

Submitted by :- Dr. Kumud

Department :- Management

Collage:- J.D. Women's College

Course :- MBA (PG)

Semester :- 3RD

Paper :— MB HC 02

Topic :-- Industrial Disputes

Subject :-- Industrial Relation

INDUSTRIAL DISPUTES

Industrialization in a country has always contributed to employment, contribution to national income, per capita income, exports and economic development on one side and industrial disputes on the other. It has always been the case of mixed blessing. The conflict of interest between management and labour is what leads to industrial disputes. The management has a goal of profit maximization and on the other hand the workers expect rise in income, security of job, protection of their skills, improvement in their status and in the working conditions. Those who control the factors of production require strict administration, closer supervision, and maintenance of strict discipline and implementation of rules, code of conduct and code of discipline. Whereas the workers demand a share in capital, voice in management, freedom of expression, participation in management and dignity of employees. So the people that control the factors of production and people that produce always have different or conflicting interest which gives birth to industrial disputes. According to the Industrial Dispute Act, 1947. Section 2 (K) “Industrial Disputes mean 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 terms of employment or with the conditions of labour of any person”. Industrial disputes can be classified into four major types, known as interest disputes, grievance disputes, unfair labour practices disputes and recognition disputes.

INDUSTRIAL DISPUTES

Interest

Disputes

Grievance

Disputes

OR

Rights Disputes

Unfair Labour

Practices

Disputes

Recognition

Disputes

Interest disputes are also called disputes of interest or economic disputes. In most cases the disputes arises from the demands or proposals for improvement in wages, benefits, job security or terms or conditions of employment. Interest disputes must be properly negotiated or bargained or compromised and test of economic power should be avoided as far as possible. These disputes should be settled through conciliation as far as possible. Grievance or Rights Disputes are also called as conflict of rights or legal disputes. These disputes take place from day to day working relations in the undertaking. It is a protest by the workers against the act of management that deprives the rights of the employees. The grievance disputes arises out of payment of wages, fringe benefits, working hours, over time, promotions, demotions, seniority, safety, and health related aspects. If grievance dispute as are not sorted out in accordance with a procedure that is accepted by the parties it often results in disturbing the working relationship between the

management and employees. The government also encourages voluntary arbitration for this type of dispute settlement. The most common Labour type of dispute is the disputes over Unfair Practices in industrial relations. The management many times discriminates against workers on the ground that they are the members of the trade union and they participate in the activities of the union. Unfair labour practice includes pressure on employees when they exercise their rights to organize, take part in union activity, refusal to bargain, recruiting new employees during a strike which is not illegal, creating an environment or actually creating an act of force or violence or stop communication etc. Such disputes can be settled through conciliation or such disputes are settled according to the normal procedure laid down under the Industrial Disputes Act 1947. Recognition Disputes arises when the management of an organisation refuses to recognize a trade union for the purpose of collective bargaining or to represent its member employees in case of a conflict or dispute. When the management dislike a particular union it reftises to accept that trade union for the purpose of negotiations or bargaining and then it becomes a case of trade union victimization. This also happens when there is already an existing trade union or it is a case of multiple trade unions and each making a claim for recognition. Recognition Disputes also arises when a particular trade union does not have sufficient representatives. Recognition disputes are settled through the guidelines given by the government for recognition of trade union or with the help of Code of Discipline which has been voluntarily laid down by the government.

CAUSES OF INDUSTRIAL DISPUTES

Industrial disputes are a common feature of all industrialized economies, whether it is a capitalist economy or socialist economy or mixed economy. Industry and industrial dispute always go hand

in hand infact they are the two sides of the same coin. The employees who give their services and time to the industry are interested in higher wages, good working conditions and want to have a voice in management. The employers on the other hand are more interested in profits, productivity, quality and control of cost. With both these forces acting in opposite direction there is a maximum possibility of disputes and so industrial disputes has become a major feature of industrialization. Industrial disputes may arise out of economic, political, social or from socio – economic background. At the same time the attitude of the employers and employees is also responsible to a great extent. The factors leading to industrial disputes may be industry related, management related, government related or union related.

The most common causes of industrial disputes can be listed as:

1. Wages and Allowances
2. Personnel Policies
3. Retrenchment
4. Lay off
5. Leave and hours of work
6. Bonus
7. Indiscipline
8. Violence
9. Inter Union rivalry.

10. Non-implementation of awards or agreements
11. Non-fulfillment of demands
12. Workload
13. Work standards
14. Surplus labour
15. Working conditions
16. Change of manufacturing process
17. Violation of rules or codes
18. Shift working
19. Political motives
20. Closure or lockouts
21. Inability to communicate effectively
22. Refusal to recognize unions
23. Authoritarian or autocratic attitude of management.
24. Non-implementation of labour law.