



AN OVERVIEW OF LABOUR WELFARE MEASURES IN INDIA

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ABSTRACT

In India, a number of labour legislations have been enacted to promote the condition of the labour keeping in view the development of industry and national economy. But for industrial regeneration, it is necessary that the partners of the industry must care their respective defects. Since independence both legislation and public opinion have done a lot to better the conditions of the workers but unfortunately the employers have not responded very appreciably. The present article is related to the study of Labor Welfare measures in India.

Key words: labour welfare measure, ecological, human resource management

INTRODUCTION

The term “Welfare” refers to a staff of living of an individual or a group in the context of his physical, social and psychic environment. The concept of labour welfare has undergone considerable change. Social and economic development of the country has to be towards the enactment of labour welfare and labour protective legislations. An individual’s adjustment to his environment is required for his existence in the industrial world. The purpose of this article is to reinterpret the factual literature on labour welfare in Indian context using this perspective. This article highlights the various findings of scholars about the nature of labor welfare in India in the context of economic globalization.

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1Page



Labour comprises all human efforts of body and mind. It includes ecological, economic and social welfare of the human being. Ecological welfare refers to the existence of friendly environment, economic environment means pollution free environment. While, social welfare means prevention of discrimination on the basis of caste, creed and gender of the human being. The welfare of the employees was not recognized during the pre-independence period.

The employers used to deal with the employees according to their whims and will. The employees were not having any bargaining power and bound to work as per the desire of their bosses. It was after the implementation of present constitution when welfare of the employees and participation of workmen in the management of the industries were made mandatory in India. In order to implement the constitution provisions, various amendments were made in the labour legislations and certain new legislations were also enacted.

At present time, employee welfare plays a significance role in the industrial development and economy of the country. It is an important façade of industrial relations. With the growth of industrialization and mechanization, its importance has been increased. A happy and contented workforce is an important asset to increase the prosperity of the nation.

Welfare is a broad concept which refers to the physical, mental, moral and emotional well-being of the individuals. Employee welfare is nothing but it is the amenities or facilities beside pay packets provided for the betterment of employees. Welfare measures served to enhance the image of an organization as caring employer. This image can be very useful to the organizations in recruiting, selecting and other human resource management (HRM) practices.

Labour welfare is very essential term in the present scenario because of the nature of industrial system. The approach to this movement varies from country to country according to the degree of development in a particular country. However, the need for labour welfare is realized all over the world because of the socio-economic conditions and problems in the industrial society (Banu & Ashifa, 2011). The need for labour welfare was strongly felt by the Royal Commission on labour as far as in 1931, primarily because of lack of commitment to industrial work among factory workers and the harsh treatment they received from their employers. Mamoria (2013) said that this need was emphasized, in free India, by the Constitution which contains the following articles in this regard:

Article 1

The state shall, within the limit of its economic capacity and development, make effective provisions for securing the right to work to education, and to public assistance in cases of unemployment, old-age, sickness, and disablement and in other cases of underserved want.

Article 42



The state shall make provision for securing the just and humane conditions of work and for maternity relief.

Article 43

The state shall endeavor to secure, by suitable legislation or economic organization or in any other way, to all workers, agricultural, industrial or otherwise, work, a wage, conditions of wage ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities; and in particular, the state shall endeavor to promote cottage industries on an industries on an individual or co-operative basis in rural areas.

Objectives of Labour Welfare

The objective of the labour welfare has been changing time to time. Efforts made by the employers give it a humanitarian approach to the employee-employer relations. At present time, employees are more oriented towards increasing productivity of the organization. It is a comprehensive term concerned with the development of total human personality which focused on the physical, mental, psychological and spiritual aspect of the employees' worth. The various motives and considerations have forced employees for the provision of employee welfare.

- Philanthropic and paternalistic employees tried to improve the working and living conditions of workers with the provision of welfare amenities.
- Labour welfare is a good incentive and investment for workers to develop greater efficiency.
- Welfare facilities are provided by some employers to save themselves from heavy tax on surplus.
- Some employees want to win over their employees' loyalty by providing welfare activities.
- Some employers are providing labour welfare services to reduce labour turnover and absenteeism which will promote amicable relations in the organization.
- Welfare facilities are to fulfill the future needs and aspirations of the workers which are related to the job satisfaction.
- The purpose behind the employee welfare is to create amicable atmosphere in the organization.

The objectives of labour welfare measures are to enabling workers to live a satisfactory and peaceful life. Improving the standard of living of workers by providing them best facilities



should be the motive of the organization. The management of the organization designs the policies according to the industrialization and urbanization of workers because it will contribute to the productivity and profitability of the industrial establishment.

Principles of Labour Welfare

There are certain principles related to the labour welfare. According to Mishra and Bhagat (2007), these principles are,

I. Principle of social Responsibility

Wood (1991) states that it is the mixture of business and society. It is the sense of responsibility of an industry towards the society. Industries follow some policies and guidelines which will serve to the society. This principle is based on the social conception of the industry; role of social responsibility is understandable by the industry.

I. Principle of democratic values

Industry has an obligation to gratifying needs of the workers. Management of the organizations takes decisions for fulfilling the needs of the workers. According to this principle, every individual has a right to tell needs to the management of the organization.

II. Principle of adequacy of wages

There is no substitute of wages. It is an important part of workers. There is a minimum standard of wages which has to be paid by the organization to the workers. In spite of providing various welfare services to the workers, wages can be paid in fewer amounts.

III. Principle of efficiency

In today's world, stress is a common aspect and a big obstacle for the organizations. Some industries don't follow social responsibility, although they are accepting for introducing efficiency. There are many aspects like training, education, creational activities which provide efficiency to the workers.

IV. Principle of welfare

Totality of the welfare is accepted at different hierarchies of the organization and it permeates throughout the levels of the organization.

V. Principle of co-ordination

Team spirit of workers motivates them to promote healthy development which will directly affect the profitability of the organization.



Nature and Scope of Labour Welfare

Labour welfare has two aspects: negative or positive. Negative side is related to the pernicious effects of the capitalistic or a large scale industrial system. While, positive side deals with the opportunities for the workers and his/her family for a good life.

In India, welfare measures consists of statutory and voluntary measures, statutory measures are in the hands of management and the voluntary measures are achieved through collective bargaining (Madhumathi and Desai, 2003). These are the minimum targets which can be achieved by welfare measures. Government is in the favour that statutory legislation should be provided from time to time for bringing uniformity in the basic amenities which are available to industrial workers (Monappa, 1985).

Labour welfare facilities covering a wide area of activities. To understand the scope of labour welfare, it is classified into two categories,

- a. statutory and non-statutory
- b. intra-mural and extra-mural welfare activities.

Statutory welfare facilities are those facilities which are mandatory for an establishment without which it cannot exist. Non-statutory welfare facilities are those facilities which are undertaken by employers for the welfare of their workers. According to the committee of experts on welfare activities constituted by International Labour Organization (ILO) in 1963; intra-mural facilities are those facilities which are provided within the premises of the establishments. While, extra-mural facilities are provided outside the premises of the industrial establishment.

The scope of welfare facilities cannot be limited to a certain area. Labour welfare is a comprehensive term which surrounds the statutory and non-statutory, intra- mural and extra-mural facilities introduced by the employers, government and trade unions fall under its scope. In the research work, the statutory welfare facilities are covered under the following acts namely Factories Act (1948), Industrial Disputes Act (1947), Minimum Wages Act (1948) and Payment of Wages Act (1936).

Significance of Labour Welfare

Welfare measures provide better physical and mental health to workers and thus promote a healthy work environment in the organization. Housing schemes, medical benefits, educational and recreational facilities help workers in raising their standards of living. The employee welfare schemes can be classified into two categories viz. statutory and non-statutory welfare schemes. These make workers to pay more attention towards work and thus increase their productivity.



Employers get stable labor force by providing welfare facilities to them. Workers take active interest in their jobs and work with a feeling of involvement and participation. Employee welfare measures increase the productivity of organization and promote healthy industrial relations thereby maintaining industrial peace. The social evils prevalent among the labors such as substance abuse, etc. are reduced to a greater extent by the welfare policies. Organizations provide welfare facilities to their employees by keeping their motivational level very high. The statutory schemes are those schemes which are compulsory to provide by an organization as compliance to the laws governing employee health and safety.

IMPORTANCE OF LABOUR WELFARE MEASURES

Labour Welfare measures are all meant for increasing labour productivity through all-round development of labour. By improving industrial relations, labour welfare measures contribute immensely towards creating an environment in which management with the full co-operation of workers can execute the plans and programmes of the organisation for realisation of its ultimate goals. The importance of labour welfare measures are as follows:

1. Improvement of Industrial Relations

Labour Welfare measures are so comprehensive that they satisfy workers, if properly implemented. This satisfaction on the part of workers is a great stimulus for the industrial relations to improve. When workers are convinced that adequate measures have been taken to improve their work environment and their conditions of service, then they naturally repose confidence in the management and thus it helps maintenance of industrial peace.

2. Creation of Permanent Labour Force

Well-adopted labour welfare measures restrict labour mobility. Workers generally feel reluctant to leave an organisation where their welfare is sincerely looked after. This attitude that welfare measures create helps the creation of permanent labour force which is important for an organisation to pursue plans and programmes on a continuous basis.

3. Increase in General Efficiency and Income of Workers

The comprehensive welfare measures assuring workers good accommodation, proper health-care, suitable work environment make the workers contented. Their contentment is a great inducement for them to work more. They become more efficient as they are not worried about their primary needs. Since their productivity increases, they earn more; their income increases.

4. Enhancement of the Morale of Workers



Labour welfare measures act as a booster to the morale of the workers. Workers with better amenities of life shun many of their vices and offer willing co-operation to management. This is a great benefit for the organisation.

5. Development of the Sense of Belonging

Labour Welfare measures make the workers feel that they are one with the organisation. Management thinks so much for them, does so much for their welfare that they cannot isolate themselves from the organisation they feel oneness with the organisation. This feeling that they have some stake in the organisation will help restore industrial peace. It will enhance their devotion to the job and thus the enterprise, as a whole, will be benefitted.

6. Change in Outlook of Employers

The change in the dealings of the workers consequent upon the introduction of labour welfare measures make the employers satisfied with them. Thus, there is a change in the outlook of the employers towards labour; a cordial relation is set up and the work environment improves considerably. When the employers find the workers willing to work and devote themselves to the development of the organisation, they do not even hesitate to allow them to participate in management.

7. Improvement of the Moral and Mental Health of Workers

Welfare measures include such measures as would prevent the workers from indulging in vices such as drinking, gambling etc. and thus their moral and mental health improves contributing overall improvement in the health of the organisation and society.

8. Benefit to the Society

Besides providing economic benefits to workers, labour welfare measures extend to workers various facilities that have direct bearing on their better mode of living. Because of medical benefits extended to them, the workers enjoy better health and infant mortality among the workers declines.

The workers feel happier and the society as a whole is benefitted with people having better standards of living and better equipped with more purchasing power to contribute to the general welfare of the country in general and the society in particular.

REVIEW OF LITERATURE

A 1975 study conducted by Koshan pointed out that despite statutory provisions and enforcing agencies in India, welfare facilities were conspicuously absent with only the cement industry providing adequate provision. Appointment of welfare inspectors for different industries, distinguishing the duties of factory inspectors from those of welfare



inspectors, submission of annual and quarterly reports, and empowering welfare inspectors to charge fines in case of default, were some of the measures suggested in this study.

John (2004) in his paper found that the large gaps existing between rich and poor, unorganised workers and organised workers, have led several countries to attempt to provide social and economic security to the poor and to the unorganised sectors. In Kerala, for instance, the introduction of modern methods of production and the growth of capitalist production relationships had important consequences for both traditional crafts and craftsman. One of the consequences has been the breakdown of the traditional social security set-up. The social security system among craftsmen was entrenched in the craft and caste traditions and practices.

Jetli (2006) examined the whole range of labour-related issues during the post Independence period. However, his approach to the topic is chiefly descriptive, with scattered comments. Demographic trends, employment policies and strategies, constitutional provisions, legal framework and institutions pertaining to labour and its welfare, current labour policy issues, labour laws pertaining to women and their empowerment and approaches of WTO and India on matters related to labour are described.

Objectives of the Study

The main aim of the study is to analyze the overview of labour welfare measures in India. The main objective of this study is to know about welfare measures and well being among employees in India. To achieve the main objective, the following sub objectives of the study have been formed,

- ❖ To Provides social comfort to employees.
- ❖ To Support overall improvement of employees.
- ❖ To provide financial support indirectly to the employees.
- ❖ To contribute in developing sense of responsibility and belongingness among employees.
- ❖ To improve working conditions at the workplace for employees.
- ❖ To maintain and retain the existing workforce.
- ❖ Able to reduce rate of absenteeism from work and labour turnover from job
- ❖ To improve lives of employees comfortable and happy.
- ❖ To improve productivity and efficiency of employees at workplace.



- ❖ To provide healthy and proper working conditions.
- ❖ To ensure betterment of employees and families and society as a whole.

Methodology

In this research paper a conceptual framework is developed on the basis of review of the past studies and Govt. publications etc. The objective of this research is to understand the extent of the role of labour acts to promote efficiency and to enforce the arrangement of working conditions, organization of social and sports club and establishment of funds by firm, which contribute to workers health and safety, comfort, efficiency, economic security, education and recreation. Data collection method for this study is based on secondary documents study.

CONCLUSION

Labour Welfare measures are the comforts to be provided by the factory to its employees being a manager but many a time it seems to be that the factory act as a capitalist and want to control the working class by infringing the facilities to them. After analyzing the entire results the researchers concludes it is proved by the above data that the employees welfare measures are not sufficient for the employees.

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THIRUPPATHI S.

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9P a g e



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THIRUPPATHI S.

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10P a g e

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