CHAPTER I

LABOUR WELFARE—ITS MEANING AND PHILOSOPHY

Today labour problems are being paid growing attention in all countries of the world—the developed as well as the developing. This is an indication of the increasing importance of working class in economic and social life of modern communities. For, in the first place this class not only forms a substantial part of the national population but also is the main instrument of country’s annual national output and thereby the main contributor to economic power and social progress. Recently, therefore, organised efforts are being made in every country to better the lot of working classes. Labour welfare is one such major programmes by which their lot can be improved and chances for a better life and work environment can be created.

Of-late, therefore, the problem of labour welfare has engaged world-wide attention of the developing countries; the public as well as the Government. In India, too, since independence, rapid progress has been made in this direction starting with Factories Act of 1948. Various programmes of labour welfare are already in
existence and new ones are being planned both at the central and state level. Behind this new awakening of labour welfare is the belief that labour is not a commodity but is a human being first and hence a member of a larger family and community. Modern social awareness towards labour welfare is a direct outcome of the emergence of welfare state.

The modern state is a welfare state. In such a state the main object of the state is the maximum welfare of the maximum people. An important aspect of this philosophy of welfare is the promotion of welfare of those classes who are economically weak. The weaker sections, need society's special attention. In the modern industrial society the industrial labour class constitutes such a class. Therefore, the promotion of the welfare of these weaker sections has become an important function of the modern governments.

What is labour welfare? It is not easy to answer this question. In this chapter we shall attempt to answer this question briefly. However, in order to answer the question satisfactorily it is necessary to know how the idea of labour welfare emerged. This requires a brief discussion on the concept and evolution of welfare state. After discussing it, an examination of
some definitions of labour welfare by different writers will be attempted. Some of the definitions are broad, others are brief. So a better way to understand what is labour welfare will be to analyse the meaning and concept of labour welfare will be to analyse the meaning and concept of labour welfare. It will be seen that labour welfare has a distinct philosophy. We have tried to explain that philosophy. A broad approach to the meaning and definition of the labour welfare has been accepted. Under it we propose to include anything that brings about an increase in the physical, mental, social and economic happiness of the worker and his family.

THE IDEA OF WELFARE STATE

The welfare state is very much in the news today. For example, we often hear that the modern state is a welfare state. It has captured the imagination of the people so much that even those countries which are economically backward and where production and income levels are low, call themselves a welfare state. It seems therefore, that every progressive society calls itself a welfare state. Thus it has become a great political force of our times.
This is not all. The old philosophy of 'greatest good of the greatest number' seems to have been replaced by the new philosophy of the good for all. The establishment of an ideal welfare state therefore, has become the most important objective of every society today.

In our times the concept of welfare state has grown in importance due to the social and economic revolutions of the last century. The social problems created by the Industrial Revolution fully exposed the evils of unchecked industrialisation. People realised the defects of uncontrolled free competition. It was realised that the state should play a more positive part in the economic and social sphere rather than being only a passive spectator. The social revolution of the past proved that an increase in economic welfare was not enough to satisfy the aspiration of mankind.

The Industrial Revolution brought large scale production. It increased wealth. But it also brought misery for the large masses. There was large scale exploitation of the workers. He was paid low wages. His working hours were long. Any attempt on his part to organise and unite was regarded an act of treachery and was suppressed. In short, the Industrial Revolution
increased wealth but did not increase human welfare. There was no question of labour welfare in such an atmosphere. Labour welfare, which is a part of a more comprehensive programme of social welfare is a direct product of the emergence of welfare state.

It would be worth while therefore to know what is a welfare state. According to T.W. Kent the welfare state is a state 'that provides for its citizens a wide range of social services. They deal with education, health, unemployment relief, pensions in the old age and so on. Their primary purpose is to give the citizen security. The state undertakes to help him if he loses his ordinary source of income'.

It is well known that the functions of the state state has been changing with the passage of time. There was a time when the duties of government were limited to protecting the country from external attack and maintaining law and order inside the country. In order to achieve these ends army was maintained, administrative and police officers were employed, law courts and prisons were maintained. Such a state was called police state.

Then governments started building roads and bridges, developing transport services, arranging some economic and medical services for the people.

The people expected the government to provide educational facilities, health amenities, medical benefits, employment relief, social security and even cultural facilities. In fact, it was ultimately believed that the duty of the modern state is to provide the citizen with everything that would contribute to his well-being from birth unto death. Since the individual has neither the means nor the foresight to provide for his benefits it was regarded the duty of the government in a welfare state to arrange for these services.

The modern concept of the welfare state, therefore, covers a very broad field. It brings a total (change in the social and economic functions of the ruling authority. The modern concept has changed the old traditional and rigid ideas and values. It has reshaped them with the demands of a modern dynamic social order. The real function of the welfare state is to give its citizens the opportunities of maximum welfare.

**WELFARE STATE - A POSITIVE CONCEPT**

However, the concept of a welfare state is not a
negative one. It cannot be explained only by saying that it would endeavour to banish poverty, unemployment etc. To satisfy human aspirations the objective must be defined in more positive terms. The first of such objectives is the full employment of men and materials. It is clear that a man in want, lacking any income cannot be happy. Therefore, want from human society must be as far as possible banished. This requires that all those who want to work and are fit for it must get gainful work.

A welfare state also strives to maximise national product to secure an increase in per capita income to bring about a rise in the living standards of the people.

Maximisation of national wealth is not enough for such a state. In order to do social justice a welfare state should also aim at equitable distribution of this wealth. It should also provide equal opportunity to every citizen and check concentration of wealth and economic power in few hands.

A welfare state should also aim at removing social and economic inequalities through providing welfare facilities like provision of reasonable housing, compulsory and free education for the children improving health
services and so on. A genuine welfare state then aims at providing the masses enough means to obtain a reasonably minimum standard of life.

In an underdeveloped country like India which has started the experiment of planned development only recently for removing poverty, people expect much more from the government. They expect it to provide and fulfill all their needs and desires.

**ORIGIN AND EVOLUTION OF WELFARE STATE**

In order to have a correct understanding of the scope, meaning, extent and purpose of labour welfare it is necessary to know first how the welfare state itself emerged. This is so because labour welfare is a direct result of the emergence of the welfare state.

During the years that followed the Industrial Revolution factory system of production came to be established everywhere in Western Europe. Along with industrialisation, urbanisation also began to grow. Under the new system of production the employer-worker relationship changed. Labour was regarded merely as a commodity and wage was its price.
The employer's obligation to the worker was over with the payment of wages. Whether the wages were sufficient to provide the worker and his family with a reasonable standard of living, whether the place where he worked was neat and clean and free from disease, whether he and his children received any education, recreation all these things were of no concern to the employer. He was busy only in maximising his profit. In brief, the social or human cost of the industrial development was totally neglected.

Even in Britain until the middle of the nineteenth century the common law was mainly concerned with the state in its capacity of enforcing the legal rights and duties of the individuals. The dominant political philosophy at that time was that of Laissez-Faire and individualism. It was argued that individuals know much better than the state where their interests lay. The state should not interfere in the actions of the individuals. This argument was also employed in the economic field and state interference to control or regulate working conditions, wages etc. was regarded not proper. Thus the first fruits of Industrial Revolution were very low wages, very long hours of work, exploitation of weak by the strong and a total disregard of the human costs of industrialisation.
The view that the state should merely act as a passive spectator, or the individual is his best judge, were gradually challenged by the social reformers, thinkers in the industrialised countries. The working and living conditions at that time were pitiable. Recruiting agents of the mills collected men from poor districts and marched them like slaves to the factories. The condition of female and child labour was the worst. There was no protection against accidents, exploitation and arbitrary wage cuts, retrenchments.

The public conscience was awakened by the inhuman conditions of life and work of the working people. It led social reformers, thinkers and the general public question whether the functions of the state as merely the preserver of law and order was correct. A re-examination of the objects and functions of the state took place. Professor Vaid rightly remarks, 'This new trend of thought laid the foundations of the welfare state. The new social thought condemned the view that the state was an evil. It held that unrestricted freedom of one ground was a danger to the freedom of the other groups. Under such conditions, there could be no possibility of true equality and security and it was only through the efforts of the state that individuals could get protection and equality that they
needed². This trend of thought received world wide acceptance and has since then guided the actions of the governments.

In the welfare state the community at large recognises the collective responsibility towards its weaker members and takes definite action to assist them³. The political idealism which accompanied the rise of welfare state was that in such a state, 'Social security and social services were the birth right of every citizen'⁴.

The development of the democratic ideas in the political field—which stressed the value of equality of all citizens led to the gradual emergence of welfare state. Therefore a welfare state is a state', in which organised power is deliberately used to modify the free play of market forces in at least three directions first, by guaranteeing individuals and families a minimum income, second, by narrowing the extent of insecurity by giving certain benefits like (sickness, old age and unemployment

relief) to meet some contingencies and third, by ensuring that all citizens are offered some social services.\(^5\)

Today the welfare state is firmly established and is everywhere in the news. Modern states cannot think of merely acting as the defender of freedom and preserver of internal order. The age of this narrow conception of state is gone. The growth of socialistic ideas has enormously widened the scope of the functions of the state so much so that the state is supposed to take care of its citizens from birth to death. That was the idea of Beveridge plan of social security.

**MEANING OF LABOUR WELFARE:**

As has been observed, it is not easy to define and explain the meaning of labour welfare with accuracy. The term 'welfare' suggests many ideas; such as the state of the well being, health, happiness, prosperity and so on. The concept of welfare can be approached from various angles. The concept of labour welfare is a positive

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concept. Punekar defines it as a desirable state of existence involving physical, mental, normal and emotional well being. All these four elements together constitute the idea of welfare.  

The term 'welfare' is derived from the French phrase 'Welfaren' which means to 'Fare-well'. The Chambers' Dictionary defines the term welfare as, 'a state characterised by happiness well being and prosperity'. Thus in a broader sense, the term welfare refers to the state of living of an individual or a group in a happy relationship with his total environment.

Formerly, the term labour welfare was not much in use. On the other hand, people were more concerned with 'social welfare'. Of course, social welfare is a broader concept than labour welfare and it can be said that latter is a part of the former.

In recent times the rapid progress of industrialisation on the one hand and the growth of the welfare

6 Punekar, S.K. and Others, 'Labour Welfare and Industrial Relations', 1980, p. 34.

7 The Concise, Chamber's Dictionary.
state on the other hand has brought into sharper focus the term labour welfare. However, the term has become quite important in modern times and has been interpreted in various ways, in different countries, according to the degrees of industrialisation and general awakening among the workers. It includes not only material welfare like living conditions or higher wages or more material facilities but also includes moral, emotional, intellectual and cultural welfare. It is a state in which a person is more happy physically and mentally.

The philosophy of labour welfare has been derived from the philosophy of social welfare, because labour welfare is part of the greater concept of social welfare. In olden days, when the concept of a police state prevailed we did not hear anything about social welfare. Later on, as the idea of welfare state emerged and became a reality, the idea of social welfare also began to gain ground.

The basic philosophy behind the labour welfare can be stated thus:

There are in every society the poor, the weak, the disabled, the old and sick people, the unemployed who lead a very miserable life and cannot, by their own efforts, give themselves adequate security and a reasonably good
standard of living. It is the duty of the society, to undertake such activities, which can promote the welfare of these people.\(^8\)

**SOME DEFINITIONS ANALYSED:**

Labour Welfare has been defined in various ways, though unfortunately no single definition has found universal acceptance. In a publication of International Labour Organisation, the term labour welfare has been defined 'to include such service facilities and amenities as may be established in or in the vicinity of undertakings to enable the persons employed therein to perform their work in healthy and congenial surrounding\(^9\). The Royal Commission on Labour observed that the term 'Welfare as applied to the industrial worker 'is one which must necessarily be elastic, bearing a somewhat different interpretation is one country from another, according to the different social customs, the degree of industrialisation and the educational development of the workers\(^10\). It is

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\(^9\) I.L.O. 'Second Asian Regional Conference, Report Second Provision of facilities for workers 'Welfare'.

clear from the observations of Royal Commission that the term 'Labour Welfare' has a wide connotation.

The Oxford Dictionary defines labour welfare 'Efforts to make life worth living for worker'. Another definition implies that welfare is fundamentally an attitude of mind on the part of management influencing the method by which management activities are undertaken'. The emphasis obviously is on the 'attitude of minds'. In the Encyclopaedia of Social Sciences, labour welfare is defined as the 'the voluntary efforts of the employers to establish within the existing industrial system, working and sometimes living conditions of the employees, beyond what is required by law, the customs of the industry and the conditions of the marked'. Another definition is 'Anything done for the comfort and improvement, intellectual and social of the employees over and above the wages paid'.


Labour Welfare is also understood to mean
'such services, facilities and amenities, which may be
established in the vicinity of undertaking to enable
persons employed therein to perform their work in health-
thy and congenial surroundings and to provide them with
amenities conductive to good health and good morals.'\textsuperscript{14}

Some prefer to include under welfare activities,
'anything done for the intellectual, physical, moral and
economic betterment of the workers, whether by employers,
by government or by other agencies, over and above what
is laid down by law or what the workers may have bargained.'\textsuperscript{15}

It is clear that the idea behind labour welfare
is quite comprehensive and elastic. It is again true that
labour welfare covers all the efforts which employers make
for the benefit of their employees over and above the
minimum standard of working conditions fixed by the
Factories Act and over and above the provisions of social
legislation providing against accident, old age, unemploy-
ment and sickness.'\textsuperscript{16}

\textsuperscript{14} I.L.O. Asian Regional Conference, Report II 1947, p.3.
\textsuperscript{15} Government of India, Ministry of Labour and Employment,
Main Report of the Labour Investigation Committee,
Delhi, 1946, p. 336.
\textsuperscript{16} Joshi, N.M.: 'Trade Union Movement in India, Bombay,
Another definition includes in labour welfare 'such services, facilities and amenities as adequate canteens, rest and recreation facilities, sanitary and medical facilities, arrangements for travel to and from work and for the accommodation of workers employed at a distance from their homes and such other services and amenities including social security measures as contribute to an improvement in the conditions under which workers and employed'.

Here it may be pointed out that 'Social Security is considered to be one of the important aspects of labour welfare'. The services are rendered to workers and their families by an industrial enterprise with the purpose of raising their moral, social and cultural levels and to adjust them to a better life.

Thus it is seen that the whole field of welfare is one 'in which much can be done to combat the sense of frustration of the industrial workers, to relieve them of

personal and family worries to improve their health, to afford them means of self-expression, to offer them some sphere in which they can excel others and to help them to a wider conception of life.\textsuperscript{19} Thus it would appear as that labour welfare covers a vast field and therefore there is no use in trying to be very precise about its definition.

In a paper presented at a seminar on International Conference of Social Works in 1956, it was pointed out that labour welfare includes such services as are rendered to workers and their families by industrial enterprises with the purpose of raising their moral, material, social and cultural levels and to adjust to a better life.\textsuperscript{20}

The great Indian labour leader N.M. Joshi felt that labour welfare should cover all the efforts which employers make for the benefit of their employees over and above the minimum standard of working conditions fixed by the Factories Act.

\textsuperscript{19} Kerkaldy, H.S.: The Spirit of Industrial Relations' pp. 77-78.

\textsuperscript{20} Indian Conference of Social Works, 'Industrialisation and Social Works', Proceeding of the conference.
From all these definitions it is apparent that no single definition of labour welfare is complete in itself. There is no precise or definite outline of the subject. Very often these definitions overlap each other. In fact there is no use in trying to be very precise.

The aim of labour welfare is to promote the general well-being and happiness of the working class. Thus much is agreed upon by every writer. Therefore, anything that helps to achieve the objective of promoting happiness and well-being should come under the purview of labour welfare.

Realising the difficulties in giving a precise and generally accepted definition of labour welfare, the National Commission of Labour pointed out in its report:

'The concept of welfare is necessarily dynamic, bearing a different interpretation from country to country and from time to time and even in the same country, according to its value system, social institution, degree of industrialisation and general level of social and economic development. Even within one country its content may be different from region to region.'²¹

Whatever may be the differences in the attitudes and approaches of these definitions there are certain common points running through all of them. Firstly, the term labour welfare means activities designed for the promotion of the economic, social and cultural well-being of the employees. Secondly, as far as possible such activities should be conducted on a voluntary basis. This has been emphasised in most of the definitions. Lastly, the motive underlying the conduct of welfare activities is not charity.

LABOUR WELFARE - A POSITIVE CONCEPT:

The concept of Labour Welfare is a positive one. It does not only connote the elimination of the harmful effects of large scale industrialisation like exploitation, arbitrary retrenchment or irregular payment of wage acts. It involves the setting up of certain socially acceptable minimum conditions of existence in the matter of food, clothing, housing, medical facilities and income security. The modern concept of labour welfare lays emphasis on this positive aspect.

In this positive sense labour welfare is not merely absence of exploitation but requires a totally
different outlook arising from humanitarian idea. It requires that labour, first of all, is a human factor and, only secondly, a factor of production.

However labour welfare has both positive and negative sides associated to it. On the positive side, it deals with the provision of opportunities which enable the worker and his family to lead a better life socially and personally as well as help him adjust in the ups and downs in regard to his work life, family life and social life. On the negative side, the main purpose of labour welfare is to neutralize the harmful effects of large scale industrialisation and provide opportunities to counter balance the undesirable social consequences which have evolved in the process of transition.

The work 'Labour' means any productive activity. Thus in a broader sense, the phrase 'Labour Welfare' means the adoption of measures to promote physical social, psychological and general well being of the working population. Welfare work in any industry aims, or should aim at improving the working and living conditions of the workers and their families.

The concept of 'Labour Welfare', however, is flexible, elastic and differs from time to time, region to
region, industry to industry and country to country depending upon the value system, level of education, social customs degree of industrialisation and the general standard of the socio-economic development of a people. It is also related to the political situation in country. Further, it depends upon the kinds of problems with which society is confronted as well as on the structure of the industry.

The concept of labour welfare originated in the desire for a humanitarian approach to ameliorate the sufferings of the working class. Later, it became a utilitarian philosophy which worked as a motivating force for labour and for those who were interested in it.

LABOUR WELFARE — NOT A CHARITY

It should not be considered, however, that labour welfare is something given to labour in charity. Nor it should be regarded unnecessary by the industries. In modern society welfare of industrial labour is not only considered socially and economically necessary but its proper provision is regarded an important function of the state in all progressive countries. The employers should not consider it as something given to the labour
as if they are beggars. The old view considered it as something given to labour, as charity.

Robert Owen, the great British industrialist and philanthropist has shown that expenditure on labour welfare is not a barren expenditure but a sound investment. In the long run it leads to an improvement in the health and efficiency of the workers and in this way it can raise the productivity of the concern. Therefore, labour welfare can be taken to mean anything done for the physical, social, economic and moral well-being of the workers. The report of the Labour Investigation Committee of the Government of India defines it in this way. It says, 'for our part, we prefer to include under welfare activities anything done for the intellectual, physical, moral and economic betterment of the workers whether by the employer or by government, or by other agencies over and above what is laid down by the factory law'.

One thing must be remembered here. If an employer merely fulfills the clauses of the Factory Acts then it is not labour welfare. It is merely observation of the

22 Government of India, 'Main report of Labour Investigation Committee', p. 345.
statutory requirements. Otherwise, he may be punished under law. If an employer does something which is in addition to the requirements laid down by the factory acts, then it is welfare.

LABOUR WELFARE AND SOCIAL WELFARE:

Is labour welfare only a subordinate part of the social welfare? Of course, social welfare has a much broader aim than labour welfare. The latter is a part of the former. However, since the health, happiness and efficiency of each worker means that he will be a better worker so his well-being connotes the well-being of the community around him. Judged from this point of view labour welfare is a very essential part of social welfare. It means, in other words, adjustment of the labour's work life and family life to the community and social life around.

The social concept of welfare implies the welfare of man, his family and his community. There is interconnection among these aspects in the sense that all the three work together or individually.

Professor M.V. Meorothy holds that the problem of the labour welfare can be approached from two angles.
On the negative side its objective is to counteract the harmful effects of large scale industrialisation—especially, the capitalist structure of the production and, on the positive side, it is concerned with providing opportunity for the worker and his family for a better and happier life as understood broadly.

The many definitions and views quoted in the foregoing pages show that labour welfare indeed is a very comprehensive term. Considered in a narrow sense, it can be taken to include the services provided by an employer to his employees over and above what is required by the factory legislations.

However, considered in a broader sense, under labour welfare we can include all activities of employers, state and trade unions or other agencies to help the workers and their families to lead a better life, to derive greater satisfaction from life by creating for them better conditions of work and by making better home and community life possible.\textsuperscript{23}

Services designed to create better conditions of work include suitable provision of light, control of

temperature and noise, cleanliness, toilet facilities, canteen, restroom, drinking water, safety and accident prevention, suitable hours of work with provision of leisure in between, leaves with pay, retirement benefits, economic services etc. Services that promote better home and family life may include planned housing, health, educational and recreational facilities like clubs, playgrounds, libraries, occasional cinema shows, cooperative societies, community welfare centres and so on.

From the foregoing discussion it is clear that the field of labour welfare is very vast. In fact, it is no use trying to be very precise about the definition. Labour welfare has been interpreted in different countries in a different ways according to their state of economic developments, level of output and national per capita income. For the purpose of this study we have decided to divide the labour welfare under three categories:

(a) Statutory, (b) Voluntary and (c) Mutual

Statutory Welfare Work:

Labour welfare may be statutory, i.e. welfare work which are undertaken by the employers out of the fear of punitive powers of government. Every government wants to
preserve some minimum standard regarding working conditions, wealth and safety measures, sanitary standard, security of the workers, hours of work etc. For this purpose, the government enacts certain legislative measures which must be observed by the employers. In modern times the enactment of such measures by the state has become almost a normal function. Therefore, we can say that labour welfare has become a necessary function of the twentieth century welfare state. It means that the state is no more a passive spectator of the working conditions or only a judge in a dispute between labour and management. The welfare state means that state should lay down certain minimum standards regarding conditions of employment work through factory acts. And if the employers fail to observe them they should be taken to task for it.

Voluntary Welfare Work:

Under voluntary welfare work we can include those activities which are undertaken willingly by the employers for the benefit of the workers. This includes some provisions over and above those measures which are granted by the Factories Act for example reduced working hours, provision for more leisure, distribution of food
grains and other necessary items at concessional rates from the side of the employers and so on. In the first instance, such welfare work may be regarded as charity but if we look deeper into the matter it will be observed that in the long run it represents sound investment in the industry.

Such small concessions go to increase the efficiency of the workers and increase the productivity of labour. They reduce tension, the spirit of doubts and disbelief between the employer and worker and prepare the ground for cordial industrial relations. Voluntary welfare works are also undertaken by some social service organisations like Bharat Sewak Samaj (BSS), Young Mens Christian Association (YMCA), The Ram Krishna Mission in India and Red Cross Society in other parts of the world.

**Mutual Welfare Work:**

The idea behind mutual welfare work is that of a collective enterprise. It may be either worker's associations that is trade unions who undertake this kind of welfare work or the employer's association and trade unions jointly trying to promote welfare work. In fact, constructive trade unions can do much to promote welfare
work because the trade unions are in close touch with the workers and so this kind of welfare work will directly improve the loss of workers.

In concluding the chapter, it may be observed that human problems have always followed large scale industrial changes. On of the problems is of providing adequate welfare for those who work. Under the best of circumstances it is not easy to decide what should be done to promote the well-being of this section of the national population. It is all the more difficult in a country like India where ideas like 'Political Democracy' and 'Social Justice' are as yet new.

Nevertheless, labour welfare is a growing idea and has influenced human thinking, governmental policies and actions all over the world.

Yet labour welfare is 'neither philanthropy nor charity'. It is a system which seeks to raise the quality of the life of the people through proper statutory and voluntary agencies. In broad sense labour welfare includes all those measures which seek to create more satisfying working and living conditions for men and women in various fields of work. It is also an attempt to secure their involvement in the work and inspiring them to lead a
better life and contribute a helping hand in the development of the country. It is in this broad sense we have used the term throughout the dissertation.