CHAPTER VIII
BRIEF SUMMARY OF OBSERVATIONS, PREDICTIONS & SUGGESTIONS FOR FUTURE ACTION
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* A few predictions of LMR in Gujarat
* Suggestions for future action
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Brief Summary of Observations

We have examined in detail, in the preceding Chapters, the various aspects of LMR in the industries of Gujarat in general and in selected industries in particular. Observations made and the broad conclusions drawn are summarised hereinbelow.

It was gathered, in the beginning, that the LMR are the product of many forces such as the size of the plant, nature of job, labour supply, composition of workforce, attitudinal pattern, local wage levels, time factor, political environment and the system of industrial relations. Technology, rationalisation, Government policies, economic conditions and emergencies (internal and external) also affect the LMR. As revealed in the conceptual model of LMR developed by me, the close internal forces affecting LMR are the objectives, ideology, values and beliefs, personality, conventions, perceptions and culture of both the labour union/s and the management in a particular industrial unit.
Secondly, the labour laws framed by the Government have a wider impact on the administration and maintenance of LMR. Hence, the main provisions of the three central labour legislations, viz., Trade Unions Act, Industrial Employment (Standing Orders) Act, and the Industrial Disputes Act have been reviewed, which govern and guide the prevention and settlement of industrial disputes. The study would have been incomplete if the review of another important piece of labour legislation, the Bombay Industrial Relations Act, was not made. It provides for the representative unions and the establishment of Joint Committees, which though the most essential requirements for good LMR are missing in the I.D. Act and the T.U. Act. Gujarat is the first State in the country to implement a provision of labour participation in management through the BIA Act.

The labour policy of the Government of Gujarat has been wedded to encouraging good LMR. The Government believes that there is a need for closest collaboration of labour and management through consultative committees at all levels for the purpose of maintaining amicable relations between them and thereby for increasing production, improving quality and reducing costs.

We have also analysed the general situation of labour relations in Gujarat in terms of labour policy and the legal framework for administration of labour relations presented an empirical background and have made a comparative study. This in-depth study enables us to conclude that there prevailed
satisfactory LMR. The State of Gujarat witnessed, as compared to other five industrially advanced States in the country, minimum labour unrest. And, this is the fundamental reason as to why the State is marching forward towards the top rank in the field of industrial progress.

Thereafter, we have concentrated on the in-depth study of three selected organised industries, viz., Refinery, Fertilizers and Dairy. A brief but an analytical account has been presented in Chapter IV, which throws light on their history, importance, performance, and perspective. This has helped us in understanding the background of LMR in these industries.

We have, then, categorically examined the several practical aspects in the areas of Personnel Management and Industrial Relations of the selected industrial units in each industry under study. The aspects assessed are: organisational structure, recruitment and employment, induction, service conditions, working conditions, welfare amenities, transfers, promotions and employee rating. Vital matters like the activities of labour unions have also been fully focussed in each case, and the more delicate dimensions like 'misconduct' and 'grievances' of the workers and the treatment thereof, too, have been enunciated. Moreover, an essential and fundamental aspect, viz., the communication process between the labour and the management has been adequately explored.

LMR are essentially related to human beings, i.e., workers, staff, supervisors, foremen, engineers, middle and top level managers and union leaders. Hence, it is their mutual
'perceptions' that can indicate the trend and quality of their mutual relations. Deep X-rays have been taken in this regard. The mutual perceptions of different parties were collected and compiled on the basis of preliminary responses gathered through personal interviews with workers/staff, supervisors, union leaders and the key managers. The results have led us to the conclusion that there existed, more or less, fair and favourable perceptions of the different parties for one another; very few cases revealed negative or unfavourable perceptions. Therefore, it can be concluded that congenial IMR prevailed among them in the industries under study. The tabulation and statistical testing of the perceptions have fortified this conclusion.

The IMR are also reflected in collective bargaining, the agreements/settlements, and the awards which normally emerge after tense or satisfactory industrial relations. Hence, a few recent agreements/settlements and awards have been reviewed. They have indicated that the managements and the labour union leaders in the industrial units studied have amicably agreed upon the different issues of their disputes without much heat, harassment and losses. This goes to show that collective bargaining has succeeded in these industries. The awards in the case of Dairy Units have indicated that arbitration, too, has assisted positively in the maintenance of industrial peace.

Many things came to light during this study, with regard to workers, trade unions, management, legislative limitations, etc.:

* It was observed during the personal meetings and interviews with the employees engaged in the organised industrial
units that they were peaceful and mature. In general, they did not like 'strikes' nor any militant and unfair acts, which would hamper the growth of the industry. Temperamentally and traditionally the Gujarati workers/employees prefer easy-going and disturbance-free working life. The study brought out a few exceptions. In the Refinery and one Fertilizers Unit (F2), a group of workers each was involved in antisocial activites. In my opinion, two causes were responsible for this: (i) Some of the workers were recruited from other parts of the country, mainly from Northern India. (ii) Some of the workers were guided by outside leadership.

* It was noted that the industrial disputes, unlike in other States, did not take place merely due to financial causes; the workers and their union leaders were alert about improving their service and working conditions, too.

* Inter-union rivalry — the most disturbing phenomenon experienced in other industrially advanced centres in the country — was negligible. Yes, in some of the units under study, there were two labour unions; but, on more than one occasion, they presented unitedly the demands of their workers and extended co-operation to eachother. This is a positive indication of peaceful LMR. However, in case of the Refinery Unit and the F1 unit, there did exist some inter-union rivalry, which disturbed the relations once in each case, but, the situation was found to be controllable.
* The managements in the industries studied seemed to be responsible and cautious. They were anxious to be co-operative with the unions' and the workers' representatives, and accepted the need for responsible labour unions. Cases of exploitation and victimisation of workers were rare. The managements also implemented faithfully the major provisions of Factory Act. Substantial social security and welfare amenities were also provided to workers. It was, however, observed that most of the management authorities behaved in a formal manner; there was a lack of human treatment and human touch. I am reminded of an incident that took place during the time of my interview with the Labour Welfare Officer (LWO) of a Dairy Unit. One young and newly appointed Supervisor (Engineer) came harrassedly to the LWO and briefed the latter that he was caught by a sun-stroke. And he fell down on the chair within a few seconds! LWO was surprised and he rang up to call for the ambulance and rushed out. Now there was nobody else inside the room other than the young supervisor and myself. I sympathised with him and inquired about his well-being. To my surprise, he started weeping and told me that his boss used to threaten him repeatedly by telling him that he would be removed from the job as he was unfit for it. He also added that, despite his many requests, he was not allotted adequate number of workers and, therefore, he could not complete the scheduled work. This clearly indicated that it was the continued fear of removal that was the cause of his ailment, which could not be disclosed by him to the LWO. Hence, he gave the secondary reason of a sun-stroke. Such incidences
take place due to the lack of human touch. Management people are so much pre-occupied that they can't spare time to treat individuals with love and affection. But, then, threatening and rebukes do not improve LMR.

* It has been observed that LMR were governed mainly by three labour legislations, viz., I.D. Act, T.U. Act and I.E. (S.O.) Act. In real practice, a number of problems took place while enforcing the provisions of these Acts. For example, conciliation officers did not respond promptly and regularly, works committees were only on paper in most of the units, strikes did take place during the conciliation proceedings, and considerable delays took place in the conclusion of arbitration and adjudication proceedings of labour courts and industrial tribunals. Moreover, in many cases, the Standing Orders were poorly honoured by the workers and some times the managements were helpless in enforcing them. An alarming matter was observed with reference to T.U. Act. Since the Act does not contain provisions for recognition of TUs, there arose many problems and disputes on this issue. Not all the employers followed the Code of Discipline which lays down the criteria for recognising TUs., as it was not compulsive. But, it was further observed that the parties concerned resorted more to legal action rather than hostile action. A number of agreements and settlements took place between the managements and the unions of the different units. It was reflective of the success of the philosophy of collective bargaining. There were a number of awards, too, in different units. In brief, we find that a
substantial control was maintained, despite certain limitations, by the labour legislation in the field of LMR in the industries under survey.

* None of the industries studied fell within the purview of the B.I.R. Act. Hence, the advantages of representative unions and Joint Committees were not available to them. (It was noted that, due to the wide impact of the National Labour/Organisation --- popularly known as Majoor Mahajan --- and of the B.I.R. Act, the number of man-days lost in the past 20 years in the Textile and other concerned industries in the State was fairly low.)

* The Conciliation Machinery does not seem to have succeeded substantially; for, the aggregate percentage of successful cases, during 1961-79, was 6.78% against 22.6% of failure cases under the I.D. Act, while the corresponding figures were 18.20% and 43.16% under the B.I.R. Act. In addition, a large number of cases stood pending at the end of each year. It was a common experience of both union leaders and the managements that the conciliation officers lacked the necessary stature, competence, and knowledge. Some of them were reportedly amenable to gratifications from employers. In many cases, the conciliation machinery was overburdened with the task of enforcing labour laws. While arbitration was not preferred by the parties, adjudication has been a time-consuming process partly because of its judicial nature but mainly due to employer's preference for it.
Along with the public and the private sectors, two more sectors, viz., Cooperative and Joint Sectors of industrial structure have developed in the State. A large number of workers from rural and semi-rural areas are employed in the industries in these sectors. Almost all of the dairy units belong to the co-operative sector. Big fertilizers units are in the Co-operative and the Joint Sectors. The managements in these units were found to be less bureaucratic but more cautious about the productivity. Consequently, better LMR prevailed therein.

Participative Management has proved to register very little success. Whether it were the Works' Committees of I.D. Act, 1947 or the Joint Management Councils introduced voluntarily in 1958 or announced to be implemented in 1975 under the 20-Point Programme, all have pointed to the tardy and piece-meal efforts in ensuring effective participation of workers in management. Most of these committees/councils were found to be inactive and were confined to the paper that noted their creation. Both the parties seemed not to be interested in their functioning. They considered it to be a waste of time to run such committees, which provide a ground for releasing the heat of the parties without arriving at any specific decision.

The above are the chief broad observations made in this research work. Some of the specific observations made in the areas of personnel management and industrial relations of the organised industrial units studied are enumerated below:

**Management:** In all the units, the managements were preoccupied
with the problems of finance, production and marketing; due attention was rarely paid to various aspects of personnel management and human relations. Hence, low efficiency, low production and rising cost of manpower were complained of in many of them.

Personnel Department: There were no separate Personnel Departments in Units D₁, D₂ and F₂. Surprisingly, in Unit D₁ the Asst. Manager (Personnel) was reporting to the Manager (Purchase), while in Unit D₂, the Asst. Manager (Personnel & Admn.) was reporting to Manager (Admn.). Further, there was neither a separate Personnel Department nor a Personnel Officer in Unit F₃, where the personnel functions were carried on by the Industrial Relations Officer who was common for a group of sister concerns. In the case of Unit R, F₁ and F₂ there were full-fledged Personnel Departments headed by the authorities who reported directly to the Managing Director or Chairman. In case of Unit D₃, limited powers related to personnel functions were given to the Asst. Manager (Admn.).

Recruitment: Advertisements were the main source, which indicated a fair competition of labour supply. Recruitment through Employment Exchanges was not popular in these industries. Scientific selection procedures were developed and adopted in most of the units. Bribery or corruption in recruiting the persons was reportedly negligible.

Manpower planning was generally haphazard and less scientific except in case of Unit R, where a separate Efficiency and Research Centre took care of this.
Service Conditions: The service rules or terms were more or less common in all the units except those in Unit F, which followed an undesirable practice of employing workers only for 3 months on a purely temporary basis and where the workers were not made permanent even after 3-4 years of service.

Induction: Only one Unit, viz., F, was conscious of this important aspect, which provided primary essential information to the workers by issuing a Gujarati booklet to them soon after they entered the organisation.

Working Conditions: In almost all the units the working conditions were provided as per the Factory Act. However, they were poor and ill-maintained in Unit F and D. A majority of the respondents, in the survey for the working conditions, had conveyed their satisfaction thereof.

Welfare Amenities and Fringe Benefits: A variety of welfare amenities and fringe benefits were available to the workers and the staff of the units. Result. The workers felt obliged to the managements in varying degrees, and antagonism was reduced.

Promotion: This is a delicate problem in LMR. But, there appeared to be a lack of clear promotion policy and practice in most of the units. A majority of the workers were not satisfied in this respect in the Refinery and Fertilizers industries. In the case of Dairy industry, 39% of the respondents were dissatisfied with the promotion policy and practices in the Units. The causes of dissatisfaction for
this were mainly: limited chances, neglect of capability and merit, discretion, injustice and partiality of the management, yesmanship, corruption and favouritism.

Transfer: A majority of the workers were anxious to have a change in their job for one reason or the other.

Absenteeism: Though this is generally a serious problem, managements did not find it abnormal. The ESI scheme was the main reason for absenteeism in Unit F. Malpractices like the issue of bogus certificates by ESI doctors were also reported.

Resignations: Most of the managements attributed 'better prospects elsewhere' as the chief reason for resignation of their outgoing employees. However, some other reasons as follows were revealed during the course of my personal interviews with the union people and the workers:

(a) Long term clashes with the supervisors.
(b) Frequent charge-sheets served on the workers.
(c) Very limited or no better chances in future.
(d) Partiality in promotion.
(e) Assignment of irrelevant jobs.

Performance Appraisal: Though very essential in good personnel management, only two organisations, viz., Unit R and F had developed their respective performance appraisal systems for the workers/staff and supervisory staff.

Labour Unions: (i) The leaders of the labour unions were active and aware of developments. They were democratic in the
unions proceedings. (ii) A majority of workers/staff had joined the unions for collective and orderly efforts to achieve their demands. (iii) In most of the units internal leadership had emerged. (iv) There was prevalence of a satisfactory atmosphere of frequent dialogue with the managements even where no formal recognition was given to a union. (v) Regular annual elections were held by most of the unions. (vi) No violent or militant methods were resorted to against the management in any unit. (vii) The main achievements of most of the unions included those of entering into some settlements or gaining awards which provided the revision of pay scales and increase in the rates of different types of allowances. One union claimed to have guided the management in framing the promotion policy.

Misconduct: Instances of misconduct were noticed in almost all the units. The common of them related to: absenteeism, theft and sleeping during duty hours. The more serious acts consisted in: the use of intoxicants while on duty, insubordination, cheating the customers, creating riotous conditions and going on illegal strikes. To control these, while a number of necessary charge-sheets and suspension orders were issued in the concerned units, in very few cases were the workers dismissed or were their services terminated. Moreover, in some cases the union leaders came forward to defend the workers, while in the others the concerned workers apologised for their misconducts.

Grievances: A number of typical instances of grievances expressed by the workers during the field-work related to the
matters like: not making them permanent even after four years of service and thus depriving of many benefits; low wage grade as compared to the skill and responsibility for performing the assigned job; partiality of supervisors in distributing the O.T. work; suspension even in case of genuine absence caused by one's child's sickness; and, inferior quality of tea and snacks served by canteen for a long period. The union leaders also presented the grievances, on behalf of workers, like: hard work and overload of work; deprivation of seniority; severe penalty for reasonable absence; unsafe working conditions; absence of disciplinary action against the defaulting supervisors; rebukes to workers by the foremen; low efficiency and production of workers due to inadequate instructions given by the supervisors; foremen playing up favourites; and ignoring the complaints of the workers and their representatives.

It was further observed that there did not exist a well-designed grievance procedure in most of the units. They followed an informal open-door policy for dealing with grievances. According to the managements, there were very few grievances and hence there was no need for formalised procedures. It was only in Unit R that a well-drafted Grievance Procedure was in operation.

**Communication:** It was observed that there did not exist an adequate amount of communication — a cornerstone of good LMR — in most of the units. For downward channels of communication, a majority of them widely used the various media like circulars, notices, letters, manuals, standing orders, etc.
But, the efforts for upward communication were poor. Ineffective arrangements for suggestion/complaints, grievance procedure and formal meetings with subordinates did not encourage the employees to express their ideas and opinions frankly to the higher authorities. The existence of works committees, joint councils or joint management councils, canteen committees, production committees, etc., in some of the units was also less effective in the process of two-way communication. Large units like R, F₁ and F₂ published their house journals which communicated the information and achievements regarding the establishments and the employees. It, therefore, seemed that the principal source of communication was the union leaders/representative who were adequately active and free to approach the managements. But in such a source of communication there is a danger of misrepresentation or biased presentation of the facts.

Settlement and Awards: LMR are reflected in the settlements or awards. More bipartite agreements in terms of settlements in the conciliation meetings are a good indication of improved LMR. The awards are given by the arbitrators or the tribunals or the labour courts; they indicate disturbed LMR. Here, in our study, we found a combination of both. Some of the multiple demands raised by the unions were unreasonable and irrelevant and brought a heavy monetary burden on the managements. For example, in one case, the union had demanded for the continuance of project allowance even when the project work was completed. The same union, prior to this, had accepted its discontinuance after the project was over!
Mostly, in all the units, agreements/settlements and awards were reached either to pacify or to oblige the union leaders. But, no definite assurance was bargained, in turn, in terms of increasing productivity. As a result, unending demands went on increasing irrespective of the corresponding increase in productivity.

An interesting observation was made that a considerable number of employees working in the units studied was busy, in their leisure time, with some side occupations and activities that fetched them an attractive extra income. These included agriculture and small retail shops in rural areas and retail shops, rickshaw-driving, and agencies of LIC, Post offices, etc., in the urban areas. Consequently, they could seldom spare time for their union activities, though they were the members of some unions. This had a positive impact. The nature of earning extra income kept them contented, on one side, and pushed them away from creating conflicts with their managements, on the other.

Lastly, the present study has pointed out that where workers and their employers belonged to the same cultural area, there was much more understanding and agreement regarding the goals and means than when they were recruited from different cultural groups. In case of co-operative dairies due to this phenomenon, there existed better LMR than in the Refinery Unit where the employees and management people originated from different cultural environments. A cross-breed of a typical industrial culture based on the latter had yet to develop.
A Few Predictions of LMR in Gujarat

Though, compared to other States, Gujarat is better-off in regard to LMR, a trend of militancy, intimidation and violence is slowly creeping in the trade union activities in it. This is due to the influence of the atmosphere pervading the whole country, where the economic and political situations are changing rapidly. Law and order are deteriorating. Workers are loosing their faith in the preventive and settlement machineries. Works committees and other joint councils have failed to deliver the goods. Strikes and lockouts are increasing. The labour in Ahmedabad is calm, but it is not so in Vapi, Balsar and Baroda. The refinery workers, for example, struck work for three days in the end of 1980 for a 30% bonus. The workers fall victim easily to the union leaders who extend high promises. Then the battle begins against the employers. Even in the small area of Vithal Udyognagar here the workers in more than one engineering units have staged strikes demanding higher wages, bonus, etc.. In some of them, they are yet continuing strike (as in the second week of June) under the leadership of HMS Unionist Shri P. Chidambaram.

On the basis of this backdrop, a few alarming predictions regarding LMR situation in the State of Gujarat are made hereunder:

- The managements in the public and the private sectors might have to face the labour problems at an increasing rate. How far would be a comparatively better climate of LMR in the co-operative sector, too, could be anybody's guess.
The workers may be 'misguided' by the outside militant/political leaders and may disturb the industrial scene, particularly in the areas where non-traditional industries like engineering, chemicals, and refinery are situated.

The Government may be less effective in regard to the maintenance of industrial peace/in the amicable settlement of disputes owing to its political interests at large.

Preventive and Settlement machineries provided under I.D. Act, T.U. Act and I.E.(S.O.) Act may be less honoured by the parties to the disputes which, perhaps, have become out-dated and ineffective.

The parties may resort rapidly to bipartite agreements rather than proceed to awards and decisions from the labour courts and tribunals due to (i) undesirable delays in adjudication, and (ii) increasing strength of the organised workers. Therefore, collective bargaining might emerge as an essential alternative; for, the alternative of long drawn out strikes and stoppage of work would be disastrous to all — the workers, the units and the society at large.

Suggestions for Future: Action

All the above motivate me to offer certain suggestions for future action — particularly, at the macro level. (These may be equally useful to the parties concerned in the other parts of the country.) I believe, time has come when it would be in the interest of all to take preventive and corrective measures before the situation goes out of control, beyond repairs.

1. Regarding rising prices: The major cause of disturbed IMR seems to be the demand for higher wages and allowances. This is due to the unending spiral of rising prices. It is very essential that the Government ensures that prices of essential commodities are controlled in reality and not theoretically.
While prices are increasing on one side the quantity and quality of the goods available to the workers are diminishing/deteriorating, on the other. How can this phenomenon permit stable and amicable LMR?

Similarly, the dearness allowance should reflect the actual prices prevailing in the market applicable to the workers — not in general. This alone can ensure that the purchasing power of the total money wages of an employee is preserved. In the absence of this every worker tends to catch up with the falling value of the rupee, resulting in augmented dissatisfaction, unrest and strifes.

2. Regarding registration and political affiliation of TUs:

According to the present TU Act, any seven workers can form a union and get it registered. The Act was framed in 1926, when it was difficult to get even seven persons for the fear of victimisation by the employer. The situation now has completely changed and multiplicity of unions has become a problem. Yet the same provision continues to be the basis for registration. Moreover, there is another provision in the Act, which encourages political affiliation and association, viz., the creation of a separate political fund! Of course, in the beginning, these provision benefitted the Indian workers who lacked internal leadership. It has proved not only to be a failure but also a thorn in the bed-side of a good LMR system.

Therefore, I suggest that the minimum limit for registration of a TU should be raised to one-third of the total number
of workers in the craft, unit or industry as may be applicable. Secondly, the provision for creating any kind of funds for political activities should be scrapped. In addition, a provision should also be made for cancellation of registration if any TU establishes any kind of association with any political party. The TUs should function independently and exclusively for the uplift of their workers and not for the promotion or support of political causes.

3. Regarding recognition of Unions: The law must include a provision for compulsory recognition of at least one labour union satisfying required conditions in a unit so that precious energies of the unions are not dissipated on this vital and fundamental aspect of their very existence. Industrial peace can be achieved only through an unstinted co-operation between labour and management. As co-operation between unequals is a sham, it is paramount that there should exist strong independent and democratic trade unions enjoying recognition of the employers. The National Commission on Labour has also emphasised this issue in these words: "We attach considerable importance to the matter of recognition of trade unions.Industrial democracy implies the right to sole representation, i.e., the right to speak and act for all workers and to enter into agreements with employers."¹

I therefore, suggest that the rules for recognition should be drafted in the following manner:

(i) Where there are more than one union, a union claiming

¹ RCL Report, p.329.
recognition should have been functioning for at least one year after registration. Where there is only one union, this condition should not apply.

(ii) (a) The membership of the recognised union should cover at least 55% of the workers in the establishment concerned.
(b) Where not a single union fulfills the condition as in (a), all the unions with membership covering 40% or more of the workers should be recognised.
(c) Membership should be counted only of those who had paid their subscriptions for at least six consecutive months immediately preceding the reckoning.

(iii) When a union has been recognised, there shall be no change in its position for a period of two years. However, after a period of one year its membership may be re-verified if challenged by any other registered union in the industry so as to make a change later.

(iv) The provisions under the Code of Discipline in regard to recognition of unions do not provide, in practice, a satisfactory arrangement. The Code is not taken seriously by either party, whose attitudes have been progressively obstructionist. Again, workers have come to cultivate a sort of distrust about the soundness of the present system of the verification of membership, which needs to be supplemented by the process of secret ballot. The issue of recognition is one of the major causes of industrial unrest because under the present system unions favoured by the employers or the Government can be manoeuvred into recognition though their actual membership may be far below the level required by law. It is, therefore, necessary to introduce necessary procedural changes. For proper enforcement of the new provisions it is imperative that the entire question of recognition is brought within the competence of the Labour
4. Regarding Collective Bargaining: In order to expedite the process of collective bargaining effectively, the following steps should be taken by the Government:

(A) Collective bargaining be declared as an integral part of India's national industrial relations law. To give it a constitutional sanctity, it should be incorporated as a fundamental right under Article 19(1) in Chapter III, or at least as a directive principle under Article 39 in Chapter IV of the Constitution of India.

(B) Collective bargaining be introduced as a statutory requirement in all the establishments employing 50 or more persons during a specified period of time, with an authority to the appropriate government to extend it to other establishments employing such number of persons less than 50 as may be prescribed.

(C) Collective bargaining be adopted as a part of the corporate personnel policy in all industrial undertakings in the public sector, and as a basic management/administrative philosophy in all government departments including departmental undertakings and the public utility services.

(D) ILO Convention No. 98 concerning the application of the Principles of the Right to Organise and to Bargain Collectively, and Recommendation No. 91 concerning
Collective Agreements, be ratified, implemented, and the details of these should serve as the basic guidelines for development of collective bargaining in India.

In addition to the existing authorities under the Industrial Disputes Act, a Collective Bargaining Industrial Relations Advisory and Administration Service may be introduced both at the Centre and the States to take care of all aspects of initiation and promotion of collective bargaining. Such an agency may be entrusted with the following functions:

(a) Advising the parties on all aspects of collective bargaining, including negotiating procedure, contents and format of the agreement, and association of recognised unions with its implementation.

(b) Helping the parties in resolving jurisdictional and recognition disputes.

(c) Registering collective agreements negotiated and duly signed by all the parties concerned.

Such a positive government policy would create environment for development of collective bargaining in the country. Yet the major initiative to accept, adopt and promote it has to come from the parties concerned. The capitalist employers must adopt a progressive attitude and reassess their own role and that of the enterprise and the trade unions in the context of the rapidly changing environment. They — along with the working class —
must realise that the enterprise is no more their own class monopoly. It's a joint venture, the success of which depends on effective co-operation of all participants in the endeavour. They must also accept that the interests of the other constituents of the society, too, are at stake even if they two are the main class functionaries in an enterprise.

Again, as effective collective bargaining depends on free, strong and responsible trade unions, union leadership should rise to the occasion, close their ranks/consolidate their strength to take full advantage of the favourable environment which might be created by the government initiative to help collective bargaining to develop.

Although certain degree of political orientation on the part of workers and trade unions seems to be inevitable to attain the broader goals, affiliation of trade unions with political parties has outlived its utility; because as stated earlier, the political links, instead of serving as a means towards trade union ends, have tended to make them subservient to the ends of the affiliating political parties.

Even if dubbed as utopian, I believe that political control of trade unions must end. The vested interest that has developed over decades cannot be terminated in a day. What is, therefore, needed is a gradual delinking of trade unions from the political parties to make the former strong, responsible and self-reliant. This calls for a carefully planned programme for development of a trained and educated cadre of worker-
leaders, who are prepared to take over trade union responsibilities from the outside leadership. This along with the two more steps, viz., (i) augmented restriction on outsiders in Union Executive Bodies and (ii) prohibition on holding, simultaneously, of political offices by union executive members, if implemented, will go a long way to reduce political control over trade unions helping the latter to concentrate more on their basic functions including collective bargaining.

5. Regarding Productivity Bargaining: The organised labour force has formed a habit of putting forward unending series of demands — not all of which, and always are genuine — without any, reliable assurance for increase in efficiency and productivity. Hence Productivity Bargaining must replace the conventional bargaining. This will metamorphose the existing antagonistic managerial as well as working class stances and merge them into a mutually trusting and productive endeavour. Such a rational change will certainly make a significant contribution to the prosperity of industry and the national interest, at the same time raising all around the well-being of the employees concerned. Perhaps it is less known that the philosophy has been tried successfully in Kerala, where it has helped to settle a number of common issues like wage-increases and incentives, bonus, higher production, wastage in production, supervision and expansion of industry. In a sense, if implemented sincerely, it may prove to be a panacea for most of the ills of LMR and can establish smooth labour relations.
6. Regarding Conciliation: Despite its ineffective and tardy functioning, conciliation machinery has its use at the early stage of the relationship of the parties. It should, therefore, continue with suitable modifications in its power and method of work. In the first place, it must strictly adhere to the time limits prescribed by the present Act. Especially when it becomes obvious that the parties have nothing to learn at the conciliation meetings and desire to avoid this step, conciliation machinery should not waste time in the further formal process. Secondly, the conciliation officers (C.O.s) should be armed with administrative powers to enforce their settlements and agreements; for this they should have the assistance of Labour Prosecutors.

Thirdly, the C.O.s should be given these additional powers:

(i) In matters of disciplinary action like transfer, suspension, dismissal, discharge, etc., affecting the economic and social life of an employee, the aggrieved party (mainly, the worker) should be allowed to approach the C.O. — either by himself or through his representative or any registered union. On being approached in this manner, the C.O. should be empowered to decide the case on merit and enforce a decree on employer for compliance of his orders. (ii) In matters of interpretation of settlements/agreements, awards, etc., while enforcing their provisions, the C.O. should be empowered to determine the disputed clauses, when approached by any concerned unions, or employer, or both. Thus, he should also perform the implementation work of such settlements and awards.
The granting of these powers will go a long way in filling the great lacuna prevailing in the present practices.

Further, it is strongly suggested here that the present conciliation machinery needs to be promptly strengthened in terms of more staff, better remuneration, effective training and guidance, and provision of other assisting staff in the labour offices. This will expedite the volume of work. It will also curtail the temptation, if any, on their part to fall a victim to the employers' 'purse' and will ensure a bold and independent stand of the C.O.s on vital matters concerning the poor workers.

7. Regarding Promotion Policy and Practices: This is an area of LMR where widespread heart-burning is found with a devastating effect on morale of the working force. Nepotism and corruption have coloured the promotion practices in most of the industries. The most popular system of promotion, in our industries, is seniority-cum-merit system, which is open to many abuses since it can disregard seniority at any time and confer, subjectively, merit where it is not easily visible to the common eye. There is little of merit-testing and the word merit has come to mean another substitute for favouritism. Therefore, it is advisable to develop a rational promotion policy on the basis of job-descriptions, job-specifications and objective appraisal. Each important job should be precisely stated and the qualities required for it be mentioned in manuals. Then an appropriate search for these qualities should be carried on by well-tested methods such as examinations, group-interviews,
aptitude tests, work-appraisals, problem-solving tests, etc.. There is no dearth of better and efficient methods of promotion policies that might give objective or near-objective results. Another suggestion for a good promotion policy is to develop the talents of existing manpower to accept higher responsibilities in future. For this a systematic manpower planning should be done and, if necessary, effective and intensive training and development programmes be conducted to meet the specific requirements of jobs.

8. Regarding Personnel Management and Human Relations: The organised industries should devote more attention to the activities of personnel management and, specially, to problems of human relations. The activities cover a wide range: employing qualified workers and seeing that they are adequately inducted, trained and supervised, that their wages are satisfactory and that they have suitable working hours, conditions of work, and arrangements for health and safety; giving employees opportunities for personal development, steady work and agreeable relations with bosses, fellow employees and subordinates; seeing that they can voice their ideas and grievances; and arranging facilities for recreation, welfare and counselling. However, all these activities omit the key element of 'personnel spirit'. In other words, just about every thing that management does which has its impact on attitudes and human relationships within the organisation and results in harmony or conflict. The personnel-minded executives should consider every policy and act from the standpoint of working people and should try to deal with them as integrated
human beings. The personnel practices are likely to succeed or fail to the extent the 'personnel spirit' prevails in an organisation.

9. Other suggestions: A few other suggestions may also be found helpful in bettering the LMR in the organised industries in Gujarat — and, in the country as well. These are:

- Outside leadership in the labour unions should be discouraged both by the law and the workers concerned. Instead, internal leaders be developed. For this purpose, effective programmes for workers' education be conducted. Moreover, to promote internal leadership in unions, it is also suggested that 75% of the office-bearers in the executive bodies of unions should be the employees of the unit/industry with which the respective TUs are connected. The limit is 50% at present, though the suggestion to 75% is on the anvil.

- The Registrars of TUs should be empowered to verify the membership of unions and report the matter to the State and/or the Central Government, as the case may be.

- Instead of merely fighting only for monetary and other demands of their workers, the unions should come forward to undertake some constructive activities for the workers, e.g., training, education, career development, recreational activities, vocational guidance, family planning, sports, cultural activities, etc. These activities will keep the workers satisfied and develop in them a sense of better life. It must be noted here that some of the older Federations like National Labour Organisation have done substantial work in
It is also advisable for better IMR to discourage the establishment of big units particularly in public sector, as it becomes difficult to maintain 'personnel spirit' or 'human touch' in such units. Due to considerable amount of bureaucracy and formalities, personal touch can \textit{ipso facto} rarely prevail in these units. Therefore, medium size units — possibly in the co-operative sector — should be encouraged to grow. Better IMR must also be tried in the industrial units in the other sectors.

There should exist a well-organised Personnel Department in each establishment in all the organised industries. The top management should develop positive and progressive personnel policies and practices rather than curative ones only.

Misconduct of workers should be dealt with, as far as possible, by taking unions in confidence to avoid further disturbances. An attitude of 'forgive and forget' may be observed in the initial stage; and, due opportunity for improvement be given to the workers. However, where necessary an appropriate action should also be taken after rational (not partial or biased) inquiry. More importantly, it must be judicious and timely. The age-old adage — a stitch in time saves nine — is most applicable here.

A well-defined and well-structured grievance procedure be incorporated and implemented in all the organised industrial units. The very existence of the procedure will motivate the concerned parties to divert from conflicts to harmony.
There must prevail an effective arrangement for upward communication. For this, personal meetings are the best means. However, where this is not possible, it can be substituted/supplemented by open invitation to suggestions (or complaints), publication of House Journals, and the arranging of lectures, essay competitions, seminars and informal get-together programmes, on a continuing-programmed basis.

In the organised industries, a practicable scheme for 'workers participation in management' would strengthen and stabilize the IMR. The operation of Works Committees, Joint Management Councils, Production Committees, Canteen Committees, Welfare Committees, etc., should be actively streamlined. Both the parties should take genuine interest in holding these joint committees at the shop level and at unit level. Moreover, in case of units where enlightened and educated employees are working, a beginning should be made to offer them a place in the Boards of Management alike in some public enterprises.

Being the largest employer in the country, it is desirable that the Government (both State and Central) comes forward as a pioneer, to implement the suggestions with regard to better IMR in its own industrial establishments. And, the employers and the labour unions of the industries in the other sectors would certainly follow the example set by the Government, even if after a time-lag.
A Suggestion for an Alternative to Strike

Total avoidance of disputes is not possible even in a dictatorial country — much less in democratic set-ups. According to surveys and psychiatrists, strikes are sometimes cathartic — acting as let-off valves of emotions long pent up. Even Japan, where strikes are often virtually historically-culturally abhorred, has not yet been successful in putting an embargo on it. Frequently strikes are politically motivated. Nevertheless labour and management can try an alternate experiment, somewhat on the following lines:

When the employees desire to go on strike, (of course, for a genuine reason), they should not stop the work or indulge in violence but should continue the normal production. However, neither the employer should get any profit nor the employees get any wages for the production/work during this course, which should be credited to Earmarked Industrial Peace Fund (EIPF). While the employers and the employees will be the losers for varying periods, real wealth so produced would eliminate community losses and the weakening of national economies. In such events, subsistence subsidies must be provided from out of EIPF, as per pre-conceived scheme, to the 'satyagrahi' workers, whose waiting capacities are low.

While the penance and self-negation, as above, may not be feasible everywhere, even a few experiments will have a booster-impact and raise up the employer-employee morale all round. There will be various benefits of this alternate scheme:
* The losses of national income and wealth due to strikes will
be eliminated.

* The consumers and the community will not undergo any hardship arising out of disturbed pattern of production.

* Political influence on industrial disputes will be reduced.

* Revenues to the public exchequer will be maintained.

* Destitution, violence, damage to property, personal injury and other adverse effects of a strike will be erased.

* Speedy settlement of disputes will emerge.

* The final settlements — free from Government and other pressures — might prove to be mutually beneficial, on a relatively permanent basis.

The industrial structure, in future, would continue to be complex. Hence the pattern of LMR in the coming years has to be one of a continuous adjustment to suit the mutual interests of the parties without disturbing the community and the economic development. In the end, I would repeat that LMR is basically a phenomenon of attitudes and perceptions of the parties concerned, and therefore if they begin to treat the industrial organisation as an affection-based larger joint family, the latter will emerge as a well-rooted harmonious and pleasant place where everybody will be working with dutyful responsibility, give-and-take and sacrifice rather than rights that will ensure optimum morale and genuine satisfaction. This is certainly not a pious wish nor a utopian dream. It may demand eternal patience. But, then, there is no short-cut to peaceful and harmonious LMR anywhere!