**BBA SEMESTER-VI**

**UNIT 1**

INDUSTRIAL RELATIONS

**Unit – I**:

1. Industrial Relation-Definition, Importance , Scope and Role in globalize Content on industrial relations
2. Trade Union-Growth, Objective, Function
3. Governmental Measures- Ministry for labour, Commissioner of labour, Deputy Commissioner & Labour Offices.
4. Labour Management – Role of Personnel & Industrial Relations Manager in Promoting & Establishing peaceful industrial relations.

# #####Introduction of Industrial relations

In simple terms Industrial Relations deals with the worker employee relation in any industry Government has attempted to make Industrial Relations more health by enacting Industrial Disputes Act 1947. To solve the dispute and to reduce the regency of dispute. This in turn improves the relations.

What is Industry? Where we want to have better relations. ―Industry means any systematic activity carried on by co operation between an employer and his employee whether such workmen are employed by such employer directly or by or through any agency including a contractor for the production supply or distribution of goods or sources with a overview to satisfy human want or wishes (not being wants or wishes which are merely spiritual or religious in nature) whether or not (i) any capital has been invested for the purpose of carrying on such activity or (ii) such activity is carried on with a motive to make any gain or profit and includes any activity relating to the promotion of sales or business or both carried on by an establishment but does not include.

* 1. Normal Agriculture operations
  2. Hospital, Dispensaries.
  3. Educational, Scientific Research Training Institution,
  4. Charitable Philanthropic Service
  5. Khadi Village Industries
  6. Domestic Services etc.

# Definition of Industrial Relations (IR)

According to Dale Yoder’, IR is a designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment processes of Industry”.

Armstrong has defined IR as “**IR is concerned with the systems and procedures used by unions and employers to determine the reward for effort and other conditions of employment, to protect the interests of the employed and their employers and to regulate the ways in which employers** **treat their employees**”

In the opinion of V. B. Singh “Industrial relations are an integral aspect of social relations arising out of employer-employee interaction in modern industries which are regulated by the State in varying degrees, in conjunction with organised social forces and influenced by the existing institutions. This involves a study of the State, the legal system, and the workers’ and employers’ organizations at the institutional level; and of the patterns of industrial organisation (including management), capital structure (including technology), compensation of the labour force, and a study of market forces all at the economic level”.

# ####SCOPE OF IR

Based on above definitions of IR, the scope of IR can easily been delineated as follows

1. Labour relations, i.e., relations between labour union and management.
2. Employer-employee relations i.e. relations between management and employees.
3. The role of various parties’ viz., employers, employees, and state in maintaining industrial relations.
4. The mechanism of handling conflicts between employers and employees, in case conflicts arise.

# #####OBJECTIVES OF INDUSTRIAL RELATIONS

The primary objective of industrial relations is to maintain and develop good and healthy relations between employees and employers or operatives and management. The same is sub- divided into other objectives.

1. Establish and foster **sound relationship between workers and management** by safeguarding their interests.
2. **Avoid industrial conflicts** and strikes by developing mutuality among the interests of concerned parties.
3. Keep, as far as possible**, strikes, lockouts and gheraos** enhancing the economic status of workers.
4. Provide an **opportunity to the workers to participate** in management and decision making process.
5. **Raise productivity** in the organisation to curb the employee turnover and absenteeism.
6. **Avoid unnecessary interference of the government**, as far as possible and practicable, in the matters of relationship between workers and management.
7. Establish and **nurture industrial democracy based on labour partnership** in the sharing of profits and of managerial decisions.
8. **Socialise industrial activity** by involving the government participation as an employer.

According to Krikaldy, industrial relations in a country are influenced, to a large extent, by the form of the political government it has. Therefore, the objectives of industrial relations are likely to change with change in the political government across the countries.

# ####IMPORTANCE OF HARMONIOUS INDUSTRIAL RELATIONS

1**. Promotes democracy**:  
Industrial relations mean **using collective bargaining to settle problems** faced by workers. This collective bargaining is usually achieved through mutual cooperation and mutual agreement amongst all the affected parties i.e., [democracy,](https://www.zambianguardian.com/characteristics-of-a-democracy/) management, and employee unions. This helps an [organization](https://www.zambianguardian.com/examples-of-a-bureaucratic-organization/) establish industrial democracy. Therefore, it motivates the workers to contribute their best to the growth and prosperity of the organization.

2**. Economic growth and development:**  
Industrial relations can improve economic growth and development. This refers to the economic conditions of workers in the existing [state](https://www.zambianguardian.com/characteristics-of-a-state/) of industrial management and political [government](https://www.zambianguardian.com/purpose-of-government/). With the well-known fact that Good industrial relations lead to increased efficiency and hence higher productivity and income. It is also imperative to note that this also results in the economic development of the country.

3**. Boosts employee morale**  
It is important to note that Good industrial relations which are built-in mutual cooperation and a commonly agreed approach motivate one to contribute one’s best, result in higher productivity and hence income, give more job satisfaction and help improve the morale of the workers which is an importance of industrial relations in HRM.

4. **Accountability and optimum use of scarce resources:**  
Industrial relations which are Good and harmonious create a sense of belongingness and group-cohesiveness among workers, and also a congenial [environment](https://www.zambianguardian.com/types-of-environmental-impact-assessment/) resulting in less industrial unrest, grievances, and disputes. This will ensure optimum use of resources, both human and materials, eliminating all types of wastage.

5**. Avoids conflicts between management and unions**:  
Industrial relations result in reduced conflicts between unions and management. This is because industrial relations **involve setting up** machinery to solve problems confronted by [management](https://www.zambianguardian.com/management-as-a-science-art-profession/) and [employees](https://www.zambianguardian.com/public-administrator-job-description/) through a mutual agreement that binds both these parties. This results in avoiding any unfair practices that could lead to major conflicts between employers and trade unions.

6. **It prompts the depiction of sound labor legislation**:  
Industrial relations necessitate the **passing of certain labor laws** to protect and promote the welfare of labor and safeguard the interests of all the parties against unfair means or practices.

7. **Initiates an environment for change:**  
Good industrial relations help in the improvement **of cooperation, teamwork, performance**, and productivity and hence in taking full advantage of modern inventions, innovations, and other scientific and technological advances. It helps the workforce to adjust themselves to change easily and quickly.

# PARTIES INVOLVED IN INDUSTRIAL RELATIONS

* Workers and their unions, the intelligence level knowledge of workers, back-ground of worker leaders, real or bogus their linkage with political unions, are to be considered for the effective relations.
* Nature of employment and employers, whether benevolent, interested in workers or aiming to get as much profit as possible squeezing workers their attitude plays vital role in maintaining better relations. Whether they want to have team, and growth of their team as a whole or just hire and fire system.
* Position of government, political will whether opportunity favoring employers or interested in workers, are to be seen. Their interest in workers can be seen through their actions in creating Laws for labour welfare and implementing them effectively.

**####Role in globalize Content on IR [**Globalisation and industrial relations]

**Globalization** has become a buzzword today. It generally refers to how organizations and businesses develop international influence and begin operations on an international level. The wave o**f liberalization, privatization, and globalization (commonly abbreviated as LPG) th**at has been blowing up since the 1990s has shrunk the world into a global village. This fire of LPG has been further fueled by rapid technological advances and improved communications with the advent of the 21st Century. As a result, the **barriers between the countries have reduced, which has led to increased global connectivity, integration, and interdependence in the social, cultural, economic, technological, political, and institutional dimensions.**

Pressures of globalisation affect employment relations and industrial relations at regional, national and international levels. These pressures interact with national characteristics of: the economic and political system; the type of government; legislative developments; industrial stages; the exposure to globalisation; the influence of labour and the state in each country; and different policies regarding industrial relations.

**IM P A C T S OF GL OB A L IS A T IO N**

* rising competitiveness
* increasing integration of economic activities
* job reallocation n an d outsourcing
* increasing lab our mobility
* rapid tech no log ica l change s
* changes in work content and
* working conditions
* skill mismatch

As already mentioned, globalisation increases the competitiveness and inequality among countries. Productivity growth constitutes the key element of the economic convergence process. It is therefore important to note that productivity growth should be higher than wage growth; otherwise, it could harm employment growth. Over the past 20 years, the process of globalisation has accelerated as the **internationalisation of trade,** services, communications, transportation and investments has increased. Under globalisation, **investments** are easily made worldwide, and industries and services move from one country to another, thus restricting opportunities for permanent employment relationships to the benefit of economic performance. Driven by further technological advances, production processes are becoming increasingly fragmented, which enables economic activities to become more international, specialised and tradable. To improve their competitiveness, many MNCs sought to relocate their business operations to countries where labour is cheaper and workers are less protected. In an effort to attract investments, many countries have bid against each other in order to be able to lower wage levels and working conditions. As a result, living standards have been stagnating or even declining in these countries.

Although the current phase of globalisation facilitates the free movement of capital, as well as of goods and services, restrictions on **cross-border movements of people** have not been eased. Therefore, it remains a challenge for developing countries to overcome visa requirements and other restrictions regarding the free movement of labour. However, since labour migration raises competition between foreign and domestic workers with varying implications for countries sending and receiving labour, the latter countries have implemented legal measures to restrict labour market access for migrant workers, thus limiting job competition between foreign and domestic workers. Like any of the developed countries, the developing countries also fear losing skilled workers who were educated and trained at great public expense. At the same time, the developing countries will have to establish a reliable system for providing literacy and vocational skills training to all potential candidates in the labour market together with a support system to guarantee basic health and social security cover for workers. Nonetheless, the main problems that developing countries are currently facing relate to **underemployment and disguised unemployment.**

Globalisation pushes all countries towards economic liberalism based on the interests of a free market and minimal government interference, namely neoliberalism and deregulation. Globalisation processes thus encourage companies to **lower labour costs and increase labour market flexibility** while undermining the power of trade unions to prevent this trend.

The impact of globalisation varies considerably according to the institutional setting within each country, since the institutional framework influences employer strategies and business interests. Therefore, a stronger emphasis on economic growth based on free market forces and reduced government regulation will emerge in the liberal market economies but not in any of the coordinated market economies where companies have a stake in preventing deregulation.

Research about tensions and challenges associated with globalisation focuses mainly on international issues, namely on: labour standards and trade; the problem of adjusting to international competition; the **cross-cultural management of work** and the transfer of ‘best practice’ examples; and the prospects for transnational trade unionism and **collective bargaining.** Giles (2000) argues that the majority of studies look at globalisation as an ‘external’ factor which affects industrial relations. In other words, globalisation is examined in terms of its ‘impact’ on what lies within the field. Globalisation is also commonly perceived as being external to individual countries and national labour legislation, thus originating ‘above’ the national level. In this context, globalisation is regarded as a pressure that comes from ‘outside’ the country. Since globalisation is portrayed as emanating from the outside, it is frequently reduced to a small number of relatively discrete changes or trends which, like other transformations in the industrial relations environment, represent challenges to or pressures on national industrial relations systems and institutions.

Thanks to globalization, the world has made its way into the era of economic, institutional, and cultural integration. It is the brainchild of capitalism, and the advocates of globalization assert that the **promotion of free trade intensifies the competition** among nations, and the foreign direct investment (FDI) will help in the economic growth and development of both the developed and developing economies in the world.

The rapid expansion of international trade and the proliferation of Multinational Companies (MNCs) have brought about radical changes in contemporary management and workforce practices. [The globalization](https://papersowl.com/examples/globalization/) **implies newer forms of work organization,** most significantly, the global workforce. To enhance competitiveness in the changing business environment, both the companies and the governments are forced to come up with strategies to increase labor effectiveness in terms of innovation, productivity, and quality.

## Changing labor force-

No doubt, the global shift towards more liberal markets, **privatization factors of production, and greater division of labor has opened up the opportunities for specialized talents.** However, at the same time, it has resulted in **adverse consequences with respect to the matters relating to wages, employment, working conditions, and, most importantly, the**[**labor relations**](https://www.dol.gov/general/topic/labor-relations)**in many developing countries.** Critics argue that globalization has evidently contributed to **rising unemployment levels, contingent labor force, and weakening labor movements.** This scenario is clearly evident, especially in the context of third world developing countries that have to deal with the multidimensional effects of globalization on industrial relations. **Non-standard forms of work such as part-time, fixed-term, and self-employment (sometimes, freelancing) are common occurrences in the modern-day labor market today.** In general, industrial relations has been drastically affected by the **increased competition** in the global labor market.

Globalization is a complex phenomenon and is often subjected to controversy. It pictures a global market facilitated by technological advances and unrestricted flow of capital and labor throughout the world. But the reality is far from this utopian image. Most of the issues emerge from the diverse impacts globalization has on industrial relations, which are not free from contradictions. The basic idea of globalization is economic liberalism based on the principles of **free-market and deregulation, where the interference of the government is minimal.** In this process, not only the [opportunities for employment](https://www.historyextra.com/period/industrial-revolution/the-industrial-revolution-an-age-of-opportunity/) but also the conditions of work are affected.

## Government regulations on industrial relations-

The increasing global **demand for flexible labor has led to changes in the manner in which the human resources are mobilized in the workplace, working practices and wages, mobility of the workforce, and the set of skills expected from individual labor.** However, this process naturally challenges institutionally and statutorily regulated industrial relation systems in many countries. The global economic integration and interdependence **have made the industrial relations susceptible to international competition and changes**, which previously used to be confined within the **national rules and regulations**. In this context, the industrial relations system has to undergo critical changes, especially in the case of the power and legitimacy of trade unions. The critical issue here is to find the balance between the government regulations regarding industrial relations and the global trend of labor market deregulation while remaining competitive.

**Permanent employment** has become a thing of the past. **Technology and automated industrial processes have made it possible for employers to get the same (or in**creased) level of output with a reduced workforce. The hierarchical boundaries and distinctions between the management and laborers have blurred, and focus is given on innovation, efficiency, and productivity. The emergence of new concepts in organizational designs **such as cross-functional teams, virtual and boundaryless organizations are preferred over traditionally rigid organization structures**. The production process has thus evolved to become more standardized, stable, and segmented. As a result, employment conditions are independently determined by the company policies rather than the government rules and regulations. This changing environment **provides little to no opportunity for trade unions and collective bargaining**, which is fundamental to any industrial relations.

## The multidimensional nature of globalization-

The impact of globalization on industrial relations can be analyzed at regional, national, and international levels. Th**e multidimensional nature of globalization characterized by the free flow of capital and labor, increasing competition, development of information and communication technology are supposed to create opportunities for the skilled workforce** and present some significant challenges to the industrial relation system of the country. The extent of this impact of globalization varies from one country to another. It is determined by the institutional setting within each country. Development experts regard globalization as a form of exogenous development, and thus it is perceived as the pressure that comes from ‘outside’ the country. Maybe this is why the research and studies on challenges associated with globalization primarily highlight labour standards, international competition, cross-cultural management, and, most recently, the prospects for transnational trade unionism and decentralized collective bargaining. It will require the trade unions to revise their recruitment policies and the need for international cooperation among trade unions to abide by the philosophy of globalization. Globalization affects industrial relations systems both directly and indirectly, and the factors surrounding it. For instance**, internationalization of markets, free movement of capital and labor, increasing competition, and markets’ importance impact the global industrial re**lations systems. While it accelerates economic interdependence between countries, it can lead to convergence in global industrial relations. With more organizations starting to take their business global, work standards and wages start to level out, and unions have to alter their recruitment policies to prepare for differences in work culture. **Developed countries are looking to hire more workers from developing ones to bridge labor demand and supply gaps.** The shortage of labor could threaten their economic growth, international competitiveness, and productivity performance. In conclusion, globalization is here to stay, and any country that wants to be on the world’s economic map has to enter this competitive environment.

## #####Trade union Meaning and Definition

**Trade union** is a **voluntary organisation** of workers formed to protect and promote their interests through collective action. It may be formed on plant basis, industry basis, firm basis, regional basis or national basis. Different writers and thinkers have defined the trade union differently.

Trade union is a “**continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives.”**

“A trade union means an **association of workers** in one or more occupation— an association carried on mainly, for the purpose of **protecting and advancing the members’** economic interests in connection with their daily work’.

A trade union is a continuous association of persons in industry, whether employers, employees or independent workers—formed primarily for the purpose of the pursuit of the interest of its members and of the trade they represent.

## #####Objectives of Trade Union

1. To improve the economic lot of workers by securing them better wages.
2. To secure for workers better working conditions.
3. To secure bonus for the workers from the profits of the enterprise/organization.
4. To ensure stable employment for workers and resist the schemes of management which reduce employment opportunities.
5. To provide legal assistance to workers in connection with disputes regarding work and payment of wages.
6. To protect the jobs of labour against retrenchment and layoff etc.
7. To ensure that workers get as per rules provident fund, pension and other benefits.
8. To secure for the workers better safety and health welfare schemes.
9. To secure workers participation in management.
10. To inculcate discipline, self-respect and dignity among workers.
11. To ensure opportunities for promotion and training.
12. To secure organizational efficiency and high productivity.
13. To generate a committed industrial work force for improving productivity of the system.

# #####Functions of Trade Unions

1**. Militant Functions**

One set of activities performed by trade unions leads to the betterment of the position of their members in relation to their employment. The aim of such activities is to en**sure adequate wages, secure better conditions of work and employment, get better treatment from** employers, etc. When the unions fail to accomplish these aims by the method of collective bargaining and negotiations, they adopt an approach and **put up a fight** with the management in the form of go-slow tactics, strike, boycott, gherao, etc. Hence, these functions of the trade unions are known as militant or fighting functions. Thus, the militant functions of trade unions can be summed up as

* To achieve higher wages and better working conditions
* To raise the status of workers as a part of industry
* To protect labours against victimization and injustice

On **18,July,2012,** India's leading car manufacturer Maruti Suzuki Udyog Ltd in Manesar factory workers in an agitation at factory human resource manager burned to death by workers, made severe damage to companies property and hurt severely several other workers. Thereby MSUL (Maruti Suzuki Udyog Ltd) sacked all of its workers who ever involved in that incident and filed a police complaint against those employees.

on 8,November,2012, few workers strike who are dismissed but claims that **they were not involved resorted to hunger strike demanding to reinstate them.** The labour union of the company "Maruti Udyog Kamgar Union" have lent support to the agitators at Manesar then join them to make representation to the state labour department on this issue.

**2.Fraternal Functions**

Another set of activities performed by trade unions aims at rendering **help to its members in times of need,** and improving their efficiency. Trade unions try to foster a spirit of cooperation and promote friendly industrial relations and diffuse education and culture among their members. They take up **welfare measures** for improving the morale of workers and generate self confidence among them. They also arrange for legal assistance to its members, if necessary. Besides, these, they undertake many welfare measures for their members, e.g., **school for the education of children, library, reading-rooms, in-door and out-door games, and other recreational facilities. Some trade unions even undertake publication of some magazine or journal.** These activities, which may be called fraternal functions, depend on the availability of funds, which the unions raise by **subscription from members** and donations from outsiders, and also on their competent and enlightened leadership. Thus, the fraternal functions of trade unions can be summed up as:

* To take up welfare measures for improving the morale of workers
* To generate self confidence among workers
* To encourage sincerity and discipline among workers
* To provide opportunities for promotion and growth
* To protect women workers against discrimination

**3.Social Functions**

Besides the main economic functions consisting basically of organising unions and improving their terms and conditions of employment to enable workers to meet their physical needs, some unions have now started undertaking and organising welfare activities and also providing variety of services to their members and sometimes to the community of which they are a part, which may be grouped under following heads:

**1) Welfare activities** provided to improve the quality of work life including organisation of mutual fund, cooperative credit societies for providing housing, cooperative stores, cultural programmes, banking and medical facilities and training for women in various crafts to help them to supplement their family income.

**2) Education:** Education of members in all aspects of their working life including improving their civic life, awareness in the environment around them, enhancement of their knowledge particularly in regard to issues that concern them, their statutory and other rights and responsibilities, workers’ participation in management.

**3) scheme, and procedure for redressing their grievances.** Some central union organisations are also assisting the Government in implementing the Workers’ Education Scheme.

**4) Publication of periodicals,** news letters or magazines for establishing communication with their members, making the latter aware of union policy and stand on certain principal issues and personnel matters concerning members, such as births, deaths, marriages, promotion and achievements.

**5) Research:** Of late, this is gaining importance and is intended mainly to provide updated information to union negotiators at the bargaining table. Such research is to be more practical than academic, concerning problems relating to day-today affairs of the union and its activities and union and management relations. Some of the research activities are : (i) collection and analysis of wage data including fringe benefits, and other benefits and services through surveys of comparative practices, data on working conditions and welfare activities; (ii) preparation of background notes for court cases and also position papers for union officials; (iii) collection and analysis of macro data relating to the economy, industry sectors etc. All the above mentioned activities and services are considered normal activities of unions in the Trade Unions Act which stipulates the objectives on which general funds of the union can be spent.

**4.Political functions:**

These functions include affiliating the union with a political party, helping the political party in enrolling members, collecting donations, seeking the help of political parties during the periods of strikes and lockouts

**5.Social responsibilities functions:**

* promoting and maintaining national integration by reducing the number of industrial disputes
* incorporating a sense of corporate social responsibility in workers
* achieving industrial peace

The National Commission on Labour has underscored certain basic functions to which trade unions have to pay greater attentions such as

1. To secure fair wages for workers.
2. To safeguard the security of tenure and improve conditions of service.
3. To enlarge opportunities for promotion and training.
4. To improve working and living conditions.
5. To provide for educational, cultural and recreational facilities.
6. To cooperate and facilitate technological advancement by broadening the understanding.
7. To promote identity of interests of the workers with their industry.
8. To offer responsive cooperation for improving levels of production and productivity as well as high standards of quality.
9. To promote individual and collective welfare.
10. To enforce discipline among the employees

Besides these basic functions of trade unions, the Commission enjoined the following responsibilities upon the unions

1. Promotion of national integration.
2. Generally, influencing the socio-economic policies of the community through the active participation in their formulation at various levels.
3. Instilling in their members a sense of responsibility to industry and the community.

The First Five Year Plan while spelling out the role of trade unions emphasized that they should

1. Present plans to workers so as to create enthusiasm among them for the plans.
2. Exercise the utmost restraint with regards to work stoppage.
3. Formulate wage demands which are attuned to the requirements of economic development and are in keeping with considerations of social justice.
4. Assume greater responsibility for the success of the productive effort.

## #####Benefits of Trade Union

**Workers join trade union because of a number of reasons as given below:**

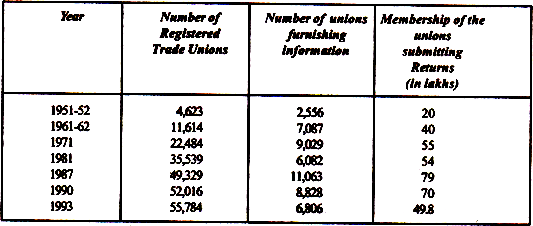
* 1. A worker **feels very weak when he is alone.** Union provides him an opportunity to achieve his objectives with the support of his fellow colleagues.
  2. Union protects th**e economic interest of the workers and ensures a reasonable wage rates and wage plans for them.**
  3. Union helps the workers in getting certain amenities for them in addition to higher wages.
  4. Union also provides in certain cases **cash assistance** at the time of sickness or some other emergencies.
  5. Union organize negotiation between workers and management and are instruments for settlement of disputes.
  6. Trade union is also beneficial to employer as it organizes the workers under one banner and encourages them follow to peaceful means for getting their demands accepted.
  7. Trade union imparts self-confidence to the workers and they feel that they are an important part of the organization.
  8. It provides for promotion and training and also helps the workers to go to higher positions.
  9. It ensures stable employment for the workers and opposes the motive of management to replace the workers by automatic machines.
  10. Workers get an opportunity to take part in the management and oppose any decision which adversely effects them.

# #####Growth of the Trade Union Movement in India

# At present, there are 8 central trade union organisations. Of these, four major federations with their national network are:

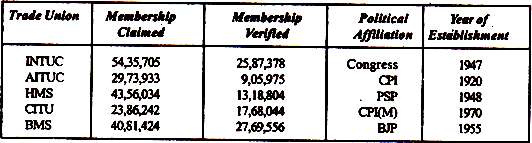
1. All India Trade Union Congress (AITUC)
2. Indian National Trade Union Congress (INTUC)
3. Bhartiya Mazdoor Sangh (BMS)
4. Centre of Indian Trade Unions (CITU)

**Table 26.2: gives some idea about the growth of the trade union movement in India.**



The membership scenario of the major central trade unions is borne out by the following Table 26.3.

# Table 26.3: Union Membership as on end March, 1994

It is clear from the Table 26.3 that the BMS which is an affiliate of the Bhartiya Janata Party has secured the top position in terms, of membership of 27.69 lakh accounting for 30.10% membership. INTUC, CITU and HMS follow in that order in terms of their share in total membership.

**Trade Unionism in the 21st Century**

With difficulties faced by NEP, the trade unions had to face a barrage of problems but the silver lining is the growth in the number of trade unions, better organization and functioning. As per data of Labour Bureau, there are around 11,556 registered labour unions in India with average membership at 1283 members per union. (Nov 22)

**#####Ministry of labour and and employment**

# https://labour.gov.in/

**Government of India Ministry of Labour and employment**

# About the Ministry

## About the Ministry

<https://labour.gov.in/about-ministry>

The **Ministry of Labour & Employment** is one of the oldest and important Ministries of the Government of India. The main responsibility of the Ministry is to protect and **safeguard the interests of workers in general and those who constitute the poor, deprived and disadvantage** sections of the society, in particular, with due regard to creating a healthy work environment for higher production and productivity and to develop and coordinate vocational skill training and employment services. Government’s attention is also focused on promotion of welfare and providing social security to the labour force both in organized and unorganized sectors, in tandem with the process of liberalization. **These objectives are sought to be achieved through enactment and implementation of various labour laws, which regulate the terms and conditions of service and employment of workers.** The State Governments are also competent to enact legislations, as labour is a subject in the concurrent list under the Constitution of India.

There are **44 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. The list of Central Acts is annexed.**

The Indian parliament passed four labour codes in the 2019 and 2020 sessions. **These four codes will consolidate 44 existing labour laws.**[**[2]**](https://en.wikipedia.org/wiki/Indian_labour_law#cite_note-2)**They are: The Industrial Relations Code 2020, The Code on Social Security 2020, The Occupational Safety, Health and Working Conditions Code, 2020 and The Code on Wages 2019.**

# Organizations of M/o L&E

Attached office

# Chief Labour Commissioner (CLC)

## The Organization of the Chief Labour Commissioner

The Organization of the **Chief Labour Commissioner (C) known as Central Industrial Relations Machinery** was set up in April, 1945 in pursuance of the recommendation of the Royal Commission on Labour in India and was then charged mainly with duties of prevention and settlement of industrial disputes, enforcement of labour laws and to promote welfare of workers in the undertakings falling within the sphere of the Central Government. Combining the former organizations of the Conciliation Officer (Railways) and Supervisor of Railway Labour and the Labour Welfare Advisor, it started with a small complement of staff comprising Chief Labour Commissioner (C)) at New Delhi, 3 Regional Labour Commissioners at Bombay, Calcutta & Lahore and 8 Conciliation Officer and increased gradually consequent upon expanding labour legislation"s in the Post-independence period, increased industrial activity in the country and growing responsibilities of the Organization.

**The Organisation of Chief Labour Commissioner (Central) (CLC(C) is entrusted with the following functions.**

1.Prevention and settlement of industrial disputes through conciliation/mediation.  
2.Enforcement of Labour Laws and Rules made there under in Central Sphere.  
3.Quasi-Judicial functions  
4.Verification of Trade Union membership  
5.Miscellaneous Functions

**1. Prevention And Settlement Of Industrial Disputes**

The CIRM ensures harmonious industrial relations in the central sphere establishments through :  
A) Intervention, mediation and conciliation in industrial disputes with a view to bring about settlements of disputes.  
B) Implementation of settlements and awards  
C) Interventions in situations of threatened strikes and lockouts with a view to avert them.

**2.Enforcement of Labour Laws and Rules made there under**

Enforcement of labour laws and rules made there under is an important function of the organisation of CLC ( C). Major establishments covered under the Central sphere include Railways, Mines, Banks, Insurance, Major Ports, Cantonment Boards, ONGC, Indian Oil, BPCL, HPCL, FCI. Under the Industrial Employment (Standing Order) Act, besides the above establishments all central public sector undertakings are covered and under Payment of Gratuity Act besides the above establishment all central public sector undertakings and establishments having branches in more than one state fall in Central Sphere.

**3.Names of the Enactments Enforced in Central Sphere**

1. Industrial disputes Act, 1947  
2.Payment of Wages Act, 1936 & Rules made there under for Mines, Railways, Air Transport Services and Docks Wharves and Jetties in major ports  
3. Minimum Wages Act, 1948  
4.Contract Labour (Regulation & Abolition) Act, 1970  
5.Equal Remuneration Act, 1976  
6.Inter State Migrant Workmen (RE&CS) Act, 1979  
7.Payments of Bonus Act, 1965  
8.Child Labour (P&R) Act, 1986  
9.Payment of Gratuity Act, 1972  
10.Labour Laws (Exemption from Furnishing returns and Maintaining Registers by Certain Establishments) Act, 1988  
11.Building & other Construction Workers (RE&CS) Act, 1996  
12.Chapter XIV  of Indian Railway Act, 1989 Hours of Employment Regulations for Railway Employees  
13.Industrial Employment (Standing Orders) Act, 1946  
14. Maternity Benefit Act, 1961 (Mines & Circus Rules 1963)  
15. MES Contractors Workers Regulations

**4.Verification of Trade Union membership**

 The officers of CIRM are required to conduct verification of trade union membership as under:- a) Verification of Trade Union membership for recognition under Code of Discipline as directed by Ministry of Labour and Employment or by order of High Court, Supreme Court. b) Statutory verification for appointment of workmen Director in Nationalised and State Banks under i) State Bank of India and its subsidiaries (Appointment of Employee Directors) Rule, 1947. ii) Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1980. c) General verification of Central Trade Unions Organisation by checking records and sampling.

**5 Right to Information Act, 2005.**

Right to Information Act was introduced in October, 2005. All the RLCs(C) in the field have been declared as CPIO and Dy. CLCs(C) in the field have been declared as Appellate Authority. Dy CLC(C) in Headquarters has been declared as CPIO and Chief Labour Commissioner (C) is the Appellate Authority for Hqrs w.e.f. 17th January, 2007. During the year 2005-06 total no. of cases disposed off were 56 under the Right to Information Act, 2005.

**6 Miscellaneous Functions**

In addition to the above, CIRM performs many miscellaneous functions described below: In addition to the above, CIRM performs many miscellaneous functions described below:  
1. Conducting **periodic meetings of Minimum Wages Advisory Board** and notifying V.D.A. every six months as per A.I.C.P.I. number.  
2. Defending M.O.L. in Writ Petitions filed against Ministry in different High Courts  
3. Investigations of Complaints.  
4. Assisting Central Advisory Contract Labour Board as convenors of different sub-committees to examine the question of abolition of contract labour system in different employments.  
5. Assisting Ministry in preparation of different reports required to be submitted to ILO.  
6. Supplying information to Ministry for replying Parliament Questions on statutes enforced by CLC organization.  
7. Advising M.O.L&E in Conflict situation like strikes of All India Nature and other Labour matters.  
8. Assisting Ministry in interpretation/clarification of complicated legal issues raised by other employing Ministries, State Governments, employers and workmen.  
9. Attending to Parliamentary Committees and other important delegations as per advice of the Ministry.  
10. Keeping Liaison with State Government Labour Departments for collection of information as per directions of Ministry.  
11. Assisting M.O.L&E in training of C.L.S. officers. Monitoring the work of and providing guidance to ALWCs, DLWCs, LWCs posted in the industrial and other establishments under the control of the Central Government.

**####Labour office**



<https://col.gujarat.gov.in/about-overview.htm>

## Overview

The main objective of the labour department in the state is to provide **industrial safety, peace** and harmony without jeopardizing the interests of working force and special thrust is being given for the safety security & health of the unorganized sector workers in the state.

The State Commissionerate of Labour is formed to **formulate industrial friendly policy** to simplify the complexity of various Labour Laws. As part of it, formulation of policy to reduce quantum of inspection that is complaint based inspection under various Labour Laws, simplified and Consolidate Annual Return for various Labour Laws is implemented. The State Commissionerate of Labour is of firm view to have **"Umbrella Legislation"** for informal sector labour in the state to provide social security and other benefits to informal sector labour which comprises 93% of the total workforce.

State Government has promised to provide **stimulating atmosphere** to industrial adventurers in the field of capital investment to industries and business. Looking of the globalization and position in the changed condition at the international level. The enforcement machinery of the labour department ensures effective implementation of labour laws and ensuring and protecting the rights of working force provided under various labour laws. Gujarat state is thus provided as a model state in this regard....

## Objectives

The state has the first and foremost object to comply the Labour Laws Laid down by Central and State Government by Employers. The state is firmly ahead in Interpreting the constitutional provision in correct Sprit.

The objective of the state is to proceed towards progressive elimination of child labour.

## Functions of State Commissionerate of Labour

* To maintain industrial peace, harmony and cordial relations.
* To maintain and protect rights and reduce exploitation of the workers.
* Raising the living standard of the industrial workers.
* Helping in stimulation of the industrial growth.
* The major decisions while framing the Labour Policy are taken after tri-partite consultations.
* Survey and rehabilitation of child labour as per National Child Labour Projects scheme guide lines in districts of the state.
* Reforms in labour laws and procedures.
* Promoting the existing schemes of reforms, feedback study etc.
* The effective implementation of Labour Laws to provide social security net to urban unorganized sector labour.

**##### Deputy Labour Commissioner power and function**

1. **Commissioner under Workmen’s Compensation Act-The Act provides the workers with protection from losses or injury caused by accidents resulting from and during the course of employment subject to certain exceptions as set out in the Act**
2. **Authority under Payment of Wages Act-** Every establishment having employees in excess of 1,000 person shall pay the wages before the expiry of the 10th day. All other employers shall make the Wage payment by the expiry of 07th day. Employers shall make the payment of wages in current currency notes i.e. cash or via Bank transfer.
3. **Conciliation Officer under the Industrial Disputes Act-**To provide suitable machinery for the equitable and peaceful settlement of industrial disputes. To prevent illegal strikes and lockouts. To afford relief to workers against layoffs, retrenchment, wrongful dismissal and victimisation. To promote collective bargaining.
4. **Certifying Officer under the Industrial Employment Standing Orders Act-**The Industrial Employment Standing Orders Act, 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay and leave with pay in factories, workshops and other establishments or undertakings which employ ten or more workers
5. **Additional Registrar under Trade Unions Act-T**he Indian Trade Union Act 1926 was passed to provide for the registration of trade unions with a view to render lawful association of workers. The act also defined law relating to registered trade unions and provided certain privileges and protection to the registered trade unions.
6. **Shops and Establishment Act-**The Shop and Establishment Act is regulated by the Labour Department of the respective states. The Act regulates all the shops and commercial establishments operating within the state. The respective states issue the registrations under the Act, and thus it slightly differs from one state to another state.
7. **Additional Inspector under Factories Act-**Th**e main objective of the Act is to ensure adequate safety measures and promote health and welfare of the workers employed in factories as well as to prevent haphazard growth of factories.**
8. **Appellate Authority under Equal Remuneration Act-**Equal Remuneration Act, 1976, means the law that prohibits discrimination by employers between women and men in terms of wages and other terms of employment. Equal Remuneration means the same wages for equal work, regardless of whether the person is a man or a woman.
9. **Authority for recoveries under Payment of Bonus Act-** The Payment of Bonus Act, 1965 provides for a minimum bonus of 8.33 percent of wages.The main object of the Payment of Bonus Act, 1965 is to maintain peace and harmony between labour and capital by allowing the employees to share the prosperity of the establishment, prescribing the minimum and maximum rates of Bonus

**#####Role of Personnel and Industrial Relations Manager in establishing and promoting peaceful Industrial Relations.**

* Providing **proper facilities** to workers
* Putting efforts to provide a proper working condition
* Playing a proper role for conciliation between employees and management
* Playing a role as a **mediator** between employees and management properly
* Developing co-operative culture within the organisation
* Conducting awareness programs for workers
* Conducting counselling process for employees
* Make salary available to employees within standard time-line
* To motivate employees/workers to contribute more and more for productivity
* Proper labour laws’ compliances
* Providing important information to employees
* Conducting survey about what is going in terms of relations between sub-ordinates and superiors
* Proper approach towards trade union
* You will need to administer corporate policies relating to compensation, benefits, employee relations, training, and health and safety programs
* Oversee all necessary paperwork, employee communications, benefits maintenance, leave tracking, management reports, workers compensation claims, and return to work programs is completed
* Complete initial reporting, accident investigations, communication work restrictions, claim adjuster correspondence, tracking and claim review analysis for settlements
* Create termination packages, complete assigned terminations, ensure all termination paperwork is complete as per requirements
* Oversee the performance management of the employees and assist in salary planning
* Steer HR-related projects and initiatives throughout the year, maintain HR-related spreadsheets, update and distribute it on a predetermined schedule
* Develop labour policies
* Handle grievance procedures
* Manage dispute resolutions involving unions, management, employees or government agencies, etc.
* Ensure the HR staff is knowledgeable about union contract compliance
* Advise management on contract negotiations and similar management-union relations
* Consult HR executive staff regarding personnel policies
* Create and revise union contracts
* Head monthly labour management meetings
* Prepare documentation regarding labour relations assignments

**For practical implication please find the below links**

1.<https://www.ilo.org/global/about-the-ilo/lang--en/index.htm>

2.<https://www.epfindia.gov.in/site_en/index.php>

**Regional Office, AHMEDABAD**  
Bhavishyanidhi Bhawan, Near Income Tax Circle  
Ashram Road (Gujarat)  
Ahmedabad – 380 014  
E-mail: [ro.ahmedabad@epfindia.gov.in](mailto:ro.ahmedabad@epfindia.gov.in)

3.<https://col.gujarat.gov.in/contact-ahmedabad.htm>

Ahmedabad: 1st & 2nd floor, Shram Bhavan, Nr. Gun-House, Khanpur, Ahmedabad-380001.