

CHAPTER-III

CHAPTER - III

THEORETICAL FRAMEWORK

A) CONCEPT OF LABOUR WELFARE :

The term 'Labour Welfare' is derived from the French phrase "welfare" which means a fare well. The concept of labour welfare can be studied from different angles. Labour at all times has been recognised as a connective factor of production. Any work whether manual or mental undertaken for monetary consideration is called as 'labour'. Welfare is a broad concept which refers to the state of living of an individual or a group, in desirable relationship with the total environment, ecological, economic and social.

Labour welfare includes both social and economic contents of welfare. Social welfare is primarily concerned with the solution of various problems of the weaker sections of the society like prevention of poverty. It aims at social development by such means of social legislation, social service, etc. The object of economic welfare is to promote economic development by increasing production and productivity through equitable distribution. Labour welfare is a part of social welfare conceptually and operationally. It covers a broad field and denotes well being happiness, satisfaction, conservation and development of human resources.

Labour welfare may be viewed as a total concept, as a social concept and as a relative concept. These concepts include a desirable state of existence involving the physical, mental, moral and emotional well being. These four elements together constitute the structure of welfare, on which its totality is based. The social concept of welfare implies the welfare of man, his family and his community. All these three aspects are inter-related and work together in a three dimensional approach. The relative concept of welfare implies that welfare is relative in time and place. Labour welfare is a dynamic and flexible concept and hence its meaning and contents differ from time to time, region to region, industry to industry and country to country depending upon the Value System, level of education, social customs, degree of industrialisation and general standard of socio-economic development of people.

Labour welfare implies the setting up of minimum desirable standards and the provision of facilities like health, food, clothing, housing, medical assistance, education, insurance, job security, recreation etc. Such facilities enable the worker and his family to lead a good work life, family life and social life. Labour welfare also operates to neutralise the harmful effects of large scale industrialisation and utilisation.

Thus, the labour welfare is a three fold concept.

- 1) As a relative concept, differences in content different time, place, region and industry.
- 2) As a social concept, so far as it is not related to the individual alone but to his family, neighbourhood and community as a whole.
- 3) As a total concept, comprehending the individuals, physical, mental, moral and emotional well being.

It is obvious that just as the concept has undergone many changes in course of time, it will progress much more with the realisation by all concerned that welfare is a scientific phenomenon and not merely a moral concept.

B) DEFINITION :

The term 'labour welfare' stands itself to ** interpretation and so a precise definition of it is some what difficult. However, following are some of the important definitions of labour welfare.

- 1) International Labour Organisation (I.L.O.) defined labour welfare in 1949, as "Such services, facilities and amenities as adequate canteen, rest and recreation facilities, arrangements for travel to and from their houses and such other services, amenities and facilities as contributes to improve the conditions, under which workers are employed".
- 2) According to Government of India Committee on Labour, "Labour welfare includes any activity done or undertaken for the intellectual, social, physical, moral or economic

development of the worker irrespective of the fact whether it is done by the employer, government or any other agency, whether it is done as per the dictates of the law or in fulfillment of contractual obligations between employer and employees".

3) According to Oxford Dictionary Labour welfare is defined as 'the efforts to make life worth living for workmen'.

4) Encyclopedia of Social Services defines it as "the voluntary efforts of the employers to establish, within the existing industrial system, working and sometimes living and cultural conditions of employees beyond what is required by law, the customs of the industry and the conditions of the market".

5) According to late V.V.Giri, "Labour welfare does not merely deal with providing of opportunities for the worker and his family for good life as understood in its most comprehensive sense but it also fundamentally in the interest of the large society as the health, happiness and efficiency of each individual connotes the general well being of all and that taken. Thus, labour welfare is an essential part of social welfare".

6) According to Mr.N.M.Joshi, "The welfare work covers all the efforts which employers make for the benefits of their employees over and above, the minimum standards of working condition fixed by factories act and over and above the

provision of the social legislation providing against accident, old age, unemployment and sickness.

From the above definitions, it is very clear that the labour welfare is a wider term. Moreover, it has both negative as well as positive aspect. As it makes available opportunities for the workers and his family to lead a good life and develop his personality, it expresses the positive side. On the negative side, it is preoccupied with the working conditions. The negative role of the labour welfare is much more important than the positive side. Thus, the concept of labour welfare has both a moral as well as physical aspect, both of which are equally important.

It is also clear from the above that anything and everything apart from the wages is a labour welfare measure. The term 'labour welfare' is flexible and comprehensive and includes various types of measures provided by the management for economic, social and psychological satisfaction of the labour force. The activities are so varied that the concept of labour welfare varies according to the needs and wants of the workers living under a particular civilization. The Royal Commission on Labour in India (1931) rightly pointed out that, 'the term labour welfare as applied to the industrial workers is one which must necessarily be elastic, bearing some what different interpretation from one country to another, according to different social customs, the degree of industrialisation and the educational development of the workers.'

C) OBJECTIVES OF LABOUR WELFARE FACILITIES :

Welfare measures generally aim to ensure social health and economic security to the workers, increase their satisfaction and raise their standard of living. The following are the basic objectives of the labour welfare facilities.

- 1) Creating a sense of commitment and loyalty among the workers.
- 2) Imposing numerous restrictions on the employer for the health and physical well-being of the employees.
- 3) Ensuring social and economic security of the workers.
- 4) Inculcating leadership qualities and team spirit.
- 5) Reducing absenteeism among the workers and encouraging them for regular attendance.
- 6) Attracting and retaining talent and skill.
- 7) Improving industrial relations.
- 8) Building up a good image of the company.
- 9) Promoting harmony and developing co-ordination among the workers.
- 10) Building up a stable labour force.
- 11) Improving the productivity of the workers.

The aims and objectives of the labour welfare have progressively changed during the last few decades from the primitive policing and placating philosophy of labour welfare, it gradually moved to the era of paternalism with philanthropic objectives. Even today there is evidence of

humanitarian outlook of some of the employers in many labour welfare programmes. The recent thinking of labour welfare, however, is more oriented towards increased productivity and improved efficiency of the workers.

D) NEED FOR LABOUR WELFARE FACILITIES :

The need for labour welfare arises from the very nature of industrial system which is having two basic characteristics, one the conditions under which the workers have to work or not congenial for health and second the worker has to work in an entirely strange atmosphere creating problems of adjustment.

The working conditions in the factory adversely affects the health of the workers because of the excessive heat or cold, noise, dust, lack of pure air etc. It results into occupational health problems and diseases for the workers and so it became necessary on the part of management to provide protective services and compensatory benefits.

To escape from the trying condition of tedious and tire-some job, workers remain absent and become irregular and indisciplined. Hence, it becomes necessary for the management to improve the condition of work for the life of the employees and provide welfare services.

The provision for welfare facilities creates a sense of security in the minds of the workers whereby the workers are emotionally, mentally and physically satisfied. They try to

put in their best efforts which contributes to increased productivity better profits, fostering good industrial relations and thus, prosperity for the management and the workers.

E) IMPORTANCE OF LABOUR WELFARE :

The importance of labour welfare for the all-round development of the workers can not be over emphasized. It affects the workers physically, mentally and emotionally. The Planning Commission in our country has rightly observed the importance of labour welfare. It pointed out that if the management wants to take out the best out of worker in the matter of production then the working conditions are to be necessarily improved. The worker should at least have the means and the facilities to keep himself in a state of health and efficiency. It is primarily concerned with the question of adequate nutrition and suitable housing conditions. It is also concerned with the working conditions which should provide for his good health.

The welfare activities carried out in the factory contribute in making services attractive to the labour and in creating a permanent settled labour force. Whatever improper conditions of work and life for the employees, the leaders should try to avoid it by making the worker more contented. It reduces the labour turnover and absenteeism and increases the efficiency.

The labour welfare work has been recognised as an integral part of industrial administration. It helps to improve mental and moral health of the workers by minimising the incidence of social evils of industrialisation.

Social advantages of labour welfare are also equally significant. The provision of good housing, good working conditions, recreational and educational facilities, medical facilities etc. are bound to increase the mental efficiency and economic productivity of the industrial worker. Labour welfare is fundamentally the interest of larger society as it connotes health, efficiency happiness of each individual. Thus, it is an essential part of social welfare.

From the humanitarian point of view, industrial workers should be provided with certain facilities and amenities of life. Such facilities and amenities increase the real income of the workers. The welfare work develops a proper sense of co-operation between the employers and employees for industrial purpose. Thus, the welfare activities influences the sentiments of the workers. The employer and the State Government are always interested in such welfare work as they feel that due to this the worker's tendency to grouse and grumble will steadily disappear. Thus, welfare work helps to develop and maintain the industrial peace.

1) SCOPE OF LABOUR WELFARE :

It is very difficult to lay-down accurately the scope of labour welfare especially because of the fact that labour is composed of dynamic individuals with complexity of needs. In the world of changing values where ideologies are rapidly changing and undergoing transformation, rigid statement about the field of labour welfare needs to be revised. The labour welfare work is increasing day by day with increasing opportunities. It is also increasing with the growing knowledge, experience and techniques. The test of the welfare activity is that as to how it removes directly or indirectly the hindrances and restores to the worker the peace and joyful living. The welfare work is concerned with worker and his family and so an able Welfare Officer Programmes the activities by taking the care of the worker and his family.

The scope of the labour welfare has been described by the different writers and authorities in different ways in different countries. It varies with the stage of economic development, political output and social philosophy. The subject of labour welfare facilities is very wide and covers all the amenities and facilities, the limits for which can not be rigidly laid down regarding its scope for all the industries and for all the times. It includes all the extra-mural and intra-mural welfare work, statutory and non-statutory welfare facilities undertaken by the employers, Government, Trade Unions or Voluntary Organisations and also

Social Security Schemes which contribute to the welfare of the workers.

The welfare work generally includes the activities such as housing, medical and educational facilities, nutrition including provision for canteen, rest and recreational, co-operative societies, day nurseries, sanitary accommodation, drinking water, holidays with pay, provident fund, gratuity, pension, social insurance, safety provisions, transport facilities, to and from working place to house, uniform, protective dress etc. Thus, labour welfare is wide term which includes all such activities which tries to take away the workers from the bonds of poverty, ignorance, social inequality, conservative outlook and diseases.

However, the scope of the labour welfare can not be limited to facilities with or near the undertakings. Nor it can be so comprehensive as to cover whole range of social welfare.

G. HISTORY AND GROWTH OF WELFARE MEASURES :

The Industrial Revolution took place in the latter part of 19th century in England and slowly spread over in all the countries of the world. It resulted into mass production in anticipation of demand. In early stage of industrial revolution, labour was thought as an economic commodity, in addition to land and capital. The worker could be hired and fired. No attention was given to the conditions of work which

were miserable alongwith long hours of work. So the idea of comforts of workers was out of question. There was neither any social security nor any kind of labour welfare measures. At the time of industrial revolution it was thought that it would bring in peace, progress and prosperity. No doubt it brought prosperity but only for few priviledged people. This prosperity made rich more rich and poor more poor. Nobody bothered about the social justice to the workers. It resulted into illiteracy, ignorance and poverty which forced the workers to work like animals under the thumb of the industrialists.

Robert Owen was the first person who tackled the question of treating the workmen on more human scale. During 1800 to 1828, Robert Owen, improved the working conditions in his factory, reduced the hours of work, raised the minimum working age for children and introduced many more measures to promote labour satisfaction.

The Theory of Scientific Management was advocated by F.W.Taylor, for the execution of which worker had to be treated with honour and given his due recognition. For this, the conditions of work and the environment in the factory had to be human and motivating. An Industrial Psychology was the new field of thought which emerged due to thinkers like F.W.Taylor, Henry Fayol, Gilbreth and others. They basically stressed on the sociological approach and human relation in the industry.

The Hawthorne Experiment conducted by Elton Mayo and others positively proved that the worker is amenable to motivational techniques. Sociological motivation is much more powerful than increased wages. Morale, satisfactory social relationship and recognition of one's work play a greater role in increasing the productivity of worker than increasing the wages. This further gave an impetus to the human relation approach which resulted into introduction of social security measures and welfare facilities.

Prof. Douglas, McGregor formulated his famous theory 'X' and 'Y' about human relationships. According to theory X a worker is assumed to be a lazy, indolent, irresponsible person who deserved to be led. The worker never likes work and would avoid, if he could. He prefers to be directed, led, has no ambition and work is only to be extracted from him. On the other hand, theory Y assumes that the worker is responsible adult, who is committed to work. He would gladly take up more responsibilities, is innovative, likes to function on his own and under proper conditions, can exercise high degree of imagination, ingenuity, creativity and dedication to work. A large number of experiments in U.S.A. proved beyond any doubt that the modern worker is likely to fall under the assumptions of theory 'Y' and not theory 'X'. This theory 'Y' laid to rest the autocratic theory of motivation and leadership.

Dr. Maslow in his famous theory of 'Hierarchy of Needs' explained that the human needs can be arranged in hierarchy as a pyramid. Every human being tries to satisfy them one after the other. Keith Davies and others improved upon this theory and put forward their own variations of the theory. Thus, the Human Relations School of Thought and the theories propounded by them helped to introduce social security schemes, health schemes, insurance scheme, welfare schemes, etc. which were expanded by the managements, in the course of time.

As the importance of the working class is increasing day by day, in the economic and social structure of the modern community, more and more attention is being paid to the labour welfare facilities. The working class constitutes a substantial part of national population. They are the means in terms of their economic power and so the labour welfare is one of the major aspect of economic, social and national programmes, which are motivated for better and healthy labour welfare facilities of the workers.

H. LABOUR WELFARE IN INDIA :

In the western countries, labour welfare began in the early years of industrial revolution. The factories were started in India about the middle of 19th century (1881). During this period labour welfare was hardly thought of owing to the ignorance, illiteracy of workers etc. Unregulated and long hours of work, night work for children and women, bad

working conditions, lack of sanitary amenities, mounting accidents, very low wages and squalid living characterised the life of the workers in India. In India, between 1875 to 1908 factory legislation was the subject of investigation by four commissions. The law relating to regulation of factories was passed in 1881 called as "The Factories Act " which was subsequently amended in 1891, 1911, 1921, 1926 etc. Under these enactments various provisions were made regulating the hours of work, control on shifts, weekly rest, safety measures etc. Thus, there was some improvement in the working conditions of the workers. But this was very slow process, due to several prejudices on the part of Government and the Management.

After the emergence of India as Republic wedded to the idea of welfare state, the Government of India has taken special interest in labour welfare activities. The Factories Act of 1948 and few subsequent amendments have introduced statutory changes in the working conditions in factories. The Act imposes several obligations on the employers for the maintenance of safety, health and welfare of the workers. The act also provides for minimum standards of living, lighting and ventilation etc. It prescribes 48 hours a week, for adult workers, forbids the employment of children below 14 years in any factory and factories with more than 250 employees had to provide canteen for their employees.

I) LEGISLATIVE ENHANCEMENTS :

The Government of India passed the following Acts for the welfare and social security of the workers in the country.

- 1) The Factories Act, 1948
- 2) The Minimum Wages Act, 1948
- 3) The Employees Provident Fund Act, 1952
- 4) The Employees State Insurance Act, 1948
- 5) The Workmens Compensation Act, 1923
- 6) The Industrial Disputes Act, 1947
- 7) The Payment of Bonus Act, 1965
- 8) The Payment of Wages Act, 1936
- 9) The Trade Unions Act, 1926
- 10) The Payment of Gratuity Act, 1972
- 11) The Industrial Employment Act, 1946
- 12) The Apprentices Act, 1961
- 13) The Maternity Benefit Act, 1961

The Minimum Wages Act empowers the state to take steps for fixing minimum wages in selected occupations. The Employees Provident Fund Act provides for contributory provident fund. The Employee's State Insurance Act offers medical benefits to the workers. The Workmens Compensation Act provides for the payment of compensation to the workers, if they become disable fully or partly in the course of their work. The Industrial Disputes Act provides a machinery for the settlement of disputes between the employer and

employees. The Bonus Act makes the management to make the payments of bonus at fixed rate to the workers irrespective of the profit earned by it. The Payment of Wages Act makes the management to make the payment of wages regularly. The Trade Unions Act has clarified the functions and activities of the Trade Union. The Payment of Gratuity Act directs the management to make the payment of gratuity on superannuation. The Maternity Benefit Act prescribes the maternity benefits to be paid to women workers. Thus, much has been done in India for the welfare and well being of the workers.

The Trade Unions have played very important role in making all the welfare measures a reality. The trade unions had to struggle hard to get the various welfare measures implemented for the workers. In fact, it was because of the trade union led agitations that compelled the Government to introduce and enact various legislations that guarantee social and economic security to the workers.

J) CLASSIFICATION OF LABOUR WELFARE FACILITIES :

The labour welfare facilities can be classified as under -

- I) Statutory
- II) Non-Statutory (Voluntary)
- III) Mutual

I) Statutory Welfare Facilities :

The statutory welfare measures are those which have emerged from various Acts passed by the Government. It is legally binding on the part of management to offer these welfare facilities. These are connected with cleanliness, ventilation, temperature, lighting, drinking water, latrines and urinals, rest rooms, canteen etc.

II) Non-Statutory (Voluntary) Welfare Facilities :

Voluntary welfare facilities are provided voluntarily by the employer for his workers. These are provided to keep the labour force happy and contented. Such facilities may be called as non-statutory facilities. These are primarily oriented to democratic value system. The trade unions played an important role in bringing forth these facilities. Such facilities depend upon the agreement between a management and a trade union. Such facilities increase the efficiency of the workers and reduce the conflict between the employers and the employees.

III) Mutual Welfare Facilities :

Mutual welfare activities refers to such activities which are initiated by the workers for their betterment in a suitable manner either through the trade union or through the formation of the co-operatives.

Mural Activities :

In addition to the above classification, the welfare activities can be further divided into two groups -

- a) Intra-mural activities
- b) Extra-mural activities

a) Intra-mural activities :

In intra-mural activities we include such amenities and services which have been provided by the employer inside the factory e.g. latrines, urinals, canteen, drinking water, lighting, uniform, etc.

b) Extra-mural activities :

The extra-mural activities are such services and amenities which are available to the workers outside the establishment e.g. Social insurance, medical facilities, housing, transport, co-operative credit society, etc.

K) KEY CONCEPT :

Labour Welfare work is the work undertaken by the management for improving health, safety, efficiency and general wellbeing of the workers. As labour welfare consists of many things, it is essential to explain, in brief, the main key concepts which are included in the labour welfare facilities.

Health :

Firstly the health of the worker in the factory and the occupational risk connected with the work and secondly general health of the working class at home and at work are the two aspects connected with the health of the workers.

Health depends not only upon cleanliness, washing facilities, toilet etc. but also depends upon manner of frequency of dusting, working of floors, painting of walls, spittoons, latrines and urinals, ventilation, temperature etc.

Safety :

Safety is connected with the protection to the employees against the dangers arising from use of machines. Safety instrument and first aid provisions are considered under safety.

Latrines and Urinals :

The company should provide sufficient number of latrines and urinals at all times separately for male and female workers. There should be proper sanitation in it.

Drinking Water :

Supply of drinking water to the workers in the factory is highly essential. Special provision has to be made for adequate and proper supply of water to the workers. Arrangement for cool water has to be made in the hot season.

Canteen :

A canteen facility has to be made available to the workers at reasonable rate in the factory.

Washing Facilities :

Adequate and suitable facilities for washing should be provided to the workers.

Medical Services :

A company should make available necessary medical facilities at reasonable rates in the factory.

Ventilation :

Provisions are to be made in every work room to secure and maintain adequate ventilation by circulation of fresh air.

Dust and Fumes :

In every factory, the process of manufacturing results into creation of dust and fumes which may be injurious to the health of the workers. The company should undertake effective measures to control it.

Employee's Provident Fund and Gratuity :

The company should make provision for provident fund and the gratuity as expected under social security scheme.

Employee's State Insurance Scheme :

The Central Government passed this Act for providing certain benefits to the individual workers e.g. sickness benefit, medical benefit etc.

Recreational Facilities :

The company should provide recreational facilities to the workers at leisure time. Such facilities are games, filmshow, etc.

Worker's Education :

The company should make a provision for educating the workers and making them upto date whereby their efficiency can be properly improved.

Thus, labour welfare measures include the constitution of labour welfare funds and workers representatives keep the union informed about investment of welfare facilities. The welfare facility provided to the workers should give some return to the company in terms of efficiency and attitude. It should satisfy the real need of the workers and should not be farcical. The welfare services should relate to lower turnover, lower absenteeism, reduced influence of aggressive leaders on union, more effective recruitment, improved loyalty and reduced threat for further government intervention. In the light of this theoretical framework, let us see in the next chapter the labour welfare facilities provided to the workers of Jamshri.