CHAPTER VIII

FINDINGS AND SUGGESTIONS

• RELATIONSHIP BETWEEN LABOUR WELFARE MEASURES AND LABOUR PRODUCTIVITY
• LABOUR WELFARE MEASURES ADOPTED BY THE GOVERNMENT
• LABOUR WELFARE FACILITIES UNDER WELFARE FUNDS
• LABOUR WELFARE MEASURES ADOPTED BY THE EMPLOYERS
• LABOUR WELFARE MEASURES ADOPTED BY THE TRADE UNIONS AND VOLUNTARY ORGANIZATIONS
• IMPACT OF LABOUR WELFARE MEASURES
• DETERRENTS IN THE ADOPTION OF LABOUR WELFARE MEASURES
• HYPOTHESIS TESTING
• SUGGESTIONS
FINDINGS AND SUGGESTIONS

Labour welfare measures help in increasing the productivity of an enterprise as these influence the attitude of the workers. Increase in productivity to a large extent depends upon the constructive role and attitude of workers in the production process. The objective of profit maximization which is the ultimate objective of business enterprises may be achieved only with the contribution of workers in the form of enhanced labour productivity. It is noteworthy that the desired objective of enhanced labour productivity may not be achieved unless some other incentives apart from money wages are also offered. Labour welfare measures cover housing facilities, clothing, holiday with wages, subsidized canteens for breakfast and lunch, educational facilities to children, crèches, sports, games and plays for recreation, cleanliness, health and medical facilities, transportation facilities and all other facilities whose objective is mental, physical, moral, economic, social and cultural upliftment of workers. Labour welfare measures may be extra-mural and intra-mural or statutory and non-statutory. These may be undertaken by the employers, Government, trade unions or voluntary organizations. The happiness and the efficiency of workers are the indicators of the prosperity of an organization which is the end result of enhanced productivity. Neglecting the workers is just like neglecting the productivity. Undoubtedly it may be put that labour welfare work can be the only relief to the laboring class. Labour welfare exerts positive impact on productivity resulting in increase in profitability of the enterprise.

Labour welfare measures have drawn the attention of employers, Government, trade unions as well as the voluntary organizations because –

(i) The welfare activities influence the sentiments of the workers thus paving the way for industrial peace.
(ii) The workers realize that they also have some stake in the undertaking in which they are engaged thus avoiding any reckless action injurious to the interest of the undertaking.

(iii) Some welfare measures like subsidized food in canteens, free medical and educational facilities etc. indirectly increase real income of the workers resulting in avoidance of industrial disputes and strikes.

(iv) Welfare activities may provide better mental and moral health to workers by reducing the vices of industrialization.

(v) Labour welfare measures help in reducing labour turnover and absenteeism.

(vi) Welfare activities create permanent settled labour force by making service attractive to the workers.

(vii) Welfare measures improve the physique, intelligence, morality and standard of living of the workers.

The Kumaun region of Uttarakhand has limited number of large scale industries. These industries are enjoying various fiscal incentives, concessions and rebates granted by the Government. Large scale industries of the region are enjoying the fiscal incentives, concessions, rebates and infrastructure being provided by both the Union and the State Government, the state of labour welfare measures is very poor. The workers employed in these industries often complain that the management is reluctant to welfare measures resulting in fall in labour productivity and hence, profitability of these units. Labour productivity is a crucial factor for the development of the industrial/manufacturing concerns. Productivity may be enhanced with the help of labour welfare measures if implemented sincerely. After evaluating the labour welfare measures adopted by the large scale industries of Kumaun region, the findings observed are:-

I  Relationship Between Labour Welfare Measures and Labour Productivity
Expenditure on labour welfare is a wise investment which results in increase in labour-productivity and hence efficiency and higher profitability. Planning Commission too realized the importance of labour welfare measures in the form of healthy working conditions which keep the workers in a state of sound health resulting in increase in production. The contribution and cooperation of the laboring class may be got only if it is satisfied. It is in the interest of the enterprise that the workers at least have the means and facilities to keep themselves quite fit for work so that required efficiency level may be maintained. The health and efficiency of the workers may be improved only by adequate nutrition and suitable housing conditions. The working conditions such be such as may safeguard the health of the workers and protect them against occupational hazards. Reasonable amenities, necessary technical training and a certain level of general education must be provided to the workers at the work place. The **Labour Investigation Committee** too has emphasized that increased in labour productivity may be possible only through good health, high moral and social values, good economic condition and required level of knowledge. All these may be improved through labour welfare measures for the enhancement of productivity.

The relationship between various labour welfare measures and the labour productivity is put by sub-groups of labour welfare measures as under:

(A) **Health Services and Labour Productivity**

The sound health services/amenities help in enhancing the efficiency. The efficiency of labour is the end result of high morale, level of knowledge, attitude and training along with good health. If the workers enjoy good health, they would not feel irritated or tired at the place of duty. They would be able to work for long periods. A healthy person may bear higher responsibilities of work and take sound decisions. Health workers are self motivated resulting in increase in productivity.
The sound working environment keeps the workers healthy and safe. It safeguards the workers against occupational hazards. Besides, healthy work environment also requires proper illumination. Poor illumination puts adverse effect on the efficiency of the workers. The strain and fatigue caused by poor illumination or artificial illumination result in low productivity. The noise, colours, vibrations and music have also been found to affect productivity. Whether it is noise or bad illumination, the maintenance of productivity is at the expense of the worker.

(B) **Non–Statutory Welfare Measures and Labour Productivity**

Non-statutory welfare measures are the welfare activities which are undertaken voluntarily by employers, e.g., housing, education, recreation, transportation and cooperatives. Although the variety of non-statutory welfare activities is large, their effectiveness in achieving productivity is not very well established. Most organizations in India either have contributed money to these activities or have recycled the contributions of workers to maximize welfare programmes for them. Whether it is a welfare fund trust or any other form of voluntary benefit, a welfare policy strives to foster a sense of financial well-being, ownership and job satisfaction amongst workers. Although many non-statutory welfare activities either started as paternalism or on account of the aggressiveness of unions in India, the workers and unions today take them very seriously as an important compensation for their work.

The management has to assess the motivational effect of non-statutory welfare measures on work and other productive behaviour. It is an uphill task to assess the impact of non-statutory welfare measures. The cost of these amenities is on growth which warrants indepth studies to understand, and possibly predict, the effect of non-statutory activities on labour productivity. In qualitative terms, it may be concluded that the non-statutory welfare measures result in a sense of gratitude and loyalty among laboring class and motivate them to work hard. Generous benefits might,
however, create a sense of over-dependence among workers; they may not leave the organization, causing a large work force stagnation. Non-statutory welfare is comprised mainly of hygiene factors and not of direct motivators, and the capacity of these factors by themselves to elicit increased productivity is matter of debate and discussion.

(c) **Job Satisfaction and Labour Productivity**

The human behavior experts opine that job satisfaction and labour productivity are synonymous, or that high job satisfaction will lead to high labour productivity. But the results of our survey point to the contrary. The two are very different and one does not necessarily determine the other. In fact, even the conditions that determine the two are very different. Factors that govern job satisfaction of industrial workers in India are:-

(i) Personal adjustment of worker  
(ii) Nature of work  
(iii) Relationship with other workers  
(iv) Nature of supervision  
(v) Set-up of the undertaking and its relationship with unions.  
(vi) The social status of his job in the community.

Labour productivity, on the other hand, has been found to be determined largely by the quality of machines and raw materials R&Q, industrial relations, institutional set-up, ability and skills of work force, incentive systems, etc. Survey shows that the workers are motivated to achieve certain goals which result in satisfaction. Labour productivity is seldom a goal itself but in more a means to goal attainment. In most of the cases, labour productivity and job satisfaction are not related to each other except when labour productivity is perceived as a path to certain important goals. Thus with this discussion it may be put that job satisfaction is more broad-based and encompasses various conditions also situations and sometimes labour productivity is also included in it.
Job satisfaction is a state of positive feeling towards the company. This feeling is expressed in loyalty, faith and an attitude that the company is concerned with the welfare measures will generate company loyalties, and assumes that such allegiance will lead to labour productivity. The revised model reverses the position of labour productivity and company satisfaction. This new model suggests that non-statutory welfare will directly influence labour productivity. Once this relationship is established, high labour productivity may lead to high satisfaction. Majority of the industrial enterprises now pay attention to job enrichment as a process of making a job more meaningful. Job enrichment has the potential to enhance labour productivity and worker satisfaction if changes in jobs are perceived as opportunities rather than as demands. If the concept of labour welfare is to be extended to include job content orientations, its viability for increased labour productivity will be enhanced manifold.

(D) Workers’ Education & Training and Labour Productivity

In developing countries like India workers’ education aims at making the worker a better operative, a better union member and a better citizen. In general, the scope and content of workers’ education should be determined according to environment, level of industrialization and union development. It should cover different types of education, and include vocational guidance, technological training, literacy and artistic studies, and the manner of conducting conferences and seminars. The syllabi are designed to inculcate among the workers a sense of duty and social responsibility while making them aware of their rights. In the new curricula, population education, functional adult literacy and productivity education occupy a place of special importance. To boost labour productivity, now emphasis is laid on upgrading the quality of training. Productivity is largely dependent on the quality of training imparted to the workers at different levels. The workers’ education is the education of the worker, by the worker and for the benefit of the worker. It stimulates the workers’ awareness of their rights and responsibilities and enables
them to perform their functions effecting through commitment to workers’ organizations for the defence of common interests.

Training leads to efficiency and increased labour productivity, less wastage, reduced supervision, higher employee earnings, reduced accidents, increased organizational stability and flexibility, heightened morale and vertical job mobility. To build up the career of young persons and to supply a constant stream of trained personnel to industries, the Director General of Employment and Training (DGET) has designed a number of training programmes. Out of these training programmes, few important programmes are- Craftmen’s Training Programme; Craft Instructor’s training; Advanced Vocational Training; Foreman’s Training; Apprenticeship Training Scheme; Part-Time training for Industrial workers and Vocational Training Programme for Women. Training helps in improving skills. The trained workers handle their tools and machines properly resulting in increase in productivity.

Our analysis investigates several dimensions of the relationship between training of workers and labour productivity. We have examined whether training has different returns for workmen and employers, by comparing the effect of training on direct measures of labour productivity with the results obtained from the corresponding wage equations.

Our results indicate that the training intensity defined as the share of employees participating in training activities over the previous year, has a positive significant effect on productivity at firm level. When training intensity increases by 1 percentage point, productivity increases by about 0.07 percent. Training intensity also has a significant impact on wages, but sing wages as an indirect measure of productivity leads to substantially under-estimate the impact of training programme. The impact of training programme on labour productivity has been assessed with the help of **Cobb-Douglas** production function given as under:
\[ Y = A L^* K \]

We have also found that training has a significant effect on wages. Using wages as a proxy for productivity may lead to significantly underestimate the impact of training on labour productivity.

II  Labour Welfare Measures adopted by the Government

In providing labour welfare amenities, the role of the State varies from country to country depending on the stage of economic and social development. Financial resources are also crucial in this respect. Apart from the legislative responsibility, the State as an employer has the basic social responsibility of acting as a model employer and to provide all types of welfare amenities to its workers. The State might also directly sponsor welfare programmes in the areas where workers live. In India, labour welfare activities started gaining ground after the Second World War, when the British government revised and introduced many labour laws that aimed at improving employment conditions, including welfare of the working class. Labour welfare was accorded high priority after the Independence when the socialistic pattern of society was adopted for achieving various socio-economic goals of the country.

During the Plan period the Government enacted various labour laws having welfare provisions covering aspects like health, security, training, education and working conditions. Some welfare funds too were established to make financial arrangements for the welfare amenities to be provided. After the Seventh Five Year Plan, efforts have been made by the Union Government as well as State Governments for the strict implementation of the Acts previously enacted so that the health, job security, skill and social security of the workers may be ensured. Time to
time a review of labour welfare measures in various industries is made by the Government. It is done under the two broad heads:

(i) Welfare within the precints of the establishment and

(ii) Welfare outside the establishment.

Such review is prefaced by an account of various statutory requirements, their critical assessment as well as the analysis of respective role of various agencies who have been assigned the work of labour welfare. The statutory welfare requirements can be classified into two heads:

(i) those which have to be provided irrespective of the size of the enterprises or the number of persons employed therein, such as washing, storing and drying of clothings, drinking water, latrines and urinals, and (ii) those which are to be provided subject to employment of a specified number of persons, such as canteens, rest shelters, crèches and ambulance rooms.

The scope of various legislations providing for such welfare amenities also varies from industry to industry and as between different types of amenities. A few examples are-

- The Factories Act is applicable only to factories employing 10 or more workers with power, or 20 or more workers in factories without using power.
- The Mines Act is applicable to all types of mines.
- The Plantation Labour Act is applicable to gardens with certain minimum area and number of workers, the State Governments have been empowered to notify its application for a plantation which may be smaller both in size and employment.

**Labour Welfare Centres**

For undertaking welfare activities, both the States as well as Union Territories have been maintaining labour welfare centres. These welfare centres are either directly managed by the State Governments or through ‘State Labour Welfare Boards.’ These welfare centres of the country provide facilities pertaining to games, recreation, library, reading rooms, workers’ education and training programmes to
the workers. The other activities which are also undertaken at these centres include
adult education, entertainment and cultural activities, health and hygiene
programmes, nursery schools and Shiksha Mandirs for children, training in carpentry,
tailoring, embroidery, library services, craft training, music classes, cinema shows
and vocational training to the tea garden workers.

**Labour Welfare: Legal Side**

The Government of India, with a view to enhancing welfare and well-being of
workers, has laid down elaborate provisions for labour welfare under different labour
laws. The important laws in this regard are: The Factories Act; The Plantation Act,
1951; The Mines Act, 1952; The Motor Transport Act, 1961; The Merchant Shipping
Act, 1958; The Dock Worker (Safety, Health and Welfare) scheme, 1961, The
Contract Labour (Regulation and Abolition) Act, 1970, Inter State Migrant Workers
(Regulation and Abolition) Act, 1970, Inter State Migrant Workers (Regulation and
Employment and Conditions of Service) Act, 1979. All these Acts have provisions
for health, safety, canteens, shelters, rest-rooms and lunch rooms, crèches, recreation,
education, housing, uniforms, clubs, library, urinals, latrines, sports, fair price shops
and cooperative societies.

**Labour Welfare Facilities under Welfare Funds**

Some labour welfare facilities have been made available to workers under
different welfare funds. These are asunder:

(a) **Assistance for Medical Facilities**:

There exists an elaborate system under which a variety of medical facilities are
provided to mine workers. The medical infrastructure created and managed in
different states of the country covers hospitals and dispensaries. Besides strong
medical infrastructure there also exists a system of diversified medical assistance
under which workers are benefited depending on their pathological status. Such
assistance includes financial assistance for purchase of spectacles for mine and beedi
workers; reservation of beds in T.B. hospitals for mine workers; reimbursement of
medical expenditure; supply of ambulance vans, grants for maintaining and improving own hospitals, dispensaries and group insurance.

**Educational Facilities Under Welfare Funds**

Under educational facilities financial assistance is provided to the students. The schemes for which financial assistance is provided are –

(i) Scholarships for children of mines, beedi and cine workers studying in class V and above in recognized institutions.

(ii) School uniforms to the wards of the mica mines and beedi workers studying upto class IV.

(iii) Assistance for purchase of school buses to the mine management.

(iv) Grants-in-aid to the mine management for maintenance of libraries under ore, chrome ore Labour Welfare Fund.

(v) Scheme for establishment of library cum reading room.

(vi) Grants-in-aid for recognized schools in the iron ore mining areas.

(vii) Mid-day meals schemes.

(viii) Schools forwards of mica mine workers.

In this changed socio-economic milieu, in the recent past, the need for effective educational programmes for working class in general and that of women, SC/ST workers in particular, has increased manifold. The Government has well-responded to this need of workers, which is obvious from the heavy amounts are being incurred on this head from the Labour Welfare Fund thus benefiting the beedi, mine and cine workers.

**(b) Assistance for Recreational Facilities**

With a view to cater recreational requirement of workers, the labour welfare organization provides a variety of recreational and cultural facilities to them through
through a Multipurpose Institute (DMPI) and Welfare Centres. The labour welfare activities undertaken by these institutes include:

(i) Education of children and adults  
(ii) Sports and games for adult and children  
(iii) Motivation of workers  
(iv) Mid-day meals to children  

Various schemes of recreational facilities run under welfare funds are:-

(i) Grants-in-aid for excursion-cum-study tours.  
(ii) Audio-visual sets and mobile cinema units  
(iii) Television Sets  
(iv) Organising games and sport  
(v) Buses for transportation of workers.

(c) **Assistance for Housing Facility**

Under the various welfare programmes, top priority is accorded to housing facilities. The financial assistance is provided to workers under the following schemes:

(i) Economically Weaker Section (EWS) Housing Scheme applicable to beedi workers  
(ii) Build Your Own Housing Scheme (BYOHS) applicable to beedi, mine workers in iron ore, management ore.  
(iii) Tenement Housing for Mine Workers Type-1 (plinth area 270 sq.ft) scheme applicable to mine workers in iron ore, manganese ore, chrome ore, limestone dolomite mines.  
(iv) Construction of Work Sheds/Godown Scheme applicable to beedi workers.

Besides this, an additional subsidy is also provided to workers under “Build Tour Own House” Scheme for beedi and mine workers. The workers who have adopted a planned family also enjoy a corresponding reduction in the loan liability.
An ILO/UNFPO assisted project on family welfare education for beedi workers is under implementation in the major beedi producing states. The object of the project is to educate, motivate and provide health and family welfare services to the beedi workers. Trained Birth Attendants (TBAS) have been identified and trained in large number. Some Mahila Mandalas have been formed to stress on family planning. MCH care and immunization HIV/AIDS prevention activities have also been included in the project.

**State Welfare Fund Scheme**

Certain State Governments have created funds for the benefit of different categories of workers. The facilities which are being provided include drinking water, conservancy, educational facilities, recreational facilities, canteens & crèches and medical facilities. The State Governments are providing medical health, educational and recreational facilities through various means. Dispensaries, clubs, vocational training centres, libraries etc have been established by the different State Governments. Social Service Camps also are being organized at different occasions like fairs and festivals to develop spirit of social responsibility and team work amongst working class.

**Labour Welfare Officer**

The need of labour officers was realized in Indian industry as early as 1931, when the Royal Commission on Labour recommended their appointment in order to protect the workers from the evils of jobbery and indebtedness, to act generally as a spokesman of labour and to promote amicable relations between workers and management. A labour welfare officer must possess qualities like integrity, personality, energy, the gift of understanding of individuals and linguistic facility. The position of labour welfare officer must be next to General Manager. His duty is not only the maintenance of law and order in the organization but also to develop and
improve labour administration in mills/factories and serve as a liaison with the State Labour Commissioner.

The legislative provision for the appointment of welfare officers under the Factories Act was made in 1948 section 49 (1) and (2) of the Act wherein 500 or more workers are ordinarily employed. Where the number of workers is in excess of 2500, assistant and/or additional welfare officers would be required to be appointed to assist the welfare officer. The National Commission on Labour has stated that the welfare officer should exclusively look after the welfare of workers and discharge his statutory obligations in respect of welfare measures. He should not be called upon to handle labour disputes on behalf of the management.

The Committee on Labour Welfare has detailed out duties of welfare officers based on the model rules framed under the Factories Act of 1948. These duties relate to supervision of all types of facilities to be provided under welfare programmes; counseling workers on disputable matters and other matters of their interest; advising management in matters of workers’ welfare, working conditions and skill development; establishing liaison with workers to create better understanding and maintaining harmonious industrial relations; working with management and workers to improve the productivity and efficiency of the enterprise and working with outside public so that proper enforcement of various Acts relating to industry may be ensured. In brief, it may be put that the welfare officer concerns himself with the implementation of labour laws and the maintenance of proper working conditions; with matters of workers’ well-being; and with the promotion of harmonious and peaceful labour management relations.

III Labour Welfare Measures Adopted by the Employers

The need for labour welfare measures to be provided by the employers arises from the social responsibility of industry, a desire for upholding democratic values and a concern for employees. The employers are free to provide or not to provide non-statutory welfare a base minimum of facilities and reasonably good working
conditions are to be provided at any cost. In India, practically all organizations provide non-statutory measures in varying degrees. Our Survey has revealed that the industry-owners perform work as per Factories Act, 1948 only to fulfill legal formalities which is their statutory responsibility. They undertake these activities only to avoid action as per legal proceedings, not to satisfy the labourers and improve their condition which must be done in true sense.

After Independence, the Government of India passed several Acts comprising labour welfare measures to be undertaken by the employers. Wherever Government is the employer, it too will have to undertake labour welfare activities. Such Acts are – the Factories Act, 1948; the Employees’ State Insurance Act, 1948; the Minimum Wages Act, 1948; the Payment of Wages Act, 1936 and the Industrial Disputes Act, 1947 to ensure a fair deal to employees in various aspects of their jobs. The Factories Act, 1948 envisages provisions relating to health, safety, working hours for adults as well as welfare of workers.

The various types of labour welfare activities undertaken by the employers can be broadly categorized as – educational facilities, medical facilities, transport facilities, recreational facilities, housing facilities and consumer co-operative societies. The new trends in the field of labour welfare work taken up by the employers may be summarized as under-

(i) the launching of programme of family welfare;
(ii) the supply of nutritive meals to employees at subsidized rates;
(iii) supply of goods and services at subsidized rates; or the opening of cooperative stores and fair price gram shops, free or subsidized housing, medical and transport facilities, and free education for the children of the workers.
(iv) the starting and running of civic services such as recreational services like clubs, parks, gymnasium, libraries and reading rooms, community halls etc; preventive health measures and transportation etc.
(v) organizing counseling programmes on a continuous basis for the management of workers’ personal and emotional problems.

(vi) imparting education to the workers for the prevention of AIDS etc.

The analysis of labour welfare measures adopted by the employers in large scale industries of Kumaun region shows that –

(i) the range of labour welfare activities is very limited.

(ii) the workers are not satisfied about the range and content of labour welfare

(iii) Some measures have brought benefits to workers

(iv) Some components of labour welfare as prescribed in different legislations have not been implemented which does not conform to the spirit of the legislation

(v) the limits fixed for the provision of crèches and canteens seem to be very high

(vi) wherever there are canteens, the workers are not satisfied of the management of the canteen. The workers prefer canteens to be run by themselves on cooperative basis

(vii) the statutory provisions relating to health, safety, security and amenities have been found inadequate in almost all the large scale industrial units of Kumaun region

(viii) the Kumaun region lacks in welfare centres

(ix) The casual and contract workers are not eligible for welfare schemes.

IV LABOUR WELFARE MEASURES ADOPTED BY THE TRADE UNIONS AND VOLUNTARY ORGANIZATIONS

The Indian Trade Unions have miserably failed to provide welfare to its own community. The welfare activities undertaken by these unions include day and night schools, residential boarding house for working class girls, study homes for boys, reading rooms and libraries and physical and cultural centres. These also maintain Allopathic and Ayurvedic dispensaries and maternity homes. Besides, trade unions
do also organize a number of cultural, social and educational activities for the benefit of workers and their families. Vocational training in tailoring is also being imparted to workers. The trade unions activities also include children’s welfare centres and a network of cooperative societies. Thrift is being encouraged by providing banking facilities.

The Textile Labour Association (TLA) of Ahmedabad has undertaken labour welfare activities like opening of maternity home and dispensary, crèches, supply of free clothing to orphans, game centres, gymanisums, hostels, vocational training, workers’ education and training programme, community development centres etc. The mill Mazdoor Union, Indore has established labour welfare centres to provide cultural, recreational and other amenities to its members. It organizes music dance and social get-together. It runs a Balmandir, a Kanya Mandir and many Mahila Mandirs where educational, vocational and health facilities of different types are provided to the workers and their families. The Mazdoor Sabha, Kanpur, the Railwaymen’s Union, Indian Federation of Labour in U.P. and Transport and Dock Workers’ Union in Bombay also provide welfare facilities to their members. These also organize cooperative societies and set apart various kinds of funds for providing specific assistance such as legal defence, death and retirement benefits, unemployment and sickness benefits and life insurance. Besides, they provide funds for unforeseen contingencies and running co-operative societies and granting scholarships to the children of their members.

The Nilgiris District Estate Workers’ Union has also organized welfare work in the plantations in the Nilgiris, and encouraged the spirit of Self-help and Cooperation among workers’ families. Education/ Cultural activities are increasingly becoming a part of the activities of well organized trade unions in different regions. The Rastriya Mill Mazdoor Sangh, Bombay undertakes welfare activities like – (i) workers’ education centre; (ii) provision of merit-cum-need based scholarships and text books for needy students; (iii) maintenance of library with a research cell; (iv) arrangement of sewing and tailoring classes for family members of employees; (v)
medical facilities to union numbers in its allopathic and homeopathic clinics; (vi)
maintenance of a holiday home and running a housing cooperative society for its
members.

In India, trade unions and voluntary organizations like Servants of India
Society and the Bombay Social Service League conducted several welfare activities
like promotion of education, recreation and cultural activities. The Five Year Plans
of Assam have earmarked funds to assist them to carry out the welfare activities of
the voluntary organizations, more specifically training-cum-production activities.

In recent years, the voluntary organizations have started giving attention to
the welfare needs of the workers. According to Dr Varma three types of facilities are
made available to workers namely –

(1) Certain facilities are provided at the site of work itself, such as subsidized
canteens, crèches, medical facilities.

(2) Some facilities relate to the economic needs of the workers such as co-
operational credit societies, consumers’ cooperative stores, staff benefit funds,
the educational assistance to workers’ children.

(3) Certain institutions like community centres, welfare centres and educational
institutions.

The employers are in general of the point of view that the expenditure on
labour welfare measures is unproductive which is an irrational fact. The active role of
trade unions not only safeguards the interests of the workers but also extends full
contribution in the establishment of a socialistic exploitation-free society. In
Kumaun region the industrialists discourage the formation of trade unions. As the
region is in infancy stage of its industrialization, the role of trade unions and
voluntary organizations may not deem to be significant. The excessive labour supply
in the region has resulted in poor bargaining power. This is why the workers dare not
to open their mouth before the mill-owners.

The ineffectiveness of trade-unions has led slackness in the implementation of
labour welfare activities. The analysis of the data received shows that the causes,
mainly responsible for ineffectiveness of trade unions, have been – shortage of funds, undue pressure from employers, taking of no advantage of powers as envisaged in Trade Union Act, 1926, entry of political parties in trade unions and taking of their leadership in their hands, opposing of formation of trade unions by the employers and overlooking of labour welfare measures by the trade unions. The ideological differences among the union officials have resulted in fall in their effectiveness. All these factors caused poor performance of labour welfare work. The voluntary organizations too do not exist in the area. This is why their contribution is nil.

**V WORKERS’ RESPONSIVENESS TO LABOUR WELFARE MEASURES**

Industrial production depends upon adequacy, efficiency or skill and motivation of the industrial workers which influence the standard of living of the countrymen in indirect way. This is why in industrial process more emphasis is laid on human element i.e. working class. To enhance the skill and productivity of the worker, labour welfare measures do play a crucial role so that significant contribution of workers may be achieved in industrial development. In modern era industrial labour is above the capital and technique. It is a tool for the achievement of national objectives. The satisfied labour is the pride of the nation whereas the dissatisfied industrial labour would cause reduction in national income. The trade unions struggle with the objective of safeguarding the interests of the workers and to promote them. The Government has enacted Trade Unions Act, 1926 which has led positive change in the social as well as economic status of the workers.

Royal Commission on Labour recognized the importance of labour welfare and put that the workers may not secure it on their own. According to it, schemes of labour welfare are regarded as “a wise investment” which results in increase in efficiency. Workers in the industries expect of such service facilities and amenities as may enable them to perform their work in healthy, congenial surroundings conducive to good health and high morale. It is labour welfare work that serves as an important means for the development of effective work habits and methods of work.
and thereby reduces waste, accidents and improves quality of the product. To the workmen, it does not mean merely increased remuneration, but also a broader outlook on life emerging from the spirit of Self-reliance, dignity and Self-esteem that develops out of it.

Workers’ responsiveness to labour welfare measures has been assessed under the following heads:

(A) **Improvement in Health and Efficiency**

The health programme under labour welfare work means creation and maintenance of constructive human relationships and the elimination of some of the destructive tensions, pressures and antagonism on the one hand, and reduction in rates of absenteeism, labour turnover, accidents, occupational diseases and increased productivity, on the other hand. All these mean reduced liability under the compensation and social security laws and increased business earnings. To the society in general, the poor health of the workers costs heavily in the form of rising cost of production, interruption in smooth flow of commodities as well as rising social cost involved in the programme of rehabilitation of disabled workers. Thus, the investment in labour welfare measures as well as community in general.

Preventive measures for protection of industrial health consist of –

- pre-employment and periodic medical examination of all workers;
- removal of health hazards as far as possible;
- emergency treatment of accidents;
- training of first-aid personnel;
- systematic attention to sanitation;
- safety precautions and industrial hygiene;
- provision of competent medical consulting staff;
- surveillance over certain classes of workers such as women, young persons and persons exposed to special risks;
education of workers in health; and
development and maintenance of a proper human relations programme.

So far as curative aspect is concerned, it begins when a worker suffers due to ill-health. The legislative measures have laid down various preventive provisions for safeguarding industrial health. These provisions relate to various aspects of physical environment like cleanliness, ventilation and temperature, humidity, lighting, mechanical environment like provision of first-aid and safety appliances, precautions against dangerous fumes and fires; and restrictions on employment of women and children at certain hours and places. The Factories Act, 1948 provides for supply of wholesome drinking water, as well as construction of sufficient number of latrines and urinals of the prescribed standards, conveniently situated and accessible to workers at all times.

The symptoms of poor industrial health are poor labour efficiency and productivity. There is relationship between efficiency and productivity. The labour welfare measures statutory and non-statutory both are conducive to health of the workers which results in increase in efficiency. The large scale industries of Kumaun region are suffering on account of poor health which is the result of a number of forces like malnutrition, insanitary conditions, psychological disorders, and stresses and strains. There is growing pressure on all sanitary services in industrial centres. The health condition of the workers is not sound and hence, there is fall in efficiency.

(B) Performing of Social Responsibility
Traditionally, basic objective of business was profit maximisation. After the Great Depression era this view was advanced and accepted that managers of large scale industries must make decisions which maintain an equitable balance among the shareholders, employees, customers, suppliers and general public. Managers are considered trustees for these interests. Such view is known as ‘social responsibility.’ Further, it is management’s responsibility to protect the interest of workers in an
organization. The workers have direct interest in an organization because by working there, they satisfy their needs. The traditional economic concept of organizational functioning does not give workers their proper share in the distribution of income. Hence, it is the responsibility of the management to safeguard the interests of the laboring class. It may be done in the following ways:

(i) By treating the workers as another wheel of the cart i.e. inevitable for the development of the organization.

(ii) By developing cooperative endeavour between employers and employees.

(iii) By adopting a progressive labour policy based on recognition of genuine trade union rights-participation of workers in management, creating a sense of belongingness, improving their working and living conditions.

(iv) By paying fair and reasonable wages and other financial benefits to workers.

The workers employed in large scale industries of Kumaun region are satisfied with the facilities like availability of drinking water, latrines & urinals. But they are not satisfied with housing facilities as the industrial units failed to pay high rentals as tenants. They are also not satisfied with the medical facilities. The safety measures are also not sufficient as frequent accidents are common in these industries. Sometimes the boiler gets bursted while at other times the workers get hurt on conveyers, cranes and machines in operations.

(c) **Savings in Expenditure**

The workers employed in large scale industries of Kumaun region are in fact ruralite. Their wages are very low at initial stage of their job. They have to work and live in unhealthy, congested factories and slum areas, with no outdoor, recreation facilities. To escape from the tiring conditions of their tedious and tiresome job, they absent themselves, become irregular and sometimes indisciplined too. Hence, the need for providing welfare services arises. Presently, the workers are making heavy expenditure on medical facilities including programmes for physical fitness and...
efficiency, family planning, nursing home expenses on kids’ birth, education facilities, housing facilities, recreation facilities including sports, cultural activities, conveyance etc. The labour welfare measures help in saving these expenditures. The employers are legally bound to provide all these amenities to their workers so that they may save money on these facilities. In Kumaun region there are no consumers’ co-operative credit and thrift societies. Only a few industries are providing their own transport facilities to their workers thus only a meager saving in expenditure.

(d) **Meeting Essential Needs**

For a give job, the money compensation must be adequate for a worker to maintain a decent standard of living. It should cover basic needs such as housing, food, transport, medical care, children’s education and the possibility of some saving for a contingency. The workers doing similar jobs in an organization should be similarly compensated. In order to establish parity, factors like complexity of the task, skill requirements and job differentials, and an objective system of job measurement needs to be considered. The compensation plan should be productivity-based and must be able to motivate the workers and get the best out of them.

The Minimum Wages Act, 1948 seeks to avoid exploitation of workers by underpaying them for their efforts. The minimum wages sets the floor for pay levels for the skilled occupations. Experience shows that the majority of the industries do not pay even minimum wages fixed under the Act. The workers are facing hardships in meeting essential needs as a result of low wages. In this way enhancement of productivity, upgradation of skill and knowledge become difficult as these require huge amount to be expensed which is beyond the capacity of the workers.

(e) **Technical Training and General Education**

The training is intended to equip people to earn promotion and hold greater responsibility. Education is the understanding and interpretation of knowledge. It
develops a logical and rational mind that can determine relationships among pertinent variables and thereby understand phenomena.

Through the provision of labour welfare measures the organizations train their workers by imparting them technical training. Some organizations run their own schools and provide general education but their share is only 7 percent. The techniques employed in imparting workers’ education are:

(i) General lectures delivered in simple, direct and unambiguous language;
(ii) Discussions on the topics/issues involved;
(iii) Organisation of study groups; and
(iv) Correspondence Course.

Besides these techniques, modern teaching methods are also deployed and for this purpose, a number of educational aids can be used viz., video tapes, films, film strips, recordings, pictorial charts, flash cards, posters, graphs, maps and diagrams, wall newspapers, etc. Along with these methods, demonstrations, talks, tests, seminars, debates, role-playing, symposia, case studies and two-way communication methods are also encouraged. The educational visits and study tours of the trainees to union offices, factories and multi-purpose projects are important aspects of workers’ education.

The training part of the workers has been found very poor. It has been experienced that – (i) training capacities have remained unutilised; (ii) no new trades have been added; (iii) local training needs have been ignored; (iv) there was not adequate expansion in some trades; (v) instructors have been found lacking experience in working conditions and production techniques in industry; and (vi) lack of counseling arrangements also has been noticed.

(f) **Trade Unions’ Contribution to Labour Welfare Measures**

Through various types of union welfare fund and later through pressure for employer welfare programme and the Governmental Social Security measures, the unions aim to obtain greater benefit for its members. Through militant or protection
functions the trade unions aim at securing better conditions of work and employment. Through positive functions these provide benefits to its members and support to them during strikes/lockouts or during periods of temporary unemployment by giving them financial support out of the funds raised with their contributions. The intra-mural functions undertaken by the unions include the welfare schemes within factory premises to improve workers’ conditions of employment; regulation of hours of work, and provision of rest intervals, adequate wages, sanitation, safety and security; continuity of employment, etc. For performing these functions, trade unions adopt collective bargaining and negotiations and sometimes resort to strike. The extramural functions include welfare schemes to provide medical or financial assistance during casualties, facilities relating to education, recreation and housing, social and religious benefits etc. All these measures are designed to inculcate the spirit of cooperation among the workers. In Kumaun region the trade unions failed to provide welfare activity to its members.

(g) **State’s Role in the Implementation of Labour Welfare Measures**

The Government has provided the social security cover to most of the workers in the organized sector through various Acts relating to welfare of the employees. But the workers of unorganized sector who constitute near about 93 percent of the total work force fail to take benefit of such Acts. The Ministry of Labour & Employment has set-up five Welfare Funds to provide housing, medical care, educational and recreational facilities to workers employed in beedi industry, certain non-coal mines and cine workers. Cess is also levied on workers and the amount so collected is expensed on health care facilities, assistance sanctioned for housing, expenditure on educational assistance as well as on recreational facilities. Insurance schemes like ‘Janshree Bima Yojana’ and employment oriented schemes are available to workers engaged in unorganized sector. ‘Rashtriya Swasthya Bima Yojana’ for BPL families in unorganized sector has been formally launched on 1\textsuperscript{st} October, 2007. The Inter-State Migrant workmen (regulation of Employment and
Conditions of Service) Act, 1979 has been enacted to protect the rights and safeguard the interest of migrant workers.

**Impact of Labour Welfare Measures**

To establish the inherent relationships among labour welfare variables, management practices and performance first a score chart for labour welfare measures was prepared. In developing the score chart, 15 labour welfare measures have been identified. For the evaluation of the quality and extent of selected labour welfare measures, Likert’s 5-point scale has been used in which 5, 4, 3, 2 and 1 scores have been allotted to different levels of labour welfare work i.e. very high; high, average, low and very low. These scores are reliable in relative terms only as these put the performance in varying grades showing relative importance.

Undoubtedly profit is the end result of all managerial decisions, labour welfare measures and performance of a firm. In the absence of complete information on profit performance other parameters viz growth rate of sales, number of workers and capital employed have to be chosen. With the help of these individual growth rates, a composite growth rate of each category of industry was calculated by taking average of the same. The mean scores of labour welfare practices and the composite growth rates of individual sample units have been correlated to find the relationship between labour welfare practices and performance. Rank Correlation Coefficient (R) has been used for computing the degree of correlation between the two variables. It is observed that there is moderate positive correlation (R = + 0.457) between labour welfare practices and performance of large scale industrial units under study.

**VI DETERRENTS IN THE ADOPTION OF LABOUR WELFARE MEASURES**

Uncertainty lies in every study which relates to human behavior. The labour welfare measures are meant for human beings and are also implemented by human beings, so in measuring their effectiveness it is very difficult to bring objectivity.
This is why the benefits accrued from labour welfare work may not be measured accurately and hence benefit-cost analysis become very difficult. The benefits and impact of labour welfare measures depend upon volume of welfare measures, efficiency of the implementing machinery and the resources of the enterprises. The following deterrents have been sorted out after careful examination of the labour welfare measures adopted by the large scale industries of Kumaun region –

1. **Difficulty in Objective Measurement**

There are many benefits which may be derived from labour welfare work like improvement in productivity resulting in increase in profitability of the company, improvement in quality of product (s) or services, fulfilling future personnel needs, improvement in organizational climate, health and safety, prevention of obsolescence and enhancement of personal growth. The objective measurement of these benefits is not possible. The method of benefit –cost analysis records expenses incurred on labour welfare measures accurately but it fails where objective measurement of benefits comes forth. No doubt, labour welfare measures increase skills, attitudes, knowledge and standard of living but all these are qualitative factors, the measurement of which may not be done accurately.

2. **Lack of Knowledge of Labour Welfare Measures Among the Workers**

Labour welfare may include not only the minimum standard of hygiene and safety laid down in general labour legislation, but also such aspects of working life as social insurance schemes, measures for the protection of women and young workers, limitation of hours of work, paid vacations, etc. The labour welfare work is usually undertaken within the premises or in the vicinity of the undertakings for the benefit of the workers and the members of their families. It is not necessary that all the labour welfare activities are undertaken according to statutory provisions. These may be required by the custom of the industry or what the workers expect as a result of a contract of service from the employers. The labour welfare work may be
provided voluntarily by progressive and enlightened entrepreneurs at their own accord out of their realization of social responsibility towards labour, or statutory provisions may compel them to make these facilities available; or these may be undertaken by the Government or trade unions, provided they have the necessary funds for the purpose. As a result of low literacy and educational level, the workers lack in knowledge of statutory provisions relating to labour welfare.


   Government of India has enacted several Acts relating to labour welfare covering women workers, adult workers, child workers, contract workers, bonded workers etc. working in manufacturing, mining, shipping, plantations, beedi works, cine establishments etc. The Government has also enacted a number of legislations in the area of Social Security for the workers. The important Acts are – Workmen’s Compensation Act, 1923; Employees Provident Funds and Miscellaneous Provisions Act, 1952; Maternity Benefit Act, 191; Payment of Gratuity Act, 1972; Employees’ State Insurance Act, 1948 etc.

   As labour figures in the Concurrent List of distribution of power in the Constitution. Thus, both the Centre and State can legislate in this area. There are 43 labour related statutes enacted by the Central Government dealing with minimum wages, accidental and social security benefits, occupational safety and health, conditions of employment disciplinary action, formation of trade unions, industrial relations, etc. These laws seem to be enough theoretically but their implementation is very poor. The enforcing machinery does not take much interest in the strict implementation of these laws. Even the trade unions failed to pressurize the employers to implement these laws.

4. **Shortage of Funds**

   Labour welfare measures or activities may not be operated without sufficient amount of funds. These welfare activities may be carried out by the employers, the Government and the trade unions. All of these require huge sums to accomplish this
task. Both the statutory as well as non-statutory labour welfare activities need handsome funds to be made available to the labouring class. The trade unions afford funds for labour work through small contributions which are made by its member workers. The data of average annual income of trade unions showed no marked improvement over the period of last two decades. The employers also do not take much interest in providing labour welfare measures to their workers. Through the enactment Acts, responsibility has been assigned to these employers but they do not want to expend much money on the amenities which may ensure workers’ safety, sound health and working environment and advancement of skill. As a result of loose statutory provisions, low profitability of the industries and mal-intention on the part of employers shortage of funds acts as a deterrent of labour welfare measures.

5. Lack of Unity Among the Workers
The industrial workers are fragmented on the basis of territory religion, caste, language, traditions & customs etc. Thus fragmentation among the workers is a deterrent of labour welfare measures in indirect way as lack of unity among the workers results in weakening of trade union. The workers with various cults, customs, rites and traditions do not agree to be of the one religion (i.e worker religion). Mutual competition or tension of the principal political parties of the country is also visible in the trade unions too. The disorganization of trade unions is in the best interest of the employers. This is why the mill-owners always put hurdles in the sound development of trade unions. As a result of lack of unity among the workers, the workers are not in a position to compel either the mill-owners or the Government to implement labour welfare measures.

6. Inadequacy of Labour Welfare Measures
The ‘Human Rights Day’ declared by UNO has developed ‘human approach of labour’ and emphasis on human respect. The industrial democracy has developed and mental revolution has born. With the increase in awakening and strength
industrial labour has begun to be respected. It has got social security to a large extent. In India, there are various labour laws in enforcement for the welfare of industrial workers which provide safeguard to workers in different calamities. Out of these important ones are – Workmen’s Compensation Act, 1923; Employees’ State Insurance Act, 1948; Minimum Wages Act, 1948; payment of Wages Act, 1936; Payment of Bonus Act, 1965; Coal Mines Provident Fund and Various Provisions Act, 1942; Maternity Benefits Act, 1961; Payment of Gratuity Act, 1972; Deposit Linked Insurance Plan, 1976; Trade Unions Act, 1926; Factories Act, 1948 etc. The implementation of these Acts could produce no significant improvement in the health security efficiency or skill and standard of living. The labour welfare measures as envisaged in these Acts found to be inadequate.
7. No Provision of Unemployment Allowance & Old Age Pension by the Government

In a democratic country like India, the State makes itself responsible for ensuring a minimum standard of material welfare to all its citizens on the basis wide enough to cover all the contingencies of life. The risks to which an individual in the society is exposed are physical, social and economic. These risks are visible in the form of sickness, invalidity, old age, maternity, accidents, death; technological change, burden of large families etc. In Uttarakhand there is no provision of payment of unemployment allowance to the unemployed persons registered with Employment Office of the State. Old age pension to industrial workers is not admissible in the State.

8. Inadequacy of Training Facilities

Needless to say, training leads to efficiency and increased productivity, less wastage, less supervision, higher employee earnings, reduced accidents, increased organizational stability and flexibility, heightened morale and vertical job mobility. After the evaluation of various training schemes for industrial workers it has been observed that – (i) the training centres lack in training in latest trades, (ii) substantial training capacities have not been created, (iii) the training programmes do not take into account local and regional needs, (iv) many instructors do not have any experience of working conditions and production techniques in industry, and (v) the quality of the training is poor.

Hypotheses Testing

The null hypotheses which were undertaken during the course of the study, have been tested as under:

Hypotheses I: The first null hypotheses was – ‘the labour welfare measures are conducive in increasing the labour productivity. This
hypotheses stood true as the data received have shown that higher the degree of labour welfare measures, higher was the level of labour productivity.

**Hypotheses II**

The second null hypotheses was – ‘the labour productivity has a bearing upon the profitability of an enterprise. This hypotheses also stood true as the industrial units where there was higher labour productivity, their profit figures too showed an upward trend.

**Hypotheses III**

The third null hypotheses was – ‘welfare measures have become quite inevitable to justify the concept of “establishment of a Welfare State.”’ This hypotheses too stood true as labour welfare measures act like a tool to establish ‘Welfare State.’ Under Welfare State all sections of the society including workers lead a happy life and workers’ happy life to a large extent depends upon the number and volume of labour welfare measures.

**SUGGESTIONS**

The ultimate aim of business enterprises is wealth maximization by enhancing productivity, level of skill & knowledge, improvement in health & security, job satisfaction, boosting of morale and mental revolution. This goal of wealth maximization may be achieved with the help of overall operational efficiency resulting in increase in industrial productivity. Both of these are the end results of sound and comprehensive labour welfare programmes. The labour welfare measures improve skills, attitudes, behavior, health and security which in turn increase labour productivity. The sound labour welfare measures help in increasing labour productivity which boosts up profitability of an enterprise. The following suggestions are made in this regard –
1. The labour welfare measures should be planned so that these are related to the workers’ performance and background. This background should be used as a foundation for job satisfaction, good health, security, new development and new behaviour.

2. As far as possible and if necessary a combination of labour welfare measures should be selected so that workers may enjoy sound health, more safety and savings in expenditure and as many of the senses as possible are utilized.

3. It should be recognized that all the workers do not react to welfare measures at the same rate. Therefore flexibility should be allowed in judging the rates of reaction of the labour welfare activities.

4. Specific labour welfare objectives should be outlined on the basis of the type of impact required to achieve organizational goals and objectives. An audit of personal needs compared with operational requirements will help to determine the specific welfare needs of the individual workers. This evaluation should form a well-defined set of impact standards toward which each worker should be paid attention to.

5. The intelligence, maturity and motivation of the workers to provide labour welfare work be assessed first. If deficiencies are noted in these respects, the labour welfare measures may be postponed or cancelled till significant improvements are visible.

6. An account of personal benefits of labour welfare be presented before the workers so that they may know the outcome of better performance resulting in from welfare activities. They should be helped to discover the rewards and satisfaction that might be available to them through changes in behavior.

7. Organizational conditions conducive to a good labour welfare environment be created. It should be made clearly why changes are needed. Any distractions in the way of welfare environment, should be
remove. The support of the upper levels of management should be obtained before implementing labour welfare activities at the lower levels.

8. Personal involvement or active participation of the laboring class to a possible extent should be got in the welfare activities. Workers should be provided with opportunity to avail the newly needed welfare measures.

9. The workers should be rewarded for the new knowledge, skills or attitudes got by them as a result of sound labour welfare measures and being applied by them in job situations.

10. The workers should be provided with regular constructive feedback concerning the progress in all labour welfare work and implementation of the newly applied welfare programmes.

11. The worker should be provided with personal assistance when he encounters welfare activities obstacles.
INCREASE IN LABOUR PRODUCTIVITY THROUGH LABOUR WELFARE MEASURES

Manpower plays a significant role in raising industrial productivity in most of the industries. If the labour force is not adequately qualified, trained and motivated, all the steps undertaken to enhance the industrial productivity would be futile. The workers performance and attitudes have an immense impact on the productivity of an industrial unit. Three important factors which influence the productivity of labour force are – (a) ability and skill of the worker, (b) willingness of the worker, and (c) the environment under which he has to work. This environment is affected by labour welfare activities.

It is universally accepted that the question of productivity is of vital significance to management, workers and community in realizing the objective of Welfare State. Planning Commission has well highlighted the importance of productivity as under:

“Industry is being called upon to meet as rapidly as possible the claims on behalf of the workers for a living wage, better living and working conditions, the needed volume of employment opportunities and a fuller measure of Social Security.…….. Their gain can arise only out of the strength and dynamism of the economy, the only enduring basis of which is rising level of productivity. No increase in profit which does not come out of improvements in productivity, but has its origin in current scarcity and the stresses of development can be regarded as sign of prosperity.”

It is also noteworthy that improvements in productivity also raise a number of major problems owing to the readjustments in the pattern of production and prices caused by technical inventions. People who have to put with the competition from these major innovations may be hit very hard because they become redundant. Various economic and social strains involved in technological development designed for raising productivity will have to be overcome through measures like labour
welfare programmes, equitable sharing of gains of productivity among labour, management and consumers. Again, rising level of productivity provides opportunity for expansion of production sector as well as of re-employment of discharged labourers and other resources. The measures of higher productivity comprise –

- Rationalization and selective automation,
- Control of labour-turnover and absenteeism,
- Workers’ education and training,
- Management training,
- Maintenance of congenial atmosphere of work,
- Rational wage policy,
- Introduction of various types of welfare and incentive schemes including suggestion scheme and equitable distribution of benefits of increased productivity.

All these measures to improve productivity, in other words, relate to plant and equipment, organization and control of production, and personnel policy. Productivity connotes elimination of waste of each type and maximum utilization of physical and human resources. It has to embrace extensive area of operations and must not be used as means to exploit labour through labour-intensive methods and thereby conceal inefficient utilization of other resources. In brief, labour productivity may be increased through labour welfare measures in the following manner:-

- Effective use of skill, attitude and knowledge learnt through training programmes being one part of the labour welfare measures;
- Improvement in the level of training which is an integral part of labour welfare work;
- Boosting morale of the workers;
- Creation of more avenues of promotions;
- Granting of share to the workers in the benefits arising from effective training programmes as a part of labour welfare work;
Making arrangements for standardized inputs;
Developing working habit and industrial culture;
Ensuring sound and varied labour welfare measures;
Granting fair wage and share in the additional gains of increased productivity.

**INCREASE IN OVERALL PERFORMANCE & PROFITABILITY THROUGH LABOUR WELFARE MEASURES**

With the help of labour welfare measures, overall performance & profitability of a business enterprise may be increased in the following manner:

1. Labour welfare programmes be implemented with sincerity so as to promote better or more cordial labour-management relations resulting in increase in operational efficiency.
2. Welfare programmes may be adopted by an enterprise to keep in line with the current practices adopted by the similar organizations or companies. If an enterprise’s welfare programmes are markedly deficient relative to those of other enterprises, it may make this a salient concern for a prospective worker and thus lead him to accept work elsewhere.
3. Labour welfare activities are a valuable asset in recruiting potentially effective workers and, therefore, an organization endeavours to launch such a programme to recruit and retain the best personnel. It has been observed that “those firms with the most liberal benefits and services programmes tend to be ones desirable working conditions.”
4. An organization may provide various labour welfare services with a view to provide a psychologically satisfactory work environment and to promote the welfare of the workers resulting in enhancement in performance which tends to increase in profitability.
5. An important objective of labour welfare measures is to increase and improve employee morale so that the employees could develop a reasonably helpful

and positive attitude towards the enterprise. This positive attitude of employees helps in improving performance of the enterprise.

6. The labour welfare programmes may also be to induce workers’ loyalty and greater cooperation towards the enterprise and thus to encourage them to contribute their maximum productive efforts which turns into improvements in operational efficiency.

7. Labour welfare measures may be adopted to meet various legal requirements or a result of union pressures. Although some employee benefits and services (e.g., health and recreational facilities etc.) may be provided by company management voluntarily as part of its policy decisions, some may be those that may be forced upon it by Government legislation (as for example, Workmen’s Compensation maternity benefits, gratuity, provident fund etc.) and still others (such as payments for overtime or holidays/vacations, housing, supplementary unemployment benefits etc) may be provided as a result of union pressure. As regards the management’s policy decisions for establishing a particular labour welfare programme, there are several considerations that exercise their impact on such decisions such as the cost of the programme, the company’s ability to pay, the strength of the particular needs of the workers, tax considerations, the union’s bargaining strength etc. Its impact on overall performance and profitability is also assessed alongwith other considerations.

8. The welfare amenities bring about the development of the whole personality of the worker i.e. his social, psychological, economic, moral, cultural and intellectual development to make him a good worker, a good citizen and a good member of the family. This personality development results in increase in overall performance & profitability.

WELFARE MEASURES AS A TOOL FOR THE ESTABLISHMENT OF A
WELFARE STATE
The main objective of Indian Constitution is to establish a ‘Welfare State.’ Labour welfare measures may be used as a tool for the establishment of a ‘Welfare State.’ This may be done in the ways given as under:

1. The provision of intra-mural labour welfare activities helps in providing hygiene atmosphere for the workers resulting in sound health.

2. The provision of training programmes helps the workers to enhance their skill, knowledge and attitude thus opening new avenues for promotion.

3. Labour welfare measures promote the labour management relation which induces the workers to extend their full cooperation in the development of the enterprise.

4. Labour welfare measures make the workers capable of making optimum utilization of resources resulting in increase in the welfare of the country.

5. As India is a socialistic country in which higher disparity in income is prohibition, the welfare measures not help in increasing the wages of the workers but also help in saving handsome amount on various activities which are made now available by the employers at place of work.

6. The provisions of social security and other benefits available to workers in case of illness, accidents, old age or disability being part of labour welfare measures are compatible with the objective of establishment of a welfare state.
APPENDIX I

Schedule for the Executives of the Large Scale Industrial Units of Kumaun Region

1. Name of the Industrial Unit: .................................................................
   ...........................................................................................................

2. Registered Office of the Industrial Unit ..............................................
   ...........................................................................................................

3. (a) Year of Establishment : .................................................................
    (b) Year of Commencement of Commercial Production: .............

4. Type of Industrial Unit : Put (√) mark
   i  Public Sector
   ii Private Sector
   iii Cooperative Sector
   iv  Joint Sector

   If the unit is in private sector, state whether it is:
   (i) Private Limited (ii) Public Limited

5. Capital Employed since last 5 years :

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<th>Year</th>
<th>Share Capital</th>
<th>Debt capital</th>
<th>Retained Earnings</th>
<th>Working Capital</th>
<th>Total</th>
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<td>2011</td>
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<th>2009 (Rs)</th>
<th>2010 (Rs)</th>
<th>2011 (Rs)</th>
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<td>(a) Fixed Liabilities</td>
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<tr>
<td>(Debentures, Bonds &amp; Term Loan)</td>
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<tr>
<td>(b) Current Liabilities</td>
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<td>Total (a+b)</td>
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### Profitability Position:

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### Total Working Force:

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<td>(i) Management Cadre</td>
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<td>(ii) Ministerial Cadre</td>
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<td>(iii) Workers :</td>
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<td>Skilled</td>
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<tr>
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<tr>
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### Capacity Utilization:

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<tbody>
<tr>
<td>(in percentage)</td>
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<th>2009</th>
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<td>(in Rs.)</td>
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### Annual Sales:

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in Rs.)</td>
<td></td>
<td></td>
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</tbody>
</table>

### Sources of Finance:

<p>| | | | | | |</p>
<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>(i) Own Resources</td>
<td></td>
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<td></td>
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<tr>
<td>(ii) Financial Institution</td>
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<tr>
<td>(UPFC/PICUP/UTI/LIC/IDBI/ICICI)</td>
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<tr>
<td>(iii) Commercial Banks</td>
<td></td>
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</tr>
</tbody>
</table>
(iv) Cooperative Banks
(v) Other Category Banks
(vi) Non-banking Sources

9. The Industrial Unit is confronting with (Put √ mark)
   (i) Shortage of technical / skilled workers
   (ii) Labour Unrest
   (iii) Non-cooperative attitude of workers
   (iv) Dissatisfaction among the workers
   (v) Negligence of duty among the workers
   (vi) Severe absenteeism
   (vii) Labour turnover
   (viii) Absence of training facilities
   (ix) Low labour productivity

10. Labour Welfare Measures according to your unit (Put √ mark)
    (i) Keep the workers healthy
    (ii) Safeguard the workers from occupational hazards
    (iii) Help in increasing the efficiency of workers
    (iv) Help in increasing the labour productivity
    (v) Help in keeping the morale of the workers high
    (vi) Provide social security to the workers
    (vii) Provide sound working environment to the workers
    (viii) Help in increasing the standard of living of the workers
    (ix) Are provided to perform social responsibility
    (x) Are humanistic, economic as well as civic in nature needed for overall personality development of workers

11. Impacts of Labour Welfare Measures in your unit have been noticed in the form of: (Put √ mark)
    (i) Increase in productivity
(ii) Improvement in the quality of product(s) or service(s) or intangible organizational employment atmosphere

(iii) Improvement in health and safety as welfare work prevents accidents and provides safer work environment

(iv) Personal growth

12. Labour Welfare Measures are important because (Put √ mark)

(i) These ensure the security of the workers
(ii) These increase efficiency of the workers
(iii) These help in increasing profitability of the organization
(iv) These keep the workers healthy
(v) These increase skill-level of the workers

13. Ultimate end-result of labour welfare work is (Put √ mark)

(i) Increase in output
(ii) Decrease in cost of production
(iii) Good industrial relations
Appendix II

Schedule for the Workers Employed in large Scale Industries of Kumaun Region

1. Name of the Worker: …………………………………………………
2. Year of Joining the Unit: …………………………………………………
3. Work Experience:

<table>
<thead>
<tr>
<th>Nature of Job</th>
<th>No. of Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unskilled Worker</td>
<td></td>
</tr>
<tr>
<td>Semi-skilled Worker</td>
<td></td>
</tr>
<tr>
<td>Skilled Worker</td>
<td></td>
</tr>
<tr>
<td>Supervisor / Operator</td>
<td></td>
</tr>
<tr>
<td>Ministerial Employee</td>
<td></td>
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</tbody>
</table>

Attitudinal characteristics of workers working in different Large Scale Industries of Kumaun Region

The questions given below have 5 alternatives:

- SA – Strongly Agree
- AG – Agree
- IN – Indifferent
- DA – Disagree
- SD – Strongly Disagree

1. Labour Welfare Measures result in operational efficiency
   - SA   AG   IN   DA   SD

2. Operational efficiency helps in increasing labour productivity
   - “   “   “   “   “

3. Labour welfare measures are crucial for the organization

4. Welfare measures improve skills
5. Welfare measures keep the workers safe and healthy.

6. The viability of an organization depends to a considerable extent on the skills of workers.

7. Labour welfare measures result in overall personality development of the workers.

8. The labour productivity has direct impact on the profitability of the Enterprise.

9. Welfare measures have become the basic need of the workers.

10. Welfare measures are the social responsibility of the organization.

11. Welfare measures adopted in the unit where you work are not satisfactory.

12. Welfare measures adopted in the unit foster initiatives and creativity leading to increase in the market value of the workers.

13. Labour welfare measures reduce rate of turnover and excessive absenteeism.

14. The amount spent on welfare measures is worth of yielding a good return on investment.
Appendix III

Schedule for Intellectuals / Social Activists / Political Activists interested or connected or having knowledge of Labour Welfare Measures, Labour Productivity and Industrial / Economic Development

1. Name of Informant: ………………………………………………...

2. Field of Activities: ( Put √ mark )
   (i) General Public Interest
   (ii) Social Change and Development
   (iii) Political Awareness

3. As regards industrial labour, you have knowledge of: ( Put √ mark )
   (i) Labour Welfare Measures
   (ii) Labour Productivity
   (iii) Industrial Relations
   (iv) Industrial Development

4. Are you satisfied with the labour welfare measures provided by the large scale industries of Kumaun Region ( Put √ mark )
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