

Quadrant II – Notes

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Module Name: Theories of Labour Welfare

Module No: 2

Theories of Labour Welfare

The concept of labour welfare had originated to eliminate the sufferings of the workers and their families too. So, it is said that the theories of labour welfare reflect the evolution of the entire concept of welfare. It is said that earlier the Government had to interfere in the matters of industrial organizations to provide basic welfare facilities for example, may be housing, canteens, medical facilities, good working facilities etc. and it was necessary as exploitation of workers was done at a high level. The Workers were treated in an unfair manner. But, with the passage of time certain industrial managements started providing these welfare facilities voluntarily. Hence, this basic description leads us to the seven theories of labour welfare which are:

1. The Police Theory
2. The Religious Theory
3. Philanthropic Theory
4. Trusteeship Theory
5. The Placating Theory
6. Public Relations Theory
7. The Functional Theory

Police Theory means that without the fear of punishment, periodical supervision etc. no employer will provide the welfare facilities. So, the welfare state or the police has to interfere in the process of welfare provision. In India this type of theory or practice is considered to be important as majority of the workers are illiterate and hence certain interference by the government or any concerned authority becomes essential for the interest of the working population.

The Religious Theory is based on the concept of man being a religious animal and hence all the welfare activities are provided in the form of voluntary acts by the employer and sometimes it is even more than what is required by the law.

Philanthropic Theory revolves around man's love for mankind and hence welfare activities are undertaken as a form of compassion by the employers towards their fellowmen i.e. workers. This should be done regularly by the employers otherwise the very essence of it is destroyed.

Trusteeship Theory is also called as Paternalistic theory of labour welfare. According to this the industrial estate and the profits derived are used by the employer for himself and also for the welfare of the workers. Welfare facilities should be provided out of the funds under the control of the employer.

The Placating Theory says that periodical act of welfare can reduce the militant behaviour and outrage of the workers. Friendly gesture pleases the workers.

Public Relations Theory focusses on providing welfare facilities to workers and also on building good public relations. So, there is an atmosphere of goodwill between the management and labour and between the management and the public. An advertisement of the labour welfare facilities becomes a factor leading to greater sales and hence good relations are built with the workers and also the public.

The Functional Theory aims at increasing the efficiency and productivity of the workers. All things are related to one another, i.e. welfare facilities will lead to greater productivity, this will further lead to more profits of the industry and the workers in return might get better wages. Identical view is very important in this theory.

Also, in India the entire industrial system is diverse and till today some industries require police control. Also, the workers expect too much from the employers and hence, the employers have to provide welfare facilities half-heartedly. It is said that in India, the Trusteeship Theory can be useful but in the long run perspective Functional Theory serves the purpose of labour welfare.