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No. 7(25)/67-NCL(C)
Government of India
National Commission on Labour
D-27, South Extension, Part II
New Delhi

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Dated the 23rd August, 1968.

To

The Chairman and Members of the National
Commission on Labour.

Subject:- Visit of the National Commission on Labour
to Bhopal, Madhya Pradesh-Record of discussions.

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Sir,

I am directed to forward a copy of the
Record of discussions of the Commission at Bhopal in
Madhya Pradesh State from 4th to 6th July, 1968, as
approved by the Chairman.

Yours faithfully,

P.D. Gaiha
(P.D. Gaiha)
DIRECTOR

NATIONAL RESOURCES CENTER OF LABOUR
INFORMATION & DOCUMENTATION
V.N.G. N.L.I.
NOIDA

ACC. No. L-183
DATE 2-2-99

NATIONAL COMMISSION ON LABOUR

(CAMP : BHOPAL)

MADHYA PRADESH

Date: 4.7.68

3.00 P.M. to 3.40 P.M.

Record of discussions with representatives of
the I.N.T.U.C., M.P. Branch, represented by:-

(NCL Ref.No.MP.VI.129)

1. Mr. V.V. Dravid,
President, M.P. INTUC.
2. Mr. Gangaram Tiwari,
General Secretary, M.P. INTUC.
3. Mr. Sumer Singhji,
M.P. INTUC.
4. Mr. Tora Singhji
M.P. INTUC.
5. Mr. Hira Lal Sharma,
M.P. INTUC.
6. Mr. Gordhanlal,
M.P. INTUC.
7. Mr. K.L. Yadav,
M.P. INTUC.
8. Mr. Mathura Lal Sharma,
M.P. INTUC.
9. Mr. Jawahar Lal Rathor,
M.P. INTUC.
10. Mr. Ramugrah Singh Gautam,
M.P. INTUC.

1. For non-implementation of labour laws and agreements employers should be liable for prosecution. Individual worker or the representative union, as the case may be, should also be liable for prosecution for non-implementation.

2. The present method of verification meets the needs of the situation for naming a representative union. Secret ballot will not be desirable for the purpose. It will introduce and be influenced by considerations extraneous to genuine trade union work.

3. The present system could be streamlined and made more acceptable to unions which oppose verification.

4. Secret ballot is inimical to the building up of the collective entity of workers. There are occasions when a union has to take unpopular decisions. Secret ballot, if adopted, will lead to extravagant promises and outbidding by rival unions. Also acceptance of secret ballot amounts to reversion to the old system when unions were not developed and workers united in what were known as 'Strike Committees'.

5. If the right to vote is given to all the workers, they may not become members of any union and if the voting is restricted to members only, it would virtually amount to verification.

6. Experience in Madhya Pradesh shows that verification for determining the comparative strength of unions takes less time than verification for determining members who can elect if voting right is restricted to union membership.

7. The INTUC is opposed to elections not because it is afraid that it might lose its representative character, but because it wants to build up a collective entity among workers and has a constructive approach.

8. INTUC has no objection to the labour court or any other independent agency conducting verification in place of the Labour Department or an agency of that Department. In this process all the parties including the employer should be associated.

9. The analogy between general elections and elections in the labour field is not quite correct. Where recognition by verification has been undertaken i.e. Maharashtra, Gujarat and Madhya Pradesh, it has led to stability of membership and progress in the union's objectives. M.P. is near the top in the matter of absence of strikes and man-days lost though this alone cannot be indicative of the soundness of the method the State has adopted for settling the representative character of unions or settlement of disputes.

10. There should be a common labour code, and a common pattern of labour judiciary, appointments to which should be made by the Chief Justice of the High Court.

11. L.A.T. should not be revived.

12. In case of disciplinary proceedings for serious misconduct, arbitration by a mutually-agreed arbitrator will be preferable (and in the event of dis-agreement on the choice of such an arbitrator, by an arbitrator nominated by the judiciary), but the process involved may turn out to be cumbersome. The bill before Lok Sabha in regard to powers of Tribunals to go into the facts and quantum of punishment will not create difficulties. This is the experience of M.P. legislation which has similar provisions.

13. The INTUC has a strength of about 93 thousand in Madhya Pradesh against the strength of about 5 to 6 thousand of the AITUC. (When the AITUC representatives were later on asked about their strength, they put their membership at 45 thousand).

14. The M.P. Act is more progressive than the I.D. Act. Under I.D. Act protection against victimization is provided to only "protected workmen". But the M.P. Act provides extended benefits. The Tribunals have discretion to grant subsistence allowance to a worker during the course of pendency of court proceedings.

15. The country is not yet ripe for collective bargaining. Voluntary arbitration, failing which settlement through industrial tribunals will have to be the pattern for some time to come.

16. It is true that violence erupted due to shift in political power in the State recently. There was an

agreement between the representative union (INTUC) and a textile mill in Indore. The rival union had taken recourse to violence in by-passing the agreement claiming that they had the support of the police for their action. But this should be treated as a passing phase.

17. In the last 8 to 10 months, there was one instance of 'gherao' type and two to three cases of violence. Even though there has been a change in the Government, workers have not joined rival unions.

17(a). For effective working, internal democracy in the affairs of the union is essential.

18. In clarifying the reply to questions number 102 to 109, it was conceded that appeals against adjudication under the Constitution could not be prevented. However, the Commission should take note of the fact that all this involved considerable delay. If this process is considered harmful both to the cause of workers and management, it may be necessary to amend the Constitution. Adjudication has been an extension of arbitration, therefore in principle appeals should not be allowed. In the units where the INTUC was the majority union experience showed that in 90 per cent of cases matters did not go to adjudication but were settled across the table. It was in the unorganised sector that cases which went to adjudication were more.

19. In arriving at the need-based minimum wage the capacity of the industry to pay should be taken into account.

20. Neutralisation for rise in prices in respect of the lowest paid employees should be full. At present the lowest category of workers gets only 70 to 75 per cent neutralisation.

21. Amendment was made in the M.P. Industrial Relations Act whereby the Judge could, in the interest of natural justice, allow any person or party to appear before him in individual disputes. This amendment was necessary because there were complaints that representative unions failed to give satisfaction to individuals who were not union members. This step may loosen the grip of the unions on workers but it was necessary in the larger interest of workers. This step has not, however, affected unions which have good work to their credit.

22. The present labour laws had been formulated keeping in view the needs of organised labour. It was necessary to provide relief to the unorganised sector. For this purpose the M.P. Government had prepared a bill in 1963. The Commission should study the bill and see if it could be adopted for providing relief to unorganised and protected sectors of labour.

NATIONAL COMMISSION ON LABOUR
(CAMP : BHOPAL)
MADHYA PRADESH

Date: 4.7.68

3.40 P.M. to 4.20P.M.

Record of discussion with the All India Trade Union Congress (A.I.T.U.C.), Madhya Pradesh Branch, represented by:-

(NCL Ref.No.MP-VI.148)

1. Mr. Shakir Ali Khan, M.L.A.,
President, AITUC.
2. Mr. Diwakar,
Vice-President,
AITUC, M.P. Branch.
3. Mr. R.A. Sarvate,
Vice-President, AITUC.
4. Mr. G.P. Shriwastava,
Secretary, AITUC.

1. Secret ballot should be adopted for giving a union the representative status. Communal considerations would not enter such elections as trade unionism cuts across such communal bonds. The AITUC have kept themselves aloof in communal riots. When parliamentary elections were held by the secret ballot, there should be no harm in adopting the same procedure in the field of labour.

2. The procedure of verification adopted at present permits the employer to play one union against the other.

3. All workers should take part in the voting by secret ballot. This will not discourage workers from becoming members of unions.

4. While it is not suggested that adjudicators, as individuals, have a 'class' bias, adjudication, as an institution emerges out of a 'class' concept.

5. All issues between employers and workers should be settled by trial of strength. The INTUC is not in favour of trial of strength as it feels helpless in strike situation.

6. The AITUC has a membership of 45,000 in Madhya Pradesh. The membership of the INTUC is not genuine. In many cases it is boosted by the employer.

6(a). No unions have been formed in M.P. on communal and caste basis. The Republican party has not entered the trade union field in M.P. yet with the slogan for separate unions for Harijans.

7. There should be a common labour code and a common pattern of labour judiciary, judges being appointed by the High Court.

8. Labour Appellate Tribunal should not be revived.

9. AITUC would consider whether cases of major misconduct should be referred to an agreed arbitrator.

10. Full neutralisation should be given to workers who are at the minimum level for every price rise. Rise in prices is due to various factors like extra taxes, policies of Government, famine etc. A proper investigation should be made and the rise attributed to specific sources and it should be recovered from them. In most cases the traders get all the benefits at the cost of consumer.

11. There were many cases of dismissals in Madhya Pradesh because of the method of recognition of representative union as laid down in the M.P. Industrial Relations Act. The percentage of re-instatement is low.

12. It is not correct to say that the trade union movement has not developed as it should because of the influence of the political parties. In the early stages of the movement there was a closer identification with politics. This had its advantages and drawbacks. There are now sections in the trade union movement like the unions in the LIC and P&T where unions have developed without the help of political parties. But able guidance of outsiders is needed generally.

13. Under the M.P. Industrial Relations Act only INTUC has been able to secure representative character. That is why few matters go to adjudication. The INTUC does not like to stretch matters to the point of disagreement.

14. Minority unions should have proportionate representation on the executive body of the representative union.

15. In case of wrongful dismissal, the employers should be made to reinstate; they should have no option to pay compensation and send away a worker. The method of paying compensation is followed in capitalistic countries and need not be adopted here.

16. If a minimum is ensured, there would be no objection to wages beyond the minimum being related to productivity. In any case when link is sought to be established between wages and productivity other conditions such as supply of raw materials, improved working environments, etc. are presumed to be satisfactorily maintained. Even now when wages are fixed, productivity is taken into account. If wages are to be related to productivity, existing norms would have to be altered.

17. Dearness allowance should form a part of wage.

18. Present strength of factory inspectorate is quite inadequate. It is corrupt and inefficient. It has no sense of duty. Generally the inspectorate is low paid. No convenience is provided to it. To cite an example, the accident at the Nagda factory took place because of lack of inspection.

19. There is no genuine association of workers with the management. It is only the favoured workers who are associated with the management and this works very much as a corrupting influence.

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NATIONAL COMMISSION ON LABOUR
(CAMP : BHOPAL)
MADHYA PRADESH

Date: 4.7.68

4.20 to 4.45 P.M.

Record of discussion with the Tapti Mill Mazdoor Sangh, Burhanpur, M.P. (affiliated to the H.M.S.) represented by:-

(NCL Ref.No.MP-VI:191)

1. Mr. Bharat Singh,
General Secretary.
2. Mr. Anand Rao Shinde,
Member-Executive.
3. Mr. Vallabh Das Govindji Wale,
Adviser.
4. Mr. Daulat Ram Tare,
Member.

The union is affiliated to the (H.M.S. has no branch in M.P.).

1. It preferred the present system of verification under the M.P. Industrial Relations Act to the method of secret ballot. It felt that secret ballot would arouse communal passions and membership of unions would be influenced thereby. The H.M.S. has a total membership of 14,000 to 15,000 in M.P.
2. There should be a common labour code and a common pattern of labour judiciary, the High Court nominating the judges.
3. L.A.T. should be revived.
4. The union was agreeable to resolving cases of serious misconduct by reference to arbitration from a mutually accepted panel of arbitrators. However, during the period of suspension, the worker should be paid a subsistence allowance.
5. The union was in favour of employment of women during day time only. There is a trend of cutting down on employment of women because the employer has to provide facilities like creches, maternity benefits, in case women are employed.
6. Employers in M.P. want to crush trade union movement in small places but the Government should not permit this to happen.
7. The union was opposed to secret ballot but if secret ballot is the only solution, the union members only should vote in the ballot. The verified members alone should form the electorate. There should be industry-wise unions for a local area and the area should be restricted to a revenue district.

8. Four unions operate in the Burhanpur Tapti Mills, but the Sangh is the largest. It has a membership of 1,850 and is recognised as the representative union since 14.1.1959.

9. The lunch interval should be of 45 minutes.

10. Factory inspectorate is inadequate. Provisions of the Factories Act are not duly observed. There is inadequate checking on working conditions.

11. Collective bargaining should be given full scope but failing this there should be a provision for compulsory arbitration. The union has to its credit many cases settled by mutual discussion.

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NATIONAL COMMISSION ON LABOUR
(CAMP : BHOPAL)
MADHYA PRADESH

Date: 4.7.68

4.45 P.M. to 5.25 P.M.

Record of discussion with the Bhartiya Mazdoor Sangh represented by:-

(NCL Ref.No. MP VI-190)

1. Mr. Hukum Chand Kachwai, M.P.,
President,
B.M.S. (M.P.)
2. Mr. T.R. Jumde,
Org. Secretary, B.M.S. (M.P.)
3. Mr. S.N. Sadhu,
Divisional Org. Secretary,
B.M.S. (M.P.)
4. Mr. G. Kishore,
President,
Factory Workers Union, H.E.L.

1. B.M.S. claims a membership of 30,000 in M.P. .
Because of the verification method they have not been granted representative status any where.

1(a). There should be a common labour code and a common pattern of labour judiciary, appointments being made by the Chief Justice of High Court.

2. L.A.T. should not be revived.

3. There should be collective bargaining but in case of failure recourse should be to adjudication machinery. There should be no compulsory arbitration.

4. Secret ballot is the best way for determining the representative character of a union. Communal passions will not be aroused in secret ballot. Verification as at present undertaken has many defects. There are instances in Madhya Pradesh where a recognised union had failed to submit its annual return for the last three years and has still continued to be recognised as a representative union.

5. Workers should be compelled to become members of one union or other. The Constitution may be amended, if necessary, for this purpose. The amount collected by the union by way of subscription should be supplemented to the same extent by the employer in order to improve union finances on the same principle as the employers' contribution to provident fund.

6. The B.M.S. has a membership of 5,000 in Bhillai Steel Plant alone.

7. There should be one recognised union for one industry. But minority unions should be consulted by the representative union before reaching an agreement or settlement with management. Minority union should be allowed to take up individual cases.
8. Workers are not a separate class; they are a component of the society. The Sangh does not believe in the inevitability of class conflict.
9. Dearness allowance should be based on the needs of the workers and the price they have to pay for their items of consumption. Reasons for increase in prices should be ascertained and such increases as are due to manipulation by traders, laxity of Government etc. should be recovered from the respective sections and not from the employer. A part of dearness allowance should be paid in kind.
10. Essential needs of workers should be taken into account while fixing the minimum wage. The minimum wage required for industrial labour should be Rs. 300/- per month and the industry which cannot pay the minimum wage of Rs. 300/- per month should have no right to exist.
11. Workers should be made productivity conscious. National consciousness has not been created among the workers by unions so far. The unions should make workers believe that by putting obstacles in production they will not get their demands accepted.
12. In many cases, settlements are arrived at without due regard to the interests of workers. Some union leaders feel that workers are to be utilised for political purposes.
13. Interest of the country should dominate over all other considerations as has happened in devastated countries which had regained their position through the spirit of nationalism. In this process, if any employer is obstructive, the workers may take over the establishment and run it.
14. There will have to be a difference between a manual worker and ministerial staff. A manual worker should get a better wage than the ministerial staff.
15. The definition of a worker should be enlarged to include those who earn upto Rs. 1000/- a month.
16. The Labour Department of the Government should have some control over the labour officers of the undertaking.
17. Cases in Labour Court should be decided within a period of three months. At present it takes anything from 5 to 6 years.
18. During the period of suspension worker should be given subsistence allowance. When workers are required to go to a court of law the expenses should be borne by the employer/Government.
19. The union officials should be seconded by the management for union work. They should not lose chances of promotion while engaged in union duties.

NATIONAL COMMISSION ON LABOUR

(CAMP : BHOPAL)

MADHYA PRADESH

Date: 4.7.68

5.25 P.M. to 6.00 P.M.

Record of discussion with the Madhya Pradesh Koyala Khadan Mazdoor Sangh represented by Dr. (Mrs.) Seeta Permanand, President, Rashtriya Koyala Khadan Mazdoor Sangh, Chandametta.

(NCL Ref. No. MP-VI.13)

1. The Sangh is affiliated to the I.N.T.U.C. It does not favour secret ballot as workers are illiterate and are easily influenced by management who are powerful. Hence secret ballot is not desirable because that will provide a scope for manipulation by management. The Sangh favours the present system of verification.
2. The Sangh demands that there should be a pre-employment training for all workers for a period of two months but this demand has not been favourably received.
3. 80 per cent of the posts should be filled up in collieries by promotion and only 20 per cent should be left to direct recruits. Such a provision is necessary as under the guise of recognising merit, employers favour outsiders and bring them into the industry.
4. Gorakhpur labour is not fulfilling the purposes for which that organisation was originally created. Nearly 40 percent of labour force in coal and manganese industry in Madhya Pradesh is contract labour. Contract labour has increased displacing the regular labour force.
5. They do not favour Workers' Education Scheme of the Central Board of Workers' Education, but prefer the ICFTU Programme.
6. Corruption is rampant in the coal fields; Conciliation machinery, the mines inspectorate and even some union officials are parties to it.
7. Cases involving serious misconduct should be decided by a panel of mutually-accepted arbitrators. The arbitrators should be from outside the area as the local people are easily influenced by management. There should be interchange of arbitrators from one industry to another.
8. The selection of judges of the ^{High}Courts and Tribunal is not quite happy as they are more punctilious about precedents and conservative conventions than lawyers. Workers are not able to get justice at the hands of such judges; workers cannot afford to engage lawyers. Some guidelines should be provided to judges in trying labour disputes.
9. Employers are callous about safety measurers in mines; the Government machinery is negligent, unscrupulous and slack.

10. In the name of safety, mines are closed and workers are rendered idle; mines are reopened after lapse of months but with a smaller complement of workers. A representative of the workers with suitable qualifications should be associated in determining whether a section of the mine is to be closed for reasons of safety. This association should also be there in determining when the mine is to be reopened. Further, uneconomic units should be compulsorily amalgamated. This would obviate cases where workers are not paid quarterly bonus on the plea of uneconomic working. In one case, five bonuses were not paid on this plea.

11. Since equal wages have to be paid to female workers, there was tendency to oust them in favour of males. As a result 50 to 60 per cent of women workforce has been reduced. Since it is only women who are in difficulty, such as widows, discarded wives who seek employment in mines, it is all the more necessary that steps be taken to keep them in employment.

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NATIONAL COMMISSION ON LABOUR

(CAMP : BHOPAL)

MADHYA PRADESH.

Date: 5.7.1968

Time: 9.40. A.M. to 10.10. A.M.

Record of discussion with Bhilai Steel Project (B.S.P.) Shramik Sangh, Bhilai, represented by:

(N.C.L. Ref. No. MP.VI.118)

1. Mr. Satyendra Sadhu, President.
2. Mr. B.G. Channe, Division Organisation Secretary B.M.S.

Under the Madhya Pradesh Industrial Relations Act one union is recognised. It is difficult to dislodge it even when it has lost its majority.

2. Election of a representative union by the method of secret ballot is favoured. All workers should vote in such elections. Secret ballot would not give rise to caste or communal considerations. There are no unions based on caste in Madhya Pradesh.

3. The Chattisgarh Kalyan Samiti is a non-caste union catering to the needs of the local people. The Republican Party had a union in Nagpur where only workers of a particular community were members but they maintain that it is not a caste union.

4. The workers taking part in trade union activities need protection. In Madhya Pradesh there are many cases of victimisation for trade union activity. It is difficult to prove these cases. But if an office-bearer misbehaves then he should not be protected.

5. The Sangh favours the resolution of disputes regarding disciplinary proceedings for serious misconduct by reference to a mutually acceptable arbitrator. (In case of disagreement on the choice of an arbitrator, an arbitrator would be nominated by an independent agency like the High Court).

6. Since union work is getting into a whole time affair, workers in the plant should be seconded for such work by management when the union demands such seconding. Such workers should be paid by the union but their promotion within the unit should not be affected.

7. There should be a parliamentary type of control over management by workers. A set of workers elected by the rank and file should be allowed to exercise due control over the management though the day to day running can be the management's responsibility. This would ensure more respect for a representative union both by workers and the management. The relationship between the technical staff and this parliamentary Secretary and a Minister.

8. The representative union in Bhilai, belonging to INTUC, made an agreement with management in 1960 whereby suitable workers from among those engaged on construction work were to be absorbed in the plant. In this process the union agreed to their wages being less than what they were getting as construction workers. The management was spending on the meals of workers' children at the rate of 25 np. per child. The INTUC also agreed to its discontinuance. This showed that the INTUC was making agreements with the management on the dictates of management. That is why it is pointed out that some unions may enter into agreements which are not favourable to the workers.

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9. The Sangh claimed a membership of 4000 to 5000. The INTUC union had no genuine membership but had managed to get its representative character continued.

10. Bhilai Steel Plant has no Works Committees. The Madhya Pradesh Industrial Relations Act does not provide for Works Committees. Workers on the Joint Committees under the Madhya Pradesh Industrial Act are nominated by the representative union. Such Committees are working.

11. The Sangh was in favour of payment of a part of the wages in kind. This would mitigate the hardship caused to workers on account of rise in prices. Co-operative Societies had not worked satisfactorily as the prices of commodities in the co-operative and fair price shops were not less than those prevailing in the open market.

12. The Sangh favoured the fixing of a national minimum wage. wages beyond the minimum should be related to productivity.

13. Administrative staff and teachers etc. who are salaried employees should get statutory protection available to workers.

14. The Bhilai Steel Authorities were denying the benefits of the Wage Board recommendations to the workers by recruiting labour on work-charged basis.

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NATIONAL COMMISSION ON LABOUR

(CAMP : BHOPAL)

MADHYA PRADESH

Date: 5.7.68

Time: 10.10 A.M. to 11.35 A.M.

Record of discussion with the Employers' Organisation represented by:

1. Mr. Tej Mukar Sethi, M.P. Textile Mills Association.
(N.C.L. Ref. No. MP-V.13)
2. Mr. K.N. Tenany, Vice-President & Manager Orient Paper Mills.
3. Dr. V.K. Gangwal, M.P. Chamber, Gwalior
(N.C.L. Ref. No. MP-V.8)
4. Mr. Narendra Vithaldas, Joint President, M.O.I.
(N.C.L. Ref. No. MP-V.38)
5. Mr. B.D. Kalia -do-
6. Mr. B.V. Shukla -do-
7. Mr. Kailash Agrawal, M.P. Textile Mills Association
8. Mr. Surendra M. Bhandari -do-
9. Mr. R.C. Bhandari -do-
10. Mr. H.L. Jain M.O.I.
11. Mr. N.P. Misra -do-
12. Mr. A.N. Patel -do-
13. Mr. H.L. Jain -do-

1. The principle that social justice and economic development should go together was acceptable.

2. The organisations were in favour of collective bargaining but not in its naked form. The experience in Madhya Pradesh has been that most of the disputed points were settled through discussions and only the remainder went up to adjudication. The continuance of the present system was favoured as conditions did not exist for free play of collective bargaining.

In no sector can collective bargaining be introduced at this stage. In course of time the system of collective bargaining with provision for compulsory arbitration can be introduced. (This was the view of Mr. Sethi's Organisation). Mr. Gangwal was in favour of continuing the present procedure. (Mr. Jain agreed to give a note on it).

3. Labour laws acted harshly on employers. Wild-cat strikes can take place under the Industrial Disputes Act and employers had no protection against them. There should be some safeguard to employers against such strikes at least in essential services like power houses in plants, water supply schemes, etc. Where there is

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a case of sabotage, criminal proceedings should be instituted against those responsible for it. In case of public utilities, if a dispute is pending, workers should not take recourse to strike.

4. Madhya Pradesh has its own Standing Orders Act and rules made thereunder. Whereas the Industrial Employment Standing Orders Act, 1946 (the Central Act) is applicable to establishments engaging 100 or more workers, the Madhya Pradesh Act is applicable to establishments engaging more than 20 workers.

5. The Act provides for giving notice of two months in case of change in shift working whereas the Central Act provides for a notice of three months. If such notice was not given under the Madhya Pradesh Act, wages had to be paid in lieu of such a notice. These enactments impose financial liability on the employers in Madhya Pradesh. The Central Act envisages no such liability.

6. Under the Madhya Pradesh enactment a breakdown of two hours entitles workers for wages. This also is a departure from the all-India pattern. The Madhya Pradesh enactment may not be repugnant to the Central legislation, but contains such provisions which add to the financial liability of the employers in Madhya Pradesh.

7. Outsiders and politicians should be excluded from the trade union field at least at the plant level. They may participate at the level of the federation.

8. A common Labour Code and a common pattern of labour judiciary is favoured, appointment of Judges being made by the High Court.

8A. Opinion was divided on the revival of the L.A.T.

9. Section 23 of the Madhya Pradesh Industrial Relations Act provides for legal aid being given by Government to approved trade unions in important proceedings. (The State Government was requested to furnish a statement showing the number and parties/persons to whom aid was provided under the Act during last few years.

10. Employers avoided dismissals because of the complications involved. But a dismissed worker should not be re-instated as it creates chaos in the plant. The Organisations favoured reference of such cases to arbitration of a mutually agreed person.

11. In case of failure of conciliation proceedings the Organisations favoured either party approaching the Court without the intervention of the Government.

12. There should be one union recognised for one industry in a local area. The present system of recognition i.e. by verification of membership will serve the purpose. Secret ballot was opposed since elections will arouse passions.

13. Minority union should have no rights whatsoever since individual worker could go to the Court. If minority unions were given any rights, they would create trouble and such trouble would not be conducive to collective bargaining. Minority unions should not be given proportionate representation in the executive body of the representative union.

14. The national minimum wage cannot be fixed as there are considerable disparities between different areas. It would adversely affect employment in the agriculture sector.

15. The need-based minimum wage should be coupled with the capacity of an industry or establishment to pay the settled wage.

16. In Bidi industry, workers are paid at the rate of Rs.2.25 per thousand bidis and normally they turn out 1500 bidis per day.

17. Employment of handicapped workers was not conducive to productivity. Further when able-bodied workers are available, handicapped workers could not be provided preferential treatment.

18. Inspection of factories was rigid, harsh and was carried out periodically. (It was clarified by the State Government officials that there were 2400 licensed factories and the inspectorate had a strength of 11 officers). Employers felt that the inspection was adequate.

19. Workers were not inclined to utilise safety equipment as it was not suitable for use under local conditions. Suitable equipment was not allowed to be imported from outside. Also non-utilisation of safety device should be considered to be a major offence. It was at present a minor offence.

20. The Organisations were not in favour of Wage Boards as they hampered the process of collective bargaining. The employers had implemented the recommendations of the first Wage Board for Cotton Textile Industry. The Wage Board also recommended adoption of a specific man-machine ratio but this part of the recommendation was not allowed to be implemented by the workers.

21. Once a Wage Board is appointed, its recommendations should be implemented. Issues should be resolved by mutual discussion between employers and workers at the time of revision on the basis of the recommendations of the Wage Board rather than appointing a new Wage Board.

22. Reply to Question No.18 was amplified. The high rate of accidents was due to the fact that sometimes unions forced managements to engaged unskilled workers in skilled jobs without training.

23. Many employers have their own incentive schemes and these are reported to have worked satisfactorily.

24. Employers' State Insurance Act, 1948 had led to increased absenteeism particularly in the marriage season. There is liberal certification by Doctors; also in some cases there is a collusion between the doctor and the worker.

25. Minimum wage should not be related to productivity. The National Productivity Council has failed to create any impact on the industries in the State.

26. Unions should accept the responsibility of educating workers for productivity consciousness.

27. Inter-union rivalry was the main cause for discontent amongst workers.

28. Human approach on the part of the employers towards workers does lead to higher productivity and gives sense of satisfaction. To achieve this not only the workers but the employers also need training.

NATIONAL COMMISSION ON LABOUR

(CAMP : BHOPAL)

MADHYA PRADESH.

Date: 5.7.68

Time 11.35 A.M. to 12.10 P.M.

Record of discussion with the All India Manufacturers' Organisation represented by:

(N.C.L. Ref. No. MP.V.78)

1. Dr. V.K. Tongia, President, All India Manufacturers' Organisation (M.P. State Board).
2. Mr. Narendra Vithaldas, Vice-President A.I.M.O.
3. Mr. S.R. Nandedkar, Hon. Treasurer.
4. Mr. B.L. Mittal, Member.

Labour in Madhya Pradesh is untrained; employers have to provide training for a larger labour force than required because trained labour is unstable. Cost of production in Madhya Pradesh is therefore higher as compared to other States like Maharashtra, Gujarat and West Bengal etc

2. Unless the National Minimum Wage is linked with productivity, there was no scope for improving the competitive capacity of the industries in the State.

3. In theory minimum wage cannot be related to productivity; but looking to the peculiar needs of the State, productivity considerations have to be introduced even for the minimum.

4. Employers should deal with one union; it should not be left to the choice of the employer whether he would deal with one union or the other of his choice. The representative character of the union should be decided by the process of verification and not by secret ballot. (In reply to the Questionnaire, the Organisation had favoured secret ballot but thereafter a corrigendum has been sent).

5. Minority union should have no voice. They should not even represent to the management about the individual grievances of their members. They should try to create a favourable atmosphere outside the factory.

6. In reply to Questions No. 130 to 133, the Organisation has stated that disparity between industrial wages and agricultural wages should be reduced. What was meant thereby was that wages of agricultural labour should go up.

7. Large-scale and small-scale industries should be treated differently. There is at present multiplicity of forms and returns prescribed under different Acts for different industries. Some of these forms should not be insisted upon in the case of smaller units.

8. The Organisation was in favour of a common labour code and a common pattern of labour judiciary, appointments to which should be made by the High Court.

9. The Payment of Bonus Act, 1965 and the E.S.I. Act, 1948 were applicable to all areas irrespective of the state of development. There was a case for introducing some differentiation in regard to the applicability of the Act. In Madhya Pradesh because of lack of development of the area, employers have to plough back greater amount of money and hence they should be permitted to have a larger share of the surplus money. (The Organisation will furnish a note suggesting a new formula for payment of bonus).

NATIONAL COMMISSION ON LABOUR
(CAMP: BHOPAL)
Madhya Pradesh

Date: 6.7.1968

10.05 A.M. to 10.30 A.M.

Record of discussion with the Security Paper Mills, Hoshangabad, represented by

1. Mr. N.D. Prabhu, NCL. Ref.No. MP-III.11
General Manager,
Security Paper Mill.
2. Mr. S. Ramaswamy,
Administrative and Chief Accounts Officer.
3. Mr. N.Y. Namjoshi,
Accounts Officer.

1. The unit has a total strength of 1080, out of which 750 are industrial workers. It is a departmental establishment under the Department of Economic Affairs.

2. There is no union in the plant yet. A Welfare Committee with a membership of 11 has been established; 8 members are elected by employees and 3 are nominated by management. The Welfare Committee is working well. The Welfare Committee looks after welfare problems. Complaints against management are not handled by the Committee. There has so far been no claim for better wages or better wages or better conditions of service because these matters are decided by the Government.

3. The unit has no Works Committee. No Labour Officer is appointed even though the factory strength exceeds 500. Labour Officer is now proposed to be appointed.

4. It is difficult to organise casual labour on a large scale; one way can be labour co-operative. The unit has a labour co-operative. (The unit has agreed to give a note on this subject.)

5. (A note will be supplied clarifying ideas in the reply to question No.162).

6. Ex. employees are given preference whenever fresh recruitment is made. In the process management has experienced difficulties because of the procedures laid down by Government for the Employment Exchanges. Under Government rules it is difficult to get ex. employees sponsored by the Employment Exchange unless the ex.employee secures a place in the priority list.

7. Employment Exchanges are reported to be partial in sponsoring candidates. Complaints are heard that unless a candidate offers a bribe his name is not sponsored by the Exchange. These matters require to be investigated.

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8. Clarifying the reply to question No.76, it was stated that Labour Officers in private undertakings paid by employers should work under the supervision and control of the Government Labour Department. This will ensure their independent functioning. It is only in this manner that Labour Officers could be effective in their work.

9. Local management at present is not delegated sufficient powers to take decisions and implement them on the spot. Bold approach in this regard has not yet developed in the country. Lack of adequate powers to local management was one of the infirmities coming in the way of successful working of departmental or public sector undertakings. The local management should also be prepared to delegate powers to the subordinates in the undertaking for the effective functioning.

10. There were no concrete cases to support their statement in reply to Question 88. Collective bargaining requires negotiations from positions of strength by both parties. If the management was weak, a strong union would lead a unit to bear heavy burdens. In other cases workers do not get satisfaction if unions are weak. No concrete cases could be cited to support the stand.

11. Dearness Allowance must serve the purpose of saving the real content of wages. It must extend to all sections of the workers though on a tapering scale. Every employee must get dearness allowance irrespective of his remuneration.

12. In the fixation of the minimum wage, capacity of the industry to pay should be no consideration.

13. For a better implementation of the provisions of the Minimum Wages Act, 1948, formation of co-operative societies of labour could be an answer but the co-operative should be in the hands of good workers.

14. Complete observance of labour laws must be insisted upon. Public Sector Units/Departmental Undertakings should not seek exemptions from labour laws.

NATIONAL COMMISSION ON LABOUR
(CAMP : Bhopal)
Madhya Pradesh

Dated:6.7.1968

10.30 A.M. to 11.45 A.M.

Record of discussion with the State Government Departments and Public Sector Undertakings represented by:-

1. Mr. K.S. Sivaraman,
Superintendent,
Government Printing,
Madhya Pradesh, Bhopal. NCL.Ref.No.MP-IV.77
2. Mr. S.H. Adle,
Additional Secretary,
Home Department.
3. Mr. P.S. Bapna,
Chairman, M.P.S.R.T.C.&
Chairman, M.P.S.Ind.Corpn. NCL.Ref.No.MP-IV.62
NCL.Ref.No.MP-IV.66
4. Mr. Narayan Singh,
Secretary, Agriculture. NCL.Ref.No.MP-IV.64
5. Mr. S.B. Lal,
Secretary, Irrigation &
Electricity.
6. Mr. P.D. Chatterji,
Chairman,
M.P. Electricity Board. NCL.Ref.No.MP-IV.38
7. Mr. Raj Kumar Khanna,
Secretary, P.W.D.
8. Mr. Kailash Narayan Mishra,
Chief Conservator of Forests. NCL.Ref.No.MP-IV.63
9. Mr. S.M. Jambholkar,
Deputy Secretary, L.G.(V).
10. Mr. B.G. Nam
Chief Engineer, P.W.D. NCL.Ref.No.MP-IV.67
11. Mr. K.L. Agrawal,
Secretary,
Forest & L.G.(V) NCL.Ref.No.MP-IV.65
12. Mr. D.S. Sinha,
Chief Engineer(Irrigation).
13. Mr. K.L. Handa,
Chief Engineer,
Major Projects Irrigation.
14. Dr. Ramakrishna,
Deputy Director, Agriculture.

Contd.....

15. Mr. S.S. Joshi,
Chief Personnel & Labour
Officer.

16. Mr. D.G. Bhave,
General Manager,
Madhya Pradesh State Road
Transport Corporation.

NCL Ref.No.MP-IV.62

17. Mr. A.N. Varma,
Director of Industries.

18. Mr. G.P. Dubey,
Director of Fisheries.

19. Mr. R.S. Khanna,
Deputy Secretary,
Tribal & Harijan Welfare
Department.

20. Mr. R.P. Kapoor,
Registrar,
Co-operative Societies.

21. Mr. S.N. Rao,
Deputy Secretary (Forest)

22. Mr. S.S. Shrivastava,
Conservator of Forests.

NCL Ref.No.MP-IV.63.

1. There should be one union for one industry.

1(a) M.P. State Road Transport Corporation engages 9000 employees and has unions according to local areas in the State (district-wise); there is no industry union.

2. The representative character of a union should be decided by secret ballot, all workers of the plant voting, though the method would be subject to all the defects which political elections suffer from. The distinctive character of secret ballot in the present case was that not individuals but unions were being voted upon. Secret ballot in trade union voting would not bring in any communal passions. In Madhya Pradesh, no union was organised on communal basis. (The M.P. State Road Transport Corporation was in favour of the present verification method for determining the representative character of unions.)

3. The present troubles in the labour field were due to inter-union rivalry. Giving proportionate representation to minority unions in the affairs of the representative union on the basis of vote in secret ballot will not work. Minority unions may be permitted to take up cases of individual workers as multiplicity of unions would continue even

in the absence of such a right to the minority unions. Giving this right to unions will provide them with an opportunity to gain representative character at the subsequent elections for representation.

4. Collective bargaining should be introduced in organised industries. The American system of collective bargaining viz negotiations between parties and in case of failure a cooling-off period followed by arbitration, if needed, in important cases should be tried out. M.P.S.R.T.C., however, maintained that the stage for introducing collective bargaining had not been reached as yet. The necessity for a machinery for conciliation and adjudication as at present will exist.

5. The Department of Co-operative Societies was of the view that a union with a very small number of workers should not be allowed to be registered. Whether for a plant or for an industry, unless a certain percentage of workers therein were members of a union; the union should not be registered at all.

6. In registering a union, acceptance of the Code of Discipline by the union was usually suggested by the Registrar to the applicant union, but in case the applicant refused to endorse it, the registration procedure was not affected.

7. A common labour code, a common pattern of labour judiciary, appointments to which will be made by the Chief Justice, were favoured.

8. L.A.T. should not be revived.

9. Cases of major misconduct should be resolved by reference to a mutually agreed arbitrator. In the event of disagreement over the name, an arbitrator nominated by the judiciary should be allowed to settle the case.

10. One-third of the labour force engaged by the Madhya Pradesh State Electricity Board was casual. There was also work-charged staff who have put in 5 to 6 years' service but still remain as work-charged. Amenities available to permanent employees are provided to the work charged staff. (A statement giving the total number of casual labour, according to the number of years put in by them is to be furnished. (The M.P.S.E.B. will examine the point whether linesmen above the age of 45 should be retired as being unfit for service).)

11. The Joint Council in Electricity Board is functioning well. The Electricity Board has a well-organised union and the management is responsive.

12. Under the M.P. Industrial Relations Act, no notice of strike is required and strikes are legal except when launched during the pendency of the dispute before the conciliation machinery or when the matter has been referred to adjudication.

Public Works Department(B&R)

13. Their contracts contain a Fair Wage clause. The fair wage corresponds to prevailing rate of wages or the minimum wage under the Minimum Wages Act, 1948. It is not the 'Fair Wage' as defined by the 'Committee on Fair Wages'. Complaints about non-payment of wages are received and efforts made to settle them. No investigation is undertaken unless a complaint is received. There was an inherent defect in the writing of contracts in this matter. Contractors usually employ labour on piece rate and the wage which workers actually get work out to much more than the minimum. In the process, however, workers do work beyond the stipulated hours of work. (The Secretary, P.W.D. agreed to conduct a sample survey through some dependable officials and furnish a report to the Commission about the rates of wages actually offered to contract workers).

14. Generally the officers in charge of supervision of work from the P.W.D. do not receive complaints from labour. Complaints regarding inadequate payment or non-payment go to the Labour Department who in turn make inquiries into the matter and suggest suitable action.

15. The Registrar Co-operative Societies stated that there were two types of complaints in regard to labour employed by contractors - one on the side of contractors who allege that some workers want to claim wages by merely putting in an appearance and not doing work, and the other against the contractors who do not want to pay labour properly. There are cases of short payments, short measurements, harsh deductions and the like.

16. There are craft unions in the P.W.D. Multiplicity of unions creates problems. By and large however, P.W.D. labour does not go on strike nor are there any serious troubles associated with it.

17. Chairman, M.P.SRTC was of the view that inspite of 20 years of freedom and abundant labour laws, workers were still feeling left out because of no improvement in real wage standards. On the other hand employers felt that in most cases the salaries or wages had no relation to the work put in. Wages and D.A. were going up but were not co-related

to the output. Such increase in wages should be related to production. This feeling in the respective groups has not abated mainly because of the price situation. Lack of consciousness or discipline among workers was part of the general atmosphere in the society. If operations on price front become effective a part of the dissatisfaction will cease.

18. One reason for failure of public sector undertakings is that personnel in charge of such undertakings are not trained for meeting the needs of this sector. This was the reason why personnel drawn from civil service got a bad name in the public sector. On the other hand, trade unions approach the public sector in the same manner in which they approach the private sector or even more critically. They are unable to adjust themselves to the new situation; this approach has necessarily to be different.

19. Top posts in public sector undertakings may be thrown open both to persons from outside the civil service.

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NATIONAL COMMISSION ON LABOUR

(CAMP: BHOPAL)
Madhya Pradesh

Dated: -6.7.1968

Time: 11.45 A.M. to 12.05 P.M.

Record of discussion with Eminent Persons:

1. Mr. Shambu Kumar Rai, Advocate, NCL.Ref.No.MP-X.47
Bhopal.

It is necessary to have some method to assess the representative character of a union. There should be fair elections and the Registrar should supervise them.

2. Promotions should be justiciable though it would give rise to increased litigation. At present lot of injustice was being done by denying promotions particularly in the public sector. Conditions regarding eligibility and minimum qualifications required for the posts were arbitrarily changed and promotions are almost left to the caprice of the employer.

3. The limit of 60 % for union registration, as suggested in Mr. Rai's memorandum was accepted as too high.

4. Recognition should be by secret ballot, all workers voting. Minority unions should have no right to exist.

5. In the present verification method when the membership is challenged, it is not possible to check the entire membership and the method of checking is also defective.

- II. Mr. Ramsingh Bhai Verma, Bhopal. NCL.Ref.No.MP-X.54

In the public sector undertakings, process of settling a dispute took considerable time since it involved discussion between parties, then a reference to Board of Directors, and then a further reference to the Ministry concerned. Such delays gave rise to unrest amongst workers.

2. The present verification procedure for union recognition was favoured as against secret ballot. Verification should be made to appear impartial.

3. Disputes within a union could be resolved by voting. But voting could not be extended to decide the representative character of a union. Different unions have different ideologies and different constitutions. One criterion, namely, 'secret ballot', could, therefore, not be extended for resolving inter-union disputes.

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4. Intra-union disputes arise because elections of office-bearers are held after a long period. There should be annual elections.

5. Disputes and differences occur within a union because of the presence of outsiders. Outsiders had helped in building up the trade union movement at one time but the situation is different now. In Madhya Pradesh there were practically no outsiders in the trade unions.

6. When a worker is elected as an office-bearer of a union, he should be released from duty for the period by the employer. He should continue to receive his wages but the union should reimburse the amount to the employer. At the end of his term as an office-bearer, he should resume his normal employment.

NATIONAL COMMISSION ON LABOUR

(CAMP: BHOPAL)
MADHYA PRADESH

Dated: -6.7.1968.

12.05 P.M. to 1.00 P.M.

Record of discussion with State Government Labour Department represented by:-

1. Mr. Ganesh Ram Anant,
Minister of Labour, M.P. NCL. Ref. No. MP-I.13
2. Mr. Virendra Singh,
Minister of State for Labour.
3. Mr. Devi Sahai,
Secretary to Government,
Commerce, Industry and Labour.
4. Mr. S.B. Lal,
Secretary to Government,
Irrigation Department.
5. Kumari Nirmal Yadav,
Deputy Secretary,
Commerce, Industry and Labour.
6. Mr. M.M. Khar,
Labour Commissioner, M.P.
7. Mr. Tyagi,
Chief Inspector of Factories, M.P.
8. Mr. L.N. Shandilya,
Deputy Labour Commissioner.
9. Mr. Lele,
Deputy Director,
Employment Exchange.
10. Mr. J.N. Puranik,
Deputy Labour Commissioner.

1. Representative character of a union should be ascertained by the method of secret ballot, all workers voting. Communal passions are not likely to be aroused in a secret ballot.

2. There should be a common labour code, a common pattern of labour judiciary, judges being nominated by the Chief Justice of the High Court concerned.

2.A LAT should not be revived.

3. Experience of the implementation of the provisions of the Minimum Wages Act in the State was not happy. Different minimum rates were prevailing

in different industries. Minimum rates of wages were fixed in 13 employments. Industries were dispersed over the length and breadth of the State in a widely scattered areas. The industries were differently developed and therefore there was difficulty in the implementation. Howsoever adequate the machinery may be it would be idle to expect satisfaction in this matter unless the machinery is supported by vigilant workers' organisation. Madhya Pradesh is the first State which had implemented the Bidi Industries Act which came into effect on 1.4.1968. The main difficulty is one of administration. Some inspectors have been specially appointed and have been trained. Perhaps this may yield results.

4. Notification method of fixing minimum wages is arbitrary. Such notification practically conforms to existing rates of wages. Committees appointed for fixation and revision have no guidelines. There should be uniform minimum wages in all the industries. But if uniform wages are now fixed in all industries it will upset development.

5. Conciliators should not be made subordinate to judiciary. They have a special role, not only in dealing with problems as they arise, but also to see if a dispute could be prevented.

6. There may be pre-hearing discussions under the aegis of the judiciary. Parties may approach the court directly. Such a provision already exists in the Madhya Pradesh Industrial Relations Act.

7. Industrial Lawyers and conciliators with law degrees should be eligible for appointment to the Industrial Courts. Assessors should be associated with the Industrial Court when economic and technical matters are involved. (Mr. Lal agreed to give a note on this subject.)

8. The whole of dearness allowance should not be merged with pay but major portion of it should be merged and the remaining amount should be varied according to changes in cost of living.

9. Claim to bonus is not a claim to charity but to a share in the profits earned by the industry through the joint efforts of capital and labour. (Mr. Lal agreed to give a note on bonus formula).

10. Factory Inspectorate is inadequate and with new industries coming up, it will need inspectors competent enough to deal with new problems. The quality of the Inspectorate is therefore important. At present the Inspectorate

is inadequate in number and poor in quality.

11. In respect of public sector undertakings there is a convention to consult the Central Government if a reference is to be made. There is a time-limit laid down within which this consultation is to be completed. Not only public sector undertakings are consulted but even private employers are informally consulted before a reference is recommended to the Government. The consultation is with a view to settle the matter. Record of public sector undertakings in Madhya Pradesh is not unhappy.

12. Labour should continue to remain in the Concurrent List.

13. (The State Government will furnish a scheme of decasualisation in industries. This has reference to question No.6, page 30 of their reply).

14. The question of employing physically handicapped workers in industries must be approached from a human angle. A law in this behalf may not be desirable. The idea should be to use such capacity of the handicapped which is not impaired for productive work.

15. Hardships of contract labour can be mitigated when legislation is coupled with unionisation amongst workers.

16. Facilities of housing particularly for construction workers should be provided by the employer. In case he fails to make the provision the principal employer should make the arrangement and debit the cost against contractors' bills.

17. One case of 'Gherao' occurred in the State in April '67 but it came about more as a result of inter-union rivalry than out of any demand for wages or other benefits. A small number of workers can stage a 'Gherao' even when majority of the workers do not subscribe to their sentiment. 'Gherao' is therefore a weapon of weak unions.

18. The major trouble in industry today is inter-union and intra-union rivalry. Fortunately, communal considerations did not play a part in these union rivalries in M.P. In many cases this was due to the fact that a union not having sufficient backing of the workers was given representative character in preference to the union having the backing of the majority of the workers.

19. Plant-wise unions were preferable. In respect of industries like transport, electricity,

etc. unions will have to be industry-wise. At present representative unions are recognised locally area-wise in all cases, but it may be necessary in some cases to recognise them industry-wise.

20. There is no provision for constituting works committees under the Madhya Pradesh Industrial Relations Act. Wherever they have been formed, the works committees have not functioned well. For their effective functioning, works committees need full powers for deciding issues; otherwise they should not be constituted.

21. The method of resolving cases of major misconduct by reference to a mutually-agreed arbitrator (failing agreement, the arbitrator to be nominated by an independent agency like the Judiciary) is preferable to the Bill before Parliament.

22. Bidi industry in Madhya Pradesh is spread over the length and breadth of the State. It is difficult to have a uniform minimum wage in the industry as conditions vary from area to area.