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TOPIC NO. I

INTRODUCTION

MEANING AND IMPORTANCE OF LABOUR REMUNERATION :

In any industrial concern wage and salary administration is one of the important functions. Remuneration paid to workers engaged by the day, week, fortnight or month is usually referred to as wages. Wages also include non-pecuniary benefits attached to money payments. If the workers are provided with subsidised food then the amount of subsidy will be regarded as part and parcel of the remuneration to be paid to workers. Wages constitute that share of the total cost of production which can be attributed to labour.

The attitude of the worker towards his employer is usually determined by the extent to which he is satisfied with wages he is getting. Though wage is not a sole factor in a worker's satisfaction. If wages are not adequate then it becomes the cause of dissatisfaction among the workers. The management must take care of the remuneration of employees before it can think of providing incentives through promotion etc.

By reducing inequalities between employees earning a good wage administration programme raises

the individual morale and reduces the intergroup fraction. It also sets wages high enough to permit the company to many good, talented the employees to put their efforts for the achievement of organisation goals. High wages reduces the strength of union and employees grievences and enables the management to exercise centralised control over the largest single item of cost of wages and salaries.

Wage is an life blood of the organisation which provides healthy atmosphere for growth and survival of business in the world of competition.

GENERAL CONSIDERATION IN WAGE & SALARY ADMINISTRATION.

Wage and salary administration indicates the successive stages of development and change. In this connection four steps are generally taken into consideration. First of all in the primitive era when means need and wants were relatively few, the worker was paid in kind mainly in the form of food-grain.

The second stage brought forward the traditional

labour market supply where the autonomous forces of demand and supply of labour in the market place determines what wage the employer was going to pay to the worker. The condition of labour market and competitive forces in the market determines the level of wages.

In the third stage we come across the institutional labour market supply where labour organised itself in the form of trade unions for protecting the economic interest of the workers. The system of wage fixation developed here union and management negotiated to determine the wage scales.

In the fourth stage we perceive a tripartite system of wage determination coming into vogue. The state is also interested in wage determination and establishes certain policy framework in which labour and management must negotiate and fix wages and salaries.

In India under the influence of a tripartite machinery Indian labour conference and standing labour committee, wage boards are set up for different

industries to establish certain policy guidelines to determine wages in industries.

OBJECTIVES OF STUDY :

- 1) To study the motivation and productivity of the worker.
- 2) To assess the welfare activities of the process house.
- 3) To know the standardisation of wages and categorisation of different grades and the basis on which categorisation is worked out by the processors.
- 4) To study the allowances given by the company to the workers for motivation to utilise maximum efficiency worker.
- 5) To study the creation of employment by the company and recruitment.
- 6) To find out rural and urban distribution of employees engaged by the process house.

- 7) To study whether the process house employing statutory minimum wage or not.
- 8) To know whether the standard of living of the lowest paid worker is satisfactory or not.
- 9) To study the effects on productivity and money wages of the physical exercise and time spent for travelling from home to factory by the workers.
- 10) Vehicle adopted by the worker to attend the job.

METHODOLOGY OF STUDY :

The present work deals with "Case study of labour remuneration in LAXMI CO-OP. PROCESSORS LTD. ICHALKARANJI". The same process is one of the important processing unit in Ichalkaranji. More than 250 workers are serving in this process. For the study purpose I have adopted the following research methodology.

The Laxmi Co-op. Processors Ltd. is built-up with different departments; such as Grey department, Bleaching Department, Mercersing Department; Dyeing Department; Printing Department; etc. To study the

present subject I have collected the data mainly through questionnaire method. I requested to the workers to fill in the questionnaire form. In the process it is difficult to fill in the questionnaire from every worker; therefore I have adopted multistage sampling method. I have selected 80 workers from the process house who were representing all department and different activities of the process unit. These 80 workers covers nearabout ~~30%~~ of labour force. For selection of sample started with the targets of 10% of workers in each department. I have tried to include each category into sample. If the number of workers in any department is less than 10; then I uses to include at least one workers. All these workers were selected from the muster roll by the method of simple random sampling.

I also used the interview technique wherever necessary. At the time of interview with the workers I have faced many problems. One of the workers considered me as a retrenchment authority and probably it was now his turn to go out of factory. One respondent comment that there were many student studying regarding labour but the problem of labour were not being solved. One of the respondent considered me as a member of family planning unit and says he was already operated. Some were asking the chances of

getting service. Few of them were under the pressure of management and so on. But after the clear idea of research is given they furnish the full information and help me in my research work.

My work mainly depends on questionnaire, reports and records of the same process. Necessary figures compiled directly from records of the process house and records of the union office. The reports from establishment of the process unit becomes helpful for my research work. In addition to this information available from Manchester Magazine, Mantramag and Soveiner of the Powerloom industry becomes useful for study.

SCOPE OF STUDY :

The Laxmi Co-op. Processors Ltd. is a result of co-operative movement of Maharashtra. Establishment of this unit is a relief to the traders and powerloom owners in Ichalkaranji. Prior to establishment of different process unit, it is Bombay who fulfills the processing requirements of Ichalkaranji powerloom owners. This process house processed grey cloth to a standard finish quality.

The point of present study is highlight the labour remuneration in the process unit. The present study has been under taken within the theoritical framework of the subject. The scope of subject is very vast. It includes wages structure, method of wage payment frienge benefits, productivity welfare facilities, bonus position, and so on. Present study overpass the different aspects of labður remuneration and existing policy and practices in the field of wage and salary administration in Laxmi Co-op. Process Ltd.

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