CHAPTER-VI

A REVIEW OF LEGISLATIVE EFFORTS AND RECOMMENDATIONS FOR LABOUR LAW REFORM IN INDIA
A Review of Legislative efforts and recommendations for Labour Law Reform in India

Before one can venture into making appropriate suggestions it is necessary to review the various suggestions made and efforts put in to change the procedure for settlement of industrial disputes in India.

1. Legislative attempts

When the Industrial Disputes Act, 1947 had been in existence for some time, it was realised that though it had proved useful, it was not comprehensive enough to meet the many situations that arose in the field of industrial relations from time to time. The result was the framing of comprehensive Bill, called the Labour Relations Bill, by the Central Government in January 1950.¹

The Labour Relations Bill was the first attempt at providing the country with a comprehensive law on the subject, superseding the Industrial Disputes Act,

¹ K.N.Subramanian, Labour-Management Relations in India (1967) p 295
1947. Three new authorities were envisaged in the Bill, namely, Standing Conciliation Boards, Labour Courts and the Appellate Tribunal.

The bill was examined at length at the Indian Labour conference held in March 1950. Speaking about the bill the then Labour Minister said as follows:

"The experience that we have gained of the working of that Act (Industrial Disputes Act, 1947) has encouraged us to believe that a more systematic, if somewhat elaborate approach to the problem of labour-management relations will pay good dividends. The edifice that we are now planning may look more spacious and imposing with its many columns and facades that the simple structure to which we are hitherto accustomed, but it is none the less being built on practically the same foundations which were laid three years ago and which have stood the stress and strain of a difficult post war era."

2 Quoted by K.N. Subramaniam, supra n 1
Thus, it can be seen from the above that just three years into the Industrial Disputes Act, 1947, already there was a felt need to change the system to the changing needs of the time. However, the bill did not receive support from those concerned and therefore it failed.

The Constitution was amended in 1975 and Article 43A was inserted in the Directive Principles of State Policy.

The Article provided that,

"The State shall take steps by suitable legislation or in any other way to secure the participation of workers in the management of undertakings, establishments or other organizations engaged in the industry."

1.1. Scheme of Workers' Participation in Management (1975)

After the 1975 amendment in the Constitution, the scheme of Workers' Participation in Management in manufacturing and mining industries was formulated for the first time in 1975\(^3\). The scheme was meant for implementation at shop and plant levels and covered only those manufacturing

and mining units which employed 500 or more workers. The
scheme was required to be implemented in both public and
private sectors as well as in departmentally run units.
Shop and plant levels were assigned specific functions
relating to production and productivity, management of
waste, reduction of absenteeism, safety maximizing
machine and manpower utilization etc.

The scheme did not lay down norms for the nomination of
representatives to the participative councils. This made
for considerable confusion. It was, left to the
management to work out an acceptable formula for
representation to the councils. Providing for
flexibility in the nomination of representatives seemed
to make matters more difficult, except where a single
union was the dominant union and interested in such
bipartite functioning.

1.2 Scheme of Workers' Participation in Management
(1977)

Two years later, commercial and service organizations
with 100 or more employees were brought within the
purview of a participative scheme, broadly similar to
the 1975 scheme. It was applicable to institutions like hospitals, post and telegraph and, railways and State Electricity Boards.

While both the 1975 and 1977 schemes generated considerable enthusiasm initially, with a large number of organisations constituting such forums. After 1979 there was a sharp decline. Various problems surfaced. Apart from the perennial controversy about the criteria for determining representation to the participative forums, the exclusion of grievance redressal, the restriction to consideration of only work-related issues, the inadequate sharing of information, the lack of a supportive participative culture, the indifference of management, the involvement of second rung union officialdom etc. contributed in different ways to the ineffective functioning of many forums and their subsequent closure.

1.3 Comprehensive Scheme for Employees' Participation (1983)

In December, 1983, following a review of the progress of participative schemes in industry, a new scheme was prepared and notified. This scheme was applicable to all

4 Supra n 3
central public sector enterprises, except those specifically exempted. It envisaged constitution of bipartite forums at shop and plant levels. In enterprises considered suitable, it was also to be implemented at the Board level. The mode of representation of Workers’ representatives was to be determined by consultation with the concerned unions, and parity in representation between the management and unions continued to be the norm. The scheme brought within the ambit of the councils a wider spread of work-related issues. At the plant level, the council could discuss issues relating to personnel, welfare, environment and community development, plant operations and functioning, and also take up financial matters relating to profit and loss statements, balance sheets, operating costs, plant financial performance, labour and managerial costs etc.\(^5\)

1.4 The Participation of Workers in Management Bill, 1990

Keeping in view the shortcomings of the various schemes implemented from time to time and also the experience gained in this regard, the Government decided to review

\(^5\) Supra n 3
the concept of Workers' participation in its entirety and to evolve a fresh approach to make workers' participation in management more effective and meaningful. A stage had been reached when some kind of a legislative back up was thought to be necessary to make further progress in the matter. The Participation of Workers in Management Bill was, therefore, drawn up and introduced in the Rajya Sabha on 30 May 1990. The Bill proposed to make provisions for the Participation of Workers in the Management of undertakings, establishments or other organizations engaged in any industry and to provide for matters connected therewith or incidental thereto.

1.4.1 Salient Features of the Bill:

(i) A proposal to cover all the industrial establishments or undertakings as defined under the Industrial Disputes Act, 1947. However, the Central Government will have the power to notify the classes of industrial establishments to which the Act will apply with reference to the date specified in the notification.

6 Supra n 3
(ii) The Central Government will be responsible for enforcing the law in all cases where the Central Government is the appropriate Government under the Industrial Disputes Act, 1947 and also in enterprises where the Central Government holds 51% or more of the paid up share capital. In the remaining cases, the responsibility for enforcement will be that of the State Government.

(iii) The Bill provided for formulation of one or more schemes to be framed by the Central Government for giving effect to the provisions of the law which will include, among others, the manner of representation of workmen at all the three levels and of other workers at the Board level, nomination of representatives of employers on the shop floor and establishment level councils, procedure to be followed in the discharge of the functions of the Councils etc.

(iv) The Bill proposed to constitute one or more Councils at the Shop Floor Level and a Council at the establishment level. These Councils shall consist of equal number of persons to represent the employers and the workmen. The Appropriate Government shall in consultation with the employer and taking into account
the total number of workmen, the number of levels of authority, the number of Shop Floors determines the number of persons who shall represent the employer and the workmen in a Council.

(v) The Bill also envisaged a Board of Management at the Apex level where representatives of the workmen as defined under the Industrial Disputes Act, 1947, shall constitute 13% and persons representing other workers shall constitute 12% of the total strength of such management. The persons to represent the other workers in the Board of Management shall be elected by and from amongst other workers of the industrial establishment or by secret Ballot. The persons to represent workmen on the Board shall be elected from the workmen of the industrial establishment by Secret Ballot or nominated by the registered trade unions.

(vi) If any person contravenes any provision of the Bill or the Scheme made there under he shall be punishable with imprisonment which may extend to 2 years or with the fine which may extend to Rs.20, 000/- or with both. It has also been indicated that Appropriate Government by notification appoint such persons as it feels fit to be inspectors for the purpose of the Bill.
(vii) The Bill further provided that a Monitoring Committee comprising equal number of members representing the appropriate Government, the workers and the employers may be constituted by the appropriate Government to review and advise them on matters which arise out of the administration of this Act, any scheme or any rules made there-under.

(viii) The proposed Bill empowered the Government to exempt any employer or classes of employees from all or any of the provisions of the Act.

(ix) It was proposed to omit section 3 of Industrial Disputes Act, 1947, which empowers the appropriate Government to constitute works committees consisting of the representatives of employers and workmen engaged in the establishment to promote measures for securing and preserving amity and relation between the employer and workmen in those Industrial Establishments where 100 or more workmen are employed.

A Parliamentary Standing Committee took evidence of the representatives of the Ministry of Labour on 10th October 2001. During evidence, the Committee enquired about the justification to implement the scheme by way

---

1 Source: www.google search, workers participation in management in India.
of legislation after a long period, particularly in the era of liberalisation and globalisation of trade and business, the Secretary stated: - "in spite of globalisation and all these changes that are taking place, the relevance of having very good industrial relations is, in fact, becoming more and more important. Definitely, we want improved relations between the workers and the management. This Bill will go a long way in helping us in achieving that goal."

The Committee have been informed that the Government of India has set up the Second National Commission on Labour under the chairmanship of Shri Ravindra Verma with two main objectives to review the laws for workers in the organized sectors and to suggest "umbrella" legislation to offer minimum level of protection to workers in the unorganised sector. The Commission has been having extensive interactions with all interest groups viz. workers, employers, Government officials, NGOs, Academicians, Labour Judiciary and others. It has also been holding seminars on some key areas related to the Labour sector. During evidence, the Committee pointed out as to whether it would not be a superfluous exercise on the part of the Committee to go ahead with the Bill when the National Commission on Labour have
already been functioning for the comprehensive review of all the existing labour laws, the Secretary stated that though the Labour Commission was definitely looking into many aspects but the Ministry of Labour was fully committed to the concept of workers participation in management and fully supported to carry forward the present Bill. Therefore, the Parliamentary Standing Committee should give their recommendations so that the Bill is cleared by Parliament.

The Committee noted that,

"The Government has set up Second National Labour Commission to suggest rationalisation and review of all the existing labour laws in the organized sector and also to suggest an umbrella legislation for ensuring a minimum level of protection to the workers in the unorganised sector. Since independence, a large number of labour laws have been enacted and most of them have become obsolete and are no longer required. Consequent upon the new technology adopted by the industries, a large number of workers are being retrenched and being rendered surplus and many of them are passing
In the opinion of the Committee, it is not a healthy trend for the growth of national economy. In the wake of globalisation, it is important to make the industry more efficient, cost effective and internationally competitive, it is equally important to create a workforce, which is healthy, stable, contended and highly motivated. The Committee, therefore, desired that the National Labour Commission besides looking into various aspects of National Labour Policy of the Country should also look into the scheme of participation of workers' in Management to have better industrial relations.

The Committee noted that 'The Participation of Workers in Management Bill, 1990', which was introduced in Rajya Sabha on 30 May, 1990 was referred to the Committee for the fourth time on 17th February, 2000. Unfortunately, the Committee could not give its report for such a long time as the Ministry of Labour could not project a clear stand of the Government on the Bill and sought more and more time for holding deliberations with the social partners and affected groups. With the passage of time, a number of changes have taken place in the working
methods and procedure due to liberalization, privatisation and globalisation of trade and industry. The Committee, therefore, recommend that the co-operation of workers with the management in public undertakings, establishments or other organizations should be strengthened by way of providing umbrella legislation without further delay.

2. First National Commission on Labour

The Government of India constituted the National Commission on Labour under the Chairmanship of Dr.P.B. Gajendragadkar with a view to assessing the plight of Indian labour, including that of industrial relations. The Commission submitted it exhaustive report in 1969, which has since been a landmark in the industrial relations history of the country.  

In its report, the first National Commission on Labour stated that,

"Disputes between employers and workers have been taking a legalistic turn, mainly because of the emphasis on adjudication through industrial tribunals or courts."

Litigious attitude on the part of both employers and workers creates situations in which the employers gain because implementation of awards is sometimes postponed, and lose because the unsettled issues pending before tribunals/courts also unsettle workers and introduce inhibitions in improving productions.".

From this statement, it is to be noted that the Commission expressed its strong dissatisfaction with the existing dispute resolution. In its opinion, the industrial relations affect not merely the interests of two parties, i.e., labour and management, but also the social and economic goals to which the state address itself. To regulate these relations is socially desirable channels is a function which the state is in the best position to perform. Such regulation has to be with in limits.

Further, the commission opined that Consultation with State governments in the formulation and implementation of labour policy becomes essential in a country with a Federal Constitution with Labour in the concurrent list.

---

9 Supra n 8 p 100
The Commission expressed its views on the myth of 'Common Labour Code', too. It said that, considering the variety of subjects, presently covered under labour legislation it will not be practicable to formulate a common labour code, having uniform definitions all through and applying to all categories of labour without any distinction. Since labour will continue in the concurrent list, adjustments to suit local conditions in different states will have to be allowed. These adjustments in some cases may not necessarily conform to the letter of a common code.\(^{10}\)

The same way commission is of the opinion that in order to bring about the feasible degree of simplification and uniformity in definitions, it should be possible to integrate those enactments, which cover subjects having common objective. This will mean a simplification of the existing framework of labour laws. One of the important aspects dealt with by the commission was the existing legal and other provisions for the intervention of the state in the settlement of industrial relations.

The Commission commented on the existing system of labour adjudication as follows:

---

\(^{10}\) *Supra* n 8 p 132
"It cannot be denied that during the last twenty years. The adjudicatory machinery has exercised considerable influence on several aspects of conditions of work and labour management relations. Adjudication has been one of the instruments for improvement of wages and working conditions and for securing allowances for maintaining real wages, for standardisation of wages, bonus and introducing uniformity in benefits and amenities. It has also helped to avert many work stoppages by providing an acceptable alternative to direct action and protect and promote the interests of weaker sections of the working class, who were not well organised or were unable to bargain on an equal footing with the employer. As against these advantages, certain procedural defects and indeed fundamental criticisms have been brought to our notice. On the procedural plane we were told that adjudication is dilatory, expensive and even discriminatory as the power of reference vests with the appropriate governments. Most of the analysis which has been made in detail with reference to
conciliation applies to adjudication as well". 11

The main defects noted by the Commission about the adjudication system was that it has failed to achieve industrial peace, that it has inhibited the growth of unions and has prevented voluntary settlement of industrial disputes and growth of collective bargaining. The commission stated as follows:

"We are of view that while there are certain procedural deficiencies in the present system which needs to be remedied there is some substance also in each of the fundamental objections mentioned above against the system. At the same time, we cannot help feeling that the disadvantages are over stated. Adjudication was not conceived the government may not refer a dispute to adjudication means that it should be settled, if need be, by direct action. Trade unions have certainly been growing during the period of adjudication system has been in vogue. Where conditions were favourable, voluntary settlement of disputes and collective agreements

11 Report of the First National Commission on Labour (Ch 23) 1969
have been adopted in the last twenty years"\(^{12}\)

The notable point is that, whether the adjudication system inhibits collective bargaining or is antithetical to it, it certainly, represents the availability of a third party to settle disputes. But, as the Commission pointed out, the system as it has been applicable in our country, did not exclude bipartite agreement. The parties have not been eligible to have such third party intervention directly and hence it could not inculcate in all cases a tendency to avoid mutual agreements. The infrequency of mutual negotiations cannot therefore be all accounted for by the system of adjudication as it has developed. In fact, major handicap has been the absence of a recognised bargaining agent.

But, the commission stated that,

"These issues cannot be decided on the basis of empiricism as we have no means of ascertaining what would have happened in the absence of adjudication. We have therefore, to analyse its efficacy on a broader plane and in terms of its

\(^{12}\textit{Supra} n 11\)
alternative, viz., collective bargaining\textsuperscript{13}

After analysing and evaluating the evidence tendered before it, the Commission stated that, the evidence appeared to favour the increasing adoption of collective bargaining to settle industrial disputes and a gradual replacement of adjudication.

The Commission finally concluded,

"The requirements of national policy make its imperative that the state regulation will have to co exist with collective bargaining. At the same time there are dangers in maintaining status quo. There is a case for shift will have to be emphasis and this shift will have to be the direction of an increasingly greater scope for, and reliance on, Collective Bargaining would neither be called for nor practicable. The process has to be gradual. A beginning has to be made in the move towards collective bargaining by declaring that it will acquire

\textsuperscript{13} Supra n 12
primacy in the procedure for settling industrial disputes.’’

After the decision of the Supreme Court of India in the case of *B.W.S.S.B v. Rajappa*, efforts were made to amend the Industrial Disputes Act, 1947, by amending the definition and scope of the term ‘industry’. However, the amended definition has remained in paper and not brought into force due to various reasons.

3. Kantharia Committee Report

The adjudicative mode of dispute settlement was selected by the Indian government, with a view to ensure justice to the weaker section of the working class. However, as Justice V.R Krishna Iyer stated- "the entire judicial process has been reduced to a joke in our country because of the long delays in trying cases". Instead of conferring justice to the poor workman, the process itself has become a burden to him. In order to encounter this burning issue, the Government of Maharastra appointed Mr. H.M Kantharia as the Chairman of a committee, to study about it. The main issue investigated by the committee was that, whether time

---

15 *A.I.R. 1978 S.C. 548*
16 Quoted by Manik Kher, *Conciliation and Adjudication Today*, (1985) p 75
17 Ibid
limits could be prescribed and enforced for each stage of proceedings before a labour court and studying this issue, the committee suggested that the term specified in the 'Act' as "as far as possible" should be deleted because although statutory time limits were laid down, parties to the dispute will find a loop hole in the provision that the time limits should be observed 'as far as possible'. But the committee did not suggest any prescription of time limits, because in its opinion it will lead to hardship to the members of the Bar and also to the hasty judgements. The Committee however prescribed over all time limits for the final disposal of cases coming before Industrial Tribunals, courts and labour courts. In cases of general demands, the prescribed time limit is one year where as in case of bonus and dismissal it is six months each. A very important recommendation of the committee was its prescription of a time limit for the grant or refusal of reference for adjudication by the government. The time limit is a month after the failure report, which has been submitted by a conciliation officer.

With respect to the problem of adjournment sought by the parties, which are called as the major causes of delays in disposal of cases in labour courts, that Kantharia
Committee recommended that, "the Presiding Officers should be strict in granting adjournments. Mere convenience of the lawyers or representatives of any party is not a sufficient ground for granting an adjournment".

An important recommendation in this context was that the presiding officer should personally fix all the dates in the proceedings and shouldn't leave this task to a bench clerk. Another way also suggested by the committee to reduce the adjournment that to introduce pre-trial hearing which is existing in UK.

The Kantharia Committee did not find any fault with existing methods of enquiry by the court. In complying with the provisions under section 11A of the Industrial Disputes Act, 1947, labour courts have to find out whether the enquiry held was fair and proper. The committee observed the presently there is no uniform code for holding a domestic enquiry and adjudication proceedings are unduly prolonged till the matter is finally decided by presiding officer.

The Committee felt that no priority is given to labour matters either in the High courts or the Supreme Court, which delays disposal of cases. The Committee there
fore recommended that writ Jurisdiction under Article 226 and 227 should be removed and Labour Appellate Tribunals revived or a Division Bench of Industrial Tribunals should be constituted for handling cases of appeals over the decisions of labour courts and industrial tribunals. The Committee suggested the Article 136 under which a writ may be filed for appeal against the decision of labour appellate Tribunal be retained.

4. Sanat Mehta Committee Report

The National Labour Conference held in September 1982 appointed a committee under the Chairmanship of Sri. Sanat Mehta, the then Minister of Finance and labour of Gujarat to examine important labour issues relating to industrial relations. One of the issues referred to the committee was the machinery and procedure for resolution of industrial disputes. The Committee took note of the fact that the nation labour conference had practically approved the recommendations, and, the First National Commission on Labour for setting up of Industrial Relations Commissions (IRCS) at the Centre and the State level for resolution of industrial

disputes. The Committee recommended inter alia that the proposed new legislation for Industrial Resolutions must provide for setting up of an independent body on the same line as recommended by the National Commission on labour. It further recommended setting up of standing labour courts to work under the over all supervision of Industrial Relations Commissions and that they would deal with disputes relating to rights and obligations; interpretation of awards, etc.

The Procedure for settlement of individual dispute would be single grievance redressal machinery with a built in provision for arbitration. Where arbitration is not acceptable to the parties, they can approach the conciliation wing of the IRC concerned, which would mediate with a view to help two parties to arrive at a bipartite settlement. The adjudication wing of IRC will deal with the issue, where the conciliation wing is not in a position to sort them out. The decision of the adjudicator would be final and binding on the parties. The certification wing will deal with all matters connected with registration of unions and identification of a negotiating agent and other issues specifically referred to it. The Labour Courts would have powers for execution of the decisions of the IRCs arbitrators.
settlements and rights due under the statute, directly, in the same manner as a collector is authorised to collect revenue and courts would be provided with Mamlatolars-Tahsildars, bailiffz and other staff with powers of revenue recovery and power as available to judicial courts for auction of properties, so that the money realized can be made available to the beneficiaries by the courts directly.

Based on the recommendations of the Sanat Mehta Committee a Bill to amend the Trade Unions Act and the Industrial Disputes Act was introduced in the Rajya sabha.19

5. Ramanujan Committee Report

The Indian Labour Conference met after a long time in April 1999. One of the items of the agenda for the conference was to review the Industrial Relations situation in the context of the amendments proposed to the Industrial Disputes Act, 1947 and Trade Unions Act. While discussing the subjects the representatives of the Trade unions generally felt that in the light of the new approach in regard to workers participation in management, changes would have been brought into the

19 Supra n 16 p 92-95
Industrial Relations system. It also required some re-thinking. The representatives of the employers too, broadly agreed with this idea. Following the discussion on the subject, the conference agreed to make following recommendations:

(a) The Trade Unions and the Industrial disputes (Amendment) Bill introduced in 1988 should be withdrawn.

(b) For formulating Specific proposals for further legislations, a bipartite committee should be constituted with Shri. G.Ramanujam as the chairman.

The Bill was withdrawn and the Ramanujam committee was appointed. The Committee went inter alia into the system of adjudication recommended by National Commission on labour and endorsed the recommendations concerning the establishment of Industrial Relations Commissions (IRC) at the centre as well as state level.

The recommendations of the committee related to the following matters:

1. Composition of the IRC

2. Appointment of Members of IRCs

Source www.google search, Ramanujam committee
3. Benches of the IRCs and their compositions

4. Functions of the IRCs

5. Establishment of Labour Courts

6. Functions of Labour Courts

7. Conciliation wing of IRCs

8. Registration and Certification

9. The adjudication by IRC

The report of the Committee was not unanimous. The 40th Labour Ministers Conference held in 1999, inter alia considered the report of the committee. There was a consensus in the meeting that the recommendations, which are unanimous, might be accepted. He was also decided and appoints another committee of Five Labour Ministers to examine the areas of disagreement with a view to arrive at a consensus. The group of ministers did not agree with the recommendations for setting up the IRCs.21

The matter was again placed before the Indian Labour Conference. In its 30th Session, the Conference felt that it would be more useful if the views of the Central...

Government were made known. The Conference assured that draft legislation would be prepared after discussing with a select group of representatives of the parties present in the conference this was done.

At the same time an another committee under the Chairmanship of Dr Shanti Patel was also appointed to advice an a comprehensive industrial selections legislation, but the committee did not submit any report. Eventually, it was wound up.  

6. The Second National Labour Commission

The Second National labour Commission was set up in October 1999 and it submitted its report in June 2002. According to the terms of reference, the Government desired the Second National Labour Commission (1) to suggest rationalisation of existing laws relating to labour in the organised sector and (2) to suggest an umbrella legislation for ensuring minimum level of protection to the workers in the unorganised sector in the wake of the globalisation of the economy, liberalisation of trade and industry, rapid changes in technology and their consequences and ramifications and

\footnote{\textit{Agenda of 34th session of Indian labour Conference(1998)}} 
\footnote{http://www.labour.nic.in//comm2/organised.html}
the responses that are necessary to acquire and retain economic efficiency and international competitiveness.

The Second National Commission has recommended for consolidation of all existing laws (with amendments suggested by it) into a single law called the Labour-Management Relations Law of the Law on Labour Management Relations. It recommends a special law for small units employing 19 or less workers and an umbrella legislation for unorganised workers. The Commission notes that India's organised labour strength of 28 million is only 7-8 per cent of the total workforce and over 90 per cent belong to the unorganised sector, with no wage determination or social protection.

The Commission also states changes in labour laws must be accompanied by a well-defined social security package that would benefit workers, whether in organised or unorganised sectors. The Commission further in its report recommends that the law must provide for authorities to identify the negotiating agent, to adjudicate disputes and so on, and these must be provided in the shape of labour courts and labour relations commissions at the State, Central and National Levels. The Commission states that,
"driving the dispute into the realm of law and order, and using the strong arm of the State to convert industrial disputes into matters for the police or the law and order enforcement machinery is not to the advantage of the workers, and perhaps to that of the industry as well".  

The Commission has noted that there are some industries or services where the effects of industrial action create situations which threaten the lives and normal and essential needs and activities of the vast majority. One's liberty has to be seen in the light of the equal right that every one else has to demand and enjoy liberty. Social intervention thus becomes justifies and necessary to protect the interests of all concerned. The Commission therefore recommend that,

"In the case of socially essential services like water supply, medical services, sanitation, electricity and transport, when there us a dispute between employers and employees in an enterprise, and when the dispute is not settled through mutual negotiations, there may be a strike ballot as in other

enterprises, and if the strike ballot shows that 51 per cent of workers are in favour of strike, it should be taken that the strike has taken place, and the dispute must forthwith be referred to compulsory arbitration (by arbitrators from the panel of the Labour Relations Commission (LRC), or arbitrators agreed to by both sides).’, 25

The above recommendation seen in the light of the Supreme Court of India’s judgement in the case of striking of Tamil Nadu Government employees where in the Court held that, the Government employees do not have any “moral, legal, statutory and social right” to strike is significant.

Another important recommendation of the Commission relates to the establishment of Grievance Redressal Committee consisting of equal number of workers’ and employers’ representatives in every industrial establishment. The Grievance Redressal Committee shall be the body to which all grievance of a worker in respect of his employment, including his non-employment will be referred for decision within a given timeframe.

25 Supra n 24 p 40
From the above discussion it can be concluded that though there were several attempts at reforming the industrial relations system in India, it could not materialise into concrete shape due to various reasons. However, globalisation of the economy has presented a perfect platform to re think on all the issues concerning industrial relations in India. If India has to catch up with the world economy, it is now or never.