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NATIONAL COMMISSION ON LABOUR

Sixteenth Meeting

New Delhi

February 28 - March 3, 1969.

A G E N D A

1. Confirmation of the record of decisions of the Fourteenth Meeting and record of discussions with the Planning Commission.
2. Progress Report of the work done in the Commission since its Fourteenth Meeting held at New Delhi on January 4-8, 1969.
3. Programmes of Meetings in March - May, 1969.
4. Discussion of draft Chapters of the Report.

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NATIONAL COMMISSION ON LABOUR

Record of decisions of the Fourteenth Meeting of the
National Commission on Labour held on January 4-8,
1969 at New Delhi.

The Fourteenth Meeting of the National Commission on Labour was held in the Commission's Office at D-25-B, South Extension, Part II, New Delhi on January 4-8, 1969.

The following were present:-

1. Dr. P.B. Gajendragadkar, Chairman
2. Dr. Baljit Singh, Member
3. Dr. Bharat Ram, Member
4. Shri Ramananda Das, Member
5. Shri B.C. Ganguli, Member
6. Shri D.C. Kothari, Member
7. Shri Manohar Kotwal, Member
8. Shri R.K. Malviya, Member
9. Shri P.R. Ramakrishnan, Member
10. Shri G. Ramanujam, Member
11. Shri Raja Ram Shastri, Member
12. Shri Naval H. Tata, Member
13. Shri S.R. Vasavada, Member
14. Shri B.N. Datar, Member-Secretary.

Item No.1: Confirmation of the record of decisions of the
Thirteenth Meeting.

The record was confirmed.

Item No.2: Progress Report of the work done in the Commission since
its Thirteenth Meeting held at New Delhi on December 7, 1958.

The progress was noted.

Item No.3: Printing of computerised tables giving analysis of the
replies to the Questionnaire.

The cyclestyped copies of the computerised tables giving analysis of the replies to the Questionnaire were placed before the Commission. The Commission placed on record its appreciation of the work done by the officers and members of staff in preparing these tables in record time.

The Commission approved the proposal to get these tables printed through the Government of India Presses on a priority basis. These will form companion volumes to the Commission's report. The exact number of copies to be printed and the number of copies to be placed for sale with the Manager of Publications will be decided in consultation with the Department of Labour and Employment.

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Although the printing work involved was voluminous Member-Secretary hoped that the C.C.P. & S., who had been giving the Commission also assistance in getting its work done expeditiously, will endeavour to get this work done also on a priority basis. The Commission placed on record its appreciation of the assistance given by the C.C.P. & S. and the Government of India Presses for printing the Commission's Questionnaire and three Volumes of Statistics of Selected Manufacturing Industries efficiently and expeditiously.

Item No.4: Programme of future meetings.

The following dates for meetings of the Commission during January/February/March, 1969 were approved:

<u>Date of meeting.</u>	<u>Place of meeting.</u>
I. Friday: January 31, 1969) to *) Saturday: February 2, 1969)	Bombay
(*It was subsequently decided that the Commission should meet on February 2, 1969 also).	
II. Friday: February 28, 1969) to) Monday: March 3, 1969)	New Delhi
III. Thursday: March 27, 1969) to) Sunday: March 30, 1969)	New Delhi

The Commission also decided to meet from May 5 to 10, 1969 for finalizing its report. It was agreed that the venue of the meeting may be decided by the Chairman. (Chairman has since decided that the meeting shall be in Simla. Arrangements are being made on this basis).

Item No.5: Other matters.

Member Secretary mentioned that three volumes of Statistics of Selected Manufacturing Industries, compiled in the Commission's Secretariat, had been printed through the Government of India Presses. A volume containing a State-wise appraisal of the changes in the structure and composition of the working class (Indian Worker - A Changing Profile 1947-1967) had also been prepared. This will be a companion volume to the Commission's report. The Commission placed on record its appreciation of the work done by the officers and members of the staff in preparing these volumes.

The record of decisions on Topic Notes discussed in these meetings is attached.

Record of discussions on Topic Notes.

The agenda for the Commission's meeting was the topic notes on (A) Trade Unions and Employers' Organisations, (B) Industrial Relations and (C) Wages, Productivity, etc.

2. The Chairman in his introductory remarks explained the basic assumptions underlying the suggestions made in the topic notes on Trade Unions and Industrial Relations. These were broadly to lay greater emphasis on collective bargaining for the settlement of industrial disputes and to strengthen trade unions so as to enable them to grow into effective collective bargaining agents.

3. Some members felt that the 'plan for discussions' prefaced to "Topic notes" was not as logical as it was claimed by the Secretariat. However, it was decided not to refer to the plan but to discuss the topics as arranged in the three volumes.

4. It was also decided that the last Section of every note (suggestions) should be discussed though such comments on the other Sections as are in the nature of help in drafting or checking up the references should be passed on to the Secretariat. Some members had already corrected their copies and raised queries. These copies will be left with the Secretariat for its guidance in drafting.

5. Notes on "^ATrade Unions and Employers' Organisations" were then taken up for discussion. The main conclusions reached in the course of the discussion are as follows:-

(A) In the report as will be drafted the arrangement of topics should be altered. The revised order will be (i) Role and Functions of unions; (ii) Trade union (a) legislation, (b) structure, (c) finances; (iii) Inter-union Rivalry; (iv) outsiders; (v) Union Recognition; (vi) Union-shop; and finally (vii) Check-off.

(B) There should be a separate chapter on Employers' Organisations.

6. Role and Functions of Trade Unions.

Page 11 The traditional functions of trade unions should
Para 18(i) be enumerated in detail.

Page 11-12 The ideas expressed within quotations should be
Para 19(ii) put in our own words.

7. Recognition of Unions.

The suggestions made in Para 37 should be modified on the following lines:

(i) Recognition should be compulsory in units employing 100 or more workers.

(ii) A union seeking recognition under law should have a minimum of 25* percent membership for any industry and 30 per cent membership for a plant. The question about the qualitative tests to be applied to a union to make it eligible for recognition should be considered later. (*The exact percentage to be decided later).

(iii) A para should be added suggesting the topics which could be dealt with exclusively by area-wise/industry-wise unions and those which may be left to plant-wise unions where an industry union was recognised for the area. (Mr. Naval H. Tata offered to give an illustrative list of the subjects that should be within the competence of a recognised union at the industry/area level and at the plant level for discussion in the Commission).

(iv) The decision on the basis of recognition was deferred pending further consultation between Mr. S.R. Vasavada, Mr. G. Ramanujam and Mr. Manohar Kotwal.

(v) Minority unions should be allowed to represent individual grievances of their members. (To this extent the Para 36 (Page 33) will stand modified. Mr. Vasavada thinks that this should be confined only to proceedings before Courts.)

(vi) The facilities to be made available to the recognised unions should be enumerated in detail.

Para 34. The suggestion of Dr. Baljit Singh, clause (i) of Para 34 was amended to read "determination of the subjects of bargaining and levels of recognition".

8. Union Security - Closed-shop/Union-shop.

(i) There was difference of opinion as to whether union-shop mentioned in Para 22 (Page 43) referred to the worker being a member of the recognised or of any union. Union-shop should be allowed to evolve as a natural process.

9. Check-off.

Para 17 (page 53) to be deleted.

10. Structure of Trade Unions.

(i) Para 4 (Page 56) should be suitably revised to emphasize the fact that the split in the trade union

movement existed even before Independence and that some of the central organisations were in existence even before Independence.

(ii) A para should be added explaining the international affiliations of the central trade union organisations in India.

(iii) Para 22 (Page 68): The evolution of area/industry-wise unions should be explained. The suggestions regarding encouragement of the formation of industry-wise/area-wise unions should be suitably modified to bring out that if there is a tradition in any area of the development of industry-wise unions, it should be fostered. It has advantages in securing standardised conditions. Where there is concentration of particular industries in certain areas, industry-wise unions would be desirable. On the other hand, if industries are dispersed in different areas, there is no advantage in having industry-wise unions.

11. Inter-union Rivalry.

(i) Paras 22, 23 and 24 (Page 81-82) to be deleted.

(ii) Last sentence of Para 25 (Page 82) should be deleted.

(iii) A historical review in greater depth of the problem should be given.

12. Outsiders in Trade Unions.

(i) Para 22 (Page 96) should be deleted.

(ii) Para 23 (d) (i) /Page 97/ regarding number of outsiders in trade unions, the decision was left over for further consideration. (Shri G.Ramanujam will give an alternative scheme).

(iii) The suggestion in 23 (d) (ii) should be deleted. It should be stated that "More opportunities should be provided to insiders to shoulder greater responsibilities as active office-bearers."

(iv) In Para 23 (d) (iii) the present suggestion will be replaced by a general reference to the desirability of separation of the political and trade union offices. A mention may also be made of the practice adopted by some unions of laying down that a union office-bearer should cease to be an office-bearer in a political party. This practice deserve emulation.

13. Trade Union Finances.

- (i) Para 22 (c) (Page 106) should read: "The minimum membership fee of trade unions should be raised to 50 paise per month".
- (ii) Para 22 (a) should read: "There should be a provision in the law to permit check-off where the recognised union demands such an arrangement".

14. Trade Union Legislation.

- (i) Para 21(a) (Page 116): The provisions under the Trade Unions Act should equally be applicable to employers' organisations and the workers' organisations. This should be brought out clearly.
- (ii) Para 21(b) (Page 117): It was decided that the requirements for registration should be raised to 10 per cent (subject to minimum of 7) or 100 whichever is lower. The paragraph will be suitably amended.
- (iii) Para 21(c) & (d) (pp.117-118): The provision regarding recognition of unions should not find a place in the Trade Unions Act.
- (iv) Para 21(e)- Sub-Para 2 (Page 118). Registrar should also have the rights to enquire into irregularities suo moto.
- (v) Para 21(e) - Sub-Para 3 (Page 118). This should tie up with the provision that the central organisations should first deal with such intra-union disputes.

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The main conclusions reached in the course of the discussions on the notes on Industrial Relations are as follows:

15. State and Industrial Relations.

Para 19(i) It should be clarified that Industrial Relations (Page 14). Commission and the Labour Court would be appointed both at the State and Central levels by the appropriate Governments. The word 'National' occurring in lines 3 and 4 to be deleted. The number of members of the Industrial Relations Commission may be 5 or 7. The Chairman will have the power to name the bench of one or more judges for any dispute. The method of appointment for the judicial members of the Commission will be by the High Court or the Supreme Court as the case may be. The lay members of the Commission to be

appointed (from panels prepared by the trade union organisations and employers associations) by a Board consisting of the Chief Justice, the Chairman of the Commission and the Chairman of the Public Service Commission. Qualifications of persons to be appointed as members of the Commission should be specified.

- Para 19 (ii) The provision for a screening cell should be (Page 15). deleted.
- Para 19 (iii) Should read "The Industrial Relations Commission (Page 15). should be authorised to review its awards for correcting clerical or factual errors" (on lines of Section 151 of C.P.C.)
- Para 19(iv) Should be deleted. (Page 15).
- Para 19(v) To be redrafted deleting the last two sentences. (Page 15). The provision for Labour Court should form a separate section.
- Para 19(vii) An illustrative list of Essential Services should (Page 16). be given. Reference to basic industries to be deleted.
- Para 19(viii) Should go to the Section on Labour Court. (Page 16).

16. Role of ILC/SLC etc. in Industrial Relations.

There was general agreement on the suggestions for more frequent meetings of the industrial committees, and that the ILC should meet at least once in two years and the SLC more often.

The double discussion procedure was also welcomed.

Industrial committees should be set up for all major industries.

There should be a proper division of functions between the ILC and SLC so that the present practice of discussing the same issues in both is avoided. (Mr. G. Ramanujam will give a draft which would come to the Commission with the comments of Mr. Kotwal and Mr. Tata).

17. Code of Discipline in Industry.

The last sentence in Para 14 (Page 40) to be deleted.

Some of the provisions of the Code which will not be given legal shape will be incorporated into the qualitative conditions to be prescribed for recognition of unions,

18. Grievance Procedure.

Para 1 The word "dismissal" should be deleted and after (Page 41). the word discharges add "simplicitor".

Para 29 It should be made clear that an aggrieved worker (Page 56). should be free to take up his complaint directly or through the union if he is a member of ~~an~~ a union.

Para 29 The Chairman of such a committee should normally (Pages 56- be the highest official in the unit or his nominee. 57).

19. Joint Consultation at the level of the undertaking.

The suggestions made in para 24 (page 70) were generally agreed to.

The matter will be taken up for discussion again after Mr. Tata gives his note on the sphere of Jurisdiction of Industry-wise Unions and Plant-wise Unions.

20. Joint Management Councils.

Dropped.

21. Disciplinary Procedures - Dismissals & Discharges.

Para 28 There should be a general reference that as (Page 93). between certain proposals made to the Commission and the provisions of the present Bill, the latter would be preferable and may be given a fair trial.

Para 23(a) The sentence should read: "In the domestic (Page 93). enquiry, the aggrieved worker should have the right to be represented by an executive of his union or a workman of his choice."

Para 23(b) Add the words "In the presence of the concerned (Page 94). workman" after the word 'language'.

Para 23(e) Add the words "during the period of suspension". (Page 94).

22. Procedures for settlement of Industrial Disputes, Collective Bargaining Vs Adjudication.

No Change.

23. Working of the Adjudication Machinery.

Para 22 sub-para 9 (Page 131) to be deleted.

24. Conciliation.
No Change.
25. Voluntary Arbitration.
No Change.
26. Strikes and Lock-outs.

Para 32(i) The strike ballot should be open to "all
(Page 174) workers" instead of members of the union only.

Para 32 To be replaced by the following.
Sub-Sec "The industries /Services shall be
7 & 8. classified into two groups:

- (a) Essential* and
(b) Others.

2. When collective bargaining fails in industries/services coming under the group(a) viz. 'Essential', and when the parties to the dispute do not agree to arbitration, either party shall notify the Industrial Relations Commission, with a copy to Government, of the failure of such negotiations whereupon the Industrial Relations Commission shall adjudicate upon the dispute and its award shall be final and binding upon the parties.
3. In the case of "others" (non-essential industries/services), following the failure of negotiations and refusal by the parties to avail of voluntary arbitration either party may give a notice of its intention to resort to direct action to the Industrial Relations Commission. After the receipt of the notice of direct action in the Commission (but during the notice period) it may offer to the parties its good offices for settlement.
4. After the expiry of the notice period the parties are free to resort to direct action. If direct action continues for 30 days it will be incumbent on the Commission to intervene and arrange for settlement of the dispute. However, at the instance of the appropriate Government, the Commission may step in any time after the commencement of direct action to hear the parties for final determination of the dispute. In such cases, the Commission shall decide whether the direct action should be terminated or not.
5. Where the parties agree to refer the matter to voluntary arbitration (as in 2 and 3 above), the parties may request the Commission to nominate one of its members to be the Chairman of a Board of Arbitration, the other two members being representatives of the two parties.

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6. Where the appropriate Government is of the opinion that any of the terms of an award in a dispute in an essential industry /require /service/modification in public interest, it shall be within its competence to do so with the approval of the Parliament/Local Legislature.
7. All agreements, settlements and awards shall be registered with the Industrial Relations Commission who shall forward to the appropriate Government a copy of the same for its information".

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27. As regards the topic notes on Wages, Productivity, etc. (Vol. III) it was decided that the Secretariat should prepare draft chapters, without giving any suggestions at the end, for discussion at the Commission meeting to be held towards the end of February, 1969.

A N N E X U R E

List of Essential Industries/Services

1. Railways including workshops.
2. Air Transport, including maintenance of shop/stall.
3. Posts & Telegraphs, Telephone Services, including workshops.
4. Any industry generating and supplying power and light.
5. Water supply, Public Conservancy or Sanitation.
6. Hospitals/Dispensaries.
7. Fire-Services.
8. Inland or water transport services/including workshops.
9. Defence Establishments.
10. Government Mints.
11. Security Presses.
12. Banks.
13. Coal.
14. Iron and Steel.

It shall be competent to Parliament to add to, alter or delete from the list any industry/service, which it may deem proper to do from time to time.

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Item No.2: Progress report of the work done in the Commission since its Fourteenth Meeting held at New Delhi on January 4-8, 1969.

1. Meetings for recording evidence:

The Commission recorded evidence as follows during January and February, 1969:

- (i) Planning Commission New Delhi January 7, 1969.
- (ii) Some Members of Parliament
regarding Gorakhpur labour. New Delhi January 8, 1969.
- (iii) Shri L.K. Jha, Governor,
Reserve Bank of India. Bombay February 1, 1969.
- (iv) Shri Vasant Rao Dada Patil and
other representatives of
Sugar Co-operatives. Bombay February 1, 1969.

The Commission had also a meeting with the Chief Minister of Maharashtra and other signatories of the joint memorandum on the "Employment of Local Persons in Maharashtra" at Bombay on February 2, 1969.

2. Meeting of representatives of Industrial Cooperatives held at New Delhi on January 8 and 9, 1969.

The Commission convened a meeting of the representatives of Industrial Cooperatives to understand the labour problems of the industries run on co-operative lines at New Delhi on January 8 and 9, 1969. The meeting was inaugurated by the Chairman on January 8, 1969.

3. Observation visits.

(i) Member-Secretary visited Gorakhpur on February 17 and 18, 1969 to see the working of Gorakhpur Labour Depot. He also visited some neighbouring villages and met some workers who had been recruited by the Gorakhpur Labour Depot and who had come back to their villages after working in coal mines in Bihar, West Bengal and Madhya Pradesh.

He also visited on February 26, 1969, a Miners' Hostel in Chinakuri, West Bengal, where Gorakhpuri labour and other workers are accommodated.

(ii) Chairman and Member-Secretary visited Calcutta, Ranchi, Jamshedpur and Durgapur from February 22 to 27, 1969. They visited plants and held discussions with the Governor of West Bengal and met the Associations of Employers and representatives of Workers and Employers, and others at these places.

4. Committees/ Study Groups / Working Groups.

The Commission has received all reports of Committees/Study Groups/ Working Groups except that the report on Labour Administration (Western Region) has been received in parts for Maharashtra and Madhya Pradesh States. So far 31 reports have been printed and circulated to all concerned.

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5. Progress of the work done on the Technical side.

In the meeting of the Commission held early January, the three statistical volumes were circulated. A volume of financial statistics based on the financial data in the Reserve Bank of India Bulletins has been prepared and will be circulated in the next meeting.

(ii) At the last meeting of the Commission, the following four chapters were discussed and finalised:

- i) Agricultural Labour.
- ii) Working Conditions.
- iii) Labour Research, Statistics and Intelligence.
- iv) International Obligations.

This brings the total of chapters finalised by the Commission to 10.

(iii) The following 10 chapters have been circulated among the Members for discussion at the next meeting of the Commission:

- i) Recruitment - Sources and Practices.
- ii) Training, Induction and Workers' Education.
- iii) Housing.
- iv) Labour Welfare - I.
- v) Labour Welfare - II.
- vi) Unorganised Labour.
- vii) Remuneration for Work - I. Wages and Earnings -
A Factual Review.
- viii) Remuneration for Work - II. Wage Policy - Assessment
and Issues.
- ix) Remuneration for Work - III. Minimum Wages.
- x) Remuneration for Work - IV. Incentives and Bonus.

(iv) At the meeting of the Commission held early January, four volumes containing 1100 computerised tables duly decoded were circulated among the Members. Since the meeting the remaining 900 tables have been decoded and they are being cyclostyled. We have fixed up the Press for their printing which is in progress.

(v) All Industry Notes have been completed except those on tea, coffee, rubber and sugar. These will be completed by 10th March. In all, the Industry Volume will consist of 25 Industry Notes which are as follows:-

- i) Forestry and Fisheries.
- ii) Tea.
- iii) Coffee and Rubber.
- iv) Coal.
- v) Manganese.
- vi) Iron Ore.
- vii) Mica.
- viii) Iron and Steel.

- ix) Cement.
- x) Heavy Chemicals.
- xi) Fertilisers.
- xii) Oil Refining and Distribution.
- xiii) Heavy Engineering.
- xiv) Machine Tools.
- xv) Cotton Textiles.
- xvi) Jute.
- xvii) Paper and Pulp.
- xviii) Sugar.
- xix) Handloom and Powerlooms.
- xx) Railways.
- xxi) Road-transport.
- xxii) Ports and Docks.
- xxiii) Air-transport.
- xxiv) Banking.
- xxv) Newspapers.

(vi) The Technical Wing has been reorganised to speed up the work. The Wing has now been divided into three broad sections, and the existing strength of Investigators, and Assistant Directors have been pooled to ensure more effective coordination. A Committee has also been set up to finalise the chapters for the final meeting of the Commission in May, 1969.

Item No.3: Programme of Meetings in March - May, 1969.

Detailed Programme of Commission's meetings in March - May, 1969 is given in the Annexure.