

SOCIAL GUARANTEE AND LABOUR WELL-BEING AND UNORGANISED SECTORS IN INDIA: AN ANALYSIS

Satendra Pratap Singh* & Neha Arora**

INTRODUCTION

The term 'labour welfare' means where it occupies an important place in the industrial development as well as in the economy. It is always an important aspect of industrial relations. It stated that it plays an important role in giving satisfactions to the worker in a way who cannot get a good wage, in the views, with the growth of industrialization and mechanization where it has already acquired added importance.

Labour welfare means nothing but the maintenance function of personnel in the sense that it always deals with a particular to the preservation of employee health and attitude. In other views, it contributes to the maintenance of employee morale. The welfare service in an industry has to improve the living and working conditions of workers and their families because the worker well-being cannot be achieved in isolation of his family.¹

Labour welfare activities in an industrialized society are far reaching impact not only on the work but also on all the aspect of human resources. Labour welfare which includes all such activities, and not only secures basic necessities but also ensures improvement in spiritual and emotional quotient. It always comprises of short term and long term goal toward building a human society.

If we want to keep the employee motivated and committed various welfare facilities are provided by the organization and we have to provide facilities to their family members also.

Though such benevolent fringe benefits the employer make life worth living for employees. The welfare amenities are extended in additional to normal wages and other economic rewards available to employees as per the legal provisions. I think that welfare may also be provided by the government, trade unions and non- government agencies in additional to the employer.

The term of labour welfare activities is flexible, differs from time to time, industry to industry, district to district and country to country, depending upon the value system, social custom, degree of industrialization and the general standard of the social economic development of a people.

* Student @ Institute of Law, Jiwaji University, Gwalior (M.P.)

** Student @ Lloyd Law College, Greater Noida, CCS University (U.P.)

¹ The Committee on Labour Welfare (1969) Constituted by the Government of India vide their resolution No. Lwl (1) 30 (3) 165 of August 5, 1966 issued by the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment).

It is also related to the political situation in a country. It always depends upon the kinds of problems with which society is confronted and it always deals with the structure of the industry. Sometimes, it is formed according to the age group, sex, social cultural background, marital status, economic status and educational level of the employees in various industries.

The welfare measures have more relevance in the context of the poor standard of living persons who live in Indian working class. In the views, one major aspect of national programmes towards the promotion of the welfare of the people and designed to create a life and work environment of descent comfort for working class. The Indian Constitution also wants to secure the conditions of work for this vital segment of the community and it has mention in the directive principal of state policy also.

Welfare has been accepted by employers because the welfare measures influence the sentiment of the workers and their contribution to the maintenance of industrial peace.² Apart from improved morale and loyalty welfare measures are of significance to reduce absenteeism and labour turnover in industries. Welfare measures also serve to enhance an organizations image as a caring employer.³

In a resolution in 1947, the ILO defined labour welfare as “such service, facilities and amenities like adequate canteens, rest room and recreation facilities, arrangement for travel to and from work and for the accommodation of workers employed at a distance from their houses and such other service, amenities and facilities as contribute to improve the conditions under which workers are employed.”⁴ The Encyclopedia of Social Science⁵ defines it as “the voluntary efforts of the employers to establish, within the exiting industrial system, working and sometimes living and cultural conditions of employees beyond what is required by law, the customs of the industry and the condition of market.

In the Report II of the ILO Asian Regional Conference⁶, it is stated that worker’s welfare may be understand to mean “such service, facilities and amenities, which may be established outside or in the backyard of undertaking, to enable the persons employed therein to perform their work in healthy and congenial surrounding and to provide them with the amenities conducive to good health and high morale.”

SCOPE OF WELFARE ACTIVITIES

Labour welfare activities are combinations of various steps, the cumulative effect of which is to grease the wheels of industry and society. If a sound industrial relation can based on human relations and good human relations dictate that labour being, human being should be treated humanely which includes respect that labour dignity, fair dealing and concern for the

² C.B.Mamoria, Mamona Satish, Labour Welfare Social Security and Industrial Peace in India, New Delhi, 1980,p

³ Stone H Thomas, Understanding Personnel Management, New York, 1990, p.397.

⁴ Quoted from the ILO Resolution of 1947, as in the Report of the Committee on Labour Welfare.

⁵ Encyclopedia of Social Science, Vol. XV 1935, p 395

⁶ Government of India, Ministry of Labour & Employment, amin Report of the Labour Investigation Committees, Delhi, 1946, p-336.

human being physical and social needs. In the views, many industry good relations between the management and workers depend upon the degree of mutual confidence, which can be established. The basic needs of a labour are freedom from fear, security of employment and freedom from want. They always want adequate food, better health; clothing and housing are human requirement. They just want an environment where he is contented with his job, assured of a bright future and provided with his basic needs in life. They want an atmosphere of good condition and satisfaction to labour.

Labour welfare activities are based on the plea that higher productivity requires more than modern machinery and hard work. The worker has a fund of knowledge and experience at his job. If rightly directed and fully used, it makes a contribution to the prosperity of the organization. They feel proud on this and he does at most for increasing the production and its productivity.

Approaches to Labour Welfare

The welfare is a dynamic concept and it is continually changing circumstances and adapted it also. For example, the first approach was the paternalistic approach where it deals with the approach to labour welfare can be traced back to the beginning of the modern industrial system. When there was any difference between management and ownership. The owners got first-hand information of the living and working conditions of workers where they live. If we motivated by humanitarian and religious considerations then they improved the lot of the working classes. Though considerable amount of the welfare work was done during the post first world war, It was insufficient to result in promoting welfare as is clear from the following observation of the British Trade Union Congress Delegation (1927-28). "We became convinced that obtained and that was not really much, if anything, to be said in favour of employees parsing welfare work as against others who do not. Our general conclusion on welfare work as at present carried on is that is a delusion and a snare."

Paternalistic approach followed by the industrial efficiency approach. Industrial efficiency approach was an outcome of the growth of big companies which brought about a separation of functions of management and ownership and increased the distance between the owners and the workers.

Theories of Labour Welfare

The form of labour welfare activities is flexible, elastic and differs from time to time. The term of labour welfare activities is flexible, differs from time to time, industry to industry, district to district and country to country, depending upon the value system, social custom, degree of industrialization and the general standard of the social economic development of the nation. We have seven theories constituting the conceptual frame work of labour welfare activities are the following:

- 1. The Police Theory:** This is based on the contention that a minimum standard of welfare is necessary for labourers. The assumption is that without policing, without compulsion, employers do not provide the minimum facilities for workers. This

theory assumes that man is selfish and always tries to achieve his own ends, even at the cost of welfare of others. In the views according to this theory owner and managers of industrial undertaking get many opportunities for exploitation of labours.

2. **The Religious Theory:** This is based on the concept that man is an essentially a religious animals. Even today when we look then it is wide crystal clear that many act of man are related to religious sentiment and beliefs.
3. **The Philanthropic Theory:** This theory is based on man love for mankind. Man always believes to have an instinctive urged by which he strives to remove the suffering of others and promote their well-being.
4. **The Trusteeship Theory:** This theory is also called the Paternalistic Theory of Labour Welfare. According to this theory the industrialist holds the total industrial estate, properties, and profits accruing from them in trust.
5. **The Placing Theory:** This theory is based on the fact that the labour groups are becoming demanding and militant and are more conscious of their rights then even before. Their demand for higher wages and better standards of living cannot be ignored.
6. **The Public Relation Theory:** This theory is based on the provide the basis for an atmosphere of goodwill between labour and management and also with public, labour welfare programmes under this theory and help an organization to project its good image and build up and promote good and healthy public relation with them also.
7. **The Functional Theory:** This theory is also called the Efficiency Theory. Where the welfare work is used as a means to secure, preserve and develop the efficiency and productively of labours. An employer's takes good cares of his worker, if they will tend to become more efficiency and will step of production.

PRINCIPAL FOR SUCCESSFUL IMPLEMENTATION OF WELFARE ACTIVITIES

The welfare policy should be guided by idealistic morale and human value because labour welfare is not a substitute for low wages and other allowances. The principal of labour welfare programmes is to ensure that it servers the real needs of workers concerned. Special classes of workers require special types of welfare services.

Social Security Measures

Social security always forms an important part of labour welfare providing the security which is a great important to the worker's and their families. The whole concept of social security measures also is reflected in the ILO definition. When it can be taken to mean the protection which society provides for its members and it is against the economics and social distress that would be caused the stoppage reduction of earnings resulting from sickness, maternity, employment injury, unemployment, old age and dead, the provision of medical care and the provision of subsidies for families with children.⁷ The concept of social security varies from the country to country with different political ideologies. The Social Security (Minimum Standards) Convention (No. 102) adopted by the ILO in 1952 defines the nine branches of

⁷ International Labour Office "Introduction to Social Security", Geneva 1984, p.3.

social security benefits; They are medical care, sickness benefit, unemployment benefit, old age benefit, employment injury benefit, maternity benefit and invalidity benefit.

International Labour Organization and Social Security

The International Labour Organization was formed in 1919 for promoting social justice and improving the living and working conditions of workers throughout the world. In its preamble to its constitution which promised protection of the worker against sickness, disease and injury arising out of his employment, the protection of children of children, young persons and women, provision for old age and injury.⁸ In the views if we want to implement these orders and measures the International Labour Organization took certain steps:

- (1) It tried to create international standards by way of recommendations regarding the definition of social security.
- (2) It always collected and spread the information about social security schemes in the country.

Social Security in India

The following legislative measures have been adopted by the Government of India by a way of social security schemes for industrial workers.

Worker's Compensation Act, 1923

The compensation is payable by the employer to workman for all the personal injured caused to him/ her by an accident arising out of and in the course of his employment which disable him for more than three days. And if the workman dies, the compensation is to be paid to his legal representatives.

Employee State Insurance Act, 1948

If an injured person is entitled to receive benefit such as medical benefit, sickness benefits, maternity benefit etc.

The Payment of Gratuity Act, 1962

The Gratuity is payable to an employee on the termination of his employment after when he has rendered continuous service for not less than five years. The completion of continuous service of five years is not necessary where the termination of the employment is due to death or disablement.

The Industrial Dispute Act, 1947

The worker is entitled to compensation at the rate of 15 days average earning for every completed years of service. Where the closure of the undertaking is due to circumstances beyond the control of the employer, compensation is limited to the maximum of three months average earnings.

⁸ Constitution of ILO and Standing Orders of the International Labour Conference (Geneva ILO 1955), p.3.

Maternity Benefit Acts, 1961

The act applies to women in factories, mines and other establishments. This act replaced the mines act and it adopted by the most of the State.

(1) Employees Family Pension Schemes, 1971

The family pension search to provide some monetary relief to the family members of employees die in service. In the event of an employee's death his family gets pension on a graded scale depending on the employee's last salary grade.

TRENDS

The most employees benefit are selected for employees by management. One study found that union representative did not have a good idea of the benefits desired by their constituents.⁹ Another study conducted where it founded that when given the opportunity, 80 percent of the respondents were in favour of changes in their benefits packages.¹⁰ If we look in the light of the above finding the recent "cafeteria style" approach to benefit represents a major step in the evolution of employee benefits based on age, sex, number of child, family status, life style and preference. In this system, we get each employee is allowed to select on individual combination of benefits within some over all limits. There are two important advantages to a cafeteria style approach:

First, it allows employees to have the benefits : they need and desire most, second, by their active involvement in benefits selection, employees become more aware of the benefits they have and of their cost¹¹ but at time an in appropriate benefit package may be chosen by employees.¹²

I think that labour welfare service is an important personnel function in a business. The effective utilization of other factors of production depends on the efficiency of human factor. The worker who spends more than a quarter of his life in his working place, I think that the worker has every right to demand that condition under which he works should be reasonable and provides safeguarded for life and health.

CONCLUSION

I think that in India introduced actual industrial policy which is aimed and tries to growth promoting modernization and technological up gradation to make industrial competitive in both domestic and global market also. I think that even today's scientific development of modern techno production methods higher productively depends on worker.

⁹ Lawter E.E. and Levin E., "Union Officers perceptions of members' pay preference", *Industrial and Labour Relations Review*, 1968,21 p. 509-517.

¹⁰ Fagner N. Benvyn, "Employees Cafeteria offers insurance options". *Harvard Business Reviews*, November – December 1975, p.7-10.

¹¹ Stone H. Thomas, op.p.421.

¹² Mathis L. Robert and Jackson H. John, *Personnel, Human Resource Management*. Tata MC Graw Hill Publishing Company Ltd., New Delhi, 1990, p 210.

In Indian industries is indicative of the lack of commitment on the part of the workers. This can be reduced to a great extent by provision of good housing, health and family car, canteens, educational and training facilities, provision of welfare activities