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Semester – 6th, Industrial Relations

Industrial Disputes in India, Meaning, Forms, Causes and Measures to Improve Industrial Relations.

According to Sec. 2 .of the Industrial Dispute Act, 1947, ---

“Industrial dispute means any dispute or difference between employers and employers or between employers and workmen or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person” Industrial disputes are of symptoms of industrial unrest in the same way that boils are symptoms of a disordered body. Whenever an industrial dispute occurs, both management and workers try to pressurize each other. The management may resort to lock-out and the workers may resort to strike, gherao, picketing, etc.

Forms of Disputes -- Industrial disputes may take the form of strikes, go slow tactics, token strike ,pen down strikes, hunger strikes ,bandhs, gheraos,& lock out, general strike ,sympathetic strike.

(1) Strike

Strike is a very powerful weapon used by a trade union to get its demands accepted. It means quitting work by a group of workers for the purpose of bringing pressure on their employer to accept their demands. According to Industrial Disputes Act, 1947, “Strike means a cessation of work by a body of persons employed in any industry

acting in combination, or a concerted refusal or a refusal under a common understanding of any number of persons who are or have been so employed, to continue to work or to accept employment.”

There are many types of strikes. A few of them are discussed below:

(i) Economic Strike:

Under this type of strike, members of the trade union stop work to enforce their economic demands such as wages, bonus, and other conditions of work.

(ii) Sympathetic Strike:

The members of a union collectively stop work to support or express their sympathy with the members of other unions who are on strike in the other undertakings.:

(iii) General Strike:

It means a strike by members of all or most of the unions in a region or an industry. It may be a strike of all the workers in a particular region of industry to force demands common to all the workers. It may also be an extension of the sympathetic strike to express general protest by the workers.

(iv) Sit Down Strike:

When workers do not leave their place of work, but stop work, they are said to be on sit down or stay in strike. It is also known as tools down or pen down strike. The workers remain at their work-place and also keep their control over the work facilities.:

(v) Slow Down Strike:

Employees remain on their jobs under this type of strike. They do not stop work, but restrict the rate of output in an organised manner. They adopt go- slow tactics to put pressure on the employers.

Lock-out:

Lock-out is declared by the employers to put pressure on their workers. It is an act on the part of the employers to close down the place of work until the workers agree to resume the work on the terms and conditions specified by the employers. The Industrial Disputes Act, 1947 has defined lock-out as closing of a place of employment or the suspension of work or the refusal by an employer to continue to employ any number of persons employed by him. Lock-outs are declared to curb the activities of militant workers. Generally, lock-out is declared as a trial of strength between the management and its employees.

Gherao:

It is a Hindi word which means to surround. The term 'Gherao' denotes a collective action initiated by a group of workers under which members of the management of an industrial establishment are prohibited from leaving the business or residential premises by the workers who block their exit through human barricade. A human barricade is created in the form of a ring or a circle at the centre of which the persons concerned virtually remain prisoners of the persons who resort to gherao. Gheraos are quite common in India these days. Gheraos are resorted to not only in industrial organisations, but also

in educational and other institutions. The persons who are gheraoed are not allowed to move nor do any work. Gheraos have been criticised legally and morally. Legally gheraos amount to imposing wrongful restraints on the freedom of some persons to move. That is why, courts have held it as an illegal action. Gheraos tend to inflict physical duress on the persons affected. They also create law and order problem. Morally, to gherao a person to press him to agree to certain demands is unjustified because it amounts to getting consent under duress and pressure. A person who is gheraoed is subjected to humiliation. Moreover, a person who has made a promise under gherao is justified in going back over the word after that. In short, as pointed out by a National Commission on Labour, gherao cannot be treated as a form of industrial protest because it involves physical coercion rather than economic pressure.

Picketing:

When workers are dissuaded from reporting for work by stationing certain men at the factory gates, such a step is known as picketing. If picketing does not involve any violence, it is perfectly legal. It is basically a method of drawing the attention of public towards the fact there is a dispute between the management and the workers.

Causes of Industrial Disputes:

We can classify the causes of industrial disputes into two broad groups:

(i) Economic causes and (ii) Non-economic causes.

Economic causes include:

- (i) Wages,
- (ii) Bonus,
- (iii) Dearness allowance
- (iv) Conditions of work and employment,
- (v) Working hours,
- (vi) Leave and holidays with pay, and
- (vii) Unjust dismissals or retrenchments.

Non-economic causes include:

- (i) Recognition of trade unions,
- (ii) Victimization of workers,
- (iii) Ill-treatment by supervisory staff,
- (iv) Sympathetic strikes,
- (v) Political causes, etc.

The following causes of industrial disputes:

1. Wages and Allowances:

Since the cost of living has generally showed an increasing trend, the workers have been fighting for higher wages to meet the rising cost of living and to increase their standard of living. 34.1% of the industrial disputes in 1973 were due to demand for higher wages and allowances. This percentage was 36.1% in 1974. During 1985, 22.5% of the disputes were due to wages and allowances. Wages and allowances accounted for 25.7% of disputes in 1986, 26.6% in 1992, 25.0% in 1996 and 20.2% in 2000.

2. Personnel and Retrenchment:

Personnel and retrenchment causes have also been important. During 1973, 24.3% of the industrial disputes were because of dismissals, retrenchment, etc. as compared to 29.3% in 1961. In 1979, personnel and retrenchment topped the list of causes of industrial disputes with 29.9%. The number of disputes because of personnel and retrenchment was 32.0% in 1971, 23.1% in 1985 and 19.8% in 1996. In 2000, about 12.1% of the disputes occurred due to dismissals, layoffs, retrenchments, etc.

3. Bonus:

Bonus has been an important factor in the industrial disputes, 10.3% of the industrial disputes in 1973 were because of bonus as compared to 6.9% in 1961. 13.8% and 15.2% of the disputes were due to bonus during 1976 and 1977 respectively. It is worth noting that during 1982

only 4.7% of the disputes were due to bonus as compared to 7.3% in 1985. This percentage was 4.2 in 1992, 3.6 in 1996 and 8.5 in 2000.

4. Indiscipline and Violence:

The number of disputes because of indiscipline and violence among the workers has been significant. During 1987, 15.7% of the disputes were because of indiscipline and violence as compared to only 5.7% in 1973. During 1985, 16.1% of industrial disputes were caused by indiscipline and violence and during 1996, about 21.6% of the industrial disputes arose due to indiscipline and violence in industrial undertaking. This shows that indiscipline and violence have continued to be a serious problem in industry during the past two decades.

5. Leave and Hours of Work:

Leave and hours of work have not been so important causes of industrial disputes. During 1973, 1.5% of the causes were because of leave and hours of work. Their percentage share in the industrial disputes was 2.2% in 1977, 1.8% in 1985, 2.2% in 1996 and 0.9% in 2000.

6. Miscellaneous Causes:

Miscellaneous causes include modernisation of plant and introduction of computers and automatic machinery recognition of union political factors, etc. These factors have caused a significant number of industrial disputes in the country, 24.1% of the industrial disputes in 1973 were due to miscellaneous causes. They accounted for 19.5% of the industrial disputes in 1977, 29.2% in 1985, 27.8% in 1996 and 33.2% in 2000.

Miscellaneous causes of industrial disputes are as follows:

- (a) Workers' resistance to rationalisation, introduction of new machinery and change of place of factory.
- (b) Non-recognition of trade union.
- (c) Rumours spread out by undesirable elements.
- (d) Working conditions and working methods.
- (e) Lack of proper communication.
- (f) Behaviour of supervisors.
- (g) Trade union rivalry etc.

Thus, industrial disputes do not arise only when workers are dissatisfied on economic grounds, they also arise over issues which are of non-economic nature. Instances may be quoted when strikes were successfully organised to protest against the management's decision to change the location of the plant from one state to another. Similarly, even causes like behaviour of supervisor and trade union rivalries may give rise to industrial disputes. The whole concept of industrial relations revolves around the principle of friction dynamics which is the key to the establishment of harmonious relations between labour and management. We cannot think of any society completely oblivious of some sort of friction between labour and management.

Measures to Improve Industrial Relations:

The following measures should be taken to achieve good industrial relations:

1. Progressive Management:

There should be progressive outlook of the management of each industrial enterprise. It should be conscious of its obligations and responsibilities to the owners of the business, the employees, the consumers and the nation. The management must recognise the rights of workers to organise unions to protect their economic and social interests. The management should follow a proactive approach, i.e., it should anticipate problems and take timely steps to minimise these problems. Challenges must be anticipated before they arise otherwise reactive actions will compound them and cause more discontent among the workers.

2. Strong and Stable Union:

A strong and stable union in each industrial enterprise is essential for good industrial relations. The employers can easily ignore a weak union on the plea that it hardly represents the workers. The agreement with such a union will hardly be honoured by a large section of workforce. Therefore, there must be a strong and stable union in every enterprise to represent the majority of workers and negotiate with the management about the terms and conditions of service.

3. Atmosphere of Mutual Trust:

Both management and labour should help in the development of an atmosphere of mutual cooperation, confidence, and respect.

Management should adopt a progressive outlook, and should recognise the right of workers. Similarly, labour unions should persuade their members to work for the common objectives of the organisation. Both the management and the unions should have faith in collective bargaining and other peaceful methods of settling industrial disputes.

4. Mutual Accommodation:

The right of collective bargaining of the trade unions must be recognised by the employers. Collective bargaining is the cornerstone of industrial relations. In any organisation, there must be a great emphasis on mutual accommodation rather than conflict or uncompromising attitude. Conflicting attitude does not lead to amicable labour relations; it may foster union militancy as the union reacts by engaging in pressure tactics. The approach must be of mutual “give and take” rather than the “take or leave”.

5. Sincere Implementation of Agreements:

The management should sincerely implement the settlements reached with the trade unions. The agreement between the management and the unions should be enforced both in letter and spirit.

6. Workers' Participation in Management:

The participation of workers in the management of the industrial unit should be encouraged by making effective use of works committees, joint consultation and other methods. This will improve communication between managers and workers, increase productivity and lead to greater effectiveness.

7. Sound Personnel Policies:

Personnel policies should be formulated in consultation with the workers and their representatives if they are to be implemented effectively. The policies should be clearly stated so that there is no confusion in the mind of anybody. The implementation of the policies should be uniform throughout the organisation to ensure fair treatment to each worker.

8. Government's Role:

The Government should play an active role for promoting industrial peace. It should make law for the compulsory recognition of a representative union in each industrial unit. It should intervene to settle disputes if the management and the workers are unable to settle their disputes. This will restore industrial peace.