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The convener of the sub-group on "Boards for Building and Construction Workers" has been addressed a letter by the Director General, Labour Welfare, requiring the sub-group to give information on the features of the Mathadi Act of Maharashtra, the corresponding Act of Gujarat and the Dock Labour Board Act of the Government of India, the strong and weak points of these Boards emanating from the working of the Boards, the reasons for the success of Mathadi Boards in Maharashtra and for the failure of a similar Boards in Gujarat, and the reason why the Maharashtra Labour Act was not extended to Building and Construction workers in Maharashtra.

It may be recalled that the members of the sub-group present had a meeting with the chairman and the secretaries of a number of Mathadi Boards of Maharashtra as well as with the representatives of the Dock Labour Board in Bombay on 3.1.1986 and they had gathered information about the functions of these Boards to supplement information they already had on these Boards. It may also be recalled that since the sub-group could convene its first meeting only in January 1986, it felt that the time was inadequate to gather any primary data by making visits to some Dock Labour Boards in the country or successful Mathadi Labour Boards in Maharashtra.

During the meetings on 6-1-86 and 19-1-86, the members of the sub-group present during the meetings had discussions on the functioning of the Mathadi Boards and/or the rationale on the setting up of Building and Construction Workers Boards. Since there was a broad agreement amongst the members on the necessity for establishing Boards for construction workers, the sub-group mainly pressed itself to the final task of deliberating on the scope of the legislation for setting up of these Boards on 19-1-1986. However, the points raised by the Director General, Labour Welfare are pertinent and the main group would require information on the rationale for setting up of Boards for Building and Construction workers in order to take a final view. It is therefore proposed subject to the agreement of the members to send the part appended to this note as a supplement to the report of the sub-group already submitted to the Director General, Labour Welfare.



Supplement to the report of the Sub-group on "Boards for Building and Construction Workers"

There are some industries in the country in which the duration of employment of workers with employers is of short duration and the nature of employment of workers with various employers is sporadic and intermittent. Dock workers, the head load carriers, hand cart pullers, the building and construction workers, the workers in the railway coal yards and quite a few others belong to this category.

The condition of dock workers attracted the attention of the legislators of this country first and the Dock Workers (Regulation of Employment) Act, 1948 was therefore enacted to provide for regulating the employment of dock workers. It provides for establishment of a Dock Labour Board for a port or a group of ports consisting of an equal number of members representing the government, the dock workers and the employers of dock workers and shipping companies with the chairman of the Board to be one of the government member of the Board. The Board is responsible for administering the scheme for a port or a group of ports which may provide for the classes of dock workers encompassed, obligations of dock workers and employers, regulation of recruitment and entry into the scheme of dock workers and registration of dock workers and employers, regulations of conditions of employment including the rates of remuneration, hours of work and conditions as to holidays and pay for securing minimum pay on days on which employment or full employment is not available to dock workers, training and welfare of dock workers in areas in which they are unsatisfactory, health and safety measures and the manner in which and the persons by whom the cost of operating scheme has to be deferred.

The impression gathered by the sub-group regarding the working of the Dock Labour Board in Bombay was that the condition of the dock workers has improved considerably after the application of the scheme under the Act to them. However, certain adverse features of the schemes were also revealed. One of these was that in the guarantee of minimum wage of work as also in the number of holidays per month, worker need not do any work and still being entitled to a payment of more than 50 percent of his wages. Such a contingency arises especially in the case of those employers whose business stands to get reduced all of sudden and are not in a position to provide any work. The name of the Food Corporation of India was mentioned



in this context.

As regards Mathadi Labour Boards in Maharashtra, they came to be established because of labour unrest on the part of Lokhandi Jatha Kamdar and Mathadi Labour in Bombay city who were agitating for increase in their wages and improvement in the conditions of their work and living. The Government of Maharashtra had established a committee in response to the agitation of these workers and the recommendation of the committee was that since Mathadi workers were employed on piece rate basis indirectly through Mukadams as and when there was work, the application of various labour laws to such workers was impracticable and a special enactment should be made in order to constitute a tripartite board for regulation of wages employment and welfare of unprotected workers. Consequently "Maharashtra Mathadi Hamals and Other Manual Workers (Regulation of Employment and Welfare) Act, 1969" came into being to regulate the employment of unprotected manual workers, make provision for their conditions of employment, welfare, health, and safety and to ensure adequate supply and full and proper utilisation of such workers to prevent avoidable unemployment. The Act provides for a scheme to be notified making provisions for the registration of employees and unprotected workers in a scheduled employment or employments and provide for the terms and conditions of work of such unprotected workers as also make provisions for general welfare.

The statutory board to be constituted is to be a Body corporate and there could be one or more boards for one or more scheduled employments or for one or more areas. The members representing employers and unprotected workers are to be equal in number and the members representing State Governments are not to exceed one third of those representing employers and unprotected workers. One of the members representing the State Government is nominated as Chairman of the Board by the Government.

The Board is responsible for administering the scheme under the Act and shall perform such functions and exercise such powers as may be conferred on it under the scheme. The Board has been empowered to see that children below the age of 14 are prohibited from working in scheduled employment,



the provision of Workmens' Compensation Act are applied mutatis mutandis to all protected workers included in the scheduled employment and powers are conferred to apply the provisions of the Payment of Wages Act, 1936 to all or any class of unprotected workers employed in a scheduled employment.

The legislation in the first instance was applied to the following categories of employments:

1. Employment in iron and steel market or shops in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works including those preparatory or incidental to such operations.
2. Employment in cloth and cotton market or shops in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works including work preparatory or incidental to such operations.
3. Employment in docks in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works preparatory or incidental to such operations, but does not include employment of Dock Workers within the meaning of the Dock Workers (Regulation of Employment) Act, 1948.
4. Employment in gricieri markets or shops, in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works including work preparatory or incidental to such operations.
5. Employment in markets and factories and other establishments, in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works including work preparatory or incidental to such operations carried on by workers not covered by any other entries in this schedule.
6. Employment in railway yards and goods sheds in connection with loading, unloading, stacking, carrying, weighing, measuring, or such other work preparatory or incidental to such operations by workers who are not employed by the railway authorities.
7. Employment in connection with loading of goods into public transport vehicle or unloading of goods there from and any other operation incidental and connected thereto.
8. Employment in vegetable markets (including onions and potatoes markets) in connection with loading, unloading, stacking, carrying, weighing, measuring or such other works including work preparatory or incidental to such operations.
9. Employment in markets or subsidiary markets established under Maharashtra Agricultural Produce Marketing (Regulation) Act, 1963, in connection with loading, unloading, stacking, carrying, weighing, measuring, or such other works including work preparatory or incidental to such operations.
10. Employment in Khokha making and in timber market.
11. Employment in salt pans.



12. Employment in fishing industry.

13. Employment in connection with the loading, unloading and carrying of food grains into godowns and such other work incidental and connected thereto.

In Maharashtra an Advisory Committee at state level consisting of representatives of employers, workers, state government and the state legislature was set up with the minister of labour as its chairman. The committee in its first meeting on 6th December 1969 recommended enforcement of the Act in respect of employments in Iron and Steel Market and Shops and Grocery market and shops. The schemes for employment in these two scheduled employments were finalised in April 1970 and two separate Boards were set up for implementing the provisions of the schemes. Iron and Steel Market and Shops Board consisting of 6 representatives of each of employers and employees and two of government and grocery market and shops Board consisting of three representatives each of employers, employees and two of Government. Subsequently the Act was extended to the Employment in Goods Transport, in Cloth market and shops in areas of Greater Bombay where set up in 1971. Upto the end 1985 as many as 13 Boards have been set up out of which 10 Boards are for Board of Greater Bombay, one Board each for Poona, Nagpur and Kolhapur.

The schemes provide for registration of employers and workers. It further lays down that the registered employer has to employ only the registered workers. Employments of unregistered workers is a punishable offence. The employment of unregistered workers can be done only with the permission of the Board. The schemes provides for maintenance of records, identity cards, wage slips of the workers. It also provides for preparation of an annual budget. It makes provision for grant of paid holidays, fixation of rates of wages, allowances, over time, rest room, and other conditions of service to workers, the manner of disbursement of wages and allowances, grant of earned leave to workers and introduction of provident fund and gratuity schemes and also the manner of meeting the cost of operating the schemes. Provisions are made for disciplinary action against contravention of provisions of the scheme made under the Act and the procedure for enquiries and appeals.



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The Office of the Board consists of a Chairman, a Secretary, an Inspector and an Accountant with some table clerks and cashiers. At present the Assistant Labour Commissioners are appointed as the Chairman and the Government Labour Officer as the Secretaries of such Boards.

The four boards which were established upto the end of 1971 had only 5600 employers and 11,700 workers registered with them which has risen to 48,360 employers and 22,900 workers in 13 Boards set up in Maharashtra upto the end of 1985.

Each registered worker of the Board is provided with a metal badge containing the workers' photo, registration number, name and designation and it is useful in checking up malpractices and impersonation since the worker is required to carry the badge while on employment. The Board functions by charging levy which is to be paid by employers every fortnight along with the wages to be paid to the workers. Each registered employer has to prepare in triplicate particulars of daily work done by workers, amount of payment and levy due and hand over two copies to the Mukadam and Mukadam hands over one copy to the office of the Board so that entries may be posted daily and the workers may be paid advance wages between 20th to 24th of a monthly wages between 7th to 10th of the following month.

The workers are granted leave only on recommendation of Mukadams and have to report to the Boards on return from leave in order to take permission to work. They are subjected to warning or suspension for a day or two in case of overstaying of leave.

The Board is competent to allot any labour to any employer according to the needs of work but the board has continued with the composition of the toli or gangs as existing in order to continue the harmonious relationship and team work and change of workers in a toli is only done in consultation with the employer and the Mukadam of the toli.

The administration of the schemes and various benefits given to the workers are to be met by a levy on the registered employer. The Board has power to impose the maximum levy upto 50 percent of the wages without prior sanction of the government. Initially the Boards started with a levy of 8 to 10 per cent of the wages in 1970 - 71 and this levy has now been increased to 28 to 30 percent. Initially 60 percent of the levy amount were used to be paid for paid



holidays and earned leave to workers, 10 percent for injuries due to accident, 15 percent for administrative expenses and around 15 percent for miscellaneous expenses. With the increase in the amount of levy benefits like Contributory Provident Fund, Ex-gratia payments, Gratuity funds, have been added to the benefits. The expenditure on administration has come down from 15 to less than 10 per cent.

The Boards in effect have been able to achieve adequacy and timely payment of wages. However, the unorganised labour covered by labour boards in Maharashtra are mainly in urban and non-agricultural employments, concentrated and not dispersed, the relationship with the employer is sporadic with hours of work not fixed, the payment for the work is on piece rate having no fixed hours of work and is socially homogeneous being members of the same community or caste. But the Boards limits the size of the labour force in scheduled employment and make fresh entry impossible. One positive aspect of this limit on the workforce is that those who are registered would tend to get organised faster. In view of the ban on entries as well as weak provisions in case of unauthorised absences, the Boards cannot ensure provision of adequate labour to the employers in accordance with their needs and have to authorise the workers engaged by employers in some cases.

Unprotected manual workers Board set up by Government of Gujarat in case of cloth market and shops of Ahmedabad is exactly on the same pattern as that of Maharashtra.

The Board in Gujarat started with three representatives each of workers and employers with one representative appointed by the Government as a Chairman and subsequently the number of members belonging to the workers and the employers was raised to five each.

In spite of efforts made by three Chairmen of the Board and the Inspectors of the Board only 1362 employers and 151 workers could be registered under the scheme. Of these 60 were female workers who were members of SEWA. The total number of employers in cloth markets is likely to be 3000 and the number of workers is likely to be 2500.

The members representing the workers have stoutly opposed the registration

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of workers on the ground that the Act is likely to quell the pitch of the harmonious relations existing between the workers and the employers at presently and the Board in the absence of registration of workers has not decided about the levy and the benefits to be conferred upon the workers. It has not been able to enforce the provision regarding having only registered employers and registered employees in the employment market. The employers' and Workers' representatives of the Board appeared to be unanimous that the implementation of the Act is not required though the facts indicate otherwise.