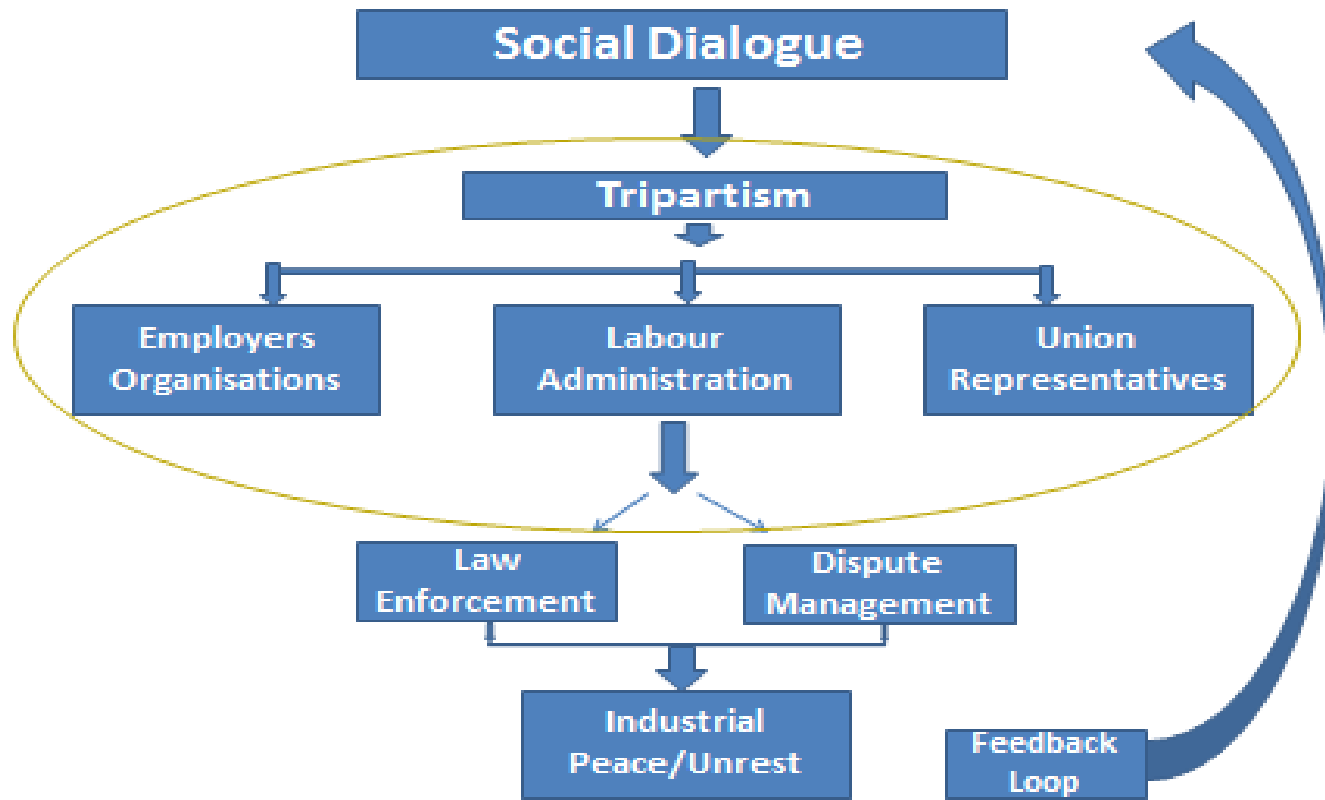


Mapping and Assessment of Labour Administration and Social Dialogue in Maharashtra

VVGNLI-ILO National Tripartite Seminar:
Enhancing Labour Administration's Performance
and Strengthening Tripartite Social Dialogue
Claridges Hotel, New Delhi- 13 October 2015

Dr. Suchita Krishnaprasad
Associate Professor, Head, Dept. of Economics,
Elphinstone College, Mumbai -32

Systemic View of Role of Labour Administration in Tripartism and Social Dialogue



Overall findings: Achievements in Maharashtra (I)

- ▶ Tripartism worked to protect unprotected workers in the state much before the other states acted on this issue;
- ▶ Labour administration has played a significant role in converting this breakthrough into a best practice. This is borne out by:
 - The Mathadi Act, and various provisions under it. Nearly 5 lakh workers have benefitted from the Act, given that this is the third generation of *Mathadi* workers enjoying protection under it.

Overall findings: Achievements in Maharashtra (II)

- Additionally, there exist other tripartite boards like the Security Guards Boards (which has benefited approximately 75,000 persons); Domestic Workers' Welfare Board (which has 50,000 domestic workers registered across the state); Building and Other Construction Workers' Welfare Advisory Board, etc.

Labour Administration in Tripartite Boards

Overall Coverage

1. Minimum Wages Advisory Board
2. Contract Labour Advisory Board
3. State Labour Welfare Board

Specific Coverage

1. Mathadi Board
2. Security Guards Board
3. Building and other Construction Workers' Welfare Board
4. Domestic Workers' Welfare Board

The Tripartite Boards(I), Their Acts, and Primary Objectives

Title of the Act	Primary Objective	Board
The Minimum Wages Act, 1948	To fix the minimum rates or wages payable to employees employed in scheduled employment, and review the same within five years	Minimum Wages Advisory Board
The Contract Labour (Regulation & Abolition) Act, 1970	To regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances	Contract Labour Advisory Board
Maharashtra Labour Welfare Fund Act, 1953	To collect funds as per the rates prescribed under the Act, and utilize it for labour welfare all over the state	Maharashtra Labour Welfare Board (Advisory and Executive)

The Tripartite Boards(II), Their Acts, and Primary Objectives

Title of the Act	Primary Objective	Board
Maharashtra Mathadi, Hamal and other Manual Workers (Regulation of Employment and Welfare) Act, 1969	To regulate employment, conditions of employment and provide for welfare of porters/loaders.	Maharashtra Mathadi Boards (Advisory and Executive)
Maharashtra Private Security Guards (Regulation of Employment & Welfare) Act, 1981	To regulate the employment of private security guards employed in factories and establishments in the Brihan Mumbai & Thane District areas, and to make better provisions for their terms and conditions of employment and welfare.	Maharashtra Private Security Guards Board (Advisory and Executive)
Maharashtra Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2007	To regulate the employment and conditions of service for building and other construction workers, and to provide safety, health and welfare measures for them.	Maharashtra Building & Other Construction Workers' Welfare Board
Maharashtra Domestic Workers Welfare Board Act, 2008	To regulate the employment and conditions of services for domestic workers, and to provide for welfare measures.	Maharashtra Domestic Workers' Welfare Board

Data & Methodology

Two cases from each category of tripartite boards were selected for a detailed study, which include the:

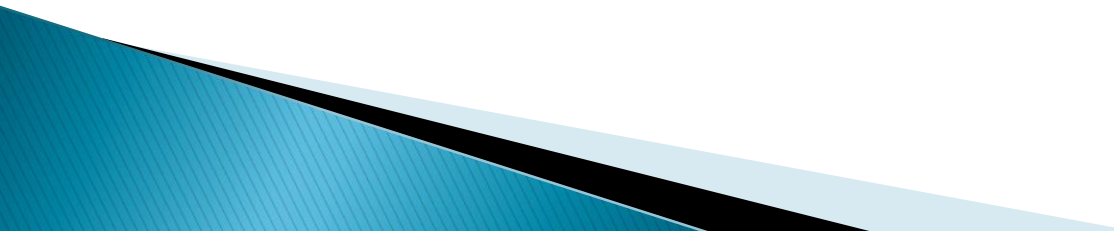
1. Minimum Wages Advisory Board; and
2. Contract Labour Advisory Board, from category (I);
3. Mathadi Advisory Board; and
4. Private Security Guards Board, from category (II)

The study was based on:

- Notifications and/or minutes of meetings held by the boards in the last 2-5 years.
 - Interviews with individuals who have functioned in these boards.
 - Annual reports or other such documents, wherever available.
- The functioning of the labour administration's tripartite mode of dispute management was also studied through data on conciliation.

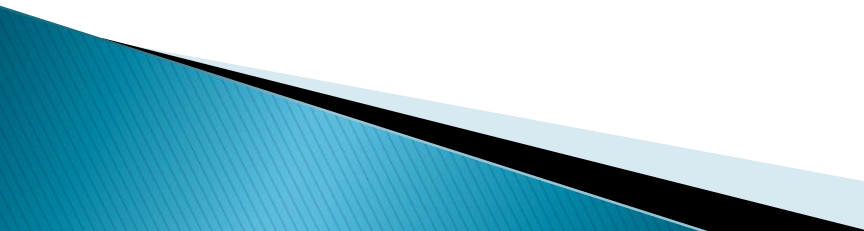
Minimum Wage Advisory Board

There were six meetings held between 2013-2015. A summary of these brings out the following areas for discussion and decision making:

1. Calculation of wage rate for the scheduled activities;
 2. Inclusion of new activities to extend the application of the Act; and
 3. Adjustment of minimum wage rate to inflation from time to time.
 4. The Agenda emerges out of govt. policies
 5. The decisions are based on consensus
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Contract Labour Advisory Board

A meeting with 93 points on the agenda as well as 6 notifications were studied and summarized, the findings from which are as follows:

1. In every case mentioned in the meeting, except when the number of contract workers was less than 50, contract labour was sought to be regularized, sometimes with a pay-rise. This contrasts with the statements made in the notifications, where the outcome is to 'abolish' the contract labour;
 2. The minutes of the meeting do not indicate dissent over issues requiring deliberations;
 3. Given that the Act has no provision for regularizing contract labour, the notifications seem to work within the scope of the Act, whereas the meetings result in provision of instructions with little legal compulsion for implementation;
 4. The agenda for meetings emerges out of the demands from unions or court directions.
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Mathadi Advisory Board

Issues discussed in meetings mainly concern with:

1. Application for exemption from the Mathadi Act by the employers under Section 5.
2. Application for exemption from the Mathadi Act by the employers under Section 22 of the Act.
3. Allocation of work due to relocation or closure of industry
4. The agenda points (1 &2) emerge out of application for exemption from employers, and (3) is brought up by workers and their unions.
5. Decisions are based on consensus, and dissent is processed through field visits for fact finding.

Private Security Guards Board

Issues discussed in meetings mainly concern with:

1. Application for exemption from the Act by the employers under Section 23 of the Act.
 2. Demand for wage hike and provision of necessary equipment for the security guards.
 3. Issues regarding office establishment of the board such as location, recruitment of the board office staff on contract basis, etc.
 4. Agenda for point (1) emerges from application of employers, point(2) from the unions and (3) from officials of the board.
 5. Decisions are largely consensus-based.
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Maharashtra Labour Welfare Board

Funds are collected for welfare activities as per the prescribed rate of subscription under provisions under the Act.

This fund is used for welfare activities through various welfare centres.

At present there are 226 Labour Welfare Centres all over the State.

Agenda emerges out of govt. policies.



Building and Other Construction Workers Welfare Board

1. Building and Other Construction Workers' Welfare Cess Act, 1996, is legislation by the Central government that was notified by the State government in 2008.
2. There are 15 welfare schemes provided for under this Act including health insurance for workers, education for workers' children, etc.
3. Rs. 3,200 crores have been collected under this Act of which Rs. 200 Crores have been utilised.
4. Agenda emerges out of govt. policies.

Maharashtra Domestic Workers' Welfare Board

1. Maharashtra Domestic Workers' Welfare Board Act was passed in 2008, the rules were framed in 2010. The state level board constituted under the Act has registered about 50,000 domestic workers in cities mainly since October, 2011.
2. welfare schemes run by the Board include Janshree Bima Yojana, which is a provision of insurance in the event of accident or disablement, financial assistance to support children's' education, Funeral Assistance, maternity benefit, pension under Sanman Dhan Yojana and skill development programmes etc.
3. Agenda emerges out of govt. policies.

Summary of Functioning of Labour Administration in Tripartite Boards

There are some obvious differences in the functioning of various tripartite boards and the corresponding role of the labour administration therein. These arise primarily due to differences in:

- Years of experience (Mathadi boards with the most experience display a better record of meetings culminating into notifications)
- Span of coverage (Overall or Specific)
- Legal mandate

However, the agenda emerges from all the three partners, and usually the decisions are consensus-based, though there is a mention of 'instructions given by the President' in some minutes.

Functioning of Labour Administration: Reaching the Ground Level (I)


- ▶ Labour administration works for law enforcement and dispute management at the ground level. Section 5 of the Industrial Disputes Act, 1948, requires tripartite dispute handling through conciliation. Besides this, labour administration in Maharashtra has devised an innovative method of dispute handling called PMAS. This is an informal mode aimed at expediting dispute resolution.
- ▶ It is note worthy that success rate of PMAS is higher than that of conciliation. At present it is even a preferred choice of the management.

Functioning of Labour Administration: Reaching the Ground Level (II)

- ▶ There is a decline in every indicator of dispute manifestation such as (i) number of cases handled under conciliation/ PMAS, (ii) number of strikes and (iii) pending court cases.
- ▶ This may be attributable to the rising percentage of contract and other categories of non-permanent workers known to have little outlet to voice their dissent.
- ▶ Falling percentage of membership of affiliated unions is possibly another indicator of the same phenomenon.
- ▶ What remains unprocessed or under-processed at ground level must be carried to the societal level, so that new modes of handling the unspoken stresses within the system can be worked out.

Challenges Ahead for Tripartism (I)

As Revealed by the Data

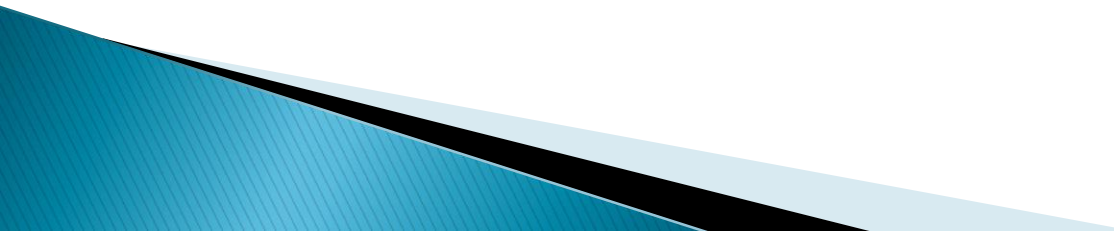
- ▶ Limited mandate of each board as per the Acts
 - ▶ The boards possess only recommendatory powers
 - ▶ Unsystematic selection of representatives and political interference
 - ▶ Boards end up in limbo after a newly elected government comes to power
 - ▶ Meetings don't translate fully or partly into notifications in certain cases
 - ▶ All the above conditions hinder the functioning of tripartite boards, inhibiting them from working out a meaningful social pact.
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Challenges Ahead for Tripartism(II)

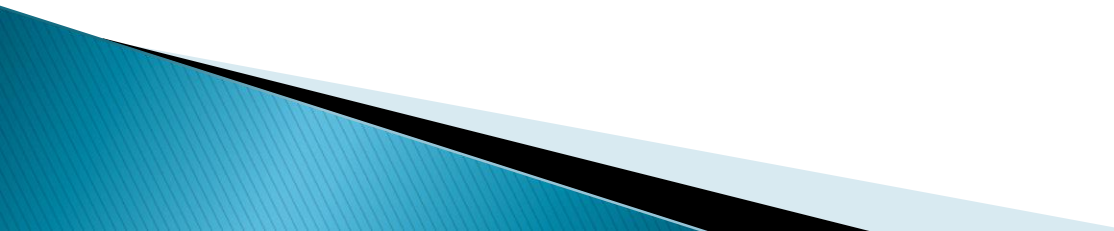
As Revealed by the Partners

- ▶ Lack of system of selecting representatives and political interference.
- ▶ Inadequate infrastructure and shortage of manpower due to a high percentage of unfilled vacancies has increased the load on administration, and all partners expressed their concern over this issue.
- ▶ This environment along with the manner in which the process of labour law reforms has been undertaken till recently makes the partners(all the unions of the JAF, and employers' representatives) unenthusiastic about the possibility of functionality of social dialogue in the State. Their perception about social dialogue process in the State is not positive. They are eager to notice changes.

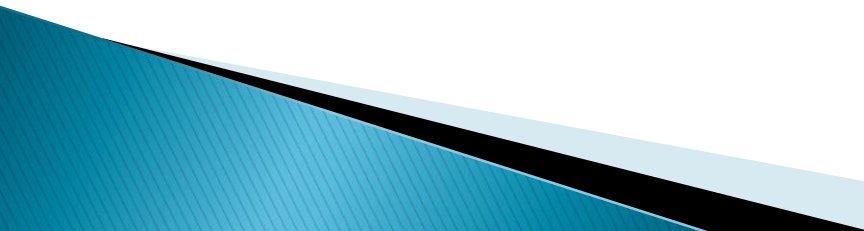
Recommendations (I)

- ▶ **Revive the spirit of tripartism by:**
 1. Ensuring genuine representation of employers and trade unions on the tripartite boards
 2. Conducting meetings regularly to ensure continuity and commitment.
 3. Streamlining the procedure of issuing notifications following the meetings.
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Recommendations (II)

- ▶ **Strengthen the labour administration**
 1. Recruitment to ensure adequate manpower,
 2. Provide appropriate infrastructure to improve efficiency,
 3. Streamline the systems for regular updating of data on labour and industrial relations.
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Recommendations (III)

- ▶ **Create a platform for social dialogue at the State level by Reviving State Level Advisory Board (SLAB)**
 1. To address issues that do not find space in the existing network of tripartite mechanism such as dealing with contract labour.
 2. To create an apex body to oversee the functioning of existing tripartite bodies which are dedicated to specific areas of work or workforce, and to co-ordinate between them.
 3. To provide a ready platform for consultations and communication during the reform process
 4. To collaborate with the Indian Labour Conference and to work as a link between the functioning of social dialogue process at State and Central levels.
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Maharashtra: A Progressive State

- ▶ Tripartism may not be the only way to economic prosperity of a country, but the value of peaceful industrial relations is indisputable and tripartism is a tested way to work it out.
- ▶ As one of the highly industrialised States of India with higher HDI than the national average, a State with tradition of social reform movements along with administrative acumen in implementing innovative ideas, Maharashtra is certainly equipped to evolve an appropriate dais for engaging fruitful social dialogue and turn the aspirations of its people into reality.

Thank You

