

CHAPTER -7 -

CONCLUSION AND SUGGESTIONS

7.1. CONCLUSION

7.2. SUGGESTIONS.

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7.1 Conclusion:

- (i) In the settlement reached in May 1988 the pay-scales were revised. In this revision the pay-scales were increased by Rs.140. This has benefited the workers of the Ghatge Patil Industries Private Limited. But it is not clear on what basis the pay-scales are revised. The Union had demanded an increment of Rs.200. But during the negotiations, the parties concerned settled the issue by agreeing to the amount of Rs.140. Therefore this shows that the Union and the Management did not follow any wage-norms (Minimum Wages) established by the Government.
- (ii) While analysing the wage-agreements in the industrial concern under study one unique feature relating to Labour Management relations was observed. In the study it was found that during the decade, in which three wage-agreements took place, the workers did not resort to stoppage of work in the years during the period of wage-settlements. Thus it is being found that such wage agreements through collective bargaining has brought about a healthy industrial atmosphere in the industrial concern under study. This has had its good effects on the overall production of the concern.

- (iii) In the settlement reached in September 1980, fixed dearness allowance was revised. The fixed dearness allowance was related to the Price-Index of Solapur i.e. '380'. In addition to fixed dearness allowance, the Management agreed to give variable dearness allowance related to Price-Index of Solapur, at the rate of Re.1 per point exceeding the limit (380) per month. This was a good change to the benefit of the workers. But the rate of Rs.1 per point per month is less than the Government's rate i.e. Rs.1.65 per point per month.

In the settlement reached in May 1988, the fixed dearness allowance has been increased by Rs.25. This increase in fixed dearness allowance is very small one.

- (iv) The Union has achieved some good benefits to the workers in the settlements reached in 1980 and 1988. These are related to house rent allowance, attendance allowance, Medical allowance, Special allowance, allowance for work done on weekly holidays, washing allowance etc. These benefits have led to some economic gain to the permanent workers. However it must be noted that no provident fund, bonus, gratuity, overtime, incentives etc. benefits are given on these allowances.

- (v) The Management has established a provident fund trust namely - Ghatge Patil Industries Provident Fund Trust. The establishment of a trust by the Management has helped the workers in getting the provident fund without any delays. But the agreements do not contain any reference about the utilisation of funds of the Provident Fund Trust.
- (vi) The Management gave bonus to the workers at the rate stated in the payment of Bonus Act, 1965 - i.e. 8.33 per cent per year. But it was found that the Management did not give the bonus to the workers lump-sum at one time. Bonus was paid to the workers in some instalments.
- (vi) The Management gave different types of leave to the workers. The Management as agreed in the settlement reached in May 1988, gave eight days casual leave to the workers at present. Generally the casual leave given to the workers and employees in other fields is of 12 days. The wage agreements under study do not contain any provisions regarding the sale of leave. Therefore it seems that the workers are not allowed to sell their leave.
- (vii) Linking of labour productivity with wage agreements is beneficial to both the parties - The management and workers. The Management's insistence on better productivity leads to better production and increased production leads to increased output

and increased sales, which in the long run will bring about better bonus and incentives for the workers.

- (ix) It is clear from the study of the wage agreements, that all the benefits included in these agreements were meant for the permanent workers only.

7.2. SUGGESTIONS :

In India, Industrial development is taking place rapidly, especially after 1955. This is so because in the second five year plan and in the succeeding five year plans also a large amount of resources was provided for industrial development. Maharashtra is a leading industrially developed state in India. In Maharashtra, however, the industries are concentrated in Bombay, Thane and Pune belt. After 1960s, due to the Government's policy of dispersal of industries in other regions of the state and because of the efforts of the government for developing industrial estates in different parts of the state, industrial development has started in some other places of the state. A number of industrial units producing different spare parts of machinery; engines, etc. have been established in Kolhapur. Most of them are small scale and a few are medium scale industries. Foundary industry has also paved its development in Kolhapur city as well as in the industrial estates of Ichalkaranji and Jaysingpur in the district. Facilities provided by the government, entrepreneurship, co-operative spirit and

availability of cheap labour are some of the favourable factors responsible for the beginning and development of industries in Kolhapur. They are producing different spare parts which are used by the reputed concerns in India as well as in some foreign countries. One other important factor responsible for the industrial development in some new regions is that during the last 40 years some industrial houses have occupied the monopoly positions in the country. It is beneficial for them to get produced the different spare parts by small scale industries - particularly in suburban and rural areas where it is possible to keep the cost of production low, due to the availability of cheap labour, the government's special facilities given for the purpose the development of rural and backward regions etc.

Accordingly in Kolhapur city and adjoining areas the industrial development is taking place. Naturally this has resulted in growth of the number of industrial labour.

On the part of the labour, due to the increased consciousness and the constantly rising living costs, because of the inflationary pressures, have been forced to organise themselves. Accordingly a number of trade unions have been established in Kolhapur. These trade unions try to achieve their different demands by way of following different forms of struggle. They use forms such as work under protest, gheraos, go-slow, work to rule, token strike, token hunger strike and sometimes indefinite strikes. The Management also, sometimes declare lockouts. This has resulted in increased number of industrial disputes.

There are different methods for settlement of industrial disputes. Collective bargaining is one of them. Collective bargaining is a democratic and effective methods of settling disputes through discussions and adjustment. Collective bargaining is a method by which management and labour may explore each others problems and viewpoints and develop of Framework of employment relations within which both may carry on daily association in a spirit of co-operative goodwill for mutual benefit. Therefore efforts should be done from both the sides for effective working of collective bargaining. Collective bargaining would result in mutual benefit to both the parties.

In this study wage agreements reached between the Management of the Ghatge Patil Industries and the Kolhapur Zilla Engineering Mazdoor Sangh, during the last decade, have been studied and conclusions have been drawn. On the basis of this study the researcher has given following suggestions for the effective working of collective bargaining and achieving better benefits to the workers.

- (i) It is found that the trade union - Kolhapur Zilla Engineering Mazdoor Sangh did not follow any long term plan while negotiating with the Management. The union is interested in increasing the wage packed for the workers. The Union tries to get immediate economic gains for the workers . However considering the long term gains to the workers, the union should prepare a plan of long term gains which can be secured through wage agreements which take place

every three years. And therefore every time the union should decide short term and long term gains to be achieved.

- (ii) In case of pay-scales it is found that the Management does not follow any established norms of pay-scales. Therefore henceforth the union should insist upon the concerned minimum wage. Because basic pay is the major part of the salary of the workers.
- (iii) In case of dearness allowance the Union has become successful in getting fixed dearness allowance as well as variable dearness allowance related to the Price Index of Solapur. But the rate of variable dearness allowance given by the Management is less than the government's rate. Therefore the Union should also insist upon the variable dearness allowance at the rate decided by the Government.
- (iv) All the benefits agreed in the wage agreements benefited the permanent workers. In Ghatge Patil Industries, at present, there are nearly 500 temporary workers. They are deprived of all these benefits received by the permanent workers. Therefore the Union, in future, can do two things in this respect. It should
- i) try to get permanent orders to the temporary workers, or
 - ii) try to get all the benefits for the temporary workers also.

- (v) The Management has established a separate provident fund trust namely Ghatge-Patil Industries Provident Fund Trust. On this trust a representative of the Union is appointed by the Management. The union's representative should try to get ~~the~~ information about the investment of these funds. He should collect all such information, discuss it with other union leaders and the workers and insist upon a particular policy about the utilisation of these funds. The union through its representative should try to follow a policy of investing at least a particular part of these funds into government's securities . This will be beneficial for the workers.

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