CHAPTER IV

RESEARCH METHODOLOGY:

In order to meet the objectives of the study, a list of Engineering companies in Pune was obtained from the directory of Maharatha Chamber of Commerce. Thereafter these companies were approached to find out:

a) whether they employed contract labour in addition to the regular workmen and

b) whether they would be willing to let this student carry out the necessary interviews of the Management representative Contractors and Contract employees.

Those companies which fulfilled both the above criteria were included in the study and have been
briefly described in Chapter 2.

Simultaneously, four sets of questionnaires were being prepared, one each for the company representatives, the contractors employed in that company and the workmen employed by the Contractor.

A separate questionnaire was prepared for the officials of the office of the deputy Commissioner of Labour.

Interviews of all the above categories of persons were carried out by the student. Thereafter data collected was tabulated. Data collection took place during March, April and May 1988.
QUESTIONNAIRES

Four sets of questionnaire were designed which are briefly described below:

1. THE COMPANY

Factual information was sought in the first part of the questionnaire. This related to name and address of the company, its year of incorporation, present turnover, which sector it belonged to (private or public). The break up of the total number of employees, brief description of the products, name of the official giving the information and the location of its various manufacturing units.

Some information gathering questions were asked such as those (9) which relate to wages of lowest daily
paid workmen for the purpose of comparison with another (20) regarding what the present minimum wage applicable to engineering Industry is. Information was also collected on the total number of employees employed, nature of job done by them and whether they were also performing jobs which were done by regular employees, for the same wages. This was to ascertain whether contractor employees were being used at a lesser wage for the same job as done by the regular workmen.

A question was asked as to how the contractors were located because it was felt that the contracts would be awarded to ex employees either as an incentive to them to quit the present job or as reward for longer service. The insecurity of the Management was sought to be guaged through the question whether more than one contractor was doing the same job.
It was suspected that cost was the major factor in the reason for employment of contractor employees. This was also reflected in a question (18) which sought information on whether the profit margin of contractors was calculated or not. There followed a series of questions (from 19 to 27) regarding various facilities extended to the contract workmen some of which are supposed to be provided by the law and others which may not have been provided since there is no legal obligation to do so. These included minimum wage, payment for Bonus, Leave with wages, supply of uniform, canteen etc.

To guage the entrenchment of the system of employment of Contract labour, questions (28 and 29) were asked regarding the length of time the system had already been in operation, and for which it might further remain so. Questions were asked (30 & 36) relating to the status of unionisation in the
company for both contractors and regular employees and the stand taken by the Union of the company employees towards the contract system in that company. Question 31 to 35 related to the law as it pertains to contract employees seeking information from the respondent, regarding his knowledge of law, its applicability, implementability and suggestions to make it more so. Information was also sought on the perception of the Office of Deputy Commissioner of Labour since he is the significant figure in the enforcement of Law.

2. THE CONTRACTOR

The second questionnaire was prepared for collection of data from the contractors. Information was sought on the number of employees working with the firm and the nature of jobs performed. So also whether the contractor was working in some other company also. These questions were asked in order to get the factual
information for comparison with the responses given by the company on whether the same jobs were being done by the regular employees as well as the contract employees and in fact later on (1 to 12) specific questions are asked to the above effect.

Further questions were asked to ascertain whether in the event that more than 20 employees were employed a licence had been obtained as is required by the Law.

The questions were asked relating to wages actually paid for comparison with the minimum wage for Engineering Industry which is required to be paid; so also the questions relating to payment of ESI, Bonus, PF and other Statutory as well as non statutory facilities and benefits. Reasons were sought from the contractors for the company decision to give certain jobs on contract, so that comparative view could be
obtained with the reasons given by the company with a view to find out the permanency or likelihood of permanency of the contract system. As such questions were asked regarding termination of contract, length of time already worked as contractors and estimate of further time for which the contractor would be required to work.

Finally information was sought relating to the experience with the office of Deputy Labour and the Contractors perception of the Act itself. Information was sought on the status of union and the view of the company employees.

3. THE CONTRACT EMPLOYEES

This questionnaire was essentially sought to collect information specific to the contract workmen so that
the statement made by both the employer and the contractor could be cross checked for their truth from the recipient of the benefits. These included questions mainly on Wages and Service conditions, length of time working as a contract employee, wages at the time of employment and at the present time.

For the purpose of noting the difference between the service condition of the regular employees and the contract employees questions were asked regarding the facilities enjoyed by the regular workmen which were not available to contract workmen. This is a question elicited a large number of significant responses. Questions in this section concentrated mainly on collection of factual information for the purpose of verification of details given by the other two constituencies earlier.

4. This questionnaire was prepared for officials of
the office of the Deputy Commissioner of Labour but for reasons given below was not in fact used. Hence no details are being given here.

SECONDARY DATA

Various sources were also tapped for secondary data. One such is given below as information from the office of the Deputy Commissioner of Labour. Some other secondary data is incorporated in Chapter VIII where a short analysis and interpretation of the House Rent Allowance Act vis-à-vis contract workmen is given.

INFORMATION FROM THE OFFICE OF DEPUTY COMMISSIONER OF LABOUR, PUNE

A series of discussions was held with Mr. R B Patil, Deputy Commissioner of Labour, Pune, between
March and May 1988 with a view to seek his approval to collect the relevant information by means of the questionnaires from the Assistant Commissioner of Labour, entrusted with the portfolio of looking after the implementation of Contract Labour (Regulation and Abolition) Act 1970 and also the Government Labour Officers entrusted with the implementation of these two Acts (the other Act being the Minimum Wages Act 1948 read with the Maharashtra Minimum Wages Rules 1963), who among others, would report to the concerned Assistant Commissioner on matters relating to hereto.

Mr. R.B. Patil was kind enough to answer the questions and also to permit the data collection interviews with the Assistant Commissioner and the concerned Government Labour Officers. The second interview was with Mr. Bothare, Asst. Commissioner of Labour, and the subsequent three interviews were with three
Government Labour Officers entrusted with the implementation of the Acts.

At this stage, Mr. Patil made it clear that the information given was in no way to be treated as official, or rather it should not be treated as the official stand of Government of Maharashtra. If the views were to be taken on record as being responses of the officials of the Labour department of the Government of Maharashtra, permission would have to be sought by him from the Ministry of Labour, Government of Maharashtra, and he was frank enough to say that it was extremely unlikely that this permission would be forthcoming.

He also said that he did not wish the views expressed by him or the other officials of his department, to be attributed to him or to them as this might jeopardize
their standing as enforcers of the two Acts, as also their position as employees of the Government of Maharashtra.

In view of this stipulation of Mr. Patil, it was decided that there would be no point in obtaining the responses of various officials if they could not be reported, or if the responses given could not be attributed to them. The alternative, that of reporting the official position of the Government of Maharashtra was equally unattractive as what the student was interested in was the responses of the officials of the labour department who had been entrusted with the enforcement of the Acts.

Seeing no other alternative, it was reluctantly decided to delete this part of the study. As such, though the questionnaire has been included at the end
of this thesis, it has no practical value since it was decided to discontinue all interviews for purposes of data collection in view of the facts mentioned above.