

## CONTRACT LABOUR VS REGULAR EMPLOYEES A COMPARATIVE STUDY IN EDUCATIONAL SECTOR

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### ABSTRACT

Filling and keeping filled the positions of an organization is the crucial function of any Human Resource manager. The right person at the right place at right time at right cost will enhance the success of both the employer and employee. But today the organization's objective is to cut the costs incurred in employee salary and at the same time they want to get the things done thorough other skilled persons for less cost. On one hand the 7th Central Pay Commission (CPC) has submitted its final report to finance ministry on November 20 which is recommend an average hike of 15%. And on the other over 40% of faculty positions are left vacant in various universities, colleges and other educational institutions due to lack of sufficient financial resources so they want to hire the contract labour to fill the positions. But this outsourcing process may not yield good output always and is not a remedial measure for emerging economy like India which is good at potential skills. Hence the present paper portrays the advantages of contract labour Vs regular employees with special reference to the Educational sector.

**KEYWORDS:** Contract Labour, Regular Employees, Human Resource Management, Educational Institutions, Exploitation

### INTRODUCTION

When you take the grain out, you cannot close the mouth of a bull "and," The workers are entitled to their wages (1Timothy 5:18 English Standard Version (ESV). For the work that is done, its wages are not counted as gifts, (Romans 4:4 ESV). We know Practice is better than precept. The 7th pay commission has suggested a minimum salary of Rs 18,000 per month and a maximum of Rs 2.25 lakh a month for apex scale is really the Bonanza for central government employees (Pandey, 2015). Whereas the pay rules for the contract lecturers are truly disgusting. Here an attempt has made to discuss the various advantages of contract labour Vs regular employees with special reference to the Educational sector focusing on present contract law in practice and procedure in engaging contract labour in the organized education sector.

### LITERATURE REVIEW

A 'contract labour' can be distinguished from 'direct labour', in which the employment relationship with the principal establishment and the method of payment of wages are included. A workman is deemed to be a contract labour when he/she is hired in connection with the work or "contract for service" of an establishment by or through a contractor. (AIOE, 2013, p. 02)

According to report by All India Organization of Employers (AIOE), New Delhi, the contract labours in India would definitely give a clear picture of how the system of employing contract labour came into being. Contract labour has its root from time immemorial, but the size of contract labour in India has significantly expanded in the post-independence period with the expansion of construction activity following substantial investment in the Plans. (AIOE, 2013, p. 03)

It is all about us, all about how we manage the contract workers today, giving them their due dues. There is no best method, but obviously the industry associations have to sit and reconsider that equation. Where a contract labour is not given a decent salary, they will have to pay. It is not possible to bring them to the level of regular employees because the skills are different; the work that has been done is different (Dubey, 2012)

A Report by National Commission on Labour 1969 Contracts was considered as an exploitation section of labour, class mainly due to lack of organization on their part. For this reason, the Whitley Commission (1860) recommended the abolition of contract labour. Prior to 1860, in addition to many losses of contract labour, Workmen Brock of the Contract Act 189 worked to keep them responsible in the event of violation of contractual service

In Canada All contract employees are protected under the social security net through a provincial workers' compensation scheme and provincial or private health insurance by making a contribution in the Employment Insurance and the Canada Pension Plan. (AIOE, 2013, p. 10)

In the USA, the staffing industry plays a major role in recruiting temporary workers. The workers may be hired directly or through a temporary staffing agency - in which case the worker is on the lease with the staffing company, but not an employee of the client company that uses its services. Temporary workers can be hired to work in different industries, such as clerical, labour, education, information technology and healthcare. (AIOE, 2013, p. 11)

In Bangladesh, for example, globalization is found to reduce the number of employees working under permanent contracts and to create non – traditional employment structures, including part time, casual and contract labour (Khan, 2005).

An Act called the Government Contract Labour (Regulation and Elimination) Act, 1970 was passed. The Act was also passed to provide legislative protection to those workers who had no right to claim that they were entitled to basic amenities, urine, and drinking water facilities, etc. In addition, due to enactment, the contract workers cannot take advantage of labour rights and benefits which were raised by permanent workers under various labourers and industrial provisions. (Tiwari, 2005)

Part-time faculty in community colleges is used for a variety of reasons. Firstly, Faculty saves money to institutional, institutions, within an environment of shrinking financial resources, looking for alternate methods for giving institutions of higher education to expensive services (Avakion, 1995, Monroe and Denman, 1991) Does matter. Faculty in both salary and profit is less expensive than full-time faculty. They are paid one-third of full-time faculty salary, there are limited rights to get up, and rarely promoted in higher paid, more prestigious positions (Twig, 1989).

Second, the use of faculty in community colleges enhances institutional flexibility in matching the demands of separate nominations (Lancard, 1993, McGuieer, 1993). Each agreement is contracted to teach at the beginning of each contract and their contracts should be updated to teach each post after each contract. Therefore, when the matriculation is down, the number of part-time faculty is easily adjusted by not renewing the contracts.

Third, faculty are beneficial because they bring "the real world business experience" in the community college environment (Cline, 1993, p. 26). In other words, they enrich academic preparation for businesses (Palan, 1986)

Fourth, faculty themselves benefit from part-time teaching in community colleges. According to Reid (1985), "Grateful to professionals in areas other than teaching, due to their reputation and fulfilment, they are grateful for being able to teach part-time which connects them to the life of their work" (page 4). In addition, the Assistant sees part-time work as a method to secure a full-time employment (Silver, 1990).

Although recent research shows that the incentives for employment, contract employment are clearly strong, critics argue that on the basis of contract, the majority of the faculties is more than any benefit in the cost of employing. First of all, critics argue that the increasing use of part-time faculty causes full-time faculty losses for full-time positions and extra salary for the course surcharge (Twig, 1989). Some critics claim that the contract faculty itself is suffering as a result of their overuse of instruction distribution. (Munro and Denman, 1991) argue that part-time faculty roles are not clear and as a result, the assistant faculty has an important role of ambiguity.

The third reason for employing a large number of faculties is the worry that the integrity of the two-year college teaching profession is seriously weak. However, there is a lack of consensus on how integrity is weak. Some people argue that this leads to differentiated learning services (Samuel, 1989); Thompson, 1992 research shows that part-timers rely on traditional pedagogy, therefore, they often teach newer Failure to include methods (Degrees and Degrees, 1995) According to the data compiled from the national study of professional development programs for two-year college faculty, degree and full-time faculty use different teaching methods, it is contradictory that part-time, which is involved in professional development activities, Use the methods. Full-timers (Impara, Horner, Claws and Alkins, 1991, Kelly, 1992)

Some research findings have been concluded that the contract faculty are less effective teachers than full-timers (Spangler, 1990). Nevertheless, other studies have concluded that there is almost no difference in the types or quality of the instructions distributed by part- and full-time faculty. For example, the results of the results of investigations of current policies and practices regarding the use of part-time faculty in the California system by the Office of the Chancellors of California Community Colleges, the inconclusive evidence about the difference in the quality of the instructions provided fully. And part-time faculty (California Community College, 1987)

### Present Contract Law in Practice

World-wide globalization is growing at a very fast pace and as a result, beneficial economies are formed, which in turn leads to the promotion of contract labour.

X (name changed) College of Engineering, (Autonomous), has invited applications for Assistant Professor (Contract) positions in PE & PCE Department in the subjects noted in the table. All these positions are *purely temporary* with the consolidated remuneration as noted below.

**Table 1**

S. No	Qualification	Remuneration per Month
1.	M. Tech (Chemical Engineering) with a first class from an IIT/NIT/ a reputed University.	Rs.21,000/-
2.	Ph. D in Chemical Engineering is preferred	Rs.25,000/-

According to the UGC and AICTE the Pay Band for Professor is Rs.37400-67000 AGP Rs.10,000 plus allowances, Associate Professor is Rs.37400-67000 AGP Rs. 9,000 plus allowances and Assistant Professor is Rs.15600-39100 AGP Rs. 6,000 plus allowances. By employing contract lecturers the concerned institute can leverage its financial resources.

### Procedure in Engaging Contract Labour in Organized Education Sector

After getting approval from the head of the institutions Some College Y (name changed) has advertised the following job notification. Name of the Post: Reader, lecturer (Two Posts- on contract basis for a period of one year) one post – Open Category; One post - SC/ST/BC Category. Monthly Consolidated Pay: Rs.24,775/- only.

#### Eligibility Criterion for Reader

In addition to the good academic records related to the doctorate degree or equivalent, in respect of related / related disciplines, candidates who join the outside of the university system will have 55% of the minimum marks or equivalent grade of B grade, which is in the grade O, A, B, C, D, E & Master Degree level, excluding the period spent for obtaining F-research degrees, and five Year experience has contributed to the innovation of education in the areas of scholarship, making some marks in the field of scholarship on the basis of new courses and design of courses. Consolidated Pay: Rs.42,000/- per month

#### Lecturer

Good academic record with a grade of at least 55% marks or 7-digit scale with grade of O, A, B, C, D, E & F at the master degree level in a recognized subject.

In addition to meeting the above qualification, candidates must have Ph.D. For the lecturers organized by the UGC, approved degree / eligibility examination (NET / SLET / APEST) in related subjects, CSIR or a similar test Accredited by the UGC. Consolidated Pay: Rs.32,500/- per month

**Table 2: Pay Band for Contract Labour**

Sl. No.	Positions	Salary	Qualification
1	Professor	Consolidated pay Rs. 15.000 to 32.500	As per UGC & AICTE
2	Associate Professor		
3	Assistant Professor		

**Table 3: Pay Band for Regular Employees**

Sl. No.	Positions	Salary	Qualification
1	Professor	Rs.37400-67000 AGP Rs.10,000 plus allowances	As per UGC & AICTE
2	Associate Professor	Rs.37400-67000 AGP Rs. 9,000 plus allowances	
3	Assistant Professor	Rs.15600-39100 AGP Rs. 6,000 plus allowances	

From the table 2 and 3 it can be understood that the gap is only in the payments and tenure of the employment but not in the contribution of the both the contract and the regular employees.

#### Advantages of Contract Labour Vs Regular Employees

All the literature fits the following advantages of Contract labour Vs Regular Employees.

#### Advantages of Employing Contract Labour

The following are the Advantages of employing contract labour over regular employees

- **Saves Institution Money:** Hence, contract faculties are less costly than regular faculty in both salaries and benefits. They are paid only one-third of the salary of regular faculty saves money for the institution.
- **Institutional Flexibility Increases in Meeting the Demands of Individual Nominations:** Use of contract faculty in community colleges increases institutional flexibility in matching the demands of various nominations. At the beginning of every period, the faculty is contracted to teach and their new contracts should be renewed to teach each new word.
- **They Enrich Academic Preparation for Businesses:** Faculty are profitable because they bring community college "professional experience of the real world".
- **Contract Faculty Themselves Benefit from Teaching Part Time:** professionals in fields other than teaching are appreciative for being able to teach part-time because of the prestige and accomplishment it adds to their work lives. Further, adjuncts see contract work as a means by which to secure permanent employment.

#### **Disadvantages of Employing Contract Labour:**

Despite the advantages, the following are the disadvantages of employing contract labour over regular employees

- **Take Away Full-Time Positions and Demand Extra Pay for Course Overloads:** Although recent research suggests that the incentives for employing contract labour are apparently strong, critics argue that increased use of part-time faculty harms full-time faculty by taking away full-time positions and demand extra pay for course overloads.
- **Contract Faculties Themselves Suffer as a Result of Exploitation of Labour:** as the part-time faculty roles are unclear and that as a result, they paid less, adjunct faculty experience substantial role ambiguity as a result colleges fail to integrate contract faculty into their institutions.
- **Vulnerable Exploitation Causes Disappointment:** contract faculty does not guarantee employment from continuous to duration, no health insurance or other benefits, some incentives or promotion opportunities, and no sound in those decisions those who influence them, these conditions can be frustrating.
- **Undermined Service Experience:** another disadvantage of employing a large number of contract faculties is a worry that the integrity of the two-year college teaching profession is severely undermined.
- **Contract Labour Relies on Traditional Pedagogy:** Therefore, they often fail to incorporate new methods of teaching as they are paid less and are less engaged in professional development activities use the same methods of teaching through out their tenure.
- **Some Contract Faculties are Less Effective Teachers than Regular Faculty:** only those who are less competent prefer contract labour work for low wages are comparatively less effective teachers than the regular faculty.

#### **CONCLUSIONS**

Based on the above discussions it is concluded that, the practice of employing contract faculties in the education sector is inevitable as it saves money for the institutions, yield better results. But it should be short term, so that the

immediate recruitment takes place to fill the vacancies. After some period the same or new personnel should be promoted or recruited respectively, for filling the vacancies on a regular basis so that the employment opportunities, encourages the highly talented toward the teaching profession as they are the king makers for the future of Indian economy.

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