PDL. 460 (N)
5,000

REPORT

OF THE

CENTRAL WORKING GROUP ON LABOUR ADMINISTRATION

NATIONAL COMMISSION ON LABOUR

Printed in India at the Samrat Press, Delhi in 1969.
ublished by Manager of Publications, Civil Lines, Delhi-6.

Price : { Inland : Rs. 1.25 P.
Foreign ; 2 Sh. 11 d. or 45 Cents.

FOREWORD

The National Commission on Labour appointed the Central Working Group on Labour Administration in order to understand the changes in labour administration in the Central sphere since Independence. This was one of the series of working Groups/Study Groups set up to study the evolution of labour administration in the last twenty years. The Group was required to analyse available information and project its thinking on labour administration in the years to come taking into account the possible effects on the economy of the country.

The views expressed in the report are the views of the Working Group. In examining them for framing its final recommendations, the Commission will attach due importance to these views coming as they do from knowledgeable persons connected with the labour administration. In the meanwhile, the report is being published by the Commission with a view to seeking comments on it from persons/institutions interested in the subject.

The Commission is grateful to the Chairman and Members of the Working Group individually for completing their work within the time limit fixed for them. The Commission is also grateful to all persons/institutions who may have helped the Working Group in reaching conclusions.

P. B. Gajendragadkar
Chairman

National Commission on Labour,
D-27, South Extension, Part II,
New Delhi-16.

MEMBERS

1. Shri O. Venkatachalam,
   Chief Labour Commissioner
   (Central), New Delhi.
2. Shri M. Subramanyam,
   Director of Mines Safety,
   Dhanbad.
3. Shri S. K. Ghosh,
   Deputy Chairman,
   Calcutta Port Commissioners,
   Calcutta.
4. Shri P. M. Narasimhan,
   Joint Director (Establishment),
   Railway Board, New Delhi.
5. Shri S. M. Dikhale,
   Deputy Chairman,
   Bombay Dock Labour Board,
   Bombay.
6. Shri I. B. Sanyal,
   Director,
   Indian Institute of Labour Studies,
   New Delhi.
7. Shri O. Maheepathi,
   Officer on Special Duty,
   Office of the Chief Labour Commissioner (Central)
   New Delhi.

CONTENTS

CHAPTER I

CONSTITUTION AND FUNCTIONING OF THE WORKING GROUP

Constitution of the Group

1.0. In pursuance of the decision of the National Commission on Labour to obtain reports from expert bodies on different aspects of labour, the Commission appointed a number of Working/Study Groups. One of the terms of reference of the Commission relates to the study of labour laws and voluntary arrangements like the Code of Discipline, Joint Management Councils, voluntary arbitration and Wage Boards and the machinery at the Centre and in the States for their enforcement. The Commission in its Questionnaire had also sought information, views and comments on the adequacy of the existing machinery for administration of labour laws and non-statutory arrangements. It appointed four Regional Working Groups on Labour Administration—one each for the Western, Southern, Eastern and Northern Regions as well as a Central Working Group on Labour Administration. The Central Working Group is one of the last of its Study/Working Groups. The Commission through its notification No. 3(49)/5/68-NCL dated 20th March, 1968 appointed the following persons to constitute the Central Working Group on Labour Administration with headquarters at New Delhi :

1. Shri O. Venkatachalam,
   Chief Labour Commissioner
   (Central), New Delhi. — Chairman
2. Shri M. Subramanyam,
   Director of Mines Safety,
   Dhanbad. — Member
3. Shri S. K. Ghosh,
   Deputy Chairman,
   Calcutta Port Commissioners,
   Calcutta. — Member

*4. Shri P. M. Narasimhan,
Joint Director (Establishment),
Railway Board, New Delhi. Member

5. Shri S. M. Dikhale,
Deputy Chairman,
Bombay Dock Labour Board,
Bombay. Member

6. Shri I. B. Sanyal,
Director,
Indian Institute of Labour Studies,
New Delhi. Member

7. Shri O. Maheepathi,
Officer on Special Duty,
Office of the Chief
Labour Commissioner (Central),
New Delhi. Member-Secretary

Commission's Paper on Labour Administration

1.1 The Commission furnished to the Working Group a Paper on Labour Administration covering the present administrative set-up for implementation of labour laws, its effectiveness and related matters as also the problems posed so far before the Commission, etc. and the Group was required to examine this Paper in relation to the problems in the Central sphere for which the Central Government is the appropriate authority and to add to, amend, modify or reject the conclusions reached in that Paper in the light of experience.

Meetings Held, Persons Associated

1.2. The Group held in all seven sittings, one each at New Delhi, Madras, Bombay and Calcutta and again thrice at New Delhi. It examined the Paper on Labour Administration prepared by the Commission and then proceeded to consider various aspects of the working of different labour laws, the administrative set-up, etc. in the Central and State spheres. In order to get expert advice on the local conditions and on problems of specific areas/industries, the Group co-opted State Labour Commissioners in the States where it held its meetings and others who were actually enforcing the specific labour laws. It heard the Labour Commissioner of

*Shri P. M. Narsimhan had to go out of India and could not attend any of the meetings, but his successor Shri P. S. Mahadevan participated in the deliberations of the Working Group as a Member.

Maharashtra (Shri D. G. Kale) assisted by his Deputy Shri P. J. Ovid, Labour Commissioner of West Bengal (Shri B. K. Chatterjee) assisted by Shri S. N. Roy, Joint Labour Commissioner, Special Deputy Commissioner of Labour of Madras (Shri G. Kamalaratnam) and Assistant Labour Commissioner of U. P. (Shri S. N. Verma). It also heard Shri N. Achuthan Nair, Regional Provident Fund Commissioner, Madras, Shri H. N. Jagtiani, Deputy Director-General, Directorate General of Factory Advice Service and Labour Institutes, Bombay, Shri S. K. Sinha, Coal Mines Welfare Commissioner, Dhanbad, Shri D. Panda, Deputy Chairman, Visakhapatnam Dock Labour Board and Shri K. C. Saksena, Senior Dock Safety Inspector, Calcutta. It discussed various problems concerning the public sector undertakings and Government departmental undertakings with Shri K. V. Ramanamurthi, Deputy Secretary, Ministry of Defence, Shri R. T. D. Joseph, Deputy Secretary, Ministry of Works, Housing & Supply, Shri N. R. Mane, Director (Welfare), P & T Board, and Shri V. S. Devdhar, Chief Surveyor of Works, Engineer-in-Chief's Branch, Army Headquarters. The Regional Labour Commissioners (Central) at Madras, Bombay, Calcutta, Asansol and Kanpur were also associated with the discussions of the Group.

Methodology and Procedures Adopted for Study

1.3 After examining at length the N. C. L's Paper on Labour Administration, the Group agreed with a number of conclusions in that Paper, disagreed with a few, modified some and amended others. The views of the Working Group on the Commission's Paper are incorporated in the different Chapters of this Report. Besides examining this Paper, the Group considered various aspects of administration of labour laws connected with employment and conditions of work, wages, earnings and bonus, labour-management relations, personnel administration and welfare in Central Govt. and public sector undertakings, research, statistics, labour intelligence, education and training as well as problems concerning voluntary arrangements such as Code of Discipline, Joint Management Councils, voluntary arbitration, Wage Boards, etc. The Group also examined the existing provisions of law and practice as well as the machinery for administering the same. Although as mentioned earlier, it had the benefit of the views of the officials who were actually handling the different aspects of labour laws, the views expressed in the following Chapters are mainly those of the Working Group.

CHAPTER II

MACHINERY FOR LABOUR ADMINISTRATION

2.0 "Labour" being a concurrent subject under the Constitution of India, both the States and the Centre have their own respective administrative arrangements for securing observance of labour laws. While the administrative machinery for implementing and enforcing the various labour laws in States conforms to a general pattern, it differs in certain minor respects from State to State.

Labour Inspection, Conciliation and Labour Welfare

2.1 The existing machinery for labour administration both at the Centre and in the States can be grouped under four broad headings:—

(i) Labour Inspectorate;
(ii) Conciliation Machinery;
(iii) Labour Judiciary; and
(iv) Labour Welfare.

While the first two are invariably under the charge of State Labour Commissioners or the Chief Labour Commissioner at the Centre, the third agency functions in the shape of Labour Courts, Industrial Tribunals etc., independently. It is, however, true that some judicial functions such as determination of workmen's compensation, claims arising out of deductions from wages or delay in payment of wages, payment of less than the minimum rates of wages, declaring strikes and lock-outs as legal or illegal etc., have been entrusted in some States and at the Centre to the Executive Officers under the Labour Commissioner; in others, they are generally entrusted to the labour or civil judiciary. Some of the labour laws such as the Factories Act, Mines Act, Plantations Labour Act, etc., which were primarily intended for ensuring safety and health in the respective industries have come to provide also for various welfare measures in the establishments, and these statutory welfare provisions are also enforced by the Inspectorate responsible mainly for the enforcement of the technical provisions of relevant enactments. With regard to non-statutory welfare, in the State sphere the Labour

Commissioners are mostly responsible for promoting welfare schemes, while in the Central sphere the Chief Labour Commissioner is responsible for promotion of such schemes through the Labour Officers of the Central Pool who are posted in the different industrial undertakings emloying over 500 workers. The welfare funds constituted under the respective enactments for the different mining industries like coal, mica and iron ore are administered by the Welfare Commissioner at Dhanbad or by the Chairmen of the respective local committees under the overall supervision of the Ministry of Labour.

Inspection and Conciliation Functions

2.2 In States and at the Centre, the Labour Commissioners are the Heads of both the Labour Inspectorate and the Conciliation Machinery. While in a large number of States, the Factory Inspectors are administratively responsible to the Labour Commissioners, they are independent in States like West Bengal and Kerala. In the Central Sphere, the Labour Inspectorate functions under the control of the Chief Labour Commissioner and Regional Labour Commissioners who are also responsible for industrial relations. The Inspectorates for enforcement of technical provisions of labour legislation such as those under the Mines Act and Dock Labourers Act, are functioning under different Heads of their own. Both at the Centre and in the States, the Assistant Labour Commissioners and other comparable officers deal with industrial disputes by way of mediation and conciliation and they hardly perform any enforcement functions in the capacity of Inspectors although for administrative convenience they are often notified as Inspectors under the various labour laws. The Labour Inspectorates at the Centre and in the States are primarily responsible for enforcement of labour laws, although in some cases they are vested also with the powers of conciliation for the sake of administrative convenience, so that they can deal with industrial disputes of a minor character or in the case of urgency.

Judicial Functions

2.3 With regard to judicial functions such as determination of workmen's compensation, claims under the Payment of Wages Act, Minimum Wages Act, etc., in States like Andhra Pradesh, Madras and Rajasthan, the Labour Commissioners and their officers have been appointed as Workmen's Compensation Commissioners and Authorities under the Payment of Wages Act and the Minimum Wages Act. In certain States like

Punjab, West Bengal, however, the Workmen's Compensation Commissioners and Authorities under the Payment of Wages Act and the Minimum Wages Act are from the judiciary and are independent of the Labour Commissioners. In the Central sphere, the Regional Labour Commissioners are entrusted with certain quasi-judicial functions such as certification of Standing Orders, declaring legality or otherwise of strikes and lock-outs for purposes of the Coal Mines Bonus Schemes and in the State of Rajasthan, the Regional Labour Commissioner has also been declared as Authority under the Minimum Wages Act in respect of mica mines. In respect of Industrial Employment (Standing Orders) Act, in almost all States and in the Central sphere, the Labour Commissioners and the R.L.Cs. have been appointed as Certifying Officers. While in the Central sphere, the Chief Labour Commissioner is the Appellate Authority under the Act, in the States the Appellate Authorities are normally the Industrial Tribunals or Labour Courts. In the State of U.P., officials of the State Labour Service have been functioning as Labour Courts both for the purpose of U.P. Industrial Disputes Act and for application and interpretation of certified Standing Orders.

Labour Administration in Public Sector and Private Sector

2.4 With regard to the implementation of labour laws, there is no differentiation whether an establishment is in the public sector or private sector. Even in respect of Central Government-owned establishments coming under the Factories Act, the Factory Inspectorate of the State Governments enforces the provisions of that Act. It is only for the purpose of industrial relations that the Central Government is the appropriate Government in respect of Central Government-owned and departmentally-run industrial undertakings. This is, however, not the case in respect of public limited corporations and companies under the control of the Central Government which again fall in the State sphere for all purposes except for the purpose of Industrial Employment (Standing Orders) Act. All such public sector industrial establishments in which the Central Government has 51% shares or more, come within the purview of the Central Government for purposes of certification of Standing Orders under the I.E. (S.Os) Act.

Administrative Arrangements at the Centre : Department of Labour and Employment

2.5. The Central Government is responsible for certain matters such as payment of wages, trade disputes, hours of

work for employees (not covered by the Factories Act) in respect of Railways, regulation of labour and safety in mines and oil fields, dockyard labour, employment of children on Railways and in major ports. The various functions of the Central Government in so far as they relate to labour are carried out by the Department of Labour and Employment. The Department is also responsible for laying down the labour policy for the country as a whole in respect of labour matters including regulation of wages and other conditions of work, labour welfare, social security, industrial relations, settlement of disputes, co-operation between labour and management, increase of production, consumers' co-operatives and fair price shops for industrial workers.

Enforcement of Labour Laws in the Central Sphere

2.6. The administration of different Statutes in so far as they relate to the Central Sphere is secured chiefly through the organisations of the Chief Labour Commissioner (Central), the Director General, Mines Safety and the Director General, Factory Advice Service and Labour Institutes. While the last two organisations are mainly concerned with the administration of technical aspects of labour legislation, such as safety, the C.L.C's organisation is concerned with the administration of general labour laws in the Central sphere. The Director General, Mines Safety, is responsible for the enforcement of the Mines Act and the Rules and Regulations framed thereunder, while the Director General, FASLI is responsible for the enforcement of the Indian Dock Labourers Act. The C.L.C's Organisation is charged with the functions of implementation of Dock Workers (Regulation of Employment) Act, Hours of Employment Regulations, Payment of Wages Act, Minimum Wages Act, Employment of Children Act in Railways and Ports, Payment of Bonus Act, Coal Mines Bonus Schemes, Industrial Employment (Standing Orders) Act and Industrial Disputes Act. The Director General, Employment and Training co-ordinates the working of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Apprentices Act, 1961. The Coal Mines Provident Fund Commissioner and the Central Provident Fund Commissioner administer the Coal Mines Provident Fund Scheme 1948 and the Employees' Provident Fund Act respectively. The Coal Mines Welfare Commissioner implements the Coal Mines and Mica Mines Labour Welfare Fund Acts. The Director, Labour Bureau, looks after the collection

and compilation of statistics under the different labour laws and survey of labour conditions, etc.

2.7 For an appreciation of the different organisations concerned with the labour administration in the Central sphere, a short resume of these is given below.

Directorate General, Mines Safety

2.8 The D. G., Mines Safety (formerly known as Chief Inspector of Mines) whose office is located at Dhanbad is responsible for the enforcement of:

(i) Mines Act, 1952 and the Regulations, Rules and By-laws made thereunder.

(ii) Enforcement of Maternity Benefits Act, in all mines other than coal mines.

(iii) Collection and compilation of statistics relating to labour and wages in mines, production, despatches and stock of minerals and accidents in mines.

(iv) Publication of "Monthly Coal Bulletin" giving statistics relating to coal mines, and "Statistics of Mines," an annual publication.

From the organisational charts of the set-up of the Organisation of Director General, Mines Safety enclosed as Annexures I-A and I-B it will be seen that there has been a steady increase in its work and responsibilities since 1947. The number of mines under the jurisdiction of this organisation was 4,624 in 1966 as against 1,976 in 1947. The Director General is assisted in his work by a Deputy Director General, Directors, Joint Directors and Deputy Directors both in the field and at the headquarters organisation, besides supporting staff. These officers are all qualified Mining Engineers. He has also Deputy Directors in charge of electrical, mechanical and industrial health branches who are all qualified professional personnel. At the headquarters, the Director General has also a Law Branch and a Statistical Branch.

Directorate General of Factory Advice Service and Labour Institutes (D.G., FASLI)

2.9. The Office of the D. G., FASLI, formerly known as Chief Adviser, Factories, was set up in 1945 to function as an integrated service to advise Government, industry and other interests concerned on matters relating to health, welfare and safety of workers. It deals with questions relating to the administration of Factories Act and Rules framed

thereunder, the training of Factory Inspectors industrial health and environmental problems including health hazards in factories. Dock Safety Inspectorates appointed to give effect to the I. L. O. Convention Number 32 (Revised) concerned with protection against accidents to workers employed in loading and unloading of ships are also functioning under this Directorate. A chart showing its organisational set-up is appended to this Report as Annexure II With increasing industrialisation, the field of activity of the organisation had gradually expanded. In 1955, T. W. I. Training Centre was set up and more recently, the Directorate has been responsible for the setting up of the Central Labour Institute in Bombay and three Regional Labour Institutes at Calcutta, Madras and Kanpur to provide comprehensive service to the industry on labour and allied human problems.

Office of the Chief Labour Commissioner (Central)

2.10 The organisation of the Chief Labour Commissioner (Central), New Delhi, is charged with the following functions:

(i) prevention and settlement of industrial disputes in the Central sphere i.e. Mines, Oil fields, Major Ports, Banking and Insurance Companies (having branches in more than one State), industries carried on by or under the authority of the Central Government or by a Railway Company, such controlled industries as may be specified by the Central Government, the Employees' State Insurance Corporation, the Indian Airlines and the Air India Corporations, the Agricultural Refinance Corporation, the Deposit Insurance Corporation, the Unit Trust of India and Cantonment Boards ;

(ii) enforcement of awards and settlements in the Central sphere ;

(iii) administration of the following Labour Laws to the extent to which their administration is a Central responsibility ;

(a) The Industrial Disputes Act, 1947.

(b) The Industrial Employment (Standing Orders) Act, 1946.

(c) The Payment of Wages Act, 1936 in Railways, Mines and Air Transport.

(d) The Minimum Wages Act, 1948.

(e) The Coal Mines Provident Fund and Bonus Scheme Act, 1948 in so far as the Coal Mines Bonus Schemes are concerned.

(f) The Payment of Bonus Act, 1965

(g) Chapter VI-A of the Indian Railways Act (Hours of Employment Regulations).

(h) The Employment of Children Act, 1938 in Railways and Major Ports;

(iv) fixation and revision of minimum wages under the Minimum Wages Act in Central Sphere undertakings;

(v) enforcement of Fair Wage Clause and Contractors' Labour Regulations of the Central Public Works Department and M.E.S;

(vi) verification of membership of unions affiliated to the four Central Organisations of workers for the purpose of giving them representation in national and international conferences and committees as also of unions for the purpose of recognition under the Code of Discipline;

(vii) advice to the Labour Ministry and employing Ministries on labour problems as and when required;

(viii) collection of statistics regarding industrial disputes, work-stoppages, wages, etc. in respect of Central Sphere undertakings;

(ix) enquiries into breaches of the Code of Discipline.

(x) promotion of Production Committees, Joint Management Councils and Works Committees ;

(xi) promotion of statutory and non-statutory welfare measures in Central Sphere undertakings, excluding Coal, Mica and Iron Ore Mines for which separate Organisations exist ;

(xii) co-ordination of the work of Labour Welfare Officers in Central Government undertakings and giving them guidance in their day-to-day working.

Chief Labour Commissioner's Organisation—Set-up and Development

2.11 This organisation which was set up in April, 1945 in pursuance of the recommendations of the Royal Commission on Labour in India, was then charged mainly with the duties of prevention and settlement of industrial disputes, enforcement of labour laws and to promote welfare of workers in the undertakings falling within the sphere of the Central

Government. Combining the former organisations of the Conciliation Officer (Railways) and Supervisor of Railway Labour and the Labour Welfare Adviser, it started with a small complement of staff comprising the Chief Labour Commissioner at New Delhi, three Regional Labour Commissioners at Bombay, Calcutta and Lahore, 8 Conciliation Officers and 18 Labour Inspectors. This complement of officers had to be increased gradually consequent on the expanding labour legislation in the post-Independence period and the growing responsibilities of the organisation.

2.12. The present set-up of the organization consists of the Head Office at New Delhi and 10 Regional Offices at Ajmer, Asansol, Bombay, Rourkela, Calcutta, Dhanbad, Hyderabad, Jabalpur, Kanpur and Madras. Chief Labour Commissioner is assisted at Hqrs. by 3 Dy. Chief Labour Commissioners, a Welfare Adviser, a Regional Labour Commissioner, an Administrative Officer, and 5 Assistant Labour Commissioners along with supporting staff. The field work is done by Junior Labour Inspectors, Labour Enforcement Officers, Assistant Labour Commissioners and Regional Labour Commissioners. Organisational charts showing the set-up of the Chief Labour Commissioner's organization in 1945 and in 1968 are given in Annexures III-A and III-B. The strength of different categories of officers in this organisation indicating its growth since 1947 is shown in Annexure III-C. The officers of the Chief Labour Commissioner's organisation perform multifarious duties and functions under several laws and regulations, most of them statutory and others quasi-judicial. Details of the duties and functions of the different grades of officers are briefly mentioned in Annexure III-D.

Indian Institute of Labour Studies

2.13 As part of the Third Plan programme, the Indian Institute of Labour Studies (formerly known as Central Institute for Training in Industrial Relations) was set up in 1964 to impart specialised in-service training to the Industrial Relations officers of the Central and State Governments and Union Territories and foreign countries in South East Asia and Africa. This Institute works under the Chief Labour Commissioner and is headed by a Director (Dy. Chief Labour Commissioner) assisted by a Dy. Director and 4 Assistant Directors. With the main object of undertaking applied research, surveys and studies in various aspects of industrial relations, a Research Wing under the charge of a Deputy

Director (R. L. C.) is also working as an adjunct to the Training Institute.

Directorate General, Employment & Training

2.14 The D. G. E. T. who is responsible for the laying down of policies, procedures, standards and for overall co-ordination of employment and training programmes throughout the country looks after the implementation of the Employment Exchanges (Compulsory Notification of Vacancies) Act and administers the Apprentices Act.

Director, Labour Bureau

2.15 The Director, Labour Bureau is responsible for the collection and compilation of statistics relating to labour, improvement of the statistical methods employed by the various agencies, compilation and publication of consumer price index numbers, keeping up-to-date the data relating to working conditions collected by the Labour Investigation Committee, conducting socio-economic research into specific problems, and publication of the Indian Labour Journal and Indian Labour Year Book etc.

Mines Welfare Commissioners

2.16 The Coal Mines Welfare Commissioner, Dhanbad, Mica Mines Labour Welfare Fund Commissioner and the different Iron Ore Mines Labour Welfare Fund Advisory Committees are concerned with the administration of the respective Labour Welfare Fund Acts. The Coal Mines Welfare Commissioner also enforces the provisions of the Maternity Benefit Act in respect of Coal Mines, Mines Creche Rules, Coal Mines Pit-head Bath Rules, etc.

Provident Fund Commissioners

2.17 The Coal Mines Provident Fund Scheme is in charge of the Coal Mines Provident Fund Commissioner, Dhanbad.

2.18 The Central Provident Fund Commissioner looks after the administration of the Employees' Provident Fund Act.

Employees' State Insurance Corporation

2.19 The Employees' State Insurance Corporation headed by a Director General, implements the provisions of the Employees' State Insurance Act through its various regional and branch offices. Being a statutory corporation, it functions almost independently.

Directorate of Central Board for Workers' Education

2.20 The Directorate of Central Board for Workers' Education is located at Nagpur and deals with the Scheme of Workers' Education which aims at the creation of a well-informed, responsible and constructive industrial labour force capable of organising and running trade unions on sound lines.

CHAPTER III

LABOUR INSPECTORATE

3.0. For the purpose of labour inspection, we may group the establishments broadly under industrial, commercial, mining and transport undertakings. Generally speaking, in respect of industrial and commercial undertakings, the Inspecting Authorities under various labour laws are those of the State Governments and the Inspecting Authorities in respect of mining undertakings are under the control of the Central Government. With regard to transport undertakings, the jurisdiction is divided between the Centre and the states. While rail transport, air transport and Ports & Docks fall within the purview of the Central sphere, the road transport and inland water transport etc., fall within the State sphere. Of the more important labour laws, the laws mentioned below are enforced by the Central Government through the agency of C. L. C's organisation, the Director General of Mines Safety, the Director General of Factory Advice Service and Labour Institutes, the Coal Mines Welfare Commissioner, or the Coal Mines Provident Fund Commissioner :—

Mining

(i) The Mines Act, 1948 and the Rules and Regulations made thereunder.

(ii) The Payment of Wages Act and the Payment of Wages (Mines) Rules.

(iii) The Coal Mines Labour Welfare Fund Act, 1947.

(iv) The Mica Mines Labour Welfare Fund Act, 1946.

(v) The Iron Ore Mines Labour Welfare Cess Act, 1961,

(vi) The Coal Mines Provident Fund and Bonus Schemes Act, 1948.

(vii) The Maternity Benefit Act, 1961 in respect of Mines.

(viii) The Minimum Wages Act.

Transport

(i) The Indian Railways Act, 1890 (Hours of Employment Regulations).

(ii) The Dock Workers' (Regulation of Employment) Act, 1948.

(iii) The Indian Dock Labourers Act, 1934.

(iv) Employment of Children Act in respect of major ports and Railways.

(v) Payment of Wages Act in respect of Railways, Ports and Docks and Air Transport.

(vi) The Minimum Wages Act.

3.1 In the State sphere, the Labour Inspectorates and factory inspectorates concern themselves with the enforcement of the following enactments :

Industrial or Factory Establishments

(i) The Factories Act.

(ii) The Payment of Wages Act.

(iii) The Employment of Children Act.

(iv) The Workmen's Compensation Act.

(v) The Minimum Wages Act.

(vi) The Maternity Benefit Act.

(vii) The Bidi and Cigar Workers (Conditions of Employment) Act.

Commercial Establishments

(i) The Shops and Establishments Act.

(ii) The Minimum Wages Act.

Transport

The Motor Transport Workers Act, 1961.

Plantations

(i) The Plantations Labour Act.

(ii) The Maternity Benefit Act.

3.2 The Industrial Employment (Standing Orders) Act, 1946, the Industrial Disputes Act, 1947 and the Payment of Bonus Act, 1965 are applicable generally to the various types of undertakings mentioned above, whether in the Central sphere or the State sphere.

3.3 As mentioned earlier, the Chief Labour Commissioner has two wings—the Labour Inspectorate and the Conciliation Service. There is no definite demarcation of duties between these two wings, in as much as Officers appointed as

Conciliation Officers have also been vested with the powers of Inspector under different labour laws.

3.4 The administrative problems of enforcement of different labour laws are dealt with in the following paragraphs by grouping them into five broad heads for the sake of convenience viz., (i) Law governing terms of employment and conditions of work, (ii) wages and bonus, (iii) labour management relations, (iv) social security and welfare and (v) miscellaneous legislation.

3.5 The various Acts under the broad groupings just mentioned are listed below :

(1) *Terms of Employment and Conditions of Work*

(i) The Mines Act, 1952.
(ii) The Factories Act, 1948.
(iii) The Plantations Labour Act, 1951.
(iv) The Indian Dock Labourers Act, 1934.
(v) The Indian Boilers Act, 1923.
(vi) Cotton Ginning and Pressing Factories Act, 1925.
(vii) The Dock Workers (Regulation of Employment) Act, 1948.
(viii) The Employment of Children Act, 1938.
(ix) The Children (Pledging of Labour) Act, 1933.
(x) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.
(xi) The Apprentices Act, 1961.
(xii) The Bidi and Cigar Workers (Conditions of Employment) Act, 1966.
(xiii) The Motor Transport Workers Act, 1961.
(xiv) The Tea District Emigrant Labour Act, 1932.
(xv) The Hours of Employment Regulations, 196[illegible]
(xvi) Shops and Establishments Act of different States.
(xvii) The Weekly Holidays Act, 1942.

(2) *Wages & Bonus*

(i) Payment of Wages Act, 1936.
(ii) Minimum Wages Act, 1948.
(iii) Payment of Bonus Act, 1965.
(iv) Coal Mines Bonus Schemes.
(v) Working Journalist (Conditions of Service and Miscellaneous Provisions) Act.

(3) *Labour-Management Relations*

(i) The Trade Unions Act, 1926.

(ii) The Industrial Employment (Standing Orders) Act, 1946.

(iii) The Industrial Disputes Act, 1947.

(4) *Social Security and Welfare*

(i) The Workmen's Compensation Act, 1923.

(ii) The Employers' Liability Act, 1938.

(iii) The Employees' State Insurance Act, 1948.

(iv) The Coal Mines Provident Funds and Bonus Schemes Act, 1948.

(v) The Employees' Provident Funds Act, 1952.

(vi) The Maternity Benefit Act, 1961.

(vii) The Coal Mines, Mica Mines & Iron Ore Mines Labour Welfare Fund Acts.

(5) *Miscellaneous Legislation*

(i) The Industrial Statistics Act.

(ii) The Collection of Statistics Act.

(iii) The Industries (Development & Regulation) Act.

3.6 While the responsibility for the implementation of some of the Acts solely rests with the State Governments, Central Government is responsible for enforcing the same in mines and oil fields, Railways, major ports, and banks and insurance companies having branches in more than one State.

TERMS OF EMPLOYMENT AND CONDITIONS OF WORK

Mines Act, 1952

3.7 The D.G., Mines Safety, enforces the provisions of the Mines Act. For purposes of inspections and administration of the Mines Act, the country is divided into four zones—Eastern, Northern, Central and Southern zones—each zone in charge of a director. The zones are sub-divided into regions, each region being placed under the control of a Joint Director. The number of mines coming within the purview of the Mines Act (excluding mines of atomic minerals) reported to have been worked during the year 1966 was 4,624 (823 coal and 3,801 non-coal mines) as against 3,820 (841 coal and 2,979 non-coal mines) in 1965. As is apparent, there has been an increase in the number of working mines in the non-coal mining sector.

3.8 The officers of the Directorate General, Mines Safety, being Mining Engineers, are primarily concerned with the en-

forcement of health and safety provisions of the Mines Act and the Rules and Regulations framed thereunder. At present, the enforcement of the Payment of Wages Act and the Minimum Wages Act in mines is the responsibility of the Chief Labour Commissioner's organisation. It has been brought to the notice of this Group that the officers of the Chief Labour Commissioner's organisation have been recovering leave wages and overtime wages under the Payment of Wages Act although these provisions are covered under the Mines Act and Rules. In view of this and in the interest of proper enforcement of the non-technical provisions of the Mines Act and in the larger interest of the work-people, the Group feels that the enforcement of the non-technical provisions of the Act should be entrusted to other agencies like the Chief Labour Commissioner's organisation, etc. A similar suggestion, it appears, was discussed at the First and Second Safety Conference on Mines and was accepted in principle by them.

Mines Creche Rules

3.9 The Mines Creche Rules framed under the Mines Act, 1952 are being enforced by the Director General, Mines Safety in respect of non-coal mines and by the Coal Mines Welfare Commissioner in respect of coal mines. The officers of the Mines Department are mostly pre-occupied with the enforcement and administration of the safety and other technical provisions of the Mines Act and the relevant Rules and Regulations with the result that they can hardly find time for the enforcement of the non-technical welfare provisions such as Mines Creche Rules. We feel that these Rules can as well be enforced perhaps more conveniently by the Labour Inspectorate of the Chief Labour Commissioner's organisation. As these Inspectors are located in all important mining areas in the country, they should be able to secure effective enforcement of the Rules.

Welfare Officers

3.10 Under the Mines Rules, every mine employing 500 or more persons is required to appoint a qualified Welfare Officer and Additional Welfare Officers are required to be appointed in mines employing more than 2,500 persons. Every appointment of the Welfare Officer is required to be reported to the office of the Director General, Mines Safety who records their appointment. Likewise, all cases of termination of services of Welfare Officers are required to be reported to the Director General, Mines Safety. During 1966, by an amend-

ment of the Mines Rules, the Welfare Officers were debarred from dealing with disciplinary cases against the workers or from appearing before a Conciliation Officer, Court or Tribunal on behalf of the management and against the workers. In pursuance of this, the mine managements are employing separate officers to deal with these matters and the Welfare Officers are now able to devote more time to look after the welfare measures required under the Rules. While this is a desirable development, this Group would not like to have this practice too rigidly enforced in all circumstances, as that would discourage the employers, particularly those employing less than 500 workers, from having Labour Officers. The Group would therefore recommend the following for consideration of the Commission:—

(i) In respect of establishments employing less than 500 workers, the managements may have a single officer to perform combined welfare and personnel functions.

(ii) In respect of those employing between 500 and 2,000 workers, separate officers may be appointed to perform welfare and personnel functions respectively.

(iii) In the case of those employing over 2,000 workers, while separate officers (as many as may be required) should be appointed for performing welfare and personnel functions, the welfare-cum-personnel department may be headed by a single officer who may be called Personnel Manager, Chief Personnel Officer, Chief Labour Officer etc., who will organise, co-ordinate and guide the work of the welfare and personnel officers under him.

Mining Leases

3.11 Another aspect of inspections of mines considered by the Group related to the multiplicity of employers in an undertaking. This arises because of the operation of a number of contractors in mining establishments. Though the mining leases are granted to certain individuals or firms or companies, in a large number of cases the lessees sub-let the leases, and there are also cases where the sub-lessees have given the work on contract. Instances of this nature are more in respect of stone quarries. The Group was of the opinion that the lease granting authorities should take into consideration the size and viability of the working so that small units which cannot fulfil the legal obligations are not created and

that the leases are not allowed to be sub-let. Provisions should be made for deterrent punishments to the lease holders in case of sub-letting or giving their leases to contractors. We also feel that where contractors are engaged, the main employer should continue to be held responsible for the legal obligations under different laws.

The Factories Act

3.12 The administration of the Factories Act rests with the State Governments and the same is enforced through factory inspectors appointed by the respective State Governments. One way to enable the existing staff to devote more time on the technical aspects of factory inspection would be to relieve them of the enforcement of non-technical provisions of the Factories Act such as working hours, leave, weekly holidays, health and welfare, the latter being entrusted to the Labour Inspectorate under the Labour Commissioners.

The Plantations Labour Act

3.13 The responsibility for the enforcement of the Plantations Labour Act also rests with the State Governments. The Group considered the welfare provisions incorporated in the Mines Act, the Factories Act and the Plantations Labour Act, and came to the conclusion that instead of laying down specific standards in the Acts themselves, it would be advantageous to leave the actual specification of the provisions relating to major items of welfare such as canteens, creches, ambulance, pit-head bath etc. to the administrative authorities who could deal with individual cases taking into account the facts and circumstances of each case. While the Acts should prescribe minimum standards, the actual specification and implementation of the supplemental and major provisions should be left to be achieved through executive orders.

Health and Welfare Code

3.14 To make the laws more viable and easy of implementation, it is recommended that the non-technical provisions relating to health and welfare should be taken out of these laws and a separate health and welfare code formulated. The implementation and enforcement of the welfare provisions may be entrusted to the Labour Inspectors under the Labour Commissioners who can satisfactorily discharge these functions with their social education and training.

The Indian Dock Labourers Act, 1934

3.15 The Director General, Factory Advice Service and Labour Institutes administers and enforces the Indian Dock Labourers Act, 1934 and the Indian Dock Labourers Regulations, 1948. For this purpose, he is assisted by a Deputy Director (Docks), an Assistant Director (Docks), Senior Inspectors of Dock Safety, Inspectors of Dock Safety and Junior Inspectors of Dock Safety stationed at the major ports. They are mainly concerned with the safety provisions of the Indian Dock Labourers Act and the Regulations made thereunder.

The Dock Workers (Safety, Health & Welfare) Scheme, 1961

3.16 The Inspectors of Dock Safety are also Inspectors under the Dock Workers (Safety, Health and Welfare) Scheme, 1961 framed under Section 4(1) of the Dock Workers (Regulation of Employment) Act, 1948. The Scheme covers health and welfare measures for the dock workers and also safety for such workers who are not covered by the Indian Dock Labourers Act, 1934. It is applicable to all the dock workers including those employed in loading and unloading and handling of cargoes in transit sheds, warehouses, yards etc., and also to those engaged on chipping and painting of ships. The Group discussed the problems of safety, health and welfare in ports and docks. It was brought to its notice that various welfare facilities, though provided under the Regulations and the Scheme, are not maintained in good condition. The Group felt that it would work better if the individual employers are made responsible for safety measures, while health and welfare facilities should be provided by the Port authorities for all the workers including dock workers employed in the Port area. Clause 6 of the D. W. (Safety, Health and Welfare) Scheme relating to duties of Port authorities has been taken note of in this context.

The Dock Workers (Regulation of Employment) Act, 1948

3.17 Under the Dock Workers (Regulation of Employment) Act, 1948, decasualisation schemes for ensuring greater regularity of employment and for regulating the employment of dock workers have been formulated in respect of the major ports and the Dock Labour Boards are functioning at the major Ports of Bombay, Calcutta, Madras, Cochin, Visakhapatnam and Marmugao. In pursuance of Section 6 of the Act, R. L. Cs., A. L. Cs. and L. E. Os. located at or near the major ports have been appointed as 'Inspectors' for the

purpose of this Act. These officers have also been declared as "Inspectors" for the purpose of health and welfare provisions of the Dock Workers (Safety, Health and Welfare) Scheme, 1961.

3.18 The Group also took note of and endorses the recommendations made by the Study Group on Ports and Docks that common regulations should be enacted bringing together the provisions of the Indian Dock Labourers' Regulations, 1948 and the Dock Workers (Safety, Health and Welfare) Scheme, 1961, and that they should contain clauses for fixing responsibility for compliance with the different provisions by the parties concerned and for providing modern methods of lifting, carrying and transporting of cargoes in Ports by mechanical means, and for imposing enhanced fines. This Group, however, feels that because of the numerous employers working in a compact area in ports and docks and because of the capital and heavy expenditure involved for providing health and welfare measures, it would be advisable to impose these obligations for the sake of economy, convenience and proper implementation on a single authority like the Port Trust or Dock Labour Board. Provision should be made for the levy of a welfare cess for the purpose on all the employers concerned.

The Employment of Children Act

3.19 The Employment of Children Act, 1938 is intended to regulate the employment of children in certain industrial employments. The Act specifically prohibits employment of children below 15 years of age in any occupation (a) connected with the transport of passengers, goods or mails by railway or (b) connected with a port authority within the limits of any port and so on. As the rail transport and employment in ports are under the Central jurisdiction, the enforcement of this Act rests mainly with the Central Government, though the State Governments enforce the provisions of the Act in respect of workshops.

3.20 The Central Government framed the Employment of Children (Railways) Rules and the Employment of Children (Major Ports) Rules, and the C.L.C., Dy.C.L.Cs., R.L.Cs., A.L.Cs. and L.E.Os. have been appointed as Inspectors under Section 6 of the Act in respect of Railways and major ports. The Inspectors are empowered to visit any place of work and take such evidence of any person or exercise such other powers of inspection as they deem necessary for carrying out the purposes of the Act.

3.21 One of the Directive Principles of State Policy in the Constitution is that the State shall in particular direct its policy towards securing that the health and strength of workers, men and women and the tender age of children are not abused and citizens are not forced by economic necessity to enter a vocation unsuited to their age or their strength and that their childhood and youth are protected against exploitation and against moral and material abandonment. These principles emphasise the importance of proper enforcement of the Employment of Children Act through the provision of adequate and effective machinery.

The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959

3.22 Under the Employment Exchanges (Compulsory Notification of Vacancies) Act, the employers are obliged to render to the specified Employment Exchange the prescribed returns and the information is processed and analysed at area, State and national level. The Director General, Employment and Training co-ordinates the work in respect of this Act.

The Apprentices Act

3.23 The Apprentices Act is also primarily enforced by the State Governments. The D.G. E. & T. lays down the policies and principles and co-ordinates the work of different State Governments.

The Motor Transport Workers' Act—The Bidi and Cigar Workers (Conditions of Employment) Act—The Tea District Emigrant Labour Act

3.24 The administration and enforcement of these Acts is primarily the responsibility of the State Governments.

The Shops and Establishments Act of Different States

3.25 The terms of employment and conditions of service of employees employed in shops and commercial establishments are contained in the various Shops and Establishments Acts enacted by different State Governments.

The Indian Railways Act—Hours of Employment Regulations

3.26 Chapter VI-A of the Indian Railways Act and the Railway Servants (Hours of Employment) Rules are amongst the complex pieces of labour legislation. The Hours of Employment Regulations on Railways owe their origin to the Washington Convention regarding Hours

of Work (Industry), 1919 and the Geneva Convention regarding Weekly Rest (Industry), 1921 of the International Labour Organisation. The Government of India ratified the Conventions in the years 1921 and 1923 respectively. In pursuance of the obligations arising out of the ratification of the two conventions, the Indian Railways Act, 1890 was amended in the year 1930, and a new chapter VI-A was added to the Act. The Chapter of the Act, the Railway Servants (Hours of Employment) Rules, 1931 framed under the Act and the Subsidiary Instructions issued by the Railway Board to interpret and amplify the provisions of he Act and the Rules, came to be known as the Hours of Employment Regulations.

3.27 In the year 1946, with a view to end a dispute regarding hours of work, periodic rest, overtime, etc., that existed between the then nine Indian Government Railways and their respective workmen, Goverment of India in the Labour Department appointed Mr. Justice Rajadhyaksha as Adjudicator. Based on his award given in the year 1947, the Railway Servants (Hours of Employment) Rules, 1931 were replaced by the Railway Servants (Hours of Employment) Rules, 1951. In order to give effect to the recommendations of the Adjudicator, Chapter VI-A of the Indian Railways Act, 1890, was amended in the year 1956 and the 1951 Rules were replaced by the Railways Servants (Hours of Employment) Rules, 1961. The revised Rules came into force with effect from January 6, 1962. The Railway Board also revised the Subsidiary Instructions in the year 1962.

3.28 Thus the Hours of Employment Regulations now comprise of (i) Chapter VI-A of the Indian Railways Act, 1890, as amended in the year 1956; (ii) the Railway Servants (Hours of Employment) Rules, 1961 and (iii) the Subsidiary Instructions issued by the Railway Ministry in the year 1962 under the said Act and Rules. They are intended to regulate the hours of employment, overtime and periodic rest of the various categories of Railway servants and the payment of overtime wages or grant of compensatory rest.

3.29 The Regulations are applicable to all Railway servants excepting those governed by the Factories Act, the Mines Act and the Indian Merchant Shipping Act, as well as those specifically classified as 'excluded'. The 'excluded' staff are (i) Railway servants employed in confidential capacity; (ii) armed guards or other personnel subject to such discipline; (iii) staff of Railway Schools imparting technical

training or academic education; (iv) categories of Class IV staff specified by Central Government; (v) Supervisory Staff specified by Central Government and (vi) certain categories of staff of the Health and Medical Departments.

3.30 The operation of Railways requires working round the clock with varying nature and intensity of operations at different stations and sections of the Railway and during different hours of the day. These variations necessitate the classification of Railway servants under the Regulations as 'continuous', 'intensive' or 'essentially intermittent'. They have also necessitated the exclusion of certain categories of Railway servants from the Regulations The employment of a Railway servant can be classified as 'intensive' on the ground that it is of a strenuous nature involving continued concentration or hard manual labour with little or no period of relaxation. It can be declared as 'essentially intermittent' on the ground that the daily hours of duty normally include periods of inaction aggregating six hours or more (including at least one such period of not less than one hour or two such periods of not less than half an hour each) during which the employee though on duty, is not called upon to display either physical activity or sustained attention. Where the employee is not declared to be "essentially intermittent" or "intensive" under these Regulations, he is to be treated as "continuous". The General Managers of Railways have been empowered to classify Railway servants as "intensive" or "essentially intermittent". The power to classify any Railway servant or class of Railway servants as "supervisory" rests with the Central Government in the Ministry of Labour. Where Railway servants are classified as 'intensive' or 'essentially intermittent', the classification can be challenged on merits and the Regional Labour Commissioners are empowered to decide such questions of disputed classification, after giving an opportunity of hearing to the parties concerned. The decision of the Regional Labour Commissioner (Central) is final, subject to appeal to the Central Government in the Ministry of Labour.

3.31 The statutory hours of duty and periodic rest for the different categories of Railway servants is as under :—

Classification	*Permissible hours of work*	*Periodic rest*
1	2	3
Intensive	45 hours a week on an average in a month	30 consecutive hours in a week which automatically include a full night.
Continuous	54 hours a week on an average in a month	
Essentially Intermittent	75 hours in a week	24 consecutive hours in a week which should include a full night.
Excluded (Class IV staff)	—	At least 48 consecutive hours a month or 24 consecutive hours in each fortnight.

The loco and traffic running staff should be granted rest of four periods of not less than 30 consecutive hours each or five periods of not less than 22 consecutive hours each (including a full night) in each month.

3.32 Whenever the total hours of work of a Railway employee exceeds the limits prescribed, they are entitled to get overtime at not less than one and half times their ordinary rates of pay.

3.33 There are 9 Zonal Railways employing 13 26 lakhs Continuous, 1.58 lakhs Essentially Intermittent, 0.55 lakh Excluded and 0.02 lakh Intensive employees. These employees are spread all over India in about 8,000 Railway Stations and over 5,000 other establishments.

3 34 The enforcement of the Regulations is the responsibility of the 'Supervisors of Railway Labour' appointed by the Central Government under Section 71G of the Indian Railways Act, 1890. The Supervisors have to see whether (i) the Railway employees are categorised in accordance with the provisions of the Act; (ii) the duty rosters are properly drawn up and the employees work according to rosters; (iii) they get overtime wages for work done in excess of the limits prescribed; and (iv) they get periodic rest or compensatory rest as provided in the Act and the Rules, etc. The Assistant Labour Commissioners (Central), the Regional Labour Commissioners (Central), the Deputy Chief Labour Commissioners (Central)

and the Chief Labour Commissioner (Central) have been appointed as Supervisors of Railway Labour.

3.35 The Regional Labour Commissioners, Deputy Chief Labour commissioners and the Chief Labour Commissioner, because of their preoccupation with other responsibilities have little or no time for normal inspection work. The Assistant Labour Commissioners who are only 40 in number function mainly as Conciliation Officers under the Industrial Disputes Act and cannot, therefore, devote much time for inspection of Railway Establishments. Actual inspection and enforcement work on Railways is therefore done by the hundred and odd Labour Enforcement Officers even though they are not vested with any statutory jurisdiction. These Officers are often handicapped in discharging their duties for want of any statutory jurisdiction under the Hours of Employment Regulations and they have not been sufficiently effective in enforcing the Regulations.

3.36 The Group examined the working of the Hours of Employment Regulations at some length. After considering the provisions of the Regulations, the procedures and functioning of the enforcement machinery, and the adequacy or otherwise of the existing arrangements, it has the following recommendations to make :—

(i) The Labour Enforcement Officers (Central) are mainly responsible for the enforcement of the Hours of Employment Regulations, and they carry out inspections, detect wrong classifications, conduct job analysis in doubtful cases, maintain contacts with the Railway officials and submit reports. They should, therefore, be notified as "Supervisors of Railway Labour" or "Inspectors" for the purpose of Chapter VI-A of the Indian Railways Act, 1890 in order to make their work of enforcement more effective.

(ii) The Subsidiary Instructions issued by the Railway Administration, giving effect to the recommendations of the Adjudicator's Award should as far as possible be incorporated in the Railway Servants (Hours of Employment) Rules, 1961 so that they will have statutory force for proper implementation.

(iii) Classification cases should be left to be settled by the Divisional or District Officers of the Railways subject to the general directions they might receive from the General Manager. The Regional Labour

Commissioners should be empowered to decide cases of doubtful classification as 'excluded' and 'continuous' on the same lines as for 'intensive' and 'essentially intermittent' classifications.

(iv) The Hours of Employment Regulations need immediate review and revision in the light of the present workload and operational conditions on Railways and the expectations of the workers. We understand that the Ministry of Railways have very recently taken a decision to remit such a review to an Ad hoc Tribunal contemplated under the Permanent Negotiating Machinery. The machinery for enforcement and administration of the Hours of Employment Regulations needs to be suitably strengthened.

(v) Appeal against the decision of the Regional Labour Commissioners should lie to the Chief Labour Commissioner who is the executive authority and not to the Government as at present.

(vi) Greater speed and diligence are called for on the part of Railway Administrations in implementing the Regulations and rectification of irregularities pointed out by the Inspectorate.

(vii) The Railway Administration should undertake a review of all cases of classification of Railway servants once in five years.

(viii) Reclassification of a Railway employee should be given effect to from the date of the decision and not from the date of its implementation.

(ix) Besides regular Railway servants and casual labour directly employed by the Railway Administrations, the Railways employ a large force of contract labour numbering about 3 lakhs. Some of these workers are employed in scheduled employments falling under the Minimum Wages Act and Rules which prescribe hours of work, overtime payment, rest days, etc. Still a large number of contract labour on Railways are not governed by any protective legal provisions. There is obvious justification for giving them adequate legal protection regarding hours of work, overtime, periodic rest, etc.

(2) WAGES AND BONUS

Codification of Wage Laws

3.37 Administration of wage laws is by far the most important branch of labour administration for the simple reason that workers are vitally interested in their earnings. The Payment of Wages Act, the Minimum Wages Act, the Payment of Bonus Act and the Coal Mines Bonus Schemes framed under the Coal Mines Provident Fund and Bonus Schemes Act, 1948 are the main laws that govern wage payments. The establishment legislations such as the Factories Act, the Mines Act, the Plantations Labour Act, the Shops and Establishments Act etc., also provide for payment of leave wages and overtime. The payment of compensation for lay-off, retrenchment, etc., are provided for in the Industrial Disputes Act. Amounts also become often payable to the workers in pursuance of the awards and settlements legally enforceable under the I. D. Act. Apart from the confusion caused by the various laws and the reliefs which they provide to the workers while seeking remedy under these laws, the workers and their unions are obliged to approach different authorities making it both cumbersome and expensive for the aggrieved workers. The Group therefore recommends that the relevant provisions of these laws dealing with wages, bonus, overtime, retrenchment and lay-off compensation, leave and holiday wages etc. may be codified into a single enactment applicable to both industrial and commercial establishments.

Recovery of Unpaid Dues etc

3.38 Where the employers fail to make payments of or make unauthorised deductions from workers' dues under the different laws mentioned above, different procedures have been prescribed under the laws for recovery of those amounts from the employers, but the procedures are essentially similar in character and involve legal and time-consuming formalities and consequent delays in the workers receiving their dues. The workers involved in such claims being mostly temporary/casual or employed on works of short duration, by the time the amounts are recovered from the employers, they would have left their original places of employment and their whereabouts not known. Cases of workers even dying in the meantime are also not infrequent. The machinery and procedures for claiming the workers' unpaid dues should therefore be made simpler, speedy and least costly. The procedure should also make it unprofitable for the employers ot default payments to the workers. The

Group would therefore suggest the following for consideration of the Commission :—

(i) An Inspector under the enactment may, of his own motion or on receipt of a complaint from the employee or any official of a registered trade union (acting for the employee), make an enquiry, and if satisfied that payment has been wrongfully withheld, direct the employer or the person responsible for payment of wages to make the payment within 15 days of receipt of his order. The direction of the Inspector may also require that in case payment is not made within 15 days of receipt of his order, the employer is liable to pay damages not exceeding 25% of the amount.

(ii) Any person aggrieved by the order of the Inspector may, within 15 days of receipt of the order, appeal to the prescribed authority.

(iii) If the payment is not made and if no appeal is preferred within the specified period, the Inspector may issue a certificate to the Collector for recovering the amount as an arrear of land revenue.

(iv) If an appeal is received by the prescribed authority within the period specified, he shall hear the parties and decide the claim and issue such directions as he may consider necessary with regard to the payment of wages, unauthorised deductions or compensation awarded. The prescribed authority shall give his decision within 30 days of receipt of the appeal. If the payment is not made within 30 days of the decision of the prescribed authority, the Inspector shall issue a certificate to the Collector for recovering the amount as arrears of land revenue.

(v) If the prescribed authority is satisfied that the employer is likely to evade payment of any amount that he may eventually direct, the authority may direct the attachment of so much of the property of such employer as is sufficient to satisfy the amount which may be payable under the direction.

(vi) The decision of the prescribed authority where an appeal has been preferred to it or of the Inspector where no such appeal has been preferred shall be final except in cases where an important question of law is involved, in which case the aggrieved party

may file an appeal against the decision of the prescribed authority before the District Court, provided the amount of wages and compensation awarded is deposited with the prescribed authority.

In keeping with the spirit and intention of the above proposals, the Group recommends that the prescribed authority for entertaining appeals should be senior administrative officers of the Labour Department instead of judicial authorities.

Minimum Wages Act, 1948

3.39 The Minium Wages Act 1948 whose object is to prevent sweating or exploitation of workers through fixation and payment of minimum wages and to regulate their working hours, weekly rest, etc., applies to scheduled employments specified in the Schedule to the Act. While the Central Government is the appropriate Government in relation to any schedule employment carried on by or under the authority of the Central Government or a Railway Administration or in relation to a mine, oil field or major port or any corporation established by a Central Act, the State Government is the appropriate Government in relation to any other scheduled employment. Thus the Central Government is connected with the scheduled employment under certain local authorities like major ports and cantonment boards, employment on the construction or maintenance of roads and runways, building operations or maintenance of buildings or in relation to agriculture or horticulture in the Central Sphere, employment in stone breaking and stone crushing in mines, employment in mica works (mines) as well as employments in gypsum, barytes, bauxite and manganese mines. The responsibility for enforcement of the Minimum Wages Act as well as for fixing and revising minimum rates of wages in the Central sphere rests with the Chief Labour Commissioner. He is also the Chairman of the Fixation/Revision Committees. The Minimum Wages Fixation/Revision Committees both at the Centre and in the States are generally composed of, among others, Government officials as independent persons. Difficulties have recently arisen because of judgements of some High Courts holding that Government officials are not independent persons for purposes of Section 9 of the Act. But Government officials with their knowledge of industrial and labour problems can handle wage problems with competence and bring to bear a detached outlook on matters of wage fixation and revision. They are also in fact independent of employers and workers.

The Group therefore feels that Government officials should be enabled to serve on such committees by suitably amending the Act. The Madhya Pradesh Government have already done so and a similar amendment is on the anvil of the Rajasthan Legislature.

Enforcement of Minimum Wages Act in Contract Works

3.40 With regard to the enforcement of the Act, although the M. P. High Court had held that in respect of contract labour employed by contractors in building operations for the Railways, the appropriate Govt. was the Central Government, difficulty has been experienced because of the Rajasthan High Court's later ruling that the Railway contractors engaged in building operations, etc. cannot be said to be working under the authority of the Railway administration and as such the Central Government cannot be the appropriate Government in respect of Railway contractors. These rulings will hold good also in respect of contractors' establishments in other Central Departments like M.E.S., C.P.W.D, etc. The result is that there has been a great deal of confusion in the matter of enforcement of the minimum wages in respect of contractors' labour. Consequently, the low-paid and unorganised workers employed by contractors in the Central sphere in construction and maintenance of roads, bridges and buildings etc. who need the protection of the minimum wage law most are denied the benefits of this legislation. The Group therefore recommends that the law should be suitably amended in order to place the legal position beyond any doubt.

Effects of the Act

3.41 The Minimum Wages Act, 1948 has benefited the low-paid workers by way of guaranteed minimum wages, working hours, paid weekly off, overtime, etc. It has also helped to standardise wage rates to a certain extent and acted as a check on the migration of labour from one establishment/industry to another and thus provided the employers with stable labour force. The minimum wages enforced under the Act have also the effect of pushing up the wage rates of workmen not covered by the Act in the same or other establishments. However, wide disparities in wages in the same area for similar categories of workmen still exist with obvious repercussions. Such disparities should be avoided by proper consultation and co-ordination between the authorities concerned.

Denotification of Scheduled Employment

3.42 At present, there is no provision in the M. W. Act for de-notifying a scheduled employment or for desisting from undertaking a revision of minimum rates of wages already fixed. This is resulting in unnecessary work being undertaken to revise minimum rates of wages and to enforce them or in anomalous position regarding wage structure of such scheduled employments. Although an employment has been included in the schedule on account of low wages and sweated conditions of work at the time, it might later come to be governed by fair wages and conditions of employment due to the emergence of strong unions accompanied by collective bargaining or adjudication processes or otherwise. It would be advisable to de-notify such employments so as to exclude them from the purview of the M. W. Act. The Act should therefore be amended for this purpose.

Agricultural and Rural Workers

3.43 The Group also considered the working of the Minimum Wages Act in respect of agricultural and other rural workers. It feels that there are still a number of employments in the rural sector which have not yet been covered by many State Governments under the Act. More and more of such employments should be brought within the purview of the Act in as short a time as possible. Legislative measures should also be undertaken for promoting welfare of rural labour (e. g. drinking water supply) and for giving relief against employment hazards by way of medical aid, workmen's compensation, etc. As regards the machinery for enforcement of laws in the rural sector, there should be full-time officials at the State Headquarters and district levels with the Revenue, Panchayat and Block Development officials functioning as part-time field Inspectorate for the purpose. The Central Government should co-ordinate and guide the work of the State Governments in this sphere and lay down general standards and norms for adoption by the States.

Payment of Wages Act

3.44 Having examined the various problems connected with the administration of the Payment of Wages Act, the Group invites attention to the following matters :—

i) Fixation of wage periods under the Act is left to the discretion of the employer subject, however, to the condition that no wage period shall exceed one month. We feel that where casual labourers are

employed as in construction works with great mobility of labour, employers should be required to fix weekly wage periods.

(ii) Though there is no limitation of number of persons employed for purpose of application of the Payment of Wages Act, the Payment of Wages (Railways) Rules limit the application of those Rules to establishments employing 20 or more persons on any day of the preceding 12 months. As the intention is to give protection of the law to all employees and as this restriction is making the enforcement of the law rather difficult in practice, the Group feels that it should be removed and the Payment of Wages (Railways) Rules made applicable to all establishments on Railways irrespective of the number of persons employed.

(iii) In respect of Railway factories, the State Factory Inspectors enforce the Payment of Wages Act, though the officers of the C.I.R.M enforce the Act in respect of all other Railway establishments. The C.L.C is however required to prepare and submit an annual report on the working of the Act and the Payment of Wages (Railways) Rules in respect of Railways including factories, and in order to facilititate this, it is suggested that enforcement of the P.W. Act in respect of Railway factories should also be entrusted to the C.L.C.

(iv) The Payment of Wages (Mines) Rules prescribed that when a mine is opened or re-opened or abandoned or working thereof has been discontinued, the employer shall furnish a notice of opening, abandonment, discontinuance, re-opening, and change in the ownership etc. to the R.L.C. (C). The Group suggests a similar provision in the Payment of Wages (Railways) Rules in respect of all contractors' establishments so that the inspecting officers will be able to make timely inspections and take proper follow-up action.

(v) In mines and on Railways, a large amount of work is done on piece-rates. For the purpose of measuring piece-work, different means are adopted by employers such as weighment or measurement by tubs, rods, frames, etc. The gadgets used for the

purpose are often not standard ones, and as such, there is scope for depriving the workers of their real dues. The Group therefore recommends that Inspectors of the C.L.C's Organisation who enforce the P.W. Act in mines and Railways should be empowered to take legal action in such cases under the Weights and Measures Act.

(vi) The C.L.C's organisation is responsible for the enforcement of the P. W. Act in respect of departmental and contractors' establishments on Railways. As the senior officers of the organisation viz. C.L.C., Dy. C.L.Cs., R.L.Cs. and A.L.Cs. are pre-occupied with the relatively higher responsibilities connected with the settlement of Industrial Disputes and the handling of other industrial relations problems in the Central sphere, they can hardly find time to carry out inspections on Railways for the enforcement of the Act. This work is almost entirely done by the L.E.Os. of the same organisation, but they have not been notified as Inspectors under the P.W. Act as the Railway Board have not hitherto agreed to this. The result is that without any statutory footing, the L.E.Os have been carrying out inspections and taking follow-up action for securing rectification of the infringements of the law in a somewhat informal manner. This is not a satisfactory arrangement. The Group recommends that early steps should be taken to rectify this anomalous position by conferring on the L.E.Os. the power of Inspector under the Act in relation to Railways.

(vii) Although the C.L.C's organisation is responsible for all matters under the I.D. Act in relation to major ports, as also for the enforcement of the Dock Workers (Regulation of Employment) Schemes, the State authorities continue to be statutorily responsible for the enforcement of the P.W. Act in relation to major ports. However, by arrangement between the Central and State Governments concerned, the officers of the C.L.C's organisation have been appointed by the State Governments as Inspectors under the Act, in relation to major ports and in that capacity, they have been inspecting and taking follow-up action by way of prosecution, claim applications etc. In so doing, they are required to work within the

framework of the relevant Rules of the State Governments, while seeking administrative sanctions and instructions from the C.L.C. and R.L.Cs. The Group considers that these arrangements are not calculated to be administratively convenient or functionally effective and therefore recommends that the P.W. Act may be amended to make the Central Government responsible for its implementation in respect of major ports.

(viii) The P.W. Act, as it stands, covers employees working in docks, wharfs or jetties but not those working in other parts of a port area. There is no reason to exclude any section of employees working in a port area from the purview of the P.W. Act. The Group therefore recommends that the P.W. Act should be suitably amended to make it applicable to ports and docks as a whole.

Fair Wage Clause and Contractors' Labour Regulations

3.45 The Fair Wage Clause in C.P.W.D. contracts requires notification of fair wages by the Engineer-in-Chief after consulting the Regional Labour Commissioner concerned. But such consultation rarely takes place. While notifying fair wages, it has to be ensured that they are equal to or higher than the prevailing market rates of wages for similar employments in the neighbourhood. The Contractors' Labour Regulations regulate payment of wages without unauthorised deductions, overtime wages, working hours, rest days, etc. There are also provisions relating to safety, health and welfare of workers. The A.L.Cs and L.E.Os. of the C.I.R.M., besides the Labour Officers of the C.P.W.D., have been empowered to make enquiries with a view to ascertaining and ensuring proper observance of the Fair Wages Clause and C.P.W.D. Contractors' Labour Regulations. The R.L.C. (Central) act as Appellate Authorities under the Regulations in their respective regions for hearing appeals against the decisions or recommendations of a Labour Officer, A.L.C. or L.E.O. as the case may be. The C.L.C and the Dy. C.L.Cs are empowered to decide questions as to the application, interpretation or effect of the Regulations. Similar provisions exist in respect of M.E.S. contractors also, but the M.E.S. Contractors' Labour Regulations need considerable improvement to bring them on par with those of C.P.W.D.

3.46 The Group examined the various aspects of the

enforcement of the Fair Wage Clause and Contractors' Labour Regulations and feels that:

(i) They must be brought up-to-date in the light of the recommendations of the Working Group of the Planning Commission which evolved a standard contract form for construction works.

(ii) They must be adopted and applied by the different employing authorities under the Central and State Governments (including public sector undertakings).

(iii) Besides construction works, other casual employments like handling of coal, goods, parcels, etc. should be covered by the Fair Wage Clause and Regulations unless any such employment is already covered by the Minimum Wages Act.

(iv) The Fair Wage Clause must prohibit sub-contracting without the express permission of the competent authority, and require that the sub-contractor should also observe the Clause and Regulations failing which the principal contractor will be held responsible.

(v) For effective implementation of the Clause and Regulations, an independent Inspectorate should be entrusted with their enforcement.

(vi) Fair wages rates should be prescribed by the Department giving out the contract in consultation with the appropriate officers of the Labour Department at the time of inviting tenders.

The Working Journalists (Conditions of Service) and Misc. Provisions Act

3.47 The Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955 is a Central enactment for regulating wages and conditions of service of working journalists and other employees of newspaper establishments. It also provides for payment of retirement benefits and for extension of the Industrial Employment (Standing Orders) Act and the Employees' Provident Fund Act to newspaper establishments etc. The State Governments are at present responsible for the administration of the labour enactments in relation to newspaper establishments. As newspapers have generally branches or other establishments in more than one State, the present position does not seem to be quite conductive to effective administration of labour laws in relation to

such establishments. The history of Wage Boards/Committees and implementation of their recommendations as well as the reference of disputes concerning newspapers to National Tribunals also lend support to the view that the newspaper establishments could more conveniently and effectively be covered by the Central Government assuming direct reponsibility under the labour laws.

(3) LAWS RELATING TO LABOUR-MANAGEMENT RELATIONS

The Trade Unions Act, 1926—Central Trade Unions

3.48 The Trade Unions Act provides for the registration of trade unions and defines the rights of registered trade unions. Though Central Government is the appropriate Government in relation to trade unions, whose objects are not confined to one State, its powers have been delegated to the State Governments. As such, the entire administration of the Trade Unions Act rests with the State Labour Departments. With the phenomenal growth of industries, trade and commerce, more and more unions with inter-State coverage have come up. Industrial federations most of which are not registered have also increasingly sprung up. The Group considers that the definition of 'central trade union" should include not only unions having inter-State objects, but also such federations as well as the unions operating in Central Sphere undertakings. The requirements of industrial relations warrant that the Chief Labour Commissioner and Regional Labour Commissioners should be the Registrars and maintain a proper record of all such central trade unions.

Inspectors

3.49 At present, there is no provision in the Trade Unions Act for the appointment of Inspectors. But some States like West Bengal and U. P. have appointed Inspectors to assist the trade unions in proper maintenance of their registers and in proper functioning. We recommend that necessary provision may be made in the Trade Unions Act for the appointment of Inspectors whose duties should include not only scrutiny of accounts and registers of established unions, but also to assist the formation and functioning of new trade unions in the rural sector.

Internal Disputes of Trade Unions

3.50 Under the Trade Unions Act, the Registrar has no authority to probe into a dispute relating to the election of office-bearers of a trade union. Due to an internal dispute regarding the election of office-bearers, group rivalry develops,

undermining dicipline in the industry in which the union functions. It is therefore expedient to suitably amend the Trade Unions Act in order to empower the Registrar to decide, in case of dispute, the legality or otherwise of the election of office-bearers in the interests of maintaining peace in the industry.

Minimum Membership for Registration

3.51 At present, 7 or more members can form themselves into a trade union to get it registered. This gives scope for mushroom growth and multiplicity of trade unions in an establishment which everyone thinks must be eliminated. In view of the constitutional provisions, it may not be possible to legislate that only one union should be formed and registered in an industrial establishment. But the Trade Unions Act can be amended in such a way as to make a substantial number of members to get interested in their organisation. The Group feels that besides the minimum of 7 members, some relation must be there to the total number of employees in an establishment. We, therefore, recommend that a trade union should be eligible for registration if 7 members or 5% of the employees in an industrial establishment, whichever is higher, subscribe to the constitution of a trade union.

Industrial Employment (Standing Orders) Act, 1946

3.52 The Industrial Employment (Standing Orders) Act, 1946 requires employers in industrial establishments formally to define conditions of employment under them. The Act as it stands, applies to every individual establishment wherein 100 or more workers are employed or were employed on any day of the preceding 12 months and gives powers to appropriate Government to apply by notification the provisions of the Act to any industrial establishment employing less than 100 workmen. The Central Government is the appropriate Government in respect of industrial establishments under the control of the Central Government or a Railway Administration or in a major port, mine or oil field, and in respect of other industrial establishments the State Governments are the appropriate Governments.

3.53 Though the Act provides for establishments employing less than 100 workmen to be covered by the Act by notification, no such notification appears to have been issued by any Government so far. In this connection, the Group has noted that the Working Journalists (Conditions of Service)

Miscellaneous Provisions Act, 1955 had extended the provisions of the I.E. (S. Os) Act to every newspaper establishment wherein 20 or more employees are employed or were employed on any day of the preceding 12 months as if such newspaper establishment were an industrial establishment to which the I.E. (S.Os) Act has been applied by notification under sub-section (3) of Section 1 thereof and as if a newspaper employee were a workman within the meaning of that Act. In our view, the Act should be made applicable to all industrial establishments employing 50 or more workmen as a first step. We also feel that the definition of "industrial establishment" should be extended to include banking and insurance companies.

Model Standing Orders

3.54 With the insertion of Section 12A in 1963, the prescribed Model Standing Orders shall be deemed to be adopted in an establishment till the certified Standing Orders come into force. The Model Standing Orders appended to the Industrial Employment (Standing Orders) Central Rules have also been adopted by the State Governments with some modifications. These M.S.Os naturally cover the matters listed in the Schedule to the I.E.(S.Os) Act. This Schedule being limited in its range of matters, is inadequate in many respects. For example, it does not provide for the grievance procedure, seniority and merit rating, procedure for conducting domestic enquiries, the age of retirement, disciplinary procedure, etc. The Schedule should therefore be suitably enlarged for the purpose. The major industries have got some distinctive characteristics of their own regarding industrial conditions and labour relations and they cannot be adequately covered by the common set of Model Standing Orders applicable to the generality of industrial establishments. The Group therefore recommends that in addition to the common M.S.Os, the appropriate Govts. should formulate separate M.S.Os for each of the major industries in consultation with the representatives of the employers' and workers' organisations concerned and notify the same for purposes of Section 12A of the Act.

Procedures for Grievance Settlement, Promotion and Disciplinary Action

3.55 While the Model Grievance Procedure approved by the Indian Labour Conference may be adopted for the purpose, the Group recommends that a model procedure for promotion on the lines of the one adopted by the Conference o

Heads of Public Sector Undertakings and another model procedure for disciplinary action on the lines of the one at Annexure IV may be followed and adopted for purposes of the I.E. (S.Os) Act, as these areas of industrial relations are increasingly giving rise to disputes and differences between the employers and workers. We feel that for minor offences for which a worker has to be warned, censured or fined, it should be enough if the simple procedure laid down in the Payment of Wages Act (viz. giving him an opportunity to explain his conduct before the imposition of penalty) is followed. But in respect of more serious offences for which disciplinary action by way of demotion, discharge or dismissal etc. is contemplated, the managements should follow a systematic procedure of enquiry in order to ensure that the workman concerned has adequate opportunity to defend himself and to bring out the full facts of the case. With these and other safeguards which the Group has recommended to ensure security of service and redress of grievances of individual workmen, the Group would recommend amendment of Section 2A of the Industrial Disputes Act so as to restrict its application to cases of alleged victimisation for trade union activities as the Section in its present form is likely to impede the growth of trade union movement in this country.

3.56 The Act needs amendment to provide that the Standing Orders once made applicable to an establishment will continue to apply to it irrespective of any subsequent change in the number of workers employed therein or in the constitution of such establishment.

Conciliation and Labour Inspectors

3.57 The Group has noted that in some cases, the officers charged with the primary responsibility of enforcement of labour laws have been also vested with the powers of conciliation officer under the Industrial Disputes Act and required to handle disputes though of a minor character. A conciliator should have not only wide experience and knowledge of industrial relations problems, but should also be a person of mature judgement in order to win the confidence of the parties and effectively deal with disputes and labour problems. These requirements cannot be expected of the junior officers in the early years of their service who are mainly meant for carrying out periodical inspections and taking follow-up action for securing implementation of labour laws. The Group therefore recommends that the practice of vesting conciliation powers

on such junior officers should not be resorted to and if necessary, the conciliation machinery should be adequately strengthened. This is also in keeping with the I.L.O. Convention No. 81.

(4) SOCIAL SECURITY AND WELFARE

The Workmen's Compensation Act, 1923

3.58 The administration of the Workmen's Compensation Act rests with the State Governments. The Group considered the various aspects of implementation of the Act, and it has found that the procedure for claiming compensation in case of death of a worker was rather cumbersome. The onus of filing a petition within the prescribed time rests with the dependents of the deceased who are often not in a position to do so. In order to ascertain the effectiveness of the working of the Act in relation to mines, a pilot study was uudertaken at the instance of the Group in coal and mica mines in Bihar. The study revealed that only in 20% of the cases compensation was paid and that in respect of others, the law had not proved effective. The Group having considered all aspects of the matter, makes the following suggestions:—

(i) The W. C. Act may be amended to provide for appointment of Inspectors to secure effective enforcement of its provisions by acting for the injured workmen or the dependents of the deceased workmen, wherever necessary.

(ii) Section 20 of the W.C. Act be amended to enable the appointment of officials of Labour Department as Compensation Commissioners so as to ensure expeditious disposal of cases as is already being done in several States like Andhra Pradesh, Madras, Rajasthan, etc. The amendment should also enable the Central Government to function as appropriate Government in respect of Central Sphere undertakings.

(iii) The law must be amended to the effect that where an employer fails to deposit the amount of compensation with the Commissioner in case of death, the latter should order the attachment of the property of the employer to that extent.

(iv) Section 10 A of the W.C. Act should be amended to enable the Commissioner, where the employer dis-

claims his liability for payment of compensation, to hold a preliminary hearing and if he is satisfied that there is a prima facie case for payment of compensation, he should direct the employer to deposit the amount of compensation failing which the Commissioner may also order the attachment of property of the employer to that extent.

The Employees' State Insurance Act—Coal Mines Provident Fund Act—Employees' Provident Fund Act—Coal Mines and Mica Mines Labour Welfare Fund Act

3.59 These Acts are being administered by statutory bodies. Further, there is also a Committee on Labour Welfare which is reviewing the functioning of various statutory and non-statutory welfare schemes in industrial establishments both in the public sector and private sector, including mines and plantations. In view of this, the Group did not consider these matters in detail.

The Maternity Benefit Act, 1961

3.60 In respect of coal mines, this Act is being administered by the Coal Mines Welfare Commissioner. The Director General, Mines Safety, administers the Act in respect of non-coal mines. The Mines Inspectorates are invariably preoccupied with the enforcement of the safety and other technical provisions of the Mines Act and the Rules and Regulations made thereunder with the result that they cannot devote the necessary time and attention to the enforcement of the non-technical provisions as in the Maternity Benefit Act. The Group considers that this work can as well be entrusted to the Labour Inspectorate under the Chief Labour Commissioner (Central), who being also located closer to the mining areas throughout the country, should be able to secure effective enforcement of this Act. We understand that this was also discussed at the Second Safety Conference (Mines) and accepted in principle.

(5) MISCELLANEOUS LEGISLATION

The Industrial Statistics Act—The Collection of Statistics Act

3.61 The competent authority in respect of collection of labour statistics is the Director, Labour Bureau, Simla. The C.L.C's organisation and the Director General, Mines Safety collect statistics relating to work stoppages, wages, production, despatches and stock of minerals, accidents in mines etc.

(6) PROBLEMS OF ENFORCEMENT

Inspection Procedure

3.62 For purposes of inspection of various establishments under different laws, Chief Labour Commissioner (C) has formulated inspection proformae covering salient features of the laws under which inspections are to be carried out. The Inspectors, when they visit the establishments, check up the records, make enquiries, interrogate workers where necessary and reduce the irregularities detected into writing in the shape of replies to various items listed in the inspection proforma. A copy of the inspection report is handed over on the spot to the Manager or his representative with the request that the irregularities pointed out may be rectified and compliance report sent to the Regional Labour Commissioner within a specified period. The inspection proforma also provides that in case the employer fails to send his compliance report within the specified time, legal action will be taken to get the provisions of the Act enforced. In case the employer does not rectify the irregularities and no satifactory explanation is forthcoming, the Inspector submits proposals for legal action in the prescribed proforma indicating also the evidence available to prove the breaches committed by the employer. These proposals are screened by the R.L.C. who then recommends deserving cases to C.L.C. for sanction. The powers of the appropriate Government in respect of prosecution under certain laws have been delegated to the C. L. C. At present, junior officers such as the Labour Enforcement Officers of the C. L. C's organisation file and prosecute cases for infringements of labour laws as well as for claiming the workers' dues i.e. by way of prosecutions and recovery proceedings in their capacity as Inspectors under the relevant labour laws. They have been also notified by the State Governments as public prosecutors under the Criminal Procedure Code. While they have been discharging these responsibilities on the whole satisfactorily, they are handicapped in scrutinising complicated cases or examining cases for appeal to higher courts for lack of adequate knowledge of law of practice and procedure. In certain areas, their hands are also full with too many court cases resulting in the neglect of regular inspection and enforcement work. Even the Government Advocates and public prosecutors who are often engaged for conducting the court cases under labour laws, have not been able to handle them satisfactorily because of their preoccupation with more remunerative cases and also their inadequate knowledge and acqua-

in'ance with the growing labour legislation. The Group therefore recommends that the Enforcement Officers should be given the assistance of whole-time Law Officers of appropriate experience and status where the workload warrants this arrangement.

Prosecutions under the P.W. Act

3.63 Under the existing provisions of the Payment of Wages Act, no court shall take cognizance of a complaint against any person for an offence under sub-section (1) of Section 20 unless an application in respect of the facts constituting the offence has been presented under Section 15 and has been granted wholly or in part and the authority empowered under the latter Section or the appellate court granting such application has sanctioned the making of the complaint. This involves a long drawn procedure. Moreover, unless the claims authority grants permission, no prosecution can lie and it is possible that for some technical reason, claims authorities may not grant such permission. Further, for practical reasons, it may not always be possible for the Inspector to file claim cases. In order to deal with employers who persistently delay payment of wages, it is suggested that Section 21 of the Payment of Wages Act may be suitably amended empowering the courts to take cognizance of all offences under the Act on a complaint made by the Inspector.

3.64 The Commission in its working paper on 'Labour Administration' has raised certain problems and posed some questions for consideration of the Group. One such problem relates to prosecutions and nominal penalties. It has been alleged that the implementation agencies and the employers are often hand-in-glove and that because nominal penalties are imposed by the judges even when the fault against the employer is established, even officers of the judiciary are not excluded. Another allegation which is also quite often heard is that certain employers and trade union leaders collude to evade labour laws and thereby deprive the workers of their rightful dues. The Group felt that in view of the limited time at its disposal and in the absence of any data in support of these allegations, it is not in a position to express any definite opinion in this regard. The allegations, however, appear to be exaggerated. In the Central sphere, detailed procedures have been laid down by which prosecution proposals have to be sent by the field officers to the headquarters for scrutiny and sanction of each case.

Legal Action

3.65 The Commission has desired that the Working Group should examine as to how many of the cases of non-compliance with legal provisions reported by the Inspectorate, are actually sanctioned for legal action and, in cases where defaults have been established by the courts, what has been the nature of penalties imposed on the offenders. The following figures will show the position of prosecution proposals sanctioned by the D.G., Mines Safety in respect of Mines Act and by C.L.C. in respect of other Acts listed, the cases which ended in conviction, those in which the accused were acquitted and the nature of penalties imposed.

TABLE I

Statement showing the number of prosecutions launched etc. under the Mines Act and the Maternity Benefit Act

	Mines Act, its Regulations and Rules			Maternity Benefit Act		
	1965	1966	1967	1965	1966	1967
1. No. of prosecutions actually launched.	154	172	241	1	Nil	Nil
2. No. of prosecutions which ended in conviction.	83	77	55	1	Nil	Nil
3. No. of cases in which the accused were acquitted.	16	9	3	Nil	Nil	Nil
4. Nature of penalties imposed.	Fines ranging from Rs. 50/- to Rs. 4,000/- and in a few cases, simple imprisonment for one or two months.					

TABLE II

Statement showing the number of prosecutions launched etc. under the Minimum Wages Act, Payment of Wages Act (Railways) and Payment of Wages Act (Mines)

	M. W. Act			P. W. Act (Rlys).			P. W. Act (Mines)		
	1965	1966	1967	1965	1966	1967	1965	1966	1967
1. No. of prosecutions actually launched.	140	118	54	480*	64	19	*	366	201
2. No. of cases which ended in the conviction of employers.	155	164	43	325*	42	32	*	313	225
3. No. of cases in which the accused were acquitted.	5	1	4	10*	2	—	*	37	9
4. Nature of penalties imposed.	In most of the cases the accused were fined Rs. 15/- to 200/- or in default to undergo simple imprisonment ranging from one week to 2 months. In a few cases, the accused were warned by Government.								

* Figures combined for both P. W. Act (Rlys.) and P. W. Act (Mines).

NOTE :—The figures against item 2 include cases filed in the previous years and hence the difference from the figures shown against item 1.

TABLE III

Statement showing the number of prosecutions launched etc. under the Coal Mines Bonus Schemes, Payment of Bonus Act, 1965 and Industrial Disputes Act, 1947.

	C. M. B. S.			P. B. Act			I. D. Act.		
	1965	1966	1967	1965	1966	1967	1965	1966	1967
1. No. of prosecutions actually launched.	347	357	127	—	—	27	9	5	3
2. No. of cases which ended in conviction of employers.	161	185	178	—	—	8	2	11	1
3. No. of cases in which the accused were acquitted.	—	—	30	—	—	—	—	—	—
4. Nature of penalties imposed.	In most of the cases, the accused were fined Rs. 15/- to 200/- or in default to undergo simple imprisonment ranging from one week to 2 months. In a few cases, the accused were warned by Government.								

NOTE :—The figures against item 2 include cases filed in the previous years and hence the difference from the figures shown against item 1.

Prosecution for Illegal Strikes and Lockouts

3.66 In this connection it may be mentioned that majority of prosecutions launched under I. D. Act relate to breaches of settlements and awards. During 1967 and 1968, however, there have been prosecution cases launched for illegal strikes and lock-outs. According to information available, there were 47 illegal strikes and 3 illegal lock-outs in Central Sphere undertakings during 1966 and 1967. During 1967, proposals for prosecution of offenders were received in respect of 8 illegal strikes and one illegal lock-out, of which 3 prosecutions for illegal strikes and one for illegal lock-out were sanctioned.

Penalties

3.67 It is true that barring certain cases the amount of penalties imposed by the magistrates for proved offences have been invariably small and rather nominal and not at all deterrent. As imposition of such nominal penalties hardly meets the ends of justice and does not achieve the purpose for which the prosecutions are launched, Inspectors have been given standing instructions to plead with the courts for imposition of sufficiently deterrent penalties on the accused in case of conviction. The Working Group feels that the remedy against nominal fines lies in the prescription of minimum penalties, and enhanced penalties for repetition or continuance of the same offence even after conviction.

Withdrawal of Prosecutions

3.68 It has been stated in the Commission's Paper that there were cases where after legal action has been initiated, the Government has, for unknown reasons, changed its mind and officers have been asked to withdraw the prosecutions. The Group has noted that in the Central sphere, the number of cases withdrawn during the years 1965 to 1967 were nil or negligible. We are informed that prosecutions are withdrawn only in exceptional cases and that too after the parties have complied with the requirements of the law and also reimbursed the Government of the expenses incurred by it (the Government) in conducting prosecution and assuring good behaviour in future. In some of the cases, prosecutions had to be withdrawn for unavoidable reasons, i. e. accused not traceable or the witness being transferred to a very distant place or not otherwise available for tendering evidence. It has also been decided lately that no case filed in

a court can be withdrawn without the prior approval of the Government.

Small Establishments

3.69 It has been urged before the Commission that a distinction should be made between cases of genuine hardships as in case of small establishments and those where an employer is trying to deny the workers the benefits by sub-dividing his unit into smaller parts in order to avoid legal provisions. In the former case, an employer may be wanting to operate on a small scale as matter of necessity. In the latter, the intentions of the employer are malafide. The Commission desired that it should be the responsibility of labour administration to see that remedies should be tried out against such evasions. The Working Group suggests both legal provisions and administrative vigilance against such evasions.

State Vs Central Jurisdiction

3.70 We have earlier noted that certain industries are partly under the Central Government and partly under the State Government for purposes of implementation of labour laws. In certain other industries which are inter-related, the Central Government operates in one sector and the State Governments in the other sector. Notable examples of these are the cement, iron & steel, mica, aluminium and oil industries. These are basic and export-oriented industries and have also branches or other establishments usually in more than one State. Moreover, in these industries generally, while the factory establishments fall in the State sphere, the mining establishments fall in the Central sphere at present. This position is not conducive to the satisfactory handling of industrial relations or the enforcement of labour laws. The peculiarities of these industries make it desirable to bring them entirely within the sphere of Central Government for purposes of labour administration except for the Factories Act dealing with safety and health.

3.71 Another point posed before the Group was the problem of multi-unit establishments especially in the public sector. In this group are cited the petroleum, fertilizer, machine tools and aeronautics industries which have branches or activities in a number of States. The workers in such multi-unit establishments have been increasingly organising themselves into federations and fighting for uniform pay scales and conditions of service. A concession given in one unit

leads to agitation of the workmen in another unit and a chain reaction sets in. There are obvious advantages if industrial relations in such multi-unit establishments of the public sector are placed in the Central Sphere which the employers concerned generally welcome. Section 3 of the Payment of Bonus Act also points to the desirability of this development.

CHAPTER IV

LABOUR-MANAGEMENT RELATIONS

4.0 The Chief Labour Commissioner at the Centre and the Labour Commissioners in the States are responsible for industrial relations in industries in respect of which Central Government/States Government is the appropriate Government under the Industrial Disputes Act, 1947. They are also responsible for certification of Standing Orders under the I.E. (S.Os) Act in their respective spheres except that C.L.C. is responsible under this Act also in respect of industrial establishments where the Central Government has got more than 50% shares. However, C.L.C. has no specific functions under the Trade Unions Act, for the powers of the Central Government under this Act have been delegated to the State Governments. At the same time, he undertakes verification of trade union membership for the whole country for purposes of determining the representative character of Central Trade Union Organisations and for their representation on national and international committees, conferences and advisory boards, both statutory and non-statutory.

Industrial relations—Central responsibility

4.1 The C.L.C. is responsible for dealing with industrial disputes concerning the following industries :—

(a) Any industry carried on by or under the authority of the Central Government.

(b) Any industry carried on by a Railway company.

(c) Any controlled industry as may be specified by the Central Government.

(d) The Employees' State Insurance Corporation.

(e) The Indian Airlines and Air India Corporations.

(f) The Agricultural Refinance Corporation.

(g) The Deposit Insurance Corporation.

(h) The Unit Trust of India.

(i) Banking companies having branches or other establishments in more than one State.

(j) Insurance companies having branches or other establishments in more than one State.

(k) Mines.

(l) Oil fields.

(m) Cantonment Boards.

(n) Major Ports.

4.2 The approximate number of establishments coming under the C.L.C's jurisdiction for purposes of industrial disputes is over 31,000.

4.3 Majority of disputes in the Central Sphere relate to coal, iron ore, mica, manganese, limestone, dolomite, bauxite, graphite, gypsum, etc. The most sensitive area for labour trouble is however the major ports (eight) wherein over two lakhs of workers are employed.

4.4 Industrial relations being a major part of labour administration, it is necessary to refer briefly to the two sides of the industry viz., trade unions and employers' organisations, the effective functioning of which has a great bearing on the state of industrial relations.

WORKERS' AND EMPLOYERS' ORGANISATIONS

Industrial Development—Growth of Trade Unions

4.5 A strong trade union movement organised on healthy and democratic lines is an essential prerequisite for the maintenance of good industrial relations. While there was a tremendous increase in the number of registered trade unions in the country since Independence, viz., from 2,766 unions in 1947-48 to about 13,023 unions in 1964-65, the trade union movement has apparently become much weaker as is evident from the substantial fall in the average membership of registered trade unions furnishing returns from 1,026 in 1947-48 to 594 in 1964-65. According to the figures for 1962-63, there were 11,194 State unions and 416 Central unions registered under the Trade Unions Act. The response from unions in the matter of submission of annual returns was no better than about 55% of the total accounting for a membership of about 40,80,000. The total membership of unions affiliated to the four Central Trade Union Organisations viz., Indian National Trade Union Congress, All India Trade Union Congress, Hind Mazdoor Sabha and United Trade Union Congress comes to 2.3 milion.

4.6 The labour population in the organised industrial sector in the country is now estimated at 14 million, both in public and private sector enterprises, while the total working force in the country is over 188 million in both industry and agriculture. A vast majority of this working force is employed in the agricultural and rural sector.

Outsiders

4.7 It is true that in the initial stages of trade union movement, outsiders did play an important and useful role in organising the workers and in securing redress of their grievances. But the workers instead of increasingly relying on themselves for organising and conducting their union affairs have come to rely too much on the support of outsiders. While outsiders may be helpful even now for the organisation of workers who are largely illiterate and ecnonomically weak, they are really not so necessarily for others who are quite literate and economically better off as in certain industries like banking, insurance, Posts & Telegraphs, Railways, Major Ports, ordnance factories, oil industry, air transport services, etc. Outsiders on the other hand tend to weaken the trade unions in various ways and the unions led by them tend to be less responsible and weaken the hands of the managements in enforcing discipline. We, therefore, feel that outsiders in unions should be gradually replaced by the employees themselves and a beginning in this direction may be made with unions in the better organised and key industries referred to above. This has been already so for some time in the air transport industry, P & T, etc. In our view, the term "outsider" will not include the ex-employees who having worked for some years are dismissed or removed from service or have resigned their jobs to take up trade union work.

Trade Union Finances

4.8 That the finances of trade unions in the country in general are deplorably poor is well-known, the reasons for which are not far to seek. The poor membership, the lack of sustained interest on the part of members in the union activities and particularly low rates of union fees are the main reasons for their poor finances. Unless the trade unions are strong, they cannot be effective in promoting the interests of the workers and cannot also undertake constructive activities for the welfare of their members. If the present unsatisfactory financial position of trade unions is to improve even slightly, the minimum membership fee should be fixed at 50 paise per

member per month. However, in respect of agricultural and rural labour, it may continue for some time more to be 25 paise per month as at present.

Social and Cultural Activities of Trade Unions

4.9 In their pre-occupation with mutual rivalries, unions fail to make any serious attempt to develop and strengthen membership both quantitatively and qualitatively or to undertake social and welfare activities. Their financial position is invariably weak. Their income is mostly spent on meetings, travelling and establishment charges. If the unions are to play their due role for promotion of the interests and welfare of their members and grow strong in that process, they should undertake constructive work of an economic, co-operative, social and cultural character. The unions should also organise counselling services to advise their members on family, social and welfare problems. In order to encourage these activities until they gain popularity and momentum, the Government may give appropriate matching grants to the unions concerned.

Trade Union Training

4.10 Both for the proper functioning of trade unions and for promoting better industrial relations, it is essential that the trade union workers should be properly trained in the objects and purposes of trade unions, their responsibilities to the industry and to the society, their organisation, administration and activities, union-management relations, problems of collective bargaining, handling of workers' grievances, counselling service to members etc. The training should include the ways and means of securing effective redress of workers' genuine grievances. Most of these areas of training could be covered by the Workers' Education Scheme of the Labour Ministry, but in the sphere of industrial relations, the training of union leaders as also that of management officials could be the responsibility of Indian Institute of Labour Studies at New Delhi.

Extension Service in Trade Unionism

4.11 In the unorganised sectors of industry, agriculture and rural economy where the workers are largely illiterate and economically and socially weak, the Government should lend a helping hand by way of extension service for organising the workers in sound trade unions, as otherwise there is no possibility of these workers being organised for improving their economic conditions in the foreseeable future.

Multiplicity of Unions

4.12 In order to reduce multiplicity of trade unions which has become a danger to the trade union movement itself and to the cause of workers, no less than to industrial relations, this Group recommends that the minimum membership of 15% and 25% prescribed under the Code of Discipline should be increased to 25% and 35% respectively before a union with the largest membership in the establishment or industry, as the case may be, can be recognised as the bargaining agent. A union will enjoy its recognition for a period of three years unless it has committed an unfair practice as defined by law. All matters concerning the workers will be espoused by the recognised union as the exclusive bargaining agent and an unrecognised union should be legally precluded from raising any such matter or calling any strike, such strikes being treated as illegal. However, if any other union enjoys more than 50% of membership in a major section or category of employees in the establishment, it may represent the individual grievances of its members in that category or section. In the view of this Group, the term "establishment" would ordinarily refer to individual units of employment such as factory, mine, plantation, shop, etc. But where well-defined sections of employees in an industry or in a multi-unit establishment organise themselves into a strong trade union, each such section of employees may be treated as an establishment for purposes of recognition.

Membership of Largest Unions—A Study

4.13 In order to ascertain as to what is the extent of membership of the largest unions in the establishments that have accorded recognition to unions, a study of 27 unions whose membership was verified for purposes of recognition under the Code of Discipline during 1965 to 1967 was undertaken. This study revealed that in one case, the union commanded more than 75% of the workers in the establishment, while in 11 cases, the unions had membership ranging from 51% to 75% and in 5 cases between 26% and 50%, while 6 unions had membership ranging from 15% to 25%. Four unions were however the only unions functioning in the establishments and they were recognised for the purpose under the Code. This analysis shows that the increase in the minimum membership suggested by us for recognition would not be far from realities.

Recognition Verification

4.14 The procedure for verification of membership of

unions for the purpose of recognition under the Code of Discipline was laid down by the 19th Session of the Standing Labour Committee held at New Delhi in April, 1961 and recognition verification in Central Sphere is undertaken in accordance with this procedure. This procedure includes 100% physical checking of all the entries in the membership-cum-subscription registers with the support of receipt counterfoils which are cross verified from cash and account books etc. After the physical checking as to the subsisting membership of a union, the lists are shown to the rival unions calling for specific objections, if any, to the entries in these lists of members claimed by the other unions. The objections received from the unions will then be verified by personal interrogation of the objected members on the basis of a laid down systematic sampling system. The persons selected for personal interrogation are asked whether they are members of a particular union and whether they had paid subscription for 3 months within a period of 6 months from the date of reckoning and if so, the amount of subscription paid, the months for which it was paid etc. On the basis of the results of the sample check, the strength of the respective unions is determined and in case the persons on interrogation deny their membership of the union claiming them as their members and inform the verification officer that they are members of a rival union, the verification officer will check their membership from the records of the latter union and adjust its list accordingly. This procedure appears to have worked quite satisfactorily in the Central Sphere and this Working Group commends that the same may continue to be adopted for recognition of unions.

4.15 Some have questioned the veracity of verification method and have been demanding that the membership of a union should be determined by secret ballot. The arguments for and against secret ballot are generally well-known. We are convinced of the weight of the arguments against secret ballot and in favour of verification method, viz.,

(i) in secret ballot, even workers who are not members may have the right to vote and that would further weaken the trade union movement;

(ii) unions will be tempted to make fantastic promises in order to win the votes of workers;

(iii) elections would entail additional expenditure for the Government which the country can ill-afford at present;

(iv) even the conduct of elections might lead to controversies and conflicts for an indefinite period;

(v) the verification on the basis of paid membership will obviously strengthen the movement in the country.

4.15A. In order to see if the method of membership verification is likely to result in the recognition of only the politically favoured unions, we examined the cases of unions recognised as a result of membership verification and found that out of 30 such unions in the Central Sphere during the last four years, 9 belonged to INTUC, 4 to H.M.S. and 17 were independent unions. These figures disprove any such apprehension.

General Verification of Trade Union Membership

4.16 For purposes of determining the representative character of the four Central Trade Union Organisations for affording them representation on national and international conferences, committees, boards, etc., a verification procedure has been agreed to by the four Central Trade Union Organisations and in accordance with that procedure, the Chief Labour Commissioner now undertakes biennial verification of membership of various unions affiliated to the four Central Trade Union Organisations. The latest verification was done as on 31-12-66. The claimed and verified membership of the four Central Trade Union Organisations as on that date is as follows :—

	Claimed		*Verified*	
Organisation	*No. of unions*	*Membership*	*No. of unions*	*Membership*
INTUC	2,046	19,96,499	1,292	14,05,465
HMS	498	7,67,838	255	4,33,015
AITUC	1,837	11,49,781	803	4,32,852
UTUC	364	1,98,350	170	93,454
	4,745	41,12,468	2,520	23,64,786

4.17 From the above, it will be seen that even though the four Central Trade Union Organisations had claimed as many as 4,745 unions having a total membership of 41,12,468, the verified number of unions and membership were only 2,520 and 23,64,786 respectively. The difference between the claimed and verified figures is due to the fact that in a majority of cases, the registration of unions

has been cancelled or the annual returns have not been submitted or records have not been produced or even records have not been maintained and so on.

Verification of Membership of Unaffiliated and Independent Trade Unions

4.18 At present the C.L.C. undertakes verification of membership of only those unions which are affiliated to the four Central Trade Union Organisations. Outside these, there are a large number of independent trade unions which are not affiliated to any of the Central Organisations. Besides these independent unions, there are a good number of Industrial and Regional federations, some of which are not registered under the Trade Unions Act. The Group recommends that legal provision should be made for their registration and feels that verified membership of independent unions as well as Industrial, Regional and National Federations should be available to the authorities concerned in the handling of industrial relations problems.

Employers' Organisations

4.19 With the increasing number of industry-wise unions and federations of trade unions, the need for well-knit organisations of employers is becoming increasingly obvious. The Group has noted evidence of increasing organisational activities among employers in recent years in order to deal with the industry-wise unions and federations particularly after the constitution of Wage Boards for different industries. The Group hopes that the employers who are not now members of their respective industry-wise organisations would in course of time appreciate the advantages of joining the employers' bodies in their own interest and in the interest of good industrial relations.

Labonr Forums

4.20 We feel that there should be formal and informal arrangements and occasions for trade union leaders, employers and those in Government and industry dealing with labour problems to meet frequently and to exchange their experiences, views and notes. To this end, we recommend that Labour Forums should be organised by the Industrial Relations Officers in important industrial centres where all those interested in labour problems could meet at regular intervals and discuss current labour and industrial problems so as to promote productivity, good labour relations, labour welfare and better appreciation of their rights as well as their

responsibilities to each other and to the society. A note on the constitution and functions of Labour Forums is enclosed as Annexure V to this Report.

PREVENTION OF DISPUTES

4.21 Good personnel policies and practices, machinery for timely and effective communication and consultation, promotion of labour welfare and formulation of Standing Orders defining the conditions of service are the most important means of eliminating causes of disputes and differences between employers and workers. The Group has examined some of these areas of industrial relations as indicated below.

Consultation and Communication

4.22 Section 3 of the Industrial Disputes Act provides for the constitution of works committees charged with the function of promoting measures for securing and preserving amity and good relations between the employer and the workmen and to that end, to comment upon matters of their common interest or concern and endeavour to compose any material difference of opinion in respect of such matters. Although works committees were accordingly constituted in a large number of establishments concerned, they have not achieved the results expected of them. During 1967, out of 1,316 establishments in the Central Sphere which are required to form works committees, only 992 of them had such committees and the number of workmen covered by these committees was 7,59,684 as against a total of 9,31,839. Voluntary systems such as production committees, joint management councils and consultative committees have also not made much headway. As prevention is better than cure, greater attention should be paid to the elimination of sources of conflict. Where a trade union comes to be recognised after verification of membership, it should have sole representation on all such internal committees in addition to being the sole collective bargaining agent. In industries and establishments which do not have a recognised union, works committees should be promoted as a means of educating the workers on the principles of collective bargaining as much as to provide them means of ventilating their grievances.

4.23 With the impetus given by the Labour Departments, a number of Joint Management Councils have come to be established in different industrial establishments, but they have had varied successes. The J.M.Cs would thrive where

good industrial relations prevail and strong unions represent the workers. The Group therefore recommends that in order to promote industrial democracy to the ultimate good of the industry and its workers, in larger establishments employing over 500 workmen where a union with a membership of more than 50% has been functioning, the employers should be required by law to establish Joint Management Councils with the largest union having sole representation on that body. To the same end, we go a step further and recommend that where a union commands a majority of 75% of workers in an establishment, it should be allowed to have a nominee on the Board of Directors.

Standing Orders

4.24 Besides effective consultation and communication, it is necessary that the conditions of employment should be formally defined, codified and made known to the workmen in the form of Standing Orders duly certified under the Industrial Employment (Standing Orders) Act. In an earlier Chapter, we have made some suggestions for improving the content of this Act and the Model Standing Orders including in the latter a Grievance Procedure as well as promotion and disciplinary procedures. While Grievance Machinery should be set up in consultation with all registered unions in an undertaking, representation on the Grievance Committee should be given only to the recognised union, if one exists. Besides sound personnel policies, good systems of communication and consultation, precise terms and conditions of employment, we also commend the institution of Personnel Management Advisory Service to be maintained by the Government as a means of preventing industrial disputes. The Governments of West Bengal and Maharashtra have made a beginning in this direction and we commend its adoption by other Governments. Such a Service would be particularly welcome to the smaller establishments which cannot afford to maintain Personnel Officers or Departments of their own.

Settlement of Disputes

4.25 Despite all the measures contemplated for prevention and redress of workers' grievances, industrial disputes cannot be eliminated altogether. Through a system of collective bargaining, workers' organisations should be able to bargain with the managements and settle a large number of disputed issues. At times, intervention and friendly advice of a third party would facilitate a settlement. This is the function of the conciliation machinery of the Government.

Under the Industrial Disputes Act, 1947, the conciliation officers have wide discretion either to intervene or not to intervene in disputes in industries. However, in public utility services where a strike notice has been served, intervention of the conciliation officer is obligatory We are told that in the Central Sphere, the Conciliation Machinery has been able to settle as many as 76% to 80% of disputes (1965 : 80.3%, 1966: 76.3%, 1967 : 76%) referred to it through formal settlements or informal agreements.

Delays

4.26 One of the complaints against the conciliation machinery relates to delays. It has been brought to our notice that instructions exist to the officers of C.L.C's organisation that all disputes should be disposed of ordinarily within one month and failing that in two months unless the parties agree to extend the period. When a dispute cannot be settled within two months, and more time is needed for its settlement, the conciliation officer has to obtain permission of his superior officer. These instructions have by and large been complied with. The Group has noted that nearly 95% of the disputes are settled within two months. It is true that some of the delays in the disposal of disputes are partly due to the inadequate information available for determination of the dispute, requests for adjournment by parties, etc. The major reason for delays is, however, the heavy pressure of work the officers have to bear from the increasing disputes and other responsibilities. While in 1960, the organisation handled 3,802 disputes, they went up to 5,429 in 1966 and to 6,375 in 1967. However there was hardly any increase in the number of conciliation officers during this period. The consequences of this pressure are delays as well as ineffectiveness in the handling of disputes.

Attitude of Parties

4.27 Regarding the attitude of parties towards conciliation, we confirm the remarks of the Commission that in a number of cases, the representatives attending conciliation proceedings are not of sufficiently high status with the result prompt decisions are not taken and at times disputes which could have been settled have to end in failure. It is also true that there are instances when parties have their genuine internal difficulties for reaching settlement in conciliation. The remedies to these problems are quite obvious and need no special comments.

Individual cases

4.28 On the question of taking up individual cases involving disciplinary action in conciliation, the Group felt that such cases should not ordinarily be taken up by the conciliation officer unless there is evidence to establish a prima facie case of victimisation for trade union activities or principles of natural justice have not been followed and that Section 2A of the Industrial Disputes Act should be suitably amended for this purpose. A view was also expressed in the Group that there is no scope for conciliation in respect of disciplinary cases in Government undertakings where a set procedure has been statutorily laid down and followed in dealing with such cases and every worker might allege victimisation, and that a proper course would be to refer such disputes to adjudication straightway unless the aggrieved party prefers to go to a Court of law for redress.

Inadequacy of Conciliation Machinery

4.29 The Group confirms the complaints made by Government, employers' and workers' representatives before the Commission about the inadequacy of conciliation machinery and recommends that a periodical review should be undertaken of the workload and responsibilities of the conciliation machinery and it should be suitably strengthened and adequately staffed.

Quality of Personnel

4.30 Regarding the quality of personnel, the Group feels that men of proper qualifications and calibre should be attracted to the service by giving them reasonable remuneration and avenues of promotion and also by providing training programmes, both initial and refresher. As the art of conciliation is a delicate one, requiring wide knowledge of industry and labour matters as well as considerable tact and resourcefulness on the part of the conciliators, they should be of sufficient calibre and status to command the confidence and respect of the parties. We endorse the view expressed in the Commission's paper that the status and emoluments of conciliation officers should be suitably enhanced for this purpose.

Powers of Conciliation Officers

4.31 Regarding the powers of conciliation officers, the Working Group feels that no major change in the existing law is necessary. It, however, recommends that for the purpose of effectively dealing with disputes or differences regarding

implementation of awards and settlements, the conciliation officers should have powers to call for records under Section 11 (4) of the Industrial Disputes Act, which should be suitably amended to make this provision clearly enforceable. The Group also feels that if the parties are placed under a legal obligation to attend conciliation proceedings initiated under the Act, their presence might aid the settlement of dispute or at least enable the conciliation officer to ascertain the facts of the case and give his assessment of the dispute to the appropriate Government. It would therefore be advantageous to have the necessary provisions incorporated in the I.D. Act.

Assessment of the Working of C.I.R.M.

4.32 The appendix to the Commission's Working Paper contains a fairly correct assessment of the working of the Central Industrial Relations Machinery. Certain other Study Groups of the Commission (e.g. Ports & Docks and Coal) have also confirmed that the conciliation machinery in the Central Sphere has been working satisfactorily.

4.33 With regard to the point made in the Commission's Paper that in many cases where success is reported through conciliation, the parties themselves reach an agreement outside the conciliator's chamber and seek his endorsement in order to make it binding on workers who may not be parties to the agreement through the union which has hammered it out, the information available to the Working Group indicates that such cases are few and far between in the Central Sphere and that the object of such cases was to obviate the continuance of industrial strife by unrecognised minority unions raising the same issues for agitational purpose.

Suggestions for Improving the Machinery

4.34 The suggestions contained in the Commission's Paper for improving the machinery have been noted and the Working Group has the following comments to offer for consideration of the Commission :—

(i) The Group does not agree that the conciliation officer should have powers to adjudicate in disputes in small units or in matters which do not involve high stakes unless the parties voluntarily choose him to act as an arbitrator.

(ii) The Group recommends that due consideration should be given to the officer's assessment about reference of a dispute to adjudication.

(iii) The Group agrees that the implementation of settlement reached in conciliation should also be the responsibility of the same officer, for he knows the actual matters in dispute and the circumstances in which a settlement was arrived at.

(iv) While the Group agrees that the conciliation officer should combine in himself the functions of a conciliator and implementator in respect of the same dispute, it does not agree that he should also be an adjudicator. However, there is no objection to the conciliator acting as an arbitrator at the request of both the parties.

4.35 Regarding the conciliation officer's confidential reports on the attitude of the parties towards his effort to bring about a settlement the Group does not consider it advisable to endorse his report to the parties concerned. The following is the position on this matter in respect of Central Sphere :—

"The Conciliation Officers at present send a factual report, copies of which are endorsed to the parties. He also makes a confidential report to enable the Government to make up their mind whether the dispute is fit for reference to adjudication or not. In his report, the conciliation officer gives an assessment of the merits of the issues and the attitude of the parties to the same and suggests the course of action deemed fit by him. Where the dispute concerns public sector, the Labour Ministry consults the Administrative Ministry before taking a decision as to whether the dispute should be referred to adjudication or not".

4 36 A point was made as to whether there should be any confidential report by the conciliation officer and whether whatever he reports should not be an open one. After examining the various aspects of the matter, the Group felt that in the absence of the confidential report in which the conciliation officer expresses his views on the merits of the issues involved as also an assessment of the attitudes of the parties as well as their repercussions on industry and labour, it will be difficult for the Government, remotely situated as it is, to appreciate fully the whole situation and take a proper decision. The Group therefore expressed itself in favour of continuance of the present practice and recommend that such a confidential report should not be made available to either

of the parties to the dispute including employers in public sector.

Adjudication

4.37 We had no opportunity to examine the validity of the criticism or objections from certain quarters regarding the alleged discrimination and operation of political consideration in referring or not referring industrial disputes to adjudication. We, however, feel that there is considerable scope for reducing delays in referring disputes to adjudication under the I.D. Act by delegating these powers to the Labour Commissioners except where the disputes involve a major question of policy or principle having wide repercussions. Such major issues may be required to be referred to the Government for decision on the question of their reference to adjudication. The suggested change in the existing procedure would also instil greater confidence among trade unions in regard to the impartiality of the Labour Commissioners in dealing with such matters. As regards the suggestion for giving a second hearing to the unions concerned before deciding against reference of disputes to adjudication, the Group considers it neither necessary nor expedient in the interest of speedy disposal of matters and does not, therefore, endorse the suggestion except under the screening procedure adopted by Standing Labour Committee.

Screening Procedure

4.38 In pursuance of the Industrial Truce Resolution, 1962 and in furtherance of settlement of disputes through voluntary arbitration, instructions were issued by the C.L.C. to his field officers to adopt screening procedure in respect of alleged victimisation cases. It will be recalled that at the 20th Session of the Standing Labour Committee (17th October 1962), the Committee decided that "cases of alleged victimisation should be referred to arbitration to the utmost extent possible. Where there is no arbitration, such cases should ordinarily go for adjudication. Before, however, adjudication is resorted to in such cases, there should be more effective screening. When conciliation has failed, the conciliation officer and the union concerned should discuss the matter again whether adjudication was necessary. In the event of disagreement between the C.O. and the union, the case should be taken up for screening by a higher official of the Central or State Industrial Relations Machinery with the representative of the Central Workers' Organisation concerned. If the latter still insisted, the matter should be referred to

adjudication." In pursuance of these decisions, C.L.C. had issued the following instructions :—

"If conciliation in a dispute fails, the parties should be persuaded to agree to reference of the dispute to arbitration inviting their attention to Clause 2(iv) of the Code of Discipline, Clause II (iii) & (v) of the Industrial Truce Resolution and to Section 10A of the I. D. Act, 1947. If the parties agree to arbitration of a dispute by the same officer, he should accept the same if his normal work permits him to do so. If the parties desire the dispute to be arbitrated by some other officer of the machinery, the names of the officers nearby may be suggested whether they belong to the same region or another region. If the conciliation officer comes to the conclusion after the failure of the conciliation that the dispute is not fit for adjudication, he will persuade the party raising the dispute to withdraw the case. If the party agrees to his proposal, he will close the case after recording the same. If the party insists on reference of the dispute for adjudication, the officer will submit his failure report in accordance with the prescribed procedure. On receipt of the failure report of the C.O., if the R.L.C. disagrees with the views of the C.O. and considers the dispute fit for adjudication he will make his recommendations accordingly to the C.L.C. But if he agrees with the views of the C.O., that the dispute is not fit for adjudication, he will immediately advise the union in writing that if they so desire, they might request the State Branch of the Central Trade Union Organisation concerned to discuss with him personally the issue of alleged victimisation within 10 days. In the light of these discussions, he will submit his recommendations to the C.L.C. and to the Ministry. If the Central Trade Union Organisation concerned fails to depute its representative, without furnishing valid explanation, the R.L.C. will report the same to C.L.C. and to the Ministry of Labou rsuggesting that no further action need be taken in the dispute.

If the dispute alleging victimisation has been raised by an independent union (not affiliated to INTUC, AITUC, HMS or UTUC), though affiliated to any other all-India Organisation/Federation of Workers, the procedure detailed above for screening will be adopted provided, the said union has ratified the Code of Discipline."

The screening procedure has been working quite satisfactorily in the Central sphere. During the year 1967, the number of cases of alleged victimisation that have been processed through screening procedure are as follows :—

STATEMENT SHOWING THE WORKING OF SCREENING PROCEDURE IN THE CENTRAL SPHERE DURING THE PERIOD 1-1-1967 TO 31-3-1968

1.	No. of cases of alleged victimisation received.	97
2.	No. of cases referred to adjudication straight way without invoking a screening procedure.	31
3.	No. of cases referred to adjudication after invoking screening procedure.	15
4.	No. of cases not referred to adjudication.	33
5.	No. of cases pending.	18

4.39 We have attempted to examine the veracity of the statement that certain unions get favoured treatment in the matter of reference of disputes to adjudication, with the help of statistical material. The following table showing the number of disputes in which conciliation proceedings ended in failure, number referred to adjudication, number not considered fit for reference to adjudication, etc. in the Central sphere in respect of the four Central Trade Union Organisations and others during the years 1966 & 1967 does not directly suport the allegation.

TABLE E

Affiliation of the unions concerned	No. of disputes in which conciliation proceedings ended in failure		No. of disputes which after the failure of conciliation proceedings were referred to adjudication		No. of disputes which after the failure of consiliation proceedings were not considered fit for reference to adjudication		No. of cases of failure of conciliation proceedings in which the decision of Govt. was awaited at the close of the year	
	1966	1967	1966	1967	1966	1967	1966	1967
I. N. T. U. C.	207	201	70(33.8%)	46(22.9%)	55(26.6%)	90(44.8%)	82(39.6%)	65(32.3%)
A. I. T. U. C.	159	150	49(30.8%)	43(28.7%)	57(35.8%)	56(37.3%)	53(33.4%)	51(34%)
H. M. S.	80	70	41(51.2%)	15(21.4%)	18(22.5%)	19(27.1%)	21(26.3%)	36(51.5%)
U. T. U. C.	21	29	8(38.1%)	6(20.7%)	7(33.3%)	11(38%)	6(28.6%)	12(41.3%)
Unions not affiliated to any Central Organisation.	288	264	58(20.1%)	62(23.9%)	112(38.9%)	110(41.3%)	118(41%)	102(34.8%)
Workers not being members of any Regd. Trade Union	14	69	5(35.7%)	13(18.8%)	6(42.9%)	20(29%)	3(21.4%)	36(52.2%)
TOTAL :	769	783	231(30%)	185(23.6%)	255(33.2%)	306(39.1%)	283(36.8%)	292(37.3%)

4.40 Regarding delays in referring disputes relating to public sector undertakings, the Group has reason to believe that there were some delays in this regard. The Group therefore suggests that a time-limit of 3 months may be laid down for the purpose.

VOLUNTARY ARBITRATION

Should C.Os. be Arbitrators ?

4.41 Though statutory recognition for voluntary arbitration was accorded in 1956 by the addition of Section 10A in the I.D. Act, 1947, it was not until 1962 that a fillip to voluntary arbitration was given. The Industrial Truce Resolution adopted in November, 1962 provided that there will be maximum recourse to voluntary arbitration and adequate arrangements should be made for the purpose. It also provided that all complaints pertaining to dismissal, discharge, victimisation and retrenchment of individual workmen not settled mutually should be settled through arbitration. To this end the officers of the conciliation machinery may, if the parties agree, serve as arbitrators. Consequently a large number of cases were referred to arbitration, both in the Central and State spheres mostly under the Code of Discipline and some under Section 10A of the I.D Act. There has been certain amount of criticism both from the labour leaders as well as the employers that conciliation officers should not act as arbitrators. Some of the Study Groups on Industrial Relations set up by the N.C.L. have also subscribed to this idea. In order to ascertain the extent of arbitration cases disposed of by the officers of the conciliation machinery and their utility as arbitrators as voluntarily chosen by the parties, relevant information from States and the Central Sphere has been examined and furnished in the following statement :—

Name of State	No. of disputes referred to voluntary arbitration during 1967	No. of disputes referred to		Remarks
		Officers of Conciliation Machinery	Others	
1	2	3	4	5
West Bengal	1	1	—	
Assam	—	—	—	
Maharashtra	15	—	15	
Goa	3	3	—	
U.P.	34	28	6	
Punja	41	14	27	

1	2	3	4	5
Haryana	13	5	8	
Delhi	43	11	32	
Rajasthan	10	5	5	
Gujarat	3	—	3	
Andhra Pradesh	13	10	3	
Mysore	1	1	—	
Madhya Pradesh	4	2	2	
Madras	85	75	10	
Kerala	15	1	14	
Orissa	—	—	—	
Bihar	20	10	10	
TOTAL :	301	166 (55%)	135 (45%)	
Central Sphere	105	79 (75%)	26 (25%)	

4.42 It will be seen from the above statement that of the 301 cases of voluntary arbitration in different States, as many as 166 or 55% were referred to the officers of Conciliation Machinery. In the Central sphere, during the same year, there were 105 cases of voluntary arbitration of which 79 or over 75% were referred to the officers of the Central Industrial Relations Machinery. Another revealing trend is that while all the cases in the State sphere were referred under Section 10A of the Industrial Disputes Act, majority of cases in the Central sphere were referred under the Code of Discipline.

4.43 The view that the Conciliation Officers should not act as arbitrators does not seem to be warranted from the above figures. Further, an arbitrator, under this arrangement, is voluntarily chosen by both the parties, and as such we do not see any reason why any dogmatic view should be taken that C.Os should not act as arbitrators. Moreover, where the parties choose C.Os as arbitrators, they incur little or no expenditure in the process. If they choose outsiders, they have to pay sometimes heavy fees to the arbitrators. The attention of the Group was drawn to a recent case of voluntary arbitration in which the arbitration expenses came to about Rs. 32,000. If settlement of disputes is to be expeditious and less expensive to the parties, they should be allowed to choose whomsoever they wish enjoying their confidence.

4.44 There is, however, one aspect of the matter that needs consideration. That is, a tendency may develop among conciliators not to exert themselves to bring about a settlement, and instead persuade the parties to refer the dispute to

their arbitrators. We understand that in the Central sphere standing instructions exist that officers should make all possible efforts to settle disputes by conciliation in the first instance as settlement in conciliation is far more satisfactory than arbitration and that officers should not ordinarily agree to act as arbitrators in the same disputes which they have handled in conciliation. Consequently, in the event of failure of conciliation, while persuading the parties to agree to arbitration, they should suggest others for the purpose of arbitration and persuade the parties to accept them. These instructions, we feel, should obviate any mishandling of disputes in conciliation.

4.45 A study of 102 voluntary arbitration cases undertaken by the Indian Institute of Labour Studies, New Delhi revealed that 85% of the disputes related to individual matters and 15% concerned general issues, 54% of the disputes related to discharge, dismissal, termination of service, 10% related to wages and allowances and the rest related to retrenchment, lay-off, suspension, promotion/confirmation, leave, holidays, hours of work, transfer, categorisation, gradation, welfare measures, demands concerning service conditions, etc.

4.46 With a view to promote voluntary arbitration, the Ministry of Labour and Employment has set up a National Arbitration Promotion Board charged with the functions of reviewing and studying the cases of arbitration, the extent of their acceptance, and to evolve principles, norms and procedures for guidance of arbitrators and the parties etc. The Board has been at work from some time and is doing its bit to encourage voluntary arbitration as a means of settlement of industrial disputes. It is necessary to propagate the philosophy of voluntary arbitration through seminars, discussions and conferences. In November, 1963, the Employers' Federation of India and the All-India Organisation of Industrial Employers had jointly organised a Seminar when some important recommendations were made for the promotion of voluntary arbitration. Even so, not much progress has been made in regard to voluntary arbitration. There is still a great deal of resistance on the part of the employers to voluntary arbitration for settlement of disputes. In the Central sphere during February to December 1967, out of 749 cases, the employers refused arbitration in 640 (85%) cases. During the period from January to June, 1968, out of 518 cases of failure of conciliation, in 456 (88%) cases, the employers

refused arbitration. The Group feels that if the philosophy of voluntary arbitration is properly propagated and the employers convinced about its advantages, they may have greater recourse to this expeditious and less expensive method of settlement of disputes.

4.47 With regard to the scope and coverage of the Industrial Disputes Act, the Group had taken note of the various judgments of the Supreme Court, culminating in the Madras Gymkhana Club case holding that certain classes of employees are not "workmen" within the meaning of the Act. The Group considers that the Act being a piece of social legislation should afford protection to all employed persons including those employed by Universities, Educational Institutions, Research Bodies, Clubs, etc. There is no reason why such classes of employed persons should be denied the opportunities of securing improvement of their wages and working conditions through the process of collective bargaining, conciliation, adjudication, etc., available to the employees in industry, trade and commerce in the country. The Act therefore needs amendment for ensuring social justice to all such work-people.

CHAPTER V

LABOUR JUDICIARY

5.0 For purposes of final determination of industrial disputes not settled in conciliation, the appropriate Government have powers to constitute one or more Labour Courts or Industrial Tribunals. The Central Government had accordingly constituted the following Industrial Tribunals-cum-Labour Courts for adjudication of cases falling in the Central sphere.

1. Three Central Government Industrial Tribunal-cum-Labour Courts at Dhanbad, two presided over by retired High Court Judges and the third by a retired District and Sessions Judge.
2. Two Central Government Industrial Tribunal-cum-Labour Courts at Bombay presided over by retired District and Sessions Judges.
3. One Central Government Industrial Tribunal-cum-Labour Court at Calcutta presided over by a retired High Court Judge.
4. One Central Government Industrial Tribunal-cum-Labour Court at Jabalpur presided over by a retired District & Sessions Judge.

5.1 In addition to the above Tribunals, the Central Government utilises the Industrial Tribunals/Labour Courts of the State Governments, with their consent, by constituting them as *ad hoc* Central Government Industrial Tribunals for disposal of specific cases arising in the respective States. Besides the above, Labour Courts at the following stations have been constituted as Central Government Labour Courts for disposal of applications falling in Central sphere with the consent of the State Governments concerned :—

1. Jullundur
2. Lucknow
3. Jaipur
4. Ahmedabad
5. Shillong
6. Bhubaneswar
7. Nagpur
8. Hyderabad
9. Madras
10. Bangalore
11. Quilon

In addition, the Chairman, Central Wage Board for the Cement Industry at Madras, has also been constituted as Central Government Labour Court, Madras.

5.2 Section 7B of the Industrial Disputes Act empowers the Central Government to constitute one or more National Industrial Tribunals for the adjudication of industrial disputes involving questions of national importance or affecting industrial establishments situated in more than one State. At present, two such National Industrial Tribunals—one at Calcutta and the other at Dhanbad are functioning.

5.3 The qualifications for appointment as Presiding Officer of the Labour Court have been prescribed in Sub-section (3) of Section 7 of the I.D. Act which include that a person should have held any judicial office in India for not less than 7 years or should have been the Presiding Officer of a Labour Court constituted under any Provincial Act or State Act for not less than 5 years.

5.4 The United Provinces Industrial Disputes Act, 1947 is the only State Act that provides for appointment of persons other than judicial officers as Presiding Officers of Labour Courts. Under this Act, members of State Labour Service or I.A.S. or higher judicial service or the State Judicial Service are eligible for appointment as Presiding Officer of a Labour Court. Of the 5 Labour Courts set up by that Government, three are reported to have been manned by officers of the State Labour Service viz., Assistant Labour Commissioners.

5.5 The functions, powers and jurisdiction of the Labour Courts, Tribunals and National Tribunals have been specified in the I.D. Act. The Labour Court's powers of adjudication of industrial disputes extend ordinarily to the matter specified in the second schedule and they may perform such other functions as may be assigned to them under the Act, as under Section 33C. The matters to be dealt with by Labour Courts are fairly simple in nature and can be handled equally well by officers with experience in labour matters more speedily by adopting simple procedure. Further, the matters covered by the second schedule require intimate knowledge of the industry and its problems and can be better handled by persons who have had practical experience of such problems. We, therefore, feel that while the Industrial Tribunals can continue to be manned by judicial personnel, the Labour Courts should be manned by executive officers of the Labour Departments with sufficient experience of industrial and labour matters.

5.6 At present, both in the Central and State spheres, the senior officers of the Labour Departments have been exer-

cising certain functions of a quasi-judicial nature under the Industrial Employment (Standing Orders) Act, Coal Mines Bonus Schemes, the Payment of Wages Act and Minimum Wages Act, etc. With this background, they should be able to discharge the functions of Labour Court with its limited jurisdiction of adjudication of minor disputes, interpretation of Standing Orders, etc. satisfactorily. We, therefore, recommend that Labour Courts be manned by experienced officers of the Labour Departments.

5.7 Experience has shown that a number of magistrates located in far-flung areas do not fully appreciate the industrial problems and labour laws in dealing with labour cases. Time has come for efficient and speedy disposal of prosecution cases to ensure proper respect for law on the part of employers and workers. We, therefore, recommend that prosecution cases under labour laws should, as far as possible, be entrusted to special magistrates appointed for the purpose.

CHAPTER VI

LABOUR WELFARE AND VOLUNTARY ARRANGEMENTS

Welfare

6.0 As already indicated, we have not examined the matters relating to labour welfare, as a separate committee set up by the Government is looking into the same. We have, however, made some suggestions regarding the implementation of non-technical provisions concerning welfare contained in different labour laws. The Mines Act, the Factories Act and the Plantations Labour Act, for instance, contain provisions for welfare of workers and for appointment of Welfare Officers. In order that the technical officers engaged in the enforcement of safety provisions of the Mines Act and the Factories Act may devote their attention to the technical aspects of the laws, we have suggested that the enforcement of the non-technical provisions may be left to the officers under the C.L.C. or Coal Mines Welfare Commissioner in the Central sphere or State Labour Commissioners in the State sphere. We also feel that there should be a separate Welfare Code of an enabling character to cover all industrial and commercial establishments. The Code should lay down broad outlines of different welfare measures to be provided by the establishments. The actual implementation of the Code, the exact scale and content of the welfare measures, the equipment and appliances required, etc. should be left to the appropriate authorities of the Government for securing compliance through specific directions.

Welfare Funds

6.1 In the Central sphere, statutory welfare funds exist for coal, mica and iron ore mine workers and the welfare activities for them are financed by cess levied for the purpose and organised and administered by the respective Welfare Commissioners or Chairmen of Advisory Committees.

Welfare Officers

6.2 The Central Government Departments as employers have appointed Labour Officers in different industrial undertakings owned and directly run by them. Although their

appointment is obligatory under the Factories Act in respect of factories, employing 500 or more workmen, the Government were having such officers even in non-factory establishments such as the Post and Telegraph Circles, C.P.W.D., etc. A Pool of these Labour Officers is maintained and administered by the Ministry of Labour. The duties of Labour Officers of the Central Pool are laid down in Rule 11 of the Labour Officers (Central Pool) Recruitment and Conditions of Service Rules and they extend over labour welfare, personnel matters, etc. The duties are more of an advisory nature rather than executive, because Labour Officers are expected to play a neutral role and command the confidence of both the employers and the workers. It is often alleged that the L.Os. of the Central Pool posted by the Labour Ministry to different undertakings develop somewhat divided loyalties and at times conduct themselves in a manner not conducive to good morale and discipline among the workers in the undertakings. Consequently, some of them are not very much liked by the heads of undertakings who consider the L.Os. as extraneous elements in the management set-up. The Administrative Reforms Commission in its Report on Public Sector Undertakings has recommended that the L.Os. of the Central Pool may in suitable cases be got permanently absorbed in the service of the public sector undertakings. They felt that an outside Pool need not be maintained for the purpose of deputing officers to the undertakings. While endorsing these recommendations, the Group suggests that the limited requirements of smaller employing Ministries for L.Os. may be met by deputing the officers of the Central and State Labour Departments for a few years at a time. In this connection, the Group also recommends the following for consideration of the Commission :—

(i) As the Labour Officers of the Central Pool posted to different factories/undertakings are not taken as part and parcel of the establishment and are considered rather as outsiders, their utility is somewhat neutralised. They should form an integral part of the management set-up by each employing Ministry having its own cadre as far as possible.

(ii) There is need to review the position of conversion of temporary posts into permanent ones in accordance with the Home Ministry's instructions on the subject based on the 2nd Pay Commission's recommendations. The scale of the selection grade Labour Officer should run up to Rs. 1,250 which is the maximum of senior

scale instead of up to Rs. 1,150 as at present. Moreover as the L.Os do not have further avenues of promotion, the percentage of selection grade posts should be increased from 15 to 20 of all working posts (including leave reserves) and not necessarily based on permanent strength.

(iii) In the interest of all-round development and efficiency of officers, it is necessary that L.Os should be transferred once in 3 or 4 years to establishments of different character (i.e., from factory to non-factory or to mining establishments and vice versa) so that they would acquire wider knowledge and experience of industrial and labour matters.

(iv) In the interest of proper use of the personnel and to provide proper co-ordination and guidance to junior officers, the selection grade officer should be posted to work with and supervise 3 or more junior officers and not where he has to work alone as at present.

Consumer Co-operative Stores and Fair Price Shops

6.3 In August, 1962, the 20th Session of the Indian Labour Conference adopted a scheme for the setting up of consumer co-operative stores of industrial workers with assistance—financial and organisational—from the managements. The main objects of the stores are :

(a) to arrange for the purchase and sale to its members at reasonable rates all articles of consumption, domestic requirements and necessities of life;

(b) to carry on for the benefit of its members wholesale and retail trade, and subject to the sanction of Registrar, establish and conduct co-operative processing and manufacturing units;

(c) to provide for repairs and other services in respect of articles sold by the society to its members;

(d) to open a cafeteria or a canteen in the interest of members, etc.

6.4 The Govt. in the Ministry of Labour had appointed a Special Officer to promote the setting up of Consumer Co-operative Stores and Fair Price Shops for industrial workers. In the Central sphere, the field work relating to the establishment and functioning of these stores and shops has been entrusted to the officers of C.I.R.M. except in respect of coal and mica mines, where the Welfare Commissioners attend to

this work. As a result of the combined efforts of the Govt., workers and managements, as many as 2,866 co-operative stores and fair price shops have been set up as on 1.2.68. These stores and shops are to be set up in industrial establishments employing 300 and more workers. Such establishments in the private and public sector numbered 4,057. Thus, although 70% of the establishments employing more than 300 workers are having stores or shops, the extent of patronage of the workers is generally not as much as is desired. The workers' faith in the co-operative movement is still to be fully developed and the trade unions can play a significant role in this direction, if only they could eschew inter-union rivalries and undertake constructive activities for the welfare of the workers.

VOLUNTARY ARRANGEMENTS

Code of Discipline

6.5 Realising the need for greater understanding amongst the parties to industrial relations problems and the importance of moral pressures as against legal sanctions, the Code of Discipline in Industry was adopted at the 16th Session of the Standing Labour Committee (October, 1957). In the initial stages, the Code has had its effect on the employers and unions and had worked well. But of late, the parties have developed some indifference towards the Code. The Group recommends that the principles and sanctions of the Code which lend themselves to effective enforcement should be incorporated in the I. D. Act.

Implementation and Evaluation Division

6.6 Two important bye-products of the Code of Discipline are the grievance procedure and the procedure for recognition of unions. At the instance of the Implementation and Evaluation Division and the Central Industrial Relations Machinery, the grievance procedure has been increasingly adopted in industrial undertakings in the Central sphere. Except in rare cases, the recommendations of the I & E Division on the recognition of majority unions have been accepted and implemented by the employers concerned.

Inter-Union Code of Conduct

6.7 Following the discussions held at the 16th Session of the Indian Labour Conference (May, 1958) on the need to mitigate the evils of trade union rivalry, an Inter-Union Code of Conduct was adopted. The main principles of this Code

are as follows :—

(1) Every employee in an industry or unit shall have the freedom and right to join a union of his choice. No coercion shall be exercised in this matter.

(2) There shall be no dual membership of unions. (In case of Representative Unions, this principle needs further examination).

(3) There shall be unreserved acceptance of, and respect for, democratic functioning of trade unions.

(4) There shall be regular and democratic elections of executive-bodies and office-bearers of trade unions.

(5) Ignorance and/or backwardness of workers shall not be exploited by any organisation. No organisation shall make excessive or extravagant demands.

(6) Casteism, communalism and provincialism shall be eschewed by all unions.

(7) There shall be no violence, coercion, intimidation or personal vilification in inter-union dealings.

(8) All Central Labour Organisations shall combat formation or continuance of Company Unions.

6.8 A machinery consisting of representatives of the four Central Labour Organisations with Labour Minister as Chairman functioned during 1958-59 for implementing the Code of Conduct. It held two meetings and sorted out some problems, but it does not seem to have met subsequently. The Group feels that if the Code and the machinery for its implementation could be properly strengthened, it should be possible for the Central Trade Union Organisations to achieve the desired objective of reducing rival unions and eventually establishing the goal of "one union in one establishment/industry" by imposing the necessary obligations and restraints on each other, in a voluntary manner.

Industrial Truce Resolution

6.9 Following the declaration of emergency on account of Chinese aggression in 1962 and the adoption of Industrial Truce Resolution, a large number of Emergency Production Committees were constituted in different industrial units, to boost up production and productivity and the number of man-days lost on account of work stoppages during 1963 was the lowest since 1951. Although under the impact of emergency against a common aggressor, there was a sudden upsurge in the national consciousness about productivity, it has unfortunately declined after the impact of emergency was

over. The Group, however, feels that there is considerable scope for increased awareness on the part of management officials for promoting productivity and achieving higher targets of production and efficiency. There is no less scope for the trade unions and the workers to play their role in this direction as much in their own interest as in the larger interests of the country and the industry.

IMPLEMENTATION AND EVALUATION MACHINERY

6.10 After the adoption of the Code of Discipline in 1958, implementation machinery has been set up both at the Centre and in the States to secure proper implementation of the Code of Discipline, Code of Conduct, labour laws, awards and settlements, etc.

6.11 At the Centre, the Implementation and Evaluation Division has been at work in the Ministry of Labour. Besides undertaking enquiries on breaches of the Code of Discipline through officers of the Industrial Relations Machinery, it has been taking preventive action in the area of disputes and settling long-pending disputes, not otherwise settled. Other major functions of the Division are introduction of grievance procedures, recognition of unions under the Code, working of the screening machinery and undertaking evaluation studies in cases of strikes, lock outs, etc. It also maintains statistics on implementation of the Code and co-ordinates the work of the implementation machinery in the States. There is a Central Implementation and Evaluation Committee, which meets regularly and discusses problems referred to it for advice.

6.12 One of the clauses in the Code of Discipline enjoins on the managements and unions to settle disputes and grievances by mutual negotiation, conciliation and voluntary arbitration. The necessity and importance of settling disputes through voluntary arbitration was also emphasised in the Industrial Truce Resolution (1962). The I & E Division has recently set up the National Arbitration Promotion Board to propagate and strengthen the system of voluntary arbitration. This Board also meets regularly to review the progress made in the settlement of disputes through voluntary arbitration.

Wage Boards

6.13 In the initial stages of introduction of the system of Wage Boards, they had yielded, on the whole, satisfactory results in a few industries like textiles, sugar and cement, where the units are mostly viable with capacity to pay fair wages. But when this system was extended to other industries with widely differing sizes of units, the Wage Board

recommendations have not been implemented by a large number of units for lack of capacity to pay. The obvious remedy to such a situation was to exclude the economic or non-viable units from the purview of the Wage Boards and to leave the wages and allowances in such industries to be regulated under the minimum wage law. Another draw-back in the Wage Board machinery has been the composition of their membership, which militated against the speedy transaction of their work as well as the lack of necessary drive and procedural drill for expediting their business. Apart from these drawbacks, a positive direction in which the Wage Boards might be made to yield satisfactory results would be to give statutory backing, wherever necessary, to their recommendations as accepted by the Government. The Group has, however, taken note of the fact that a Special Commitee set up by the Standing Labour Commitee is now seized of this matter.

CHAPTER VII

LABOUR ADMINISTRATION IN GOVERNMENT-OWNED AND PUBLIC SECTOR UNDERTAKINGS

Public Sector

7.0 Industrial undertakings in the public sector fall broadly into two categorie : (i) those which are run directly by the Departments of the Government like Railways, Ordnance Factories/Depots, Mints, Government Presses and P & T establishments, etc. employing roughly 20 lakh industrial workers ; and (ii) those run as autonomous corporations and companies like Air corporations, Damodar Valley Corporation, Fertilizer Corporation of India, Hindustan Steel, Heavy Electricals, etc. employing about 6 lakh workers. The number of such Central Government corporations and companies is 92.

7.1 It is the policy of the Government that in the matter of applicaton of labour laws, there should be no discrimination between the private and public sectors and that the same standards for the enforcement of labour laws should be applied in both the sectors. The public sector should be an enlightened and progressive employer and serve as a model to the private employers.

7.2 Most of the Public Sector undertakings are factories and as such not only the Factories Act, but also the Payment of Wages Act and the Maternity Benefit Act are enforced by State Governments and their officers. In the sphere of industrial relations, of the three main Acts governing the subject, viz., the Trade Unions Act, the Industrial Employment (Standing Orders) Act and the Industrial Disputes Act, the first is solely administered and enforced by the State Governments in respect of all Central Govt. establishments as in the private sector. In relation to the I.E. (S.Os) Act, the Central Govt. is the appropriate Govt. and its officers enforce the Act in respect of the Departmental undertakings and in respect of companies where Central Govt. has got 51% or more of shares. In respect of Industrial Disputes Act, however, some of the autonomous bodies and all the Departmental

undertakings fall in the Central sphere. They include Railways, major ports, ordnance factories/depots, mints, Government Printing Presses, cantonment boards, State Bank and Reserve Bank of India, Life Insurance Corporation, Employees' State Insurance Corporatian, Agricultural Refinance Corporation, Unit Trust of India, Deposit Insurance Corporation and Indian Airlines and Air India Corporations. The Estimates Committee (1959-60) of the 2nd Lok Sabha in its 84th Report on the Ministry of Labour & Employment had recommended that the Central Industrial Relations Machinery should deal with industrial disputes in the public sector undertakings. It said that :

> "The Committee apprehend that the prevailing confusion in regard to the handling of industrial and labour disputes in 'Industries, the control of which by the union is declared by Parliament by law to be expedient in the public interest' if allowed to continue any more may vitiate the underlying objective (Entry 52 in the List 1— Union List of the Seventh Schedule of the Constitution). In order, therefore, to achieve uniformity and co-ordination in the administration of the labour laws in all the public undertakings irrespective of the fact whether they are departmentally run or statutory corporations and companies, the Committee considers it desirable to bring them within the purview of the Central Industrial Relations Machinery."

The Administrative Reforms Commission also recently went into the matter and in their Report on Public Sector Undertakings have recommended that :

> "For matters relating to settlement of disputes, the Central Government should be designated as the appropriate Government under the I.D. Act, 1947 for certain additional categories of heavy industries which would cover the units like the steel plants, heavy electricals plants, fertilizers and chemicals plants, aircraft manufacturing units and shipyards."

We endorse these recommendations of the Estimates Committee and the Administrative Reforms Commission and commend the same for consideration of the Commission.

7.3 With regard to labour relations, the A.R.C has also made some interesting suggestions. In their Recommendation 54, which we endorse, they stated that :

> "(1) It should be ensured that every public undertaking effectively discharges all the statutory obligations imposed

on the employers by the labour laws. The controlling Ministry and the Ministry of Labour, Employment and Rehabilitation should undertake periodic reviews for this purpose.

(2) Public undertakings should have their personnel managers trained in industrial relations and labour management and should adequately strengthen their personnel departments.

(3) A professionally qualified and experienced labour officer should be available at a sufficiently senior level in the personnel department. He should have the facility of direct approach to the Chief Executive in case he felt that his advice was being unjustifiably disregarded by any line authority.

(4) Officers entrusted with labour relations should not shoulder any direct responsibility in matters like recruitment, promotions and disciplinary action against workers.

(5) As a rule, a separate section should be established exclusively for labour relations within the personnel department; in the larger undertakings, a separate department should be organised solely for labour relations.

(6) The Labour Officers of the Central Pool maintained by the Ministry of Labour Employment and Rehabilitation may, in suitable cases, be got permanently absorbed in the service of the public undertakings. An outside pool need not be maintained for the purpose of deputing officers to the undertakings."

Implementation of Labour Laws in Public Sector Undertakings

7.4 The Heads of Public Sector Undertakings recommended (1963) that there should be an annual review of the position regarding the implementation of labour laws in public sector undertakings and that at the plant level, such reviews should be conducted by the State Labour Commissioner or the Chief Labour Commissioner in co-operation with the General Manager and at Governmental level jointly with the Ministry of Labour and the employing Ministries concerned. While endorsing the principle involved in that recommendation, we feel that it may not be practicable for the Chief Labour Commissioner to undertake such annual reviews and that such reviews may be conducted by the Regional or other comparable officers of the Labour Departments.

7.5 The Group also endorses the following recommendations made by the Heads of Public Sector Undertakings to improve industrial relations and labour situation in public sector :-

(i) Strengthening of Personnel Departments.
(ii) Fuller use of the services of Labour Officers and Conciliation Officers.
(iii) Prompt attention to the grievances of workers.
(iv) Greater recourse to voluntary arbitration in the settlement of disputes.
(v) Satisfactory promotion procedures.
(vi) Effective working of the machinery of Joint Consultation.

NEGOTIATING MACHINERY IN RAILWAYS, DEFENCE AND POSTS AND TELEGRAPHS DEPARTMENT

7.6 At present, arrangements exist in the Ministries of Railways and Defence and P & T Department for consulation and negotiation between the representatives of management and the work-people. Some aspects of this permanent negotiating machinery, as well as the joint consultative machinery and compulsory arbitration that has been recently introduced for the Central Government employees are dealt with in the following paragraphs.

RAILWAYS

Recommendation of Royal Commission

7.7 The Royal Commission recommended that a joint standing machinery should be established on a 3-tier basis in in the Railways as follows :-

(i) Joint Standing Central Board containing representatives of the Agents (now General Managers) and workers in equal proportions at the highest level.

(ii) Railway Council for each Railway.

(iii) Divisional or District Council for each Division of Railways.

If no agreement was reached at the highest level and if either party desires, the matter should be referred to a Tribunal consisting of persons from outside.

Permanent Negotiating Machinery

7.8 The Railway Board set up a Permanent (3-tier) Negotiating Machinery with effect from 1st January, 1952 for maintaining contact with Railway labour and resolving disputes and differences which may arise between them and the administrations.

(i) One at the Railway level, the recognised unions having access to the District/Divisional Officers and subsequently to officers at the Headquarters including the General Manager.

(ii) The matters not settled at the Railway level are taken up by the respective Federations viz. the All-India Railwaymen's Federation and the National Federation of Indian Railwaymen with the Railway Board.

(iii) In cases where agreement is not reached between the Federations and the Railway Board and the matters are of sufficient importance, reference is made to an *ad hoc* Railway Tribunal for decision.

Railway Tribunal

7.9 The *ad hoc* Railway Tribunal is composed of an equal number of representatives of the Railway Administration and the Railway labour and is presided over by an independent Chairman. The Tribunal can make such investigations as it deems necessary, before it gives its decision. It is, however, open to the Government to accept, reject or modify the decision of the Tribunal. This Tribunal is appointed as and when necessary, and one was appointed in 1953 and thereafter, the necessity for such a Tribunal is reported to have not arisen. The Govt. has just announced its decision to appoint a Tribunal and refer to it the outstanding issues.

7.10 The working of the P.N.M. was reviewed by the Railway Board in 1958 and again in 1963, as a result of which the Board had issued detailed instructions regarding the frequency of meetings, scope of discussions, size of the agenda, recording of minutes of the meetings and follow-up action on them.

7.11 In view of the establishment of the Permanent Negotiating Machinery, instructions were issued to the officers of CLC's Organisation that they should not ordinarily intervene in disputes in Railways, except when they are bound to

do so under the I.D. Act, i.e., when a strike notice is received by them.

DEFENCE ESTABLISHMENTS

Joint Negotiating Machinery

7.12 A Joint Negotiating Machinery was constituted by Defence Ministry in 1954 for settlement of disputes between the Administration and civilian employees in Defence installations on a three-tier basis. The broad features of the machinery are :—

(i) At the lowest level, the authorities of the establishment would negotiate with the representatives of employees.

(ii) At the middle level, DGOF/Naval Hqrs./Air Hqrs./Command Hqrs./DTD will negotiate with the representatives of the all-India Defence Employees' Federation.

(iii) At the top level, the Ministry of Defence will negotiate with the representatives of the Federation.

In case a decision is not reached at the top level on any matter of importance, such matters may, if the Government thinks fit, be referred to an *ad hoc* Tribunal. Cases relating to alleged victimisation can be taken up at the middle level of the negotiating machinery or at the top level. The top level negotiating machinery had also decided that the workers alleging victimisation could request the representatives of All-India Defence Employees' Federation to discuss personally their cases with a senior officer of the Ministry of Defence.

7.13 Till the rift in 1959 in the A.I.D.E.F., it was the main organisation representing Defence civilian employees. As a result of the A.I.D.E.F.'s participation in the strike in July, 1960, the negotiating machinery has ceased to function formally. The two Federations viz., Indian National Defence Workers' Federation and All-India Defence Employees Federation are, however, allowed to have discussions with the Minister and officers in the Ministry on matters affecting the employees.

POSTS & TELEGRAPHS

7.14 In Posts & Telegraphs, there are standing arrangements under which the demands and difficulties are discussed periodically at the Divisional and Circle levels. Matters which are not settled at these levels are brought up through

the Central union to D.G. P & T, who meets the recognised Federation. Since the last strike in July, 1960, no periodical meetings have been held between the All India unions and the P & T Department. It is, however, open to the Federation to correspond with the P & T Board and seek an interview with any Member of the Board and discuss any matter of importance. At the Divisional and Circle levels, however, instructions exist for holding meetings with the recognised unions.

JOINT CONSULTATIVE MACHINERY AND COMPULSORY ARBITRATION

7.15 With the object of promoting harmonious relations and for securing the greatest measure of co-operation between the Government in its capacity as employer and the general body of its employees in matters of common concern and with the object, further, of increasing the efficiency of public service, the Government of India have established a machinery for joint consultation and arbitration of unresolved differences. This machinery has been set up in respect of Central Government employees, including Railways, Defence and P & T. The scheme provides for regional and/or office councils, departmental councils and national council. The scope of the councils will include all matters relating to conditions of service and work, welfare of the employees and improvement of efficiency and standards of work. However, in regard to recruitment, promotion and discipline, consultation will be limited to matters of general principles and individual cases will not be considered.

CHAPTER VIII

SOME PROBLEMS OF LABOUR ADMINISTRATION

8.0 In the preceding Chapter, various matters connected with Labour Administration in general were dealt with. The problems relating to aids to labour administration, viz., labour research, statistics and intelligence, education and training are dealt with in this Chapter.

Research Statistics and Labour Intelligence, and Education & Training

8.1 The Group has taken note of the Conference on Labour Statistics held in New Delhi—Simla from 28th to 31st August 1968 at the instance of the National Commission on Labour and its conclusions/recommendations on labour statistics, labour research, etc. As the recommendations/ conclusions of the said Conference will receive consideration of the Commission, the Group has not examined these aspects of labour administration and has no specific comments or recommendations to make on the same.

Education & Training

8.2 In so far as the labour administration is concerned, education and training are required for three distinct categories of personnel, viz., the employers, the employed and the labour administrators. While there are some Institutes e.g., Indian Institute of Social Welfare and Business Management, Calcutta and Indian Institute of Management, Calcutta and Ahmedabad for training managerial personnel already in service, there are no systematic and regular courses of training in human relations and handling of labour-management relations to the supervisors, middle-management and top-management personnel, though some efforts are now being made by the National Productivity Council, etc. in this regard. We feel that there is a need for organising short courses, refresher courses, and seminars to the middle-management and senior-management personnel.

Trade Union Workers

8.3 As far as the employed are concerned, the Government of India's Central Board for Workers' Education,

which has completed 9 years of its useful existence, has been conducting classes and courses for the benefit of workers and worker teachers. We commend utilisation of the Workers' Education Scheme by more and more employers, who may dspute their workers and workers' leaders for the courses in greater number. As far as trade union workers are concerned, short training courses in the trade union purposes, trade union organisation, administration and procedures, union-management relations and problems of collective bargaining, counselling and handling of grievances, etc. could be arranged by the Indian Institute of Labour Studies of C.L.C.'s Organisation.

Labour Administrators

8.4 For labour administrators, the Indian Institute of Social Welfare and Business Management, Calcutta has been conducting courses of training for some time past. Besides, some State Governments also conduct training classes for the benefit of labour administrators. With the setting up of the Indian Institute of Labour Studies in 1964 for imparting intensive in-service training to Central and State Government officers engaged in handling of industrial relations and enforcement of labour laws, the long-felt need for a regular training institute has been met. This Institute has uptill now trained 253 officers of Central and State Governments and public sector undertakings (States 120; Central Government 86; Public Sector 18) as well as 28 nominees from foreign countries of Asia and Africa. It has also been conducting refresher courses for Labour Officers of the Central Pool and to Managerial Personnel of public sector undertakings at the request of such undertakings. Seminars on voluntary arbitration have also been conducted by this Institute. The Group hopes that increasing use of this Institute will be made by the State Governments and industrial undertakings and Trade Union organisations for training their officials in the techniques of handling industrial relations problems and labour administration.

Indian Labour Service

8.5 The Group considered the suggestion, that in order to minimise political influences and to build up an efficient and independent service, it may be advisable to have a Central Cadre of Industrial Relations Service. There is obvious need for an All-India Service of Labour Administrators. Such a Service will also help national integration,

as well as a measure of uniformity in labour administration. This Service may be called the "Indian Labour Service" and should be constituted, to begin with, on the pattern of the Indian Revenue Service.

Liaison between Central and State Governments, the Need

8.6 In the Federal set-up of our Constitution, with Labour as a concurrent subject, there is as much need for close liaison between the Centre and the States as between the CLC's Organisation and the State Labour Departments for evolving labour standards, co-ordinated approach to labour problems, improvement of methods and techniques for enforcement of labour laws, etc. With the growing public sector enterprises, the need for liaison is all the more increasing.

The 1956 Scheme for Liaison

8.7 The following scheme of C.L.C. for the establishment of close liaison between the Central Industrial Relations Machinery and the State Governments was adopted in 1956 :—

(i) There shall be full and free exchange of views between the CLC and State Labour Commissioners on matters of common interest. If necessary, there may be joint discussions among these officers at intervals.

(ii) The RLCs., C.Os. (now ALCs) and LIs (now LEOs) should keep in touch with the State Labour Commissioners and the Secretary in-charge of Labour Department of the State concerned.

(iii) The RLCs should exchange information regarding labour situation in the form of monthly/weekly reviews regarding strikes, lockouts, threats of strikes, etc. with the State Labour Commissioners.

(iv) The RLCs and COs (now ALCs) should maintain contacts with the D.Ms., S.Ps., etc. for obtaining relevant information in respect of labour situation. There should also be exchange of information in the form of monthly and fortnightly reviews between the RLCs and D.Ms. and S.Ps.

Quarterly Meeting

8.8 It was suggested in 1967 that the RLCs should hold at least a quarterly meeting with the State Government

officials and with the State Labour Ministers to acquaint them with the labour situation in the regions.

Decision at 1957 Labour Ministers' Conference

8·9 The importance of liaison between the CLC's Organisation and State Governments was discussed at the 14th Session of the Labour Ministers' Conference (October, 1957) when the following conclusions were reached :—

> "It was agreed that with a view to securing full compliance with the existing measures for maintenance of liaison between the Central Industrial Relations Machinery and the State Governments, each State Government should set up a Committee consisting of the RLC(C) or the C.O. (now ALC), the State Labour Commissioner and the State Labour Secretary. The Committee should meet at least once in five months and in special circumstances more than once to deal with problems relating to liaison. It was also agreed that the RLC(C) should be nominated to the State Labour Advisory Board etc., dealing with labour matters."

1966 RLCs' Conference

8.10 This matter was also discussed at the RLCs' Conference (November, 1966) when it was reiterated that RLCs should call on the State Labour Ministers periodically and meet the State Labour Commissioner and Labour Secretary at least once a quarter. RLCs are now furnishing a quarterly report containing a summary of discussions held by them with State Labour Officials.

19th Session of Labour Ministers' Conference 19.4.68

8.11 It was suggested by the Labour Ministers' Conference (April, 1968) that for full exchange of information on labour matters in the Central and State spheres, RLCs and ALCs at the Hqrs. of States should have a monthly meeting with the State Labour Commissioners.

8.12 We in this Group feel that there is need for more systematic co-ordination and cooperation between the State and Central administrative authorities and this can be achieved by regular annual conferences of Labour Commissioners of different States and the Chief Labour Commissioner at the Centre on the pattern of the International Association of Govt Labour Officials (USA & Canada) and the annual conference of Inspectors of Factories under the guidance of the Directorate General, Factory Advice Service and Labour Institutes.

8.13 One of the problems posed before the Group was in relation to the emoluments, status and facilities for efficient discharge of duties of the Labour Inspectorate and other officers engaged in labour administration. The Central Industrial Relations Machinery Officers Association has represented to the Group about the status and emoluments of the officers. They informed us that they had already appeared before the National Commission on Labour on this matter and on the direction of the Commission they were making their further submission before this Group. After examining the matters in all its aspects, the Group felt that the emoluments and status of officers engaged in labour administration in Central Sphere, who are liable to serve anywhere in the country, are too low to render them effective in the discharge of their difficult and complex duties or to attract and retain the right type of men. It is, therefore, necessary that these officers should be given the emoluments and status commensurate with their duties and responsibilities and in keeping with those of comparable officers of the Central Govt. and public sector undertakings.

8.14 The Inspecting Officers in the Central Sphere have to visit for purposes of inspection etc., Railway establishments, mines and quarries situated in far-flung areas not easily accessible by public transport. At times, they have to cover on foot long distances or obliged to depend on employers' conveyance. In the interest of efficient discharge of their functions, the Group recommends that they should be provided with Government transport and where this has not been done, the officers should be enabled to own their own coveyances by the grant of advances, conveyance allowance and over-riding priority for allotment of vehicles from Government quota.

8.15 Considering the extensive tours that the officers have to undertake, more particularly on Railways and at short notice to deal with disputes and other emergency matters, and in view of the growing difficulties for securing accommodation on trains, this Group recommends that the officers should be allowed Railway passes for travel on duty on recovery of appropriate charges by the Railways.

8.16 The Junior Officers should also be allowed, as far as possible, to travel by trolleys and/or motor trolleys for inspection of Railway establishments.

Some Aspects of Labour Administration

8.17 The Group considered some aspects of labour administration, pin-pointed by the Commission in its Paper. Regarding the plea made by the employers before the Commission to the effect that wherever possible, the Minister for Industries should also hold the Labour Portfolio and that the nomenclature of Labour Department should be changed to Industrial Relations Department, the Group is of the opinion that there is no need to change the name of the Labour Department to Industrial Relations Department nor is it necessary or desirable to combine the portfolios of the Industries and Labour, as such changes in nomenclature or combination of portfolios are not likely to improve labour-management relations. The Ministry of Labour and the Ministry of Industry have two distinct roles to play in the developmental activities of the country and they should be allowed to pursue those distinct functions independently. Further, the effectiveness of any administration does not so much depend on the nomenclatures but mainly on the personnel that man those departments. The Group further feels that the existing arrangements in this regard at the Centre are quite satisfactory and call for no change. However, for the sake of convenience and avoidance of confusion among the public, the Ministry of Labour & Employment should retain its title even if the Labour Minister happens to hold charge also of some other Ministry or Department at any time.

Changes in the Level of Labour Secretary and Labour Commissioner

8.18 The Commission desired to have information about the changes that have taken place both at the level of Labour Secretary and the Labour Commissioner in the last 10 years. The chages in the Labour Secretary and Chief Labour Commissioner (C) are indicated in Annexures VIA & VIB respectively. Annexure VIC & VID indicate the changes at the level of C.I.M. (D.G. Mines Safety) and C.A.F. (D.G. FASLI) respectively. The post of C.L.C. was held in the past by non-officials and by personnel from the Secretariat and Administrative Services, but it is presently held by an officer of the organisation. The Group examined the question of appropriate status and emoluments etc., of the different officers of Industrial Relations Departments of Central and State Governments. Considering their responsibilities and the fact that they have to deal with senior and well-paid officials both in the public and private sectors, the Group is of the

opinion that there is scope for considerable improvement in the emoluments and status of the different grades of officers concerned so as to attract the proper type of men for the jobs and also to enable them to function effectively and with confidence.

8.19 Another point referred in the Commission's paper relates to the number of officers and their equipment in the current context as also in the future, where industrial development is likely to acquire an increased tempo and labour is likely to become more and more conscious of its rights and privileges. We endorse the view that the number of personnel engaged in labour administration has to be strengthened adequately and they have to be properly trained and equipped in order to enable them to deal with the problems promptly and efficiently.

CHAPTER IX

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

9.0 In the interest of proper enforcement and in the larger interests of the work-people, the enforcement of the non-technical provisions of the Mines Act and the Rules made thereunder including Mines Creche Rules should be entrusted to the Labour Inspectorate of the Chief Labour Commissioner's Organisation. (3.8 and 3.9).

9.1 The 1966 amendment of the Mines Rules, according to which the Welfare Officers were debarred from dealing with disciplinary cases against the workers or from appearing before a Conciliation Officer, Court or Tribunal on behalf of the management and against the workers, is a desirable development. In respect of establishments employing less than 500 workers, it should however be possible to combine the welfare and personnel functions in one officer, while in respect of those emplying between 500 and 2,000 workers, separate officers may be appointed to perform these functions. In the case of those employing over 2,000 workers, while separate officers (as many as may be required) should be appointed for performing welfare and personnel functions, the welfare-cum-personnel department may be headed by a single officer, who may be called Personnel Manager, Chief Personnel Officer, Chief Labour Officer, etc., who will organise, co-ordinate and guide the work of the Welfare and Personnel Officers under him. (3.10).

9.2 The lease granting authorities should take into consideration the size and viability of the workings, so that small units which cannot fulfil the legal obligations are not created and that the leases are not allowed to be sub-let. Where contractors are engaged, the main employer should also be held responsible for the obligation under different laws. (3.11).

9.3 One way to enable the existing staff of Factory Inspectorate to devote more time on the technical aspects of

factory inspection would be to relieve them of the enforcement of non-technical provisions of the Factories Act, such as working hours, leave, weekly holidays, health and welfare, the latter being entrusted to the Labour Inspectorate under the Labour Commissioners. (3.12).

9.4 There should be a separate Welfare Code of an enabling character to cover all industrial and commercial establishments. While the code should lay down broad outlines of different welfare measures to be provided by the establishments, the actual implementation of the code, the exact scale and content of the welfare measures, the equipment and appliances required, etc., should be left to the appropriate authorities of the Government for securing compliance through specific directions. (3.13, 3.14 & 6.0).

9.5 With regard to health, welfare and safety measures for the dock workers, it would be better if the individual employers are made responsible for safety measures, while health and welfare facilities should be provided by the Port authorities for all the workers including dock workers employed in the Port area (3.16).

9.6 Because of the numerous employers working in a compact area in ports and docks and because of the capital and heavy expenditure involved in providing health and welfare measures, it would be advisable to impose these obligations for the sake of economy, convenience and proper implementation, on a single authority like the Port Trust or the Dock Labour Board and a levy of a welfare cess be made for the purpose, on all the employers concerned. (3.18).

9.7 On the Working of the Hours of Employment Regulations on Railways and the machinery for their enforcement, the following recommendations are made :—

(i) Labour Enforcement Officers should be notified as Supervisors of Railway Labour or Inspectors for purposes of Hours of Employment Regulations.

(ii) The Subsidiary Instructions should be incorporated as far as possible in the Railway Servants (Hours of Employment) Rules.

(iii) Classification cases should be left to be settled by the Divisional or District Officers of the Railways, subject to the directions of the General Managers.

(iv) The Hours of Employment Regulations need immediate review and revision in the light of the present workload and operational conditions on Railways

and the expectations of the workers. The Machinery for the enforcement and administration of the Regulations needs to be suitably strengthened.

(v) Appeal against the decision of the Regional Labour Commissioner in classification cases should lie to the Chief Labour Commissioner.

(vi) Greater speed and diligence are called for in the matter of rectification of irregularities pointed out by the Inspectorate.

(vii) The Railway Administration should undertake a review of all cases of classification of Railway servants once in 5 years.

(viii) Reclassification of a Railway employee should be given effect to from the date of the decision of the Regional Labour Commissioner.

(ix) The Hours of Employment Regulations should be extended to cover all contract labour as well. (3.36).

9.8 The relevant provisions of all laws dealing with wages, bonus, overtime, retrenchment and lay-off compensation, leave and holiday wages may be codified into a single enactment applicable to both industrial and commercial establishments. (3.37).

9.9 The procedure for recovery of unpaid dues of workers should be simplified and the Inspector should have powers to issue directions and institute recovery proceedings as recommended in para 3.38. (3.38).

9.10 The Government officials should be enabled to serve as independent persons in different Committees and Boards under the Minimum Wages Act by removing the legal lacuna. (3.39).

9.11 The difficulties that have arisen in the enforcement of the Minimum Wages Act following the Rajasthan High Court's ruling that Central Government is not the appropriate Government in respect of Railway Contractors' establishments should be removed, so that the benefits of the minimum wage law are provided to the low-paid and unorganised workers employed by contractors in the Central sphere in construction and maintenance of roads, bridges and buildings, etc. (3.40).

9.12 Provision should be made in the M.W. Act for de-notifying a scheduled employment in which fair wages and conditions of employment come to prevail due to the emer-

gence of strong unions accompanied by collective bargaining or adjudication processes or otherwise. (3.42).

9.13 With regard to enforcement of the M.W. Act in the rural sector, there should be full-time officials at the State Headquarters and District level, with the Revenue, Panchayat and Block Development officials functioning as part-time field inspectorate. The Central Government should co-ordinate and guide the work of State Governments and lay down general standards and norms for adoption by the States. (3.43).

9.14 In regard to the administration of the Payment of Wages Act, the following recommendations are made :—

(i) Where casual labourers are employed as in construction works with great mobility of labour, wage periods should not exceed a week.

(ii) The Payment of Wages (Railways) Rules should be made applicable to all establishments, irrespective of the number of workmen.

(iii) The administration of the Payment of Wages Act in respect of Railway factories should also be entrusted to the Chief Labour Commissioner who administers the Act on the Railways.

(iv) The provisions that exist in the Payment of Wages (Mines) Rules relating to intimation of opening or closing of establishments etc., should also be incorporated in the Payment of Wages (Railways) Rules.

(v) The powers of legal action under the Weights and Measures Act should also be vested in the Inspectors under the P.W. Act.

(vi) The Labour Enforcement Officers should be declared as Inspectors under the Act in relation to Railways.

(vii) The Central Government should be the appropriate Government for implementation of the provisions of the P.W. Act in respect of major ports.

(viii) The P.W. Act should be extended to apply to all workers employed in ports and docks. (3.44).

9.15 With regard to the enforcement of Fair Wage Clause and Contractors' Labour Regulations, it is recommended that they should be applied by all the employing authorities under the Central and State Governments, should cover other employments like handling of coal, goods, parcels, etc. and their enforcement entrusted to an independent

inspectorate. Sub-contracting without the express permission of the competent authority should be prohibited and fair wage rates be prescribed in consultation with appropriate officers of Labour Department at the time of inviting tenders. (3.46).

9.16 The history of Wage Boards/Committees and implemetation of their recommendations as well as the reference of disputes concerning newspapers to National Tribunals lend support to the view that the newspaper establishments could more conveniently and effectively be covered by the Central Government assuming direct responsibility under the labour laws. (3.47).

9.17 The definition of "Central trade union" should include not only unions having inter-State objects but also such federations as well as the unions operating in Central Sphere undertakings. The requirements of industrial relations warrant that the Chief Labour Commissioner and Regional Labour Commissioners should be the Registrars of Central Trade Unions. (3.48).

9.18 Trade Union Inspectors whose duties should include scrutiny of accounts and registers of established unions and assistance in the formation and functioning of new trade unions in rural sector should be appointed. (3.49).

9.19 The Registrars of Trade Unions should be empowered to decide cases of disputes regarding the legality or otherwise of the election of office-bearers etc., in the interests of maintaining peace in the industry. (3.50).

9.20 The minimum membership for registration of a trade union should be 7 members or 5% of the employees in the establishment concerned, whichever is higher (3.51).

9.21 The Industrial Employment (Standing Orders) Act should be made applicable to all industrial establishments employing 50 or more workmen as a first step. The definition of "industrial establishment" should be extended to include banking and insurance companies. (3.53).

9.22 The Schedule to the I.E. (S.Os) Act should be enlarged to include grievance procedure, seniority and merit-rating, procedure for conducting domestic enquiries, age of retirement and disciplinary procedure. (3.54).

9.23 In addition to the common Model Standing Orders, the appropriate Governments should formulate separate M.S.Os for each of the major industries in consultation with the representatives of the employers' and workers' organisations

concerned and notify the same for purposes of Section 12A of the Act. (3.54).

9.24 With the safeguards recommended to ensure security of service and redress of grievances of individual workmen, it is desirable that Section 2A of the Industrial Disputes Act should be amended so as to restrict its application to cases of alleged victimisation for trade union activities, as the Section in its present form is likely to impede the growth of trade union movement in this country. (3.55).

9.25 The practice of vesting conciliation powers on officers charged with primary responsibility of enforcement of labour laws should not be resorted to and if necessary, the conciliation machinery should be adequately strengthened. (3.57).

9.26 With regard to the administration of the Workmen's Compensation Act, the following suggestions are made:

(i) To secure effective enforcement of the law, provision for appointment of Inspectors be made.

(ii) The Central Government should also function as appropriate Government in respect of Central Sphere undertakings.

(iii) Labour Department Officials instead of judicial officers should be appointed as Compensation Commissioners, so as to ensure expeditious disposal of cases.

(iv) Provision should be made for attachment of the property of the employer where he fails to deposit the amount of compensation.

(v) Section 10A of the Act be amended to enable the Commissioner to hold preliminary hearing where the employer disclaims liability and direct the depositing of the amount of compensation etc. (3.58).

9.27 The enforcement of the Maternity Benefit Act in respect of non-coal mines may be entrusted to the Labour Inspectorate of the C.L.C. who, being also located closer to the mining areas in the country, should be able to secure more effective enforcement of the Act. (3.60).

9.28 For effective handling of labour law cases, the Enforcement Officers, who at present conduct cases in courts should be given the assistance of wholetime Law Officers of appropriate experience and status wherever the workload warrants. (3.62).

9.29 Section 21 of the Payment of Wages Act may be suitably amended empowering the courts to take cognizance

of all offences under the Act on a complaint made by the Inspector. (3.63).

9.30 The remedy against nominal fines imposed by Magistrates for proved offences lies in the prescription of minimum penalties and enhanced penalties for repetition or continuance of the same offence even after conviction. (3.67).

9.31 In respect of certain basic and export-oriented industries such as cement, iron & steel, mica, aluminium, oil etc., having branches or other establishments in more than one State, the present position of enforcement of labour laws and handling of industrial relations which are partly done by State Governments and partly by Central Government is not satisfactory. The peculiarities of these industries make it desirable to bring them entirely within the sphere of Central Government for purposes of labour administration except for the Factories Act dealing with safety and health. (3.70).

9.32 In view of the need and demand for uniform conditions of service etc., in multi-unit establishments of the public sector, spread over a number of States, there are obvious advantages if industrial relations in such establishments are placed in the Central Sphere. Section 3 of the Payment of Bonus Act also points to the desirability of this development. (3.7).

9.33 Outsiders in unions should be gradually replaced by the employees themselves and a beginning in this direction may be made with unions in the better organised and key industries such as banking, insurance, posts and telegraphs, Railways, major ports, ordnance factories, oil industry etc. For this purpose, 'outsiders' should not include ex-employees who having worked for some years are dismissed or removed from service, or have resigned their jobs to take up trade union work. (4.7).

9.34 If the present unsatisfactory financial position of trade unions is to improve even slightly, the minimum membership fee should be fixed at 50 paise per month per member. In respect of agricultural and rural labour, however, it might continue to be 25 paise per month per member as at present. (4.8).

9.35 If the unions are to play their due role for promotion of the interests and welfare of their members and grow strong in that process, they should undertake constructive work of an economic, co-operative, social and cultural

character. They should also organise counselling services to advise their members on family, social and welfare problems. In order to encourage these activities until they gain popularity and momentum, the Government may give appropriate matching grants to the unions concerned. (4.9).

9.36 Both for the proper functioning of trade unions and for promoting better industrial relations, it is essential that the trade union workers should be properly trained in the objects and purposes of trade unions, their responsibilities to the industry and to the society, their organisation, administration and activities, union-management relations, problems of collective bargaining, handling of workers' grievances, counselling service to members etc. While most of these areas of training could be covered by the Workers' Education Scheme of Labour Ministry, the Indian Institute of Labour Studies at Delhi should undertake the work of training the union leaders as well as the management officials in industrial relations. (4.10).

9 37 In the unorganised sectors of industry, agriculture and rural economy, where the workers are largely illiterate and economically and socially weak, the Government should give a helping hand by way of extension service for organising the workers in sound trade unions. (4.11).

9.38 In order to reduce multiplicity of trade unions, the minimnm membership for recognition of unions under the Code of Discipline should be raised from 15% to 25%. The period of recognition should be 3 years. The recognised unions shall have exclusive rights of collective bargaining and the unrecognised unions should be legally precluded from raising any dispute on general issues or calling any strike, such strikes being treated as illegal. (4.12).

9.39 After considering the arguments for and against secret ballot and verification of membership, it is felt that in the interests of strengthening the trade union movement in the country, the majority union should continue to be determined by the verification method. (4.15).

9.40 Legal provisions should be made for registration of industrial, regional and national federations of trade unions. The verified membership of independent trade unions as well as industrial, regional and national federations shoul d be available to the authorities handling the industrial relations problems. (4.18).

9.41 There should be formal and informal arrangements and occasions for trade union leaders, employers and those

in Government and industry, dealing with labour problems to meet frequently and exchange their experiences, views and notes. To this end, Labour Forums should be organised by the Industrial Relations Officers in important industrial centres. (4.20).

9.42 Where a trade union comes to be recognised after verification of membership, it should have sole representation on all internal committees such as works committees, J.M.Cs. etc., in addition to being the sole collective bargaining agent. In order to promote industrial democracy to the ultimate good of the industry and its workers in larger establishments, employing over 500 workmen, where a union with a membership of more than 50% has been functioning, the employer should be required by law to establish Joint Management Councils with the largest union, having sole representation on that body. Where a union commands a majority of 75% of workers in any of such establishment, it should be allowed to have a nominee on the Board of Directors. (4.23)

9.43 While grievance machinery should be set up in consultation with all registered unions in an undertaking, representation on the grievance committee should be given only to recognised union, if one exists. (4.24).

9.44 Periodical review should be undertaken of the workload and responsibilities of the conciliation machinery and it should be suitably strengthened and adequately staffed. (4.29).

9.45 As the art of conciliation is a delicate one requiring wide knowledge of industry and labour matters as well as considerable tact and resourcefulness on the part of the conciliators, they should be of sufficient calibre and status to command the confidence and respect of the parties. The status and emoluments of Conciliation Officers should be suitably enhanced for this purpose. (4.30).

9.46 For the purpose of effectively dealing with the disputes or differences regarding implementation of awards and settlements, the Conciliation Officers should have powers to call for records under Section 11 (4) of the Industrial Disputes Act which should be suitably amended to make this provision clearly enforceable. If the parties are placed under a legal obligation to attend conciliation proceedings, their presence might aid the settlement of the dispute or at least enable the C. O. to ascertain the facts and give his assessment of the

dispute to the Government. It would, therefore, be advantageous to have the necessary provisions incorporated in the I. D. Act. (4.31).

9.47 The Conciliation Officer should combine in himself the functions of a conciliator and implementator in respect of the same dispute, but he should not be an adjudicator. The Conciliator could, however, act as an arbitrator at the request of both the parties. (4.34).

9.48 There is scope for reducing delays in referring disputes to adjudication under the I. D. Act by delegating these powers to the Labour Commissioners, except where the disputes involve a major question of policy or principle having wide repercussions. (4.37).

9.49 If the philosophy of voluntary arbitration is properly propagated and the employers convinced about its advantages, they may have greater recourse to this expeditious and less expensive method of settlement of disputes. (4.46).

9.50 The Industrial Disputes Act, being a piece of social legislation, should afford protection to all employed persons including those employed by Universities, Educational Institutions, Research Bodies, Clubs etc. as there is no reason why such employees should be denied the opportunities of securing improvement of their wages and working conditions through the processes of collective bargaining, conciliation, adjudication, etc. available to the employees in industry, trade and commerce in the country. (4.47).

9.51 While the Industrial Tribunals can continue to be manned by judicial personnel, the Labour Courts should be manned by executive officers of the Labour Departments with sufficient experience of industrial and labour matters. (5.5 & 5.6).

9.52 In the interests of efficient and speedy disposal of prosecution cases under labour laws, these cases should, as far as possible, be entrusted to special magistrates appointed for the purpose. (5.7).

9.53 With regard to Labour Officers of the Central Pool, the following recommendations are made :—

(i) The Labour Officers of the Central Pool may in suitable cases be got permanently absorbed in the service of the public undertakings and each employing Ministry may have its own cadre of Labour Officers, as far as possible.

(ii) The scale of selection grade L.Os. should run up to Rs. 1,250/- and the selection grade posts should be increased from 15% to 20% of all working posts (including leave reserves) and not necessarily based on permanent strength.

(iii) In the interests of all-round development and efficiency of officers, they should be rotated from factory establishments etc., once in 3 to 4 years. (6.2).

9.54 The workers' faith in the co-operative movement is still to be fully developed and the trade unions can play a significant role in this direction, if only they could eschew inter-union rivalries and undertake constructive activities for the welfare of the workers. (6.4).

9.55 The principles and sanctions of the Code of Discipline in Industry which lend themselves to effective enforcement should be incorporated in the Industrial Disputes Act. (6.5).

9.56 If the Inter-union Code of Conduct and the machinery for its implementation could be properly strengthened, it should be possible for the Central Trade Union Organisations to achieve the desired objective of reducing rival unions and eventually establishing the goal of "one union in one establishment/industry" by imposing the necessary obligations and restraints on each other in a voluntary manner. (6.9).

9.57 There is considerable scope for increased awareness on the part of management officials for promoting productivity and achieving higher targets of production and efficiency. There is no less scope for the trade unions and the workers to play their role in this direction, as much in their own interest as in the larger interests of the country and the industry.

9.58 While the composition of membership and the lack of necessary drive and procedural drill for expediting their business have militated against the speedy transaction of the work of Wage Boards, the recommendations of some of the Wage Boards have not been implemented by a large number of units for lack of capacity to pay. The obvious remedy to such a situation was to exclude the uneconomic and non-viable units from the purview of the Wage Boards and to leave the wages and allowances in such industries to be regulated under the minimum wage law. Apart from these drawbacks, a positive direction in which the Wage Boards might be made to yield satisfactory results would be to give statutory backing

wherever necessary to their recommendations as accepted by the Government. (6.14).

9.59 As recommended by the Estimates Committee of the 2nd Lok Sabha and the Administrative Reforms Commission, the Central Industrial Relations Machinery should deal with industrial relations in all Central Government public sector undertakings, irrespective of the fact whether they are departmentally-run or statutory-corporations or companies. (7.3).

9.60 Annual reviews regarding implementation of labour laws in public sector undertakings may be conducted by the regional or other comparable officers of the Labour Depaartment. (7.5).

9.61 There is need for organising short courses, refresher courses and seminars in human relations and handling of labour–management relations to the middle-management and senior-management personnel, trade union workers and labour administrators. (8.2 & 8.4).

9.62 In the interests of national integration and uniformity in labour administration, there is obvious need for an All-India Service of Labour Administrators. (8.5).

9.63 In the federal set-up of our Constitution, with labour as a concurrent subject, there is as much need for close liaison between the Centre and the States as between the Chief Labour Commissioner's organisation and State Labour Departments for evolving labour standards, co–ordinated approach to labour problems, improvement of methods and techniques of enforcement of labour laws, etc. (8.6).

9.64 In order to promote more systematic co–ordination and co–operation between the State and Central authorities, annual conference of State Labour Commissioners and C.L.C. is recommended. (8.12).

9.65 The emoluments and status of officers engaged in Labour Administration in Central Sphere who are liable to serve anywhere in the country are too low to render them effective in the discharge of their difficult and complex duties or to attract and retain the right type of men. It is, therefore, necessary that they should be given the emoluments and status commensurate with their duties and responsibilities and in keeping with those of comparable officers of Central Government and public sector undertakings. (8.13).

9.66 In the interest of efficient discharge of their functions, the inspecting officers should be provided with Gove-

rnment transport and where this has not been done, the officers should be enabled to have their own conveyance by grant of advances, conveyance allowance and over-riding priority for allotment of vehicles from Government quota. (8.14).

9.67 Considering the extensive tours that the officers have to undertake and at short notice to deal with disputes and other emergency matters and in view of the growing difficulties in securing accommodation on trains, the officers should be allowed Railway passes for travel on duty on recovery of appropriate charges by the Railways. (8.15).

9.68 There is no need to change the name of the Labour Department to Industrial Relations Department nor is it necessary or desirable to combine the portfolios of Industries and Labour, as they have two distinct roles to play in the developmental activities of the country. They should therefore be allowed to pursue those distinct functions independently. However, for the sake of convenience and avoidance of confusion among the public, the Ministry of Labour & Employment should retain its title even if the Labour Minister happens to hold charge also of some other Ministry or Department at any time. (8.17).

9.69 The number of personnel engaged in labour administration has to be strengthened adequately and they have to be properly trained and equipped in order to enable them to deal with the problems promptly and efficiently. (8.19).

CHAPTER X

ACKNOWLEDGEMENTS

10.0 Before concluding this report, the Group would wish to place on record its gratitude to the officers of the Central and State Governments who came forward and gave the benefit of their views and experiences to the Group on various issues. They also furnished the required information which was of great value to the Group.

10.1 The Group would also place on record its appreciation of the enthusiasm and earnestness of its Member-Secretary, Shri O. Maheepathi and his P. A., Shri N. Lakshmanan, who took great pains to assist the Committee in its proceedings to organise their meetings and to prepare the first draft of this report.

10.2 Thanks of the Group are also due to the officers and staff of Chief Labour Commissioner's Organisation, who cheerfully rendered the necessary assistance to the Group.

Sd/- (O. Venkatachalam)
Chairman

Sd/- (M. Subramanyam)
Member

Sd/- (S. K. Ghosh)
Member

Sd/- (P. S. Mahadevan)
Member

Sd/- (S. M. Dikhale)
Member

Sd/- (I. B. Sanyal)
Member

New Delhi,
Dated, 19th October, 1968.

Sd/- (O. Maheepathi)
Member-Secretary

ANNEXURE I A

ORGANISATIONAL CHART OF OFFICE OF THE CHIEF INSPECTOR OF MINES IN INDIA

(1947)

Chief Inspector of Mines in India
(Rs. 1800-100-2000)

Deputy Chief Inspector of Mines in India
(Rs. 1300-60-1600)

Headquarters organisation

		*S. S.	@I. P.
	Inspector of Mines (Rs. 800-40-1000-1000-1050-1050-1100-1100-1150)	2	1
	Jr. Inspector of Mines Rs. 530-30-700-40-850	2	—
Medical Branch	Sr. Labour Inspector of Mines (Rs. 180-200-10-300-15-450+ spl. pay Rs. 75/-)	1	1
Statistical Branch	Statistical Officer (Rs. 350-25-500-EB-30-650-EB-30-800)	1	1
Administrative Branch	Personal Assistant to Chief Inspector of Mines (Rs. 275-25-500-EB-30-650)	1	1

Field organisation

		*S.S.	@I.P.
No. 1 Circle Dhanbad	Inspector of Mines	1	1
	Jr. Inspector of Mines	5	2
No. 2 Circle Sitarampur	Inspector of Mines	1	1
	Jr. Inspector of Mines	5	2
Kodarma Circle	Inspector of Mines	1	1
	Jr. Inspector of Mines	1	—
Chindwara Circle	Inspector of Mines	1	1
	Jr. Inspector of Mines	2	—

Electrical Branch

Electrical Inspector of Mines (Dhanbad) (Rs. 800-40-1000-1000-1050-1050-1100-1100-1150-50-1300) — *S.S. 1, @I.P. 1

- Jr. Electric Inspector of Mines (Dhanbad) (1) (Rs. 500-30-770-40-850)
- Jr. Electric Inspector of Mines (Sitarampur) (1)

*S.S. Sanctioned strength
@I.P. In position

ANNEXURE IB

DIRECTORATE GENERAL OF MINES SAFETY

ORGANISATION CHART

(15-5-67)

Board of (Coal) Mining Examinations

Board of (Metalliferous) Mining Examinations

Coal Mines Rescue Station Organisation

——DIRECTOR GENERAL——

- National Council for Safety in Mines
- Standing Safety Advisory Committee
- Standing Safety Equipment Advisory Board

DY. DIRECTOR GENERAL —

- State Mining Boards

HEADQUARTERS ORGANISATION

		*SS	IP*
Division of Safety Stands and Technical Services	Director	1	—
	Jt. Dir.	1	1
	D. D.	1	2
Division for Special Investigations	Jt. Dir.	2	2
	D. D	1	2
Division for Vocational Training	Jt. Dir.	1	1
	D. D.	—	1
Examination Division	Jt. Dir.	1	1
Electrical Branch	D. D. (E)	—	1
Mechanical Branch	D. D. (Mech)	—	1
Industrial Health Branch (And Ftigue Unit)	D. D. (Mech)	1	1
	A. D. (Med) Gr. I	1	1
	R. A. (Min)	1	1
Law Branch	Sr. L. O.	1	1
	L. O. Gr. II	1	1
Statistics Branch	S. O.	1	1
	STAT	2	1
	S. I.	1	1
Administration Branch	A. O.	1	1
	A. A. O.	1	1

FIELD ORGANISATION

		*SS	IP*
Eastern Zone	Director	1	1
	D. D. (VT)	1	1
	D. D. (Mech)	1	1
	L. O. Gr. I	1	1
	A. D. (Med) Gr. II	1	1
Northern Zone	Director	1	1
	D. D. (VT)	1	—
	D. D. (Mech)	1	—
	L. O. Gr. I	1	1
	A. D. (Med) Gr. II	1	1
Central Zone	Director	1	1
	D. D. (VT)	1	—
	A. D. (Med) Gr. I	1	—
Southern Zone	Director	1	1
	D. D. (VT)	1	1
	A. D. (Med) Gr. I	1	1

		*SS	IP*
Digboi Region	Jt. Dir.	1	1
	D. D.	1	—
Sitarampur No. I Region	Jt. Dir.	1	1
	D. D.	8	5
Sitarampur No. II Region	Jt. Dir.	1	1
	D. D.	8	5
	A. D.	—	1
Sitarampur Electrical Circle	D. D. (E)	3	1
	A. D. (E)	1	1
Dhanbad No. I Region	Jt. Dir.	1	1
	D. D.	7	5
Dhanbad No. II Region	Jt. Dr.	1	1
	D. D.	7	5
Ramgarh Region	Jt. Dir.	1	1
	D. D.	5	1
Dhanbad Electrical Circle	D. D. (E)	4	1
Shahdol Region	Jt. Dir.	1	1
	D.D	2	1
	A.D.	2	1
Parasia Region.	Jt. Dir.	1	1
	D.D.	4	2
	A.D.	2	1
Warangal Region (Including Nellore Sub-Region)	Jt. Dir.	1	1
	D.D.	3	2
	A.D.	2	1
Nagpur Electrical Circle	D.D. (E)	2	—
Oorgaum Region (Including Goa Sub-Region)	Jt, Dir.	1	1
	D. D.	3	3
	A. D	3	1
Oorgaum Electrical Circle	D. D.(E)	1	1
Ajmer Region (Including Bhilwara Sub-Region)	Jt. Dir.	1	1
	D. D.	2	3
	A. D.	2	—
Kodarma Region	Jt. Dir.	1	1
	D. D.	2	1
	A. D.	1	1
Chaibasa Region	Jt. Dir.	1	1
	D. D.	3	1
	A. D.	2	2

LEGEND

S.S. Sanctio
I.P. ition

ABBREVIATIONS :

Class I Officer

	Director General (Rs. 2000-125-2250) Dy. Director General (Rs. 1800-100-2000)
Dir.	Director (Rs. 1600-100-1800)
Jt. Dir.	Joint Director (Rs. 1300-60-1600)
D. D.	Deputy Director (900-40-1100-50-1400)
S. O.	Statistical Officer(Rs. 700-40-1100-50/2-1150).
Sr. L. O.	Senior Law Officer (Rs. 700-40-1100-50/2-1150).
L. O. Gr. I	Law Officer Grade I (Rs. 400-400-450-30-600-35-670-EB-35-950).
STAT	Statistician (Rs. 400-400-450 30-600-35-670-EB-35-950),
A. D. (Med)	Assistant Director (Med) Grade I (Rs. 400-400-450-30-600-35-670-EB-35-950 Plus NPA @ 25% of pay subject to a minimum of Rs. 150/-).

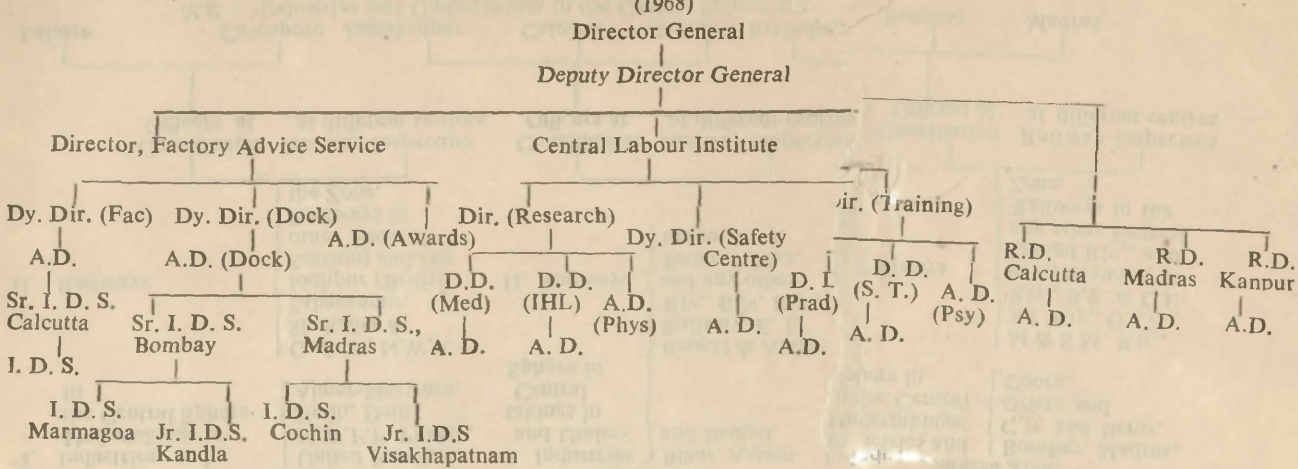
Class II Officers

A. O.	Administrative Officer (Rs. 620-30-830-35-900)
L. O. Gr. II	Law Officer Grade II (Rs. 400-25-500-30-590-EB-30-800-EB-30-830-35-900)
A. D.	Assistant Director (Rs. 35-25-500-30-590-EB-30-800-EB-30-830-35-900)
A. D. (Med) Gr. II	Assistant Director (Med) Grade II (Rs. 350-25-500-30-590-EB-30-800 Plus NPA @ 25% of pay subject to a minimum of Rs. 150/-).
A. A. O.	Assistant Administrative Officer Rs. (350-25-575),
R. A. (Min)	Research Assistant (Mining) Non-Gazetted. Non-Ministerial) (Rs, 325-15-475-EB-20-575).
S. I.	Statistical Investigator (Non-Gazetted—Rs. 325-15-475-EB-20-575)

ANNEXURE II

ORGANISATIONAL CHART OF THE DIRECTORATE GENERAL OF FACTORY SERVICE AND LABOUR INSTITUTES

(1968)

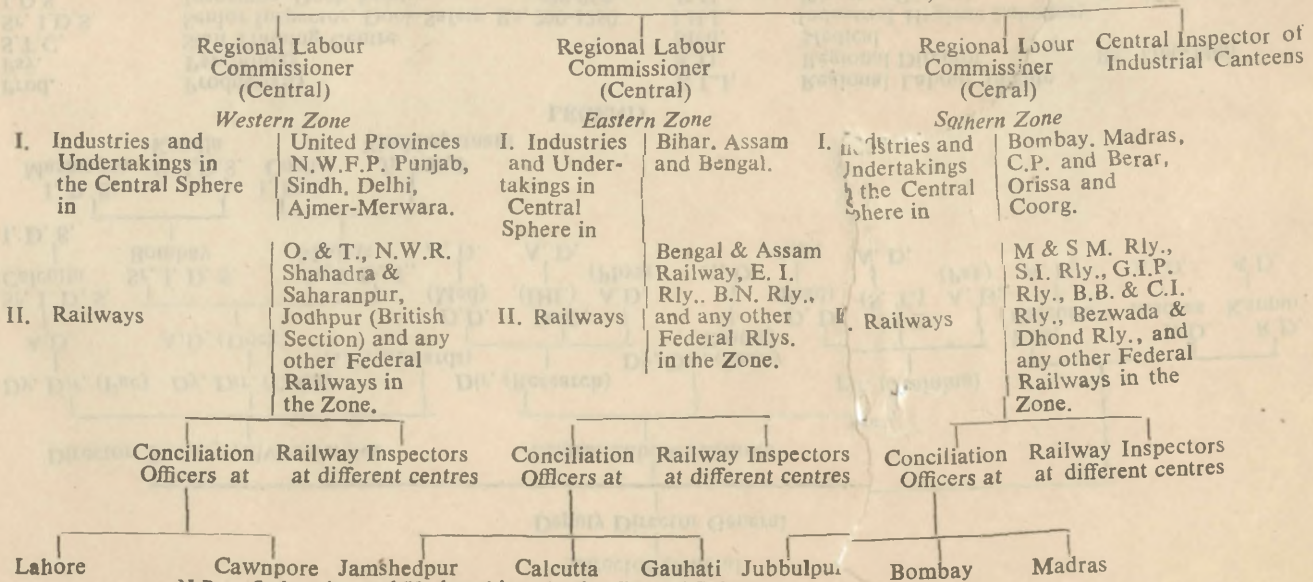


LEGEND

Prod.	Productivity	R.L.I.	Regional Labour Institute	
Psy.	Psychology	R.D.	Regional Director	Rs. 1100-1400
S.T.C.	Staff Training Centre	Med.	Medical	
Sr. I.D.S.	Senior Inspector, Dock Safety Rs. 700-1250	I.H.L.	Industrial Hygiene Laboratory	
I.D.S.	Inspector, Dock Safety 400-950	D.G.	Director General	Rs. 2000-2250
Jr. I.D.S.	Junior Inspector, Dock Safety	D.D.G.	Deputy Director Gener.	,, 1600-1800
Phy.	Physiology	Dir.	Director	,, 1300-1600
FAS & L.I	Factory Advice Service & Labour Institutes	D.D.	Deputy-Director	,, 1100-1400
		A.D.	Assistant Director	,, 700-1250

ANNEXURE III A

ORGANISATIONAL CHART (1945)



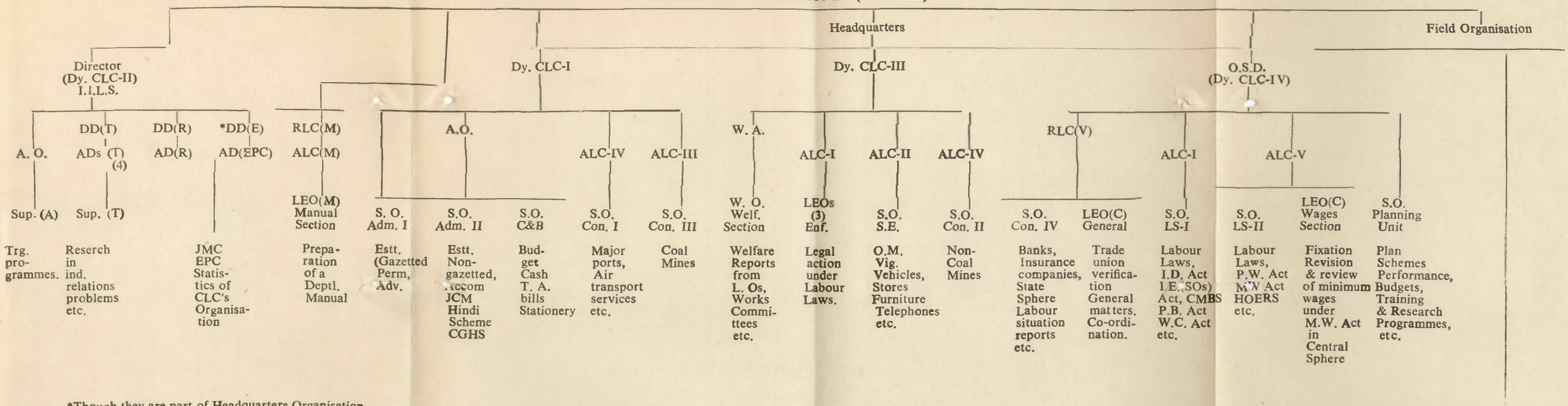
N.B. :—Industries and Undertakings in the Central Sphere are

(1) All Industrial establishments owned or controlled by the Government of India.
(2) Federal Railways.
(3) Mines and Oil Fields; and
(4) Major ports as defined in the Indian Ports Act, 1908.

ANNEXURE III-B

OFFICE OF THE CHIEF LABOUR COMMISSIONER (CENTRAL), NEW DELHI

ORGANISATIONAL CHART—1968



*Though they are part of Headquarters Organisation, they function under Director, I.I.L.S.

	R.L.C. Ajmer	R.L.C. Asansol	R.L.C. Bombay	R.L.C. Calcutta	R.L.C. Dhanbad	R.L.C. Hyderabad	R.L.C. Jabalpur	R.L.C. Kanpur	R.L.C. Madras	R.L.C. Rourkela
A.L.Cs. ...	3	3	4	4	6	5	3	4	3	3
L.E.Os. ..	13	6	12	10	23	15	10	13	9	6
J.L.Is. ...	1	2	—	—	4	2	1	2	—	—

LEGEND

C.L.C. (C)	Chief Labour Commissioner (Central) (Rs. 1800-100-2000)
Dy. C.L.C. (C)	Deputy Chief Labour Commissioner (Central) (Rs. 1300-60-1600)
O.S.D.	Officer on Special Duty (Rs. 1300-60-1600)
R.L.C. (C)	Regional Labour Commissioner (Central) (Rs. 900-40-1100-50/2-1250)
D.D. (T)	Deputy Director (Training) (Rs. 900-40-1100-50/2-1250)
D.D. (R)	Deputy Director (Research) (Rs. 900-40-1100-50/2-1250)
D.D. (E)	Deputy Director (Economics) (Rs. 900-40-1100-50/2-1250)
A.O., CLC's Office	Administrative Officer, CLC's office (Rs. 900-50-1250)
W.A.	Welfare Adviser (Rs, 900-40-1100-50/2-1250)
A.L.C. (C)	Assistant Labour Commissioner (Central) (Rs. 600-35-670-EB-35-950)
A.D. (T) & (R)	Assistant Director (Training) & (Research) (Rs. 600-35-670-EB-35-950)
A.D. (E)	Assistant Director (EPC) (Rs. 400-400-450-30-600-35-670-EB-35-950)
W.O.	Welfare Officer (Rs. 400-400-450-30-600-35-670-EB-35-950)
A.O., I.I.L.S.	Administrative Officer, Indian Institute of Labour Studies (Rs. 620-30-830-35-900)
L.E.O. (C)	Labour Enforcement Officer (Central) (Rs. 350:25-575)
Sup. I.I.L.S	Supervisor, Indian Institute of Labour Studies (Rs. 350-25-575)
I.I.L.S.	Indian Institute of Labour Studies
JLI	Junior Labour Inspector (non-gazetted) (Rs. 150-280)

12.	Welfare Office				
13.	Labour Officer				
14.	Labour Inspect[illegible] Enforcement Of[illegible]				desi- as LEOs. w.e.f. July '65.
15.	Section Officers	—	7	11	
16.	Administrative Officer, Indian Institute of Labour Studies.	—	—	1	
17.	Supervisor, -do-	—	—	2	
18.	Central Inspector of Industrial Canteens	1	—	—	
19.	Lady Conciliation Officers	1*	—	—	*This post has been held in abeyance.
20.	Superintendents	2	—	—	
	TOTAL	54	117	214	

Act,

Employment

use 18 of the
egulations.

al)

s Act, 1936.

2. Railway Labour Chapter VI-A of the Indian Railways Act.
3. Inspector under the Employment of Children Act 1938.
4. Inspector uuder the Minimum Wages Act, 1948.
5. Inspector under the Coal Mines Provident Fund and Bonus Schemes Act, 1948.
6. Inspector under the Payment of Bonus Act, 1965.
7. Conciliation Officer under the Industrial Disputes Act, 1947.
8. Certifying Officer under the Industrial Employment (Standing Orders) Act, 1946 in respect of industrial establishments under the control of any head of the

department of the Central Government or any one authority of the Central Government appointed under sub-clause (ii) of clause (d) of Section 2 of the Act.

9. Final interpreting authority under clause 18 of the Central P. W. D. Contractors' Labour Regulations.

III. Regional Labour Commissioner (Central).

1. Inspector under the Payment of Wages Act, 1936.
2. Supervisor of Railway Labour under Chapter VI-A of the Indian Railways Act.
3. Inspector under the Employment of Children Act, 1938.
4. Inspector under the Minimum Wages Act, 1948.
5. Inspector under the Coal Mines Provident Fund and Bonus Schemes Act, 1948.
6. Inspector under Payment of Bonus Act, 1965.
7. Conciliation Officer under the Industrial Disputes Act, 1947.
8. Certifying Officer under the Industrial Employment (Standing Orders) Act, 1946.
9. Appellate Authority under Clause 12 of the C. P. W. D. Contractors' Labour Regulations.

IV. Assistant Labour Commissioner (Central)

1. Conciliation Officer under the Industrial Disputes Act, 1947.
2. Inspector under the Payment of Wages Act, 1936
3. Inspector under the Minimum Wages Act, 1948
4. Inspector under tbe Coal Mines Provident Fund and Bonus Schemes Act, 1948.
5. Supervisor of Railway Labour uuder Chapter VI-A of the Indian Railways Act.
6. Inspector under the Employment of Children Act, 1938.
7. Inspector under the Payment of Bonus Act, 1965.

V. Labour Enforcement Officers (Central)

1. Inspector under the Minimum Wages Act, 1948.
2. Inspector under the Payment of Wages Act, 1936, in respect of mines, air transport services and major ports.
3. Inspector under the Employment of Children Act, 1938.

4. Inspector under the Coal Mines Provident Fund and Bonus Schemes Act, 1948.
5. Inspector under the Payment of Bonus Act, 1965.

Note :—(i) The Assistant Labour Commissioner (Central) Raniganj and Labour Enforcement Officer (Central Pakur) have been appointed as Inspectors of Mines for the purposes of the provisions contained in Chapter V of the Mines Act, 1952.

(ii) A few of the Labour Enforcement Officers have also been appointed as Conciliation Officers under the Industrial Disputes Act, 1947.

VI. Junior Labour Inspectors (Central)

1. Inspector under the Payment of Wages Act, 1936 in respect of mines.
2. Inspector under the Minimum Wages Act, 1948.
3. Inspector under the Coal Mines Provident Fund and Bonus Schemes Act, 1948.
4. Iaspector under the Payment of Bonus Act, 1965.

ANNEXURE IV

MODEL PROCEDURE FOR DISCIPLINARY ACTION

Where disciplinary action is to be taken against a workman, the following procedure shall be followed :

(i) **Preliminary Investigation**

1. When the employer receives any information or report indicating that a workman has committed a misconduct and he is satisfied that a prima facie case exists against the workman concerned, the employer may proceed to issue or authorise the issuance of a charge-sheet to the workman concerned.

(ii) **Charge Sheet**

2. The charge sheet should be in writing and should clearly set forth the misconduct/irregularities alleged to have been committed by him. The workman charged should be given a reasonable time (not less than 48 hours) to submit his written explanation and asked whether he desires to be heard in person. Where it is not desirable for the workman to continue in his job pending enquiry, he may be suspended from work.

(iii) **Inquiry**

3. Should the workman so charged ask to be heard in person or should his written explanation be considered not satisfactory or should his written explanation disclose other facts which require an inquiry, the employer shall appoint an inquiry committee consisting of one or more persons for the purpose of inquiring into the charges.

4. If however the workman admits in writing the misconduct alleged against him, the inquiry committee need not be constituted and the employer may proceed to pass an order of punishment as provided in the standing orders.

5. The workman charged should be informed in writing of the place, date and time when the inquiry will be held and be asked to attend. He should be further informed that if he fails to attend the inquiry or having attended, refuses to take part in it, the inquiry will proceed ex-parte. He should be

also informed that at such inquiry he shall be entitled to be defended by a co-worker of his choice.

6. The workman charged along with the person permitted to defend him will be entitled to be present during the examination of witnesses. Should the person charged fail to attend the enquiry without proper cause or after attending it, refuses to take part in it, the inquiry might proceed ex parte.

7. When the enquiry committee commences its work, the person charged will be asked to state if he had anything further to say beyond what has been already submitted in his written explanation. Any such statement should be recorded in writing and signed by the person charged.

(iv) Witnesses :

8. Thereafter witnesses in the following order shall be examined or cross examined as the case may be by the inquiry committee.

(a) Those upon whose testimony the charge is based.

(b) Those whom the charged employee may bring forward as witnesses in his defence. The person charged will be required to indicate the points on which such witnesses will give evidence. Where it appears to the Committee that any of the persons to be summoned are being called frivolously, it may restrict the number of witnesses only to those whose evidence it considers to be relevant and material to the points of inquiry.

(c) Any other person whose evidence being relevant the committee considers it necessary to record.

9. The statement made by each witness shall be recorded by the committee and will be signed by the witness and countersigned by the person charged. It is not necessary to write down questions and answers except where absolutely necessary on a crucial point. Whether the reply is an admission or denial, it must be recorded verbatim.

10. Where a witness makes a statement of facts within his knowledge relating to the charge, the person charged shall be entitled to cross-examine him, but the witness cannot cross-examine the person charged. The person charged can be cross-examined only by the inquiry committee. If on the evidence given by the witnesses, the inquiry committee wishes to examine the person charged, this may be done but not in the presence of the witness who has made the statement.

That witness can be recalled later, if necessary. The person charged will be entitled to examine his witnesses in his defence and they shall be liable for cross-examination by the inquiry committee.

(v) Final statement :

11. After all the evidence which is necessary and relevant for the purpose of inquiry has been recorded, the person charged shall be given an opportunity of making a final statement in his defence should he desire to do so. This statement should be recorded in writing and signed by the person charged In case the person charged or any witness refuses to sign the statement of deposition, that fact should be recorded in the inquiry committee's proceedings.

(vi) Report on the Inquiry Committee :

12. The committee of inquiry should formulate its report in the following order :—

(1) Charges contained in the charge-sheet ;

(2 Summary of the evidence recorded.

(3) Analysis of evidence and inquiry committee's observations thereon.

(4) Findings in respect of each of the charges and reasons for arriving at those findings.

(vii) Order by the employer :

13. The employer on receiving the report of the inquiry committee shall satisfy himself as to the correctness of the findings by giving his independent attention to the weight of evidence both for and against the charges. Where the employer agrees with the findings of the inquiry committee, it is not necessary for him to give reasons for the acceptance of the report. But where he disagrees, he shall record the reasons for such disagreement. The employer shall thereafter issue an order of punishment. In awarding punishment the employer shall take into consideration the extent and gravity of the misconduct, previous service record of the person charged and any extenuating and/or aggravating circumstances of the case.

(viii) General :

14. In a case of dismissal or discharge and the employee concerned requests for a copy of the report or inquiry proceedings to enable him to prefer an appeal, the employer shall supply him with a copy of the same.

15. A workman should not ordinarily be dismissed without being given a fair warning and an opportunity to improve his work and conduct. An order of dismissal should be passed by an official higher than the immediate supervisor.

16. An investigation or inquiry into an irregularity or misconduct must be completed within the shortest possible time not excceding in any case three months from the commencement of the enquiry. To this end, it should be flexible and free from excessive formality.

(ix) Appeals :

17. A workman who has been awarded punishment shall have the right of appeal to the head of the establishment or other official who is not only impartial, but is seen to be impartial.

18. The procedure indicated above need not be followed in case of imposition of a minor punishment such as fine, warning, censure or withholding of increment.

———

ANNEXURE V

LABOUR FORUMS—CONSTITUTION AND FUNCTIONS

DEFINITION

A series of talk-cum-discussion programmes on important labour and industrial relations subjects of current interested in which labour, management and Government representatives in the field as well as other interested persons participated.

PURPOSE

The main purpose of the Labour Forum is to help prevent, directly or indirectly, labour disputes and generally to improve industrial relations climate and practices in the area. This end can be achieved through the following :—

(a) Labour, management, Government and other interested persons improve their knowledge of labour and industrial relations subjects and in particular develop appreciation of the philosophy and value of voluntary arbitration for settlement of disputes by hearing speakers and through their own discussions.

(b) Labour, management and Government representatives get to know each other better in a neutral, informal setting and develop better appreciation of their responsibilities to each other and to society.

(c) The Government representatives—State Labour Commissioners, Regional Labour Commissioner, Assistant Labour Commissioner—have an opportunity to keep in closer communication with their clients. This should give him greater awareness of disputes, strike threats, strikes and lockouts, etc.

(d) By being the main sponsor of such a programme, the Government representatives should gain increased prestige and respect from labour and management. This should in turn, increase his effectiveness in enforcing labour legislation and settling disputes.

MEMBERSHIP

In order to popularise the Labour Forums the membership fee may be nominal (at least for some time) at the following rates :

(a)	Employer companies (public or private Ltd.)	Rs. 20/-	per annum
(b)	Employer firms... ...	15/-	,, ,,
(c)	Institutions (e.g. trade unions, university/college departments, etc.)	10/-	,, ,,
(d)	Individuals	5/-	,, ,,

While the membership of individuals is personal to themselves, employer companies and firms and other institutions can depute any one representative to participate in the meetings.

TOPICS AND SPEAKERS

Topics for these programmes should relate to current problems in labour law enforcement, settlement of industrial disputes and the general subject of industrial relations. Whereas they should not spotlight personal complaints or grievances or specific cases relating to individual establishments, they should not be so broad in nature as to be uninteresting.

General industrial relations subjects such as "Wage Boards" or "Automation" will have appeal and will be most frequent. However, topics having more immediate value to the Government representatives such as "Improving Labour Law Enforcement" or "The Role of Conciliation/Arbitration in Industrial Relations" should sometimes be on the agenda because the Government labour official can use the Labour Forum as a means of receiving suggestions from labour and management which will help improve the effectiveness of his services.

Guest speakers may be freely utilised. However, they should reflect a cross-section of the various parties involved in Labour management relations. When outside speakers are not available, talks can be given by members of the Labour Forum.

ORGANISATION

The State Labour Commissioner, Regional Labour Commissioner or the appropriate Assistant Labour Commissioner should take the initiative in organising the labour Forum at his headquarters. Depending on the number of labour and

management representatives in the area, he should involve several of the most important leaders in the planning stages. He should also seek out the President of the local Branch of the Indian Institute of Personnel Management (if there is one) as well as any council/Federation of trade unions, universities, labour institutes or other interested professional organisations. With a nucleus of the several top persons in the labour-management field, he can give the impetus to the implementation of his idea for a labour Forum. The importance of involving others in the planning and execution of such a programme cannot be over-emphasized.

One of the first steps to be taken by the organizers is to draw up a mailing list of members. Such a list would include Company Directors, Managers, Personnel and Labour Officers, local Labour Union Officials, Government Labour Officers, teachers of industrial relations courses, labour lawyers and other interested persons. It will also be necessary to keep the mailing list up-to-date. When the topic and speaker have been selected, adequate notice through the mail should be given.

LOCATION

The best setting for the Labour Forum is a neutral one. A University or College auditorium would be ideal, especially if the University (or Institute) is co-sponsoring the programme. Otherwise a hotel, Town Hall, Government building or something similar should be selected.

ESTABLISHMENT

A labour Forum need not have separate establishment for its functioning as that is rather costly and really not necessary. The staff of the officer concerned (e.g. his Steno and peons) can give him the necessary assistance on a part-time basis and they may be paid a nominal honorarium of Rs. 20/- for the Steno and Rs. 10/- for the peons (for two peons at the rate of Rs. 5/- each). Stationery and service stamps will have to be provided by the officer on Government account as part of his office establishment.

FINANCES

The finances of the Labour Forum will be met mainly from out of the collections of membership fee but to be supplemented to the extent necessary by the grants to be made by the Central Ministry of Labour from out of the Plan allocation for the purpose.

MEETINGS

Ultimately, the Forum should meet about once a month. However, at the beginning and until interest has fully developed, bi-monthly or even less frequent meetings may be called for.

The meetings should generally last from one and a half to two hours. Adequate time after a speech should be left for a question and answer period.

OTHER ACTIVITIES

After the Forum has been in existence for some time, it may concern itself with more than regularly scheduled meetings. Sponsoring a day-long labour-management seminar, visiting a particular industrial plant or publishing a newsletter for members may be some of the programmes its members may want to undertake.

The success of the Forum may well depend on the energy and ingenuity of the officer. He will be the driving force behind the programme, at least at the beginning, and for that reason will need the support of his colleagues. Interest on the part of others may take time to develop. However, once the Labour Forum is a going institution, it will be immensely rewarding to the officers concerned both in terms of personal satisfaction and effectiveness in their work.

ANNEXURE VI-A

NAMES OF SECRETARIES IN CHARGE OF THE MINISTRY/DEPARTMENT OF LABOUR FROM 15th AUGUST 1947 TO 31st MARCH 1967

	Name of the Secretary	From	To
1.	Shri S. Lall, C.I.E., I.C.S	15.8.47 & before	28.2.50
2.	Shri V. K. R. Menon, I.C.S.	1.3.50	19.7.53
3.	Shri K. N. Subramaniam, I.C.S.	20.7.53	24.12.53
4.	Shri Vishnu Sahay, I.C.S.	24.12.53	31.10.57
5.	Shri P. M. Menon, I.C.S.	1.11.57	10.11.65
6.	Shri P. C. Mathew, I.C.S.	18.12.65	Continuing

ANNEXURE VI-B

NAMES OF OFFICERS WHO HELD THE POST OF CHIEF LABOUR COMMISSIONER (CENTRAL) FROM AUGUST 1945 TO DATE

	Name of Chief Labour Commissioner (Central)	From	To
1.	Shri S. C. Joshi	August 1945	29.9.48
2.	Shri Jaleshwar Prasad	30.9.48	4.12.50 (Permitted to resign)
3.	Shri L. C. Jain, I.C.S.	11.5.51	16.2.53
4.	Shri S. C. Joshi	9.3.53	8.10.54
5.	Shri N. M. Patnaik, I.A.S.	8.10.54	8.12.56
6.	Shri P. S. Easwaran	8.12.56	10.7.57
7.	Shri S. P. Mukerjee, I.A.S. (O.S.D.)	11.6.57	10.7.57
	C.L.C.(C)	10.7.57	2.11.62
8.	Shri Teja Singh Sahni	2.11.62	24.8.66
9.	Shri O. Venkatachalam	25.8.66	Continuing

Note —Shri O. Venkatachalam also officiated as Chief Labour Commissioner (Central) in short leave vacancies prior to 25.8.66 as under:

15.5.61	to	30.7.61
5.6.63	to	6.7.63
4.6.64	to	4.7.64
24.5.65	to	17.7.65

ANNEXURE VI-C

NAMES OF OFFICERS WHO HELD THE POST OF CHIEF INSPECTOR OF MINES (DIRECTOR-GENERAL OF MINES SAFETY) FROM 6.12.1946 to date.

	From	To
Chief Inspector of Mines		
1. Shri N. Barraclough	6.12.1946	2.4.1954
2. S. S. Grewal	3.4.1954	13.4.1961
3. Shri G. S. Jabbi	14.4.1961	30.4.1967
Director-General of Mines Safety		
1. Shri G. S. Jabbi	1.5.1967	18.11.1967
2. R. G. Deo	19.11.1967	Continuing

ANNEXURE VI-D

NAMES OF OFFICERS WHO HELD THE POST OF CHIEF ADVISOR, FACTORIES (DIRECTOR-GENERAL, FACTORY ADVICE SERVICE AND LABOUR INSTITUTES).

Name of Officer	From	To
Shri N. S. Mankiker	1948	7.3.1968
Shri S. R. Bhise	7.3.1968	Continuing