Chapter 5: Industrial Legislation

Repeated Questions:

1. Need and Objectives of Industrial Legislation:

- **Q.** What is Industrial Legislation and why is it required? / What is the need of industrial legislation? **(WINTER 2024, 3 Marks; SUMMER 2025, 3 Marks; SUMMER 2026, 3 Marks)**

Answer:
Industrial Legislation: Industrial legislation refers to the body of laws enacted by the government to regulate the relationship between employers and workers, and to ensure safe, fair, and humane working conditions.

Need / Requirement:

- **Protection of Workers:** Prevents exploitation of labour (low wages, long hours, unsafe conditions).
- **Industrial Peace:** Provides legal machinery for resolving disputes, reducing strikes and lockouts.
- **Uniform Standards:** Establishes minimum standards for wages, safety, health, and welfare.
- **Balanced Growth:** Promotes harmonious employer-employee relations and economic stability.

- **Q.** Aims and Objectives of Industrial Legislation. / Make a list of the goals and objectives of Industrial Legislation. **(WINTER 2023, 3 Marks OR; SUMMER 2024, 4 Marks)**

Answer:
Aims and Objectives of Industrial Legislation:

- **Ensure Fair Wages:** Fix minimum wages and regulate payment of wages and bonuses.
- **Provide Safe and Healthy Working Conditions:** Regulate safety, health, and welfare facilities in factories.
- **Regulate Working Hours:** Limit daily and weekly hours, provide rest intervals and leave.
- **Prevent Exploitation:** Protect women, children, and unorganized workers from unfair practices.
- **Maintain Industrial Peace:** Provide machinery for prevention and settlement of industrial disputes.
- **Promote Worker Welfare:** Provide compensation for accidents, maternity benefits, and social security.

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2. Industrial Disputes Act:

- **Q.** What is an industrial dispute? State the aims of the Industrial Dispute Act. **(SUMMER 2023, 4 Marks; WINTER 2024, 4 Marks; SUMMER 2025, 3 Marks OR)**

Answer:
Industrial Dispute: An industrial dispute means any dispute or difference between employers and employers, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment, or the terms of employment, or the conditions of labour of any person.

Aims of the Industrial Disputes Act, 1947:

- **Prevent and Settle Disputes:** Provide machinery for investigation and settlement of industrial disputes.
- **Promote Industrial Peace:** Reduce strikes, lockouts, and other forms of industrial conflict.
- **Protect Workers' Rights:** Safeguard against unfair dismissal, retrenchment, and layoff.
- **Ensure Fair Settlement:** Provide for arbitration, conciliation, and adjudication of disputes.

- **Regulate Strikes and Lockouts:** Define legal and illegal strikes/lockouts with penalties.

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3. Factories Act:

- **Q.** Discuss Factory's Act 1948. / What is the Factories Act? What are the major provisions for safety and health? **(WINTER 2022, 3 Marks; WINTER 2023, 7 Marks)**

Answer:

Factories Act, 1948: A comprehensive legislation enacted to regulate working conditions in factories, ensuring safety, health, and welfare of workers.

Major Provisions for Safety and Health:

Health Provisions:

- Cleanliness, disposal of wastes and effluents.
- Ventilation and temperature control.
- Dust and fume control.
- Artificial humidification and lighting standards.
- Drinking water, urinals, and latrines.

Safety Provisions:

- Fencing of machinery and safe working conditions.
- Restrictions on employment of women and children on dangerous machines.
- Hoists and lifts must be properly maintained and examined.
- Pressure vessels and steam boilers to be inspected regularly.
- Fire precautions and safe means of escape.

Welfare Provisions:

- Washing facilities, sitting arrangements, and first-aid boxes.
- Canteens, restrooms, and creches in larger factories.
- Welfare officers in factories employing 500+ workers.

Working Hours and Leave:

- Maximum 48 hours per week and 9 hours per day.
- Weekly holiday, rest intervals, and overtime wages.
- Annual leave with wages.

Other Important Questions:

1. Factories Act (Provisions):

- **Q.** Discuss the provisions of 'Working hours' as per Factories Act, 1948. **(SUMMER 2022, 4 Marks)**

Answer:

Provisions of Working Hours under Factories Act, 1948:

- **Weekly Hours:** No adult worker shall work more than 48 hours in any week.
- **Daily Hours:** No adult worker shall work more than 9 hours in any day.
- **Rest Interval:** A rest interval of at least half an hour after every 5 hours of continuous work.
- **Weekly Holiday:** Every worker is entitled to a weekly holiday (usually Sunday).
- **Overtime:** Workers working beyond 9 hours/day or 48 hours/week are entitled to overtime wages at double the ordinary rate.
- **Spreadover:** The period of work including rest intervals shall not exceed 10.5 hours in a day.

- **Q.** Discuss the major provisions of Factory Act, 1948. **(SUMMER 2023, 4 Marks OR)**

Answer:
Major Provisions of Factories Act, 1948:

- **Health:** Cleanliness, ventilation, dust/fume control, lighting, drinking water, and sanitation.
- **Safety:** Fencing of machinery, safe handling of dangerous machines, fire safety, and pressure vessel inspection.
- **Welfare:** Washing facilities, canteens, restrooms, creches, and first-aid.
- **Working Hours:** Max 48 hours/week, 9 hours/day, rest intervals, weekly holiday, and overtime at double rate.
- **Employment of Women and Children:** Restrictions on night work for women; prohibition of child labour below 14 years.
- **Leave:** Annual leave with wages.

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2. Other Labour Acts:

- **Q.** Explain the Payment of Bonus Act 1965 in brief. **(WINTER 2025, 3 Marks)**

Answer:
Payment of Bonus Act, 1965:

- **Applicability:** Applies to factories and establishments employing 20 or more persons.
- **Eligibility:** Employees drawing wages up to the prescribed limit are eligible for bonus.
- **Minimum Bonus:** 8.33% of salary/wages or ₹100, whichever is higher.
- **Maximum Bonus:** 20% of salary/wages.
- **Objective:** To share the profits of the organization with workers and motivate them.
- **Calculation:** Based on allocable surplus and available surplus of the company.

- **Q.** Explain the Workmen's Compensation Act 1923 (with latest amendments). **(SUMMER 2022, 7 Marks)**

Answer:
Workmen's Compensation Act, 1923 (now Employees' Compensation Act):

Objective: To provide compensation to workers (or their dependents) for accidents, injuries, or occupational diseases arising out of and in the course of employment.

Key Provisions:

- **Employer's Liability:** Employer is liable to pay compensation for work-related accidents causing death or disablement.
- **Types of Disablement:**
  - **Total Permanent Disablement:** Loss of both hands, eyes, legs, etc.
  - **Partial Permanent Disablement:** Loss of one hand, finger, etc.
  - **Temporary Disablement:** Injury from which worker recovers.
- **Compensation Amount:**
  - **Death:** Lump sum amount based on age and monthly wages (e.g., 50% of monthly wages × relevant factor).
  - **Permanent Total Disablement:** 60% of monthly wages × relevant factor.
  - **Temporary Disablement:** 25% of monthly wages for the period of disablement.
- **Occupational Diseases:** Specified diseases (e.g., silicosis, lead poisoning) are covered as employment injuries.

Latest Amendments:

- Increased compensation amounts.
- Expanded definition of wages.
- Coverage of more occupational diseases.
- Simplified claim procedure.
- **Notice and Claim:** Worker must give notice of accident and file claim within 2 years.
- **Commissioner:** Claims are settled by the Workmen's Compensation Commissioner.
