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GOVERNMENT OF ORISSA

MEMORANDUM OF THE
GOVERNMENT OF ORISSA TO THE
NATIONAL COMMISSION
ON LABOUR

LABOUR, EMPLOYMENT & HOUSING DEPARTMENT

MEMORANDUM TO THE NATIONAL COMMISSION ON LABOUR BY GOVERNMENT OF ORISSA

Introduction

After coming into force of the Industrial Disputes Act, 1947, with effect from April, 1948, Government appointed the Director of Industries as *ex officio* Labour Commissioner in the year 1950. With the growth of labour problems and coming into force of various other labour legislations, Government by resolution, dated the 13th January 1953, created a separate post of the Labour Commissioner-cum-Chief Inspector of Factories with effect from the 1st April 1953. The Office of the Chief Inspector of Factories was subsequently bifurcated from the Labour Directorate in the month of October 1963. Since the 31st March 1967 Government as a measure of economy as also to ensure effective implementation of various labour laws by a resolution, dated the 31st May 1967 abolished the Office of the Chief Inspector of Factories as Head of Office and merged it with the office of the Labour Commissioner.

WAGES, EARNINGS AND PRODUCTIVITY

Minimum Wages

The Minimum Wages Act, 1948 came into force during the year 1950. In pursuance of section 5 (1) (a) of the Minimum Wages Act, Government for the first time fixed minimum rates of wages in respect of the following scheduled employments on the dates specified against each of them.

1. Employment in Rice Mill, Flour and Dal Mill. . . 27-3-1952
2. Employment in Tobacco (Bidi Making) Manufactory. 27-3-1952
3. Employment on road construction or building operation. 27-3-1952
4. Employment in Public Motor Transport .. 27-3-1952
5. Employment in Agriculture .. 29-12-1954
6. Employment in Local Authorities .. 20-12-1954

After fixation of minimum rates of wages Government appointed the following officers of the Labour Directorate as Inspectors under the Minimum wages Act.

1. Assistant Labour Commissioners
2. Labour Officers
3. Assistant Labour Officers

In pursuance of section 7 of the said Act with a view to revising the minimum rates of wages in respect of the aforesaid scheduled employments, Minimum Wages Advisory Committees and Minimum Wages Advisory Board were constituted, vide Notification No. 740.-IW35--35/56. Lab., dated the 5th February, 1958. The Committees and Board after due deliberation submitted their recommendations to Government. The Board while recommending revision of minimum rates of wages took into consideration the recommendations of the 15th Session of the Indian Labour Conference with regard to minimum rates, prevailing cost of living index and wage rates prevalent in the local area. Government in consideration of the recommendations of the Board revised vide Notification No. 11659IW—37/60.-Lab., dated the 26th November 1960 the minimum rates of wages in respect of the following scheduled employments:—

1. Employment in Rice, Flour and Dal Mills
2. Employment in Agriculture
3. Employment in Tobacco (including Bidi making and Gudakhu) manufactory.

The issue of notification revising minimum rates of wages^s in respect of other scheduled employments such as transport, local bodies, road construction and building operation was delayed on account of the fact that Government had to consult the employing Departments. However, on the 25th June 1963, notification revising minimum rates of wages in respect of those employments were issued.

Government with a view to further revising minimum rates of wages in pursuance of section 7 of the said Act, constituted an Advisory Board vide notification No. 8072—

IW/8-7/64.-L. E. H. dated the 16th July 1965. The minimum Wages Advisory Board in the meantime has met twice i. e. on the 5th February 1966 and on the 3rd March 1966 and suggested to Government to constitute Minimum Wages Advisory Committees in respect of one or a group of scheduled employments. In the meantime the Minimum Wages Advisory Committees for various scheduled employments have been set up by Government and are examining the question of revision of minimum rates of wages.

Under section 27 of the Minimum Wages Act, the State Government have added the following employments to the schedule under the said Act:—

1. Employment in Salt Pans
2. Employment in Printing Presses
3. Employment in Tile and Brick Making
4. Employment in Private Road Transport
5. Employment in hotels, eating houses and restaurants
6. Employment in Distilleries
7. Employment in Shops and Commercial Establishments
8. Employment in metal industry (except the cottage and village scale units).
9. Employment in cinema industry
10. Employment in Saw Mills
11. Employment in Timber Trading (excluding felling and sawing).
12. Employment in Handloom and Hosiery
13. Employment in Bamboo Forest Establishment
14. Employment in Timber Trading including felling and sawing.
15. Employment in Kendu leaf collection

Action is being taken to fix minimum rates of wages in respect of these employments, except printing presses, in respect of which Government fixed minimum rates of wages under section 4(i) (ii) by notification No. 2647—IW-4/63-Lab., dated the 4th March 1964.

The number of establishments covered under the Minimum Wages Act is 95,206 and number of workers employed therein is 631,746. The main difficulty for proper enforcement of the Act are briefly as follows:—

1. Difused location and nature of scheduled employments
2. Ignorance and illiteracy of workers
3. Smallness of size of the undertakings
4. Inadequate inspecting staff
5. Temporary nature of Scheduled employments
6. Sometimes the principal employer of scheduled employments entrust the work to contractor. In case of complaint of non-payment of wages and if the contractor leaves the place of business without payment, the principal employer under law is not held responsible for payment.

The following suggestions are made for consideration of the Commission :—

1. There should be an exclusive machinery for enforcement of the Minimum Wages Act.

2. The scheduled employments before commencing work shall have to get themselves registered subject to annual renewal of licence.

3. The principal employer should be held responsible for payment of wages to the employees employed and/or engaged by him.

4. The Inspectors under the Act should be given power to assess the claims of workers and direct payment at the spot in certain cases where the total claim does not exceed Rs. 1,000.

5. There should be provision in the Act to enable the State Government to revise the minimum wages if considered necessary without consulting the Minimum Wages Advisory Board.

The Industrial Tribunal in this State while adjudicating issues relating to wages generally take into consideration the recommendations of the 15th Session of the Indian Labour Conference, prevailing wage rates in similar establishments in the region and other fringe benefits. In pursuance of the labour policy so far adopted we have, no doubt, taken steps to constitute Tripartite Wage Boards for different industries to uniformly evolve a rational wage structure. In fact we have upto now covered many major industries. As a result of the recommendations of these Wage Boards, wage disputes have been reduced to a minimum, but in some cases implementation of the recommendations of the Wage Boards have presented a difficult problem, as the recommendations of the Wage Boards are not statutorily binding. Therefore, it is suggested that there must be supporting legislation to enforce legally the recommendations of the Tripartite Wage Boards.

In this connection it is suggested that there should be a statutory central wage fixing machinery for each industry. To assist the central wage fixing machinery there should also be regional wage fixing machineries which would periodically review the wage structure and recommend to the central wage fixing machinery for evolving a proper wage structure for the industry as a whole. These machineries should be of standing nature and be presided over by an independent person from the Superior Judicial Service. The wage structure evolved by this machinery should have legal sanction.

Dearness Allowance

Government have accepted the linking of D. A. to the cost of living index in principle and have advised the industrial employers to take necessary action in this direction. Whenever any issue relating to dearness allowance is referred to the Industrial Tribunal, the question of linking it to the cost of living index of the nearest centre is always recommended. In fact, the Industrial Tribunal in almost all cases has suggested linking of dearness allowance to the cost of living index. However, the State Government feel that the dearness allowance should be linked to cost of living index on a sliding scale basis. Adjustments of dearness allowance according to rise or fall of the consumer price index should be on 5 point slab basis and this revision should be done half yearly.

Bonus

Prior to enactment of the Payment of Bonus Act, bonus was paid to the workmen in accordance with the Full Bench Formula and in some cases on basis of agreement mutually arrived at between the workers and management. Mostly bonus was paid in accordance with the profit earned during the relevant year.

The State Government, in this connection, feel that payment of annual bonus should be invariably related to profit. If there is no profit, the employers should not be called upon to pay minimum bonus which is nothing but addition to loss. Similarly there should be no maximum limit for paying profit sharing bonus to workers, but the payment of bonus beyond certain percentage should not be made to workers in cash and a procedure be evolved to deposit the excess bonus in Savings Bank or in National Savings Certificate in the name of the concerned workman.

2. The distinction between public sector undertakings run by departments of Government or similar undertaking

run by companies or corporation as exist today in the Payment of Bonus Act should be removed.

3. If the bonus formula is laid down under law, on basis of which profit sharing bonus is to be calculated and paid to the workmen and if it would be the object of the Act to settle all the disputes in accordance with this formula there should be no scope given to the workers to agitate for any formula other than the formula laid down in the Act. The existing provision as contained in the Act instead of laying down a norm for settlement of bonus disputes leaves ample room for agitation for payment of bonus in accordance with a formula suggested by the workmen.

4. The provision in the Payment of Bonus Act with regard to building contractors has been left vague.

5. No power has been given to the Inspectors to decide the quantum of bonus payable to the workmen and to issue direction for payment thereof to the employer. On the other hand, the Act provides ample scope for litigation over bonus issues through the machinery provided under the Industrial Disputes Act.

Incentive Scheme

In majority of the industrial establishments operated in this State fulfilled incentive schemes have not been introduced. Incentive Schemes in some form or other are in operation in Kalinga Tubes Ltd., Choudwar, Hindustan Steel Ltd., Rourkela, Indian Aluminium Co., Aluminium Industries, Hirakud, Orient Paper Mills, Brajrajnagar, Titaghur Paper Mills, Choudwar, J. K. Paper Mills, Rayagada and the Weaving Section of the Orissa Textile Mills Ltd., Choudwar.)

Productivity and Payment by Results

As we find in the industries at present wages have been fixed either on time rate or on piece rate basis. In majority of cases time rate system is mostly common. Though there is a cry particularly from the employers' side that wage rates

should be linked to productivity, no attempt either by the Tripartite Wage Boards or by the Industrial Tribunals has been made in this direction. It is, no doubt, true that one of the main reasons of the present inflationary spiral is low production and low rate of productivity. As a matter of fact, the price line can only be held if there is increased industrial and agricultural production. Without a corresponding increase in the quantum of production and in the rate of productivity, if there is an increase in the rates of wages, prices are bound to go up. Therefore, when the workmen demand higher rates of wages in consequence of rise in the cost of living index, it is suggested that in order to put a check on inflation the earnings of the workmen should be linked to the productivity so that an increase in wages can be admissible only when there is increase in the rate of productivity.

Theoretically, this proposition appears to be sound. But it is doubtful whether this can be profitably introduced in all industries irrespective of their nature of work. The National Commission on Labour may consider the question of appointing a Technical Committee to examine and/or recommend how and in what manner earnings of the workers should be linked to the productivity and payment by result system would be introduced profitably in all sectors of the industry.

SOCIAL SECURITY

Since 1948 attempts have been made to extend the benefits of the social security schemes on piece-meal basis in form of provident fund, maternity benefit and mutual insurance for the industrial workers. The payment of maternity benefit is being regulated in accordance with the Employees' State Insurance Act in respect of covered industries. This Act is being administered by an autonomous Corporation created by Government of India. The Maternity Benefit Act, 1961 as adopted by the State Government regulates payment of maternity benefit in respect of industries not covered under the Employees' State Insurance Scheme. The Employees' Provident Fund Act has been made applicable to a large number of

industries in the mean time. This Act is being administered by Government of India. Thus, it would appear that we have yet not evolved a comprehensive social Insurance Scheme for the workers nor have we evolved one integrated administrative set up for administering the Social Security Legislations so far enacted. In this connection the State Government feels that the E. S. I. and Employees Provident Fund Schemes may be merged and comprehensive scheme may be made of social security covering all the risks of the life. This will pave the way for economy in administrative costs.

INDUSTRIAL HOUSING

In these hard days of abnormal rise in prices it has been the accepted policy of Government to make an allround effort to increase industrial production in order to hold the price line. Industrial production to the desired extent is possible if there is industrial peace. But, as a matter of fact, harmonious industrial relations and the resultant peace in the industrial field will be a far fetched thing if we fail in our duty to meet the essential needs of the industrial workers. Housing is considered as one of the basic needs of the industrial working class which in the wake of rapid industrialisation of our country needs immediate attention of the State Government. After pronouncement of the decision of the Supreme Court that it is not the legal responsibility of the industrial employers to provide housing accommodation to the workers, the responsibility of the State Government has increased manifold. In fact, if we fail to provide cheap housing accommodation to the workers we cannot expect them to put their best in any programme of maximising industrial production.

With this end in view Government of India have formulated the Subsidised Industrial Housing Scheme, the very object of which is to construct cheaper types of houses for the industrial workers by the State Government. The said scheme also envisages granting of loan and subsidy to private employers who would come forward voluntarily with a proposal for

construction of houses for their industrial workers. Under the Scheme, so far in the State Sector we have constructed 1,210 houses in different industrial pockets of the State. Certain industrial employers in the private sector on taking loan and subsidy under the Scheme have constructed 1,171 houses so far. This number has not touched even the fringe of the problem in view of the fact that out of approximately 60,000 workers. 57,000 and odd are still to get minimum housing facility as per the standard laid down in the Subsidised Industrial Housing Scheme. Assuming that the industrial employers have provided quarters to 20 per cent of their employees the remaining 46,000 workers are yet to be provided with minimum housing accommodation. This figure may increase from time to time, in view of the industrial programme of the State. It is assumed that by the end of the Fourth Five Year Plan the number of factory workers would approximately increase to 65,000. If we decide to provide cheap housing facilities to each and every industrial worker by the end of the Fourth Five Year Plan Period, we will be requiring 50,000 houses. Calculated on the basis of the ceiling fixed under the said scheme, the total cost involved will be to the tune of about Rs. 23 crores.

The Industrial employers, however, contend that it is the responsibility of the State Government and as such they resist any demand put forth by the workmen for housing accommodation or house rent allowance in lieu thereof. This position often creates serious labour turmoil. In some cases it is found that the employers are reluctant to provide housing accommodation to even 25 per cent of the total strength of workers. The employers often think that instead of blocking a part of their capital by providing housing accommodation to the industrial workers it would be more profitable to invest the same either in expansion of industry or setting up another new one. But it is unfortunate that some of the employers forget that by providing better housing accommodation not only they will benefit by way of increase in efficiency of the industrial workers but also by having a healthy working class.

The State Government feel that the Government of India should provide more funds for allotment to the State Government under the Industrial Housing Scheme for construction of houses and to enact a suitable legislation requiring industrial employers to provide initially housing accommodation to atleast 25 per cent of the workers employed in the establishment in the first instance and to the rest of workers within a period of five years from the date of establishment of the factory by means of loan and subsidy available from State Government at usual rate under the S. I. H. Scheme.

INDUSTRIAL RELATIONS

The Trade Unions, Government, and employers are of the view that collective bargaining in industrial relations should have a free play with minimum interference. But this ideal is far from being realised. The reasons are many and are well known. One of the main reasons is the weakness of the trade unions. Another reason is that few industries those have been established both in public and private sectors have not been organised properly. The third is the jungle growth of trade unionism which needs to be pruned, weeded and brought into order and given effective protection. But it is worthwhile to commend the words of Shri K. C. Sen, former President of the Industrial Court, Bombay.

“Collective bargaining cannot descend on us overnight and as the master key immediately unlock all our manifold industrial tangles and deadlocks. It should be a process of growth fostered from the bottom as well as from above, aided by law to the extent possible and informed by a spirit of mutual confidence and accomodation”.

Employers' Organisations

It is true that our State is an undeveloped State in comparision with others in the field of industrialisation. As a party to industrial relations system, very few employers' organisations are functioning in this State and it is really

interesting to note that there is a notable increase of these organisations in the meantime. As a matter of fact in the year 1961-62 there were only two such organisations whereas in the year 1965 their position had increased to six. So it is evident that a considerable effort among the employers is necessary to unite themselves to further their own interest. The existing associations are not financially strong and their activities are not properly organised due to organisational weakness. Lack of proper co-ordination and communication with other associations have defeated their very purpose of formation. As a matter of fact in many committees and conferences they have failed to represent their views effectively.

Trade Unions

In the field of trade unionism, the unions in this State are not playing their role effectively. The reasons are manifold. The first and foremost reason is inter-union and intra-union rivalry. The other reason is the tie-up between unions and political parties. Most of the unions are affiliated to one or other of the central organisations of workers which are in some way or other tied to political parties. Attachment of trade unions to different political parties gives rise to bitter inter-union rivalry which are more or less based on political considerations. It is true that weak unions will always lean on outside support but it will help very little for development of unions on sound economic lines. Therefore the best way to build up an effective union is to engage whole time leadership of career unionists entirely responsible to the unions and side by side develop secondary leadership in the rank and file of the workers. Section 22 of the Indian Trade Union Act, 1926 provides that half of the total number of the officers of every registered trade union shall be persons actually engaged or employed in the industry with which the trade union is connected. Thus the Act supports the inclusion of outsiders in the union.

Development of trade unionism in Orissa is somewhat encouraging. The annual report of the working of the Trade

Union Act, 1926 in this State reveals that there is an increase of trade unions and their membership in both public and private sectors. The position of unions and their membership is given below (yearwise).

Year	Unions and Federations registered in the beginning of the year (Central & State)	Actual (After cancellation & refusal of annual return)	Membership
1	2	3	4
1961-62 ..	118	84	76,134
1962-63 ..	124	97	82,371
1963-64 ..	146	114	82,115
1964-65 ..	172	110	67,204
1965 ..	199	91	72,745
1966 ..	218	101	74,902

It is seen that though there is an increase in union membership, the financial stability of the unions is very weak. This is due to the fact that the regular subscription collection habit among the union office bearers is lacking. Moreover the rate of subscription of Rs. 0.25 paise by the members provided under the Act is meagre to run an organisation. This position has not helped to build trade unions on sound and healthy lines. In order to develop collective bargaining and growth of trade unionism on healthy lines, the State Government, feel that the existing percentage of outsiders should be reduced to one-third and no outsiders should hold the office of the President, Secretary or Treasurer of the union. Further to enable the trade unions to raise adequate funds the present membership subscription should be raised to Rs. 0.50 P. per month and there should be provision in Trade Union Act for annual

inspection and audit of accounts by the Registrar of Trade Unions. There should also be a provision in the Act that at-least 25 per cent of the subscription raised should be spent towards the welfare of the workers.

MACHINERY FOR CONSULTATION

It is true that the complaint-settlement is an important means of strengthening the bonds between members and unions. It is also an invaluable training ground for new union leadership and helps to break down the social barriers between union and management representatives by getting them accustomed to deal with each other on common problems. For the purpose legal provisions are available. The Industrial Disputes Act, 1947 provides for formation of Works Committees at the plant level. The Standing Orders also help to minimise differences and regulates discipline in the industry. So far 27 such Works Committees are functioning in different industrial establishments of the State. But from experience it is seen that these committees in many establishments just exist for name sake and their achievements in minimising differences are negligible. Besides many industrial establishments have adopted a formal grievance procedure where the grievances of the workmen are redressed. In such procedure, the last stage is the grievance Committee which consists of the representatives of workers and management. But it appears that these Committees are not functioning effectively and the workers in most cases are used to take shelter under the Government conciliation machinery for redress of their grievances. In this State joint management councils in pursuance of the decision of the I. L. C. have not yet been constituted in any industrial establishment. The system of mutual consultation in the matter of workers grievances is at a low ebb due to the lack of strong unionism and enlightened management. In order to make the Works Committees effective, it should be laid down in the Act as follows:—

A dispute relating to personal matters should not be entertained as an industrial dispute unless it has been processed in the Works Committee.

2. Divisions of constituencies and composition of Works Committee should be finalised in consultation with the recognised union.

3. The members of the workers' representatives should always be elected.

Machinery for prevention and settlement of disputes—

During the year 1967-68 there have been many new developments in the field of industrial relations on account of new innovations like, Gherao, Mass-waiting, protest fast. As a result, there have been frequent labour troubles though of short durations which had engaged the attention of Government. An attempt was made to persuade the employers and the trade unions to exercise restraint over frequent retrenchment, and to avoid lay off and closure in the larger interest of the State. Though for the time being no unanimity on this question has been obtained, it is hoped that the persistent efforts made by the Tripartite Committees so far constituted by Government both the workers' and the managements' representatives would ultimately rise to the occasion and come to an agreed understanding on the subject.

Conciliation

INDUSTRIAL DISPUTES

Year	Disputes already pending	Received	Settled	Referred to Industrial Tribunal
1	2	3	4	5
1963		131	51	19
1964		172	50	24
1965 ..	31	229	93	44
1966 ..	58	204	88	50
1967 ..	70	219	104	55

For purpose of settlement of disputes, the whole State has been divided into four zones consisting of 13 districts. The zones are being managed by Assistant Labour Commissioners

who are in Class II service of State Government. Besides there are Labour Officers in each district and in important industrial areas they are assisted by one or more Assistant Labour Officers depending on the volume of work and frequency of disputes. All the officers are functioning as conciliation officers in their respective jurisdiction. In addition Labour Commissioner and Deputy Labour Commissioner are conciliation officers for the whole of State. Besides, to deal with industrial disputes arising in the steel plant and other industries located at Rourkela, one Deputy Labour Commissioner in the cadre of I. A. S. has been posted.

The conciliation officers in this State have played a vital role in prevention and settlement of industrial disputes. The above table would indicate the part played by conciliation officers. As a matter of fact nearly 36 per cent of disputes raised has been settled in course of conciliation during the year 1967. The number of settlements effected by the conciliation officers as is evident from the above table clearly indicate that there is still room for improvement. In many cases conciliation has not been fruitful because of the attitude of the management and the concerned workmen. The Union concerned sometimes take an unreasonable attitude in the settlement of the dispute. The State Government feel that there is still scope for improvement for which the following suggestions are made for consideration.

1. The Conciliation Machinery should be manned with adequate and experienced conciliation staff.

2. Refresher Courses should be arranged for Conciliation Officers periodically.

3. The Conciliation Officers should be given powers to enforce attendance of the parties to the dispute.

4. Senior officers of the Conciliation Machinery should be given power of adjudication in individual cases of discharge, dismissal and termination subject to appeal to the Labour Court.

5. In highly industrial areas there should be exclusive Conciliation Officers not being burdened with enforcement of any other labour laws.

6. Time-limit should be prescribed for conclusion of the conciliation proceedings.

Adjudication

The system of adjudication has played a very vital role in maintaining industrial peace. It has been found that reference of disputes to adjudication have brought to an end major industrial conflicts. But it is often alleged that adjudication proceedings are being delayed considerably. In order to ensure expeditious disposal of industrial disputes by the Industrial Tribunal, the State Government have appointed more than one Industrial Tribunal and for major disputes special tribunals for specific period have been constituted. Government by executive instructions have also fixed time-limit for conciliation and for reference of disputes to adjudication in order to avoid delay. To improve upon the working of adjudication Machinery the State Government would suggest that the time-limit for conclusion of adjudication proceedings should be statutorily laid down. The Industrial Tribunal should function as an appellate authority with regard to discharge and dismissal.

As regards voluntary arbitration, it can play an effective role in settlement of industrial disputes. But, so far as this State is concerned, in a very few cases parties have taken recourse to voluntary arbitration to settle their disputes. The employers are invariably reluctant to agree to voluntary arbitration mainly because there is no scope for appeal against arbitration awards. The workers while agreeing to take recourse to arbitration are invariably unwilling to bear the cost involved.

Strikes and lock-outs

In a developing economy it is felt that for some time to come, the employers, trade unions and workmen should exercise some amount of restraint in their behaviour in the field of industrial relations in the interest of the community at large. It is, therefore, suggested that :—

1. There should be no strike or lock-out in any industry without giving 14 days' notice,

2. Strike and lock-out during pendency of conciliation proceedings before a Conciliation Officer in respect of all industries should be banned.

3. Participation in and continuance of an illegal strike or an illegal lock-out should be made a cognizable offence.

4. Participation in and continuance of illegal strike should be treated as a misconduct amounting to dismissal and in case of illegal lock-out the employers should pay heavy compensation to the workers in addition to wages.

5. The office-bearers of trade unions organising or acting in furtherance of an illegal strike should be disqualified from holding any office in any Trade Union at least for a period of three years.

RECOGNITION OF UNIONS

Code of Discipline

At present recognition of union, there being no statute, is being regulated in accordance with Code of Discipline in Industry. In order to ensure better industrial relation and smooth functioning of collective bargaining, recognition of union should be regulated in accordance with law. It is therefore, suggested that the entire Code of Discipline should be given a legal shape.

TRIPARTITE COMMITTEES AND BOARD

The State Government have constituted an Implementation and Evaluation Committee in the year 1959 with a view to examine the extent of implementation of various labour laws, agreements, settlements, awards, etc., and advise the parties as to how the difficulties in implementation could be overcome. This Committee has so far met nine times in different places of the State. The State Tripartite Standing Committee has also been constituted by State Government to consider the hardship cause to the working class, the various difficulties experienced by managements and also to review

and resolve major labour and management problems and when necessary forward them for action to the Inter-Ministerial Committee. The State Labour Advisory Board has been constituted in the year 1953 with the object of promoting mutual understanding and co-operation between labour and management by the State Government. The Board functions as an Advisory Body and advises the State Government in all matters relating to labour such as employment, conditions of service, welfare and management of labour and any other matter as may be referred to it by the State Government. The Board has so far met 14 times in different places of the State. It would be significant to point out here that various Resolutions so far passed in this Board have played an important role in moulding the policy of Government in labour matters. As a matter of fact the Board in its 12th Session while laying out the State Labour policy has resolved that "This meeting of State Labour Advisory Board welcomes the change brought about in the political climate of Orissa and is fully conscious of the unfulfilled hopes and aspirations, difficulties and grievances of the working class and its consequential impact on the general industrial relations. For a developing state like Orissa, an atmosphere of peace, cordiality, good will and understanding between the capital and labour is very essential and to achieve these objectives, the State Labour Advisory Board strongly recommends to the Government to adopt and implement a progressive and dynamic labour policy in all aspects. The Board further recommends to the Government to take prompt and effective steps for just administration of labour laws, speedy settlement of industrial disputes, prevention of labour unrest and implementation of awards and settlements. The State Conciliation machinery must be given a free hand to play its role in all disputes and differences between the employers and workmen and there should not be undue interference of the law and order authorities in the matter".

LABOUR LEGISLATION

Industrial relations in a planned economy should not be left exclusively to collective bargaining. Collective bargaining however, should be allowed to have a free play so long as it is

free from violence and does not result in stoppage of production. State intervention with legal sanction is absolutely necessary when there are threats of work stoppage and violence. It is, no doubt, that most of the labour legislations are in the direction of achieving the goal embodied in the directive principles of constitution but the State Government feel that the scope and coverage of labour legislation should be widened and all labour laws should be formed in one Code and while doing so the norms evolved as result of various Courts' decisions should be given due consideration.

LABOUR INTELLIGENCE AND RESEARCH

Labour statistics are collected directly from the different establishments in the State under the following Acts and Rules made thereunder :—

1. Indian Trade Unions Act, 1926
2. Industrial Employment (S.O) Act
3. Orissa Shops and Commercial Establishment Act, 1956.
4. Minimum Wages Act
5. Industrial Disputes Act
6. Payment of Wages Act
7. Maternity Benefit Act
8. Motor Transport Workers Act
9. Payment of Bonus Act
10. Factories Act
11. Workmens' Compensation Act

The statistics are collected from different establishments of the State with a view to knowing the implications and working of the different Acts which are mainly directed to protect the labour and check their exploitation. For example the Minimum Wages Act is mainly concerned with the floating and agrarian

labour. In this sector there is every possibility of exploitation and as such the regular inspections by the officers of the State Labour Directorate and the statistics collected enlighten the Government about the position. Similarly, the statistics collected under Industrial Disputes Act, Payment of Wages Act, Industrial Employment (S.O) Act and Indian Trade Unions Act are helpful to assess the change in the employer-employee relationship, change in the condition of the working class and the development of the trade unionism in the State. Statistical figures collected under the Workmens' Compensation Act and Maternity Benefit Act help us to understand the amount of social security and benefits availed by the working class in the State. In brief, these statistics are useful in studying the economic and social trends in the State which ultimately help in improving the general condition of workers through legal enactments.

It is badly felt that the statistics required are not submitted by the establishments in time. Moreover, there is no sufficient field staff to collect information from the establishments. Therefore, it is felt that a separate Labour Research Bureau under the State Labour Directorate may be set up with sufficient field and administrative staff to ensure collection and analysis of the statistics.

There is no private organisation in this State who are engaged in Labour Research either at the University level or in any industrial establishment.

GENERAL

At present two separate agencies are operating in the field of industrial relations within the State. It would be seen that the Central Conciliation Machinery deals with the industrial relations in the Mines whereas in the workshop or transport Section owned by the same organisation, the industrial disputes are to be dealt by the State Conciliation Machinery. It is experienced that since most of the demands of the workmen/ Union in an establishment now coming under the responsibility

of the Central Conciliation Machinery are based on regional and/or local requirements, effective handling of those disputes should be left to the local State Conciliation Machinery whose close acquaintance with the problems of the area and trade union movement can bring better and effective results in comparison to the Central Conciliation Machinery.

Further the State Government being responsible for the maintenance of law and order would be in a better position to resolve the industrial disputes which tend to give rise to law and order problems as both industrial disputes and "law and order" problems get entirely mixed up with each other.

In view of this, it is suggested that the entire field of regulating industrial relations except in case of L. I. C., Railways, Ports, Posts & Telegraphs and Banks should be made over to the State Industrial Relations Machinery.