This thesis is a study on the system of employment of contract labour as it obtains in some Engineering units in Pune. The development and spread of the system of employment of contract labour for carrying out certain jobs in the factory is outlined.

The study was conducted in nine Engineering companies in Pune. The objectives of the study were to collect information regarding the wages and service conditions of contract labours to ascertain the reasons for its employment and the extent to which the law relating to contract labour is complied with. The Hypothesis was that the conditions of contract labour are satisfactory and that the law in their case is strictly observed. Four sets of questionnaires were prepared for collection of data which took place between March and May 1988.
Analysis and tabulated summary of data is given in respect of response of the company representatives: reason for employment of contract labour, level of wages paid, present minimum wage, availability of various statutory and non-statutory benefits and perception of the Office of Dy. Commissioner of Labour.

Similarly tabulated summary of data is given regarding responses of the contractors number of their employees, possession of licence, quantum of wages and benefits, the nature of jobs done by them, status of unionization of their employees, the attitude of the Union of company's employees are highlighted.

So also data is given relating to age, qualifications, designations, wage level availability of statutory and non-statutory benefits and also list of benefits not available to contract employees, as seen from their
own point of view, in the following chapter which analysed and tabulated information on the contract employees.

The discriminatory nature of the Maharashtra Workmens House Rent Act, and highlights of the National Organic Chemicals and some other cases are also discussed.

The findings are that contractors are employed because they are cheaper than regular employees. However even minimum wages are not paid to all of them though this a a legal requirement. There are numerous breaches of the law relating to wages and other service conditions. The perception of the office of Dy.Commissioner of Labour is by and large negative.

In conclusion, it has been suggested that the contract system should be abolished completely in all spheres of employment so that the employees of the contractor should not be discriminated against when compared to regular employees. The Government being the largest
employer of contract labour should take a lead in this matter by not employing contract labour itself.