

The Hindustan Steel Limited

Vs

The Presiding Officer, Industrial Tribunal and State of Orissa

Civil Appeal No. 1969 of 1969

(V. R. Krishna Iyer, K. K. Mathew , A. C. Gupta JJ)

04.04.1975

JUDGMENT

GUPTA, J. -

1. The only question we are called upon to answer in this appeal by special leave is, whether 24 bus drivers of the Hindustan Steel Limited at their Rourkela Settle Plant should be admitted to the benefit of a production incentive scheme. The question arises in this way. In 1961 the Hindustan Steel Limited introduced a production bonus scheme in all their three plants at Bhilai, Durgapur and Rourkela which covered approximately 9000 workers out of a total strength of 23000. This was a scheme for three years. On the expiry of this scheme, a new scheme called the Production Incentive Scheme was introduced in the Rourkela Steel Plant which was made effective from August 1, 1964. The new scheme included a number of additional categories of workmen. The vehicle drivers employed at the Rourkela Steel Plant had been excluded from the benefit of the 1961 scheme. When the scheme of 1964 also was not extended to them, they raised a dispute which was referred by the Labour Department of the Government of Orissa by its Order dated January 22, 1964 to the Industrial Tribunal for adjudication. The question referred was :

Whether the vehicle drivers of the Hindustan Steel Limited, Rourkela, are entitled to production bonus ? If so, at what rate ?

2. It appears that in their written statement filed before the tribunal on September 14, 1964 the management of Hindustan Steel Limited agreed to extend the production incentive scheme to the truck drivers who operated inside the plant carrying materials and stores but not to the drivers of other kinds of vehicles. The tribunal in its award came to the conclusion that all the vehicle drivers of Hindustan Steel Limited, Rourkela, should be admitted to the benefit of the Production Incentive Scheme. The scheme classified the workers into various groups, two of such groups being the service group and the general group. The tribunal held that the drivers should be brought "either under the service group or general group as decided by the management in view of the nature of services rendered by them.". The Hindustan Steel Limited, Rourkela sought to quash the award by a writ petition made before the Orissa High Court. This writ petition was ultimately dismissed by the High Court, and the appellant, Hindustan Steel Limited, question the propriety of that order in this appeal.

3. At the hearing of this appeal we were told that now the management have extended the scheme to cover all vehicle drivers except the 24 bus drivers whose duty is to carry the workers from their homes to the plant. According to the appellant the bus drivers are not entitled to the benefit of the production incentive scheme as they do not directly contribute to the production. This was also the

argument before the tribunal and the High Court. The contention is that the scheme being a production incentive scheme, workers like bus drivers who are not directly connected with the production, cannot be admitted to the benefit of the scheme. To this the reply on behalf of the Union, respondent No. 3, is that the bus drivers who carry the workers from their homes to the plant also contribute to the production. In support of this contention reliance was placed on M/s. Burn and Company Limited v. Employees ((1960) 3 SCR 423 : AIR 1960 SC 896 : (1960) 2 Lab LJ 261.) where this Court overruling a contention similar to the one raised here on behalf of the appellant observed in respect of the clerical staff and the subordinate staff :

It is also true that the clerical staff and the subordinate staff do not directly produce goods like manual workers and that may be a reason for treating them somewhat differently in the matter of incentive bonus and that is what the Tribunal seems to have doneBut there can be no doubt that economically speaking the clerical staff and the subordinate staff also take part in the production and there is no reason therefore for excluding them altogether from the scheme of incentive bonus.

It appears to us that in this case the question does not arise in that simple and detached form - whether the bus drivers doing the job stated above contribute to the production. The scheme is of course called a production incentive scheme. We find that the benefit of the scheme has been extended to the Sewage Treatment Plant workers, workers of the Scrap and Salvage Department, Time Keepers and Time Checkers and such other categories of workers with regard to whom it is not quite clear in what sense they are said to contribute to the production. If increase in the workload of any class of workmen as a result of increased production consequent on the introduction of the scheme is the test to find out whether they contribute to the production, the tribunal has found that the workload of the vehicle drivers has increased and that of the Sewage Treatment Plant workers had not. The Sewage Treatment Plant workers have however been given the benefit of the scheme and not the bus drivers. The tribunal has further found that the management transfers the drivers according to necessity from township to plant and vice versa and from one department to another. A person who is driving a bus today may be taken to the plant as a truck driver. Even a driver of a heavy vehicle can be asked to drive a light vehicle for some time.

That being so, it is difficult to see how these 24 workers can be denied the benefit of the scheme on the ground that they are bus drivers when at any time they may have to work as truck drivers to whom the scheme has been extended.

4. Another grievance made on behalf of the appellant is that the tribunal should not have directed the management to bring the drivers under the service group or the general group without the aid of expert opinion as to whether they could be included within any of the classifications already made in the scheme or they should be treated altogether as a new group. But it appears that the management had agreed to include the truck drivers in the service group and the drivers' job is transferable in the sense that a bus driver may also be asked to drive a truck. We therefore find nothing wrong in the order of the tribunal leaving it to the management to decide in which of the said two groups the vehicle drivers should be included.

5. In these circumstances, we agree with the tribunal that "to avoid industrial unrest and further dispute, it is essential that all the drivers of motor vehicles should be admitted to the benefit of the new scheme" and we do not find any error in the decision of the High Court refusing to quash the award. The appeal is accordingly dismissed with costs to respondent No. 3.

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