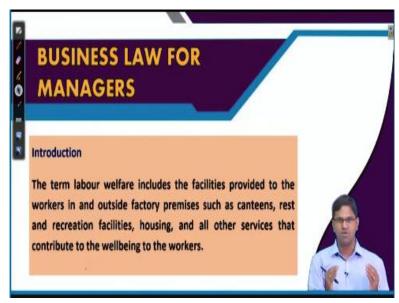
Business Law for Managers Prof. S Srinivasan Vinod Gupta School of Management Indian Institute of Technology – Kharagpur Module-5: Factories Act

# Lecture – 23 Labour Welfare

Welcome to lecture 23 in module 5. In previous lectures, we discussed about health and safety provisions as enshrined by the factories act. Today's lecture, we are going to focus on labour welfare. So, various provisions which are mandated by the legislations that a factory management has to implement in the workplace for the benefit of the workers.

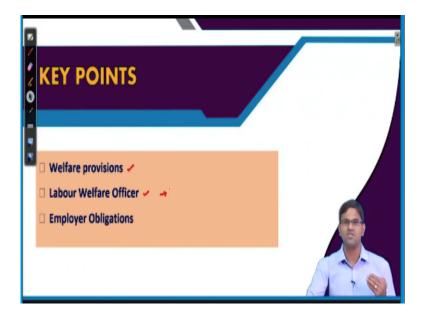
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So, let us discuss, what are those benefits? Which are mandated by the factories act? So, let us understand, what is this labour welfare? The term labour welfare, which includes you know, facilities to be provided to the workers in and outside the factory premises. If you look at inside the factory premises, it is like canteens, restrooms, recreation facilities.

Some factories may provide housing facilities, dormitory facilities and other services which are required for workers to protect the wellbeing of the workers that is where the labour welfare, the term labour welfare includes. It is not only about a salary and other things. It is also concentrated about the providing facilities which are required for the worker so, that they can keep up there will-being and also protect them from any harm which can be physical or psychological in nature.

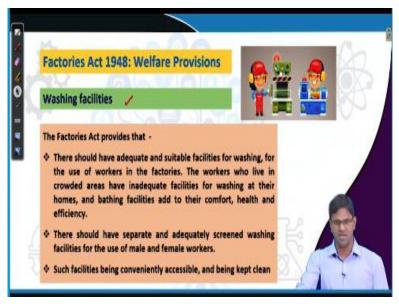
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So, let us see what are the things, which are governed under this labour welfare provisions. One is yes, welfare provision in the factory whatever welfare provisions are to be provided that we will discuss in detail and we will also talk about the appointment of a labour welfare officer inside the factory with what type of factory are required to our labour welfare officer, because in this case, we will be discussing, is every factory mandated to have a labour welfare officer? No.

And in case yes, what are those factories which required to have a labour welfare officer and we will also discuss about their roles and responsibilities of this labour welfare officers and we will also discuss about employer obligations with respect to providing this labour welfare services to the workers in their particular factory.

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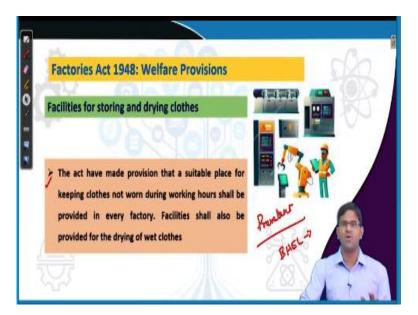
Now, begin with the labour welfare provisions. First is about washing facilities. We will be surprised to look at now what are we talking about a washing facility. See, as per this factory act or now, we look at the code on occupational health and safety and working conditions, it says that yes, factory should. For example, larger manufacturing organizations wherein if the factory management has generally in most of the manufacturing organization, we always see that there is a uniform. We call it blue collar workers.

So, you know, they essentially do the physical activities or maybe the production activity, shop floor activities all that, not management employees are all called workers. Those workers are always referred to blue collar workers. Now, having said that the manufacturing activities involves all these activities what we are talking about, so, the factories has to provide an adequate facility for washing the cloths of or the uniform of the workers.

Now, you see why this is required because we see that being a developing country where we talk about yes, a large section of the workers may come from disadvantaged societies or economically weaker section or we are talking about below poverty line, there may be a constraint of may be living in a crowded areas where they do not have an adequate facility, washing at the homes.

So, it is also required factory to provide certain place provisions for washing facilities. So, and also when we are talking about a washing facility yes, if you are employing both male and female workers in your factory, you have to have separate places for both a category of the workers, both male and female workers or washing facilities and such facilities should be conveniently accessible and also should be kept clean.

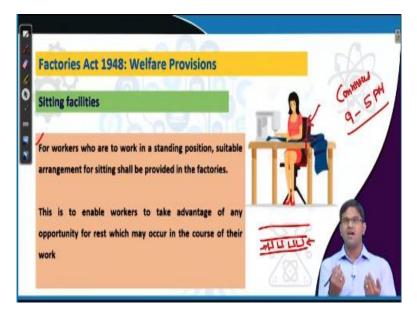
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Now, having said that the washing facilities now yes, then what? Yes, the moment I have provided a washing facility, you should also provide a provision that is suitable place to be provided to keeping the cloths to be worn, uniform to be worn during the work time. So, if you look at this practice is highly prevalent in almost major manufacturing organizations where each of the workers are provided a cupboard or maybe 2 or 3 workers together are provided as a 10 cupboard, small place to keep your uniforms.

For example, if you take even public sector companies also have this, for example BHEL provides cupboards facilities wherein their workers can keep their uniform there. So, generally you know, workers come by the company provided buses or by their own mode of computations, then after reach, they use, they take their uniform and then use that is why this provision is required part of this requirement of welfare provisions.

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Now, then comes that is a washing facility, we are starting from the basics to the other essentials welfare services within the factory. Now come to sitting facilities. What are we talking about the sitting facilities? There may be several processes or activities in the factory that may be requiring a worker to work in a standing position for a longer period of time. And for those set of activities, there should be suitable arrangements providing a seating shall be provided in a factory.

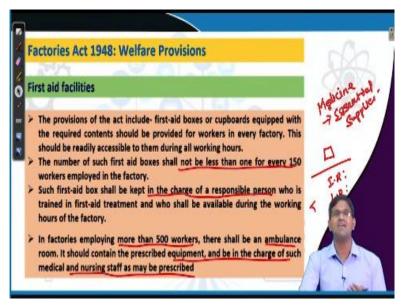
And you know, maybe there will be small breaks be provided. So, those times the worker should be given a seating provision so, that they can actually have a quick rest as well. And also, if you look at there are other processes, wherein you see in a shop floor line, assembly line, people used to work in a sitting position, just imagine, so, these are the shop floor line and these are the workers where they sit.

And now, when you provide a chair to work, it can be in a sitting position and if you are providing on a sitting position, you should also provide a backrest you know, where we are talking about this kind of a backrest. So, eventually, what will happen in the long work hours? Because especially on a factory where we are talking about assembly or a production floor, it is a continuous activity.

So, from day in and day out or maybe you know, the moment you clock in at 9 o'clock till the time 5 pm, they will be monotonously repeating the same job without the backrest. It will be giving them a physical difficulty or maybe impact in the long run their health as well. So, you have to provide a backrest. It not essentially this kind of cushion or at least some level of

backrest so, that they can actually sit back when they have a proper backrest to be provided where we are also talking about sifting facilities.

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Then comes a first aid facility. Even if we discussed very briefly in the first lecture on this particular module, when we talk about first aid boxes, yes, there should be a first aid box or a cupboard to be equipped with all required materials. I mean, I am talking about essential supplies of medicine, medicine supplies. So, there are list of medicines or the essential supplies. They call it essential supplies to be provided on the first aid kit that has to be provided on the shop floor.

So, how many numbers required? At least one first aid should be provided for every 150worker employed in a factory. Now, comes other aspects of it, where do we keep? Who is responsible? See that first aid box should be provided in the shop floor the production building itself and that should be in a locked and then the key has to be given to a responsible person or person in charge of handling this first aid kit.

And this worker also should be trained by the authorized organizations who can give first aid training. If happen to visit some of the manufacturing factories or you are working in a manufacturing factory, now, you can actually go back and see yes, if you look at go to their HR department or maybe you know, industrial relations department or labour department in the companies, you will find that they will have a list of trained workers on a first aid.

So, every time they provide you know, first aid training to the workers and each worker will have a separate batch, some factories follow some batch to be provided. It is kind of a plus sign so that they are trained first aid staff. Why it is important? Because in terms of any accidents, workplace accidents, so the first aid services to be provided in the production floor who is using these first aid kits, then comes going forward.

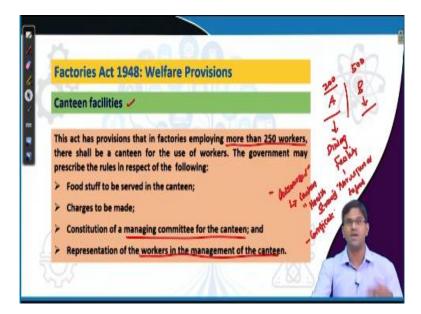
Now, in case I am talking about medium to larger factories, wherein I have more than 500 workers. When there is less than 500 workers, the requirement is that you should have at least first aid facilities and your worker has to be trained. Now, talking about a factory which has more than 500 workers, what is the requirement? There should be an ambulance room in the factory.

When you are talking about an ambulance room where the basic medical attention can be given immediately after any incidences of accidents or any other things happens within the factory. So, there should be an ambulance room and it is also kind of prescribed equipment and you should have a person or a nursing staff should be available on the ambulance room to provide immediate attention.

Now, the larger factories used to have a clinic. When you are talking about a larger factory where they employ more than 1000 to 2000, some factories even to have 5000 to 10,000 workers working where they used to have a small clinic within the factory. So, doctors will be appointed. There will be a nurse. So, there is a clinic which will take care of the basic essential requirements. And also, the requirement from the factory is that yes, you need to display which is the nearest hospital to be taken in terms of emergency happens in the factory.

And they should also list on the hospital should be reachable within 15 to 30 minutes distance. So, and by the time that the basic attention to be provided in this factory that is why the first aid facilities one of the major requirements because in most of the manufacturing organization yes, there is always a risk of this kind of health, the accident minor accident or a major accident are likely to happen that is why these provisions are required to ensure that yes, factory is concerned about the safety of the workers.

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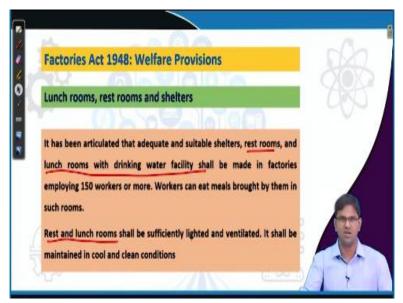
Now, moving from the first aid facilities, what we are talking about the canteen facilities. Does a factory should provide a canteen facility? Not really unless otherwise, if you have more than 250 workers. Let us talk about 2 factories, factory A and B and where I have 500 workers, where I have 200 workers. Now, what is the requirement? In this factory, you should have a dining facility wherein you do not need to provide not required to provide.

It is not mandated, not required to provide food facilities and you should have a dining place where the workers can bring and eat. So, whereas in this factory, yes, it is the more than 250 workers, yes, you should have a canteen facility where we should also provide food facilities where food has to be served to the canteen and charges to be made and there should be a constitution of a managing a committee for the canteen.

Yes, generally there is an equal representation from the management and also for the worker category. So, that the management committee can talk about the quality of the food being served. And if you go beyond the minimum requirement, there are very good factories wherein they talk about now, most of the canteen facilities are outsourced meaning that the contract agency used to provide services to the canteen services.

So, there is also a requirement. All this canteen staff has to go through the health screening and those certificates should be provided and should be available in the factory. So, all the canteen staff has to be time to time have to go for the health screening and the certificate should be kept by the management or the HR department in the factory. So, that every time you will be able to review it. These are the requirements when a factory has a canteen facility.

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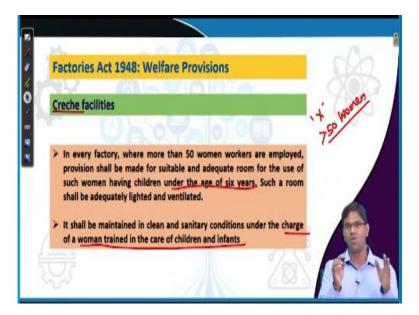


And let us talk about the lunch room. Yes, as I said, if you do not have more than 250 workers, there is not a mandatory requirement. But we are also seeing you know, most often we always see manufacturing activities in larger or most of the places where we see these manufacturing factories are away from the main cities or let us say the housing colonies, a little away from the those living places.

So., we used to most of the factors even if there is less than 250 workers, there are times they used to have a canteen facility but it is not mandatory, as I said, but let us say lunch room facility yes, if you do not have a worker if you have workers, you know up to 150, you have to provide lunch room facility and you should also provide suitable restrooms, lunch rooms with a drinking water facility should be made available in the factory for 150 workers or more so, that you know this.

And also, when we are talking about a restroom, the restroom should be having sufficient light and ventilation and there should be a separate restroom for male and female workers. And if you happen to visit some of the factories, you will be able to see that yes, there is a small restroom, wherein during the lunch break or even a tea break some workers may use to, want to have a small quick rest, they can have a provision to go to the restroom.

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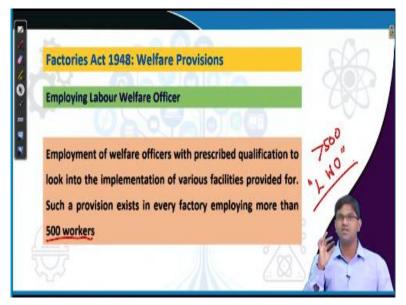
Then we are talking about creche facility or we call it daycare services, children care services. What is that provision under these particular expectations from the factory? Now, in case if you are a factory, let us say your factory X, employing more than 50 women workers, then there should be a provision which should be made suitable adequate room for use of women having children under the age of 6 years.

Let us say if you are having more women employed in a factory, you should have a crush facility or a creche facility, we call it you know, either way people used to pronounce it differently and you should probably creche facility in the factory premises and this can be an availed by the women workers who have kids who are aged below 6 years.

They can bring their children and put them in the Creech facility, which are available inside the factory and there should be a caretaker employed to take care of this kid children and there should be a play toys and there should be a proper restroom this all should be available in the crush room and if you have seen in the larger factories, they given a very healthy food and there were dedicated caretakers employed and these are the minimum requirement.

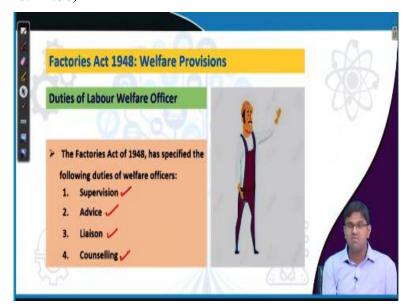
If there are more than 5 children, yes, definitely you have to employ one person to look after the children. And they shall be maintained in clean and sanitary conditions as I said under the charge of a woman trying in the care of the children's infants. So, this is one of the requirements under the factories act legislation. Yes, if you are employing more women and we happen to see that most of the manufacturing organizations employs a large number of women workers in various processes. So, it becomes mandatory for them to have a creche specialty inside the factory.

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Now, having discussed about all these welfare conditions. Now, we are going to talk about a requirement of having a labour welfare officer. So, now, who should have the labour welfare officer? So, the labour welfare officer with a prescribed qualification essentially who have social work degrees or the minimum requirement of degrees has to be, can be employed if you are employing more than 500 workers.

If your factory has more than 500 workers, you should definitely have a labour welfare officer. So, the labour welfare officer with a prescribed qualification to be employed. (**Refer Slide Time: 17:38**)

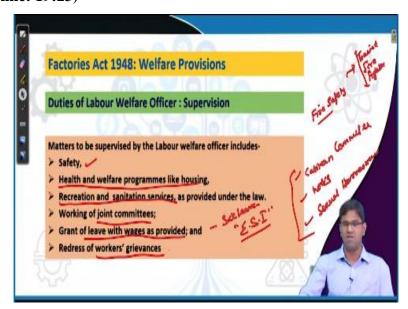


When you employ labour welfare officer, what is the duties of this labour welfare officer? See, largely they perform the major 4 responsibilities. One is about supervision of; what they are going to supervise? They are going to supervise as per the legislations, factory has to have these facilities right welfare provisions, either we are talking about first aid; we are talking about creche facility or we are talking about canteen facility; we are talking about washing facilities, all these facilities we talked about.

Now, this becomes the responsibility of the labour welfare officer to supervise those welfare provisions has been properly implemented or not. Or any, non-compliance is to be observed and to be informed to the management and such to be addressed. And they should also advise time to time; is there a non-compliance or maybe a failure to implement certain provision which are mandated by the legislations.

They can advise the management or to implement on this and they can also do a liaison between the worker and the management because they play a role of conducting the worker and the management in terms of the welfare provisions. You will have a works committee within the factory where you have a representation of the workers.

And these welfare officer time to time interact with the workers and understand what are their needs or requirements or if they are facing certain challenges, they can play a role of liaison connecting the worker under management. And they can also counsel the workers providing the counselling services to the workers. We will see one by one what are those details are. **(Refer Slide Time: 19:23)** 



When we talk about the supervision as I said, so the labour welfare officer will supervise on the aspect of safety. Safety, we are talking about, the safety can be fire safety. The fire safety, we are talking about. Do we have a trained firefighter? So, when you say the term, the firefighters is not that, there should be somebody from the fire department.

It is not that wherein factory is of each production floor or if we are larger factory have multiple buildings, multiple shop floor, where some of the workers has to be chosen and they should be trained on the basic firefighting system. For example, how to handle the fire extinguisher. We have seen a lot of fire extinguisher many of our buildings, maybe in your education institution or in your offices or your factory or seeing the fire extinguishers.

Now, somebody has to be chosen and those people have to be trained on how to handle that firefighting equipment. And there should be regular training. And they should also be engaged in a mock drill on this. So, the labour welfare officers duty is to ensure that yes, these firefighters are trained and the anything for example, some workers who have been trained on fire safety have left the factory, they have to update the fire safety fighters and you have to display their names ensure that yes, that has been done.

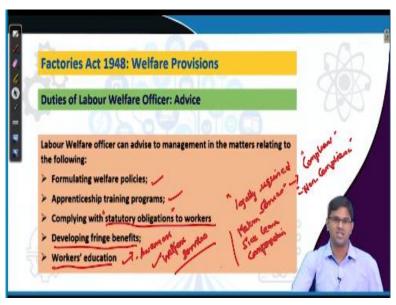
And then with respect to first aid, first aid trained persons, do they have adequate number of first aid trained workers and also ensure that yes, the first aid box has all the supplies. It is not running out of certain medicines or certain supplies inside the first aid box. This has to be taken care of to be supervised by the labour welfare officer. And also, one has to look at the health and welfare programmes like housing or we are talking about any other requirements on the health and safety or welfare programmes and also look after the recreation and sanitation services.

When we are talking about sanitation services, we are talking about providing adequate washroom facilities, restroom facilities. For the workers, does it have an adequate thing or any grievances any compliance that has to be addressed and working with the joint committees when you are talking about a joint committee, some factories will have you know canteen committee or maybe works committee, we are talking about sexual harassment committee.

There can be multiple committees will be you know in the factory. So, now it becomes the responsibility that yes, the labour welfare officer in the factory jointly work with these committees to escalate the requirements to the management and grant of leaves with wages to be provided, this labour welfare officer will also look after the sick leave in case of worker has been associated from the employee state insurance act, ESI.

They can coordinate, help them on the maternity benefit and also redress the workers grievances. Yes, obviously, in any factory, we are seeing that yes, there are instances, workers might have certain grievances that has to be addressed through this labour welfare officer that is the duty of the under the supervision.

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Now, on the advice. What are the advices they can do? These labour welfare officer can advise the management on various aspect of formulating welfare policies, if you are you know, appointed a labour welfare officer maybe some factory, maybe time to time growing, developing, maybe some services are there, some services not there, the labour welfare officer can actively be involved in formulating the welfare policies.

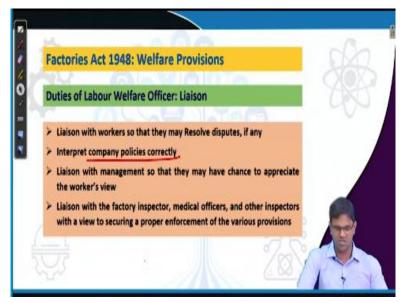
And also look after the apprentice training programme because now, under the skill India programme, a lot of apprentice programmes are happening in various parts of the country. So, facilitating that ensuring that apprentice that people who are trainees are provided adequate facilities, assignments are provided time to time all that can be done and complying with the statutory obligations to the workers.

When you talk about statutory obligations, yes, we are talking about legally required services. So, that has to be ensured yes, factory being compliant with all these requirements, do not engage go into any non-compliances ensure that yes, factory does not have any noncompliance in place. Yes, that is required and developing any fringe benefits, additional benefits on top of what has been provided.

And workers education in terms of creating awareness, providing awareness to workers on various services or welfare measures, welfare on the, especially on welfare services available to them. So, that is the role of a welfare officer to educate the workers, sometimes we see you know, on the production floor maybe workers are not that educated, you can provide training on the available services like maternity benefits, sick leave or compensation, workmen compensation.

There are many benefits are available. So, the labour welfare officer can provide training to these workers on these aspects,

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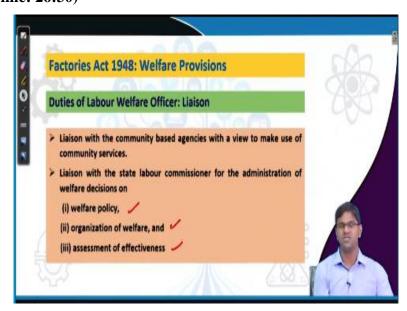


Then they can also play liaison and as I said, yes, they will play a liaison with the workers so that they may resolve the disputes which arise between the worker and management and interpret company policies correctly. Maybe somebody may misunderstand certain provisions. So, I can share one of the incidents which had happened when I was visiting one of the factories in in Madhya Pradesh.

Wherein, very recently the factory has had a workers union strike, which is very surprising to you, the fact is that there were false messages being passed on the WhatsApp groups and reading that everybody started to agitate against the factory management, which was not actually true case. So, that is the labour welfare officer role to interpret the company policies correctly, there is always possibility of incorrect information being circulated or passed across.

So, it is the responsibility of the welfare officer to interpret the company policies in a good sense and liaison with the management so that they have a chance to appreciate the workers' view; sometimes the manager may not interact with the workers or maybe miss out to hearing the perspective from the workers. So, it is the responsibility of the labour officer to provide the inputs to the management on the worker's view.

Also, can play liaison roles with the factory's inspectors or medical officers or the fire safety officers who are visits the factory and in ensuring that yeah, this is what we fact practice as part of our factory welfare services that they can play a role as a liaison with a factory inspector meaning that outside the organization as well.

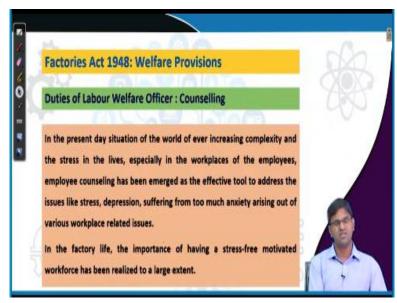


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And then there are also liaison with the community-based agencies wherein, when you are a larger manufacturing organization, operating inside a community where there is a high likelihood that you know, nearby NGOs or community-based organizations might want to discuss and see what is the working conditions in the factory.

You can work with these communities to NGOs or community organizations, yes, they will be the services have been provided and liaison with the state labour commissioner for talking about the labour welfare policies, organizations welfare and assessment of the effectiveness of the services provided in the factory.

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Then about the last minute but we are talking about a counseling. Yes, if you look at, why it is becoming very important. In a present-day situation with the ever-increasing complexity and stress that everybody go through and especially the workers working in a manufacturing organisation wherein, day in and day out, they repeat a monotonous job. They may be keep assembling the products or packing the materials or working in a raw material, warehouse, go down, we are talking about, stress, they go through is really large. So, they can actually labour welfare officer can act a role of counsellor providing counselling services to or maybe planning a recreation activity for the stress relieving for the workers.

And it also is very important that yes, factory also plays a role in facilitating the stress-free environment for the workforces, because eventually that will actually impact the better outcome for an organization.

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Now, these are all discussing about within the factory premises. As a labour welfare officer within the factory premises, you can do all this. Now, outside what you can do. So, in addition providing the other welfare services within the factory premises, so, worker has certain benefits which are outside you know, one has to access it outside the factory wherein we are talking about ambulance or the first aid or canteen, it is all inside. It is already available inside.

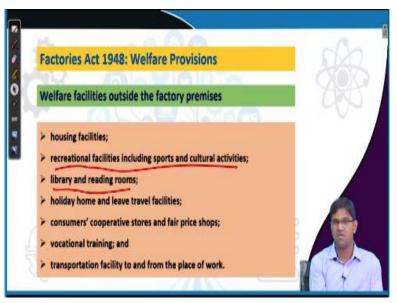
Now, there are services or benefits, which are available if you are employed in a particular factory, you can also have the benefit outside. What are those benefits? So, here the welfare officer can play a role in facilitating the services to be availed by the factory workers. For example, maternity benefits, now, almost all factory pay employees state insurance or ESI, maybe people who know already heard about it, yes.

Otherwise, if your first time hearing this word, employee state insurance and wherein we will learn about it in subsequent modules. So, employee state insurance as per the social security benefits are to secure the health of the workers, both employees and employer contribute certain portion of their salary towards this. So, that whenever they are sick or other benefits, they can actually have, for example, maternity benefits under the ESI act.

You can actually get no salary for the non-working days if you are going on a maternity leave. The ESI will facilitate it, the ESI will pay the workers, the factory management can facilitate where the factory will labour welfare officer plays a critical role in facilitating this and also, helping workers to get this gravity or a pension provident fund where we are talking about now everything become online.

Certain section of the workers may not know how to transfer in case of somebody is leaving the company, how to transfer or how to withdraw the money, all that support this welfare officer can provide and also talking about a medical benefit, other medical benefits to be availed by the workers, they can facilitate and of course, educational facility, any other support system they can provide. This can also be availed by the, provider by the factory welfare officer.

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And on top of all this, they can also be engaged in recreational facilities including sports, conducting sports activities, providing the library and living rooms, live with travel facilities, cooperative societies, vocational training, transportation facilities to and fro from the place of work. So, these are all the other services which labour welfare officer will look after it.

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~~~~	CONCLUSION	
	This part of lecture has covered three important issues including welfare provisions for workers, appointing Labour	
	Welfare Officer and employer obligations. Learning of all these issues may help learners to build up their knowledge and ability to understand the welfare issues of factories.	

And in our in-today's lecture, we discussed about various welfare services are provided to the workers part of these factories act and we talked about various welfare services are available to the workers starting from washing facilities, canteen facilities, for state services ambulance, clinic, other basic services and also talking about you know labour welfare officer, appointing a labour welfare officer.

And we also talked about, so, how many first aid cases are required. We talked about you know, do you have an ambulance facility or do you have to employ a labour welfare officer? If you look at from a managerial perspective, you should understand, which of the factory has

to have an employee welfare officer and which other factors are excluded in case, if you are not having worker more than 500.

If it is less than 500 workers, you are not required to have a labour welfare officer. If you have more than 500 workers, yes, you should have labour welfare officer. This is the same case less than 250, no canteen is required. It is not a mandatory but more than 250 workers, yes, you should have definitely had. Similarly, there are other facilities also connected with the number of workers in the factory.

So, these are the labour welfare services provided under this mandate or under these legislations. In subsequent lectures, we will be discussing about the working conditions and work hours for the workers. Thank you so much. We will see in the next lecture.