

**STRENGTHENING STATE-LEVEL SOCIAL DIALOGUE
INSTITUTIONS IN MAHARASHTRA, TAMIL NADU AND
KERALA**

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1.0 INTRODUCTION

As a founding member of ILO, India has a long history of tripartism, dating back to the country's colonial era. The first meeting of the Indian Labour Conference, which was then called the Tripartite National Labour Conference, was held in 1942. The Indian Labour Conference is an apex level tripartite consultative committee that is convened by the Ministry of Labour and Employment. The Prime Minister of the country provides the keynote address at each of these Conferences. The Indian Labour Conference is fundamentally intended to provide a platform for tripartite consultation on labour policy matters. The most recent Indian Labour Conference was convened in 2015.

India also ratified the ILO Convention 144 on Tripartite Consultation (International Labour Standards) in 1978. Tripartite social dialogue structures have consequently been established at state-level, in the form of tripartite boards focused on matters relating to construction workers, unorganized workers, and domestic workers, amongst others. Tripartite minimum wage boards are also present at state-level. These tripartite social dialogue structures have been established through various acts, including the Building and Other Construction Workers Act, Unorganized Workers Act; and Minimum Wage Act.

In 2015-16, the ILO conducted a study on tripartism and social dialogue at the state level. Four states formed the focus of the study. These were Kerala, Karnataka, Maharashtra and Tamil Nadu. Arising from this study, a preliminary identification of good practices regarding tripartite social dialogue mechanisms in these states was developed. The good practices of social dialogue mechanisms in Kerala, Maharashtra and Tamil Nadu, in particular, indicated potential replication in other states.

This report captures the key finding of subsequent research undertaken to build on and take forward the research findings of the 2015-16 study.

2.0 OBJECTIVES AND METHODOLOGY

This report is focused on the states of Maharashtra, Tamil Nadu and Kerala, and specifically provides an analysis of the following three state-level tripartite social dialogue mechanisms:

- i) Mathadi Boards in Maharashtra
- ii) State Labour Advisory Board in Tamil Nadu
- iii) Industrial Relations Committees in Kerala

It is based on an analysis of the earlier 2015-16 research; the outcomes of individual consultations with each of the tripartite constituencies per state; and the outcomes of joint tripartite workshops in each state. These tripartite workshops served to verify the research findings, and to develop the recommendations contained in this report.

Based on this process, this report provides the following in respect of each of these mechanisms:

- i) An identification of good practices.
- ii) An identification of areas for improvement.
- iii) An identification of actions needed to address the identified areas for improvement.

The research finding and recommendations provides a basis for strengthening the three tripartite social dialogue mechanisms that formed the focus of the study. Equally importantly, the research findings serves to inform and guide other states in the formation and strengthening of their own tripartite social dialogue mechanism.

3.0 THE MATHADI BOARDS OF MAHARASHTRA

The Mathadi Boards are specific to the state of Maharashtra. They were established in terms of the Maharashtra Mathadi, Hamal, and other Manual Workers (Regulation of Employment and Welfare) Act 1969.

3.1 PURPOSE OF THE MATHADI BOARDS

Mathadi is a Marathi term meaning carrying a load of material either on the Head (Matha) or on the back (Mathadi/Hamal) to stack at an appropriate place. These operations include loading, unloading, stacking, carrying, weighing, measuring, or other work, including work that is preparatory or incidental to such operations.

The “other manual workers” referred to in the Act are those workers doing incidental or preparatory work for loading and unloading activities. There are many thousands of Mathadi, Hamal and other manual workers engaged in various markets, shops, and factories for loading and unloading operations. Mathadi workers are men. However, women are employed in the “other manual workers” category, undertaking tasks such as cleaning, packing and preparation / processing of dried foods.

The activities of the Boards are primary to regulate the terms of employment and provide social security for the workers covered by the Act. Their activities therefore include:

- i) Registration of employers and workers (existing and new) falling under the Act.
- ii) Ensuring the allocation of workers to employers through allotment letters.
- iii) Collection of levies from employers.
- iv) Payment of wages through the levies collected.
- v) Fixing of wages and other working conditions.
- vi) Establishment and management of a Welfare Fund, and a Provident and Gratuity Fund.
- vii) Payment of gratuities to workers.
- viii) Determination and payment of other benefits such as bonuses, paid holidays and paid leave.

3.1.1 Composition of the Boards

There are 34 Boards. These Boards are constituted by subsector e.g. grocery, fruit, vegetables, dried foods, timber, cotton, iron, etc. Each Board comprises a chairperson (who is a Deputy or Assistant Commissioner of Labour), and equal representation of employers organizations and trade unions. The Act makes provision for a “one person Board”, where a Deputy/Assistant Commissioner of Labour is the sole representative of the Board, with the responsibility of making all decisions in consultation with the social partners. This one-man Board is however intended to be an interim measure, until such time as a full tripartite Board has been constituted. In most cases, as is explained later in this report, the majority of the Boards still function as one-man Boards, rather than as the tripartite mechanisms envisaged in the Act.

Each Board usually comprises a staff complement comprising:

- i) Enforcement Department (including a labour inspector directly appointed by the Board)
- ii) Administrative Department
- iii) Accounts Department

3.1.2 Collection of Levy

Each Board charges a levy to the employer in order to provide various social security benefits to Mathadi workers. The minimum levy is fixed at 30% of payroll. A Board may however fix a levy of up to 50% of payroll. The levy is generally used to pay the following:

- i) **Bonus/ex gratia, paid holidays, leave with pay, house rent allowances:** payable once a year at the time of Diwali/Dussera.
- ii) **Provident fund:** an advance is payable to registered workers (from that worker's superannuation to the relevant provident fund account) for the purposes of housing, children's education, medical treatment, daughter's marriage, etc. as per the rules of the provident fund, as approved by the state government.
- iii) **Gratuity:** paid at the end of employment of a worker due to resignation, termination or death.
- iv) **Compensation amount:** paid in the event of injury, disablement or death. In the event of death, this amount is paid to the legal heirs of the deceased worker.
- v) **Administration cost for implementation of the Scheme:** the Board runs its administration out of the portion of the levy earmarked for administration. This is used to cover administrative costs such as staff salaries, rent, rates, taxes, printing, stationery, etc. This however does not include the salary payments of the government officials who chair the Boards. These officials are paid by the relevant state governments.

3.2 GOOD PRACTICES OF THE MATHADI BOARDS

There are a number of good practices pertaining to the Mathadi Boards. These are as follows:

- i) **Statutory status:** the Maharashtra Mathadi, Hamal, and other Manual Workers (Regulation of Employment and Welfare) Act, 1969 makes provision for the establishment of "Mathadi Boards". The Act therefore provides the Mathadi Boards with statutory status. It also:
 - a) Defines the powers and functions of the Boards.
 - b) Makes provision for the tripartite composition of the Boards.
 - c) Makes provision for the institutional capacity of the Boards, including senior management and budget.
 - d) Makes provision for coverage to a wider range of manual workers (this wider coverage is however currently not provided by the Boards).
 - e) Provides for the Boards to provide a labour dispute resolution function, in order to support the achievement of industrial peace.
- ii) **Improved employment conditions:** based on the discussion held with the tripartite constituencies, it is clear that the unions and government in particular, regard the Boards as critical mechanisms for improving the employment conditions of Mathadi workers. Unions participate actively in the markets at which Mathadi workers are employed, and attribute the achievement of the following to the Boards:

- i) Improved conditions of employment.
- ii) The achievement of higher wages.
- iii) The provision of social security, including retirement savings, health care, and land for housing.
- iv) Improved inspections and compliance.
- v) Reduced administrative burden on employers, who are no longer required to focus on activities that may not comprise the core functions of their business; including hiring, payment of workers, dispute settlement and provident fund administration.

iii) Dispute resolution: the Boards provide a valuable dispute resolution function, particularly in the resolution of wage and worker registration disputes. In this regard:

- i) Disputes not resolved between employers and unions are referred to the Boards.
- ii) Either party, or both, can approach a Board for assistance.
- iii) The Board, given the convening power provided to it by the Act, is able to bring the parties together in order to address a dispute.
- iv) The Chairman of the Board is empowered to attempt to conciliate the dispute.
- v) If conciliation fails, then the Chairperson is empowered to arbitrate a dispute. In this regard, the Chairperson is empowered by the Act to “issue an order” in order to resolve a dispute.

iv) Social dialogue and tripartism: the Mathadi Boards are fundamentally tripartite social dialogue mechanisms, aimed at protecting informal workers, in this case the Mathadi workers. The social dialogue underpinnings of the Boards includes the following:

- i) The Act makes provision for the tripartite composition of the Board.
- ii) Sectoral level collective bargaining is facilitated (usually every 3 – 4 years) through the Boards.
- iii) The Act makes provision for the establishment of a tripartite State-level Advisory Board. The main role of this Board is to adjudicate jurisdictional matters (including jurisdictional disputes), and to consider Board-wide policy matters aimed at improving the effectiveness of the Boards. The State-level Advisory Board is chaired by the Minister of Labour.

The tripartite structure of the Boards, as envisaged in the Act, provides a basis for tripartism and partnership building.

v) Protection to vulnerable workers: the Mathadi Boards provide valuable support to vulnerable informal workers. Through the Boards, they are provided with social security, including a pension upon retirement. Some Boards, such as the Grocery Board, provides workers with health care. Housing and education support is also provided, although this is normally in the form of an advance from the provident fund savings.

3.3 AREAS FOR IMPROVEMENT

The tripartite constituents identified a number of issues that required attention in order to facilitate the more effective functioning of the Boards. These are summarised below.

- i) **Social dialogue and tripartism:*** the Boards, for all intents and purposes, can no longer functionally be regarded as tripartite structures, as envisaged in the Act. Since 2004, the Boards have been “one-man Boards”, which is a temporary/interim measure that is provided for by the Act. This essentially means that the Chairperson of the Board, who is a government official undertaking this role in addition to her/his regular duties, becomes the sole operational decision-maker in respect of all Board activities. The only exception appears to be the Grocery Board, which, based on a court decision, has regained its tripartite composition. This serious lapse impedes policy-making decisions, as the Act requires decisions to be undertaken through tripartite consultation. This decline in tripartism has been ascribed to political influence in the appointment of Board members. This has consequently also resulted in a loss of trust in the selection process for Board members. A return to the form of tripartism envisaged by the Act would require the selection of Board members through a transparent and credible process. This would contribute to the building of trust between the tripartite constituencies, and facilitate a return to the spirit of tripartism that was originally envisaged in the Act.
- ii) **Staff capacity of Boards:*** all the Boards have experienced a steep decline in staff numbers. A case in point is the Grocery Board, whose staff numbers have declined from 110 to 32 over the last 5 years. This inadequate capacity severely restricts the Boards’ capacity to ensure compliance and to effectively administer welfare schemes. The reason for this sharp decline in staff numbers is that the Boards, although autonomous statutory structures, are required to follow State-level government recruitment practices. Maharashtra has imposed a freeze on the appointment of staff across all State government structures. Boards may however appoint staff on a contractual basis. Many Chairpersons of Boards are however wary of this approach, for fear of being perceived to be appointing friends and family. The need for separate recruitment rules for Mathadi Boards was therefore identified as a priority, by the constituencies that are party to the Boards. In addition, the Act currently also only makes provision for a Chairman, Secretary, Inspectors, and Personnel Officer, with other key posts, including inspectors, being excluded. This is an indication of the need to update the Act.
- iii) **Dispute resolution:*** a single standardised dispute resolution procedure, for application across all Boards currently does not exist. Differing procedures are used by each Board to resolve disputes. There are also no time frames to guide the resolution of disputes. The result is that disputes may drag on, which could exacerbate the situation. Standardised dispute resolution procedures are required, which could be applied uniformly by all Boards
- iv) **Non-compliance with the Act:*** enterprises employing Mathadi workers are required by the Act, to register with the relevant Mathadi Board. The unions and government representatives in particular, expressed concern that non-compliance is worsening, with an increased use of unregistered workers, employed on a short-term contractual basis. This non-compliance is usually discovered only when inspections are conducted, or if communicated by unions.

Enterprises utilising the services of Mathadi workers also frequently delay registrations even subsequent to inspectors having notified these enterprise of non-compliance with the Act. The main reason for this appears to be the fact that the Act imposes penalties for non-compliance that no longer serve as effective deterrents, namely 3 months imprisonment/500 rupee fine. Imprisonment has to date not been imposed on any defaulter.

The Act therefore requires amendment to include:

- Stronger penalties for non-compliance.
 - The registration of enterprises prior to their commencement of operations in an establishment at which Mathadi workers are employed.
 - The work undertaken by Mathadi workers is extremely strenuous and physically demanding. This very physical nature of work often results in incidences of injuries. Many workers over the age of forty are therefore reported to suffer from muscular-skeletal disorders. An effort to introduce occupational safety and health regulations for Mathadi workers should be prioritised.
 - The use of machinery to undertake the work done by Mathadi workers is currently minimal. The mechanisation and modernisation of the markets in which Mathadi workers are employed may however increase in the future. This would result in job losses. The Act currently does not adequately provide for training, and retrenchment benefits. In addition, retraining initiatives are extremely limited even though Board's have stated that they have attempted to promote such initiatives.
- i) Gender inequality:* In all of the meetings held during the research process, with the exception of one, there were no women participants. In the one meeting referred to, only one women was present, in a room of over 30 men. This lack of representivity was starkly apparent amongst each of the constituencies. This may partly be ascribed to the nature of work undertaken by Mathadi workers. However, women are also employed in establishments employing Mathadi workers, where they usually undertake manual work such as cleaning and sorting of items.

3.4 RECOMMENDED ACTIONS TO STRENGTHEN THE MATHADI BOARD SYSTEM

A tripartite workshop with the representatives of each constituency resulted in consensus on the key next steps that are necessary in order to support the more effective functioning of the Mathadi Boards. The ILO was requested to provide technical support to facilitate the implementation of these identified actions, which are summarised below:

- i) Amendment of the Act:* there was a strong emphasis placed on the need to review the Act in order to ensure that it remains relevant to the current and emerging context. In this regard, the following amendments were proposed:
- a) Strengthened penalties for non-compliance, as the current penalties do not provide a sufficient deterrent for non-compliance.

- b) The introduction of a clause requiring the compulsory registration with the relevant Mathadi Boards, of enterprises, prior to them commencing operations in establishments in which Mathadi workers are employed.
- c) The introduction of clear time frames for the registration of enterprises with the relevant Mathadi Boards.
- d) The introduction of clauses that would facilitate enhanced provisions for retrenchments and pensions; as well as greater uniformity of levies, dearness allowances and other relevant provision across all Mathadi Boards.
- e) Provision for the appointment of other core staff to the Boards, including Accountants, Assistant Accounts, IT Associates, inspectors and Legal Officers. The number of posts should also be proportionate to the number and size of enterprise covered by each Board.

In addition, all constituencies requested that staff and members of the Mathadi Boards should be provided with training on the Act, in order to facilitate improved compliance.

- ii) Uniform process for dispute resolution:** a standardised dispute resolution process, to guide labour dispute resolution across all Boards, does not currently exist. The development of standard operating procedures for dispute resolution, that would also include time frames, was therefore identified as being necessary.
- iii) Strengthened tripartism:** the urgent reconstitution of the tripartite composition of the Mathadi Boards, as envisaged in the Act, was urged. In this regard, a need was identified for guidelines, which would serve as a basis for the selection of constituency members to the Boards. These guidelines are intended to reduce political influence in the selection of members of Mathadi Boards. In addition, awareness sessions on social dialogue and tripartism for Mathadi Board members and staff was also requested.
- iv) Expediting the recruitment of staff members of Mathadi Boards:** the current staff shortages affecting all Boards, are severely hampering the effectiveness of these Boards. The development of recruitment rules specifically for the Mathadi Boards, that would facilitate the recruitment of staff, was therefore identified as a priority action. It was proposed that these recruitment rules should form an addendum to the Act.
- v) Improving occupational safety and health of Mathadi workers:** there is currently absolutely no focus on measures to improve the occupational safety and health of Mathadi workers by any of the Mathadi Boards. The convening of a tripartite discussion on steps to improve OSH was therefore identified as being necessary. In addition, training on OSH, for inspectors employed by the Mathadi Boards, as well as Mathadi Board members, is required.
- vi) Promoting gender equality:** this was not identified as an action step at the tripartite meeting, which may be attributable to the predominantly male composition of meetings. It is however necessary to provide greater awareness of the importance of gender equity in the Mathadi Boards, as well as within the tripartite constituencies themselves. Gender awareness sessions should therefore be undertaken as a priority.

The second state-level tripartite social dialogue structure to be examined was the State Labour Advisory Council in Tamil Nadu. The research findings in this regard are provided below.

4.0 THE STATE LABOUR ADVISORY BOARD OF TAMIL NADU

A tripartite State Labour Advisory Board (SLAB) was constituted in Tamil Nadu in 1948, as an apex level tripartite social dialogue mechanism.

4.1 PURPOSE OF THE SLAB

The SLAB is a non-statutory state-level tripartite body established for the purposes of consultation on all labour policy matters, and more broadly important challenges affecting labour in Tamil Nadu. In this regard, amendments to existing labour laws, as well as any new labour legislation is expected to be referred to SLAB, for consultation. The SLAB is also intended to play a wide ranging labour dispute resolution function through the resolution of any serious issues that may affect both labour and management. Its functions therefore include a focus on averting labour unrest and promoting industrial peace.

4.1.1 Composition of the SLAB

The SLAB comprises 5 representatives from government, 6 employer's representatives, 6 worker representatives, and 4 members of the State Legislative Assembly. It is chaired by the Minister of Labour.

The membership of the SLAB is expected to be reconstituted every three years. This has however not consistently been done. The last reconstitution of the SLAB took place in 2012, and expired in 2015. It was extended for a further period of 1 years, and again expired in 2016. It has not been reconstituted since then. The SLAB is also required to meet at least once a year. This has however not been a common practice, with the structure having met infrequently, and in some years (such as 1999, 2001-2006, 2016, 2017, 2018), not having met at all. When it has met, it has addressed a range of important industrial relations matters. These include the following:

Year	Issue
2007	<ul style="list-style-type: none">• Amendment of Section 5(3) of the Maternity Benefit Act, 1961 to increase maternity leave from 12 weeks to 26 weeks.• Amendment of Section 8 of the Maternity Benefit Act, 1961 to increase the medical bonus of women employees from Rs. 250 to Rs. 1000.• Process to constitute Labour Court at Hosur was agreed, for further action by the Madras High Court.• Amendment of the Industrial Disputes Act, 1947 to grant powers of civil courts to labour courts.• Facilitated the establishment of Labour Offices (Social Security Services) in all District headquarters.
2009	<ul style="list-style-type: none">• Amendment of Section 2A of the Industrial Disputes Act, 1947 allowing workers to make direct application to the Labour Court after 45 days of having made an application to a conciliation officer.• Extension of the application of the Tamil Nadu Non-Resident Tamils' Welfare Act, 2011 to unorganised workers in the construction sector.
2010	Amendment to section 2(2) of the Tamil Nadu Catering Establishment Act, 1958 in order to prohibit the employment of children under the age of 14 years, and the employment of children aged 14 – 17 years in hazardous occupations.

Year	Issue
2013	<ul style="list-style-type: none"> • Amendment to section 2(a)(i) of the Tamil Nadu Payment of Subsistence Allowance Act, 1981 to increase the wages of supervisors from Rs. 3500 to Rs. 15000. • Registration of inter-state migrants by welfare boards, and the extension of all applicable benefits by the boards. • Development of procedures for the registration of workers by the welfare boards, and increase of cess tax (this tax is collected for welfare payments to workers) from 0.3% to 1%.

Source: Tamil Nadu Department of Labour and Employment, 2018

4.2 GOOD PRACTICES OF THE SLAB

Despite the fact that the SLAB had not been reconstituted at the time of this research, there is no doubt that the mechanism has played a positive role in promoting improved labour relations in Tamil Nadu. Various good practices were identified through discussions with the tripartite constituencies. These are provided below.

- i) **Tripartite consultative mechanism:** the SLAB provides a forum for tripartite consultation on labour policy and legislation. This is important as it provides the social partners with an opportunity to make suggestions to government on draft policy and legislation. Even though government is not obliged to adopt these suggestions, a platform is nonetheless provided for both employers and unions to potentially shape labour policy and legislation for the benefit of their respective membership, through a process of social dialogue. This also assists to defuse potential tensions.
- ii) **Labour dispute resolution:** the SLAB plays a very important labour dispute resolution function. In this regard, the SLAB is intended to facilitate the addressing of key labour disputes which if left unaddressed, could disrupt the economy of Tamil Nadu. It therefore has an important role to play in promoting industrial peace.
- iii) **Secretariat support:** meetings are also hosted by the Department of Labour. The Commissioner of Labour serves as the Member Secretary of the SLAB, with responsibility for ensuring that meeting minutes are prepared and circulated. The SLAB is therefore provided with an administrative infrastructure that should facilitate its functioning.

4.3 AREAS FOR IMPROVEMENT

There were a number of areas for improvement that were identified during the meetings with the tripartite constituencies. These were as follows:

- i) **Reconstitution of SLAB:** the membership of SLAB expired in 2016. It has not been reconstituted since then. This important structure, is for all intents and purposes, currently dormant. It meet infrequently, which substantially weakens any potential role that it could still play in promoting the achievement of harmonious labour relations. The consultative and dispute resolution role of the structure has therefore been severely jeopardised. As illustrated above, when the SLAB did meet, it unquestionably played a valuable role in promoting improved labour relations.

ii) Representivity: the employers and workers organisations that comprise the SLAB were determined in 1949. The representivity of these organisations has not been verified since then. It is therefore uncertain if these organisation remain representative of their respective constituencies.

iii) Meeting preparations and effectiveness: a number of concerns were raised by the social partners in particular, which they regard as impacting negatively on their ability to properly prepare for meetings, and to effectively engage in discussions. These concerns include the following:

- Agendas are circulated too close to meeting dates. This limits adequate preparations.
- There is no follow-up on proposals arising from SLAB meetings (it was stated that “meetings are an empty formality”).
- Meetings should allow for a greater emphasis on discussions, in addition to information sharing and consultation.
- There is a perception, particularly amongst union membership of the SLAB, that discussions, if they do take place, do not seem genuine.
- Research undertaken by the government is not made available. The sharing of this research would help to facilitate more meaningful discussions.
- Additional secretariat support is required in order to facilitate better meeting preparations.

vi) Frequency of meetings: One meeting a year (normally of 4 – 8 hours) is insufficient for proper consideration of issues on the agenda.

4.4 RECOMMENDED ACTIONS TO STRENGTHEN THE SLAB

The meetings with each of the tripartite constituencies, and subsequent tripartite workshop resulted in the following recommended actions to strengthen the effectiveness of the SLAB:

i) Reconstitution and reconvening of SLAB: the SLAB should be reconstituted and reconvened as a priority. It is also necessary to verify the extent to which the existing organisations serving on the SLAB represent their respective constituencies. This is particularly relevant given that these organisations were appointed onto the SLAB in 1949.

ii) Developing a SLAB Constitution: a SLAB constitution should be developed based on international good practices. This Constitution would set out the following:

- Mandate
- Frequency of meetings
- Composition and process to appoint members
- Relationship with other tripartite Boards
- Meetings procedures and time frames
- Procedure for establishment of sub-committees
- Procedures to facilitate follow-up on discussions, including in respect of decisions and proposals being submitted to the State Legislature for further consideration

iii) Secretariat support and knowledge building: the identified actions in this regard were as follows:

- Secretariat capacity, including in respect of social dialogue and tripartism, should be enhanced further, in order to more effectively support SLAB meetings.
- The Department of Labour should establish a comprehensive website to share research and information that would assist the social partners in their respective meeting preparations.
- Capacity building and awareness sessions on social dialogue and tripartism should be provided by the ILO for members of SLAB, and tripartite constituencies more broadly.

The third state-level social dialogue structure to be examined was the Industrial Relations Committees in Kerala. The findings in this regard are provided below.

5.0 THE INDUSTRIAL RELATIONS COMMITTEES (IRC) OF KERALA

The formation of tripartite IRCs dates back to 1940, with the establishment of the IRC for the coir sector. Since then, a number of other IRCs have been established for different sectors of the state economy in Kerala. These sectors are as follows:

- i) Cashew
- ii) Textile
- iii) Plantation (called the Plantation Labour Committee, and deals with the cultivation and processing of tea, coffee, rubber and cardamom crops)
- iv) Kuttanad (focus is on agriculture, particularly paddy employers and workers)
- v) Coir
- vi) Newspaper (includes print and electronic media)
- vii) Toddy
- viii) Private Hospitals
- ix) Supply Corp (for workers in the public corporation responsible for food distribution to communities)
- x) Automobile Transport

The IRCs are intended to promote industrial peace in sectors which are large employers, and which may also be prone to industrial unrest.

5.1 PURPOSE OF THE IRC'S

The mandate of the IRCs is to determine the terms and conditions of employment (in particular wages and working conditions) in the sectors and industries falling under their respective purviews. In this regard, for example, the IRC in the Kuttanad region of the state, takes into account the seasonal nature of work and yield of field crops, in determining minimum wages for this region.

The committees meet to discuss, and arrive at agreements on wage revisions, bonuses, and working conditions for their constituents, who are dispersed across various geographical areas of the state. The decisions reached by the IRCs are not statutorily enforceable, as the IRCs are not statutory structures. However, once decisions are reached through a process of discussions in the IRCs, these decisions are generally considered to be binding on the participating parties. They are therefore consequently implemented by the state government. Implementation of the decisions of the Plantation Labour Committee in particular is regarded as being mandatory. This is due to the large

numbers of workers that are employed in the plantations sector, and therefore the need to maintain industrial peace in this sector.

The main activity of the IRCs has been to mediate between employers and workers within the context of declining market demand for their products. The industries that made most use of them, notably coir, cashew and plantations have been declining in terms of the numbers of workers that they employ. The IRCs have therefore played a critical role in facilitating dialogue between the social partners, in order to avoid labour unrest.

Previous ILO studies also indicate that, as the IRCs came into being, increased convergence occurred on the demands of trade unions on wages, bonuses and working conditions. This happened in spite of the unions' affiliation to different political parties. The IRCs therefore became forums for synchronized bargaining, voluntary negotiations and pre-emptive settlement of disputes.

5.1.1 Composition of the IRC'S

The IRCs comprise of an equal number of members representing workers and employers, currently 10-a-side. Nominations are obtained through the regional offices of the Department of Labour. The Minister of Labour appoints members to the IRCs. Government has 7 representatives. The Minister of Agriculture, Minister of Industry, and the respective Secretaries of these departments; together with the labour department, law department and finance department, are also members of the IRCs. Some IRCs include representation from the Department of Tax. Meetings are chaired by the Labour Commissioner, or the Additional Labour Commissioner (Industrial Relations). The IRC for cashews is however chaired by the Minister for Cashews and Fisheries. Most IRCs meet on a bi-monthly basis.

Members appointed to the committees, are selected on the basis of their knowledge of their respective sectors, including labour matters. The IRCs are constituted every three years giving representation to major national trade unions and employers' organizations, and also taking into account the representivity of members.

5.2 GOOD PRACTICES OF THE IRC'S

The good practices that were identified through discussions with the tripartite constituencies are provided below.

- i) **Structured mechanism for collective bargaining:** the IRCs are fundamentally mechanisms for collective bargaining at a sectoral level. They are largely engaged with determining wages, but are also empowered to discuss all terms of employment specific to their respective focal sectors. They comprise senior representatives of each of the tripartite constituencies, which facilitates decision-making, and consensus seeking. Government plays a facilitative role, including chairing of negotiations, and assisting parties to address blockages should these arise.
- ii) **Dispute resolution function:** the IRCs play a crucial role in dispute resolution, as they provide a mechanism for both employers and unions to discuss and agree on terms of employment. This is especially the case for the IRC covering the plantation sector, given that the decisions of this structure are mandatorily implemented by government. Employers and union representatives serving on the IRCs also regard government as playing an important facilitative role in resolving labour disputes. Importantly, an Industrial Relations Board has also

been established to play a cross-cutting role in addressing policy issues that affect the state economy more broadly.

iii) Implementation of decisions: even though the IRC's are consultative mechanisms, the decisions that they take are generally implemented. This is particularly the case for decisions of the IRC covering the plantations sector (i.e. the Plantations Labour Committee).

iv) Secretariat support: the Department of Labour provides secretariat support to the IRC's.

5.3 AREAS FOR IMPROVEMENT

The areas for improvement that were identified during the meetings with the tripartite constituencies, and the subsequent tripartite workshop were as follows:

i) Lack of a schedule of meetings: this was viewed as a contributing to an ad hoc approach to meetings, and therefore constraining proper pre-planning for meetings. In addition, the overarching Industrial Relations Board appears to meet infrequently. This potentially weakens the IRCs, given that the Industrial Relations Board is an apex structure, established to engage on strategic issues that are cross-cutting.

ii) Inadequate representivity: Women participation is extremely limited across all the IRCs. Issues pertaining to home-based workers are currently not included in the relevant IRCs. In this regard, it is important to note that home-based work by women is an increasing trend in the traditional economic sectors of Kerala.

iii) Lack of a focus on occupational safety and health (OSH): The IRCs do not currently focus on OSH. This is a limitation given that most IRCs are focused on labour-intensive sectors, which require significant physical work. There are also high levels of exposure to pesticides

iv) Inadequate focus on ongoing capacity building: Capacity building initiatives for IRC members, for example on social dialogue, tripartism, collective bargaining, negotiation, OSH, etc. are not currently provided.

v) Growing sectors are not covered: Growing economic sectors such as construction do not currently have IRCs. An IRC for "public sector undertakings" has also been proposed by union leaders. Growing sectors without IRCs lack a platform for tripartite consultation and discussions, which potentially undermines the stability of these sectors.

5.4 RECOMMENDED ACTIONS TO STRENGTHEN THE IRC'S

The following recommendations to strengthen the effectiveness of the IRCs were endorsed by the tripartite constituencies at a joint workshop:

i) Capacity building: training on social dialogue and tripartism, collective bargaining, negotiation and OSH were identified as priorities. It was recommended that this training should be undertaken by the ILO, in partnership with the Kerala Institute of Labour and Employment; an entity falling under Kerala's Department of Labour.

- **Strengthened representation of women:** The increased inclusion of women as members of IRCs should be prioritised, given their drastic under-representation in these structures. Awareness creation on addressing sexual harassment, as prescribed by the Sexual Harassment Act, 2015; is required across each of the sectors covered by IRCs. In addition, issues pertaining to home-based workers requires regular consideration by the relevant IRCs.
- **Constitution of new IRCs:** In order to ensure that new growth sectors are covered by tripartite social dialogue mechanisms, IRCs should be established for:
 - Home-based workers
 - Construction
 - Public sector undertakings
- **Statutory establishment:** Union leaders proposed the statutory establishment of IRC's. This requires further tripartite discussion, possibly at the level of the cross-cutting Industrial Relations Board.

6.0 CONCLUSION

India's state-level tripartite social dialogue mechanisms have undoubtedly played an important role in promoting decent work in their respective states. This is evident from the contributions of the Mathadi Boards in providing improved conditions of employment for vulnerable workers. It is also evident from the role of Tamil Nadu's SLAB in facilitating the development of labour legislation that promotes labour rights, as well as the role of Kerala's IRC's in promoting improved working conditions in various sectors of the Kerala economy. Each of these structures have distinctly contributed to providing a basis for improved industrial relations.

This research however identified a substantial decline in the role and impact of these formerly effective state-level social dialogue structures. None of these structures have fully retained their former status and influence. In this regard, the Mathadi Boards are now largely "one-man boards", solely managed and run by officials of Maharashtra's labour department, without the active involvement and participation of employer's and worker's organisations.

A similar decline is evident in Tamil Nadu's SLAB, which at the time of this research, had not been reconstituted since 2016, and has also not met for many years. The IRCs provide a lesser example of this atrophying of state-level tripartite social dialogue, but is also showing signs of a rapid move in this direction. These IRCs do not appear to have ever undergone a process of review. This has resulted in new growth sectors being ignored, and representivity being compromised. A further common feature, across all three state-level tripartite social dialogue mechanisms is the virtual absence of women's representation, amongst each of the tripartite constituents.

This declining role of state-level tripartism in Maharashtra, Tamil Nadu and Kerala can be reversed through a renewed commitment to the social dialogue mechanisms that each of these states have established. Each of these represents a basis for progressive partnership-building, through social dialogue and tripartism. The tripartite meeting and workshops that were held as part of this research were generally characterised by a shared interest in rebuilding the prominence of state-level tripartite social dialogue. The recommended actions identified through these meetings provide a way forward to achieving this objective. This research report also forms the basis for a national tripartite discussion

towards renewing the innovative and progressive tradition and commitment to tripartite social dialogue at state level in India.