CHAPTER - 08

INDUSTRIAL RELATION
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Industrial Relations is a major force which influences the social, political and economic development of a country. Managing industrial relations is a challenging task because it deals with a highly complex, fast developing, ever changing and expanding field. It is also a dynamic concept which depends upon the pattern of society, economic system and political setup of a country and change with changing economic and social order. It is an art of living together for the purposes of production, productive efficiency, human well-being and industrial progress.¹

The healthy, orderly and stable industrial relations in an enterprise generate attitudes which create progress and establish democratic institutions. The four main parties who are actively associated with any industrial relations system and the workers, the management, the organizations of workers and management and the state.

Fundamentally, the term industrial relations refers to an organized relationship between two organized parties, representing employees and employees regarding matter of collective interest. With the growth of professional management, the industrial relations scene is represented by the employers and employees. But the scope of the industrial relations or employer employee relations. It is a comprehensive and total concept embracing the sum total of relationships that exists at various levels of the organizational structure. More especially, it connect relations among workers themselves within the class of employees, relations among the management within the
managerial class and relations between the two distinct classes of workers and management. It denotes all types of inter-group and intra-group relations within industry both formal and informal. It consists of a complex network of relations that arise out of functional interdependence between workers and management and between industrial organizations and society.\(^2\)

Industrial relations is a social concept because it deals with social relationships in different walks of life. The state of industrial relations is also influenced by the advances made in the field of science and technology. There is greater divergence in the industrial systems as a result of the divergent economic, social, political and cultural environments.

**PRIVATE \(Vs\) PUBLIC SECTOR** – There is some qualitative difference between industrial relations in the public and the private sectors. As started by the First Five Year Plan, "the profit motive and the exploitation of workers for private gain have no place in a state-owned enterprise. It hoped that the working conditions and welfare arrangement in the public sector should in fast serve as models". This approach continued in the Second Plan which state that, "if conditions of work in public sector undertakings are expected to set the pace for private sector, administrations handling such undertakings have to be especially watchful of Labour Interests. "\(^3\) As observed by Mr. T.A. Pai, a Former Minister for Industry, "Labour in public sector does not have or can not have the same feeling of class segregation.

They belong to the same unit is the same manner as many management executive. Therefore, the attitude of class distinction has no relevance whatsoever in public sector units. There is no particular
point in frightening exclusively for rights to labour in public sector units because, in a sense, all those who work these are wages-earners at different levels. Thus, the workers in the public sector undertaking stands or a different footing from a worker in private sector undertaking.

But this change in the status of the worker is often not recognized by the trade union that do not seem to view the efficient and profitable working as a common task, to be achieved in co-operation with the management. Thus, even though, the public enterprise is institutionally a different set-up, in which both labour and management have common goals, labour strife's are rampant in P.E. because the approach to industrial relations remains the same as in the private enterprise. The main reason for this is lack of faith in the P.E. management, which is not considered by labour as qualitatively different from private enterprise. The role of P.E. in achieving economic transformation and the part which labour can play in this regard does not seem to be adequately appreciated by those who guide the labour movement, with the result that with all its pro-labour approach, the P.E. is not able to achieve the requisite industrial peace.

Though the guide on “Labour Laws and Practices” bought out by the Ministry of Labour and Employment makes an attempt to amplify special obligations of the PE's by suggesting that the management should have a really enlightened attitude towards labour treat the workers as real partners and ensure that timely remedial action is taken to redress their grievances, it does not go far enough to lay down P.E. obligations clearly. The A.R.C. study Team which had refused to this document stated that the special responsibilities of PE's
in this regard should be clearly spelt out by the government. According to the study Team the P.E. management should show a lively interest in the welfare of employees, in developing their skills and qualifications and improving their prospects and standard of living. But the study team cautioned against extending the model employer concept to mean that the PE’s are bound to accept any demand put forth by the workers or to mean that the management will condone or he lenient to slackness and indiscipline on their part.

INDUSTRIAL RELATION SITUATION IN INDOGULF: - The Indogulf has remained generally free from strikes and lockouts. The whole credit for the peaceful and cordial industrial relations in the Indogulf goes to the undertaking oriented industries relations system wherein the undertakings clear-cut personal rules, grievances handling and above all the Indo-gulf’s top participative forum that is, the ‘Staff Council” play a very important role. In the “Staff Council”, the representatives of the workers and the representatives of the Management discuss in an open and friendly atmosphere the problems faced by the two groups, i.e. labour and management and arrive at the amicable agreements on issues relating to the compensation. The council also holds discussions and deliberations on such aspects a productivity and quality to take the unit to a path of progress and prosperity. It may be emphasized here that in the meeting of the staff council there is a reliance on collective bargaining. Infact, staff council is a body to develop cooperation remove misunderstanding looking to welfare activities to promote spirit of friendliness and human relationship between the management and the workers. It is important
to observe in the Indogulf that in spite of the trade union, there is no inter-conflict among the union and management.

They meet together and discuss various problems faced by the workers. So far as the employees are concerned the relationship among them is based on mutual faith, respect and dignity. The work us of indo golf, possesses the co-operative spirit and there is no instance of sabotage or will full damage to the plant. Ill those who work in the indo gulf have an attitude of love and respect for the property and work. They have a feeling that they are not working for their organization alone but for the country as a whole. The workers have also developed the feeling of belongingness and dedication forwards their organizations.

 붓TRADE UNIONS :-

Industrial relations in India are closely linked with the trade unionism. Recent trends in the trade union movement in our country as far as the establishment of industrial harmony is concerned. One of the biggest problems of the country's trade union movement is the influence of the political parties on the trade union organizations. Harold Crouch has rightly stated. “Even to the most casual observer of the Indian trade union scene, it must be clear that much of the behaviour of Indian unions whether it is militant or passive, behaviour can be explained in political terms. While in other countries, trade unions are organized on the basis of industry or profession, in India, these are organized mainly on party line. In India, the central trade union organizations (practically the political affinities of the major. All India Political Parties have their branches in a majority of private and public sector undertakings besides a number of independent
organizations/unions of workers in some units. The dominating feature of the trade union scene in India today, is the inter union revelry in most of the units ascribed to various factors like multiplicity, outside leadership, absence of statutory bargaining agent etc. The inter-union and inter-union rivalries due to political reasons, have adversely affected industrial production, peace and harmony in many of the industrial organizations of the country.

One of the burning problems in industrial relations facing our trade unions, government and emblazes for a pretty long time is to evolve a satisfactory and commonly acceptable way to settle the comprehensive claims of rival unions for being declared as bargaining agents.

In fact, collective bargaining cannot exist or begin until the union is recognized by the management. As there is no central law for compulsory recognition of trade unions, the employees are not bound to recognize any union and are free to recognize a union of their choice.

As soon as one union gets recognition, rival unions step in. Even if an employer seeks to recognize a union the finds himself in a delemmas to which one to recognize and so is generally guided by his won whims and the political affiliations of the union.

This makes collecting bargaining very difficult what is done by one union is sought to be undone by the other. No sooner than the ink is dry on an agreement, fresh issues are raised by the rival unions. The workers do not know which union to join, because they are not sure which one represents their collective interests. Therefore, some workers choose to become members of more than one union. Prior to 1946, no provision existed in any state regarding grant of recognition to the trade
unions. It was the Bombay Industrial Relations Act, 1946 which provided for the recognition of representatives unions in the local area. Some of the other state acts like the Madhya Pradesh Industrial Relations Act, 1960 and the Industrial Disputes (Rajasthan Amendment) Act, 1958 provide for the recognition of unions as representative unions subject to their feeling certain conditions. In rest of the country, recognition is given on the basis of the criteria accepted at the Fifteenth Tripartite Labour Conferences at Nainital in 1958.

In India the following trade union organizations are at work.

1. I.N.T.U.C. (Indian National Trade Union Congress) backed by Congress (C).

2. A.I.T.U.C. (All India Trade Union Congress) supported by the C.P.I.

3. B.M.S. (Bhartiya Mazdoor Sangh) backed by Bhartiya Janta Party.

4. C.I.T.U. (Centre of Indian Trade Unions backed by C.P.I. C.(M.)

5. H.M.S. (Hind Mazdoor Sabha) supported by the Socialist Party.

6. H.M.P. (Hind Mazdoor Panchayat)

7. U.T.U.C. (United Trade Union Congress)

8. U.T.U.C. (L.S.) (United Trade Union Congress Lenin Sarani)

9. N.L.O. (National Labour Organization)


11. T.U.C.C. (Trade Union Coordinated Centre)
Besides there unions a large number of associations, federations which have not joined any of the Central Workers Organizations are –

1) All India Bank Employees Association (A.I.B.E.A.)

2) All India Bank Employee’s Federation (A.I.B.E.F.)

3) All India Insurance Employee’s Association (A.I.I.E.A.)

4) All India Defence Employee’s Federation (A.I.D.E.F.)

5) All India Defence Employee’s Railways men’s Federation (A.I.R.F.)

6) National Federation of Indian railway men (N.F.I.R.) &

7) National Federation of Posts and Telegraph Employees (N.F.P.T.E.)

In case of Indogulf there is only one Trade Union and name of the trade union is “Indogulf Employee Union”. Strength of Union is 480 and no. of office bearers are 12.

One President, One Vice-President, One General Secretary, One Joint Secretary, One Office Secretary Treasurer & Four Executive Members.

✧ Office Bearers are selected by the members through candied voting.

✧ Main characteristics is that the union is not affiliated with any political party or outside offices bearers, do not like the interference of outside because-
i) Outsides cannot understand and solve their problem.

ii) Outsides came here then union will have also go to outside for the support sit will not be beneficial for the members & organization both.

In Indogulf union is playing satisfactory role to maintain harmonious atmosphere. There is a congenial relationship between management and union. Organization achieved its annual production target; it shows that member of the union work for the progress of the
organization. Till now there is only strike for 46 days in 1991 to increase the subsidy of canteen food. Wages and change the system of coupons.

**COLLECTIVE BARGAINING:** - Collective bargaining is a civilized bipartite confrontation between the workers and the management with a view to arriving at an agreement. The agreement arrived at is a compromise settlement of power conflict. It is a method by which management and labour may explore each other’s problems and view points and develop a frame work of employment relations and a spirit of co-operative goodwill for their mutual benefit. Moreover it is a technique by which the needs and objectives of workers and employers are met and it is, therefore, an integral part of an industrial society.

There are two types of bargaining exercises. One is known as Conjunctive or Distributive Bargaining and the other Integrative or Co-operative Bargaining. Though both aim at join decision-making their processes are dissimilar. In distributive bargaining, the relationship is a forced one in which the attainment of one party’s goal appears to be in basic conflict with that of the other. It deals with issues in which parties have conflicting interests and each party uses its coercive power to a maximum extent possible. In such a situation, one party’s gain is the other’s loss. Wage bargains are an obvious example of distributive or conjunctive bargaining. In contrast to the win lose syndrome of distributive bargaining, integrative bargaining is a situation where neither party can gain unless the other gain as well. It makes a problem-solving approach in which both the parties make a positive joint effort to their Mutual Satisfaction Productivity bargaining is an instance of integrative bargaining. It is a conflict subject, which
constitutes an integral part of the collective bargaining exercise. The factors, which play a significant role in productivity bargaining in our country, are the general economic and political environment, human aspirations, type and nature of industry and management objectives and culture of the organization. A relative productivity agreement will provide an opportunity to the managers at all levels to arrive at decisions and will create a climate for participative management in the organization. It will create better teamwork among managers and high commitment on the part of the workers. It will also help in improving productivity, higher wages and better standard of living for workmen. The success of the collective bargaining process depends upon the following factors:—

1) One of the principles for establishing and promoting collective bargaining is to give voluntary recognition to trade unions as one of the contracting parties. It may also have the positive benefit of improving industrial relations, production and relations, production and productivity.

2) The union participating in the collective bargaining process must be strong, democratic and enlightened.

3) There should be willingness to give and take by both the parties and genuine interest on the part of both to reach an agreement and to make collective bargaining work.

4) Both the union and the management must desist from committing unfair practices and must have a healthy regard for their mutual rights and responsibilities.

5) In order to make the collective bargaining process more successful, it is essential on the part of the representatives of employers
and unions to hold meetings at regular intervals to consider matters of common interest.

6) The negotiators should have such qualities as experience, skill, intelligence, resourcefulness, honesty and technical know-how. They must have the capacity to distinguish between basically important and trivial issues.

7) For proper negotiations, it is necessary to know the persons empowered to act for the company and the union respectively.

So far as the collective bargaining in Indian Industries is concerned there is hardly any qualitative difference between the techniques adopted by the workers in the Central public sector undertakings and their counter parts in the private sector. The issues of collective bargaining (both at the company and the unit level) such as wage supplements (including allowances of different types), bonus, incentives, overtime, hours of work, holidays, recruitment and selection, promotion, transfer, disciplinary action etc., the difficulties with regard to the recognition of trade unions as collective bargaining agents and the suspicion and lack of confidence of the undertakings are more or less similar. The only differences between the private sector and the public sector undertakings in the matter of collective bargaining appears to be that which in case of private sector undertakings, the bargaining is done at the unit level board level and at the Government level which appears to be the owners of the PE’s.

So far as the collective bargaining in Indogulf is concerned, there is practically no dispute in Indogulf with regard to the recognition of bargaining or negotiating agents. At the Indogulf Board’s level, the representatives of recognized federations meet the
administrators separately at least twice in a year. The matters, which cannot be settled at zonal level and other matters of all India importance, are discussed at this level.

Besides this, 'Joint Consultative Machinery' also provides a scope for mutual co-operation. The sound and successful functioning of the J.C.M. can be viewed from the face that originally "it was introduced as an experimental measure for a period of five years. But it continued to function with the willing co-operation of the parties."

The atmosphere of J.C.M. is very cordial and peaceful and members of both the parties' management and the workers behave in a democratic and disciplined manner and follow the innovative approach of the collective bargaining to settle amicably the issues of recruitment, creation of posts, pay revision, D.A. and other allowances, condition of work, leave facilities, fringe benefits etc. to arrive at the parties.

There is no doubt that the scheme is of immense value not only in the settlement of industrial differences and maintenance of congenial industrial relations but also in the exchange of ideas, opinions and information between the federations and management for the prosperity of Indogulf and their personnel. However the machinery can be more effective and the parties are prepared to comprehend each other's viewpoint.

In case of Indogulf, while registered trade unions existing in the concern are ignored in contravention of the provision made by the Government of India in the model constitution, the Indogulf has a novel feature of giving or prominent role to the Staff Council.
REFERENCES:

2. Sharma, A.M., op. Cit; p4
3. Laxmi Narain, op. Cit, p-415
4. ‘Lok Udyog’, the B.D.E., New Delhi, March 1975, p.57
5. “Labour in the public sector are politically motivated and utilized to fight political battles. This section of trade union movement strives to convert the public sector units as an anti-govt. sector. There is a great responsibility on the Unions operating in the public sector to realize that more than half of the population is below the poverty line and it is the successful working of public sector that can provide the answer to the expectations of the vulnerable sections of our population.” Sharma, A.M.’s’ Industrial Relations-Conceptual and Legal Framework, Op.cit, p.p.158-160
7) Prof. Lallan Prasad, op.cit, p.156
8) “Collective Bargaining” is a process of joint decision making and basically represents a democratic way of life in industry. It establishes a culture of bipartisan and joint consultation in industry and a flexible method of adjustment to economic and technical changes in an industry. It helps in establishing industrial peace without disrupting either and existing arrangement or the production activities.” – Sharma, A.M., op.cit, p.113