

# Workermanagement dialogue in Indian legislation

19 June 2018

# **Table of contents**

1.	Introduction	4
2.	Committee Overview Table	5
3.	Works committee	6
Obje	jective and overview	6
Area	eas of Intervention	6
Stru	ucture	7
	mation	-
	e committee and its office bearers	_
Fund	nctioning of the committee	9
4.	Grievance redressal committee	11
Stru	ucture and process of setting up	11
Fund	nctioning	12
5.	Safety Committee	13
Obje	jective and overview	13
Area	eas of intervention	13
	ucture and process of formation	
Fund	nctioning of the committee	14
6.	Managing committee (canteen)	15
Stru	ucture and process of formation	15
Fund	nctions of the committee	15

# 7. Internal committee and local complaint

committees					
Objective and overview	17				
Structure	17				
Selection process of committee members	18				
Functioning of the IC	19				
Local Committee (LC)	20				
8. Integrating various commi	ttees 21				
9. Limitations of committees	24				

## 1. Introduction

'Employee participation at the workplace level facilitates better labour-management communication, prevents and absorbs disputes and helps to find solutions for both work and production-related issues. It has also the potential to reflect the voices of those whose trade union representation tends to be either low or absent. Various employee participation practices can thus play a complementary role to promote collective bargaining and sound industrial relations, so long as they are not used as replacements for collective bargaining.' (Tine Staermose and Moussa Oumarou, ILO)

Indian labour laws and policies prescribe several worker-management committees that should be set up in an industrial establishment such as a garment factory. This paper provides guidance to brands and factory management who wish to understand which committees are required under various laws, their specific functions, constitution and mandate. The document is not a holistic guidance on worker-management dialogue or grievance mechanisms.

Fair Wear believes that worker-management committees can facilitate improved industrial relations, boost the motivation and commitment of employees, create a better working environment and increase productivity. To achieve this, Fair Wear encourages brands and factories to go beyond legal compliance and create an environment where workers and management can have a constructive dialogue.

Fair Wear recommends certain ground rules to achieve constructive dialogue:

- Worker representatives should always be elected by their peers.
- Supervisors are considered part of middle-management, and therefore cannot represent production workers.
- Factory management should establish and communicate a non-discriminatory policy for workers representatives.
- Fair Wear recommends brands and factory managers to involve worker representatives in the opening and exit meetings of audits and discuss remediation measures collectively.

# 2. Committee Overview Table

Committee	Factory size	Number of members	Meeting frequency	Tenure	Legal reference
works committee	100 or more workers	Max 20.	Every three months	2 years.	Industrial Disputes (central) Rules 1957, sections 38-57
Grievance Committee	20-99 workers (not required if works committee in place)	Max. 6	Not specified	Not specified	Industrial Disputes Act, 2010 Amendment, section 9C
Safety Committee	250 workers (general) 50 workers (if covered under Section 87 or Section 2(cb) of Factories Act)	Not specified	Every three months	2 years (3 years in Tamil Nadu)	Section 67B of the Punjab Factory Rules 1952 (applicable in Haryana as well), section 62B of Uttar Pradesh Factory Rules 1950, Section 88C of Karnataka Factory Rules 1969, 61M of the Tamil Nadu Factories Rules 1950
Canteen Committee	>250 workers	4-10	Not specified	2 years	Factories Act, 1948, section 46 (2D) of the and Model Rules under the Factories Act, 1948, section 93
Internal Committee	10 or more workers	Min 4.	Not specified	3 years	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

# 3. Works committee

#### **OBJECTIVE AND OVERVIEW**

The works committee is an important committee in the factory. The key objective is to promote good relations between employers and employees, to comment upon matters of common interest or concern and to try to resolve any difference of opinion in respect to such matters. The works committee was, however, not designed to replace collective bargaining on substantial changes regarding working conditions. It cannot be considered as equal to a worker committee or trade union. It was introduced in the Industrial Disputes Act and is required in any industrial establishment in which one hundred or more workforces are employed or have been employed on any day in the preceding twelve months. The works committee consists of a maximum of 20 members, both management and worker representatives. The number of worker representatives should at least be equal to the number of management representatives. Members meet at least every three months and are re-elected every two years. The works committee has been given such importance that it is listed under the Authorities under ID Act (Chapter II); and comes as the first authority in process, followed by the Conciliation Officers, Board of Conciliation, Courts of Inquiry, Labour Courts, Tribunals and National Tribunals. Sections 38 to 57 of the Industrial Disputes (central) Rules 1957 outlines the structure, process of formation of the works committee and the ways of its functioning extensively. The key aspects are explained in the following sections.

#### **AREAS OF INTERVENTION**

- 1 To resolve friction or grievances that might arise between production workers and management in day-to-day work. Broadly, the works committee can take up any issue that aggrieves workers, provided it is related to laws and policies applicable to the company.
- 2 However, the works committee cannot take up issues like alteration of service conditions, increments in wages and bonuses etc., because this is the domain of collective bargaining, which should be led by a worker committee or trade union. The works committee can discuss these issues and may help in building a common understanding, but it does not have the authority to make any decision on this and cannot sign any formal agreement on these issues.
- 3 While the other committees (except for IC) are mainly formed to support implementation of laws and policies, the works committee is also concerned with addressing grievances when

- policies are not implemented correctly. Hence, it can be considered as a conciliation committee and authority for all other committees.
- Along with the above functions of a conciliatory nature, the works committee also needs to work in the areas outside the ambit of all other committees. For example, this includes conditions of work, adjustment of festival and national holidays, administration of welfare and funds, etc., along with the implementation and review of decisions reached at work committees meetings.

#### **STRUCTURE**

Since the works committee is an important committee, Fair Wear recommends considering the following points regarding its structure:

- Include at least one representative from all other committees.
- 2 Include a representative of management who understands work conditions and laws about all aspects related to workers and who is empowered to make decisions.

The Industrial Dispute Act (section 39 and 42) prescribes the following:

- There must be representation of various categories, groups and class of workers in a works committee
- There must be representation of various sections and departments in the committee
- The number of worker representatives must be equal to or more than that of employer representatives
- Total number of members of the committee shall not exceed 20
- If there is a trade union in the company, the proportionate members may be taken in the works committees from unionised and non-unionised workforce. For example, if there are a total of 100 workers and 25 are union members, 25% of the worker representatives on the works committee should be union members.

#### **FORMATION**

a) Nomination of employer's representatives: The representatives of the employer shall be nominated by the employer and shall be officials in direct touch with or associated with the working of the establishment.

#### b) Election of workers' representatives:

- As a first step, the number of workers' representatives required to fulfil the representation criteria outlined under 'Structure' needs to be defined. For example, if there are four production floors with two worker skill categories each, then two constituencies at each floor may be formed and the workers in these constituencies may elect their own representatives. If there is a significant number of women workers, a condition may be enforced that at least one representative from each constituency may be a woman. If there are only a few women workers, a third constituency may be created including women workers in both skill categories, and they may elect at least one representative from among them. The aim is to achieve proportionate representation of workers in the committee; for example, if skilled stitching workers constitute 50 percent of the workforce, then the number of representatives from their constituency may be higher than others, if not 50 percent.
- Next, workers are invited to nominated candidates as representatives. Each nomination paper shall be signed by the candidate and attested by at least two other voters belonging to the category/group, section/department/production floor that the candidate wishes to represent if elected.
- If the factory contains a union, then there may be two broad constituencies of election: a) a proportionate number of representatives may be elected by the unionised workforce; and b) proportionate representatives may be elected by non-unionised workforce. Therefore, separate nominations may be invited for both constituencies.
- Any production worker at least 19 years of age who has been employed for at least one year may be nominated as a candidate for election (service qualification shall not apply to the first election in an establishment which has existed for less than a year)
- All workmen at least 18 years of age and with at least six months of continuous service in the establishment shall be entitled to only vote in election
- The employer shall fix a closing date for nominations and fix a date for election to be a minimum of three days and a maximum of 15 days after the nomination closing date. This date may be notified to workers at least seven days before the election date by putting an announcement on the notice board or by other means. The notice may contain the total number of representatives elected, number of representatives to be elected by the unionised workforce and the number of representatives elected by the nonunionised workforce; and the further distribution of representatives elected by various groups, sections and departments.

If the number of candidates validly nominated is equal to the number of seats, the candidates shall be forthwith declared duly elected. If not so, then, voting shall take place on the day fixed for election. Each worker/voter may vote for the number of representatives required for its own constituency.

#### THE COMMITTEE AND ITS OFFICE BEARERS

- The nominated employer's representatives and elected workers' representatives constitute the works committee, and they elect/nominate the office bearers of the committee. The employer nominates the chairman of the committee from amongst the employer's representatives, and workers' representatives elect the vice chairman from amongst themselves. The secretary and joint-secretary are elected in such a way that if secretary is from amongst the employer's representatives, the joint secretary shall be elected by workers' representatives from amongst them and vice versa. The secretary or the joint secretary cannot be from the same constituency (workers' representatives or employer's representatives) for two consecutive years.
- Other than a member chosen to fill a casual vacancy, the term of office of the committee representatives shall be two years.
- If a worker's representative ceases to be a member of the committee for whatever reason, another workers' representative may be elected from the same constituency (category/group, section/department), keeping all the above principles in mind.

#### **FUNCTIONING OF THE COMMITTEE**

- The committee must meet as often as necessary but not less than once every three months (quarterly)
- The committee needs to form its regulations during its first meeting
- The meeting must be normally organised during working hours and all workers' representatives shall be deemed to be on duty while attending the meeting
- With permission of the chairperson, the secretary can put a notice on the company notice board regarding the activities of the works committee

Worker-management dialogue in Indian legislation — a guidance document (June 2018)

- The employer needs to provide accommodation for holding meetings and all necessary facilities to the committee and its members for carrying out the committee's work
- The secretary of the committee needs to maintain a works committee register, and record the proceedings of all the meetings right from the first meeting, with full details of the meeting date and time, issues discussed, recommendations or decisions made and any difference of opinion. The secretary also needs to maintain the records of election process of the workers' representatives, the nomination of employer's representatives, and the election/nomination of all office bearers. The records may also include the regulations made by the committee in the first meeting (procedural requirement)
- The secretary needs to notify the workers and employer's representatives about the date, time, place and agenda of the meeting well beforehand (as a procedural requirement: the time limit for this notice as may be provided in the regulations made by the works committee in its first meeting)
- In every meeting, the secretary needs to report to representatives about the work done by the works committee in the meeting (procedural requirement)
- The employer is required to submit biannual returns on the works committee (form G-1) in triplicate to the Assistant Labour Commissioner (Central) with information including the date of constitution of the works committee, number of elected workers' representatives, the number of nominated employer's representatives, the number of meetings held during the half-year, with details about the date and time, and any difficulties encountered in case the works committee is not functioning.

# 4. Grievance redressal committee

As the works committee is only required in establishments that employ 100 or more workers, the Industrial Disputes Act was amended in 2010 to include a 'Grievance Redressal Machinery' for smaller units (refer to section 9C). The amendment applies to establishments employing between 20 and 100 workers. For factories employing more than 100 workers, it is sufficient to establish a works committee if a clear grievance mechanism is provided. It needs to be clearly written in the constitution/regulations of the works committee that a) workers can raise their grievances and make complaints through any member of the works committee and b) the works committee may discuss and try to resolve the grievances raised by the workers following a formal procedure and if necessary, may constitute grievance committees for redressal of specific grievances raised by workers from time to time.

#### STRUCTURE AND PROCESS OF SETTING UP

- Every industrial establishment employing twenty or more workers needs to set up one or more grievance redressal committee(s) for the resolution of disputes arising from individual grievances. This means that there may be more than one grievance committee to ensure easy access to workers. For example, if there is more than one production floor, or more than one production facility, then more than one committee needs to be set up. Moreover, if there is a significant number of women workers, then there can be a separate grievance committee for women workers.
- The committee(s) shall consist of an equal number of representatives of workers and of the employer
- The chairperson of the committee(s) shall be from either the workers' representatives or the employer's representatives, with this alternating annually
- The total number of members of the committee shall not exceed six e) If the committee has only two members, one should be female. In the case of more than two members, the number of women members should increase proportionately.

#### **FUNCTIONING**

- After receiving the complaint/grievance, the committee may take up the issue itself or it may form a specific committee for resolving the grievance. The committee assigned to this task should complete its proceedings within thirty days of receipt of a written application by or on behalf of the aggrieved party.
- All the proceedings of the grievance redressal process and all evidence needs to be recorded by the chairman of the committee
- The principle of natural justice needs to be followed and all the parties involved in the dispute/grievance need be given enough opportunity to be heard and to present their positions and arguments
- If the worker is not satisfied with the committee's decision, he/she may file an appeal to the employer against the decision of the committee. Within one month from the date of receipt of an appeal, the employer shall dispose of the same and send a copy of his/her decision to the worker concerned.
- The setting up of a grievance redressal committee shall not affect the right of the worker to raise an industrial dispute on the same matter under the provisions of the Industrial Dispute Act. This means that even if the issues the workers are under discussion in the grievance redressal committee, the workers can still approach the labour department/court to raise an industrial dispute on that issue. The effectiveness of the grievance redressal committee may depend on its reliability for workers and the extent to which it is able to win the confidence of workers in its process of resolving disputes.

# 5. Safety Committee

#### **OBJECTIVE AND OVERVIEW**

Section 41G of the Factories Act 1948 requires that in every factory where a hazardous process takes place or where hazardous substances are used/handled, the principal employer shall set up a 'safety committee'. This should consist of an equal number of representatives of workers and management to promote cooperation between the workers and the management in maintaining proper safety, health at work and in periodically reviewing measures taken in that regard.

The rest of its aspects are detailed in factory rules framed by state governments. Provisions outlined in state-specific factory rules are similar and are as follows:

A safety committee needs to be established in:

- All units employing 250 or more workers
- Units covered under Section 87 of the Factories Act and employing more than 50 workers
- Units covered under Section 2(cb) of the Factories Act and employing more than 50 workers

#### AREAS OF INTERVENTION

Assisting and cooperating with management to achieve the aims of the company's health and safety policy

- Dealing with problems related to health, safety and environment to arrive at practical solutions
- Creating safety awareness amongst workers
- Undertaking educational training and promotional activities
- Discussing reports on safety, environmental and occupational health surveys, safety audits, risk assessment, emergency and disaster management plans and implementation of recommendations made in the report;
- Carrying out health and safety surveys and identifying causes of accidents;
- Considering any complaint in terms of the likelihood of imminent danger to the safety and health of workers and suggesting corrective measures
- Reviewing the implementation of the recommendations made by them

#### STRUCTURE AND PROCESS OF FORMATION

- There needs to be an equal number of representatives of workers and management
- The workers' representatives of this committee shall be elected by the workers
- A senior official of the company shall be the chairman of committee
- The company safety officer shall be the secretary of the committee
- The medical officer, if applicable, shall be a member of the committee
- There needs to be one management representative each from the production, maintenance and purchase departments
- The tenure of the committee shall be two years (three years in Tamil Nadu).

#### **FUNCTIONING OF THE COMMITTEE**

- The safety committee shall meet as often as necessary but at least once every quarter.
- The minutes of the meeting shall be recorded and produced to the inspector on demand. A copy thereof shall be sent to the factory inspector of the region concerned.
- The safety committee shall have the right to be adequately and suitably informed of:
  - Potential workplace safety and health hazards to which the workers may be exposed
  - Date of accidents as well as the date resulting from surveillance of the working environment and of the health of workers exposed to hazardous substances so far as the factory is concerned

[Source: Section 67B of the Punjab Factory Rules 1952 (applicable in Haryana as well), section 62B of Uttar Pradesh Factory Rules 1950, Section 88C of Karnataka Factory Rules 1969, 61M of the Tamil Nadu Factories Rules 1950]

# 6. Managing committee (canteen)

Section 46 (2D) of the Factories Act, 1948 and section 93 of the Model Rules under the Factories Act, 1948 require provision of canteen/s in factories ordinarily employing more than 250 workers. The Act and Rules also direct the constitution of a managing committee for the canteens in such factories. However, if the canteen is managed by a cooperative society registered under the Cooperative Societies Act, it may not be necessary to appoint a canteen managing committee.

#### STRUCTURE AND PROCESS OF FORMATION

- The 'canteen managing committee' shall consist of an equal number of representatives of workers and the employer
- The occupier/principal employer will nominate the employer's representatives
- Workers will elect their own representatives
- The number of workers representatives may be decided in such a way that there is at least one representative for every 1000 workers
- The number of workers representatives shall not be less than two or more than five
- The manager of the company shall determine and supervise the procedure for elections to the canteen managing committee
- The canteen managing committee shall be dissolved by the manager two years after the last election, not taking a by-election into account

#### **FUNCTIONS OF THE COMMITTEE**

The committee shall be consulted on:

- The quality and quantity of food to be served in the canteen
- The arrangements of the menus
- The timing of meals in the canteen
- Any other matter as may be directed by the committee

Worker-management dialogue in Indian legislation — a guidance document (June 2018)

No meeting frequency is specified in the Acts and Rules but Fair Wear recommends the committee to meet at least every quarter.

# 7. Internal committee and local complaint committees

#### **OBJECTIVE AND OVERVIEW**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 mandates the setup of an Internal Committee (IC) at any workplace that employs more than 10 workers, regardless of their gender. The provisions under law are consistent with legally-binding guidelines created in the landmark judgment of the Supreme Court in Vishaka vs. State of Rajasthan (1997).

Fair Wear provides training to suppliers of member companies on gender-based violence prevention under its <a href="Workplace Education Programme">Workplace Education Programme</a>. This includes guidance on establishing an IC and regular follow-up by one of Fair Wear's local partners. Please contact your Fair Wear member brand or Fair Wear contact person if you are interested in the training. You can read more about the anti-harassment programme <a href="here">here</a>.

You can also refer to this guidance by the Government of India, Ministry of Women and Child Development: <u>Handbook on Sexual Harassment of Women at Workplace (2015)</u>

#### **STRUCTURE**

- If the employer has multiple administrative units and offices, the internal committee(s) need(s) to be established in every administrative unit/office
- Employee: The Act clearly defines the term 'employee' as: 'a person employed at a workplace for any work on a regular, temporary, ad hoc or daily wage basis, either directly or through an agent, including a contractor, with or without the knowledge of the principal employer,

- whether for remuneration or not, or working on a voluntary basis or otherwise, whether the terms of employment are express or implied and includes a co-worker, contract workers, a probationer, trainee, apprentice or called by any other such name.'
- Employer: The Act also clearly defines the term 'employer' to include (in private enterprises), 'any person responsible for the management, supervision and control of the workplace' and the 'person discharging contractual obligations with respect to his/her employees'. Therefore, owners, directors, managers including HR managers, line supervisors, and contractors etc. may be considered employers under the Act, and they cannot be the members of IC.
- Tenure of members: The law defines the tenure of the members to be three years
- The office bearers of the IC
  - Presiding officer: a senior women employee must be the presiding officer of the committee. She may be selected from amongst the employees. If there is no woman employee at a senior level, then a senior employee working at any other office/unit of the same employer may be nominated as presiding officer.
  - Members: The Act mandates that there must be at least two other members in the committee (women not less than 50%) from amongst the employees. The number of members can be increased for larger units.
  - External Member: The law requires one external member in the committee and he/she must be either from NGOs or Associations committed to the cause of women or a person familiar with the issues relating to sexual harassment. The external member may be: a) a social worker with at least five years of experience in the field of social work on the empowerment of women, and in particular sexual harassment at the workplace, or b) a person familiar with labour, service, civil or criminal law. Fair Wear recommends that this person should be independent from management, e.g. not a general consultant that conducts HR work for the factory.

#### **SELECTION PROCESS OF COMMITTEE MEMBERS**

The Act provides that the members of the IC shall be nominated by the employer and must comprise 50 percent women. IC members will hold their position for a maximum of three years from the date of their nomination or appointment.

However, it flows from the spirit of the Act that the workers (especially the women workers) must have full confidence in the IC members selected. Therefore, the opinion of workers and especially of women workers is most important in selecting the members.

Deriving from this, Fair Wear recommends a democratic election process to constitute an IC by a) inviting nominations from each constituency of workers, b) introducing a secret ballot to ensure the fair selection of IC members; c) While the Act recommends a minimum of four members in the IC, Fair Wear recommends the election of at least six members.

Preference may be given to those who are committed to the cause of women, who have some experience in social work and some knowledge of laws. If employees lack these qualities, they need to be provided with a basic orientation on gender issues and related laws starting work as committee members.

#### **FUNCTIONING OF THE IC**

The role of the Internal Committees was largely focused on complaint resolution. However, after a 2016 amendment to the 2013 Act, the mandate of the Internal Committee now includes prevention and prohibition. To ensure that all workers and managers are aware of the committee, its members, its procedures and the definition of sexual harassment, management and the IC should organise regular training and awareness-raising activities for all workers.

The grievance redressal functions of the IC are mentioned below:

- Receiving complaints from aggrieved workers: Complaints can be filed in writing and within three months of the incident/last incident. The committee members may aid the complainant in filing the written complaint. The committee will acknowledge the receipt of complaint.
- Keeping the identity of the complainant confidential throughout the process
- Providing a copy of the complaint to the respondent and giving an opportunity to submit a written response to the issues raised in the complaint
- The committee, before initiating an inquiry, may suggest that the complainant take steps to settle the matter between him/her and respondent through conciliation (but not a monetary settlement). If any such settlement occurs, the committee may record it and forward it to the employer, and also provide a copy to the aggrieved women

- If no settlement occurs by way of conciliation between the complainant and the respondent then the committee shall initiate an inquiry, and for conducting this it has the same powers as vested with the civil court in respect of: a) summoning and enforcing the attendance of any person and examining him/her on oath; b) requiring the discovery and production of documents; and c) any other matter which may be prescribed
- The inquiry needs to be completed within 90 days
- During the pendency of inquiry, on request of aggrieved women, the committee may recommend the employer to: a) transfer the complainant to any other workplace, b) grant the complainant up to three months of leave; c) grant him/her any other relief
- Upon completion of the inquiry, the committee shall submit the report of its findings to the employer within 10 days, and this report may also be made available to concerned parties
- If the committee recommends actions according to its findings, the employer is required to take action within 60 days
- The committee is also required to prepare an annual report for the employer providing information such as the number of complaints received, number of complaints handled, number of cases pending for more than 90 days, number of workshops/awareness programs organised, and the nature of action taken by employer
- No meeting frequency is specified in the Act but Fair Wear recommends the committee meet at least once every two months.

### LOCAL COMMITTEE (LC)

This committee needs to be formed by the district officer to receive complaints from:

- Women working in an establishment having less than 10 workers;
- Any workplace/establishment if the complaint is against the employer himself;
- Domestic workers

This means that the local committee (LC) also has a significance for those units where an internal committee (IC) has already been formed. Hence along with office bearers of the IC, the full contact details of relevant contact persons in the LC also needs to be displayed on the notice board of all factories and other establishments.

# 8. Integrating various committees

As outlined in the document, the works committee may also receive complaints/grievances/concerns (except sexual harassment cases) from other implementing committees. It can also review the works of various committees to understand problems of implementation or problems in the functioning of the committees and suggest measures for improvements.

Based on this, an integrated process for setting up the committees could be beneficial.

This may be organised as follows:

- Department/section-based election of workers representatives, ensuring:
  - Representation of all categories of workers as much as possible (for example: layer men, cutters, stitchers, pressmen, thread cutters, washers, cleaning workers etc.)
  - Representation of women workers wherever they are engaged
  - Proportionate representation of workers in a particular section and overall: for example, more women representatives may be elected in departments where they form the majority, and more representatives from stitching workers may be elected in the stitching section where they form the majority.

**Example:** If there are 500 workers and if there are following categories of workers. If they are distributed in different floors then this exercise may be done based on the floor. This presents a roughly proportionate representation, considering one representative for each category with up to 25 workers, and then one additional representative for each additional 25 workers. You may estimate taking 30 or 40 in place of 25, if the number of representatives needs to be reduced.

Category of workers	Strength of workers		No. of representatives		Total
				representatives	
	М	F	M	F	
Sample maker	18	2	1	1	2
Layer man	10	0	1	0	1
Cutting	50	0	2	0	2
Stitching	100	175	4	6	10
Thread cutting	0	50	0	2	2
Pressman	15	5	1	1	2
Helpers	20	10	1	1	2
Washing/printing	20	5	1	1	2
Embroidery	10	5	1	1	2
Cleaning	3	2	0	1	1
Total 500	246	254	12	14	26

- After the election of representatives in above manner, a meeting may be organised that includes all elected workers representatives. This group may then amongst themselves select the members and office bearers for representing workers in various committees.
- While selecting the representatives for the committees, they may keep in mind that: i
  - Major categories of workers are represented in each of the committees
  - Women are represented in each of the committees
  - Those with a better understanding of policies and issues and better reading/writing skills are represented in each of the committee
  - At least one representative from each of implementing committees (safety and canteen) as well as the IC may also be included in the works committee

Worker-management dialogue in Indian legislation — a guidance document (June 2018)

The representatives selected for the post of vice chairman and secretary need to be the best among them in terms of their understanding of laws and policies and articulation of issues, and in terms of his skills of handling a conciliation process, and behavioural and communication skills

# 9. Limitations of committees

Indian legislation related to worker participation in management through committees is focused on and limited to:

- implementing existing policies and various provisions of law applicable to particular units and
- resolving the problems that arise through implementation and resolving the grievances of workers arising due to non-implementation.

This focus does not cover the arena of collective bargaining, which may raise demands that go beyond the minimum level guaranteed by various provisions in labour laws and existing policies.

Hence, Fair Wear does not consider worker-management committees to be a sufficient substitute for workers committees or trade unions. Member brands and their suppliers are encouraged to create an enabling environment that ensures freedom of association and collective bargaining for workers.

For example, if workers at a factory have elected representatives for the legally required committees, these workers could form a workers' forum or workers' committee to collectively discuss their concerns, problems and issues. Any such forum/committee may be empowered to raise demands for collective bargaining, under the Trade Union Act. Therefore, in workplaces where trade unions do not exist, this process provides an opportunity to provide space for workers for collective bargaining.

Several other factors prevalent in the garment industry and/or similar industries might also impact the functionality of committees. Fair Wear recommends suppliers to actively address these points when forming/electing a committee:

Limited literacy of workers. At least one employee committee member should be able to write basic meeting minutes so that employee input is fully reflected. Fair Wear does not recommend HR management (or other management representatives) to take committee minutes.

Worker-management dialogue in Indian legislation — a guidance document (June 2018)

- Limited awareness of rights/relevant laws/purpose of committees among employees.
  Management is encouraged to provide training, both as part of worker induction and ongoing training.
- High worker turnover. Management should check regularly whether re-trainings or reelections (when committee members have left the factory) are needed.
- Risk of excluding contract/fixed-term/migrant workers. Workers that do not have a permanent/long-term affiliation with the factory or who speak a different language and/or have a different cultural background than most workers are often at the risk of being excluded from committees. Fair Wear recommends suppliers to make active efforts to ensure these workers are represented as well and can voice their concerns and grievances.
- If a committee is unable to solve an individual grievance, workers employed at factories suppling a Fair Wear member are free to make use of Fair Wear's complaint procedure.