage loss of earning capacity caused by injury as laid down in Schedule I of the Act.
4. In case of temporary disablement whether total or partial, the amount of compensation will be a half monthly payment of the sum equivalent to 25 per cent of the monthly wages of the workman.

2:4.6 ADMINISTRATION OF THE ACT

The Act is administered by the State Government. They have appointed the Commissioners for Workmen's Compensation. In 1980 the amount disbursed as compensation totalled Rs. 302.12 lakhs.

2:4.7 SHORTCOMINGS

The Act subjects to following shortcomings:

1. The Act places entire responsibility of payment of compensation on the employer.
2. The Act pays no provisions for medical care and treatment which is the greatest need of the worker.
3. There is no provision for the rehabilitation of the workman to restore the loss in his earning capacity.
4. In several cases the employees who file their claims receive the treat of dismissals from the employers unless the demand is withdrawn or nominal sum is accepted in full settlement of the claim. As Mr Shiva Rao puts it:

Beyond a point, it does not pay a worker in India to demand fulfilment of right.⁴

2:4.8 SUGGESTIONS FOR IMPROVEMENT

The following suggestions have been made to do away with the shortcomings of the Act:

1. It is desirable that free legal advice at the cost of the State should be provided to the injured workman.
2. The administrative procedures should be simplified.

3. The compensation should be made available to the workman/dependants at the earliest.
4. Provision for medical care and treatment should be extended to the injured workman.
5. There is a need for evolving a Scheme of Central Fund for Workmen's Compensation.

2.5 MATERNITY BENEFITS IN INDIA

2:5.1 IMPORTANCE OF MATERNITY BENEFITS

The importance of granting rest and maternity benefits to expectant mothers was brought home to the Indian public by the International Labour Conference. It had adopted a Child-birth Convention in 1919. However, the Government did not ratify the Convention on account of certain difficulties. But the fact remains that the need of maternity benefits for women workers has always been great in the country. It has been estimated that about 2,50,000 mothers loose their lives annually, mostly at an young age. Due to paucity of rest and under-nourishment many children are born weak. If the expectant mothers are not extended adequate rest and care, there are bleek chances of building a healthy future generation. Hence the need of maternity benefits is very great in India.

2:5.2 MATERNITY BENEFITS ACT OF 1961

Maternity Benefits Act has been of greater significance to factory

women workers in securing adequate rest and financial assistance. It was on 12th December 1961 that the Maternity Benefits Act was enacted. Several amendments were effected in 1972, 1973 including 1976.

The Act was brought into force in mines from November 1st 1963 and in plantations with effect from 16th December 1963. With an amendment to the Act in 1973, the circus industry was brought under its coverage.

2:5.3 MAIN PROVISIONS OF THE ACT

The main provisions of the Act are as follows:

1. The women workers who have put in 160 days' service during twelve months preceding the date of expected delivery inclusive of the period of lay-off are eligible to receive the benefits.
2. The period of benefits will be 12 weeks.
3. The rate of benefit will be average daily wage.
4. The payment of medical bonus of Rs. 25/- is provided if pre-natal confinement and post-natal care has not been provided free of charge.
5. Six weeks' leave with wages is granted at the rate of maternity benefit in case of miscarriage.
6. Pregnant woman workers cannot be dismissed nor a woman worker be discharged during the period of maternity leave.

2:5.4 DEFECTS

The Act subjects to the following defects:

1. Lack of uniformity and universality of provisions constitute the chief defect of the legislation.
2. There is no provision for medical aid before, during and after the confinement.
3. Many women workers refrain from claiming the maternity benefits on account of their ignorance or due to the fear of losing a permanent job.

The National Commission on Labour, therefore, recommended for the establishment of Central Fund for maternity benefits. It would be advantageous if maternity benefits are brought under health insurance scheme.

2.6 THE EMPLOYEES' STATE INSURANCE ACT OF 1948

The Employees' State Insurance Act of 1948 is the first and foremost attempt in India in the realm of social security. It introduced a broad-based scheme of health, maternity, sickness, pensions to the dependants of the workers who died of employment injury. The Act was subsequently amended in 1951, 1966, 1975 and 1984.

The scheme is based on contributory principle to cover the contingencies. It covers manual, clerical, supervisory as well as technical personnel but it does not apply to a person whose remuneration

exceeds Rs. 1,600/- p.m. The Employees' State Insurance Amendment Act of 1984 which came into force in January 1985 has raised the wage limit to Rs. 1,600/-. Earlier in 1975 it was Rs. 1,000/-. It has made alterations in the rate of contribution too. The employer's contribution is now 5 per cent of the wages of an employee. In case of employees, the contribution is 2.25 per cent of their wages. The employees getting below Rs. 6/- per day are exempted from the payment of contribution.

2:6.1 THE COVERAGE

Till recently, the Act applied to all non-seasonal factories using power and employing twenty or more workers. But now under Section 1(5) of the Act, the following new establishments are covered:

1. Smaller factories using power and employing persons between 10 and 19;
2. Those not using power and employing 20 or more persons;
3. Shops, hotels, restaurants, cinema theatres, motor transport employing 20 or more workers;
4. The Act covers all employees, manual, clerical, supervisory whose remuneration has not exceeded Rs. 1,600/- p.m.
5. It does not apply to Defence personnel.

2:6.2 ADMINISTRATION

The administration of the ESI scheme is the responsibility of an autonomous body called the Employees State Insurance Corporation (ESIC) set up in 1948. The Union Minister for Labour and Employment being the Chairman, the Minister for Health is its Vice-Chairman. The Corporation comprises the representatives of the Central and State Governments, employees and employers' organization and medical professionals nominated by the Central Government. There is a Medical Benefit Council counselling the Corporation on matters relating to the administration of medical benefits.

2:6.3 FINANCE

The Scheme is financed by the ESI Fund. It consists of contributions from the employees, employers, grants, gifts, and donation from the Central and State Governments, local authorities or individuals. The State Governments share a part of the cost of medical care.

2:6.4 BENEFITS

The benefits provided under the Act are as follows:

- 1 Sickness Benefit;
- 2 Maternity Benefit;
- 3 Disablement Benefit;
- 4 Dependants' Benefit;
- 5 Medical Benefit; and
- 6 Funderal Benefit.

1) The Sickness Benefit

It consists of periodic cash payment to an insured person in case of sickness. The benefit is payable for maximum 56 days in a continuous period of 365 days. From 1st May 1977, the basic sickness period has been extended from 56 days to 91 days. The rate of benefit works out to half of the average wage of the insured person.

Extended Sickness Benefit

Insured persons suffering from chronic ailments such as tuberculosis, leprosy, mental diseases etc. of a prolonged nature are paid extended sickness benefit for a period of 309 days in 365 days. In some cases it is 124 days. Enhanced sickness benefit is also payable to the insured persons for undergoing Vasectomy, Tubectomy operations as an incentive for family welfare planning.

Extended Sickness Benefit is payable at the full rate of sickness benefit. It is paid to a worker having served for two years in continuous employment.

2) Maternity Benefit

Under Section 50 of the Act, maternity benefits are extended to women workers for a period of 12 weeks (before and after the confinement). The rate of benefit is a flat rate of 75 paise per day or twice the sickness benefit, whichever is higher. She is also entitled to claim the benefit in case of miscarriage for which necessary proof has to be

provided. Such benefits can be claimed for six weeks immediately following the date of miscarriage.

3) Disablement Benefit

Under Section 51 of the Act, the benefit is payable for disablement caused by an employment. Disablement may be temporary (but not less than three days), partial or total. The benefit continues life long in case of permanent disablement. These benefits are paid in cash which are non-contributory in nature.

4) Dependants Benefit

Section 52 of the Act provides for the benefits to the dependants of the insured worker who dies as a result of employment injury. The benefits are detailed as under:

1. The widow of the workman will get $\frac{3}{5}$ of the full rate.
2. Each legitimate/adopted son is entitled to an amount equal to $\frac{2}{5}$ th of the full rate until he attains the age of 15 years.
3. Each legitimate daughter (unmarried) is entitled to an amount equal to $\frac{2}{5}$ th of the full rate until she attains the age of 15 years or is married whichever is earlier.

However, the benefit must not exceed the full rate. In case the deceased person has no legitimate dependants, the benefit is given to parent or grand parent for life.

5) Medical Benefit

Section 56 of the Act provides for medical benefit to the insured person or to his family. He receives indoor/outdoor treatment including the services of the specialists. Artificial limbs, hearing aids, etc., are available free of cost.

6) Funeral Benefit

Under the Amendment Act of 1966, provisions are made for funeral benefit not exceeding Rs. 100/-.

2:6.5 PERFORMANCE

As on 31st December 1984 the ESI commissioned 85 hospitals and 41 annexes with a total bed capacity of 17,102 in hospitals and 822 in annexes. Besides, there were 4,750 beds reserved exclusively for the use of insured persons in other hospitals. The number of dispensaries was 1,200.

The amount of cash benefit paid by the Corporation during 1982-83 was as under:

| | <u>Rs.(in Lakhs)</u> |
|----------------------------------|----------------------|
| 1. Sickness Benefit | 5,67,136 |
| 2. Maternity Benefit | 21,607 |
| 3. Temp. Disablement Benefit | 1,37,592 |
| 4. Permanent Disablement Benefit | 87,755 |
| 5. Dependants Benefit | 20,301 |

2:6.6 SHORTCOMINGS

Though Employees' State Insurance Scheme is the most comprehensive scheme in the realm of social security, it subjects to the following shortcomings:

1. The agricultural workers and the workers engaged in unorganised industries are kept outside the purview of the coverage.
2. The scheme has not covered risks like unemployment, old age, etc.
3. There are frequent complaints regarding the functioning of ESI dispensaries and hospitals.
4. The Corporation follows cumbersome documentary procedure. Instead, it should minimise document-orientation and should act as a Social Security Agency.

2:6.7 CONCLUSION

The Employees State Insurance Scheme is the first of its kind in Asia. It is the first step towards the achievement of comprehensive scheme of social security for the Indian toiling masses. There is a need for extending the coverage of the scheme so as to include workers engaged in agriculture and unorganised industries. Improvements in its functioning are most desirable.

2.7 THE EMPLOYEE'S PROVIDENT FUND
AND
FAMILY PENSION ACT OF 1952

The Royal Commission on Labour and International Labour Organisation in its Regional Conference had stressed the need for provident fund and old-age pension schemes for Indian industrial workers. However in 1952 the Employee's Provident Fund Act was passed. The provision for family pension was made in 1971 through Labour Provident Fund Laws (Amendment) Act. The Act was amended in 1976 and renamed as the Employee's Provident Fund and Miscellaneous Provisions Act, 1952.

2:7.1 SCOPE AND COVERAGE

Initially the Act applied to six industries like, - cigarette, cement, iron and steel, paper, etc.. Presently in 1983 the Act covered 172 industries/classes of establishments employing 20 or more workers all over India. The scheme is applicable to those who are drawing monthly wages upto Rs . 1,600/-. As on 31st March 1982, the subscribers numbered 11,564 lakhs. The receipt in provident fund totalled Rs. 8,55,426 crores. While the amount refunded totalled Rs. 3,78,060 crores.

2:7.2 CONTRIBUTION

The statutory rate of contribution both for the members of the Fund and the employer is 6½ per cent of the basic wages, D.A., and retaining allowances. By an amendment of the Act, the statutory rate was raised to 8 per cent from 1963.

2:7.3 REFUND AND CLAIMS

Under the scheme, a subscriber can withdraw the full amount in the Fund in the following cases:

1. At the time of retirement.
2. Retirement on account of incapacity.
3. Termination of service in case of mass retrenchment.
4. Migration from India for permanent settlement abroad.

Full amount of subscriber's contribution with interest is payable when the subscriber has completed 15 years of service as a member.

A part of the accumulated subscription is given in case of less than 15 years.

| | | |
|----|---------------------------------|------|
| 1. | Less than 3 years - | 25 % |
| 2. | Between 3 and 5 years - | 50 % |
| 3. | Between 5 and 10 years - | 75 % |
| 4. | Between 10 years and 15 years - | 85 % |

2:7.4 DEATH RELIEF FUND

Death Relief Fund was set up under Employee's Provident Fund Scheme in 1964. It has been instituted to afford financial assistance to the nominees/heirs of the deceased members of the unexempted establishments whose pay does not exceed Rs. 1,000/- p.m. including basic, D.A., etc. The amount of benefit runs to Rs. 1,250/-.

2:7.5 EMPLOYEE'S FAMILY PENSION SCHEME

To provide long term financial assistance and security to the families of industrial employees, in the event of their pre-mature death, the Employee's Family Pension was introduced in 1971. It is raised by diverting a portion of the employer's and employee's contribution by the Central Government. The scheme is compulsory for employees who have joined after 1st March, 1971.

2:7.6 EMPLOYEE'S DEPOSIT LINKED INSURANCE SCHEME

This scheme was introduced in 1976. It is payable to the dependants of the employee. The maximum amount payable is Rs. 10,000/-.

The three schemes, namely, Employee's Provident Fund Scheme, Employee's Family Pension Scheme and Employee's Deposit Linked Insurance Scheme are under the charge of Employee's Provident Fund Organisation.

2.8 THE PAYMENT OF GRATUITY ACT, 1972

Generally three forms of pensionary benefits are available, viz.,

1. Pension;
2. Provident Fund; and
3. Gratuity.

Different organisations adhere to different practices of pensionary benefits.

Gratuity is defined as a lumpsum payment made to a worker

or his heirs by the company on termination of his services due to retirement, retrenchment, invalidity or death.

The Government enacted Payment of Gratuity Act in 1972. The Act extends to whole of India except Jammu and Kashmir. The employee should be in service for at least five years. The employees getting Rs. 1,600/- or less p.m. are covered.

The rate of gratuity is 15 days wages for each completed year of service, subject to maximum 20 months' wages. In case of seasonal establishments, it is 7 days' wages for each season.

2.9 CRITICAL REVIEW OF SOCIAL SECURITY SCHEME IN INDIA

No peace without social justice and no justice
without social security

is the slogan raised by the International Social Security Association. Being abreast with the tranquillities, miseries and misfortunes of toiling masses, the welfare-motivated Government of India has already made a modest beginning in the realm of social security. Needless to say, there is ample scope for more progressive legislation.

A close study of the functioning of social security schemes in India reflects the fact that there are several lapses and shortcomings. The coverage of the scheme has been insufficient. Workers engaged in agricultural occupations and in unorganised industries have been kept outside the purview of coverage. There has been overlapping of schemes.

There is no provision for unemployment insurance.

Looking into all these shortcomings it is advocated that there is a need for a comprehensive scheme aiming to strike at the root of poverty, unemployment and disease. It is stated that:

Nothing short of a Beveridge Plan will solve the problems of Social Security in India.

2.10

SUGGESTIONS

The ILO/Norway International Seminar on Social Security held at New Delhi in 1977 forwarded the following suggestions. Some of the important ones are related to:

- 1 provision of basic needs, essential services, medical care and legal aid;
- 2 work guarantee as an integral part of social security;
- 3 rate of interest paid to the provident fund beneficiaries to be well comparable with bank rates;
- 4 long term social security benefits to be linked with the cost of living index;
- 5 integration of various social security institutions.

The National Commission on Labour in its report felt the need for evolving a well-integrated comprehensive policy, pooling all social

security collections in a single fund. Such an effort would enable Government to cover some extra contingencies.

2.11 LABOUR WELFARE ACTIVITIES

The term 'Labour Welfare' is one which lends itself to various interpretations. It is, therefore, the, that the Royal Commission on Labour, aptly points out that the term 'welfare' as applied to the industrial worker,

is one which must necessarily be elastic, bearing a somewhat different interpretation in one country from another, according to different social customs, the degree of industrialisation and the educational development of the industrial worker.⁵

Hence it is difficult to forward a precise definition of the term 'welfare work' since it is essentially flexible.

According to the Report of the Asian Royal Conference of the International Labour Organisation, the term 'labour welfare' is understood:

... to include such services, facilities and amenities as may be established in or in the vicinity of undertakings to enable the person employed in them to perform their work in healthy, congenial surroundings and provided with amenities conducive to good health and high morale.⁶

According to the Labour Investigation Committee (Rege Committee),

1946, labour welfare activities include anything done for intellectual, physical, moral and economic betterment of the workers, whether by employers, by the government or by other agencies over and above what was laid down bylaw or what was normally accepted as part of the contractual benefits for which the workers might have bargained.

The list of various measures given by the Committee includes housing, medical and educational facilities, nutrition (including provisions of canteens), facilities for rest and recreation, co-operative societies, day nurseries and creches, provision of sanitary accommodation, holidays-with-pay, social insurance measures undertaken voluntarily by the employers alone or jointly with workers, provident fund, gratuity and pensions.⁷

A Resolution adopted by the International Labour Conference at its 39th Session, in June 1956, enumerated some of the services and amenities which should be covered by the term "Labour Welfare". These include:

- 1 feeding facilities in or near the undertakings;
- 2 rest and recreation facilities; and
- 3 transportation to and from work where ordinary public transport is inadequate or impracticable.

The National Commission on Labour observed, the concept of labour welfare is necessarily dynamic, bearing a different interpretation from country to country and from time to time, and in the same country, according to the value system (values of life) social institutions, degree of industrialisation and general level of social and economic development.

Even within the country its content may be different from region to region.⁸

It is thus clear that the term, "Labour Welfare" is very comprehensive and elastic. It covers almost all fields of activities such as educational, social, political, industrial, etc. Services which help workers to boost up morale, improve standard of living, enjoy better working conditions and stimulate general efficiency, are included in labour welfare. Thus the facilities pertaining to sanitary conditions, rest pauses, canteen, medical aids, transport, accommodation, etc., fall into the wings of labour welfare activities.

2:11.1 CLASSIFICATION OF LABOUR WELFARE ACTIVITIES

'Labour Welfare Activities' being a comprehensive term covering a wider field of activities, may be bifurcated into -

1. Extra-mural activities; and
2. Intra-mural activities.⁹

1. Extra-Mural Activities

The services and amenities which provided outside the factory are called as extra-mural activities. These include good housing, medical facilities, recreation, amusement, games, sports, education, lectures, debates, clubs, transport, weorkers' cooperatives, etc. Besides these, the financial facilities extended in times of sickness, unemployment, old age, may also be incorporated under extra-mural welfare activities.

2. Intra-Mural Activities

The services and amenities which are extended inside the factory are termed as intra-mural welfare activities. These amenities are as follows:

- 1 those relating to prevention of industrial fatigue such as rest pauses, music, etc.
- 2 those relating to health and general well-being like, sanitary conditions, latrines, urinals, provision of drinking water, medical facilities, first-aids, shelters, creches, canteens, etc.
- 3 those relating to the safety of the workers such as covering and fencing of machines, protective clothing, good layout of machinery and plant, sufficient and proper lighting, first-aid appliances, fire-extinguishers, etc., and
- 4 improved conditions of employment, better methods of recruitment, etc.

There is yet another useful classification of these intra-mural and extra-mural labour welfare activities which is as under:

- 1 Statutory Welfare Activities;
- 2 Voluntary Welfare Activities; and
- 3 Mutual Welfare Activities.

1) Statutory Welfare Activities

The statutory welfare activities are compulsory. These amenities

are extended under the provisions of the law passed by the government. These provisions may be relating to living conditions, minimum wages, sanitary conditions, hours of work, lighting, ec.

2) Voluntary Welfare Activities

Unlike the statutory welfare activities which involve an element of legal compulsion, the voluntary welfare activities are undertaken by the employers on their own accord for the betterment of their workers. The idea is apparently philanthropic. In fact it is a sound investment which not merely stimulates the efficiency of the workers but also reduces the chances of conflicts. Some social organisations like, Y.M.C.A., Rotary and Lions Clubs, also undertake such activities.

3) Mutual Welfare Activities

Mutual Welfare Activities are those which are organised by the trade unions for the benefit of the workers. To put it differently, these are the activities by the workers, for the workers for their mutual help and benefit. These activities usually fall outside the purview of the statutory activities.

2:11.2 OBJECTIVES OF LABOUR WELFARE ACTIVITIES

Investment in labour welfare activities is undoubtedly a wise investment. It not only merely stimulates the productive efficiency of the workers, reduces the chances of conflicts but also boosts up the morale of the labourers. It infuses in them a new spirit of self-realisation and

consciousness.

According to Kirkaldy,¹⁰ labour welfare activities help in achieving the following objectives:

- 1 to combat the sense of frustration of the industrial worker;
- 2 to relieve him of personal and family worries;
- 3 to improve his health;
- 4 to afford him means of self-expression;
- 5 to infuse in him a sense of competitive spirit;
- 6 to help him to a wider concept of life.

2:11.3 PRINCIPLES

To achieve these objectives of labour welfare activities, the following principles should be kept in view while tailoring any scheme of welfare provisions:

- 1 Welfare facilities are not the substitute for low wages and other allowances.
- 2 A well-conceived and well-thought-out scheme of priorities constitutes the soul of labour welfare activities. For example, - sanitary, drinking water, housing facilities must receive priority over recreation facilities.
- 3 There should be no element of force or compulsion for workers to avail themselves of these facilities.
- 4 Workers' representatives should be actively associated with

the planning and administration of any scheme of labour welfare.

2.12 SIGNIFICANCE OF LABOUR WELFARE ACTIVITIES

Labour welfare activities, in fact, are the catalyst of change. They are the potent source of winning the willing obedience of and co-operation from the workers. Provision of welfare amenities yields the following benefits:

- 1 Labour turnover and absenteeism are reduced to the minimum.
- 2 It injects a sense of belonging, a feeling of oneness with the organisation.
- 3 These amenities help a great deal in arresting industrial fatigue, industrial disputes and building industrial democracy.
- 4 They help in creating permanent and settled labour force.
- 5 Incidence of social evils of industrialisation such as alcoholism, gambling and prostitution is minimised. Thus it leads to marked improvement in the mental and moral health of workers.

Thus extension of welfare amenities to the workers goes a long way in bringing about a desired change for the better.

In fine, the object of welfare activities is partly humanitarian, partly economic and partly civic. It is humanitarian, as it aims at providing certain facilities and amenities of life to the workers which they themselves cannot provide. It is economic because it improves the productive efficiency of workers, keeps the worker contented and minimises

the chances of conflicts. It is civic because it is a means to promote a sense of responsibility and dignity among the workers. It enables them to live as human beings and as the members of a civilised society.

2.13 LABOUR WELFARE IN INDIA

2:13.1 THE NEED

Gone are the days when labour was treated as merely a cog in the bottle. Investment made in the labour welfare activities was considered as a sheer waste and fruitless. In the present day context, labour is held in high esteem and considered as an important factor in the premises of production. A satisfied and contented labour is treated as an asset who will put his mind and soul in realising the set target of production. A close study of Japanese economy brings forth the fact that an efficient and dedicated labour can transform the economic map of the country.

India is a developing economy pregnant with innumerable natural and human resources. It has embarked upon a vast programme of speedy industrialisation under Five Year Plans. Thus, the necessity of welfare work in India is beyond the stage of debate. But the need for labour welfare is all the more important because the industrial labour is essentially migratory in character, highly illiterate, inefficient and is caught in the cobweb of poverty, misery and helplessness. In view of all these, there is a pressing need for creating adequate welfare amenities which would greatly reduce absenteeism, keep labour force stable, feel contented

and improve productive efficiency.

2:13.2 ORIGIN OF LABOUR WELFARE ACTIVITIES

The origin of welfare work in India may be traced to the First World War (1914-18). Till then the labour welfare was hardly thought of. Owing to the ignorance and illiteracy of the workers themselves, the short-sightedness of the employers, the carelessness of the State and indifference of the public. But, since the First World War, it has been expanding steadily, mostly on a voluntary basis. The economic depression also did much to tamper with the interest which the War had kindled. The Government as well as the industrialists were prompted to take active interest due to the discontent and industrial unrest that prevailed in the country and to some extent due to the moral pressure of the International Labour Office. The welfare movement received further encouragement.

Active interest in welfare facilities has continued to survive even after gaining political Independence. Though welfare work in India is considerably below the standards set up in other countries but there is every likelihood to make rapid progress in the years to come especially when the Indian Republic is wedded to the ideal of a Welfare State and a socialistic pattern of society.

2:13.3 THE AGENCIES

Presently the labour welfare activities are undertaken by different agencies. They are classified as under:

- 1 Labour welfare measures by the Central and State Governments.
- 2 Labour welfare measures of the employers.
- 3 Welfare measures organised by the trade unions.
- 4 Welfare activities of the other voluntary agencies.

1) Labour Welfare Activities By The Central Government

There was little interest evinced by Government in labour welfare activities before the Second World War (1939-45). The real interest shown by the Government is evident in the provisions of the Factories Act, 1948.

The Government has laid down various minimum standards as regards lighting, ventilation, fencing of machines, safety measures, etc. In the latest Factories Act of 1948, a separate Chapter has been incorporated in welfare measures such as washing facilities, first-aid appliances, canteens, rest shelters, creches, seating arrangements for workers, etc. Factories employing 250 or more workers have to provide a canteen, those employing 150 or more workers, a lunch room and those employing 50 or more women workers a creche. Provision for the welfare of workers also exists in the Indian Dock Labourers Act of 1934, the Mines Act of 1952, the Plantation Labour Act of 1951, the Merchant Shipping Act of 1958, the Motor Transport Workers Act of 1961, Beedi and Cigar Workers (Conditions of Employment) Act of 1966 and Contract Labour (Regulation and Abolition) Act, 1970.

Sizeable outlay is appropriated under Five Year Plans to cater to labour welfare activities. The following table highlights the investment

channelised in welfare activities during various plans.

**2.11 Investment in Labour Welfare Activities
During Five Year Plans**

| Plan Period | Investment in crores of Rupees |
|--------------|-----------------------------------|
| First Plan | 6.74 |
| Second Plan | 29.00 |
| Third Plan | 71.08 |
| Annual Plans | 35.50 |
| Fourth Plan | 39.90 |
| Fifth Plan | 57.00 |
| Sixth Plan | 27.09 |

Source: **Saxena, R.C. Labour Problems and
Social Welfare. Page: 332**

Thus the Government has been making a concerted effort to enhance welfare amenities to the industrial workers.

2.13.4 LABOUR WELFARE FUNDS

Indeed, it is a welcoming step that the Government has undertaken the constitution of Labour Welfare Funds in public sector enterprises. There are proposals for setting up Welfare Trust Funds in private undertakings as well. By 1970 there were 169 such Funds.

2.14 LABOUR WELFARE ACTIVITIES BY STATE GOVERNMENTS

In nearly all States and Union Territories labour welfare centres

have been established. In these centres, facilities are provided for games, recreation, library, workers' education and training, etc. Some centres have been sponsoring the training in carpentry, tailoring, embroidery, etc.

In **Andhra Pradesh** there were 12 Labour Welfare Centres functioning in 1980-81. These centres provide recreational, educational and cultural facilities. In **Assam** 20 Labour Welfare Centres are run by the Government with the help of social service institutions and contributions by the Tea Board. A number of welfare centres are run by the trade unions for the benefit of tea garden workers, which are given the financial assistance by the State Government. A Holiday Home has been established for the workers. Under the Assam Tea Plantation Employees' Welfare Fund Act, 1959, a Fund has been established for undertaking welfare activities for tea plantation workers in Assam. In **Bihar**, a number of Labour Welfare Centres are maintained by the State Government. Facilities like, - indoor and outdoor games, library, musical instruments, etc. are available for the workers. There is also a welfare centre for agricultural workers, 3 for tea garden workers, 2 utility centres, etc. These centres have been assisted financially by the State Government. In the state of **Maharashtra**, the Labour Welfare Board maintains 178 Labour Welfare Centres with usual educational, recreational and training facilities. Similarly, in Haryana 11, Jammu and Kashmir 5, M.P. 6, Punjab 18, Rajasthan 10, Tamil Nadu 32, West Bengal 56, Tripura 7, Andaman 8 and 7 in Goa, Daman, Diu, 6 in Pondicherry and 13 in Delhi have been functioning.

2.15

CRITICAL APPRAISAL

In the post-Independence era both Central and the State Governments have been taking interest in labour welfare activities. But still a lot needs to be done.

Firstly, the number of welfare centres is relatively small compared to the size of the country.

Secondly, allocation of funds for welfare work is negligible.

Thirdly, the welfare measures provided in these centres are only a few.

Fourthly, workers have no voice in the management of the activities of these centres.

Lastly, there is dearth of trained personnel to organize the activities.

2.16

LABOUR WELFARE ACTIVITIES BY THE EMPLOYERS

In the present day context, many enlightened employers have come forward on their own initiative, with welfare amenities for the benefit of workers. Employers in industries like engineering, cotton textile, jute textile, woollen textile, cement, sugar, glass, paper, etc. are extending welfare amenities.

In ENGINEERING INDUSTRY several large firms such as Steel Corporation of Bengal, Bokaro, Rourkela, Durgapur and Bhilai Steel Plants have

2.17

CRITICAL APPRAISAL

Welfare activities which are undertaken over and above what is laid down by law are known as voluntary welfare activities. Some of the prominent employers like the Tata Iron and Steel Company at Jamshedpur, Empress Mills at Nagpur, Buckingham and Carnatic Mills, Madras, the Delhi Cloth and General Mills, Delhi, have played a pioneering role in extending such welfare facilities in their own places.

Barring a few exceptions, many employers in India regard welfare activities as unnecessary expenditure rather than "wise investment". The Labour Investigation Committee quotes the views of Dr. B.R. Seth, who observed:

The vast majority of industrialists in India still regard welfare work as a barren liability rather than a wise investment.¹¹

There has been very little spirit of service. On the part of workers there is a feeling that welfare amenities are extended to undermine the influence of trade unions.

2.18

WELFARE ACTIVITIES BY THE TRADE UNIONS

It is a fact beyond doubt that a trade union is an economic institution. It aims at protecting and promoting the welfare of the labour community. It is not reasonable to underline that a trade union is merely an agency securing benefits from the employers. In fact, through mutual benefit, it can undertake on its own, a welfare-oriented programme for the benefit of its member-workers. A few unions like Ahmedabad Textile

undertaken welfare activities. The welfare measures undertaken by the Tata Iron and Steel Company at Jamshedpur are praise-worthy. The Company provides efficient medical facilities, runs a number of schools for children, grants scholarships, libraries, canteens, cultural activities, etc.

Nearly all COTTON MILLS in Bombay have provided dispensaries, creches, canteens, grain-shop facilities, etc. Some mills have opened boarding houses where meal is served at concessional rates. The Bombay Mill Owners' Association organises drama training courses and inter-mill sports tournaments.

The Empress Mills at Nagpur has been extending efficient medical facilities, free cinema shows and publishes workers' bulletin known as 'Empress Mills Patrika' in Hindi and Marathi. The Delhi Cloth and General Mills, Delhi, have an Employees' Benefit Fund Trust, run by a Board of Trustees. The Trust administers voluntary health insurance schemes, gratuity and old-age pension schemes, daughters' marriage allowance schemes. There is also an Employees' Bank and Insurance Company to provide cheap insurance policies. A weekly journal known as the 'D.C.M. Gazette' is published in Hindi and Urdu and distributed free of cost to the workers.

Likewise, in several industries like Kolar Gold Fields, Iron Ore, Manganese Ore, Beedi Factories, Mines, Plantation Industries the employers have been undertaking several welfare activities.

Labour Association, the Mazdoor Sabha of Kanpur, the Mill Mazdoor Union at Indore, have devoted themselves for labour welfare work.

The Textile Labour Association, Ahmedabad, known as Major Mahajans, spends 60 per cent to 80 per cent of its income on welfare activities. It comprises the following benefits:

1. A residential boarding house for working class girls.
2. Three day and night schools, 85 reading rooms, 22 libraries, 27 physical and cultural centres, 14 gymnasia.
3. It runs five dispensaries.
4. A Workers' Co-operative Bank has been set up.
5. It publishes a bi-weekly paper named, 'Mazdoor Sandesh'.

The Mazdoor Sabha of Kanpur runs a reading room, a library and a dispensary for workers. Some of the Railwaymen's Unions have organised co-operative societies and various kinds of funds for the provision of specific benefits such as legal, death, retirement, unemployment and sickness benefits. The Mill Mazdoor Union at Indore has started a Labour Welfare Centre. It is ~~is~~ working in three sections:

1. The Bal Mandir (Children's section);
2. Kanya Mandir (Girls' section);
3. The Mahila Mandir (Women's section).

These Mandirs have also been organising training in tailoring, knitting, spinning etc.

2.19

CRITICAL APPRAISAL

A review of functioning of trade unions in the realm of labour welfare activities unfolds the fact that some unions like Major Mahajans, the Mazdoor Sabha of Kanpur, etc. have been rendering yeoman's service. But unfortunately, this has not been the universal phenomenon. Due to paucity of funds, dearth of enlightened leaders, poor membership, etc. some unions in India have not done much in the field of labour welfare activities. There is a growing feeling that unions should evince keen interest in welfare programmes such as education, health, family planning, recreation, physical, cultural activities, etc. Even the Government should come forward to assist financially to such unions which have launched welfare programmes.

2.20

SOME SPECIAL ASPECTS OF WELFARE ACTIVITIES

2:20.1 CANTEEN

The canteen is being increasingly recognised, all over the world, as an essential part of industrial establishment. It is an indispensable source of providing benefits from the point of view of health, efficiency and well-being of the workers. The object of industrial canteen is to introduce an element of nutritional balance into the otherwise deficient and unbalanced dietary of the workers, to provide cheap and clean food and offer an opportunity to workers to relax in comfort. Besides, a canteen provides a meeting place for the workers of all departments of a factory. It can thus have a great influence on the morale of the

workers. The International Labour Organisation in its report contends:

... canteen movement must be accepted by the State as a definite charge and the running of canteens must be accepted by the employers as a national investment.¹²

In European and American countries canteens are looked upon as laboratories carrying on experiments in nutrition and dietics. In India, however, the workers and employers have not fully appreciated the valuable services rendered by the canteens. In most of the undertakings, canteens have not been organised, and wherever they exist, they are mostly run by the profit-hunting private contractors. They chase after profits than the welfare of the workers.

For the successful running of a canteen, there are certain essential conditions. A canteen should be commodious, bright, clean. It must be situated in the factory premises. It should be run on non-profit basis. The eatables provided should be of good quality. The employers should grant subsidies so that the articles may be sold at subsidised rates. The factory management can also provide free-building, furniture and crockery. The pay of the manager and other canteen staff can be included in the general wage-bill of the factory. Thus every effort should be made to create a friendly atmosphere inside it so that workers can really feel comfortable and relaxed.

It may be noted that some employers like Tata Iron and Steel Company, the Delhi Cloth Mills, the Lever Brothers in Bombay, have

provided excellent canteen facilities for their employees.

Of late, the Government of India has fully acknowledged the importance of industrial canteens. The Factories Act of 1948 and the Mines Act of 1952, empower the State Governments to issue the rules for the provision of canteens in factories and mines employing more than 250 workers.

The National Commission on Labour suggests that the limit of 250 should be brought down to 200 for provision of canteens. They should be properly run on a co-operative basis or at least the workers should be associated with canteen-management. The employers can give subsidy in the form of free accommodation, fuel, light, utensils and furniture.

✓ 2:20.2 RECREATIONAL FACILITIES

Labour Investigation Committee puts recreational facilities as:

... a means to relieve the monotony and drudgery of working long hours in the factories, to introduce an element of joy and relief as well as to impart instructions and education to the ignorant workers.

The average industrial worker works in an atmosphere of dust, noise and heat. He lives in terribly over-crowded and insanitary dwellings which are not better than dark dungeons. The workers who come from

villages, find it difficult to adjust themselves to urban or factory-environment. They are deprived of normal social life. Consequently, they fall prey to vices.

The provision of recreational and cultural facilities which include indoor and outdoor games, radio-listening, excursions, lectures, concerts, cinema shows, libraries, holiday homes, etc. not merely help the workers to utilise their spare time in healthy atmosphere but also keep them away from the evils of drinking, gambling, etc. With greater mechanisation in industries and restrictions in the hours of work, the industrial labour never gets more leisure than before. It is very important as to how leisure is utilised because:

the use of a nation's leisure is the test
of its efficiency and civilisation.

Recreational facilities during this leisure go a long way in improving the health, knowledge and well-being of the workers. It is a potent source of building harmonious industrial relations and increasing productivity.

Little attention has been given in India towards extending increased recreational facilities.

✓ 2:20.3 MEDICAL FACILITIES

As regards sanitary and medical facilities, their importance for the industrial workers can hardly be exaggerated. The Royal

Commission on Labour in India emphasized the point that the health of industrial worker is of cardinal importance not only to himself but also to the nation. Sickness and ill-health are considered to be among the most wide-spread causes of absenteeism, lowered morale and bad time-keeping leading to a decline in production, deteriorated quality of work and strained relationship between employee and management.

In India, the health of the workers is affected due to unhygienic climatic conditions under which the work is performed. Bad working conditions in some undertakings, tropical diseases, illness due to ignorance and poverty, long hours of work and low wages lead to poor stamina and inefficiency. Hence the provision of medical facilities is of utmost importance in India.

The medical facilities extended to the labourers are far from satisfactory. There is also a question as to what extent the employer can be made responsible for financing medical facilities. In some industries like, - beedi making, foundry, etc. some of the diseases are the direct product of industrial employment. It is, therefore, the employers who have a moral duty in looking after the physical sufferings of the workers. Even society has to share a part of the responsibility.

Of late, with the adoption of the Employees' State Insurance Scheme, the Government has realised that medical provisions is no longer the responsibility of the employers. However, the Labour Investigation Committee has pointed out that the provision of medical facilities though primarily the responsibility of the State, it should also be supported by the employers and the workers themselves.

There is a statutory binding on the part of the employers to provide first-aid facilities. Unfortunately, most of the concerns are devoid of such facilities. Even if they are maintained, the administration is very poor. There are not trained first-aid staff to administer relief on the spot. Thus the statutory bindings are not properly adhered to. Some employers have maintained the hospitals and dispensaries but many of them are ill-administered.

However, with the recommendation of Health Survey and Development Committee (Bhor Committee), the Health Survey and Planning Committee of 1961 and with the introduction of State Employees' Insurance Scheme, several changes have been effected both in medical organisation and medical facilities to the workers.

The Central Government has set up a Central Labour Institute at Bombay (in 1966) and three Regional Labour Institutes at Calcutta, Madras, and Kanpur (in 1965). All these institutes are equipped with industrial Safety, Health, Welfare Centre and the Industrial Hygiene Laboratory. These institutes undertake training programmes and special studies on various aspects of health, safety, welfare and work-environment in industry. Apart from this, a National Safety Council has been set up. Medical Inspectors of Factories have also been appointed in a number of States.

✓ 2:20.5 WASHING AND BATHING FACILITIES

The Royal Commission on Labour Studies says that the workers

who live in crowded areas, have inadequate washing and bathing facilities at home. Provision of such facilities would add to their comfort, health and efficiency.

The Factories Act requires that in a concern where workers come in contact with any injurious or obnoxious substance, supply of water for washing purposes should be provided. It is observed that almost all factories provide water for washing but without soap and towels. Very few mine owners have provided the facility of pit-head baths. It is, therefore, that the Government has formed the Coal Mines Pit-head Bath Rules (1959) to extend the facility of pit-head baths.

✓ 2:20.6 EDUCATIONAL FACILITIES

In a country like India where about 66 per cent of the Indians are illiterate, the provision of educational facilities for the workers and their children needs no special emphasis. Illiteracy is perhaps the root cause for several problems. The need for education is especially urgent in an era of industrial expansion when the process of industrialisation may involve the transfer of workers in large number from agricultural to industrial occupations and the acquisition of industrial skills and expertise. Without a sound foundation of education, training will be difficult and expensive.

To make the workers worthy citizens, to promote harmonious industrial relations, to enable workers to understand modern economic trends, to discipline the mind of the workers and to stimulate their

thinking power and latent potentialities, the importance of educational facilities is very great indeed.

In the opinion of Labour Investigation Committee, the responsibility of providing education should be that of the State and cannot be imposed upon employers as a matter of policy. If some employers provide generously, it must be considered as merely gratis.

In fact, the employers must also participate in the scheme of imparting education to the workers, at least in their own interest. Several enlightened employers like, - Buckingham and Carnatic Mills have provided adequate facilities in educating the workers. The Ahmedabad Textile Labour Association has launched the scheme of night adult classes. Of late, several public and private sector undertakings have launched Workers' Education Programme.

✓ 2:20.7 WORKERS' EDUCATION PROGRAMME

The Second Five Year Plan provided for a country-wide scheme of workers' education with particular emphasis on trade union methods and philosophy. In order to implement this recommendation, a Committee for Workers Education was set up in January 1957. A Central Board for Workers' Education was set up in 1958. The Board comprises the representatives of the Central and State Governments, educationists, the representatives of University Grants Commission, Indian Adult Education Association and those of workers and the employers. A number of Regional Centres and Sub-Regional Centres have been set up under the Board.

The Board was reconstituted in May 1981. It celebrated its Silver Jubilee in September 1983.

The Workers' Education Programme is divided into the following three stages:

First Stage: is the training of Education Officers.

Second Stage: is the training of selected workers as the Worker-Teachers.

Third Stage: is that these Worker-Teachers return to their industrial units and conduct classes for their fellow-workers.

The Central Board for Workers' Education has set up 43 Regional Centres and 18 Sub-Regional Centres by 1984. The Centres had trained 65,075 Worker-Teachers and 26,66,414 workers at the unit level by May 1983.

The Boards are also conducting Adult Education Programme. They have published several textual booklets for the benefit of adults.

The Scheme of Workers' Education is perhaps the best under the circumstances. But some case studies have shown that the scheme has not made good progress in the third stage, i.e., at the unit level classes. In some places, employers have complained that 'politics' is preached by the Worker-Teachers.

The National Commission on Labour(1969) has pointed out that the present Scheme of Workers' Education, like any other scheme, is

not altogether perfect. There is a need for improving and strengthening it. The Government should undertake an extensive adult literacy programme for eradicating illiteracy among workers. The Commission recommends that the programme of workers' education should be formulated and implemented by trade unions. The unions should engineer suitable programmes in collaboration with universities and research institutions. It recommends that the Bord of Workers' Education should be instituted on a permanent basis. Its constitution should be altered and a trade union nominee should be placed as the President.

2:20.8 GRAIN SHOP FACILITIES

It is an important welfare activity. Establishment of grain shops closer to the workers' residential quarters enables them to get the things of daily requirement at concessional prices. It is, therefore, that establishment of consumers' co-operative stores should be encouraged.

In this connection it may be mentioned that under a scheme drawn up by the Ministry of Labour and Employment, the employers are required to assist the consumers' co-operative stores with working capital, loan, managerial assistance besides participating in their share capital. In 1983, there were as many as if not more than 18,690 primary consumers' co-operatives throughout the country.

2.21 SUGGESTIONS FOR IMPROVEMENT

A brief review of the labour welfare activities provided in

India suggests that there has been wide disparities in the adoption of the programme. There are great variations not merely amongst the States but also amongst industries. In most of the ventures statutory provisions have not been implemented. Such lapses are likely to cause great damage not merely to the industrial labour productivity but also to the industrial peace. It is, therefore, that there is a pressing need for making improvements.

The following suggestions are made to improve labour welfare work in the country.

- 1 A definite minimum standard of welfare should be laid down. This would bring uniformity in the provision of welfare amenities to labour.
- 2 Measures should taken for the effective implementation of the provisions of the Factories Act, 1948, Mines Act, the Plantation Labour Act relating to health, safety and welfare of the workers.
- 3 There should be the appointment of qualified and experienced labour and welfare officers. The Welfare Officer should act as the maintenance engineer on human side.
- 5 Both Central and State Governments should evince keener interest in labour welfare activities. The employers must soften their attitudes. The trade unions must play increasingly more active role in providing welfare facilities.

Investment in labour welfare activities is the most productive investment. Labour welfare activities are the catalyst of change. They constitute a profound source of winning the willing obedience of the workers. In a developing economy like India, which has embraced the objective of speedy industrialisation of the economy and building industrial democracy, there is a pressing need for approaching the problem of labour welfare activities in the most realistic manner.

Provision of welfare facilities should be regarded as a social obligation and the joint responsibility of the employers, the State and the trade unions. They should all work in harmony to raise the standard of living of the workers. In India, a beginning has been made in this direction but still there is a great scope for improvement which offers both an opportunity and a challenge to these agencies.

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