

CHAPTER - III

THEORETICAL BACKGROUND OF STUDY

- A) MEANING & CHARACTERISTICS OF LABOURS
- B) DEFINITION OF SEASONAL WORKER
- C) CLASSIFICATION OF EMPLOYEES
- D) RECRUITMENT, TRAINING, WAGES,
BONUS TO WORKERS
- E) WORKING CONDITIONS
- F) SOCIAL SECURITY
- G) LABOUR WELFARE ACTIVITIES

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THEORETICAL BACKGROUND OF THE STUDY

A) MEANING & CHARACTERISING OF LABOUR :

MEANING :-

The term 'Labour' is used differently. In economics, any work, whether manual or mental, which is undertaken for a monetary consideration is called labour. In the discussion of labour problems the term 'Labour', 'Labourer', 'Worker', 'Workmen' and 'Employee' are practically synonymous meaning thereby wage labour which may be defined as workers who do not have any other 'adequate' source of livelihood except the sale of their labour power (i.e. capacity of work either physically or mentally) in return for which they get wages (including salaries). The word adequate implies that a major part or say more than half of the income, money as well as the real, of the worker or workers concerned is derived from wages. Thus the term labour today includes workers both of hand and head who work for other for a given payment in cash or kind. Therefore, highly trained or skilled, technicians, supervisors, clerical and salaried staff are as much a part of labour as the unskilled or semi-skilled manual workers. Sometimes the term labour is used in very broad sense which includes housewives, children, old persons etc., as it is treated as working force.

" Labour at all times, has been recognised as a separate factor of production. Any work, whether manual or



mental which is undertaken for a monetary consideration is called labour. "

According to S. E. Thomas " labour consists of all human efforts of body or of mind, which is undertaken in the exception of reward. "

Labour, however, is different from other factors of production and has got certain characteristics which has got certain characteristics which give rise to various labour problems in all countries. Labour is living thing and that makes all the difference.

As a factor of production labour is the most important and utilization of other factors largely depend on the proper utilization of time and energy on the part of the workers. The workers have their own attributes and aspiration which is handled properly, lead to the success of industrial work and growth of the economy. Besides labour is no more an unorganised mass of ignorant workers ready to obey the dictates of employer. Today the trade unions of workers have increased the strength of workers.

Thus, it is clear that labour is a major factor of production and its great role can not be denied. Today a greater interest is being taken in the study of labour and its problems by state agencies, employers and all other concerned with it. Now, labour education i.e. training and research in problems pertaining to labours can provide a common platform for trade unions and universities.

Labour problems arise when persons sell their services for a wage and work as directed on the premises of an employer. Therefore, the term labour as is generally used refers either to those persons who live by selling their services directly to employers.

Source : Economics of Labour and Social Welfare -

Dr. T. N. Bhagelwal.

Classification of Labour :-

Labour is a factor of production. It is a living thing and it makes differences. It has certain characteristics which distinguish the labour from other factors of production.

1) Labour is inseparable from the person. Therefore, environment in which labour has to work is of utmost consequence.

2) The worker sell his work only, but himself remains his own property. Therefore, worker's training and efficiency are of great importance.

3) When a person sells his services, he has to present himself where they are delivered. Therefore, environment in which the labour work is of great importance in the supply of labour.

4) Labour is a perishable thing. The labour can not be stored up. It has no reserve price. So workers can not offerd to wait, so they have weak bargaining power as compared to employer.

5) Rapid adjustment of the supply of labour to its demand is not possible. To increase the supply wage must rise.

6) Labour is not so mobile as capital. The change in environment, language, customs etc. at different places are the difficulties to the movement of workers from one place to another. So workers prefer to remain at home rather than moving from place to place.

7) Labour is not only the factor of production, but also the ultimate end of production. So, economic problems of labour, standard of living and poverty constitute important subject of labour economics.

8) Labour being a human factor, not only economic but moral, social and other considerations having a bearing of human being have also to be taken in to account in discussion of labour problems.

Source : Labour problems and Social Welfare - R. C. Saxena.

B) DEFINITION OF SEASON :

' Season ' means the period or periods each year during which sugarcane is crushed and sugar is manufactured, and

' Off season ' means the period of each year other than the season.

Definition of Seasonal Employees or Workers :-

" Seasonal employee " means an employee who is appointed by the Managing Director to do seasonal work mainly and / or

also for the period necessary for cleaning and overhauling either before and / or after the season. "

But provided that the period of cleaning and overhauling, is not more than one months before or after the season.

" A seasonal worker is a person who, for more than half of the total number of days on which he actually worked during the year, worked as a seasonal worker. "

Seasonal employee means any person who is employed for hire or reward to do any work for more than half of the total number of days on which he actually worked during the year, whose work is skilled or unskilled, manual or clerical in a scheduled employment in respect of which minimum rates of wage have been fixed.

Bombay Industrial Relations Act, 1946 Definition :-

" Seasonal worker means a worker who is appointed to do seasonal work mainly and / or also for the period necessary to meet the exigencies of work either before or / and after the season and discharged after such work is finished. "

Source : (Standing order as settled by Dy. Commissioner of Labour, Poona.)

C) CLASSIFICATION OF EMPLOYEES :

The employees are generally classified as under -

1. Permanent employees.
2. Seasonal employees.

3. Probationers.
4. Temporary employees
5. Casual employees.
6. Apprentices
7. Substitutes.

1. Permanent Employees :-

" Permanent employees " means an employee who has been appointed as such in writing by the Managing Director and includes an employee who has completed a probationary period of three months and / or whose appointment has been confirmed in writing by the Managing Director. However, probationary period may be extended by Managing Director in writing, for reason to be recorded, by a further period of three months only, before or at the end of which the employee concerned shall be confirmed, reverted or sent away.

Explanation :- Any employee employed continuously for three consecutive seasons, if he is a seasonal employee and in other cases employed continuously for not less than six months, shall be deemed to be a permanent employee.

2. Seasonal Employee :-

The seasonal worker is one who usually work when factory production is running.

3. Probationary :-

An employee who is provisionally appointed in writing by the Managing Director to fill a permanent vacancy

and has not been made permanent.

4. Temporary Employee :-

An employee who has been appointed in writing by Managing Director for a limited period for work which is of an essentially temporary nature.

5. Casual employee :-

An employee who has been appointed for work which is of an occasional nature.

6. Apprentice :-

An employee taken up as such in writing by the Managing Director and who is a learner, and is paid an allowance during the period of his training without any obligation on the part of the undertaking to employ him in the service of the undertaking on the conclusion of his period of apprenticeship.

7. Substitutes :-

An employee appointed in writing by the Managing Director in the post of a permanent or seasonal or a probationer who is temporarily absent.

D) RECRUITMENT OF LABOUR :

The ultimate success of any undertaking depends up on the method of recruitment. If the workers in any undertaking are not recruited properly, most of them are likely to be found inefficient and often quite unfit for the job allocated to them.

It will hinder production means there will be substantial loss to total output. If proper man for proper job is not recruited, it results in absenteeism and labour turnover. It is, therefore, highly desirable that scientific principles of labour administration and labour management should be applied in recruitment of workers in various units.

According to S. N. Mehrotra, recruitment is a second step in the total staffing process that begins with the determination of manpower requirements of the organisation. The recruitment is the process of searching for prospective employees. The nature of problems that a management faces in recruiting the manpower they need, varies from industry to industry, unit to unit and time to time. The methods and policies of recruitment play vital role in labour administration.

Sources of Supply of Labour :-

Generally speaking there are mainly two sources of labour supply i.e. internal and external. Internal source of supply of labour refers to recruitment of labour from within the organisation through implementation of policies of transfers and promotions. Sometimes the recommendation of friends and relatives, by employees and former employee who left the organisation. The external sources of labour supply, are those from within Direct application in person or by mail, labour organisations, educational institutions, advertising and employment agencies constitute, these outside sources of labour supply.

Internal Recruitment :-

It has the advantage of conservation of the existing manpower by stimulation for promotion and transfer. It increases the morale of employees.

1) Promotion :-

A promotion system is a most valuable adjunct to any personnel policy provided. It can be worked out on sound basis. A definite and sound policy of promotion which is defined as " a movement to a position in which responsibilities are increased along with rise in prestige as well as earnings, but not invariably involves a number of procedures, like a measure of a relative significance of the job analysis, description and classification of the jobs, notification of vacancies within the organisation, measurement of individuals to rank seeking promotion, and devising a training scheme to prepare either potential or selected candidates for specified jobs.

Merit and seniority are the two formal bases of promotion decision. Generally, personnel management prefers merit as determined by job performance and by analysis of employee potential for development. The performance appraisal is a complicated task that deserve separate treatment from different angles.

2) Transfer :-

The transfer refers to horizontal movement of an employee within the organisation. It may be defined as a change in job where the new job is substantially equal to the old in terms of pay, status and responsibilities. The transfers are

thus either for the convenience of the management or for the convenience of the employee. Both the types of transfer may be either temporary or permanent. The temporary transfers for the convenience of management arise due to shifts in the workload, absentism or leave. On the other hand, permanent transfers are due to shifts in the workload. The ill-health, accident, family considerations cause transfer of temporary as well as permanent nature for the convenience of employees depending on the period concerned.

External Recruitment :-

The sources of external supply of labour are as under :-

1) Application :-

Application received directly or by mail constitute and important source of external recruitment. In both the cases careful ~~an~~ scrutiny is necessary.

2) Labour Union :-

It is also an important source of recruitment, particularly in the case of firms having closed shop relationship.

3) Educational Institutions :-

The colleges, universities, vocational and professional institutes are providing the opportunities to the management to select prospective employees.

4) Advertisement :-

Many enterprises make the use of this source. With the help of advertisement in news-papers applications are

invited and then proper candidates are selected by applying some tests and examinations.

Recruitment in various Industries :-

Generally direct recruitment method is followed by many factories in the State of Maharashtra, Tamil Nadu, Punjab, Bihar and Orissa. The general procedure of direct recruitment is exhibition of a notice at the factory gate that so much labour is required. Then Manager or Labour Officer himself selects the necessary labour. Sometimes the new or fresh recruitment is brought to the notice of workers, who advertise it among their friends and relatives. A large number of people gather to the gate on the date on which they are called. However, these methods are useful to secure unskilled labour.

Recruitment of Labour in Sugar Industry :-

In sugar factories all workers except a few technicians and supervisors are discharged at the end of season, and at the beginning of next season, they are notified and are recruited.

Recruitment of Seasonal Workers in Sugar Factory :-

Generally a post of the labour force in sugar factory is recruited directly. Under this system selection of proper persons become necessary. The worker is made from the persons who are present at the factory gate, by the factory manager or Labour Officer. This method of recruitment is useful for the employment of unskilled seasonal workers.

For the recruitment of skilled and semi-skilled workers, promotion method becomes useful. Applications are invited from the skilled workers and direct selection is made after conducting some trade tests if necessary. The recruitment through advertisement is restricted to clerical cadre.

Sources of Recruitment of Seasonal Workers :-

1) Direct hiring :-

The sugar industry can attract the number of people because of its wages, facilities and working conditions. Therefore, from the people who come to the door for seeking employment a few of them may be selected and recruited.

2) Friends & Relatives of Workers :-

The employees of the factory may recommend their friends and relatives, so this is also a source of recruitment.

3) Advertisement in News Papers :-

It is commonly used source of recruitment. The sugar factory publishes the advertisement through newspapers, giving details regarding jobs, likely duties and responsibilities, job specification etc. and applications are invited from eligible candidates. Afterward applying some tests and interviews, proper persons are selected.

In sugar factories, recruitment is made directly. As well as internal and external source of recruitment are also used.

Source : 1) Dr. T. N. Bhagoliwal - Economics of Labour and Social Welfare.

2) R. C. Saxena - Labour Problems & Social Welfare.

Recruitment of Seasonal Workers in Balasaheb Desai
S.S.K. Ltd., Daulatnagar. :

In this sugar factory, all workers except a few technicians and supervisors are discharged at the end of season and next year when season starts again, they are informed and recruited if they remain present on the appointed date. Generally this factory starts its crushing in the month of October in each year and its crushing ends in the month of April or May. Hence, the working period of these seasonal workers is of only 6 to 7 months.

Generally, a part of the labour force is recruited directly. Under this method, selection is made from amongst the persons who present at the factory gate, by the Managing Director or Labour Officer.

The following prescribed notification already adopted by the factory for recruitment of seasonal workers.

" Notification only for seasonal Workers " :

The sugarcane crushing season 1986-87 is going to be started probably in the second week of October. The seasonal workers, who are discontinued from their duties, are hereby informed that they should give their information i.e. name, address, previous post and department in the time office upto 1-10-86 in person.

The seasonal workers who fail to report themselves in time office in Karkhana and fail to report to their duties back

before a day or unable to report before a day, should give satisfactory reason within seven days or it will be considered that they have left their work and we reserve the right to appoint a new worker in place of them and not a single complaint against it will be considered, please take a note of it.

The above notification published in local newspaper is only for the old seasonal workers who are to be recruited again.

6) Training & induction of Labour :-

Importance of Training in Sugar Industry :

After the selection, placement of employees, training to handle the job and meet the requirement of job is necessary. For effective work habits, to avoid waste, accidents and to improve the quality of product, training is essential. For the healthy industrial relations to increase the confidence of worker training is required.

Induction :-

Induction means that a new worker is made familiar with the organisation which he joins. An employee begins new life and needs to know the organisation, its objectives, functioning, conditions of work, rules of behaviour, worker's rights and obligations, welfare facilities etc.

Induction programmes for all categories of workers are very useful.

Need for Training :

The need for training can be clear from the following points.

1) **To increase productivity :-**

The training can help the employee to increase their level of performance which leads to increase, in productivity and increase in profits.

2) **To improve quality :-**

Well trained workers are less likely to make operational mistakes. Therefore, quality of product can be increased.

3) **To improve organisational climate :-**

An endless chain of positive relations results from a well-planned training programme.

4) **To improve health and safety :-**

Proper training can help to prevent accidents. A safer work environment leads to more suitable mental attitudes on the part of employees.

5) **Prevention of obsolescence :-**

Training and development fosters the initiative and creativity of employees and help to prevent manpower obsolescence which may be due to age, motivation or the inability of a person.

6) **Personal growth :-**

Training helps to employees for their personal development by educational experiences.

TRAINING FOR DIFFERENT EMPLOYEES :

Unskilled Workers :-

These workers require training in improved methods of handling machines and materials to reduce the cost of production and to do the job in the most economical manner. Such employees are given training on the job itself. The training period ranges from 3 to 6 weeks.

Semi-skilled Workers :-

These workers require training to cope with the requirements of an industry arising out of the adoption of mechanisation, rationalisation and technical process. These employees are given training either in their own sections or departments. The training period ranges from some hours to week.

Skilled Workers :-

These workers are given training through the system of apprenticeship, which varies in duration from a year to three years.

Other Employees :-

The employees like typists, stenographers, clerks etc. need training in their particular fields, but such training is usually outside the industry.

TRAINING METHODS / TECHNIQUES :

The forms and types of employee training methods are inter-related. It is difficult to say that a particular method is of more use than the other. The following are the methods mostly used for training of employees.

(1) On - the - job training :-

Under this method, an employee is placed in a new job and is told how it may be performed. The employees are coached and instructed by skilled co-workers, by supervisors, by the special training instructors. They learn the job by personal observation and practice. It is learning by doing. The following are the methods of on-job-training -

1. Coaching or under study method.
2. Job Rotation method.
3. Special assignment method.

Merits :

- 1) Trainee learns on the actual equipment in use and in the true environment.
- 2) It is highly economical.
- 3) Trainee learns the rules, regulations and procedures by observing their day-to-day application.
- 4) It is most appropriate for teaching the knowledge and skills.

Demerits :

- 1) Highly disorganised instruction
- 2) Lack of motivation on the part of trainees.

(2) Job - Instruction Training :-

This method requires skilled trainers, extensive job analysis, training schedules, and prior assessment of the trainee's job knowledge. It involves four steps - process.

(3) Veshbule Training :-

It is a class-room training which is often imparted with the help of the equipment and machines which are identical with those in the place of work. The theoretical training is given in the class-room, while the practical work is conducted on the production line.

Merits :

- 1) As training is given in separate room, distractions are minimised.
- 2) Trained instructors can be more effectively utilised.
- 3) The correct method can be taught without interrupting production.

Demerits :

- 1) The splitting of responsibilities leads to organisational problems.
- 2) An additional investment in equipment is necessary.
- 3) The training situation is somewhat artificial.

(4) Demonstration and Examples :-

In the demonstration method, the trainer describes and displays something while teaching the trainees and by going through a step-by-step explanation of 'why' and 'what' he is doing.

Demonstrations are very effective in teaching because it is much easier to show a person how to do a job.

Teaching by example is effective in mechanical operations, for job duties and responsibilities, for informal group standards.

(5) Simulation :-

Simulation is a technique which duplicates the actual conditions encountered on a job. This simulation techniques have been must widely used in the aeronautical industry. Trainee interest and employee motivation are both high in simulation exercises because the action of a trainee closely duplicate real job conditions. However, it is very expensive technique of training.

(6) Apprenticeship :-

For training in crafts, trades and in technical areas apprenticeship training is the oldest and most commonly used method. The field in which this type of training is offered are numerous and range from the job of a draughtsman, a machinists, a printer, a too-maker, a mechanic etc. A major part of training time is spent on-the-job productive work. Each apprentice is given a programme of assignments according to a pre-determined schedule, which provides for efficient training.

Merits :

- 1) A skilled work force is maintained.
- 2) Immediate returns can be ~~nt~~ expected from training.
- 3) The workmanship is good.

- 4) The hiring cost is lower.
- 5) The loyalty of employees is increased.

(7) Class-room or Off-the-job training :-

Under this method training is given in the company class-room or in universities, but not on the job. This method consist of -

- 1) Lectures.
- 2) Conferences
- 3) Group discussions
- 4) Case studies
- 5) Role - playing
- 6) Programme instructions
- 7) T - Group training.

Source : Personnel Management - C. B. Mamoria.

TRAINING FOR SEASONAL WORKERS IN BALASAHEB DESAI
S.S.K. LTD., DAULATNAGAR :

After the selection and recruitment of workers, training is necessary to them. The sugar factory has not adopted a continuous procedure of training. Only induction training is given for increasing the knowledge and skill of workers for doing a certain work. In this factory practical knowledge of work is given on the job to seasonal workers. Nobody is sent for special training except a few technical workers, to other institutes. The seasonal workers are provided practical knowledge of their work through engineers, foremen and A grade fitters. Some of them are spent to seminars, workshops and small courses

during the period of off season.

Generally, those workers engaged in production department are sent to seminars or small courses. The employees working in agriculture department are sent for training in Padegaon Sugarcane Research Centre.

7) WAGES:

Wages of Seasonal Workers in Sugar Industry :-

Definition of Wages :-

Wages means the remuneration paid for the services of labour in production. They are the payments made by the employers for the efforts put in by the workers in production. These wages do not include such things as travelling allowances, employer's contribution to the provident fund, gratuities payable on discharge or the value of any housing accommodation or welfare services rendered to the workers by the employers.

In the broader sense wages means any economic compensation paid to the working people by the employer under some contract for the services rendered by them. They thus include family allowances, relief pay, financial support and other benefits.

But in narrow sense wages are the price paid for the services of labour in the process of production and include only the performance wages.

Other Definitions :-

- 1) Workmen's compensation Act, 1928 (Sec.2.m) " Wages

" Wages for leave period, holiday pay, over time pay, bonus, attendance and good conduct bonus form part of wages. "

2) Under minimum Wages Act, 1948 (Sec. 2(M)) :

" Wages means all remuneration capable of being expressed in terms of money which would, if the terms of the contract of employment express or implied were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment of and includes house rent allowance but does not include 1) The value of a) any house accommodation, supply of light, water, medical attendance etc. b) any other amenity or any service excluded by general or special order of the appropriate government, -

2) any contribution paid by the employer to any person and/or provident fund or under any scheme of social insurance.

3) any travelling allowance,

4) any sum paid to the persons employed to defray special expenses entitled on him by the nature of his employment.

5) any gratuity payable on discharge.

CLASSIFICATION OF WAGES :

a) Minimum wages

b) Fair wages

c) Living wages.

a) Minimum Wages :-

It is the wages which cover bare necessities of life i.e. food, shelter, clothing.

b) Fair Wages :-

In this connection the committee (CFW) said that the lower limit of the fair wages is the minimum wages, the upper limit is equally set by what may broadly be called the capacity of the industry to pay. Between these two limits the actual wages will depend up on the consideration of such factors like -

(a) productivity of labour, (b) the prevailing rates of wages in similar occupation in same or neighbouring localities (c) the level of national income (d) the place of industry in national economy.

c) LIVING WAGES : -

It is difficult to define living wages. However, the living wage depends on standard of living and standard of living differs from man to man and place to place. Therefore, the amount of living wages in terms of money will vary from trade to trade and place to place.

Wages include all payments made to the workers. They refer to the payment made in cash as well as in kind. The various components of average total earnings of worker are as under -

- i) Basic earnings
- ii) Dearness allowance
- iii) Overtime payments
- iv) Bonus

Methods of Payments :-

There are different methods of wage payments. The seasonal workers in co-operative sugar factory may be paid

by Time wages method. The Time wages means a definite sum is paid for fixed period of time i.e. per hour, per day, per week or per month. This method of wage found in such industries where quality of the product is extremely important i.e. speed of production is beyond the control or energy of worker.

Under this time wage method the workers do the job slowly and efficiently and his income is likely to be more regular. The employer pay such a wage when the work can not be easily standardised and quality is more important than quantity. This method is also preferred when the work requires careful and accurate application and delicate and expensive materials and machinery are used.

Methods for fixing wage differentials :-

Sugar Wage Board has classified the workers into four categories. They are -

- a) Unskilled workers
- b) Semi-skilled workers
- c) Skilled workers
- d) Highly skilled workers

a) Unskilled Workers :-

An unskilled employee is one who does work that involves the performance of the simple duties which requires the exercise of little or no independent judgement or previous experience is necessary. His work may thus require in addition to physical exertion, familiarity with a variety of articles. No worker shall be classified as unskilled if he is called up on to

operate any sweepers, scavengers, and employees doing the work of similar nature.

b) Semi-skilled Worker :-

He is one who has sufficient knowledge of that trade to be able to do the respective work and simple job with the help of simple tools and machines.

c) Skilled Worker :-

A skilled worker is one who is capable of working independently and efficiently and turning out accurate work.

d) Highly skilled worker :-

He is one who is capable of doing high degree of precision work and can work on drawing and direct a group of skilled and other employees at time.

Different scales of wages are fixed for these categories. This is rough and ready method of job evaluation because it is based on 'skill'.

However, there are other important factors of evaluating the job properly. They are -

1. Degree of scale.
2. Strain of work
3. Experience involved
4. Training required
5. Responsibilities undertaken
6. Mental and physical requirements
7. Hazards on the work.
8. Fatigue involved

In a proper job evaluation every one of the factory job mentioned above is given its due weight. Then the wages for different jobs are fixed on the basis of such evaluation. All this should be done by the agreement between the management and the union.

Wages of Seasonal Workers in Balasaheb Desai S.S.

Karkhana Ltd., Daulatnagar :-

In this sugar factory the wages are given to seasonal workers according to second wage Board's rule. According to this rule the skilled worker get higher salary as compared to unskilled seasonal worker. In research study it is found that there are two categories of payment of wages i.e. monthly wages and daily wages. There are 56 % of seasonal workers who get wages according to daily wage system.

8) THE BONUS ISSUE :

The bonus is an additional part of worker's earnings. The attendance bonus, incentive bonus, shift allowance, overtime pay etc. are the factors of worker's total earnings.

The dictionary meaning of the word 'bonus' is " something to the good, especially, extra dividend to the share holders, distribution of profits to insurance policyholders or gratuity to workmen beyond their wages. "

Bonus could be claimed as a matter of right by workers and come to the conclusion that it is proper to construct the concept of bonus as sharing by the workers in the prosperity

of the concern in which they are working. The following advantages are derived from such a concept of bonus.

- i) It would enable the low paid workers also to share the profits and thereby help to bridge the gap between the actual wages and living wages.
- ii) It would also impart at the same time a measure of desirable flexibility to wage structure without disturbing the basic wage structure.

The bonus is usually a payment for some special or additional service and the object is usually to secure regularity of attendance and to encourage good work of special quality. The word bonus has now acquired a secondary meaning also as a rightful share of the workers in the profits and has become an important question of industrial relations. The payment of bonus has been a regular feature in case of many industries. Bonus is generally paid out of the profits of the industry and they have come to be regarded as a part of worker's wages.

Bonus to Seasonal Workers in Balasaheb Desai S.S.

Karkhana Ltd., Daulatnagar :-

Every permanent and seasonal worker of this factory is entitled to receive bonus. The rate of bonus is determined on the basis of the profits earned by the factory. It is calculated in percentages of the annual payment of the worker. During the year 1985-86, bonus was given at the rate of 20 % of the annual payment.

The following table shows the bonus payment from 1975-76 to 1986-86 by B.D.S.S.K. Ltd. Daulatnagar.

Year	Rate of Bonus
1975-76	8.33 %
1976-77	8.33 %
1977-78	8.33 %
1978-79	10.00 %
1979-80	20.00 %
1980-81	20.00 %
1981-82	20.00 %
1982-83	20.00 %
1983-84	20.00 %
1984-85	20.00 %
1985-86	20.00 %

Source : Annual Reports of B.D.S.S.K. Ltd.,

The above table indicates that from 1975-76 to 1977-78, the factory gave the bonus to seasonal workers at the rate of 8.33 %. But from 1979-80 onwards factory has given bonus at the rate of 20 %.

However, in addition to this factory gives intensive bonus to its employeer. In the year 1978-79 - 2 %, 1979-80 - 1 %, 1980-81 - 5 %, 1981-82 - 7 %, 1982-83 - 10 %, 1983-84 - 8 % and in 1984-85 11 % intensive bonus is given by the factory to its employees.

E) WORKING CONDITIONS :

Concept :-

The term working condition include cleanliness, light, heat, ventilation, length of the work day, irregularity of work hours, physical hazards and similar conditions also those social group and managerial conditions that directly or indirectly influence the worker's happiness, satisfaction or dissatisfaction at work, physical, mechanical ~~ex~~ as well as organisational enviorn-ments constitute working conditions in an industrial concern.

Importance :-

The conditions under which the workers work, have a great influence on their health and efficiency. If enviornment is good, the man's ability to work improves. It is not possible to worker to work hard in unhealthy surroundings. Therefore, it is said that good working conditions not only affect on the efficiency of workers but also on their wages and industrial relations.

Under unsatisfactory working conditions worker becomes tired and it becomes difficult for him to work hard. Good working conditions also gainful to employer because it results in production increase. Good working conditions can minimise the labour turnover, absenteeism to great extent.

Aspects of working conditions :-

1) Sanitation :-

It is the most important factor of good working

condition. Sanitation means cleanliness inside the factory i.e. while washing, neat and clean machines, suitable arrangement for latrines and urinals, ~~and~~ outlet for water, drainage, provision for waste material baskets.

2) Temperature :-

The temperature inside the factory should be maintained at the level necessarily required. Generally, in the hot season, the temperature required is at sufficiently lower degree. On the other hand during the cold season, temperature should be kept warm by a suitable heating system.

3) Air-movement :-

There must be at all times a regular movement and supply of fresh air throughout the workshop in order to maintain consistently proper temperature and degree of humidity. The continuous supply of fresh air is necessary for maintaining efficiency of workers.

4) Humidity :-

The management has to regulate humidity in accordance with the technical needs of the plant.

5) Lighting :-

The bad lighting leads to lower output, overstrain and ultimately to increasing accidents in industry. While making the provision of good lighting the factor like size of work-room, the windows, lay-out of machines, nature of work should be considered. Natural lighting is possible only when there is good

planning of plant lay-out. Otherwise artificial provision for lighting is essential.

6) Ventilation :-

Badly ventilated room brings discomfort and fatigue among the workers. Natural ventilation is effected by windows and ventilations. Artificially i.e. with help of fans or with the application of mechanism, good ventilation can be maintained.

7) Hours of work :-

There are number of factors affecting the length of hours of work per day or per week in the industry. The climate plays an important role in this respect. Therefore, climatic condition must be considered while determining the hours of work because in hot countries, it may be productive to work for long hours and cold countries for short hours.

8) Shift systems :-

To have the maximum use of plants, machinery and building and to satisfy the temporary increased demand, the management of number of factories introduced shift systems. Generally, three types of shifts are to be worked in different undertakings. The single shift in which work is carried on during the day. In double shift the work is carried on during day and night time. The third type is the multiple shift in which three shifts are worked and every shift runs for eight hours inclusive of rest period.

In seasonal and uncontinuous process factories like sugar industry night shift is unavoidable.

The Shift System in Sugar Industry :-

The shift system has become a regular feature of sugar industry. The shift system implies that workers are divided into groups, which work alternatively for certain number of hours per day. The shift system has the advantage that it makes fuller use of machinery and reduces standing expenses in terms of output.

In sugar industry three types of shifts are found to work. Firstly, there may be a single shift in off season of the sugar factory, the work may be carried on for 8 a.m. to 5.30 p.m. hours inclusive of the rest period of $1\frac{1}{2}$ hours. Secondly there may be multiple shift system in the period of season, one being during the day and other two during the night time. Each of these three shifts may be worked for eight hours including rest period.

Working Conditions in Sugar Factories :-

The working conditions in sugar factories were found to be unsatisfactory. The sanitation in and around the factories is an acute problem due to sullage water; mollasses and the press-mud. Lighting and ventilation were found to be satisfactory in general. Rege committee has come to this conclusion. However, the National Commission concluded that a certain improvement in working conditions are essential.

According to R. C. Saxena, the general sanitary and

working conditions in the factories in Madras and Bombay are better than those obtaining in U.P., Bihar etc. The foul smell is a characteristic of sugar industry in U.P. and Bihar.

Working Conditions in Balasaheb Desai S.S.

Karkhana Ltd., Daulatnagar :-

Factories Act, 1948 is applicable to this factory as far as working conditions are concerned. Because of this almost all the workers are satisfied with the working conditions existing in this factory. The workers are required to work for 8 hours every day and in every shift. Three shifts are worked out in this factory.

It is observed that for security of workers there are fencing guards, safety measures for electric motors and moving machines. Workers are provided for security and precaution, safety goggles, safety belts, tight fit dress to operators, welders, boiler-attendants and also handgloves provided to workers. Similarly bathroom facilities, toilet, spit-pot, shidi etc. are also provided to workers. The factory inspector inspects the working conditions of the factory in every month.

Majority of the workers in this factory are satisfied with the temperature, air-movement, humidity, sanitation and ventilation etc.

The factory has provided all the working conditions well, however, in departments such as godown, agriculture and accounts found some difficulties due to small size of work-rooms.

Various aspects of working conditions :-

1. Sanitation :-

The sanitation in this factory were observed satisfactory. The problem of sullage water, mollasses and press-mud is solved in good manner.

2. Lighting & Ventilation :-

Lighting and ventilation in this sugar factory were observed to be satisfactory in general.

3. Temperature :-

As far as temperature is concerned the factory has maintained it satisfactory.

4. Air-movement :-

It is observed that in this factory the supply of fresh air is made available naturally as well as artificially, hence, there is no such problem of air-movement.

F) SOCIAL SECURITY :

Social security is that security which furnishes, through appropriate organisation, against certain risk to which its members are exposed. Social security is very comprehensive term and it includes, schemes of social insurance and social assistance as well as some schemes of commercial insurance. The terms social insurance and social security have been used by many in the same sense, because social insurance forms the most important part of social security schemes.

Various measures of Social Insurance :-

Social security system must cover against all the well-known contingencies from which workers might probably suffer and become unable to earn. The earning capacity of worker may be deprived because of the following risks.

- i) Temporary inability to make a living due to sickness, accident, unemployment, maternity etc.
- ii) Permanent incapacity i.e. total disablement, old age etc.
- iii) Death, leading to the absence of bread-winner in the family under which we may include widowhood and orphanhood. Hence social insurance system may be comprehensive enough - it must cover -
 - 1) Sickness and invalidity insurance.
 - 2) Accident insurance
 - 3) Maternity insurance
 - 4) Unemployment insurance
 - 5) Old age insurance
 - 6) Survivorship insurance

Industrial Safety :-

Accident :-

The safety of industrial workers equally important to their health. An industrial accident is an unfortunate occurrence which results in cessation of work, By workers or a group of workers. An industrial accident is defined as any occurrence that interrupts the orderly progress of the activity in question. According to Indian Factories Act, 1948, " Accident is an

Occurance in an industrial establishment causing badly injury to a person which makes him unfit to resume his duties in the next 48 hours." From this definition it is clear that accident must arise in the course of employment in a factory. It is an unexpected event which can not be designed.

Causes of Accident :-

The causes of an accident can be classified into two groups :-

(A) IMPROPER ATTITUDE LIKE :

- i) Operating or walking at unsafe speed.
- ii) Taking unsafe posture
- iii) Working or walking on moving or dangerous equipments.
- iv) Using defective tools.
- v) Unsafe loading or storing
- vi) Disobeying regulations
- vii) Lifting improperly
- viii) Failure to use safety devices.

(B) UNSAFE CONDITIONS :

- i) Unsafe design, inadequate grading of tools and machines.
- ii) Hazardous arrangement of stores, idle space.
- iii) Unsafe illumination
- iv) Unsafe ventilation
- v) Unsafe dress
- vi) Poor house-keeping like - faulty walking surface, sleepery floor area.

Social security in B.D.S.S.Karkhana Ltd. :-

The factory has made available first aid facility. There is no grievance from the workers side about the safety equipment and machinery guards provided by factory are of proper type. The factory provides uniforms, boot, goggles etc. to the workers. All the workers are satisfied with safety equipment.

Holiday Pay and Leave with Pay :-

Holidays are days of exemption from work and hence it is a period of rest and recreation. The need for holidays arises out of the consideration of practical utility. It arises mainly out of two considerations, firstly from consideration of health and efficiency and secondly, from consideration of a broad social character which are related to the development of the personality of the workers.

However, it must be remembered that the valuable effects of holidays can be had only when they are granted without pay, their beneficial effect may be lost specially the low paid workers due to resultant financial worry, therefore, they are in such cases more often an added strain than a means of relaxation.

Leave facilities provided by B.D.S.S.Karkhana Ltd.:-

In this sugar factory all holidays including periodic holidays falling within the period of any kind of leave shall be treated as leave. The workers get factory and public holiday and Sunday or periodic holiday. In addition to that they get

leave with pay as per the Act. They also enjoy sick leave. For granting sick leave a worker has to produce medical certificate in support of his application.

It is observed that seasonal workers do not get sick leave. Every worker is entitled to enjoy casual leave. Every permanent worker is entitled to enjoy optional leave of 1 day for 20 days of work and casual leave of 4 days during the year. Seasonal worker may get sick leave of 7 days during the season period.

G) LABOUR WELFARE ACTIVITIES :

Concept of Labour Welfare :-

The concept of labour welfare is necessarily elastic, having different interpretations from country to country and from time to time depending on different system. In ~~the~~ its widest sense, it is more or less synonymous with labour conditions as a whole, including labour legislation and social insurance. According to proud welfare work refers to the effects on the part of employees to improve within the existing industrial system, the conditions of employment in their own factories.

Dr. Panandikar defines it as, " work for improving the health, safety and general well-being and the industrial efficiency of the workers beyond the minimum standard laid down by labour ~~work~~ legislation. "

ILO defines Labour Welfare as " such services, facilities and amenities as adequate canteens, rest and recreation

facilities, arrangements for travel to and from their houses and such other services, amenities and facilities as contribute to improve the conditions under which workers are employed."

Significance of Labour Welfare :-

Labour Welfare is directed specifically to the preservation of employee's health and attitudes. It contributes to maintenance of worker's morale. Labour welfare is one of the major determinants of industrial relations. Labour Welfare helps to reduce absenteeism and labour turnover in industries. The improved condition of work and life for the employee leads to the increasing adaptation of the worker to his task. Labour welfare enables the workers to adjust themselves to industrial environment.

Welfare Amenities in the Factory :-

1) Washing and Bathing facilities :-

In every factory where in any process involving contact by the workers with any injurious substance is carried on, a sufficient supply of water suitable for washing is essential.

In sugar industries bathing facilities were relatively provided in limited number of factories.

2) Sitting facilities :-

Sitting facilities must be provided for all the workers obliged to work in a standing position, because they may take the advantage of any opportunities for rest which may occur in the course of their work. However, such facilities are

very inadequately provided in sugar factories.

3) Canteen :-

To provide cheap and clean food and an opportunity to relax to save time and trouble, the canteen facility is essential.

4) Rest - Room :-

A properly equipped rest room located away from noise provides a good opportunity to workers to restore lost energy during the period of rest.

5) Educational Facilities :-

The need for imparting necessary education to workers in India had been emphasised by the Indian Industrial Commission (1918). The commission observed that " A factor which has tended in the past to delay the progress of Indian Industrial development has been the ignorance and conservatism of the uneducated workmen. In sugar industry provisions for worker's children education were made, but for adult education the efforts were not made.

6) Medical Facilities :-

ILO has emphasised the need for industrial health since 1919. Royal Commission on labour also emphasised the necessity of providing basic health and medical facilities to industrial workers. The Factory Act, 1948 provides for cleanliness, disposal of water, dust and fume etc. The management must maintain First-aid-kit and ambulance in all factories where 500 or more workers are working.

7) Recreational Facilities :-

Recreation is a leisure time activity by which monotony and drudgery of work is lessened. Recreation is an opportunity for mental refreshment, a diversion to creative invigorating activity.

8) Grain-shop Facilities :-

To provide the necessary commodities to workers at fair price, grain-shop facility was necessary. Such shops supply the grain and other essential commodities to workers.

9) Housing Facilities :-

The importance of cheap and decent housing accommodation to worker is very great, because housing is a primary need of people. Therefore, housing facilities for workers are very necessary. The factories must make the provision of it.

Labour Welfare facilities provided by Balasaheb Desai S. S. Karkhana Ltd. :-

The welfare activities of this factory are gradually expanding. In order to maintain the efficiency and moral of the workers, the factory is doing its best in the field of labour welfare. The factory has provided number of welfare facilities which are necessary and the efforts are being made to run them efficiently in the best interest of the workers.

This sugar factory provides the following welfare facilities.

1. Working hours
2. Leave and holidays

3. Social securities
4. Provident Fund and gratuity
5. Loan and advances
6. Insurance
7. Better working conditions
8. Sanitation
9. Drinking water and washing facilities
10. Safety measures
11. Uniform
12. Compensation in case of accident
13. Medical facility
14. Rest-room
15. Canteen
16. Communication facility
17. Workers participation in Management.
18. Housing
19. Guest - house
20. Conveyance facility
21. Industrial Training Institute.
22. Cultural activities.
23. Library
24. Co-operative credit society
25. Trade Union.

Thus, this factory is providing adequate welfare facilities to workers. The workers are satisfied with the welfare activities made available by the factory. Some of the notable facilities are as under -

1) Washing facilities :-

Washing places and places for storing and drying of clothes are provided where they are necessary.

2) Drinking Water :-

The factory has provided drinking water at all the convenient places in all the departments.

3) Latrine and Urinals :-

This facility is available in every department.

4) Canteen facilities :-

The factory has provided canteen facilities for staff and for general public. The tea and breakfast is made available through this canteen. The another canteen provides lunch and meals to workers. But the rates of these food and drinks are not less than other outside canteens.

5) Rest-room :-

The rest-room is also provided by the factory in its premises as per factory Act, 1948.

6) Dispensary and Medical Facilities :-

This facilities provided by factory are very satisfactory. In case of accident, medical facility is provided free of charge. There is qualified doctor and factory has also kept ambulance for emergency.

7) Recreational facilities :-

The factory has been providing some entertainment programmes such as dramas, different games, newspapers etc. A

library is also made available for employees.

8) Co-operative Credit Society :-

The employees of the factory have started a co-operative Credit society which can provide the loans 1 upto Rs. 5,000/- to its members which is recovered through the salaries of the employees by instalments. Because of this credit society, the need to financial assurance to seasonal worker is satisfied.

9) Housing Facility :-

The factory has been providing housing facility to its employees. For this purpose, the factory has constructed three types of quarters, namely E, D and C. D and C quarters are for Supervisors and Officers and E grade quarter are for workers. In there quarters two rooms are provided for each worker. Water supply and electricity is also made available. The houses are made permanent type with cement and wood. Near about such houses are provided to 80 workers.

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