

NEED FOR REAPPRAISAL OF DUTIES OF LABOUR OFFICERS

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The author avers that with the growing space of industrialisation after the attainment of freedom, the philosophy of labour welfare has changed. Hence it is necessary to reappraise the duties of Labour Officers. The author poses many questions and exposes the "confusion in functions conflicts in roles."

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As early as 1931, the Royal Commission on Labour in India recommended the appointment of Labour Officers in order to protect the workers from the evils of jobbery and indebtedness, to act generally as a spokesman of labour and to promote amicable settlement between the workers and the managements. When the Second World War broke out, some arrangements were made for welfare work in government and private factories with a view to enlisting the support of the workers in the war effort. In state-managed industries, government began to feel that line—management, i.e., the foreman, did not have the time to pay proper attention to the welfare of their employees. Dr. Ambedkar, therefore, introduced a new person in industry—a Welfare Officer. The Labour Investigation Committee (Rege Committee—1946) also placed emphasis on the importance of labour officers. In 1946 the Government of India drew a Five-Year Plan for labour, aimed at raising the standard of living of the employees and giving them an adequate measure of security and undertook a spate of legislation and the administration of labour became complex. The managements did not have the time to study the mass of legislation, nor were they in a position to keep track of the case laws that grew up as a result of various decisions by the tribunals. Labour management or personnel management, therefore, became a specialised function

and every big organisation felt it necessary to have a specialist on labour called the Labour Officer, Welfare Officer or Personnel Officer, who could devote himself to the study of labour management. The post war era brought in its wake new ideas of class consciousness social justice and the welfare state. Since labour welfare is a very important branch of social service administration, the Government laid it down by statute in 1948 that factories must have a welfare officer to deal with labour problems. Unlike other industrially advanced countries, India took a unique step by making legislative provision for the appointment of welfare officer and this enactment gave legislative status to the profession of labour welfare work.

The job of a labour officer, originated in the need to mobilize human capital's relations to material capital in industry. More immediate factors which contributed to the job are: the application of principles of scientific management, the emergence of collective bargaining, the large scale of welfare programmes, the growth of government activity in such matters as statistical reporting, wage and hour legislation, labour relations regulations.

The term, 'labour officer' was, perhaps, borrowed from the private sector especially the Textile and Jute industries where

employers appointed labour officers mainly with the object of facilitating adjudication and as a check against the rising tide of Trade Unions. The system had obvious defects and the objective was quite contrary to the one the Government had in view.

With the growing pace of industrialisation after the attainment of freedom, the philosophy of "labour welfare" also changed. Labour welfare measures or services, which generally consist of three classes, namely, (i) conformity to statutory standards, (ii) welfare schemes, provided by employers in order to create a healthy psychology among the workers, (iii) further amenities provided by the employers out of their generosity, have become necessary because of large scale production and loss of human touch in industry.

Industry, whether public or private, is not only an organisation for economic growth, but is also a human organisation in which the hopes and aspirations of individuals should find expression. The human approach in industry, as is now understood, presupposes welfare work which aims at developing (i) workers who are properly informed, (ii) workers who are enjoying a sense of security, (iii) workers are given a feeling of dignity and self respect, (iv) workers are fairly and properly paid, and (v) workers who are happy to work and co-operate in the interest of self and community.

In pursuance of the provisions under the Factories Act 1948 (Section 49), plantation Labour Act, 1951 (Section 18) and Mines Act, 1952, it is obligatory on the employers to appoint Welfare Officers in factories, plantations and mines. The Factories Act 1948 provides for the appointment of a Welfare Officer in every factory employing 500 or more persons. In larger factories employing 2000 and more or in some cases 2500 and more workers, additional welfare

officers have to be appointed. In factories where more than one welfare officer is appointed, the main welfare officer may be designated as the Chief or Principal Welfare Officer and the others as Assistant Welfare Officers.

State Governments are empowered to make rules for the duties, qualifications and conditions of service of welfare officers. Since different sets of rules have been framed by various State Governments to regulate the service conditions of welfare officers, there is no uniformity in the rules as well as in actual practice obtaining in different establishments in respect of the duties of these officers.

Let us see what is the philosophy behind the duties of welfare officers? In other words, what are the legitimate objectives of labour welfare and who should bear the immediate as well as the ultimate responsibility for welfare? If the objectives are properly formulated, it would be easy to set forth the duties and assess the responsibilities for the realisation of the objectives. Three objectives of labour welfare can be clearly recognised as under:

1. To promote efficiency of the workers,
2. To ensure proper human conditions to workers at their living and work places,
3. To supplement their present low wages.

If these are the objectives, then the chief duties of a labour welfare officer should be:

- (i) to properly relate the man to the job and job to the man
- (ii) to promote human relations between various levels of personnel,
- (iii) to administer welfare services like good working conditions, canteens, creches, housing, recreation, education, social security, health, etc.

At present, according to Rule 7 of the Model Factories Rules (or Labour Officers—Central Pool—Recruitment and Conditions of Service Rules 1951 as amended by the Ministry of Labour (and Employment) Notification No. L.W.1-47(2)/53 dated 14-8-1953 and S.R.O. No. 937 dated 21-4-1955), the following duties and responsibilities are prescribed for labour welfare officers:

- (i) to establish contacts and hold consultations with a view to maintaining harmonious relations between the management of the undertaking and workers;
- (ii) to bring to the notice of the management of the undertaking the grievances of workers, individual as well as collective, with a view to securing their expeditious redress and to act as a negotiating officer with trade unions;
- (iii) to study and understand the point of view of labour in order to help the management of the undertaking to shape and formulate labour policies and to interpret these policies to the workers in a language they can understand;
- (iv) to watch industrial relations with a view to using his influence in the event of a dispute arising between the management of the undertaking and workers and to help to bring about a settlement by conciliation and arbitration;
- (v) to deal with wage and employment matters by joint consultations, with the management of the undertaking and workers' representative bodies;
- (vi) to maintain a neutral attitude during legal strikes or lockouts and to help in bringing about a peaceful settlements;
- (viii) to ensure fulfilment on the part of the management of the undertaking of obligations, statutory or otherwise, concerning the application of provisions of Factories Act, 1948 and the rules made thereunder, and to establish liaison with the Factory Inspector and the Medical Services concerning medical examinations of employees, health records, supervision of hazardous jobs, sick visiting and convalescence accident prevention and supervision of safety committees, systematic plant inspection, safety education, investigation of accidents, maternity benefits and workmen's compensation;
- (ix) to promote relations between managements of the undertaking and workers which will ensure productive efficiency as well as amelioration in the working conditions and to help workers to adjust and adapt themselves to their working environments;
- (x) to encourage the formation of works and joint production committees, cooperative societies and safety first and welfare committees and to supervise their work;
- (xi) to secure provision of amenities, such as canteens shelters for rest, creches, adequate latrine facilities, drinking water, sickness and benevolent schemes payments, pension and superannuation funds, gratuity payments, granting of loans and legal advice to workers;
- (xii) to help the management of the undertaking in regulating the grant of leave with wages and explain to the workers the provisions relating to leave with wages and other leave privileges and to guide the workers in the matter of submission of application for grant of leave for regulating authorised absence;

- (xiii) to secure welfare provisions, such as housing facilities, food stuffs, social and recreational facilities, sanitation advice on individual personnel problems and education of children;
- (xiv) to advise the management of the undertaking on questions relating to training of new starters, apprentices, workers on transfer and promotion, instructors and supervisors, supervision and control of notice board and information bulletins to further education of workers and to encourage their attendance at technical institutes; and
- (xv) to suggest measures which will serve to raise the standard of living of workers and in general promote their well-being.

The above list of functions is by far vast and ambitious. An analysis of these duties shows that the welfare officer is expected to play four main roles, namely, those of a social worker, a conciliator, a personnel and industrial relations officer and a semi-government inspector.¹ The role of a labour officer varies from country to country and from industry to industry and is determined by the traditions of labour-management relations, the expectations of the management about his responsibilities and duties and the relationship between the staff and line agencies. Multiple roles may lead to 'role conflicts' or incompatibilities.

Briefly, the four roles of a labour welfare officer in India are:—

(a) *Social Worker*.—The major role conceived for him is that of a social worker. By now² it should be sufficiently realised that

'labour welfare' is not merely an aspect of factory life and working conditions. Workers are human beings and they basically depend for physical and social health on the family and the community environments, outside the factory environments. Programme of social welfare requires an adequately trained personnel in the community environment as the personnel manager, labour officer and some welfare personnel. His task needs his attention and service during every minute of his working life and its scope beyond the factory gates into the community and even dwellings of each and every worker. He has to interpret the needs of the workers to the management and to help the management in the organisation and administration of welfare measures—statutory as well as voluntary. The importance attached to the social work role seems to be considerably higher in India than elsewhere; even in the United States, industry does not seem to employ so many social workers. This may be due to the following reasons:—

- (1) Indian worker belongs to a submerged class and needs help from a social worker for adjusting himself to the urban factory.
- (2) Social work is the first human relations profession.

(b) *A Conciliator or a Natural Third Party in Industrial Relations*.—In this role he is conceived of as a 'cementing force' between the management and the workers helping the Government in the maintenance of industrial peace. It requires the person playing the role to be completely impartial to tell the parties what is right without fear of favour and be looked upon by both the parties as a friendly neutral. The role of a

¹P. Thomas and Monroe Berkowitz: "The Multiple Roles of Welfare Officers in Indian Factories", *Indian Labour Journal*, December, 1960, pp. 365-71.

²Dr. B. H. Mehta: *Social Welfare and Urban Community Organisations Current Problems of Labour in India* (Labour Bureau, Government of India) September, 1959, pp. 71-74.

conciliator is relevant primarily in the handling of grievances, enforcement of discipline and the settlement of disputes.³

On the one hand, he is supposed to keep on good terms with workers and to interpret workers' problems to management and on the other, he is often expected by the management to be the 'axe man' in disciplining and discharging offending workers. He also appears before labour tribunals as management's spokesman in opposing demands by union representatives on behalf of the firms' workers. This role of 'policing' company rules and policies is of course an accepted function of personnel managers in other countries and has nothing neutral about it. In fact, it is this role more than anything else that has created much confusion about the functions of a welfare officer and tended to set him apart from the personnel or industrial relations officer in other countries.

(c) *Personnel or Industrial Relations Officer.*—Many of the prescribed duties are those of a personnel or industrial relations manager. Major conflicts between the management and the labour arise out of conditions of work and service rather than welfare like recreation, housing, canteen facilities and medical relief etc. Most of the latter problems are now carried under the various schemes of the Government and the person playing this role has to deal with such matters as employment, training, promotions, wage adjustments, grievances, discipline, working conditions and employee welfare. On all these matters he acts essentially in an advisory or staff capacity. As an expert, he advises the management on the formulation of policies relating to these subjects, helps people at various levels in the

management hierarchy to develop skill in implementing these policies, diagnoses the stability of the organisation or the state of morale in the firm on the basis of carefully maintained records of absenteeism, labour turnover, output and accidents and advises management on remedial action to be taken when necessary.

(d) *Semi-Government Inspector.*— In a sense, he serves the government as a kind of inspectorate and is required to send reports. He helps in stopping the breach of legal provisions of the employers.

In effect, they are expected to be personnel and welfare officers and yet in a sense as a kind of inspectorate and conciliation service. The result is confusion of purpose and like oil and water, the functions do not mix.⁴ An essential step, therefore, to make the welfare officer more effective and satisfied with his job is to enable him to become either a social worker and or a personnel manager. The role of a conciliator is an impossible one to play. In fact, a suggestion is gaining ground that for the proper utilisation of the services of welfare officers, they should be entrusted with some personnel functions so that they can implement most of the things themselves without being required to approach others for the things to be done speedily. If they are given such personnel work they can be helpful to the management and also to the workers in carrying out negotiations in view of their improved position in the administrative set up.

Is the present position of labour officers conducive to the proper functioning of these duties/roles? It is generally felt that it is not. Confusion in functions conflicts in roles and finally frustration of persons holding the

³Charles A. Myers: *Industrial Relations in India*, Bombay: Asia Publishing House 1958, p. 209.

⁴J. Henry Richardson, I.L.O.: *Report to the Government of India on Labour Management Relations and some aspects of Wage Policy*, 1959.

job may be due to the following difficulties inherent in the present position.

In some industries, they are not allowed to function at all but they are appointed merely to comply with the statutory provisions of various Acts. At present some employers consider them as government spies. Very often they are treated as miscellaneous officers in the administrative set up. The duties which are assigned to them are merely advisory in nature and as a result they are not of real help either to the management or workers. None of them likes to function as a passive adviser or merely act like a post office, or mouthpiece or gramophone. Many a time they are reduced to the position of post boxes. The labour officers are stated to be hardly consulted by the management on policy matters and they have no direct hand in mitigating individual grievances and the collective grievances regarding fulfilment of statutory obligations by the management. In many industries management wants them to be disciplinary officers. Further the services of labour officer are called for only when a dispute has arisen and his role prior to that is lost sight of. While he is useful in solving disputes, he would be far more valuable in preventing the occurrence of a dispute, if he is properly utilised. The labour officers are mostly helpless in matters of financial considerations. The trade unions prefer negotiations direct with top management instead of consulting the labour officer. The welfare work, except for looking into the day-to-day difficulties in getting leave and pay in time, promotions, increments, training has assumed lesser importance from the point of view of workers.

Thus it would be clear that in respect of the work allotted to these officers in the private as well as public sectors there is a great deal of variance. Some establishments

have made these officers responsible for personnel or welfare functions only and in some cases the functions are combined or suitably divided between two sets of officers. Some employers and especially the Central Government expect these officers to function in a neutral capacity of an 'adviser' while others regard him as a buffer between the management and the workers. In view of these divergent duties while some of the establishments have found the institution of welfare officers quite helpful, others feel that they are not useful to the desired extent. Workers and trade unions have also mixed feelings about the utility of these officers. These views are due to a number of factors such as the attitude of the employers and employees towards these officers absence or inadequacy of support given to the officers by all concerned, etc.

Ambiguity about the following points has contributed considerably towards confusion in functions and conflicts in roles of labour officers:—

Designation.—The following designations are freely used in India to describe the same job:—

1. Labour Officer.
2. Welfare Officer.
3. Labour Welfare Officer.
4. Personnel Officer.
5. Industrial Relations Officer.
6. Employee Relations Officer.
7. Labour Superintendent.
8. Labour Inspector.
9. Employee Relations Supervisors.

In early stages, India adopted a composite designation of Labour Welfare Officer

probably influenced by the practices prevalent in the U.K. at that time. The designation of labour officer and labour welfare officer gives a misleading impression of the nature of duties now performed by these officers. Although, historically the use of the term 'welfare officer' in the Factories Act had some justification, the position has now changed. Time has now come to consider whether the designation is comprehensive enough to give an idea of the nature of the duties performed by such an officer. Taking the various designation now in current usage for manpower management, Personal Officer, will be a more suitable designation.

Status and Security.—An important matter about labour officer is his status and security of tenure consistent with his responsibilities and freedom to operate as a go-between labour and management. It is worthwhile to draw attention to the following observations made by the Royal Commission on Labour (Page 24-25):

"He should be subordinate to no one except the General Manager of the factory and should be carefully selected".

Although the rules provide that welfare officers should have the status of a departmental head; in government departments or establishments, they have the status of a gazetted officer class II (now there is also a selection grade with a senior class I status) and there are wide variations in private establishments. Even among these, there are differences as between enlightened and large scale establishments and others. Just as in a factory there is a Chief Engineer who looks after the machinery in the factory and is accorded a status in the factory practically on the same lines as that of a manager, a labour officer who looks after the men in the factory who are many times more than

the machinery should be also given a high status and authority. But at the same time it is difficult to give a general definition of the status of labour officer for it will vary from unit to unit and will to a large extent be dependent on the structure of the personnel department. A few essential points, however, which have a direct bearing on the status are:

- (i) There should be a clear cut terms of reference. He should not be asked to discharge functions which do not come within the purview of personnel administration.
- (ii) He should report direct to the management. The head of the personnel department reporting to the head of the unit should have the same status as the heads of other functional specialities in the organisation.
- (iii) His status, salary and perquisites should be the same as other members of the line management who report direct to the head of the unit.

His professional status should be acknowledged. It is recognised that this requires professional level performance and also calls for a code of ethics. If he is granted the status and if it becomes possible to take a decision with regard to at least some of the demands of the workers he will be held in greater respect by the workers and he will be in a position to explain the management policies to the workers in a much better position.

In so far as the question of security of service in government sector is concerned, there is no problem at all. But in the private sector management is of the view that government should not interfere with the dismissal and discharge of welfare officers since the duties included managerial prerogatives and the management must have the right of control over an employee who

may commit serious mistakes in the administration of such functions. In order to make the post secure, some State Governments provide that welfare officers should not be dismissed without the prior approval of the Commissioner of Labour while some others provide that the employers should inform the Commissioner of Labour of any decision to dismiss a welfare officer and give reasons for the proposed action. The Commissioner can then advise the employer about the matter. For example, the Government of Mysore requires that in case the employer wants to discharge or dismiss a welfare officer, the officer can appeal to the State Government so that the Government may attempt to bring about a settlement. It must, however, be noted that if the employer is not pleased with the officer, the latter cannot discharge his duties to the satisfaction either of the employer or labour. But if the employer finally decides to remove the officer from service the rules in Mysore provide for a compensation at the rate of one month's pay for each year of service by the officer subject to a maximum of six months' pay. This rule may be recommended for adoption by the other States.

Staff and Line Controversy.—Another important aspect in the role of the labour officer is the distinction between staff and line functions. The main work of personnel (labour) officer is of the staff or advisory kind and should be effective at all levels of management and his appointment can achieve little unless management itself realises the need for improvement in industrial relations. He must be able to assure an effective liaison between the management of the undertaking and the unions concerned or other bodies representing the workers at the level of the undertaking and to this end he should be able to commit the management of the undertaking when he enters discussion or negotiations with the unions or with

these bodies. He is thus a part of the management team with special functions. He also runs his own department. Many labour officers are of the view that for their effective functioning they should have executive powers. A labour (welfare) officer will never be in a position to give a good account of himself unless he has got certain amount of executive functions and responsibilities or, in other words, the workers with whom he has got to deal must be convinced that the officer has got the power not only to give a decision but also to give effect to the same.

In this connection, one can hardly resist the temptation of quoting Mr. David S. Burgey⁵ that for proper functioning of the personnel or labour officer he should be regarded as a staff officer who has direct responsibility to the general manager and whose primary duty is to assist the line officers to do a better job. The responsibility for day to day personnel administration must rest squarely on the shoulders of line management. He should be regarded as an important part of the management structure. Though, he may have a proper understanding of labour problems and thereby may be in a strategic position to better relations between labour and management, he is not to be considered as a buffer, a conciliator or a third force or a third agency between the management 'power bloc' and the labour 'power bloc'. To be an effective agent of the management, the personnel or labour welfare officer must be given real power commensurate with his responsibility. Essentially, the personnel or labour welfare officer of the company should be regarded as one of the major planners for his organisation. He must have the power to influence the decisions of his superiors and he must be able to anticipate the effect of broad market developments on the policies of his company.

Independence.—One of the criticisms levelled against the present position of the

⁵David S. Burgey, Labour Attache, American Embassy. Functions and duties of the Personnel Department. *Labour Review*, January, 1960.

labour welfare officers is that they are paid by the managements, that this makes them the managements men, that they cannot, therefore, be neutral in the discharge of their duties, that the managements can dictate to the officers the lines of approaches and get things done or undone through the officers. The job of labour officer is an unenviable one because his position is sandwiched between management and labour. These officers have a very difficult task to perform since they are required to win the confidence of both and further to conduct themselves in such a way that their suggestions are accepted not only as unbiased but also as practical.

Some labour officers are driven to the conclusion that they ought to be appointed by the government and partly or wholly paid by the government in order to give them independence status. But this would not be satisfactory as no man can serve two masters. Again, this is probably a minority view—most officers recognise that they would have less influence if they were paid by the government because they would not have the trust of management and would not be admitted to management policy. The suggestion of independence has arisen from the wrong conception that there is a perpetual class conflict between management and labour. He must be an integral part of the management of the undertaking as no personnel or labour officer can influence the human relations policy of his company if he is appointed from outside. The confidence of the management is as essential as the confidence of the employees, if the job is to be done properly. They should not be appointed independently but they should maintain an independence of outlook and be allowed to express their views so that they can discharge their functions effectively.

It may be interesting to study in this regard whether a pool of personnel and

welfare officers as has been attempted by the Government in the public sector can be established by employers' federations from amongst whom officers may be drawn to work in different industries in the private sector.⁶ The officers in the pool could be brought under several grades depending upon their qualifications, experience and ability. Their service conditions could be regulated better by the employers' federations evolving an acceptable code or by statutes. Such a cadre of officers would have the advantage of preserving their independence in dealing with the workers and employers. At a later stage, it could also be experimented whether these officers could not be, for obvious reasons, transferred from one unit to another. This would also increase the number of officers who could thus gain experience in various industries, thereby meeting the increasing need of trained men to manage the human element in industry so vital to the fulfilment of various plans.

In so far as the public sector is concerned, they could be recruited through the State Public Service Commissions for posts in the States and through U.P.S.C. for posts under the Central Governments. A panel of successful candidates could be maintained and whenever there is a vacancy in any industry the candidate could be drawn from that panel.

As against this situation, there is the possibility of these officers wanting to occupy a neutral status so as to amount to a 'third force'. They must not regard themselves as a third force because they will not be able to perform their duties usefully. This is going to be of no benefit either to the management or to the workers. As a matter of fact, the officer would then have to live in an ivory tower of his own without contacts with the mainstream of thought emanating from the two sides. The concept of authority must be

⁶V. V. Giri, *Industrial Relations*, March-April, 1959.

foreign to those who believe in the personnel principles and practices. They should accept that their authority can at best be only a reflection of the confidence that they can create in the minds of all as regards the soundness of advice they render.

The Government of U.P. had tried to force employers to appoint welfare officers chosen by them with the result that employers merely appointed these men, gave them a chair and a table and nothing else because they had not got the confidence of the management. Independence of the labour officer would not solve the problem.

Legal Qualifications.—Generally speaking, there is a tendency on the part of the employers to prefer law graduates. Their motive in doing so is to make such persons fight with the workers on legal issues. This is a wrong approach and is due to the present unfortunate emphasis on the legal aspect of employer—employee relations and is also due to the management's lack of understanding of the labour welfare officer's role in industry. This is quite contrary to the principles of welfare, although it cannot be denied that legal qualifications of a labour officer may stand in good stead in understanding the complex labour laws. All the same, it is very essential to discourage the tendency among employers to seek the services of law graduates as labour officers.

Assessment.—Details of actual work done by labour officers will really depend upon the circumstances in each unit as to where it is located, how far the employer is willing to go, the personality of the labour officer himself and the type of worker he has to deal with, i.e., the standard of development already attained by them.

It is admitted that the utility of labour officer cannot easily be measured as there is

no appropriate yardstick for the purpose. It may be stated here that the mere absence of strikes and disputes in an industrial establishment is no guarantee that the particular establishment is having an optimum output. If by his activities he is able to bring about contentment to a certain degree among labour thereby mobilising their energy for increased production, he would be said to have served some purpose.

Time has, therefore, become ripe to decide whether the stage for making appointment of these officers obligatory under law has passed and whether the employers have become sufficiently enlightened to appreciate that these officers by whatever designation they are known are necessary and that their appointments without compulsion will be enforced in future. In this regard, the Central Government has already accepted the principle of voluntary employment of these officers in their undertaking where it is not obligatory.

Those who suggest that there is no need for labour welfare officers may also remember that it is not a question of abolishing the hospitals to make people healthy but by persuading people to adopt a healthy attitude that they would be less unhappy and have less need for hospitals.

Thus it would be clear that the present position of labour officers is not altogether happy for proper utilisation of their services, there should be reappraisal of their duties as statutorily prescribed. It is gratifying to note that the Government of India have already realised the situation and have put up the entire question before a committee for their considered opinion. It is to be hoped that the recommendations of the committee will contribute towards reappraising the whole position.