INTERNATIONAL RESEARCH JOURNAL OF MANAGEMENT SOCIOLOGY & HUMANITIES



ISSN 2277 – 9809 (online)
ISSN 2348 - 9359 (Print)

An Internationally Indexed Peer Reviewed & Refereed Journal

www.IRJMSH.com
www.isarasolutions.com

Published by iSaRa Solutions

Contract Labour : The Edge or the Fall, The HR Perspective

Susanta Bhattacharya

Contract Labour forms very integral part of any industry now a days. As the competition in the market is tremendous along with changes in demand in market scenario followed by less liability on part of the employer, Contract Labours are deployed in many sectors of work.

The question that arises as to whether the deployment suffices the requirement or this calls for another level of scrutiny and administration on the part of the employer.

Let us discuss some practical scenarios and understand what happens in reality

1. It is the responsibility of the Contractor to complete the task given by the Employer and should be done within the supervision of the Contractor. However, even post deployment of the resources, the responsibility comes on the Employer and they are required to get the job done through the Contractor through direct supervision which they should never do. Employer is referred to as Principal Employer as per the provisions of the Contract Labour Regulation and Abolition Act, 1970. This act has now been replaced by Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code).

2. In terms of wages and payment paid, it is mostly the minimum wages that is paid depending on the skill category (Unskilled, Semi Skilled, Skilled and High Skilled). It is entirely on the employer to give any additional payment to the existing minimum wages structure. In such cases the liability of the employer reduces and compliances pertaining to PF and ESIC is done by the Contractor.

3. In case of permanent employees, they can be governed by the service rules as applicable to the organization. However while deploying Contract Workforce it is more responsibility of the Contractor to take action against the concerned employee.

4. The Contract Workforce are from the locality where the establishment is having the office. In case of requirement, they can definitely be called upon, however in case of any disagreement this can be challenging for the Principal Employer. Also in case of absenteeism, when the Contractor might take decision from the Employer to take action against such persons, there will be challenges in taking action against such persons.
5. The Contractors in many cases are not even aware about the statutary obligations that are required to be followed which might lead the Principal Employer to be entailed in Legal cases.
6. As the Principal Employer gives the Contract to the Contractor, it is the responsibility of the Contractor to maintain the records which they fail to maintain as per the statutes. Also the supervisors deployed in the site are more on the process of doing the production / process job rather than focusing on HR documents.

7. The Principal Employer's focus also remains in completing the production processes. The HR Business partner might face challenges while implementing the rules as the Management team within the Principal Employer is focused on daily job rather then Compliances.

8. The ownership of the task comes when the Contractor takes the full responsibility in completing the work as per the terms mentioned in the Purchase Order. As the job is done through the Contractor, the overall responsibility of the Employer reduces and there can be instances of incidents wherein job has been done without supervision.

The above daily tasks are the challenges which might cope up and in case where the issue is very serious may also lead to stoppage in Business Continuity wherein the Principal Employer will definitely be the final looser. When any incident happens in the site, it is Manager and the Occupier responsible irrespective of whether the job has been carried out with / without their knowledge.
These are the practical challenges that are being faced, however please be informed that this there is another part that needs very serious attention and that is from the Industrial Relation perspective. The above mentioned points might go hand in hand, however on the other end, there will be issues which should be paid immediate attention given the surge in technology wherein communication has now become very easy , cheaper and faster. Every HR professional is now required not only to have understanding on the subject but also is required to be updated on social media and the incidents happening so that in time of crisis the said information can be used as well.

Is the IR Crisis Heading

What happens

1. When the Contract workforce works in same nature of job and that too among the Permanent Employees but are paid less.
2. Contract Workforce asks for same respect and treatment that is given to all other workforce in the society.
3. When the Trade Union leaders not aware about any issue but Contract Workforce in the plant are aware about any issue through social media / whatsapp group communication.
4. When people working in Contract Workforce as having the same qualification and education but only because of the fact that they have not got the opportunity / any other reasons ,till now and hence are working as Contract Workforce.
5. When a Contratual staff is having more knowledge than Company Employee regarding any subject / business.
6. When the Contract Workforce is not within the Control of Union.
7. New Leaders emerge from the group who have absolute difference in opinion with the Management team
8. Management team not in sync with their own ideas and have difference of opinion both internally and externally. Furthermore, when such issues catch public attention as well.

The above questions pose a very serious threat to HR wherein the HR team will be called upon by the Management as not being able to resolve the problems but is it the reality that we are seeing. What is that we are required to do:

1. Strict Compliance Vigilance: All labour laws to be followed and payment of wages, PF, ESIC to be absolutely done in time as wages payment become to center of issue when any crisis evolves.
2. Better infrastructure : Proper welfare facilities to be maintained which will include Canteen, Washroom, Restroom as per applicability.
3. Good connect with the local media, opinion leaders.
4. Resolving the grievances as fast as possible and giving feedback to the workforce about what is going to happen and try to restrict within the timelines if feasible or continue discussion.
5. Management needs to be clear on the requirement, rather than giving multiple opinions on the same topic. This is another reason wherein the HR team needs support and cooperation rather than being blamed for the situation.
6. Proper Team work and resolving the priorities : There should be a good team work within the members so that assigned tasks are completed on priority rather than pushing it from one team member to other.
7. Role of Govt Machinery which should be restricted to punitive only in specific cases. In other cases depending on the situation the industries to be facilitated more and more of helping hands to be provided so that everyone can open up. Feedback from Industries can also be useful in this regard.

The codes are in place and the OSH code has restricted deployment of Contract Workforce in Core Activities to few specific areas which require specialization or sudden surge in requirement for a limited time period.

The industries are required to keep a close watch on the requirements and act immediately rather than acting after any incident has happened.

Through the article I have tried to jot down the present practical scenarios and challenges wherein the HR team requires support so that all issues can be resolved to the extent possible for harmonious industrial relations.

ISARA INSTITUTE OF MANAGEMENT & PROFESSIONAL STUDIES

WWW.IIMPS.IN

EARN YOUR

MBA



Accreditation & Ranking

UGC / NCTE Approved.

INFO@IIMPS.IN

011-41005174

RESEARCH GATEWAY

STOP PLAGIARISM

1 Submit your content in Word File.

2 Get report in 48 hrs.

3 *Missing content or references will be fixed.

4 Citation for your work.

5 Get accurate user friendly report.

researchgateway.in | info@researchgateway.in

+91-9205579779

AROGYAM ONLINE

Arogyam Ayurveda

Holistic Healing through herbs

100% NATURAL

PARIVARTAN PSYCHOLOGY CENTER

COLOR PSYCHOLOGY : HOW COLOR AFFECT YOUR CHILD

BLUE — Calms your Child's Mind & Body

YELLOW — Promotes Concentration, Stimulates the Memory

PINK — Evokes Empathy, makes your Child Calm

RED — Excites and energizes your Child's body

GREEN — Improves Reading speed and Comprehension

www.parivartan4u.com

Confuse about your children's future?

भारतीय भाषा, शिक्षा, साहित्य एवं शोध

ISSN 2321 – 9726

WWW.BHARTIYASHODH.COM

INTERNATIONAL RESEARCH JOURNAL OF MANAGEMENT SCIENCE & TECHNOLOGY

ISSN – 2250 – 1959 (0) 2348 – 9367 (P)

WWW.IRJMST.COM

INTERNATIONAL RESEARCH JOURNAL OF COMMERCE, ARTS AND SCIENCE

ISSN 2319 – 9202

WWW.CASIRJ.COM

INTERNATIONAL RESEARCH JOURNAL OF MANAGEMENT SOCIOLOGY & HUMANITIES

ISSN 2277 – 9809 (0) 2348 - 9359 (P)

WWW.IRJMSH.COM

INTERNATIONAL RESEARCH JOURNAL OF SCIENCE ENGINEERING AND TECHNOLOGY

ISSN 2454-3195 (online)

WWW.RJSET.COM

INTEGRATED RESEARCH JOURNAL OF MANAGEMENT, SCIENCE AND INNOVATION

ISSN 2582-5445

WWW.IRJMSI.COM

JOURNAL OF LEGAL STUDIES,POLITICS AND ECONOMICS RESEARCH

WWW.JLPER.COM