

## **LABOUR WELFARE IN INDIAN PERSPECTIVE**

### **Introduction**

The term welfare brings in many ideas, meaning to state well being, good health , happiness, prosperity and the development of human resources. The concept of welfare has been a total concept involving physical, mental, moral and emotional well being of individual.

The social concept of welfare implies the welfare of man, his family and his community. It is an interconnection of three three aspects in the sense that all these work together and individually supplement one another.

### **The Concept**

Welfare is called as a relative concept for it is related to time and space. Changes in it have an impact on the system. As a result the potential changes in the welfare content keep changing with time and space. It is also been observed that the welfare as a concept differs from country to country and from place to place.

Secondly, welfare is a positive concept, as to establish a minimum standard of living, it would demand certain minimum acceptable conditions of existence in both biological and social. Thus, when this is defined it is necessity for the components of welfare in terms of health, food, clothing, housing, medical assistance, insurance so on are to be taken care of.

Further, labour welfare as a concept has both positive and negative sides like, it deals with the provision of opportunities which enable the worker and his family to lead a good life, socially and personally and on the negative side it provides opportunities for undesirable consequences and labour problems.

The concept of labour differs from country to country, industry to industry and from time to time and region to region. Further it also depends on the kind of problems with which the society is confronted that is moulded according to the age group, sex, soci cultural background, economic status and educational level of the employees in various industries.

The utilization philosophy of the labour welfare work as a motivating force towards every labour and for those interested in it.

## Definition

There could not be just one single definition to find universal acceptance. The simplest of all could be to understand that labour welfare as “ efforts to make life worth living for worker “.

The Encyclopedia of social sciences welfare is termed as voluntary efforts of the employers to establish within the existing industrial system, working and sometimes living and cultural conditions of the employees beyond what is required by law, the custom of the industry and the conditions of the market.”

Another definition on labour welfare states that “anything done for the comfort and improvement, intellectual and social of the employees over and above the wages paid, which is not a necessity of the industry.”

It could also be defined as “such services, facilities, amenities, which may be established in or in the vicinity of undertakings to enable persons employed therein to perform their work in healthy and congenial surroundings and to provide them with amenities conducive to good health and good morals.”

Labour welfare is also defined as “ anything done for the intellectual, physical, moral and economic betterment of the workers, whether by employers, by government or by other agencies over and above what is laid down by law or what is normally expected as part of the contractual benefits for which the workers may have bargained”.

Another definition on labour welfare defines it as “ that cover all the efforts which employers make for the benefit of their employees over and above the minimum standard of working conditions fixed by the factories act and over and above the provision of social legislation providing against accident, old age, unemployment and sickness.”

Another definition on labour welfare states that “ such services, facilities and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities, arrangements for travel to and from work and for the accommodation of the workers employed at a distance from their security measures, as contribute to an improvement in the conditions under which workers are employed .”

Thus these definitions enables us to understand as one “ in which much can be done to combat the sense of frustration of the industrial workers, to relieve them of personal and family worries, to improve their health, to afford them means of self expression, to offer them some sphere in which they can excel others and to help them to a wider conception of life. “

The most significant definitions describes labour welfare work as “ the voluntary effort of the employer to improve the living and working conditions of his employees, the underlying assumption of course being that the first essentials to the welfare of the employees are steady work, a fair wage and reasonable hours of labour “.

Of all these definitions, it is very much transparent to note that none of these definition is complete or comprehensive. There is no precise, definitive outline or demarcation in this subject and thus they may give overlap and ambiguity in certain areas of action.

However, it is a well known fact that labour welfare promotes the wellbeing of the workers in a variety of ways. Any kind of voluntary service will come under the purview of labour welfare if it aims at helping the worker to work better and in more congenial surroundings and also to live better physically, socially, morally, economically and intellectually.

### Objectives of Labour Welfare

In the beginning humanitarianism and social awareness motivated labour welfare activities. Driven by the desire for greater efficiency and output from workers and with a view to attract better workers, employers lured them into their Organisation through labour welfare measures.

Further, some of the few issues tackled by labour welfare measures are as stated below.

Such labour welfare measures persuade workers to accept mechanization and some times labour welfare measures were used by the employers as a tool to combat the outside agencies on their employees.

Labour welfare measures are often undertaken to avoid paying of tax on surplus and simultaneously building up good relations with the employee.

Some times labour welfare measures are undertaken to meet the minimal requirements that is followed by other organisations in the industry.

### Theories of Welfare

The Police Theory – is based on the contention that a minimum standard of welfare is necessary for labourers. The theory assumes that without compulsion, periodical supervision and fear of punishment, employers will not be ready to provide even the minimum welfare amenities.

Further, the theory is based on the conclusion that man is self centered and selfish and always tries to achieve his own ends even at the cost of the welfare of others. If wealth, authority are at his ends, he would take advantage of the same and exploit the work force for his individual sake.

Therefore the theory postulate that the welfare state has to step in to prevent these atrocities and exploitation and force industrialists to offer minimum standard of welfare to their workers. Thus various laws are promulgated in order to compel every organisation to provide the minimum standard welfare measures leading to

The passing of laws relating to the provision of minimum welfare for workers,

Periodical supervision to ascertain that these welfare measures are provided and implemented and

Punishment of employers who evade or disobey these laws.

It is seen from the above that the emphasis by the theory is on the fear and not on the true spirit of welfare. As such many big industrialists do not undertake the welfare measures that are not backed by law, even though these may bring in some good relief to the workers and improve their life.

While the others in spite of being capable to carry out, they are not interested to carry out any welfare Programmes while the others try to find loopholes in the law and convince the factory inspectors they have duly carried out the legal requirements.

The Religious Theory – is propounded on the concept that a man is essentially a religious animal. Even today many acts of man are related to religious sentiments and beliefs. Hence these religious feelings sometimes prompt an employer to take up welfare activities in the expectation of future benefits either in his life or in some future life.

According to the theory, any good work is considered an investment both the benefactor and the beneficiary are rewarded, based on this philosophy many charitable and other religious institutions have come into existence.

Another aspect of the religious theory is the atonement aspect , as some people take up welfare work in a spirit of atonement for their sins and any welfare act is treated either as an investment or an atonement.

Further, according to this theory man is primarily concerned with his own welfare and only secondarily with the welfare of the others. The religious basis of welfare cannot be rational, nor universal or continuous.

Philanthropic Theory – is based on mans love for mankind. In Greek philos means loving and anthropes mean man and hence loving mankind becomes the key factory for the theory.

Man is believed to have an instinctive urge by which he strives to remove the suffering of others and promote the well being and this being very powerful drive it impels him to perform noble sacrifices. Thus the labour welfare movement began in the early years of the industrial revolution with support of Robert Owen and in India the movement began with the ardent support of Mahatma Gandhi, who strove for the welfare of the labour.

Trusteeship Theory – also called as paternalistic theory of labour welfare says that the industrialist or employer holds the total industrial estate, properties and profits accruing

from them in trust. Hence he uses them for himself and for the benefit of his workers and for the society.

Here the workers are treated as minors and they are ignorant because they lack in education and they are not able to look after themselves. Therefore employers have the moral responsibility to look after the interest of their wards who are the workers. Here there is no binding or obligation legally but only morality issues are raised.

Here, the welfare of the labour depends on the initiative of the top management and more related to moral conscience of the industrialists and hence may create a good will between the labour and management.

The Placating Theory –is based on the act that labour groups are becoming demanding and militant. They are more conscious of their rights and privileges than ever before. Their demand for higher wages and better standards cannot be ignored and hence it said that the timely and periodical acts of labour welfare can appease the workers.

Public Relations Theory – provides the basis for an atmosphere of goodwill between labour and management and also between management and the public. Labour welfare programmes under this theory work as a sort of an advertisement and help an industrialist to build up good and healthy public relations. The theory is based on the assumption that the labour welfare movement may be utilized to improve relations between management and labour. Thus an advertisement of the industrialist in promoting labour welfare schemes may improve his relations with the public and at the same time these kind of programmes may lack sincerity and continuity as such programmes when loses its advertisement value may become redundant and be withdrawn or even abandoned may become only a publicity stunt rather than labour welfare.

The Functional Theory – also known as efficiency theory, welfare work is used as a means to secure, preserve and develop the efficiency and productivity of labour. It is obvious that if an employer takes good care of these workers, they will tend to become more efficient and will thereby step up production. Thus this depends on the healthy relationship between the union and management and their mutual concern for the growth and development of the industry.

Thus higher the production is of benefit to both management and labour, as the labourer will get better and higher wages and also to share profits. This concept would work well when both the parties have identical aim.

In India it is said that the industrial system clings largely to the paternalistic approach and some management try to achieve this through police control. Either way workers start expecting too much from employers as a result of which employers provide welfare measures in a some what half hearted manner. Thus the theory works more effectively by reason of an intelligent and willing participation of workers.

## Principles of Labour Welfare

Principle of Adequacy of Wages – labour welfare measures cannot be a substitute for wages, workers have a right to adequate wages, but high rate of wages alone cannot create a healthy environment nor would bring in commitment on the part of the workers. A combination of social welfare, emotional welfare and economic welfare together would achieve good results.

Principle of Social Responsibility – according to this principle, industry has an obligation towards its employees to look after their welfare and this is also backed by the constitution of India in its directive principles of the state policy.

Principles of Efficiency – plays an important role in welfare services and is based on the relationship between welfare and efficiency, though it is difficult to measure this relationship. Whether one accepts the social responsibility of industry or not, the employer quite often accepts the responsibility for increasing such labour measures as would increase efficiency. For eg. Diet planning in canteens.

Principle of Re-personalisation - the development of human personality is found to be the goal of industrial welfare and this principle should counteract the baneful effects of the industrial system. Therefore it is necessary to implement labour welfare services, both inside and outside the factory.

Principle of Totality of Welfare – emphasizes that the concept of labour welfare must spread throughout the hierarchy of an Organisation and employees at all levels must accept this total concept of labour welfare without which the labour welfare would not be implemented.

Principle of Co-ordination – is a concept of co-ordinated approach that will promote a healthy development of the worker in his work, home and community. This is essential for the sake of harmony and continuity in labour welfare services.

Principle of Democratic Values – cooperation of the worker is the basis of this principle and thus consultation and the agreement of the workers in the formulation and implementation of the labour welfare services are very necessary for their success.

Moreover workers allowed to participate in planning these programmes get keenly interested in their proper implementation. This principle is based on the assumption that the worker is a mature and rational individual and industrial democracy is the driving force here and workers also develop a sense of pride when they are made to feel that labour welfare programmes are created by them and for them.

Principles of Responsibility – recognises the fact that both employers and workers are responsible for labour welfare. Trade unions too are involved in these programmes in a healthy manner, for basically labour welfare belongs to the domain of the trade union activity.

Further, when responsibility is shared by different groups, labour welfare work becomes simpler and easier. Accordingly various committees are elected or nominated and various powers and responsibilities in the welfare field are delegated to them. For Eg. Safety committee, the canteen supervision committee etc.,

Principle of Accountability – is also known as principle of evaluation. Here one responsible person gives an assessment or evaluation of existing welfare services on a periodical basis to a higher authority. In this criteria one judge the success of labour welfare programmes.

Principle of Timeliness – The timeliness of any service helps in its success. To identify the labour problem and to discover what kind of help is necessary so solve it and when to provide this help are all very necessary in planning labour welfare programmes.

Principle of Self Help – is the facts that labour welfare must aim at helping workers to help themselves in the long run. This helps them to become more responsible and more efficient.

#### Need and Scope of Labour Welfare

Labour welfare has become essential because of the very nature of the industrial system and the approaches to this system differ from country to country. Since our country is still going through the process of economic development, it is of great consequence and somewhat easier to counteract the baneful effects of the industrial revolution that has adversely affected the people all over the world.

Thus the need for labour welfare was strongly felt by the committee of the Royal Commission on Labour as far as back as in 1931, primarily to protect every industrial worker from the hands of their employers.

Further, the above commissions mission to protect labour was emphasized in the state directive principles of the following article.

Article 41 – The state shall within the limits of its economic capacity and development make effective provision 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 just and humane conditions of work and for maternity relief.

Article 43 – The state shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers, agricultural, industrial or otherwise work a living wage, conditions of work ensuring a decent standard of life and full enjoyment

of leisure and social and cultural opportunities and in particular the state shall endeavour to promote cottage industries on an individual or cooperative basis in rural areas.

Some of the necessities for the Labour Welfare Measures to introduced

- There were only 25 million during the initial period of industrial growth, while the strength of the workers is increasing year after year and hence, need for a mechanism to look into the welfare of the labour.
- Workers put in long hours of work in unhealthy surrounding and the drudgery of the factory work continues to have adverse effect. To counter these welfare measures were felt necessary.
- As a result of hardwork, they fall prey to alchoholism, fambling and other immoral activities results in absenteeism and other problems in the organisation. Hence the need was felt.
- Good education and training facilities for workers were also felt necessary as there was high rate illiteracy and lack of proper education background.
- Good training provided will reduce industrial accidents, increases workers efficiency and create a sense of commitment among the workers.
- Welfare activities like family planning, child welfare facilities and maternity care assist workers in a variety of ways, which would reduce the mortality rate and maintain good health of the spouse and children of the family, which would create a confident note in the workers.
- Promoting welfare activities lead to better working conditions and standards for industrial workers.

Scope of Labour Welfare

Contribute to the productivity of labour and efficiency of the enterprise

Raise the standard of living of workers by indirectly reducing the burden on their purse

Be in tune and harmony with similar services obtaining in a neighbouring community where an enterprise is situated.

Be based on an intelligent prediction of the future needs of industrial work and be so designed as to offer a cushion to absorb the shock of industrialization and urbanization

Be administratively viable and essentially development in outlook.

However no labour welfare activities can be limited to facilities, within or near the undertaking nor can it be comprehensive as embrace the whole range of social welfare or social services. It therefore follows all the extra mural and intra mural welfare activities as statutory or non statutory welfare measures undertaken by employers.

It bring under its purview all welfare activities and amenitieis related to canteen, rest and recreation facilities, medical assistance, better health, nutrition and sanitation, travel to and from work, education, housing, holiday facilities and so on.



## Classification of Labour Welfare Activities

In the year 1959, government of India appointed a study team to examine the entire range of labour welfare activities and to make recommendations for their inclusion in the Third Five Year plan. The team divided the entire range of labour welfare activities into three groups.

Welfare within the precincts of an establishment, medical and crèches, canteens and supply of drinking water.

- Latrines and urinals
- Washing and bathing facilities
- Creches
- Rest shelters and canteens
- Arrangement for Drinking wate
- Arrangement for the prevention of fatigue
- Health services, including occupational safety
- Administrative arrangements within a plant for welfare
- Uniforms and protective clothing and shift allowance.

Welfare outside the establishment, provision of indoor and outdoor recreation, housing, adult education and visual instructions.

- Maternity benefits
- Social insurance measures, including gratuity, pension, provident fund, rehabilitation
- Benevolent fund
- Medical facilities including programmes for physical fitness and efficiency, family planning and child welfare
- Education facilities, including adult education
- Housing facilities
- Recreation facilities, including sports, cultural activities library and reading room
- Holiday Homes and leave travel facilities
- Workers cooperatives including consumers, cooperatives stores, fair price shops and c o-operative thrift with credit societies.
- Vocational training for dependants of workers
- Other programmes for welfare of women, youth and children
- Transport facilities to and fro from work.

Social Security.

Over and above all these the act makes a provision for the appointment of a welfare officer in the establishment itself who will look after the implementation of the various statutory provisions.

## Labour Welfare in India – Pre – Independence

The origin of labour welfare activity in India goes back to 1837, following the abolition of slavery in the year 1833 and British colonies started importing Indian labour. Then the labour welfare activity was mainly controlled by legislation and the earliest act in this regard was the Apprentices Act of 1850, that was passed to protect the orphaned children to learn various trades with the help of experienced craftsmen.

The next act was the Fatal Accidents Act of 1853 aimed at providing compensation to the families of workmen who lost their lives as a result of any actionable wrong at workplace. This act was followed by the Merchant shipping act of 1859, which intended to regulate the employment of seamen and provided for their health, accommodation and protection.

The review of all these early enactments shows that they were drawn up with specific objectives and that they do not indicate any planned policy or approach to the labour welfare. Thus they were only attempting to regulate employment rather than improve their working conditions of labour.

22 years elapsed after the shipping act before the first Indian factories was passed in 1881, which marked the beginning of a series of labour laws that brought improvements in the working conditions of labour. The conditions of the labour that worked in the textile mills in Bombay in the 1870 onwards were the immediate cause for this act to be enacted.

Some of the conditions of the workers during those time were , children below the age of 08 years were employed, the hours of work was between sunrise to sunset, there were no fixed holidays and under all normal conditions the mills were working for not less than 320 days in a year and the conditions inside the working area were not fit for humans to work and the levels of safety was inadequate.

Thus the Indian Factories Act of 1881 was made applicable to all the factories using mechanical power employing not less than 100 persons and working more than 04 months in a year. Further the following is highlighted of the act.

Children below the age of 07 could not be employed, while those between the age of 07 and 12 were not work for more than 09 hours a day.

They were also to get 04 holidays every month

State was empowered to appoint factory inspectors to oversee the functions of the factories

Dangerous machineries were to be properly fenced and every accident need to be reported to the factory inspector.

Following the international conference on labour at Berlin, and on the advice of the special commission on labour the following amendments were made in the year 1891 to the factories act of 1881.

It applied to all the factories employing 50 persons or more and could be extended to those who have 20 workers.

A mid day break for half an hour was made compulsory

A weekly off day was prescribed

Women were allowed to work for a maximum of 11 hours with a break for 1 and half hours.

The lower age limit for the worker was raised from 09 years to 14 years and were not allowed to work for more than 07 hours a day.

Local governing bodies were empowered to make rules regarding sanitation and other amenities for workers

Provisions were made for inspection and penalties for breach of any provision of Factory Act.

This act could also not come of certain drawbacks like

It did not apply for those factories that did not work for more than 120 days in a year

Safety provisions in the act were also found to be inadequate and legally the manager of the factory was not an occupier and could not therefore be punished for breach of the provisions of the act.

During these periods various voluntary actions in the fields of labour welfare also made considerable progress. Group efforts came to the forefront. The amalgamated society of railway servants of India and Burma, formed in the year 1897 started a number of friendly benefit schemes, the printers union in Calcutta and the postal union in Bombay were respectively organised in 1905 and 1907. They introduced mutual insurance schemes, night schools, educational stipends and funeral allowance. In the year 1910 the Kamgar Hitwardhak Sabha was established with the aim to help workers in a variety of ways and the most important being the labour welfare functions.

After Independence

The labour welfare movement acquired new dimensions. For the requirement of massive investments in industry during this period, it was felt necessary that labour welfare played a positive role in increasing productivity and reducing industrial tensions. The state too seriously took its social responsibility to the weaker and working sections of the population. Thus the factories act of 1948 was enacted that replaced all previous legislations.

Factories Act of 1948.

The factories act of 1948 is a milestone in the factory legislation and the main provisions of the act are as follows.

Provisions regarding safety guarding machines, health and cleanliness, drinking water, washing and latrine facilities, lunch rooms and restrooms, sitting arrangements, first and dispensary facilities in all the factories employing more than 500 workmen, crèches were more than 50 women workers are employed, welfare officer where more than 500 workmen are employed, provisions for spittoons, holidays with wages at the rate of one day for every 20 days worked, weekly hours like 48 hours for adults and 27 hours for younger persons, rate of payment for overtime work, rest for half an hour after maximum 05 hours of work and weekly holiday.

The act provided for development of labour welfare movement in two streams. One movement through voluntary effort to develop programmes with a view to minimizing hardship and the other an agitational movement for better legislation. Thus the government is playing a triple role of legislator, administrator and promoter.

The Indian constitution makes a specific mention of duties the state owes to labour apart from the factories act of 1948. The government of India also passed the welfare act known as employees state insurance act, which provides for benefits to workers in case of sickness, maternity, employment injury, hospitalization etc.,

#### Welfare practices in India

Many welfare amenities described in the main report of the labour investigation committee have become a part of the statutory obligations. The different welfare amenities are under the various heading as follows.

#### Sanitary and Hygiene Facilities

The maintenance of a clean, sanitary and hygienic working environment is now accepted as an important basic welfare amenity that would include toilets, water for drinking and washing.

The factories act requires that every factory must be kept clean and free from effluvia flowing from any drain, that a sufficient supply of wholesome drinking water must be made available at suitable and convenient points and separate latrines and urinals for male and female workers be provided and spittoons and washing facilities be provided .

#### Rest facilities

This amenity prescribes a prescribed number of seats on the shop floor and in rest rooms or shelters in order to reduce fatigue as it enables a worker to take a break. Further the act also makes provisions for lunch rooms to be provided if there are more than 150 workers and these places be clean, well lighted and ventilated and provided with adequate furniture and drinking water wherever necessary.

#### Feeding facilities

Every factory employing 150 or more workers should provide a lunch room with provision for drinking water to enable workers to eat the meals brought by them and where over 250 or more workers are employed, there should be a canteen or canteens.

In fulfilling the objectives of an industrial canteen, several points like the following should be kept in mind.

It should be managed on a non profit basis.,

The canteen has to be roomy, clean, bright and well placed in the factory

Should have comfortable and friendly atmosphere

The food supplied in the canteen should be adequate and of good quality.

The three ways of administering the industrial canteens are

Directly by the employers

By a contractor and by a co-operative society of workers.

### Medical Facilities

Since the Second World War, the importance of preventive and curative medical care has increased and it is now accepted theory that health care for workers will help to reduce the incidence of sickness and therefore absenteeism among them and will increase productivity.

The factories act of 1948 provided for cleanliness, disposal of wastes and effluents, ventilation and temperature control, dust and fume, artificial humidification, restriction regarding overcrowding, lighting, drinking water arrangements, latrines and urinals and spittoons etc.,

Statutory medical facilities were also provided under the Employees State Insurance Act 1948, with subsequent amendments. This act extends such benefits to industrial workers as maternity benefits, disablement benefits, dependants' benefits, sickness benefits and medical benefits, while medical care and cash benefits were also provided for workers.

Apart from the medical and health facilities provided by legislation and by some employers on a voluntary basis, other similar services have been organised by workers by labour welfare centre and some trade unions.

### Occupational Health Services

These are essentially preventive, very common in the industrially advanced countries of the west and it is gaining importance and recognition in the large sized undertakings in our country. One of the main functions under this service is to protect workers against the health hazards arising out of the nature of their work or the work environment. This service includes carrying out periodical medical checks for categories of workers to detect early signs of ill health and prevent them from serious health complaints.

## Family Planning

Increasing population has increased the strength of the labour force and created a number of economic problems, including the problem of unemployment and industrial unrest. A great deal of attention has therefore been paid to family planning programmes for industrial workers. Various committees that were formed to look into the welfare measures under labour welfare activities was of the opinion that family planning programme for industrial workers should be a part of labour welfare.

## Creche

This is a welfare facility which is provided for women workers. This is a place where babies of working mother are taken care of while the mother is at work. The provision for this facility was made in the factories act of 191934 and the need was emphasized in the 1948 enactment stating that it is mandatory for an Organisation which has around 30 women workers, and should be adequately lighted and ventilated with clean sanitary condition.

## Social Security Measures

The concept of social security has been mentioned in the early Vedic hymn which wishes everyone to be happy free from ill health and enjoy bright future and suffer no sorrow. In total it is based on the ideal of human dignity and social justice.

Social security is defined as “the security that society furnishes, through appropriate Organisation, against certain risks to which its members are exposed” These risks are essentially contingencies against which the individual, who has small means, cannot protect himself. These contingencies include employment injury, sickness, invalidism or disablement, industrial disease, maternity, old age, burial, widow hood, orphan hood and unemployment.

Social security is also defined as “the securing of an income to take the place of earnings when they are interrupted by unemployment, sickness or accident, to provide for retirement through old age, to provide against loss of support b y the death of another person and to meet exceptional expenditure connected with birth, death or marriage... The purpose of social security is to provide an income up to a minimum and also medical treatment to bring the interruption of earnings to an end as soon as possible “.

Friedlander defined social security as “ a programme of protection provided by society against these contingencies of modern life – sickness, unemployment, old age, dependency, industrial accidents and invalidism – against which the individual cannot be expected to protect himself and his family by his own ability and foresight”.

Thus Article 41 of the constitution of India says that “ The sate shall within the limits of its economic capacity and development, make effective provision 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 undeserved want.”

Thus, the social security measures would help man to face the contingencies as such it is difficult for him either to work or to get work and support himself and his family. Thus social security measure provides a self balancing social insurance or assistance from public funds.

The three major ways of providing social security are

Social Insurance – is described as the giving in return for contribution, benefits up to subsistence level, as of right and without a means test, so that an individual may build freely upon it. Thus social insurance implies that it is compulsory and that men stand together with their fellows.”

The features of social insurance are - It is financed entirely by or mainly from the common monetary contributions of workers, employers and the state. This fund takes care of all the benefits paid in cash or kind.

Second the state and the employers make a major contribution to the fund, while the employees pay only a nominal amount, according to their capacity to pay.

Third, when there is a total or partial loss income, these benefits within limits, ensure the maintenance of the beneficiaries minimum standard of living.

Fourth, social insurance benefits are granted without without an examination of an individuals needs and without any means test, without affecting the sense of self respect of the beneficiary.

Fifth these benefits are so planned as to cover, on compulsory basis all those who are sought to be covered.

Lastly, social insurance reduces the suffering arising out of the contingencies faced by an individual contingency which he cannot prevent.

Social Assistance – is provided as an supplement to social insurance for those needy persons who cannot get social insurance payments and is offered after a means test. The general revenues of the government provide the finance for social assistance payments, which is made available as a legal right to those workers who fulfill given conditions.

Social assistance and social insurance go side by side. Social assistance programmes cover such programmes as unemployment assistance, old age assistance, public assistance and national assistance.

Thus social security is a combination of the principle of social assistance and social insurance. Social insurance however falls in midway between the two for it is financed by

the state as well as by the insured and their employers, whereas social assistance is given grants to the needy by the state or the community. Commercial insurance is entirely a private contract.

Public Service –is a programme constituting the third main type of social security. They are financed directly by the government from its general revenues in form of cash payments or services to every member of the community falling within a defined category.

Some of the services being rendered under this scheme is, national health service providing medical care for every person in the country, old age pension, pension for invalidism, survivors pension to every widow or orphan and a family allowance to every family having a given number of children.

Apart for the state, there are many other agencies which provide security against contingencies. In many other countries, the trade unions have their own sickness, old age and unemployment schemes. Savings funds, sickness benefits and old age pensions have also been provided by a large number of Organisations for their employees. “ The underlying idea of social security measures is that a citizen who has contributed or is likely to contribute to his country’s welfare should be given protection against certain hazards.”

### Indian Social Security System

In India, the social security system was in a crude form of social protection that was made available to the needy and the un fortunate under the joint family system, while additional help was rendered by the community panchayats, orphanages and widows home and also by individuals offering alms and charity.

With the joint family system problems like unemployment or any other economic hardships, old age and other contingencies were not suffered by the individuals, since there were not in isolation. Similarly members of a particular cast were offered security and benefits such as medical aid, financial help to widows and orphans, educational assistance in the form of scholarships and free ships were offered. However these assistance were offered only to the members of their community and there was no definite law or principle towards these.

During the time of urbanization and industrialization both these systems of social security system lost its hold on the society and the concept of secular state in India has further eroded the continuance of the system.

Modern industrialization has created anew class of industrial portrait of the country with its rural background and with very little social and material resources, is in great need of systematized help through social security agencies. The social security system in India has evolved in obedience to the impact of western influence and of the modern urban industrial system.



Thus social reformers, labour welfare Organisations and many progressive employers persuaded the government to undertake social security measures as a protection for the workers at least against a few contingencies. Social security is a major aspect of public policy today and the extent of its prevalence is a measure of the progress made by a country towards the idea of a welfare state.

The following major enactments have been made by the Government of India to provide social security to industrial

Workmens Compensation Act 1923 – was put into effect on 1<sup>st</sup> July 1924 and was amended several times. It was extended and enforced by the Indian Independence Order of 1948 and adaptation of laws order in 1958, war time injuries were also covered by the act.

Employees State Insurance Act 1948 – The Government of India could not adopt the health insurance schemes due to financial difficulties and hence after several conferences, the health insurance for the workers was recommended as compulsory and contributory in August 1944 and the Employees State Insurance Act was enacted in the year 1948 that would cover the cash benefit in contingencies of sickness, maternity and employment injury but did not provide security in such contingencies as unemployment and old age.,

The ESI schemes offer both direct and indirect medical care. The direct method is called the service system by which the ESI corporation provides medical care either through its own employees state insurance hospital or through reservation of beds in state government hospitals. The indirect method is know as panel method under which medical care is provided through private doctors selected by the state government with the approval of the ESI corporation that would cover

Sickness benefit  
Maternity Benefit  
Disablement Benefit  
Dependants Benefit  
Funeral Benefit and Medical benefit.

Employees Provident Fund Act 1952 – applied to all factories mines and other coal mines and commercial establishments employing more than 20 workers and their earning not exceeding Rs. 3,500/-. The provide nt fund act of 1q952 was amended following which the employees family pension scheme has been enforced from March 1 1971 with a view to protect the family after the workers death.

Maternity Benefit Act 1961 – following the enactment, it provided for better and more far reaching benefits and hence the state act of maternity benefit that were enacted earlier lost its importance and gradually the central act was adopted.

Industrial Dispute Act 1947 - was the act that provides for workers unemployment due to layoff. This relief was given by way of compensation to the affected workers at a certain specified rates. The compensation in case of retrenchment cases amounts to 15 days average earnings for every completed year of service or part thereof. In the event of closure of undertaking, the retrenched workers receive compensation at the same rate, however it is limited to a maximum of 03 months average earnings.

Employer's family pension scheme 1971 – was notified by the Government of India under the employee's provident fund and family pension act. Here the family pension means a regular monthly amount payable to a person belonging to the family of a member of the pension fund scheme in the event of his death during the period of reckonable service. The definition of the word, family covers wife or husband, minor sons, and un married daughters of a member of the family pension fund.

Payment of Gratuity act 1972 – according to the act, gratuity shall be payable to an employee

On termination of his employment after he has rendered continuous service for not less than five years.

On his superannuation

On his retirement or resignation

On his death or disablement due to accident or disease

## **LABOUR WELFARE**

### **1. What do you understand by labour welfare? Discuss the need & importance of labour welfare in India**

**OR**

**Discuss in brief the reasons for the labour welfare activities in India.**

**Labour Welfare** – Labour is the most important factor of industrial production. Management seeks co – operation of labour force by providing welfare in terms of provisions for better working conditions adequate lighting and ventilation etc. Labour welfare work aims at providing such service facilities and amenities which enable the workers employed in industries to perform their work in healthy congenial surrounding conducive to good health and high morale.

“Any thing done for intellectual, physical moral and economic betterment of the worker whether by employer, by Government or by agencies over and above what is laid down by law or what is normally expected on part of the contractual benefits for which workers may have gained”.

- **Labour Investigation Committee**

“ Labour welfare means such services, facilities and amenities which may be established in , or in the vicinity or undertaking to enable persons employed there in to perform their work in healthy and congenial surroundings and to provide them with amenities conducive to good health and good morals”

- **International Labour Organisation**

“ Efforts to make life worth living for worker”

- **The oxford Dictionary**

“Welfare is fundamentally an attitude of mind on the part of management influencing the methods by which management activities are undertaken”

- **R R Hopkin**

“ The voluntary efforts of the employer to establish with in the existing industrial system, working and some times living and cultural conditions of employer beyond what is required by law, the customs of the industry and the conditions of the market”

- **Encyclopedia of Social Science.**

“The labour welfare work covers all the efforts which the employers make for the benefit of their employees over and above the minimum standards working conditions fixed by the factory act and over and above the provisions of the social legislations providing against accident, old ages unemployment and sickness”

- **N M Joshi**

“ The term labour welfare connotes any thing that makes conditions in the factory conducive to happiness, health and prosperity of the workers”

- **Sir Edward Pantom**

The labour welfare operates to neutrlise the harmful effects of large scale industrialization and urbanisation . Provision of welfare amenities enable the worker to live an richer and more satisfactory life and contributes to their efficiency and productivity . It help in maintaining industrial peace.

### **Objectives of Labour welfare activities.**

Following are the objectives of the voluntary labour welfare services by employer:

1. To win over employees loyalty and increase their morale.
2. To develop efficiency and productivity among workers.
3. To save one self from heavy taxes on surplus profits.
4. To reduce of threat of further government intervention.
5. To make recruitment more effective.

6. To give expression to philanthropic and paternistic feelings.
7. To combat trade unionism and socialist ideas.
8. To earn good will and enhance public image.
9. To build up stable labour force, to reduce labour turnover and absenteeism.

### **Importance of Labour welfare activities.**

Labour welfare in India has a special significance as the constitution provides for the promotion of welfare of the labour for humane condition of work and securing to all workers leisure, social and cultural opportunities. Labour welfare is measure to promote the efficiency of labour. The various welfare measures provided by the employer will have immediate impact on the health, physical and mental efficiency, alertness, morale and overall efficiency of the workers and thereby contributing to the higher productivity. Moreover, the workmen require protection from certain calamities which imperial their efficiency. Social security measure provided by employer will act as a protection to the workers. Social security aims at providing collective measures to protect the members of a community against social risk as their individual resources are seldom adequate to after protection against hardship. Both assistance and social insurance from integral parts of the system of social security . Labour welfare introduces the extra dimension to industrial relationship which ever a satisfactory wage alone cannot provide. Labour welfare express the humane interest as enlightened employer has in the well being and contentment of the people who work for him. Labour welfare means activities designed for the promotion of the economic, social and cultural well being of the employees. The term labour welfare includes any thing done for intellectual, physical, moral and economic betterment of worker by government or by other agencies over and above what laid down by law in various contingencies like illness, unemployment , disability and death which have direct impact on the well being of the worker and the dependent.

### **Reasons for the labour welfare activities in India.**

Following are the reasons for the labour welfare activities in India. By understanding these reasons, the importance of labour welfare activities can be understood:

- a) Increase in the efficiency of employees.
  - b) Helpful in reducing the state of poverty among employees.
  - c) Establishment of industrial Peace.
  - d) Helpful in maintaining health and physical ability of employees.
  - e) Helpful in reducing the rate of absenteeism and labour turnover.
- 
- a. Increase in the efficiency of the employees – Labour welfare activities increase in efficiency of the employees to work. These facilities help in developing the feeling of dedicating among them. Due to the increase in efficiency the production and productivity of the enterprises increase considerably.

- b. Helpful in reducing the state of poverty among employees – A great problem in industrial development of our country is extreme poverty among Indian workers. Most of the workers in our country are unable in providing for base necessities for themselves and to their family members. Provision of labour welfare activities plays an important role in reducing such poverty and providing essential amenities to the workers.
- c. Establishing Industrial peace. – Labour welfare activities help in establishing harmonious relations between employees and employers. Employees realize that they are getting all possible facilities, and the employer take care of them, Such feeling among employees is helpful in establishing industrial peace.
- d. Helpful in maintaining health and physical ability of employees – most of the Indian workers are unhealthy and ill fed. It reduces the production capacity of the employees. Provision of nourishing food and medical facilities help in maintaining health physical ability of the employees.
- e. Helpful in reducing the rate of absenteeism and labour turnover- The rate of absenteeism and labour turnover is much higher in India as compared to that of developed countries of the world. Provision of labour welfare activities help reducing this arte because the workers feel themselves well settled at one place.

**2. What do you mean by labour welfare? Discuss the principle of labour welfare.**

**OR**

**Discuss the various elements of making the labour welfare effective.**

**Principles of Labour welfare.** – The following principles should be kept in mind properly following to achieve successful implementation of welfare programmes:

1. Principles of social responsibility of industry.
  2. Principles of totality of welfare.
  3. Principle of accountability.
  4. Principle of timelines
  5. Principle of responsibility
  6. Principle of association or democratic values.
  7. Principle of efficiency
  8. Principle of co ordination or integration
  9. Principle of adequacy of wages
  10. Principle of re - personalisation
  11. Principle of self help
- 
1. Principle of social responsibility of industry – Industry, is a sub system of the society. It draws its manpower from the society. Obviously, industry has an obligation or duty towards its employees to look after their welfare. According to this principle, to provide welfare facilities to the employees is social responsibility of industry.
  2. Principle of totality of welfare – According to this principle, labour welfare activities and facilities must be extended to all the employees of the organisation

will be achieved if a section of the employees are unable to counteract the baneful effects of industrial system.

3. Principle of accountability – This principle is also called as principle of evaluation. This principle suggests that welfare programmes must be evaluated periodically. This is very much necessary to judge and analyse the success of welfare programme and recognize it for better results.
4. Principle of timeliness – The timeliness of any welfare programme help its success. To find out what are the labour welfare needs and what kind of welfare programme are necessary, the time required is very important. Timely action in proper direction is essential in any kind of welfare activities.
5. Principle of responsibility – The principle of responsibility is based on assumption that labour welfare is the joint responsibility of employers and employees.

According to this principle, labour welfare becomes simple and easiest task because responsibility is shared by different groups.

6. Principle of association or democratic values – For the success of a welfare programme association of employees in planning, organizing and implementation is most essential. Employees who have associated in planning, organizing, and implementation of welfare activities get keenly interested in the welfare programmes.
7. Principle of efficiency – Efficiency of the workers and welfare facilities are interdependent. Hence principle of efficiency plays an important role in organizing welfare facilities to their employees as it would increase their efficiency which would in turn lead to increase productivity.
8. Principle of co ordination or integration – This principle of co ordination or integration plays an important role in the success of the welfare programmes. Welfare measure to be effective new co ordination or integration approach will promote a healthy development of the employees in his work, home and community. This is essential for integrating employees to their work environment.
9. Principles of adequacy of wages – According to this principle worker have a right to adequate wages. Labour welfare facilities must be provided over and above the adequate wages. That means labour welfare measures can not be a substitute for wages. At the same time, it is also true that high wage rate alone can not create a healthy atmosphere nor being about sense of commitment on the part of workers. A combination of wages and labour welfare together would achieve good results.
10. Principle of re – personalisation - This principle suggests that goal of labour welfare should be overall development of the employees. According to this principle, labour welfare measures help workers to resist the baneful effects of industrial system; therefore, it is necessary to organize labour welfare activities both inside and outside the factory.
11. Principle of self – help – This principle suggests that the labour welfare must aim at helping employees to help themselves in future. This helps employees to become more responsible and more efficient.

**3. Discuss in brief the various constitutional provisions for labour welfare in India.**

**Labour welfare in India** - The directive principle of state policy in our constitution express the need for labour welfare. Following acts are there in the constitution for labour.

Article 32 - The state shall make effective provisions for securing the right to work, to education and to public assistance in case of unemployment, old age, sickness, disablement and other cases of undeserved want.

Article 33 - The state shall make provisions for securing just human conditions of work and for maternity relief.

Article 39 – The state shall in particular direct its policy towards securing:

- a. that the citizen, men and women equally have the right to an adequate means of livelihood
- b. that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment.
- c. That the ownership and control of the of the material resources are so distributed as to sub serve the common good.
- d. that the health and strength of workers men and women and tender age of children are not abused and that citizens are not forced by economic necessity to enter a vocation unsuited for their age and strength.
- e. that there is equal pay for equal worker for both men and women.

Article 41 – The state shall with in the limits of it s economic capacity and development, make effective provisions for securing the right to work, to education and to public assistance in cases of under served wants.

Article 42 - the state shall make provision for securing just and human conditions of work and maternity relief.

Article 43 – The state shall endeavour to secure by suitable legislation or economic organisation or in any other way, to all workers, agricultural industrial or otherwise, work, a livening wage, condition of work ensuring decent standards of life and full employment of leisure and social and cultural opportunities and in particular, the state shall endeavour to promote cottage industries on an individual or co – operative basis in rural areas.

Article 43 A – the state shall take steps by suitable legislation or in any other way to secure participation of workers in development of undertaking, establishments or other organisations engaged in industry.

**4. Who is labour welfare officer? Discuss the duties and function of labour welfare officer .**

Labour welfare officer - The Indian Factories Act 1948, made it obligatory on the part of the employers to appoint welfare officers to look after the labour welfare activities in the factories where there are 500 or more than 500 workers are employed. Thus the appointment of labour welfare officer is statutory requirement. His work with human resources officers to solve the labour related problems.

Duties and function of labour officer –

1. To encourage the formation of workers and joint production committees, co – operative societies and safety and welfare committees and supervise their works.
2. To advise and assist the management in the fulfillment of obligations, statutory or otherwise, concerning the application of provisions of the Factories Act of 1948 and rules made there under and to establish liaison with the factory inspector and the medical services concerning medical examination of employees, records supervision of hazardous jobs, visiting the sick and convalescence , accident prevention and supervision of safety committees, safety education and investigation of accidents.
3. To encourage the formation of workers and joint production committees, co operative societies and safety and welfare committees and supervise their work.
4. To Promote relations between management and workers which will ensure productive efficiency as well as ameliorate the working conditions and to help workers to adjust and adapt themselves to their working environment.
5. To establish contacts and hold consultations with a view to maintaining harmonious relations between the management and workers.
6. To advise and assist management in the provision of amenities such as canteen, shelters for rest, crèches, adequate latrine facilities, drinking water , sickness and benevolent scheme payment , pensions and super annuation funds and gratuity payments.
7. To bring to the notice of workers their rights and liabilities under the standing orders of the establishment and other rules which grant rights to and define the duties of workers or which are directed to the discipline safety and protection of workers and establishment
8. To advise assist the management in providing welfare facilities such as housing facilities , food , social and recreational facilities, sanitation, education of children and advise on individual personal problems.
9. To suggest measures which will serve to raise that standard of living of workers and in general promote well being.
10. To bring to the notice of the management the grievances of workers, individual as well as collective with a view to securing their expeditious redress.



11.To advise workers against going on illegal strikes and the management against declaring illegal lock – outs and to help in preventing antisocial activities.

12.To study and understand the point of view of labour in order to help the management to shape and formulate labour policies and interpret their policies to the workers in language they can understand.

13. To help the management in regulating the grant of leave with wages and explain to the workers in the matter submission of application for grant of leave for regulating authorised absence.

14. To maintain an impartial attitude during illegal strikes lock outs and help to bring about a peaceful statement.

**5. Discuss in brief the various theories of labour welfare.**

**OR**

**Write brief note on the followings:**

- a. Philanthropic theory of labour welfare**
- b. Public relation theory of labour welfare**
- c. The functional theory of labour welfare**
- d. The policing theory of labour welfare.**

**Labour welfare theories** – Labour welfare theories tries to give the answer to the question – what induces employer to organize and establish labour welfare for their employees? It is said initially that the employers do this primarily on humanitarianism and social awareness ground. In some cases it is done to increase efficiency and output from the workers. Labour welfare activities are organized also to attract better and qualified workers. Such activities are made it possible for employees to persuade workers to accept show off and advertise their concern for labour welfare by organizing labour welfare activities. Thus, it can be said that the motive behind welfare activities are often complex, for the belief varies from person to person. There are seven approaches to the philosophy or theory of labour welfare. These are:

1. Philanthropic theory
2. Religious theory
3. Paternalistic or trusteeship theory
4. Public relations theory
5. The functional theory
6. The policing theory
7. Placating theory

1. Philanthropic theory – Philanthropic theory means loving mankind. The philanthropic theory is based on man’s love for mankind. Man is believed to spontaneous urge to better

the lot of his fellow beings. For this reason man strives to remove suffering of others and promote their well being.

Explained from this point of view labour welfare activities could be act of pity on the part of employers who want to remove the sufferings to their workers.

The labour welfare movement began in the early years of industrial revolution with support of Robert Owen – a philanthropists. In India, Mahatma Gandhi, Lokhande, B P Wadia were well known philanthropists who strove for the welfare of the workers.

2. Religious theory – Many human behaviours are influenced by religious sentiments and beliefs. Owners, as human being subscribe to religious statement and beliefs. These religious feelings, sometimes prompt an employer to take up welfare activities in the expectation of future benefit in this life and in future life. And closely allied to this religious theory, we could also recognize the atonement theory. According to this theory some employers are prompted to take up welfare activities in a spirit of atonement for his sins.

This theory prefers the idea that man is primarily concerned with his own welfare and only secondarily with the welfare of others. The religious basis of welfare however, can not be rational. It is neither universal nor continuous.

3. Paternalistic or trusteeship theory – According to this theory, the industrialists or the employers hold the total industrial estate, properties and profits occurring from them in trust. He holds the property not only for his use but also for the benefit of his workers. Another assumption of this theory is that the workers are like minors. They are ignorant because of lack of education and are not able to look after own interest. Owners, therefore, have the moral responsibility to look after the interest of their workers. Though, the trusteeship has no legal sanction, it is very much effective because of its moral recognition. It could be mentioned here that Mahatma Gandhi was a protagonist of the trusteeship theory of industrial estate.

4. Public relation theory – According to this theory, labour welfare activities are organized by the employer to create good will between workers and management as a sort of an advertisement and help employees to build up good and healthy public relations. Publicity of labour welfare Programmes help an industrialist to project a good image of his company.

Thus, for instance, several companies do have expensive sports activities and maintain a sports team. These teams and their periodicals competitions and names of the companies appear in popular news papers. It is believed that such frequent presentation of the company's name before public creates a favourable image of the company.

5. The functional theory – This theory is also called as efficiency theory. According to this theory welfare activities are undertaken to secure, preserve and develop the efficiency and productivity of workers. It is obvious that if an employer undertakes

welfare activities for his workers, they will tend to become more efficient and will thereby increase productivity. Consequently, the workers will get better wages and incentives and the management will get higher profits. This is the functional aspect of welfare having efficiency as its object which in turn increases productivity.

This theory works very well if both the parties have identical aim in mind that is higher production through better welfare.

In India, industrialists by and large, adhere to paternalistic approach. Some owners, however, undertake welfare activities because of stringent laws. But in many aspects, the functional theory of labour welfare works more effectively by reason of intelligent and willing participation of workers.

6. Policing theory – This theory is based on the assumption that the man is selfish and self centered and always attempts to achieve that his own end, even at the cost of welfare of others particular if he is placed in advantageous position, by reason of wealth or authority.

According to this view the factory provides ample opportunities for owners to exploit workers. The state has therefore, to step into prevent this kind of exploitation and coerce owners to offer minimum standard of welfare facilities to their workers. Laws are enacted and enforced to compel the owners to provide congenial working conditions the police theory therefore, prescribes:

- a. Passing of laws requiring employers to provide for the welfare of the workers,
- b. Periodical supervision to ascertain that these welfare measures are provided.
- c. Punishment of employers in case of neglect or disobedience of the law.

7. The Placating theory – The basic assumption behind this theory are, workers are becoming conscious of their right and privileges and they are welding themselves into more powerful demanding and militants group than ever before. The worker's demands can no longer be ignored. Therefore, it is necessary to appease the workers. This could be done by taking up timely and periodical welfare activities. The welfare activities are considered as pacifiers. This is also the best means of securing workers co – operation.

## **6. Write brief note on the following:**

### **a. Constituents of labour welfare activities**

### **b. Causes for the slow progress of labour welfare activities in India.**

**a. Constituents of labour welfare activities** – Dr. Broughton has divided labour welfare activities into two broad categories

1. Extra mutual activities
2. Intra mutual activities

1. Extra mutual activities – These are the activities that are provided by an enterprise for the welfare of their employees outside the enterprises. These activities include the following

- i. Facilities of recreation. For this purpose, the arrangement can be made for clubs, libraries, reading room, gymnasium etc.
- ii. Provisions for nourishing food to the employees at the price that they can afford.
- iii. Arrangement of co –operative societies from where the employees may purchase the goods and services of daily use at reasonable prices.
- iv. Provisions for gratuity and pension.
- v. Arrangement for the education and training for the workers and the facilities of education for the children or workers.
- vi. Arrangement of proper housing accommodation for the employees at the rent that they can afford easily.
- vii. Provisions for provident fund
- viii. Provisions for the benefits of sickness and maternity.
- ix. Facilities of transportation to collect the employees from their homes and to drop them back.
- x. Group insurance scheme.

2. Intra mutual activities – In this category of labour welfare activities those facilities are included which are made available to the workers within the organisation. These facilities include the following:

- i. Arrangement for the prevention of accidents. It includes the arrangement or protection against dangerous machines, fire and extreme fluctuations of power etc.
- ii. Facilities of health and medical case for the employees and their family members
- iii. Arrangement of proper working conditions such as proper lighting, fresh air, drinking water, ventilation etc.
- iv. Scientific selection appointment of workers for different jobs.
- v. Other activities for the welfare of workers, such as – the facilities of canteen, rest room clubs etc.
- vi. Provision of industrial training for different jobs.

### **b. Causes for the slow progress of labour welfare activities in India-**

1. The acts passed in India for the welfare of workers are not coordinative in nature. These acts have been passed in unplanned and unscientific manner.
2. In most of the industries, workers are not united. They are not aware of their rights.
3. There is a lack of initiative among employers to provide such facilities to their workers. They feel that the money spent on labour welfare activities is only wastage of money. Whatever facilities they provide, they are providing either because of legal compulsion or because of the possibility of strike by workers.
4. There is a lack of proper planning and scientific approach in labour activities being undertaken by the employers and government in the country
5. There is a lack of proper implementation of labour welfare acts.
6. Workers are also responsible for such slow progress. They do not have positive attitude towards their employers.

## **7. Discuss in brief the various agencies for labour welfare work in India.**

**Agencies for labour welfare work in India** – The following agencies work for the labour welfare in India:-

a. **Directorate General of mines safety** – The director general of mines safety enforces the mines act, 1952. He inspects electrical installation and machinery provided in the mines in order to prevent spread of fire and danger of inundation. He also investigates accidents and conducts industrial hygiene surveys. He is entrusted with the power of prosecution in case of violation of statutory provisions.

b. **National safety council** – The national safety council was set up on 4<sup>th</sup> March, 1966 in Bombay at the initiative of the Union Ministry of Labour and Rehabilitation, govt, of India as an autonomous national body with the objective of generating developing and a movement of safety awareness at the national level. The affairs of the council are managed by a board of Government which has 5 members besides the chairman who is nominated by the Govt. of India. The Director General who is also the secretary of the board of governors is the chief executive of the council

Following are the main activities of this council:

1. It lends films to its corporate members for being screened to their employees for creating safety awareness.
2. It organizes conference, seminars and symposia on different topics related to occupational safety and health both at the national and international level.
3. It provides information cum technical advice to its members on specific problems of safety and health referred by them
4. It maintains liaison with international agency like I.L.O, W.H.O, the British safety council etc,

5. It organizes national safety competition (essay, poster and slogan) every year to encourage creative thinking at grass root level.
  6. It brings out a quarterly journal 'Industrial safety chronicle' and a monthly news letter, 'Industrial safety news' it also brings out every year other type of publicity material to propagate safety consciousness.
  7. It conducts both need based and specialized training programmes for all types of industries.
  8. It undertakes safety audits, surveys and studies of the industrial plants on specific request from its member.
- c. **Central labour institute** – The institute was set up in Bombay in 1966 to facilitate the proper implementation of the factories act, 1948, to provide a centre of information for inspectors, employers, workers and other concerned with the well being of industrial labour and to stimulate interest in the application of principles of industrial safety, health and welfare. Regional labour institutes have been set up in Calcutta, Madras and Kanpur in order to give the central labour institute adequate field support.

## **SOCIAL SECURITY**

**1. What do you understand by social security? What are its characteristics? Discuss the elements covered under social security?**

**OR**

**Define social security. Discuss its essential elements.**

**Social Security** – People with limited means of living can hardly provide effective security against the contingencies like sickness, maternity, invalidity, employment injuries, unemployment, old age, death and other emergency expenses. This is basically due to the fact that they do not have the capacity or the foresight to carry out a plan of saving or insurance. These contingencies impaired the ability of the workers to support themselves and their dependents.

Broadly speaking, the idea of social security is that “the state shall make itself responsible for ensuring a minimum standard of material welfare to all its citizens on a basis wide enough to cover all the contingencies of life” from the womb to tomb. It envisages that the member of a community shall be protected by the collective actions against social risks, causing undue hardship to individuals whose private resources can seldom be adequate to meet them. It covers through and appreciates organisations, certain risk to which a person is exposed. The underlying philosophy behind social security is thus, to protect an individual who contributes or is likely to contribute to social welfare. The hazards that necessitate protection of individual by the society are essentially economic, but at times they may even be social. These risks to which an individual in society is exposed are caused by physical (sickness, invalidity, old age, maternity

accident and death) and economic (technological change and burden of large families) factors. Both physical and economic risks deprive an individual of his earning power. It is the social security that is designed to eliminate five giants of Beveridge viz., want, disease, ignorance, squalor and idleness.

“It is an attack on five giants, viz, want , diseases, ignorance, squalor and idealness”

- **Lord Beveridge**

“ Social security as a controversial and dynamic subject with various facets – philosophical, theoretical, humanitarian, financial, administrative, social, economic, political, statistical, actuarial, medical and legal.”

- **Weder & Cohen**

“ The security that society furnishes to its member through appropriate organisation against certain risk to which its member are exposed. The risks are essentially contingencies against which the individual with small means and meager resources cannot effectively provide by his own ability or foresight alone, or even in combination with his fellows these risks being sickness, maternity, invalidity, old age and death”

- **I.L.O**

“ Social security as a programme of protection provided by the society against the contingencies of modern life in such as sickness, unemployment, old age dependency, accident and invalidism against which the individual can not be expected to protect himself and his family by his own ability or foresight”

- **Friendlander, Walter A**

“ Social security is the endeavour of the community, as whole to afford itself to the at most extent possible to any individual during periods of physical distress inevitable on illness or injury and from the economic distress consequent on reduction or loss earnings due to illness disablement maternity, unemployment, old age or death of the working member”

- **Ibid**

“ Social security as the measure to secure an income to take place of earnings when they are interrupted by unemployment sickness or accidents, to provide for retirement through old age, to provide against loss of support by death of another persons and to meet exceptional expenditure connected with birth, death and marriage. The purpose of social security is to provide income up to a minimum and also medical treatment to bring the interruption or earnings to an end as soon as possible.”

In short, social security is the protection of the worker against sickness, diseases and injury, arising out of his employment, the protection of children, young persons and women provisions for old age & injury.

## **Features**

1. The benefit or services are provided in three major ways: Social insurance , social assistance and public services.
2. They are established by laws.
3. They provide some form of cash payment to individual to replace at least a part of the lost income that occurs due to such contingencies as unemployment, work injury invalidism, maternity, sickness and death

**Elements covered under social security – These include**

1. Payment of funeral expenses
2. Medical care in all times of illness.
3. Pension in old age after retirement.
4. Allowance during the period of unemployment etc.
5. Maternity facilities and cash allowances before and after the birth of child in case of female
6. Pension during invalidity.

**Aims of Social Security**

1. Prevention
2. Restoration
3. Compensation

1. Prevention – is designed to avoid loss of productive capacity due to sickness, unemployment or invalidity and to render the available resources which are used up by avoidable diseases and idleness and thus increases the material intellectual and morale well being of community.

2. Restoration – Restoration implies cure of the sick and invalid re – employment and rehabilitation, and is in some ways, an extension of the earlier concepts of the functions of social security.

3. Compensation – Compensation goes to income security and is based upon the idea that during spell of risks, the individual and his family should not be subjected to a double calamity involving both destitution and loss of health, limb, life or work.

**Coverage of social security measures**

Social security measure covers a wide range of activities. “While in most of the countries, all governmental programmes planned to maintain income are called social security programmes.

There are two main currents in the movement towards social security, viz.,

- a. Social assistance
- b. Social insurance

These two differ in their revolutionary process and approach: they have be designed to serve the some ends, and both are complementary and supplementary to each other. They



are two sides of the same coin and form an integral part of social security system of a country.

## **2. Write brief note on the followings:**

### **a. Social insurance**

### **b. Social assistance or public assistance**

**a. Social insurance** - Social insurance is the method to help individual in times of contingencies through group efforts. Social insurance is a cooperative device which aims at granting adequate benefits to the workers compulsory basis, in times of unemployment, sickness and other emergencies, with a view to ensure a minimum standard of living, out of a fund created by the contributions of workers, employers and the state, William Beneridge described social insurance as the giving in return for contribution, benefit up to subsistence level, as of right and without means test.

Social insurance is a collective or co – operative method of protecting individual against the chief risk of life. It is based on the premise that although accidents of life are incalculable in regard to individuals, they may be foreseen and measured with a fair degree of exactitude in relation to groups of individuals where they occur with remarkable regularity. This possibility of foretelling events with regard to groups enable the risks to which individuals are exposed to be spread over large number of persons. The term is, however, restricted in its application to scheme designed to protect working classes against various industrial hazards. It is based on compulsory mutual aid and may be traced back to family relationship under the institution of joint family. It has been the growth of individualism and influence modern civilization, introduction of factory system and transport revolution that led towards disintegration of joint family system and thereby giving birth problem of economic security to be served by the community. Social insurance, in its present form , is thus , nearer to the mutual benefit societies of workers which were formed with the purpose of helping one another is misfortunes.

Social insurance scheme need be based on a wide knowledge of social pathology and a study of causes and effect of common industrial risks, for the incident and severity of risks vary from country to country, depending on a large number of factors like age, income, having employment and labour conditions in general. But, it does not mean that there is actuarial relationship between contribution and benefit conferred on the insured under social insurance scheme. Being quite distinct from the commercial insurance where benefits are paid according to the amount of contribution, that is premium based on actual studies, social insurance involves payment of certain benefits to the persons insured with out any consideration of his contributions to the fund set up . No mathematical relationship between benefit and contribution is maintained under social insurance which does not envisage any distinction between good risk and bad risk.

**b. Social Assistance/Public assistance** – Social or national assistance may be defined as a device to provide benefits conditional upon provided needs at time of calm , irrespective of previous contribution, but adjusted in each case , and paid out of national

exchequer". It represents the "unilateral obligation of the community towards its dependent groups". While benefits under social insurance are granted as a matter of right and with out any means test, social assistance is made available to those who fulfill certain prescribed conditions. It is provision of certain relief by the state or local bodies to those who are in need of it to meet certain contingencies under 'special cases'.

The term public or social services include benefits in cash as well as the provision of actual services to certain groups of people who are assumed to need this. No previous contribution is required here as well. It may be noted here that provision of medical care and children allowances are the notable instances of social services. It is a matter of aspect of public policy and the extent of its prevalence is a measure of the progress made by a country towards the ideal of a welfare state.

Public services of assistance are usually financed directly by the government from its general revenue in the form of cash payments or services to every individual of the community falling with a defined category. The examples of social assistance of public services programmes are medical and health services of government, old age pension, unemployment allowances etc.

### **3. What social security components are being prescribed by International labour organisation?**

**OR**

**Write a brief note on ILO & social security.**

**ILO & social security** – In 1944, ILO stated that poverty any where constitutes a danger to prosperity every where. On December 10, 1948, the General Assembly of the United Nations adopted and proclaimed the universal declaration of Human Rights as common standards of achievement for all nations, the declaration says that:

“Every one has the right to a standard of living, adequate for health and well being of himself and of his family including food , clothing, housing and medical care and the right to security in the event of unemployment sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond control.

In order to implement these , the ILO took the following steps

1. It collected and spread the information about social security schemes in various countries.
2. It provides technical assistance and guidance so that social security schemes may be properly formulated by means of co operation with other organisations.
3. It tried to create international standards by way of recommendations regarding the definition of social security.

In 1952, ILO convention on social security minimum standard divided social security into nine components:

- a. Sickness benefit

- b. Maternity benefit
  - c. Survivors' benefit
  - d. Family benefit
  - e. Medical care benefit
  - f. Unemployment benefit
  - g. Employment injury benefit
  - h. Old age benefit
  - i. Individualism benefit
- 
- a. Sickness benefit – This should cover to work due to a morbid condition resulting in a loss of earnings. This calls for periodicals payments based on the convention specification. The worker need not be paid for the first three days of suspension of earnings and the payment of benefit may be limited to 26 weeks in year.
  - b. Maternity benefits – The benefit should cover pregnancy, confinement and consequence resulting in the suspension of earning, Provision should be made to provide medical care including pre – natal confinements, post natal care and also hospitalization , if necessary, periodical payment limited to 12 weeks should be made during the period of suspension of earnings.
  - c. Survivor's benefit – This should cover periodical payments made to a family following the death of its bread winner and should continue during the entire period of contingency.
  - d. Family benefit – This should cover responsibility for the maintenance of children, during the entire period of contingency. Periodical payment, provisions of food housing, clothing holidays or domestic help in respect of children should be provided to a needy family.
  - e. Medical care – This should cover pregnancy, confinement and its consequences and any diseases which may lead to a morbid condition. The need for pre natal care, in addition to hospitalization, was emphasized. A morbid condition may require general practitioner care, specialist care, provisions of essential pharmaceuticals and hospitalization.
  - f. Unemployment benefit – This should cover the loss of earnings during a worker's unemployed period when he is capable and available for work out but remains unemployed because of lack of suitable employment. This benefit may be limited to 13 week payment in a year, excluding the first seven days of waiting period.
  - g. Employment injury benefit 0 This should cover the following contingencies resulting from accident or diseases during or from employment
    - i) morbid condition
    - ii) total or partial loss of earning capacity which may become permanent
    - iii) inability to work
    - iv) death of the bread winner in the family, as a result of which the family is deprived of financial support. Medical care and periodical payment corresponding to an individual need should be available

- h. Old age benefit – The benefit provides for payment the quantum depending upon an individual's working capacity during the period before retirement – of a certain amount beyond a prescribed age and continues till death.
- i. Individualism benefit – This benefit in the form of periodical payments, should cover the needs of workers who suffer from any disability arising out of sickness or accident and who are unable to engage in any gainful activity. This benefit should continue till invalidism changes into old age, when old age benefit would become payable.