

# Globalised Capital Market and Legal Framework for Labour Welfare in India

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## Abstract

*A well-structured social or employment policy contemplates maximization of employment and improvement in the standard of life of the workmen by assuring good wage to enable to live a decent standard of life and imparting to the workmen, educational and vocational training. Labour management relations are a dynamic socio-economic process and they are constantly strive to maximize their preferred value by applying resources to institutions. The labour law seeks to regulate the relations and also form the welfare provisions and policies. The access of this law is wider than any other law as it touches the lives of billions of workers with the help of Labour Organization to provide the multiple benefits as- wages, dearness allowances, bonus, fringe benefits and regarding working conditions like- leaves, working hours, health, safety and welfare.*

**Keywords:** Labour, capital market, policies, socio-economic justice, working conditions

## INTRODUCTION

Law is a vital instrument to regulate relationship among various members of a society and to bring a social change. Peaceful and orderly society is a condition precedent for the progress of a society and no society can progress without a change for the better [1]. It is a creative force also and specially in modern times, and it is also a powerful instrument of social development. Social welfare includes the all-round development of the society, in which all will be happy, healthy and all will fulfill the legitimate and the wholesome desires which include the workers welfare also. The objective of social welfare is to secure for each human being particularly to labourers, the economic necessities, a decent standard of health and living conditions, equal opportunities with his fellow citizens and the highest possible degree of self-respect and freedom of thought and action without interfering with the same rights of others. One of the goals of our Constitution of India, 1950 is to secure socio-economic justice. It is the duty of the State to pursue the constitutional directives and to promote the welfare of the people. In pursuance of the Directive Principles of State Policy the State is called upon to pass social legislation to fulfill the constitutional objective of attaining social and economic justice [2].

## LABOUR WELFARE

The fast changing business skylines and industrial landscapes which forces adjustment and readjustment of parameters of employee's relations affects globalized market and labour workforces. The conflict between labour and capital rise of trade unionism and an atmosphere vitiated by restrictive practices, mistrust and credibility-gaps. So, the most important aspect of labour welfare is to maintain industrial peace and thereby increase productivity. It depends on the quality of the union-management relations at workplace. In fact, proactive labour administrations of some countries have changed their focus from being a law enforcer to a facilitator to maintain the labour management

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protective policies [3]. For the welfare and upliftment of the workers, there is a branch of law which protects the weaker section of society called workers from the arbitrary prerogative of employers is the 'Labour Law and it drastically influenced the old concept of *Laissez faire*' whereby the employer and workers were left free to enter into any contract of employment according to their free will. Initially the relationship of employer and workmen was regulated on the basis of supply and demands and law of master and servant. Labour law is marked with unique feature of its own and has assumed an altogether different characteristic which is not usually found in the old theories of law [4].

### **LABOUR ISSUES IN INDIA**

The working condition of labour at work place is not satisfactory in India. Workers are always in frustration and motivation level of workers is not good. As we know that man is by nature an organic system not a mechanical one. The input of energy such as food, water etc. are converted by him into outputs of behavior. His behavior is determined by relationship between his characteristics as organic system and the environment in which he moves. Motivation is positively correlated with concepts of level of aspiration, degree of comfort he gets at work place [5].

Labour issues in India such as- Illiteracy, Workers Education, Social Security, Absenteeism and Migration, Low Level of Health, Nutrition and Healthy Recreation, Extreme Poverty and Lack of Training, Industrial Backwardness of India constituted a serious menace to the society and needed solution [6].

The major issues involved in the industrial relations process are terms of employment like- wages, dearness allowances, bonus, fringe benefits and regarding working conditions like- leaves, working hours, health, safety and welfare. Labour problems in usufructuary or even retail handicraft types of industrial organization do not attract public attention. Problems affecting labour management relations assume significance in wholesale handicraft and get increasingly complicated as it proceed from the independent phase of the wholesale handicraft to the factory phase of centralized production. The helped by industrial revolution and buttressed by energy evolution it has become possible for the employer to engage thousands of workers at one and the same time. The loss of workers individually and impersonality are the factors which among others aggravate labour management relations [7].

After independence of the country, considerable industrial development has taken place and labour has emerged as a sizeable economic class of the society. There has been a growing bulk of legislations to regulate the relation between the labour and the employer and also to ensure the welfare and social security of the former. This class of legislation has come to be called the labour legislation. Labour being an economically weaker section of the society, the labour legislations is intended for their benefit and therefore, it is to be interpreted leniently that is an interpretation favouring the labour should be given [8].

### **INTERNATIONAL PERSPECTIVE RELATING TO LABOUR RIGHTS**

A well-structured social or employment policy contemplates maximization of employment and improvement in the standard of life of the workmen by assuring good wage to enable to live a decent standard of life and imparting to the workmen, educational and vocational training, so that his expertise and productivity could grow unimpaired and lead to a progressive improvement in his income and consequently the standard of life [9]. Labour management relations are a dynamic socio-economic process and they are constantly strive to maximize their preferred value by applying resources to institutions. The labour law seeks to regulate the relations and also form the welfare provisions and policies. The access of this law is wider than any other law as it touches the lives of billions of workers. At international level, the International Labour Organization (ILO) was set up of which India is a founder member. A number of labour legislations can be traced directly or indirectly to the conventions and recommendations adopted by the International Labour Conference [10].

## CONSTITUTIONAL PROVISIONS WITH REGARD TO LABOUR WELFARE

Under the Constitution of India, 1950 there are various provisions specially made for the welfare of the labour class. The economic stability and welfare are the cornerstone for any working people and for this the payment is also as per the work done by the individual based upon the capacity of it. The Supreme Court in the case of *Randhir Singh v. Union of India*, [11] enunciated the principle of “equal pay for equal work” and the court observed that it was true that this principle was not expressly declared by the Constitution to be a fundamental right. But it certainly was the constitutional goal and could be properly applied to cases of unequal scales of pay based on irrational classification.

Article 21 provides “no person shall be deprived of his life or personal liberty except according to procedure established by law”. The right secured by Article 21 is available to every person. As per this, the right to life does not merely mean the continuance of a person’s animal existence. It means the fullest opportunity to develop one’s personality and potentially to the highest level possible in the existing stage of our civilization. Inevitably, it means the right to live decently as a member of civilized society and is to ensure all freedom and advantages that would go to make life agreeable.

Article 42 requires that “the State shall make provisions for securing just and humane conditions of work and for maternity relief” and it exhibits the concern of the Constitution for the welfare of the labour and as per Article 43 sets out the ideas to furnish the principle by which unfair labour practice can be judged and also referring to decent wages and living conditions for workmen and which practice, if permitted to become normal would lead to industrial strife [12].

## LABOUR LAWS IN INDIA

There are different kinds of legislations are there which specially made for the labour as for dispute resolution; minimum wage and its payment; provisions for health, safety and welfare in the factory; maternity benefits; protection for child, etc. The monetary terms of employment and physical conditions of service are by and large governed by statute law and judge-made law in this country. The largest section of industrial workers is even today dependent on the Minimum Wages Act for their daily wage and the Payment of Bonus Act for the annual bonus. Trade Unionism has not made any significant progress in India except in certain exclusive areas of employment. The courts in India have repeatedly held that legislation lays down the only minimum standards and collective bargaining is free to build up on these minima. So far our superior courts have held that payment of wage above the minimum are permissible only where there is financial capacity of the employer to pay higher [13].

These legislations which deal with the different aspects of labour and the purpose of labour legislation that is adapted to the economic and social challenges of the modern world of work [14].

The Supreme Court in the case of *Straw Board Mfg. Co. Ltd. v. Workmen*, [15] while interpreting the provisions regarding gratuity to the workmen in favour of the latter and observed that “gratuity for workers is no longer a gift but a right” and it is a vague, humanitarian expression of distributing justice to partners in production for long meritorious services. In this context it was also observed that labour law is to be interpreted in the context of changing socio-economic values.

## CONCLUSION

There is the need of the time to make more concrete and specific provisions for the welfare and upliftment of labourers. The international instruments, constitutional provisions, legislations, economic policies and decisions in India should be taken by making central point to the labour.

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