CHAPTER 6
CHAPTER 6

INDUSTRIAL RELATIONS

The term ‘industrial relations’ may be defined as "the relations between employers and employees in the industry". The term industry covers manual; clerical and technical workers. It is mainly concerned with relations between the parties in the industry. The problems like wages; working conditions of employment give rise to such relationships. The term industrial relations thus explains relationships between employees and management which stem directly or indirectly from Union – employer relationships.

According to Dale Yodern, "industrial relations describes relationships between management and employees or among employees and their organizations that characterise or grow out of employment."

Objectives of industrial relations:

The objectives may be roughly divided into the following four categories:

1. Improving the economic conditions of workers in the existing state of industrial management and political government.
2. Control by the state over industries to regulate production and industrial relations.
3. Socialization or rationalisation of industries by the state itself.
4. Vesting the proprietorship of the industries in the workers.

**Determinants of industrial relations:**

Various determinants of industrial relations have been classified in the categories of:


1. *Conditions of work:*
   These include:
   2) Working hours
   3) Leaves and holidays
   4) Social security and
   5) Labour welfare.

2. *Working conditions:*
   These consist of:
   1) Physical conditions
   2) Social conditions

3. *Living conditions;* Housing conditions
Industrial Relations in Indian Railways:

The type of organization suited best to a public sector undertaking depends upon the nature of that enterprise. Railways function as a departmental undertaking. In matters like working conditions, payment of wages, industrial relations and social security, the enactments applicable to industrial labour in general apply to industrial employees of the government also. There are certain special enactments / regulations such as the hours of employment, regulations and chapter VI -A of the Indian Railways Act, 1890, which govern particular types of employees in the railways. In cases where these regulations and provisions of the Indian Railways Act 1890 are in conflict with the above acts, the Indian Railways Act and Regulations prevail.

Railway employees were the first to organize themselves. Several railway unions came into existence in the years immediately after the First World War.

Structurally the unions in the railways have been organized at the Zonal or Regional level and federated into national unions or federations.

The zonal unions in the railways are affiliated to two federations at the All India level. The All India Railwaymen's Federation (AIRF) and The National Federation of Indian Railwaymen (NFIR). The two federations have affiliated unions in each of the zonal railways and also in the...
manufacturing units, viz., the Chittaranjan Locomotive Works in West Bengal and the Integral Coach Factory in Tamilnadu. The two federations and three constituents in the zonal railways are recognized by the Railway Board and the concerned railway administration.

The recognition which is subjected to the fulfilment of certain conditions, apart from enabling the concerned trade unions to discuss with the administrative machinery matters in respect of staff, enables it to have certain facilities from the railway administration in the conduct of its business.

Industrial relations policy in public owned industries in India varies between different categories, enterprises, viz., those administered and operated by ministries of the Government departmentally and the industries and services run by a statutory and somewhat autonomous corporations.

Railways are run directly by the Railway Ministry. Thousands of industrial workers working in the railways are classified as civil servants just as the ministerial staff of a government department. Relations with such workers are governed by the civil service conduct rules instead of the Industrial Disputes Act. In other words the railways are run as a part and parcel of the bureaucracy and not as an industry.
Associations of Gazetted Officers:

Associations of gazetted officers in railways may be formed each consisting of a distinct class of gazetted officers, where every gazetted officer of the same class will be eligible for membership. The associations in railways will be affiliated to federations thereof. All India Officers Federation and Indian Railways Class II Officers Federation are functioning in the zonal railways and production units are affiliated. Sectional associations like Indian Railway Personnel Officers Association are also functioning in the railways.

Associations / Unions of Non-Gazetted Railway Servants:

Recognitions are given to associations/unions of industrial employees which includes railway servants. Inter area all railway servants of the same class are eligible for membership and these are registered under the Indian Trade Unions Act. Two federations of unions, viz., AIRF and NFIR have been given recognition by the Government and all the railway units of the unions affiliated to these federations have also been given recognition. Unless this is withdrawn for some due cause after giving an opportunity to the unions to show cause against such withdrawal 4.
Permanent Negotiating Machinery (P.N.M): -

(a) With the object of maintaining contact with labour and resolving disputes and differences which may arise between them and the administration. Through the process of negotiation, the machinery known as the Permanent Negotiating Machinery has been set up in the railways.

(b) P.N.M meetings between the unions and the railway administration will be held regularly as follows:

<table>
<thead>
<tr>
<th>At Divisional / District Workshop Level</th>
<th>At Least Once in Two Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the Headquarters Level</td>
<td>At Least Once in a Quarter or Often if Necessary</td>
</tr>
<tr>
<td>At the Railway Board’s Level</td>
<td>Once in A Quarter</td>
</tr>
</tbody>
</table>

In addition to the above, there may be informal meetings with the unions as and when necessary.
The subjects to be discussed in the meetings will comprise of those which are within the powers of the officers concerned and when a decision is not arrived at in such meetings on any of the items, the same may be brought up for discussion in meetings at the next higher level.

(I) Joint Consultative Machinery and Compulsory Arbitration :-

With the objective of promotion of harmonious relations and securing the greatest measure of cooperation between the government in its capacity as employer and the general body of its employees in matters of common concern and with the objective of further increasing the efficiency of the public service the Government of India has established this machinery for joint consultation and arbitration of unresolved differences.

(II) Corporate Enterprise Groups of Management and Labour :-

Corporate Enterprise Groups of Management and Labour have been formed at three levels on Indian Railways viz., Railway Board’s level, Zonal Railway level and Divisional level.

There is also Corporate Enterprise Group at the divisional level in Indian Railways with staff members from the division concerned in the same manner as above. Leaders of NFIR /AIRF if nominated by unions, may also be included in the DEG (Divisional Enterprise Group). From the official side, D.R.M (Divisional Railway Manager) will be its chairman and the Sr.
D.P.O (Senior Divisional Personnel Officer) concerned will be its secretary. Divisional Enterprise Group once formed will function for a period of two years. They will meet once in every six months.

**Labour Participation in Management with Reference to Indian Railways:**

The scheme of workers participation in management owes its origin to the Whitely Committee, 1917, which recommended that workers should be given a greater opportunity of participating in the discussion about and adjustment of those parts of industry by which they are most affected.

In India the second five-year plan stressed upon introducing this scheme with the object of creating industrial democracy as a prerequisite for the establishment of a socialistic society.

On Indian Railways workers participation in a limited form has been in practice for a longtime by associating their representatives in different spheres as under:

a) Staff Benefit Fund Committees for Management of Staff Benefit Fund.

b) Quarters Committee for fixing priority for construction of new staff quarters.
c) Canteen Management Committee.

d) House committee for allotment of quarters.

e) Hospital Visiting Committee to advise measures for improvement of services in railway hospitals.

f) Labour advisory committee to discuss the annual preliminary works programme for staff amenity items and for fixing priority of works within the funds sanctioned by the Railway Board.

g) Executive Committees of railway institutes / Railway Clubs.

h) Workshop Productivity Councils.

i) Joint committees / councils at big stations, yards / running sheds etc. to see to all matters especially where the question of efficiency in service and safety to travelling public is involved etc.

As a further step towards workers' participation in management the following machines have lately been set up in Indian Railways:

1) Corporate Enterprise Groups (C.E.G) of Management and Labour which have been formed at three levels on Indian Railways viz., Railways Board's Level, Zonal Railways Level and Divisional Levels.
The broad objective of C.E.G. of Management and Labour will be to evaluate the functioning of the railways and exchange data and ideas on ways and means for improving the efficiency and viability of the enterprise. Apprise the investment programs, particularly in regard to housing and welfare services; and identify the areas and devise action oriented methods for maximizing organizational effectiveness, the use of technology towards building up the image of the railway as a service organization.

2) Joint Council and Shop Councils in production units and major workshops in Indian Railways which have been formed with representatives of Labour and Management will deal with matters relating to - improvement of productivity and efficiency including elimination of wastages and optimum utilization of machine capacity and manpower for the units as a whole, development of skills of workmen, adequate facilities for training and awarding of rewards; preparation of schedules of working hours and holidays; optimum use of raw materials and quality of finished products; assisting Management in achieving monthly / yearly production targets; condition of working such as lighting, ventilation etc., safety, welfare and health measures etc. etc.
Workers Education Scheme:

The Government of India, Ministry of Labour and Employment, sponsored a scheme of worker’s education and entrusted its administration to an autonomous body known as the General Board of Workers’ Education which consists of employees, workers, educational institutes and government. It is registered under the Societies Registration Act. The aims and objectives of the scheme is to create over a period of time, well informed, constructive and responsible industrial labour force, capable of organizing and running trade unions on sound lines and to promote among workers a greater understanding of the problems of their economic environment and their obligations as union members and officials and as citizens.

The researcher tried to ascertain from the 250 respondent employees about their views on the industrial relations prevailing in the open line section of Hubli Division.

Changes in Industrial Relations:

The present study covered 250 employees, out of which 130 were Group C employees and 120 were from Group D, to know any changes that have occurred in industrial relations in the Division over the past ten years. 218 employees have responded to the question and rest of the employees did
not make any comments on the question. The following table shows the
details:

**Table 6.1 Changes in Industrial Relations**

<table>
<thead>
<tr>
<th>EMPLOYEE</th>
<th>YES</th>
<th>NO</th>
<th>NO</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>69</td>
<td>41</td>
<td>20</td>
<td>130</td>
</tr>
<tr>
<td>D</td>
<td>25</td>
<td>83</td>
<td>12</td>
<td>120</td>
</tr>
<tr>
<td>TOTAL</td>
<td>94</td>
<td>124</td>
<td>32</td>
<td>250</td>
</tr>
</tbody>
</table>

Source: Field Survey

Out of the 218 respondent employees, 94 (38.5%) employees say that they find a change in industrial relations, over the past ten years, whereas 124 (49.5%) employees do not find any changes in industrial relations. Amongst Group D employees, majority of them i.e., 83 do not find any changes in industrial relations in the division, whereas in Group C, 69 employees find changes in industrial relations.

The industrial relations, as majority of the respondent employees (i.e., 124 out of 250) say, have not changed in Hubli Division, and it has not at all affected the working enthusiasm of the employees.

Even though 49.5 % of the respondent employees say that industrial relations have not changed in the Division, 38.5% of the respondent employees say that industrial relations have changed in the past. They quote
that there are several social, economic and political factors responsible for changes in the industrial relations in the past ten years.

**Impact of Intra-union Rivalry:**

**Table 6.2 Impact of Intra-union Rivalry**

<table>
<thead>
<tr>
<th>IMPACTS</th>
<th>EMP. GROUP C</th>
<th>EMP GROUP D</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unhealthy Relations among Members</td>
<td>25</td>
<td>61</td>
<td>86 (34.4%)</td>
</tr>
<tr>
<td>2. Obstacles in Development of the Unions</td>
<td>24</td>
<td>19</td>
<td>43 (17.2%)</td>
</tr>
<tr>
<td>3. Reduction in Strength of the Unions</td>
<td>62</td>
<td>14</td>
<td>76 (30.4%)</td>
</tr>
<tr>
<td>4. Weak Relations with the Management</td>
<td>19</td>
<td>26</td>
<td>45 (18.0%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>130</td>
<td>120</td>
<td>250 (100%)</td>
</tr>
</tbody>
</table>

Source: Field Survey
Table 6.2 Impact of Intra-union Rivalry

<table>
<thead>
<tr>
<th>Impact</th>
<th>Group C</th>
<th>Group D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unhealthy Relations among Members</td>
<td>25</td>
<td>61</td>
</tr>
<tr>
<td>Obstacles in Development of the Unions</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Reduction in Strength of the Unions</td>
<td>62</td>
<td>14</td>
</tr>
<tr>
<td>Weak Relations with the Management</td>
<td>19</td>
<td>26</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey
To ensure strong industrial relations, strong unions are required, but all the time intra-union relations will not be smooth. Intra-union rivalry will always have bad impacts. The present study collected relevant information about the impact of intra-union rivalry from 250 employees out of which 130 belonged to Group C and 120 to Group D. The above table provides the details.

The table reveals that out of 250 respondent employees, 86 (34.4%) opined that intra-union rivalry leads to unhealthy relations amongst the members of the union, 43 (17.2%) say that rivalry leads to obstacles in development of the unions, 76 (30.4%) employees say that rivalry leads to reduction in strength of the unions, while 45 (18.0%) employees say that intra-union rivalry leads to weak relation of the employees with the management.

**Impact of Inter-Union Rivalry:**

Whenever two or more unions are functioning under the same Public Sector Undertaking inter-union rivalry is quite common. There are two major unions functioning in Hubli Division. Even though rivalry is not seen outside employees feel that inter-union rivalry is existing in the Division and it has got some impacts. The present study covered 250 employees to know about the impacts of inter-union rivalry.
Table 6.3 Impact of Inter-union Rivalry

<table>
<thead>
<tr>
<th>IMPACTS</th>
<th>EMP. GROUP C</th>
<th>EMP. GROUP D</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unhealthy Relations among Unions</td>
<td>29</td>
<td>43</td>
<td>72 (28.8%)</td>
</tr>
<tr>
<td>2. Obstacles to Development of the Unions</td>
<td>21</td>
<td>24</td>
<td>45 (18.0%)</td>
</tr>
<tr>
<td>3. Reduction in Strength of the Unions</td>
<td>52</td>
<td>30</td>
<td>82 (32.8%)</td>
</tr>
<tr>
<td>4. Improper Relations with the Management</td>
<td>17</td>
<td>16</td>
<td>33 (13.2%)</td>
</tr>
<tr>
<td>5. Unhealthy Competitions</td>
<td>11</td>
<td>07</td>
<td>18 (7.2%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>130</td>
<td>120</td>
<td>250 (100%)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Out of 250 respondents 72 (28.8%) employees say that inter-union rivalry leads to unhealthy relations amongst unions, 45 (18.0%) employees...
have an opinion that it leads to obstacles in the development of the unions, 82 (32.8%) employees feel that the rivalry reduces strength of the union, 33 (13.2%) employees feel that rivalry leads to unhealthy relations with the management and 18 (7.2%) employees say that inter-union rivalry results in unhealthy competition amongst the unions.

Either the intra-union rivalry or inter-union rivalry will do any good to the industrial relations. Hence it should be noted that any rivalry if at all exists should be barred at once.

Promoting of Harmonious Industrial Relations:

Table 6.4 Promoting of Harmonious Industrial Relations

<table>
<thead>
<tr>
<th>Emp. Group</th>
<th>Central Trade Union</th>
<th>Local Trade Union</th>
<th>Local Management</th>
<th>Central / State Govts.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>10</td>
<td>32</td>
<td>71</td>
<td>17</td>
<td>130</td>
</tr>
<tr>
<td>D</td>
<td>08</td>
<td>40</td>
<td>59</td>
<td>13</td>
<td>120</td>
</tr>
<tr>
<td>Total</td>
<td>18 (7.2%)</td>
<td>72 (28.8%)</td>
<td>130 (52.0%)</td>
<td>30 (12.0%)</td>
<td>250</td>
</tr>
</tbody>
</table>

Source: Field survey

The researcher tried to find out that who will promote the harmonious industrial relations amongst the Central trade unions, local unions, local management, Central / state governments. For this 250 respondent employees were surveyed. The study reveals that local management is largely
responsible in promoting harmonious industrial relations. The details are provided in the above table.

Out of 250 respondent employees, 130 (52.0%) say that local management is capable of promoting harmonious industrial relations, 78 (28.8%) employees say that local unions can do this job, 30 (12%) employees say that central / state governments can promote harmonious industrial relations, while 18 (7.2%) employees say that central trade Unions can do this job better. But majority of both group C and D employees surveyed go for local management to promote harmonious industrial relations.

The study finds out that local management should give more attention to promote harmonious industrial relations. They can do this job better than anybody else.

Regular meetings are conducted in the division to promote industrial relations. These meetings are conducted usually every month but they are also conducted under emergency conditions.

**Disciplinary Actions against Delinquent Employees**:

In almost all the public sector undertakings disciplinary actions are taken against delinquent employees. Indian Railways are also no exception. Such delinquent employees are also present in Hubli Division. The present
The study obtains relevant information regarding disciplinary actions taken against the delinquent employees. The following table provides the details:

**Table 6.5 Disciplinary Actions against Delinquent Employees**

<table>
<thead>
<tr>
<th>Disciplinary Actions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue of Charge-Sheets</td>
<td>86</td>
</tr>
<tr>
<td>Held up in Increment</td>
<td>04</td>
</tr>
<tr>
<td>Cut in Bonus</td>
<td>04</td>
</tr>
<tr>
<td>Held up in Salary</td>
<td>04</td>
</tr>
<tr>
<td>Suspension</td>
<td>02</td>
</tr>
</tbody>
</table>

Source: Field Survey

In 86% of the cases the delinquent employee is issued a charge sheet. In most of the cases this is the common action taken against the delinquent employee. In extreme cases increments may be held up (4%), there may be cut in bonus (4%).

The employee’s salary may also be withheld (4%). In most extreme cases an employee may be even suspended (02%).

The study found out that charge sheet issuing is the most common disciplinary action taken, but such actions are not at all helpful in solving the
Problems of delinquent employees. The action should be more severe and serious in nature.

Workers Participation in Management:

In Indian Railways, workers participation in a limited form has been in practice for a long time by associating their representatives in different spheres. The purpose of labour participation in management is to ensure better industrial relations and higher productivity.

The researcher made an attempt to ascertain the responses of group C and D employees of open line section in Hubli Division about the role of workers participation in management. In promoting,

(a) better industrial relations and
(b) higher productivity.

a) Better Industrial Relations:

Table 6.6 Better Industrial Relations

<table>
<thead>
<tr>
<th>Emp. Group</th>
<th>Very Good Extent</th>
<th>Upto Limited Extent</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>86</td>
<td>35</td>
<td>09</td>
<td>130</td>
</tr>
<tr>
<td>D</td>
<td>91</td>
<td>24</td>
<td>05</td>
<td>120</td>
</tr>
<tr>
<td>Total</td>
<td>177 (70.8%)</td>
<td>59 (23.6%)</td>
<td>14 (5.6%)</td>
<td>250 (100%)</td>
</tr>
</tbody>
</table>

Source: Field Survey
The above table reveals that out of 250 employees, 177 (70.8%) feel that the participation leads to better industrial relations to a very good extent, 59 (23.6%) say that the participation will lead to better industrial relations to a very limited extent, whereas 14 (5.6%) employees say that workers participation in management will never lead to better industrial relations.

Both group C and D employees are of the opinion that workers participation should be there in management to promote better industrial relations.

b) Higher Productivity:

Workers participation in management also leads to higher productivity in the organization. The present study covered 250 Group C and D of Hubli Division to know about the role of workers participation in management, leading to higher productivity. The responses are furnished in below table:

Table 6.7 Higher Productivity

<table>
<thead>
<tr>
<th>Emp. Group</th>
<th>Very Good Extent</th>
<th>Upto Limited Extent</th>
<th>Never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>C</strong></td>
<td>64</td>
<td>51</td>
<td>25</td>
<td>130</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>71</td>
<td>43</td>
<td>06</td>
<td>120</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>135 (54.0%)</td>
<td>94 (37.6%)</td>
<td>31 (12.4%)</td>
<td>250 (100%)</td>
</tr>
</tbody>
</table>

Source: Field Survey
Out of 250 respondent employees, 135 (54.0%) employees feel that the participation leads to higher productivity up to a very good extent, 94 (37.6%) employees feel that participation leads to higher productivity but only upto a limited extent. Whereas 31 (12.4 %) employees say that workers participation in management will never lead to higher productivity. Again, here also majority of the group C (64) and group D (71) employees have an opinion that workers participation in management leads to higher productivity.

Here the findings reveal that more and more workers participation should be there in the management as it would promote better industrial relations and also leads to higher productivity.

**Issues On Which Strike is Called:**

In most of the workplaces strikes are called on various issues like economic needs i.e., wages, bonus, festival advances etc.; social needs i.e., housing facilities, medical, educational etc.; conditions of work place, workers security, workers participation in management etc. The present study covered 250 employees of group C and D of open line section in Hubli Division to know about the issues on which strikes are called. The following table furnishes the details:
### Table 6.8 Issues On Which Strike is Called

<table>
<thead>
<tr>
<th>Issues</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. To fulfill the economic needs</td>
<td>44</td>
</tr>
<tr>
<td>b. To fulfill the social needs</td>
<td>20</td>
</tr>
<tr>
<td>c. To ensure work security</td>
<td>17</td>
</tr>
<tr>
<td>d. To improve working conditions</td>
<td>11</td>
</tr>
<tr>
<td>e. To ensure worker’s participation</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Field Survey

44 % of the 250 respondent employees say that strikes are called to fulfill the economic needs of the employees, 20 % of the respondents say that fulfilment of the social needs is the issue of strikes, strike may be called to ensure work security, so say 17 % of the employees, 11 % of the employees say that strike may be called to improve working conditions, 8 % of the employees say that strikes are called for more workers participation in the management.

The study found that economic needs are the most common issues of the strikes called in the Hubli Division.
Table 6.8 Issues On Which Strike is Called

- a. To fulfill the economic needs 44%
- b. To fulfill the social needs 20%
- c. To ensure work security 17%
- d. To improve working conditions 11%
- e. To ensure worker's participation in management 8%

Source: Field Survey
Preventive Measures to Ward-off a Strike Situation:

Table 6.9 Preventive Measures to Ward-off a Strike Situation

<table>
<thead>
<tr>
<th>Measures</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Call the Leaders for Discussion</td>
<td>38</td>
</tr>
<tr>
<td>b. Asking for time period by the management to think over the demands</td>
<td>34</td>
</tr>
<tr>
<td>c. Threat of Lock-out</td>
<td>14</td>
</tr>
<tr>
<td>d. Use of Police force</td>
<td>2</td>
</tr>
<tr>
<td>e. Fulfilling the demands</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: Field survey
Preventive Measures to Ward off a Strike Situation

(Table 6.9)

- a. Call the Leaders for Discussion 38%
- b. Asking for time period by the management to think over the demands 34%
- c. Threat of Lock-out 14%
- d. Use of Police force 2%
- e. Fulfilling the demands 12%

Source: Field survey

- 154
Whenever a strike occurs in any of the public sector undertakings the management looks out for the preventive measures to ward off the strike situation. The present study covered 250 respondent employees in the Hubli Division to know about the preventive measures to ward off a strike situation. The details are shown in the above table.

38% of the 250 respondent employees say that union leaders should be called for the discussion by the management, 34% of the employees say that management should ask for a time period to think over the demands. 14% of the employees say that threat of a lock-out should be forwarded, 12% of the employees say that management should fulfil the demands, and only 2% of the employees have an opinion that police force should be used to ward off the strike situation.

The findings say that whenever a strike has occurred either the union leaders should be called for discussion or management should ask for a time period to think over the demands. These two measures are always helpful to stop a strike situation.
References

1. P.H. Casselman, "Labour Machinery", pp. 197