

INDUSTRIAL DISPUSES BY CAUSES — A REVIEW

*NAWAB ALI KHAN

Healthy and harmonious relations between the work and management pave the way to economic growth and social change. Industrial harmony is, undoubtedly an essential pre-condition to minimising grievances and complaints, maintaining industrial discipline, ensuring industrial peace and tranquility, increasing industrial efficiency and developing a committed and contented labour force¹. Worker is considered an important productive agent in industry, the management never thought of the welfare of workers. Extensive use of machines has led to unemployment and exploitation of workers, raised the problems of energy, social destruction, pollution and bred strained relations between workers and management

In such a situation neither management think of the workers' welfare nor workers have any interest in cooperating with the problems of management. A situation of tension and disagreement between workers and management has become a common feature of industrial relations. This situation of tension and disagreement between worker and management is called Industrial Unrest or Industrial Dispute, which has assumed enormous significance in the industrial world today.

*Deptt. of Commerce, A.M.U. Aligarh (U.P.)

1. G.S. Walkins, P.A. Dodd, W.L. Mc Naughton and P. Prasow, *The Management of Personnel and Labour Relations*, MC Graw Mill Co. New York, 1950 Page 39.

Industrial Dispute has been defined under section 2 - (k) of Industrial Dispute Act, 1947 : "Industrial dispute means any dispute or difference between the employer and employee or between employer or workmen or between workmen and workmen which is connected with the employment or non-employment or the terms of employment and with the conditions of labour, of any person ².

Industrial disputes in India were rare before first World War, because labour class was ignorant of their rights, and suffered from class consciousness they as lacked organisation among them ³. Industrial disputes increased since the establishment of International Labour Organisation (ILO), because workers were aware of their rights. Indeed, the industrial disputes pose a serious threat to industrial peace and harmony. The following table (A) gives the detailed picture of industrial disputes, workers involved and mandays lost since 1961.

2. *Indian Labour Journal, Ministry of Labour, Govt. of India, Feb. 1988, Vol. 29, Page 287.*

3. *Memoria, C. B. Dynamics of Industrial Relations in India, Himalya Publishing House, Bombay, 1983, Page 287.*

**Analysis of Mandays Lost and Workers Involved due to Industrial Disputes in India
from 1961 - 88.**

Year	Disputes		Worker Involved (,000)		Mandays Last (,000)	
	Number	Index	Number	Index	Number	Index
1961	1367	100.0	512	100.0	4919	100.0
1963	1471	108.4	562	109.8	3361	66.3
1965	1835	135.2	991	193.6	6470	131.5
1967	2815	207.4	1491	291.2	17148	348.6
1969	2627	193.6	1826	356.6	19048	387.2
1971	2752	202.8	1615	315.4	16545	336.3
1973	3370	248.3	2358	460.5	20626	419.3
1975	1943	143.2	1143	223.2	21901	445.2
1977	3117	229.7	2194	428.5	23320	514.7
1979	3048	224.6	2874	561.3	43854	891.5
1981	2589	190.8	1588	310.2	06584	743.7
1983	2488	183.3	1461	285.8	46858	952.6
1985	1755	129.3	1079	210.7	29239	594.4
1987	1622	119.5	1496	292.2	28827	589.0
1988*	471	34.7	581	111.5	9689	196.9

*Figures are available only upto April 1988.

Source—1. Mamoria, C. B. Dynamics of Industrial Relations in India, Himalaya Publishing House, Bombay, 1983, P. 287.

2. Year Book of Labour Statistics, International Labour Office, Geneva, 1986, P. 927.

3. Indian Labour Journal, Ministry of Labour, Govt. of India, March & July 1988, Vol. 29, pp. 3 - 7.

Data set out in table (A) show the number of industrial disputes in India during the period 1961 - 88. In 1961, there occurred 1357 disputes in industry; the number rose to 3370 in 1973, registered a decline in 1975; thereafter it started increasing and stood at 3117. It tapered off, started declining and came down to merely 471 till April 1988. Taking 1961 as the base year (100), it was observed that the index of disputes recorded its lowest at 34.7 in 1988, highest at 248.3 in 1973 and registered a steady decline thereafter. The table also reveals an increase in the workers involvement in industrial disputes numbered over 512 thousands in 1961 to 2358 thousands in 1973, registering a decline in 1975, it increased to 2874 thousands in 1979; thereafter it started declining till 1985. It also reflects a further decrease in the involvement of workers in 1988 i.e. 571 thousands. The Index of workers involved was lowest at 109.8 in 1963 and highest at 561.3 in 1979, which registered a sharp decline till 1988. Inferences to be drawn from the analysis of number of mandays lost shows that there was a loss of 4919 thousands mandays due to industrial disputes in 1961. However, the number declined thereafter and stood at 3261 thousands in 1962, against rose marginally to 43854 thousands in 1979 and 46858 thousands in 1983. There prevailed industrial peace in 1987 as is evident from as low number of mandays lost as 28827 thousands. Till April 1988, merely 2689 thousands mandays lost have been placed on records which is less than what it was in the previous year. The index of mandays lost reveals lowest at 66.3 in 1963, that after it increased rapidly and stood 952.6 and since then registered a steady decline. Labour relations appear to be cordial and satisfactory. Improvement in industrial, disputes promises healthy growth of industrial sector.

Cause of Industrial Disputes.

Workers are susceptible to agitation mainly due to economic or non-economic causes, major economic causes of industrial disputes are related to wages and allowance, payment of bonus, retrenchment, dismissal and discharge, leave and hours of work and several such other causes as conditions of work and employment, methods of job evaluation, changes in the method of production, non-recognition of trade unions, inter-union rivalry, non implementation of awards and agreements, lack of job security, incentives and fringe benefits, etc.

There are many non-economic causes which lead to industrial disputes as the workers may oppose the scheme of rationalisation which may lead to retrenchment of workers. Sometimes, workers go on strike in sympathy with their fellow - workers on strike in other industries. One basic factor underlying disputes in recent times has been the industrial discipline, because of which the relations between workers and management do not remain cordial as it is denial of freedom to the workers.

Growing number of disputes occur in connection with the ill treatment of workers by the supervisory staff and refusal of management to recognise worker's organisation.

Lastly, politicians encourage workers to go on strike as all the trade unions in India are dominated by them. Thus, a magnitude of economic and non-economic causes blended together result in industrial disputes. Percentage of industrial disputes on account of causes has been shown in table (B).

TABLE (B)

Analysis of Industrial Disputes by Causes in Percentages from 1961 - 84.

Year	Wage & Allowance	Bonus	Personnel & Retrenchment	Leave & Hours of work	Other
1961	30.4	6.9	29.3	3.0	30.4
1963	27.8	10.0	25.9	4.6	31.7
1965	33.5	9.9	27.3	2.5	26.8
1967	39.9	10.9	23.6	1.0	24.6
1969	36.4	10.0	26.6	2.2	25.2
1971	34.3	14.1	23.0	1.4	27.2
1973	34.1	10.3	24.3	1.5	29.8
1975	32.0	8.0	29.8	2.3	27.9
1977	32.2	15.2	23.0	2.2	28.4
1979	31.9	8.8	21.7	2.4	35.3
1981	28.7	7.8	21.4	2.2	39.0
1973	27.7	6.0	21.4	1.9	43.0
1984	26.6	7.7	18.8	1.8	45.1

Source : 1. Indian Labour Statistics, Ministry of Labour, Government of India, 1977, 1979, 1984 and 1985.

2. Pocket book of Labour Statistics, 1981 p. 155.

3. Hand book of Labour Statistics, 1982, p. 37.

An analysis of industrial disputes by causes shows that wages and allowance were major cause responsible for industrial unrest during 1961 while personnel and retrenchment came next. Leave and hours of work were only a minor issue, the other causes were also as important as wages and allowance.

By 1967, the share of wages and allowance and bonus increased from 30.4 percent to 39.9 percent and 6.9 percent and 10.9 percent respectively, while the share of personnel and retrenchment as well as leave and hours, and other causes declined.

Wages & allowance and bonus causes revealed a decline in 1973 from 39.9 percent to 34.1 percent and 10.9 percent to 10.3 percent respectively. There is a increase in disputes as personnel and retrenchment causes recorded a minor increase. Share of leave & hours of work and other causes also rised.

In 1979, the contribution of wages and allowance and bonus and personnel and retrenchment causes showed a declining trend, while leave & hours of work and other causes increased over 1977.

Since 1981, the share of wages and allowance, bonus, personnel and retrenchment and leave and hours of work causes have been declining regularly while share of other causes displayed rising trends. In 1984, the same above mentioned economic causes showed a declining trend and other non economic causes went up considerably.

The first and foremost need to avoid industrial disputes is to improve the economic conditions of the workers, maximum number of disputes are related to unfair wage policies. It calls for proper wage policy. The wage structure should be rationalised and anomalies removed.

Personnel policy is very important tool to be effectively deployed. The personnel department consists of competent and experienced staff, they should deal properly with the workers. Personnel policy depends upon the attitude, belief and honesty of the purpose of management in handling the workers problems, ranging from recruitment to retirement of the workers. Modern techniques of management should be introduced for the evolution of better labour management relations.

Management should not refuse to recognise workers organisations to avoid discontentment amongst workers. Supervisors and jobbers must be considerate towards workers.

When parties concerned fail to reach an agreement, at that time arbitration is a very good method of settling disputes. Both the parties concerned agree to depute a third party and are bound to abide by its decisions legally.

Workers participation in management play very important role in minimising industrial disputes. It envisages involvement of workers in programmes to improve productivity and progress of industry. Thus workers participation in management should be encouraged.

Trade unions also play significant role in the development of harmonious industrial relations. Trade union leaders should put forward their genuine and real demands and develop mutual confidence and traditions of 'give and take' to solve industrial disputes.

Industrial disputes cannot be completely avoided, but surely they can be minimised. This can be done by government intervention and regulation. Government must come forward with strong policies such as labour law and its implementation at the right time.

In conclusion, timely measures suggested above would go a long way in smoothening industrial relations to accelerate the industrial growth.

