



Bangalore Chamber of Industry and Commerce

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Round Table Meeting on "Labour Laws- Issues and Challenges" held on September 21, 2011

Bangalore Chamber of Industry and Commerce (BCIC) in association with Employers' Federation of Southern India (EFSI) Karnataka organized a Round Table Meeting on Labour Laws – Issues and Challenges on Wednesday, September 21, 2011 with the main objective to educate the members on important labour law legislations, Statutory, Regulatory and Administrative issues and its provisions as well as its compliance, the programme being a value based one specially designed for HR / IR Professionals and other line functionaries.

Mr. D V Nandakumar, Chairman, HR & Training Expert Committee, BCIC in his Welcome Address said that the Chamber is particularly beholden to Mr. G S Narayanaswamy, IAS, Secretary, Labour Department, Government of Karnataka and all the Senior Government Officials for acceding to our request to participate and address the members of the Chamber on the above topic.

Addressing on “Managing Industrial Relations - Challenges & Opportunities”, Mr. Nandakumar said that the Indian economy has assumed a greater force in the global market and that with the increasing flow of Foreign Direct Investment, the industry needed to focus on world class productivity and quality systems. He said with a paradigm shift in the priorities of the industry towards the customer, Labour Laws had to be reoriented to meet the current needs.

Apart from the provisions of improving attraction for investors, increase competitiveness of industry and help the industry attract good talent, Mr. Nandakumar stated that the State should have laws that would also enable the industry to enthuse work force to be partners in progress by imbibing responsibility in their roles and duty to improve efficiency and productivity.

Among other things, Mr. Nandakumar suggested that labour union and workmen should be 'jointly held accountable' for performance of industry. Separation of 'low performers' say 5 per cent of the total work force a year subject to recruitment of fresh 5 per cent and helping the management to create a flexible workforce should form part of the Labour Laws which find no place in the existing dispensations.

The industry stressed changes were necessary to remove the impediments in the law making it flexible to run the business more efficiently and more competitively.

Mr. G S Narayanaswamy, Secretary, Labour Department, Government of Karnataka in his address on “Labour Laws – Government of Karnataka - Progressive Policies to Promote Industrial Harmony and Development” said that though the State had powers to legislate law, albeit in a limited sphere as the subject being in the concurrent list, it wants to be cautious in taking any initiative in this direction because he felt the existing laws themselves were comprehensive enough to address the problems of the industry. He however felt that lack of understanding about the prevailing laws was the reason for the irritants. However, he agreed that with the changes in the global economy, where India has emerged as a strong power, volatility and the need to bring down costs merited favourable labour laws. He urged the industry to give its suggestions for any change but keeping in view the interests of the workmen.

Mr. Gurudas M Bhat, Additional Labour Commissioner, Department of Labour, Government of Karnataka in his presentation on “Contract Labour (R & A) Act, 1970 – Government Initiatives & an Overview” explained about various laws that helped the State to maintain an enviable record of industrial relations. Stating the industry needs to understand the principle of protection of workmen’s rights and safety, Mr. Bhatt said diligent compliance of laws by the industry would have underlined their importance. Echoing the point made by Mr. Narayanaswamy, Mr Bhatt said it was necessary to make the workers aware of the laws so that they are able to detect violation of law. It was also necessary to facilitate the workers to complain to an independent authority in a confidential manner, he further added.

Agreeing with need for some changes in labour laws to facilitate their smoother transition to the globalised economy, Mr Bhatt informed that the Second National Labour Commission has been entrusted with the task of rationalisation of Labour Laws. The Government, at the moment, has undertaken a thorough review of the Act, keeping in view the aforesaid views of the employers’ association and that of the trade unions. The changes to be made in the law are still being worked out.

Mr. H Srinivasaiah, Director, Directorate of Factories, Boilers, Industrial Safety & Health, Government of Karnataka giving an overview on the “Factories Act, 1948 – Government Initiatives” said that his Department has been constantly reviewing the situation to improve the efficacy of the laws and has undertaken steps to adopt e-governance to strengthen transparency and promote self regulation for various compliance norms.

Mr. Kamma Naryana, Regional Provident Fund Commissioner – I, Employees’ Provident Fund Organization, Regional Office Bangalore addressed on “Employees’ Provident Fund Act, 1952 – Recent Policy Issues” gave a brief account of EPFO’s performance and said that the department has undertaken massive computerisation to simplify compliance, claims and settlement issues.

Dr. (Ms.) Rahimunnisa, Director, ESI and Directorate of ESIS Medical Services, Government of Karnataka and Mr. Sathyanarayana Manikara, Joint Director, Training, ESI Corporation in their address on “ESI Act, 1948 – Recent amendments to Rules & Regulations” updated the participants with the changes in the laws of the organisation for compliance and improvement in healthcare services to employees.

The Speakers responded to several queries raised by the participants at the programme. They expressed consonance on the need for Labour Laws to be responsive to changing time but at the same time, opinions were also expressed that the relevance of the prevailing laws had not been fully tested due to lack of understanding from both the management and employees. Hence, the application remained a cursory attempt to realise their importance in achieving the goal of harmonious industrial relations.

Mr. V Thiagarajan, Chairman, Employers' Federation of Southern India (Karnataka) summarizing the proceedings of the Round Table proposed a hearty vote of thanks and said that it was a fruitful session with lots of ideas being exchanged for a better understanding of the issues.

He said in view of the far reaching changes such as intense competition in the industry affecting, more industry organisations should be given representations in the Official Bodies and Committees set by the Government concerning Labour Laws and Industrial Disputes Act.

Click below links to view the presentations held in the Round Table Meeting

- **Dr. Rahimunnisa**
- **Mr. Gurudas Bhat**
- **Mr. Nandakumar**
- **Mr. Sathyanarayana Manikara-volume1**
- **Mr. Sathyanarayana Manikara-volume2**
- **Mr. Srinivasaiah**