CHAPTER – VI

CONCLUSION AND SUGGESTIONS
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6.1 CONCLUSION:-

The government of India announced the New Economic Policy in July 1991. The main objective of this policy was to bring about change in the regularity atmosphere and bureaucratic control. It created a new environment for market oriented growth by linking the economy to the world market. In the industrial sector a New Industrial Policy was announced which was an integral part of NEP. The NEP had the objective to improve the productivity and efficiency of industries. India followed this LPG model to achieve economic reforms.

The new economic policy and industrial restructuring consequent to NIP have far reaching implications for economy in general and industrial relations in particular. But the crux of the problem is that these economic reforms emphasis on increase in output without a commensurate growth in employment. This situation is termed as jobless growth. But the uncommitted administrators do not assess the gravity of the problem of unemployment and its impact on social life. Various reasons can be attributed to this.

Public sector employment has reduced as it is withdrawing from many areas. Globalization of the economy has increased competition internal as well as external. This atmosphere is not conducive to generate employment opportunities to the existing young population in the organized private sector.

Under the impact of SAP, the large sized firms have started downsizing their workspace and also changed their production norms. The production is shifted from organized to unorganized sector on the pretext of SAP. Core and non core parts of the work.
casualisation, contractualization, rationalization, outsourcing and
the like. In order to remain competitive they are using new
technology which is more automated and which replaces man for the
machine, or in other words capital intensive technology is being
used instead of labour intensive technology. Therefore, it is not job
creating. The prevailing global restraints on economy read with the
provisions of the IDA and other enactments are proved to be
insufficient to provide secured employment to growing young
population of the country.

Employers are using various cost saving devices by shedding
excess workforce through VRS. The closure, merges of undertaking
is also a prevalent practice of the last one and a half decade. Though
new jobs are created in some sector like Information Technology,
but they are not enough for the every year increasing young
population. Outsourcing has also provided jobs to small units most
of the times they are unorganized workers. In big cities multilflex
theators and shopping malls and call centers have been established.
They have provided employment to few people in urban areas only.
But these people are working on a very low wage, even below the
minimum wage. They have no jobs security, work temporarily
mostly on contract basis. To this extent globalization has created
employment opportunities. But this employment is not quality
employment. This employment may be a forced employment because
of the lack of jobs opportunities in other sector. The young and
educated people have no job satisfaction. So the frustration among
the youth is increasing. In addition to this construction, workers,
both skilled and unskilled in urban areas have increased and they are
to the extent of almost one crore and mostly unorganized. The laws
meant for them is floated and become a glaring example of sweated
labour. LPG has accelerated urbanization.

The employment on contract basis is also on increase. It lasts
only till the tenure of the contract. The CLRA Act and recent
judicial pronouncement took away the legal protection to these
contact workers. S.10 of the CLRA Act provides for prohibition of contract labour under certain circumstances, such as perennial nature of the process, operation or work and the like. Such prohibition comes into effect if Central or State Government after consulting respective board by notification in the official gazette prohibits the employment of contract labour in any process or operation. From time to time workers and their representatives have been demanding prohibition of employment of contract labour in various categories of jobs in various establishments whereas there has been increasing resistance from the employers in the matter. In the Air India case the Supreme Court, Inter-alia, ruled out that where employment of contract labour has been prohibited in a process operation or other work in an establishment, contract labour engaged in such activities would automatically become the employees the principal employer. Subsequently, a five judge Constitution Bench of the Supreme Court in the matter of SAIL V. National Union of Waterfront Workers has quashed the Air India Judgment prospectively diluting its impact. But the situation has not undergone much change. The workers have continued to demand for abolition of contract labour in the hope that they may force the employer to absorb them on a regular basis as they are entitled to get preference if the employer intends to take regular workmen in the prohibited job. From the entire study it is concluded that the government has failed in it’s duty to keep the labour laws in tune with the changing economy which is urgently required.

This entire situation laid to weakening of the trade union movement. In fact the trade unions in the organized sector have attained a unique status and position. The picture of this situation has been sketched by veteran trade unionist Shri. Sharad Rao stating that globalization did open avenues for new type of

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1 AIR 1997, SC 645.
2 1992 Lab IC 2332.
employment, but it scarifies other bread winners. In the year 2006, about 4 crore 14 lakhs job seekers registered at Employment Exchange, hoping for jobs in Organized sector with job security, lifetime employment, pension etc. The fact is that in 10 years during 1992-93 and 2001-02, only 3000(sic) jobs have been added in the organized sector in the whole country. On the other side, about 80% jobs in organized sector have lost during the 10 years as a result of globalization, privatization, modernization and introduction of low paid contract systems. He further stated that “Modernization and Globalization in last 15 years failed in retention of employment. And whatever new generation of employment has resulted in creating contractual jobs, un-secured jobs, wages almost on poverty line and resulting in one type of ‘cancer’ in employment. The trade unions departed their traditional role of collective bargaining to concessional bargaining. The job losses in organized sector and casualisation of labour have increased employment in unorganized sector. Resulted in decrease in membership, thereby the trade unions also lost its strength.

The traditional industrial relations system and practice of protecting and promoting workers interest through secured employment seemed to be reversed. In view of Prof. Punekar and others⁴ the focus of industrial relations has shifted from the regional / industry level to the enterprise or even plant level. As the enterprises have moved to centre stage, the enterprise level industrial relations have acquired unusual prominence.

The economic reforms might have increased industrial productivity and foreign direct investment in capital intensive areas. But it has failed in creating jobs. That is why Government of India is announcing various employment schemes like National Rural Employment Guarantee Scheme 2004. Various such schemes are already in existence under various State Governments. In spite of

such schemes employment opportunities have not increased. The reasons for failure of such schemes are many including not proper machinery for its implementation and so on. Due to corrupt practices in such schemes, poor and illiterate workers are not benefitted unless the government has proper machinery to keep check on the corrupt bureaucrats, politicians, contractors and the village elite, the laudable object of this most ambitious anti-poverty programme will not be achieved.

India’s Ninth Five Year Plan [1997 - 2002] projected generation of 54 million new jobs. But this plan could not succeed in achieving its target in employment. During the Tenth Five Year Plan period Planning Commission set up three different committees namely Task Force on Employment Opportunities, The Steering Committee on Labour and Employment and the Special Group on “Targeting Ten Million Employment Opportunities per year over the Tenth Plan Period”. Among those the report of the Special Group on Employment in the Tenth Plan has stated that The Tenth Five Year Plan [2002- 2007] has estimated the backlog of unemployed around 34.85 million in 2001 – 02. It also provided the estimates of addition to labour force over the Tenth Plan period as 35.29 million person years. Thus the total job opportunities needed during the Tenth Plan will be 70.14 million.

It seems that the Government has realized the grave reality of unemployment. The approach paper of the Tenth Plan recommended providing employment opportunities to all the additions in the labour force over the 5 year period and reducing significantly the rate of unemployment over the Tenth Plan, so that by the end of the eleventh plan, the per cent unemployment will be near zero

From various studies it reveals that employment in the organized sector has declined in both the public and private sectors. The educated, young workforce prefers for employment in the

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6 ibid
organized sector. But due changed scenario after LPG only fewer jobs are available to these new comers in the field. On the contrary they are offered insecure employment in the unorganized sector at relatively lower rate of wages.

On this entire background after LPG the industrialist in India are demanding drastic amendments to the labour laws. Employers want ‘flexible’ labour laws to remain competitive in this globalised world getting the production done at cheapest price through the workers whom they can ‘hire and fire’ easily. But workers and trade union leaders oppose for amendments or reforms in labour laws.

This grim situation has rightly been explained by the scholar Mr. V. Sridhar in his article. He has stated that the thousands of workers already on the streets because of the liberalization process initiated in the 1990s, the notion of a debate on whether labour laws ought to be amended may appear to be a cruel joke. Thousand of workers in the public and private sectors have lost their jobs. The deregulation on industrial practices has led to greater casualisation and contractualization, euphemisms for underpaid work with insecure tenures. Under the threat of job losses, thousands and more have been virtually forced to opt for the VR Schemes. Those who remain, hanging on to ill-paid and insecure jobs, find their workload increasing significantly. If it is assumed that, the existing labour laws have failed to prevent all this and more from happening. Why are workers and their unions fighting to preserve them at all? Conversely, why do employers want to change the laws when things have gone in their favour any way?

In words of Prof. Bruce E. Kaufmen “Globalization is undercutting coordination and central guidance in national economics, the gulf between rich and poor within nations and between nations is growing the hundred of millions of people in the world wake up each day without decent jobs, any form of social

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1 V. Sridhar, To legalise exploitation, www.hinduonnet.com
protection or security form the hazards of life”. He has further stated that there are challenges for the field of industrial relations. The world of work is changing with the globalization of markets and other environment factors continually influencing or dictation the course and context of the labour market and labour relations.

On this background it is necessary to take note of the employment situation in China. Both India and China are emerging as economic super powers in the world. But China is at the first position. It is also said that “China is ten years ahead of India but India is catching up”. Even though this is the economic position of China, the GDP has increased but to that extent there is no employment opportunities created.

This paradox has been highlighted by the media stating that the employment sector in China is going downwards but nobody is providing attention to it. In the year 2000 to 2004 China’s economic growth was only 5%. During this period officially unemployment rate was increased by 4.2%. Each year about 40 lakhs unemployed youths are added in the total unemployed people in China. It is further stated that the reason for the same is that the employment in unprofit making Government owned industries has been stopped. Due to this 3 crores employments had come to an end. Another reason is that instead of labour intensive production, capital intensive production techniques are used.

Similar fact has been stated in The China Economic Review Reports. It had mentioned that China could have 10 million jobless urbanites by 2010 State Media reported quoting a new report from the Ministry of Labour and Social Security. The country’s labour supply is expected to top 830 million by 2010 but only 40 million new jobs will be crated during the period. Millions of jobs are also needed to accommodate some 45 million rural migrant workers who have been encouraged to leave the country side to relief a labour

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surplus. The Government estimates there are about 150 million migrant workers, almost 11.5% of the population and nearly double the number from a decade ago.

India and China differ in their geographical, political, economic and social conditions. But both the countries are facing similar problem of unemployment, including labour laws and functioning of trade unions.

In India also though GDP is increasing every year, there is no rise in employment perspective\(^{11}\). India’s labour force is growing at a rate of 2.5 per cent annually but employment is growing at only 2.3 percent. Thus the country is faced with the challenge of not only absorbing new entrants to the job market (estimated at seven million people every year), but also clearing the backlog. More than 90 per cent of the labour force is employed in the “unorganized sector” i.e. sectors which don’t provide with the social security and other benefits of employment in the “organized sector”. It is further mentioned that in the rural areas, agricultural workers form the bulk of the unorganized sector. In urban India, contract and sub-contract as well as migratory agricultural labourers make up most of the unorganized labour force.

It is extremely difficult to precisely state about the benefits bestowed to the people at large. The excitement so caused world over by implementing LPG has ever-changing face and the sovereign states are busily engaged in finding the suitability of LPG for themselves. It is generally observed that the process of outsourcing in U.S.A. has assumed a slow pace during the past couple of years and the cry is distinct that outsourcing has become a basis of non-employment which is not affordable to the people and the state. Similarly in France and Germany there exists a strong resistance to LPG and the European Union as a whole plans a resistance continuing LPG in the same form as it existed today. The developed countries in the worldover have immensely benefited by LPG for

\(^{11}\) India's Employment Perspective: www.indiaonestop.com.
about two decades. But at this stage there is certainly a rethinking for the ways and means and to increase employment in India.

In India the object of employment generation seems to be frustrated. Mass manufacturing is not expanded. Those who hold the keys of manufacturing blame the land used problem, the land laws and the labour laws, for desired goal of manufacturing. There is a wide spread discussion throughout the country for SEZ (Special Economic Zone). But a vertical split is noticed in our country introducing and implementing SEZ.

Acquisition of land and enforcing labour laws are the major issues. Land holders and or farmers executed stiff resistance for surrendering their land, despite high price and other encouraging offers such as employment and the like. The Government of India following a political storm the concept of SEZ almost stands dismissed as on today. The enthusiastic investors for SEZ face retreating position. It is needless to say under the above situation as to application of labour laws to SEZ and generating employment through SEZ. In the event of a changed position in SEZ the issues of enforcement of labour laws generating employment and betterment of lifestyle of workforce would require a fresh consideration. The success story of SEZ in China could not be appreciated in India.

The Hon’ble Prime Minister has released a report card on three years of UPA in office on 22nd May 2007, announced that the Report of the National Commission for Enterprises in the Unorganized Sector is still near finalization and the workers in the said sector are advised to wait.

Some quarters are very critical about the workers in organized industries and consider them as autocratic, fearing liberal labour laws. They expect the State to deliver for the benefit of the poor.

Analyzing the effect of LPG it is to be considered that the nation is riding on a tiger and it is not possible to get down for an obvious fear of swallowing by the tiger and the nation is constrained to ride the tiger of LPG in consideration of its impact worldover.
The erudite author Anil Dutta Mishra\textsuperscript{12} has observed that “we are aboard a train which is gathering speed, racing down a track on which there are an unknown number of switches, leading to unknown destinations. No single scientist is in the engine cab and there may be demons at the switch. Most of the societies are in the caboose looking backward.”

6.2 SUGGESTIONS:-

LPG has multi-faceted dimensions. It has touched every aspect of human life. The strong winds of LPG started blowing two decades ago in the developed countries and for the last fifteen years in India have transformed into a great storm worldwide. The scholars on this subject express divergent views. The researcher has examined the Impact of LPG on Industrial Employment Laws and appreciated that it is indeed widespread so detailed through the chapters of this thesis.

It is considered that the process of LPG would not abet in any way. Since 1991 the Government of India adopted economic reforms out of exigencies of the circumstances. In early 1991 the Government of India was on the verge of financial bankruptcy on external account. It was forced to sell off a part of its gold reserves to meet the service charges on its external debt. It had to borrow from IMF and Bank of England when there was no alternative left the Government of India undertook economic reforms.

The face of urban India has dramatically changed and continues changing everyday. The glossy appearance everywhere is not at all free from gloomy, discouraging situation very strongly existing side by side. The economic reforms have benefitted almost all the elite, the scientist, researchers, information technology professionals, medicine professionals, educationists, legal

professionals, traders and businessmen, technologist and the like. The message given by the Hon’ble Prime Minister in his address at CII (Confederation of Indian Industries) Annual General Meeting on May 24, 2007 requires careful attention. He did not spell out the ill effects of economic reforms but canvassed for “Inclusive Growth”. His prescription includes a call to the rich to sensitize themselves to the effects of conspicuous consumption. Save more, slim down management pay packets; invest in skills, people and environment, use of advertising budgets to promote a “socially responsible”, media. While recording these recommendations a careful attention is absolutely necessary to the appropriate advice given by the Hon’ble Prime Minister.

The suggestions so detailed hereunder have the basis of the self study made by this researcher through various sources including the study of the report of the Second National Commission on Labour. It is needless to say that the suggestions are independent and detached from the sources despite the Second National Commission on Labour was formulated in reference to resolution dated 15th October 1999 by the Government of India. The terms of reference made to it, was to suggest rationalisation of existing laws in organised sector and to suggest umbrella legislation insuring maximum level of protection to workers in unorganised sector.

The First Commission on Labour has submitted its report in the year 1969. During the earlier three decades there were many changes in the conditions of workers, their living standards, their rights and social status and far reaching changes experienced by them and the nation as well since 1991 when the economic reforms were introduced. The suggestions of the Second Labour Commission on the labour laws are within the ambit of fundamental rights and in consonance with directive principles of state policy as incorporated in the Constitution of India.

The commission had given due attention to the changes being observed through LPG world-over and suggested measures through
review of labour laws to keep the industry competitive using ever changing technology.

1. It is canvassed that labour and labour laws in our country are said to be the cause for creating impediments in Globalisation. This is not a whole truth. The workforce in public, private and government organisations on an average said to be working for four and five hours. And they while away their time in talking political, public, private matters and on cricket matches while on duty. In second National Commission on Labour Report this topic has been elaborately discussed. It is experienced that in organised sectors category wise production norms are fixed and employers enter into agreement with the unions i.e. representatives of the workers for the same. The agreements are based on an outcome of industrial engineering study. The use of modern technology has immune industrial worker in multinational organisations.

2. The workers while on work waste their time is partly true. The Industrial houses have their progressive departments of HRD and constant efforts are being taken to develop a work culture. However such efforts are inadequate and the experiences of Japan, U.S.A., Germany among other developed countries should be studied and the learning be properly utilised in our county. It should not be kept restricted to the big undertakings but even reach to medium sized and small scale units. The same experience should be applied non-productive units such as banks, insurance companies, BPOs and KPOs.

3. The employment in organized, unorganised, public, private, agriculture, covering all the industries or otherwise must proceed ahead in total harmony with the advancement of LPG.

4. Labour force includes skilled unskilled, technologists, scientists and others attached to market, trading transport, mines among others play a vital role in the success of LPG. Accordingly the state, corporate houses, entrepreneurs have to execute their role
honestly, sincerely with a human face and love for nation. Harmonies Industrial relations and the laws in conformity with such industrial relations is the need of the hour.

5. The LPG has not improved employment prospects but has adversely affected and created large scale unemployment. The same situation to some extent is experienced in U.S.A., China and other European Countries. To overcome this situation these countries are engaged in devising measures to keep the society contented. The state and all other responsible citizens bureaucrats, visionaries should keep a watchful eye in the changing situation in other developed and developing countries and formulate a suitable policy to overcome the weaknesses being experienced by our country taking a proper lesson from others.

6. It is strongly argued that provisions in Chapter VB of IDA are requiring to be scrapped totally thereby the entrepreneurs would be free to fire the workers at their will and pleasure.

The sky rocketing unemployment in all the sectors organised, unorganised, government, public and private sector is far and wide. The entrepreneurs have already adopted number of devices from appointment to VRS, outsourcing, substantially engaging contract labourers, giving job contracts to outsiders, job contracts to small industry. The mad race is in existence to get the production under low cost. There is no necessity to scrap Chapter VB of the IDA. Section 2 (oo) clause (bb) of IDA empowers the employer to appoint a workman through contract of employment for a specific period and its non renewal after the completion of the contract period. It is in vogue for many years past; therefore the teeth of Chapter VB are non existent in such appointments. The service of such workman gets automatically terminated on expiration of the contract period.

The crucial issues for the state and society is determined efforts to be deployed in order to reach the benefits to all the people below poverty line giving them education training for particular jobs as per their capacity.
7. As far CLRA, 1970 the state should extensively notify that, there is no necessity to scrap section 10 of the said Act. Persons employed for transport, store, canteen, security, house-keeping at the outset should be direct employees of the concern industry and when appointed through a contractor, they be paid equal remuneration to that of other permanent workmen in the factory. Unutilised man hours due to wasting away time while on duty is a national evil and any strict legislation for the same will not be sufficient. Education, social training, emphasis on work culture among others are other remedial ways in this deprecreted area. Some industrial houses had introduced effective measures to overcome this situation.

8. The Minimum Wages Act for the schedule industries requires reconsideration and upward revision. The workmen engaged in these industries must realizes that they are required to perform their jobs suitably in conformity of the revised remuneration. So that schedule industries would not suffer losses and would not be required to engage more man power.

9. The existence of Trade Union in the changed scenario may be passing through different situation. It depends upon the strength of the permanent workmen on the core jobs. Trade Unions Act requires sweeping changes and the disputes of the trade union resolve through civil law are required to be brought about under Industrial laws. And accordingly the scope of section 28 (i) (A) of the Trade Unions Act be enlarged for that purpose.

As far as the State of Maharashtra in concerned there is no necessity to incorporate the recognition of a trade union since this issue is resolved through MRTU and PULP Act 1971 and through BIR Act 1946. Otherwise also under the code of conduct the union stands recognised by the employer in consideration of the majority and for industrial peace.
10. Unemployment in every category of workers has alarmingly increased. The role of the state is very important in executing its policy decisions in furtherance of LPG.

11. It is imperative for the state to set up machinery state wise to record the effects of LPG in the matter of economy, FDI, employment, growth of manufacturing i.e. merits and demerits arising out of LPG.

12. The state should endeavour to modify its policies in tune with the requirement of the progress and prosperity of the nation and to remain ahead in the global competition.

13. LPG is inclusive of economy, production, national and world market, assurance to all people of health, safety, education and employment and their upliftment to the world standard. The consolidated consideration would lead to maximum utilisation of human capital.

14. Section 2 (oo) of IDA is about retrenchment. Clause (a) provides voluntary retirement which is not a retrenchment. VRS is widely accepted and implemented practice. The state should see that coercive methods are not deployed while introducing retrenchment. VRS is also known as ‘Golden Handshake’ and attractive monetary benefits are given to the workman by way of parting compensation. Some section of workers through another method of VRS as per the convenience between management and workers are notionally shown to be in the employment while actually they are not kept in service. In this case lump sum monetary benefits so accepted by the union and the management are given at the time of parting or periodically thereafter with reduced wages till the date of their superannuation as per the standing orders. This is also a better method of VRS which gives mental satisfaction to the workman and his family members.

15. IDA, section 2 (s) defining a workman under the Act required modification for long ago to be inclusive of all the employees except managerial personnel irrespective of wages. The appointment for contract of employment to the employees engaged in core and non
core activities specifying the period objectively and rationally should be opened to judicial scrutiny protecting the interest of the respective employees together with employer.

16. Social security legislation and social insurance for laid-off or otherwise unemployed workers and their family members would be hard pressed. The basic needs are required to be attended by a mother’s care and suitable legislation is drafted and executed.

17. The tripartite statistical and information bureaus to be established on state as well as central level collecting the detail information of unemployment on account of VRS closure and the like. The requisite inference so being drawn from the date would function as weathercock, spelling the winds of LPG and proceed to take corrective steps so necessary to be a competitive player in the changing world.

18. The elections of our country during the last sixty years of state assembly, parliament and lok sabha are continuously fought on the issues ‘Bijali, Sadak, Pani including Employment’. At the same time there exists a shining India for a very few people. The labour laws do not require any modification but its strict enforcement by the executive and befitting adjudication by the judiciary keeping in view the object of social justice.

19. The most important issue and or problem before the nation is employment to all those required employment and widespread growth of products. That is the necessity for a common man. The state industrialists and others while pushing forward the nation to be a competitive player in globalisation, to stand erect in labour policy and even handed policy in privatisation safeguarding the interest of the common man.

20. A particular class of society should not continue benefiting from the economic reforms. The benefits should reach the door steps of a common man.
21. The state should resolve and adopt such policies thereby develop the life standard of a poor common man. For that extensive programme in the field of agriculture, manufacturing are necessary.

22. The division between the rich and the poor has become very stark causing severe social imbalances. Narrowing the division is immediate task with the state and the society with the almost care, thinking, planning is required to reach the benefits to haves not or a common man.

23. The corruption in vividly noticed from bottom to top and spread and touched every sphere of activities. It has eaten up the fruits of the progress. Mild and soft language to wipe out corruption will never serve any purpose but it is ruthlessly driven out.

24. For the desired achievement in the work culture other factors are very important. The object for all is to achieve excellent economic development. It is dependent on availability of sufficient capital as well as attracting FDI. managerial skill and peaceful industrial relations among all categories of workmen required to be paid more attention.

25. LPG is necessitated for the progress of the nation, mankind removing poverty, starvation, and to remain competitive in the world economy. For achieving these objects beside the labour and labour laws the deficiency in the aforesaid heads should be brought to nadir.

26. Abundant man power should be source of increasing industrial production, agricultural products, food grains, fruits and vegetables. Utilize them for meeting all the necessities of building infra structure, which will bring progress peace and prosperity for the nation.

27. The advantage that large number of people who are English speaking having world class intelligence and leadership. Their services are required to be suitably redeployed in the process of LPG.
28. At the same time it is to be carefully noted that of the population of about 1.2 billion, 60 per cent of the said population is BPL and other 25 per cent population sail in the same boat. Of the total population of our country 65 per cent are agriculturist and our farm labourers. This vast majority of people are required to be brought under LPG. The enactments, regulations and drafting plans will always be insufficient for the existing population and its future growth. This is the greatest challenge being posed to government, politicians, industrial tycoons, educationists, scientists and society at large.

29. The disparity as stated above will not allow India to be successful globally in LPG which required optimum participation of higher percentage of population bringing within the ambit of LPG.

30. Providing proper infra structure through roads, sufficient supply of electricity and water, transport services, means of communication such as air railways are inseparable requirements of LPG.

31. The need of the common man after 60 years of independence is employment, food, shelter, education, health service, effective umbrella legislation for unorganised sectors. The anxiety for the nation is to achieve global competitiveness in all sphere increased employment and production. Bring the people on the path of progress. The dramatically divergent situation exists in our country. The state should adopt the policy of golden means; take legislative steps in the best interest of the majority of the people, achieving their positive participation in all the spheres of human activity.

32. The State, Chamber of Commerce and Giant Organisation of CII, and the Trade Unions should establish, institutions like ITI to train the would be retrenched workers in the scale of diversified jobs as per the requirement. It should be statutory as well as voluntary. These organisations also keep a track in respect of life style, earnings, mental, health and family background of persons who opt for VRS. The Government has protected ex-servicemen providing
them priority in appointment in private and Government services in consideration of their eligibility. The scheme on the same pattern should be devised for VRS employees.

The Recommendations cannot be suggested precisely. There is imperative need to evolve a new work culture. However a periodical review at least within a span of 8 to 10 years be taken by concerned authorities and introduced amendments, changes, modifications and even annulment of a statute on the basis of exigency of the circumstances appearing out of LPG in the best interest of the nation and the society at large.