



RAMA UNIVERSITY

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FACULTY OF COMMERCE & MANAGEMENT

COURSE: MBA 3rd SEMESTER

SUBJECT: LABOUR LEGISLATIONS

SUBJECT CODE: MBAHR01

LECTURE: 21

NAME OF FACULTY: DR. H. L. BHASKAR

Lecture-21



Social Security Legislations: Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; The Workmen's Compensation Act, 1923; The Employee State Insurance Act, 1948; Employees' Provident Fund and Miscellaneous Provisions Act, 1952; Maternity Benefit Act, 1961

The Workmen's Compensation Act, 1923 or Employee's Compensation Act, 1923 - (Amendment) Act, 2017

The Act applies to any person who is employed otherwise than in a clerical capacity, in railways factories, mines, plantations, mechanically propelled vehicles, loading and unloading work on a ship, construction, maintenance and repairs of roads and bridges, electricity generation, cinemas, catching or trading of wild elephants, circus, and other hazardous occupations and other employment specified in Schedule II to the Act, Under Section 2(3) of the Act, the State Governments are empowered to extend the scope of the Act to any class of persons whose occupations are considered hazardous after giving three months' notice in the official gazette. The Act, however, does not apply to members serving in the Armed Forces of Indian Union, and employees covered under the provisions of the Employees' State Insurance Act 1988 as disablement and dependents' benefit is available under this Act.

Definition [Sec 2(1)]

(d) "Dependent" means any of the following relatives of a deceased (dead) workman, namely :-

- (i) a widow, a minor legitimate or adopted son, and unmarried legitimate or adopted daughter, or a widowed mother; and
- (ii) if wholly dependent on the earnings of the workman at the time of his death, a son or a daughter who has attained the age of 18 years and who is infirm;
- (iii) if wholly or in part dependent on the earnings of the workman at the time of his death,
 - (a) a widower,
 - (b) a parent other than a widowed mother,
 - (c) a minor illegitimate son, an unmarried illegitimate daughter or a daughter legitimate or illegitimate or adopted if married and a minor or if widowed and a minor,
 - (d) a minor brother or an unmarried sister or a widowed sister if a minor,
 - (e) a widowed daughter-in-law,
 - (f) a minor child of a pre-deceased son,
 - (g) a minor child of a pre-deceased daughter where no parent of the child is alive, or
 - (h) a paternal grandparent if no parent of the workman is alive.

‘(dd) “employee” means a person, who is—
(i) a railway servant as defined in clause (34) of section 2 of the Railways Act, 1989, not permanently employed in any administrative district or sub-divisional office of a railway and not employed in any such capacity as is specified in Schedule II; or

(ii) (a) a master, seaman or other member of the crew of a ship,
(b) a captain or other member of the crew of an aircraft,
(c) a person recruited as driver, helper, mechanic, cleaner or in any other capacity in connection with a motor vehicle,
(d) a person recruited for work abroad by a company,
and who is employed outside India in any such capacity as is specified in Schedule II and the ship, aircraft or motor vehicle, or company, as the case may be, is registered in India;
or

(iii) employed in any such capacity as is specified in Schedule II, whether the contract of employment was made before or after the passing of this Act and whether such contract is expressed or implied, oral or in writing; but does not include any person working in the capacity of a member of the Armed Forces of the Union; and any reference to any employee who has been injured shall, where the employee is dead, include a reference to his dependents or any of them;

(f) "managing agent" means any person appointed or acting as the representative of another person for the purpose of carrying on such other person's trade or business, but does not include an individual manager subordinate to an employer;

(ff) "minor" means a person who has not attained the age of 18 years;

(g) "partial disablement" means, where the disablement is of a temporary nature, such disablement as reduces the earning capacity of a workman in any employment in which he was engaged at the time of the accident resulting in the disablement, and, where the disablement is of a permanent nature, such disablement as reduces his earning capacity in every employment which he was capable of undertaking at that time:

*Ram, who worked in a printing business, got his fingers cut off by accident. This is “**Partial Disablement**” as it reduces his capacity to work in any such employment of similar nature.*

Every injury specified in Part II of Schedule I shall be deemed to result in **permanent partial disablement**.

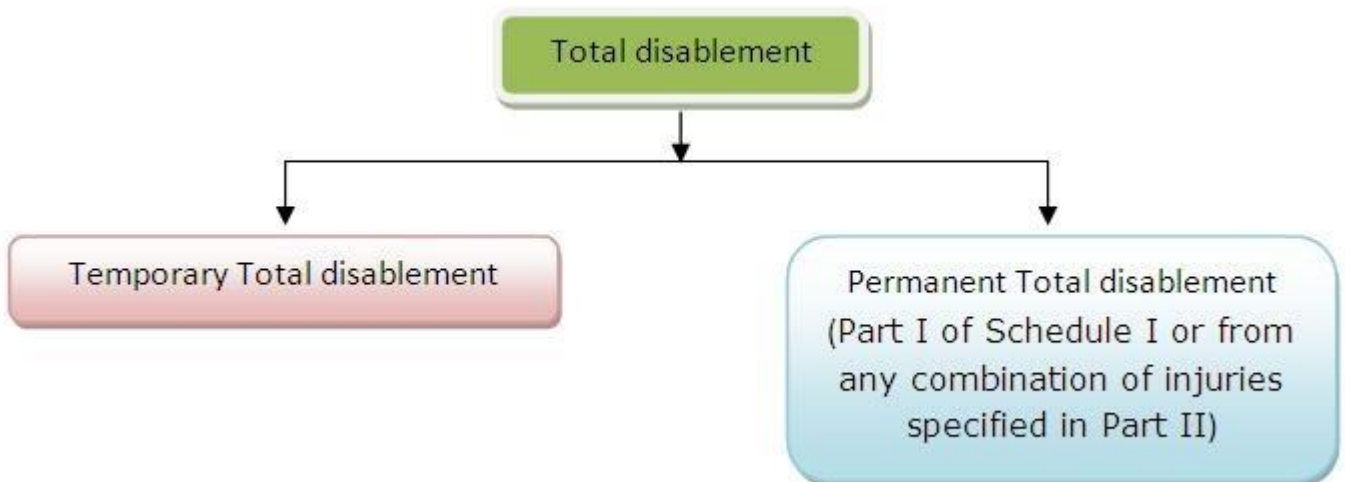
(l) "total disablement" means such disablement, whether of a temporary or permanent nature, as incapacitates a workman for all work which he was capable of performing at the time of the accident resulting in such disablement :

Permanent total disablement shall be deemed to result from every injury specified in **Part I of Schedule I**, mentioned below

or

from any combination of injuries specified in Part II thereof where the aggregate percentage of the loss of earning capacity, as specified in the said Part II against those injuries, amounts to 100% or more;

As Sham can no longer work as a coolie or do any work of a similar nature because he lost his leg in an accident, he can be considered 100% disabled under this law.



Chapter II

Employee's Compensation

EMPLOYER'S LIABILITY FOR COMPENSATION. [Sec 3]

(1) If personal injury is caused to a employee by accident arising out of and in the course of his employment, his employer shall be liable to pay compensation in accordance with the provisions of this Chapter:

Employer shall not be liable to pay compensation in the following situations [Sec 3 (1)]

(a) Any injury which does not result in the total or partial disablement of the workman for a period exceeding 3 days, employer is not liable to pay the compensation.

(b) Accidents caused due to,

(i) the workman having been at the time thereof under the influence of drink or drugs, (alcohol) or

(ii) the willful disobedience of the workman to an order expressly given, or to a rule expressly framed, for the purpose of securing the safety of employees, or

(iii) the willful removal or disregard by the workman of any safety guard or other device which he knew to have been provided for the purpose of securing the safety of employees,

Occupational Diseases. [Sec 3]

An **occupational disease** is any chronic ailment that occurs as a result of work or occupational activity. It is an aspect of occupational safety and health. An occupational disease is typically identified when it is shown that it is more prevalent in a given body of workers than in the general population, or in other worker populations.

[Sec 3 (2)]

If any injury or disease is caused which is specified in Part A, B and C of Schedule III, it shall be deemed to have been an occupational disease or injury “arising out of and in the course of employment” enabling the employee to claim compensation.

Thus the Schedule III is divided in Part A, B & C in the following manner:—

If a employee **employed in any employment specified in Part A of Schedule III contracts any disease specified therein** it shall be presumed that such disease is “occupational disease” peculiar to that employment. **For this no length of service is prescribed.**

If a employee is **employed in any employment specified in Part B of Schedule III for a period of 6 months** and attracts any disease specified therein, it shall be presumed that **such disease is “occupational disease”** peculiar to that employment.

If a employee is **employed in any employment specified in Part C of Schedule III for a period as is prescribed by the Central Govt, attracts any disease specified therein as occupational disease**, it shall be deemed to be an injury peculiar to that employment.

Those provision can be presented in the following table.

Occupational Diseases or Injuries could be arisen out of and in the course of employment

Schedule III read-with Section 3

<i>Name of Diseases</i>	<i>Length of the Service required</i>
1. As specified in Part A service prescribed	No specific period of
2. As specified in Part B	6 months service required
3. As specified in Part C specified by the Central Govt.	Period of Service as

The reason behind above conditions are, current employer shouldn't be blamed for the occupational disease caused to an employee by the previous employment. There should be certain service time gap to decide whether current employer or previous employer is liable for the occupation disease caused to an employee.

Diseases which are specified in part A,B.& C of the Schedule III, need not to be proved that they are 'occupational diseases' as they are already declared by schedule III. In respect of any disease not covered by schedule III, it is must for an employee to prove that such a disease was contracted in the course of employment.