

# PROBLEMS IN COLLECTIVE BARGAINING

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Collective bargaining means negotiations between union and employer for determining wages, hours and working conditions etc. of the working class. In a developing democratic welfare state like India, collective bargaining has to play a vital role to evolve better labour-management relations in order to ensure industrial harmony which is very much necessary to accelerate the pace of economic development and safeguard the interests of weaker section of the society. The community, as a whole has an interest in industrial relations and naturally expects due protection against the dislocation of essential services caused by work stoppages. The collective bargaining *inter - alia* is an important device to prevent labour-management conflicts. This has since been realised in full measure by all concerned that a lasting and mutually satisfactory agreement on questions of labour management relations is possible only through free collective bargaining.

Despite the concept having so much importance and having been universally recognised as the normal process for the determination of terms and conditions of employment, has developed in the country to a limited extent. It is facing numerous intrinsic problems for its desired growth, a few of which may be delineated below :—

## 1. Lack of Effective Workers' and Employers' Organisations :

One of the pre-requisites of collective bargaining is the strong and effective workers' and employers' organisation and willingness on their part to negotiate with each other. Slow growth of collective bargaining may be partly attributed to the weak and rivalry torn organisation of labour and inadequate appreciation of the importance of the collective bargaining by the trade unions. In the absence of well established union, employers do not know with whom to negotiate.

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## 2. **Multiplicity of Trade Unions :**

Inter-union rivalry largely motivated by political considerations has reduced the effective bargaining strength of the unions. The above problem is the outcome of multiplicity of unions and different political ideologies of the organisation of workers.

## 3. **Autocratic Attitude of Employers :**

The employers paternalistic and autocratic attitude by way of relying more on managerial prerogatives is also responsible to some extent for the retarded growth of collective bargaining. The employers have been looking with disfavour any move which may curtail their unilateral and paternalistic powers.

## 4. **Lack of Suitable Legislation and Absence of Machinery to Promote Collective Bargaining :**

The Government pins up its faith on collective bargaining but has done little to promote it. There is no enacted legislation governing the conclusion, regulation and supervision of collective agreements. There is no permanent Joint Machinery of the type envisaged by the Royal Commission to deal with collective bargaining. A permanent machinery is needed not only to conclude agreements but also to recognise a union, not to speak of bargaining with it. In the absence of a recognised union, collective bargaining is almost impossible.

## 5. **Adverse Impact of Compulsory Adjudication :**

A major discouragement to the growth of collective bargaining has been the statutory provision for compulsory adjudication which strikes at its very roots. Shri V. V. Giri, Ex-President of India and the former Labour Minister called compulsory adjudication as, "Public Enemy Number one". He said, "Internal Settlement can not find its fullest scope so long as compulsory arbitration looms in the background". No doubt compulsory adjudication has rendered yeoman's service to the cause of preventing Industrial Strike but it is hard fact that it has retarded the growth of collective bargaining.

## 6. **Lack of Good Faith and Objectivity :**

The last but not the least stumbling block in the growth of collective bargaining has been the lack of good faith objectivity and class conflict on the part both employers and employees by way of *inter-alia* overpitching of demands to provide 'smoke screen' to the exterior motives and unfair labour practices etc. by the managements.



## CONCLUSION :

No surprise that collective bargaining has not made much headway in the country so far. Nonetheless, there have been more of such agreements than is popularly believed. The following observations of National Commission on Labour in para 23.14 will support the contention :

“On the whole, the record of reaching collective agreements has not been unsatisfactory, though its extension to a wider area is certainly desirable”.

