



ENFORCEMENT OF LABOUR LAWS IN THE INDUSTRIAL UNDERTAKINGS— A STUDY ON SELECT UNITS IN A.P.

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ABSTRACT

The Objective of public authority is to maintain the industrial peace for better industrial relations between workers and employers through investigation and settlement of industrial disputes to promote industrial harmony, so that the production industry goes on un-interrupted so that there is no loss of man-days and strikes and lockouts can be prevented. Apart from this the public authority implements various labour laws enacted by Govt. of India as well as by the state. The purpose of this paper is to study the implementation of labour laws in industrial undertakings of A.P. and to find out the satisfaction level of labour with respect to implementation of labour laws in select industrial undertakings. The study utilizes the survey approach. The sample consists of 372 respondents. The study tries to find out whether the selected industrial undertakings had strictly followed the labour laws. The study was limited to A.P.State only. The study concludes that there is a significant influence of implementation of labour laws on satisfaction of labour.

KEYWORDS : Select Industrial Undertakings , Labour Laws, Implementation

1. INTRODUCTION:

India has been remarkably successful in boosting economic growth. Its economy has grown at about 6% per annum since 1990s, with growth accelerating to 9% over the past two years. Absolute poverty has been cut in half, and middle income status has been achieved. Despite recent growth, India's manufacturing sector still accounts for less than 15% of Gross Domestic Product and employs less than 15% of the Work Force. This is in stark contrast to the fast growing East Asian Countries such as Korea, China and Thailand, where, rapid expansion in manufacturing has generated large scale employment that has lifted millions out of poverty. A manufacturing job in India is in the informal sector, which is characterized by low productivity and wages and to which Labour Laws do not apply. This is disproportionately large compare to East India. In India, small informal firms employ a sizeable 40% of the country's workers compared with only 4% in Korea. On the other hand in 2013, India's organized manufacturing sector employed only about 1.3% of the total labour force of over 450 millions, most of it in the Private Sector. Even more unfortunately, employment in the formal manufacturing sector declined between 2006 and 2012. Labour Law is the body of laws, Administrative Rulings and Precedents which addressed the relationship among Employers, Employees and Labour Organizations, often dealing with issues of Public Law. The terms Labour Laws and Employment Laws, are often interchanged in the usage. Labour Laws are different from Employment Laws, which deal only with Employment Contracts and issues regarding Employment and Work Place discrimination and other Private Law Issues. Employment Laws cover broader area than Labour Laws. Employment Laws cover all the areas of Employer/ Employee relationship except that negotiation process and collective bargaining are covered by Labour Laws.

2. LABOUR LAWS IMPLEMENTATION IN INDIA:

The Planning Commission had set up a working group on Labour Laws and other labour Regulation for the 12th Five Year Plan (2012-17) under the Chairpersonship of Secretary, Ministry of Labour and Employment. The report of the Working Group containing the recommendation has been submitted to the Planning Commission. The recommendation of the working group for improving Enforcement of Labour Laws are strengthening of Enforcement Machinery by way of increasing manpower, improving Infra Structure etc., and it further suggested to have a complete review of the strength of the Enforcement Machinery.

The Working Group also felt that proper Enforcement of Labour Laws can be done through the vigil of Trade Unions. Collective bargaining process should increasingly be relied upon for resolution of labour Disputes. Holding Lok-Adalats should be encouraged to enable faster disposal of cases. A Database should be built on all aspects relating to industrial relations and the Officers of the Labour Departments should have access to such data base through computer connectivity. The flow of statistics from the states to the center should also be streamlined, made more efficient and faster. In addition

to codification and simplification of Labour Laws it is necessary to create online Single Window System for making compliance as user friendly, simple and for bringing transparency.

3. NEED FOR THE STUDY:

Labour Law, Industrial Relations and Social Dialogue are at the core of ILO Member states' economic and Social Organization. Sound Industrial Relations and effective social dialogue are a means to promote better wages and working conditions as well as peace and social justice. As Instruments of good governance they foster cooperation and economic performance, helping to create and enabling environment for the realization of the objective of decent work at the National Level.

Challenges in the world of work pose numerous challenges to Industrial Relations Institutions and Actors, Labour Legislation and collective bargaining processes. They also create new impetus for innovative practices. Moreover, Labour Law needs to reflect the evolving labour market situation and address current needs and challenges.

4. REVIEW OF LITERATURE:

Freeman (1986) have noted that laws regarding collective bargaining affect economic outcomes and thus result in increase in wages.

Datta Chaudhuri (1996) observed that there are decentralizing pressures felt increasingly in public sector industry, even though the bureau of public enterprise sends guidelines for wage settlements to all administrative ministries, setting down norms to be followed in determining basic salaries and the various categories of benefits for different classes of employees.

Anant and Sundaram (1998) felt there is a significant difference in the determination of wages between the private and the public sector. In the Private Corporate Sector, where collective bargaining largely takes place at enterprise level, unions that are willing to accept some risks have benefited from a form of gain sharing by agreeing to tie a significant part of the monthly pay to incentives.

Jirjahn, (2002); Hubler (2003), Nergaard (2009), have examined the role of collective agreements and works councils on the wage policy of firms or the wage level.

Sen, Jyothi and Siddu (2003) suggests that employer's have steadily gained more power which is depicted by the figure on strikes and lockouts. An increase in the number of lockouts on the part of the employers has been accompanied with a fall in the number of strikes, especially in the 1990s. Additionally many industrial disputes are left unresolved by the legal system due to the inefficiency of the Indian Legal System.

Botero (2004) stated that Labour Laws govern the labour Regulation in three areas: Employment Protection Law, the Law governing employee

representation and industrial action, and the Law of Social Security.

5. OBJECTIVES:

To study and analyze the implementation of Labour Laws in the select Industrial Undertakings of A.P.

To verify the satisfaction level of employees with respect to implementation of labour laws in the select industrial undertakings of A.P.

6. HYPOTHESIS:

Ho : Implementation of Labour Laws does not provide support for satisfaction of employees.

Ha : Implementation of Labour Laws provides support for satisfaction of employees.

7. RESEARCH METHODOLOGY:

For the purpose of present study, descriptive Research Design was adopted and the research method used was survey approach. The research technique used for data collection was an structured interview and the sampling plan implemented was a convenience sampling method. The sample size stood at 372.

In this study, five factors have been analysed which influence the satisfaction of the labour. Such factors are : Wages and Remuneration, Conditions of work, Health, Safety and Welfare, Social Security and Equality of Treatment. These factors constitute the independent variables. The Dependent Variable is the satisfaction of the labour towards implementation of Labour Laws in the selected Industrial Undertakings.

To measure the relationship between dependent variable (Satisfaction of labour) and independent variable (Implementation of Labour Laws), the Researcher has used multiple regression analysis.

8. RESULTS AND CONCLUSION :

Multiple Regression Analysis:

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.805 ^a	.648	.645	.544	.648	208.167	5	566	.000	2.198

Predictors: (Constant), REGR factor score 1 for analysis 5, REGR factor score 1 for analysis 1, REGR factor score 1 for analysis 3, REGR factor score 1 for analysis 2, REGR factor score 1 for analysis 4

Dependent Variable: Satisfaction

CONCLUSION:

The above analysis depicted some interesting results. The value of multiple Regression Correlation coefficients (R) between the independent variables and dependent variables are .805. The R² for the model was .648, thus showing that about 64.8 percent of the variability in the outcome is accounted for by the predictors (independent variable). The adjusted R² for the model is .645 and it can be seen that the difference between the value of R² and adjusted R² (.648 - .645 = .033) is very low. This implies that if the model was derived from the population instead of the sample, it would have accounted for approximately 1 percent of less variance in the outcome. The F statistic obtained is 208.167, thus indicating that the independent variables (Wages and Remuneration, Conditions of Work, Welfare, Social Security and Equality of Treatment) has a significant influence on the dependent variable (labour satisfaction) at 5 per cent level of significance, and that the model is effective. Thus the null hypothesis is rejected and alternate hypothesis is accepted. Hence at 5 percent level of significance, it can be concluded that there is strong relationship between the dependent variable and independent variable. As such all the factors wages and Remuneration, Conditions of Work, Welfare, Social Security and Equality of Treatment have a significant influence on the dependent variable i.e Labour Satisfaction.

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