CHAPTER - II.

The Concept of Industrial Relations:

Man tends to create homogeneous groups of his fellow-beings and builds up relations with members of his group and other groups. Relationships between members of the same group and different groups are not likely to be the same inspite of apparent similarities as to their structures. Differences in legal or conventional frameworks, political and technological factors make for differences in relationships between members of the same group, groups inter se and members of one group vis-a-vis those of other groups. Further these relationships are not likely to be patternised over a period of time. Continuous adjustments in these relationships over short periods often result into a metamorphosis over the long run, "when we are all of us dead." Possibly in the same vein Prof. Richardson said: "In this complex mosaic, the pattern which is continually changing as needs, desires and moods of men and women evolve, one of the main elements is the association of people together to earn a living."* Can all dynamism and progress in the world not be due to continuous adjustments in the given structure of relationships between man and man and groups of men?

Prof. Richardson is of the opinion that the study of industrial relations is concerned with "relations between the parties in industry particularly with the determination of working conditions. No advantage would be gained in attempting a more precise definition of the boundaries.*

*J. Henry Richardson - An Introduction to Industrial Relations p. 12
as there are considerable areas of 'no man's land' with other subjects. The emphasis, however, is upon 'relations', human relations in processes of production. The processes themselves and the material organisation of production, types of machinery and equipment, sales organisation, banking and transport systems are all outside the subject except that improved efficiency yields more production and this provides a basis for better working conditions. Progress in industrial efficiency, the laws of demand for and supply of labour, statistics showing the state of labour market and detached, impersonal calculation of labour costs have an important place in economics and business administration and they are also significant in industrial relations. But they are not its main concern. The centre of the stage is held by men and women."

This view of Prof. Richardson was criticised by the present writer in a paper submitted to the Seminar of labour economists at Poona in July 1961 thus: "Prof. Richardson's view that the study of the material structure of industry is the periphery and not the core of industrial relations appears to be needing a modification. The material structure of the industry and human relations act and react on each other. They are so closely related that changes in one affect the other vitally. 'In our effort to raise productivity per man hour ..... we run into rationalisation problem; similarly in our effort to augment funds available for development, we run directly into the wage problem; in our efforts to improve the

*Richardson : ibid : Introduction.*
level of efficiency or streamline working procedures and conditions, we run into the problem of discipline in the industry.' (S. Kanappan and others; Belur Report). In a situation like this can one justifiably say that only the study of human relations is of the essence and that of the wage-structure, productivity and the material structure of industry less important than that in industrial relations?"

In retrospect the writer feels that in the vanity of scoring over an authority of the subject, he had just begun to learn, he was too uncharitable to Prof. Richardson. The purpose of the study of industrial relations is not merely that of describing human relations in an industry but also that of explaining how and why they take place. But human relations do constitute the kernel of industrial relations. Possibly there was no conceptual difference between Prof. Richardson and the writer. And as it were to forestall the writer, Prof. Richardson had said: "Although this volume is concerned with human relations in industry these are inseparable from working conditions. The two interact closely and conditions greatly affect the state of relations."

**Industrial Relations vs Labour Management Relationship.**

Industrial Relations is sometimes equated with labour management relationship. In the paper to the Poona seminar, already referred to, an exception to it was taken thus: "One need not equate labour with operatives only. It is a more comprehensive term with wider connotation than operatives merely and includes clerks and technicians. Management is
supposed to belong to the group (category) of capital. It is excluded from the category of labour eventhough it is little dissimilar to it. Like labour it receives monetary consideration for rendering service to owners. Probably it is distinguished from labour on the ground that it takes part in deciding the line of action to be followed in the firm and not merely execute it on behalf of owners or policymakers. This way of distinguishing between labour and management is not accurate. For not all members of the management cadre participate in the formulation of the policy. Junior management mostly executes policy. Industrial Relations therefore cannot be conceived of as labour management relationship." And apart from it that substantially it is difficult to distinguish between labour and management the definition is narrow. The study of industrial relations is broader than how labour and management deal with each other.

An interesting definition of the study of Industrial Relations is quoted below. It reads thus: "This (enlisting of the maximum co-operation of labour) has naturally compelled a partial self introspection on the part of capitalist also. In this way the re-examination of the place of labour and the consequent self - analysis on the part of capitalists brought about a new valuation of the relations of employers and employees. This new development is known as the science of industrial relations." Industrial relations is an objective study of human relations without value judgments and it is incorrect to believe that it is concerned with changed values - for the better - of employers towards...
employees. The study of industrial relations is concerned not only with attitudes of the employers but of employees as well. Industrial Relations: what is it?

Industrial Disputes Act of 1947 defines an industry as "meaning any business, trade, undertaking, manufacture, or calling of employers and includes any calling, service, employment, handicraft or industrial occupation or a vocation of workmen." The definition is broad enough to absorb universities and hospitals within the category of the industry. But the constituent criterion of an industry is not explicit in this definition. Prof. Richardson is of the opinion that an industry means, "an association of people together to earn a living," and it should be viewed in the widest context to include in its denotation, "agriculture, mining and other primary production, the heavy industries (e.g. iron and steel) manufacturing, building and other construction, wholesale and retail trade, banking and transportation."

Industry therefore appears to be an institution which earns and spends money and employs a person or persons to execute work on behalf of owners or persons in charge of the institution. As a discipline, in industrial relations are studied attitudes and behaviours in an industry of persons within their groups in the occupation, with members of groups other than their own and groups inter se. The discipline is also concerned with the study of all factors responsible for bringing about adjustments in industrial relations.

Industrial relations so broadly defined cannot be just labour management relationship. It is concerned with
relations towards one another of workers, jobbers, technicians clerks, managers, managing agents and the relations of each class within its own category. Further the discipline of industrial relations does not merely describe how men and women in industries think and act and how phenomena in industrial relations occur. In order to attain the status of a science it must explain the causation of these attitudes, behaviours and the phenomena and frame laws.

Scope of the study of Industrial Relations:

Outlining the scope of the study of industrial relations Prof. Richardson wrote thus: "How people get on together at their work, what difficulties arise between them, how their relations including wages and working conditions are regulated and what organisations are set up for the protection of different interests, these are some of the main problems of industrial relations and indicate the wide scope of the subject. It is concerned with relations between the parties in the industry particularly with the determination of working conditions."

In the Poona Seminar paper, the scope of the study of industrial relations pointed out by the writer and quoted below, was more or less an echo of Prof. Richardson's above view. It read thus: "The term relations should be interpreted broadly to include not only the existing patterns of behaviour, modes of thinking and attitudes of parties to industrial relations towards themselves and one another but also the histories of institutions meant to protect them...."
Further industrial relations must study the history and problems of the wage structure, (even theories of the determination of wages) problems of rationalisation and productivity. It must also collect facts about the technological aspects of the productive unit."

The Poona Seminar on Labour Economics Research drew up exhaustive criteria of a case-study of industrial relations. In the following case study of industrial Cotton relations in the textile mill industry of Ahmedabad an attempt has been made to remain within boundaries of and faithful to those criteria.