

## **L.7. RAJAN K.E. VARGHESE—'Wage Policy in Indian Industries' —1986—Dr. N.S. Chandrasekharan**

The thesis is a study on a very important area of labour law. The term 'wages' has been defined differently in labour statutes to suit different purposes. There is need for a uniform definition atleast for purposes of laws with a common objective.

The components of wages, like basic wage, dearness allowance and other allowances and the rationale behind such classification is probed in the study. The relation between wages, cost of living and standard of living is brought out. An empirical study on the standard of living of certain factory workers is made. Problems relating to dearness allowance, such as the extent of neutralisation, the justification for such neutralisation, the formula for fixation of dearness allowance and the need for merger of dearness allowance with pay are critically examined.

The role of an appropriate wage policy in a Welfare State is probed. A historical background of the labour policy in India, indicating the transformation of the country into a welfare state committed to social justice, is made out.

Attempts at formulation of wage policy in Indian industries, as reflected in the Five Year Plans, are examined and the conclusion is reached that the question of wage policy was not given due importance in the Five Year Plans.

The provisions of the Payment of Wages Act 1936 are discussed with reference to relevant case law, the adequacy of the provisions is looked into, implementation aspects are examined and appropriate changes suggested.

The machinery and methods for fixation of wages under the Minimum Wages Act 1948 are examined, the defects in the law and the lapses in implementation identified and remedial measures pointed out. Various measures to raise the standard of living of Indian worker are suggested. Factors like capacity to pay and avoidance of economic imbalance in a region are appropriate bases for a proper wage policy. The diverge problems which arise in that connection are probed and solutions sought.

The system of collective bargaining as a wage settlement mechanism is examined, tracing the development of the system in India, assessing the merits and demerits and probing into the strategies of this method in wage fixation.

The study on wage fixation through conciliation and voluntary arbitration reveals that the success of both the systems depends substantially on the prevalence of a spirit co-operation between the parties.

The working of the machinery of wage boards is examined, the defects in the system are identified and measures to overcome the defects suggested.

Examining the adjudicating process the study brings out the extent to which this method is suited for solving disputes on wages. The study canvasses for a centrally co-ordinated wage policy in Indian industries.