

CHAPTER - VI

CONCILIATION AT WORK

FIELD STUDY - 2

Introduction

The performance of the conciliation machinery, in relation to the nature of disposal of demands, based on the field study, was examined in the previous chapter. The present chapter deals with the time taken in the disposal and the nature of demands reported to conciliation under the Industrial Disputes Act, 1947 with (Gujarat) Rules, 1966.

Time element

The union and the management normally expect the conciliation machinery to assist them to arrive at an agreement without any delay. Realising the importance of the time factor, the Government has made necessary provisions in the legislation, which provides time limit for the disposal of demands by the conciliation machinery and the very purpose of setting up of the machinery is prompt and expeditious disposal of demands to maintain industrial peace.

The analysis relating to the time spent in the preliminary investigation and subsequent conciliation proceeding is presented below:

TABLE - 1
 DEMANDS AND DURATION OF PRELIMINARY
 INVESTIGATION AND CONCILIATION
 PROCEEDINGS

Time span (In number of days)	Number of demands	
	Preliminary investigation	Conciliation proceedings
0 - 14	-	-
15 - 29	46	52
30 - 89	201	139
90 - 179	84	128
180 & above	49	61
Total demands	380	380
Average time in days	79	114

Technically speaking, the time spent in the preliminary investigation is not considered to be the time spent in conciliation. But for the disputant and for the usage in the ordinary sense of the term, the total time spent in conciliation includes also the time taken in preliminary investigation. Looked at in this way, it shows that

considerable time is involved in mediation.

Further investigation of the conciliation case papers brings out that in some of the important demands, there was an interval of about six to seven months between the date on which the machinery was harnessed and the demands finally disposed of which indicates that the demands were not promptly disposed of.

Nature of demands

The negotiating part of the conciliation procedure is entirely an individual process, wherein the conciliation officer is supposed to play an active or passive role both depending upon the nature of demands. The nature of demands may or may not affect the cost structure of the unit, which indirectly influences the willingness of the management, as to whether to accept the demands or not. A study of the time taken in the nature of disposal of demands, may enlighten us to know, the performance of the machinery in financial or non-financial demands. The data of the nature of demands and time spent in conciliation is provided below:

TABLE - 2
NATURE OF DEMANDS AND DURATION
OF CONCILIATION

Time span (In number of days)	NATURE OF DEMANDS					
	Financial		Non-financial		Total	
	A	B	A	B	A	B
0 - 14	-	-	-	-	-	-
15 - 29	18	21	28	31	46	52
30 - 89	78	49	123	90	201	139
90 - 179	41	47	43	81	84	128
180 ^{&} above	16	36	33	25	49	61
Total demands	153	153	227	227	380	380
Average time in days	81	128	78	76	79	114

A = Preliminary investigation.
B = Conciliation proceedings.

It would be seen that considerable time was wasted in both financial and non-financial demands. However, in financial demands, much time was consumed at the level of conciliation proceedings, as compared to the preliminary investigation. While, in the case of non-financial demands, the time spent at both the stages is more or less the same.

Surprisingly, a prompt disposal of demands could not be achieved even in non-financial demands, where no immediate financial burden was involved. In this connection, when conciliation case papers were further analysed, it was found that much time was consumed in correspondence, when frequent reminders were sent by the conciliator officer, and considerable time was unnecessarily consumed at the negotiation table without tangible results.

This shows that the overall conciliation procedure in practice is lengthy and time consuming, which results into inordinate delay in the intervention and in mediation. At the same time it seems, the conciliation officer also followed the procedure in a mechanical manner without making any genuine efforts to save the time in conciliation.

Nature of disposal

The weak performance of the conciliation machinery may be due to want of sufficient time or scope of opportunities for negotiation. There are instances, when the disputant requests for intervention in haste and makes unreasonable demands in the beginning when the atmosphere is surcharged with tension, it is likely that any effort on the part of the machinery may not be successful. It is further likely to facilitate the disputant to see reason and behave rationally.

Some time may be allowed to pass for making the contending parties to cool down and create an atmosphere for peaceful negotiations and to make them understand each other's view points and proposals.

The data relating to the nature of disposal and the time spent in conciliation is provided in the following table :

TABLE - 3

NUMBER OF DEMANDS, NATURE OF DISPOSAL
AND CONCILIATION DURATION

Time span (In number of days)	NATURE OF DISPOSAL OF DEMAND									
	Settlement		Withdrawal		Failure		Total			
	A	B	A	B	A	B	A	B	A	B
0 - 14	-	-	-	-	-	-	-	-	-	-
15 - 29	18	12	20	27	8	13	46	52		
30 - 89	27	21	40	26	134	92	201	139		
90 - 179	15	27	24	20	45	81	84	128		
180 & above	1	1	16	27	32	33	49	61		
Total demands	61	61	100	100	219	219	380	380		
Average time in days	90	74	71	57	85	82	79	114		

A = Number of demands in Preliminary investigation.
B = Number of demands in Conciliation proceedings.

The time spent at both the stages of conciliation was considerably more and the performance was far from satisfactory looking to the time span and lower number of demands, which resulted settlement. The same trend prevailed in failure demands, when the machinery equally consumed more time.

It is likely that the participant in negotiation would not have been active, or either party would have remained continuously absent at the proceedings. This has resulted the maximum percentage of adjournments and delay.

It is likely that such units do not want to take notice of conciliation intervention and have remained indifferent in maintaining harmonious relations with the unions. But instead of forming any premature judgement about the intention of the management, the conciliator could have endeavoured to find out reasons for such an approach and have explored the area of possible agreement without consuming more time.

Ownership of unit

It is a general belief that the nature of ownership of the unit does influence the approach of the management either in negotiations at the plant level or in the process of conciliation. It is likely that particular management holds a non cooperative approach and avoids negotiations even at the

instance of the conciliator, which would vitally influence the time spent in the work. The data below provides an analysis relating to the nature of ownership and duration of conciliation.

TABLE - 4

NATURE OF OWNERSHIP, NUMBER OF DEMANDS AND
CONCILIATION DURATION

Time span (In number of days)	TYPE OF OWNERSHIP										
	Private		Partnership		Local bodies		Others		Total		
	A	B	A	B	A	B	A	B	A	B	
0 - 14	-	-	-	-	-	-	-	-	-	-	-
15 - 29	17	16	19	22	-	3	10	11	46	52	
30 - 89	116	91	75	27	-	4	10	17	201	139	
90 - 179	45	57	24	65	14	3	1	3	84	128	
180 & above	16	30	3	7	14	18	16	6	49	61	
Total demands	194	194	121	121	28	28	37	37	380	380	
Average time in days	87	79	65	109	180	180	138	43	79	114	

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Note: Other units include - Cooperative Institutions, State owned units and Housing Board etc.

The demands were not promptly disposed of both in the public sector units as well as in the private sector units. However, the time spent in the disposal of demands in the former units was considerably higher as compared to the latter units.

While referring to the conciliation case papers relating to public sector units, it was found that the next person was deputed to attend the conciliation meeting. And even in minor matters, he showed his inability to negotiate while discussing every demand. He simply stated that he had to refer the matter to his officer or higher authority had to be consulted. This may be because he attended the proceedings without prior consultations with his superior. Even if he had consulted, he did not properly follow the instructions at the conciliation proceedings. It showed that the management of the public sector units took a casual approach towards the conciliation machinery.

In case of private sector units, the data showed that the time spent in the disposal of demands at the preliminary investigation and conciliation proceedings was relatively less as compared to public sector units. It may be because of delaying tactics followed by the management, such delaying tactics include seeking frequent adjournments, remaining absent without intimation, not supplying information and records and deputing person who had no authority to take

decision. The reason advanced by the management may be fictitious or without substance. The management had shown to the conciliator their unwillingness to accept the request to attend the conciliation meeting and to discuss any demands with the trade union at the negotiation table. Some of the units in the private sector management had maintained an authoritarian approach and even remained indifferent in accepting conciliation notices. It was also reflected in the frequent absence of the management without intimation, which resulted into highest percentage of adjournments at the instance of the employer.

Adjournment

One of the factors leading to the delay in conciliation would be the number of adjournments. The duration of conciliation could be prolonged when the contending parties did not attend the conciliation meeting either by seeking repeated adjournments or by remaining absent without consent.

When the conciliator fails to restrict such a practice, the time consumed in conciliation would always be more. As such, the number of adjournments definitely affect the time taken in conciliation. The data for the same is given below:

TABLE - 5

TYPE OF CONTENDING PARTIES
AND ADJOURNMENT

(In percent)

Contending parties	Percentage of adjournment	Reason for adjournment	
		Request	Absence
Employer	70	72	65
Trade union	12	1	32
Both	18	27	3
Total	100	100	100

It would be noticed that the percentage of adjournments at the instance of the employer predominates in conciliation. The reasons for such adjournments, when classified into two divisions; one, 'at the request', and another, 'due to - absence' of contending parties, it was found that in both the divisions, the employer was responsible in ^{the} majority of the adjournments.

When conciliation case papers were examined further, it was found that in demands where adjournments took place at

the request of the employer, the management delayed its comments on the statement filed by the union and had taken more time than required in submitting the return asked for by the conciliator. It means that the main aim of the management was to avoid conciliation and follow the delaying tactics restricting the expeditious disposal of demands. Under the circumstances, it could be suggested that the conciliator should have taken some steps to mend such a recalcitrant attitude. But instead of doing this, and bringing pressure upon the management, the conciliation machinery continued the practice of liberally granting adjournments and remained indifferent during the process.

The adjournments data is also analysed in terms of nature of ownership of the units, as the approach to deal with the labour management relations even at the instance of conciliation machinery differ in various ownership of units. The data is provided in the table that follows:

TABLE - 6
 NATURE OF OWNERSHIP OF UNITS
 AND ADJOURNMENTS

(In percent)

Adjournment at the instance of -	Nature of ownership of units			
	Private	Partnership	Local Body	Others
Employer	65	61	35	75
Trade union	11	10	28	9
Both	24	29	37	16
Total	100	100	100	100

Other units include - Cooperative institutions,
 - State owned units,
 - Housing Board, etc.

A higher percentage of adjournments at the instance of the employer in private, partnership units justifies the contention that the management representing private sector does not whole-heartedly cooperate with the trade union to resolve their grievances, even when an independent Government machinery intervenes. The same trend is prevalent in 'other' units also. The data was further analysed in terms of adjournments due to the absence of contending parties, as there was a certain relationship in this entire

working between the reasons of adjournments and the attitude of the contending parties. The data collected for the same is set out below:

TABLE - 7

TYPE OF OWNERSHIP OF UNITS AND
ADJOURNMENTS DETAILS

(In percent)

Adjournments due to absence of	Type of ownership of units			
	Private	Partnership	Local Body	Others
Employer	62	68	37	61
Trade union	36	28	50	39
Both	2	4	13	-
Total :	100	100	100	100

The percentage of adjournments due to the absence of the private management is considerably higher, as compared to the management of the local body.

While going through the notings of the conciliation officer made in the conciliation case files, it is found that in ^{the} majority of demands, the management of the private

sector units remained absent without intimating the conciliation office or the trade union, which resulted in loss of time and involving undue delay.

It is likely that the nature of financial demands in conciliation could be responsible and worked as a constraint in the prompt and expeditious disposal of demands. With a view to avoid higher financial burden, the managements of the public and private sector units did not cooperate with the union and conciliation and avoided negotiations even at the instance of the machinery. Particularly because, the management of the (units) public sector units is made responsible to run the units efficiently as well as to earn reasonable profit.

Thus, the higher proportion of financial demands would have influenced the time spent in conciliation. The data relating to the nature of ownership and the nature of demands is given below:

TABLE - 8

NATURE OF DEMANDS AND NATURE OF
OWNERSHIP OF UNITS

(In percent)

Nature of ownership	Nature of Demands		
	Financial	Non-financial	Total
Private	40	60	100
Partnership	43	57	100
Local body	57	43	100
Board	16	84	100
Others	28	72	100
Total :	40	60	100

Interestingly, the percentage of non-financial, rather than financial demands predominates in public as well as in private sector units. Surprisingly in the units owned by the statutory boards, the percentage of non-financial demands is unevenly higher, compared to other units as shown in the table. It would thus be seen that it is not the financial burden which is restricting the prompt disposal of demands.

It is likely that the management normally adopts delaying tactics and avoids conciliations meeting on fictitious grounds.

In spite of the adverse circumstances, the conciliation machinery could certainly prevail upon the management in the public and private sector units that the workers' enthusiasm may be promoted and maintained at the highest level. This can be achieved if the workers realised that justice and fair play are important considerations in dealing with their demands. An imaginary approach on the part of the machinery positively enlightens the management to deal with the demands with an open mind. This could probably reduce the period spent in the disposal of demands in conciliation.

Type of unit

The data relating to the time element was further considered in the context of the nature of units involved in conciliation. Such units are broadly divided into goods producing units and service providing units. The former group relies on production and maximisation of profit; while the latter emphasised on providing services to the general public like transport, health and electricity.

Under a different set of circumstances prevailing, it is likely that, the disposal of demands in one unit may be prompt compared to another units. The attached table provides necessary information:

TABLE - 9

TYPE OF UNITS, NUMBER OF DEMANDS AND
CONCILIATION DURATION

Time span (In number of days)	TYPE OF UNITS														
	Goods producing units						Service providing units						Total		
	Engineer- ing		Chemicals		Other		Munici- palities		Transport		Other				
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	
0 - 14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 - 29	24	7	-	-	9	31	-	2	13	3	-	9	46	52	
30 - 89	97	54	28	30	50	7	-	5	-	9	26	34	201	139	
90 - 179	16	69	27	24	28	25	13	2	-	6	-	2	84	128	
180 & above	1	8	7	8	3	27	11	15	5	-	22	3	49	61	
Total demands	138	138	62	62	90	90	24	24	18	18	48	48	380	380	
Average Time in days	63	108	116	116	86	131	198	194	91	79	156	69	79	114	

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Other: Goods producing units includes - Cocacola, Photographic paper, Woodwork etc.

Service providing units includes- Housing Board, Cooperative Bank, Workshop etc.

Surprisingly considerable time was consumed in all the types of units. However, the time spent in demands relating to municipal corporation was predominately high. When the conciliation papers were examined it was found that ^{the} officials of the corporations remained indifferent during the conciliation proceeding and had taken very casual approach at both the stages in conciliation. Significantly, in the goods producing units also much time was wasted.

It is a common practice that whenever financial problems ^{are} involved in the disputes, the approval of the general body is required to be obtained in case of municipal corporations, while the management of other units prefer to avoid conciliation in financial demands. The data relating to the nature of demands and the nature of units is examined below:

TABLE - 10
NATURE OF DEMANDS AND
THE TYPE OF UNITS

(In percent)

Type of units Goods/Service	Percentage of Nature of Demands		
	Financial	Non-financial	Total
Engineering	37	63	100
Chemical	37	63	100
Others	47	53	100
Municipality	62	38	100
Transport	20	80	100
Others	40	60	100
Total :	40	60	100

Non-financial demands hold significance in all the units, except municipal units.

Maximum time was consumed and ^{the} delay occurred at both the stages of conciliation even when the non-financial demands were involved in such units. In some of goods-producing units when the chances of improving the productivity were bright, the acceptance of some of the non-financial demands could have positively encouraged harmonious relations. The

conciliator can certainly activate both the parties to arrive at settlement. However, it seems that ^{the}conciliation machinery had not encouraged genuine negotiations and thus could not succeed in ^{the}prompt and expeditious disposal of demands.

Size of units

While referring to the size of units, it was found that the varying size of units were involved in the process. For example, there are small units having only 15 workers. At the same time, there were large units having as many as 11,000 workers. There are middle sized group of units also, for which services of conciliation are resorted to by the unions.

The pattern of management and the approach towards the labour management relations differ from size to size and it would influence the machinery in terms of the time span of conciliation procedure.

The analysis that follows reveals the performance of conciliation machinery in small, medium and large size group of units.

TABLE - 11
 SIZE OF UNITS, NUMBER OF DEMANDS
 AND CONCILIATION DURATION

Time span (In number of days)	SIZE GROUP OF UNITS								
	Small		Medium		Large		Total		
	A	B	A	B	A	B	A	B	
0 - 14	-	-	-	-	-	-	-	-	-
15 - 29	21	25	12	26	13	1	46	52	
30 - 89	129	50	54	74	18	15	201	139	
90 - 179	24	84	36	18	24	26	84	128	
180 & above	8	23	24	8	17	30	49	61	
Total demands	182	182	126	126	72	72	380	380	
Average time in days	69	118	87	72	134	133	79	114	

A = Number of demands in Preliminary investigation.
 B = Number of demands in Conciliation proceedings.

Number of workers : Up to 50 - Small
 51 to 250 - Medium
 251 and above - Large

The data shows that considerable time was spent in the preliminary investigation and conciliation proceedings in the large units. While slightly less time was spent in the medium type units. Surprisingly, the same trend prevailed in small-sized groups also.

It is likely that in big units, the sizable number of workers were involved and the management would take its own time to arrive at settlement of their own with the union. From several conciliation cases, it was found that the management maintained non cooperative attitude and remained adamant and unyielding. But the chances of expeditious disposal of demands were bright, provided the conciliation officer could infuse confidence among the contending parties, which is the very edifice and the beginning of the successful working of conciliation proceedings. As a matter of fact in large number of demands, the conciliation officer was not in a position to induce the parties to arrive at settlement nor was he able to dispose off the demands promptly.

The same pattern of the working of conciliation machinery continued in small units also, wherein the conciliation officer, could effectively mediate, either by inviting the contending parties for conciliation or by visiting such small units with a view to know their problems.

Such a visit to small units may provide facility for the informal relations, which creates friendly atmosphere would enable the conciliation officer to be more effective.

It would be useful to examine whether the financial constraint hinders the prompt disposal of demands in such units. The data relating to the nature of demands with the size of the units is presented below;

TABLE - 12

NATURE OF DEMANDS AND SIZE OF UNITS

(In percent)

Size of units	Nature of demands		
	Financial	Non-financial	Total
Small	43	57	100
Medium	40	60	100
Large	34	66	100
Total :	40	60	100

0 - 50 - Small
51 - 250 - Medium
251 and above - Large

Here too, the non-financial demands predominates in all the size groups of units. More particularly, it was the highest in the large units, followed by the medium and small units.

While examining further the conciliation case papers, it was found that among the non-financial demands, the demands like the leave, permanency and the working conditions were substantial in number.

It is likely that ^{the} permanent posts in each department of the large units may be limited in terms of installed capacity of the machinery. When the permanent posts fall vacant, either due to voluntary or compulsory retirement, or death of the workers, they are filled in according to the seniority. The seniority list prepared by the management would not satisfy the worker, as some influential worker might temper with the list, and in such cases, when irregular promotions are given, discontent would prevail among the workers.

Another major cause of discontent would be the deteriorating working conditions in some of the plants.

Some of the demands are genuine, their prompt disposal would certainly be possible, provided the conciliation machinery is little more effective.

It is worth noting that in ^{the} case of small units also, the non-financial demands hold significance. While analysing the non-financial demands in respect of small units, it was found that some of the provisions of the Factory Act, are not

adhered to by the management. There are instances, when the minimum requirements like drinking water, shoes, uniform and other necessary kits, are not provided.

With little persuasion, tact and firmness, the conciliation officer could make the disposal prompt and expeditious. This is because, the conciliator being a Government official, he could make out a judicious proposal to convince the management to provide the minimum facilities to workers as laid down in the Factory Act. It could avoid delay and would also improve the worker's morale and thereby the rate of production.

Type of workers

The chances of satisfactory disposal of demands in conciliation are better when skilled workers are involved in the demands. This is because the skill and efficiency of workers do influence the approach of the management, rendering conciliator's task easy to arrive at prompt disposal of demands.

The data relating to the type of workers and the time taken is given below:

TABLE - 13
 CATEGORY OF WORKERS, NUMBER OF DEMANDS
 IN CONCILIATION DURATION

Time span (In number of days)	SKILLED WORKERS								
	Up to 25 percent		26 - 50 percent		51 and above percent		Total		
	A	B	A	B	A	B	A	B	
0 - 14	-	-	-	-	-	-	-	-	-
15 - 29	11	25	13	8	2	-	26	33	
30 - 89	32	11	29	15	18	4	79	30	
90 - 179	3	10	20	34	-	16	23	60	
180 & above	-	-	-	5	-	-	-	5	
Total demands	46	46	62	62	20	20	128	128	
Average time in days	62	52	70	113	58	123	69	103	

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Note: i) Data relates to 27 units and 128 demands only.

ii) There are 103 units selected under Industrial Disputes Act 1947, out of which 43 were service units and 60 units were goods producing units. It was found that 33 units did not classify the workers into skilled or unskilled workers. While 27 units classify the workers as skilled and unskilled workers. Thus the data, for the 27 units was available and has therefore been tabulated.

It shows that the average time spent in conciliation is increasing with the higher percentage of skilled workers are involved.

This is peculiar because when the skilled workers are involved, the management normally takes proper care to deal with the union and accept the demands promptly. The chances of improving production and reducing wastes, as well as damages are bright, when ^{the} demands relating to skilled workers are involved. The management also finds it difficult to displease the skilled workers and to find the substitutes in the labour market, as they are always in short supply.

Such an inactive participation of the conciliation machinery would demoralise the skilled workers affecting adversely the quality as well as the volume of production.

When considerable time would be consumed in demands relating to skilled workers, it is likely that the large number of such demands pertains to wages, D.A. etc. This is because the skilled workers usually attach great importance to their pay packet and when such financial demands are not conceded by the management, they leave the organisation to seek employment elsewhere. On the other hand, the management finds it difficult to bear the additional financial burden and take their own time to take decision on financial demands, which would result in delay in conciliation.

The information relating to ^{the} nature of demands and the skilled workers involved therein is given below:

TABLE - 14

TYPE OF WORKERS EMPLOYED AND
THE NATURE OF DEMANDS

(In percent)

Groups of skilled workers	Nature of demands		
	Financial	Non-financial	Total
0 - 25	50	50	100
26 - 50	39	61	100
51 and above	30	70	100

Data relates to 27 units.

Note: i) Data relates to 27 units, and 128 demands only.

ii) There are 103 units selected under Industrial Disputes Act, 1947, out of which 43 were service units and 60 units were goods producing units. It was found that 33 units didnot classify the workers into skilled or unskilled workers. While 27 units classify the workers as skilled and unskilled workers. Thus the data, for the 27 units was available and has therefore been tabulated.

It is surprising that the percentage of non-financial demands predominate in conciliation. Even with the rise in the percentage of skilled workers this proportion is increasing. ^{This} is more significant. When non-financial demands are involved the chances of improving the performance of the machinery should be bright, provided the machinery becomes more active and takes more interest in the proceedings. However, inspite of favourable circumstances the performance of conciliation machinery could not be encouraging.

While referring to the non-financial demands of the skilled workers, it was found that the majority of demands relates to working conditions. For instance the steam heat is not properly regulated, facilities like proper lighting, temperature and humidity are not provided at the plant. The speed of the machines is not regulated nor properly maintained by the supervisors creating problems of noise. It becomes unbearable and would strain the nerves and physical capacity of the workers. It is likely that the working conditions during summer may be further deteriorated when workers have to work under the sheds, where proper cooling facilities are not provided by the management.

The above analysis shows that there are some genuine non-financial demands wherein, sincere efforts on the part of the conciliation officer could bear fruits in the settlement of demands.

Number of workers involved

Everytime the demands are submitted to the conciliation officer, the management is ordinarily reluctant to accept them for many reasons, but more chiefly when there are financial demands affecting either a small number of workers, or a great number of workers; and it becomes practically very difficult to arrive at compromise on the demands. However, it generally happens that the conciliation officer may have the chances to be successful to a large extent when the demands are in relation to a small number of workers; but there seems no possibility for the conciliation officer to succeed when the demands are in relation to a large number of workers. The accompanying table provides analysis of these details.

The proportion of the demands touching a small number of workers is maximum; while the proportion of the demands touching a sizeable number of workers is not substantial. This indicates that the average time taken by both the stages under conciliation, has been more than enough. It is also evident from the study relating to the demands affecting a small number of workers that it has taken more than the average time; at the same time, the length of the time taken by the other groups is also not less substantial.

The disposal of the demands affecting a small number of workers, bears generally a greater possibility of making the conciliation officer's work easy, for he can prevail upon the management at the negotiation table that the acceptance of the demands is not likely to prove an unbearable burden for the management and the acceptance will moreover help the maintenance of industrial peace, which is in the interest of the factory. But it seems that such a situation has not arisen at the conciliation and procedural details alone have taken a long time.

Even here too the general possibility is that the financial problem may be one of the reasons for the delay in conciliation; in other words the workers may have put up financial demands and the management may have taken a longer time in thinking over whether to accept them or

not, and at the same time the conciliation officer may have been waiting for the tense atmosphere to cool-down for persuading the management. In order to make this clear, it is necessary to investigate into the types of demands as detailed below:

TABLE - 16

NUMBER OF WORKERS INVOLVED AND
NATURE OF DEMANDS

(In percent)

Size group of workers involved	Nature of demands		
	Financial	Non-financial	Total
Small	37	63	100
Medium	42	58	100
Large	34	66	100

Number of workers: 0 - 25 - Small
26 - 100 - Medium
101 and above - Large

The proportion of the non-financial demands received for conciliation is greater in relation to the other kinds of demands. The demands covering a small number of workers, also have a similar trend as it appears from their

scrutiny. It can well be inferred from these two trends that the conciliator had taken a pretty long period in the disposal of the demands involving a small number of workers and that too not involving any financial liability; and that the immediate settlement of the demands through negotiations with the parties concerned, is not at all possible.

Income-expenditure

It is well recognised that in all such matters one of the vital aspects is the financial position of the factory. It plays an important role in leading the party-negotiations to a successful end and in quickening the disposal of the demands. When the factory-finances are satisfactory, the credit and the debit sides of the factory would indicate a positive aspect, the management would manifest a conciliatory and sympathetic attitude to demands; while if the factory-finances are quite otherwise, a quick disposal of the demands would be well nigh impossible. The disposal of the demands and the financial positions of the factories where from the conciliation officer has received the demands, have been presented below:

TABLE - 17

NUMBER OF DEMANDS, AVERAGE INCOME-EXPENDITURE
AND CONCILIATION DURATION

Time span (In number of days)	AVERAGE INCOME				AVERAGE EXPENDITURE			
	Below		Above		Below		Above	
	A	B	A	B	A	B	A	B
0 - 14	-	-	-	-	-	-	-	-
15 - 29	11	3	11	6	13	11	-	-
30 - 89	38	34	22	37	74	89	1	1
90 - 179	10	29	65	53	62	45	15	15
180 & above	11	4	14	16	10	14	7	7
Total demands	70	70	112	112	159	159	23	23
Average time in days	76	84	125	117	80	78	123	123

A = Number of demands in Preliminary investigation.
B = Number of demands in Conciliation proceedings.

Note: Data relates to 60 units and 182 demands only.

It is significant that it is from the units with more average earnings and having less average expenditure, that the conciliation officer had received demands in a substantial number.

Looking into the time-factor, it seems that the disposal of such demands had consumed time unusually more than the average and the duration of time consumed appears to be surprisingly and exceptionally long, particularly in the preliminary investigation of the average earnings and in the conciliation proceedings for the disposal of the demands.

One fails to understand why there had been a great waste of time in the disposal of the demands even when the factory finances are generally satisfactory and the knowledge of which should have provided the conciliation officer with an important element to persuade the parties concerned, to bring about a satisfactory solution of the demands by immediately putting an end to the difference of opinions held by the parties; but as is revealed from the table that the demands received by the conciliation officer, fail to get an immediate disposal and a lot of time is wasted, which renders the conciliation machinery a disappointing agency in disposal.

Even the kind of demands, so often plays an important part as one of the reasons for the delay. For example, if the financial demands are too large to be accepted because their acceptance is likely to raise the recurring expenditure of the plant. In such cases the management would not immediately accede to the acceptance of the demands and the conciliation officer would mark time for his persuasion work by adjournments which would lead to a waste of time. In this context, it is necessary to study what kinds of demands have been made by the workers of the units even with a satisfactory financial condition. The details of the same are given below:

TABLE - 18

AVERAGE INCOME AND AVERAGE EXPENDITURE
AND THE NATURE OF DEMANDS

Nature of demands	(In percent)			
	Units with Average Income		Units with Average Expenditure	
	Below	Above	Below	Average
Financial	32	68	82	18
Non-financial	43	57	87	13

The majority of demands pertained to ^{the} units having above the average income and below the average expenditure in conciliation. There was preponderance of non-financial

demands, even when the overall financial position as satisfactory. It appears that the negotiation could not take place in conciliation and considerable time was involved, which would lead to a poor record of the machinery.

Average labour cost

The type of the demands and the proportion of the average labour cost in relation to the total labour cost are also the factors which influence the time involved in the disposal of the demands. When the labour cost is ordinarily less than the average, the conciliation officer can certainly prevail upon the management to accept the demand and thus bring about quick disposal. But when the labour cost involved is higher than the average labour cost, the time involved would be much more in the disposal of demands. The data collected for this purpose is presented in the following table:

TABLE - 19

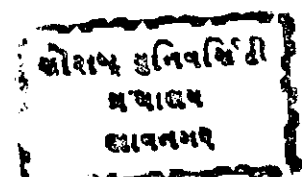
AVERAGE LABOUR COST PER UNIT AND DURATION
IN PRELIMINARY INVESTIGATION AND
CONCILIATION PROCEEDINGS

Time span (In number of days)	LABOUR COST					
	Below		Above		Total	
	A	B	A	B	A	B
0 - 14	9	-	-	-	9	-
15 - 29	12	15	-	2	12	17
30 - 89	85	65	1	5	86	70
90 - 179	38	68	15	-	53	68
180 & above	14	10	8	17	22	27
Total :	158	158	24	24	182	182
Average time in days	76	102	170	205	103	81

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Note: Data relates to 60 units and 182 demands only.



It would be seen that higher proportion of demands were received by the conciliation machinery from the units having less than the average labour cost. Further, more time was devoted in the disposal of only such demands. Surprisingly, even when the labour cost is below the average in the majority of units, the conciliation machinery could not dispose off the demands within the prescribed time limit which again shows the ineffectiveness of the machinery.

When the average labour cost is thus analysed it is likely that there are some units having higher labour cost and also some units having less labour cost. It would therefore be useful to reclassify the data relating to the labour cost into various other groups. Such data is presented below:

TABLE - 20

PERCENTAGE OF LABOUR COST TO TOTAL EXPENDITURE
NUMBER OF DEMANDS AND CONCILIATION DURATION

Time span (In number of days)	LABOUR COST TO TOTAL EXPENDITURE											
	Less than 10 percent		11 - 20 percent		21 - 30 percent		31 - 50 percent		51 and above percent		Total	
	A	B	A	B	A	B	A	B	A	B	A	B
0 - 14	-	-	-	-	-	-	-	-	-	-	-	-
15 - 29	19	3	2	0	0	2	0	10	-	-	21	15
30 - 89	20	17	23	20	17	10	25	26	-	-	85	73
90 - 179	10	29	6	12	25	17	11	9	-	-	52	67
180 & above	2	2	1	-	8	21	13	4	-	-	24	27
Total demands	51	51	32	32	50	50	49	49	-	-	182	182
Average time in days	62	106	75	74	101	202	68	52	-	-	103	81

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Note: Data relates to 60 units and 182 demands only.

It appears that the total demands are more or less evenly distributed among the various groups. Interestingly enough unusually longer time was consumed in the units in the disposal of demands from the units having less than 10 percent labour cost. A period of about two to three and a half months was consumed in the preliminary investigation and conciliation proceedings.

When the demands are not promptly disposed off in the units having lower labour cost, it is likely that the proportion of the financial demands from such units may be heavy. Under such a situation, the management would not give necessary support to the conciliation officer in the quick disposal of the demands. If the demands from the units be further examined it can give us the idea whether such undue delay was due to the financial demands or not. These details are given below:

TABLE - 21

NATURE OF DEMANDS AND THE AVERAGE
LABOUR COST

(In percent)

AVERAGE NATURE OF DEMANDS		
Labour cost for the units	Financial	Non-financial
Below	78	92
Above	22	8
Total :	100	100

Data relates to 60 units.

The units having less than the average labour cost, submitted non-financial demands which work out to be 92 percent of their total demands. The proportion of the non-financial demands is greater than that of the financial demands. It shows that the conciliation officer's intervention had little effect in the disposal of non-financial demands. Further, an unduly long time was consumed in getting together the parties concerned and holding negotiations with them.

Earning

The question of the earnings of the labour can also be considered while the problem of labour cost is here under

discussion. The period consumed in the disposal of the demands can also be examined from the proportion of the earning of the workers who have put up the demands and from the query whether they get more or less than the average earning. The information relating to the same is provided below :

TABLE - 22

AVERAGE EARNING PER WORKER, NUMBER OF
DEMANDS AND CONCILIATION DURATION

Time span (In number of days)	AVERAGE EARNING PER WORKER					
	Below		Above		Total	
	A	B	A	B	A	B
0 - 14	-	-	-	-	-	-
15 - 29	12	17	-	9	12	26
30 - 89	78	64	8	13	86	77
90 - 179	35	30	29	24	64	54
180 & above	9	23	11	2	20	25
Total demands	134	134	48	48	182	182
Average time in days	90	108	153	99	107	105

A = Number of demands in Preliminary investigation.
B = Number of demands in Conciliation proceedings.

Note: Data relates to 60 units and 182 demands only.

It reveals that ^{the} maximum number of demands falls within the group below the average earning of the workers, wherein considerable time was consumed in preliminary investigation as well as in conciliation proceedings. It seems that even when the workers were getting less than the average earning, the conciliation machinery could not persuade the contending parties to promptly dispose off the demands. When he had a positive ground to prevail upon the management for the immediate disposal of demands.

The data relating to the earnings of the workers could be further analysed. The table below provides this data.

TABLE - 23

AVERAGE ANNUAL EARNING GROUPS OF WORKERS, NUMBER OF
DEMANDS AND CONCILIATION DURATION

Time span (In number of days)	AVERAGE ANNUAL EARNING GROUPS (IN RUPEES)												
	0 -1000		1001-2000		2001-3000		3001-5000		5001 and above		Total		
	A	B	A	B	A	B	A	B	A	B	A	B	
0 - 14	-	-	-	-	-	-	-	-	-	-	-	-	-
15 - 29	-	-	1	-	-	3	20	4	3	5	21	15	
30 - 89	34	25	21	10	14	11	7	13	6	17	85	73	
90 - 179	-	4	10	20	-	-	14	19	28	24	52	67	
180 & above	-	5	1	3	-	-	11	16	12	3	24	27	
Total demands	34	34	33	33	14	14	52	52	49	49	182	182	
Average time in days	60	63	84	109	60	55	147	140	150	134	103	81	

A = Number of demands in Preliminary investigation.

B = Number of demands in Conciliation proceedings.

Note: Data relates to 60 units only and 182 demands.

Barring one or two exceptions, all the demands were evenly distributed among the various earning-groups. Further, it reveals that the time consumed was considerably more in the disposal of the demands even falling under the lowest earning group.

The performance of the conciliation machinery was not satisfactory even when the demands of the workers drawing substantially less wages. Here also, it is likely that the problem of financial burden and the possibility of fresh financial obligations in accepting the demands would be responsible for such a long duration of time and the conciliator officer might have taken more time in negotiations.

To clarify this proposition, the nature of demands may be analysed under various groups of the average earnings of the workers.

The data below provides information relating to the nature of demand involved in such average earning groups.

TABLE - 24

NATURE OF DEMANDS AND THE AVERAGE
EARNING OF THE WORKERS

(In percent)

Yearly average earning in Rupees	NATURE OF DEMANDS		
	Financial	Non-financial	Total
0-1000	5	95	100
1001-2000	68	32	100
2001-3000	42	58	100
3001-5000	43	57	100
5001 and above	25	75	100

Data relates to 60 units.

The proportion of the non-financial demands is as much as 95 percent of the total demands of the workers with the lowest average earning and, barring the group of Rs.1000-2000, the percentage of non-financial demands in the remaining groups were also high. It shows that the delay in the disposal of the demands, was caused neither by the financial demands nor by the reluctance of the management to undertake fresh financial liabilities. There are some other factors responsible for the delay and where the conciliation machinery proved to be ineffective in the

immediate settlement of even the non-financial demands of the workers with the lowest average earning.

It can be concluded that financial constraints were not responsible for the delay in ^{the} disposal of demands. Further it can be taken that little more interest and active participation by the machinery would have provided a forum to genuine negotiation to facilitate the prompt disposal of demands.

Conclusion

It is not only the nature of disposal of demands that determines the efficiency of the conciliation machinery. More pertinent issue connected with this, is the time taken in the disposal of demands. When the data was further analysed in terms of the time span and the nature of demands, it showed that even in respect of non-financial demands, considerable time was consumed in persuading the union and the management, in the disposal of the demands.

The major factor contributing to the delay conciliation was reflected in the non cooperative approach of the management of the private and the public sector units. They remained absent without intimation and developed a tendency to postpone the negotiations or

commence the proceeding to the maximum extent possible. The same pattern was followed in various size groups of units, and the time consumed in conciliation was equally longer even in minor demands, where few workers were involved.

Another factor contributing to the delay in conciliation could be the financial constraints. It is significant that even when the financial position of the units was satisfactory in terms of above^{the} average income and below^{the} average expenditure. Besides, the proportion of labour cost to expenditure and the earnings of the workers were substantially low and yet the conciliation machinery could not promptly settle the issues and satisfy demands.

Thus, it can be concluded that the conciliation machinery as a tripartite device was not effective and did not succeed in bringing together the contending parties or in disposing off the demands within the prescribed time limit and consumed a lot of precious time.
